

Strictly Private & Confidential

To: Prospective Purchaser

13 March 2023

Sale of non-performing loan receivables and other receivables of Sberbank CZ – Process Letter 1

I, JUDr. Jiřina Lužová, with a registered office at Dušní 22, 110 00 Prague 1, identification number 446 86 650 (the “**Insolvency Administrator**”), as the insolvency administrator of Sberbank CZ, a.s. v likvidaci, with its registered office at U Trezorky 921/2, Jinonice, 158 00 Prague 5, Czech Republic, identification number 250 83 325, registered in the commercial register maintained by the Municipal Court in Prague, File No. B 4353 (the “**Company**”),

would like to invite you to participate in the tender process for sale of certain non-performing loan receivables and certain other receivables of the Company (the “**Receivables**”) (the “**Proposed Transaction**”) within the framework of the insolvency proceedings before the Municipal Court in Prague (the “**Insolvency Court**”) under file no. MSPH 95 INS 12575/2022 (the “**Insolvency Proceedings**”) and to submit an offer for the purchase of the receivables in accordance with this process letter.

The process related to the Proposed Transaction will consist of an initial phase (“**Phase I**”) in which you (a “**prospective purchaser**”) may submit an Indicative Offer (as defined below), followed by a second phase (“**Phase II**”), in which the selected prospective purchasers will have the opportunity to submit a binding offer with the aim to acquire the receivables.

This process letter sets forth the terms, process, and other principal requirements for (i) Phase I, (ii) the submission of an Indicative Offer (as defined below) and (iii) a brief overview of the terms of Phase II of the Proposed Transaction that the prospective purchasers are expected to follow. Further terms for Phase II will be set forth in a process letter which will be sent to the selected prospective purchasers who will proceed in Phase II.

Baker & McKenzie s.r.o., advokátní kancelář and Deloitte Advisory s.r.o. are assisting the Insolvency Administrator in the transaction process. The transaction process is being coordinated by the Project Team: Mr. Roman Lux, rlux@deloittece.com, Ms. Anežka Skokanová, askokanova@deloittece.com, Mr. Vojtěch Kořínek, vkorinek@deloittece.com and Mr. Slavomír Slávik slavomir.slavik@bakermckenzie.com. All communications or enquiries relating to these matters should be directed to Anežka Skokanová, at askokanova@deloittece.com, +420 737 981 439, and Vojtěch Kořínek, at vkorinek@deloittece.com, +420 778 704 582. Under no circumstances should the management or staff of the Company be contacted directly. If you have any questions concerning the process or the Receivables, please contact the Project Team.

1. PHASE I

- 1.1 During Phase I, you are invited to submit a written, non-binding, indicative offer to acquire one or more segments of the Receivables (as defined below) (the “**Indicative Offer**”) in accordance with Section 5 below.
- 1.2 Attached to this letter as Schedule 1 is the teaser relating to the Proposed Transaction prepared by Deloitte Advisory s.r.o. (“**Deloitte**”) (the “**Teaser**”), which is being supplied to you in order to perform an initial analysis of the Receivables (as defined below) and the Proposed

Transaction. The Teaser provides additional details regarding the Receivables, including their stratifications and summary tables. The Teaser is being supplied to you in confidence on the terms of this letter. Your receipt of this letter, the Teaser, and any discussions relating to it must be kept confidential in accordance with the terms of this letter.

1.3 Key dates and milestones of the Proposed Transaction:

Description	Date
Phase I Data Tape Cut-Off Date ¹	31 January 2023
Phase I VDR Opening	20 March 2023
Deadline for Declaration of Interest in Participating in Phase I	27 March 2023
Last Q&A Submission	7 April 2023
Indicative Offer Submission Deadline	14 April 2023
Expected Launch of Phase II	Late April 2023
Phase II Data Tape Cut-Off Date ²	31 March 2023
Expected Binding Phase II Bid	Late May 2023
Expected Signing of the Assignment Agreement	June 2023

