

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

Date: 27th December 2023

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, 2023 fairly represent the Issuer's financial condition as at that date.
4. We confirm that no Event of Default is continuing

Asset Cover Test

5. We confirm that, as at 31 March, 2023:
 - i) Total Net Assets were £16,711,991; and
 - ii) Total Net Debt was £7,096,682;

and therefore that the Total Net Assets are 235 per cent of Total Net Debt as at 31 March, 2023 (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	2,370,234	
Investment Properties	11,180,738	
Current Assets	<u>15,154,299</u>	
Total Assets		28,705,271
Creditors (Amounts Falling Due Within One Year)	<u>-11,993,280</u>	
Total Current Liabilities		<u>-11,993,280</u>
Total Net Assets		<u>16,711,991</u>

Total Net Debt Calculation

Bank Loans and Overdrafts (Amounts Falling Due Within One Year)	678,383	
Bonds (Amounts Falling Within One Year)	4,894,604	
Amounts Due Under Finance Leases (Amounts Falling Due Within One Year)	22,110	
Bonds (Amounts Falling After More Than One Year)	4,894,530	
Cash at Bank and In Hand	<u>-3,392,945</u>	
Total Net Debt		<u>7,096,682</u>
Net Asset Cover		<u>235%</u>

Interest Cover Test (EBITDA)

8. We confirm that for the year ending 31st March, 2023:

i) EBITDA was £-1,601,624; and

ii) Interest Costs were £583,417;

and therefore that EBITDA is -275 per cent of Interest Costs for the financial year ended 31 March, 2023 (which is less than 300 per cent of Interest Costs).

9. Accordingly the Issuer is not in compliance with the Interest Cover (EBITDA) covenant.

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

EBITDA Calculation

Net Incoming Resources	-2,169,161
Remove Service Income / Costs from Closed DB Pension Schemes	82,000
Add back Exceptional Costs	569,544
Add back Covid-19 Exceptional Costs	287,862
Exclude Covid-19 Exceptional Income	-401,217
Exclude Investment / Fixed Asset Properties Gains / Losses	-254,927
Exclude Net Actuarial Gains / Losses on Defined Benefit Pension Schemes	-708,000
Add Back Interest Paid incl. Interest Element of Finance Lease Rental Payments	583,417
Add Back Depreciation	408,858

Total EBITDA -1,601,624

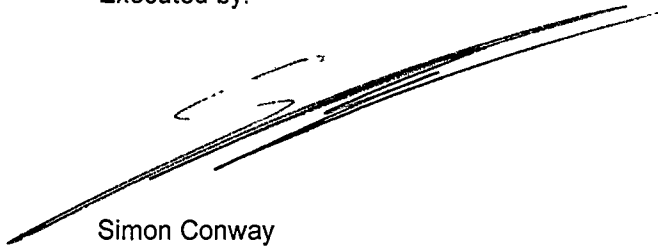
Total Interest Costs Calculation

Interest Paid incl. Interest Element of Finance Lease Rental Payments 583,417

Total Interest Costs 583,417

Interest Cover (EBITDA) -275%

Executed by:



Simon Conway

Director/Trustee

On behalf of Thera Trust