

# SUMMUS CAPITAL

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION 2ND QUARTER 2022

Tallinn, 15th of August 2022

## FINANCIAL HIGHLIGHTS

### BALANCE SHEET

- By the end of 2q2022 Summus Capital OÜ balance sheet was 430m EUR (1q2022 404m EUR). Total assets increased by 26.1m EUR, mainly due to acquisition of shopping centre Damme in Riga in the end of April. Other financial assets decreased due to settlement of final escrow account transfers of Depo DIY real estate acquisition transaction.
- In the end of 2nd quarter loan and borrowings increased to 225m EUR (1q2022 206m EUR) that was mainly due to a new bank loan for financing shopping centre Damme acquisition. Total liabilities increased to 248m EUR (8.6% increase from 31.03.2022).
- Total owner's equity increased to 182m EUR, out of which 173m EUR was attributable to Summus Capital equity holders.

### INCOME STATEMENT

- In 2q2022 sales revenue increased to 9.7m EUR (+13.7% Q/Q). The main reasons for the increase were addition of new property, indexation of rental income and increase in forwarded utility expenses. Half year 2022 sales revenue reached 18.2m EUR (2021 total sales revenue was 29.3m EUR). Raw materials and consumables used that include among others purchased services, utilities, property management, property maintenance, increased quarterly due to higher utility expenses as well as were influenced by addition of shopping centre Damme costs, and reached to 3.0m EUR. Other operating expenses increased from 308 th. EUR to 720 th. EUR, mainly on the account of acquisition costs. Quarterly operating profit was 5.9m EUR (+4.2% Q/Q) and net profit was to 3.9m EUR, out of which 3.7m EUR was attributable to Summus Capital equity holders.
- 2q2022 has been a quarter of regular operational activity complemented with shopping centre Damme addition to portfolio. On the background the negative influence of COVID restrictions has been passing away, while potential political and macroeconomic turbulences and their possible effect to Summus Group have to be carefully followed.
- The vacancy rate of the portfolio decreased to 3.2% (1q2022 portfolio vacancy was 3.4%).

### FINANCIAL COVENANTS

- 2q2022 consolidated equity to total assets ratio stood at 40% (bond terms - at least 30%).
- At the end of 2q2022 the consolidated DSCR on the trailing twelve month basis was 1.5x (bond terms - at least 1.2x).
- The financial covenants set forth in Bond Terms were met as of 2nd quarter 2022.

### ACTIVITY REPORT

- On April 21, 2022 acquisition of Damme shopping centre was completed whereby 100% Summus Group company SIA "DIP 2" acquired 100% share in SIA "RCH Management", the company owning the property of Damme shopping centre in Imanta District, Riga, Latvia.
- Summus Capital applied for the first time for GRESB Certification. GRESB is an international organization that assesses sustainable investment activities and real estate owners' green and sustainability policies in the field of ESG (Environmental, Social, and Governance).
- Depo DIY property BREEAM assessment started.
- First IFRS annual accounts were prepared and audited.

