



## Accolade Finco Czech 2, s.r.o.

### Base Prospectus of the CZK 5,000,000,000 Bond Programme established in 2025

This document constitutes a base prospectus (the “**Base Prospectus**”) for bonds issued under the bond programme, which has been drawn up in accordance with Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and repealing Directive 2003/71/EC, as amended (the “**Prospectus Regulation**”).

In accordance with Section 11(1) of Act No. 190/2004 Coll., on Bonds, as amended (the “**Bonds Act**”), the bonds will be issued under the bond programme (the “**Bond Programme**” or the “**Programme**”) established in 2025 by Accolade Finco Czech 2, s.r.o., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, Postal Code 186 00, ID No.: 225 67 062, LEI: 3157005T8FZ0X95ZN793, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 418562 (the “**Issuer**”). Under the Bond Programme, the Issuer is authorised to issue individual bond issues in accordance with the law (“**Bond Issue**”, “**Issue**” or “**Bonds**”). The aggregate nominal value of all issued and outstanding Bonds issued under the Bond Programme may not exceed CZK 5,000,000,000.

The Bonds will constitute direct, general, unconditional, and unsubordinated liabilities of the Issuer secured by a financial guarantee governed by the Czech law issued by Accolade Holding, a.s., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, ID No.: 286 45 065, LEI: 315700DJG0G8FUQIP845, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 19102 (the “**Guarantor**”).

The Bonds constitute direct, general, unconditional and unsubordinated liabilities of the Issuer secured under the Security Documents (as defined in Condition 3.2(d) of the Joint Terms and Conditions (as defined below)) which rank *pari passu* among themselves and at least *pari passu* with any present and future unsubordinated liabilities of the Issuer, with the exception of liabilities treated preferentially under applicable mandatory laws.

The Bonds issued under the Bond Programme shall be placed on the market by the Joint Lead Managers (as set out below) or by any other person authorised by the Issuer to carry out such activity for a specific Issue (the Joint Lead Managers or such other person, the “**Manager**” or the “**Managers**”).

For each Bond Issue under the Bond Programme, the Issuer will prepare a supplement to the joint terms and conditions of the Bond Programme (the “**Pricing Supplement**”). The Pricing Supplement will specify, in particular, the nominal amount and the number of Bonds constituting the Issue, the issue date of the Bonds and the manner in which the Bonds shall be issued, the yield of the Bonds and their issue price, the dates of payment of the yield from the Bonds and the date or dates of repayment of their nominal, or other value, as well as other specific terms of the Bonds of the given Issue. If the Issuer decides on a public offering of the Bonds or on the admission of the Bond Issue to trading on a regulated market, the Issuer will prepare a separate document constituting the “**Final Terms of the Offer**” within the meaning of Article 8(4) of the Prospectus Regulation (the “**Final Terms**”), which will contain the Pricing Supplement. If the Issuer decides to make a public offering of the Bonds or to admit the Bond Issue to trading on a regulated market after the relevant issue date, the Issuer shall execute the Final Terms without undue delay after it decides on such form of placement of the Bonds or such admission of the Bond Issue to trading on a regulated market.

If, after the approval of the Base Prospectus and before the closing of the offer period of the Bonds or the admission of the Bonds to trading on a regulated market, any significant new factor, material mistake or material inaccuracy relating to the information included in the Base Prospectus which may affect the assessment of the Bonds arises or is noted, the Issuer shall amend the Base Prospectus by way of supplements to the Base Prospectus. Each such supplement shall be approved by the Czech National Bank (the “**CNB**”) and published so that each Issue to be offered

to the public or admitted to trading on a regulated market will be offered or admitted on the basis of the current Base Prospectus.

If the Final Terms specify that the Bonds of the relevant Issue are to be securities admitted to trading on a regulated market, it is the intention of the Issuer to apply for their admission to trading on the Prague Stock Exchange (the “PSE”), or to another regulated market that would replace the PSE. The specific PSE market on which the Bonds may be admitted to trading will be specified in the Final Terms of the relevant Issue. The Final Terms may also specify that the Bonds will be traded on another regulated market.

The wording of the joint terms and conditions, which are the same for each Bond Issue issued under the Bond Programme, are set out in the chapter “*Joint Terms and Conditions of the Bonds*” in this Base Prospectus (“**Joint Terms and Conditions**”).

This Base Prospectus, which includes the wording of the Joint Terms and Conditions, was drawn up on 3 March 2025 and approved by the CNB in its decision ref. No. 2025/025253/CNB/650, file No. S-Sp-2025/00074/CNB/653 dated 4 March 2025, which became final and effective on 5 March 2025.

**For the purposes of the offer of the Bonds to the public and the admission of the Bonds to trading on the regulated market, this Base Prospectus will be valid for twelve months from the date on which its approval by the CNB became final and effective. The validity of the Base Prospectus will expire on 5 March 2026. The obligation to supplement the Base Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Base Prospectus is no longer valid or conditions set out in Article 23 of the Prospectus Regulation are not met.**

The CNB has approved the Base Prospectus in its capacity as the competent authority under the Prospectus Regulation and only to the extent that the Base Prospectus meets the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving the Base Prospectus, the CNB certifies that the Base Prospectus contains all information required by law necessary for the investor to take an investment decision. The CNB assesses neither the financial results nor the financial situation of the Issuer and by approving the Base Prospectus it does not guarantee the quality of the security or the Issuer’s future profitability or its ability to pay the interest on, and the principal of, the Bonds. Potential investors should make their own assessment as to the suitability of investing in the Bonds. This Base Prospectus will be published on the website [accolade.eu](http://accolade.eu) in the section “About Us, Bonds” for a period of 10 years from the date on which the approval of the Base Prospectus by the CNB became final and effective.

**An investment in the Bonds involves risks. For a discussion of certain of these risks see “*Risk Factors*”.**

***Coordinator***

Česká spořitelna, a.s.

***Arrangers***

Česká spořitelna, a.s.

Československá obchodní banka, a. s.

Komerční banka, a.s.

***Joint Lead Managers***

Česká spořitelna, a.s.

Československá obchodní banka, a. s.

Komerční banka, a.s.

***Co-Manager***

Conseq Investment Management, a.s.

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## IMPORTANT INFORMATION

*This document is a base prospectus within the meaning of Article 8 of the Prospectus Regulation and Article 25 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004 (the “**Commission Delegated Regulation**”). This Base Prospectus was prepared in accordance with Annexes 6, 14 and 21 of the Commission Delegated Regulation.*

*The distribution of this Base Prospectus and the offer, sale or purchase of the Bonds are restricted by law in some countries, and similarly their offer may not be permitted (except in the Czech Republic). In particular, the Bonds have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state of the United States (the “**US**”) or other jurisdiction of the US. The Bonds are being offered outside the US by the Joint Lead Managers in accordance with Regulation S under the Securities Act (“**Regulation S**”), and may not be offered, sold or delivered within the US or to, or for the account or benefit of, US persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.*

*The Issuer further advises that the Bonds may not be offered or sold in the United Kingdom of Great Britain and Northern Ireland (the “**UK**”) by means of the dissemination of any material or announcement, except for an offer to sell to persons authorised to deal in securities in the UK on their own or for the account of others, or in circumstances which do not constitute a public offer of securities within the meaning of the Companies Act 1985, as amended. Any legal acts regarding to the Bonds performed in, from, or otherwise in connection with, the UK must also be performed in accordance with the Financial Services and Markets Act 2000 (FSMA 2000), as amended, the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended, and the Prospectus Regulation, as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018, and as amended and supplemented by legislation adopted in connection with the withdrawal of the UK from the European Union (the “**EU**”), effective from 1 January 2021, and in particular by the Official Listing of Securities (EU Exit) Regulations 2019, the Prospectus (EU Exit) Regulations 2019, and the Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020.*

*Persons in possession of this Base Prospectus or any Final Terms are responsible for complying with the restrictions that apply in each country to the offer, purchase or sale of the Bonds or the possession and distribution of any materials relating to the Bonds.*

*Potential investors in the Bonds must determine the appropriateness of such an investment based on their own circumstances. Each potential investor should above all (i) have sufficient knowledge and experience to properly value the Bonds, the benefits and risks of investing in the Bonds, and evaluate the information contained in this Base Prospectus (including any supplements), (ii) have knowledge of adequate analytical tools for valuation and access to them, always in the context of their specific financial situation, investment in the Bonds and its impact on your overall investment portfolio, (iii) have sufficient funds and liquidity to be prepared to bear all the risks of investing in the Bonds, (iv) fully understand the terms of the Bonds (primarily the Joint Terms and Conditions, the Final Terms and this Base Prospectus, including any supplements thereto) and be familiar with the behaviour or development of any relevant indicator or financial market and (v) be able to evaluate (either by yourself or with the help of a financial advisor) possible scenarios further developments in the economy, interest rates or other factors that may affect his investment and his ability to bear possible risks.*

*Potential investors in the Bonds must make their investment decisions on the basis of the information provided in this Base Prospectus and in any supplement to the Base Prospectus. In the event of a conflict between the information provided in this Base Prospectus and its supplements, the most recently published information always applies. Any decision to subscribe to the offered Bonds must be based solely on the information contained in these documents as a whole and on the terms of the offer, including a separate evaluation of the risks involved in an investment in the Bonds by each of the potential investors.*

*Neither the Issuer nor the Guarantor has approved any statement or information about the Issuer, the Guarantor or the Bonds other than that contained in this Base Prospectus and its supplements. No such other statements or information shall be relied upon as statements or information approved by the Issuer or the Guarantor. Unless otherwise stated, all information in this Base Prospectus is as of the date of issue of this Base Prospectus. The provision of a Base Prospectus at any time after the date of issue does not imply that the information contained*

*therein is correct at any time after the date of issue of this Base Prospectus. In addition, this information can be further changed or supplemented through individual supplements to the Base Prospectus.*

*Neither the Joint Lead Managers nor their affiliates have independently reviewed the information contained in this Base Prospectus, including information incorporated into this Base Prospectus by reference, nor have they approved this Base Prospectus or any part thereof. Accordingly, neither the Joint Lead Managers nor their affiliates make any representations, warranties, undertake and assume no responsibility, whether express or implied, in relation to the accuracy and completeness of the information contained in this Base Prospectus, including information incorporated into this Base Prospectus by reference or in relation to the accuracy and completeness of other information provided by the Issuer or the Guarantor in connection with the issue and offer of the Bonds or in relation to the actions or omissions of the Issuer, the Guarantor or other persons in connection with the issue and offer of the Bonds. Neither the Joint Lead Managers nor their related persons assume responsibility in relation to the information contained in this Base Prospectus, including information incorporated into this Base Prospectus by reference, or other information provided by the Issuer, the Guarantor or any other person in connection with the issue and offer of the Bonds.*

*The information contained in the chapters “Taxation and Foreign Exchange Regulation” and “Enforcement of Civil Liabilities Against the Issuer and the Guarantor” are provided only as general and not exhaustive information based on the state as of the date of this Base Prospectus and were obtained from publicly accessible sources that have not been processed or independently verified by the Issuer. Prospective investors in the Bonds should rely solely on their own analysis of the factors set forth in these sections and on their own legal, tax and other professional advisors. Potential foreign acquirers of the Bonds are advised to consult with their legal and other advisors the provisions of the relevant legal regulations, in particular the foreign exchange and tax regulations of the Czech Republic, the countries of which they are residents, and other possibly relevant states, as well as all relevant international agreements and their impact on specific investment decisions.*

*The Bondholders, including any potential foreign investors, are encouraged to keep themselves informed of all laws, regulations and rules governing the holding of the Bonds, as well as the sale of the Bonds abroad or the purchase of the Bonds from abroad, as well as any other transactions with the Bonds, and to comply with these laws, regulations and rules.*

*The Issuer will publish reports on its business results and its financial situation and fulfil information obligations to the extent set by the laws and regulations of the individual regulated securities markets on which the Bonds will be accepted for trading (if relevant).*

*This Base Prospectus, its possible supplements, annual and other reports of the Issuer published after the date of preparation of this Base Prospectus, as well as all documents referred to in this Base Prospectus by way of reference, will be available in electronic form on the website <https://acolade.eu/> in the section “About Us, Bonds”.*

*Unless otherwise stated, all financial data of the Issuer and the Guarantor is based on the International Financial Reporting Standards, as adopted by the European Union, which are consistently applied (the “IFRS”). Some values shown in this Base Prospectus have been adjusted by rounding. This means, among other things, that the values given for the same line item may differ slightly in different places, and the values representing sums of some values may not be the arithmetic sum of the values on which they are based.*

*This Base Prospectus contains various forward-looking statements that relate to, among other things, events and trends that are subject to risks and uncertainties that could cause the future business activities, results and financial condition of the Issuer, the Guarantor and the Group to differ materially from the information contained herein. Certain such forward-looking statements can be identified by the use of forward-looking terminology such as “estimate”, “projection”, “intend”, “assume”, “believe”, “expect”, “should” and similar expressions that refer to the Issuer, the Guarantor and the Group and their management. The Issuer warns investors not to rely on these forward-looking statements, which only describe the situation as of the date of this Base Prospectus. The Issuer undertakes no obligation to publish the results of any revisions to these forward-looking statements to reflect events or circumstances after the date of this Base Prospectus or to reflect the occurrence of unexpected events.*

*When relying on forward-looking statements, investors should carefully consider the following risks and uncertainties and other events, particularly with regard to the political, economic, social and legal environment in which the Issuer, the Guarantor and the Group operate. Factors that could affect such forward-looking statements include, but are not limited to, overall business and government regulatory conditions, changes in*

customs and tax requirements (including changes in tax rates, new tax laws and revised interpretations of tax laws), fluctuations in interest rates and other conditions in the capital market, including fluctuations in foreign currency exchange rates, economic and political conditions in the countries where the Issuer, the Guarantor and the Group operate and in other markets and the timing, impact and other uncertainties of future actions, see also “Risk Factors”. The issuer makes no representation, warranty or prediction that the facts anticipated by these forward-looking statements will occur, and these forward-looking statements in any event represent only one of many possible scenarios and should not be considered the most likely or standard scenario.

If this Base Prospectus is translated into another language, in the event of a conflict of interpretation between the text of the Base Prospectus in English language and the text of the Base Prospectus translated into another language, the English language version of the Base Prospectus will prevail.

The information contained under hyperlinks in this Base Prospectus, with the exception of such information according to the chapter Information incorporated by reference, is not part of the Base Prospectus and therefore has not been verified or approved by the CNB.

Some of the information provided in the Base Prospectus comes from third parties. Such information has been accurately reproduced and, to the best of the Issuer’s knowledge and to the extent it is able to ascertain from the information published by the relevant third party, no facts have been omitted which would make the reproduced information inaccurate or misleading.

In this Base Prospectus, all references to:

“**Czech Koruna**” and “**CZK**” refer to Czech Koruna, the currency of the Czech Republic;

“**EUR**” and “**euro**” refer to the currency introduced at the start of the third stage of the European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended;

“**United States Dollar**” and “**USD**” refer to the United States Dollar, the currency of the United States of America; and

“**Polish Zloty**” and “**PLN**” refer to the Polish Zloty, the currency of Poland.

## OVERVIEW OF THE PROGRAMME

*The following overview does not purport to be complete and is taken from, and is qualified in its entirety by, the remainder of this Base Prospectus and, in relation to the conditions of any particular Bond Issue, the applicable Final Terms. Words and expressions defined in the Joint Terms and Conditions and, if not defined therein, in other parts of this Base Prospectus, shall have the same meanings in this overview.*

This overview constitutes a general description of the Programme for the purposes of Article 25(1) of Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) 809/2004, as amended (the “**Delegated Prospectus Regulation**”).

Words and expressions defined in the Joint Terms and Conditions and, if not defined therein, in other parts of this Base Prospectus, shall have the same meanings in this overview.

<b>Issuer:</b>	Accolade Finco Czech 2, s.r.o.
<b>Issuer Legal Entity Identifier (LEI):</b>	3157005T8FZ0X95ZN793
<b>Guarantor:</b>	Accolade Holding, a.s.
<b>Guarantor Legal Entity Identifier (LEI):</b>	315700DJG0G8FUQIP845
<b>Risk Factors:</b>	<p>There are certain factors that may affect the Issuer’s ability to fulfil its obligations under Bonds issued under the Programme. In addition, there are certain factors which are material for the purpose of assessing the market risks associated with Bonds issued under the Programme. These risk factors are set out under “<i>Risk Factors</i>” and include:</p> <ul style="list-style-type: none"><li>(a) risks related to the Issuer and the Guarantor;</li><li>(b) risks related to the existence of the Security Agent;</li><li>(c) risks related to the Bonds; and</li><li>(d) risks related to the Financial Guarantee, the Subordination Agreements and the Pledge Agreements.</li></ul>
<b>Description:</b>	CZK 5,000,000,000 Bond Programme established in 2025 allowing the issuance of Bonds
<b>Coordinator:</b>	Česká spořitelna, a.s.,
<b>Arrangers:</b>	Česká spořitelna, a.s., Československá obchodní banka, a. s. and Komerční banka, a.s.
<b>Manager:</b>	Joint Lead Managers or any person that the Issuer entrusts with the performance of such activity for a particular Bond Issue
<b>Co-Manager:</b>	Conseq Investment Management, a.s.
<b>Security Agent:</b>	Česká spořitelna, a.s., or any person appointed as the New Security Agent pursuant to Condition 3.4 of the Joint Terms and Conditions.

<b>Fiscal and Paying Agent:</b>	Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.1(b), Česká spořitelna, a.s. will be the Fiscal and Paying Agent.
<b>Calculation Agent:</b>	Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.2(b), Česká spořitelna, a.s. will be the Calculation Agent.
<b>Listing Agent:</b>	Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.3(b), Česká spořitelna, a.s. will be the Listing Agent.
<b>Certain Restrictions:</b>	Each issue of Bonds denominated in a currency in respect of which particular laws, guidelines, regulations, restrictions or reporting requirements apply will only be issued in circumstances which comply with such laws, guidelines, regulations, restrictions or reporting requirements from time to time.
<b>Programme Size:</b>	The maximum aggregate nominal amount of all Bonds from time to time outstanding under the Programme shall not exceed CZK 5,000,000,000.
<b>Distribution:</b>	The Issuer may decide on the public offering of the Bonds or on the admission of a particular Bond Issue for trading on a regulated market and specify this information in the Pricing Supplement of the particular Bond Issue.
<b>Currencies:</b>	Bonds may be denominated in CZK or EUR, as specified in the Pricing Supplement of the particular Bond Issue.
<b>Maturities:</b>	The Bonds will have such maturities as specified in the Pricing Supplement of the particular Bond Issue.
<b>Issue Price:</b>	With the consent of the Arrangers and Managers, the Issuer may issue Bonds in the anticipated or higher total nominal value even after the expiration of the Subscription Period. In such a case, the Issuer will determine an Additional Subscription Period which will end no later than the Record Date for Nominal Amount Repayment and will make it available in the manner stated in Condition 13 of the Joint Terms and Conditions without unnecessary delay.
<b>Form of the Bonds:</b>	The Bonds may be issued as book-entry Bonds ( <i>zaknihované dluhopisy</i> ).
<b>Fixed Rate Bonds:</b>	The Bonds designated in the relevant Pricing Supplement as Fixed Rate Bonds will bear interest at the fixed interest rate specified in the relevant Pricing Supplement, or fixed interest rates specified for individual Interest Periods in the relevant Pricing Supplement.
<b>Floating Rate Bonds:</b>	The Bonds designated in the relevant Pricing Supplement as Floating Rate Bonds will bear interest at a floating interest rate corresponding to the sum of the relevant Reference Rate and the relevant Margin (if applicable).



<b>Purchase of the Bonds:</b>	The Issuer, or any of its affiliates, is authorised to purchase the Bonds in the market or otherwise at any price.
<b>Early Redemption of the Bonds at the option of the Issuer:</b>	If specified in the Pricing Supplement, the Issuer will have the right to redeem all or part of the nominal value of all Bonds of the given Issue.
<b>Buyback at the option of the Bondholders:</b>	If a Change of Control occurs, the Bondholders will have the right to request the Issuer to purchase their Bonds before the Final Maturity Date.
<b>Denomination of the Bonds:</b>	The denomination of the Bonds will be specified in the applicable Pricing Supplement.
<b>Taxation:</b>	<p>Bondholders should be aware that the tax laws of the Czech Republic as the country of the Issuer's registered office, as well as the tax legislation of their country of tax residence, may affect the income from the Bonds. The Issuer is not responsible for any tax (including its levy or payment) in connection with the Bonds (including any tax related to the acquisition, ownership, transfer or exercise of rights arising under the Bonds) except in cases where the income from the Bonds paid by the Issuer is subject to any form of tax deduction (including tax security deduction) in accordance with applicable law, in which case the Issuer is responsible in its capacity as the tax payor (<i>plátce daně</i>).</p> <p>Repayment of the Payment Amount and payments of interest in respect of the Bonds by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Czech Republic or any authority therein or thereof having power to tax, unless such withholding or deduction is required by applicable law. In such case, the Issuer will not be obliged to pay to the Bondholders any additional amounts as a compensation of the withholding or deduction of any taxes, duties, assessments or governmental charges of whatever nature, unless the relevant Pricing Supplement stipulates otherwise.</p> <p>For more information on the taxation regime of the Bonds please see chapter "Taxation and Foreign Exchange Regulation" of the Base Prospectus.</p>
<b>Approval, Listing and Admission to Trading:</b>	If the Final Terms specify that the Bonds of the relevant Issue are to be securities admitted to trading on a regulated market, it is the intention of the Issuer to apply for their admission to trading on the PSE, or to another regulated market that would replace the PSE. The specific PSE market on which the Bonds may be admitted to trading will be specified in the Final Terms of the relevant Issue. The Final Terms may also specify that the Bonds will be traded on another regulated market or, except with respect to the first Bond Issue under the Programme, that they will not be traded on any such market.

**Governing Law:**

Any rights and obligations under the Bonds will be governed by, and interpreted and construed in accordance with, the laws of the Czech Republic.

Any disputes between the Issuer and the Bondholders that may arise based on, or in connection with, the issue of the Bonds, including any disputes with respect to the Joint Terms and Conditions, will be settled with final effect by the Municipal Court in Prague.

The court competent to resolve any disputes between the Issuer and the Bondholders in relation to the Bonds (including disputes relating to non-contractual obligations arising therefrom and disputes concerning their existence and validity) is solely the Municipal Court in Prague unless the agreement on the choice of territorial jurisdiction is not possible in a particular case and the law provides for another locally competent court.

## RISK FACTORS

*Investors considering the purchase of the Bonds should carefully familiarise themselves with the risk factors that threaten the future business activity of the Issuer and its ability to meet its debts arising under the Bonds. In particular, an investor should familiarise themselves with this Base Prospectus (and any supplement), in which the Issuer, to the best of its knowledge, presents a list of the most serious risk factors that may significantly negatively affect the business activities of the Issuer or the Guarantor and all its subsidiaries.*

*The subscription, purchase, possession and possible resale of the Bonds represent an activity which is by its very nature associated with a number of risks. The above-mentioned risks threaten the Issuer as the counterparty of the Bonds subscription/purchase transaction, and thereby threaten the financial position of the Bondholder. The list of risks is not complete and the description exhaustive. It does not represent professional analysis or constitute an investment recommendation. It does not limit the rights or obligations arising from the Joint Terms and Conditions and the Final Terms. The decision to purchase the Bonds should be made only after considering the profitability, the risks involved, any liquidity requirements and the time horizon of the investment. The decision should be preceded by a thorough study of the information provided in this document, as well as a supporting analysis by legal or tax advisors.*

*By stating the risk factors in the text of the Base Prospectus, the Issuer aims to provide the widest possible range of information regarding the investment and to prevent unfounded claims related to the subscription, purchase, possession or possible resale of the Bonds.*

*In each subsequent section, the risk factor that is considered the most significant in the respective section is always listed first, according to the Issuer's assessment, taking into account the negative impact on the Issuer and/or the Guarantor and the probability of occurrence of these risks.*

*Words and expressions defined in the Joint Terms and Conditions and, if not defined therein, in other parts of this Base Prospectus, shall have the same meanings in this chapter "Risk Factors".*

### **1. RISKS RELATED TO THE ISSUER AND THE GUARANTOR**

#### **Risks associated with the Issuer's ability to fulfil its obligations under the Bonds and the Guarantor's ability to fulfil its obligations under the financial guarantee**

##### ***Risks associated with a special purpose vehicle***

The Issuer is a special purpose vehicle that was established for the purpose of issuing bonds and subsequently providing intra-group financing. The Issuer does not carry out any other business activity and therefore cannot generate resources to repay the debts arising under the Bonds from other activities. The Issuer's cash flows and its ability to meet its debt obligations, including under the Bonds, will depend primarily on the operating results and financial situation of the Guarantor and its subsidiaries (these companies forming a consolidated group with the Guarantor, the "**Group**") and on whether the Issuer receives funds from the Group in the form of repayments of intra-group loans or borrowings and related interest, or otherwise. The Issuer's ability to finance any payments therefore depends on the continued activity and solvency of the Group.

##### ***Risk of secondary dependency of the Guarantor***

The Guarantor is a holding company that holds shares in Group members. The Guarantor does not carry out any other business activity and is dependent on the success of the Group's subsidiaries, which carry out the Group's business activities in the area of commercial real estate used primarily for light manufacturing, logistics and e-commerce. The Group has limited activities in other areas, including holding interests in companies providing services in the areas of water supply, energy and wastewater disposal and treatment, and may invest in other activities outside its core business. The Guarantor's profit from operations for the period of six months ending on 30 June 2024, according to the unaudited consolidated financial statements, was CZK 903.6 million, while for the year ended 31 December 2023, according to the audited consolidated financial statements, it was CZK 1,096.4 million. The Guarantor's net debt as of 30 June 2024, according to the unaudited consolidated financial statements, was CZK 23,917.9 million, while as of 31 December 2023, according to the audited consolidated financial statements, it was CZK 20,376.9 million. The Guarantor's total assets as of 30 June 2024, according to the unaudited consolidated financial statements, were CZK 38,510.6 million, while as of 31 December 2023, according to the audited consolidated financial statements, they were CZK 33,275.6 million.

In addition to the sale of its own assets, in particular shares in its subsidiaries, the Guarantor cannot generate resources from its own business activities to repay its obligations to the Issuer, i.e. to enable the Issuer to repay its obligations from arising under the Bonds, or to repay its obligations arising under the financial guarantee issued by the Guarantor, which is contained in the annex to the Joint Terms and Conditions (the “**Financial Guarantee**”). If the subsidiaries of the Group do not achieve sufficient economic results or their ability to make payments to the Guarantor, for example in the form of dividends, interest or in another form, is limited for other reasons (for example, the unavailability of free resources, legal or tax regulation or as a result of contractual arrangements), it would have a significant adverse effect on the Guarantor’s income and its ability to repay the obligations arising under the Financial Guarantee and to provide the Issuer with the funds to repay the debts arising under the Bonds.

The Guarantor is thus exposed to the risk of secondary dependency related to the subsidiaries of the Group and the risks of the market in which these companies operate, some of which are described below. Due to the Guarantor’s dependence on the Group’s subsidiaries, all related risk factors described below may adversely affect the Guarantor’s ability to repay its obligations under the Financial Guarantee and its ability to provide the Issuer with funds to repay the debts arising under the Bonds.

### **Risks related to the Group’s business and the industry in general**

#### *The Group is exposed to economic, political and social conditions in the countries where it operates.*

Since the commercial real estate market serving light manufacturing, logistics and e-commerce is usually related to the state of the economy as a whole and rental income and the market value of real estate are affected by the overall economic situation, the Group is exposed to economic conditions in the countries where it operates and more generally to overall economic conditions in the European Union (the “EU”) and in national, regional and local economies. As of 30 June 2024, 40% of the Group’s property portfolio measured by leasable area was located in Poland, 54% in the Czech Republic, 4% in Spain and 2% in Slovakia. The Group also operates in Hungary, where it owns land, in relation to which permit processes for the development of another project are underway. The Group operates a single industrial park in the Netherlands, where it is currently looking for further investment opportunities. The Group also operates in Germany and Croatia, where it performs operations for the purpose of land acquisition and project preparation. The Group’s business and financial results may be adversely affected by factors related to economic developments that are often unforeseeable and beyond the Group’s control, such as the economic, monetary and tax policies of the countries in which the Group operates or may operate, the ongoing aggression of the Russian Federation in Ukraine, geopolitical competition between the US and China, the renewed spread of COVID-19 or another health crisis, a decline in the gross domestic product, the development of inflation, exchange rates and interest rates, unemployment or the purchasing power of the population.

In addition, political tensions between the US and China and the tensions between China and Taiwan, combined with potential spillover effects on the worldwide economic and political situation, can further elevate geopolitical risks. The president of the United States has repeatedly voiced his intention to introduce new trade tariffs for select goods imported to the US. An example of such new tariffs was the introduction of tariffs in February 2025 on imports from Canada, Mexico and China. The president of the US has recently also raised tariff threats against other economies, including the EU and BRICS member countries (Brazil, Russia, India, China, South Africa, Egypt, Ethiopia, Indonesia, Iran, and the United Arab Emirates). Beyond country-specific tariffs the president of the US has also suggested the possibility of new global tariffs on semiconductors, pharmaceuticals, oil, steel, aluminium, and copper. The potential introduction of additional trade tariffs between the US, the EU and other countries, the continuation of the established tariffs, or the creation of other barriers to the free trade of goods, may lead to a further increase in prices of goods and services. Moreover, certain anticipated policies of the new Trump administration in the US, along with the rise of multiple EU-sceptic parties across the EU, could cause further uncertainty and instability in the regions where the Group operates.

As a result of macro and microeconomic factors, in particular slower growth of gross domestic product and high inflation in the countries where the Group operates, and the related decline in real incomes of the population, there may be decreases in demand for the purchase or lease of real estate for light manufacturing, logistics and e-commerce offered by the Group. For example, for the year 2024, the Ministry of Finance of the Czech Republic reported an average rate of inflation of 2.4%, which represented a decrease compared to the average inflation for the year 2023, which amounted to 10.7%.<sup>1</sup> However, there is no guarantee that inflation will not rise significantly again in the future. In the other countries where the Group operates, i.e., Poland, Slovakia, Spain, Hungary, the

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<sup>1</sup> Source: *Macroeconomic Forecast – January 2025*, available here: <https://www.mfcr.cz/en/fiscal-policy/macroeconomic-analysis/macroeconomic-forecast/2025/macroeconomic-forecast-january-2025-58626>.

Netherlands, Germany and Croatia, the average rate of inflation for 2024 was 3.7%, 2.9%, 2.9%, 3.7%, 3.2%, 2.5%, 4.0%, respectively.<sup>2</sup> However, there is no guarantee that such rates of inflation will not persist or increase further. In the event of a labour shortage in the countries where the Group operates, investors may decide to make their investments in countries where the Group does not operate. Such factors, or other macroeconomic factors may, for example, lead to a decrease in demand for real estate for light manufacturing, logistics and e-commerce of the Group, an increase in the vacancy rate and a higher risk of non-fulfilment of obligations by tenants and other counterparties.

The occurrence of any of the above factors or their combination, which the Group cannot influence, may have a significant adverse effect on the Group's business, financial situation, results of operations, cash flows and prospects.

***The Group is exposed to risks associated with development construction and cooperation with some suppliers and partners.***

The main activity of the Group is the development of industrial parks for the purpose of their further sale or lease, management of Accolade Fund SICAV plc, a Maltese qualified investors' fund, and its sub-fund Accolade Industrial Fund (the "**Accolade Fund**"). Development activities are exposed to certain risks resulting from the complexity of construction projects, for example budget overruns, construction delays, failure to meet the deadline for issuing a public permit or any other deadline, violation of building or labour regulations, relations with owners or users of neighbouring properties, undisclosed restitution claims or other claims by third parties, inaction by the authorities, additional requirements of state administrative bodies or other concerned authorities or participants in administrative proceedings, unpredictable changes in underground conditions including archaeological findings or public opposition that may lead to construction delays, and the need to obtain additional permits. Objections from municipalities and other interested parties may delay the issuance of building permits or otherwise significantly negatively affect the Group's ability to carry out development activities. Such negotiations during the construction process can significantly delay the development project, and if the Group does not reach an agreement with the other parties concerned, it may be forced to change or even abandon its development project. The Group's development activities may also be negatively affected by changes in regulations regarding spatial planning or building permits. Such changes may negatively affect the Group's ability to use land for construction and development or may lead to changes in construction requirements that may delay the implementation of the project or make it economically unprofitable. In the event of substantial changes to these regulations, the Group is also exposed to the risk of unpredictable decision-making by the competent authorities as a result of non-existent interpretation practice, as well as the risk of extension of deadlines for issuing an administrative or judicial decision by the competent authorities. The Issuer considers this risk to be particularly significant in relation to Act No. 283/2021 Coll., the Construction Act that came into force only recently, and there is limited experience with its application by the relevant authorities.

The construction of the project and connecting it to public infrastructure requires contracts with various subcontractors and infrastructure managers. If there is a time lapse in the coordination, cooperation and performance of subcontractors or infrastructure managers, the construction schedule can be extended, and the project budget increased. The risk also arises after the completion of the project and the expiration of the warranty periods, when deficiencies may appear in the construction work carried out by subcontractors, which may not be covered by the guarantees provided by them. In addition, the price development of construction materials and the demand for labour required for the Group's development activities may increase costs and adversely affect the price modelling of individual projects and, as a result, have an adverse impact on the Group's return on investment in the project. The Group is also exposed to the risk of increased costs in the event that construction of a building is commenced before a buyer or tenant is found and the concept of the property subsequently changes substantially to suit the preferences of the eventual buyer or tenant.

These risks can lead the Group to abandon the development project after incurring significant costs on feasibility studies or to a significant delay in project implementation. The Group may also incur lost profits. If future demand for the Group's development projects does not match the Group's assumptions and long-term strategy, the Group may experience lower-than-expected sales or property occupancy, or may be forced to reduce rents in a particular development project in order to attract new tenants. There is also the opposite risk that the portfolio of properties held by the Group will not be sufficient in areas of high demand, which may temporarily limit the Group's profitability growth. Properties owned by the Group may from time to time require investments in modernisation,

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<sup>2</sup> Source: Public data from Eurostat, available at: Statistics | Eurostat (europa.eu).

reconstruction or their expansion, including depending on the structure of demand. In certain cases, the Group may not be able to adapt the properties to such requirements.

In some countries, for example in Poland, the Group regularly cooperates on development projects with one or more partners who approach the Group with new projects for specific tenants, for which these partners in some cases also select specific locations and plots of land. The partners also provide development construction services for the Group, which acquires the relevant plots of land, becomes the owner of the buildings and finances the entire projects from the beginning. In these cases, the Group typically sells completed and leased properties to the Accolade Fund, with the partner receiving a one-time fee. The Group has been cooperating with some partners on this basis for a long time. Therefore, if any partner does not fulfil their obligations, cooperation with them is limited or terminated for any reason, or the conditions of such cooperation cease to be favourable for the Group, this could have an adverse effect on the number, or the success of development projects implemented by the Group.

The materialisation of the risks described above could have a material adverse effect on the Group's business, financial situation, results of operations, cash flows and prospects.

***The Group's financial performance depends on its ability to acquire new development land, which may be difficult for the Group due to increased competition from other developers.***

The Group competes for building plots suitable for the construction of industrial parks, which are usually limited in number and in high demand. As of 31 December 2024, the Group owned 5 million sqm of building plots. Some of the Group's competitors may have a larger client base, real estate portfolio, financial, technical or marketing resources or better access to land purchases. Competition to which the Group is currently exposed and the potential increase in competition in the real estate market for light manufacturing, logistics and e-commerce in Europe may lead to a material increase in construction costs, including due to higher land acquisition costs, or may force the Group to reduce the prices at which it offers these properties, which may result in lower margins or loss of market share, thereby jeopardising the Group's growth strategy. The Group may also be exposed to the risk of a decrease in the value of the land it owns, the risk of not achieving the intended change in land-use planning documentation, or the risk of failing to obtain other public permits, which may ultimately lead to the acquisition of these lands to be disadvantageous for the Group in the long term. The materialisation of these risks could have a material adverse effect on the Group's business, financial situation, results of operations, cash flows and prospects.