2. CONDITIONS FOR PARTICIPATION IN THE SALE PROCESS

- 2.1 The sale process is organized for the purpose of selecting a suitable purchaser(s) for the purchase of the Receivables, to whom the ownership right to all the Receivables or the respective segment(s) of the Receivables as defined in paragraph 3.1 below will be transferred under the terms and conditions specified in the relevant contractual documentation.
- 2.2 For the purpose of the preparation of the Indicative Offer in Phase I, relevant documents and information will be disclosed to you in accordance with Section 4 below, provided that you declare your interest in participating in the sale process in accordance with paragraph 2.4 below and fulfill the below conditions.
- 2.3 Your participation in the selection procedure is conditional upon:
- a) written declaration of your interest in participating in the sale process;
 - b) conclusion of a confidentiality agreement, a draft of which is attached as Schedule 2 to this process letter (the “**Confidentiality Agreement**”);
 - c) conclusion of an agreement on the security deposit and contractual penalty, the draft of which is attached as Schedule 3 to this process letter (the “**Security Deposit Agreement**”); and

¹ The data tapes provided during Phase I will be dated as of 31 January 2023.

² The data tapes provided during Phase II will be dated as of 31 March 2023.

- d) depositing the amount of CZK 20,000,000 (the “**Deposit**”) to the account of the Insolvency Administrator in accordance with the concluded Security Deposit Agreement.

2.4 Thus, if you decide to participate in the sale process, please send by 27 March 2023:

- e) a **written declaration of your interest** in participating in the sale process; and
- f) two original copies of your completed and duly signed **Confidentiality Agreement**;
- g) two original copies of your completed and duly signed **Security Deposit Agreement**;

in hard copy written form in an opaque envelope marked “Sberbank - sale of receivables” in the upper left corner, to the address: **Deloitte Advisory s.r.o., Italská 2581/67, 120 00 Prague 2 for the attention of Mr. Roman Lux** and an electronic copy of the above documents to **rlux@deloittece.com**.

At the same time, **pay the Deposit in a due and timely manner** in accordance with the concluded Security Deposit Agreement.

2.5 The declaration of interest in participating in the sale process, the Confidentiality Agreement and the Security Deposit Agreement must be signed by a person(s) authorised to act on behalf of the prospective purchaser. If the authorisation of the persons acting on behalf of the prospective purchaser is not apparent from the extract from the Czech commercial register or a similar Czech public register, the prospective purchaser must prove this authorisation by another document, which must be presented in the original or in a certified copy.

3. **DEFINITION OF THE RECEIVABLES**

3.1 The subject of the sale under the Proposed Transaction are Receivables as further described in the Teaser, which are for the purposes of the sale divided into the following four segments:

- (i) Retail A;
- (ii) Non-retail A;
- (iii) Retail B; and
- (iv) Non-retail B.

A more detailed specification of the Receivables and description of the above segments will be provided in the VDR (as defined below) and as part of the preliminary due diligence process pursuant to Section 4 below (following the signing of the Confidentiality Agreement and the Security Deposit Agreement).

The Insolvency Administrator has a strong preference to sell the Receivables to a single prospective purchaser in a single package. Nevertheless, the prospective purchasers may submit their Indicative Offer only for Retail (comprising both Retail A and Retail B) or Non-retail (comprising both Non-retail A and Non-retail B) if they are not interested in the entire portfolio of Receivables. Indicative Offers, which will not be submitted for at least Retail (comprising both Retail A and Retail B) or Non-retail (comprising both Non-retail A and Non-retail B), will not be considered. We, however, ask you to provide a split of the purchase price for the individual segments (Retail A, Non-retail A, Retail B, and Non-retail B).

