SUMMUS CAPITAL

ANNUAL FINANCIAL STATEMENT 2024

Business name:	Summus Capital OÜ
Main field of activity:	Real estate investment holding company
Commercial register number:	12838783
Address:	Rotermanni 2-3b, Tallinn 10111, Estonia
Country of residence:	Estonia
Phone:	+372 578 78078
E-mail address:	info@summus.ee
Homepage:	www.summus.ee
Beginning of financial year:	01.01.2024
End of financial year:	31.12.2024
Legal form:	Private limited company
Auditor:	KPMG Baltics OÜ

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LAKESIDE / POLAND

1. OVERVIEW FROM THE CHAIRMAN OF THE BOARD

Dear Clients and Partners,

As we reflect on 2024, it is evident that the global economic and geopolitical landscape has remained complex and challenging. High interest rates and a slow economic growth in the Baltics and broader Europe have required businesses to prioritise resilience and long-term stability. In this environment, Summus Capital has remained committed to its core strategy – ensuring a stable and well-balanced portfolio, maintaining financial discipline, and integrating sustainability into all aspects of our operations.

A defining milestone of 2024 was our entry into the Polish market, marking a significant step in the strategic expansion of the company.

A defining milestone of 2024 was our entry into the Polish market, marking a significant step in the strategic expansion of the company. The acquisition of Lakeside in Warsaw and React in Łódź strengthened our position in Central Europe and diversified our investment base. With these top-quality additions, Summus Capital now holds 16 properties across four countries, and our total portfolio value has exceeded EUR 508 million. These acquisitions align with our long-term vision – focussing on high-quality, sustainable assets that deliver stable returns in a changing economic environment.

At the same time, we have maintained our strong financial position. By carefully managing risks and refinancing key obligations, we have secured long-term financing that supports both liquidity and sustainable growth. By year-end, the total assets of Summus Capital reached EUR 551 million, and rental revenues increased significantly, reflecting already contributions from our newly acquired properties in Poland. In Q4 alone, sales revenue increased by 7.5%, underlining the positive impact of our recent investments.

Sustainability continues to be a key pillar of our portfolio management strategy. Our approach goes beyond acquiring green-certified assets – we actively modernise and optimise existing properties to improve efficiency and reduce emissions. Since the launch of our sustainability program, portfolio-wide energy consumption has decreased by 14%, saving 13 600 MWh in electricity and 6 081 MWh in heating – equivalent to EUR 2.2 million in savings for the company and its tenants. With 88.5% of our portfolio already certified, we remain fully committed to further improving environmental performance across our assets.

The portfolio of Summus Capital remains resilient, with an occupancy rate above 98% and a Weighted Average Unexpired Lease Term (WAULT) of 4.96 years, ensuring stable and predictable cash flows. Our tenant base continues to grow, now exceeding 435 tenants, with anchor tenants contributing nearly 75% of rental income – a key factor in securing long-term portfolio stability.

Our disciplined approach to financial management continues to earn recognition. In September 2024, Scope Ratings reaffirmed the BB/Stable issuer rating of Summus Capital, reflecting confidence in our strategy and balance sheet strength. Additionally, our EUR 15 million bond issuance was oversubscribed by 1.3 times, a clear indicator of investor trust in our long-term vision.

Beyond real estate investments, Summus Capital remains dedicated to supporting young tennis talents, fostering the next generation of champions from Estonia, Latvia and Lithuania. In 2024, we proudly supported outstanding athletes, including ATP and WTA-ranked players who achieved career milestones and competed at international tournaments. As we expand into Poland, we are excited to announce that from 2025 onward, Summus Capital will extend its tennis sponsorship program to young Polish talents, further strengthening our commitment to sports development across our markets. Tennis demands discipline, perseverance, and ambition – values that align with the philosophy of our company.

Looking ahead to 2025, our focus remains on sustainable portfolio management and controlled, strategic growth. While economic uncertainty persists, Summus Capital is well-positioned to navigate market challenges by maintaining a strong financial foundation, enhancing the sustainability of our assets and deepening relationships with our tenants and financing partners. We remain committed to identifying opportunities that align with our investment philosophy, while ensuring prudent risk management and operational efficiency.

I would like to extend my gratitude to our investors, tenants, financial partners and employees for their continued trust and collaboration. Together, we move forward into 2025 with a clear focus on stability, sustainability and long-term value creation.

Sincerely,
Boris Skvortsov
Chairman of the Supervisory Board, Summus Capital

2. OVERVIEW OF THE CONSOLIDATION GROUP

Summus Capital OÜ (hereinafter Summus, Summus Capital) is a real estate investment holding company established in 2013, which together with its subsidiaries that own, manage and rent properties, form Summus Capital Group (hereinafter the Group, Summus Group or the Consolidation Group). The first company of the Group was established in 2013 when Summus Capital started operations in Estonia, where the company was also registered.

The Group owns sixteen real estate objects in the three Baltic States and Poland. The Group has a diversified portfolio of cash-generating commercial real estate properties with the value of more than EUR 500 million at the time of reporting, consisting of retail, office, logistics and medical buildings.

KEY PARAMETERS

Founded: 2013

Headquarters: Tallinn, Estonia

Portfolio value: EUR 508.6 mln

Number of properties: 16

Net leasable area (NLA), m²: 257 931

Bonds outstanding: EUR 15 mln trading on the Nasdaq Baltic First North market

Auditor: KPMG Baltics OÜ

Rating: BB/Stable by Scope Ratings (September 2024)

Company description: an Estonian-based investment company with a diversified commercial real estate portfolio spanning the Baltic region and Poland. Direct real estate investments are made through subsidiaries of the respective country of location. The diversified commercial real estate portfolio includes properties in retail, office, logistics and medical segments.

Summus Capital has a seasoned management team, where each member has 30 years of experience in real estate management and finance in the Baltics, providing the Group with strategic guidance and extensive industry knowledge. Summus is 100% owned by Boris Skvortsov, who is acting as the Chairman of the Board. The management team and the Board, supported by insourced advisors, possess deep expertise in real estate management as well as diverse professional disciplines.

LEADING REAL ESTATE HOLDING COMPANY WITH A DIVERSIFIED PORTFOLIO ACROSS ALL 3 BALTIC STATES

16 properties

EUR 508.6 M property value

89% portfolio certified (BREEAM or LEED)

34% equity to assets

EUR 31.3 M Operating profit

BB (Stable) credit rating

PORTFOLIO

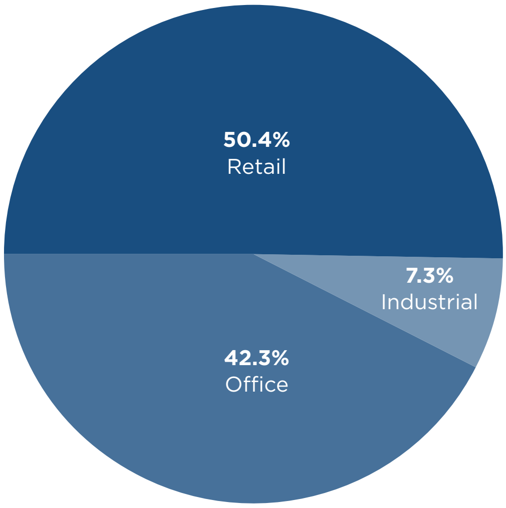
The main source of income for the Consolidation Group is renting of real estate. The real estate portfolio of the companies owned by Summus Capital comprises cash flow-generating commercial properties, structured with a long-term investment horizon to ensure sustainability of the portfolio. Sustainable and energy efficient buildings are the first choice of new acquisitions and real estate investment management focuses in adding value to all elements of ESG (environmental, social, and governance).

The portfolio is allocated using a diversification strategy between sectors – investing in retail, office and industrial real estate. The stability of the cash flows of the portfolio, which is guaranteed by long-term leases, is essential. The cash flow of Summus Capital Group is not cyclical or seasonal. The share of anchor tenants in the cash flow of the portfolio, which should not fall significantly below 50%, is being monitored. The assessment of risk scenarios keeps in mind that there should be no dominant sector or group of tenants, which could significantly affect the cash flow of the portfolio during a negative economic cycle.

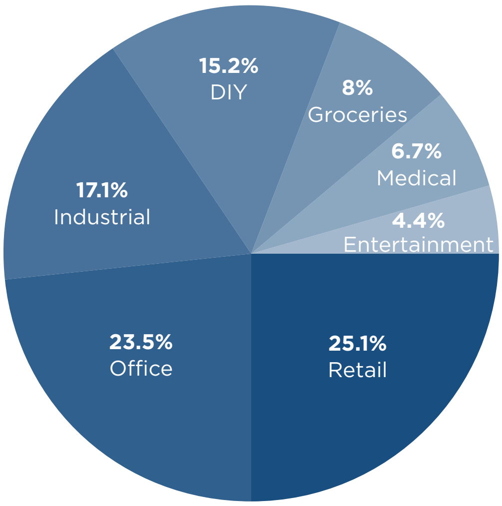
The portfolio of 14 previously owned properties continued to be managed under usual practices, with no changes in ownership. In December 2024, Summus Capital OÜ achieved a significant milestone by entering a new market through the acquisition of two properties in Poland. While the impact of this expansion on the income statement remained limited, the balance sheet crossed the half-billion-euro mark, reaching EUR 550 million – an important step towards the Group becoming a one-billion-euro enterprise.

AURIGA / ESTONIA

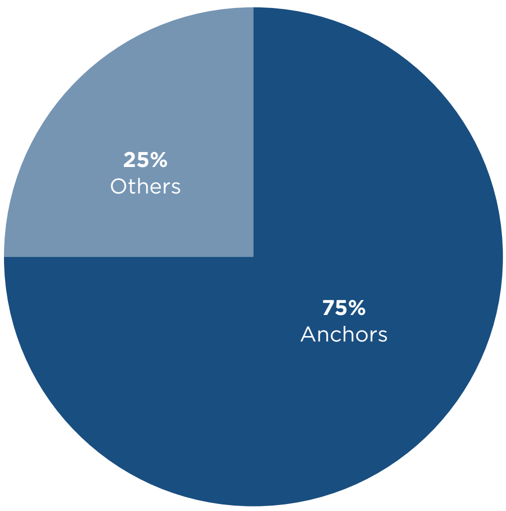
INVESTMENT VOLUME BY SECTOR



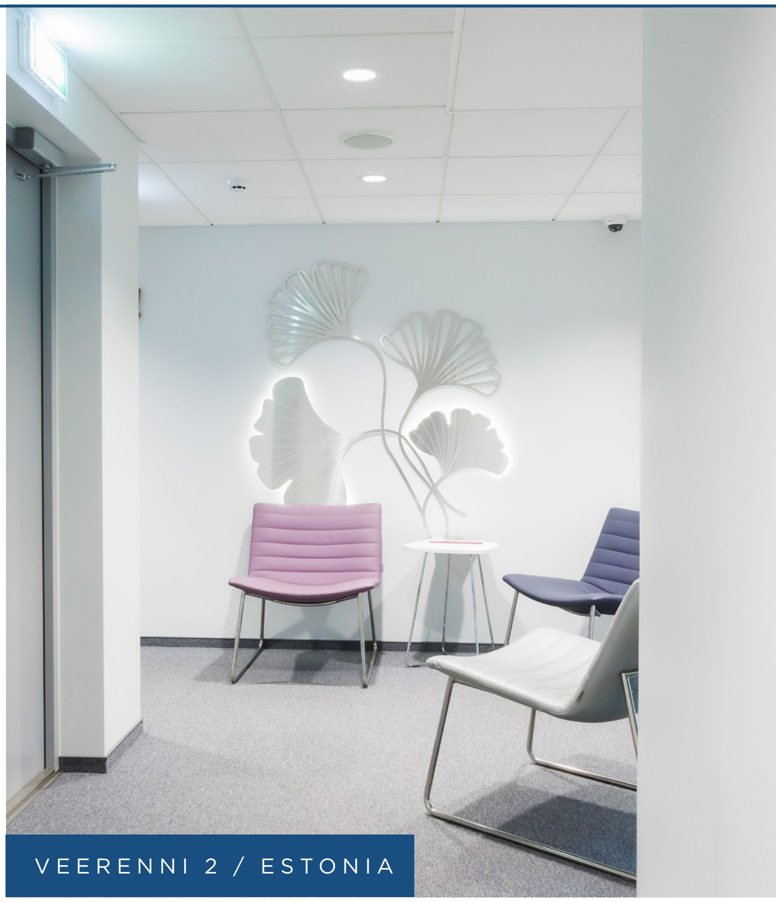
LEASABLE SPACE BY SECTOR



ANCHOR TENANTS SHARE IN PORTFOLIO MONTHLY INCOME



Summus Capital is focused on long-term investments and the Consolidation Group has a strong tenant base of 435 tenants. The leasable area of the portfolio of Summus Capital is



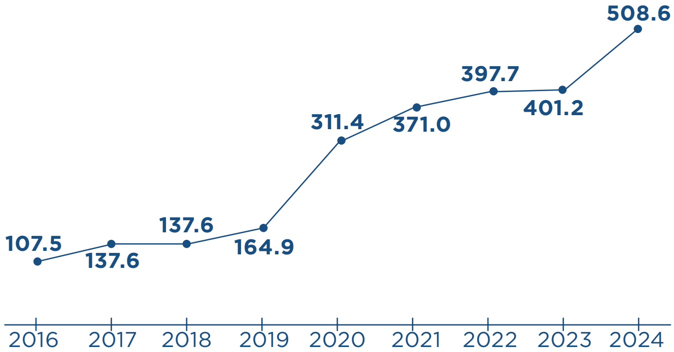
VEERENNI 2 / ESTONIA

257 931 m². The weighted average lease term (WAULT) of the portfolio is 4.96 years, while the WAULT of anchor tenants is 5.89 years. In 2024, the average vacancy of the portfolio was 1.95% (1.4% as of 31.12.2024).

TOP 10 TENANTS BY RENTAL AT THE END OF 2024 (DOES NOT INCLUDE POLAND)

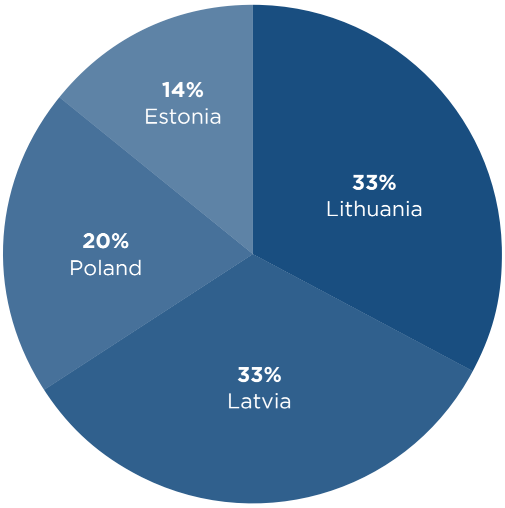
Soli Tek Cells	19%
Kesko Senukai	19%
Rimi	18%
Confido Healthcare	14%
Yara Lietuva	7%
Maxima	5%
Synlab	5%
Apollo kino	4%
PEEK & CLOPPENBURG	4%
LPP LATVIA	4%

CHANGE IN INVESTMENT PORTFOLIO VALUE (EUR MILLION)



In Estonia, the Consolidation Group owns the Veerenni 1 and Veerenni 2 medical centres, the de la Gardie and Auriga shopping centres, the Punane 56 multi-purpose business centre and a warehouse portfolio of two properties. In Latvia, the Group owns shopping malls Riga Plaza and Damme and the Depo Imanta DIY property. The Lithuanian portfolio consists of a high-tech centre of BOD Group, the Nordika shopping centre and two Park Town office buildings. In Poland, the portfolio has the newest office buildings – Lakeside in Warsaw and React in Łódź.

INVESTMENT ALLOCATION BY COUNTRY



SUSTAINABILITY

Summus Capital remains firmly committed to long-term sustainability, continuous improvement, and responsible value creation for the investors, tenants, employees, and the broader community. Guided by the ESG principles and a forward-looking investment strategy, the company actively transforms underperforming, non-energy-efficient properties into modern, energy-efficient flagship assets. This approach not only reduces the environmental impact but also enhances asset value and the operational performance.

Since launching its ESG and sustainability program in 2021, managed by Green Formula Capital, Summus Capital has tracked its progress across 15 key metrics aligned with the EU taxonomy and the European Sustainability Reporting Standards (ESRS).

Strategic upgrades and energy optimisations have led to a 14% reduction in the total energy consumption, delivering 13 600 MWh in electricity and 6 081 MWh in heating savings – resulting in EUR 2.2 million in financial benefits. These achievements reflect the commitment of the Group to sustainable development, strong governance and inclusive growth across its real estate portfolio.

RISKS

The operations of Summus Group are exposed to various market risks. A market risk management policy is in place to monitor and mitigate the risks. The overall risk management program of Summus Group provides for identification, assessment and, where appropriate, mitigation of potential risks to reduce potential adverse effects. Summus Group considers the risk related to possible changes in interest rates as one of its main market risks. This risk arises from the significant share of interest-bearing loan liabilities in the financing of the real estate portfolio of the Group, and it causes interest rate fluctuations that affect the interest expenses of the Group. The Group uses derivative instruments to hedge the interest rate risks. The changes in interest rates are closely monitored and, if necessary, additional hedging agreements are used. The interest rate risk policy stipulates that 50-100%, of the gross interest-bearing liabilities of the Group should be fixed or hedged using financial derivatives. As of the end of 2024, 54% of loans were hedged. The weighted average duration of the fixed/hedged part of the loans should not be less than 50% of the weighted average duration of all loans.

In 2024, Summus Capital entered the Polish market through two acquisitions. Poland is the first country for Summus where the euro is not used. The foreign exchange risk is hedged by concluding rental, loan, investment, property and structure management agreements primarily in the euro. Operational risks are minimised using separation of roles and multiple approvals. The economic activities of the Group do not have significant environmental or social impacts.

FINANCES

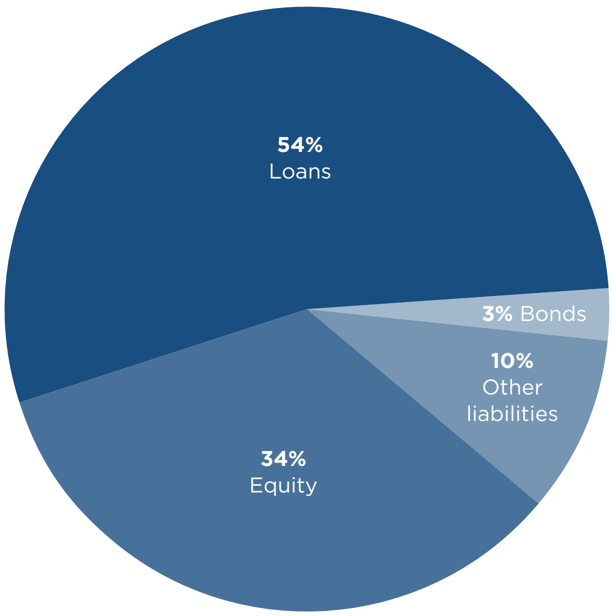
The international rating agency Scope Ratings GmbH reiterated its BB/Stable issuer rating for Summus Capital OÜ in autumn 2024 and maintained the BB rating for the senior unsecured debt category. The affirmation reflects the expectation of Scope that the property portfolio of Summus will continue to generate stable income despite economic challenges. The Outlook remains Stable, reflecting the expectation of the Scope that rental growth will strengthen cash generation, as well as the successful execution of the planned acquisitions of Summus, the expansion of Riga Plaza and the average occupancy rate of the portfolio being above 98%.

The dividend policy of the Group stipulates that Summus Capital may distribute dividends to shareholders up to an amount that remains after the deduction of own contributions to new investment projects. In addition, Summus Capital has committed to bondholders not to pay more than 50% of the non-cash and non-recurring income-adjusted profits of the previous year as dividends.

The acquisition of two properties in Poland in the end of 2024 also marked a new era for the consolidated financials of Summus Capital – while the impact of this expansion on the income statement remained limited, the balance sheet crossed the half-billion-euro mark, reaching above EUR 550 million, which is an important step towards the Group becoming a one-billion-euro enterprise.

Total consolidated liabilities increased to EUR 363 million, while total consolidated owner's equity rose to EUR 188 million.

FUNDING STRUCTURE



LAKESIDE / POLAND

In 2024, when Summus Capital bonds were issued, the financial advisors brought out investment highlights for Summus:

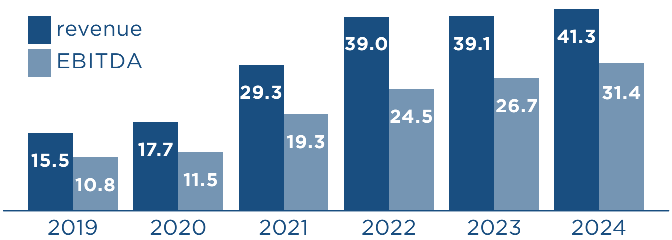
KEY INVESTMENT HIGHLIGHTS

Diversified portfolio	• Balanced mix of retail, office and industrial properties
Strong cash generation	• High yield properties with long lease terms • Diversified portfolio of strong international tenants • High occupancy rate
Company in growth phase	• Target property portfolio of EUR 500 m+ within the medium-term, further strengthening the Group's market position • Substantial ESG focus
Healthy balance sheet	• Strong equity base, reflected in a 34% equity ratio and balanced funding structure • Financial reports according to IFRS and audited by KPMG
Experienced management team	• In-depth knowledge and more than 25 years of experience in real estate management in the Baltics

In 2024, the consolidated sales revenue increased by 5.7% to EUR 41.3 million, reflecting the first rental revenues received from Poland. The Polish revenues, though, represented the rental incomes from just 12 December 2024 for Lakeside and from 17 December 2024 for React when the closings of the transactions took place, respectively. Other operating income and other operating expenses consisted mostly of revaluation of portfolio properties that netted in increase of EUR 4.4 million. The revaluation of derivative instruments brought along a loss of EUR 3.4 million, related to a decrease in EURIBOR.

Consolidated 2024 operating profit reached to EUR 31.3 million, that is 32.4% higher compared to 2023. Net profit increased to EUR 12.9 million, out of which EUR 11.1 million was attributable to Summus Capital equity holders.

REVENUE AND EBITDA, EUR MILLION



As of 31.12.2024, the return on equity ratio of the Group was 6.9% (in 2023: 4.7%). It was positively affected by improved operational margins, investment property revaluation profit and decreased provisions, but negatively by higher interest rates and interest derivative contract revaluation losses. The Group maintained the equity ratio at a healthy level of 34% (42% in 2023).

As of 31.12.2024, the working capital of the Group was negative in the amount of EUR 2.3 million (in 2023: negative EUR 4.3 million). In addition to the typical characteristics of the real estate industry, which involves financing long-term assets with shorter-term borrowings, in 2024, the negative working capital was further enhanced with acquisition transactions in Poland, where the assets obtained were partially financed through deferred payments, and, additionally, a short-term loan was utilised to cover VAT payables. The difference between current assets and current liabilities forms just slightly above 7% of the EBITDA of the Group and will be covered from operational cash flows.

KEY FINANCIAL METRICS

EUR	2022	2023	2024
Sales	39 037 566	39 054 870	41 278 222
EBITDA	12 670 564	23 761 085	31 410 008
EBITDA margin	32.5%	60.8%	76.1%
EBIT	9 397 119	23 673 916	31 333 995
EBIT margin	24.1%	60.6%	75.9%
Net profit	14 501 924	8 462 666	12 914 641
Net profit margin	37.1%	21.7%	31.3%
Equity	179 354 002	179 778 358	187 975 151
Assets	429 083 569	425 856 510	550 965 098
ROA (Return on assets)	3.4%	2.0%	2.3%
ROE (Return on equity)	8.1%	4.7%	6.9%
Current ratio	1.54	0.82	0.95

2.1. SIGNIFICANT EVENTS IN 2024

FIRST QUARTER

- Summus Group started signing green leases in the end of 2023, being one of the first in Estonia to consciously take such a step and embrace the new concept. Currently, Summus Group has an estimated 8 800 square meters of green leasable space which represents 3% of the total portfolio. In the future, Summus Capital expects an increasingly larger proportion of leases to be signed driven by sustainable objectives. A good example is SYNLAB Estonia, the anchor tenant of the Veerenni Health Centre – one of the first in Estonia with whom Summus Capital has already signed a green lease.
- Portfolio vacancy decreased with handing over of the 1 954 m² leased space to HalfPrice in Riga Plaza shopping centre and with expansion of Weekend and DenimDream in Auriga shopping centre.
- Summus Capital continued its tradition of supporting the most promising young tennis players in the Baltics. In Lithuania, Klaudia Bubelytė (20 years old) and Edas Butvilas (19 years old) were awarded EUR 24 000 for their development. Previously signed agreements with the Latvian and Estonian Tennis Unions on sponsorship remained in force. The Latvian Tennis Union used the funding support of Summus Capital for the professional development of young Latvian tennis players of the International Tennis Federation, Beatrise Zeltiņa (16 years old) and Darja Semeņistaja (21 years old). In Estonia, Summus Capital supports Grete Gul (17) and Georg Strasch (18).

SECOND QUARTER

- Summus Group presented its audited financial results for the fiscal year ending 31 December 2023. Despite confronting the complexities of the economic landscape, Summus Capital demonstrated a robust performance.
- The bank loans of the Estonian properties were refinanced from Luminor bank to LHV bank. After refinancing, the total principal amounts were EUR 44.6 million and the loans will mature in April 2029.
- The bank loans of the Nordika shopping centre (LIT), the Park Town I and Park Town II properties (LIT) and the Riga Plaza shopping centre (LAT) were refinanced and cross-pledged. After refinancing, the total principal amounts reached EUR 134.4 million and the maturity dates will be in April, May and October 2029.
- The portfolio Wault increased compared to last quarter, as several bigger lease contracts were extended, like the Rimi agreement in Nordika, the H&M agreement in Auriga and, in Riga Plaza, the agreements with Pepco and NordBaby.
- Summus Capital OÜ successfully raised EUR 15 million in a private bond placement with a fixed coupon rate of 9.5% and the maturity of 3 years. The bonds were listed at First North Corporate bonds list, ISIN LV0000860187. Total demand for the bonds reached nearly EUR 20 million, with more than 100 investors participating in the bond offering, and the offering of EUR 15 million was oversubscribed 1.3 times. Latvian investors accounted for 75% of the total demand, while Estonian investors contributed with 11%. The Group values the benefits from its presence in the capital markets and its broad and diverse investor base. The new bond issue of EUR 15 million was targeted to be used to refinance the existing bonds of the Group in the amount of EUR 10 million and to finance other general purposes of the Group – primarily, acquisitions of new investment properties. The Group appreciated the continued trust of the existing investors who participated in the exchange offer. Overall, nearly EUR 5 million of the demand came from existing investors, while EUR 14.8 million of the demand originated from 68 new investors, all together involving over 100 investors. Bonds are listed on the Nasdaq Baltic.

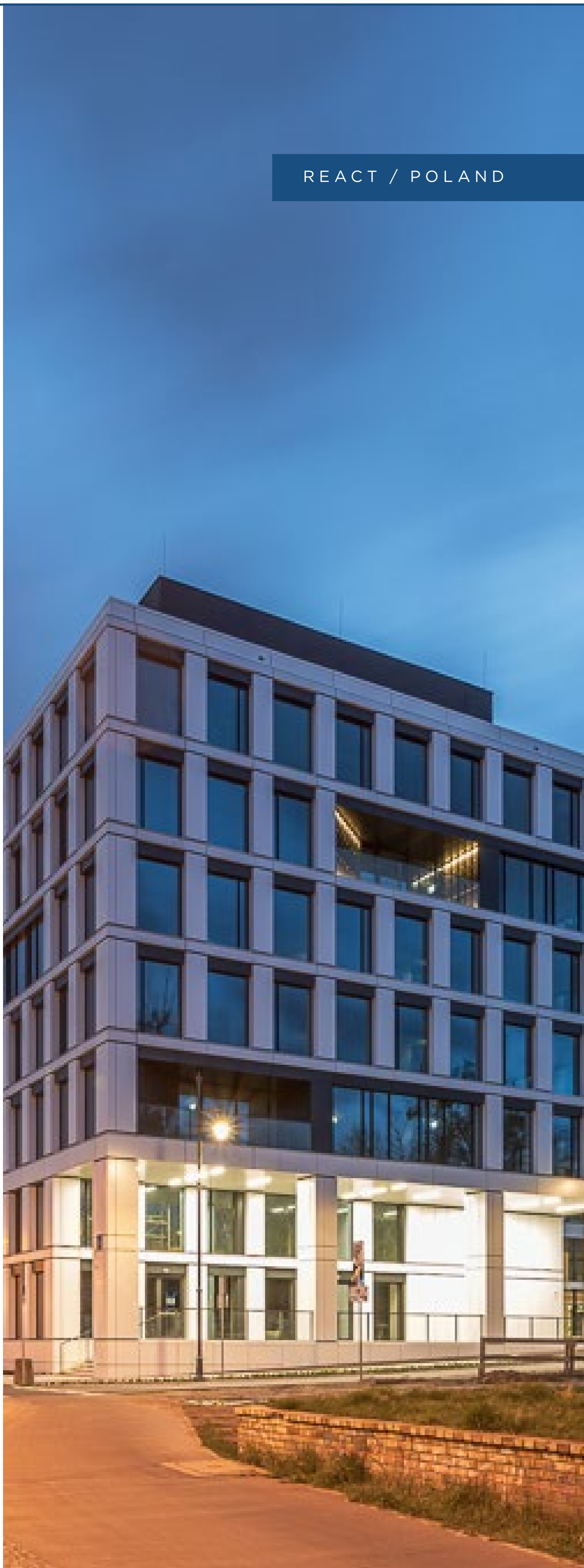
PARK TOWN / LITHUANIA

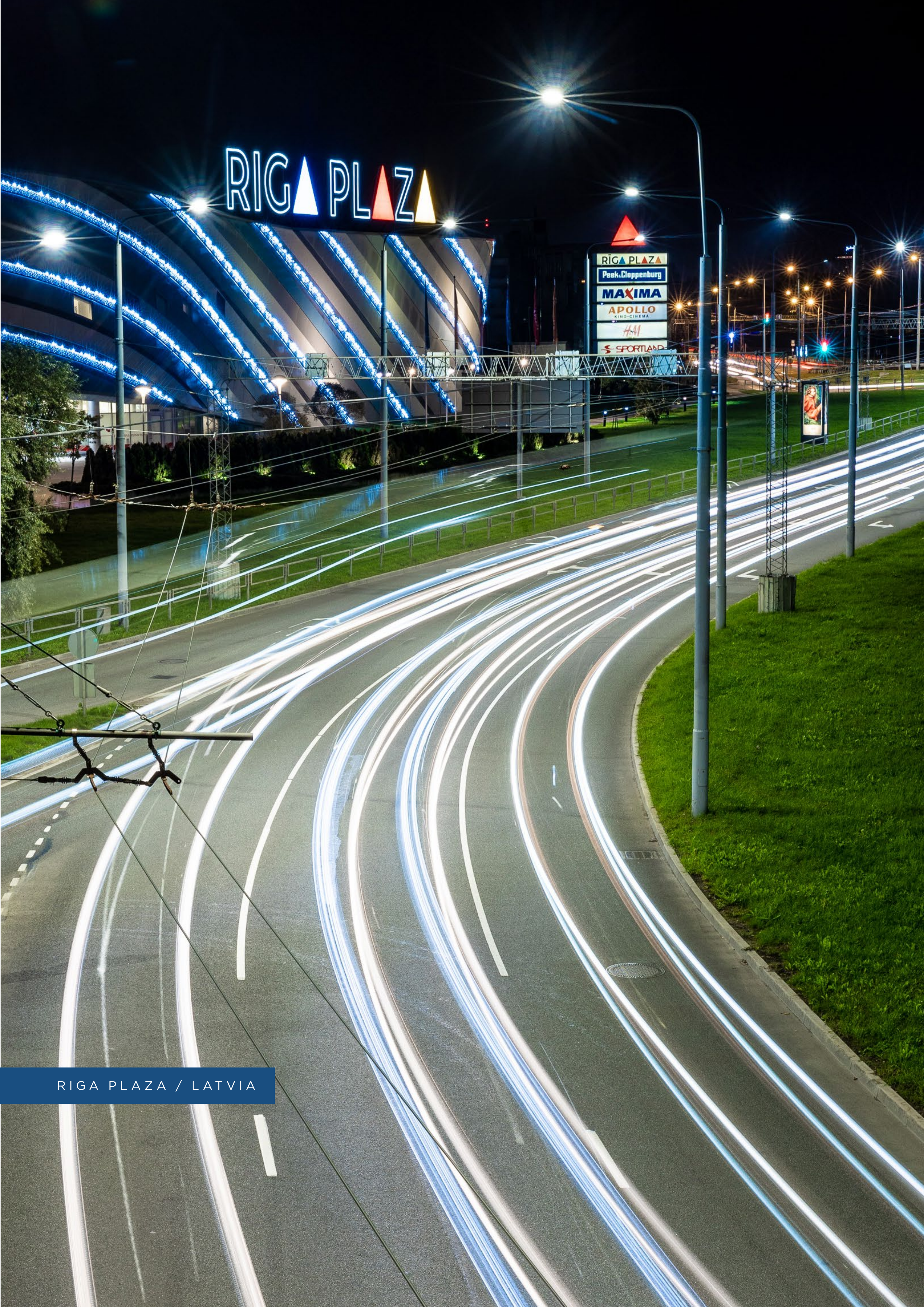
THIRD QUARTER

- In September, Scope Ratings GmbH affirmed its BB/Stable issuer rating for Summus Capital OÜ and maintained the BB rating for its senior unsecured debt. The affirmation reflects the expectation of Scope that the property portfolio of Summus will continue to generate stable income despite economic challenges.
- In Q3 2024, vacancy decreased by 0.30% to 1.72% for the whole portfolio, while several leases with anchor tenants (e.g. Mediq in the warehouse portfolio, Peek & Cloppenburg in Riga Plaza) were also extended.