***The Group's strategy envisages possible further selective acquisitions of real estate, but the Group may not be able to acquire real estate on acceptable terms, identify all potential liabilities associated with them in due diligence, or complete acquisitions.***

As part of its business strategy, the Group plans to continue expanding its portfolio of properties for light manufacturing, logistics and e-commerce through selective acquisitions. Its acquisition strategy includes the identification of properties that meet the Group's investment criteria and the subsequent acquisition of such properties, or companies that own such properties, on terms acceptable to the Group. However, such properties may be unavailable, or their acquisition may be disadvantageous. Limited supply may increase competition to acquire properties that would be suitable for the Group and could also incentivise potential sellers to sell properties in an auction process where the Group's competitors may be more successful. It is possible that the Group overvalues the acquired property when making the acquisition decision, or that the valuation is based on information that later turns out to be incorrect. Such errors may become apparent only at a later stage of the acquisition, which may pose a risk of financial losses for the Group. Any failure to identify and successfully acquire attractive properties on commercially acceptable terms could limit the Group's ability to effectively develop its portfolio and could have an adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

Before acquiring real estate, the Group usually carries out a *due diligence* exercise covering the relevant real estate, or the company owning such real estate and identify potential risks. However, the Group cannot guarantee that such due diligence reveals all potential liabilities and risks associated with the property or the company owning such property or that it will be able to recover any damages against the seller. There is a risk that the seller does not provide or does not have all the required information available, which may lead to the materialisation of risks that were not identified during the legal due diligence. These risks relate to, but are not limited to, the investigation of title and other property rights, third party rights, litigation, property management, tax issues, building permits, environmental issues, technical condition of the property, fire, health and safety certifications and compliance with

related regulations, as well as limitations in connection with historic preservation and environmental protection laws.

Although properties acquired by the Group are also inspected as part of a physical inspection prior to their purchase, it is possible that damage or quality defects may go undetected or that the extent of such defects may not be apparent during such physical inspection. In addition, it is not possible to rule out the risk that some real estate acquired by the Group may be subject to soil contamination or other pollution, or that it will not be possible to connect the real estate to public infrastructure, especially to utility networks. The discovery of such defects can lead to a considerable delay in the implementation of the project, and their subsequent remediation and related additional measures can result in extensive additional costs, or even the Groups withdrawal from the implementation of the project.

Any of the above events or circumstances could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

***The performance of the Group's real estate portfolio is exposed to concentration risk.***

The Group's real estate portfolio is exposed to concentration risk. A significant part of the Group's real estate portfolio is located in a limited number of countries in the Central and Southern Europe region. As of 31 December 2024, 37.9% of the Group's property portfolio measured by sqm of leasable area was located in Poland, 58.7% in the Czech Republic, 1.8% in Spain and 1.6% in Slovakia. The performance of the Group's property portfolio may therefore be disproportionately affected by events or market developments occurring in these countries or in Europe generally, or by developments relating to certain types of commercial properties. This development may result in less favourable sales and lease conditions, increased vacancy rates and reduced rent levels in the Group's real estate portfolio. In the event of a decline in the attractiveness of any individual national market in which the Group's properties are located, or in the event of a decline or illiquidity of such market, the Group may not be able to effectively lease or sell its properties. Although the Group has a broad international tenant base of large companies from various industries, the Group's tenants may be more heavily concentrated in certain sectors such as production, e-commerce & retail, logistics and services & other which, as of 31 December 2024, accounted for 41.0%, 37.0%, 14.9% and 7.1% of the Group's leasable area, respectively. As a result, the Group's property portfolio may be more susceptible to fluctuations in value due to adverse economic or market conditions affecting these industries in particular, as an economic downturn in the businesses operated by the Group's tenants may cause one or more significant tenants to cease operations or default on rent payments.

As of 31 December 2024, the Group had 100 tenants, with the Group's three largest tenants representing 29% of the Group's leasable area. As of 31 December 2024, the Group's ten largest tenants accounted for 57% of the Group's leasable area. Such concentration of the Group's total annual rent may make the Group's financial performance dependent on a limited number of large Group tenants.

The materialisation of the risks described above could have a material adverse effect on the Group's business, financial situation, results of operations, cash flows and prospects.

***The Group may not be able to sell its properties at a profit.***

As part of its business, the Group sells part of its completed properties. The Group's revenues from the sale of real estate for the years ending 31 December 2023 and 2022 amounted to CZK 1,827 million and CZK 2,370 million, respectively, corresponding to 51.8% and 60% of its total revenues. The Group's revenues from the sale of real estate for the periods ending 30 June 2024 and 2023 amounted to CZK 677 million and CZK 1,333 million, respectively, corresponding to 40% and 65% of its total revenues. The Group's properties and properties in which the Group may invest in the future may be illiquid as there may be a limited number of buyers with available financing who are willing to pay the market value of these properties at the time the Group decides to sell the property. A possible reduction in demand and thus the liquidity of these properties may affect the Group's ability to sell all or part of its portfolio within a reasonable time frame and at satisfactory prices. Demand for real estate for light manufacturing, logistics and e-commerce of the Group is affected in particular by the following factors: (i) the economic environment, including prevailing interest rates; (ii) the necessary reconstruction or construction modifications of these properties; (iii) the credit risk of interested parties; (iv) the local transport infrastructure and its quality; (v) the competitive environment in the given location; and (vi) the expectations of interested parties regarding the relevant properties. In the event of an accelerated sale or a sale that is necessary to ensure compliance with the contractual terms contained in the Group's financial arrangements, or in the event of the enforcement of security by a creditor, there may be a significant difference between the book value of the property and the price

achieved at the time of sale and the Group may not be able to achieve sale prices in the amount of the book value of the real estate being sold or higher. For the Group, the Accolade Fund is a significant buyer and the Group is thus exposed to the risk of less demand from this fund (see “*The Group is exposed to the risks associated with the Accolade Fund*” below). Failure to successfully sell properties at reasonable prices in the future could have a material adverse effect on the Group’s business, financial condition, results of operations, cash flows and prospects.

***The Group may experience lower lease demand for its properties for light manufacturing, logistics and e-commerce and a significant decline in lease and occupancy rates could have an adverse impact on the Group’s cash flows.***

The Group owns a portfolio of real estate for light manufacturing, logistics and e-commerce, which it leases out. As of 31 December 2024, the Group’s portfolio amounted to 1,303,184 sqm of leasable space located in 28 industrial parks in four countries with an occupancy rate of 90%. The Group’s real estate industrial leasing revenue for the years ending 31 December 2023 and 2022 amounted to CZK 745,589 thousand and CZK 469,348 thousand, respectively, corresponding to 21.1% and 11.9% of its total revenue, respectively. The Group’s industrial leasing revenue for the six months ending 30 June 2024 and 2023 amounted to CZK 511,495 thousand and CZK 362,022 thousand, which corresponds to 30.5% and 17.6% of its total revenue, respectively. However, the Group cannot guarantee that it will be able to maintain its current occupancy rate, particularly by retaining its largest tenants, rent levels and lease terms of its properties in the future. Factors affecting the occupancy rate of the Group’s properties may include, but are not limited to, the quantity and quality of competing properties for light manufacturing, logistics and e-commerce in the areas in which the Group operates. In addition, the demand for the Group’s real estate is influenced, among other things, by the proximity of key transport hubs and the traffic situation in the vicinity. The occupancy rate may be further affected by the local supply and demand for real estate for light manufacturing, logistics and e-commerce, as the Group is building and plans to build new industrial parks in the future. If demand for these properties decreases, the Group may not be able to lease these properties at a commercially favourable price or at all.

The Group is at risk in cases where one of the Group’s tenants fails to fulfil its obligations under the lease agreement, fails to fulfil its obligation to conclude a lease agreement for premises in the new industrial park, exercises the option to terminate the lease early or fails to renew the lease agreement after its expiration. This may result in the Group not being able to find a replacement tenant in a timely manner and some of its properties or leasable premises remaining vacant. In addition, if the Group finds a new tenant for an unleased property, such tenant may not have the same financial capabilities as the Group’s previous tenants or the Group may not be able to negotiate lease terms that are as favourable as the terms of the previous lease.

The Group also bears a number of operating costs and expenses, including utility costs, which it usually passes on to its tenants to the extent permitted by the relevant lease agreement. However, in certain circumstances, the Group cannot do so, for example when the property is unleased or the lease agreement does not allow such a procedure. Energy costs that remain high or will increase in the future due to, among other things, the ongoing aggression of the Russian Federation in Ukraine, related sanctions and restrictions on the supply of Russian gas to the EU could increase the costs that must be passed on to tenants as a result of which the Group could face higher competitive pressures and ultimately lose tenants.

Global conflicts, including the current escalation of hostilities in the Middle East, and trade disputes between major economic powers may adversely affect the demand for real estate for light manufacturing, logistics, and e-commerce. Disruptions of supply chains, increases in global transportation costs, limited availability of goods and resources under sanctions may all lead to fluctuations in consumer demand, particularly in industries reliant on cross-border trade such as the management of light manufacturing, logistics, and e-commerce industrial parks. As a result, the Group may experience decreased occupancy rates in its properties, reduced leasing revenues, and prolonged vacancy periods, all of which could negatively impact its financial performance.

Any deterioration in demand may lead to increased downward pressure on rents in the Group’s properties, the need for financial and other incentives to tenants, which may have an overall negative impact on net leasing revenues, operating costs and the market value of the Group’s properties. If the Group does not maintain an adequate level of occupancy of its industrial parks or if any of the risks described above materialise, this may have a material adverse effect on the Group’s business, financial condition, results of operations, cash flows and prospects.



***The Group is exposed to the risks associated with the Accolade Fund.***

In 2014, the Group founded the Accolade Fund, which focuses mainly on strategic real estate acquisitions for light manufacturing, logistics and e-commerce. As of 31 December 2024, the Accolade Fund had 3,422 investors and its net asset value was EUR 887 million (CZK 22.34 billion) for the six-month period ending 30 June 2024. The annual industrial lease revenue from concluded leases was EUR 46 million (CZK 1.250 billion) for six-month period ending 30 June 2024. As of 31 December 2024, the Accolade Fund owned 36 industrial parks, which it leased to a total of 118 tenants. As of the date of this Base Prospectus, the Group holds 13.91% of the investment shares in the Accolade Fund and, through the Accolade Fund SICAV plc, holds 100% of the founding shares. The assets, liabilities and capital of Accolade Fund SICAV plc are separate from the Accolade Fund and at the same time the assets, liabilities and capital of both of these entities are separate from the Issuer and the Guarantor.

The Group provides various services to the Accolade Fund and Accolade Investment Company Ltd., a member of the Group, whose sole indirect shareholder is the Guarantor, is the manager of the Accolade Fund on the basis of an investment management agreement. The fees received by the Group for the management of the Accolade Fund for the six-month periods ending 30 June 2024 and 2023 and years ending 31 December 2023 and 2022 correspond to 15.1%, 6.2%, 8.9% and 14.6% of the Group's total revenues, respectively. Part of the fees is proportional to the volume of funds managed by the fund, and part is proportional to the fund's performance. Should there be a reduction in the volume of funds under management due to an outflow of investors or a reduction in the performance of the Accolade Fund, this could result in a reduction in the fees received by the Group. In addition, the Accolade Fund is one of the main buyers of completed properties for light manufacturing, logistics and e-commerce of the Group, therefore such a development could also have a negative effect on the Fund's ability to acquire new real estate and thereby reduce the Group's income from the sale of new real estate. The Group is not obligated to sell new properties to the Accolade Fund, and at the same time, the Accolade Fund is not obligated to purchase these specific projects from the Group. Both entities also operate in the general commercial real estate market at the same time. If the Accolade Fund does not purchase new properties, there is no guarantee that another buyer will be found. This could adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

***The valuation of the Group's property portfolio represents the analysis and opinion of independent experts and may not accurately reflect the current or future value of the properties.***

The Group's financial statements reflect property valuations carried out by external valuers or the Group and are not a guarantee of current or future value. Valuation is by its very nature always subjective to some extent, given the individual nature of each property and the market environment in which these properties are located. One external appraiser may come to a different conclusion than another external appraiser would come to if they were valuing the same property, and likewise, the same external appraiser may come to a different conclusion at different stages of market development. These differences may be due to the use of different methodologies. Any change in valuation methodology may result in gains or losses in the Group's consolidated financial statements based on the valuation methodology update. In addition, property valuations are made based on assumptions that may not prove to be accurate, including the direction and extent of future real estate market trends, such as market demand, valuation returns and market rents.

Any increase or decrease in the value of the Group's property portfolio is recognised as a valuation gain or loss in the Group's financial statements for the period in which the valuation occurs. As a result, the Group may experience significant non-cash gains and losses in individual periods depending on the change in the fair value measurement of its real estate portfolio, regardless of whether the real estate is sold. In the event of unfavourable market conditions, valuation losses on the Group's existing properties could occur in the future.

The materialisation of the risk described above could have an adverse effect on the Group's business, financial situation, results of operations, cash flows and prospects.

***The Group may not be able to successfully implement its key strategies.***

The Group's success depends on its ability to successfully implement its key strategies. As of the date of this Base Prospectus, the Group plans to focus primarily on the development of new real estate for light manufacturing, logistics and e-commerce and selective strategic expansion into new markets. However, there is no guarantee that the Group will be able to successfully implement its key strategies. The implementation of the Group's key strategies may be affected by a number of factors beyond the Group's control, such as macroeconomic conditions, increased competition, the political situation, increases in operating costs or changes in legislation in the countries

where the Group does business. Any failure to successfully implement the Group's key strategies or to manage the impact of its growth on operational and management resources and control systems could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

***Risks associated with airport operations.***

The Group operates Brno Tuřany International Airport ("**Brno Airport**"). Revenues from airport operations received by the Group for the period of six months ending 30 June 2024 and for the years ending 31 December 2023 and 2022 amounted to CZK 178,871 thousand, CZK 455,542 thousand and CZK 301,054 thousand, respectively, which corresponds to 10.7%, 12.9% and 7.6% of the Group's total sales, respectively. The economic result from the operation of the airport for the same periods amounted to CZK 44,383 thousand, CZK 137,382 thousand and CZK 85,970 thousand, respectively, which corresponds to 4.9%, 12.53% and 6% of the Group's total economic result from operations, respectively. The Group is exposed to competitive pressure from nearby airports, especially in Prague, Vienna and Bratislava, and cannot guarantee that it will succeed in increasing the number of passengers handled and operating Brno Airport profitably. Brno Airport is also exposed to risks affecting air charter transport, especially the risk of worsening macroeconomic conditions, which may result in a drop in demand for travel services. Furthermore, it is exposed to geopolitical risks and risks in relation to natural elements, which may result in a decrease in travel to destinations where the security situation in particular has deteriorated. Brno Airport is also exposed to the risks of deterioration in the financial situation of the airlines that use it, which may result in a decrease in its income. If a state of emergency were to be declared, the Group is at risk of a drop in income, as Brno Airport could be used to secure not only the state's transport needs, and this could lead to a disruption of the pre-contracted capacities of Brno Airport. The Group also cannot guarantee the absence of potential claims from the lost profit of its contractual partners resulting from the breach of contractual obligations regarding the guarantee of departure capacities of Brno Airport. The materialisation of the risks described above could have an adverse effect on the Group's business, financial situation, results of operations, cash flows and prospects.

***The Group is dependent on its executives and may not be able to retain them or recruit new ones.***

The Group's ability to maintain its competitive position and implement its business strategy is largely dependent on its ability to retain its executives, in particular the current members of the Board of Directors of the Guarantor, the Chief Financial Officer and the Director of Development, and to recruit and retain other qualified employees who have experience in the Group's industry and with the operation of a business of the Group's size and complexity. It may be that the number of persons with the necessary experience and skills to fill positions in the Group's senior management will be limited and the Group may not be able to find or hire or retain qualified executives on acceptable terms or at all. Any shortage of sufficiently qualified candidates may force the Group to raise wages to attract suitably qualified candidates, which could materially increase the Group's costs. The loss of these individuals or any delay in replacing a departing member of management may result in a loss of know-how as well as a loss of business relationships with key tenants, lenders and employees in the real estate segment. Any of these factors could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

***The Group is dependent on the performance of contractual partners or subcontractors.***

As part of its regular activities, the Group concludes various contracts with external suppliers. As part of its development activities, the Group acts as an investor in the process of construction, modernisation and development of its properties and assigns work to selected suppliers. If a supplier's performance is unsatisfactory, it may be necessary to take steps to remedy the situation or to replace such a supplier. Such a situation can lead to an increase in costs or delays in the implementation of projects. In addition, especially in the current macroeconomic climate affected by the war in Ukraine, the disruption of logistics chains, especially in international shipping and the high rate of inflation, together with higher interest rates and the economic recovery from the effects of the COVID-19 pandemic, the Group's subcontractors or suppliers may find themselves in financial or operational problems and may not be able to perform on time or at all. There is also a risk that the Group's existing supply contracts may be terminated or renewed on less favourable terms. In the event of termination of contractual relationships, the Group may not be able to find suitable alternatives in a timely manner, which may lead to delays in completion of the Group's projects. Even if a replacement can be found, it may take a long time to procure replacement suppliers, or a new contract may be concluded on less favourable terms. The fulfilment of any of the above facts could have a material adverse effect on the business, financial situation, results of operations, cash flows and prospects of the Group.

***The Group's operations could be adversely affected by risks related to climate change.***

From the Group's point of view, climate change represents an increase in the occurrence of extreme weather conditions that can lead to property damage. Insufficient investment or investment in the wrong type of measures designed to mitigate the effects of climate change on real estate, or the neglect of such measures, could lead to a deterioration in the Group's financial results. Climate change could also mean higher operating costs, for example due to changes in temperature levels or higher premiums for property insurance in vulnerable areas. In addition, ecopolitical decisions can also affect the Group, not only in the form of higher taxes or necessary investments, but also by limiting road transport or making it more expensive. In addition, the Group could also be affected by increased demands from investors, tenants and other stakeholders regarding protection against extreme climatic conditions. These risks could affect the Group as a business entity in real estate for light manufacturing, logistics and e-commerce compared to other business entities, as the Group is subject to the risk of a decrease in the value of the real estate portfolio in locations where such changes would occur. Such changes could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

***Risk related to the availability of public services, especially water and electricity, and access to utility networks***

Public services, in particular the provision of water, electricity and gas supplies, are of fundamental importance for the proper operation of the Group's properties. Delayed deliveries or any substantial limitation or long-term interruption of these services could also disrupt the Group's development activities or allow tenants to terminate the lease, demand rent discounts or payments of contractual penalties. In addition, future development projects of the Group may cause problems with connection to utility networks. In such a case, the Group would have to make efforts to establish access to them, or finance the installation of utility networks, if legally and economically feasible. If, in extreme cases, access to utility networks cannot be secured, this could result in the impossibility of using the affected properties which could have a substantial adverse effect on the business, financial situation, results of operations, cash flows and prospects of the Group.

***An interruption or failure of the Group's information technology systems could harm its reputation and business.***

Information and communication technologies play a significant role in the Group's business. The Group operates sophisticated information systems supporting key aspects of its business and must make ongoing investments in these systems to review, update and modernise them. Failure, damage, outdatedness, unauthorised access by third parties or incorrect functioning of any of these systems may cause disruption or interruption of the Group's operations and lead to the emergence of third-party claims, for example due to defective performance, which could have a material adverse effect on the business, financial situation, financial results and prospects of the Group.

***The Group is exposed to operational and regulatory risks related to its photovoltaic power plants.***

Since 2023, all newly built light manufacturing, logistics and e-commerce projects of the Group are either built in such a way that a photovoltaic power plant ("PVP") can be built on each building by incorporating the necessary connection technology, or the roofs are built with photovoltaic solar panels already installed. The share of these buildings in the Group's total real estate portfolio is 4% based on leasable area. As of 31 December 2024, the Group implemented projects with a total installed solar energy capacity of 5.268 MWp and, as of the same date had 498 kWp of installed solar energy capacity on the roofs of its buildings. As of the date of this Base Prospectus, the Group is preparing the implementation of an 7.445 MWp PVP project in the Cheb park, 3.334 MWp in Ostrov u Střibra and another 3.334 MWp on other projects.

The expected revenues of the Group are based on the typical performance and maintenance costs of PVPs that are available on the market as of the date of this Base Prospectus. However, the actual PVP performance of the Group may turn out to be lower than the Group anticipated, for example due to lower solar radiation, problems with the quality or efficiency of the installed photovoltaic solar panels, their higher maintenance costs or the need for additional investments. The realisation of any of the risks mentioned above could adversely affect the Group's business, financial condition, results of operations, cash flows and prospects.

***The Group may suffer significant damages that may not be covered by insurance.***

The Group may suffer damages, particularly in its investment or development activities or to its real estate, as a result of, but not limited to, natural disasters, terrorism, vandalism or other criminal activity, defective construction or accidents, fire, war or other disasters and may face related claims for damages from its tenants and

other third parties. Although the members of the Group maintain insurance protection that they consider to be adequate in their area of business, including protection against material damage to property caused by, but not limited to, fire, explosions, earthquakes, floods, terrorism and theft, the Group cannot guarantee that the insurance taken out will be sufficient with regard to applicable insurance exclusions or that it will provide effective coverage under all circumstances and against all dangers to which the Group may be exposed. Some of the Group's activities or properties will be insured with restrictions including high deductibles or insurance limits that may not be sufficient to cover the damages incurred. If the Group or one or more of its tenants suffer a loss that is not insured or that exceeds the limits of the Group's insurance policy, this will have an adverse effect on the Group's financial condition. Damages or claims from third parties against which the Group is not insured, an increase in insurance costs due to previous insurance events, adverse changes in the insurance market, as well as the fulfilment of any of the abovementioned risks could have a material adverse effect on the business, financial condition, results management, cash flows and prospects of the Group.

***The Group is exposed to the risk of litigation.***

As part of its business activities, the Group may be the subject of judicial, administrative, regulatory or other proceedings and claims, including, but not limited to, disputes with buyers, tenants and suppliers, disputes arising from facts that occurred before the acquisition of real estate, labour law disputes, claims for damages, disputes concerning intellectual property, state controls or tax audits or other disputes with public administration or self-government bodies. The Group may face potential financial risk in connection with such litigation. As of 30 June 2024 and 31 December 2023, the Guarantor had no reserves for claims and costs for legal services. Any dispute, whether successful or not, may significantly affect the Group's market reputation or relationships with customers or suppliers, and the related management or settlement of a dispute may result in internal and external costs which, even if the relevant dispute is successfully resolved, may not be fully recouped. Each of these consequences could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

**Legal and regulatory risks**

***The Group is subject to various regulations in the countries where it operates and is exposed to risks arising from changes in these regulations.***

The Group is subject to legal and other regulations governing property ownership, development and leasing, airport operations, labour standards, environmental issues, anti-money laundering, anti-corruption, and tax regulation. It is possible that future changes in applicable regulations at the EU, national, or municipal level, or changes in their application or interpretation by the relevant authorities, may lead to changes in legal requirements that affect the Group or materially affect the Group's property rights. The Group has implemented and adheres to mandatory policies and codes, but it cannot guarantee that there will be no failures on the part of individual employees. Non-compliance with these regulations may result in administrative, civil, or criminal sanctions or measures to limit or cease operations, early termination of leases, suspension or revocation of operating licenses, disruption of planned acquisitions, and other actions that could restrict the Group's activities. The Group must continuously assess compliance with numerous local building codes, zoning regulations, and other regulations, which poses a potential risk of increasing costs over time. The realisation of any of the above-mentioned risks could have a material adverse effect on the Group's business, financial condition, operating results, cash flows, prospects, and reputation.

***The Group's properties may be subject to expropriation or compulsory purchase by state authorities.***

In certain circumstances, the Group's properties may be expropriated, for example, to complete public works, redevelopment or infrastructure development. Compensation must normally be paid to the property owner, but there can be no guarantee that compensation in connection with expropriation will be adequate in all circumstances. This risk is exacerbated by the fact that the Group has significant investments and activities in countries with a shorter history of a market economy such as the Czech Republic, Poland or Slovakia, and the legal regulation and interpretation in some of these countries is at a different stage of development than in countries with a longer history of the market economy. Such events could reduce the Group's industrial leasing revenue and the value of its property portfolio, which could have a material adverse effect on the Group's business, financial condition, results of operations, cash flows and prospects.

***The Group's properties may be subject to environmental regulations.***

The introduction of the Directive (EU) 2023/959 of the European Parliament and of the Council of 10 May 2023 amending Directive 2003/87/EC establishing a system for greenhouse gas emission allowance trading within the Union EU (“ETS 2”) may be expected to increase the costs associated with the management of certain large building complexes, subject to ETS 2, within the Group’s real estate portfolio, particularly in relation to energy consumption and carbon emissions. In certain circumstances, these increased costs may either directly impact the Group’s operating costs, or alternatively, be transferred to lessors through increases of rent. However, there can be no guarantee that the Group will be able to fully pass on such costs to lessors without adversely affecting the demand for the Group’s leasable properties, particularly in properties subject to ETS 2. This could negatively impact the Group’s ability to maintain current occupancy levels, industrial leasing revenue, and the overall profitability of its properties subject to ETS 2. Such developments could have a material adverse effect on the Group’s business, financial condition, results of operations, cash flows, and prospects.

**Risks related to the financial situation of the Group**

***The Group is exposed to the risk of foreign exchange rate fluctuations.***

The Group is exposed to the effect of movements in current exchange rates on its financial position or that the fair value (real value) or future cash flow (cash flows) from financial instruments will fluctuate due to changes in currency rates. The Group is also exposed to currency risk in sales, purchases and loans that are denominated in a currency other than the currencies of the Group’s entities. These currencies are EUR, USD and PLN. Exposure to foreign exchange rate volatility could significantly adversely affect the Group’s business, financial condition, results of operations, cash flows and prospects. The table below illustrates the impact of foreign exchange rate fluctuations on the pre-tax profit, which is reported in CZK:

<u>Currency sensitivity analysis</u>	<u>Change in course</u> <i>(in %)</i>	<u>30 June 2024</u>	<u>31 December 2023</u>	<u>31 December 2022</u>
			<i>(in CZK thousands)</i>	
EUR .....	+/- 5	-/+ 21,300,127	-/+ 20,167,560	-/+ 13,411,816
USD .....	+/- 5	n/a	-/+ 318	-/+ 619
PLN.....	+/- 5	+/- 11,384	+/- 8,423	+/- 95,599

***The Group is exposed to the risk of loss of liquidity.***

The Group faces the risk that it will have difficulties in meeting its obligations associated with financial liabilities that are settled by the provision of cash or another financial asset. In order to mitigate this risk, on 7 September 2022, the Group entered into an agreement with Banka CREDITAS a.s. on a revolving loan of up to EUR 12,260 thousand. As of the date of this Base Prospectus, the Guarantor has drawn down a loan in the amount of EUR 12,260 thousand from this framework. The Group also continuously monitors forecasted and actual cash flows, uses long-term financing and, where appropriate, refinances its real estate investments, and uses industrial lease revenue to pay its short-term liabilities. The Group normally strives to have sufficient liquid cash and short-term assets to cover expected operating expenses for a period of 90 days, including meeting its obligations. However, the failure or ineffectiveness of these procedures and plans could have an adverse effect on the Group’s business, financial condition, results of operations, cash flows and prospects.

The following table provides an overview of the maturity profile of the Group’s indebtedness (interest bearing credits and loans and bonds issued) as of 30 June 2024 in the period from 2024 to 2032:

	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>
	<i>(in CZK millions)</i>				
Maturity of debt.....	589	2,701	3,417	2,714	1,513
	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	
	<i>(in CZK millions)</i>				
Maturity of debt .....	6,063	3,002	305	196	

The following tables show a breakdown of the maturity period for interest-bearing loans and borrowings, other financial liabilities and trade and other payables of the Group and the state of the Group's cash and cash equivalents as of 30 June 2024.

	<b>less than 3 months</b>	<b>3 – 12 months</b>	<b>1 – 5 years</b>	<b>more than 5 years</b>
	<i>(in CZK thousands)</i>			
Interest-bearing loans and borrowings .....	25,010	2,979,233	16,967,257	528,648
Other financial liabilities.....	64,194	62,062	125,380	641,638
Trade and other payables .....	1,115,634	1,784,972	2,854,932	0
<b>Total.....</b>	<b>1,204,838</b>	<b>4,826,267</b>	<b>19,947,569</b>	<b>1,170,286</b>

	<b>30 June 2024</b>
	<i>(in CZK thousands)</i>
Cash at bank available on demand .....	465,090
Short-term bank deposits.....	1,466,986
Cash on hand .....	405,753
<b>Total Cash and cash equivalents .....</b>	<b>2,337,829</b>

The following tables show the breakdown of the maturity period for interest-bearing loans and borrowings, other financial liabilities and the Group's trade and other payables and the Group's cash and cash equivalents as of 31 December 2023.

	<b>less than 3 months</b>	<b>3 – 12 months</b>	<b>1-5 years</b>	<b>more than 5 years</b>
	<i>(in CZK thousands)</i>			
Interest-bearing loans and borrowings .....	657,387	1,369,737	11,413,226	3,087,348
Other financial liabilities.....	25,639	95,172	125,380	705,031
Trade and other payables .....	721,695	1,418,886	2,460,057	0
<b>Total.....</b>	<b>1,404,721</b>	<b>2,883,796</b>	<b>13,998,663</b>	<b>3,792,379</b>

	<b>31 December 2023</b>
	<i>(in CZK thousands)</i>
Cash at bank available on demand .....	736,963
Short-term bank deposits.....	0
Cash on hand .....	14,476
<b>Total cash and cash equivalents .....</b>	<b>751,439</b>

The following tables show the breakdown of the maturity period for interest-bearing loans and borrowings, other financial liabilities and the Group's trade and other payables and the Group's cash and cash equivalents as of 31 December 2022.

	<b>less than 3 months</b>	<b>3 – 12 months</b>	<b>1-5 years</b>	<b>more than 5 years</b>
	<i>(in CZK thousands)</i>			
Interest-bearing loans and borrowings .....	0	2,801,375	8,396,511	999,920
Other financial liabilities.....	21,625	173,106	191,186	450,288
Trade and other payables .....	1,246,615	766,400	351,093	0
<b>Total.....</b>	<b>1,268,240</b>	<b>3,740,881</b>	<b>8,938,790</b>	<b>1,450,208</b>

	<b>31 December 2022</b>
	<i>(in CZK thousands)</i>
Cash at bank available on demand .....	663,328
Cash on hand .....	3,855
<b>Total cash and cash equivalents .....</b>	<b>667,183</b>

Despite all measures, it cannot be ruled out that the Group's companies will face a lack of liquidity due to a failure to manage liquidity risk or due to a failure to manage this risk and that they will not be able to pay their debts when they fall due, which may lead to disruption of customer relations, deterioration of commercial conditions and insolvency proceedings. These may have a significant adverse effect on the business, financial situation, economic results and prospects of the Group.

### ***Credit risk***

The Group is exposed to credit risk, which represents the risk of losses to which the Group is exposed in the event that the Group's customers do not properly and timely discharge their obligations arising under lease contracts, or other financial or business relationships with the Group within the specified period. The Group strives to minimise this risk through the requirement to secure lease contracts in the form of a financial guarantee, or surety, which, however, may not be sufficient or sufficiently effective in all circumstances. The Group considers a counterparty falling into arrears lasting three or more months as an increase in the counterparty's credit risk; in the event of arrears lasting more than six months, the Group considers this to be a case of counterparty default. Credit risk also results from financial activities, including deposits with banks and financial institutions. The materialisation of this risk could have a material adverse effect on the Group's business, financial situation, results of operations and prospects. The following table shows the breakdown of the Group's overdue industrial lease revenue which arise from rent as of 30 June 2024, according to the time past due.

	<b>In total</b>	<b>1-- 14 days</b>	<b>15-- 30 days</b>	<b>31-- 50 days</b>	<b>51-- 70 days</b>	<b>more than 70 days</b>
			<i>(in CZK thousands)</i>			
Lease receivables overdue as of 30 June 2024, arising from rent .....	30,059	16,099	7,058	1,792	2,687	2,423

### ***Group companies are exposed to interest rate risk.***

The financing of the Group through bank loans or bonds may include, among other things, the risk arising from a floating interest rate, which is tied to the reference rate PRIBOR or EURIBOR, or other reference rates and a contractually determined interest margin. Any increase in the PRIBOR or EURIBOR interest rate, or other reference rates, would therefore represent an increase in the Group's interest costs.

The table below shows the volume of the Group's loans and borrowings according to the method of determining the interest rate.

	<b>30 June 2024</b>	<b>31 December</b>	
		<b>2023</b>	<b>2022</b>
		<i>(in CZK thousands)</i>	
Floating rate.....	6,942,512	9,268,325	5,923,026
Fixed rate.....	13,557,635	7,259,372	6,274,779
<b>Total.....</b>	<b>20,500,147</b>	<b>16,527,697</b>	<b>12,197,805</b>

## **2. RISKS RELATED TO THE EXISTENCE OF THE SECURITY AGENT**

***The Subordination Agreement and Pledge Agreements, if any, will be entered into, and the Financial Guarantee will be issued, in favour of the Bondholders and the Security Agent, but their rights hereunder will be asserted and exercised by the Security Agent in its own name***

Under the provisions of Condition 3, the Financial Guarantee was issued on the date of this Base Prospectus and the Initial Subordination Agreement will be entered into no later than 90 days of the Issue Date of the first Issue under the Programme. Additional Subordination Agreements and the Pledge Agreements may be entered into under the Joint Terms and Conditions and the Final Terms, with the Security Agent exercising in its own name the rights of the Bondholders under the Financial Guarantee, Subordination Agreements or Pledge Agreements, by virtue of a statutory fiction contained in the Bonds Act. In addition to the Guarantor, the Security Agent will therefore be the only party to the Financial Guarantee and, in addition to the respective pledgee, the only party to the Pledge Agreements, or in addition to the Issuer or the Guarantor and the relevant subordinated creditors, the only party to the relevant Subordination Agreement. To the extent that rights under the Financial Guarantee, the Subordination Agreements or the Pledge Agreements are exercised by the Security Agent, such rights cannot be

exercised independently by any Bondholder. In the event that the Security Agent is delayed in exercising rights under the Financial Guarantee, from the Subordination Agreements or from the Pledge Agreements, the Bondholders may suffer damage associated with this delay, without the Bondholders having the opportunity to independently exercise such rights. The Security Agent shall use any proceeds from the exercise of rights under the Financial Guarantee, the Subordination Agreements or the Pledge Agreements first to cover the payments due to the Security Agent (including its remuneration up to 3% of the proceeds and the payment of the *pro rata* amount of compensation paid to the Security Agent). The above may lead to the Bondholders receiving less performance (*plnění*) from the proceeds of the exercise of the rights under the Financial Guarantee, the Subordination Agreements or the Pledge Agreements.

The legal institution of the security agent was introduced into the Bonds Act in 2019 by an amendment to the Bonds Act. As this is the first legal regulation of this institute in the Czech legal system, there is no court decision-making practice or generally accepted legal interpretation for the institute yet. The absence of relevant jurisprudence and the lack of established practice in relation to the new security agent institute and the resulting legal uncertainty may have a negative effect on the fulfilment of debts arising under the Bonds, especially if the competent court decides that some provision of the Bonds Act should be interpreted differently than is currently reflected and detailed in the relevant Conditions of the Joint Terms and Conditions.

#### ***Risks relating to the appointment or replacement of the Security Agent***

The Issuer cannot ensure that, when the Security Agent is appointed or replaced, a security agent will be available who will have sufficient experience in performing the duties of a security agent or a similar role, although the Issuer will act in good faith and with due care in selecting a security agent. The above-mentioned risk arises due to the lack of judicial review or established market practice for the institution of the security agent. According to the Issuer's experience in dealing with financial institutions on the financial markets, this may lead to a situation where institutions that typically perform this role on the international capital market may not be willing to accept the role of the Security Agent.

In the event that it is not possible to select a security agent with sufficient experience, there is a risk that its potential inability to exercise the rights under the Subordination Agreements or the Pledge Agreements in a timely manner or other delays in its activities caused by its lack of expertise or experience may have a negative impact on the satisfaction of the Bondholders under the Subordination Agreements or the Pledge Agreements. Such delays or inability to exercise its rights may ultimately lead to the Bondholders receiving less from the proceeds of the exercise of the rights under the Subordination Agreements or the Pledge Agreements.

### **3. RISKS RELATED TO THE BONDS**

#### ***Risk of acceptance of further debt financing by the Issuer or Guarantor***

In connection with the possible acceptance of future debt financing by the Guarantor, unless otherwise specified in the Pricing Supplement of a particular Issue, the Joint Terms and Conditions of the Bonds provide for the obligation to maintain an LTV Ratio of no more than 65% (see "*Joint Terms and Conditions - Financial Covenants - Obligation to maintain Financial Covenants*") and obligations to maintain the Priority Debt Ratio to selected categories of Guarantor's assets in a value of no more than 47.5% and at the same time ensure that the Guarantor's Equity Ratio will reach at least 25%. The Joint Terms and Conditions contain restrictions regarding the volume and conditions of further unsubordinated debt financing of the Issuer or the Guarantor, but various exceptions to these restrictions are set out to enable the acceptance of further debt financing. The acceptance of any additional debt financing may ultimately mean that, in the event of insolvency proceedings, the claims of the Bondholders on the Bonds will be satisfied to a lesser extent than if such debt financing had not been accepted. With the increase in debt financing of the Issuer or the Guarantor, the risk that the Issuer may default on its debts arising under the Bonds or the ability of the Guarantor to meet its obligations under the Financial Guarantee may be threatened.

#### ***Liquidity risk***

If the Final Terms specify that the Bonds of the relevant Issue are to be securities admitted to trading on a regulated market, it is the intention of the Issuer to apply for their admission to trading on the PSE. The specific PSE market on which the Bonds may be admitted to trading will be specified in the Final Terms of the relevant Issue. The Final Terms may also specify that the Bonds will be traded on another regulated market or, except



with respect to the first Bond Issue under the Programme, that they will not be traded on any such market or facility.

