

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

Date: 28th December 2022

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, 2022 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, 2022:

- i) Total Net Assets were £25,361,486; and
- ii) Total Net Debt was £10,689,569;

and therefore that the Total Net Assets are 237 per cent of Total Net Debt as at 31 March, 2022 (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	2,432,932	
Investment Properties	10,785,905	
Current Assets	<u>19,252,133</u>	
Total Assets		32,470,970
Creditors (Amounts Falling Due Within One Year)	-7,910,691	
Excluding Current Element of Long Term Bank Loans	754,879	
Excluding Current Element of Long Term Finance Leases	<u>46,328</u>	
Total Current Liabilities		<u>-7,109,484</u>
Total Net Assets		<u>25,361,486</u>

Total Net Debt Calculation

Bank Loans and Overdrafts (Amounts Falling Due Within One Year)	754,879	
Amounts Due Under Finance Leases (Amounts Falling Due Within One Year)	46,328	
Bank Loans (Amounts Falling After More Than One Year)	60,207	
Bonds (Amounts Falling After More Than One Year)	9,806,156	
Amounts Due Under Finance Leases (Amounts Falling After More Than One Year)	<u>21,999</u>	
Total Net Debt		<u>10,689,569</u>
Net Asset Cover		<u>237%</u>

Interest Cover Test (EBIT)

8. We confirm that for the year ending 31st March, 2022:

- i) EBIT was £1,502,792; and
- ii) Interest Costs were £574,339;

and therefore that EBIT is 262 per cent of Interest Costs for the financial year ended 31 March, 2022 (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	1,784,561
Remove Service Income / Costs from Closed DB Pension Schemes	100,000
Add back Exceptional Costs	54,976
Add back Covid-19 Exceptional Costs	2,588,151
Exclude Covid-19 Exceptional Income	-2,771,869
Exclude Investment / Fixed Asset Properties Gains / Losses	-196,366
Exclude Net Actuarial Gains / Losses on Defined Benefit Pension Schemes	-631,000
Add Back Interest Paid incl. Interest Element of Finance Lease Rental Payments	<u>574,339</u>
Total EBIT	<u><u>1,502,792</u></u>

Total Interest Costs Calculation

Interest Paid incl. Interest Element of Finance Lease Rental Payments	<u>574,339</u>
Total Interest Costs	<u><u>574,339</u></u>
Interest Cover (EBIT)	<u><u>262%</u></u>

Interest Cover Test (EBITDA)

11. We confirm that for the year ending 31st March, 2022:

- i) EBITDA was £1,916,854; and
- ii) Interest Costs were £574,339;

and therefore that EBITDA is 334 per cent of Interest Costs for the financial year ended 31 March, 2022 (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	1,784,561
Remove Service Income / Costs from Closed DB Pension Schemes	100,000
Add back Exceptional Costs	54,976
Add back Covid-19 Exceptional Costs	2,588,151
Exclude Covid-19 Exceptional Income	-2,771,869
Exclude Investment / Fixed Asset Properties Gains / Losses	-196,366
Exclude Net Actuarial Gains / Losses on Defined Benefit Pension Schemes	-631,000
Add Back Interest Paid incl. Interest Element of Finance Lease Rental Payments	574,339
Add Back Depreciation	414,062

Total EBITDA 1,916,854

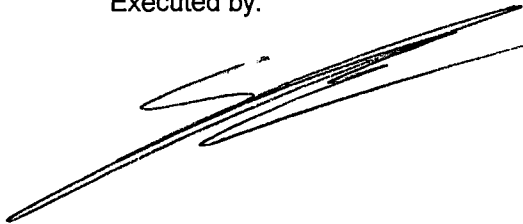
Total Interest Costs Calculation

Interest Paid incl. Interest Element of Finance Lease Rental Payments	<u>574,339</u>
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Total Interest Costs 574,339

Interest Cover (EBITDA) 334%

Executed by:



Simon Conway

Director/Trustee

On behalf of Thera Trust