FOURTH QUARTER

- Summus finalised and closed the acquisitions of two office buildings in Poland – React in Lodz and Lakeside in Warsaw. As a result of the acquisitions, the real estate portfolio of Summus grew by 38 910 m^2 and EUR 101.6 million. Both buildings are fully occupied with esteemed tenants under long-term agreements. The transactions also brought along a temporary increase in short-term assets by EUR 22.9 million due to the VAT applied to the acquisition price, the returns of which will be received within a couple of months. Besides the Group financing provided from Summus in the form of equity and shareholder loans, the transactions were financed by bank loans, deferred payments and a temporary short-term facility for financing the VAT payment.
- Traditionally, the real estate portfolio of Summus was revalued as of the end of the year. Part of the portfolio increased in value by EUR 8.7 million, while another part decreased by EUR 4.3 million, resulting in the net increase of EUR 4.4 million. Together with the Polish acquisitions and revaluation of the portfolio, the investment property of Summus reached EUR 508.6 million.
- The derivative assets were revalued as at the end of the year. The financial assets from derivative instruments decreased to EUR 0.8 million, liabilities from derivative instruments increased to EUR 2.1 million and Summus recorded a loss of EUR 3.4 million.
- In Q4 2024, the total portfolio vacancy decreased slightly as the Park Town vacant space was rented out. With the addition of Polish properties and extensions of the lease portfolio, the WAULT increased by 0.57. The anchors WAULT rose as well, along with the extensions and addition of Polish properties.


REACT / POLAND



RIGA PLAZA / LATVIA

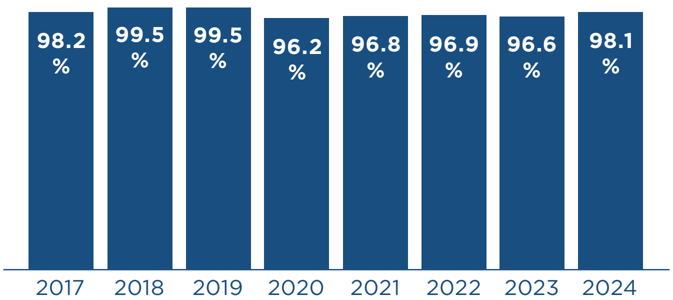
COVENANTS AND OTHER IMPORTANT PORTFOLIO-RELATED ISSUES

The consolidated equity to total assets ratio of the Group as of the end of 2024 stood at 34% (needs to be at least 30% according to the bond terms). At the end of 2024, the consolidated DSCR of the Group on the trailing twelve-month basis was 1.31x (needs to be at least 1.2x according to the bond terms). The financial covenants set forth in the bond terms were met in 2024.

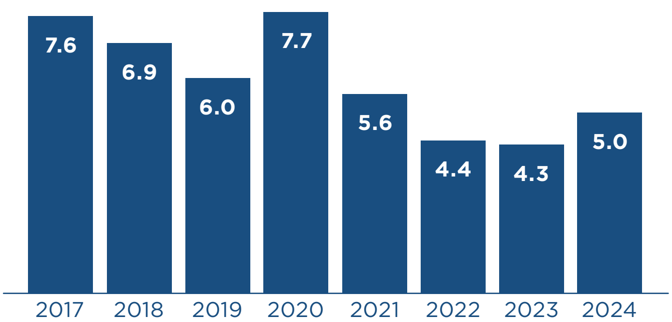
The operations of the Consolidation Group are stable, and the portfolio is based on long-term monthly lease payments from reliable tenants under lease agreements. The annual average vacancy rate of the portfolio for 2024 was 1.95%. As of end of 2024, 54% of loans were hedged against the interest rate risk.

435 tenants	Diversified and stable tenant base with 435 tenants. Anchor tenants are established regional names representing various sectors
98% occupancy rate	High and stable occupancy rate of above 96% in the last years
5.0 years WAULT	Weighted average unexpired lease term (WAULT) of 4.96 years ensures relatively stable and predictable cash flows
75% anchor tenant share	Anchor tenants make up ca. 75% of total rental revenue, as Summus aims to own properties where anchor tenants generate substantial portion of the total cash flow

OCCUPANCY RATE



WEIGHTED AVERAGE UNEXPIRED LEASE TERM, YEARS



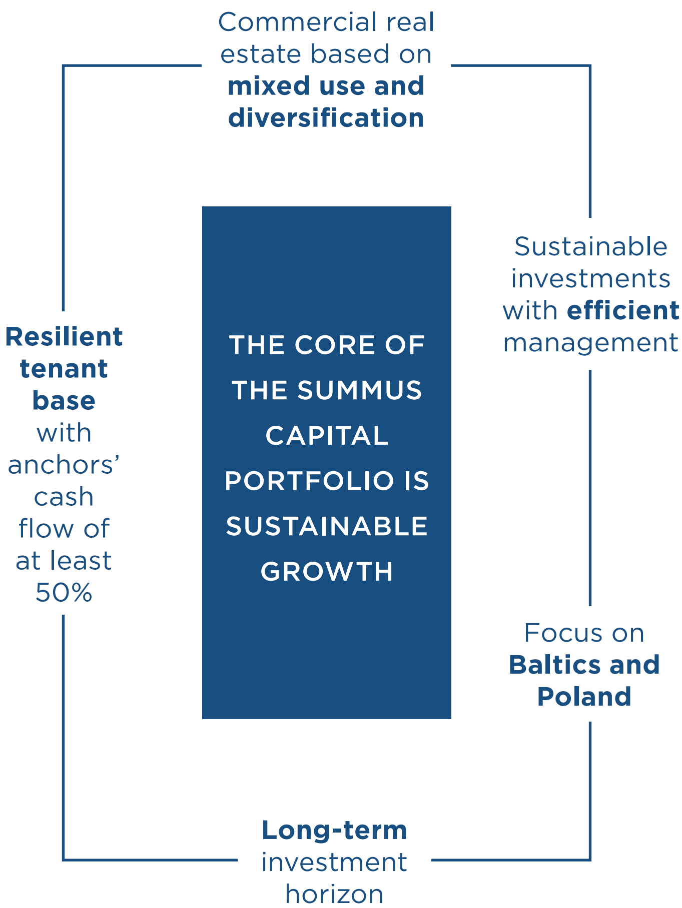
The tenants of the properties, service providers, the banks backing the financing of the properties and the owners are all local stakeholders within the Baltic and Polish markets.

The repairs have been carried out on an ongoing basis and will continue in 2025.

Relations are kept with most Baltic and several Polish and Austrian banks to provide up-to-date info on portfolios and potential future financing.

The Consolidation Group plans to continue its current activities in 2025 and beyond.

2.2. PORTFOLIO OVERVIEW



EXECUTIVE SUMMARY

Focus ___ commercial real estate in the Baltics and Poland

Market segment ___ retail, office, logistic, medical

Number of properties ___ 16

Market value ___ EUR 508.6 M

AURIGA / SAAREMAA, ESTONIA

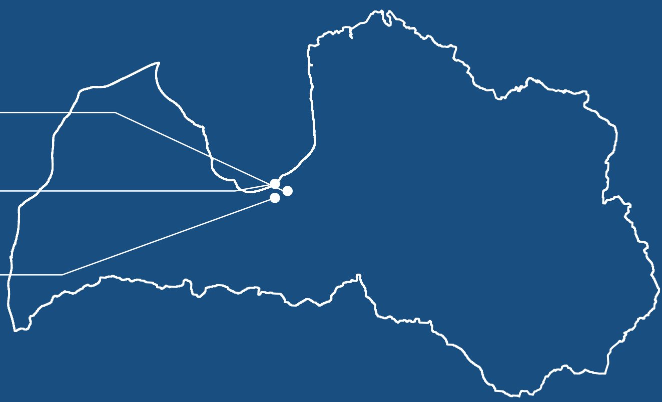
RIGA PLAZA / RIGA, LATVIA


PARKTOWN / VILNIUS, LITHUANIA

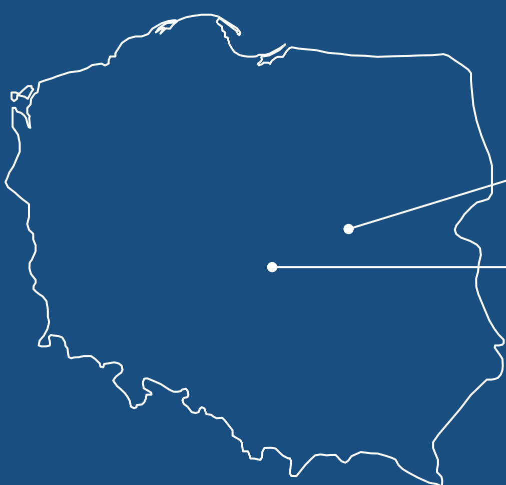

LAKESIDE / WARSAW, POLAND

LOCATION

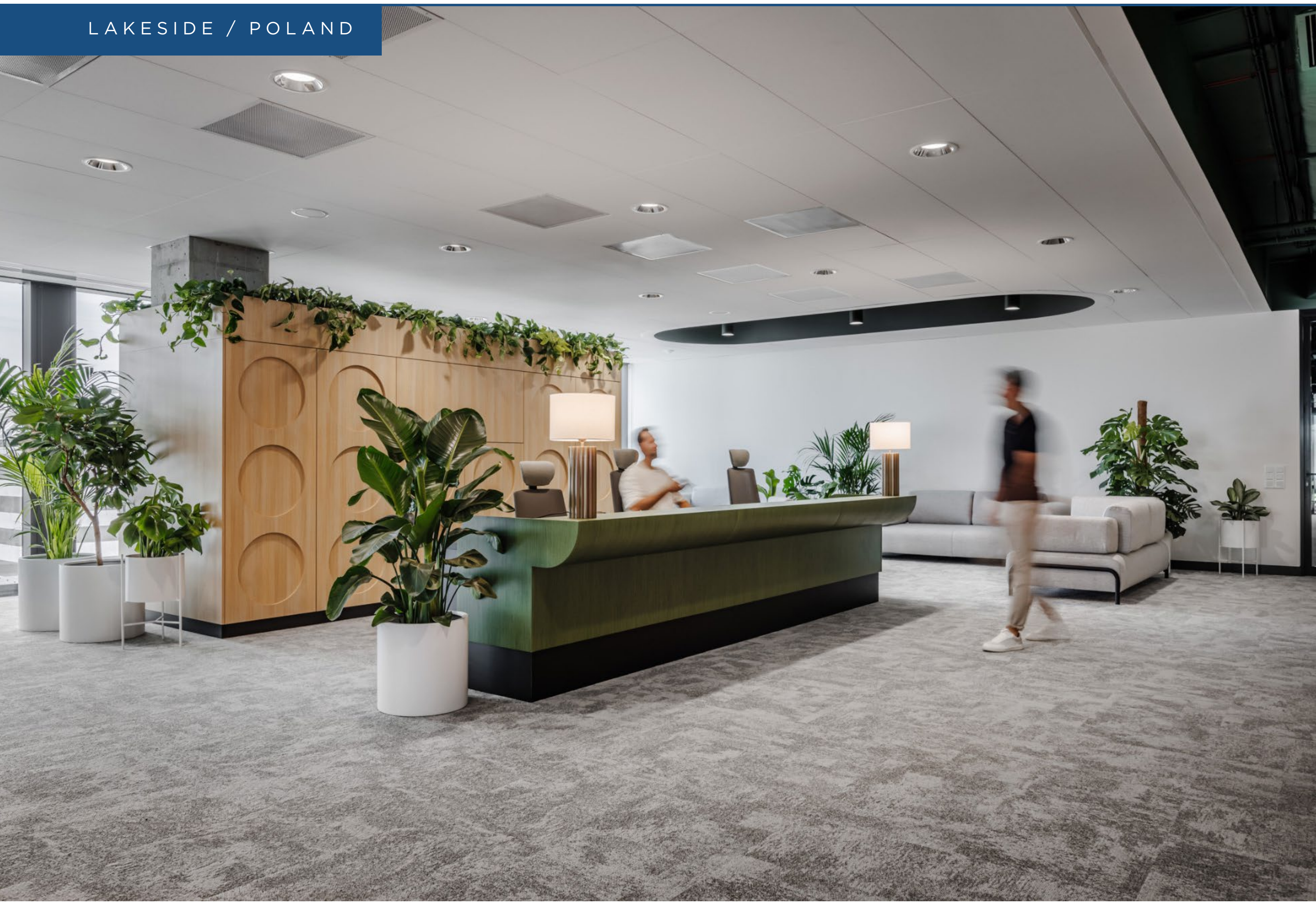

DELAGARDIE SHOPPING CENTRE
– Viru 13,15, Tallinn
VEERENNI HEALTH CENTRE I; II
– Veerenni 53a, Veerenni 51, Tallinn
STORA ENSO INDUSTRIAL/WAREHOUSE
– Piirimäe 10/10a, Tänassilma
MEDIQ INDUSTRIAL/WAREHOUSE
– Väljaotsa 2, Saue
PUNANE 56
MIX USE COMPLEX
– Punane 56 and 56b, Tallinn
AURIGA SHOPPING CENTRE
- Tallinna tn 88, Saare County


DEPO DIY PROPERTY
– Kurzemes 3B, Riga
DAMME SHOPPING CENTRE
- Kurzemes prospekts 1A, Riga
RIGA PLAZA SHOPPING CENTRE
- Makusalas 71, Riga


BOD INDUSTRIAL BUILDING
- Mokslinink g. 6a, Vilnius
PARKTOWNV I; II OFFICE BUILDINGS
- Lvovo g. 105A, Vilnius
NORDIKA SHOPPING CENTRE
- Vikingų g. 3, Vilnius


LAKESIDE OFFICE BUILDING
- Szturmowa 2, Warsaw
REACT OFFICE BUILDING
- al. marsz. Józefa Piłsudskiego 24, Łódź

LAKESIDE / POLAND



PORTFOLIO CRITERIA

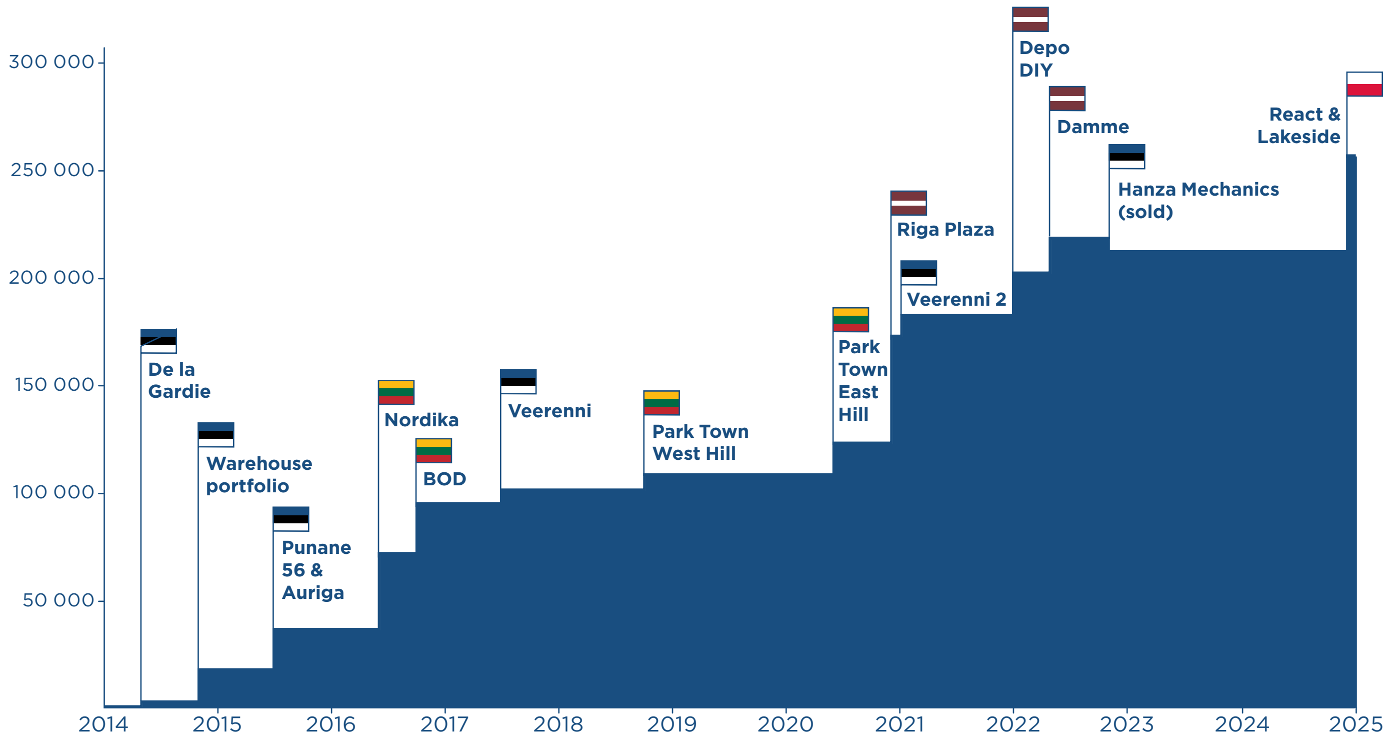
Lettable area	257 931 m²
Number of tenants	435
WAULT	4.96
Anchor tenants WAULT	5.89
Annual average portfolio vacancy	1.95%
Certified area (m²) of portfolio	88.5%
Certification (m²) in the process	5.3%

*PORTFOLIO PROPERTIES NLA m²**

De La Gardie SC, Tallinn	2 051
Industrial/Warehouse, Estonia	9 258
Auriga SC, Kuressaare	13 389
Punane 56 Mix Use Centre, Tallinn	4 652
Veerenni 2 Health Centre, Tallinn	10 037
Nordika SC, Vilnius	35 609
BOD BC, Vilnius	30 189
Park Town West Hill Office, Vilnius	7 185
Park Town East Hill Office, Vilnius	15 086
Riga Plaza SC, Riga	51 810
Veerenni Health Centre, Tallinn	6 603
Depo DIY Property, Riga	19 412
Damme SC, Riga	13 740
Lakeside Office, Warsaw	23 834
React Office, Łódź	15 076
Total:	**257 931**

* BC – Business Centre, DIY – Do it Yourself, SC – Shopping Centre

2.3. PORTFOLIO INVESTMENTS (with acquisition time and NLA m²)



LAKESIDE / POLAND

AURIGA
Saaremaa, Estonia

Auriga shopping centre is the largest in Saaremaa, located at the entrance of the city at the most significant intersection in Saare County. Auriga Shopping Centre was opened to the public in October 2008 and has become the most highly visited centre due to its large selection of shops and entertainment possibilities.

DE LA GARDIE SHOPPING CENTRE
Tallinn, Estonia

De La Gardie shopping centre was constructed in 2000 and is situated in one of the busiest retail streets in the Old Town of Tallinn, which is very popular amongst tourists. Being located just 200 metres from the official centre of Tallinn – the Viru Square – the property enjoys its location within the vicinity of dozens of hotels, shopping centres and offices.

PUNANE 56
Tallinn, Estonia

This mix use business centre has stock-office, office and retail premises and is situated on Punane Street, one of the most active business areas in the Lasnamäe district (the most densely populated district in Tallinn). The location is good for retail/office/light industrial spaces, i.e. specialised retail tenants.

VEERENNI 1
Tallinn, Estonia

Veerenni is the biggest private medical centre in Estonia, which brings various health segment companies under one roof. This is the first part of a larger cluster, which serves to bring together a variety of medical services from occupational health to surgery. Good-quality tenants and leases make it a high-quality investment. It is a modern building that has been in operation since 2017 and is located in the central district of Tallinn.

VEERENNI 2
Tallinn, Estonia

Veerenni 2 is the second phase of the Veerenni private medical centre cluster, which is located next to the first phase of the Veerenni property. Veerenni is the largest private medical centre in Estonia, which brings various companies in the healthcare segment under one roof. The centre was commissioned in the autumn of 2020.

WAREHOUSE PROPERTIES
Tallinn, Estonia

In the portfolio of two industrial/warehouse properties: both buildings are strategically well-located, well-functioning and well-known amongst industrial parks.

The properties are fully leased to international strong tenants: Stora Enso Packaging AS and Mediq Eesti OÜ. Both lease agreements are on triple-net conditions.

DAMME

Riga, Latvia

Damme shopping centre is located in Kurzemes prospekts, Imanta, which is the third largest neighbourhood in Riga in terms of population. Damme is the leading shopping centre in the area with the total area of 16 000 m^2, and its largest tenant is Rimi Hyper. The stores are providing a diverse and comprehensive offer for everyone – everyday shopping, fashion stores and catering opportunities.

PROPERTY OF DEPO IMANTA DIY STORE

Riga, Latvia

The property of DEPO Imanta DIY store in Riga was built in 2021 and is located in a visible and accessible area, which is the main shopping area of Imanta district. The store is easily reachable from the city centre by public and private transport. It is close to the highway, which allows you to reach Riga, Jūrmala, Tukums, Talsi and many other destinations. The building has been built as a sustainable property, considering its environmental impact. One long-term tenant of the building is DEPO, the leading DIY chain in the Baltics.

RIGA PLAZA

Riga, Latvia

Built in 2009, Riga Plaza is currently the fourth largest shopping centre in Riga. Strategically located just 5 km from the Riga Old Town in an actively developing leisure and business district with excellent accessibility. Riga Plaza has earned over the years a stable loyal customer base with ca 5 million visitors, annually. Riga Plaza has over 170 retail units with a strong mix of national and international anchor tenants and a strong entertainment and food and beverage offer, and with an opportunity to enlarge and modernise the current entertainment areas.

BOD GROUP
Vilnius, Lithuania

BOD Group Industrial Building is located in the northern area of Vilnius, in Visoriai Information Technology Park. In 2013, when it was built, the factory building was classed as being the most energy-efficient industrial building in Europe by the German Chamber of Commerce. BOD Group itself is one of the largest producers of solar panels, power storage batteries and lenses in the Baltic States.

NORDIKA
Vilnius, Lithuania

Nordika shopping centre was opened at the end of 2015. It is the only shopping mall in the southern area of Vilnius with its own large parking area including 1 320 spaces. The shopping centre has more than sixty retailers, service, and restaurants, generating an average of 11 000 visitors per day. This is the first shopping mall on the route from the airport that attracts more and more international customers.

PARK TOWN EAST HILL
Vilnius, Lithuania

Park Town East Hill, together with Park Town West Hill, comprise a single business centre within the surrounding park area in Vilnius CBD. The business centre consists of two seven-storey BREEAM-certified office buildings and is one of the most advanced Class A office buildings in Vilnius with an exceptional environment and smart technical and engineering solutions. The buildings are fully fitted for office purposes so that its tenants can fully enjoy the workspace.

PARK TOWN WEST HILL
Vilnius, Lithuania

Park Town West Hill business centre is located in the prime area of Vilnius CBD. It enjoys excellent views and accessibility and a location in a prime neighbourhood. The Park Town West Hill property is part of the Park Town business centre. This business centre consists of two seven-storey office buildings for modern businesses working in the modern world.

LAKESIDE OFFICE BUILDING

Warsaw, Poland

The Lakeside Office Building is located in Warsaw, just 10 minutes from the Chopin Airport. This A-class building, completed at the end of 2023, offers 23 834 m^2 of premium workspace across 11 floors with 428 parking spaces. It is fully leased, with key tenants from the healthcare, renewable energy and tech industries. Certified BREEAM Outstanding and WELL Gold, Lakeside ensures sustainability. The building has excellent transport connectivity.

REACT OFFICE BUILDING

Łódź, Poland

REACT is an A-class office building located in Łódź, Poland, completed in 2022. It offers 15 076 m^2 across 7 floors with 148 parking spaces. Certified BREEAM Excellent and WELL Health & Safety, REACT stands out for its commitment to sustainability. The building has excellent transport connectivity.

2.4. STRUCTURE OF THE CONSOLIDATION GROUP

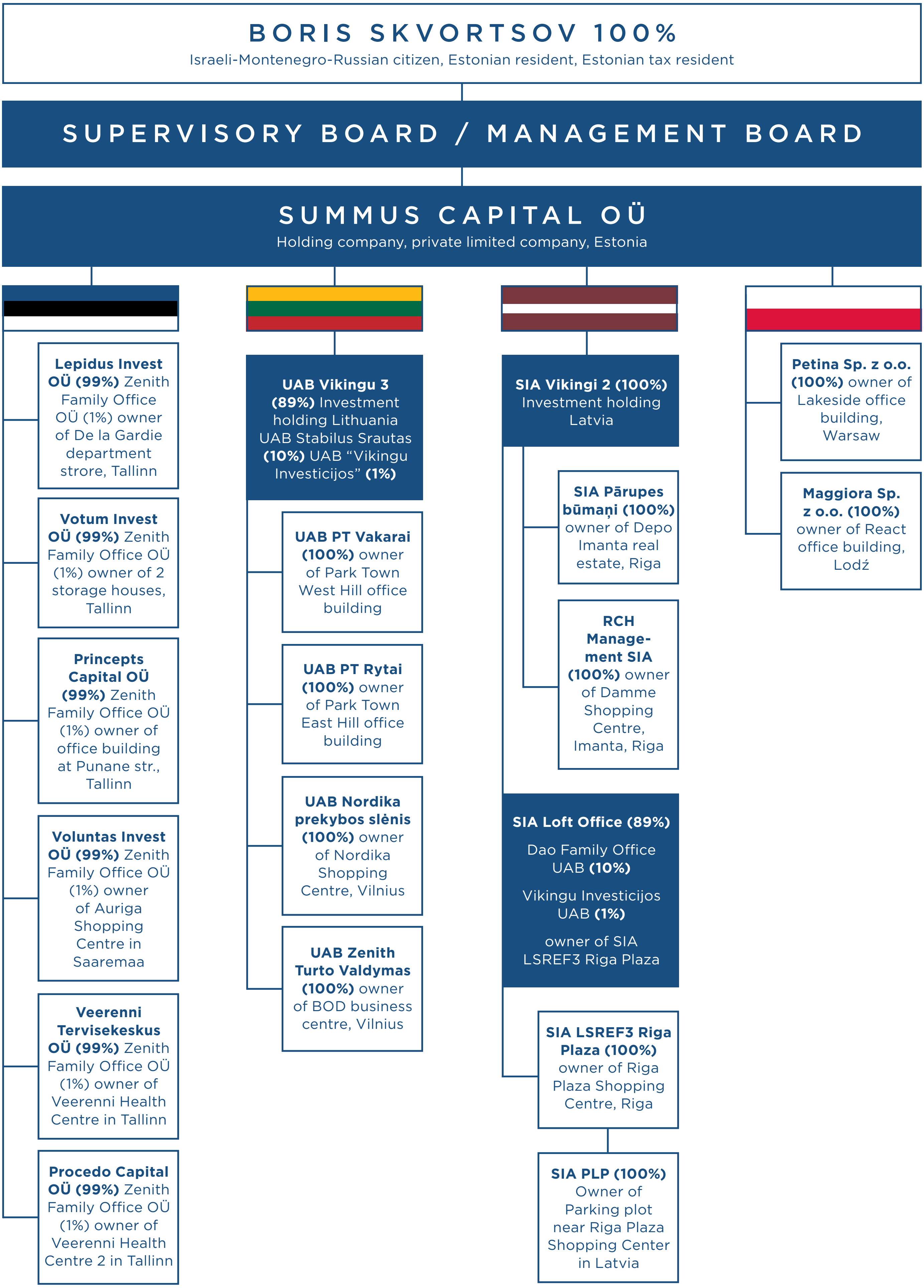
BORIS SKVORTSOV 100%

SUMMUS CAPITAL OÜ

- Estonia
  - 99% De La Gardie SPV
  - 99% Warehouse SPV
  - 99% Veerenni 1 SPV
  - 99% Veerenni 2 SPV
  - 99% Auriga SPV
  - 99% Punane 56 SPV
- Lithuania
  - 100% Park Town West Hill SPV
  - 100% Park Town East Hill SPV
  - 100% Nordika SPV
  - 100% BOD SPV
- Latvia
  - 89% Riga Plaza SPV
  - 100% Depo DIY SPV
  - 100% Damme SPV
- Poland
  - 100% React SPV
  - 100% Lakeside SPV

Directly or indirectly owned individual SPVs for every property.

FOCUS


BORIS SKVORTSOV 100%
Israeli-Montenegro-Russian citizen, Estonian resident, Estonian tax resident
SUPERVISORY BOARD / MANAGEMENT BOARD
SUMMUS CAPITAL OÜ
Holding company, private limited company, Estonia
Lepidus Invest OÜ (99%) Zenith Family Office OÜ (1%) owner of De la Gardie department strore, Tallinn
Votum Invest OÜ (99%) Zenith Family Office OÜ (1%) owner of 2 storage houses, Tallinn
Princepts Capital OÜ (99%) Zenith Family Office OÜ (1%) owner of office building at Punane str., Tallinn
Voluntas Invest OÜ (99%) Zenith Family Office OÜ (1%) owner of Auriga Shopping Centre in Saaremaa
Veerenni Tervisekeskus OÜ (99%) Zenith Family Office OÜ (1%) owner of Veerenni Health Centre in Tallinn
Procedo Capital OÜ (99%) Zenith Family Office OÜ (1%) owner of Veerenni Health Centre 2 in Tallinn
UAB Vikingu 3 (89%) Investment holding Lithuania UAB Stabilus Srautas (10%) UAB "Vikingu Investicijos" (1%)
UAB PT Vakarai (100%) owner of Park Town West Hill office building
UAB PT Rytai (100%) owner of Park Town East Hill office building
UAB Nordika prekybos slėnis (100%) owner of Nordika Shopping Centre, Vilnius
UAB Zenith Turto Valdymas (100%) owner of BOD business centre, Vilnius
SIA Vikingi 2 (100%) Investment holding Latvia
SIA Pārupes būmaņi (100%) owner of Depo Imanta real estate, Riga
RCH Manage-ment SIA (100%) owner of Damme Shopping Centre, Imanta, Riga
SIA Loft Office (89%)
Dao Family Office UAB (10%)
Vikingu Investicijos UAB (1%)
owner of SIA LSREF3 Riga Plaza
SIA LSREF3 Riga Plaza (100%) owner of Riga Plaza Shopping Centre, Riga
SIA PLP (100%) Owner of Parking plot near Riga Plaza Shopping Center in Latvia
Petina Sp. z o.o. (100%) owner of Lakeside office building, Warsaw
Maggiora Sp. z o.o. (100%) owner of React office building, Lodź

2.5. MANAGEMENT STRUCTURE

The Supervisory Board of Summus Capital consists of three members. The Chairman of the Supervisory Board of Summus Capital is Boris Skvortsov, who is also 100% owner of Summus Capital. Other Supervisory Board members are Renats Lokomets and Vykintas Misiunas.

SUPERVISORY BOARD

BORIS SKVORTSOV

Chairman of the Supervisory Board

- Sole owner of Summus Capital OÜ
- Created multiple real estate investment and development organizations in Europe
- Active private investor in start-ups in Europe, United States and Israel
- Master's degree in Economics

RENATS LOKOMETS

Member of the Supervisory Board

- Specialization in business strategy and corporate finance
- Ex-Member of the Board in Rietumu Banka
- Strategical partner at Venture Faculty and Venture HUB
- Council member at INDEXO
- Co-founder of the Latvian Startup association

VYKINTAS MISIUNAS

Member of the Supervisory Board

- Head of Capital Markets Department at SEB until 2007
- Ex-Member of the Board at KRS Group
- Fund Manager in Lithuania at Lords LB Asset Management
- In 2012 together with partners established DAO FAMILY

MANAGEMENT BOARD

HANNES PIHL

Investment management
Member of the Management Board

- Founding partner of Zenith Family Office
- 25+ year experience in Baltic real estate market, including commercial and residential real estate
- Experience in management of real estate companies, asset and investment management

AAVO KOPPEL

Finance
Member of the Management Board

- Founding partner of Zenith Family Office
- Experience as strategy and management consultant in Capgemini Group
- Ex-Director and Head of Corporate Finance at Suprema Securities

EVALDAS ČEPULIS

Asset management
Member of the Management Board

- BA at Applied Mathematics & Masters at International business
- 13-year experience in SEB as Head of Venture Capital, Head of Foreign Exchange and Capital Markets
- Since 2014, partner of DAO FAMILY, responsible for investment management

Both the Supervisory Board and Management Board members of Summus Capital are selected without specific tenure.