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(In Euros)	31.12.2021	31.03.2022	30.06.2022
<b>ASSETS</b>			
Current assets			
Cash and cash equivalents	15 086 089	13 643 589	13 828 541
Other financial assets	10 035 749	9 300 000	0
Receivables and prepayments	4 777 949	3 757 637	3 876 082
Inventories	2 913	2 844	2 844
<b>Total current assets</b>	<b>29 902 700</b>	<b>26 704 071</b>	<b>17 707 467</b>
Non-current assets			
Prepayments	321 198	87 120	87 120
Loans receivable	96 000	91 200	192 600
Tangible assets	2 268 186	2 246 202	2 224 647
Intangible assets and goodwill	3 178 295	3 178 295	3 178 295
Financial investments	0	0	0
Investment property	370 968 082	371 340 264	406 402 096
<b>Total non-current assets</b>	<b>376 831 761</b>	<b>376 943 081</b>	<b>412 084 758</b>
<b>TOTAL ASSETS</b>	<b>406 734 461</b>	<b>403 647 152</b>	<b>429 792 225</b>
<b>LIABILITIES AND EQUITY</b>			
Liabilities			
Current liabilities			
Lease obligations	316 228	26 526	17 764
Payables to suppliers and other payables	7 112 805	7 570 822	7 283 390
Loans and borrowings	41 579 118	4 710 446	4 118 813
Tax payable	741 612	754 290	928 031
Liabilities from derivative instruments	772 824	755 490	781 490
<b>Total current liabilities</b>	<b>50 522 587</b>	<b>13 817 574</b>	<b>13 129 489</b>
Non-current liabilities			
Deferred income tax liabilities	8 543 408	8 417 525	8 417 525
Lease obligations	2 253 008	2 253 008	2 253 009
Payables to suppliers and other payables	0	0	0
Loans and borrowings	169 205 241	201 025 831	221 370 154
Liabilities from derivative instruments	2 418 784	2 418 784	2 418 784
<b>Total non-current liabilities</b>	<b>182 420 441</b>	<b>214 115 148</b>	<b>234 459 472</b>
<b>TOTAL LIABILITIES</b>	<b>232 943 028</b>	<b>227 932 722</b>	<b>247 588 961</b>
Equity			
Issued capital	1 200 000	1 200 000	1 200 000
Voluntary reserve	78 913 462	78 913 462	78 913 462
Subordinated loan	27 594 495	27 961 717	28 073 304
Retained earnings ( - loss)	57 724 837	58 946 668	65 242 197
<b>Total equity held by shareholders and partners in parent company</b>	<b>165 432 794</b>	<b>167 021 847</b>	<b>173 428 963</b>
Non - controlling interest	8 358 639	8 692 582	8 774 302
<b>TOTAL OWNERS' EQUITY</b>	<b>173 791 433</b>	<b>175 714 430</b>	<b>182 203 265</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	<b>406 734 461</b>	<b>403 647 152</b>	<b>429 792 225</b>

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(In Euros)	31.12.2021	31.3.2022	30.6.2022	1HY 2022
Sales Revenue	29 251 767	8 500 790	9 664 826	18 165 616
Other income	16 265 991	15 919	46 635	62 554
Raw materials and consumables used	-8 832 721	-2 510 738	-3 014 845	-5 525 583
Other operating expense	-4 442 329	-308 274	-719 566	-1 027 840
Employee expense	-180 318	-25 525	-60 472	-85 997
Depreciation and impairment loss (reversal)	-83 779	-21 663	-21 985	-43 648
Other expense	-429 085	-20 854	-26 333	-47 187
<b>Operating profit ( - loss)</b>	<b>31 549 526</b>	<b>5 629 655</b>	<b>5 868 260</b>	<b>11 497 915</b>
Profit ( - loss) from subsidiaries	1 467 502	0	0	0
Financial income	23 092	0	0	0
Financial expense	-9 034 983	-1 596 458	-1 980 629	-3 577 087
Other financial income and expenses	2 186 003	165	10 505	10 670
<b>Profit ( - loss) before tax</b>	<b>26 191 140</b>	<b>4 033 362</b>	<b>3 898 136</b>	<b>7 931 498</b>
Income tax expense	-1 083 000	0	0	0
<b>Annual period profit (loss)</b>	<b>25 108 140</b>	<b>4 033 362</b>	<b>3 898 136</b>	<b>7 931 498</b>
Profit (loss) from shareholders and partners in parent company	23 224 925	3 797 871	3 677 383	7 475 255
Profit (loss) from minority interests	1 883 214	235 490	220 752	456 243