4. **PRELIMINARY DUE DILIGENCE**

4.1 Upon delivery of a written declaration of your interest in participating in the sale process, execution of the Confidentiality Agreement, execution of the Security Deposit Agreement, and

payment of the Deposit pursuant to paragraph 2.4, the following documents and information will be provided to the prospective purchaser:

- (a) Information Memorandum containing additional information regarding the Receivables;
- (b) data tapes relating to the Receivables (including collateral) as of 31 January 2023 (the “**Preliminary Data Tapes**”);
- (c) a bidder pricing and assumptions template in the form attached to this letter as Schedule 4 (the “**Phase I Indicative Offer Template**”);
- (d) sample contracts for the main contract types from which the Receivables arose including terms and conditions; and
- (e) any other relevant information the Insolvency Administrator and its advisers deem appropriate to disclose during Phase I.

which will be made available through a virtual data room managed by Datasite LLC (the “**VDR**”) for the period commencing on 20 March 2023 and ending on 14 April 2023 (the “**Due Diligence Period**” and the “**Due Diligence Process**”).

Further terms and conditions of the use of the VDR will be communicated to the respective prospective purchasers prior to the commencement of the Due Diligence Period. Any information and supporting documents relating to the Receivables may be updated during the Due Diligence Period.

Please provide us with the details (name, position, company, e-mail address and telephone number) of all personnel who will require access to the VDR on your behalf. Please send these details via email to Anežka Skokanová, at askokanova@deloittece.com, and Vojtěch Kořínek, at vkorinek@deloittece.com, in the template attached to this letter as Schedule 5.

- 4.2 In connection with the Due Diligence Process, the prospective purchaser is obliged to designate one person for the purpose of all communication regarding the Due Diligence Process by the prospective purchaser (the “**Due Diligence Coordinator**”). All communications from the prospective purchaser regarding the Due Diligence Process, including the designation of the Due Diligence Coordinator, shall be made via email and shall be addressed to Deloitte, to the attention of Anežka Skokanová, at askokanova@deloittece.com, and Vojtěch Kořínek, at vkorinek@deloittece.com.
- 4.3 The Insolvency Administrator (and her advisers) and senior management of the Company will be answering questions on the Information Memorandum and the definition of the Receivables and the segments of Receivables as set out in paragraph 3.1 above and/or explain further queries regarding the Receivables and the Proposed Transaction to you prior to the submission of your Indicative Offer on the best-effort basis, taking into account priorities and time limitations. You will be able to submit your questions until 7 April 2023 via the VDR. Questions submitted after this date will not be answered. In order to ensure an efficient process for all prospective purchasers during Phase I, we are required to ask you to limit the total number of questions you submit to five (5), which are to be submitted by the Due Diligence Coordinator. The duly submitted questions will be answered via the VDR in advance before the date for submission of the Indicative Offer set out in paragraph 5.1 below. The Insolvency Administrator (and her advisers) and senior management of the Company reserve the right not to answer any question at their discretion.

5. INDICATIVE OFFER

- 5.1 You are requested to submit your Indicative Offer on the basis set out in this letter and the Teaser in electronic form via email addressed to **Deloitte, for the attention of Mr. Roman Lux, at rlux@deloittece.com, no later than 12:00 CET on 14 April 2023. Your Indicative Offer must be based on the Preliminary Data Tapes.**
- 5.2 Indicative Offers received by Deloitte after 12:00 CET on 14 April 2023 or not conforming to the requirements set out in this letter will not be considered, and will be disregarded, at the Insolvency Administrator's sole discretion.
- 5.3 Your Indicative Offer must be submitted either for all segments of the Receivables or for Retail (comprising both Retail A and Retail B) or Non-retail (comprising both Non-retail A and Non-retail B).
- 5.4 Your Indicative Offer must be on the basis of payment in full in cash on completion from your own resources in Czech currency and must conform to the requirements set out in this letter and include the following information (for point (c), please use the provided Phase I Indicative Offer Template):
- (a) **Identity of the Prospective Purchaser**
- (i) An identification of the prospective purchaser and its principal business, organisational and ownership structure, including indication of the ultimate beneficial owner.
- (b) **Receivable Segments**
- (i) A non-binding indication of the segments of Receivables pursuant to paragraph 3.1 above in which you are interested.
- (c) **Purchase Price**
- (i) A non-binding indication of the price that you would be prepared to pay, in cash on a completion in Czech currency, for each of the segments of Receivables in which you are interested.
- (ii) An indication whether your interest in the respective segments of Receivables is conditioned by the fact that you will be offered for purchase all the segments of Receivables you are interested in.
- (iii) The purchase price should be indicated individually with respect to each of the segments of Receivables indicated in your Indicative Offer.
- (iv) The purchase price should not be given in the form of a range. Any price indicated on the basis of a formula or containing a non-cash element will be disregarded.
- (v) Pricing assumptions:
- i. The basis on which you have valued the Receivables and your IRR assumptions.
- ii. Estimated gross collections and their distribution in time from the Phase I Cut-Off Date which represent the total receipts expected.
- iii. Collection costs expected to incur to you.