STRUCTURE OF THE MANAGEMENT MEETINGS

Over past years, Summus Group has maintained a robust and efficient meeting structure that ensures seamless operations across all levels of management and operational teams. The meeting and decision-making setup is designed to cater to various operational and management needs on a weekly and quarterly basis, leveraging modern technology to bridge distances and ensure timely communication across regional teams.

OPERATIONAL MANAGEMENT

Operational management meetings occur on a weekly basis, allowing to address immediate operational needs, review ongoing projects and strategize for future development. Utilisation of digital channels facilitates real-time decision-making and allows for rapid adjustments to operational strategies, as needed.

QUARTERLY SUPERVISORY BOARD MEETINGS

The quarterly Supervisory Board meeting brings together the Supervisory Board, management team and, occasionally, external advisors. This forum is designed to review broader strategic initiatives, financial performance and market positioning. It provides an opportunity for a comprehensive analysis of the operations and external environment, ensuring that the strategic direction aligns with the current market conditions and long-term objectives.

CONTROL MECHANISMS

Control mechanisms are structured to ensure robust oversight and accountability at various levels of the organisation, from individual projects to the overall strategic direction of the Group.

Each board within the operational entities consists of two members, with clearly defined roles to ensure efficiency and effective governance. At a higher level of the governance structure, the Management Board of Summus Capital comprises three members, reflecting an expanded scope of responsibility and strategic oversight.

To ensure the highest standards of governance and operational integrity across operations, Summus Group has established a comprehensive suite of control mechanisms.

Beyond the foundational board structures within operational entities and Summus Capital, the Group implements several layers of oversight. These layers include operational controls, financial controls and strategic review processes, each tailored to specific areas of our business.

SUMMUS FAMILY

Operational control for money flows means that two persons – property manager and investment manager – confirm any transaction in a trackable system, ensuring that all financial activities are authorised and documented. Accountants base their account records on those confirmations. From there, payments are imported to banks where persons with rights approve the payments.

Central to the control mechanisms of Summus Group is a robust risk management framework. This framework identifies potential risks at both the project and organisational levels, from market fluctuations to regulatory changes. By proactively managing these risks, the Group safeguards its assets, ensures compliance and maintains the trust of the stakeholders, bearing sustainability in the focus.

Summus Group employs sophisticated performance tracking and reporting tools. These tools not only measure the financial performance but also track operational efficiency, project milestones and compliance with internal and external standards. Monthly, quarterly and annual reports are generated to provide the Management and Supervisory Board with the insights needed to make informed decisions.

Audits at different levels are included into the activities of the Group. Internal risk review and audit is performed monthly. Third party project and portfolio-based independent risk review is performed on a quarterly basis. Financial audit is performed by Big-4 audit companies for Summus Capital and its subsidiaries. This collaboration ensures that our financial statements and operations undergo rigorous independent evaluation, providing confidence to our stakeholders in the accuracy and transparency of our financial reporting. Auditors are selected based on tenders arranged.

In implementing these control mechanisms, Summus Group not only adheres to high standards of governance and operational excellence but also positions itself for sustainable growth and success in the competitive real estate market. The commitment of the Group to robust control and oversight is a testimony to our dedication to excellence and accountability in all our endeavours. Through a blend of internal expertise, external auditing and specialised advisory support, Summus Group ensures the highest levels of transparency, accountability and operational integrity.

PUBLIC RELATIONS

Summus Capital is committed to maintaining transparent and effective communication with all its stakeholders. As a company listed on Nasdaq, Summus adheres to the highest standards of public disclosure, ensuring that all material news and updates are first issued through the official channels of Nasdaq in accordance with regulatory requirements.

Beyond Nasdaq, Summus Capital engages with a diverse group of stakeholders, including its internal team, tenants, financiers and the broader society. The company actively communicates through its official website and LinkedIn page, providing timely updates on corporate developments, market insights and sustainability initiatives.

To ensure a professional and localised approach, Summus Capital collaborates with PR agencies across all four countries where it operates. These partnerships help refine messaging, enhance media outreach and strengthen the presence of the company in the public domain.

The effectiveness of the investor relations efforts of Summus Capital was recognised with an award at the Nasdaq Baltic Awards 2025, further affirming its dedication to transparency and excellence in stakeholder communication.

Nasdaq

Baltic Awards

2025

2nd Place

Summus Capital

Best Investor Relations on First North Bond List

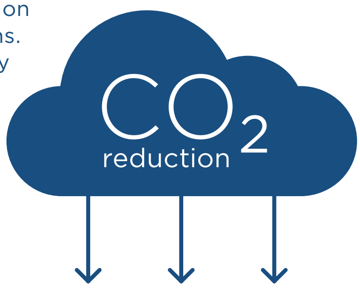
Nasdaq

3. SUSTAINABILITY

Summus Capital continues to expand its diversified, high-value real estate portfolio across the Baltic States and Poland, focussing on sustainable office, retail, logistics and medical properties. The company remains dedicated to responsible investment practices, ensuring long-term environmental, social and financial sustainability.

In recent developments, Summus Group was successful in decreasing its energy consumption from 251 kwh/m^2 to 195.9 kwh/m^2 following the Green Formula Capital management principles. The monetary effect of such efficiency increase is approximately EUR 2.2 million in savings. Since the start, the assets certification of the Group increased from 67% to 89%. The assets are now better and more sustainable for tenants, clients and employees.

Since 2021, Summus Capital has made significant progress in reducing carbon emissions, achieving a 64% decrease from 18 528 tonnes CO_2-eq to 6 717 tonnes CO_2-eq in 2024. This reduction highlights the dedication of the company to reaching net-zero carbon emissions by 2040, with a primary focus on Scope 1 and Scope 2 reductions. Ongoing investments in energy efficiency, renewable energy integration and sustainable property management are driving the transition toward climate-neutral operations.



SOLAR PANELS

EXECUTIVE SUMMARY: SUSTAINABILITY REPORT 2024

Category	Key highlights 2024	Comparison to 2023	Key improvements & targets
Sustainability strategy	Strengthened ESG integration in investment decisions, enhanced governance frameworks and improved sustainability reporting.	ESG integration was in early stages in 2023.	Increased focus on aligning with EU Taxonomy and CSRD compliance.
Energy efficiency	Energy consumption reduced to 195.9 kWh/m², achieving EUR 2.2M in savings.	Previously 251 kWh/m², lower efficiency.	Target to reduce energy consumption by an additional 10% by 2026.
GHG emissions reduction	Total emissions reduced by 64% to 6 717 tonnes CO_2-eq.	2021 emissions: 18 528 tonnes CO_2-eq.	Reduce Scope 1 & 2 emissions by 90% by 2040. Scope 3 emissions tracking to be expanded.
Renewable energy adoption	87% of energy sourced from renewables, further investments in solar power.	2023: Lower renewable energy adoption.	Targeting 90% renewable energy by 2025. Expansion of solar projects across properties.
Certifications	89% of assets certified (BREEAM, WELL, LEED).	2023: 86% certified.	94% certification target by 2025, focussing on Damme and Nordika renewals.
Water management	Water consumption increased by 5.25%, with the Polish acquisition adding 9 338.6 m².	Water intensity per sqm improved by 5.57%.	Reduce water consumption per sqm by 3-5% annually through efficiency measures.
Waste management & circular economy	Comprehensive waste data collection initiated, covering Poland, Latvia and Lithuania.	2023: No systematic waste tracking.	100% waste data collection coverage by 2025. Integration into Scope 3 calculations.
Tenant & community engagement	Enhanced sustainability-driven tenant programmes; increased community investments.	2023: Fewer structured tenant engagement programmes.	Improve tenant satisfaction index from 79 to 85 by 2025.
Social responsibility & employee well-being	Employee satisfaction index: 85. Work-life balance & DEI initiatives enhanced.	2023: structured well-being was set up.	Target 90% employee satisfaction by 2025, with expanded DEI programmes.
Governance & compliance	Strengthened ESG governance; compliance with EU Taxonomy & CSRD.	ESG governance was developing in 2023.	Implementation of supplier screening (40% by 2025, 90% by 2030).
GRESB benchmarking	Score 71, aiming for Top 25% peer ranking.	2023: score 66.	Target 75-80 points in 2025, focussing on certified assets and emissions reduction.

AURIGA / ESTONIA

LAKESIDE / POLAND

FUTURE ROADMAP & TARGETS

Looking ahead, Summus Capital will further align with the EU Taxonomy and CSRD compliance. The company aims to reduce its energy consumption, targeting a 90% renewable energy usage and expanding solar projects, with an increased focus on tracking Scope 1 and Scope 2 emissions, targeting carbon neutrality by 2040. Summus Capital remains dedicated to responsible real estate investments, ensuring that every addition to its portfolio meets the highest sustainability and governance standards.

SUSTAINABLE INVESTMENT IN POLAND: THE LAKESIDE OFFICE BUILDING

Summus Capital has expanded its Polish portfolio with the acquisition of Lakeside Office Building in Warsaw, a benchmark for sustainable A-class office spaces spanning 23 834 m^2. The property meets high environmental and well-being standards, holding the BREEAM Outstanding for sustainability, WELL Gold for occupant health and EU Taxonomy compliance, thus aligning with European sustainability regulations.

Located in a green lakeside setting, Lakeside reflects the commitment of Summus Capital to responsible investment and long-term value creation.

Designed as a model for sustainable office development, the building integrates environmental responsibility, employee well-being and operational efficiency. It fosters a collaborative, eco-conscious work environment, featuring teamwork zones, focus rooms, acoustic booths and social areas with park and lake views, promoting workplace comfort, relaxation and work-life balance.

SUMMUS CAPITAL EXPANDS THE SUSTAINABLE PORTFOLIO WITH THE REACT OFFICE BUILDING

Summus Capital has strengthened its investment portfolio with the acquisition of the React Office Building in Łódź, Poland. This modern, environmentally responsible office space is fully leased under long-term agreements, ensuring stability and a reliable revenue stream. The building holds the BREEAM Excellent certification for best-in-class sustainability and the WELL Health-Safety rating, prioritising occupant well-being.

With this acquisition, the Polish commercial real estate portfolio of Summus Capital reaches above EUR 100 million, reinforcing its commitment to high-quality, sustainable office investments. The milestone aligns with the EU Taxonomy compliance, addressing evolving tenant needs and advancing long-term sustainability in real estate.

3.1. SUSTAINABILITY STRATEGY

COMMITMENT TO SUSTAINABILITY

Summus Capital OÜ integrates Environmental, Social and Governance (ESG) principles into its investment strategy, ensuring responsible decision-making that aligns with global sustainability standards. The company prioritises environmental stewardship, social responsibility and sound governance to enhance long-term value for stakeholders.

By adhering to the EU Taxonomy and global ESG frameworks, Summus Capital upholds the highest sustainability standards in real estate investments, ensuring compliance with evolving regulations and market expectations.

SUSTAINABLE INVESTMENT APPROACH

The strategy of Summus Capital extends beyond acquiring energy-efficient assets to transforming existing properties into environmentally responsible and high-performance buildings. The focus is on optimising energy use, minimising the ecological footprint and achieving high sustainability certifications, which also support access to green financing opportunities.

Recognising the role of the real estate sector in addressing climate challenges, the company actively reduces its carbon emissions and promotes energy efficiency in its portfolio. These initiatives align with the Intergovernmental Panel on Climate Change (IPCC) recommendations, reinforcing the responsibility of the Group in mitigating environmental impact.

TRANSPARENCY AND ESG REPORTING

To maintain accountability, Summus Capital participates in sustainability benchmarks, such as the Global Real Estate Sustainability Benchmark (GRESB). Regular reporting and assessments ensure that the ESG initiatives are measurable, transparent and continuously improved.

Additionally, with the Corporate Sustainability Reporting Directive (CSRD) coming into effect in 2025, Summus Capital is proactively refining its ESG management practices to meet regulatory and investor expectations for sustainability disclosures.

The Sustainability Report serves as a comprehensive overview of the commitment of Summus Capital OÜ to sustainability. It highlights the dedication of the company to embedding long-term Environmental, Social and Governance (ESG) goals within its investment and business operations. By transparently outlining its objectives, initiatives and achievements, Summus Capital aims to foster trust among stakeholders and align its activities with global sustainability standards. The report underscores the importance of responsible decision-making in creating lasting value for the environment, society and investors.

ESG VISION AND MISSION

Summus Capital aims to drive long-term sustainable growth by reducing its environmental impact, strengthening governance frameworks and fostering inclusive economic development. Through strategic investments and responsible asset management, the company seeks to attract socially responsible investors and reinforce its commitment to a sustainable future.

'Investors, tenants and employees are at the core of our commitment to integrating ESG principles across operations. By aligning investments with global sustainability goals, we ensure regulatory compliance, create a measurable impact and meet expectations while delivering long-term value.'

— Meelis Šokman, Head of Sustainability

MEELIS ŠOKMAN, GREEN FORMULA CAPITAL OÜ, HEAD OF SUSTAINABILITY

SUSTAINABILITY OBJECTIVES AND TARGETS

Key objectives include:

- Reducing carbon emissions and improving energy efficiency.
- Enhancing social responsibility through community engagement and tenant well-being programmes.
- Strengthening governance frameworks to ensure transparency and ethical decision-making.
- Aligning investments with global ESG standards and reporting frameworks.

Environmental objectives:

- Achieve carbon neutrality across all operations by 2040.
- Enhance energy efficiency and resource optimisation within the portfolio assets of the company.
- Invest in renewable energy projects and sustainable infrastructure that reduce greenhouse gas emissions.

Social objectives:

- Promote diversity, equity and inclusion in the workplace and among business partners.
- Support local communities by prioritising investments with measurable social benefits.
- Uphold employee well-being and safety standards across all operations.

Governance objectives:

- Maintain transparent and ethical corporate practices.
- Align decision-making processes with internationally recognised ESG standards.
- Implement robust monitoring frameworks to track and report on the ESG performance.

INTEGRATION OF ESG INTO CORPORATE STRATEGY

Summus Capital integrates the ESG principles into corporate strategy, embedding sustainability in investment decisions, risk assessments and strategic planning. The company ensures compliance with the EU Taxonomy and global ESG frameworks, guiding resource allocation and business operations.

Sustainability oversight lies with the Supervisory and Management Boards, supported by Green Formula Capital. ESG considerations shape decision-making from risk assessment to performance evaluations, ensuring transparency and accountability. Board meetings regularly review and refine the ESG strategies to align with commitments.

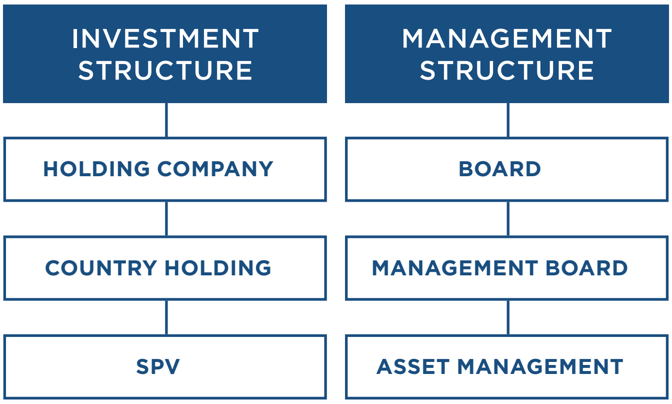
Summus Capital is committed to fostering inclusivity through ESG-focused training, equitable opportunities and mentorship programmes in collaboration with Green Formula Capital and Zenith Family Office.

For more details on the Supervisory and Management Board, visit: https://summus.ee/contact/

3.2. GOVERNANCE AND LEADERSHIP

SUSTAINABILITY GOVERNANCE STRUCTURE

Summus Capital maintains a dedicated governance framework to oversee ESG implementation. The Supervisory and Management Boards, advised by Green Formula Capital, integrate ESG factors into corporate strategy, performance evaluations and investment decisions.



The sustainability vision of the company is embedded in its core business strategy, prioritising carbon reduction, labour practice improvements and diversity. Action plans focus on energy efficiency, waste reduction and community engagement, ensuring sustainability is integral to operations, supply chain management and corporate culture.

The sustainability initiatives of Summus Capital enhance financial performance by reducing costs, mitigating risks and improving energy efficiency, strengthening corporate reputation and investor confidence. The company has also implemented comprehensive policies and training programmes to manage human rights concerns, including a whistleblowing system for confidential reporting.

Aligned with the European Sustainability Reporting Standards (ESRS), Summus Capital ensures that ESG disclosures adhere to relevance, reliability and comparability principles. The company navigates the emerging trends in sustainable construction, AI-driven property management (with R8 HVAC-systems) and shifting work cultures, while integrating regulatory changes to reduce emissions.

Summus Capital adapts to climate change, economic shifts and technological advancements, prioritising financial transition risks and integrating sustainability into real estate strategies. By investing in sustainable technologies and green initiatives, the company secures a competitive edge, while meeting responsible investment expectations.

POLICIES AND COMMITMENTS (ENVIRONMENTAL, SOCIAL AND GOVERNANCE)

Summus Group upholds strong ESG policies, ensuring compliance with environmental regulations, human rights principles and ethical business conduct. These efforts align with the United Nations Sustainable Development Goals, reinforcing the commitment of the company to global sustainability.

The company prioritises reducing its carbon footprints, recycling and waste reduction, aiming to minimise landfill waste, while improving resource efficiency in buildings and operations.

To combat climate change, Summus Group integrates renewable materials and sustainable practices, targeting carbon neutrality by 2040 from the 2021 levels, in line with global best practices.

Aligned with the Sustainable Development Goal 11, the company develops and manages sustainable urban environments, optimising resource use, enhancing energy efficiency and fostering community well-being.

Summus Group promotes sustained economic growth through ethical labour practices, fair work conditions and partnerships that support local economies and community development.

The company prioritises indoor environmental quality, ensuring clean air, optimal lighting and active design strategies to enhance well-being and productivity.

Summus Group maintains high corporate governance standards, ensuring transparency, zero tolerance for corruption and ethical business practices that strengthen peaceful and just societies.

RISK MANAGEMENT AND COMPLIANCE

Summus Group acknowledges the requirement to comply with the Corporate Sustainability Reporting Directive (CSRD) by 2027. Consequently, in 2023, a double materiality assessment process was created. This process aims to identify the ESG issues that are financially material to business and have a significant impact on the environment and society.

In this report, the approach of Summus Group to describing material topics is informed by an analysis of sector-wide issues deemed important, based on peer reviews and a thorough examination of the most pertinent ESG themes within the industry. This ensures that disclosures are relevant and aligned with the broader sustainability landscape in which the Group operates.

DOUBLE MATERIALITY ASSESSMENT PROCESS BASED ON THE EFRAG GUIDANCE

Summus Group, in alignment with the European Sustainability Reporting Standards (ESRS) E1, is committed to environmental stewardship as a core principle of its business strategy. This commitment ensures that sustainability risks, opportunities and impacts are integrated into financial and operational decision-making processes.

To uphold this commitment, Summus Group has implemented Double Materiality Assessment, which evaluates both impact materiality (how the company affects people and the environment) and financial materiality (how sustainability issues affect the financial performance of the company). The assessment is structured into four key stages:

UNDERSTANDING THE CONTEXT

- Reviewing business plans, strategies, financial reports and investor considerations.
- Assessing the activities, products, services and geographic reach of the company.
- Mapping business relationships, supply chains and stakeholder networks.
- Analysing regulatory and legal frameworks relevant to sustainability.
- Evaluating stakeholder engagement efforts and identifying key affected parties.

IDENTIFICATION OF IROS (IMPACTS, RISKS AND OPPORTUNITIES)

- Identifying environmental, social and governance-related impacts.
- Creating an extensive list of sustainability-related risks and opportunities for further analysis.

DETERMINATION OF MATERIAL IROS

- Setting materiality thresholds based on severity and likelihood of risks.
- Defining materiality criteria for financial risks and opportunities, considering impact magnitude.
- Validating assessments through comprehensive stakeholder engagement.

ASSESSING MATERIALITY OF INFORMATION

- Determining relevant ESRS standards and disclosure requirements.
- Evaluating disclosure materiality based on significance and decision-usefulness.

MATERIAL IMPACTS

The materiality assessment of Summus Group has been completed and has reached its final stage. All material impacts identified throughout the process have been systematically incorporated into the sustainability reporting framework. Future reporting will continue to reflect any emerging material considerations as part of an ongoing evaluation process.

Within its operations, Summus Group applies ESRS 2 SBM-3 environmental considerations, focussing on:

- Energy consumption: prioritising the energy efficiency of buildings and favouring renewable over non-renewable energy resources.
- GHG emissions: monitoring both direct and indirect greenhouse gas emissions from construction/renovation processes and ongoing building maintenance, striving for reductions.
- Water usage: property management policies focus on optimising water use efficiency.
- Waste management: employing and continuously improving waste reduction, recycling and disposal strategies across the portfolio.

By integrating these assessment processes into its corporate strategy, Summus Group aims to ensure compliance with the latest EFRAG guidance while driving meaningful sustainability improvements across its operations.

PARK TOWN / LITHUANIA

GOVERNANCE KEY PERFORMANCE

In the Governance aspect of the ESG framework, the Supervisory and Management Board of Summus Group plays a critical role in overseeing the KPI-s, targets and strategic actions. These elements are rigorously reviewed on a quarterly basis, setting the stage for the initiatives of the subsequent period.

The commitment of the Group to data integrity is evident through meticulous data collection processes, bolstered by precise methodologies and automated systems, ensuring accuracy and alignment with the ESG frameworks. Such diligence underpins the credibility of the ESG disclosures of the Group.

Both Management and Supervisory Board members maintain an active role in monitoring the ESG performance, ensuring that strategies are yielding the desired outcomes. This involves a continuous cycle of reviewing the ESG metrics, identifying improvement opportunities and adjusting the ESG approaches accordingly.

ANTI-MONEY LAUNDERING (AML)

AML procedures are essential for Summus Group, reinforcing the integrity and legality of financial dealings within the real estate sector. They are integral to the regulatory compliance and ethical business operations of the Group, safeguarding against financial crimes and solidifying the standing as a trustworthy and responsible market player.

At Summus Group, AML practices are vital in preventing the misuse of the Group companies in financial crimes, thereby protecting the reputation and financial stability of the Group.

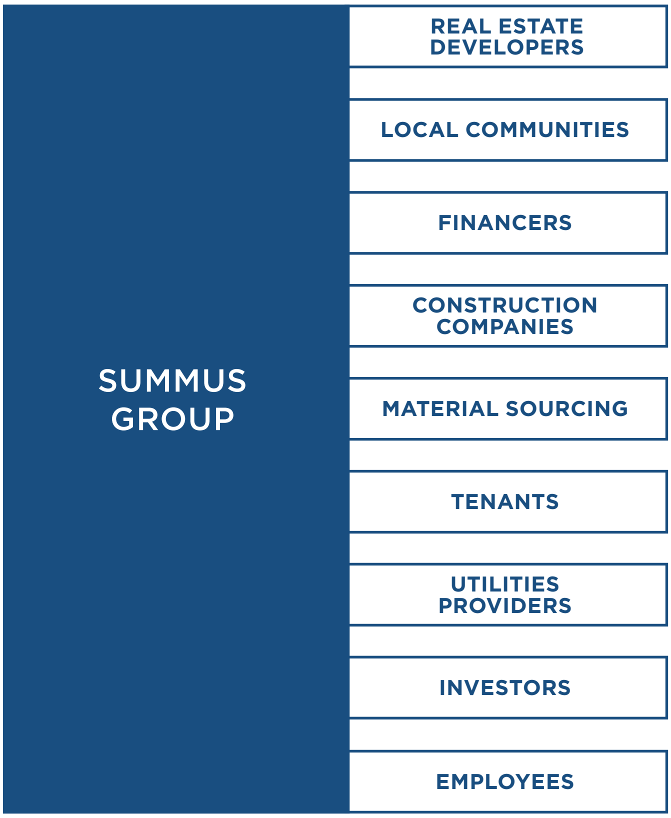
The applied procedures of Summus Group include:

- Customer Due Diligence (CDD): verification of the identities of clients, such as buyers, sellers, tenants and contractors, assessing their risk levels for potential money laundering or terrorist financing activities.
- Enhanced Due Diligence (EDD): for the clients presenting higher risks, like politically exposed persons (PEPs) or those with unusual transaction patterns, a thorough due diligence is conducted to gain a comprehensive understanding of their backgrounds and business relations.
- Suspicious Activity Monitoring: transaction monitoring systems detect signs of irregularities, prompting further investigation into unexplained funds or atypical transaction behaviours.
- Internal Controls: to ensure AML compliance, the Group has implemented stringent internal controls, including employee training on AML protocols, appointing a compliance officer and performing regular risk assessments.
- Record Keeping: detailed records of all transactions, customer verification details and pertinent documentation are meticulously maintained as part of real estate management services.
- Reporting: any identified suspicious activities are promptly reported to the appropriate legal or financial authorities.

Through these structured AML strategies, Summus Group maintains a proactive stance in the prevention of financial misconduct and the promotion of a secure financial environment within its operations.

STAKEHOLDER ENGAGEMENT AND PARTNERSHIPS

SUMMUS AND DIFFERENT STAKEHOLDERS THROUGHOUT ITS VALUE CHAIN



Summus Group prioritises sustainability throughout its value chain, meeting evolving stakeholder expectations and aligning with the EU Taxonomy and CSRD regulations.

SUSTAINABLE SUPPLY CHAIN & PROPERTY MANAGEMENT

The Group sources sustainable materials, minimising waste, energy use and emissions while considering the full lifecycle of building materials. Strategic partnerships and tenant engagement promote sustainability.

Effective property management and acquisitions support the ESG goals, attracting responsible investors and reducing environmental and social risks.

Sustainable operations & stakeholder engagement

Summus Group ensures environmentally conscious operations, prioritizing contractors with experience in BREEAM and LEED-certified projects.

The Group actively engages investors, tenants, employees, service providers and local communities in its business operations.

Stakeholder-centric initiatives

The efforts include energy-efficient renovations, enhanced employee benefits and flexible work options for service providers. As Summus relies on outsourced services, these measures improve workforce well-being. Additionally, community development programmes are shaped with direct local input, reinforcing the ESG goals and sustainable portfolio growth.

3.3. ENVIRONMENTAL IMPACT

ESG INTEGRATION & STRATEGIC ALIGNMENT

Summus Group systematically identifies and prioritises key ESG impacts, to align its real estate portfolio with sustainability objectives and stakeholder expectations. Through materiality assessments, benchmarking and stakeholder engagement, the Group focusses on energy efficiency, sustainability certifications and risk mitigation, ensuring ESG integration across its operations.

RISK & IMPACT ASSESSMENT

A comprehensive evaluation of the regulatory trends, market shifts and technological advancements informs the strategic direction of the Group. ESG risks and opportunities are assessed based on impact and likelihood, guiding decisions that drive the most significant sustainability improvements and risk mitigation efforts.

MATERIALITY & LONG-TERM VALUE

Summus Group conducts annual materiality assessments to adapt to evolving ESG landscapes, ensuring that sustainability remains embedded in its business model. By integrating environmental and social impact evaluations, the Group enhances financial performance, governance and long-term stakeholder value.

ENERGY EFFICIENCY AND RENEWABLE ENERGY INITIATIVES

Through a comprehensive series of initiatives and strategic optimisations since the start of the programme, total energy consumption has been reduced in savings of 13 600 MWh in electricity and 6 081 MWh in heating. These efficiency measures have delivered tangible financial savings of EUR 2.2 million for the Group and its stakeholders, reinforcing a strong commitment to sustainable and responsible asset management. At the start of the targeted energy efficiency drive, the property portfolio of the Group had an energy efficiency benchmark of 251 kWh/m^2. Through optimisation efforts, this has now improved to 195.9 kWh/m^2, reflecting significant progress in reducing energy consumption.

ESG FOCUS AREAS

Key sustainability priorities include energy efficiency, sustainable certifications, water and waste management and broader social and governance considerations tailored to the Baltic region and Poland.

STRATEGIC ENERGY UPGRADES

Auriga Investment: planned upgrades will enhance energy performance through advanced building automation, LED lighting, energy labels and the BREEAM Very Good certification.

Proactive scheduling & tenant engagement: operational and financial challenges are addressed through structured planning and tenant collaboration

CLIMATE ACTION & SUSTAINABILITY INITIATIVES

Energy efficiency: ongoing investments in advanced HVAC and real-time energy management systems. Increased energy audits enhance property performance, particularly in the Baltic portfolio.

Renewable energy: expansion of on-site clean energy generation, including solar energy projects following the success at Veerenni Health Centre.

PARK TOWN / LITHUANIA

Waste reduction: development of ambitious waste management strategies for improved waste minimisation.

GHG emissions tracking: advanced data analysis tools for precise carbon tracking, including a focus on electric vehicle infrastructure and building efficiency.

HVAC & sensor upgrades: replacement of CO_2 and pressure sensors, along with motion sensors for energy conservation.

FUTURE COMMITMENTS

Climate transition plan: evaluating long-term emission reduction strategies aligned with global efforts to limit warming to below 2 °C.

Scope 3 emissions tracking: public disclosure of carbon footprint data and expansion of emissions tracking beyond Scope 1 & 2.

Portfolio energy performance: preparing a comprehensive energy intensity review to achieve higher sustainability classifications across assets.

Summus Group remains committed to reducing its environmental impact, improving energy efficiency and driving long-term sustainability in real estate operations.

SUSTAINABILITY & RENEWABLE ENERGY COMMITMENT

- Energy efficiency: adoption of energy-saving technologies and expansion of renewable energy sources.
- Green Electricity: targeting 90% renewable energy usage across all assets.

PARK TOWN / LITHUANIA

Summus Group integrates the ESG objectives into its real estate strategy through stakeholder engagement, materiality assessments and industry benchmarking. The priorities include energy efficiency and sustainability certifications, ensuring alignment with long-term goals and stakeholder expectations. Transparent ESG reporting reinforces sustainability, social responsibility and long-term value creation, demonstrating a strategic commitment to responsible investment and environmental impact reduction.

CARBON FOOTPRINT AND GHG EMISSIONS REDUCTION

Goal: Monitoring and reducing Scope 1 and Scope 2 (Scope 3 emissions for 2027).

Goal: Targeting carbon neutrality by 2040 through sustainable infrastructure investments.

Summus Group prioritizes carbon footprint reduction, energy efficiency, sustainable certifications (BREEAM/LEED), water and waste management, tenant engagement, and ethical governance. These priorities are tailored to regional challenges in the Baltics and Poland. Management oversight and cross-functional collaboration ensure strategic alignment, while external assurance reinforces ESG credibility and transparency in reporting.

WATER MANAGEMENT

Goal: improve water efficiency and reduce consumption across properties.

Key actions:

- Install rainwater collection systems for landscaping and toilet flushing.
- Implement smart irrigation controls to adjust watering based on weather.
- Replace outdated plumbing with leak-resistant, high-efficiency systems.
- Launch water conservation awareness campaigns for tenants and visitors.
- Benchmark water usage against best practices and set yearly reduction targets.

WASTE MANAGEMENT AND CIRCULAR ECONOMY PRACTICES

Goal: strengthening waste reduction and recycling programmes.

- Recycling programme: clearly labelled bins for paper, plastic, glass and organic waste in malls.
- Food waste management: implement composting systems in food courts to reduce waste and emissions.
- Sustainable packaging: collaborate with vendors and tenants to reduce packaging and promote biodegradable or recyclable materials.
- Monitoring & reporting: track waste volume and diversion rates, with annual sustainability reporting.
- Target: increase waste diversion yearly, prioritising recycling and reuse over landfill disposal.

CIRCULAR ECONOMY PRACTICES

Nordika Shopping Centre has implemented various sustainability initiatives aimed at minimising waste and promoting circular economy principles. These efforts emphasise reducing environmental impact by encouraging reuse, recycling and responsible consumer habits. One of the key initiatives involves the collection and repurposing of materials such as old posters, cardboard and plastic, thereby extending their lifecycle and reducing unnecessary waste. To further promote waste reduction, reusable shopping bags made from organic cotton are distributed during events, aiming to decrease reliance on single-use plastics and foster a culture of sustainability.