# CONSOLIDATED STATEMENT OF CASH FLOWS

(In Euros)	2021	1Q2022	2Q2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Operating profit (loss)	31 549 526	5 629 655	5 868 260
Adjustments:			
Depreciation of non-current assets and decrease in value	89 814	21 663	21 985
Gain in fair value of investment property	-13 896 034	0	0
Other adjustments	-53 763	0	0
<b>Total adjustments</b>	<b>-13 859 983</b>	<b>-21 663</b>	<b>21 985</b>
Change in inventories	69	0	0
Changes in receivables and prepayments related to operating activities	-2 634 835	1 256 734	-120 720
Changes in payables and prepayments related to operating activities	4 414 563	-1 255 930	969 870
<b>TOTAL CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>19 469 340</b>	<b>5 652 121</b>	<b>6 739 395</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
	<b>2021</b>	<b>1Q2022</b>	<b>2Q2022</b>
Increase in cash on acquisitions of subsidiaries and businesses	365 696	0	192 454
Decrease in cash on acquisitions of subsidiaries and businesses	-1 052 920	0	0
Paid in upon acquisition of subsidiaries	-12 748 992	-9 300 000	-6 947 205
Proceeds from the sale of subsidiaries	2 500	0	0
Proceeds from sale of property, plant and equipment	52 299	0	0
Loans granted	-1 510 000	0	0
Repayments of loans granted	1 527 194	0	0
Repayments of loans granted	0	0	-1 105 793
<b>TOTAL CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-13 364 223</b>	<b>-9 300 000</b>	<b>-7 860 544</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
	<b>2021</b>	<b>1Q2022</b>	<b>2Q2022</b>
Loans received	58 925 000	30 022 655	22 000 000
Repayments of loans received	-55 123 461	-25 121 646	-17 084 788
Interest paid	-7 430 187	-1 945 631	-2 259 111
Dividends paid	0	-750 000	-1 350 000
Received on share capital increase	1 132 500	0	0
<b>TOTAL CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-2 496 148</b>	<b>2 205 378</b>	<b>1 306 101</b>
<b>TOTAL CASH FLOWS</b>	<b>3 608 968</b>	<b>-1 442 501</b>	<b>184 952</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD</b>	<b>11 477 121</b>	<b>15 086 089</b>	<b>13 643 589</b>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>15 086 089</b>	<b>13 643 589</b>	<b>13 828 541</b>

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## Equity attributable to owners of the parent company

(In Euros)	Share capital	Voluntary reserve capital	Subordinated loan	Retained earnings (loss)	Total	Non-controlling interest	Total equity
Balance at 31.12.2021	1 200 000	78 913 462	27 594 495	57 724 837	<b>165 432 794</b>	<b>8 358 639</b>	<b>173 791 433</b>
Profit (loss) for the period				3 797 872	<b>3 797 872</b>	235 491	<b>4 033 362</b>
Other changes in equity				132 910	<b>132 910</b>	98 453	<b>231 363</b>
<b>Comprehensive income (loss) of the financial period</b>					<b>0</b>		<b>0</b>
<b>Transactions with the owners of the company</b>					<b>0</b>		<b>0</b>
Increase in share capital					<b>0</b>		<b>0</b>
Dividends declared				-2 238 650	<b>-2 238 650</b>		<b>-2 238 650</b>
Formation of voluntary reserve capital					<b>0</b>		<b>0</b>
Subordination of loan liabilities			367 222		<b>367 222</b>		<b>367 222</b>
Interest on subordinated loans				-470 300	<b>-470 300</b>		<b>-470 300</b>
<b>Transactions with the owners of the company</b>					<b>0</b>		<b>0</b>
<b>Balance at 31.03.2022</b>	<b>1 200 000</b>	<b>78 913 462</b>	<b>27 961 717</b>	<b>58 946 668</b>	<b>167 021 847</b>	<b>8 692 583</b>	<b>175 714 430</b>
Profit (loss) for the period				3 677 383	<b>3 677 383</b>	220 752	<b>3 898 136</b>
Other changes in equity				3 093 367	<b>3 093 367</b>	-139 030	<b>2 954 337</b>
<b>Comprehensive income (loss) of the financial period</b>					<b>0</b>		<b>0</b>
<b>Transactions with the owners of the company</b>					<b>0</b>		<b>0</b>
Increase in share capital					<b>0</b>		<b>0</b>
Dividends declared					<b>0</b>		<b>0</b>
Formation of voluntary reserve capital					<b>0</b>		<b>0</b>
Subordination of loan liabilities			111 587		<b>111 587</b>		<b>111 587</b>
Interest on subordinated loans				-475 223	<b>-475 223</b>		<b>-475 223</b>
<b>Transactions with the owners of the company</b>					<b>0</b>		<b>0</b>
<b>Balance at 30.06.2022</b>	<b>1 200 000</b>	<b>78 913 462</b>	<b>28 073 304</b>	<b>65 242 196</b>	<b>173 428 962</b>	<b>8 774 305</b>	<b>182 203 266</b>

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