- iv. Any other material commercial and financial assumptions that support your Indicative Offer.

(d) Funding

- (i) A confirmation that (i) all consideration would be payable in cash on completion in immediately available funds from your own resources, with no deferred payments, earn-outs, retention or similar arrangements; (ii) the Indicative Offer, and the execution and completion of the Proposed Transaction, would not be subject to any financing conditions; and (iii) you have the necessary financial resources or secured funding to complete the Proposed Transaction. The Insolvency Administrator may require an evidence that the necessary funds to support your Indicative Offer will be made available.

(e) Other

- (i) A confirmation that you are acting as principal for your own account, and not as a broker or agent.
- (ii) Name, telephone number and e-mail address of the person(s) we should contact regarding your Indicative Offer.
- (iii) The Indicative Offer should be signed and dated on behalf of your organisation by a duly authorised representative(s) thereof.
- (iv) The Indicative Offer should be either in Czech or English.
- (v) Confirmation that your Indicative Offer is valid for a period of at least 60 days.
- (vi) Details of your solicitors, financial advisors and other advisors you have engaged or intend to engage in pursuing the Receivables.
- (vii) An outline of your prior experience in closing similar transactions in Europe together with details of appropriate licensing and regulatory approvals.
- (viii) Confirmation that you can meet the proposed timetable and process set out in this letter.
- (ix) Please detail the transaction acquisition structure envisaged by you including the jurisdiction of the acquisition vehicle and shareholders; and confirmation as to whether any guarantee is being offered in respect of the obligations of the proposed acquisition vehicle.
- (x) A description of conditions to which a binding offer for the Receivables would be subject, including any regulatory licences or approvals, together with an assessment of the length of time you would require to obtain these licences or fulfil these conditions (and the firm commitments you would make with respect to these licences or approvals to ensure the acquisition of the Receivables would be consummated expeditiously) and / or any other conditions.
- (xi) An outline of the due diligence that you have undertaken in Phase I including, at a minimum, details of the number and type(s) of real estate valuations that you have commissioned, as well as the name of the valuation firm(s) used.
- (xii) A detailed description of your due diligence requirements and any additional information and / or investigation you may require in order to enable you to

specify a definitive final offer, including specific data requests or documents you need to confirm any assumptions you have made.

- (xiii) Any further information you consider that the Insolvency Administrator should take into account when assessing your Indicative Offer and in particular, where you believe such matter could be inconsistent with the terms of this letter, any assumptions which are being made in the Indicative Offer. By way of example, if assumptions are being made on which your Indicative Offer is dependent in relation to valuations or in relation to operational, structural, financial, tax or legal matters, these should be disclosed. Furthermore, if there are matters that you would like to bring to the attention of the Insolvency Administrator which would enable you to improve the price indicated in your Indicative Offer, these should be highlighted.
- (xiv) Confirmation that the information provided by you in relation to your Indicative Offer is complete, true and accurate and that you will notify Deloitte immediately should such information materially change.

5.5 The Insolvency Administrator reserves the right to seek further information from you at any time as she in her sole discretion may consider appropriate or such other information which may reasonably be required by any governmental or regulatory body and to make such information available to such bodies.

6. PHASE II

6.1 In the light of Indicative Offers received, the Insolvency Administrator will, at her sole discretion, decide whether or not to proceed with the Proposed Transaction into Phase II. The Insolvency Administrator may, at her sole discretion, decide that only some prospective buyers will proceed to Phase II. It is expected that you will be notified by no later by 30 April 2023.