Additionally, exchange stations have been introduced across the shopping centre, allowing visitors to swap items such as clothing, toys and household goods. These stations facilitate the reuse of everyday products and help minimise excessive consumption. Creative workshops are also hosted, where participants can craft Christmas cards from recycled materials, fostering hands-on engagement with sustainability. A special gift card campaign during the holiday season encourages thoughtful and practical gifting, reducing the prevalence of unwanted items that contribute to waste. To promote environmentally conscious shopping habits, discounts are offered to customers who bring their own containers or bags when purchasing food and beverages at cafés and bulk food stores, contributing to a shift towards a zero-waste shopping experience.

Efforts to reduce paper waste have also been integrated, with visible signage reminding customers of the option to shop without printed receipts. This approach significantly reduces unnecessary paper consumption, while aligning with broader sustainability goals. Through these measures, Nordika Shopping Centre continues to advance circular economy practices and waste management strategies, reinforcing its commitment to environmental responsibility and a more sustainable future.

PHYSICAL AND TRANSITION RISKS

CLIMATE RISK MANAGEMENT:

Summus Capital integrates climate adaptation and sustainability strategies to enhance portfolio resilience, aligning with the GRESB and ESRS E1 frameworks to meet the evolving regulations.

PHYSICAL RISKS & ADAPTATION MEASURES:

Heat stress mitigation

- Advanced cooling systems, high-efficiency HVAC and reflective materials minimise heat absorption.
- Regular maintenance and infrastructure upgrades optimise performance during extreme heat.

Adaptation to rising temperatures

- Enhanced insulation for energy efficiency.
- Energy-efficient windows for better thermal control.
- Passive cooling (shading systems, natural ventilation).
- Sustainable, heat-resistant materials for durability.

Flood risk & rising sea levels

- Elevating infrastructure to prevent water damage.
- Water-resistant materials to enhance durability.
- Stormwater drainage systems for heavy rainfall management.
- Collaboration with local authorities on sea-level rise risks.

TRANSITION RISKS & STRATEGIC ADAPTATION:

Regulatory & compliance risks

- Monitoring EU & national regulations (carbon pricing, energy efficiency).
- Aligning compliance strategies to mitigate financial risks.

Technological innovation

- Smart building technologies for energy optimisation.
- Renewable energy solutions (solar panels, battery storage).
- Data-driven asset management for predictive maintenance.

Market opportunities in green investments

- Expanding green-certified assets for sustainability and efficiency.
- Enhancing energy performance to reduce costs & emissions.
- Strengthening market position through leadership in sustainable real estate.

Summus Capital proactively mitigates risks, leverages sustainability trends and enhances asset value through climate resilience strategies.

INTERACTION WITH STRATEGY AND BUSINESS MODEL

Summus Capital aligns environmental factors with business strategies, ensuring that the ESG goals drive both sustainability and profitability. The Group invests in green building materials, renewable energy and energy-efficient designs, adhering to the BREEAM and LEED standards for compliance and transparency. Stakeholder engagement with tenants, investors and communities fosters collective sustainability efforts.

VEERENNI 2 / ESTONIA

RISK MANAGEMENT STRATEGY

Summus Capital integrates physical and transition risk management into its long-term strategy:

- Risk identification – environmental scanning and scenario analysis to detect emerging risks.
- Risk assessment – evaluating financial, operational and reputational impacts.
- Stakeholder engagement – collaboration with investors, tenants, regulators and communities to align expectations.
- Strategic integration – embedding risk mitigation into investment decisions and asset management.

By prioritising climate resilience and sustainability, Summus Capital ensures its portfolio remains adaptable, future-proof and aligned with global best practices, reinforcing long-term growth, while mitigating regulatory and climate-related risks.

3.4. SOCIAL RESPONSIBILITY AND PERFORMANCE

EMPLOYEE WELL-BEING AND TRAINING

Promoting employee wellness, professional development and fair workplace practices.

The operational model of Summus Group is distinct in that it has rather limited in-house staff; instead, the Group extensively relies on its main service partners, Green Formula Capital (GFC) and Zenith Family Office (Zenith), for workforce needs. As such, when the Group refers to its 'employees,' it refers to the dedicated teams from these trusted partners. Their staff are considered an extension of Summus Group, integral to its business and the high-quality service it provides to the customers.

It is crucial for the Group to clarify that the welfare of these individuals, working under the banners of GFC and Zenith, is of paramount importance to the Group. Summus Group is committed to ensuring that these partners treat their staff with fairness and integrity. This commitment translates into the enforcement of standards for appropriate wages, benefits, training, health and safety – all mirroring the ethical and legal benchmarks the Group upholds.

The approach of Summus Group to employee relations within the value chain focuses on the creation of a positive work environment championed by its partners. The Group strives to extend opportunities for their professional growth and personal well-being. The Group advocates for practices that support diversity, equity and inclusion, recognising the importance of a respectful and welcoming workplace for all individuals employed by its partners.

In terms of employee satisfaction, the surveys conducted are designed with anonymity, confidentiality and inclusivity at their core, addressing aspects such as work-life balance, compensation, career opportunities, management support and diversity.

Although these surveys are currently concentrated on the employees of Green Formula Capital and Zenith, there is a plan to expand the scope to include other partners providing cleaning, security and other services in the future. The feedback obtained from these surveys is not just a formality; it is a catalyst for action. The results will be meticulously analysed to identify areas for improvement, with the aim of enhancing the overall job satisfaction and engagement within the extended workforce.

ADEQUATE WAGES

The partners of Summus Group examine the average wage that other companies within the same industry are paying their employees for similar positions and responsibilities.

The partners of the Group research the relevant industry and look at data from sources such as government statistics, industry publications and salary surveys. This information can provide a benchmark to assess whether the wages being paid to employees are competitive and fair. With any new hiring market, comparison is being made by using HR industry professionals.

Additionally, the partners of the Group regularly review employee compensation and benefits to ensure that they remain competitive and fair in comparison to industry standards, and to retain top talent. Employers also consider feedback from employees on their compensation and benefits to address any concerns and make improvements, where necessary.

TRAINING AND SKILLS DEVELOPMENT

The partners of Summus Group offer various opportunities to employees for self-improvement, and two of the most common ones are individualised training plans, self-development and team events.

Individualised training plans refer to the customised learning programmes created specifically for an employee based on their skills, goals and the needs of the organisation. These training plans include various methods of learning such as attending workshops, courses, online training and mentoring programmes. In some cases, personal coaching is provided.

Self-development and team events provide employees with opportunities to learn from one another, collaborate and build relationships with colleagues. These events range from team-building exercises to group workshops, seminars and conferences. They enable employees to develop a range of skills such as communication, leadership, problem-solving, phycology and teamwork, which are essential for their professional growth and advancement.

DIVERSITY, EQUITY AND INCLUSION INITIATIVES

Ensuring gender diversity and promoting inclusive hiring and leadership training programmes.

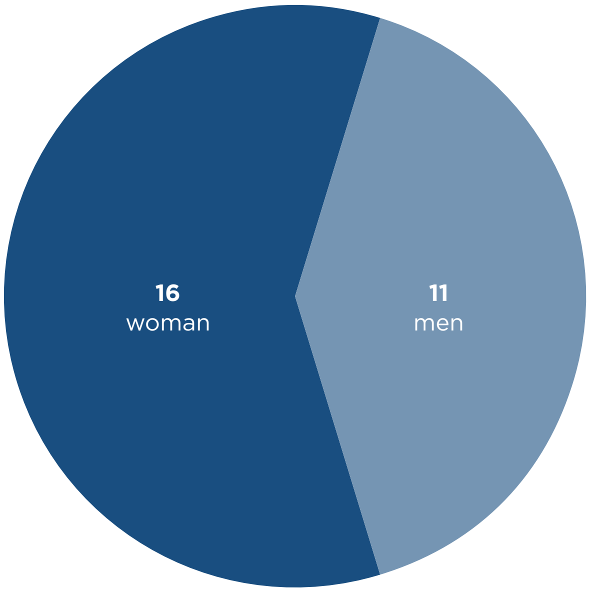
NATIVE LANGUAGE SPOKEN AMONG EMPLOYEES

Estonian	41%
Lithuanian	7%
Latvian	4%
Russian	48%
Total	**100%**

Through its partners, Summus Group has employees across a range of age groups, including younger workers who bring fresh perspectives and ideas, as well as more experienced workers who can provide mentorship and guidance to their colleagues. At the same time, like many other companies, Summus Group has a higher percentage of employees in the 30-50 age range, which is associated with productivity, experience and career development. In terms of gender diversity, Summus Group strives to have equal representation of men and women across all levels of the organisation, including leadership positions.

Group	Men %	Women %	Total %
18-25	0%	0%	0%
26-33	0%	15%	15%
34-41	11%	19%	30%
42-49	22%	11%	33%
50-57	7%	15%	22%
Total	**40%**	**60%**	**100%**

NUMBER OF EMPLOYEES BY GENDER



TENANT AND COMMUNITY ENGAGEMENT PROGRAMMES

LOCAL COMMUNITIES

POLICIES AND STRATEGY

The commitment of Summus Group to local communities is enshrined in its policies, which mandate active engagement and positive impact on the areas where the Group operates. The strategy of the Group focuses on supporting community development through initiatives that improve the local infrastructure, enhance the quality of life and stimulate economic growth. The Group manages community impacts by regularly consulting with local stakeholders to understand their needs and aligning community investment with these insights.

TARGETS

The targets of Summus Group are set with the ambition to create measurable benefits for local communities. These include:

Partnering with local organisations or initiatives.

Enhancing the scope and reach of the community service activities conducted by the Group.

Launching new community development projects that address local needs, like improving public spaces and supporting educational programmes.

Raising the number of sponsored events, scholarships or training opportunities for the local population, particularly in areas like sports, arts and education.

Seeking for suppliers to be sourced from the local community.

2024 PROGRESS AND KPI-S

In 2024, Summus Group has made significant strides in reinforcing its ties with local communities:

The Group increased community investments compared to the previous year.

In 2024, Summus Capital reinforced its commitment to local communities by supporting talented young tennis players from Estonia, Latvia and Lithuania. Through this initiative, we contribute to the development of future champions, fostering excellence and dedication in international competitions.

SPONSORSHIP

COMMUNICATION AND ACTION PLAN

TENANTS

Communication	Expectations	Action plan
Tenant feedback surveys Social media service hotlines Regular day-to-day correspondence Newsletters	Professionally managed properties, ensuring they are well-maintained, secure and generate optimal returns. Expect Summus Group to provide them with timely and accurate financial reports, communicate effectively and address any concerns or issues promptly.	Summus Group has implemented various strategies such as using advanced property management software to efficiently manage properties, providing comprehensive tenant services, conducting regular inspections and communicating effectively through regular updates and reports. Summus Group has also established responsive customer service protocols to ensure client satisfaction.

EMPLOYEES

Communication	Expectations	Action plan
Regular meetings and day-to-day communication	Fair and transparent procurement practices, timely payments, clear specifications and requirements and a collaborative relationship.	Summus Group has established transparent procurement procedures that follow industry standards, provide clear specifications and requirements and ensure timely payments. Summus Group has built strong and long-term relationships with suppliers, based on mutual trust and respect.

FINANCIERS

Communication	Expectations	Action plan
Regular reporting and meetings	Prudently managed funds, payment of interest and principal on time, complying with all relevant regulations and requirements.	Summus Group has implemented various financial management strategies such as maintaining a healthy balance sheet, sustainable loan to value level, managing cash flow and complying with regulatory requirements. Summus Group also has established regular communication channels with financiers, providing them with timely and accurate financial reports and updates. Summus Group bonds are listed on Nasdaq First North Stock Exchange that adds to the transparency requirements.

LOCAL COMMUNITIES

Communication	Expectations	Action plan
Community meetings	Local CSR initiatives and collaboration with local NGOs.	Summus Group addresses community needs such as job creation, environmental conservation and social welfare.

INVESTORS/OWNERS

Communication	Expectations	Action plan
Regular reporting and meetings	Generation of consistent and growing profits, provision of regular updates and disclosures, effective risk management and long-term value creation	Summus Group has implemented various strategies such as developing a long-term strategic plan, diversifying its portfolio, managing risks effectively and ensuring transparency and accountability through regular updates and disclosures. Summus Group established robust governance and oversight mechanisms, to ensure that investor interests are protected and their investments generate sustainable returns. Summus Group holds regular quarterly Supervisory Board meetings and weekly Management Board meetings that follow the principles of good governance. Summus Group has commissioned an outside revision provider in addition to the financial audit required by law.

HEALTH AND SAFETY STANDARDS

Maintaining compliance with workplace safety regulations and implementing robust health initiatives.

The partners of Summus Group provide a comfortable office environment for their employees with ergonomic furniture, good lighting, comfortable temperatures and low noise levels. Employees have access to amenities such as a kitchen or break room, a nearby gym or exercise facility and free snacks or drinks.

The entity proactively seeks out partnerships with local health and wellness organisations, such as hospitals, clinics, gyms, yoga studios and wellness centres. These partnerships enable the entity to organise joint events, workshops and seminars on health and wellness topics that are open to both tenants and the wider community. These events include fitness classes, nutrition workshops, mental health awareness programmes and other relevant activities that promote the physical, mental and emotional well-being of the community.

However, even in a comfortable office environment, there are still potential hazards that could arise, which is also relevant to subcontractors. Some possible hazards could include:

Electrical hazards: faulty wiring, overloaded power sockets or exposed wiring can lead to electrical shocks or fires.

Ergonomic hazards: prolonged sitting or standing, improper posture or repetitive motions can cause musculoskeletal disorders, such as back pain, carpal tunnel syndrome or tendonitis.

Indoor air quality: poor ventilation or exposure to pollutants, such as mould or chemicals from cleaning supplies, can lead to respiratory problems or other health issues.

Psychological hazards: high levels of stress, harassment or bullying can negatively impact the mental health and well-being of the employees.

The partners of Summus Group place a high priority on the health and well-being of their employees. Monthly

VEERENNI 2 / ESTONIA

SUMMUS FAMILY

compensation to the employees for health and training expenses are offered in accordance with Estonian law. Any potential workplace hazards are proactively identified and mitigated to ensure the safety and well-being of the team. This includes regular safety audits, training sessions on safe work practices and the implementation of robust policies and procedures to reduce the risk of workplace accidents and injuries.

The key components of an occupational safety management system (OSMS) include:

Policy: a written statement that outlines the commitment of the organisation to workplace safety and health.

Planning: the identification and assessment of potential hazards in the workplace, as well as the development of strategies to mitigate these risks.

Implementation: the deployment of the policies and procedures developed in the planning stage, including the allocation of resources, training of employees and establishment of communication channels.

Measurement and evaluation: the monitoring and measurement of the effectiveness of the OSMS in identifying and controlling workplace hazards.

Review and improvement: a continuous process of reviewing and improving the OSMS to ensure its ongoing effectiveness and to adapt to changes in the workplace and the external environment.

WORK-LIFE BALANCE

As the employees of the partners of Summus Group are high achievers and result-oriented, it has to be ensured that they have a good work-life balance.

Here are some ways the partners of the Group can help their employees maintain a work-life balance:

Flexible working hours: this means allowing the employees to work from home or offering part-time or job-share opportunities. A combination of office and home office is allowed and mixing them is encouraged. A cross-work-related teams communication is favoured.

Paid time off: the employees get paid time off for vacations, personal days and holidays. Additionally, paid parental leave for new mothers and fathers are offered.

Wellness: providing wellness financial support, such as paying part of gym memberships and mental health support.

Childcare support: the employees are enabled parental leave and a flexible schedule. Children and domestic animals are welcome in the office.

Monitoring leave: the use of leave, such as parental or sick leave, by the employees is monitored to ensure that the employees are taking the necessary time off to rest and recharge.

WELLNESS

3.5. ECONOMIC RESPONSIBILITY

Summus Capital integrates the best ESG practices and sustainable finance frameworks into its investment strategies, ensuring long-term value while complying with the EU Taxonomy, BREEAM and LEED standards.

SUSTAINABLE INVESTMENT PRACTICES

Long-term value creation

Summus Capital prioritises long-term growth through strategic diversification and responsible investments. The portfolio focuses on mixed-use properties in high-growth markets like the Baltics and Poland, ensuring economic stability and resilient asset management.

FINANCIAL PERFORMANCE LINKED TO THE ESG METRICS

Summus Capital embeds the ESG metrics in its financial evaluations to enhance transparency and sustainability.

The key approaches include:

- GRESB-aligned sustainability reporting.
- Assessing rental income stability & asset appreciation based on energy efficiency and green certifications.
- Monitoring energy performance & carbon footprint compliance with the EU Green Deal goals.
- Leveraging smart building technologies for improved resource management.
- This the ESG-driven financial strategy strengthens portfolio resilience, investor appeal and long-term profitability.

REDUCING ITS CARBON FOOTPRINT AND ADVANCING TOWARDS CARBON-NEUTRAL PROPERTY MANAGEMENT

Summus Capital is committed to sustainable property management, aligning its operations with international climate targets to support the transition towards a low-carbon economy. Our strategy focusses on reducing greenhouse gas emissions across all scopes and increasing energy efficiency within our portfolio.

Significant reduction in total emissions from 18 528 tonnes CO_2e (2021) to 6 717 tonnes CO_2e (2024).

GREENHOUSE GAS EMISSIONS BREAKDOWN (SCOPE 1 & 2) AND REDUCTION PROGRESS 2021–2024

Scope	Activity Type	GHG Emissions (tonnes CO_2e)
Scope 1	Stationary combustion	780.01
	Fugitive emissions from air-conditioning	185.43
	Scope 1 – total	965.44
Scope 2	Purchased electricity	4 425.89
	Purchased heat	1 326.48
	Scope 2 – total	5 752.37
TOTAL Scope 1 and Scope 2 – total		**6 717.82**

TRANSPARENT FINANCIAL AND ESG REPORTING

Summus Capital ensures transparency in its financial and ESG reporting by following international sustainability frameworks for accurate and comparable disclosures.

Key commitments:

- GRESB participation: annual sustainability assessments to benchmark the ESG performance.
- EU taxonomy compliance: ensuring that the investment activities align with sustainable investment regulations.
- Financial reporting integration: embedding the ESG metrics in the financial statements to meet investor and regulatory expectations.
- Green finance & investments: aligning financing with green bonds and sustainable strategies to fund ESG-driven projects.

LONG-TERM VALUE CREATION

The investment philosophy of Summus Capital is built on creating long-term value for shareholders, tenants and the society by:

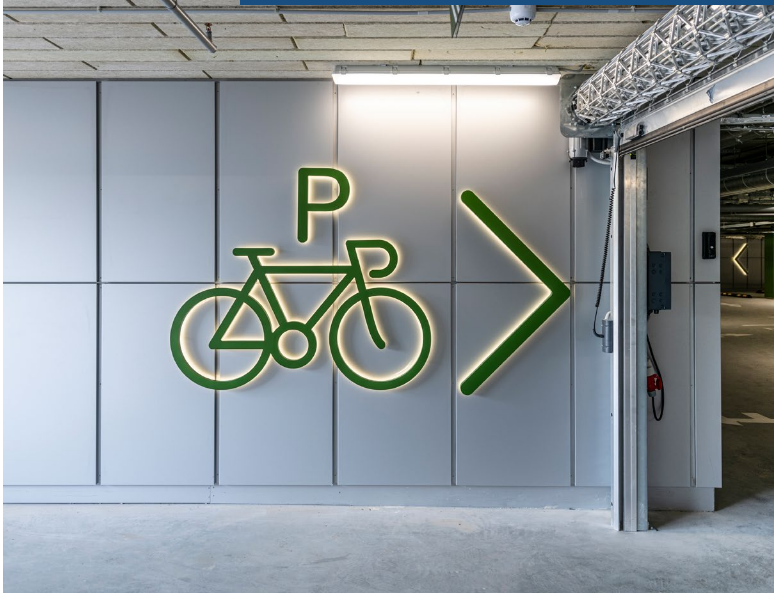
- Prioritising high-performance sustainable buildings that enhance asset value and rental yield.

SUMMUS FAMILY

- Implementing tenant engagement programmes to encourage energy-saving behaviour and increase sustainability awareness.
- Ensuring that building operations and management align with carbon neutrality goals and circular economy principles.
- Strengthening partnerships with stakeholders, policymakers and industry leaders to promote sustainable urban development.

By incorporating these principles of economic responsibility into its investment strategy, Summus Capital ensures that its real estate portfolio delivers strong financial returns, resilient asset value and a positive environmental impact.

PARK TOWN / LITHUANIA



3.6. KEY PERFORMANCE INDICATORS (KPI-S)

ENVIRONMENTAL PERFORMANCE METRICS (ENERGY, GHG, WATER, WASTE)

Advancing towards carbon-neutral property management
Summus Capital is committed to reducing emissions across all scopes while improving energy efficiency to support a low-carbon economy.

THE SUSTAINABILITY TARGETS AND KEY PERFORMANCE INDICATORS (KPIS) OF SUMMUS GROUP

COMMITMENT TO CLIMATE GOALS

As part of its sustainability strategy, Summus Capital has set targets in accordance with the below 2 °C goal of the Paris Agreement, with a focus on mitigating operational emissions and enhancing energy efficiency. The company aims to:

Reduce Scope 1 and Scope 2 emissions by 90% by 2040 from a designated base year.

Monitor and progressively lower Scope 3 emissions, particularly those associated with tenant energy consumption, supply chains.

Achieve carbon neutrality in property management by 2040, striving for at least a 90% reduction in direct emissions while implementing offset measures for any remaining emissions.

EMISSION REDUCTION AND ENERGY EFFICIENCY INITIATIVES

Summus Capital has significantly reduced its CO_2 emissions through:

- Expanding renewable energy, particularly solar panel installations.
- Enhancing building automation for efficient HVAC, lighting and energy monitoring.
- Optimising insulation, heat recovery and cooling systems to lower energy demand.
- Implementing power-saving technologies, including smart metering and LED lighting.
- Using low-impact refrigerants to minimise emissions from cooling systems.

STRATEGIC INVESTMENTS IN RENEWABLE ENERGY

- Expanding solar capacity across the portfolio.
- Partnering with district heating providers and renewable energy suppliers.
- Carbon offset initiatives to neutralise residual emissions.
- Green financing to support sustainable infrastructure investments.

RECENT ESG MILESTONES

In recent developments, Summus Group was successful in decreasing its energy consumption from 251 kwh/m² to 195.9 kwh/m² following the Green Formula Capital management principles. The monetary effect of such efficiency increase is approximately EUR 2.2 million. Since the start, the assets certification of the Group increased from 67% to 89%. The assets are now better and more sustainable for tenants, clients and employees.

CARBON EMISSIONS REDUCTION

In the latest reporting period, Summus Capital has achieved a significant reduction in carbon emissions across its portfolio. This progress is primarily attributed to the application of more precise emission factors and an increased share of renewable energy usage.

IMPACT OF RENEWABLE ENERGY CONTRACTS

According to the input data for 2024, more than half of the buildings in the portfolio of Summus Capital had valid green electricity agreements. This has resulted in a substantial decrease in the overall CO_2 footprint of the portfolio compared to the previous year.

Total emissions in 2021 amounted to 18 528 tonnes CO_2-eq.

Total emissions in 2024 were significantly lower at 6 717.82 tonnes CO_2-eq.

This represents a reduction of approximately 64% over the three-year period.

The most notable decrease is observed in Scope 2 emissions, which include purchased electricity and heat. The shift towards renewable electricity has had a decisive impact, reducing indirect emissions and strengthening the commitment of Summus Capital to carbon neutrality and sustainability.

By continuously refining its energy procurement strategies and applying enhanced reporting methodologies, Summus Capital remains committed to minimising its environmental impact and aligning with its long-term sustainability targets.

SOCIAL PERFORMANCE METRICS (EMPLOYEE ENGAGEMENT, TENANT SATISFACTION)

Goal: conducting tenant satisfaction surveys and implementing sustainability-driven improvements.

Key initiatives:

- Effective communication: regular newsletters, email updates and online portals provide tenants with important property information.
- Quick issue resolution: dedicated channels for maintenance requests and complaints build trust and improve satisfaction.
- Community engagement: social events, workshops and recreational activities foster a positive tenant experience.
- Feedback-driven improvements: regular surveys help identify tenant needs and guide property management enhancements.

Programme implementation:

- Assessing tenant satisfaction: surveys and feedback forms track tenant concerns and service effectiveness.
- Enhancing property management: upgrading maintenance processes, security measures and common areas.
- Continuous monitoring & adjustments: regular reporting ensures ongoing improvements and adaptation to tenant needs.

Outcome: a proactive approach that enhances tenant relationships, improves retention and strengthens long-term property value.

SUSTAINABILITY INTEGRATION IN OPERATIONS

Summus Group aligns business processes with the ESG goals, ensuring sustainable practices in resource optimisation, energy-efficient investments and responsible procurement.

Governance commitment:

ESG performance is accurately reported and communicated to investors, tenants and employees. Sustainability criteria are embedded in employee training and development programmes. This strategy reinforces long-term sustainability, operational excellence and stakeholder trust.

To set verifiable targets for material issues including climate and nature, Summus Group has set:

Short-term targets:

- Reduce energy consumption additionally by 10% within 2 years using 2021 as a baseline.
- Improve the GRESB rating significantly to reach TOP 25% of the peer group.
- Be ready to implement the EU CSRD standard reporting by 2027.

Long-term targets:

- Achieve carbon neutrality standards by 2040, with a detailed plan for energy efficiency, renewable energy procurement and carbon offsetting.
- Ensure 100% of new investments are in buildings with at least the BREEAM or LEED certification by 2025.
- Implement advanced smart building technologies across 75% of the portfolio by 2030, enhancing energy efficiency, reducing operational costs and improving tenant comfort and safety.

To ensure that the sustainability targets of Summus Group deliver a tangible impact, targets will be accompanied by specific expected outcomes and clear baselines, extending beyond direct operations to include both upstream and downstream activities (for example, engaging suppliers and tenants in energy, waste and water reduction efforts to amplify the impact). The Group will ensure transparent reporting on progress towards these targets, providing a narrative that details the strategies for addressing challenges and outlines the future plans to achieve these ambitious goals. This comprehensive approach to sustainability summarised in the following table will extend beyond the immediate operations of the Group, fostering a broader commitment to sustainability.

REACT / POLAND

GOVERNANCE METRICS

Metric	Current status 2024	Target 2025	Target 2030
Energy efficiency (kWh/m^2)	**196**	**187**	**158**
Key achievements	For 2025, a slower decrease in energy consumption is expected, as most high-impact improvements have already been implemented. Future efficiency gains will focus on automation, lighting upgrades and technical system enhancements. The Group is also exploring external funding sources and subsidies to support these investments.	By 2025, Summus Capital aims to reduce energy consumption by an additional 10% compared to 2021 levels, continue decreasing carbon emissions, and increase the share of renewable energy within its portfolio.	By 2030, Summus Capital aims to achieve full energy independence by implementing solar power, wind energy and energy storage solutions, alongside mandatory energy labels across all properties.
Taxonomy	**15%**	**25%**	**75%**
Taxonomy compliance (% of assets aligned)	Currently, Lakeside and React office buildings are compliant with EU Taxonomy requirements. The Group continues assessing and aligning more assets with taxonomy criteria, although regulatory updates may adjust implementation timelines.	By 2025, at least 25% of assets will meet Taxonomy criteria, with continued compliance reporting following GRESB, EU regulations and sustainability principle.	Goal: By 2030, align 75% of assets through investments in renewable energy, efficiency projects and green building certifications
Certification	**89%**	**94%**	**95%**
	Summus Capital has expanded its certification coverage in 2024, including React (BREEAM Excellent, WELL Health-Safety and Wired Score Platinum) and Lakeside (BREEAM Outstanding, WELL Gold).	By 2025, additional properties, including Damme, will complete certification, increasing total coverage to 94%. However, older and smaller assets (DeLaGardie, Stora, Mediq and Punane) will not undergo certification due to feasibility constraints. Nordika BREEAM In-Use renewal and Riga Plaza BREEAM will be updated during 2025.	By 2030, Summus Capital targets 95% certification, prioritising updates for the BREEAM In-Use and LEED certification, aligning with investor and banking standards.
Share of green electricity	**87%**	**90%**	**90%**
(%)	The Group is very close to the target.	Summus Capital is close to meeting its target, with a few remaining assets in Estonia (Auriga, Veerenni 2) still requiring conversion.	By 2025, 90% of the portfolio will be powered by green electricity, excluding tenant-managed contracts.
Water consumption	**104 050 m^3**	**102 000 m^3**	**-10%**
(m^3)	Water consumption has increased by 5.25% year-over-year due to the rising footfall in shopping centres, particularly in DLG, Depo and Nordika and portfolio expansion in Poland (+9 338.6 m^3).	Future goals include improving efficiency per GLA sqm, with a 3-5% reduction targeted annually through water-saving technologies and optimised management.	Integrating water-saving technologies, optimising management strategies and promoting responsible use among tenants and employees. These efforts align with the EU Taxonomy requirements, enhancing sustainability, reducing environmental impact and contributing to global water conservation goals.

Metric	Current status 2024	Target 2025	Target 2030
Waste management	**0%**	**100%**	**100%**
% of properties with complete waste data, connected to Scope 3 emissions	In 2024, Summus Capital launched its first comprehensive waste data collection process, covering Poland, Latvia and Lithuania, with Estonia in progress. The data is used for the GRESB and EU Taxonomy reporting.	By 2025, 100% achieve complete waste tracking, enabling accurate Scope 3 emissions for 2027 calculations and waste intensity benchmarks for future.	By 2030, fully digitalised waste reporting and improved segregation & recycling practices will be in place.
CO_2 emission tonnes per year	**6 718**	**6 500**	**Carbon neutrality by 2040**
Total CO_2 emissions (tonnes/year)	Summus Capital has cut its CO_2 emissions by 64% since 2021, reaching 6 718 tonnes in 2024. Scope 1 and 2 emissions remain a key focus.	By 2025, emissions will be kept below 6 500 tonnes, with at least 75% of energy sourced from certified renewables.	By 2040, Summus Capital aims for 90% Scope 1 and 2 reductions, transitioning energy-intensive buildings to low-carbon district heating and geothermal while exploring carbon offset mechanisms.
Green leases	**12%**	**18%**	**70%**
(% of portfolio)	The progress of the last quarter was very good, 58.17% increase. In total 29 705 sqm leases signed as green leases.	By 2025, all new and renewed leases will include sustainability clauses, targeting 18-20% green leases.	Target will be met gradually when lease contracts end or needs to be changed. The Polish Green Lease clauses are in process.
Customer satisfaction index	**79**	**85**	**90**
Index	The survey was conducted in the last half of 2024. A property manager-led improvement programme has been devised.	Next survey is planned for the second quarter of 2025.	Tenants who are satisfied tend to stay with us for extended periods and exhibit less sensitivity to pricing changes.
Employee satisfaction index	**85**	**90**	**95**
Index	A survey was conducted in the first half of 2024, yielding positive results. An improvement programme has been established in response.	Next survey is planned for the second quarter of 2025.	The Group believes that happy and motivated employees are creating more value for the Group and clients.
Suppliers screening	**20%**	**40%**	**90%**
(% of suppliers)	Screening process in place. Latvia is already implementing principles.	Currently, focus counterparties are identified that require screening. Training regarding Supplier Screening for Property Managers will be prepared and conducted starting from 2025.	It is crucial to establish a screening process in accordance with AML legislation and regulations from relevant regulatory bodies.
GRESB	**71 points**	**75-80 points**	**Top 25%**
Points	2023 GRESB score was 71 points, which is 7.58% rating increase since previous report. (2023: Achieved 66 points)	The Group has addressed missing sections from the application of last year and is preparing for the 2025 submission. The focus includes reducing energy consumption, increasing certified assets, improving energy ratings, enhancing waste data collection and maximising self-generated solar electricity while cutting CO_2 emissions.	The long-term objective of the Gourp is to achieve a ranking within the top 25% of peer group, aiming for approximately 85 points.
Conclusion	Summus Capital remains committed to long-term sustainability, energy efficiency and ESG compliance, ensuring financial and operational resilience. The company has significantly reduced its CO_2 emissions, improved its green certification coverage and expanded its energy-efficient initiatives. By 2030, integrate across operations green financing and taxonomy compliance. Summus Capital aims to achieve net-zero carbon dioxide emissions in its property management operations by 2040.		

3.7. EUROPEAN UNION TAXONOMY

Summus Group has been preparing for compliance with the European Union Taxonomy reporting obligations, initially expected to take effect in the fiscal year 2025 as part of the CSRD. However, recent regulatory updates, particularly the Omnibus Initiative, indicate that these requirements are likely to be postponed beyond 2025. The Group has been actively analysing the extent to which its business activities align with the EU Taxonomy and mapping out compliance criteria since 2023. While adjustments are being made based on the evolving regulatory landscape, it is becoming increasingly apparent that full compliance obligations will apply at a later stage rather than in 2025.