Notwithstanding the intention to admit the Bonds to trading on a regulated market, there can be no assurance that the Bonds will in fact be admitted to trading, that a sufficiently liquid secondary market will develop or, if one does develop, that such secondary market will be sustained. The fact that Bonds may be admitted to trading on a regulated market will not necessarily result in greater liquidity for such Bonds than for Bonds not admitted to trading on a regulated market. Conversely, in the case of Bonds not admitted to trading on a regulated market, it may be difficult to price such Bonds, which may adversely affect their liquidity. In a potentially illiquid market, an investor may not be able to sell the Bonds at all if necessary or may not be able to sell them at an adequate market price, i.e., at the price at which it could sell them if a liquid market for the Bonds existed.

***Return on investment in the Bonds may be affected by the interest rate***

Investment in Bonds which bear interest at a fixed rate involves the risk that subsequent changes in market interest rates may adversely affect the value of the Bonds. The holder of a Bond with a fixed interest rate is exposed to the risk of a decrease in the price of such a Bond as a result of changes in the market interest rates – the CNB has been continuously lowering the two-week repo rate to the current 3.75% applicable from 7 February 2025. While the nominal interest rate is fixed for the term of the existence of the Bonds, the current interest rate on the capital market (the “**Market Interest Rate**”) usually changes daily. As the Market Interest Rate changes, the price of the fixed-rate Bond changes too, but it does so inversely. If the Market Interest Rate increases, the price of the fixed-rate Bond usually drops to a level where the yield of such a Bond roughly equals the Market Interest Rate. On the contrary, if the Market Interest Rate decreases, the price of the fixed rate Bond usually rises to a level where the yield of such a Bond roughly equals the Market Interest Rate. This may result in an adverse impact on the value and development of the investment in the Bonds.

***If a Bondholder owns Bonds denominated in a currency other than its home currency, it is exposed to currency exchange rate movements and possible currency restrictions that may adversely affect the value of such Bondholder’s Bonds***

The Issuer will pay principal and interest on the Bonds in the currency to be specified in Pricing Supplement (the “**Bond Currency**”). This presents certain currency exchange risks if the financial activities of the Bondholder are predominantly denominated in another currency (the “**Investor currency**”) than the Bond Currency. These include the risk of significant changes in currency exchange rates (including changes caused by devaluation of the Bond Currency or revaluation of the Investor Currency) and the risk that authorities with jurisdiction over the Investor Currency and/or the Bond Currency may impose or modify currency restrictions. For example, between 2013 and 2017, the CNB conducted currency interventions so as to maintain the CZK/EUR exchange rate at a specified level. An increase in the value of the Investor Currency relative to the Bond Currency may lead to a decrease in (i) the yield on the Bond; (ii) the nominal amount of the Bond; and (iii) the market value of the Bond from the perspective of the Bondholder. Governmental and financial authorities, including the CNB, may impose (as some have done in the past) currency restrictions which may adversely affect the applicable exchange rate or the ability of the Issuer to make distributions in respect of the Bonds. This may result in Bondholders receiving less interest or principal than they expected, or no interest or principal, or in the value of the Bonds declining from their perspective.

***The Bonds may be subject to buyback or early redemption risk***

The Final Terms will specify whether the Issuer has the right to redeem the Bonds of the relevant Issue before their maturity date or to purchase them on the basis of an option of the Bondholder. If the Issuer redeems or repurchases any Bonds of any Issue prior to their maturity date, the Bondholder will be exposed to the risk of a lower-than-expected yield by reason of such early redemption or repurchase. For example, the Issuer may exercise its option right if the yield of comparable Bonds in the capital markets declines, which means that an investor may only be able to reinvest the redeemed proceeds in Bonds with a lower yield. In addition, the possibility of early redemption may limit the market price of the Bonds for as long as such early redemption is possible or in the period preceding such possible early redemption.

***Investment may be adversely affected by fees***

The overall return on the investment in the Bonds may be affected by the level of fees which are charged by the securities trader or another intermediary of the purchase or sale of the Bonds and/or charged by the Central

Depository or other relevant clearing system used by the investor. Such a person or institution may charge fees for opening and maintaining the investment account, transfers of securities, services associated with the custody of securities, *etc.* The Issuer therefore recommends the future investors in the Bonds to become familiar with the documents on the basis of which fees will be charged in connection with the Bonds. This may result in an adverse impact on the value of the Bonds.

### ***Risk of non-payment***

Like any other monetary debt, the Bonds are exposed to the risk of non-payment. Under certain circumstances, the Issuer may be unable to pay interest on the Bonds, and the value for the Bondholders upon redemption may be lower than their initial investment; under certain circumstances, the Bonds could even be worthless.

***The Bonds may be issued as green bonds with a specific use of the proceeds, however there can be no guarantee that the given use of the proceeds or any other attributes of such Bonds will meet the investment criteria of the investors, or that the proceeds from the Bonds will be successfully used for the intended use.***

If specified in the relevant Pricing Supplement, the Issuer and the Guarantor will seek to use the amount corresponding to the net proceeds from the relevant Issue of the Bonds for Green Projects in accordance with the terms of the Green Finance Framework (as these terms are defined in the “*Use of Proceeds*” section of this Base Prospectus). The use of the net proceeds from these Bonds will be recorded by the Issuer. The payment of the principal amount and interest on the Bonds will not be dependent on the Green Projects meeting any green or other similar criteria.

Potential investors should consider the information on the use of proceeds set out in this Base Prospectus and the Green Finance Framework. Prospective investors should determine for themselves the relevance of such information to the purposes of their potential investment in such Bonds and should make any further inquiries they deem appropriate.

There is a risk that the relevant Green Projects financed from the proceeds of the Bonds or an amount corresponding to their net proceeds will not meet, in whole or in part, the current or future expectations of potential investors or the requirements or any investment criteria or recommendations that potential investors or their investments must meet, whether on the basis of current or future applicable legislation or regulation, or on the basis of its own articles of association or other rules for the management of investment portfolios.

There is currently no clear legal, regulatory or other definition or market consensus as to what constitutes a “green” or equivalently labelled bond. These definitions and market consensus are still being developed, but there can be no assurance to potential investors that a clear definition or consensus will be reached. If this happens in the future, there can be no assurance that the Bonds will meet such definition or designation. The status of any Bonds as “green” (or having an equivalent designation) may therefore be revoked at any time.

With regard to “green” bonds, the basis for establishing such a definition in the EU was given by the publication of Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020 (the “**Taxonomy Regulation**”) in the Official Journal of the EU on 22 June 2020 and Regulation (EU) 2023/2631 on European Green Bonds and optional disclosures for bonds marketed as environmentally sustainable and for sustainability-linked bonds (the “**EU GBS**”), which entered into force on 21 December 2024. Although the Group aims for its Green Finance Framework to be aligned with the relevant targets for the Taxonomy Regulation and the EU GBS, there can be no guarantee that this will be the case. The Bonds issued under the Bond Programme will not bear the designation “European Green Bond” or “EuGB” as defined in EU GBS.

There is a risk that the Green Projects will fail to meet some or all of the expectations of potential investors regarding any direct or indirect “green” or other equivalently designated objectives or outcomes. Nor can it be guaranteed that no adverse environmental or other impacts will occur during the implementation of Green Projects. The criteria for what constitutes a Green Project may also change.

Neither the Issuer nor any other person makes any assurances or guarantees to potential investors as to the suitability or reliability of any report, assessment, opinion or certificate of any third party, including the Independent Opinion (as that term is defined in the “*Use of Proceeds*” section of this Base Prospectus) (whether or not the Issuer has requested such a document and whether it was drawn up for any purpose) (such document a “**Third Party Report**”), which may be provided in connection with any bond issue, and in particular in connection with whether the Green Projects meet any green or other similar criteria. Any Third Party Report may not relate to risks that may affect the value of the Bonds or any Green Project. For the avoidance of doubt, the

Issuer states that any Third Party Report is not and shall not be deemed to be incorporated into or form part of this Base Prospectus and should not be deemed to constitute a recommendation by the Issuer, the Guarantor or any other person to buy, sell or hold any Bonds. Any Third Party Report is current only as of the date it is issued. Prospective investors must make their own assessment of the relevance of any such Third Party Report and the information contained therein, as well as the provider of such Third Party Report, for the purposes of any investment in the Bonds. The providers of such Third Party Reports are not currently subject to any particular regulatory or other regime, or oversight, other than the regime established under the EU GBS (to the extent the relevant provider chooses to take advantage of the regime). The Issuer does not envisage that Third Party Reports regarding the Bonds issued under the Base Prospectus will be subject to the requirements of the EU GBS.

It is the intention of the Group to use the net proceeds or an amount equivalent to the net proceeds of any such specified Bonds for Green Projects in the manner described in the “*Use of Proceeds*” section of this Base Prospectus and to obtain and publish relevant reports, assessments and certifications in accordance with the Green Finance Framework. However, there can be no assurance that the Group will be successful in this regard. At the same time, there can be no assurance that the relevant Green Projects will be able to be implemented in the manner or substantially in the manner originally anticipated by the Group and that such proceeds will be paid in full or in part to finance such Green Projects. There can also be no assurance that such Green Projects will be completed on time or at all or with the results or outputs (whether with respect to the environment or not) as originally expected or anticipated by the Group.

Any such event or default on the part of the Issuer or the Guarantor, in particular with respect to the application of the net proceeds or an amount corresponding to the net proceeds of the Bonds for any Green Projects or with respect to obtaining or publishing any Third Party Report will not (i) constitute an Event of Default under the Bonds and the Bondholders will not have the right to demand early repayment of the Bonds according to Condition 9 of the Joint Terms and Conditions; (ii) establish any claim of a Bondholder against the Issuer or the Guarantor; or (iii) establish the Issuer’s obligation to repay the Bonds early. Any failure to provide any report, including a Third Party Report, or failure to obtain an opinion from the Issuer or the Guarantor will also not constitute an Event of Default. However, the aforementioned events or defaults on the part of the Issuer or the Guarantor (i) may have a material adverse effect on the value of such Bonds and potentially also on the value of any other Bonds that are intended to finance Green Projects; or (ii) may result in adverse consequences for certain investors who, according to their investment strategies, are to invest in “green” or similarly designated securities. Investors should consider the impact of these facts on their expectations of “green” or sustainable investments.

#### ***The Bonds are subject to inflation risk***

Prospective purchasers or sellers of the Bonds should be aware that the fair value of an investment in the Bonds may decline as inflation reduces the value of the currency. Inflation also causes the real yield on the Bonds to decline. According to the latest CNB forecast<sup>3</sup> published on 6 February 2025, annual headline inflation is expected to be 2.4% in 2025, decreasing to 2.1% in 2026. While this is comparable with inflation in 2024 (2.4%), there is no guarantee that the forecast will not be reviewed and that inflation will not increase.

#### ***Risk of order reduction***

The prospective buyers of the Bonds should be aware that the Joint Lead Managers may, at their own discretion, reduce the investor’s order, and the overpayment, if any, will be without delay disbursed to the investor’s account. If the order is reduced, the prospective investor will not be able to invest in the originally contemplated volume or at all. Thus, reducing the order can adversely affect the value of the investment in the Bonds.

#### ***The Bonds are not covered by any (statutory or voluntary) deposit guarantee scheme***

Claims of the Bondholders under the Bonds are not covered by the statutory deposit protection (*pojištění pohledávek z vkladů*). Such Bondholders’ claims may only be satisfied in the ranking described in the Joint Terms and Conditions. Therefore, in such case and upon the insolvency of the Issuer, Bondholders could be subject to the risk of a significant loss of their investment in the Bonds.

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<sup>3</sup> Source: CNB forecast published on 6 February 2025, available at: <https://www.cnb.cz/en/monetary-policy/forecast/>.

***The Joint Terms and Conditions of the Bonds contain provisions which may permit their modification without the consent of all Bondholders***

The Joint Terms and Conditions of the Bonds contain provisions for calling meetings of Bondholders to consider matters affecting their interests generally. These provisions permit defined majorities to bind all Bondholders including the Bondholders who did not attend and vote at the relevant meeting and the Bondholders who voted in a manner contrary to the majority.

***The Joint Terms and Conditions contain provisions which deviate from the Bonds Act***

The Joint Terms and Conditions contain provisions which deviate from the Bonds Act. Specifically, under the Joint Terms and Conditions, by way of derogation from Sections 23(5) and (7), the amounts the repayment of which the Applicant is entitled to under Condition 12.4(a) will become due and payable on the last Business Day of the month following the month in which the Application Period expires, not thirty (30) days following the Application.

These deviations may adversely affect the value and development of the investment in the Bonds. In addition, Section 23(9) of the Bonds Act, which anticipates possible deviations from the provisions of the Bonds Act relating to bondholders' meetings, became effective only on 1 January 2024 and is untested in practice. Accordingly, there is a risk that the competent courts may take a conservative view that some or all of the above deviations from the default provisions of the Bonds Act are not permitted. Any uncertainty regarding the possibility to deviate from the provisions of the Bonds Act may adversely affect the value of the Bonds or the ability of the Bondholders to sell the Bonds.

**4. RISKS RELATED TO THE FINANCIAL GUARANTEE, THE SUBORDINATION AGREEMENTS AND THE PLEDGE AGREEMENTS**

***Risk of default***

The Guarantor may, after the date of this Base Prospectus, provide guarantees in connection with potential acquisitions within the Group, i.e., guarantee the repayment of the purchase price in the period between the signing of the relevant documentation and the settlement of the transaction (as of the date of this Base Prospectus, the Guarantor has not provided any such guarantees) or may guarantee the debts of other members of the Group from loan agreements, from bonds or from any other legal title. In the event that the Guarantor fulfils its obligations from the above-mentioned guarantees or provides such security, the Guarantor's ability to utilise sufficient amounts of funds to pay its debts to the Bondholders, or the Security Agent, respectively, arising from the Financial Guarantee, may be adversely affected.

***Limitation on the amount of secured debts***

The Guarantor's liability under the Financial Guarantee is initially limited to CZK 3,500,000,000 (or an equivalent amount in the relevant currency of the Bonds), whereas the Issuer is under an obligation to ensure that such limit will not be less than a 1.5 multiple of the total nominal amount of the Bonds outstanding under the Programme at any time. Potential investors in the Bonds should therefore be aware that this limitation or any such increased limitation could have an adverse impact on the Bondholder's satisfaction under the Financial Guarantee if the Issuer is unable to fulfil its obligations under the Bonds.

***Risk of ineffectiveness of the Financial Guarantee***

The Insolvency Act establishes certain conditions under which a debtor's legal actions may be ineffective towards third parties, especially towards the debtor's creditors. Generally, legal actions without adequate counter-performance, legal actions favouring a creditor or legal actions intentionally impairing a creditor are ineffective. By issuing the Financial Guarantee, the Guarantor undertook to fulfil the Issuer's debts, whereas the Issuer is a person controlled by the Guarantor and the Issuer and the Guarantor form a consolidated entity. Although the Issuer considers that there are no reasons for the ineffectiveness of the Financial Guarantee, as the proceeds from the issue of Bonds are intended, among other things, to provide financing to the Guarantor and the Issuer provides remuneration for the issuance of the Financial Guarantee, it may not however be ruled out that in the event of a commencement of insolvency proceedings regarding the Guarantor the effectiveness of the Financial Guarantee may be challenged. If an insolvency court decides that the Guarantee fulfils any of the above-mentioned criteria and is ineffective, the debts arising under the Bonds would become unsecured by the Financial Guarantee and the performance already provided by the Guarantor under the Financial Guarantee would have to be returned to the

insolvency estate by the Security Agent to satisfy other debts of the Guarantor. According to Section 589 *et seq.* of the Civil Code, if the debtor’s legal action is aimed to impair a creditor’s enforceable claim, the creditor has the right to demand that the court determine that the debtor’s legal action is not legally effective against such creditor. Under to the Civil Code, relative ineffectiveness establishes a creditor’s right to also demand satisfaction of its receivables from what has evaded the debtor’s insolvency estate due to an ineffective legal action, i.e., performance under the Financial Guarantee. In the event of a materialisation of the above-described situation, the Bondholders may not recover any amount under the Financial Guarantee.

***Risk related to the agreement on the subordination of receivables***

The Guarantor has concluded a loan agreement with Mr. Milan Kratina and the company Reticulum Power, a.s. around or after the date of this Base Prospectus with the following parameters, under which Mr. Milan Kratina and the company Reticulum Power, a.s. undertake to provide the Guarantor with the shareholder credit facilities specified below (the “**2024 Subordinated SHL**”):

<b>Creditor</b>	<b>Credit facilities</b>	<b>Maturity</b>	<b>Interest rate</b>
	<i>(in CZK)</i>		
Milan Kratina	500,000,000	31 December 2029	8.00% p.a
Reticulum Power, a.s.	500,000,000	31 December 2029	8.00% p.a

As of the date of this Base Prospectus the principal amount of the loans granted to the Guarantor based on the 2024 Subordinated SHL have reached the amount of CZK 1,000 million.

The Guarantor is a party to the subordination agreement which was concluded on 7 June 2024 between the Guarantor as borrower, Mr. Milan Kratina and the company Reticulum Power, a.s., as subordinated creditors (the “**Subordinated Shareholders**”) and J&T BANKA, a.s., Identification No.: 47115378, with its registered office at Sokolovská 700/113a, Karlín, 186 00 Prague 8, registered in the Commercial Register maintained by the Municipal Court in Prague, file No. B 1731 (“**J&T Banka**”) as a senior creditor (the “**2024 Subordination Agreement**”), whereby the receivables of the Subordinated Shareholders (the “**2024 SHL Subordinated Receivables**”) against the Guarantor under the 2024 Subordinated SHL are subordinated to, among others, claims for the payment of the nominal value of the bonds issued by Accolade Finco Czech 1, s.r.o. under ISIN CZ0003561441 (the “**2024 Bonds**”), interest on the 2024 Bonds and any payments under the financial guarantee issued in favour of J&T Banka as security agent under the 2024 Bonds (the “**2024 Senior Receivables**”). Please see section “*Significant contracts*” in the chapter “*Overview of the Guarantor’s business*” for additional details.

Under the 2024 Subordination Agreement, the Subordinated Shareholders, among other things, undertook that if they receive any payment of the 2024 SHL Subordinated Receivables in violation of the 2024 Subordination Agreement, they will accept such payment in favour of J&T Banka and without undue delay after receipt of such payment transfer such cash to J&T Banka for the payment of the 2024 Senior Receivables.

The Guarantor as borrower, the Subordinated Shareholders as subordinated creditors and the Security Agent as senior creditor will enter into the Initial Subordination Agreement no later than 90 days from the Issue Date of the first Issue under the Programme, whereby the 2024 SHL Subordinated Receivables will also be subordinated to senior receivables comprising, among other things, claims for the payment of the nominal value of the Bonds, interest from the Bonds and any payments under the Financial Guarantee.

The Issuer expects that, under the Initial Subordination Agreement, the Subordinated Shareholders will, among other things, also undertake that if they receive any payments of the 2024 SHL Subordinated Receivables in violation of the terms of the Initial Subordination Agreement, they will accept such payment in favour of the Security Agent and without undue delay after receipt of such payment transfer such cash to the Security Agent for the payment of, among other things, the nominal value of the Bonds, interest from the Bonds and any payments under the Financial Guarantee. However, such provisions will be suspended as long as any provisions to a similar effect, including under the 2024 Subordination Agreement, are in force. Such a suspension may disadvantage the Bondholders vis-à-vis the holders of the 2024 Bonds.

The Insolvency Act recognises the concept of subordinated claims against all third parties. However, it does not establish the exact details of an agreement on the contractual subordination of receivables negotiated only between selected creditors in relation to certain receivables, such as the subordination agreement in respect of the 2024 Subordinated SHL. This concept remains untested in the Czech legal system, even though it is used in practice, and the risk that the court could decide on the ineffectiveness or invalidity of the subordination agreement in the

event of a dispute cannot be completely ruled out. In such a case, claims from such contractually subordinated contracts would not be satisfied as subordinated. This fact may have a material adverse effect on the value and return on investment in the Bonds.

#### ***The beginning of the period in which it is possible to object to the ineffectiveness of legal actions***

Under the conditions set out in the Joint Terms and Conditions, in order to secure debts arising under the Bonds, pledge agreements may be concluded between the relevant member of the Group as a pledger and the Security Agent as pledgee and pledges may be established over selected assets of the Group. The establishment of such Security under the Joint Terms and Conditions may result in the commencement of the periods in which it is possible to claim ineffectiveness of the Security under the Joint Terms and Conditions. These periods commence from the moment the relevant Security under the Joint Terms and Conditions is granted or perfected. According to the Insolvency Act, the insolvency administrator may object to the legal actions of a debtor within a period of one year from the date when the effects of a bankruptcy decision occurred, and these legal actions were taken within periods of one year to five years before the initiation of insolvency proceedings (based on the nature of the objected legal action). If the Security under the Joint Terms and Conditions were to be enforced before the end of such relevant period, this could be declared invalid or ineffective and such Pledges could not be enforced.

#### ***Risk of ineffectiveness of Security***

The Insolvency Act establishes certain conditions under which a debtor's legal actions may be ineffective towards third parties, especially against the debtor's creditors. Legal actions by which a debtor impairs its creditors or favours some creditors at the expense of other creditors may be ineffective. In particular, legal actions without adequate counter performance, legal actions favouring the creditor or legal actions intentionally impairing a creditor are ineffective. The establishment of the Security under the Joint Terms and Conditions would ensure the fulfilment of the Issuer's debts arising under the Bonds and the Guarantor's debts arising under the Financial Guarantee. It cannot be ruled out that in the event of insolvency proceedings regarding the Guarantor or another member of the Group, the effectiveness of the Security under Joint Terms and Conditions may be called into question. If the insolvency court decides that the Security under the Joint Terms and Conditions fulfil some of the above-mentioned features and are ineffective, the debts arising under the Bonds may become unsecured debts.

According to Section 589 *et seq.* of the Civil Code, if the debtor's legal action aims to impair a creditor's enforceable claim, the creditor has the right to demand that the court determine that the debtor's legal action is not legally effective against such creditor. According to the Civil Code, relative ineffectiveness (*relativní neúčinnost*) also establishes the creditor's right to demand satisfaction of the receivables from what has evaded the debtor's insolvency estate due to the ineffective act, i.e., in the given case, performance in connection with the Security under the Joint Terms and Conditions.

#### ***Risk related to the value of pledged assets***

The value of eligible assets owned by the Group that may be subject to the Pledge Agreements under the conditions set out in the Joint Terms and Conditions depends on market and economic conditions, including the availability of suitable buyers. The pledged asset may be illiquid, may not have an easily ascertainable market value, and its value to third parties may be less than its value to the respective pledgor. The value of the pledged asset may decrease over time, while any unfavourable development of the Group's economy may also affect the value of some pledged assets. Under these circumstances, the Bondholders may not be fully satisfied in the event of the enforcement of the Pledges.

## INFORMATION INCORPORATED BY REFERENCE

On the website <https://accolade.eu/> section “About Us, Bonds” you can find the following information included in this Base Prospectus by reference:

Information	Document (in PDF)	pp. or part
Issuer’s opening balance sheet as of 6 February 2025.	Accolade Finco Czech 2, s.r.o., Opening Balance sheet as at 6 February 2025	2-10
Independent auditor’s report on the Issuer’s opening balance sheet as of 6 February 2025.	Accolade Finco Czech 2, s.r.o., Opening Balance sheet as at 6 February 2025	11-13
Consolidated financial statements of the Guarantor for the six-month period ending 30 June 2024	Accolade Holding, a.s., Interim consolidated financial statements for the period ending 30 June 2024	1-60
Independent auditor’s report on review of the Guarantor’s consolidated financial statements for the six-month period ending 30 June 2024	Accolade Holding, a.s., Interim consolidated financial statements for the period ending 30 June 2024	61-62
Consolidated financial statements of the Guarantor for the financial year ending 31 December 2023	Accolade Holding, a.s., Consolidated Annual Report 2023	57-119
Independent auditor’s report on the consolidated annual financial statements of the Guarantor for the financial year ending 31 December 2023	Accolade Holding, a.s., Consolidated Annual Report 2023	120-122
Independent Auditor’s report on review of the Guarantor’s consolidated financial statements for the six-month period ending 30 June 2023	Accolade Holding, a.s., Interim consolidated financial statements for the period ending 30 June 2023	55-56
Consolidated financial statements of the Guarantor for the financial year ending 31 December 2022	Accolade Holding, a.s., Consolidated Annual Report 2022	27-80
Independent auditor’s report on the consolidated annual financial statements of the Guarantor for the financial year ending 31 December 2022	Accolade Holding, a.s., Consolidated Annual Report 2022	81-84

Note:

(1) Page numbers refer to page numbers of the pdf document.

The Issuer’s opening balance sheet as of 6 February 2025 can be found at: <https://accolade.eu/assets/bond/files/Acc-Finco-Czech-2-Opening-BS-Auditors-report-incl.signed.pdf>.

Consolidated financial statements of the Guarantor for the period of six months ending 30 June 2024, including the auditor’s report on review of the consolidated financial statements can be found at: <https://accolade.eu/assets/bond/files/Accolade-Holding-IFRS-interim-consolidation-30.06.2024-vc.zpravy-podepsane.pdf>.

The Guarantor’s audited consolidated annual financial statements for the financial year ending 31 December 2023, including the auditor’s report, can be found at: <https://accolade.eu/assets/bond/files/AH-Konsolidovana-vyrocnizprava-2023-ENG-kompletni-BDO.pdf>.

Consolidated financial statements of the Guarantor for the period of six months ending 30 June 2023, including the auditor’s report on the revision of the consolidated financial statements can be found at: <https://accolade.eu/assets/bond/files/Accolade-Holding-IFRS-interim-consolidation-30.06.2023-CORRECTED-FINAL-BDO-signed.pdf>.

The Guarantor's audited consolidated annual financial statements for the financial year ending 31 December 2022, including the auditor's report, can be found at: <https://accolade.eu/assets/bond/files/24-04-ACC-Vyrocní-zprava-CORRECTED-BDO-signed.pdf>.

The parts of the above-mentioned documents that are not included in this Base Prospectus by reference are not considered to be significant by the Issuer or are mentioned elsewhere in this document.

All the above-mentioned documents are also available for inspection during the standard working hours at the Issuer's headquarters at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic.



## JOINT TERMS AND CONDITIONS OF THE BONDS

Bonds (the “**Bonds**”) issued under this bond programme (the “**Programme**”) will be issued pursuant to Act No. 190/2004 Coll., on Bonds, as amended (the “**Bonds Act**”), by Accolade Finco Czech 2, s.r.o., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, ID No.: 225 67 062, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 418562, LEI: 3157005T8FZ0X95ZN793 (the “**Issuer**”) in the maximum aggregate nominal value of the outstanding Bonds of CZK 5,000,000,000 (or the equivalent of this amount in other currencies).

These joint terms and conditions (the “**Joint Terms and Conditions**”) serve as the identical basis for all Bonds issued under the Programme. For each specific issue of Bonds (the “**Issue**”), the Joint Terms and Conditions will always be specified or supplemented by the relevant supplement to the Joint Terms and Conditions (the “**Pricing Supplement**”). In cases where an individual Issue pursuant to Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published in the event of a public offering or admission of securities to trading on a regulated market, as amended (the “**Prospectus Regulation**”) requires drafting and publishing the prospectus of the security, the final terms (the “**Final Terms**”) are to be drafted for the particular Issue pursuant to Article 8(4) of the Prospectus Regulation and will contain the Pricing Supplement. The terms and conditions of a specific Issue (the “**Terms and Conditions**”) will therefore consist of these Joint Terms and Conditions and the relevant Pricing Supplement.

Any provision of these Joint Terms and Conditions may be further specified or supplemented by the Pricing Supplement in relation to any Issue.

The liabilities arising under the Bonds will be unconditionally and irrevocably guaranteed under a Czech-law governed Financial Guarantee (as defined below) issued by Accolade Holding, a.s., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, ID No. 286 45 065, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 19102, LEI: 315700DJG0G8FUQIP845 (the “**Guarantor**”) which is available on the Issuer’s Website and forms part of the Base Prospectus (each as defined below).

The Bonds will be assigned a separate ISIN code by the Central Depository or another authorised person. Information on the assigned ISIN codes or other identifying information in relation to the Bonds will be set out in the relevant Pricing Supplement or Final Terms, as the case may be. The Final Terms will also state whether the Issuer will apply to any regulated market organiser for the admission of the relevant Issue to trading on a Regulated Market, i.e., whether it will take all steps necessary for the Bonds of such Issue to be admitted to trading on a Regulated Market. The Final Terms may also state that they will not be traded on any such market or facility. The Final Terms will also state whether or not the relevant Issue will be offered by way of a public offer. For the avoidance of doubt, the terms “regulated market” and “public offer” will have the meanings ascribed to them in the Prospectus Regulation.

Unless otherwise provided in the Pricing Supplement and unless another person becomes a fiscal and paying agent in accordance with Condition 11.1(b), Česká spořitelna, a.s., Identification No.: 452 44 782, with its registered office at Olbrachtova 1929/62, 140 00 Prague 4, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 1171 (“**ČS**”) will act as a fiscal and paying agent in charge of the settlement and administration of payments in connection with the Bonds (ČS or any such other person as the “**Fiscal and Paying Agent**”), based on an agreement concluded between the Issuer and the Fiscal and Paying Agent (the “**Agency Agreement**”). A copy of the Agency Agreement will be available for inspection to the Bondholders during usual business hours at the specified office of the Fiscal and Paying Agent (the “**Specified Office**”), as stipulated in Condition 11.1(a). Bondholders are advised to familiarise themselves thoroughly with the Agency Agreement.

ČS will act as a security agent (*agent pro zajištění*) (the “**Security Agent**”) within the meaning of Section 20(1) of the Bonds Act in respect of each Issue and based on an agreement between the Issuer and the Security Agent (the “**Security Agency Agreement**”), unless another person becomes a security agent in accordance with Condition 3.4.

A copy of the Security Agency Agreement will be available for inspection to the Bondholders during usual business hours at the Specified Office, as stipulated in Condition 3.3. Bondholders are advised to familiarise themselves thoroughly with the Security Agency Agreement.

Unless otherwise provided in the relevant Pricing Supplement and unless another person becomes the calculation agent in accordance with Condition 11.2(b), ČS will perform the activities of the calculation agent associated with performing certain calculations in relation to individual Issues (ČS or any such other person as the “**Calculation Agent**”).

Unless the relevant Pricing Supplement provides otherwise and unless another person becomes the listing agent in accordance with Condition 11.3(b), ČS will perform the activities of the listing agent associated with listing of the Issue on the relevant regulated market (ČS or any such other person as the “**Listing Agent**”).

Certain terms used in these Joint Terms and Conditions are defined in Condition 16. A reference to a provision of any law, regulation or other legal act in the Joint Terms and Conditions means a reference to the provision of the relevant law, regulation or other legal act effective as of the date of the Joint Terms and Conditions and includes any future provisions of the law, regulation or other legal act that may amend or replace the provisions of the law, regulation or other legal act effective as of the date of the Joint Terms and Conditions. References in these Joint Terms and Conditions to “**Conditions**” or a numbered “**Condition**” are, unless the context requires otherwise, to the numbered paragraphs of these Joint Terms and Conditions below.

In these Joint Terms and Conditions, should the Issuer undertake to ensure that a third party, especially the Guarantor or any member of the Group (each as defined below), fulfils an obligation, the Issuer thereby commits itself, within the meaning of Section 1769, second sentence of Act No. 89/2012 Coll., the Civil Code, as amended (the “**Civil Code**”), to ensure that the third party fulfils such obligation and to compensate for the damage suffered by the Bondholders if the third party fails to fulfil the obligation. The first sentence of Section 1769 of the Civil Code will not apply in such cases.

The Czech National Bank will supervise the Issuer and any Issues under the Programme in the event of a public offering of such Issue and/or in the event of the admission of such Issue to trading on a regulated market (such supervision includes, in particular, the approval of the prospectus of the Bonds, including any supplements thereto, and the supervision of the Issuer’s fulfilment of its information obligations throughout the duration of the public offering or the admission of the relevant Issue to trading on a regulated market).

During the approval process of the prospectus of the securities, the Czech National Bank assesses neither the financial results nor the financial situation of the Issuer and the prospectus of the securities is assessed only with regard to the completeness of the information contained therein. By approving the prospectus of the securities, the Czech National Bank does not guarantee the quality of the security or the Issuer’s future profitability or its ability to pay the interest on, and the principal of, the Bonds.

## **1. General Characteristics of the Bonds**

### **1.1 Form, Nominal Value and other Characteristics of the Bonds**

The Bonds (*dluhopisy*) issued under this Programme may be issued as book-entry securities (*zaknihované dluhopisy*).

The Bonds will be issued each having the nominal value (*jmenovitá hodnota*) and with the aggregate anticipated nominal value of the Issue, in the quantity and numbering (if applicable), as specified in the relevant Pricing Supplement.

The Pricing Supplement will also specify the name of the Issue and the currency of the Bonds and, if applicable, rating of the Bonds.

### **1.2 Pre-emption and Exchange Rights, Separation of Rights, Transferability of the Bonds, Bondholders**

#### **(a) Separation of Rights to Interest on the Bonds, Pre-emption and Exchange Rights**

There will be no separation of the right to receive interest payable on the Bonds through an issue of coupons as separate securities. No pre-emption or exchange rights will be attached to the Bonds.

#### **(b) Transferability of the Bonds**

The transferability of the Bonds is not restricted.

(c) Holders and Transfers of the Bonds

- (i) The bondholder is the person on whose owner's securities account (*účet vlastníka*) with the Central Depository or in follow-up records (*navazující evidence*) linked to the Central Depository the Bond is recorded (the "**Bondholder**"). Unless it has been sufficiently proven to the Issuer and the Fiscal and Paying Agent at least five (5) Business Days prior to a Payment Date that any record on the owner's securities account in the Central Depository or the entry in the follow-up records linked to the Central Depository does not correspond to reality and that there is another person on whose owner's securities account in the Central Depository or in the follow-up records linked to the Central Depository the Bond should be registered, the Issuer and the Fiscal and Paying Agent will consider each Bondholder as the authorised bondholder in all respects and make payments to that Bondholder in accordance with the Terms and Conditions. Persons whose Bonds are not, for any reason, registered on their owner's securities accounts in the Central Depository or in the follow-up records linked to the Central Depository, even though such persons should be recorded as the Bondholders, are obliged to immediately inform the Issuer and the Fiscal and Paying Agent of this fact and of their claimed ownership title of the Bonds and prove these facts to them in a sufficient manner. The list of Bondholders will consist of the records of the Central Depository or the person keeping the follow-up records linked to the Central Depository.
- (ii) The transfer of the Bonds will be effective upon the crediting thereof to the owner's securities account with the Central Depository in accordance with the rules and regulations of the Central Depository and applicable law. In the event that the Bonds are recorded in a client's securities account in the Central Depository, the transfer of the Bonds will be effective (A) upon crediting of the transferred Bond to the client's securities account in accordance with the rules and regulations of the Central Depository and applicable law, whereas the owner of the client's securities account is obliged to promptly register such transfer in the owner's securities account as of the moment of registration thereof in the client's securities account; or (B) in the event of any transfer between the Bondholders within a single client's securities account, upon the registration of such transfer in the owner's securities account in the follow-up records linked to the Central Depository.

**2. Issue Date, Subscription Period, Additional Subscription Period**

The Issue Date of each Issue and the subscription period during which the Bonds of the specific Issue may be subscribed for (the "**Subscription Period**") will be specified in the Pricing Supplement.

If the Issuer does not issue all the Bonds constituting the relevant Issue on the Issue Date, the remaining Bonds may be issued from time to time during the entire Subscription Period or within an additional subscription period determined by the Issuer after the expiry of the Subscription Period (the "**Additional Subscription Period**"), unless any of these rights are excluded by the Pricing Supplement. In any event, the Additional Subscription Period will expire no later than on the relevant Record Date for Nominal Amount Repayment of the relevant Issue. The Issuer may thus issue the Bonds gradually (in tranches) within the Subscription Period and Additional Subscription Period, unless otherwise specified in the relevant Pricing Supplement.

Within the Subscription Period, the Issuer may issue Bonds (i) with a lower total nominal amount of the Issue than the anticipated total nominal amount of the Issue if the anticipated total nominal amount of the Issue is not subscribed; or (ii) with a higher total nominal amount of the Issue than the anticipated total nominal amount of the Issue, unless the Pricing Supplement excludes this right of the Issuer. The Issuer will notify the decision to issue the Bonds in the manner stipulated in the previous sentence in accordance with Condition 14.

The Issuer is entitled to determine the Additional Subscription Period to issue the Bonds within this period (i) up to the anticipated total nominal amount of the relevant Issue and/or (ii) with a higher total nominal amount of the Issue than the anticipated total nominal amount of the relevant Issue, unless any of these rights are excluded by the Pricing Supplement. The Issuer will notify the decision on the determination

of the Additional Subscription Period and the decision to issue the Bonds in the manner stipulated in the previous sentence in accordance with Condition 14.