6.2 If the Insolvency Administrator decides to proceed with the Proposed Transaction into Phase II, the selected prospective purchasers will be invited via Phase II process letter to proceed to such second phase of the sale process.

6.3 In Phase II, the prospective purchasers will be:

- (a) provided with an access to a data room to conduct a comprehensive due diligence review of the information and supporting documents relating to the Receivables (including data tapes relating to the Receivables, related collateral and cash flow updated as of 31 March 2023 (the “**Final Data Tapes**”), and selected loan agreements) that shall enable the prospective purchasers to submit binding offers, whereas it is currently envisaged that the deadline for submitting confirmatory binding offers will be in late May 2023;
- (b) invited to participate in meetings and expert sessions with the Insolvency Administrator (and her advisers), the Company’s management and respective Company’s employees; and
- (c) provided with a draft of the relevant assignment agreement (and other transaction documents, if applicable) on which those prospective purchasers will be allowed to produce a mark-up of technical comments only.

6.4 In Phase II, the prospective purchasers will have the opportunity to submit a final binding offer based on the Final Data Tapes. The Final Data Tapes may differ from the Preliminary Data Tapes particularly due to changes in the Receivables that will occur in the period from 31 January 2023 to 31 March 2023.

6.5 It is not anticipated that any conditions precedent other than the approval of the assignment of the Receivables by the Creditors' Committee of the Company will be required to settle the Proposed Transaction. In this regard, we declare that on 17 February 2023, the Creditors' Committee of the Company consented to the method of disposal of the Receivables by sale outside of auction pursuant to Section 286(1)(c) of the Insolvency Act and on 8 March 2023, the Insolvency Court consented to the realisation of the Receivables by sale outside of auction pursuant to Section 289(1) of the Insolvency Act. The sale of the Receivables is subject to final approval by the Creditors' Committee.

6.6 The Insolvency Administrator based on the review and analysis of the received Indicative Offers may identify, at her sole discretion, one or several prospective purchasers, as the case may be, with whom she enters into an expedited negotiation process with a view to sign definitive binding agreements shortly thereafter without organizing Phase II as outlined above.

7. NO BINDING OFFER

7.1 Neither the Insolvency Administrator nor the Company will be under any obligation to accept, review or consider any proposal or offer submitted, and is not under any obligation to accept the highest offer submitted (whether or not any such offer is in conformity with the terms of this letter), or any offer at all. The Insolvency Administrator also expressly reserves the right, without giving reasons, at any time and in any respect to amend or terminate these procedures, to terminate discussions with you or any other prospective purchaser and to negotiate with any other party. Similarly, the Insolvency Administrator may at any time, in her absolute discretion, enter into any special arrangements with any prospective purchaser without notifying other prospective purchasers.

7.2 Neither the Insolvency Administrator nor any of her advisers nor the Company shall have any obligations to you except insofar as these may be expressly contained in any binding agreement ultimately entered into with you to effect the Proposed Transaction with the Insolvency Administrator.

7.3 You acknowledge and agree that no person has nor is held out as having authority to give any statement, warranty, representation or undertaking on behalf of the Insolvency Administrator in connection with the Proposed Transaction.

7.4 It is understood that each prospective purchaser will bear all costs of its own investigation and evaluation of the Receivables and the Proposed Transaction, including the fees and disbursements of its internal and external counsel and advisers and the Insolvency Administrator shall not be liable in any case for any pre-contractual liabilities.

8. CONFIDENTIALITY

8.1 Save as expressly provided in this letter, you shall, and shall procure that each Authorized Recipient (as defined below), (i) treat as confidential the existence and provisions of this letter, the Teaser, and all information (whether or not in writing or visual or electronic or magnetic or digital or oral form or any other form) relating to the Receivables and/or the Proposed Transaction that you have received or obtained (directly or indirectly) in connection with the Proposed Transaction (the "**Confidential Information**"), and (ii) shall not disclose or use any such Confidential Information for any other purposes than evaluating, analysing, negotiating of the Proposed Transaction (the "**Purpose**").