Despite not being formally required to report under the EU Taxonomy for the current reporting year, Summus Group has voluntarily chosen to disclose the descriptions of its Taxonomy-eligible activities. The company will outline the general principles of the EU Taxonomy reporting and the specific activities covered, excluding the related performance indicators. Throughout 2024, Summus Group conducted a detailed compliance analysis and integrate relevant adjustments into its financial reporting systems. The results of this assessment, including performance indicators, are disclosed in the financial report for the year 2024.

By proactively preparing for the EU Taxonomy alignment, even as regulations shift, Summus Group demonstrates its commitment to transparency and sustainability. This strategic approach ensures that the Group remains well-positioned to comply with the evolving CSRD standards while contributing to the broader objectives of the EU green transition.

LAKESIDE / POLAND

GENERAL PRINCIPLES

The Taxonomy Regulation of the European Commission, adopted in 2020, establishes a classification system for sustainable economic activities to encourage private sector investments in sustainability. It sets specific requirements and technical screening criteria for activities contributing to the environmental goals of the EU. The regulation applies to sectors with a significant environmental impact, including the real estate operations of Summus Capital. Under Article 9, six key environmental objectives are defined:

- Climate change mitigation
- Climate change adaptation
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Pollution prevention and control
- Protection and restoration of biodiversity and ecosystems

Companies subject to reporting obligations must disclose the proportion of their activities covered by the Taxonomy (Taxonomy-eligible) and aligned with it, based on sales revenue, capital expenditure and operational expenses. The Taxonomy-eligible ratio shows the extent to which the financial activities of a company relate to Taxonomy-defined economic activities, regardless of their compliance with assessment criteria.

For an activity to be considered Taxonomy-aligned, it must meet the scientific assessment criteria of the regulation, sector-specific technical screening requirements and the 'Do No Significant Harm' (DNSH) principle, ensuring it does not hinder other environmental objectives. Companies must also comply with minimum social safeguards, respecting human rights and good governance principles. Activities failing to meet these standards are not considered compliant.

Summus Group will disclose both compliant and non-compliant Taxonomy-eligible activities. However, due to regulatory developments and operational factors, the implementation timeline may be adjusted. Reporting will align with regulatory requirements and materiality assessments to maintain transparency and commitment to sustainability and responsible investment principles.

REGULATORY FRAMEWORK

The general framework for the regulatory compliance of Summus Group is established by the Regulation (EU) 2020/852, dated 18 June 2020, and is supplemented by subsequent delegated regulations and explanatory materials issued by the European Commission:

- Regulation (EU) 2021/2178, dated 6 July 2021, clarifies the information companies must disclose, including metrics, their calculation methodologies and related explanatory information. Under this regulation, companies are required to report what percentage of their sales revenue, capital expenditure and operational expenses are 1) in alignment with and eligible for the Taxonomy, 2) Taxonomy-eligible but not in alignment and 3) related to activities not covered by the Taxonomy.
- Regulation (EU) 2021/2139, dated 4 June 2021, establishes eligible activities related to the objectives of climate change mitigation and adaptation and the associated compliance assessment criteria.
- Regulation (EU) 2022/1214, dated 9 March 2022, supplements the aforementioned regulation with activities related to energy production from natural gas.

RIGA PLAZA / LATVIA

- Regulation (EU) 2023/2486, dated June 2023, amends the previous regulations regarding eligible activities and compliance assessment criteria related to objectives 3-6. This delegated regulation also includes amendments to previously adopted delegated regulations.
- Reports by the Sustainable Finance Platform published in 2022, addressing objectives 3, 4, 5 and 6 and the minimum social safeguards.
- The frequently asked questions documents of the European Commission from December 2021, February 2022, December 2022 and June 2023.

These regulations and documents create a comprehensive structure within which Summus Group operates, ensuring transparency and accountability in commitment to sustainable practices as guided by the evolving EU Taxonomy. The Group endeavours to consistently reflect compliance and strategic alignment with these objectives in financial reporting and operational practices.

DESCRIPTIONS OF THE ECONOMIC ACTIVITIES OF SUMMUS GROUP COVERED BY THE TAXONOMY

In mapping the activities covered by the Taxonomy Regulation, Summus Group referred to the NACE codes and descriptions of the activities as set out in regulations (EU) 2021/2139 and (EU) 2023/2486. The activities in the operations of Summus Group that can be associated with the EU Taxonomy are in the sphere of the acquisitions and management of properties and are thus covered by the regulation on financial activity 7.7, Acquisition and ownership of buildings (CCM/CCA 7.7).

TAXONOMY-ELIGIBLE AND ALIGNED ACTIVITIES

Summus Capital remains committed to EU Taxonomy compliance, adapting to evolving regulations and the Omnibus Initiative, which suggests that alignment requirements may be postponed beyond 2025. The company is adjusting its reporting strategy while advancing key initiatives to ensure long-term compliance.

TAXONOMY-ALIGNED ECONOMIC ACTIVITIES

Summus Capital aligns its real estate investments with Taxonomy-eligible criteria, ensuring activities:

- Are environmentally sustainable (Article 3).
- Meet technical screening and ‘Do No Significant Harm’ (DNSH) principles.
- Comply with the Minimum Safeguards (Article 18).
- Regular investment reviews assess climate change mitigation, adaptation and sustainability impact.

SCOPE AND ALIGNMENT WITH THE EU TAXONOMY FOR ALL ENVIRONMENTAL OBJECTIVES

Summus follows the EU Taxonomy framework for transparent sustainability reporting, enhancing compliance through:

- BREEAM & LEED certifications
- Stakeholder engagement
- Smart building technologies for energy efficiency

To mitigate climate risks (e.g., extreme weather, changing tenant demands), the company invests in asset resilience, adapts management strategies and integrates climate scenarios:

- RCP2.6: low-emission, best-case strategy (below 2 °C goal).
- RCP4.5 & RCP6.0: moderate risk adaptation.
- RCP8.5: high-risk, stress-testing extreme conditions.

Using SSP frameworks, Summus balances sustainability investments with economic trends, ensuring portfolio resilience and regulatory alignment for long-term growth.

3.8. CERTIFICATIONS AND RECOGNITION

BREEAM AND LEED CERTIFICATIONS

Summus Capital is committed to sustainability and energy efficiency in its properties. The company actively pursues internationally recognised certifications such as BREEAM and LEED to ensure high environmental performance and sustainable operations. Below is an overview of the current certification status of our projects across different regions, along with future certification goals and energy class ratings. Below is a summary of the key certifications.

Country	Project	Certification	Level Now
Estonia	Veereni 51	LEED O+M	Gold
	Veereni 53	LEED O+M	Gold
	Auriga	BREEAM In-Use	Good
Latvia	Damme	BREEAM In-Use	In Process
	Riga Plaza	BREEAM In-Use	Good
	DEPO	BREEAM In-Use	Very Good
Lithuania	Nordika	BREEAM In-Use	Very Good
	PT East	BREEAM NC 2016	Excellent
	PT West	BREEAM NC 2016	Excellent
Poland	React	BREEAM NC 2016	Excellent
	React	WELL	Platinum
	Lakeside	BREEAM	Outstanding
	Lakeside	WELL	Gold

Summus Capital continues to pursue the highest standards of environmental performance by actively improving the certification levels of its assets. Through ongoing investments in energy efficiency and sustainability, the company aims to achieve long-term benefits for stakeholders while reducing its environmental footprint.

AWARDS AND INDUSTRY RECOGNITION

The commitment of Summus Capital to Investor relations & sustainable growth recognised

Summus Capital has been awarded 2nd place in the Nasdaq Baltic Awards 2024 for Best Investor Relations on the First North Market, reflecting its dedication to transparency, responsible investment and sustainable growth in the Baltic real estate sector.

The company emphasises that strong investor relations align with the ESG principles, ensuring stakeholder engagement while fostering a resilient, future-proof portfolio. Summus Capital remains committed to corporate governance, sustainability and investor communication.

CHANGES MADE IN THE PROPERTIES

RIGA PLAZA SHOPPING CENTRE

Social responsibility & community impact:

- Free childcare lectures for parents.
- Exhibitions and concerts supporting Kids Hospital.
- Donations: 178.7 tons of second-hand goods, pet shelter campaigns, HIV testing, blood donation drives and breast cancer awareness.
- Sensory-friendly ‘quiet hour’ for visitors with sensitivities.
- Pet-friendly mall welcoming furry companions.
- Renovated kids’ playground using repurposed materials. Gift card and thoughtful gifting campaigns.

Sustainability & waste reduction:

- Reusable shopping bags eliminated plastic bags in stores.
- H&M and OTRA ELPA garment collection for reuse.
- Recycling stations for bottles, textiles, electronics and hazardous waste.
- Donated surplus furniture and playground items for reuse.
- Seasonal decorations rented instead of purchased.

Green energy & efficiency:

- Upgraded BMS system for optimised climate control.
- Installed climate sensors for better air quality.
- Modernised energy-efficient equipment.
- 100% green electricity and EV charging stations for visitors.

Riga Plaza continues its commitment to sustainability, community well-being and a greener future.

DAMME SHOPPING CENTRE

Damme, part of the portfolio of Summus Group, has implemented key sustainability measures to enhance environmental responsibility and efficiency:

Waste management: textile collection containers, garbage sorting and a taromat for bottle recycling with donation options.

Resource efficiency: donated surplus items and furniture for reuse.

Energy & air quality: climate sensors for better air quality, BMS system upgrades for optimised climate control and modernised energy-efficient systems.

Green energy & mobility: 100% green electricity and EV charging stations.

Tenant & visitor experience: digital signage and maps for convenience.

Damme continues to focus on reducing waste, improving energy efficiency and enhancing visitor experience.

NORDIKA SHOPPING CENTRE

Lighting of parking lot and facade is 100% controlled automatically according to the outdoor lighting level and the switching on time schedule. Lighting is switched off at nighttime, after working hours. Water-saving systems, EV charging expansion and waste sorting. Smart R8 robot optimises ventilation, heating and cooling.

Energy-efficient advertising: using LED screens instead of traditional printed banners, where possible, to reduce material waste.

Eco-friendly event planning: reducing single use decorations, opting for reusable or digital signage and collaborating with eco-conscious vendors for events.

Marketing advertisement materials are reused whenever possible. Old paper materials are donated to schools for educational and creative reuse. Digital marketing over print, Zero Waste initiatives and recycling stations.

NORDIKA / LITHUANIA

3.9. FUTURE OUTLOOK

LONG-TERM SUSTAINABILITY VISION

Summus Capital is committed to a long-term sustainability roadmap, setting specific targets to drive carbon neutrality, renewable energy adoption and social impact by 2040 and beyond. This vision is anchored in the strategic efforts of the company to reduce environmental impact, improve operational efficiency and enhance asset value through sustainable innovations.

A detailed commitment statement and timeline have been established for achieving net-zero carbon emissions across the real estate portfolio of Summus Capital.

THE APPROACH INCLUDES:

Milestones & reduction targets: a phased plan for implementing energy-efficient measures across properties, with clear reduction targets for GHG emissions, energy consumption and operational carbon footprint.

Renewable energy integration: expansion of solar panel and wind energy solutions to optimise power generation and reduce reliance on fossil fuels.

Technology-driven sustainability: adoption of automation and AI-based monitoring systems to enhance energy efficiency and optimise operational performance.

Certification & ESG compliance: ongoing efforts to secure BREEAM, LEED and other green building certifications to validate sustainable performance.

Social & community impact: a commitment to diversity, inclusion and social engagement programmes to ensure that the sustainability efforts of Summus Capital extend beyond environmental goals.

FUTURE VISION FOR SUSTAINABLE REAL ESTATE

Summus Capital envisions a smart and sustainable future for its portfolio, integrating cutting-edge green technologies to drive operational efficiency and long-term value creation.

Key initiatives include:

Solar & wind energy – expanding renewable energy generation to enhance energy resilience and cost savings.

Energy efficiency & AI automation – implementing intelligent automation systems to optimise energy consumption and reduce waste.

EV chargers & solar carports – investing in EV infrastructure to support green mobility and sustainability goals.

Energy storage & grid optimisation – exploring battery storage solutions to maximise renewable energy utilisation.

High-efficiency buildings – targeting top 15% energy consumption performance through advanced building designs and smart management solutions.

STRATEGIC IMPACT: LOWER COSTS & HIGHER VALUE

These initiatives aim to reduce operational expenses (OPEX), increase net operating income (NOI) and drive valuation growth across the portfolio of Summus Capital, ensuring long-term financial and environmental sustainability.

BUILDING IS ENERGY EFFICIENT AND PRODUCES ENERGY FOR ITS OWN USE

SOLAR PANELS

Solar PV peaks at noon and is not available at night.

WIND ENERGY

Wind is often stronger in the winter, available at night and peaks in the late afternoon, when peak pricing is highest.

AUTOMATION AND MONITORING SYSTEM

AI

ENERGY LABEL

CERTIFICATE

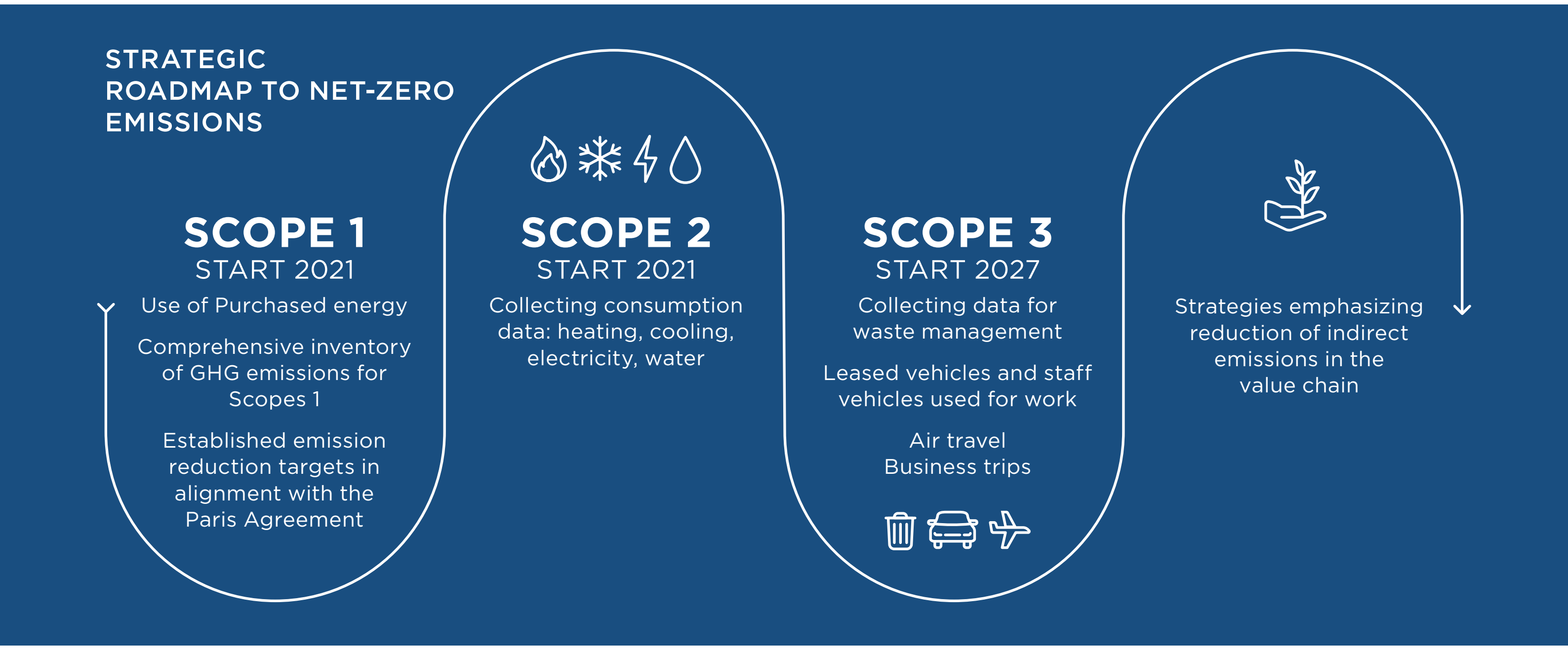
EV CHARGERS

SOLAR CARPORT

ENERGY CONSUMPTION TOP 15%

ENERGY STORAGE

OPEX DECREASE / NOI INCREASES / VALUATION INCREASES



COMMITMENT TO NET-ZERO EMISSIONS

In alignment with global climate initiatives and the Paris Agreement, Summus Capital is steadfast in its commitment to achieving net-zero carbon dioxide emissions in its property management operations by 2040. This commitment encompasses both Scope 1 and Scope 2 emissions, targeting climate-neutral property management.

Emission reduction targets:

Scope 1 and 2 emissions: we aim to reduce absolute Scope 1 and 2 GHG emissions, using 2021 as the base year.

Focus:

- Sourcing 100% renewable energy.
- Achieving environmental certifications for all properties, aiming for BREEAM 'Excellent' ratings.
- Implementing green leases to cover at least 75% of newly signed lettable space.

In 2025, Summus Capital will not include Scope 3 emissions in its mandatory reporting. The company's primary focus remains on reducing Scope 1 and Scope 2 emissions, with a strong commitment to achieving measurable reductions within these categories. At the same time, Summus Capital is voluntarily collecting data on Scope 3 emissions to improve its understanding of their overall impact and to begin developing long-term reduction strategies.

Renewable energy integration:

Transition to clean energy: Summus Capital is actively expanding its renewable energy portfolio, with a focus on solar, wind, and hydroelectric power. The aim is to supply both company operations and tenants with sustainable energy sources, thereby reducing dependence on fossil fuels.

Investment in innovation: by investing in cutting-edge technologies and forming strategic partnerships, the company seeks to improve energy efficiency and reduce its overall carbon footprint.

Sustainable practices and circular economy:

Resource optimisation: the company is implementing circular economy principles throughout its operations to minimize waste and maximize resource efficiency.

Supply chain engagement: Summus Capital works closely with suppliers and partners to promote sustainable practices and reduce emissions across the entire supply chain.

Monitoring and reporting:

Transparency: progress toward environmental targets will be disclosed on a regular basis to ensure transparency and maintain accountability to all stakeholders.

Continuous Improvement: through the use of data-driven insights, Summus Capital continuously evaluates and adjusts its strategies to meet or exceed emission reduction objectives.

Summus Capital recognises that achieving net-zero emissions is a complex and evolving journey. The company remains committed to this goal and actively collaborates with industry stakeholders, regulatory bodies, and communities to contribute to a more sustainable future.

EMERGING TRENDS AND RISKS

Climate change & regulatory developments

Trend: increasing climate policies, carbon taxation and ESG regulations (e.g., EU Green Deal, CSRD, SFDR) require real estate companies to enhance energy efficiency, reduce carbon emissions and ensure transparent ESG reporting.

Risk: non-compliance with regulations could lead to penalties, reputational damage and reduced access to investment capital.

Transition to renewable energy & energy security

Trend: rising demand for clean energy, grid modernisation and battery storage to mitigate energy price volatility and reliance on fossil fuels.

Risk: high initial investment costs and energy supply uncertainties could challenge real estate portfolios reliant on traditional energy sources.

Technological advancements & smart buildings

Trend: adoption of AI, IoT and automation in energy management, security and operational efficiency.

Risk: cybersecurity threats, data privacy concerns and technology implementation costs may pose risks to digital transformation strategies.

Evolving investor & tenant preferences

Trend: a shift towards green-certified buildings, flexible workspaces and ESG-driven investment strategies.

Risk: failure to meet sustainability expectations could lead to lower occupancy rates, reduced asset valuation and difficulty securing financing.

Supply chain & construction cost pressures

Trend: material shortages, inflation and geopolitical instability impacting real estate development costs.

Risk: rising operational and capital expenditures could affect return on investment and slow down project execution.

Strategic response to emerging risks

To mitigate these risks, Summus Capital is:

- Strengthening its climate resilience strategies and accelerating carbon reduction initiatives.
- Increasing investments in renewable energy, energy storage and efficiency technologies.
- Expanding AI-driven asset management to enhance operational efficiency and tenant experience.
- Engaging with investors, regulators and tenants to align with evolving the ESG expectations.
- Adopting sustainable procurement practices to reduce supply chain risks.

By proactively addressing these emerging trends and risks, Summus Capital ensures its long-term resilience, competitive advantage and contribution to a sustainable future.

SOLAR ENERGY

3.10. SUSTAINABILITY REPORT SUMMARY

Summus Group, in collaboration with Green Formula Capital, is advancing ESG management in response to evolving regulations. Due to regulatory changes and operational considerations, the full implementation timeline may be adjusted. Reporting aligns with regulatory requirements and materiality assessments, ensuring transparency and adherence to sustainability and responsible investment principles, driven by increasing investor demand for transparency and socially responsible investing. Additionally, our strong governance framework ensures compliance with the EU Taxonomy and Corporate Sustainability Reporting Directive (CSRD), reinforcing transparency and accountability in our ESG initiatives.

In 2024, significant progress was made in optimising heating efficiency, advancing energy-saving initiatives and enhancing sustainability across the portfolio.

Notable achievements include improved heating efficiency in Damme and increased solar energy production in Veerenni. Through a strategic focus on energy efficiency and responsible asset management, total energy consumption was significantly reduced, leading to savings of 13 600 MWh in electricity and 6 081 MWh in heating. These measures resulted in EUR 2.2 million in financial savings, reinforcing a commitment to sustainability and long-term value creation.

Since the beginning of the energy efficiency drive, portfolio efficiency has improved from 251 kWh/m^2 to 195.9 kWh/m^2, demonstrating substantial progress in reducing environmental impact.

Future efforts will be directed toward further optimising energy use, expanding renewable energy adoption and aligning with the EU sustainability standards. Innovation and strategic investment will remain key in enhancing efficiency, reducing emissions and fostering a greener, more resilient future. Sustainability certifications have been expanded, with 89% of assets now certified under the BREEAM, WELL and LEED standards.

Progress in water and waste management continues, with a structured roadmap targeting 100% waste data collection and efficiency improvements by 2025.

Looking ahead, the focus will remain on renewable energy, enhanced tenant and community engagement and the implementation of digital solutions for improved energy and resource management. Through strong governance, strategic investment and industry leadership, Summus Group aims to establish new benchmarks in sustainable real estate, delivering long-term benefits for investors, tenants and society while making a meaningful environmental impact.

4. MARKET OVERVIEW

Key takeaway: Poland is benefitting from the shift of Baltic and CEE investors from home markets while Baltics continue to be purely domestic capital dependent.

ESTONIA 2024 Q4

	CURRENT	PREVIOUS	REFERENCE
GDP annual growth rate	**1.2%**	**-0.7%**	Dec 24
Unemployment	**7.4%**	**7.4%**	Dec 24
Annual inflation rate	**3.9%**	**3.0%**	Dec 24
Business confidence	**-12.8**	**-14.2**	Dec 24
Consumer confidence	**-35.6**	**-33.2**	Dec 24
Retail sales MoM	**13.3%**	**-5.3%**	Dec 24
Retail sales YoY	**1.2%**	**-4.4%**	Dec 24
Country credit rating (S&P)	**A+ (stable outlook)**		Dec 24

TALLINN, ESTONIA

LATVIA 2024 Q4

	CURRENT	PREVIOUS	REFERENCE
GDP annual growth rate	**-0.4%**	**-2.4%**	Dec 24
Unemployment	**6.9%**	**6.7%**	Dec 24
Annual inflation rate	**3.3%**	**1.4%**	Dec 24
Business confidence	**-9.7**	**-8.2**	Dec 24
Consumer confidence	**-7.7**	**-6.4**	Dec 24
Retail sales MoM	**0.5%**	**-0.1%**	Dec 24
Retail sales YoY	**3.4%**	**0.2%**	Dec 24
Country credit rating (S&P)	**A (stable outlook)**		Dec 24

LITHUANIA 2024 Q4

	CURRENT	PREVIOUS	REFERENCE
GDP annual growth rate	**3.8%**	**2.5%**	Dec 24
Unemployment	**9.0%**	**8.7%**	Dec 24
Annual inflation rate	**2.1%**	**0.5%**	Dec 24
Business confidence	**-9.5**	**-7.5**	Dec 24
Consumer confidence	**5**	**5**	Dec 24
Retail sales MoM	**1.3%**	**0.6%**	Dec 24
Retail sales YoY	**7.7%**	**4.2%**	Dec 24
Country credit rating (S&P)	**A (stable outlook)**		Dec 24

- Robust growth in service exports from Baltics, while goods exports, especially in Estonia, are struggling due to weaker demand.
- Lithuania, on the other hand, is benefiting from strong trade relations with Germany and Poland thus beating the average EU growth and demonstrating more than 3% growth of GDP.
- Inflation stays at the low level and moderate retail sales growth after decline in retail sales is not outpacing the inflation yet.
- The economies in the Baltic region are expected to return to growth in 2025, although the pace will be more sluggish than previously anticipated for Estonia and Latvia.

*GDP and Unemployment indicators compared to previous year respective quarter

Sources: country central statistics departments, Trading Economics

2024 Q4 OFFICE INDICATORS

	TALLINN	RIGA	VILNIUS	FORECAST
Rent* (EUR per sqm)				
TOP rent	16.5-23	16-19	19-22	→ →
A-class	16.5-22	15.5-17	16-20	→ ↗
B-class	11.75-15.75	9-15	12-16	→ →
Vacancy (%)				
Average	8.1%	10.6%	8.4%	→ →
Take-up (sqm)				
Total market	23 000	6 900	30 000	→ →

OFFICE MARKET

Increased take-up numbers in Vilnius and Tallinn during Q4 were driven by a few sizeable relocations or pre-leases.

Tallinn and Vilnius office development markets remain active with an increased leasing activity, while Riga remains slower due to a low level of market rent rates to initiate new construction.

Due to new supply and tenant space optimization, vacancy rates in Tallinn and Vilnius continued to rise slightly, while Riga saw a downward trend in vacancy due to lower supply.

No considerable rent deviations during 2024.

2024 Q4 RETAIL INDICATORS

	TALLINN	RIGA	VILNIUS	FORECAST
Rent* (EUR per sqm)				
Anchors	10-16	10-16	7-15	→ →
Large units (>1000 m²)	10-20	15-26	13-28	→ →
Medium units (500-1000m²)	12-30	24-28	15-38	→ →
Small units (<100m²)	25-70	30-55	22-70	→ →
Average vacancy (%)	**up to 4.0%**	**11.5%**	**2.0%**	

RETAIL MARKET

The Baltic retail market is steadily recovering after weathering multiple economic shocks over the past few years.

Tallinn's retail was mainly driven by the grocery segment and increased tourist activity.

Riga's retail market saw low development, primarily with retail format changes (ELKOR department store to Teika Plaza convenience store).

Vilnius saw new retail park developments and cautious expansion by grocery retailers.

Retail sales volumes are showing signs of consistent improvement due to low inflation and interest rate cuts, a positive impact on consumer sentiment.

Rent rates and vacancy rates remained stable all over 2024.

AI-driven technologies like autonomous stores, self-checkouts, and advanced inventory management are steadily transforming the Baltic retail sector.

*average rent rates, +/- 5% deviation
Sources: Newsec, CBRE, Colliers, Zenith Family Office

2024 Q4 INDUSTRIAL INDICATORS

	TALLINN	RIGA	VILNIUS	FORECAST
Rent (EUR per sqm)				
Modern ware-houses	5.0-6.25	4.7-5.7	4.8-5.8	→ ↗
Stock offices	6.75-11.75	6.2-8.2	8-12	→ →
Vacancy (%)				
Modern ware-houses	3.86%	2.2%	3.2%	↗ →
Stock offices	7.9%	6.8%	12%	→ →

INDUSTRIAL & LOGISTICS

In Q4 2024, a total of 27 projects covering 301 000 m^2 were commissioned. Lithuania led the region with 13 completed projects. 14 out of 27 projects were stock offices.

Despite increased supply, demand in the Baltics remained subdued, causing vacancy to rise and rent rates to come under pressure.

In Q4 2024, weak demand from Germany (one of the main trading partners of the region) impacted the Baltic I&L corporate performance.

Prime rent levels for I&L stock saw no changes in Q4.

A gradual recovery is anticipated in 2025, supported by improved economic conditions and demand for more advanced facilities.

2024 Q4 YIELDS

	TALLINN	RIGA	VILNIUS	FORECAST
Rent (EUR per sqm)				
Office	6.75-7%	7-7.25%	6.5-7%	→ ↘
Retail	7-8.5%	7-8.5%	7-8.0%	→ ↘
Industrial & Logistics	7.2-8.0%	7.2-8%	7.2-8%	→ ↘
Resi-dential scheme	6-6.5%	6-6.5%	6-6.5%	→ ↘

INVESTMENT MARKET

Total investment volumes in Q4 reached EUR 180 m (75% captured by Estonia due to Kristine s/c).

Total volume of 2024 (deals > EUR 5 m) reached EUR 0.5 bn with ca EUR 173 m made by EFTEN Capital (35%, partly along with private partners for Kristine s/c).

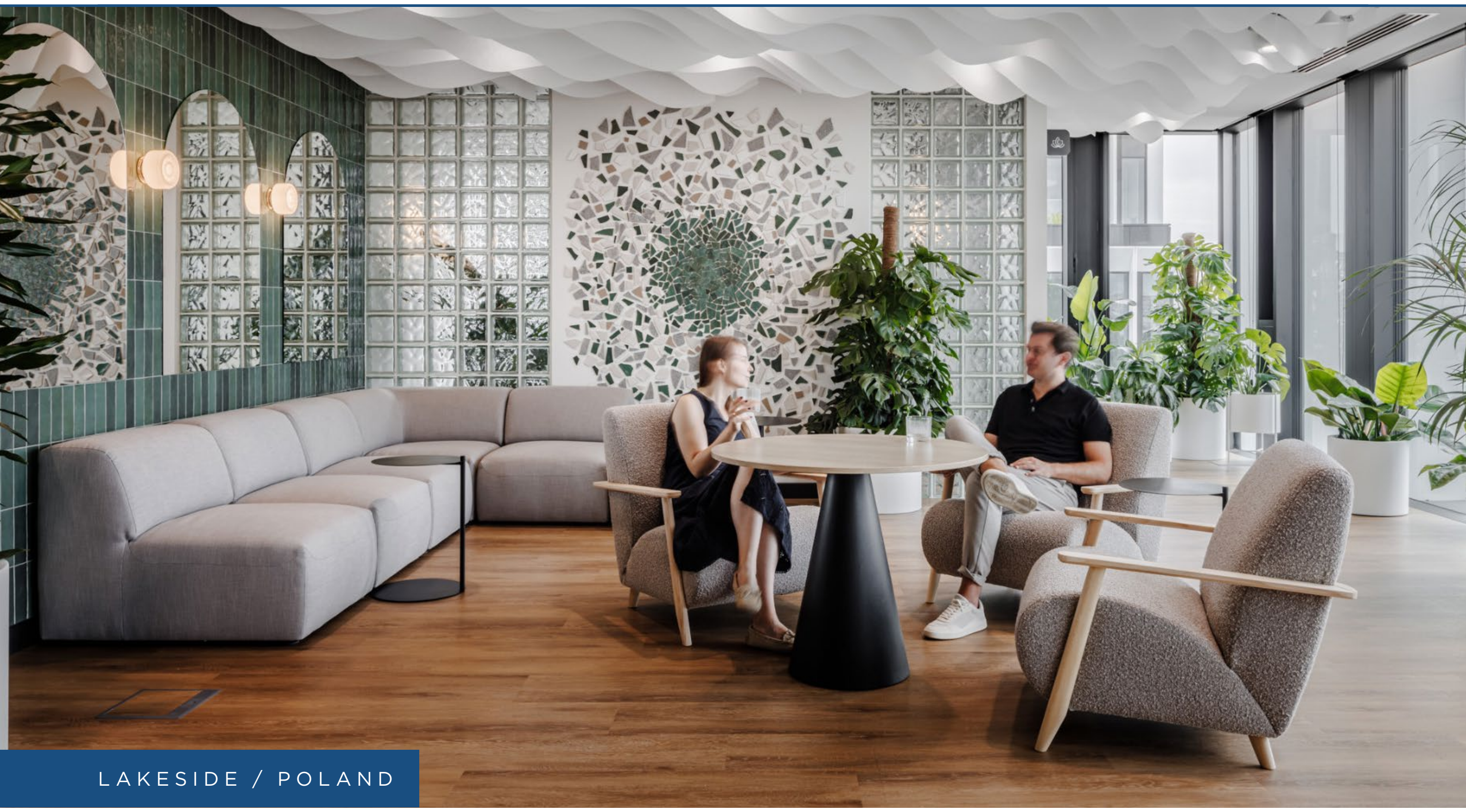
Latvian INDEXO real estate fund has expanded from Latvia with a first acquisition of DEPO Panevezys in Lithuania for EUR 25 m.

Retail assets investment accounted for 54% of the total, followed by office with 23%. Industrial sector comprised only 7%.

Yields remained unchanged in Q4 2024 with expectation to start compressing modestly in 2025.

