

**Thera Trust
("The Issuer")**

Date: 14th December 2021

GBP 6,000,000 Note Programme (the "Agreement")

GBP 5,000,000 5.5% 2018 Bond and GBP 5,000,000 5.25% 2020 Bond (the "Bond Instruments")

1. We refer to the Conditions of the Agreement and to the Undertakings of the Bond Instruments.
2. Terms used in this certificate have the same meaning and definitions as in the Agreement and/or the Bond Instruments, unless the context otherwise requires.
3. We confirm that the audited consolidated financial statements of Thera Trust for the year ended 31 March, 2021 fairly represent the Issuer's financial condition as at that date.
4. We confirm that no Default is continuing.

Asset Cover Test

5. We confirm that, as at 31 March, 2021:
 - i) Total Net Assets were £24,396,206; and
 - ii) Total Net Debt was £10,814,859;and therefore that the Total Net Assets are 226 per cent of Total Net Debt as at 31 March, 2021 (which is at least 130 per cent of the Total Net Debt).
6. Accordingly the Issuer is in compliance with the Asset Cover covenant.
7. We set out a summary of our calculations establishing the figures set out in paragraph 5 above.

Total Net Asset Calculation

Tangible Fixed Assets	2,577,047	
Investment Properties	9,271,210	
Current Assets	<u>19,159,678</u>	
Total Assets		31,007,935
Creditors (Amounts Falling Due Within One Year)	-6,808,442	
Excluding Current Element of Long Term Bank Loans	145,625	
Excluding Current Element of Long Term Finance Leases	<u>51,088</u>	
Total Current Liabilities		<u>-6,611,729</u>
Total Net Assets		<u>24,396,206</u>

Total Net Debt Calculation

Bank Loans and Overdrafts (Amounts Falling Due Within One Year)	145,625	
Amounts Due Under Finance Leases (Amounts Falling Due Within One Year)	51,088	
Bank Loans (Amounts Falling After More Than One Year)	816,007	
Bonds (Amounts Falling After More Than One Year)	9,733,811	
Amounts Due Under Finance Leases (Amounts Falling After More Than One Year)	<u>68,328</u>	
Total Net Debt		<u>10,814,859</u>
Net Asset Cover		<u>226%</u>

Interest Cover Test (EBIT)

8. We confirm that for the year ending 31st March, 2021:

- i) EBIT was £2,278,431; and
- ii) Interest Costs were £560,587;

and therefore that EBIT is 406 per cent of Interest Costs for the financial year ended 31 March, 2021 (which is at least 250 per cent of Interest Costs).

9. Accordingly the Issuer is in compliance with the Interest Cover (EBIT) covenant.

10. We set out a summary of our calculations establishing the figures set out in paragraph 8 above:

EBIT Calculation

Net Incoming Resources	423,572
Remove Service Income / Costs from Closed DB Pension Schemes	64,000
Add back Exceptional Costs	272,990
Add back Covid-19 Exceptional Costs	3,897,691
Exclude Exceptional Income	-545,105
Exclude Covid-19 Exceptional Income	-3,760,957
Exclude Donations Resulting from Acquisitions / Non-Cash Donations	0
Exclude Investment / Fixed Asset Properties Gains / Losses	500,653
Exclude Net Actuarial Gains / Losses on Defined Benefit Pension Schemes	865,000
Add Back Interest Paid incl Interest Element of Finance Lease Rental Payments	560,587
Total EBIT	<u>2,278,431</u>

Total Interest Costs Calculation

Interest Paid incl. Interest Element of Finance Lease Rental Payments	<u>560,587</u>
Total Interest Costs	<u>560,587</u>
Interest Cover (EBIT)	<u>406%</u>

Interest Cover Test (EBITDA)

11. We confirm that for the year ending 31st March, 2021:

- i) EBITDA was £3,086,571; and
- ii) Interest Costs were £560,587;

and therefore that EBITDA is 551 per cent of Interest Costs for the financial year ended 31 March, 2021 (which is at least 300 per cent of Interest Costs).

12. Accordingly the Issuer is in compliance with the Interest Cover (EBITDA) covenant.

13. We set out a summary of our calculations establishing the figures set out in paragraph 11 above:

EBITDA Calculation

Net Incoming Resources	423,572
Remove Service Income / Costs from Closed DB Pension Schemes	64,000
Add back Exceptional Costs	272,990
Add back Covid-19 Exceptional Costs	3,897,691
Exclude Exceptional Income	-545,105
Exclude Covid-19 Exceptional Income	-3,760,957
Exclude Donations Resulting from Acquisitions / Non-Cash Donations	0
Exclude Investment / Fixed Asset Properties Gains / Losses	500,653
Exclude Net Actuarial Gains / Losses on Defined Benefit Pension Schemes	865,000
Add Back Interest Paid incl. Interest Element of Finance Lease Rental Payments	560,587
Add Back Depreciation	439,819
Add Back Amortisation	<u>368,321</u>
Total EBITDA	<u>3,086,571</u>
Total Interest Costs Calculation	
Interest Paid incl. Interest Element of Finance Lease Rental Payments	<u>560,587</u>
Total Interest Costs	<u>560,587</u>
Interest Cover (EBITDA)	<u>551%</u>

Executed by:



Simon Conway

Director/Trustee

On behalf of Thera Trust