If the Issuer decides to issue the Bonds with a higher total nominal amount than the anticipated total nominal amount of the Issue, the highest possible amount of any such increase will be specified in the Pricing Supplement.

Without undue delay after the expiry of the Subscription Period or the Additional Subscription Period or after all the Bonds of a particular Issue are subscribed (prior to the expiry of the Subscription Period or the Additional Subscription Period), the Issuer will, in accordance with Condition 14, notify the Bondholders of the total nominal amount of all Bonds constituting the relevant Issue, yet only if any such total nominal amount of all Bonds of the relevant Issue is lower or higher than the anticipated total nominal amount of the relevant Issue.

### **3. Status of the Bonds**

#### **3.1 Ranking**

The Bonds constitute direct, general, unconditional and unsubordinated liabilities of the Issuer secured under the Security Documents (as defined in Condition 3.2(d)) which rank *pari passu* among themselves and at least *pari passu* with any present and future unsubordinated liabilities of the Issuer, with the exception of liabilities treated preferentially under applicable mandatory laws.

Under the same conditions, the Issuer must treat all Bondholders equally.

#### **3.2 Establishment and Maintenance of the Security**

The liabilities of the Issuer arising under the Bonds will be, or, in the case of paragraphs (c) and (d) below, may be, secured by virtue of:

- (a) a financial guarantee within the meaning of Section 2029 *et seq.* of the Civil Code issued by the Guarantor (the “**Financial Guarantee**”). Under the Financial Guarantee, the Guarantor, irrevocably guarantees on the terms and subject to the conditions set out in the Financial Guarantee that, in the event that the Issuer fails to duly and in a timely manner discharge any of its payment obligations or other obligations in relation to any Bond of a particular Issue, including any potential liability of the Issuer owed to a Bondholder arising out of the potential invalidity (*neplatnost*), ineffectiveness (*neúčinnost*), nullity (*zánlivost*) or unenforceability (*nevymahatelnost*) of the obligations arising under the Bonds, the Guarantor will, based on a notice of the Security Agent delivered in accordance with the Joint Terms and Conditions and meeting the requirements set out in the Financial Guarantee, pay to the Security Agent such amount in full and in the relevant currency within fifteen (15) Business Days of the delivery of the notice by the Security Agent to the Guarantor. The liability of the Guarantor under the Financial Guarantee is initially limited to CZK 3,500,000,000 (or an equivalent amount in the relevant currency of the Bonds), whereas the Issuer undertakes to ensure that the Guarantor will effect such amendments of the Financial Guarantee to increase such limit so that it will not be less than a 1.5 multiple of the total nominal amount of the Bonds outstanding under the Programme at any time. The Financial Guarantee is incorporated in the Base Prospectus. The exercise of the rights arising under the Financial Guarantee is independent of the Security Agent’s exercise of the rights arising under a Subordination Agreement or a Pledge Agreement (each as defined below);
- (b) a subordination agreement to be entered into in respect of the 2024 SHL Subordinated Receivables between the Guarantor as borrower, the Subordinated Shareholders as subordinated creditors and the Security Agent as senior creditor (the “**Initial Subordination Agreement**”);
- (c) other subordination agreement(s), if any, entered into between the Guarantor or the Issuer as borrower, the relevant Subordinated Creditors as subordinated creditors and the Security Agent as a senior creditor substantially in the form of the Initial Subordination Agreement, unless the final wording of such a subordination agreement is agreed differently between the Security Agent and the Guarantor or the Issuer (each an “**Additional Subordination Agreement**” and, together

with the Initial Subordination Agreement, the “**Subordination Agreements**” and each a “**Subordination Agreement**”);

- (d) first-order pledge agreements with respect to selected Eligible Real Estate owned by the Guarantor or its Subsidiaries, if entered into in accordance with paragraphs (e), (f) and (g) of Condition 4.5 between the Guarantor or its Subsidiary as pledgor (each such company as the “**Pledgor**”) and the Security Agent as the pledgee, whereas each such pledge agreement must be executed substantially in the form attached as Annex 1 to the Security Agency Agreement, unless the final wording the relevant pledge agreement is agreed differently between the Security Agent and the Guarantor or its Subsidiary, whereas, should the pledge agreement be concluded in relation to real property (*nemovitost*) located outside the Czech Republic, each of the Security Agent, the Guarantor or its respective Subsidiary undertake to agree in good faith on the modifications of the above-mentioned form of pledge agreement so that it meets the requirements of applicable law and the practice accepted by banks in the case of similar transactions in the country where the real property in question is located (the “**Pledge Agreements**” and, together with the Financial Guarantee and the Subordination Agreements, the “**Security Documents**” and each a “**Security Document**”).

The Financial Guarantee was issued on or around the date of the Base Prospectus. The Initial Subordination Agreement will be concluded within ninety (90) days of the Issue Date of the initial Issue under the Programme. The Pledge Agreements may be entered into after the date of the Base Prospectus in accordance with paragraphs (e), (f) and (g) of Condition 4.5.

The Issuer will ensure that the Guarantor, each subordinated creditor under a Subordination Agreement and each pledgor under a Pledge Agreement comply with their obligations under the Security Documents, in each case until the discharge of all the debts arising under the Bonds issued under the Programme. This is without prejudice to the right of the Issuer to demand that the Security Agent waives rights arising under the Pledge Agreements in accordance with Condition 3.9.

Any Additional Subordination Agreement or Pledge Agreement may be entered into in accordance with these Joint Terms and Conditions at the request of the Issuer. The Security Agent will provide the Issuer with all necessary co-operation for the conclusion of such an Additional Subordination Agreement or Pledge Agreement.

The Security Agent will not be liable to the Bondholders for any damages arising as a result of the Security Documents being invalid or ineffective, or as a result of the Security Agent having carried out, or failing to carry out, any act in connection with any Security Document, unless such action or omission, as relevant, resulted from the Security Agent’s gross negligence or wilful misconduct.

### **3.3 Security Agent**

The Security Agent exercises the rights of the creditor and the pledgee or the recipient of other security, including the rights arising from or related to the Security Documents (as defined in Condition 3.2(d)), in its own name for the benefit of the Bondholders, including in the event of insolvency proceedings, enforcement of a decision or distraintment (*exekuce*) concerning the Issuer, the Guarantor, a Subordinated Creditor or a Pledgor. The relationship between the Issuer and the Security Agent is governed by the Security Agency Agreement.

Under the Security Agency Agreement, the Security Agent is:

- (a) obliged, in particular:
  - (i) to carry out all activities of the Security Agent in accordance with the Terms and Conditions and the instructions of the Meeting;
  - (ii) on the basis of the decision of the Meeting and in accordance with such a decision, to exercise, as a beneficiary of the Financial Guarantee, the rights from the Financial Guarantee, as a senior creditor, the rights arising under a Subordination Agreement or, as a pledgee, the rights from a Pledge Agreement; and

- (iii) to inform the Bondholders without delay by posting on the Security Agent's website [www.csas.cz](http://www.csas.cz) (in the 'Podpora a Dokumenty' section, link 'Dokumenty ke stažení', tab 'Oznámení agenta pro zajištění'), information regarding the procedure for exercising rights arising under the Security Documents and on the content of each significant notice or document that it makes or receives as the Security Agent from the Issuer, Guarantor, a Subordinated Creditor or other person in connection with the Security Documents; and
- (b) entitled, in particular, to:
  - (i) act as a beneficiary under the Financial Guarantee, as a senior creditor under a Subordination Agreement or as a pledgee under a Pledge Agreement, and to exercise all rights, powers and decision-making rights related thereto in its own name and for the benefit of the Bondholders; and
  - (ii) assess the compliance of the Issuer with the Terms and Conditions, especially if the Terms and Conditions provide that a certain obligation is to be complied with in a manner satisfactory to the Security Agent.

Under the Security Agency Agreement, the Security Agent is also entitled to use, at the expense of the Issuer, the services of professional advisers and experts in the performance of its duties. The Security Agent is entitled to contractual remuneration for, and reimbursement of costs associated with, its performance of the function of the Security Agent. The performance (*plnění*) obtained as a result of the exercise of the rights arising under the Security Documents belongs to the Bondholders (proportionately according to the number of Bonds they own) and the Security Agent, as provided for in these Joint Terms and Conditions, whereas in accordance with Section 20(2) of the Bonds Act, such funds are considered to be the customer's property under the Capital Market Act. In exercising the rights under the Security Documents, the Security Agency Agreement and the Terms and Conditions and other rights under the Bonds Act relating to the Security Documents, the Security Agent is considered to be the creditor of each secured receivable in accordance with Section 20a(6) of the Bonds Act. To the extent that such rights (including those referred to in Section 20a(5) of the Bonds Act) are exercised by the Security Agent, no Bondholder is entitled to exercise such rights separately. If the Security Agent is delayed in the exercise of the applicable rights or the performance of its duties for more than sixty (60) days, it may be dismissed under the Security Agency Agreement, whereas the Issuer is, in such circumstances, obliged to convene a Meeting under Condition 12.1(b).

Copies of the Security Documents and the Security Agency Agreement will be available for inspection to the Bondholders or investors in the Bonds prior to subscription for or purchase of the Bonds during usual business hours at the Specified Office, as set out in Condition 11.1(a).

By subscribing for or purchasing the Bonds, each Bondholder agrees to the appointment of the Security Agent as a security agent under Section 20 *et seq.* of the Bonds Act. Each Bondholder further agrees that the Security Agent may, in its name and on behalf of the Bondholders, exercise all rights of a creditor, pledgee or recipient of any other security arising under the Security Documents, the Terms and Conditions, the Security Agency Agreement and the Bonds Act or other applicable legislation under the terms and conditions set forth therein.

The Security Agent agrees to its appointment as a security agent and other authorisations under the Terms and Conditions and Section 20 *et seq.* of the Bonds Act in connection with the Bonds contained in the Security Agency Agreement and the Security Documents. The Security Agency Agreement and the Security Documents may include additional details regarding the rights and obligations of the Security Agent, including, where applicable, the enforcement of rights arising under the Security Documents.

### **3.4 Position of the Security Agent**

The Security Agent is obliged to act with due care and, in particular, to act in a qualified, honest and fair manner and in the best interests of the Bondholders. The Security Agent is always bound by the instructions validly given by the Meeting. The Security Agent exercises the rights and obligations contained in these Joint Terms and Conditions, the Security Documents, the Security Agency Agreement and Section 20 *et seq.* of the Bonds Act. In accordance with Section 20a(8) of the Bonds Act, the

provisions of the Civil Code on the management of another's assets will not apply to the activities of the Security Agent. The Security Agent is not obliged to review the accuracy of any documents or any calculations made by the Issuer or the Chosen Auditor under these Joint Terms and Conditions.

If there are any reasons for the termination of the activities of the Security Agent under the Security Agency Agreement or any other reasons under Section 21(1)(b) of the Bonds Act (i.e., reasons due to which the activities of the Security Agent were or can be terminated under the Security Agency Agreement) or Section 21(1)(c) of the Bonds Act (i.e., request for a change in the identity of the Security Agent by Bondholders whose Bonds' nominal amount represents at least 5% of the total nominal amount of the Bonds), the Issuer is obliged to convene a Meeting without undue delay in accordance with Condition 12.1(b) in order to decide on the appointment of a new security agent, whereas only a licensed credit institution authorised to provide banking services in the Czech Republic may be appointed as the new security agent (the "**New Security Agent**").

In the event the Issuer does not convene such a Meeting, the Security Agent is obliged to convene the Meeting without undue delay and at the Issuer's expense in accordance with Condition 12.1(a). If the Meeting is not convened by either the Issuer or the Security Agent, any Bondholder is authorised to convene the Meeting in accordance with Condition 12.1(a).

The rights and obligations arising under the Security Documents, these Joint Terms and Conditions and the Security Agency Agreement pursuant to Section 20(6) of the Bonds Act will automatically be transferred to the New Security Agent with effect as of the date on which the Meeting adopted the decision to appoint the New Security Agent, unless a later date is specified in the Meeting's decision. The procedure for changing the Security Agent is further specified in the Security Agency Agreement. However, the transfer of rights and obligations to the New Security Agent will not take place before the New Security Agent has consented to its appointment as a security agent in respect of the Bonds. No obligations of the Security Agent arising from a breach of its obligations as a security agent or any liabilities related to the office of the Security Agent that originated before the effective date of appointment of the New Security Agent will be transferred to the New Security Agent. The Issuer will notify the Bondholders and the Fiscal and Paying Agent of the appointment of the New Security Agent in the manner specified in Condition 14.1 of these Joint Terms and Conditions. If a new Security Agency Agreement is entered into between the Issuer and the New Security Agent, a copy of such a new Security Agency Agreement will be available for inspection to the Bondholders during usual business hours at the Specified Office, as stipulated in Condition 3.3.

### 3.5 Actions of the Security Agent

(a) The Security Agent

- (i) is obliged, subject to paragraphs (d) and (e) below, to exercise any right or refrain from exercising any right which it has as the Security Agent, in accordance with any instruction approved by the Meeting by a Simple Majority (the "**Meeting Instruction**"); and
- (ii) is not responsible for any action (or omission) if it acts (or refrains from acting) in accordance with the Meeting Instruction.

(b) Instruction clarification

The Security Agent is entitled to request:

- (i) convening a Meeting to issue a Meeting Instruction or to specify the decisions under previous Meeting Instruction; or
- (ii) if the statutory conditions for making a decision on matters that were not included in the proposed agenda of the Meeting are fulfilled, a Meeting Instruction or specifying the Meeting Instruction directly during the Meeting,

as to whether and how it should exercise any right or refrain from exercising any right or authority, and the Security Agent may refrain from acting until it receives such a Meeting Instruction or specification. This is without prejudice to the right, and not the obligation, of the

Security Agent to exercise any right or refrain from exercising any right or authority if the delay, in the opinion of the Security Agent, could cause serious damage to the Bondholders.

(c) Binding nature of instructions

Any Meeting Instruction will be binding on all Bondholders.

(d) In the exercise of any right of the Security Agent under the Security Documents or any related right, including the exercise of creditor's rights under Section 20a(5) of the Bonds Act, where:

- (i) the Security Agent has not received any instruction regarding the exercise of that right; or
- (ii) in the opinion of the Security Agent, the Meeting Instruction is in violation of law or contrary to good morals,

the Security Agent will act at its discretion, taking into account the interests of all Bondholders.

(e) The Security Agent is not obliged to act in accordance with the Meeting Instruction unless it is also provided with sufficient security or promised indemnification by the Bondholders (and approved by a Meeting) or the Issuer (in the opinion of the Security Agent to a sufficient extent) in the event of any material damage (*škoda*) or non-material harm (*nemajetková újma*).

Without prejudice to the provisions of Condition 3.7 or other provisions of this Condition 3.5, in the absence of any Meeting Instructions, the Security Agent may act (or refrain from acting) as it deems appropriate, but always in the best interest of the Bondholders.

### 3.6 Acceleration

If an Event of Default (as defined in Condition 9.1) under Conditions 9.1(a), 9.1(c) (except in respect of a Subsidiary of the Guarantor), 9.1(f) or 9.1(g) occurs and is continuing, the Security Agent may, if it is in its opinion necessary to protect the rights and interests of the Bondholders without any delay, decide that all liabilities arising under the Bonds, including any unpaid accrued interest or other yield on these Bonds in accordance with Conditions 5.1 or 5.2, become due and payable (the “**Acceleration**”), or convene a Meeting to obtain a Meeting Instruction for Acceleration.

The Security Agent must always decide on Acceleration if so decided by a Simple Majority, whereas any Event of Default may form the basis for such a decision of the Meeting. The decision on Acceleration will state as a result of which occurred and continuing Event of Default it was adopted by the Security Agent and will be effective upon its delivery to the Issuer and publication on the website of the Security Agent [www.csas.cz](http://www.csas.cz) (under ‘*Podpora a Dokumenty*’ section, link ‘*Dokumenty ke stažení*’, tab ‘*Oznámení agenta pro zajištění*’).

If the decision on Acceleration is made, all amounts payable by the Issuer to the Bondholders will become payable (unless they have become payable earlier) on the last Business Day of the month following the month in which the Security Agent decided on the Acceleration (the “**Early Redemption Date**”) and the decision became effective in accordance with the preceding paragraph. At one Meeting, both a decision on Acceleration and an Enforcement Decision (as defined in Condition 3.8) can be adopted, provided, however, that the decision on Acceleration is adopted first and the Enforcement Decision is made subsequently, whereas each such decision must be made by the requisite majority of the Bondholders.

### 3.7 Enforcement of the Security and Other Decisions

Pursuant to Section 20a(7) of the Bonds Act, the Bondholders will not have any direct rights under the Security Documents and will not be able to exercise any separate authorisation, right or remedy regarding any Security Document or grant consent or waive the right arising under the Security Documents or make any direct use of any Security Document if such rights arising thereunder are exercised by the Security Agent. None of the Bondholders will be entitled to ask the Security Agent independently to act in any way in relation to the Security Documents.



If Acceleration Occurs, the Security Agent will determine, acting in good faith and exercising due care, the appropriate manner of enforcement or other appropriate actions according to applicable law relating to, and in accordance with the terms of, the Security Documents.

Before the Security Agent commences the enforcement of the Security and without prejudice to the following paragraph, the Security Agent must convene a Meeting at the Issuer's expense in accordance with Condition 12.1(a) of these Joint Terms and Conditions. The Meeting will decide whether the Security Agent is to commence the enforcement of the Security or take other steps in relation to the Security Documents (the "**Enforcement Decision**"). The Enforcement Decision must be approved by a Simple Majority and must contain the manner of enforcement of the Security in accordance with the Security Documents and applicable law. The Enforcement Decision is binding on the Security Agent and all Bondholders. The Security Agent will proceed in accordance with the Enforcement Decision without undue delay after the Enforcement Decision has been delivered to it by the Principal Paying Agent, the Issuer or any Bondholder or after the Enforcement Decision has been published.

If the Security Agent made a decision on Acceleration without seeking a Meeting Instruction in accordance with Condition 3.6, the Security Agent may, if it is in its opinion necessary to protect the rights and interests of the Bondholders without any delay, decide to initiate enforcement of the rights under the Security Documents or to take any steps in relation thereto, including prior to the Enforcement Decision being made in accordance with the preceding paragraph.

The Security Agent will inform the Bondholders about the status of the enforcement of the Security Documents by way of publications on its website [www.csas.cz](http://www.csas.cz) (under '*Podpora a Dokumenty*' section, link '*Dokumenty ke stažení*', tab '*Oznámení agenta pro zajištění*'). Documents related to the enforcement of the Security will be available for inspection by the Bondholders during usual business hours at the Specified Office, as set out in Condition 11.1(a).

### **3.8 Use of Proceeds**

The Security Agent will, and is obliged to under the Security Agency Agreement, use any proceeds from the Security that it receives as follows:

- (a) first, to cover all payments due to the Security Agent in connection with the performance of its office (excluding the Security Agent's remuneration), including any costs and expenses related to the enforcement of the rights arising under the Security Documents, unless such payments have been made otherwise;
- (b) second, to pay the Security Agent's remuneration of 3% of the proceeds from the enforcement of the Security;
- (c) third, to pay the proportionate amount of any indemnification or advance on enforcement costs paid to the Security Agent by the Bondholders;
- (d) fourth, to pay the proportionate amount of any due and outstanding principal of, and due and outstanding interest on, the Bonds to the Bondholders; and
- (e) fifth, to refund any surplus to the Guarantor, a Subordinated Creditor or a Pledgor.

The principal and interest accrued on the Bonds under the preceding paragraph will be paid by the Security Agent through the Fiscal and Paying Agent. The Security Agent will inform the Bondholders of the distribution of these proceeds among the Bondholders by publishing it on the Security Agent's website [www.csas.cz](http://www.csas.cz) (under '*Podpora a Dokumenty*' section, link '*Dokumenty ke stažení*', tab '*Oznámení agenta pro zajištění*') and on the Issuer's Website. In the case of enforcement of the Security Documents as part of the insolvency proceedings of the Issuer, the Guarantor, a Subordinated Creditor or a Pledgee, the rules for the distribution of the proceeds from the realisation of the rights arising under the Security Documents will be adjusted in accordance with the statutory conditions.

### **3.9 Waiver of Rights arising under a Pledge Agreement**

The Issuer is entitled to request, on the basis of a written request addressed to the Security Agent, that the Security Agent waive the rights arising under any Pledge Agreement with respect to selected Eligible Real Estate, if the following conditions are met:

- (a) no Event of Default has occurred or is continuing or will occur as a result of the waiver so requested;
- (b) no decision on Acceleration has been made in accordance with Condition 3.6 and remains outstanding;
- (c) the Issuer informs the Fiscal and Paying Agent and the Security Agent in writing and, in accordance with Condition 14, publishes information regarding the intended waiver;
- (d) taking into account the waiver on a *pro forma* basis, all requirements under Condition 4.5(a) will be met,
- (e) the Issuer has ensured that there will be no Security established under the exception in Condition 4.2(c) the establishment of which would not otherwise be permitted under Condition 4.1 at the time of its establishment, and the Issuer will make available the confirmation of this fact issued by persons authorised to act on behalf of the Issuer and the Guarantor in the manner specified in Condition 14.1; and
- (f) if Security with respect to selected Eligible Real Estate was established as part of the Rectification (as defined below) under Condition 4.5(e) it may only be released after the publication of the annual or half-year financial statements of the Guarantor for the relevant accounting period in which such Rectification took place, together with a confirmation of the Chosen Auditor that the requirements of Condition 4.5(a) have been met as of the balance sheet date of such financial statements.

The Security Agent has undertaken and is authorised to provide the Issuer with all necessary cooperation, including the issuance of confirmations or other documents to ensure that, upon fulfilment of all conditions under paragraphs (a) to (f) above, the Security in relation to the Eligible Real Estate is waived to the extent requested by the Issuer.

## **4. Obligations of the Issuer and the Guarantor**

The Pricing Supplement may specify that any or all provisions of this Condition 4 do not apply in respect of the Bonds of a particular Issue.

### **4.1 Negative Pledge**

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that neither the Guarantor nor any Subsidiary of the Guarantor will, establish or allow the establishment of any Security to secure any Financial Indebtedness that would fully or partially limit the rights of the Issuer, the Guarantor or any Subsidiary of the Guarantor to their current or future assets or income.

### **4.2 Negative Pledge Exceptions – Equivalent Security, Decision of the Meeting**

The restrictions under Condition 4.1 do not apply if, before or at the time of the establishment of such Security, the Issuer ensures that:

- (a) its debts arising under the Bonds are secured in at least an equivalent manner under applicable law of the relevant jurisdiction to the Financial Indebtedness so secured or secured in another manner approved by a resolution of the Meeting by a Simple Majority;
- (b) the establishment of such Security is approved by a resolution of the Meeting adopted by a Simple Majority in accordance with Condition 12; or

- (c) its debts arising under the Bonds are, at the time of the establishment of such Security, secured by Eligible Pledges in accordance with Conditions 4.5(e) to 4.5(g) and, at the same time, all the requirements of Condition 4.5(g) have been met.

#### 4.3 Negative Pledge Exceptions – Miscellaneous

The restrictions under Condition 4.1 do not apply to any Security (present or future) if:

- (a) except in cases under paragraphs (b)(i) and (b)(ii) below:
  - (i) there is no Event of Default immediately before or at the time of the establishment of such Security; and
  - (ii) no Event of Default or Potential Event of Default occurs as a result of the establishment of such Security,
- (b) such Security:
  - (i) exists on the Issue Date of the initial Issue under this Programme;
  - (ii) encumbers, or arises in relation to, the property of the Issuer, the Guarantor or any Subsidiary of the Guarantor in connection with the issuance of bonds or the conclusion of contractual or similar arrangements by the Issuer, the Guarantor or any Subsidiary of the Guarantor, in each case for the purposes of early or due repayment of the debts arising under all the outstanding Bonds and in connection with hedging derivatives entered into by the Issuer in relation to such arrangements, if such repayment occurs within ninety (90) days of the date of establishment of such Security;
  - (iii) arises under statute (*zákon*) or on the basis of a judicial or administrative decision if:
    - (A) the Issuer, the Guarantor or the relevant Subsidiary of the Guarantor in good faith and in the prescribed manner defends the claim in connection with which this Security was or is to be established; or
    - (B) such Security lasts for the period during which appeal proceedings (*řízení o řádném opravném prostředku*) are being conducted with respect to such a decision on the basis of which this Security was or is to be established;
  - (iv) encumbers, or arises in relation to, the property of:
    - (A) the Guarantor or a Subsidiary of the Guarantor in the ordinary course of business of such person (including Security established in connection with usual banking operations, refinancing or obtaining funds through Financial Indebtedness for the financing of acquisitions, development activities and operating costs, but always only if the financing person is a bank); or
    - (B) the Issuer, the Guarantor or a Subsidiary of the Guarantor in connection with usual banking operations on the basis of an account agreement (*smlouva o vedení účtu*), general terms and conditions or a similar document of the relevant bank;
  - (v) encumbers, or arises in relation to, the property of any Subsidiary of the Guarantor for the purposes of securing Financial Indebtedness arising under existing or future debt financing of a Group member, especially in the form of loans, bonds, promissory notes or other securities, borrowings, leasing, letter of credit, guarantee, promise of compensation, or other forms of debt financing for which Security was or will be established;
  - (vi) arises under the rules and regulations of any clearing system or stock exchange and relates to shares or other securities held in that clearing system or stock exchange;

- (vii) relates to property that is the subject of a Disposal made in accordance with Condition 4.6, if such:
  - (A) property ceases to be owned by a Group member within 90 days of the establishment of such Security; or
  - (B) Security expires within 90 days of its establishment;
- (viii) relates to any property acquired by the Issuer, the Guarantor (in such case, however, only property in the form of a participation interests (*obchodní podíl*), shares (*akcie*) or other equity instruments representing a stake (*účást*) in a legal entity or claims against such entity) or any Subsidiary of the Guarantor, if:
  - (A) such Security is established before the date on which such property is acquired; and
  - (B) the secured principal amount is not increased after, or in connection with, the acquisition of such property by a member of the Group;
- (ix) relates to or affects any property of any company acquired by the Issuer, the Guarantor or any Subsidiary of the Guarantor, if:
  - (A) such Security is established before the date on which such company is acquired; and
  - (B) the secured principal amount is not increased after, or in connection with, the acquisition of such company,
- (x) encumbers, or arises in relation to, the property of the Issuer, the Guarantor or any Subsidiary of the Guarantor in connection with hedging derivatives entered into by the Issuer (but always only in connection with the Bonds), the Guarantor or any Subsidiary of the Guarantor to hedge against fluctuations in interest rates, exchange rates or commodity prices (excluding, for the avoidance of doubt, any derivatives entered for or serving speculative purposes); or
- (xi) is established for the purposes of securing any obligations of the Guarantor or any Subsidiary of the Guarantor arising in connection with a Project Financing, if the property or income to which the Security relates constitutes:
  - (A) property that is used or is to be used in connection with the project to which the Project Financing relates;
  - (B) income or receivables arising from business operations, non-fulfilment of agreed parameters or other conditions of expropriation, sale or destruction or damage to such property;
  - (C) shares, participation interest or other equity instruments representing a stake in a legal entity that is the recipient of such Project Financing; or
  - (D) receivables against a legal entity that is the recipient of such Project Financing,
- (c) always provided that such Security does not secure:
  - (i) the Issuer's receivables against the Guarantor or any Affiliate (as defined in Condition 4.8);
  - (ii) the Guarantor's receivables against any Affiliate; or
  - (iii) Financial Indebtedness in the form of bonds (other than the Bonds), promissory notes or other securities, except for:

- (A) bonds issued to refinance (if the principal amount of such Financial Indebtedness has not increased in connection with such refinancing) all the debts under the bonds issued by Accolade Portfolio F2, a.s., člen koncernu, due in 2025, ISIN CZ0003543167;
- (B) bonds issued under exception (b)(ii) above; or
- (C) bonds issued under exception (b)(xi) above provided that such Security does not secure any liabilities of the Guarantor.

#### 4.4 Transactions with Ultimate Controlling Persons and their Subsidiaries

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that the Guarantor or any member of the Group will not enter into an agreement or conduct a transaction with any:

- (a) Subsidiary of any Ultimate Controlling Person (other than the Guarantor or any member of the Group); or
- (b) Ultimate Controlling Person,

other than on an arm's length basis (*za podmínek obvyklých v obchodním styku*) or under conditions that are more advantageous for the Issuer, the Guarantor or another member of the Group than if the agreement was entered, or the transaction conducted, on an arm's length basis.

The limitations under this Condition 4.4 do not apply to any transactions between members of the Group.

#### 4.5 Financial Covenants

- (a) Obligation to maintain financial covenants

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes that:

- (i) the LTV Ratio does not exceed the Permitted LTV Ratio;
- (ii) the Priority Debt Ratio does not exceed the Permitted Priority Debt Ratio; and
- (iii) the Equity Ratio will not be lower than the Minimum Equity Ratio.

- (b) Financial covenants testing

Testing of the financial covenants under this Condition 4.5 will always take place retroactively on the basis of the relevant consolidated financial statements of the Guarantor, and as of the balance sheet date thereof, whereas the Issuer is obliged to publish such financial statements in accordance with Condition 4.13.

If these Joint Terms and Conditions provide that any obligation under this Condition 4.5 is to be tested on a *pro forma* basis, this means testing that takes into account the relevant transaction (and that takes into account any other transactions already carried out after the end of the last relevant accounting period in relation to which testing on a *pro forma* basis is to be carried out according to these Joint Terms and Conditions) or a step on a *pro forma* basis, such consideration will be carried out in good faith by the financial director or another relevant employee of the Guarantor, as if this event took place on the first day of the relevant accounting period.

- (c) Information obligations

The Issuer is obliged immediately after learning that:

- (i) the LTV Ratio calculated on the basis of the relevant financial statements of the Guarantor exceeded the Permitted LTV Ratio;

- (ii) the Priority Debt Ratio calculated on the basis of the relevant financial statements of the Guarantor exceeded the Permitted Priority Debt Ratio; or
- (iii) the Equity Ratio calculated on the basis of the relevant financial statements of the Guarantor did not reach the Minimum Equity Ratio,

notify the Fiscal and Paying Agent, the Security Agent and the Bondholders thereof in the manner specified in Condition 14.1.

(d) Equity Cure

Within 20 Business Days after the Issuer duly made, or should have made, the notification under Condition 4.5(c), any Ultimate Controlling Person or any of their Subsidiaries may carry out or ensure the rectification of the LTV Ratio, the Priority Debt Ratio or the Equity Ratio, as relevant, by increasing the Guarantor's registered share capital, providing a contribution outside of the Guarantor's share capital (*příspěvek mimo základní kapitál*), providing a loan or a borrowing, provided that such loan or borrowing is subordinated under a Subordination Agreement to the debts arising under the Financial Guarantee (the "**Rectification**", and Cash or Cash Equivalents provided in the course of the Rectification, the "**Rectification Amounts**").

Following each Rectification according to the previous paragraph, the Issuer is obliged without undue delay, and no later than 10 Business Days from the date of the Rectification, to inform the Fiscal and Paying Agent and the Security Agent regarding the implementation of the Rectification (including the Rectification method chosen) and to publish the same in the manner specified in Condition 14.1, together with a confirmation issued by persons authorised to act on behalf of the Issuer and the Guarantor that the requirements of Condition 4.5(a) are met following the Rectification.

For the purposes of the confirmation according to the previous paragraph, the Issuer will take into account the Rectification by reducing the value of the Net Indebtedness (in relation to the calculation of the LTV Ratio) and the Net Priority Debt (in relation to the calculation of the Priority Debt Ratio) by the Rectification Amount received and increasing the value of Equity and, at the same time, the value of the Guarantor's total assets on a consolidated basis (in relation to the calculation of the Equity Ratio).

(e) Security Cure

Within 20 Business Days after the Issuer duly made, or should have made, the notification under Condition 4.5(c)(ii), any member of the Group may ensure the rectification of the Priority Debt Ratio by entering a Pledge Agreement in relation to Eligible Real Estate in order to secure exclusively the debts arising under the Bonds, provided that the market value of such Eligible Real Estate, together with the market value of Eligible Real Estate in respect of which a pledge has been established under Condition 4.5(f), always determined according to the opinion of the Chosen Expert, reaches at least 150% of the total nominal value of outstanding Bonds (the "**Rectification**").

Following the Rectification according to the previous paragraph, the Issuer is obliged without undue delay, and no later than 10 Business Days from the date of the submission of the proposal for the registration of the pledge established on the basis of such a pledge agreement, to inform the Fiscal and Paying Agent and the Security Agent regarding the implementation of the Rectification (including the Rectification method chosen) and to publish it in the manner specified in Condition 14.1.

The Security Agent has undertaken, and is entitled, to provide the Issuer with all necessary cooperation for the conclusion of pledge agreements pursuant to this Condition 4.5(e).

(f) Establishment of pledges on request

The Issuer is entitled to request that the Security Agent enters a Pledge Agreement in relation to Eligible Real Estate in order to secure exclusively the debts arising under the Bonds. The Security Agent has undertaken and is obliged to provide the Issuer with all necessary cooperation for the

conclusion of Pledge Agreements under this Condition 4.5(f), provided that the market value of such Eligible Real Estate as determined by the opinion of the Chosen Expert is at least 150% of the total nominal value of the outstanding Bonds.

(g) Common provisions in relation to pledges

For the duration of the pledges (*zástavní právo*) established under Conditions 4.5(e) or 4.5(f) or this Condition 4.5(g) (the pledges so established as “**Eligible Pledges**”), the Issuer will not be obliged to comply with the requirements of Conditions 4.1 to 4.3 and 4.5(a)(ii) and the fulfilment of these requirements will not be tested in accordance with these Joint Terms and Conditions, provided that the market value of the Eligible Real Estate determined according to the opinion of the Chosen Expert, in relation to which the Eligible Pledges were established, reaches at all times at least 150% of the total nominal value of the outstanding Bonds. For this purpose, the Issuer is obliged to ensure that the Guarantor or another member of the Group selects one or more Chosen Experts to assess the market value of all Eligible Real Estate in relation to which Eligible Pledges have been established at least once per financial year of the Guarantor, except if such Eligible Real Estate is valued at the same time intervals under Conditions 4.5(f) or 4.12. The provisions of Condition 4.12 setting out the general rules for asset valuation, including the valuation standards, will apply to valuations carried out for the purposes of this Condition 4.5(g), as appropriate.

If the market value of Eligible Real Estate in relation to which Eligible Pledges have been established decreases so that it does not reach at least 150% of the total nominal value of the outstanding Bonds, the Issuer, within ninety (90) days of the moment it becomes aware of such a decrease, will:

- (i) be obliged to establish Eligible Pledges in relation to other Eligible Real Estate so that the market value of all Eligible Real Estate in relation to which Eligible Pledges are established reaches at least 150% of the total nominal value outstanding Bonds; or
- (ii) ensure that there is no Security which has been established pursuant to the exception in Condition 4.2(c) and the establishment of which at the time of creation would not otherwise be permitted under Condition 4.1, provided that such procedure does not affect the renewal of the Issuer’s obligation to comply with the requirements of Condition 4.5(a)(ii), and the fulfilment of these requirements will be further tested in accordance with these Joint Terms and Conditions.

After carrying out the rectification under points (i) and (ii) immediately above, the Issuer is obliged without undue delay, and no later than 10 Business Days from the date of completion of such rectification, to inform the Fiscal and Paying Agent and the Security Agent regarding the rectification and its method and to publish information regarding the implementation of such rectification in the manner specified in Condition 14.1, together with a confirmation issued by persons authorised to act on behalf of the Issuer and the Guarantor that, following the rectification, the requirements of the first paragraph of this Condition 4.5(g) are met or, in the case of rectification according to point (ii) immediately above, there is no Security that has been established based on the exception in Condition 4.2(c) the establishment of which would otherwise not be in accordance with Condition 4.1 at the time of its establishment.

#### **4.6 Restrictions on Disposals of Property**

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that the Guarantor and any Significant Subsidiary will not, sell, invest in the share capital or other capital of another company, transfer or otherwise dispose of assets in one or a series of transactions, or carry out any other transaction that has the business effect of a disposal of property (collectively, a “**Disposal**”), whereas related Disposals, especially if they occur as part of a single transaction, are considered to be one Disposal for the purposes of the limits set forth below.