Sources: Newsec, CBRE, Colliers, Zenith Family Office

WAREHOUSE WITH SOLARPANELS



LAKESIDE / POLAND

2024 Q4 INDUSTRIAL INDICATORS

	TALLINN	RIGA	VILNIUS	FORECAST
Rent* (EUR per sqm)				
Residential (new construction) average selling price, EUR per sqm	4 015	2 530	3 511	→ ↗
Residential (new construction) yield*, city center	5.04%	7.15%	6.5%	→ →
Annual apartment (new construction) price change (%)	2.5%	-7.2%	7.8%	→ →
Average residential (new construction) rent rate, EUR	18.0	19.1	18.47	→ →
Average occupancy (international hotels) (%)	70.3	77.5	77.9	→ ↗
ADR, EUR (international hotels)	81.93	69.29	79.76	→ ↗
Hotel room stock	7 955	7 975	5 770	↗ →

RESIDENTIAL & HOSPITALITY

Apartment sales in Estonia rose by 12% due to lower interest rates, but 2025 tax hikes may curb price growth.

In Latvia, new apartment prices dropped in Q4 2024 due to high supply and slow demand but are expected to rebound.

The hotel market in Vilnius continues to perform exceptionally well. The residential real estate market has also shown significant growth in 2024.

Rental demand is anticipated to rise, driven by factors like increased workforce mobility, international education, and declining housing affordability.

Tourist flows are rebounding, with hotels exploring niches like wellness and eco-tourism

* for rental residential building not a single apartment
Sources: Newsec, CBRE, AirDNA, Zenith Family Office

KEY TAKES & CONCERNS

Q4 2024 was the most active quarter of the year.

Investment activity is expected to grow following a period of postponed decisions, driven by further drops in EURIBOR rate and improvement in financing conditions.

EFTEN Capital and INDEXO continue aggressive acquisition strategy, already announcing new deals in 2025.

A few unsuccessful public offerings by EFTEN and Lords LB demonstrated a lack of investor confidence in funds heavily exposed to the Baltics.

INDEXO, as a fund, actively negotiates acquisition transactions with sellers, stipulating that they allocate a portion of the proceeds from the sale to their funds.

Yields in all RE segments stabilized in 2024 and were finally proved by deals closed.

POLAND 2024 Q4

	CURRENT	PREVIOUS	FORECAST
GDP annual growth rate	3.2%	2.7%	Dec 24
Unemployment	5.1%	5.0%	Dec 24
Annual inflation rate	4.7%	4.9%	Dec 24
Business confidence	-13.0	-8.1	Dec 24
Consumer confidence	-16.7	-13.9	Dec 24
Retail sales MoM	-1.5%	-1.9%	Dec 24
Retail sales YoY	1.9%	-3.0%	Dec 24
Country credit rating (S&P)	**A- (stable outlook)**		Dec 24

	INDUSTRIAL	OFFICE	RETAIL
Rent* (EUR per sqm)			
Prime rent (Warsaw)	6.5-7.5	22-26	110-130
Other	4.6	12.5-17	40-60
Vacancy (%)			
Average	7.4%	14.3%	3.0%
Take-up (sqm)			
Total market	1.21	1.45	n/a

Sources: Poland country central statistics department, Trading Economics, EUROSTAT

MACROECONOMICS

Poland's economy expanded by 3.2% in 2024 (with Warsaw GDP of ca 3%), outpacing the Eurozone's 0.8% growth.

Projections for 2025 for GDP expected to grow by 3.3%.

Unemployment remains low, which supports steady wage growth and reinforces domestic consumption.

Poland's export sector and domestic demand continue to drive momentum despite ongoing global uncertainties.

RETAIL MARKET

Growth in retail parks and convenience centers driven by shifts in consumer behavior towards suburban shopping.

Investors are focusing on high-performing, dominant retail assets in prime locations.

Retail sector yields are stabilising after significant shopping centre transactions.

Major transactions included Silesia City Centre (Katowice) for EUR 405 million and Magnolia Park (Wrocław) for EUR 373 million, both completed by NEPI Rockcastle primarily through equity financed.

INDUSTRIAL MARKET

The warehouse and logistics occupiers sector remains Poland's most active, with 6.1 million sqm leased in 2024.

Intense pre-letting activity in the logistics sector guarantees stable investment flows.

Nearshoring and reshoring trends continue to support warehouse demand.

Yields in the industrial sector have already begun to decline due to robust investor demand.

*GDP and Unemployment indicators compared to previous year respective quarter

WARSAW, POLAND

PRIME YIELDS

	2021	2022	2023	2024
Industrial	4.80%	5.20%	6.00%	6.50%
Office	4.50%	5.00%	5.75%	5.75%
Retail	5.35%	5.50%	6.20%	6.45%

INVESTMENT VOLUMES, MLN EUR

	2021	2022	2023	2024
Industrial	2 900	2 000	950	1 262
Office	1 800	2 100	400	1 637
Retail	800	1 500	500	1 602
Total	**5 500**	**5 600**	**1 850**	**4 501**

OFFICE MARKET

Office absorption is recovering, but pre-letting activity remains low, impacting construction pipelines.

Office sector yields remain under pressure, but prime assets in Warsaw remain attractive.

Warsaw Unit (EUR 280 million) was the largest single-asset office transaction in Europe.

Limited new supply in Warsaw and regional cities is expected to lead to a supply-demand imbalance in 2025-2027.

Investors targeting high-quality, well-located office properties, while older, outdated buildings are increasingly being demolished.

INVESTMENT MARKET

The Investment volumes reached EUR 4.5 billion in 2024, reflecting more than 200% year-on-year growth.

48% of the transaction volume occurred in Q4 2024, highlighting strong year-end activity.

Investors are split between prime assets in major cities and opportunistic high-yield projects.

Core+ assets struggle with a liquidity gap, except in the industrial sector where activity remains strong.

The return of core capital investors from the CEE region and limited return of German investors is expected in 2025.

KEY TAKES & CONCERNS

Investment volumes are expected to remain strong, with potential to surpass EUR 5 billion in transactions.

Office and retail investments will continue their recovery, while logistics remains the top-performing sector.

Yield compression across key asset classes, particularly in industrial and core retail assets.

Strong ESG considerations will drive premium pricing for sustainable and energy-efficient buildings.

New supply constraints in the office sector may lead to increased rents in Warsaw and key regional cities.

Sources: C&W, JLL, AY, Knight Frank / Sources: AY, C&W, Zenith Family Office Analytics

LAKESIDE / POLAND

OVERVIEW OF BALTIC REAL ESTATE BOND ISSUES AND YIELDS TO MATURITY

HOLDING LEVEL BONDS

Issuer	ISIN	Maturity	Coupon	Issue size	YTM*	BID price	Call option	Collateral	Listing
Summus Capital OÜ *Estonia*	LV0000860187	11.06.2027	9.50%	EUR 15.0m	6.62%	106.00	Yes	Unsecured	Nasdaq Baltic First North
Northern Horizon Capital AS *Estonia*	EE3300003235	08.05.2028	8.0% + 3m euribor	EUR 22.0m	10.50%	100.00	Yes	Secured	Nasdaq Tallinn
Mainor Ülemiste AS *Estonia*	EE3300003136	10.03.2027	8.50%	EUR 12.1m	5.98%	104.75	Yes	Unsecured	Nasdaq Baltic First North
	EE3300002138	10.06.2026	4.75%	EUR 5.0m	6.81%	97.50	Yes	Unsecured	Nasdaq Baltic First North
Akropolis Group UAB *Lithuania*	XS2346869097	02.06.2026	2.875%	EUR 300.0m	4.90%	97.57	Yes	Unsecured	Nasdaq Vilnius and Dublin Euronext
UAB Capitalica Baltic Real Estate Fund I *Lithuania*	LT0000408247	30.10.2025	5.50% + 6m euribor	EUR 8.0m	7.86%	100.00	Yes	Unsecured	Nasdaq Baltic First North
AB Tewox *Lithuania*	LT0000409567	06.10.2026	8.50%	EUR 35.0m	5.79%	104.13	Yes	Unsecured	-
AS Pro Kapital Grupp *Estonia*	EE3300001676	31.10.2026	9.00%	EUR 8.2m	9.00%	100.00	Yes	Unsecured	Nasdaq Tallinn
AB Agathum *Lithuania*	LT0000409286	28.06.2026	11.00%	EUR 2.0m	11.00%	100.00	Yes	Unsecured	Nasdaq Baltic First North
Liven AS *Estonia*	EE3300004332	23.05.2028	10.50%	EUR 2.0m	8.36%	106.00	No	Unsecured	Nasdaq Tallinn

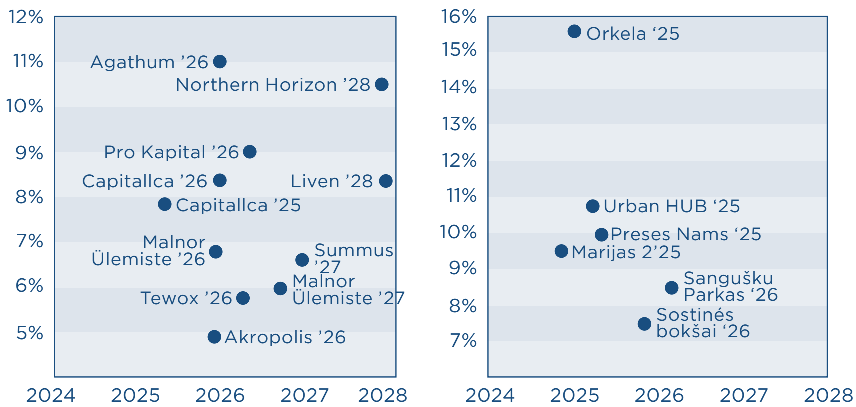
PROJECT LEVEL BONDS

Issuer	ISIN	Maturity	Coupon	Issue size	YTM*	BID price	Call option	Collateral	Listing
UAB Sostinės bokšai *Lithuania*	LT0000407629	18.05.2026	6.00% + 6m euribor	EUR 33.1m	7.50%	101.00	Yes	Secured	Nasdaq Baltic First North
UAB Orkela *Lithuania*	LT0000405961	19.07.2025	8.00%	EUR 38.7m	15.59%	97.00	Yes	Secured	Nasdaq Vilnius
UBA "Preses nams" *Lithuania*	LT0000408403	13.11.2025	10.00%	EUR 27.2m	9.96%	100.00	Yes	Secured	-
SIA Marijas 2 *Latvia*	LV0000803179	30.05.2025	10.00%	EUR 46.0m	9.51%	100.00	Yes	Secured	-
UAB Urban Hub investments *Lithuania*	LT0000408130	06.10.2025	10.75%	EUR 8.0m	10.75%	100.00	Yes	Unsecured	-
UAB Sanguškų parkas *Lithuania*	LT0000408759	14.09.2026	6,1% + 6m euribor	EUR 8.0m	8.48%	100.00	Yes	Secured	-
UAB Capitalica Z114 Real Estate Fund *Lithuania*	LT0000408551	29.06.2026	6.00% + 6m euribor	EUR 14.8m	8.37%	100.00	Yes	Secured	NasdaqBaltic First North

* Source: Bloomberg, Nasdaq. Data as of 28 February 2025

YIELD TO MATURITY (YTM)

Source: Signet Bank



5. OVERVIEW OF EXPECTED DEVELOPMENTS IN THE NEXT FINANCIAL YEAR

In 2025, Summus Capital plans to maintain its core operations while emphasizing proactive tenant engagement, optimizing the tenant portfolio, and implementing the Group's ESG strategy. Given the limited vacancy rate, the focus will be on sustaining strong tenant relationships and enhancing property value.

Summus Capital has consistently demonstrated steady growth and profitability, and it remains committed to maintaining this trajectory. The Group will closely monitor market developments and, should attractive opportunities arise in the four countries where it operates, may consider expanding existing properties or acquiring new assets. Any acquisitions will be financed through a balanced combination of owner's equity, bank loans, and bond financing. Additionally, the Group remains open to divesting select properties if compelling offers align with its strategic goals.

Management expects Summus Capital to continue its growth trajectory over the next 12 months and beyond. The team remains vigilant to evolving market conditions and is prepared to take proactive measures to mitigate potential risks. The owner remains actively engaged in decision-making, leveraging the expertise of a skilled professional team and trusted partners.

6. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR)	Note	31.12.2024	31.12.2023
ASSETS			
Current assets			
Cash and cash equivalents	8	8 616 689	15 923 835
Trade receivables and other receivables	9	26 091 417	3 900 309
Other financial assets	10	4 805 031	-
Inventories		3 413	4 301
Total current assets		**39 516 550**	**19 828 445**
Non-current assets			
Trade receivables and other receivables	9	77 100	39 600
Other financial assets	10	577 041	2 515 218
Fixed assets	11	2 023 080	2 097 394
Intangible assets		2 032	3 771
Other financial investments	12	125 000	125 000
Investment property	13	508 644 295	401 247 082
Total non-current assets		**511 448 548**	**406 028 065**
Total assets		**550 965 098**	**425 856 510**
LIABILITIES			
Current liabilities			
Lease obligations		37 266	72 639
Trade payables and other payables	14	15 575 352	5 236 430
Interest-bearing loans and borrowings	16	25 354 466	17 768 649
Tax liabilities		809 640	601 357
Liabilities from derivative instruments	19	-	404 613
Total current liabilities		**41 776 724**	**24 083 688**
Non-current liabilities			
Deferred income tax	18	11 162 969	10 877 297
Lease obligations		2 143 050	2 144 327
Trade payables and other payables	14	9 498 571	-
Provisions	15	10 800 788	10 341 224
Interest-bearing loans and borrowings	16	285 502 360	198 631 616
Liabilities from derivative instruments	19	2 105 485	-
Total non-current liabilities		**321 213 223**	**221 994 464**
Total liabilities		**362 989 947**	**246 078 152**

(EUR)	Note	31.12.2024	31.12.2023
Owner's equity			
Share capital	20	1 200 000	1 200 000
Voluntary reserve		78 913 462	78 913 462
Subordinated loans		14 617 295	17 366 923
Retained earnings		83 394 415	73 333 206
Equity attributable to the shareholders of the parent company		**178 125 172**	**170 813 591**
Non-controlling interest		9 849 979	8 964 767
Total owners' equity		**187 975 151**	**179 778 358**
Total liabilities and owners' equity		**550 965 098**	**425 856 510**

The notes on pages 67 to 90 of the consolidated financial statements form an integral part of these consolidated financial statements.

7. CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(EUR)	Note	2024	2023
Sales revenue	21	41 278 222	39 054 870
Other operating income	22	8 738 370	4 114 260
Cost of sales	23	-11 982 262	-11 539 480
Other operating expenses	24	-4 335 816	-2 197 981
Labour expenses	25	-143 569	-127 871
Depreciation and impairment	11	-76 053	-87 169
Other income	26	497 780	-
Other expenses	28	-2 642 717	-5 542 713
Operating profit		**31 333 955**	**23 673 916**
Interest income		628 744	395 216
Interest expenses	29	-13 945 944	-11 281 802
Other financial income and expenses	27	-4 628 060	-3 147 608
Profit before income tax		**13 388 695**	**9 639 722**
Income tax	18	-474 054	-1 177 056
Net profit		**12 914 641**	**8 462 666**
Share of net profit of the owners of the parent company		11 149 429	8 404 536
Share of net profit of non-controlling interest		1 765 212	58 130
Comprehensive income of the financial period			
Share of comprehensive income of owners of the parent company		**11 149 429**	**8 404 536**
Share of non-controlling interest of comprehensive income		**1 765 212**	**58 130**

The notes on pages 67 to 90 of the consolidated financial statements form an integral part of these consolidated financial statements.

8. CONSOLIDATED STATEMENT OF CASH FLOWS

	Note	2024	2023
Cash flow from operating activities			
Operating profit		**31 333 955**	**23 673 916**
Adjustments		-	-
Fixed asset depreciation and asset impairment	11	76 053	87 170
Investment property revaluation	13	-4 361 706	-1 897 035
Other adjustments		-1 944 139	1 615 679
Total adjustments		**25 104 163**	**23 479 730**
Change of inventory		358	-1 199
Change in trade and other receivables	9	-23 056 498	320 162
Change in trade and other payables	14	9 635 062	4 028 854
Net cash flow from operating activities		**11 683 085**	**27 827 547**

Cash flow from investing activities			
Investment property acquisition and improvements	13	-92 323 904	-1 643 341
Investment activities - deposits	10	-4 600 000	-
Equity investments	12	-	-125 000
Loans repaid		-	2 000 000
Loan interest received		628 743	200 216
Net cash flow from investing activities		**-96 295 161**	**431 875**

Cash flow from financing activities			
Loans received	16	141 250 667	-
Loans repaid	16	-52 775 847	-16 606 768
Bonds received	16	10 047 000	-
Bonds repaid	16	-5 047 000	-
Interest paid		-15 253 261	-11 824 976
Dividends paid		-879 363	-
Capital lease payments		-37 266	-311 491
Net cash flow from financing activities		**77 304 930**	**-28 743 235**

Total cash flow		**-7 307 146**	**-483 813**
Cash and cash equivalents at the beginning of the year		15 923 835	16 407 648
Cash and cash equivalents at the end of the year		**8 616 689**	**15 923 835**

The notes on pages 67 to 90 of the consolidated financial statements form an integral part of these consolidated financial statements.

9. CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Voluntary reserve	Subordinated loans	Retained earnings	Total	Non-controlling interest	Total equity
Balance at 31.12.2022	**1 200 000**	**78 913 462**	**23 998 259**	**66 335 644**	**170 447 365**	**8 906 637**	**179 354 002**
Current year profit	-	-	-	8 404 536	**8 404 536**	58 130	**8 462 666**
Subordination of loan obligations	-	-	1 287 927	-	**1 287 927**	-	**1 287 927**
Subordinated loan principal payments	-	-	-7 919 660	-	**-7 919 660**	-	**-7 919 660**
Subordinated loan interest	-	-	-	-1 287 927	**-1 287 927**	-	**-1 287 927**
Other	-	-	397	-119 047	**-118 650**	-	**-118 650**
Balance at 31.12.2023	**1 200 000**	**78 913 462**	**17 366 923**	**73 333 206**	**170 813 591**	**8 964 767**	**179 778 358**
Current year profit	-	-	-	11 149 429	**11 149 429**	1 765 212	**12 914 641**
Subordination of loan obligations	-	-	1 092 441	-	**1 092 441**	-	**1 092 441**
Subordinated loan principal payments	-	-	-3 842 069	-	**-3 842 069**	-	**-3 842 069**
Subordinated loan interest	-	-	-	-1 088 251	**-1 088 251**	-	**-1 088 251**
Dividends	-	-	-	-	**-**	-880 000	**-880 000**
Other	-	-	-	31	**31**	-	**31**
Balance at 31.12.2024	**1 200 000**	**78 913 462**	**14 617 295**	**83 394 415**	**178 125 172**	**9 849 979**	**187 975 151**

10. NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1. GENERAL INFORMATION

Summus Capital OÜ (hereinafter “Parent Company” or “Company”) is a company incorporated in the Republic of Estonia on April 22, 2015. The registered office of the Parent Company is located at Rotermanni St. 2-3b, Tallinn 10111, Republic of Estonia. Apart from Estonia, the Company actively operates through subsidiaries in Latvia, Lithuania and Poland. The consolidated financial statements of Summus Capital OÜ for the year ended December 31, 2024, includes the Parent Company and its subsidiaries (hereinafter the “Group”). The principal operations of the Group involve real estate leasing. In 2024, the Company acquired two new subsidiaries, Petina Sp. Z o.o. and Maggiora Sp. Z o.o. in Poland, which were subsequently utilised for real estate acquisitions later that year. On the reporting date, Summus Capital OÜ holds interests in the following subsidiaries:

Name	Country	Share capital (in nominal value)	Group share 31.12.2024	Group share 31.12.2023
Lepidus Invest OÜ	Estonia	2 500	99%	99%
Votum Invest OÜ	Estonia	2 500	99%	99%
Princepts Capital OÜ	Estonia	2 500	99%	99%
Voluntas Invest OÜ	Estonia	2 500	99%	99%
Veerenni Tervisekeskus OÜ	Estonia	2 500	99%	99%
Procedo Capital OÜ	Estonia	2 500	99%	99%
UAB Vikingu 3	Lithuania	8 000 000	89%	89%
UAB Nordika Prekybos sienis	Lithuania	2 005 524	100%	100%
UAB PT Vakarai	Lithuania	2 000 000	100%	100%
UAB PT Rytai	Lithuania	4 000 000	100%	100%
UAB Zenith Turto Valdymas	Lithuania	2 050 000	100%	100%
Vikingi 2 SIA	Latvia	2 802 800	100%	100%
SIA Parupes Bumani	Latvia	2 700 000	100%	100%
RCH Management SIA	Latvia	10 533 706	100%	100%
Loft Office SIA	Latvia	2 800	89%	89%
LSREF3 Riga Plaza SIA	Latvia	5 504 800	100%	100%
PLP SIA	Latvia	1 428 064	100%	100%
Petina Sp. z o.o.	Poland	1 170	100%	0%
Maggiora Sp. z o.o.	Poland	1 170	100%	0%

NOTE 2. BASIS FOR PREPARING THE FINANCIAL STATEMENTS

The Group’s Report for the fiscal year ended 31 December 2024 has been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The accounting and reporting principles described have been consistently applied to all periods presented.

These consolidated financial statements have been approved by the Group’s Management Board on April 22, 2025. Pursuant to the Estonian Commercial Code, the Annual Report is subject to approval by the shareholders’ meeting.

The shareholders’ meeting retains the right to withhold approval of the Annual Report submitted by the Management Board and may request the preparation of a new Annual Report for submission.

APPLICATION OF GOING CONCERN PRINCIPLE

The Group’s management has assessed the future consolidated financial position, financial results, and cash flows, concluding that the going concern principle applies in the preparation of these financial statements.

NOTE 3. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The Group's functional and presentation currencies are Euro and Polish zloty. These consolidated financial statements are presented in Euros.

NOTE 4. SIGNIFICANT ACCOUNTING ESTIMATES AND DECISIONS

In preparing the Report, the Management Board has used estimates and decisions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Changes in estimates are recognized prospectively.

ASSUMPTIONS AND ESTIMATION UNCERTAINTIES

Information about the uncertainty of assumptions and estimates at the reporting date, which has a significant risk of a significant adjustment of the carrying amount of assets and liabilities in the next financial year, is presented in the following notes:

- Real estate investments are valued at fair value as of the reporting period end date. The determination of fair value is conducted by an independent certified valuator. The discounted cash flow method serves as the primary approach for assessing fair value. Additional information on valuation methodology and assumptions used can be found in Notes 6 and 13.
- Provisions are calculated using discounted cash flow method and using the following assumptions: forecasted cash flows, discount rate, exit yield. Additional information on assumptions used can be found in Note 15.

MEASUREMENT OF FAIR VALUES

Many of the Group's accounting policies and disclosure requirements require fair value measurements.

Fair value is the price that would be received when selling an asset or paid when transferring a liability in an orderly transaction between market participants at the measurement date.

In measuring fair value, a transaction to sell an asset or transfer a liability is assumed to occur either:

- the core market for the asset or liability; or
- if there is no core market, the market that is most favourable to the asset or liability.

The Group must have access to the core market or most favourable market on the measurement date.

The measurement of the fair value of an asset or liability uses assumptions that market participants would use in determining the price of the asset or liability, assuming that market participants act in their best economic interests. The measurement of the fair value of a non-financial asset considers the ability of the market participant to generate economic benefits by making the best use of the asset or by selling it to the market participant who would make the best use of the asset.

The Group applies valuation techniques that are appropriate to the particular situation and for which sufficient data is available to measure fair value, using the maximally relevant observable inputs and the minimally unobservable inputs that are relevant to the measurement as a whole:

- Level 1 - quoted prices (unadjusted) in active markets for assets or liabilities;
- Level 2: estimation techniques where the lowest level input that is relevant to the overall measurement is directly or indirectly observable.
- Level 3: estimation techniques where the lowest level input that is relevant to the overall measurement is unobservable.

Additional information on the assumptions, inputs, and estimates made in measuring fair value is provided in the following notes:

- Note 7 Financial instruments
- Note 13 Investment Property
- Note 15 Provisions

NOTE 5. NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS ADOPTED

The Group applies certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2024. These new standards and amendments did not have a material impact on the consolidated annual financial statements of the Group when initially applied.

STANDARDS, INTERPRETATIONS AND AMENDMENTS TO PUBLISHED STANDARDS THAT ARE NOT YET EFFECTIVE

The Group implemented the following standards starting from January 1, 2024:

- Classification of Liabilities as Current or Non-current (amendments to IAS 1)
- Non-current Liabilities with Covenants (amendments to IAS 1)
- Supplier Finance Agreements (amendments to IAS 7 and IFRS 7)

The implementation of the amendments did not have a material impact on Group's consolidated financial statements.

The following new standards, interpretations and amendments are not yet effective for the annual reporting period ended 31 December 2024 and have not been applied in preparing these consolidated financial statements.

AMENDMENTS TO IAS 21 THE EFFECTS OF CHANGES IN FOREIGN EXCHANGE RATES: LACK OF EXCHANGEABILITY

(Effective for annual periods beginning on or after 1 January 2025)

Under IAS 21 The Effects of Changes in Foreign Exchange Rates, a company uses a spot exchange rate when translating a foreign currency transaction. In some jurisdictions, no spot rate is available because a currency cannot be exchanged into another currency.

IAS 21 was amended to clarify:

- when a currency is exchangeable into another currency; and
- how a company estimates a spot rate when a currency lacks exchangeability. The amendments also include additional disclosure requirements to help users to assess the impact of using an estimated exchange rate on the financial statements.

AMENDMENTS TO IFRS 9, FINANCIAL INSTRUMENTS AND IFRS 7, FINANCIAL INSTRUMENTS: DISCLOSURES: AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS

(Effective for annual periods beginning on or after 1 January 2026)

IFRS 9, Financial Instruments and IFRS 7 were amended to clarify:

- How financial assets and financial liabilities are recognized and derecognized at settlement date except for regular way purchases or sales of financial assets and financial liabilities meeting conditions for new exception;
- The guidelines how to assess contractual cash flow characteristics of financial assets, which apply to all contingent cash flows, including those arising from environmental, social, and governance (ESG)-linked features;
- Introduction of new disclosure requirements.

NEW IFRS ACCOUNTING STANDARDS REQUIREMENTS: IFRS 18, PRESENTATION AND DISCLOSURE IN FINANCIAL STATEMENTS

(Effective for annual periods beginning on or after 1 January 2027)

IFRS 18 replaces IAS 1, which sets out presentation and base disclosure requirements for financial statements.

IFRS 18 introduces:

- Requirement to classify income and expenses into three new categories – operating, investing and financing – and present subtotals for operating profit or loss and profit or loss before financing and income taxes;
- Presentation of expenses by function in a more detailed manner, disclosing more about the nature of expenses;
- Enhanced guidance for aggregation and disaggregation of information in the financial statements;
- New disclosure requirements for management-defined performance measures and eliminates classification options for interest and dividends in the statement of cash flows.

The Group expects that the new standard, when initially applied, may have a material impact on its financial statements. The Group is in the process of assessment of the potential impact on its financial statements resulting from the application of IFRS 18.

The Group does not expect the amendments and new standards to have a material impact on its financial statements when initially applied.

NOTE 6. MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the preparation of this consolidated report are set out below. The accounting policies described have been applied consistently unless otherwise stated in the following text.

PREPARATION OF CONSOLIDATED ACCOUNTS

These consolidated reports include the financial statements of Summus Capital OÜ, and its subsidiaries consolidated on a line-by-line basis.

SUBSIDIARIES

Consolidation of a subsidiary begins when the Group obtains control of the subsidiary and ends when the Group loses control of the subsidiary. All assets, liabilities, income, and expenses acquired or disposed of by subsidiaries during the year are recognized in the consolidated financial statements from the date that control commences until the date that control ceases. If necessary, the financial indicators of the subsidiaries are adjusted to comply with the Group's accounting policies.

NON-CONTROLLING INTEREST

Non-controlling interest in the acquiree is the non-controlling interest in the fair value of the net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are recognized as equity transactions.

LOSS OF CONTROL

When the Group loses control of a subsidiary, it derecognizes the assets and liabilities of the subsidiary and the related non-controlling interests and other components of equity. Gains or losses arising from the loss of control are recognized in the income statement. The remaining interest in the former subsidiary is measured at fair value.

TRANSACTIONS ELIMINATED ON CONSOLIDATION

All intra-group assets and liabilities, equity, income, expenses, and cash flows related to transactions between group members are eliminated in full upon consolidation.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash on hand, demand deposits with banks, and other short-term liquid investments with original maturities of three months or less that are subject to an insignificant risk of changes in value.

The statement of cash flows is prepared using the indirect method, where the net cash flow of operating activities is determined by adjusting the operating profit or loss for the profit or loss related to investment or financing activities, the impacts of non-monetary transactions and changes in current assets and current liabilities related to operating activities. Cash flows from investing and financing activities are presented using the direct method, which means that receipts and disbursements are disclosed in separate items. Non-monetary transactions are eliminated.

FOREIGN CURRENCY

All currencies except the euro are considered foreign currencies. Transactions denominated in foreign currencies are translated into functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in foreign currencies that are measured at cost are re-translated to the functional currency at the exchange rate at the date that the transaction was settled. The official quotation of the European Central Bank in the respective currency shall be used for the conversion. Exchange differences arising on translation are recognized in profit or loss.

FINANCIAL ASSETS AND LIABILITIES

RECOGNITION AND PRIMARY MEASUREMENT

Trade receivables are recognized when incurred. All other financial assets and liabilities are recognized when the Group becomes a party to the contractual provisions of the instrument.

On initial recognition, the Group measures a financial asset or financial liability at its fair value plus or minus any transaction costs that are directly attributable to the acquisition of the financial asset or the issuance of the financial liability. Trade receivables that are not related to a significant financing component are initially recognized at transaction price.

CLASSIFICATION, FURTHER MEASUREMENT, AND GAINS AND LOSSES

FINANCIAL ASSETS

The Group recognizes financial assets at amortized cost, at fair value through other comprehensive income, or at fair value through profit or loss.

Financial assets are not reclassified after initial recognition unless the Group changes its financial asset management business model, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Financial assets are measured at amortized cost if both of the following conditions are met:

- Financial assets are held under a business model designed to hold financial assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise to cash flows at specified dates that are only principal and unpaid interest on the principal.

The Group classifies cash and cash equivalents, trade receivables, loans, and other receivables as financial assets measured at amortized cost.

A financial asset is measured at fair value through profit or loss if it meets both of the following conditions and is not designated as at fair value through profit or loss accounts:

- The instruments are held in a business model designed to achieve both the collection of contractual cash flows and the sale of financial assets; and
- The terms of the contract provide cash flows on specified dates that are only the principal and unpaid interest on the principal.

All financial assets that are not classified as at fair value through profit or loss or other comprehensive income, as described above, are measured at fair value through profit or loss accounts.

On initial recognition, the Group may designate financial assets as at fair value through profit or loss, which qualify for recognition in other comprehensive income at adjusted cost or fair value, if it either eliminates or significantly reduces the inconsistency of measurement or recognition, which would otherwise arise from measuring assets or liabilities or recognizing gains or losses on them on a different basis.

The following table provides an overview of the Group's financial assets and their measurement and recognition of gains and losses.

Adjusted acquisition cost	These assets are carried at amortized cost using the effective interest method. Impairment losses are deducted from the adjusted acquisition cost. Interest income, foreign exchange gains and losses, and impairment losses are recognized in the income statement. Gains or losses arising on derecognition are recognized in the income statement.
Financial assets at fair value with changes through profit or loss account	The group uses interest rate swap and interest rate cap agreements (Cap) as derivative instruments to cover interest rate risks. These assets (fair value is positive) are measured at fair value. Net profit or loss (including interest or dividend income) is recognized in the income statement.

FINANCIAL LIABILITIES

Financial liabilities are classified as either at amortized cost or at fair value through profit or loss. A financial liability is classified as at fair value through profit or loss if it is held for trading, is a derivative, or is recognized as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value, and net gains and losses, including any interest expense, are recognized in the income statement.

Other financial liabilities are carried at amortized cost using the effective interest method. Interest expense and foreign exchange gain or loss are recognized in the income statement. Gains or losses arising on derecognition are recognized in net income.

The group uses interest rate swap and interest rate cap agreements (Cap) as derivative instruments to cover interest rate risks. An interest rate swap is initially recognized at its fair value on the contract date and is subsequently revalued based on changes in the instrument's fair value. If the fair value is positive, the derivative is recognized as an asset, and if it is negative, it is recognized as a liability.