8.2 You may disclose, or permit the disclosure of, Confidential Information to the extent that it:

- (a) is disclosed to your directors, officers, employees and advisers (the "**Agents**") or other members of your group and their Agents (the "**Authorized Recipients**"), if knowledge of such Confidential Information by the Authorized Recipient is strictly necessary for

the Purpose (and provided that such persons are required to treat such Confidential Information as confidential); or

- (b) is required by law or any securities exchange, regulatory or governmental body or taxation authority; or
 - (c) was already in your or your Authorized Recipient's the lawful possession (as evidenced by written records); or
 - (d) is in the public domain at the date of this letter or comes into the public domain other than as a result of a breach of this letter by you or your Authorized Recipient.
- 8.3 The confidentiality restrictions in this letter shall continue to apply (irrespective whether you will advance into Phase II) for the duration of the period in which such Confidential Information is held by you or any Authorized Recipient, unless a separate confidentiality agreement or the binding transaction documentation stipulates otherwise.
- 8.4 If you do not advance into Phase II or if we so request in writing, you shall, and shall procure that each Authorized Recipient shall, immediately:
- (a) destroy or return to us all Confidential Information and copies thereof;
 - (b) destroy or permanently erase all Confidential Information and copies from any computer, word processor or other device containing it; and
 - (c) certify to us by an authorised officer that you have complied with this paragraph 8.4.
- 8.5 You and each Authorized Recipient may retain any Confidential Information to the extent it is:
- (a) required to do so by any applicable law, rule or requirement of any regulatory or governmental authority, including the rules of a professional body; and/or
 - (b) contained in any electronic file created pursuant to any routine backup or archiving procedure so long as such file is not generally accessible beyond the need for disaster recovery,

this shall not affect your or any Authorized Recipient's obligations set out in the remainder of this letter.

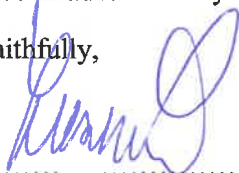
9. OTHER MATTERS

- 9.1 The Insolvency Administrator may, at her sole discretion, modify the terms of the selection procedure under this process letter (or any further process letter) at any time.
- 9.2 This letter does not constitute an offer or invitation for the sale, purchase or assignment of the Receivables or any of other assets or businesses of the Company and the Proposed Transaction is subject to entering into binding transaction documentation.
- 9.3 This letter and the conduct of the procedure for the Proposed Transaction, and any non-contractual obligations arising out of or in connection with this letter or the conduct of such procedure, shall be governed by, and construed in accordance with, Czech law, and you hereby irrevocably submit, with express waiver to any other forum to which you might be entitled, to the exclusive jurisdiction of the competent court in Prague.
- 9.4 The Information Memorandum and any other information to be provided on behalf of the Insolvency Administrator during the Phase I, written or oral, (the "**Information**") shall only serve as an information basis for your Indicative Offer. You acknowledge and agree that no member of the Company, Insolvency Administrator, nor any of their directors, officers,

employees, agents or advisors accepts responsibility for nor makes any representation or warranty, express or implied, with respect to the accuracy, completeness or fairness of the Information and they have no obligation to update nor correct any inaccuracies in the information so provided. No member of the Company nor any such person is acting as your advisor as to legal, tax, accounting or regulatory matters in connection with the Proposed Transaction. You shall be responsible for making your own independent investigation and appraisal of this letter, the Information and the Proposed Transaction and no member of the Company, the Insolvency Administrator nor any of their directors, officers, employees, agents or advisors shall have any responsibility or liability to you with respect thereto.

Thank you in advance for your interest in the Proposed Transaction.

Yours faithfully,



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JUDr. Jiřina Luřov

Insolvency Administrator of Sberbank CZ, a.s. v likvidaci

Schedule 1 Teaser

Schedule 2 Confidentiality Agreement

Schedule 3 Security Deposit Agreement

Schedule 4 Phase I Indicative Offer Template

Schedule 5 VDR Access List Template