The restrictions under the preceding paragraph do not apply to any Disposal if:

- (a)

- (i) it is carried out on an arm's length basis;
- (ii) the counter-performance received for such Disposal is determined in money or, if the counter-performance is not determined in money and if the total value of such Disposal (or several such Disposals in aggregate during the course of a financial year) reaches at least EUR 35,000,000 (or its equivalent in any other currency), the Issuer, no later than within thirty (30) Business Days from the day on which it carries out a Disposal in excess of this limit, publishes and makes available to the Bondholders in the manner specified in Condition 14.1, a declaration by the persons authorised to act on behalf of the Issuer and the Guarantor that such Disposal was made (a) taking into account an opinion prepared by the Chosen Expert or the Chosen Auditor who determined the value of the performance and counter-performance within such Disposals; and (b) on an arm's length basis;
- (iii) immediately before the implementation of such Disposal and taking the Disposal into account on a *pro forma* basis, the requirements of Condition 4.5(a) are met; and
- (iv) as a result of such Disposal, no Event of Default occurs and no Event of Default or a Potential Event of Default continues,

and, at the same time, the following conditions are met:

- (A) if the total value of a single Disposal reaches at least EUR 35,000,000 (or its equivalent in any other currency), the Issuer is obliged to ensure the preparation of an opinion by the Chosen Auditor or the Chosen Expert, which opinion will not be older than six (6) months, determining the value of the property that is the subject of such a Disposal, whereas this opinion will not be published and the Issuer will publish and make available to the Bondholders in the manner specified in Condition 14.1 a statement of persons authorised to act on behalf of the Issuer and the Guarantor confirming the preparation of such an opinion; and
  - (B) if the total value of a single Disposal (or several such Disposals in aggregate during the course of a financial year) reaches at least EUR 50,000,000 (or its equivalent in any other currency), the Issuer is obliged to, within ten (10) Business Days from the day on which it carries out a Disposal in excess of this limit, publish and make available to the Bondholders in the manner specified in Condition 14.1 a declaration of the persons authorised to act on behalf of the Issuer and the Guarantor that the conditions under paragraphs (i), (iii) and (iv) of paragraph (a) of this Condition 4.6 are met, and to also send this declaration to the Fiscal and Paying Agent and the Security Agent;
- (b) such Disposal is carried out between members of the Group; or
  - (c) the aggregate value of any such Disposal or Disposals during the course of a financial year does not exceed EUR 10,000,000 (or its equivalent in any other currency) if, at the time of the relevant Disposal, there is no Event of Default and no Event of Default arises as a result of such Disposal or Disposals.

#### **4.7 Restrictions on Financial Indebtedness**

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to incur or increase its Financial Indebtedness, and will ensure that the Guarantor and any Significant Subsidiary will not incur or increase their Financial Indebtedness.

The restrictions under the preceding paragraph do not apply:

- (a) if:



- (i) immediately before the incurrence or increase of such Financial Indebtedness and taking it into account on a *pro forma* basis, the requirements under Condition 4.5(a) are met; and
  - (ii) no Event of Default will occur as a result of such Financial Indebtedness and no Event of Default or Potential Event of Default continues; or
- (b) to any Financial Indebtedness:
- (i) arising under the Bonds;
  - (ii) incurred by operation of law or on the basis of a judicial or administrative decision against the Issuer, the Guarantor or a Significant Subsidiary, if the Issuer, the Guarantor or the relevant Significant Subsidiary acted actively in the proceedings leading up to the judicial or administrative decision and protected their interests in good faith;
  - (iii) incurred for the purposes of early or due repayment of the debts arising under all the outstanding Bonds by the Issuer and payment of related costs and fees, if such repayment takes place within 90 days from the date of the incurrence of such Financial Indebtedness;
  - (iv) of the Issuer or the Guarantor in the form of a loan or a borrowing subordinated under a Subordination Agreement to debts arising under the Bonds (in the case of the Issuer), or the Financial Guarantee (in the case of the Guarantor);
  - (v) incurred between the Issuer, the Guarantor or other members of the Group;
  - (vi) incurred exclusively for the purpose of refinancing the Financial Indebtedness of a Group member, including the Financial Indebtedness arising under the Bonds, if the principal amount of such Financial Indebtedness has not increased in connection with the refinancing; and
  - (vii) of the Guarantor or a Significant Subsidiary of the Guarantor other than Financial Indebtedness referred to above in this Condition 4.7, the aggregate principal of which does not exceed EUR 15,000,000 (or its equivalent in any other currency) in the course of the relevant financial year.

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that no member of the Group except the Guarantor will, incur or increase its Financial Indebtedness to any Affiliate (as defined in Condition 4.8). The Issuer will ensure that no Financial Indebtedness of the Guarantor owed to any Affiliate will be secured by Security.

#### **4.8 Restrictions on Distributions**

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes and will ensure that:

- (a) the Issuer, the Guarantor or any other member of the Group will not:
  - (i) make any payment, directly or indirectly, in favour of any Ultimate Controlling Person or any Subsidiary of the Ultimate Controlling Person which is not a member of the Group (each an “**Affiliate**”) in order to repay their debts;
  - (ii) make any payment, directly or indirectly, in favour of any Affiliate or another person who is not a member of the Group in order to repay their debts that are subordinated under a Subordination Agreement (in all cases including any payment of interest) to the debts arising under the Bonds or the Financial Guarantee;
  - (iii) repay debt of, provide *in personam* security (*závazkové zajištění*) to, or issue a confirmation of debt (*utvrzení dluhu*) in favour of, an Affiliate or another person who is not a member of the Group;

- (b) the Guarantor will not propose a payment resolution or distribute or pay any dividend, other profit share, share in equity or share capital, other payment in connection with its capital, interest on unpaid dividends, other payment or similar amount (e.g., advance on dividends or interest on unpaid dividends);
- (c) a member of the Group other than the Guarantor does not make a payment according to paragraph (b) immediately above in favour of a person who is not a member of the Group in such a way that such a person would receive a payment in an amount greater than the amount it would receive in the event of a payment made on a pro rata basis based on its share in the capital of the member of the Group making the payment (each of the situations under paragraphs (a) to (c) immediately above, a “**Distribution**”),

if, immediately before, or as a result of, such Distribution,

- (a) the LTV Ratio exceeds the Permitted LTV Ratio;
- (b) the Equity Ratio is not lower than the Minimum Equity Ratio; or
- (c) there is, or there occurs, an Event of Default.

The restrictions under this Condition 4.8 will not apply to any Distribution in favour of Affiliates if:

- (a) the aggregate volume of such Distribution or Distributions does not exceed CZK 30,000,000 (or its equivalent in any other currency) in the course of a single financial year of the Guarantor; and
- (b) at the time of any such Distribution, there is no Event of Default, and no Event of Default occurs as a result of such Distribution.

#### **4.9 Restrictions on Loans and Borrowings**

So long as any payment obligations arising under the Bonds remain outstanding, the Issuer undertakes not to, and will ensure that the Guarantor or any member of the Group will not, become a creditor in respect of any Financial Indebtedness, except by way of making a loan or a borrowing in favour of any member of the Group.

The restrictions under the preceding paragraph in relation to the Guarantor will further not apply to:

- (a) any loan or borrowing made in favour of (i) companies that are included in the assets of the Accolade Fund or Accolade Sub-Fund; or (ii) other companies (each such company, the “**Beneficiary**”) if any member of the Group has an equity interest in and voting rights in relation to such Beneficiary if, in the case of point (ii) immediately above, such share amounts to at least 10% and the relevant Distribution is provided to the Beneficiary exclusively for the purpose of:
  - (i) financing the construction, reconstruction or modernisation of commercial real estate by the Beneficiary and the usual related costs;
  - (ii) reimbursing costs related to the operation of the Beneficiary’s real property, in the amount of EUR 500,000 (or its equivalent in any other currency) per year; or
  - (iii) for the purpose of refinancing the costs referred to in point (i) immediately above.
- (b) any loan or borrowing made to persons who are not members of the Group, if the aggregate principal amount of all such loans or borrowings granted at any time does not exceed the amount of EUR 10,000,000 (or its equivalent in any other currency).

#### **4.10 Initial Subordination Agreement**

The Issuer undertakes and will ensure that, no later than ninety (90) days from the Issue Date of the initial Issue under the Programme, the 2024 SHL Subordinated Receivables will be subordinated by virtue of the Initial Subordination Agreement to the receivables arising under the Financial Guarantee.

#### 4.11 Restrictions on Transformations

The Issuer undertakes not to, and will ensure that the Guarantor will not:

- (a) participate in a merger, division, transfer of assets to a shareholder or other transformation;
- (b) change its legal form; or
- (c) sell, or contribute to the registered capital of another company, or in any way transfer, pledge or lease its enterprise (*závod*) or a substantial part of its enterprise representing a separate organisational unit of the enterprise (each a “**Transformation**”).

The restrictions under this Condition 4.11 will not apply to any:

- (a) Transformation of the Guarantor if (i) only members of the Group participate in such Transformation; (ii) no distribution or transfer of assets outside the Group occurs in the course of such Transformation; and (iii) no Change of Control, Event of Default or Potential Event of Default occurs as a result of such Transformation; and
- (b) transfer of the seat of the Guarantor to another jurisdiction (redomiciliation) within the European Union and related corporate changes if (i) there is no liquidation of the Guarantor and no new legal entity is created; and (ii) such a transfer does not adversely affect the validity, effectiveness and enforceability of the Security Documents.

#### 4.12 Valuation of the Group’s Assets

The Issuer will ensure that the Guarantor will not change its accounting policies and procedures in relation to its assets, with the exception of:

- (a) revaluation of investment property or investment property under development to market value; or
- (b) changes required as a result of a change in the law, IFRS, the requirements of the Guarantor’s auditor or the practice of tax authorities or other public authorities to which the Issuer, the Guarantor or another member of the Group is subject.

The Issuer undertakes to, and will ensure that another member of the Group will, choose one or more Chosen Experts to value the Group’s investment property and investment property under development (each as listed in the latest consolidated audited financial statements of the Guarantor made available in accordance with Condition 4.13) at least once in the course of a financial year of the Guarantor, whereas the total value of such investment property or investment property under development must represent at least 95% of the value of all investment property or investment property under development of the Group (based on the latest consolidated audited financial statements of the Guarantor made available in accordance with Condition 4.13) and such Chosen Experts will follow the RICS (Royal Institution of Chartered Surveyors) or IVSC (International Valuation Standards Council) standards, as replaced from time to time.

The residual value valuation method will not be applied to investment property or investment property under development, including land, in respect of which there is not yet a valid decision of initial approval (*rozhodnutí o povolení záměru*) (or its equivalent in the event of a change in legislation) or, in the case of jurisdictions other than the Czech Republic, permission having a similar effect.

#### 4.13 Information Obligations of the Issuer and the Guarantor

The Issuer will inform the Fiscal and Paying Agent and the Security Agent in writing, and will notify the Bondholders, of any Event of Default no later than five (5) Business Days from the date on which the Issuer became aware of such an Event of Default.

The Issuer will publish and make available to the Bondholders the following documents and information in English or Czech in the manner specified in Condition 14.1 and within the periods or deadlines specified below:

- (a) by 30 April of each year, annual reports and annual standalone financial statements of the Issuer prepared in accordance with IFRS and audited by the Chosen Auditor, starting with the annual report and financial statements prepared as of the last day of the accounting period ending on 31 December 2025;
- (b) by 30 June of each year:
  - (i) annual consolidated financial statements of the Guarantor prepared in accordance with IFRS and audited by the Chosen Auditor, starting with the financial statements prepared as of the last day of the accounting period ending on 31 December 2024;
  - (ii) information regarding the values of the LTV Ratio, the Priority Debt Ratio and the Equity Ratio based on the Guarantor's latest annual consolidated financial statements prepared in accordance with IFRS and audited by the Chosen Auditor, together with the Chosen Auditor's confirmation as to whether the requirements of Condition 4.5(a) were met as of the balance sheet date the relevant financial statements, and a statement of the persons authorised to act on behalf of the Issuer and the Guarantor to the same effect;
  - (iii) information regarding the results of the expert valuation of immovable property jointly owned by the Group by one or more Chosen Experts, together with a statement of persons authorised to act on behalf of the Issuer and the Guarantor confirming that the value of assets representing investment property under development, which was the subject of such expert valuation, is not higher in the audited consolidated financial statements of the Guarantor published under Condition 4.13(b)(i) than their value determined in such expert valuation, starting 30 June 2025; and
- (c) by 30 September of each year:
  - (i) half-year reports and half-year unaudited standalone financial statements of the Issuer prepared at least in accordance with IAS 34 or otherwise in accordance with IFRS as of 30 June of each year, starting with the half-year report and half-year unaudited standalone financial statements prepared for the half-year ending 30 June 2025;
  - (ii) half-year unaudited consolidated financial statements of the Guarantor prepared at least in accordance with IAS 34 or otherwise in accordance with IFRS as of 30 June of each year, starting with the half-year unaudited consolidated financial statements prepared for the half-year ending 30 June 2025;
  - (iii) information regarding the values of the LTV Ratio, the Priority Debt Ratio and the Equity Ratio based on the half-year unaudited consolidated financial statements of the Guarantor prepared at least in accordance with IAS 34 or otherwise in accordance with IFRS, starting with the half-year unaudited consolidated financial statements drawn up for the half-year ending on 30 June 2025, together with a statement of the persons authorised to act on behalf of the Issuer and the Guarantor on as to whether the requirements of Condition 4.5(a) were met as of the balance sheet date of such financial statements;
- (d) if the Issuer is obliged to comply with the requirements of the first paragraph of Condition 4.5(g), information on the market value of all Eligible Real Estate in relation to which Eligible Pledges have been established (whereas such market value is to be calculated on the basis of the latest available opinions of the Chosen Experts relating to the Eligible Real Estate in relation to which Eligible Pledges have been established), together with a declaration by persons authorised to act on behalf of the Issuer and the Guarantor regarding the Issuer's compliance with the requirements of the first paragraph of Condition 4.5(g), always as of 30 June of the given year (at the option of the Issuer, as part of the information published under point (b)(ii) above) and 30 September of the given year (at the option of the Issuer, as part of the information published under point (c)(iii) above);
- (e) information regarding the amount of loans and borrowings granted to the members of the Group by Related Parties showing a break-down of loans that are subordinated or non-subordinated

loans in accordance with these Joint Terms and Conditions, and for the relevant period always in the relevant financial statements of the Guarantor published in accordance with paragraph (b)(i) and (c)(ii) of this Condition 4.13 or independently at the time of publication of these documents.

The above-mentioned information and documents will be available to the Bondholders for inspection at their expense during usual business hours at the Specified Office.

#### 4.14 Definitions

“**Accolade Fund**” means Accolade Fund SICAV plc, a qualified investors’ fund, with its registered office at Vision Exchange Building, Territorials Street, Zone 1, Central Business District, Birkirkara CBD 1070, Malta or any other Fund.

“**Accolade Sub-Fund**” means the Accolade Industrial Fund, a sub-fund of the Accolade Fund, or any other sub-funds of the Accolade Fund.

“**Brno Airport**” means LETIŠTĚ BRNO a.s., with its registered office at Letiště Brno-Tuřany 904/1, Tuřany, 627 00 Brno, Czech Republic, ID No.: 262 37 920, registered in the Commercial Register maintained by the Regional Court in Brno under file No. B 3546.

“**Cash**” means funds in cash and deposits credited to a Group member’s account maintained by an Acceptable Bank to which the Group member alone or with another Group member has ultimate entitlement as long as:

- (a) such cash is payable on demand or within 30 days for the relevant calculation date;
- (b) the repayment of such cash is not conditional on the prior repayment of other indebtedness of any member of the Group or any other person or the fulfilment of another condition;
- (c) no Security has been established in relation to such cash; and
- (d) such cash is freely (except as provided in paragraph (a) immediately above) and immediately available for the repayment or prepayment of the debts arising under the Bonds.

“**Cash Equivalent**” means at any time:

- (a) deposit certificates maturing within one year of the applicable calculation date and issued by a bank or financial institution that has a rating on its long-term unsecured debt and non-credit enhanced debt obligations of A- or higher by Standard & Poor’s Rating Services or Fitch Ratings Ltd or A- or higher by Moody’s Investors Service Limited or a comparable rating from an internationally recognized rating agency (an “**Acceptable Bank**”);
- (b) any investment in tradable debt obligations issued or guaranteed by the government of the United States of America, the United Kingdom, any member state of the European Economic Area, or any member state of the European Union that has the euro as its fiat currency in accordance with European Union legislation relating to the economic and monetary union (a “**Participating Member State**”) (but excluding any country with a sovereign debt rating below A by Standard & Poor’s Rating Services or Fitch Ratings Ltd or A2 by Moody’s Investor Services Limited) or an instrument or agency of any of them with an equivalent credit rating, due within one year after the relevant calculation date and non-exchangeable for another security;
- (c) commercial papers that are not exchangeable for another security:
  - (i) for which there is a recognized trading market;
  - (ii) issued by an issuer domiciled in the United States of America, the United Kingdom, any member state of the European Economic Area or any Participating Member State (but excluding any state with a sovereign debt rating below A by Standard & Poor’s Rating Services or Fitch Ratings Ltd or A2 from Moody’s Investor Services Limited);
  - (iii) which is due within one year from the relevant calculation date; and

- (iv) that has a credit rating of A-1 or higher by Standard & Poor's Rating Services or F1 or higher by Fitch Ratings Ltd or P-1 or higher by Moody's Investors Service Limited, or, if no commercial paper rating is available, the relevant issuer's long-term unsecured and non-credit-enhanced debt obligations have an equivalent rating;
- (d) bills of exchange denominated in pounds sterling which are rediscountable with the Bank of England and are accepted by the Acceptable Bank (or their dematerialised equivalent);
- (e) any investments in money market funds that:
  - (i) have a credit rating of A-1 or higher from Standard & Poor's Rating Services or F1 or higher from Fitch Ratings Ltd. or P-1 or higher by Moody's Investors Service Limited; and
  - (ii) invest substantially all of their assets in securities of the types described in paragraphs (a) through (d) above in this definition,

if these investments can be converted into cash with a notice period of no more than 30 days,

to which any member of the Group alone (or jointly with another member of the Group) has ultimate entitlement at any given time and which are not issued or guaranteed by any member of the Group or subject to any Security.

**“Chosen Auditor”** means a reputable audit firm providing auditor services in accordance with the law of the relevant jurisdiction and belonging to the PricewaterhouseCoopers, KPMG, Deloitte, E&Y, BDO, Mazars or Baker Tilly group, and for the purposes of the statutory audit, it is possible to select another audit firm, providing auditor services in accordance with the law of the relevant jurisdiction.

**“Chosen Expert”** means a reputable expert firm, expert or institute providing expert services in accordance with the law of the relevant jurisdiction and belonging to the PricewaterhouseCoopers, KPMG, Deloitte, E&Y, CBRE, JLL, Cushman & Wakefield, Colliers, Knight Frank, Savills and iO Partners group or their successors and if the subject of valuation is (i) the Brno Airport, also TPA and RSM or their successors or (ii) investment property or investment property under development the value of which does not exceed EUR 15,000,000 (or its equivalent in any other currency), also TPA, RSM, BDO group and Grant Thornton or their successors.

**“Eligible Real Estate”** means immovable property (*nemovitě věci*) valued by the Chosen Expert, provided that, in the case of land, the relevant land-use planning documentation or similar documentation in the relevant country must permit the construction of commercial real estate for production and storage on such land. At the same time, if the Pledgor has several immovable properties that together form a functional unit, such Pledgor is obliged to pledge all such properties as Eligible Real Estate.

**“Equity”** means the sum of:

- (a) equity attributable to the shareholders of the Guarantor's parent company on a consolidated basis; and
- (b) non-controlling interests of the Guarantor on a consolidated basis.

**“Equity Ratio”** means the ratio of:

- (a) Equity
- to
- (b) the value of the Guarantor's total assets on a consolidated basis less the amount of one-off remuneration for the successful completion of a project, which any member of the Group is obliged to pay to a third party who does not act as a general construction contractor (in the event that such third party and the general construction contractor are the same person, it will be assessed on a case-by-case basis whether it is the remuneration of such a person in the position of general construction contractor or in another capacity), if the amount of such remuneration

was not taken into account in the value of the Guarantor's Valuable Assets on a consolidated basis.

**“Finance Lease”** means any lease agreement or hire purchase agreement that would be considered a finance or capital lease in accordance with accounting standards (for the avoidance of doubt, a capitalised operating lease under IFRS 16 does not constitute a finance lease for the purposes of these Joint Terms and Conditions).

**“Financial Indebtedness”** means the aggregate outstanding principal, capital or nominal amount (and any fixed or minimum fees payable on prepayment or repayment) and any appurtenances (*příslušenství*) of any indebtedness of a member of the Group for or in connection with:

- (a) accepted loan or borrowing and debit balances with banks or other financial institutions;
- (b) acceptance under any acceptance credit or discount bill (or their dematerialised equivalent);
- (c) note purchase facility or a bond issuance (including the Bonds), debentures, loan stocks or any other similar instrument (with the exception of Trading Instruments);
- (d) the amount obtained on the basis of the issue of redeemable shares (i.e., shares associated with the right to redeem them, other than on the basis of the option of the company that issued them) before the Final Maturity Date of any Bonds (with the exception of the amount obtained on the issue of such shares existing on the Issue Date) or which are otherwise considered as financial indebtedness according to IFRS or other relevant accounting standards;
- (e) factoring or any other assignment of claims in relation to which there may occur the re-assignment of the claims to the assignor or a recourse in the extent of the potential payment or monetary compensation for the re-assignment or recourse (except for claims sold without recourse if there have been met the requirements of elimination from the balance sheet (de-recognition) under IFRS or other applicable accounting standards);
- (f) Financial Lease;
- (g) any derivative transaction concluded in connection with protection against rate or price fluctuations (whereas (i) for the purposes of calculating the amount of Financial Indebtedness, the mark-to-market value of the derivative transaction will be used; and (ii) a positive value of the derivative transaction, on the contrary, reduces the Financial Indebtedness);
- (h) any counter-indemnity obligation to a third party that met an underlying debt of a debtor that is not a member of the Group, which debt would otherwise fall within another paragraph of this definition (including a recourse claim), arising under a guarantee, indemnity, bond, stand-by letter of credit, documentary letter of credit, or any other instrument issued by a bank or a financial institution (with the exception of Trading Instruments);
- (i) the amount of any debt arising from a pre-contracted or deferred purchase contract if (i) one of the main reasons for entering into the contract is to raise funds or finance the acquisition or construction of the relevant asset (property) or service; or (ii) the contract relates to the delivery of assets (property) or services and payment is due more than 120 days after the date of delivery;
- (j) an amount received on the basis of another transaction (including any future sale or purchase, sale and resale or sale and leaseback agreement) that has the commercial effect of a loan or credit or is otherwise treated as financial indebtedness under applicable accounting standards;
- (k) the amount of any debt resulting from a guarantee, indemnity or similar obligation constituting security against monetary loss in the transactions referred to in paragraphs (a) to (j) above,

however, if any indebtedness qualifies as Financial Indebtedness under more than one point set out above in this definition, then such indebtedness will only be counted once for the purposes of calculating the amount of Financial Indebtedness. When assessing whether such indebtedness constitutes Financial Indebtedness, accounting standards will be applied consistently with the IFRS used for the Guarantor's consolidated financial statements, unless these Joint Terms and Conditions provide otherwise.

The following are not included in the calculation of Financial Indebtedness and are not considered Financial Indebtedness for the purposes of these Joint Terms and Conditions:

- (a) the amount of any debt of the Issuer or the Guarantor subordinated on the basis of a Subordination Agreement or otherwise under Section 172 of the Insolvency Act (in the case of such other subordination under Section 172 of the Insolvency Act, however, only in relation to (i) claims of shareholders of the Issuer or the Guarantor resulting from their stake in the Issuer or the Guarantor; or (ii) receivables arising under a subordinated bond under the Bonds Act or another similar subordinated security representing the right to repayment of a debt amount issued under the law of a foreign jurisdiction) to the debts arising under the Bonds (in the case of the Issuer), or debts arising under the Financial Guarantee (in the case of the Guarantor); and
- (b) the amount of any debt arising under Bonds owned by the Issuer, the Guarantor or another member of the Group.

“**IFRS**” means the International Financial Reporting Standards (interpretation of IFRS and IFRIC) as amended and as adopted by the European Union legislation that is consistently applied.

“**LTV Ratio**” means the ratio of:

- (a) Net Indebtedness
- (b) the value of the Guarantor’s Valuable Assets on a consolidated basis less (i) the value of investment property under development, in relation to which (or its part) a binding lease agreement or an agreement on a future lease agreement has not been concluded, to the extent that it exceeds 15% of the total assets of the Guarantor on a consolidated basis; and (ii) the amount of one-off remuneration for the successful completion of a project, which any member of the Group is obliged to pay to a third party who does not act as a general construction contractor (in the event that such third party and the general construction contractor are the same person, it will be assessed on a case-by-case basis whether it is the remuneration of such a person in the position of general construction contractor or in another capacity), if the amount of such remuneration was not taken into account in the value of the Guarantor’s Valuable Assets on a consolidated basis.

“**Minimum Equity Ratio**” means 25%.

“**Net Indebtedness**” means the sum of:

- (a) total short-term and long-term liabilities – loans and borrowings of the Guarantor<sup>4</sup> on a consolidated basis;
- (b) total short-term and long-term liabilities – lease liabilities of the Guarantor on a consolidated basis; and
- (c) liabilities associated with assets classified as held for sale of the Guarantor on a consolidated basis, which would otherwise belong to one of the categories listed in points (a) to (b) above,

always less:

- (i) any debt of the Issuer or the Guarantor subordinated on the basis of a Subordination Agreement or otherwise under Section 172 of the Insolvency Act (in the case of such other subordination under Section 172 of the Insolvency Act, however, only in relation to (i) claims of shareholders of the Issuer or the Guarantor resulting from their stake in the Issuer or the Guarantor; or (ii) receivables arising under a subordinated bond under the Bonds Act or another similar subordinated security representing the right to repayment of a debt amount issued under the law of a foreign jurisdiction) to the debts arising under the Bonds (in the case of the Issuer), or debts arising under the Financial

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<sup>4</sup> This item also includes any loans, borrowings, bonds or leases that should belong to the category of short-term or long-term liabilities, even if they are included in another item other than loans and borrowings.



Guarantee (in the case of the Guarantor), if such debt also falls within the scope of paragraphs (a) or (b) above in this definition;

- (ii) Cash of the Guarantor on a consolidated basis; and
- (iii) Cash Equivalents of the Guarantor on a consolidated basis,

and in the case of changes required as a result of a change in the law, IFRS, the requirements of the Guarantor's auditor or the practice of tax authorities or other public authorities to which the Issuer, the Guarantor or another member of the Group is subject, or for any other reason, liabilities which would, as of the date of the Base Prospectus, otherwise belong to one of the categories listed in paragraphs (a) to (c) above in this definition, will also be included in the calculation of Net Indebtedness.

**“Net Priority Debt”** means the sum of:

- (a) total short-term and long-term liabilities – loans and borrowings<sup>5</sup> of the Guarantor's Subsidiaries for the purpose of which no Security was established;
- (b) total short-term and long-term liabilities – lease liabilities of the Guarantor's Subsidiaries for the purpose of which no Security was established;
- (c) total short-term and long-term liabilities – loans and borrowings<sup>6</sup> of the Guarantor on a consolidated basis for the purpose of which the Security was established;
- (d) total short-term and long-term liabilities – lease liabilities of the Guarantor on a consolidated basis for the purpose of which the Security was established; and
- (e) liabilities associated with assets classified as held for sale of the Guarantor on a consolidated basis, which would otherwise belong to one of the categories listed in points (a) to (d) above,

always less:

- (i) any debt of the Issuer or the Guarantor subordinated on the basis of a Subordination Agreement or otherwise under Section 172 of the Insolvency Act (in the case of such other subordination under Section 172 of the Insolvency Act, however, only in relation to (i) claims of shareholders of the Issuer or the Guarantor resulting from their stake in the Issuer or the Guarantor; or (ii) receivables arising under a subordinated bond under the Bonds Act or another similar subordinated security representing the right to repayment of a debt amount issued under the law of a foreign jurisdiction) to the debts arising under the Bonds (in the case of the Issuer), or debts arising under the Financial Guarantee (in the case of the Guarantor), if such debt also falls within the scope of paragraphs (a), (b), (c) or (d) above in this definition;
- (ii) Cash of the Guarantor on a consolidated basis;
- (iii) Cash Equivalents of the Guarantor on a consolidated basis; and
- (iv) liabilities of the Subsidiaries of the Guarantor under paragraphs (a) or (b) above in which the Guarantor holds a 100% share in the voting rights and share capital and which at the same time do not own Valuable Assets.

For the avoidance of doubt, debts arising under the Bonds are not included in any of the above items for the purposes of calculating Net Priority Debt. In the case of changes required as a result of a change in the law, IFRS, the requirements of the Guarantor's auditor or the practice of tax authorities or other public authorities to which the Issuer, the Guarantor or another member of the Group is subject, or for any other reason, liabilities which would, as of the date of this Base Prospectus, otherwise belong to one of the categories listed in points (a) to (e) above, will also be included in the calculation of the Net Priority Debt.

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<sup>5</sup> This item also includes any loans, borrowings, bonds or leases that should belong to the category of short-term or long-term liabilities, even if they are included in another item other than loans and borrowings.

<sup>6</sup> This item also includes any loans, borrowings, bonds or leases that should belong to the category of short-term or long-term liabilities, even if they are included in another item other than loans and borrowings.

**“Permitted LTV Ratio”** means 65%.

**“Permitted Priority Debt Ratio”** means 47.5%.

**“Priority Debt Ratio”** means the ratio of:

- (a) Net Priority Debt
- to
- (b) the value of the Guarantor’s Valuable Assets on a consolidated basis less (i) the value of investment property under development, in relation to which (or its part) a binding lease agreement or an agreement on a future lease agreement has not been concluded, to the extent that it exceeds 15% of the total assets of the Guarantor on a consolidated basis; and (ii) the amount of one-off remuneration for the successful completion of a project, which any member of the Group is obliged to pay to a third party who does not act as a general construction contractor (in the event that such third party and the general construction contractor are the same person, it will be assessed on a case-by-case basis whether it is the remuneration of such a person in the position of general construction contractor or in another capacity), if the amount of such remuneration was not taken into account in the value of the Guarantor’s Valuable Assets on a consolidated basis.

**“Project Financing”** means an arrangement, including the issuance of bonds, to provide funds to be used predominantly to finance the purchase, construction, expansion or use of any property, the persons providing such funds agreeing that such funds shall be repaid by the borrower from the proceeds of use, operation, sale, compensation for the destruction or damage of the financed property, and at the date of provision of such financing, the providers of such funds could reasonably assume that the principal and interest on the funds thus provided would be repaid from such income from the project.

**“Security”** means any pledge, transfer by way of security, right of retention, or any other form of security, including (but not limited to) any similar institute under the law of any jurisdiction.

**“Trading Instruments”** means any performance guarantees, advance payment obligations or documentary letters of credit issued in connection with the obligations of any member of the Group arising in the ordinary course of business of that member of the Group.

**“Valuable Assets”** means:

- (a) investment property;
- (b) investment property under development;
- (c) long-term tangible assets (property, plant and equipment);
- (d) shares in accounting entities under significant influence (investment in equity – accounted associates);
- (e) other long-term securities and shares (investments at fair value through profit and loss); and
- (f) assets classified as held for sale which would otherwise belong to one of the categories listed in points (a) to (e) above,

whereas if the notes to the relevant financial statements of the Guarantor state the value after the revaluation of these assets, such value will be taken into account for the purposes of these Joint Terms and Conditions. In the case of changes required as a result of a change in the law, IFRS, the requirements of the Guarantor’s auditor or the practice of tax authorities or other public authorities to which the Issuer, the Guarantor or another member of the Group is subject, or for any other reason, assets which would, as

of the date of the Base Prospectus, otherwise belong to one of the categories listed in points (a) to (f) above, will be considered Valuable Assets.

In relation to the calculation of all the covenants set out in this Condition 4.14, if a certain value shows the characteristics of several categories of values for the calculation of the given coefficient of the covenant, it will be counted only once.

Where this Condition 4 refers to the liabilities or assets of “the Guarantor on a consolidated basis”, it includes the liabilities or assets of the Subsidiaries of the Guarantor.

## **5. Interest**

### **5.1 Fixed Rate Bonds**

- (a) Bonds designated in the relevant Pricing Supplement as Fixed Rate Bonds will bear interest at the fixed interest rate specified in the relevant Pricing Supplement, or fixed interest rates specified for individual Interest Periods in the relevant Pricing Supplement.
- (b) The interest will accrue evenly from the first day of each Interest Period to the last day included in such Interest Period, at the interest rate pursuant to Condition 5.1(a) above.
- (c) The interest for each Interest Period will be payable in arrears on the relevant Interest Payment Date.
- (d) The Bonds will cease to bear interest on the Final Maturity Date, the Early Redemption Date or the Buyback Date (excluding this day), unless, following the satisfaction of all conditions and requirements, the Issuer wrongfully retains the amount due or declines to pay the same. In such case, the interest will continue to accrue at the interest rate specified in Conditions 5.1(a) to 5.1(b) above until the earlier of (i) the day when any and all amounts due as of that day are paid to the Bondholders or (ii) the day when the Fiscal and Paying Agent notifies the Bondholders that it has received all amounts due in connection with the Bonds of the relevant Issue, unless a further wrongful retention or refusal of payment occurs following such notification.
- (e) The amount of interest accrued per Bond for each period of one current year will be determined as the multiple of the nominal value of any such Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment) and the relevant interest rate (expressed as a decimal number) (unless the relevant Pricing Supplement states that the relevant Day Count Fraction is also applied to calculate the amount of interest for the period of one current year). The amount of interest accrued on a Bond over any period of less than one current year, or over a period of one current year, if specified in the Pricing Supplement, will be calculated as the multiple of the nominal amount of the Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment), the relevant interest rate (expressed as a decimal number) and the relevant Day Count Fraction, whereas the resulting sum will be rounded based on mathematical rules to two decimal places according to the 3<sup>rd</sup> decimal place. The Pricing Supplement may specify the use of different Day Count Fractions for different Interest Periods.

### **5.2 Floating Rate Bonds**

- (a) Bonds designated in the relevant Pricing Supplement as Floating Rate Bonds will bear interest at a floating interest rate corresponding to the sum of the relevant Reference Rate and the relevant Margin (if applicable) In calculating the interest rate pursuant to this paragraph, the Issuer will use the following formula:

$$\mathbf{X = R + M,}$$

where the variables used in the formula have the following meanings:

X the rate for the relevant Interest Period (in % p.a.);

R the Reference Rate for the relevant Interest Period (the Reference Rate may be limited to a maximum and/or a minimum value for the purpose of determining the interest rate),

provided, however, that in the event the Reference Rate for the relevant Interest Period is less than zero, it will be deemed to be zero;

M the Margin for the relevant Interest Period.

- (b) The interest will accrue from the first day of each Interest Period to the last day included in such Interest Period, at the interest rate applicable to any such Interest Period.
- (c) The value of the Reference Rate applicable to each Interest Period will be determined by the Calculation Agent on the Reference Rate Determination Date and at the time customary for the relevant currency. If applicable, the Interest Rate for each Interest Period will be rounded by the Calculation Agent based on mathematical rules to two decimal places according to the 3rd decimal place.
- (d) The Calculation Agent will communicate the interest rate for each Interest Period immediately after its determination to the Fiscal and Paying Agent, which will notify it to the Bondholders without undue delay in accordance with Condition 14.
- (e) The interest for each Interest Period is payable in arrears on the Interest Payment Date.
- (f) The Bonds will cease to bear interest on the Final Maturity Date, the Early Redemption Date or the Buyback Date (excluding this day), unless following the satisfaction of all conditions and requirements, the Issuer wrongfully retains the amount due or declines to pay the same withheld or refused to repay the amount due upon satisfaction of all the conditions and requirements. In such case, the interest will continue to accrue at the interest rate specified in Conditions 5.2(a) to 5.2(c) above until the earlier of (i) the day when any and all amounts due as of that day are paid to the Bondholders or (ii) the day when the Fiscal and Paying Agent notifies the Bondholders that it has received all amounts due in connection with the Bonds of the relevant Issue, unless a further wrongful retention or refusal of payment occurs following such notification.
- (g) The amount of interest accrued per Bond for the period of one (1) current year will be determined as the multiple of the nominal value of any such Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment) and the relevant interest rate (expressed as a decimal number) (unless the relevant Pricing Supplement states that the relevant Day Count Fraction is also applied to calculate the amount of interest for the period of one (1) current year). The amount of interest accrued on a Bond over any period of less than one (1) standard year, or over a period of one (1) standard year, if specified in the Pricing Supplement, will be calculated as the multiple of the nominal amount of the Bond (or its outstanding portion, if the nominal value is not redeemed as a one-off payment), the relevant interest rate (expressed as a decimal number) and the relevant Day Count Fraction, whereas the resulting sum will be rounded based on mathematical rules to two (2) decimal places according to the 3rd decimal place. The Pricing Supplement may specify use of different Day Count Fractions for different Interest Periods.

## **6. Redemption of the Bonds, Buyback**

### **6.1 Final Maturity**

Unless previously redeemed or purchased by the Issuer and cancelled, as specified below, each Bond will be redeemed by the Issuer at its outstanding nominal amount in a single payment on the Final Maturity Date applicable to the Bonds.

### **6.2 Purchase of the Bonds**

The Issuer, or any of the Issuer's affiliates, is authorised to purchase the Bonds on the market or otherwise at any price.