Income from interest rate cap agreements is recognized if the actual interest rate exceeds the cap specified in the agreement. Profits and losses arising from changes in the fair value of derivative instruments are recognized in the profit and loss statement of the reporting period, except for such derivative instruments that qualify under the special rule for reporting instruments acquired for hedging purposes (hedge accounting). There have been no recent ones in the reporting period and also in the comparison period.

DISCONTINUATION OF RECOGNITION

FINANCIAL ASSETS

The Group derecognizes a financial asset when, and only when, the contractual rights to the cash flows from the financial asset expire or the Group transfers the financial asset, and the transfer meets the criteria for derecognition. The Group transfers the right to receive contractual cash flows in a transaction in which all risks and rewards of ownership of a financial asset are transferred or where the Group does not transfer the risks and rewards of ownership of the financial asset but does not retain control of the financial asset. Transactions in which the Group transfers assets recognized in its financial statements, but the Group retains all or significant risks and rewards of the transferred assets, in which case the it does not derecognize the transferred assets.

FINANCIAL LIABILITIES

The Group removes a financial liability from its statement of financial position when, and only when, it is derecognized. This means when an obligation specified in the contract has been fulfilled, cancelled, or expired. The Group derecognizes a financial liability if the terms of the financial liability are changed so that the cash flows of the liability differ materially from the original liability. In this case, the new financial liability based on the amended terms is recognized at fair value. The difference between the residual book value of a terminated financial liability or a financial liability (or part of a financial liability) transferred to another party and the consideration paid, including any transferred non-monetary assets or assumed liabilities, is recognized through profit or loss.

OFFSETTING

Financial assets and liabilities are offset and recognized as a net amount in the financial statements when, and only when, the Group has a legal right to set off the amounts and the Group has the intention to settle them on a net basis or to realize the liability at the same time.

IMPAIRMENT OF FINANCIAL ASSETS

The Group applies the expected credit loss model to financial assets carried at amortized cost.

The Group measures impairment in the amount equal to the expected credit losses over its useful life, except for financial assets in which the impairment is measured in the amount equal to the expected credit losses over a period of 12 months:

- other claims;
- cash and cash equivalents whose credit risk has not increased significantly since initial recognition.

The Group applies the simplified method set out in IFRS 9 in recognizing expected credit losses on all trade receivables, which allows for the creation of a provision for the amount of expected credit losses over the life of the provision.

The Group always recognizes an allowance for trade receivables equal to the amount of credit losses expected to be incurred during their term. A provisioning matrix is used to estimate the expected credit loss on these assets based on the Group's historical credit loss experience, adjusted for specific factors related to debtors, general economic conditions, and, if necessary, the time value of money.

Expected credit losses are probability-weighted estimated credit losses. A credit loss is the difference between the contractual cash flows and the cash flows expected by the Group, which is discounted at the asset's internal rate of return.

At each reporting date, the Group assesses whether the credit quality of financial assets carried at amortized cost has deteriorated. The credit quality of a financial asset is impaired if one or more events have occurred that adversely affect the expected future cash flows of the financial asset. Circumstances that indicate that the credit quality of a financial asset has declined include:

- significant financial difficulties of the debtor;
- breach of contract (non-performance or non-payment of an obligation by the due date);
- restructuring a loan or advance on terms that the Group would not otherwise have made;
- it is likely that the debtor will run into insolvency.

The book value of the assets is reduced by the decrease in the value of the financial assets reflected in the adjusted acquisition cost.

TANGIBLE FIXED ASSETS

REGISTERING AND RECOGNITION

Tangible assets are recognized at cost less accumulated depreciation and any accumulated impairment losses.

If different parts of tangible assets have different useful lives, they are accounted for as separate items of fixed assets (significant components). The depreciation rate for each component is determined separately based on the expected useful life of the component.

Gains and losses arising from the derecognition of tangible property are recognized in the income statement.

SUBSEQUENT EXPENDITURE

Subsequent expenditures on an item of tangible fixed assets are included in the cost of the asset only if it is probable that, in the future, the Group will receive economic benefits from the expenditures made. Other maintenance and repair costs are expensed as incurred.

DEPRECIATION

Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets and is recognized in the income statement. The useful lives of tangible assets are reviewed at least at each financial year-end, and if new estimates differ from the previous ones, the changes are recognized as changes in accounting estimates, i.e., prospectively. The asset is depreciated from the moment it is ready for use (brought to the location and condition specified by the management).

Useful lives of tangible fixed assets by groups of fixed assets (in years):

- Other tangible fixed assets 3 years

The assessment of impairment of assets is described in more detail in the accounting policy “Impairment of assets”.

INTANGIBLE FIXED ASSETS

REGISTERING AND RECOGNITION

Other intangible assets	Other intangible assets acquired by the Group and having a finite useful life are measured at cost less accumulated amortization and any accumulated impairment losses.

SUBSEQUENT EXPENDITURE

Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenses, including expenses for internally generated goodwill and trademarks, are recognized in the income statement as incurred.

AMORTISATION

Amortisation is calculated on a straight-line basis over the estimated useful lives of the assets and is generally recognized in the income statement.

Useful lives of intangible fixed assets by groups of fixed assets (in years):

- Other intangible fixed assets: 3 years

Amortisation methods, annual amortisation rates, and residual values are reviewed at each reporting date and adjusted if appropriate.

The assessment of impairment of assets is described in more detail in the accounting policy “Impairment of assets”.

IMPAIRMENT OF ASSETS

IMPAIRMENT OF NON-FINANCIAL ASSETS

The carrying amount of non-inventory assets are reviewed at least annually at the end of the reporting period. The purpose of the review is to determine whether there are any indicators that would require the asset to be written down. If there is reason to believe that the recoverable amount of an item of fixed assets may have fallen below its carrying amount, an impairment test is performed, and, if necessary, the asset is written down.

The recoverable amount of an asset is the fair value of either the asset or the cash-generating unit minus costs to sell or value in use, whichever is greater.

In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of testing an asset for impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows that are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). For the purpose of testing for impairment, goodwill arising on a business combination is allocated to those cash-generating units of the enterprise that are expected to benefit from the synergies arising from the particular business combination.

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses on assets are recognized in the period. An impairment loss for a cash-generating unit is recognized first to reduce the carrying amount of goodwill allocated to the unit and then to reduce the carrying amount of the unit’s other assets proportionately.

If the reason for the impairment disappears, the previously recognized impairment loss is reversed. Changes in the circumstances of the impairment loss are analysed at least once a year at the end of the reporting period. Impairment losses are reversed, and the asset is increased to the maximum carrying amount that would have been determined, net of any depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment losses are recognized in profit or loss in the same line as the previous impairment loss.

IMPAIRMENT OF FINANCIAL ASSETS

The assessment of impairment of financial assets is described in more detail in the accounting policies for financial assets and liabilities.

RENTAL ACCOUNTING

Upon concluding the agreement, the Group assesses whether the agreement is a lease agreement or whether the agreement includes a lease. An agreement is a lease agreement (or includes a lease) if it gives the right to inspect and use a specified asset for a specified period of time against payment. The Group uses the definition of a lease in IFRS 16 to assess whether the agreement gives it the right to control and use an asset.

THE GROUP AS A LESSOR

If the Group is operating as a lessor, the Group determines at the inception of the lease whether the lease is a finance lease or an operating lease.

To classify each lease agreement, the Group assesses whether the lease transfers substantially all the risks and rewards incidental to ownership of the underlying asset. If it does, then it is a finance lease. If not, it is an operating lease. As part of this assessment, the Group also assesses certain indicators (for example, whether the lease is for the majority of the economic life of the asset).

If a lease agreement includes both lease and non-lease components, the Group applies IFRS 15 accounting policies to allocate the lease payment among the components.

The Group applies the requirements for derecognition and impairment in IFRS 9 to the lessor’s net investment. The Group regularly analyses the estimated unguaranteed residual values used to calculate the lessor’s gross investment.

The Group recognizes lease payments received under operating leases as income in the income statement on a straight-line basis over the lease term.

FINANCIAL INVESTMENTS

Short-term and long-term financial investments in shares and other equity instruments (excluding investments in subsidiaries and associates) are initially recognized at cost. Equity instruments are then measured at fair value. Dividends are recognized as income in the income statement. Other net gains and losses are recognized in other comprehensive income and are never classified as profit or loss.

SHARES IN SUBSIDIARIES

Investments in subsidiaries are recognized using the equity method in the parent company's unconsolidated statement of financial position. Under the equity method, the investment is initially recognized at its acquisition cost, which will be adjusted for any subsequent changes in the investor's interest in the investee's equity and the elimination or amortisation of the difference between fair value and book value determined in the purchase analysis of the investee's assets, liabilities and contingent liabilities. Unrealized gains on transactions between parties are eliminated to the extent of the parent's interest. Unrealized losses are also eliminated unless the loss is due to an impairment of an asset.

In the event that the parent company's participation in the loss of the subsidiary recognized under the equity method exceeds the book value of the subsidiary, the book value of the investment is reduced to zero, and such long-term receivables, which essentially form part of the investment, are written down. Further losses are recognized outside the statement of financial position. In the event, the parent company has guaranteed or is obligated to satisfy the obligations of the subsidiary, both the corresponding obligation and the loss of the equity method are recognized in the statement of financial positions.

PROVISIONS

Provisions are recognized when the Group has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount. Provisions are recognized at the present value of the expenditure required to settle the obligation using an interest rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the amount of the provision due to the passage of time is recognized as a financial expense. Contingent liabilities, the realization of which is unlikely or the amount of the related expenses which cannot be estimated with sufficient reliability but which, under certain conditions, may become liabilities in the future, are disclosed in the note to the financial statements as contingent liabilities.

INCOME TAX

Income tax includes current and deferred income tax. It is recognized in profit or loss accounts, except to the extent that it relates to a business combination or amounts recognized directly in equity or in other comprehensive income.

INCOME TAX PAYABLE

Income tax payable includes taxes that are expected to be payable or recoverable on the taxable income or loss for the year and adjustments to tax payable or receivable in prior years. The amount of tax payable or receivable is the best estimate of the amount of tax payable or receivable that reflects the uncertainty associated with income tax (if any). It is measured using tax rates that have been enacted or substantively enacted by the reporting date. Income tax payable also includes income tax on dividends. Current tax assets and liabilities are offset only if certain criteria are met.

CORPORATE INCOME TAX IN ESTONIA

According to the Income Tax Act in force in Estonia, the Company's earned profit for the financial year is not taxed in Estonia. Income tax is paid on dividends, fringe benefits, gifts, donations, admission costs, non-business pay-outs, and transfer price adjustments. Dividends paid out of retained earnings are generally taxed at a rate of 20% (the amount of tax payable is 20/80 of the net amount of dividends distributed (starting from 2025: 22%). Dividends have been also taxed at the rate of 14% from 2019 till 2024 (the amount of tax payable was 14/86 of the net amount of dividends distributed). A more favourable tax rate applied to the part of dividends that do not exceed the average dividend payment of the Company for the last three years on which income tax has been paid in Estonia. A rate of 20% applies to the rest. 2018 was the first year to be taken into account when calculating the average dividend payment for the previous three years. Starting from 2025 the favourable tax rate on dividends will be eliminated and only the standard rate of 22/78 will apply. Estonian companies will still be entitled to tax exemption from 2025 when further distributing dividends received until 31 December 2024 and taxed at a lower tax rate (14/86) to shareholders who are legal persons. The prerequisite for the tax exemption is that the Estonian company that received and further distributed the dividend had at least a 10% holding in the respective company at the time of receiving the dividend. When further distributing dividends taxed at a lower tax rate (14/86) to a natural person shareholder, there is an obligation to withhold income tax at a rate of 7%.

INCOME TAX IN LATVIA

Latvia has a similar income tax law, where corporate profits are not taxed, and dividends paid are taxed at a rate of 20%.

INCOME TAX IN LITHUANIA

According to the income tax regulations of Lithuania, the company taxpayer is obliged to pay income tax on the taxable profit earned in the reporting year. In Lithuania, the income tax rate was 15% in 2024, starting from 01.01.2025 the income tax rate will increase to 16%.

INCOME TAX IN POLAND

According to the income tax regulations of Poland, the company taxpayer is obliged to pay income tax on the taxable profit earned in the reporting year. In Poland, the standard corporate income tax rate was 19% in 2024.

DEFERRED INCOME TAX

Deferred income tax is recognized in connection with temporary differences that arise between the accounting values of assets and liabilities and the amounts taken as a basis for taxation.

Deferred income tax is not recognized as follows:

- Temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that do not affect accounting or taxable profit or loss;
- Temporary differences associated with investments in subsidiaries, associates, and joint ventures, if the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and

- Taxable temporary differences arise on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits, and temporary deductible differences to the extent that it is probable that future taxable prof- its will be available against which the deferred tax assets can be utilized. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realized; such reductions are reversed if the probability of future taxable profits increases. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable profits will be available against which the deferred tax assets can be utilized. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates that have been enacted or substantively enacted by the reporting date when they are reversed, and this reflects income tax uncertainty (if any).

Deferred tax assets and liabilities are offset only if certain criteria are met.

Corporate income tax paid on dividends is recognized in the statement of comprehensive income as an income tax expense and in the statement of financial position as a deferred income tax liability to the extent of the planned dividend payment. An income tax liability is due on the 10th day of the month following the payment of dividends. Deferred income tax is provided on post-acquisition retained earnings and other post-acquisition movements in reserves of subsidiaries, except where the group controls the subsidiary's dividend policy and it is probable that the difference will not reverse through dividends or otherwise in the foreseeable future. The group controls the reversal of temporary differences relating to taxes chargeable on dividends from subsidiaries or on gains upon their disposal. The group does not recognise deferred tax liabilities on such temporary differences except to the extent that management expects the temporary differences to reverse in the foreseeable future. The maximum income tax liability which would accompany the distribution of Company's retained earnings is disclosed in Note 31 to the consolidated financial statements.

SALES REVENUE

Sales revenue is measured based on the fee provided in the customer agreement. The Group recognizes sales revenue when it gives the customer control over a good or service. Invoices for resold goods and services are issued monthly and are generally due within 21 days. Revenue from the resale of utilities and other services is recognized over time (revenue is recognized in the same period as the related expenses).

INVESTMENT PROPERTIES

Investment property is defined as land and buildings held for rental income or for market value which are not used in the economic activities of the group entity. It is also considered real estate investment properties that are held for a long time and that have a number of potential uses. Real estate to be developed for real estate investment and buildings treated as movable property (reconstructed commercial buildings) are recorded as investment property. Investment property is initially recognized in the statement of financial position at cost, which includes transaction fees directly related to the acquisition: notary fees, state fees, fees paid to advisers and other costs without which the purchase would probably not have been possible. It will be reported below investment property at fair value at each reporting date, which is determined based on the reporting date actual market conditions.

In determining the fair value of investment property, in addition to management's judgment, expert opinion of independent certified evaluators is used. This means a major investment where necessary, parallel assessments are taken from independent real estate experts. To determine fair value the following methods are used:

- Revenue method (discounted cash flow analysis or capitalization of revenue). The income method is used in determining the value of real estate objects with a stable rental flow or in the case of objects where based on the management board assessment the benchmark method does not reflect fair value (for example, the lack of liquidity in the real estate market in the area of the property, the absence of a reference transaction or a large time difference between the reference transaction and between the assessment date). The rental method is used to determine the fair value of investment property using the income approach. In the case of a generating real estate object, the appraiser must forecast the future rental income of the real estate object (including rent per 1 m 2 and occupancy of rental space) and operating costs. Depending on the termination of leases simplicity and feasibility for lessees, the appraiser selects either existing cash flows or average cash flows in the market. It also comes with a discounted cash flow analysis to find the present value of the net cash flows, select the appropriate discount rate that best represents the cash current market trends and the specific risks associated with the asset. As a basis for selecting the discount rate the average market capital structure is used. Applicable to the income capitalization method the capitalization rate is determined on the basis of the average expected expectations of investors in a particular market productivity for similar types of assets.
- Comparison method. The comparison method is used for real estate that does not have a rental flow and which are held for future development potential or value growth. For the comparison method transactions performed under comparable conditions with the evaluated object and the market value of the object are examined the price of m^2 of transactions has been derived. As there were events that are reference methods, no are in virtually no case absolutely similar to the object being valued, the reference method is adjusted indicators of the time, location, size and detailed planning of the transactions that took place in the case, or instead another valuation method (such as the revenue method) that, in the opinion of the management board, better reflects the property fair value.

Gains and losses arising from changes in the fair value of investment property are recognized in the statement of comprehensive income under "Other operating income" or "Other operating expenses". Investment property is derecognised upon disposal or in the case of decommissioning, when no future economic benefits are expected from the asset. Gains and losses on derecognition of investment property are recognized in the period in which they are derecognised in the statement of comprehensive income under other operating income or other operating expenses.

If the purpose of use of the real estate changes, the asset is reclassified in the statement of financial position. From the date of the change, the accounting policies for that asset group are applied to the item, to which the object has been transferred. When an item previously recognized as an investment property is reclassified to inventory or property, plant and equipment, the new deemed cost of the item is the fair value of the item reclassification date.

If an item of property is reclassified from tangible asset to investment property, it is presented the positive difference between the fair value and book value of the asset at the date of reclassification revaluation reserve, the negative difference is recognized in the statement of comprehensive income as an impairment loss on tangible assets. When an item of property is recognized as an inventory is reclassified to investment property, the difference is recognized as an asset between the fair value and book value at the date of reclassification in the statement of comprehensive income under other operating income or other operating expenses.

Based on the requirements of IFRS 13, fair value valuation methods are classified as follows:

- quoted prices (unadjusted) in active markets for identical assets (level 1);
- inputs other than level 1 classifiable quoted prices that are directly or indirectly observable for the as- set (level 2);
- unobservable inputs for the assets (level 3).

The fair value of the Group's investment properties is esti- mated using level 3 inputs. Additional information regarding the assumptions used is presented in Note 11.

RELATED PARTIES

The Group considers a party to be related if one party has con- trol over the other party or significant influence over the other party's business decisions. The Group's related parties are:

- the parent company and its owners;
- other companies belonging to the same consolidation group;
- members of the board;
- close relatives and related companies of the persons listed above.

The consolidated financial statements reflect significant matters affecting the measurement of assets and liabilities, which occurred between the end of the reporting period and the date of the report but relate to transactions during the reporting period or earlier periods.

Events at the end of the reporting period that have not been taken into account in the valuation of assets and liabilities, but which significantly affect the result of the next financial year are disclosed in the notes to the consolidated financial statements.

NOTE 7. FINANCIAL INSTRUMENTS - FAIR VALUE AND RISK MANAGEMENT

CLASSIFICATION AND FAIR VALUES

The Group's management has estimated that the fair value of the loans is equal to their book value since the interest rates applied to the contracts correspond to the market interest rates.

The following table shows the book values and fair values of financial assets and liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and liabilities that are not measured at fair value if the carrying amount is a reasonable approximate value of fair value.

	Book value		Fair value	
	31.12.2024	**31.12.2023**	**31.12.2024**	**31.12.2023**
Financial assets measured at adjusted acquisition cost				
Cash and cash equivalents (Note 8)	8 616 689	15 923 835	-	-
Trade receivables and other receivables (Note 9)	26 168 517	3 939 909	-	-
Other financial investments (Note 12)	125 000	125 000	-	-
Other financial assets (Note 10)	4 600 000	-	-	-
Financial assets measured at fair value				
Financial assets from derivative instru- ments (Note 10)	782 072	2 515 218	782 072	2 515 218
Total	**40 292 278**	**22 503 962**	**782 072**	**2 515 218**
Financial liabilities measured at adjusted acquisition cost				
Accounts payable (Note 14)	15 575 352	5 236 430	-	-
Loans and borrowings (Note 16)	310 856 826	216 400 265	-	-
Lease obligations	2 180 316	2 216 966	-	-
Financial liabilities measured at fair value				
Liabilities from derivative instruments (Note 19)	2 105 485	404 613	2 105 485	404 613
Total	**330 717 979**	**224 258 274**	**2 105 485**	**404 613**

FINANCIAL RISK MANAGEMENT

CREDIT RISK

Credit risk is the risk of financial loss to the Group if a customer or a party to a financial instrument fails to meet its contractual obligations and arises primarily from the Group's trade receivables. Money on bank deposits and other receivables and financial assets are also exposed to credit risk. The carrying amount of financial and contractual assets reflects the maximum exposure to credit risk.

To mitigate credit risk, the Group has established procedures to ensure that leases are entered into with customers with a compliant credit history. The Group regularly monitors that customers do not exceed an acceptable credit risk level. Credit risk is further mitigated by requiring deposits and entering into lease guarantee agreements. Invoices issued to customers generally have a payment period of up to 30 days, which helps to further limit the credit risk that may arise from receivables from buyers. Impairment losses on financial assets recognized in the income statement were as follows:

(EUR)	2024	2023
Accrual for doubtful debts at the beginning of the period	**294 768**	**385 247**
Accrual increase during the period	1 354	-
Accrual decrease during the period	-78 476	-9 921
Unrecoverable debt write-off (Note 28)	-42 809	-80 558
Accrual for doubtful debts at the end of the period (Note 9)	**174 837**	**294 768**

(EUR)	2024	2023
Cash and cash equivalents	8 616 689	15 923 835
Trade receivables and other receivables	26 168 517	3 939 909
Bank term deposits 4 – 12 months maturity	4 600 000	-
Total	**39 385 206**	**19 863 744**

The Group recognizes an allowance for trade receivables equal to the amount of credit losses expected to be incurred during their term. A provisioning matrix is used to estimate the expected credit loss on these assets based on the Group's historical credit loss experience, adjusted for specific factors related to debtors, general economic conditions, and, if necessary, the time value of money. Expected credit losses are probability-weighted estimated credit losses. A credit loss is the difference between the contractual cash flows and the cash flows expected by the Group, which is discounted at the asset's internal rate of return.

In credit risk management, it is mainly monitored that the Group does not develop significant concentrations of accumulated credit risk. The Group's activity for preventing and minimizing credit risk consists of daily monitoring and directing the payment behaviour of customers, which enables prompt implementation of necessary measures. Since, in the case of many real estate transactions, the counterparty of the transaction is financed through credit institutions, in order to mitigate risks, cooperation is also carried out with various banks that finance the transactions. As a result, the Group considers the total risk resulting from the insolvency of customers to be hedged to a significant extent.

Concentration risk is the risk of financial loss that may arise due to exposure to multiple counterparties for a specific group. The Group provides services to tenants from different Baltic markets and starting from December 2024, also from Poland. The tenants are from different sectors – retail, office, industrial – and the total credit risk from these customers as of 31.12.2024 was EUR 2 564 070 (31.12.2023: EUR 2 498 168) (Note 9).

CASH AND CASH EQUIVALENTS

On 31 December 2024, the Group had cash and cash equivalents in amount of EUR 8 616 689 (31.12.2023: EUR 15 923 835). The Group's cash and cash equivalents are kept in different banks, which reduces the credit risk associated with bank deposits. The credit ratings of the banks whose services the Group uses the most and where almost all of the Group's funds are deposited as of 31.12.2024 are from Baa1 to A3 based on the credit ratings of the independent rating agency Moody's.

LIQUIDITY RISK

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with the transfer of cash or other financial assets. Long-term liquidity risk is the risk that the Group will not have sufficient cash or other sources of liquidity to meet future liquidity needs to meet its business plan and meet its obligations or that the Group will therefore need to raise available funds in a hurry.

The Group's liquidity is primarily affected by the following circumstances:

- the ability of the Group's companies to independently generate positive net cash flows from business activities and the volatility of said cash flows;
- the mismatch of maturities of assets and liabilities and flexibility in changing them;
- marketability of non-current assets;
- financing structure.

The goal of the Group is:

- To ensure a balance between continuity and flexibility of financing through bank loans. The Group's financing policy stipulates that bank loans are concluded on a long-term basis.
- To manage net cash flows so that when investing in real estate, the share of debt capital does not exceed 80% of the acquisition cost of the investment.

Short-term liquidity management is primarily based on the Group's constantly monitored monthly cash flow forecast. The goal of short-term liquidity management is to ensure the availability of a sufficient amount of highly liquid funds. Short-term liquidity management in companies located in Estonia and outside Estonia is mainly carried out through intra-group borrowing from the Parent Company.

Long-term liquidity management is most influenced by investment decisions. Investments are made on the principle that the net cash flows of the business activities of the companies, together with the net cash flows of the investment activities, must cover the Group's cash outflows from financing. Thus, the goal of long-term liquidity management is to ensure sufficient liquidity in the real estate investment portfolio, to harmonize the timing of investment and financing cash flows, and to use the optimal financing structure. In the case of long-term projects, it is monitored that the terms and amounts of cash flows from investment activities do not differ significantly from the terms and amounts of cash flows from financing activities.

As of 31.12.2024, the Group's working capital was negative in the amount of EUR 2.3 million (in 2023: negative EUR 4.3 million). In addition to the typical characteristics of the real estate industry, which involves financing long-term assets with shorter-term borrowings, in 2024 negative working capital was further enhanced with acquisition transactions in Poland, where the assets obtained were partially financed through deferred payments, and, additionally, a short-term loan was utilised to cover VAT payables. The difference between current assets and current liabilities forms just 7% of Group's EBITDA and will be covered from operational cash flows.

The remaining contractual maturities of financial liabilities at the reporting date are as follows. The amounts are gross and undiscounted and include contractual interest payments.

		Contractual cash flows		
As of 31.12.2024	**Book value**	**12 months**	**2-5 years**	**Over 5 years**
Trade payables (Note 14)	25 073 923	15 575 352	9 498 571	-
Loans and borrowings (Note 16)	310 856 826	25 354 466	285 502 360	-
Liabilities from derivative instruments (Note 19)	2 105 485	-	2 105 485	-
Lease obligations	2 180 316	37 266	149 064	1 993 986
Total	**340 216 550**	**40 967 084**	**297 255 480**	**1 993 986**

As of 31.12.2023	Book value	12 months	2-5 years	Over 5 years
Trade payables (Note 14)	5 236 430	2 586 019	2 650 411	-
Loans and borrowings (Note 16)	216 400 265	17 768 649	198 631 616	-
Liabilities from derivative instruments (Note 19)	404 613	404 613	-	-
Lease obligations	2 216 966	230 082	966 344	1 020 540
Total	**224 258 274**	**20 989 363**	**202 248 371**	**1 020 540**

MARKET RISK

Market risk is the risk that changes in market prices, such as rentals, goods, exchange rates, interest rates, and cost of capital, will affect the Group's income or the value of its investments in financial instruments. The purpose of market risk management is to manage and maintain positions exposed to market risk within acceptable limits while optimizing returns. The Group provides services to tenants from different Baltic markets and starting from December 2024, also from Poland. The tenants are from different sectors – retail, office, industrial – the total sales of services to these customers as of 31.12.2024 reached to EUR 41 278 222. The detailed split of service sales between markets is provided in Note 21.

CURRENCY RISK

Currency risk is the risk that the fair value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The main currency of the Group is euro (EUR). In the end of 2024, the Group acquired two office buildings in Poland. Though the acquisition transaction, financing and majority of rental agreements are concluded in EUR, the Polish environment, certain operational cost and respective income will also expose the Group to Polish zloty.

INTEREST RATE RISK

Interest rate risk is the risk that the fair value of a future cash flow of a financial instrument will fluctuate because of changes in market interest rates. The Group is exposed to interest rate risk when using loans with a floating interest rate, refinancing liabilities when the maturity date arrives, and involving new loans to implement the investment plan in a situation where volatility in the financial markets is increasing, and the economic environment is changing.

The Group's interest rate risk arises from interest-bearing borrowings. Fluctuations in interest rates affect interest Expenses. The Group uses interest rate swaps and cap agreements to hedge its interest rate cash flow risk. As of 31.12.2024, 89% of the reported loan obligations are loan obligations with a floating interest rate. Interest rate swap and cap agreements mature between 25.06.2025 and 10.12.2029.

As of end of 2024, 54% on the outstanding loan balances were hedged.

The bonds of the Group, certain bank loans, loans of the owner, and other related parties have a fixed interest rate and do not depend on changes in the money market. However, most of long-term bank loans are linked to Euribor, which is why they are dependent on developments in international financial markets. An important activity in managing the Group's interest rate risk is to monitor the movements of the interest rate curve of the money market, which expresses the expectations of market participants regarding market interest rates and enables the assessment of the trend in the development of euro interest rates. In 2024, Euribor declined, resulting in lower costs for the Company's floating interest rate loan obligations, in which no interest rate risk hedging instruments were used. At the same time, for the loan obligations where hedging instruments were used, the impact – whether positive or negative - was contingent upon specific agreed-upon rates. The outstanding balance of derivative instruments was revalued as of 31.12.2024 bringing along a loss of EUR 3.4 million (Note 19; Note 27)

Changes in interest rates are closely monitored, and, if necessary, additional hedging agreements are concluded.

CAPITAL MANAGEMENT

The Group's policy is to maintain a strong capital base to maintain the confidence of investors, creditors, and the market and to maintain the further development of the business. Management monitors the return on capital and the level of dividends paid to shareholders. The Group monitors capital using the ratio of net debt to equity. Net debt is calculated as the total amount of liabilities less cash and cash equivalents. Equity includes all components of equity. The Group's policy is to keep the ratio below 2.

The ratio of the Group's net debt to equity as of 31.12.2024 and 31.12.2023 was as follows:

(EUR)	31.12.2024	31.12.2023
Total liabilities	362 989 947	246 078 152
Cash and cash equivalents	-8 616 689	-15 923 835
Bank term deposits 4 -12 months maturity	-4 600 000	-
Net debt	**349 773 258**	**230 154 317**
Total shareholder's equity	**187 975 151**	**179 778 358**
The ratio of net debt to total equity	**1.86**	**1.28**

NOTE 8. CASH AND CASH EQUIVALENTS

(EUR)	31.12.2024	31.12.2023
Cash and bank deposits up to 3 months	7 997 689	7 623 835
Bank deposits from 1 to 3 months	619 000	8 300 000
Total	**8 616 689**	**15 923 835**

NOTE 9. TRADE RECEIVABLES AND OTHER RECEIVABLES

(EUR)	31.12.2024	31.12.2023
Trade receivables	2 564 070	2 498 168
Receivable from related party (Note 30)	252 908	1 000 000
Deferred expenses	378 396	321 807
Accrued interest for receivable from related party (Note 28)	6 323	207 500
Accrued income	90 134	118 165
VAT claims	22 948 111	15 838
Other receivables	103 412	73 199
Accruals for doubtful debts	-174 837	-294 768
Total	**26 168 517**	**3 939 909**
Non-current part	77 100	39 600
Current part	26 091 417	3 900 309
Total	**26 168 517**	**3 939 909**

VAT claim as of 31.12.2024 in amount of EUR 22 948 111 related to property acquisition in Poland (Note 13; Note 32).
Short-term receivable from related party in amount of EUR 252 908 (2023: EUR 1 000 000) bears 10% annual interest rate (Note 30).

NOTE 10. OTHER FINANCIAL ASSETS

(EUR)	31.12.2024	31.12.2023
Current		
Bank term deposits 4 - 12 months maturity	4 600 000	-
Financial assets from derivative instruments (Note 19)	205 031	-
Total current	**4 805 031**	**-**
Non-current		
Financial assets from derivative instruments (Note 19)	577 041	2 515 218
Total non-current	**577 041**	**2 515 218**

NOTE 11. FIXED ASSETS

FIXED ASSETS

	Other tangible fixed assets	Right-of-use assets	Prepayments	Total
Acquisition cost as at 31.12.2023	150 063	2 331 582	2 918	**2 484 563**
Accumulated depreciation as at 31.12.2023	-134 673	-252 496	-	**-387 169**
Net book value as at 31.12.2023	**15 390**	**2 079 086**	**2 918**	**2 097 394**
Depreciation for the year	**-11 311**	**-63 003**	**-**	**-74 314**
Acquisition cost as at 31.12.2024	150 063	2 331 582	-	**2 481 645**
Accumulated depreciation as at 31.12.2024	-145 984	-315 498	-	**-461 482**
Net book value as at 31.12.2024	**4 079**	**2 016 083**	**2 918**	**2 023 080**

Since January 1, 2021, the group has applied the standard IFRS 16 “Leases”. When applying IFRS 16, the group recognized leases that were previously classified as operating leases according to the previous accounting practice as right-of-use assets and lease liabilities. The right-of-use asset includes the right of superficies with a term until 2056 at Viru tn 15 and Viru tn 13, Tallinn.

Upon implementation of the standard on 01.01.2024, the remaining lease payments of lease agreements are discounted using an alternative loan interest rate, which is 1.82%.

In implementing the standard, the group has used the following simplifications:

- Operating lease agreements with a remaining lease period of up to 12 months or from 01.01.2024, assets of low value are recognized as short-term operating leases;
- direct costs related to the conclusion of the lease agreement for the leased property are excluded on the date of implementation;
- the rental period is determined based on the options in the agreement to extend or terminate the lease agreement.

Right-of-use assets are recognized using the acquisition cost method.

NOTE 12. OTHER FINANCIAL INVESTMENTS

	2024	2023
13.35% shares in Consorto Global OU	125 000	125 000
Total	**125 000**	**125 000**

In April 2023 Summus decided to invest in commercial real estate deal sourcing platform Consorto Global OÜ and acquired a EUR 13 930 share (13.35% holding) in Consorto Global OÜ for EUR 125 000. The investment is recognised at cost.

NOTE 13. INVESTMENT PROPERTY

	2024	2023
Balance at the beginning of the period	**401 247 082**	**397 697 082**
Additions through purchases	101 574 212	-
Additions though improvements	1 461 295	1 652 965
Revaluation	4 361 706	1 897 035
Balance at the end of the period	**508 644 295**	**401 247 082**

On December 12, 2024 Summus’ subsidiary, Petina Sp. z o.o., acquired Lakeside office building in Warsaw. Subsequently, on December 17, 2024 another subsidiary, Maggiora Sp. z o.o., acquired React office building in Lodz. As a result of the acquisitions, Summus investment portfolio increased by EUR 101.6 million. Both transactions were executed as asset acquisitions and thus were charged with VAT in the amount of EUR 22.9 million (Note 9), which was reclaimed from Polish National Revenue Administration and received in March 2025 (Note32) The acquisitions were financed through Group financing in the form of equity and intra-Group loans, bank loans (Note 16) and deferred payments (Note 14). In the course of transactions, the sellers compensated the Group for rent discounts and fitout obligations which were taken up as accruals under trade payables and other liabilities in the amount of EUR 1.7 million (Note 14). Further in order to organise the management of the properties in a way that would enhance the Group’s future value, the Company concluded agreements that entitle asset managers for success contingent upon exceeding target return. The Group’s Management assessed potential future liabilities from these agreements and decided to create provisions in the amount of EUR 1.0 million (Note 15, 28, 30)

As of the end of 2024, the portfolio of companies belonging to Summus Capital OÜ consists of sixteen real estate properties. More information on website www.summus.ee

	Total fair value (Level 3)	Profit/loss recognized in profit or loss in 2024
Estonia - DE LA GARDIE (retail)	4 950 000	-1 213 580
Estonia - VEERENNI 1 (medical centre)	15 630 000	320 000
Estonia - VEERENNI 2 (medical centre + parking garage)	24 950 000	870 000
Estonia - AURIGA (retail)	15 320 000	27 671
Estonia - Portfolio of 2 warehouses	6 357 082	21 881
Estonia - Punane 56 (mixed-use office)	3 900 000	92 660
Lithuania - NORDIKA (retail)	69 380 000	710 000
Lithuania - PARK TOWN WEST HILL (business centre)	23 340 000	1 120 000
Lithuania - PARK TOWN EAST HILL (business centre)	49 670 000	-2 340 000
Lithuania - THE BOD GROUP (high technology centre)	26 740 000	-770 000
Latvia - RIGA PLAZA (retail and investment land)	104 790 000	3 596 255
Latvia - DEPO DIY (retail)	22 700 000	500 000
Latvia - DAMME (retail)	37 500 000	1 185 325
Latvia - commercial land plot under development	1 843 000	241 494
Poland - LAKESIDE (office)	68 652 816	-
Poland - REACT (office)	32 921 397	-
Total	**508 644 295**	**4 361 706**

Fair value of the properties was determined by certified valuator OÜ NEWSEC VALUATIONS EE for Estonian objects, UAB NEWSEC VALUATIONS for Lithuanian objects, and SIA NEWSEC VALUATIONS LV for Latvian objects, using Discounted Cash Flow Method and Sales Comparison Method.

The acquired Polish properties were booked at transaction prices. Changes in fair value are recognized in the profit and loss statement under other income or other operating expense.

(EUR)	31.12.2024	31.12.2023
Rental income from investment properties	31 707 096	30 161 996
Costs directly related to the management of investment properties	11 982 262	11 539 480
Outstanding amount from the acquisition of investment properties	16 314 251	-
Book value of investment properties pledged as collateral for loan liabilities	508 644 295	401 247 082

FAIR VALUE MEASUREMENT

FAIR VALUE HIERARCHY

The measurement of the fair value of all investment properties is classified as Level 3 fair value based on the inputs to the valuation method used.

ASSESSMENT TECHNIQUES AND SIGNIFICANT UNOBSERVABLE INPUTS

The following table sets out the valuation method used to measure the fair value of investment property and significant unobservable inputs.

Sector	Fair value (EUR)	Evaluation technique	Significant unobservable inputs	Interrelationship between unobservable inputs and fair val- ue measurements
Industry	36 997 082	Discounted cash flow method	Average rental price EUR/m² (2024: 6.11 EUR/m²; 2023: 5.48 EUR/m²) Expected increase in rental income (2024: 1.5-4.2%; 2023: 0-5%) Vacancy rate (2024: 0.7%; 2023: 0%) Discount rate (2024: 9.6-10.1%; 2023: 9.2-9.4%) Terminal cap rate (2024: 7.8-8.3%; 2023: 7.5-7.8%)	The expected fair value would in- crease (decrease) if: • the average rental price would be higher (lower) • expected rental income growth would be higher (lower) • the vacancy rate would be lower (higher) • the discount rate would be lower (higher) • the terminal cap rate would be lower (higher)
Office	215 164 213	Discounted cash flow method	Average rental price EUR/m² (2024: 15.68 EUR/m²; 2023: 13.49 EUR/m²) Expected increase in rental in- come (2024: 0-3.2%; 2023: 0-7%) Vacancy rate (2024: 0-5.1%; 2023: 0-6.9%) Discount rate (2024: 7.9-9.3%; 2023: 7.8-10.2%) Terminal cap rate (2024: 6.3-7.5%; 2023: 6.0-8.3%)	The expected fair value would in- crease (decrease) if: • the average rental price would be higher (lower) • expected rental income growth would be higher (lower) • the vacancy rate would be lower (higher) • the discount rate would be lower (higher) • the terminal cap rate would be lower (higher)
Retail	256 483 000	Discounted cash flow method	Average rental price EUR/m² (2024: 13.23 EUR/m²; 2023: 12.75 EUR/m²) Expected increase in rental income (2024: 4.2-12.9%; 2023: -9.7-6%) Vacancy rate (2024: 0-7.9% 2023: 0-26%) Discount rate (2024: 7.7-10.9%; 2023: 7.8-11%) Terminal cap rate (2024: 6-8.3%; 2023: 6.8-8.3%)	The expected fair value would in- crease (decrease) if: • the average rental price would be higher (lower) • expected rental income growth would be higher (lower) • the vacancy rate would be lower (higher) • the discount rate would be lower (higher) • the terminal cap rate would be lower (higher)

NOTE 14. TRADE PAYABLES AND OTHER LIABILITIES

(EUR)	31.12.2024	31.12.2023
Current		
Deferred property purchase settlement (Note 13, 32)	10 745 868	-
Accrual for rent discounts and fitout obligations (Note 13)	1 717 930	-
Trade payables	1 403 350	1 439 710
Rental deposits	341 189	2 511 761
Accrued loan interest	439 881	450 955
Related party payables	233 176	-
Accrued expenses	335 072	525 279
Deferred income	219 598	170 075
Unpaid dividends	139 288	138 650
Total current	**15 575 352**	**5 236 430**
Non-current		
Deferred property purchase settlement (Note 13)	**5 568 384**	-
Rental deposits	**3 266 715**	-
Accrual for rent discounts and fitout obligations (Note 13)	**663 472**	-
Total non-current	**9 498 571**	**-**

Deferred property purchase settlement is related to property purchases in Poland and shows the remaining amount payable to the property sellers.

Accrual for rent discount shows accrued amount for future rent discounts issued to tenants in Poland (Note 13, 32).

Until 2023 rental deposits were treated as short term liabilities. In 2024 rental deposits were split between short and long term liabilities based on rental agreement expiration date.

Trade payables include payables to related parties, please see Note 30.

NOTE 15. PROVISIONS

(EUR)	2024	2023
Provisions for variable portion of property management fee (Note 13)	10 800 788	10 341 224
Total	**10 800 788**	**10 341 224**

(EUR)	2024	2023
Balance at the beginning of the period	**10 341 224**	**5 935 177**
Increase in provisions (Note 13, 28)	957 343	4 406 047
Decrease in provisions (Note 26)	-497 780	-
Balance at the end of the period	**10 800 788**	**10 341 224**

On January 8, 2021, a subsidiary of the Group, Loft Office SIA entered into an agreement in relation to the acquisition of Riga Plaza shopping centre, with the aim of organising real estate management in a way that would enhance the company's future value. Pursuant to the terms of the agreement, Loft Office SIA is obligated to pay a 20% success fee upon the sale of Riga Plaza shopping centre or after a period of five years from the agreement's signing, contingent upon exceeding the target return. In 2024 and 2023, the Group's management assessed potential future liabilities by compiling a forecast for Riga Plaza shopping centre. The forecasts foresee a decrease of vacancy after signing new rental agreements and regular annual indexation of rentals of 0-3%. The forecasted cash flows were discounted back to December 31, 2024 using a 10% discount rate. Based on this evaluation, the estimated success fee payable amounted to EUR 9 843 445.00 (2023: EUR 10 341 225) as discounted to December 31, 2024.

On December 12, 2024, Summus Capital OÜ entered into an agreement in relation to the acquisition of Lakeside office building, with the aim of organising real estate management in a way that would enhance the company's future value. Pursuant to the terms of the agreement, Summus Capital OÜ is obligated to pay a 15% success fee upon the sale of Lakeside office building or after a period of five years from the agreement's signing, contingent upon exceeding the target return. The Group's management assessed potential future liabilities by compiling a forecast for Lakeside office building. The forecasts foresee regular annual indexation of rentals at 3% and exit yield of 7.3%. The forecasted cash flows were discounted back to December 31, 2024 using a 15% discount rate. Based on this evaluation, the estimated success fee payable amounted to EUR 653 795 as discounted to December 31, 2024

On December 17, 2024, Summus Capital OÜ entered into an agreement in relation to the acquisition of React office building, with the aim of organising real estate management in a way that would enhance the company's future value. Pursuant to the terms of the agreement, Summus Capital OÜ is obligated to pay a 15% success fee upon the sale of React office building or after a period of five years from the agreement's signing, contingent upon exceeding the target return. The Group's management assessed potential future liabilities by compiling a forecast for React office building. The forecasts foresee regular annual indexation of rentals at 3% and exit yield of 8.2%. The forecasted cash flows were discounted back to December 31, 2024 using a 15% discount rate. Based on this evaluation, the estimated success fee payable amounted to EUR 303 548 as discounted to December 31, 2024

The provisions are presented in the profit and loss statement lines "Other income" – in case of decrease in provisions related to Riga Plaza shopping centre (Note 26), and "Other expenses" for increase in provisions related to Lakeside and React office buildings (Note 28), and balance sheet line "Provisions".

NOTE 16. INTEREST-BEARING LOANS AND BORROWINGS

	Loan balance on 31.12.2024	Up to 1 year	2-5 years	Over 5 years
Bank loans (interest rate: EURIBOR+ 2.2%-WIBOR+2.5%, maturity: 2025-2030)	296 202 004	25 354 466	270 847 538	-
Bonds (fixed coupon: 9.5%, maturity: 11.06.2027)	14 654 822	-	14 654 822	-
Total	**310 856 826**	**25 354 466**	**285 502 360**	**-**
Total current	25 354 466	-	-	-
Total non current	285 502 360	-	-	-

	Loan balance on 31.12.2023	Up to 1 year	2-5 years	Over 5 years
Bank loans (interest rate: EURIBOR+ 2.25%-3.2%, maturity: 2024-2028)	206 400 265	7 768 649	198 631 616	-
Bonds (fixed coupon: 6.75%, maturity: 2024)	10 000 000	10 000 000	-	-
Total	**216 400 265**	**17 768 649**	**198 631 616**	**-**
Total current	17 768 649	-	-	-
Total non current	198 631 616	-	-	-

Real estate assets with a carrying value of EUR 508 644 295 (2023: EUR 401 247 082) have been pledged as collateral for bank loans. During 2nd quarter of 2024 the Group refinanced the bank loans of its Estonian properties (EUR 44.6 million after refinancing), Nordika and Riga Plaza shopping centres and Park Town I and Park Town II office buildings (EUR 134.4 million after refinancing) with maturities in April, May and October 2029. The acquisitions of two new office buildings in Poland (Note 13) were partly financed by long-term investment facilities (EUR 57.7 million; maturity dates in December 2029) complemented with a short-term loan of 15.9m EUR to finance VAT payment from acquisition transactions. The VAT loan was repaid in March 2025 (Note 13, 32). Bank loan agreements include loan covenants that prescribe the respective Group company's financial ratios to align with predefined thresholds. Failure to meet these conditions grants the bank the right to demand immediate repayment of the loan. As at 31 December 2024 the Group had DSCR (DSCR > 1.1-1.3) and LTV (LTV < 60-75%) covenants from loan contracts that were met, and to which The Group management expects to comply with within 12 months after the reporting date.

In 2024, Summus Capital OÜ issued unsecured bonds in amount of EUR 15 million, the previous bond issue with nominal value of EUR 10 million was redeemed. The expenses related to bond issue have been subtracted from bond nominal and are periodised over bond's maturity period. The bond terms require the Group's consolidated DSCR on trailing twelve-month basis to be at least 1.2 and consolidated equity to total assets to be at least 30%. Both covenants have been met. The bonds have 9.5% fixed coupon rate and mature on 11.06.2027.

NOTE 17. LEASE AGREEMENTS

THE GROUP AS A LESSEE (NOTE 11)

The Group recognizes a right-of-use asset for the right of superficies at Viru tn 15 and Viru tn 13, Tallinn. The term of this right extends until 2056.

During the reporting period, the following amounts related to the right of superficies agreement were recorded in the comprehensive income statement:

- Depreciation expense of right-of-use assets: EUR 63 003 (2023: EUR 63 003).
- Interest expense from lease obligations: EUR 40 044 (2023: EUR 36 043)

THE GROUP AS A LESSOR

The Group leases commercial real estate. The leases are classified as operating leases as they do not entail the transfer of substantial risks and rewards inherent in the ownership of the underlying asset to the lessee.

OPERATING LEASE INCOME BY TYPE

(EUR)	2024	2023
Rental income (note 21)	31 707 096	30 161 996
Total	**31 707 096**	**30 161 996**

FUTURE NON-DISCOUNTED LEASE REVENUES BASED ON ACTIVE AGREEMENTS AT THE PERIOD END

(EUR)	2025	2026	2027	2028	2029 and after
Rental income	37 822 942	34 695 520	30 842 774	27 173 873	102 850 957

NOTE 18. INCOME TAX AND TAX LIABILITIES

	2024	2023
Income tax components		
Income tax on expenses for the reporting period	187 197	-4 783
Deferred income tax expenses (income)	286 857	1 181 839
Total income tax for the reporting period	**474 054**	**1 177 056**

Deferred income tax assets		
Tax losses	6 362 229	5 038 352
Amortization of goodwill	142 238	161 633
Deferred income tax assets before changes in value	**6 504 467**	**5 199 985**
Total deferred income tax assets	**6 504 467**	**5 199 985**
Deferred income tax liabilities		
Change in fair value of investments	-7 085 347	-7 368 846
Depreciation of investments	-10 582 089	-8 708 436
Deferred income tax liabilities before the change in value	**-17 667 436**	**-16 077 282**
Total deferred income tax liability	**-17 667 436**	**-16 077 282**
Total deferred income tax liability (net)	**-11 162 969**	**-10 877 297**

The deferred income tax liability has arisen from the income tax accounting of Lithuanian subsidiaries.

NOTE 19. DERIVATIVE INSTRUMENTS

	31.12.2024	31.12.2023
Financial assets from derivative instruments (Note 10; Note 27)	782 072	2 515 218
Total	**782 072**	**2 515 218**

	31.12.2024	31.12.2023
Liabilities from derivative instruments – non-current (Note 27)	2 105 485	404 613
Total	**2 105 485**	**404 613**

Derivative instrument	Evaluation techniques	Level of the fair value hierarchy
Interest rate swap	The fair value of interest rate swap contracts is found as the present value of expected future cash flows based on interest curves observed in the market	2
Interest rate cap agreements (CAP)	The fair value of interest rate cap agreements (CAP) is found as the present value of expected future cash flows based on interest rate curves observed in the market	2

NOTE 20. SHARE CAPITAL

(EUR)	31.12.2024	31.12.2023
Share capital in nominal value	1 200 000	1 200 000
Number of shares	1	1

As of December 31, 2024, Boris Skvortsov is the sole shareholder of the Company. The Company's Article of Association set the share capital minimum amount at EUR 1 200 000 and the maximum amount at EUR 4 800 000. The share issued by Summus Capital OÜ is registered in the Nasdaq Depositary.

VOLUNTARY LEGAL RESERVE

In 2021, the Group established a voluntary legal reserve in amount of EUR 78 913 462. The contribution to the voluntary reserve was made through non-monetary contribution, comprising loans assigned by the owner. Voluntary reserve capital may be used for the following purposes:

- to secure the net assets value required by the Commercial Code;
- to cover the loss of the private limited company, if it cannot be covered at the expense of retained earnings of previous periods, the reserve capital and share premium provided for in the articles of association; and
- in case of Fund issue, to increase the share capital.

The voluntary reserve capital may be distributed to shareholder provided that the minimum equity required by the Commercial Code is maintained after the distribution is performed.

SUBORDINATED LOAN

As of the end of the reporting period, loans from the owner and other related parties in amount of EUR 14 617 295 (2023: EUR 17 366 923) were recognized as subordinated loans. Subordinated loans are deemed equity instruments because they lack contractual obligations for repayment, aligning them more closely with equity than debt.

NOTE 21. SALES REVENUE

	2024	2023
Split by country		
Latvia	18 924 282	18 011 415
Lithuania	14 286 533	13 734 926
Estonia	7 642 902	7 308 529
Poland	424 505	-
Total	**41 278 222**	**39 054 870**
Split by type		
Rent (Note 13)	31 707 096	30 161 996
Advertising	538 852	499 583
Utilities and property management	9 032 274	8 393 291
Total	**41 278 222**	**39 054 870**
Split by period		
Over time	41 278 222	39 054 870
Total	**41 278 222**	**39 054 870**

CUSTOMER CONTRACT BALANCES Contractual assets and liabilities with customers.

	31.12.2024	31.12.2023
Trade receivables (Note 9)	2 564 070	2 203 400
Rental deposits and other advances received (Note 14)	-3 607 904	-2 511 761
Net position	**-1 043 834**	**-308 362**

NOTE 22. OTHER OPERATING INCOME

	2024	2023
Investment property revaluation gains (Note 13)	8 685 286	4 061 411
Other	53 084	52 849
Total	**8 738 370**	**4 114 260**

NOTE 23. COST OF SALES (NOTE 13)

	2024	2023
Utilities	-4 465 873	-4 533 551
Property management	-2 015 172	-1 983 224
Property maintenance	-1 890 998	-1 531 310
Cleaning	-1 344 574	-1 258 490
Marketing and promotion	-952 257	-971 044
Property tax	-614 138	-639 282
Security	-493 484	-442 606
Insurance	-60 220	-95 911
Other	-145 546	-84 062
Total	**-11 982 262**	**-11 539 480**

Out of property management services EUR 1 107 541 were provided by related parties (Note 30).

NOTE 24. OTHER OPERATING EXPENSES

	2024	2023
Investment property revaluation loss (Note 13)	-4 323 580	-2 164 376
Other	-12 236	-33 605
Total	**-4 335 816**	**-2 197 981**

NOTE 25. LABOUR EXPENSES

	2024	2023
Salary	-106 774	-96 353
Social security contributions	-36 795	-31 518
Total	**-143 569**	**-127 871**
Average number of full-time employees	7	6

Out of labour expenses, 120 240 were related to related parties (Note 30).

NOTE 26. OTHER INCOME

	2024	2023
Reduction in accruals for variable part of property management expenses (Note 15)	497 780	-
Total	**497 780**	**-**

NOTE 27. OTHER FINANCIAL INCOME AND EXPENSES

	2024	2023
Derivative instrument revaluation loss	-3 354 575	-3 147 608
Early loan repayment fees	**-871 753**	-
Foreign exchange revaluation loss	-401 732	-
Total	**-4 628 060**	**-3 147 608**

NOTE 28. OTHER EXPENSES

	2024	2023
Provisions for investment management success fee (Note 15; Note 30)	-957 343	-4 406 048
Professional services	-788 724	-377 666
Management services (Note 30)	-183 040	-120 000
Bank fees	-111 601	-113 828
Sponsorship	-72 000	-24 000
Impairment of trade receivables (Note 7)	-41 940	-80 558
Other	-488 069	-420 613
Total	**-2 642 717**	**-5 542 713**

NOTE 29. INTEREST EXPENSES

	2024	2023
Bank loan interest	-12 635 202	-10 488 980
Bond interest	-1 096 027	-675 000
Other	-214 715	-117 822
Total	**-13 945 944**	**-11 281 802**

NOTE 30. RELATED PARTY TRANSACTIONS

The party having ultimate control over the Group is disclosed in Note 20.

Related party transactions include transactions with executive and senior management, shareholders with significant holding, and companies under their dominant or significant influence.

2024

(EUR)	Beginning balance	Loans issued	Loans repaid	Calculated interest	Paid interest	Ending balance
Unsecured interest-bearing receivable (interest 10%, maturity: 30.09.2025)						
Principal balance (Note 9)	1 000 000	252 908	1 000 000	-	-	252 908
Accrued interest (Note 9)	207 500	-	-	156 148	357 325	6 323

(EUR)	Beginning balance	Increase in payables	Decrease in payables	Ending
Trade payables (Note 9)	-	233 176	-	233 176

(EUR)	Beginning balance	Loans issued	Loans repaid	Calculated interest	Paid interest	Ending balance
Subordinated debt (interest: 7%, termless) (Note 20)	17 366 923	4 190	2 331 111	1 088 251	1 510 958	14 617 295

(EUR)	Beginning balance	Increase in provisions	Decrease in provisions	Ending balance
Provisions (Note 15)	10 341 224	957 344	497 780	10 800 788

(EUR)	Beginning balance	Declared dividends	Paid dividends	Ending balance
Dividends due	138 650	880 000	879 362	139 288

(EUR)	EUR
Management services received (Note 23, 28)	1 290 581
Recharged expenses	621 846
Management and supervisory board remuneration (Note 25)	120 240

2023

(EUR)	Beginning balance	Loans issued	Loans repaid	Calculated interest	Paid interest	Ending balance
Unsecured interest-bearing receivable (interest 10%, maturity: 30.09.2024)						
Principal balance	3 000 000	-	2 000 000	-	-	1 000 000
Accrued interest	12 500	-	-	295 000	100 000	207 500

(EUR)	Beginning balance	Loans issued	Loans repaid	Calculated interest	Paid interest	Ending balance
Subordinated debt (interest: 7%, termless)	23 998 657	-	7 074 716	1 287 927	844 945	17 366 923

(EUR)	Beginning balance	Increase in provisions	Decrease in provisions	Ending balance
Provisions (Note 13)	5 935 177	4 406 047	-	10 341 224

(EUR)	Beginning balance	Declared dividends	Paid dividends	Ending balance
Dividends due	138 650	-	-	138 650

(EUR)	EUR
Goods and services purchased	1 282 727
Management and supervisory board remuneration	104 005

NOTE 31. CONTINGENT LIABILITIES

The Group's retained earnings at the end of the reporting period amounted to EUR 83 394 415 (31.12.2023: EUR 73 333 206). The maximum possible amount of income tax liability that may result from the payment of all retained earnings as dividends are EUR 18 346 771 (31.12.2023: EUR 14 666 641), so it would be possible to pay out a maximum of EUR 65 047 644 as net dividends (31.12.2023: EUR 58 666 565). The calculation of the maximum income tax liability assumes that the net dividends to be distributed and the income tax expense accompanying their payment cannot exceed the distributable consolidated profit as of the end of the reporting period. In addition, Summus Capital OÜ has committed to the bondholders not to pay more than 50% of the previous year's profit adjusted for non-financial resources and non-recurring income and expenses as dividends. In accordance with the terms of the bonds, Summus Capital OÜ is, therefore, able to pay net dividends in the amount of EUR 7 683 355.

NOTE 32. POST BALACE SHEET EVENTS

In December 2024, the Group acquired two properties in Poland (Note 13). In the course of acquisitions, the Group paid VAT on purchased assets, which was financed in part through a deferred payment (Note 14) and in part via a short-term loan facility (Note 16). The Group subsequently reclaimed the paid VAT from Polish National Revenue Administration and received the funds in March 2025. Following this, the deferred payment (EUR 7.5 million) and short-term facility (EUR 15.9 million) were repaid.

NOTE 33. FINANCIAL INFORMATION OF THE GROUP'S PARENT COMPANY

The financial information of the parent company includes the main reports of the parent company, which must be disclosed in accordance with the Estonian Accounting Act. The main financial statements of the parent company have been prepared in accordance with the same accounting policies as used in the preparation of the consolidated financial statements, except that investments in subsidiaries have been accounted for using the equity method.

UNCONSOLIDATED STATEMENT OF FINANCIAL POSITION

(EUR)	31.12.2024	31.12.2023
ASSETS		
Current assets		
Cash and cash equivalents	419 745	9 046 188
Trade receivables	631 282	14 212
Prepayments	57 893	13 790
Loans granted	262 470	1 325 082
Total current assets	**1 371 390**	**10 399 272**

Non-current assets		
Equity investments	71 946 963	69 930 669
Prepayments	4 672 897	-
Loans granted	118 925 302	101 352 495
Other financial investments	125 000	125 000
Total non-current assets	**195 670 162**	**171 408 164**
Total assets	**197 041 552**	**181 807 436**

Current liabilities		
Interest-bearing loans and borrowings	1 000 000	10 000 000
Trade payables and other payables	244 519	178 268
Tax debts	-	5 532
Total current liabilities	**1 244 519**	**10 183 800**
Interest-bearing loans and borrowings	14 654 822	-
Provisions	957 343	-
Total non-current liabilities	**15 612 165**	**-**
Total liabilities	**16 856 684**	**10 183 800**

Owner’s equity		
Share capital	1 200 000	1 200 000
Voluntary reserve	78 913 462	78 913 462
Subordinated loan	14 617 295	17 366 923
Retained earnings	85 454 111	74 143 251
Total shareholder’s equity	**180 184 868**	**171 623 636**
Total liabilities and shareholder’s equity	**197 041 552**	**181 807 436**

UNCONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(EUR)	2024	2023
Sales revenue	-	12 000
Other operating expenses	-1 692 909	-560 449
Labour expenses	-93 058	-59 850
Other expenses	-	-837
Operating loss	**-1 785 967**	**-609 136**
Profit from subsidiaries	1 163 954	3 505 933
Interest income	7 066 291	7 376 420
Interest expenses	-1 165 063	-675 000
Dividend income	7 120 000	-
Profit before income tax	**12 399 215**	**9 598 217**
Income tax	-135	-
Net profit	**12 399 080**	**9 598 217**
Comprehensive net profit for the year	**12 399 080**	**9 598 217**

UNCONSOLIDATED STATEMENT OF CASH FLOWS

	2024	2023
Cash flow from operating activities		
Operating loss	**-1 785 967**	**-609 136**
Adjustments	-5 922 693	1 927
Total before changes in receivables and payables	**-7 708 660**	**-607 209**
Change in trade receivables and other receivables	-603 609	1 499 411
Change in trade payables and other payables	960 497	9 900
Net cash from operating activities	**-7 351 772**	**902 102**
Cash flows from investment activities		
Equity investments	-852 339	-675 000
Granted loans	-29 690 830	-1 479 184
Repayment of loans granted	13 461 493	4 272 234
Interests received	6 620 911	4 483 884
Dividends received	7 120 000	-
Net cash from investment activities	**-3 340 765**	**6 601 934**
Cash flows from financing activities		
Loans received	11 051 190	-
Repayment of loans received	-6 378 111	-7 074 716
Interests paid	-2 606 985	-1 519 945
Net cash from financing activities	**2 066 094**	**-8 594 661**

	2024	2023
Total cash flow	**-8 626 443**	**-1 090 625**
Cash and cash equivalents at the beginning of the year	9 046 188	10 136 813
Cash and cash equivalents at the end of the year	**419 745**	**9 046 188**

UNCONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(EUR)	Share capital	Voluntary reserve capital	Sub-ordinated loans	Retained earnings	Total
Balance at 31.12.2022	**1 200 000**	**78 913 462**	**23 998 259**	**66 949 199**	**171 060 920**
Current year profit	-	-	-	9 598 217	**9 598 217**
Subordinated loan principal payments	-	-	-7 919 660	-	**-7 919 660**
Subordination of loan obligations	-	-	1 287 927	-	**1 287 927**
Subordinated loan interest	-	-	-	-1 287 927	**-1 287 927**
Other	-	-	397	-1 116 238	**-1 115 841**
Balance at 31.12.2023	**1 200 000**	**78 913 462**	**17 366 923**	**74 143 251**	**171 623 636**
Current year profit	-	-	-	12 399 080	**12 399 080**
Subordinated loan principal payments	-	-	1 092 441	-	**1 092 441**
Subordination of loan obligations	-	-	-3 842 069	-	**-3 842 069**
Subordinated loan interest	-	-	-	-1 088 251	**-1 088 251**
Other	-	-	-	31	**31**
Balance at 31.12.2024	**1 200 000**	**78 913 462**	**14 617 295**	**85 454 111**	**180 184 868**
Carrying amount of interest under control and significant influence	**-**	**-**	**-**	**-**	**71 946 963**
Value of interest under control and significant influence under equity method	**-**	**-**	**-**	**-**	**71 946 963**
'Adjusted unconsolidated equity as of 31 December 2024	**1 200 000**	**78 913 462**	**14 617 295**	**85 454 111**	**180 184 868**

In accordance with the Estonian Accounting Act, the adjusted unconsolidated retained earnings reflect the amount available for distribution to shareholders.

VOLUNTARY LEGAL RESERVE

In 2021, the Group established a voluntary legal reserve in amount of EUR 78 913 462. The contribution to the voluntary reserve was made through non-monetary contribution, comprising loans assigned by the owner. Voluntary reserve capital may be used for the following purposes:

- to secure the net assets value required by the Commercial Code;
- to cover the loss of the private limited company, if it cannot be covered at the expense of retained earnings of previous periods, the reserve capital and share premium provided for in the articles of association; and
- in case of Fund issue, to increase the share capital.

SUBORDINATED LOAN

As of the end of the reporting period, loans from the owner and other related parties in amount of EUR 14 617 295 (2023: EUR 17 366 923) were recognized as subordinated loans (Note 20, 30). Subordinated loans are deemed equity instruments because they lack contractual obligations for repayment, aligning them more closely with equity than debt.

MANAGEMENT BOARD'S APPROVAL OF THE GROUP'S FINANCIAL STATEMENTS

The management board of Summus Capital OÜ declares its responsibility for the preparation of the consolidated report for 2024 of the group and confirms that:

- The principles applied in preparing the consolidated report are in accordance with international financial reporting standards (IFRS), as adopted by the European Union;
- The consolidated report prepared in accordance with the applicable financial reporting framework provide a correct and fair overview of the assets, liabilities and financial position and profit and cash flows of Summus Capital OÜ and the companies belonging to the consolidation group as a whole;
- All known facts that have become clear up to the date of approval of the report on 22.04.2025 have been properly taken into account and presented in the consolidated accounting account;
- Summus Capital OÜ and its subsidiaries are going concern.

These statements are signed electronically by:

Hannes Pihl

Aavo Koppel

Evaldas Čepulis

April 22nd, 2025

To the Shareholder of Summus Capital OÜ

OPINION

We have audited the consolidated financial statements of Summus Capital OÜ (the Group), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of cash flows and the consolidated statement of changes in equity for the year then ended, and notes, comprising material accounting policies and other explanatory information.

In our opinion, the consolidated financial statements presented on pages 63 to 93, present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

BASIS FOR OPINION

We conducted our audit in accordance with International Standards on Auditing (Estonia). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics for Professional Accountants (Estonia) (including Independence Standards) and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the management report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. In addition, our responsibility is to state whether the information presented in the management report has been prepared in accordance with the applicable legal and regulatory requirements.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard and we state that the information presented in the management report is materially consistent with the consolidated financial statements and in accordance with the applicable legal and regulatory requirements.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (Estonia) will always detect a material misstatement when it exists. 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 consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (Estonia), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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.
- Obtain 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management'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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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 deficiencies in internal control that we identify during our audit.

KPMG BALTICS OÜ
Licence No 17

Ahtri 4
Tallinn 10151
Estonia

/digitally signed/

Helen Veetamm
Certified Public Accountant, Licence No 606

/digitally signed/

Liisa Piirsalu
Certified Public Accountant, Licence No 709

Tallinn, 22 April 2025