### **6.3 Cancellation of the Bonds**

Bonds purchased by the Issuer are not cancelled unless the Issuer decides otherwise. If the Issuer does not decide to cancel the Bonds it purchased, it may transfer such Bonds at its discretion. The rights and

obligations arising under the Bonds owned by the Issuer will be extinguished on the Final Maturity Date, unless such Bonds are cancelled prior to such a date based on the decision of the Issuer.

#### **6.4 Early Redemption at the Option of the Issuer**

If specified in the Pricing Supplement, the Issuer will have the right to redeem all the outstanding Bonds (in part or in full) of that Issue prior to the Final Maturity Date. If specified in the Pricing Supplement, the Issuer will only be entitled to redeem outstanding Bonds of a specified minimum nominal value (the “**Minimum Prepayment Amount**”) and/or a specified maximum nominal value (the “**Maximum Prepayment Amount**”).

The Issuer may only exercise this right if it notifies (the “**Early Redemption Notice**”) the Bondholders in accordance with Condition 14 in the period prior to the relevant early redemption date (the “**Early Redemption Date**”) specified in the Pricing Supplement.

The Early Redemption Notice under this Condition 6.4 is irrevocable and obliges the Issuer to redeem the Bonds early in accordance with the provisions of this Condition 6.4.

The Issuer must pay the extraordinary interest income, if any, on an Early Redemption Date that is an Interest Payment Date. Otherwise, the provisions of Condition 7 apply to the early redemption of the Bonds under this Condition 6.4, as appropriate.

Early partial redemption of the Bonds does not restrict the Issuer from making any further early redemption of the Bonds in accordance with this Condition 6.4.

#### **6.5 Buyback at the Option of the Bondholders**

Unless otherwise specified in the Pricing Supplement for a particular Issue, any Bondholder may, at its discretion and no later than thirty (30) calendar days after the publication of the Change of Control Notice, request the Issuer to purchase its Bonds before the Final Maturity Date of the Bonds, by a written notice addressed to the Issuer and delivered to the Fiscal and Paying Agent to the address of the Specified Office (the “**Buyback Notice**”).

Unless otherwise specified in the Pricing Supplement for a particular Issue, the Issuer will purchase such Bondholder’s Bonds for 101% of their outstanding nominal amount on the Buyback Date (as defined below) increased by interest accrued and due as of the Buyback Date (as defined below).

The Issuer must purchase the Bonds of such a Bondholder, whereas the amounts payable by the Issuer in respect of such Bonds will become due no later than on the day falling thirty (30) days after the end of the calendar month during which the Bondholder delivered the Buyback Notice to the Fiscal and Paying Agent (the “**Buyback Date**”).

The Buyback Notice must contain information regarding (i) the number of Bonds that are subject to the Buyback Notice; (ii) the securities account (*majetkový účet*) of the Bondholder; (iii) the type of the securities account; and (iv) the dealer with whom the securities account is maintained, including the code of the participant.

The Buyback Notice must be signed by the relevant Bondholder or a person authorised to act on behalf of the Bondholder, whereas the any signatures on the Buyback Notice must be notarised or otherwise verified by an authorised employee of the Fiscal and Paying Agent.

The Buyback Notice may be revoked in writing by a Bondholder in relation to that Bondholder’s Bonds. Such a revocation must be addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office in accordance with Condition 11.1(a). The revocation of a Buyback Notice by a Bondholder does not affect any Buyback Notice of any other Bondholder.

The provisions of Condition 7 will apply to the early redemption of the Bonds pursuant to this Condition 6.5, as appropriate.

## **6.6 Presumption of Redemption**

For the purposes of Condition 4, all the Issuer's liabilities arising under the Bonds will be considered fully satisfied on the day when the Issuer pays to the Fiscal and Paying Agent all the amounts of the nominal amount of the Bonds and accrued interest (where relevant) payable under Conditions 6, 9 and 12.4(a).

## **7. Payment Terms**

The Issuer undertakes to pay the interest on and to repay the Payment Amount to the Bondholders under the terms and conditions set forth in the Terms and Conditions and in accordance with any tax, foreign exchange and other relevant legislation of the Czech Republic.

### **7.1 Currency of Payments**

The Issuer undertakes to pay the interest (if relevant) and the Payment Amount exclusively in the currency in which the nominal value of the Bonds of the given Issue is denominated as specified in the Pricing Supplement unless the relevant Pricing Supplement allows for payment of interest or the Payment Amount in any other currency or currencies.

In the case that any currency or the national currency unit in which the Bonds are denominated and/or in which the payments relating to the Bonds should be made in accordance with the relevant Pricing Supplement ceases to exist and is replaced by EUR, (i) the denomination of such Bonds will be changed to EUR in accordance with the applicable laws, and (ii) all the sums payable under such Bonds will automatically and without any further notice to the Bondholders be payable in EUR, with the official rate (i.e., the fixed conversion ratio) being in accordance with the applicable law being used as the exchange rate between the relevant currency or the national currency unit and EUR. Such replacement of the relevant currency or national currency unit (A) will not, in any respect, affect the existence or enforceability of the Issuer's obligations arising under the Bonds, and (B) for the avoidance of doubt, will not constitute any change to these Joint Terms and Conditions or an event of default or other breach of the Issuer's obligations.

### **7.2 Payment Date**

Payment of interest and the repayment of the Payment Amount will be made by the Issuer through the Fiscal and Paying Agent on the dates specified in the Terms and Conditions (each such date, depending on the context, as the "**Interest Payment Date**", the "**Final Maturity Date**", the "**Early Redemption Date**" or the "**Buyback Date**" and each such date together as the "**Payment Date**"),

### **7.3 Business Day Convention**

If the relevant Pricing Supplement provides that all or some of the Payment Dates should be adjusted in accordance with a business day convention (the "**Business Day Convention**"), then in the event that a Payment Date would fall on a day that is not a Business Day, such Payment Date will instead fall on the next following Business Day and the Issuer will not be obliged to pay any interest or any other additional amounts for any time delay resulting from the application of the Business Day Convention.

### **7.4 Determination of the Right to Receive Payments under the Bonds**

Unless these Joint Terms and Conditions provide otherwise, the authorised persons to whom the Issuer will pay the interest on the Bonds will be the persons in whose owner's accounts in the Central Depository or in the follow-up records linked to the Central Depository the Bonds are recorded as at the end of the relevant Record Date for Interest Payment.

In the event that there is a pledge over the Bonds recorded in the owner's accounts in the Central Depository or in follow-up records linked to the Central Depository as at the end of the relevant Record Date for Interest Payment, the authorised person to whom the Issuer will pay the interest will be the relevant pledgee, unless (i) it follows from the extract from the owner's accounts in the Central Depository or in a follow-up records linked to the Central Depository in which the Bonds are recorded that payment of interest should be made to the person in whose owner's accounts the Bonds are recorded or (ii) satisfactory evidence is provided to the Fiscal and Paying Agent that the person in whose owner's

accounts in the Central Depository or in a follow-up records linked to the Central Depository the Bonds are recorded is entitled to the payment under an agreement with the pledgee.

For the purposes of determining the recipient of interest, neither the Issuer nor the Fiscal and Paying Agent will take into account transfers of any Bonds made from the day immediately following the Record Date for Interest Payment.

Unless these Joint Terms and Conditions provide otherwise, the Authorised Persons to whom the Issuer will repay the Payment Amount in respect of the Bonds will be the persons in whose owner's accounts in the Central Depository or in the follow-up records linked to the Central Depository the Bonds are recorded as at the end of the relevant Record Date for Nominal Amount Repayment.

In the event that there is a pledge over the Bonds recorded in the owner's accounts in the Central Depository or in follow-up records linked to the Central Depository as at the end of the relevant Record Date for Nominal Amount Repayment, the Authorised Person to whom the Issuer will repay the Payment Amount in respect of the Bonds will be the relevant pledgee, unless (i) it follows from the extract from the owner's accounts in the Central Depository or in a follow-up records linked to the Central Depository in which the Bonds are recorded that repayment of Payment Amount should be made to the person in whose owner's accounts the Bonds are recorded or (ii) satisfactory evidence is provided to the Fiscal and Paying Agent that the person in whose owner's accounts in the Central Depository or in the follow-up records linked to the Central Depository the Bonds are recorded is entitled to the repayment under an agreement with the pledgee.

For the purposes of determining the recipient of the nominal value, neither the Issuer nor the Fiscal and Paying Agent will take into account transfers of any Bonds made from the day immediately following the Record Date for Nominal Amount Repayment. If it is not contrary to applicable legislation, transfers of the Bonds may be suspended on the day immediately following the relevant Record Date for Nominal Amount Repayment until the relevant Payment Date.

However, if the Issuer or the Fiscal and Paying Agent have been provided with conclusive evidence no later than five (5) Business Days following the relevant Payment Record Date that the entry in the owner's account in the Central Depository or the follow-up records linked to the Central Depository does not correspond to reality and that there is another person or persons in whose owner's account in the Central Depository or the follow-up records linked to the Central Depository the Bonds were supposed to be recorded at the end of the relevant Payment Record Date, then the Issuer will pay the interest on the Bonds or will repay the Payment Amount to any such person or persons unless the relevant payment has already been made.

## **7.5 Payments by Wire Transfer**

- (a) The Fiscal and Paying Agent will make payments in connection with the Bonds to the Authorised Persons by means of wire transfer to their accounts kept with a bank with its registered office in a member state of the European Union or other state that is a member of the European Economic Area, according to an instruction communicated by the Authorised Person to the Fiscal and Paying Agent to the address of the Specified Office in a verifiable manner no less than five (5) Business Days prior to the Payment Date.
- (b) Such instruction will be in the form of a written statement with an officially verified signature or signatures or a signature verified by an authorised employee of the Fiscal and Paying Agent, and will contain sufficient details of such bank account to allow the Fiscal and Paying Agent to make the payment, and, if the Authorised Person is a legal entity, it will be accompanied by an original or an officially certified copy of an extract from the Commercial Register or other respective register in which the Authorised Person is registered not older than three (3) months and the authorised employee of the Fiscal and Paying Agent will verify the validity of the information contained in such extract from the Commercial Register or other respective register (such instruction, excerpt from the Commercial Register or other respective register and certificate of tax domicile, and other required appendices, if any, the "**Instruction**"). In the case of original foreign official documents or official verification abroad, legalisation of the documents or an apostille according to the Hague Apostille Convention (as applicable) is required. The Instruction must be in form and substance that meet the specific requirements of the Fiscal and Paying Agent,

whereas the Fiscal and Paying Agent is entitled to require sufficiently satisfactory evidence that the person who signed the Instruction is authorised to sign such Instruction on behalf of the Authorised Person. Such evidence must be delivered to the Fiscal and Paying Agent together with the Instruction.

- (c) The Instruction must be in accordance with the specific requirements of the Fiscal and Paying Agent in terms of content, form and confirmation of the authorisation to sign the Instruction on behalf of the Authorised Person. The Fiscal and Paying Agent is entitled to request, for example:
  - (i) submission of a power of attorney including an officially certified translation into Czech; or
  - (ii) additional confirmation of the Instruction from the Authorised Person.

Notwithstanding the foregoing, neither the Fiscal and Paying Agent nor the Issuer will be obliged to examine the correctness, completeness or authenticity of any such Instruction in any manner whatsoever and neither of them will be liable for any damage incurred in connection with any delay in the delivery of such Instruction by the Authorised Person or with the delivery of an incorrect or otherwise defective Instruction. The Instruction will be deemed properly made if it contains all the items required by this Condition 7.5 and is delivered to the Fiscal and Paying Agent in accordance with this Condition 7.5.

- (d) The Instruction will be considered duly delivered if it has been delivered to the Fiscal and Paying Agent at least five (5) Business Days before the Payment Date.
- (e) Any Authorised Person claiming a tax benefit in accordance with any applicable laws, including an international double taxation treaty by which the Czech Republic is bound and which covers the relevant payment, is obliged to deliver to the Fiscal and Paying Agent, together with the Instruction and as an integral part of the Instruction, current proof of its tax domicile issued by the relevant tax authority, a declaration of the beneficial ownership of the income, information regarding the existence or non-existence of a permanent establishment in the Czech Republic and whether the Bonds form part of its property, as well as other documents that the Fiscal and Paying Agent and the relevant tax authorities may request. Notwithstanding this authorisation, neither the Issuer nor the Fiscal and Paying Agent will verify the accuracy and completeness of such Instructions and will not be liable for any damage or other harm caused by a delay of the Authorised Person in delivering the Instruction, its inaccuracy or other defect in such an Instruction.
- (f) If the above documents (especially the proof of tax domicile) are not delivered to the Fiscal and Paying Agent in the stipulated time period, the Fiscal and Paying Agent will, having regard to the burden of proof and the Issuer's responsibility in the management of taxes collected by way of withholding, act as if it has not received the documents. The Authorised Person may, if it does not claim a tax benefit with the relevant tax authority, subsequently deliver to the Fiscal and Paying Agent such documents proving entitlement to a tax benefit and request the Issuer through the Fiscal and Paying Agent to refund the withholding tax. If the Issuer determines that it may initiate the relevant proceeding in compliance with applicable law (having regard to, e.g., applicable limitation periods excluding or limiting its ability to proceed with such a claim), it has the right to require the Authorised Person to pay, in respect of each such delayed, incomplete or otherwise flawed refund application, a fee calculated as the sum of (a) a fixed amount of EUR 1,000 or CZK 25,000 as compensation for time spent on administering such delayed, incomplete or otherwise flawed refund applications; and (b) any administrative fees, penalties, interest or similar costs that the Issuer may incur in connection with such application. In such a case, the Issuer will only pay the amount corresponding to the refunded withholding tax to the relevant Authorised Person after (i) that Authorised Person has reimbursed the Issuer for additional costs according to this paragraph (if the Issuer has not waived its right to such reimbursement) and at the same time (ii) the Issuer has already received the relevant amount from the relevant tax authority. The Issuer is not obliged to take any further steps or make any further submissions in this matter, to participate in any negotiations, or to enforce or assist in the enforcement of any claim in addition to the initiation of proceedings regarding the refund of withholding tax or its part.



- (g) The Issuer's obligation to pay any amount due in connection with the Bonds will be deemed discharged in a due and timely manner (*řádně a včas*) if the relevant amount has been remitted to the Authorised Person in compliance with a proper Instruction pursuant to this Condition 7.5 and if such amount is debited from the account of the Fiscal and Paying Agent no later than on the relevant due date.
- (h) Neither the Issuer nor the Fiscal and Paying Agent will be liable for any delay in the payment of any amount due caused by any Authorised Person, e.g., by its failure to deliver a proper Instruction in a timely manner. If any Authorised Person fails to deliver the Instruction to the Fiscal and Paying Agent in a proper and timely manner, the Issuer's obligation to pay any due amount will be considered met duly and in time if such amount has been remitted to the Authorised Person in accordance with a subsequently delivered proper Instruction pursuant to this Condition 7.5 and if such amount has been debited from the Fiscal and Paying Agent's account no later than ten (10) Business Days following the day on which the Fiscal and Paying Agent received the proper Instruction. In such an event, the Authorised Person will not have the right to any interest or any yield or additional payment for the time of delay caused by the delay in sending the Instruction.
- (i) Neither the Issuer nor the Fiscal and Paying Agent will be liable for any damage incurred by (i) the failure to deliver, in a proper and timely manner, the Instruction or any other documents or information required to be delivered under this Condition 7.5; (ii) such Instruction or any related document or information being incorrect, incomplete or untrue; or (iii) circumstances beyond the control of the Issuer or the Fiscal and Paying Agent. In such an event, the Authorised Person will not have the right to any additional payment, compensation or interest for the time of delay caused by the delay in sending of the Instruction.

#### **7.6 Change in the Payment Method**

The Issuer and the Fiscal and Paying Agent are jointly entitled to elect to change the payment procedure. However, such change may not adversely affect the position and interests of the Bondholders. This decision will be notified to Bondholders in accordance with the provisions of Condition 14. If such change would adversely affect the position and interests of the Bondholders, then the change will require prior approval by the Meeting in accordance with Condition 14.

#### **8. Taxation**

Bondholders should be aware that the tax laws of the Czech Republic as the country of the Issuer's registered office, as well as the tax legislation of their country of tax residence, may affect the income from the Bonds. The Issuer is not responsible for any tax (including its levy or payment) in connection with the Bonds (including any tax related to the acquisition, ownership, transfer or exercise of rights arising under the Bonds) except in cases where the income from the Bonds paid by the Issuer is subject to any form of tax deduction (including tax security deduction) in accordance with applicable law, in which case the Issuer is responsible in its capacity as the tax payor (*plátce daně*).

Repayment of the Payment Amount and payments of interest in respect of the Bonds by or on behalf of the Issuer will be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by the Czech Republic or any authority therein or thereof having power to tax, unless such withholding or deduction is required by applicable law. In such case, the Issuer will not be obliged to pay to the Bondholders any additional amounts as a compensation of the withholding or deduction of any taxes, duties, assessments or governmental charges of whatever nature, unless the relevant Pricing Supplement stipulates otherwise.

For more information on the taxation regime of the Bonds please see chapter "*Taxation and Foreign Exchange Regulation*" of the Base Prospectus.

## 9. Events of Default

### 9.1 Events of Default

If any one or more of the following events (each an “**Event of Default**”) occurs and is continuing (i.e., has not been remedied or waived):

(a) Non-payment

any payment in respect of the Bonds is not made on the due date thereof and such default remains unremedied for more than ten (10) Business Days from the date on which the Issuer is notified of such default by any Bondholder in writing by a letter addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office; or

(b) Breach of other obligations

the Issuer defaults in the performance or observance of any of its other significant obligations (other than under paragraph (a) above or paragraphs (c) through (i) below) in connection with the Bonds or the Terms and Conditions of the Bonds and such default remains unremedied for more than thirty (30) Business Days from the date on which the Issuer is notified of such default by any Bondholder in writing by a letter addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office, whereas, in the case of Condition 4.5, an Event of Default will occur if the Event of Default is not rectified in accordance with the terms stated in Condition 4.5; or

(c) Cross-default

Any Financial Indebtedness of:

- (A) the Issuer in an aggregate amount exceeding CZK 100,000,000 (one hundred million Czech crowns);
- (B) the Guarantor in an aggregate amount exceeding CZK 250,000,000 (two hundred and fifty million Czech crowns); or
- (C) a Significant Subsidiary in an aggregate amount exceeding CZK 500,000,000 (five hundred million Czech crowns) or the equivalent of these amounts in any other currency,

is not paid by the relevant debtor

- (D) within five (5) Business Days after it became due and any originally applicable grace period has expired; or
- (E) any such Indebtedness becomes (or becomes capable of being declared) due and payable prior to its stated maturity otherwise than at the option of the Issuer, the Guarantor or a Significant Subsidiary, as the case may be, or (provided that no event of default, howsoever described, has occurred) any person entitled to such Indebtedness, and in each case remains unpaid for more than five (5) Business Days from the due date,

unless, in the cases under points (D) and (E) above, such Financial Indebtedness is discharged or otherwise ceases to exist in the meantime.

For the purposes of this paragraph (c), “Financial Indebtedness” does not include any debts of the Issuer or the Guarantor subordinated to the debts arising under the Bonds (in the case of the Issuer) or the Financial Guarantee (in the case of the Guarantor) under a Subordination Agreement or otherwise under Section 172 of the Insolvency Act (in the case of such other subordination under Section 172 of the Insolvency Act, however, only in relation to (i) claims of shareholders of the Issuer or the Guarantor resulting from their stake in the Issuer or the Guarantor; or (ii) receivables arising under a subordinated bond under the Bonds Act or another

similar subordinated security representing the right to repayment of a debt amount issued under the law of a foreign jurisdiction); or

(d) Judicial and Other Decisions

the Issuer, the Guarantor or a Significant Subsidiary fails to comply with a payment obligation finally imposed by a court, tribunal or administrative body which, individually or in aggregate, exceeds in the case of (i) the Issuer, CZK 100,000,000 (one hundred million Czech crowns); (ii) the Guarantor, CZK 250,000,000; or (iii) a Significant Subsidiary, CZK 500,000,000 (five hundred million Czech crowns) or the equivalent of these amounts in another currency within the period specified in the relevant decision or within thirty (30) days of receipt of that decision by the Issuer, the Guarantor or a Significant Subsidiary, as relevant, whichever comes later; or

(e) Illegality

(A) any material obligations arising under the Bonds, the Financial Guarantee, a Subordination Agreement or a Pledge Agreement cease to be fully or partially legally enforceable or start being in breach of applicable laws, (B) the Financial Guarantee ceases to exist or ceases to be valid for any reason and any time or either of the Issuer or the Guarantor claims that the Financial Guarantee is invalid or unenforceable; or (C) it becomes illegal for (i) the Issuer to meet any of its material obligations under the Terms and Conditions of the Bonds or in connection with the Bonds; (ii) the Guarantor to meet any of its material obligations under, or in connection with, the Financial Guarantee; (iii) a Subordinated Creditor or the Guarantor to meet any of its material obligations under, or in connection with, a Subordination Agreement; or (iv) a Pledgor to meet any of its material obligations under, or in connection with, a Pledge Agreement, and in each case such a state is not remedied within (and including) ten (10) Business Days of the day the obligor learns of such a fact; or

(f) Insolvency etc.

(A) the Issuer, the Guarantor or a Significant Subsidiary is insolvent or proposes to a court to initiate insolvency proceedings, declare bankruptcy of its assets, permit reorganisation or debt relief or similar proceedings in respect of itself (the “**Insolvency Petition**”); (B) an Insolvency Petition that is not obviously baseless (*zjevně bezdůvodný*) is filed in respect of the Issuer, the Guarantor or a Significant Subsidiary; (C) the assets of the Issuer, the Guarantor or a Significant Subsidiary are declared bankrupt by a court or other competent authority, a reorganisation or debt relief is allowed or any other similar proceedings are initiated; (D) the Insolvency Petition is rejected by the competent authority on the grounds that the Issuer’s, the Guarantor’s or a Significant Subsidiary’s assets would not be sufficient to cover the costs and expenses of the proceedings; or (E) the Issuer, the Guarantor or a Significant Subsidiary proposes or enters into an agreement to postpone, set a schedule or otherwise adjust all of its debts on the grounds that it is unable to settle them at maturity; or

(g) Liquidation

a final decision of an authority of the relevant jurisdiction or a decision of the relevant body of the Issuer, the Guarantor or a Significant Subsidiary is adopted on dissolution with liquidation, other than (A) liquidation of a Significant Subsidiary on a solvent basis; or (B) any Transformation permitted under Condition 4.11;

(h) De-listing of the Bonds

if the relevant Pricing Supplement specifies that the Bonds of a particular Issue are to be admitted to trading, such Bonds cease to be admitted to trading on the Regulated Market of the PSE (except as a result of early redemption or buyback, as applicable, in accordance with Conditions 6.4 or 6.5) or any other regulated market that replaces the Regulated Market of the PSE; or

(i) Cessation of business

the Issuer or the Guarantor ceases to carry out all or substantially all of the business of the Group taken as a whole, or ceases to hold a valid licence or permit to pursue all or substantially all of the business of the Group taken as a whole,

then any Bondholder, at its discretion, by a written notice addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office (the “**Acceleration Notice**”), may require early redemption of the nominal value of the Bonds owned by such Bondholder (which Bonds may not then be sold by such Bondholder), and any accrued and unpaid interest in accordance with Conditions 5.1(e) or 5.2(g), upon which the Issuer will redeem such Bonds (together with accrued and unpaid interest) in accordance with Condition 9.2.

The Pricing Supplement of a particular Issue will specify which Events of Default will apply in respect of that Issue.

## **9.2 Maturity of the Accelerated Bonds**

Any and all amounts payable by the Issuer to any Bondholder will become due and payable as of the last Business Day of the month following the month in which the Bondholder delivered the relevant Acceleration Notice to the address of the Specified Office (the “**Early Redemption Date**”), unless the relevant Event of Default is remedied before the delivery of the Acceleration Notice or the Acceleration Notice is withdrawn in accordance with Condition 9.3.

## **9.3 Withdrawal of the Acceleration Notice**

A Bondholder may withdraw the Acceleration Notice in writing, but only in relation to the Bonds owned by such Bondholder and only if such withdrawal is addressed to the Issuer and delivered to the Fiscal and Paying Agent at the address of the Specified Office no later than eight (8) Business Days before the relevant amounts become payable in accordance with Condition 9.2. Such revocation will not affect any Acceleration Notice of any other Bondholders.

## **9.4 Other Conditions for Early Redemption of the Bonds**

The provisions of Condition 7 will apply to the early redemption of the Bonds under this Condition 9, as appropriate.

## **10. Statute of Limitation**

All rights connected with the Bonds will become statute-barred upon the expiration of ten (10) years from the day when such rights could be exercised for the first time.

## **11. Fiscal and Paying Agent, Calculation Agent and Listing Agent**

### **11.1 Fiscal and Paying Agent**

#### **(a) Fiscal and Paying Agent and the Specified Office**

Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.1(b), ČS will be the Fiscal and Paying Agent and the Specified Office will be as follows:

Česká spořitelna, a.s.  
3760\_05 tým Výpočetní a výplatní agent  
Budějovická 1518/13a  
140 00 Prague 4  
Czech Republic

#### **(b) Change of the Fiscal and Paying Agent and Specified Office**

At any time, and always in respect of every Issue under the Programme, the Issuer may appoint a different Fiscal and Paying Agent and designate another or an additional Specified Office of the Fiscal and Paying Agent.

The Issuer will notify the Bondholders of any such change of the Specified Office or the Fiscal and Paying Agent in the manner in which the Terms and Conditions of the affected Issue(s) were published and any such change will become effective on the expiry of a period of fifteen (15) calendar days from the date of such notice unless a later effective date is specified in any such notice.

In any event, any such change that would otherwise become effective less than thirty (30) calendar days before or after the Payment Date of any amount under the Bonds will become effective on the 30th calendar day after such Payment Date.

If such change in the Fiscal and Paying Agent or Specified Office adversely affects the position or interests of the Bondholders, it will be decided upon by the Meeting in accordance with Condition 12.

(c) Relationship between the Fiscal and Paying Agent and the Bondholders

Unless otherwise provided by the Agency Agreement or by law, the Fiscal and Paying Agent will act as an agent of the Issuer when performing its duties under the Agency Agreement, provides no guarantee or security for the Issuer's liabilities under the Bonds, and will not be in any legal relationship with the Bondholders.

(d) Amendments and Waivers

The Issuer and the Fiscal and Paying Agent may, without the consent of the Bondholders, agree to (i) any amendment to any provision of the Agency Agreement if the amendment is solely of a formal, ancillary or technical nature or is made to correct a manifest error or required by changes in law; and (ii) any other amendment and waiver of any breach of any provision of the Agency Agreement that, in the reasonable opinion of the Issuer and the Fiscal and Paying Agent, will not adversely affect the Bondholders.

For the avoidance of doubt, if an amendment to the Agency Agreement or waiver of any breach of any of the provisions of the Agency Agreement under the previous sentence leads to an amendment to the Terms and Conditions for which approval of the Meeting is required by the Bonds Act, such amendment to the Terms and Conditions may occur only with the consent of the Meeting.

## **11.2 Calculation Agent**

(a) Calculation Agent

Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition and unless the Calculation Agent changes in accordance with Condition 11.2(b), CS will be the Calculation Agent.

(b) Change of the Calculation Agent

The Issuer may appoint a different Calculation Agent in respect of any Issue under the Programme. The Issuer will notify the Bondholders of any such change of the Calculation Agent in the manner in which the Terms and Conditions of the specific Issue were published, and any such change will become effective on the expiry of fifteen (15) calendar days following the day of such notice unless a later effective date is specified in such notice.

In any event, any change that would otherwise become effective less than fifteen (15) calendar days before or after the date when the Calculation Agent is required to make any calculation in connection with the Bonds will become effective on the 15<sup>th</sup> calendar day of such date when the Calculation Agent was required to make such calculation.

If such change in the Calculation Agent adversely affects the position or interests of the Bondholders, it will be decided upon by the Meeting in accordance with Condition 12.

(c) Relationship between the Calculation Agent and the Bondholders

In relation to the performance of obligations under the agreement with the Calculation Agent concluded between the Issuer and the Calculation Agent, the Calculation Agent will act as the Issuer's agent and will not be in any legal relationship with the Bondholders.

### 11.3 Listing Agent

(a) Listing Agent

Unless otherwise provided in the relevant Pricing Supplement and unless changed in accordance with Condition 11.3(b), ČS will be the Listing Agent.

(b) Change of the Listing Agent

The Issuer may appoint a different Listing Agent in respect of any Issue under the Programme.

(c) Relationship between the Listing Agent and the Bondholders

In relation to the performance of obligations under the agreement with the Listing Agent concluded between the Issuer and the Listing Agent, the Listing Agent will act as the Issuer's agent and will not be in any legal relationship with the Bondholders.

## 12. Meetings and Changes to the Terms and Conditions and Replacement of the Bonds

### 12.1 Authority and Convocation of the Meeting

(a) Right to Convene the Meeting

Any Bondholder(s) may only convene a meeting of the Bondholders (the "**Meeting**"):

- (i) in accordance with these Joint Terms and Conditions and applicable laws if so required to decide on common interests of the Bondholders;
- (ii) if the Issuer failed to convene the Meeting when obliged to do so under Condition 12.1(b); or
- (iii) if the convening of the Meeting is envisaged under Conditions 3.5 or 3.6.

The Security Agent must convene the Meeting without undue delay and at the expense of the Issuer if:

- (i) the Issuer failed to convene the Meeting when obliged to do so under Condition 12.1(b)(ii)-(iii); or
- (ii) the convening of the Meeting is envisaged under Conditions 3.4 or 3.7

The Security Agent or any Bondholder(s) may convene the Meeting at the expense of the Issuer if an Event of Default occurred or if the Terms and Conditions or applicable laws provide for the convening of the Meeting.

If the Meeting is convened by a person other than the Issuer, the Issuer is obliged to provide such a person all necessary co-operation.

If the Meeting is convened by the Security Agent or any Bondholder(s), such person(s) must, no later than on the day of publication of the notice of the Meeting under Condition 12.1(c):

- (i) deliver to the Fiscal and Paying Agent a request for procuring evidence of the number of all Bonds within the Issue entitling the holder(s) to attend the Meeting convened by a Bondholder or the Bondholders, i.e., an extract from the register of the Issue (*výpis emise*) maintained by the Central Depository; and
- (ii) pay to the Fiscal and Paying Agent an advance to cover the costs associated with its services in relation to the Meeting.

The due and timely delivery of the request under item (i) above and the payment of the advance for the costs referred to in item (ii) above are conditions for the valid convening of the Meeting.

If there is more than one Issue under the Programme and if a decision is to be made regarding the common interests of all Bondholders, including a change in the identity of the Security Agent or a common representative of the Bondholders, if any, or a decision regarding the Security Documents, a joint Meeting of all Bondholders must be convened in accordance with these Joint Terms and Conditions and applicable law. If such a joint Meeting is convened by the Security Agent or any Bondholder(s), the Issuer is obliged to provide the Security Agent or such Bondholder(s), as the case may be, with any necessary assistance.

(b) Meeting Convened by the Issuer

The Issuer must promptly convene the Meeting and request the Bondholders to provide their opinion on:

- (i) the Issuer's proposal for any amendment to the Terms and Conditions that requires the Bondholders' consent under applicable laws;
- (ii) termination of the activities of the Security Agent under the Security Agency Agreement; or
- (iii) request for a change in the identity of the Security Agent by Bondholders whose Bonds' nominal amount represents at least 5% of the total nominal amount of the Bonds,

whereas each of the above constitutes a material change within the meaning of Section 21(1) of the Bonds Act (each a "**Material Change**").

The Issuer must promptly convene the Meeting and request the Bondholders to provide their opinion if the convening and holding of the Meeting by the Issuer is required under Condition 3.3, whereas such a situation is not considered to be a Material Change, or if an Event of Default occurs and is continuing.

The Issuer may convene the Meeting when it considers it, in its absolute discretion, necessary, including to propose collective action if it has knowledge that an Event of Default may occur.

The Issuer is not obliged to convene a Meeting in other cases.

(c) Notice of the Meeting

The Issuer is obliged to give notice of the Meeting in the manner set out in Condition 14 no later than fifteen (15) calendar days prior to the date of the Meeting. If the Meeting is convened by any Bondholder(s) or the Security Agent, such person(s) will deliver a notice of the Meeting (containing all statutory elements) sufficiently in advance (at least twenty (20) calendar days prior to the proposed date of the Meeting) to the Issuer at the address of the Specified Office.

The Issuer will promptly ensure that such notice of the Meeting is published in the manner and within the time limit specified in the first sentence of this Condition 12.1(c). However, the Issuer is not responsible for the content of such notice or any delay or default in complying with any statutory time limits by the person who convened the Meeting.

The notice of the Meeting must contain at least:

- (i) the business name, identification number and registered office of the Issuer;
- (ii) the identification of the Bonds, including at least the Bond title, the Issue Date and the ISIN (or other Bond identifiers if no ISIN is available), and in the event of a joint Meeting, such identification in respect of all issued and outstanding Issues;
- (iii) the venue, date and time of the Meeting, provided that the Meeting may only take place on a day that is a Business Day and the Meeting time may not be before 11 a.m.;

- (iv) the agenda of the Meeting and, in the case of any proposed amendment(s) to the Terms and Conditions within the meaning of Condition 12.1(b), the specification of the proposed amendment(s) and their justification; and
- (v) the day that is the record date for the attendance at the Meeting.

The Meeting will be authorised to decide on proposed resolutions that were not contained in the notice of the Meeting only in the presence of and with the consent of all Bondholders.

If the reason to convene the Meeting is not continuing, the person who convened the Meeting will revoke the convocation of the Meeting in the same manner as convened.

The costs of organising, convening and holding the Meeting will be paid by the person convening the Meeting, unless it is a case where the Issuer has violated its obligation to convene the Meeting or if an Event of Default has occurred and is continuing, in which case the costs of organising, convening and holding the Meeting will be covered by the Issuer. The costs associated with the participation in the Meeting are covered by each participant themselves.

## 12.2 Persons Authorised to Attend and Vote at the Meeting

### (a) Persons Authorised to Attend the Meeting

Unless otherwise specified in the Pricing Supplement, a person will only be entitled to attend and vote at the Meeting if they are (i) a Bondholder recorded as a Bondholder in the register of the Issue maintained by the Central Depository and in an extract from such Issue register at the close of the day falling seven (7) calendar days prior to the date of the relevant meeting (the “**Meeting Attendance Record Date**”); or (ii) a person who provides to the Issuer and Fiscal and Paying Agent a certificate of the custodian in whose owner’s securities account with the Central Depository the relevant number of the Bonds was recorded as of the Meeting Attendance Record Date certifying that such person was a Bondholder as at the Meeting Attendance Record Date and that the Bonds held by such person are registered in the securities account of the custodian by reason of their custodianship (the “**Person Authorised to Attend the Meeting**”).

If required by the Fiscal and Paying Agent, the certificate according to the preceding paragraph must be in writing (with notarised signatures) and otherwise satisfactory in form and substance to the Fiscal and Paying Agent. In the case of the custodian being a legal entity, the Fiscal and Paying Agent may, at its own discretion, require such certificate to be accompanied by an original or an officially certified copy of an extract from the commercial register or other respective register in respect of the custodian not older than three (3) months prior to the date of the relevant Meeting.

No transfers of the Bonds made after the Meeting Attendance Record Date will be taken into account.

### (b) Voting Rights

Each Person Authorised to Attend the Meeting will have such number of votes out of the total number of votes that corresponds to the ratio between the outstanding nominal value of the Bonds held by such person as of the Meeting Attendance Record Date to the total outstanding nominal value of the Issue as of the Meeting Attendance Record Date. No voting right will be attached to any Bonds held by the Issuer or members of the Group as of the Meeting Attendance Record Date that have not been cancelled by the Issuer under Condition 6.3, and no such Bonds will be taken into account when determining the presence of a quorum at the Meeting. If the Meeting decides on recalling a common representative, the common representative (if they are a Person Authorised to Attend the Meeting) may not exercise their voting right at such a Meeting.

### (c) Attendance of the Meeting by Other Persons

The Issuer is obliged to attend the Meeting, either in person or by proxy. Other persons entitled to attend the Meeting are Bondholders, proxies of the Bondholders, proxies of the Fiscal and



Paying Agent, a common representative (unless they are a Person Authorised to Attend the Meeting) and any guests invited by the Issuer and/or the Fiscal and Paying Agent.

If required by the Fiscal and Paying Agent, a power of attorney granted by a Bondholder to any proxy must be in writing with a notarised signature of the Bondholder. In the case of a Bondholder being a legal entity, the Fiscal and Paying Agent may, at its own discretion, require from an individual entitled to represent such Bondholder at the Meeting on the basis of a power of attorney or otherwise an original or an officially certified copy of an extract from the commercial register or other respective register in respect of such Bondholder not older than three (3) months prior to the date of the relevant Meeting.

### **12.3 Course of the Meeting; Decision-making**

(a) Quorum

The Meeting will constitute a quorum if attended by the Persons Authorised to Attend the Meeting, who were, as of the Meeting Attendance Record Date, owners of the Bonds the nominal amount of which represents more than 30% of the aggregate nominal amount of the issued and outstanding Bonds of the particular Issue. If the Meeting decides on recalling a common representative, any votes belonging to the common representative (if they are a Person Authorised to Attend the Meeting) will not be included in the total number of votes. Before opening the Meeting, the person convening the Meeting will inform the Meeting about the number of all the Bonds in respect of which the Persons Authorised to Attend the Meeting are entitled to vote at the Meeting in accordance with the Terms and Conditions.

(b) Chairman of the Meeting

The Meeting convened by the Issuer will be chaired by a chairman appointed by the Issuer. The Meeting convened by the Security Agent or any Bondholder(s) will be chaired by a chairman elected by a Simple Majority of votes. Until the chairman is elected, the Meeting will be chaired by a person appointed by the person convening the Meeting, whereas the election of the chairman must be the first item on the agenda of any Meeting not convened by the Issuer.

(c) Common Representative

The Meeting may by resolution decide on a change in the person of the common representative of Bondholders. The common representative is authorised under applicable law (i) to enforce, on behalf of all of the Bondholders, any rights associated with the Bonds to the extent specified in a resolution adopted by the Meeting; (ii) to supervise the compliance with the Terms and Conditions by the Issuer; and (iii) to execute, on behalf of all of the Bondholders, any other acts or protect the Bondholders' interests in the manner and to the extent specified in a resolution adopted by the Meeting. The Meeting may recall the common representative in the same way in which the common representative was elected or replace him with a new common representative. The agreement on the appointment of the Common Representative will be available to the public on the Issuer's Website.

(d) Decision-making at the Meeting

The Meeting will decide on any issues on its agenda in the form of resolutions. Any resolution that (i) approves a proposal on any amendment to these joint Terms and Conditions that requires the Bondholders' consent under applicable law; or (ii) appoints or recalls a common representative, will require the affirmative vote of at least three-quarters of the attending Persons Authorised to Attend the Meeting. Unless provided otherwise by law, any other resolutions will require a Simple Majority of votes in order to be passed.

(e) Adjournment of a Meeting and a substitute Meeting

If within one (1) hour after the scheduled opening of the Meeting a quorum is not present, then such Meeting will be automatically dissolved without further notice.

If the Meeting convened by the Issuer which is to decide on amendments to the Terms and Conditions under Condition 12.1(b)(i) does not have a quorum within one (1) hour after the scheduled opening of the Meeting, the Issuer will convene, if necessary, a substitute Meeting to be held no later than six (6) weeks after the scheduled date of the original Meeting. The holding of a substitute Meeting with the unchanged agenda will be notified to the Bondholders no later than five (5) calendar days after the scheduled date of the original Meeting.

No quorum requirements will apply to the substitute Meeting convened by the Issuer deciding on amendments to the Terms and Conditions under Condition 12.1(b)(i) irrespective of the conditions for quorum set out in Condition 12.3(a). The Issuer is obliged to give notice of the substitute Meeting in the manner set out in Condition 14 no later than five (5) Business Days prior to the date of the substitute Meeting.

The Issuer is entitled to convene the substitute Meeting simultaneously with the convening of the original Meeting or at any time before the holding of the regular Meeting so that it takes place at least five (5) Business Days from the date on which the original Meeting was convened. The Issuer will, no later than the day following the day of the original Meeting, notify the Bondholders in the manner set out in Condition 14 that the original Meeting was not capable of forming a quorum.

#### **12.4 Certain Additional Rights of the Bondholders**

(a) Consequence of Voting against Certain Resolutions of the Meeting

If the Meeting approved a Material Change in the Terms and Conditions under paragraphs (i), (ii) and (iii) of Condition 12.1(b), the Person Authorised to Attend the Meeting who, according to the minutes of such Meeting, voted against the resolution adopted by the Meeting or did not attend the Meeting (the “**Applicant**”), has a right to request (i) the repayment of the at the time outstanding nominal amount of the Bonds which such Bondholder held as of the Meeting Attendance Record Date, together with the pro-rata interest accrued on such Bonds; or (ii) the buyback of the Bonds at the market price, if, in each case, the Bonds are not subsequently transferred after the Meeting (in the event of a transfer, this right ceases to exist).

This right must be exercised by the Applicant within thirty (30) days of the publication date of such Meeting resolution according to Condition 12.5 (the “**Application Period**”) by a written application (the “**Application**”) addressed to the Issuer and delivered to the Fiscal and Paying Agent to the address of the Specified Office, failing which the right will cease to exist.

The amounts referred to above will become due and payable on the last Business Day of the month following the month in which the Application Period expires (the “**Early Redemption Date**”), unless the Bonds become due and payable earlier under the Terms and Conditions or a mandatory provision of the law (in which case, the relevant provision of the Terms and Conditions or the law must be followed). The Issuer may repay the Bonds to each Bondholder who has delivered the Application within the Application Period before the Early Redemption Date.

(b) Resolution on Early Redemption of the Bonds upon Bondholders’ request

If the Meeting did not approve a Material Change (except a Material Change under Condition 12.1(b)(i)), the Meeting may, even beyond the scope of the agenda, decide that if the Issuer proceeds in conflict with the resolution of the Meeting that disagreed with such a Material Change, any Bondholder(s) may request the repayment of the nominal amount of the Bonds which they held as of the Meeting Attendance Record Date, which Bonds the relevant Bondholder(s) will not be entitled to transfer following such a request, and any pro-rata interest accrued thereon (if relevant) to any Bondholder who requests such early repayment (the “**Applicant**”).

This right must be exercised by the Applicant within thirty (30) days of the minutes being available in accordance with Condition 12.5 by a written notice (the “**Application**”) addressed to the Issuer and delivered to the Specified Office of the Fiscal and Paying Agent, otherwise the right ceases to exist. The amounts referred to above will become due and payable on the day

falling thirty (30) days from the day the Application was delivered to the Fiscal and Paying Agent (the “**Early Redemption Date**”). The Issuer may repay the Bonds to each Bondholder who has delivered the Application within the Application Period before the Early Redemption Date.

(c) Requirements as to the Application

The Application must specify the number of Bonds the early redemption of which is requested, the securities account, the type of the securities account and the identity of the dealer with whom the securities account is maintained. The Application must be in writing and signed by persons authorised to act on behalf of the Applicant, whereas the authenticity of such signatures must be officially verified or otherwise verified by an authorised employee of the Fiscal and Paying Agent. Within the same time limit, the Applicant is also obliged to deliver to the Specified Office of the Fiscal and Paying Agent all the documents required for making the payment under Condition 7.

## 12.5 Minutes of the Meeting

Minutes of the business discussed and resolved at the Meeting will be taken by the person who convened the Meeting or by a person authorised by such person within ten (10) calendar days after the date of the Meeting. The minutes will contain the conclusions of the Meeting, including, without limitation, any resolutions adopted by such Meeting.

If the Meeting is convened by the Security Agent or any Bondholder(s), the minutes of such Meeting must also be delivered to the Issuer at the Specified Office address no later than ten (10) calendar days after the date of the Meeting.

The Issuer is obliged to keep the minutes of the Meeting until the rights under the Bonds expire under the statute of limitations. The minutes of the Meeting will be available for inspection by the Bondholders during the usual business hours at the Specified Office. The Issuer (either by itself or through an authorised agent, e.g., the Fiscal and Paying Agent) will publish or make accessible, as applicable, all resolutions of the Meeting in the same manner in which it published or made accessible, as applicable, these Joint Terms and Conditions and the relevant Pricing Supplement no later than ten (10) calendar days after the date of the Meeting.

If the Meeting made a decision regarding a Material Change under Condition 12.1(b)(i), the minutes of the Meeting must be prepared in the form of a notarial deed (*notářský zápis*). If the resolution of such a Meeting is adopted, the notarial deed will include the names of the Persons Authorised to Attend the Meeting that validly voted for the adoption of such a resolution and the number of Bonds that such persons owned as of the Meeting Attendance Record Date.

## 12.6 Decision-Making outside of the Meeting

(a) Notification of the Decision Proposal

Decisions may be adopted outside of the Meeting (*per rollam*) in accordance with these Joint Terms and Conditions. In such case, the person authorised to convene the Meeting will notify all Bondholders of the decision proposal in the manner set out in Condition 14.

The decision proposal will include at least:

- (i) the business name, identification number and registered office of the Issuer;
- (ii) the identification of the Bonds, including at least the Bonds title, the Issue Date and the ISIN (or other Bond identifiers if no ISIN is available), and in the event of a joint Meeting, such identification in respect of all issued and outstanding Issues;
- (iii) the wording of the proposed decision and its justification;
- (iv) the period for delivery of the Bondholder’s statement, which will be at least fifteen (15) calendar days from the date of the notification of the decision proposal;
- (v) the Per Rollam Record Date (as defined in Condition 12.6(b) below);

- (vi) any documents required for the adoption of the decision; and
  - (vii) other information and data at the discretion of the notifying person.
- (b) Persons Authorised to Participate in the Decisions-Making outside of the Meeting

A person entitled to participate in the decision-making outside of the Meeting will only be (i) the Bondholder recorded as a Bondholder in the register of the Issue maintained by the Central Depository and in an extract from such Issue register at the close of the day falling seven (7) calendar days prior to the date of the notice of the decision proposal pursuant to Condition 12.6(a) (the “**Per Rollam Record Date**”); or (ii) a person who provides to the Issuer and the Fiscal and Paying Agent a certificate of the custodian in whose owner’s securities account with the Central Depository the relevant number of the Bonds was recorded as of the Per Rollam Record Date certifying that such person was a Bondholder as at the Per Rollam Record Date and that the Bonds held by such person are registered in the securities account of the custodian by reason of their custodianship. If requested by the Fiscal and Paying Agent, the certificate according to the preceding sentence must be in writing (with notarised signatures) and otherwise in form and substance satisfactory to the Fiscal and Paying Agent. In the case of the custodian being a legal entity, the Fiscal and Paying Agent may, at its own discretion, require such certificate to be accompanied by an original or an officially certified copy of an extract from the commercial register or other respective register in respect of the custodian not older than three (3) months prior to the date of the notice of the decision proposal. No transfers of the Bonds made after the *Per Rollam Record Date* will be taken into account.

- (c) Adoption of the Decision

A decision will be adopted on the earlier of (i) the date on which the last Bondholder’s statement on the proposal is delivered; or (ii) the expiry of the last day of the period for delivery of the Bondholders’ statement specified in the notice of the decision proposal pursuant to Condition 12.6(a), in both cases if the number of votes required for the adoption of the decision has been reached. In the case of a proposal on matters constituting a Material Change, a notarised signature or a vote made by means of a data box (datová schránka) is required in order for the vote to be validly counted.

- (d) Other Provisions

The provisions of Conditions 12.1 to 12.5 will apply to decision-making outside of the Meeting, as appropriate. The date of the Meeting will be deemed to be the last day of the period for delivery of the Bondholders’ statement specified in the notice of the decision proposal under Condition 12.6(a). Section 80gd(2) of Act No. 35/1992 Coll., the Notarial Code, as amended (the “**Notarial Code**”) will apply to the content of the notarial deed, as appropriate, except that instead of the information identifying the notarial deed of the decision proposal, the content of the decision proposal will be included and the statement referred to in Section 80gd(2)(j) of the Notarial Code will not be included.

## 12.7 Notice

In accordance with Section 23(9) of the Bonds Act, the Issuer hereby calls attention to the fact that these Joint Terms and Conditions deviate from the provisions of Section 23(5) and (7) of the Bonds Act in the following respect. By way of derogation from Section 23(5) and (7), the amounts the repayment of which the Applicant is entitled to under Condition 12.4(a) will become due and payable on the last Business Day of the month following the month in which the Application Period expires, not thirty (30) days following the Application.

Also see “*Risk Factors – Risks related to the Bonds – The Joint Terms and Conditions contain provisions which deviate from the Bonds Act*”.

### **13. Changes in the Joint Terms and Conditions**

If required under applicable law, the Terms and Conditions can only be amended with the consent of the Meeting. Any amendment of the Terms and Conditions, however, always requires the consent of the Issuer.

### **14. Notices**

#### **14.1 Notices to the Bondholders by the Issuer**

Any notice to the Bondholder by the Issuer will be valid and effective if published in Czech, English or both languages on the Issuer's Website. If mandatory provisions of applicable laws or these Joint Terms and Conditions determine any other method for publishing any of the notices given hereunder, such notice will be deemed to be validly published upon its publication in the manner prescribed by the relevant legislation. If a notice is published in more than one manner, the date of the first publication will be considered as the date of the notice.

#### **14.2 Notices to the Bondholders by the Security Agent**

Any notice to the Bondholder by the Security Agent will be valid and effective if published in English or Czech language or both on [www.csas.cz](http://www.csas.cz) or on the website of the New Security Agent, if another person becomes a security agent in accordance with Condition 3.4. If mandatory provisions of applicable laws or these Joint Terms and Conditions determine any other method for publishing any of the notices given hereunder, such notice will be deemed to be validly published upon its publication in the manner prescribed by the relevant legislation. If a notice is published in more than one manner, the date of the first publication will be considered as the date of the notice.

#### **14.3 Notices to the Issuer**

Any notice to the Issuer will be valid and effective upon its delivery by registered post (or in a similar way) or courier. For the purposes of a due notification, any such notice will contain the ISIN of the Bonds.

### **15. Governing Law and Language**

Any rights and obligations under the Bonds will be governed by, and interpreted and construed in accordance with, the laws of the Czech Republic. These Joint Terms and Conditions may be translated into other languages. In the event of any inconsistencies between the various language versions of the Joint Terms and Conditions, the English language version will prevail.

Any disputes between the Issuer and the Bondholders that may arise based on, or in connection with, an Issue of the Bonds, including any disputes with respect to these Joint Terms and Conditions, will be settled with final effect by the Municipal Court in Prague.

The court competent to resolve any disputes between the Issuer and the Bondholders in relation to the Bonds (including disputes relating to non-contractual obligations arising therefrom and disputes concerning their existence and validity) is solely the Municipal Court in Prague, unless the agreement on the choice of territorial jurisdiction (*prorogační doložka*) is not possible in a particular case and the law provides for another locally competent court.

### **16. Definitions**

In these Joint Terms and Conditions, the following terms will have the following meaning:

“**2024 SHL Subordinated Receivables**” means the receivables arising under the 2024 Subordinated SHL.

“**2024 Subordinated SHL**” means a shareholder loan agreement dated 17 May 2024 between the Subordinated Shareholders as lenders and the Guarantor as borrower.

“**Acceleration**” has the meaning as set out in Condition 3.6.

“**Acceleration Notice**” has the meaning as set out in Condition 9.1.

“**Additional Subordination Agreement**” has the meaning as set out in Condition 3.2(c).

“**Additional Subscription Period**” has the meaning as set out in Condition 2.

“**Agency Agreement**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Applicant**” has the meaning as set out in Conditions 12.4(a) and 12.4(b).

“**Application**” has the meaning as set out in Conditions 12.4(a) and 12.4(b).

“**Application Period**” has the meaning as set out in Condition 12.4(a).

“**Authorised Persons**” or “**Authorised Person**” mean the persons or person entitled to the payment of interest on the Bonds and repayment of the Payment Amount, determined according to the rules specified for individual cases in Condition 7.4, unless otherwise stipulated by applicable law.

“**Bondholder**” has the meaning as set out in Condition 1.2(c)(i).

“**Bonds**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Bonds Act**” means Act No. 190/2004 Coll., on Bonds, as amended.

“**Business Day**” means (a) for Bonds denominated in CZK, any day on which banks in the Czech Republic are open and interbank transactions are settled in CZK; (b) for Bonds denominated in EUR, any day on which banks are open in the Czech Republic and foreign exchange settlement is carried out and on which T2 is also open for the settlement of trades; and (c) for Bonds denominated in a currency other than CZK or EUR, any day on which banks are open and foreign exchange settlement is carried out in the Czech Republic and in the principal Financial Centre for the currency in which the Bonds are denominated.

“**Business Day Convention**” has the meaning as set out in Condition 7.3.

“**Buyback Date**” has the meaning as set out in Condition 6.5.

“**Buyback Notice**” has the meaning as set out in Condition 6.5.

“**Calculation Agent**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Capital Market Act**” means Act No. 256/2004 Coll., on Business on the Capital Market, as amended.

“**Central Depository**” means Centrální depozitář cenných papírů, a.s., with its registered office at Rybná 682/14, 110 00 Prague 1, ID No.: 250 81 489, registered in the Commercial Register under file No. B 4308 maintained by the Municipal Court in Prague.

“**Change of Control**” means a situation where:

- (a) the Ultimate Controlling Persons cease (other than for the benefit of their descendants or heirs), directly or indirectly and severally or jointly, to:
  - (i) have the power (whether by virtue of ownership, power of attorney, contract or otherwise):
    - (A) to vote or control voting with respect to more than 50% of the maximum number of votes that could be cast at the Guarantor’s general meeting; or
    - (B) to appoint or dismiss all or most of the members of the statutory body or other equivalent representatives of the Guarantor or members of the supervisory board or other similar supervisory body of the Guarantor (if it was established); or
    - (C) issue instructions regarding the operational and financial policy of the Guarantor, which the members of the statutory body or other equivalent representatives of the Guarantor are obliged to comply with; or

- (ii) hold more than 50% of the subscribed share capital of the Guarantor (excluding any part of the share capital with which no other right is attached than the right to participate in a specified amount in the distribution of profits or share capital); or
- (b) the Guarantor ceases, directly or indirectly, to:
  - (i) have the power (whether by virtue of ownership, power of attorney, contract or otherwise):
    - (A) to vote or control the voting with respect to 100% of the maximum number of votes that could be cast at the Issuer’s general meeting; or
    - (B) appoint or dismiss all or most of the members of the statutory body or other equivalent representatives of the Issuer or members of the supervisory board or other similar supervisory body of the Issuer (if it was established); or
    - (C) issue instructions regarding the operational and financial policy of the Issuer, which the members of the statutory body or other equivalent representatives of the Issuer are obliged to comply with; or
  - (ii) hold 100% of the subscribed share capital of the Issuer (excluding any part of the share capital to which no right is attached other than the right to participate in a specified amount in the distribution of profit or share capital).

“**Change of Control Notice**” means a notice that the Issuer must deliver to the Fiscal and Paying Agent, the Security Agent and the Bondholders in the manner specified in Condition 14 informing them of the existence of a Change of Control. The Issuer must deliver such a notice without undue delay of, and in any case no later than thirty (30) days after, learning that a Change of Control has occurred.

“**Chosen Auditor**” means any auditor company providing auditor services in accordance with the law of the relevant jurisdiction and belonging to the firm network of E&Y, PricewaterhouseCoopers, KPMG, Deloitte, BDO, Mazars or Baker Tilly, whereas, for the purposes of a mandatory audit, another auditor company providing auditor services in accordance with the law of the relevant jurisdiction may be chosen.

“**Civil Code**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Conditions**” or “**Condition**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Czech National Bank**” means the Czech National Bank, which performs supervision of the capital market in accordance with Act No. 15/1998 Coll. on Supervision in the Capital Market Area, as amended, or another subject which may have the competence of the Czech National Bank in the future.

“**CZK**” means the Czech crown, the lawful currency of the Czech Republic.

“**Day Count Fraction**” means, for the purposes of calculating interest on, or other yield of, the Bonds:

- (a) if the relevant Pricing Supplement quotes the terms “Actual/365”, or “Act/365” as the Day Count Fraction, the actual number of days in the period for which interest is calculated divided by 365;
- (b) if the relevant Pricing Supplement quotes the terms “Actual/360”, or “Act/360” as the Day Count Fraction, the actual number of days in the period for which interest or other yield is calculated divided by 360;
- (c) if the relevant Pricing Supplement quotes the terms “30E/360”, or “BCK Standard 30E/360” as the Day Count Fraction, the number of days in the period for which interest or other yield is calculated divided by 360 (where the number of days is set out on the basis of a year of 360 days divided into 12 months of 30 days each).

“**Early Redemption Date**” has the meaning as set out in Conditions 3.6, 6.4, 9.2, 12.4(a) and 12.4(b).

“**Early Redemption Notice**” has the meaning as set out in Condition 6.4.

“**Eligible Jurisdiction**” means the Czech Republic, the United Kingdom, the United States, Canada and any member state of the European Union or the European Free Trade Association.

“**Enforcement Decision**” has the meaning as set out in Condition 3.7.

“**ESMA**” means the European Securities and Markets Authority.

“**EUR**” means the currency introduced at the start of the third stage of European economic and monetary union pursuant to the Treaty on the Functioning of the European Union, as amended.

“**EURIBOR**” means:

- (a) the interest rate in per cent p.a. offered for EUR which is displayed in the REFINITIV EICON information system on the EURIBOR page (or any successor page, if any, or other Reference Rate Source specified in the Pricing Supplement) for such period corresponding to the relevant Interest Period as determined by European Markets Institute, as an administrator registered with the ESMA and which is in effect on the date on which the EURIBOR rate is determined. If the Interest Period is a period for which the EURIBOR rate is not determinable in this manner, then the EURIBOR rate will be determined by the Calculation Agent by calculating a linear interpolation between the EURIBOR rate for the next immediately longer period for which the EURIBOR rate is determinable in this manner and the EURIBOR rate for the next immediately shorter period for which the EURIBOR rate is determinable in this manner. If the EURIBOR rate cannot be determined in the manner described in this paragraph (a), paragraph (b) below will apply.
- (b) If on any day the EURIBOR rate cannot be determined in accordance with paragraph (a) above, the EURIBOR rate on such day will be determined by the Calculation Agent as the arithmetic average of the quoted rate of interest on sales of EUR interbank deposits for such period corresponding to the relevant Interest Period obtained on such day after 11:00 a.m. Brussel time from at least 3 banks (of the Calculation Agent’s choice) operating on the relevant interbank market. In the event that the EURIBOR rate cannot be determined even by this procedure, the annual interest rate will be equal to:
  - (i) the EURIBOR rate determined in accordance with paragraph (a) above on the nearest preceding Reference Rate Determination Date on which the EURIBOR rate was so determinable or, if there was no such date,
  - (ii) the interest rate applicable in respect of the Bonds on the immediately preceding Interest Period, (x) decreased by the Margin determined for the Interest Period, for which the EURIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the sum of the Reference Rate and the Margin, or (y) increased by the Margin determined for the Interest Period for which the EURIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the difference between the Reference Rate and the Margin.

“**Event of Default**” has the meaning as set out in Condition 9.1.

“**Final Maturity Date**” means each day designated as the Final Maturity Date in the Pricing Supplement, in accordance with Condition 7.2.

“**Final Terms**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Financial Centre**” for a specific currency means the location specified in the relevant Pricing Supplement where the Reference Rates for such currency are predominantly quoted and where interbank payments in such currency are settled.

“**Financial Guarantee**” has the meaning as set out in Condition 3.2(a).

“**Fiscal and Paying Agent**” has the meaning as set out under the heading of these Joint Terms and Conditions.



“**Fund**” means an investment fund, a collective investment fund or a fund of qualified investors the manager or administrator or a person performing a similar role of which is a member of the Group.

“**Group**” means the Issuer, the Guarantor and the Subsidiaries of the Issuer or the Guarantor, whereas the structure of the Group may change from time to time as a result of acquisitions and divestments. For the avoidance of doubt, the Group does not include the Accolade Fund, the Accolade Sub-Fund, or companies that are included in the assets of the Accolade Fund, the Accolade Sub-Fund, or other Funds or their sub-funds, their Subsidiaries or companies that are included in the assets of the Accolade Fund, the Accolade Sub-Fund or any other Fund or their sub-funds, unless such entities become Subsidiaries of the Guarantor in the future.

“**Guarantor**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Initial Subordination Agreement**” has the meaning as set out in Condition 3.2(b).

“**Insolvency Act**” means Act No. 182/2006 Coll., on Insolvency and Methods of its Resolution (Insolvency Act), as amended.

“**Insolvency Petition**” has the meaning set out in Condition 9.1(f).

“**Instruction**” has the meaning as set out in Condition 7.5(b).

“**Interest Payment Date**” means each day denoted as the Interest Payment Date in the Pricing Supplement, in accordance with Condition 7.2.

“**Interest Period**” means the period beginning on the Issue Date (inclusive) and ending on the first subsequent Interest Payment Date (excluding), and then each consecutive period starting on the Interest Payment Date (inclusive) and ending on the next successive Interest Payment Date (excluding) until the Final Maturity Date (exclusive), as applicable, provided that, unless the Pricing Supplement stipulates otherwise, then for the purposes of determining the start of an Interest Period the Interest Payment Date will not be adjusted pursuant to the Business Day Convention.

“**Issue**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Issue Date**” means the first day when the Bonds of a particular Issue may be issued to the first bondholder as specified in the relevant Pricing Supplement.

“**Issue Price**” means the issue price of the Bonds of a particular Issue specified in the relevant Pricing Supplement.

“**Issuer**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Issuer’s Website**” means the website as specified in the Final Terms.

“**Joint Terms and Conditions**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Listing Agent**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Margin**” means the margin over the Reference Rate expressed in per cent p.a. specified in the relevant Pricing Supplement.

“**Material Change**” has the meaning as set out in Condition 12.1(b).

“**Maturity Date**” means the Final Maturity Date, the Early Redemption Date and the Buyback Date.

“**Maximum Prepayment Amount**” has the meaning as set out in Condition 6.4.

“**Meeting**” has the meaning as set out in Condition 12.1(a).

“**Meeting Attendance Record Date**” has the meaning as set out in Condition 12.2(a).

“**Meeting Instruction**” has the meaning as set out in Condition 3.5(a)(i).

“**Minimum Prepayment Amount**” has the meaning as set out in Condition 6.4.

“**New Security Agent**” has the meaning as set out in Condition 3.4.

“**Notarial Code**” has the meaning as set out in Condition 12.6(d).

“**Payment Amount**” means the nominal value of the Bonds (or part thereof in the case of a partial early redemption of the Bonds) to be paid by the Issuer to the Bondholders upon maturity or early redemption of the Bonds.

“**Payment Date**” means each Interest Payment Date and Maturity Date.

“**Payment Record Date**” means the Record Date for an Interest Payment and/or the Record Date for a Nominal Amount Repayment.

“**Per Rollam Record Date**” has the meaning as set out in Condition 12.6(b).

“**Person Authorised to Attend the Meeting**” has the meaning as set out in Condition 12.2(a).

“**Pledge Agreements**” has the meaning as set out in Condition 3.2(d).

“**Pledgor**” has the meaning as set out in Condition 3.2(d).

“**Potential Event of Default**” means a situation that may become an Event of Default due to passage of time, making of a decision, notification or their combination, whereas a Potential Event of Default is “continuing” as long as it is not remedied.

“**PRIBOR**” means:

- (a) the interest rate in per cent p.a. which is displayed in the REFINITIV EICON information system on the PRIBOR page (or any successor page, if any, or other Reference Rate Source specified in the Pricing Supplement) as the fixing value of the interest rate on sales on the Prague CZK interbank deposit market for such period corresponding to the relevant Interest Period as determined by Czech Financial Benchmark Facility s.r.o., as an administrator registered with ESMA and which is in effect on the date on which the PRIBOR rate is determined. If the Interest Period is a period for which the PRIBOR rate is not determinable in this manner, then the PRIBOR rate will be determined by the Calculation Agent by calculating a linear interpolation between the PRIBOR rate for the next immediately longer period for which the PRIBOR rate is determinable in this manner and the PRIBOR rate for the next immediately shorter period for which the PRIBOR rate is determinable in this manner. If the PRIBOR rate cannot be determined in the manner described in this paragraph (a), paragraph (b) below will apply.
- (b) If on any day the PRIBOR rate cannot be determined in accordance with paragraph (a) above, the PRIBOR rate on such day will be determined by the Calculation Agent as the arithmetic average of the quoted rate of interest on sales of CZK interbank deposits for such period corresponding to the relevant Interest Period obtained on such day after 11:00 a.m. Prague time from at least 3 banks (of the Calculation Agent’s choice) operating on the Prague interbank market. In the event that the PRIBOR rate cannot be determined even by this procedure, the annual interest rate will be equal to:
  - (i) the PRIBOR rate determined in accordance with paragraph (a) above on the nearest preceding Reference Rate Determination Date on which the PRIBOR rate was so determinable or, if there was no such date;
  - (ii) the interest rate applicable in respect of the Bonds on the immediately preceding Interest Period, (x) decreased by the Margin determined for the Interest Period, for which the PRIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the sum of the Reference Rate and the Margin, or (y) increased by the Margin determined for the Interest Period for which the PRIBOR rate is to be determined if, pursuant to the Pricing Supplement, the interest rate for such Interest Period is to be determined as the difference between the Reference Rate and the Margin.

For the avoidance of doubt, if, as a result of the Czech Republic's accession to the European Union, the PRIBOR rate ceases to exist or to be generally used in the interbank deposit market, the rate normally used in the interbank deposit market in the Czech Republic will be used instead of the PRIBOR rate.

**"Pricing Supplement"** has the meaning as set out under the heading of these Joint Terms and Conditions.

**"Programme"** has the meaning as set out under the heading of these Joint Terms and Conditions.

**"Prospectus Regulation"** means Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published in the event of a public offering or admission of securities to trading on a regulated market, as amended.

**"Record Date for Interest Payment"** means, unless otherwise specified in the Pricing Supplement, the day that precedes by thirty (30) days the relevant Interest Payment Date, provided, however, that for the purposes of determining the Record Date for Interest Payment, such Interest Payment Date will not be adjusted pursuant to the Business Day Convention.

**"Record Date for Nominal Amount Repayment"** means, unless otherwise specified in the Pricing Supplement, the day that precedes by thirty (30) days the relevant Maturity Date, provided, however, that for the purposes of determining the Record Date for Nominal Amount Repayment, such Maturity Date will not be adjusted pursuant to the Business Day Convention.

**"Reference Rate"** means the rate specified as such in the relevant Pricing Supplement. The Reference Rate can be PRIBOR or EURIBOR.

**"Reference Rate Determination Date"** means the date on which the Reference Rate for the relevant Interest Period is determined and specified as such in the relevant Pricing Supplement. Unless otherwise provided in the Terms and Conditions, the Reference Rate Determination Date for the relevant Interest Period will be the second Business Day prior to the first day of such Interest Period.

**"Reference Rate Source"** means the source specified in the Joint Terms and Conditions or the Pricing Supplement from which the Calculation Agent determines the Reference Rate.

**"Regulated Market of the PSE"** means the regulated market of the Prague Stock Exchange.

**"Reticulum Power"** means Reticulum Power, a. s., with its registered office at Sokolovská 394/17, 186 00 Prague 8, ID No. 279 23 045, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 12089.

**"Security Agency Agreement"** has the meaning as set out under the heading of these Joint Terms and Conditions.

**"Security Agent"** has the meaning as set out under the heading of these Joint Terms and Conditions.

**"Security Document"** has the meaning as set out in Condition 3.2(d).

**"Significant Subsidiary"** means any Subsidiary of the Guarantor the assets of which amount to at least 1% of the Guarantor's assets according to the latest available audited consolidated financial statements of the Guarantor or half-year unaudited consolidated financial statements of the Guarantor.

**"Simple Majority"** means simple majority of votes of the attending Persons Authorised to Attend the Meeting.

**"Specified Currency"** means the currency in which the Bonds are denominated or, alternatively, other currency so specified in the Pricing Supplement.

**"Specified Office"** has the meaning as set out under the heading of these Joint Terms and Conditions.

**"Subordination Agreement"** has the meaning as set out in Condition 3.2(c).

**"Subordinated Creditor"** means the Subordinated Shareholders and any other person who enters into a Subordination Agreement as a subordinated creditor.

“**Subordinated Shareholders**” means Mr. Milan Kratina and Reticulum Power.

“**Subscription Period**” has the meaning as set out in Condition 2.

“**Subsidiary**” means a company over which a person has direct or indirect control or in which that person owns, directly or indirectly, at least 50% of the subscribed share capital with voting or similar ownership rights, whereas control means the power (whether by virtue of an ownership interest, power of attorney, contract or otherwise):

- (a) to vote or control voting with respect to more than 50% of the maximum number of votes that could be cast at the relevant entity’s general meeting;
- (b) to appoint or dismiss all or most of the members of the statutory body or other equivalent representatives of the relevant entity or members of the supervisory board or other similar supervisory body of the relevant entity (if it was established); or
- (c) issue instructions regarding the operational and financial policy of the relevant entity, which the members of the statutory body or other equivalent representatives of the relevant entity are obliged to comply with,

whereas, for the avoidance of doubt, it is stipulated that (i) the interpretation of the definition of “Subsidiary” and the term “control”, which is used in this definition, might not correspond to the meaning of these terms in the relevant accounting standards; and (ii) the companies that are included in the assets of the Accolade Fund, the Accolade Sub-Fund, or another Fund or its sub-fund are not Subsidiaries of the Guarantor or another member of the Group, unless such persons are part of the consolidated entity (*konsolidační celek*) under the relevant accounting standards.

“**T2**” means the real time gross settlement system operated by the Eurosystem or any successor system.

“**Terms and Conditions**” has the meaning as set out under the heading of these Joint Terms and Conditions.

“**Ultimate Controlling Person**” means:

- (a) Mr. Milan Kratina or Mr. Zdeněk Šoustal (or their heirs or descendants);
- (b) any investment fund or a sub-fund of an investment fund, incorporated under any legal form including, without limitation, a SICAV or a mutual fund, whether having its separate legal personality or not, or any other similar collective investment undertaking existing under the laws of an Eligible Jurisdiction that is managed either internally (*samosprávný fond*) or externally by (i) any Subsidiary of Mr. Milan Kratina or Mr. Zdeněk Šoustal (or their heirs or descendants) or (ii) any other person holding the requisite licence to manage such an investment fund, provided that Mr. Milan Kratina or Mr. Zdeněk Šoustal (or their heirs or descendants) own directly or indirectly more than 50% of (A) the founding shares (*zakladatelské akcie*) and the investment shares (*investiční akcie*) in case the investment fund is a Czech investment fund in the legal form of a SICAV, (B) all shares in case the investment fund issues shares, (C) all unit certificates (*podílové listy*) in case the investment fund issues unit certificates, or (D) any other participation in the voting rights and capital in the investment fund; or
- (c) any trust or trust fund controlled or established by Mr. Milan Kratina or Mr. Zdeněk Šoustal (or their heirs or descendants) and of which Mr. Milan Kratina or Mr. Zdeněk Šoustal (or their heirs or descendants) are the exclusive beneficiaries.

## FORM OF FINAL TERMS

Set out below is the form of the Final Terms which will be prepared for each individual Issue issued under this Programme for which the Issuer will be required to publish a prospectus. The Final Terms will include a summary of the relevant Issue, if relevant.

The Final Terms will be filed with the Czech National Bank in accordance with the law and published in the same manner as the Base Prospectus, i.e., on the Issuer's website.

In cases where it is not necessary to prepare a prospectus for a given Issue, the Issuer may (by analogy with the Bonds Act) only prepare a Pricing Supplement for a given Issue, which the Issuer will (again by analogy with the Bonds Act) make available.

**Important notice:** *The following text constitutes the form of the Final Terms (excluding the cover page which each Final Terms will contain) containing the final terms of the offer of the relevant Issue, i.e. those terms which will be specific to the relevant Issue. Where one or more particulars are set out in square brackets, one of those particulars will be used for the particular Issue. If the symbol “●” is also shown in square brackets, the information shown is the most likely variant, which may not, however, be used for a particular Issue. If the symbol “●” is shown in square brackets, the missing data will be completed in the relevant Final Terms. The modification applied in the relevant Final Terms will always prevail.*

### FINAL TERMS

[if relevant, insert marketing title of the Issue]

These final terms (the “**Final Terms**”) constitute the final terms within the meaning of Article 8(4) of Regulation (EU) 2017/1129 of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market (the “**Prospectus Regulation**”) and contain a bond programme supplement relating to the issue of the below specified bonds (the “**Bonds**”). The complete prospectus consists of (i) these Final Terms; and (ii) the base prospectus of Accolade Finco Czech 2, s.r.o., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, ID No.: 225 67 062, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 418562, LEI: 3157005T8FZ0X95ZN793 (the “**Issuer**”), approved by the decision of the Czech National Bank (the “**CNB**”) ref. No. 2025/025253/CNB/650, file No. S-Sp-2025/00074/CNB/653 dated 4 March 2025, which became final and effective on 5 March, [as supplemented by the supplement no. [●] approved by the decision of the CNB ref. No. [●], file No. [●] dated [●], which became final and effective on [●]] (the “**Base Prospectus**”). Full information on the Issuer, the Guarantor, the Bonds and the offer of the Bonds described herein is only available on the basis of a combination of these Final Terms and the Base Prospectus. The Base Prospectus has been published and is available in electronic form on the Issuer's website [●] (the “**Issuer's Website**”).

*The Base Prospectus is valid until [●].*

*[The public offering of the Bonds may continue after the expiry of the Base Prospectus if a subsequent Base Prospectus is approved and published no later than on the last day of the validity of the Base Prospectus. The Issuer's subsequent Base Prospectus will be published on the Issuer's Website. In accordance with Article 8(11) of the Prospectus Regulation, a right of withdrawal pursuant to Article 23(2) shall also apply to investors who have agreed to purchase or subscribe for the securities during the validity period of the previous base prospectus, unless the securities have already been delivered to them.]*

*These Final Terms have been prepared for the purposes of Article 8(4) of the Prospectus Regulation and must be read in conjunction with the Base Prospectus and any supplements thereto.*

*In accordance with Article 8(5) of the Prospectus Regulation, these Final Terms have been published on the Issuer's Website and have been filed with the CNB in accordance with applicable law.*

The Bonds are issued as a [insert order] issue under the bond programme of the Issuer with the maximum aggregate nominal value of the outstanding Bonds of CZK [●] (the “**Programme**”). The wording of the joint terms and conditions, which are the same for each Issue issued under the Programme commencing on [●], is set out in the chapter “*Joint Terms and Conditions of the Bonds*” in the Base Prospectus approved by the CNB and published by the Issuer (the “**Joint Terms and Conditions**”).

Capitalised terms not defined in these Final Terms shall have the meanings ascribed to them in the Base Prospectus unless the context of their use in these Final Terms indicates otherwise.

Investors should consider the risk factors associated with an investment in the Bonds. These risk factors are set out in the section of the Base Prospectus entitled “*Risk Factors*”.

These Final Terms were drawn up on [insert date] and the information contained herein is current only as of that date. The Issuer publishes information about itself and the results of its business activities on a regular basis in connection with the fulfilment of its information obligations under the applicable legislation. After the date of these Final Terms, prospective purchasers of the Bonds should base their investment decisions not only on these Final Terms and the Base Prospectus, but also on other information that may have been published by the Issuer after the date of these Final Terms or other publicly available information. This is without prejudice to the obligation of the Issuer to update the Base Prospectus by way of supplements within the meaning of Article 23(1) of the Prospectus Regulation.

The distribution of these Final Terms and the Base Prospectus and the offer, sale or purchase of the Bonds are restricted by law in certain countries. The Issuer has not applied and does not intend to apply for recognition of the Base Prospectus and the Final Terms in any other jurisdiction and the Bonds will not be registered, authorised or approved by any administrative or other authority of any jurisdiction except for the approval of the Base Prospectus by the CNB.

[The Bonds will be placed on the market by the Issuer through [●] (the “**Manager(s)**”).]

[The Bonds are linked to a benchmark within the meaning of the Benchmark Regulation. As at the date of these Final Terms, the [[*Benchmark Administrator*], the administrator of the [name of the benchmark], is] / [[*Benchmark Administrator*], the administrator of the [name of the benchmark], is not] included in the register of administrators and benchmarks maintained by ESMA pursuant to Article 36 of the Benchmark Regulation. [To the Issuer’s knowledge, [name of the benchmark] does not fall within the scope of the Benchmark Regulation pursuant to Article 2 of the Benchmark Regulation]].

**[MiFID II PRODUCT GOVERNANCE] / [PROFESSIONAL INVESTORS AND ELIGIBLE COUNTERPARTIES ONLY TARGET MARKET] [AND] [RETAIL INVESTORS TARGET MARKET]** – Solely for the purposes of [the/each] manufacturer’s product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties[,] [and] professional clients [and retail clients], each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Bonds are appropriate [including investment advice, portfolio management, non-advised sales and pure execution services]. [*Consider any negative target market.*] Any person subsequently offering, selling or recommending the Bonds (a “**distributor**”) should take into consideration the manufacturer[’s/s’] target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the manufacturer[’s/s’] target market assessment) and determining appropriate distribution channels[, subject to the distributor’s suitability and appropriateness obligations under MiFID II, as applicable]. [*Insert further details on target market, client categories etc.*]

[IF RELEVANT TO THE ISSUE BASED ON THE NOMINAL VALUE OF EACH BOND, A SUMMARY PREPARED FOR THAT PARTICULAR ISSUE WILL BE ADDED]

## **1. RESPONSIBILITY STATEMENT**

### *Persons responsible for the information contained in the Final Terms*

The person responsible for the accuracy and completeness of the information contained in these Final Terms is the Issuer, Accolade Finco Czech 2, s.r.o., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, ID No.: 225 67 062, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 418562, LEI: 3157005T8FZ0X95ZN793.

### *Declaration of the Issuer*

The Issuer declares that, to the best of its knowledge, the information contained in these Final Terms is in accordance with the facts and that these Final Terms make no omission likely to affect their import.

In [●] on [●]

[●]

---

Name: [●]

Position: [●]

---

Name: [●]

Position: [●]

## 2. BOND PROGRAMME SUPPLEMENT

This bond programme supplement dated [●] and prepared in relation to the Bonds (the “**Pricing Supplement**”) constitutes a supplement to the Joint Terms and Conditions as the joint terms and conditions of the Programme within the meaning of Section 11(3) of the Bonds Act.

This Pricing Supplement and the Joint Terms and Conditions together form the complete Terms and Conditions of the below specified issue of Bonds under the Programme.

The Pricing Supplement and the Joint Terms and Conditions have to be read and interpreted altogether. In case of any discrepancy between the Joint Terms and Conditions and this Pricing Supplement, the provisions of this Pricing Supplement will prevail; however, this does not affect the Joint Terms and Conditions in relation to any other Issue under the Programme.

The following parameters of the Bonds specify and supplement, in connection with this Issue, the Joint Terms and Conditions published earlier in the manner described above. The terms and conditions indicated in the table below as “not applicable” do not apply to the Bonds.

The capitalised terms used in this Pricing Supplement have the same meaning as ascribed to them in the Joint Terms and Conditions, unless otherwise defined in this Pricing Supplement.

The Bonds are issued under Czech law, in particular pursuant to the Bonds Act.

***Important notice:** The following table contains a form of the Pricing Supplement for a given Issue, i.e., a form for that part of the terms and conditions of that Issue which will be specific to that Issue. Where one or more particulars are set out in square brackets, one of those particulars will be used for the particular Issue. If the symbol “●” is also shown in square brackets, the data shown is the most likely variant, but may not be used for a particular Issue. If the symbol “●” is shown in square brackets, the missing data will be completed in the relevant Final Terms. The text set out in italics below does not form part of the Pricing Supplement and is for guidance only.*

- |    |  |  |
|----|--|--|
| 1. | ISIN of the Bonds:   | [●]  |
| 2. | CFI of the Bonds:  | [●]  |
| 3. | FISN of the Issue:   | [●]  |
| 4. | Condition 4 of the Joint Terms and Conditions:   | [applicable] / [not applicable] / [●]<br><i>Specify whether Condition 4 is applicable or not. If only particular provisions of Condition 4 (i.e., any of Condition 4.1 to Condition 4.13) do not apply, specify which.</i> |
| 5. | Nominal value of each Bond:  | [●]  |
| 6. | Aggregate anticipated nominal value of the Issue:  | [●]  |
| 7. | Issuer’s right to increase the total nominal value of the Issue and conditions of such increase: | [yes; the Issuer has the right to increase, with the consent of the Arrangers and the Joint Lead Managers, the total nominal value of the Issue; the   |

- amount of such increase will not exceed [●] / [[●]% of the aggregate anticipated nominal value of the Issue] / [no; the Issuer is not entitled to issue Bonds with a higher total nominal amount of the Issue than the aggregate anticipated nominal value of the Issue]
8. Quantity of Bonds: [●]
9. Currency of the Bonds: [CZK] / [EUR] / [●]
10. Specified Currency (if different than the currency of Bonds set out in paragraph 7 above): [●] / [not applicable]
11. Issue Method: [The Bonds will be issued at once on the Issue Date.] / [The Bonds will be issued at once on the Issue Date, but if the aggregate nominal value of the Bond Issue is not issued on the Issue Date, they may also be issued in tranches after the Issue Date during the Subscription Period [or during the Additional Subscription Period].] / [The Bonds will be issued in tranches during the Subscription Period [or during the Additional Subscription Period].] / [The Bonds will be issued on a gradual basis (in tranches) during the Subscription Period [or during the Additional Subscription Period].] / [●]
12. Name of the Bond Issue: [●]
13. Issue Date: [●]
14. Final Maturity Date: [●]
15. Subscription period: [●]
16. Issue Price of the Bonds issued on the Issue Date: [[●]% of the nominal value of the Bonds]/ With the consent of the Arrangers and Joint Lead Managers, the Issuer may issue Bonds in the anticipated or higher total nominal value even after the expiration of the Subscription Period. In such a case, the Issuer will determine an Additional Subscription Period which will end no later than the Record Date for Nominal Amount Repayment and will make it available in the manner stated in Condition 14 without unnecessary delay.]
17. Day Count Fraction: [[Actual/365] / [Actual/360] / [BCK Standard 30E/360] / [●]] / *description of the use of different Day Count Fractions for different Interest Periods (if applicable)*  
[The Day Count Fraction also applies in respect of the calculation of interest on the Bonds accrued for the period of one current year.]
18. **Fixed Rate Bonds:** [applicable] / [not applicable]  
*If not applicable, delete the remaining subparagraphs.*
- 18.1 Interest rate: [● % p.a. / *description of interest rates for different Interest Periods in % p.a. (if applicable)*]



- 18.2 Interest Payment Dates: [For the purposes of determining the start of any Interest Period, the Interest Payment Date will be adjusted pursuant to the Business Day Convention.] / [●]
19. **Floating Rate Bonds:** [applicable] / [not applicable]  
*If not applicable, delete the remaining subparagraphs.*
- 19.1. Reference Rate: [PRIBOR] / [EURIBOR]
- 19.2. Reference Rate Source: [●] / [as per Condition 16]
- 19.3. Margin: [[●]% p.a.] / [description of the Margin for different Interest Periods in % p.a.] / [not applicable]
- 19.4. Reference Rate Determination Date: [Reference Rate Determination Date for the relevant Interest Period shall be the [●] [Business Day] / [●] prior to the first day of such Interest Period] / [●] [as per Condition 16]
- 19.5. Determination of the rate of interest for individual Interest Periods: [Reference Rate [plus / minus] Margin] [the formula for calculating the interest rate for the relevant Interest Periods within the meaning of Condition 5.2(a), supplemented by the missing variables]
- 19.6. Interest Payment Dates: [[●] [and [●]] in each year] / [the Final Maturity Date] replicate for different Interest Periods (if applicable)] / [●]  
 [For the purposes of determining the start of [any Interest Period / [●]] the Interest Payment Date will be adjusted pursuant to the Business Day Convention.] / [●]
- 19.7. Place where information on the past and future development of the Reference Rate and its volatility can be obtained: [●] [Information can be obtained free of charge.] / [Information on this site cannot be obtained free of charge.]
- 19.8. Description of the Reference Rate: [●]
20. Other value the that the Issuer will pay to the Bondholders at final maturity: [●] / [not applicable]
21. Record Date for Interest Payment: [as per Condition 16] / [●]
22. Record Date for Nominal Amount Repayment: [as per Condition 16] / [●]
23. Early redemption at the option of the Issuer under Condition 6.4: [applicable] / [not applicable]  
*If not applicable, delete the remaining subparagraphs.*
- 23.1. The Issuer is entitled to redeem early the nominal value of the Bonds partially: [applicable] / [not applicable]
- 23.2. Minimum Prepayment Amount: [●] / [not applicable]
- 23.3. Maximum Prepayment Amount: [●] / [not applicable]
- 23.4. Dates on which the Issuer may redeem the Bonds early upon decision of the Issuer: [●] / [on the [●] year anniversary of the Issue Date.]  
*Specify relevant dates.*

- 23.5. Period for notification of the early redemption at the option of the Issuer to the Bondholders: [The Issuer must notify the Bondholders no later than [●] days prior to the Early Redemption Date.] / [●]
- 23.6. Early redemption Payment Amount in respect of each Bond: [[100]/[●] % of the outstanding nominal amount of the Bond][, the relevant interest income accruing on the amount of the early repaid nominal amount of such Bond as of the Early Redemption Date] [and the extraordinary interest income determined as the interest income that would have accrued on the Bonds since the Early Redemption Date (exclusive) until [the penultimate Interest Payment Date (exclusive)] but for the early redemption of the Bonds]] / [●]
24. Bondholder Buyback under Condition 6.5: [applicable] / [not applicable]  
*If not applicable, delete the remaining subparagraphs.*
- 24.1. Period for the delivery of the Buyback Notice to the Issuer: [as per Condition 6.5] / [●]
- 24.2. Buyback amount in respect of each Bond: [as per Condition 6.5] / [100% of the nominal value of each Bond] / [●]
25. Currency in which interest on the Bonds will be paid and/or currency in which the nominal value will be redeemed (if other than the currency in which the Bonds are denominated): [●] / [not applicable]
26. Business Day Convention for determination of Payment Dates (other than Interest Payment Day): [applicable] / [not applicable] / [●]
27. Obligation of the Issuer to pay to the Bondholders any additional amounts as a compensation of the withholding or deduction of any taxes, duties, assessments or governmental charges of whatever nature over nominal amount and interest in respect of the Bonds: [as per Condition 8] / [●]
28. Condition 9.1: [yes] / [the following Event(s) of Default shall apply: [●]]  
*Specify whether all Events of Default under Condition 9.1 apply. If only certain Events of Default apply, list these Events of Default.*
29. Fiscal and Paying Agent: [as set out under the heading of the Joint Terms and Conditions] / [●]
30. Specified Office: [as set out in Condition 11.1(a)] / [●]
31. Calculation Agent: [as set out under the heading of the Joint Terms and Conditions] / [●]
32. Listing Agent: [as set out under the heading of the Joint Terms and Conditions] [●]
33. Other Agents: [●] / [not applicable]
34. Financial Centre [●] / [not applicable]

- |     |   |  |
|-----|---|--|
| 35. | Persons Authorised to Attend the Meeting:   | [as set out in Condition 12.2(a)] / [●]  |
| 36. | Internal approval of the Issue and the Guarantee:   | [●] / [the Issue and the Guarantee do not require internal approval]<br><br>[Specify relevant corporate approval, if relevant.]  |
| 37. | Details of the persons involved in the arrangement of the issuance of the Bonds:            | [The issuance of Bonds will be arranged by the Issuer / [●]] / [●].]   |
| 38. | Advisors  | The names, functions and addresses of the Advisors are set out on the last page of these Final Terms.  |
| 39. | Information sourced from third parties included in the Final Terms / source of information: | [not applicable] / [Some of the information in the Final Terms is sourced from third parties. Such information has been accurately reproduced and, to the best of the Issue’s knowledge and to the extent it is able to ascertain from information published by the relevant third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, the Issuer shall not be liable for the inaccuracy of information from third parties if such inaccuracy could not have been discovered by the Issuer in the exercise of the aforementioned care. [add source of information]] / [●] |
| 40. | Post-issuance information:  | [●] / [not applicable]   |

### 3. SUPPLEMENTAL INFORMATION

This part of the Final Terms contains other supplemental information (“**Supplemental Information**”) which is required under applicable laws to form a part of a prospectus drawn up for the purposes of a public offering of the Bonds or the admission of the Bonds to trading on a regulated market.

The Supplemental Information set out below supplements the information contained above in these Final Terms for the purposes of the public offering of the Bonds and the admission of the Bonds to trading on a regulated market. The Supplemental Information, together with the Pricing Supplement, form the Final Terms of the relevant Issue.

The terms and conditions indicated in the table below as “not applicable” do not apply to the Bonds.

The capitalised terms used in this part of the Final Terms have the same meaning as ascribed to them in the Joint Terms and Conditions.

***Important notice:** The following table contains a form of the Supplemental Information for a given Issue, i.e., a form for the part of the Final Terms which will be specific to that Issue. Where one or more particulars are set out in square brackets, one of those particulars will be used for the particular Issue. If the symbol “●” is also shown in square brackets, the data shown is the most likely variant, but may not be used for a particular Issue. If the symbol “●” is shown in square brackets, the missing data will be completed in the relevant Final Terms. The text set out in italics below does not form part of the Final Terms and is for guidance only.*

- |    |   |  |
|----|---|--|
| 1. | Public offering:<br><br><i>If not applicable, delete the remaining subparagraphs.</i> | [[Not applicable; The Bonds will not be offered to the public in accordance with the applicable legislation] / [Not applicable; The Bonds will be offered to the public on the basis of one or more exemptions from the obligation to publish a prospectus pursuant to the Prospectus Regulation] / [The Bonds will be distributed by way of a public offering.]] [The Issuer will offer the Bonds up to [the volume of [●] / [the total nominal amount of the Issue] to [domestic] / [foreign] [domestic and foreign] [qualified] / [non- |
|----|---|--|

qualified (mainly retail)] / [qualified and non-qualified (mainly retail)] investors]. / [●]

1.1. Conditions of the public offering:

[●]

[Conditions of the public offering: [*including a description of the procedure for ordering the Bonds*]]

[Minimum order amount: [●]]

[Maximum order amount: [●]]

[The maximum aggregate nominal amount of Bonds requested by an individual investor in an order is limited to the aggregate nominal amount of the Bonds offered.]

[Placement of the Issue will be made through [●], LEI: ●, (Manager)]. / [Placement of the Issue will be made by the Issuer itself.] / [Placement of the Issue will be made through [●], and at the same time the Issuer may place the Issue itself.]

[[The Issuer / ●] shall be entitled to reduce investors' bids at its sole discretion (if the investor has already paid [the Issuer] the full price for the Bonds originally requested in the order, [the Issuer]/[●] shall send back any overpayment without undue delay to the account communicated to [the Issuer / ●] by the investor).]

[The final nominal value of the Bonds allocated to each investor will be indicated in the confirmation of acceptance of the offer which will be sent by the [Issuer / ●] to each investor (in particular by means of remote communication)]. / ●]]

[The period during which the public offer will be open is from [●] to [●]].

[Methods and time limits for paying up the Bonds and delivery of the Bonds: [●]]

[Selected investors will be approached by the [Issuer / ●] (in particular using means of remote communication) [under the contractual relationships with the [Issuer / ●] (in particular under the commission agreements concluded with the [Issuer / ●])] and invited to place an order to purchase the Bonds.]

[Application procedure: [●] *including any documents required for the application*].

[In a public offering made by the Issuer, the price for the Bonds offered will [be equal to [●]% of the nominal value of the Bonds being purchased [for a period of [●] and thereafter determined at all times on the basis of current market conditions and will be published periodically on the [Issuer's] website [●], in the section [●]] [and on the Manager's website [●], in the section [●] / determined at all times based on current market conditions and will be published from time to time on the Issuer's website [●], in the section

- [●] [and on the Manager's website [●], in the section [●]].
- 1.2. Indication whether dealing may begin before notification is made: [●]
  - 1.3. Manner and date in which results of the offer are to be made public: [The results of the offering will be published without undue delay after the closing of the offering, no later than on [●], on the Issuer's website in the section [●.] / [●] / [not applicable]]
  - 1.4. Method and time limits for paying up the Bonds and for delivery of the Bonds: [●]
  - 1.5. The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised: [●]
  - 1.6. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche: [●]
  - 1.7. Amount of expenses charged to the subscriber / purchaser: [●]
  - 1.8. Name and address of the co-ordinator(s) of the global offer and of single parts of the offer and, to the extent known to the Issuer or the offeror, or the placers in the various countries where the offer takes place: [●]
  - 1.9. Placing of the Issue through the Manager on a firm or non-firm Commitment basis / Entering into the Subscription Agreement and its material features / underwriting and placement commissions: [●]
2. Interest of natural and legal persons participating in the Issue/offering: [To the Issuer's knowledge, no person or entity participating in the Issue or offering of the Bonds has an interest in such Issue or offering that is material to such Issue or offering of the Bonds.] [[●] also serves as [Manager] / [Fiscal and Paying Agent] / [Security Agent] / [Calculation Agent] / [Listing Agent] for the Issue]. / [●]
  3. Reasons for the offer and use of proceeds from the Bonds: [The costs of preparing the Issue will be approximately [●] CZK [and in the event of an increase in the total nominal amount of the Issue up to the maximum amount, such costs will be approximately [●]]. The net proceeds of the Issue obtained by the Issuer (if the expected total nominal amount of the Issue is issued) will be approximately CZK [●] [and if the total nominal amount of the Issue is increased up to the total maximum amount, the net proceeds of the Issue will be approximately CZK [●].] [The net proceeds from the issue of the Bonds will be applied by the Issuer to finance or refinance

- a portfolio of eligible Green Projects under its Green Finance Framework.]]] / [●]
4. Admission of the Bonds to the relevant regulated market: [The Issuer has applied for admission of the Bonds to trading on the [Regulated Market of the PSE] / [●]]. / [Since [●], the Bonds have been admitted to trading on the [Regulated Market of the PSE] / [●]]. / [Neither the Issuer nor any other person with its consent or knowledge has applied for admission of the Bonds to trading on a regulated or other securities market, either in the Czech Republic or abroad.]
  5. Admission of securities of the same class as the Bonds to trading on regulated markets, third country markets, the SME Growth Market or a multilateral trading facility: [● / To the Issuer's knowledge, no securities issued by the Issuer of the same class as the Bonds are admitted to trading on any regulated market, third country market, SME Growth Market or multilateral trading facility.]
  6. Secondary trading intermediary (market maker): [● / No person has accepted the obligation to act as an intermediary in secondary trading (market maker).]
  7. Further restrictions on the sale of the Bonds: [●] / [not applicable]

3 March 2025

# FINANCIAL GUARANTEE

by

**Accolade Holding, a.s.**  
as Guarantor

in favour of

**Česká spořitelna, a.s.**  
as Security Agent

## FINANCIAL GUARANTEE

This financial guarantee (the “**Financial Guarantee**”) is made on 3 March 2025 by and between:

- (1) **Accolade Holding, a.s.**, with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Identification No. 286 45 065, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 19102 (the “**Guarantor**”);

and

- (2) **Česká spořitelna, a.s.**, with its registered office at Olbrachtova 1929/62, 140 00 Prague 4, Identification No. 452 44 782, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 1171 (the “**Security Agent**”),

(each of the Guarantor and the Security Agent a “**Party**”, and together the “**Parties**”).

### Whereas:

- (A) Accolade Finco Czech 2, s.r.o., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, ID No.: 225 67 062, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 418562 (the “**Issuer**”) intends to issue bonds (the “**Bonds**”) under a CZK 5,000,000,000 Czech law governed bond programme (the “**Programme**”).
- (B) In connection with the establishment of the Programme, the Issuer has drawn up a base prospectus within the meaning of Article 8 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 (the “**Prospectus Regulation**”) dated on or around the date of this Financial Guarantee (the “**Base Prospectus**”).
- (C) One of the conditions of the Joint Terms and Conditions (as defined below) is that the Guarantor enters into this Financial Guarantee and provides a guarantee to the Security Agent to secure the due performance of the Secured Obligations (as defined below).
- (D) The Security Agent has been appointed as a security agent under the provisions of Section 20 of Act No. 190/2004 Coll., on Bonds, as amended (the “**Bonds Act**”) and, as such, it is entitled to require the Issuer or the Guarantor to pay any sum that the Issuer or the Guarantor are obliged to pay to any Bondholder under the Terms and Conditions (each as defined below) or this Financial Guarantee.

The Guarantor hereby issues in favour of the Security Agent a financial guarantee under Section 2029 *et seq.* of the Civil Code (as defined below):

### 1. Definitions and interpretation

In this Financial Guarantee, the following capitalized terms shall have the following meaning:

“**Bondholders**” means Bondholders, as defined under the Joint Terms and Conditions.

“**Bonds Act**” means Act No. 150/2004 Coll., on Bonds, as amended.

“**Central Depository**” means Centrální depozitář cenných papírů, a.s., with its registered office at Rybná 682/14, 110 00 Prague 1, ID No.: 250 81 489, registered in the Commercial Register under file No. B 4308 maintained by the Municipal Court in Prague.

“**Civil Code**” means Act No. 89/2012 Coll., the Civil Code, as amended.

“**Discharge Date**” means the first date on which all Secured Obligations have been fully and finally discharged and the period for subscription of Bonds under each relevant Issue has ended, and the Issuer is no longer authorized to issue any further Bonds under the Programme.

“**Insolvency Act**” means Act No. 182/2006 Coll., on Insolvency and Methods of its Resolution, as amended.

“**Issue**” means Issue, as defined under the Joint Terms and Conditions.



“**Joint Terms and Conditions**” means the joint terms and conditions of the bonds, as set out in the Base Prospectus, and as amended from time to time.

“**Maximum Secured Amount**” means CZK 3,500,000,000 (or an equivalent amount in the relevant currency of the Bonds).

“**Notice**” means a written notice for the payment of any amount under this Financial Guarantee in the form and content as set out in Annex 1 of this Financial Guarantee.

“**Obligations**” means any and all monetary obligations, whether present or future, actual or contingent, owed by the Issuer (whether owed by the Issuer as an individual debtor or as a joint and several debtor or whether owed by the Issuer as principal or surety or in any other capacity) to the Bondholders (and the Security Agent as the person exercising creditor rights on its own behalf and for the benefit of the Bondholders) for the full payment when due of any:

- (a) nominal value of the Bonds;
- (b) interest income accrued on any amounts under or in connection with the Bonds, including any extraordinary interest or other similar payments;
- (c) default interest income accrued in respect of the amounts due but unpaid under or in connection with the Bonds;
- (d) contractual penalties and any other penalty payments agreed in relation to, or in connection with, the Bonds;
- (e) costs and expenses of the incurred by the Security Agent under or in connection with the Bonds, including in connection with the exercise or enforcement of any rights arising under the Terms and Conditions of the Bonds or under applicable laws governing the legal relations arising under the Terms and Conditions of the Bonds (including the costs of arbitration or court proceedings and of enforcement of decisions rendered in such proceedings or enforcement of rights in any insolvency or similar proceedings);
- (f) damages arising from a breach of obligations arising under the Terms and Conditions of the Bonds or under applicable laws in relation to the Terms and Conditions of the Bonds or other damages agreed to be indemnified under the Terms and Conditions of the Bonds; and
- (g) return of unjust enrichment (*vydání bezdůvodného obohacení*) obtained in connection with the Bonds, including return of unjust enrichment obtained by virtue of, or in connection with, any Bond being invalid, ineffective, unenforceable, void or cancelled (*z titulu neplatnosti, neúčinnosti, nevymahatelnosti, zdánlivosti nebo zrušení*).

“**Secured Obligations**” means the Obligations arising in the time period between the issuance of this Financial Guarantee until the day falling on the 10th anniversary of the maturity of the Bonds with, at any time, the longest maturity of any Bonds issued under the Programme, owed by the Issuer to the Bondholders or the Security Agent under the Bonds, including in particular the following Obligations:

- (a) Obligations arising under the Bonds for the repayment of the principal amount, together with appurtenances; and
- (b) any other Obligations due but unpaid by the Issuer pursuant to or in connection with the Terms and Conditions, or the Bonds.

“**Security Agency Agreement**” means the security agency agreement entered on or around the date of this Financial Guarantee between, among others, the Security Agent, and the Issuer.

“**Terms and Conditions**” means the Terms and Conditions, as defined in the Joint Terms and Conditions.

“**Third Party Right**” means any (i) pledge (*zástavní právo*); (ii) sub-pledge (*podzástavní právo*); (iii) right of retention (*zadržovací právo*); (iv) encumbrance (*věcné břemeno*); (v) security by way of a conditional or unconditional assignment of a receivable or transfer of a right; (vi) security by way of title retention, negative pledge, prohibition on disposal or similar restrictions in favour of a third party in the form of a right *in rem* or registered in the relevant registry or public record (*veřejný seznam*); (vii) right to use or retain any funds in bank or other accounts to satisfy any receivable (including the right of set-off against such funds); or (viii) any

contractual agreement or other legal act creating a right to preferential satisfaction in bankruptcy, insolvency or similar proceedings or in the enforcement of a judgment.

## **2. Financial Guarantee**

### **2.1 Financial Guarantee**

- (a) The Guarantor hereby provides a financial guarantee within the meaning of Section 2029 *et seq.* of the Civil Code in favour of the Security Agent and unconditionally and irrevocably undertakes to pay the Security Agent any amount specified in any Notice. The performance of the Guarantor under this Financial Guarantee is limited to the Maximum Secured Amount.
- (b) The Security Agent may deliver the Notice only if the conditions set out under Conditions 3.6 and 3.7 of the Joint Terms and Conditions are met and upon duly completing the Notice pursuant to paragraph (d) of this Clause 2.1.
- (c) The Security Agent may deliver any number of Notices if:
  - (i) the aggregate amount paid by the Guarantor to the Security Agent under all Notices does not exceed the Total Guaranteed Amount; and
  - (ii) the amount requested by the Security Agent under the Notice does not exceed the amount of the Secured Obligations due and payable at the time the Security Agent makes the relevant Notice.
- (d) The Notice must meet all the requirements of, and contain all the details listed in, the form of Notice in Annex 1. A duly completed Notice delivered to the Guarantor before the Discharge Date is sufficient proof of the Security Agent's right to receive performance (*plnění*) under this Financial Guarantee.
- (e) The Guarantor is not entitled to demand the delivery of any other documents or evidence regarding the amount of the Secured Obligations.
- (f) If, in the future, the Security Agent is required to return any performance provided under this Financial Guarantee by which the total amount of this Financial Guarantee has been reduced under paragraphs (a) to (b) of this Clause 2.1 (*Financial Guarantee*), whether in connection with insolvency, the objectionability (*odporovatelnost*) of such performance or otherwise, the Guarantor's obligation to perform under this Financial Guarantee shall continue to exist to the extent as if no reduction had occurred.

### **2.2 Acceptance of the Financial Guarantee**

Security Agent hereby accepts this Financial Guarantee.

### **2.3 Immediate recourse**

The Security Agent is not, prior to delivering the Notice, obliged to call upon the Issuer or the Guarantor to discharge the Secured Obligations, to provide the Issuer or the Guarantor with any additional period for their discharge, or to enforce any security securing the discharge of the Secured Obligations, or to do any other actions or make any legal acts against the Issuer or the Guarantor.

### **2.4 Time of performance**

The Guarantor is obliged to pay all amounts required in the Notice to the account and in the currency specified by the Security Agent in the Notice within 15 (fifteen) Business Days after receipt of such Notice.

## 2.5 Irrevocable and independent Financial Guarantee

- (a) This Financial Guarantee is irrevocable and the Guarantor's obligations under this Financial Guarantee may not be modified or cancelled by the Guarantor without the prior written consent of the Security Agent.
- (b) The Guarantor further declares that it is aware that its obligations arising under this Financial Guarantee are absolute and unconditional obligations and their validity, existence or enforceability are not affected by any of the following:
  - (i) the right or ability of the Guarantor to receive compensation for the performance under this Financial Guarantee from the Issuer or any third party;
  - (ii) any rights or obligations of the Guarantor towards the Issuer under any agreement or law;
  - (iii) the Guarantor's knowledge with respect to a breach of the Joint Terms and Conditions;
  - (iv) amendments or supplements to the Base Prospectus, especially the Joint Terms and Conditions;
  - (v) facts affecting the existence, maturity, currency, amount or any other change of the Secured Obligations;
  - (vi) changes in laws relevant to the Joint Terms and Conditions, the Bonds, this Financial Guarantee or the performance and discharge of rights and obligations, respectively, arising thereunder;
  - (vii) other facts that could constitute objections by the Issuer or the Guarantor against the performance of the Secured Obligations; or
  - (viii) the fact that no Third Party Right has been created or released.

## 2.6 Exercise of objections

- (a) The release, reduction or discharge of the obligations of the Guarantor or the Issuer arising under any other guarantee or security shall not result in the release, reduction or discharge of the obligations of the Guarantor arising from this Financial Guarantee.
- (b) The Guarantor shall not be entitled to raise or assert any objection, exception, right or obligation of any nature against the Security Agent to delay, deny, impair, question or avoid the unconditional and prompt (*bezodkladné*) performance of any of its obligations arising under this Financial Guarantee.
- (c) In particular, the Guarantor is not entitled to raise any objection against the Security Agent that the Issuer could raise against any Bondholder. In particular, the Guarantor shall not be entitled to condition the discharge of this Financial Guarantee on the review of the validity, existence or enforceability of the obligation in question arising under the Bonds, or to require the Security Agent to call upon the Issuer to discharge the Secured Obligations prior to the delivery of the Notice.
- (d) The Guarantor's obligations arising under this Financial Guarantee shall not be affected by any act, omission, situation or circumstance which, but for this Clause 2.6 (*Exercise of Objections*), would result in the release, reduction or other change of the Guarantor's obligations arising under this Financial Guarantee, regardless of whether they are known to the Guarantor or the Security Agent.

## 2.7 Guarantor recourse right

If the Guarantor acquires any right against Issuer as a result of the Guarantor's performance under this Financial Guarantee (for the purposes of this Clause, a "**Recourse Right**"), the Guarantor agrees that the satisfaction of any such Recourse Right shall be subordinated to the full satisfaction of the Secured

Obligations and such Recourse Right shall only be satisfied after the Discharge Date and the Guarantor must not until the Discharge Date without the prior written consent of the Security Agent:

- (a) demand or receive any payment from the Issuer for satisfaction of such Recourse Right;
- (b) demand or accept from the Issuer or otherwise allow the existence of any Third Party Right over the assets of the Issuer or any other security the purpose of which is to secure the satisfaction of such Recourse Right;
- (c) assign or otherwise transfer its Recourse Right or any part thereof to a third party and shall not create any Third Party Right over its Recourse Right nor shall otherwise dispose of or encumber such Recourse Right;
- (d) exercise any right of set-off in relation to Recourse Right or any part thereof nor shall set-off (or allow the set-off of) its receivables corresponding to the Recourse Right or any part thereof; and
- (e) take, or permit to be taken, any action or step to commence or continue any proceedings against any the Issuer, or join any such proceedings initiated by another creditor, the purpose of which is to enforce the Recourse Right.

The Guarantor is, however, entitled to exercise its Recourse Rights by way of an application (*příhláška*) in any insolvency proceedings, liquidation or any other similar proceedings of the Issuer, which entitlement does not affect the Guarantor's obligation to disburse any consideration received in the course of such proceedings until the Discharge Date to the Security Agent in accordance with the following paragraph.

The Guarantor shall disburse any performance received from the Issuer by way of Recourse Right in breach of this Clause 2.7 (*Guarantor recourse right*) within 10 (ten) Business Days of receipt thereof to the account specified by the Security Agent.

### **3. Representations and warranties**

The Guarantor makes the representations and warranties set out in this Clause 3 (*Representations and warranties*) to the Security Agent and acknowledges that the Security Agent has entered into this Financial Guarantee in full reliance on those representations and warranties being complete, true and accurate.

#### **3.1 Joint Terms and Conditions and the Security Agency Agreement**

The Guarantor is fully aware of the content of the Joint Terms and Conditions, the form of Final Terms and the Security Agency Agreement.

#### **3.2 Status**

The Guarantor has all the power and authority to acquire rights and obligations by its own actions or by the actions of its representatives, as is required under applicable laws to issue this Financial Guarantee and perform all obligations arising hereunder.

#### **3.3 Authority**

- (a) The Guarantor:
  - (i) is entitled to issue this Financial Guarantee and perform its obligations arising hereunder; and
  - (ii) has obtained all authorisations and consents of the relevant bodies or third parties to enable it to lawfully issue, and perform its obligations under, this Financial Guarantee and all such authorisations and consents are in full force and effect.
- (b) The relevant bodies of the Guarantor have been duly and timely notified of the intention of the Guarantor to issue this Financial Guarantee (if required by applicable laws or corporate

documents of the Guarantor) and no corporate body of the Guarantor has forbidden or restricted the issuance of this Financial Guarantee.

### **3.4 No conflict**

The issuance of this Financial Guarantee, acceptance of the obligations hereunder and their performance by the Guarantor is not in conflict with:

- (a) any law or regulations or any decision of administrative or judicial authorities or other public authority which is binding on it;
- (b) its constitutional or other corporate documents; or
- (c) any agreement, arrangement or other instrument which is binding on it.

### **3.5 Validity and ranking**

This Financial Guarantee constitutes valid obligations of the Guarantor enforceable in accordance with its terms and has been properly executed by a person or persons authorised to act on behalf of the Guarantor or by a duly authorised representative or representatives of the Guarantor.

### **3.6 Insolvency**

- (a) No petition has been filed for its insolvency and it does not intend to file or initiate filing of any such petition.
- (b) No court has declared it to be insolvent or bankrupt nor has resolved on other insolvency petition in respect of it; no reorganisation has been approved or moratorium declared in respect of it.
- (c) It has not commenced any negotiations on any reorganisation, restructuring or other similar plan, it has not prepared any such plan nor has requested any such plan to be prepared or negotiated on its behalf by a third party.
- (d) No bankruptcy or insolvency petition relating to it has been rejected on the grounds of insufficient funds.
- (e) It is not insolvent or in threat of insolvency and does not fulfil the conditions for declaration of insolvency or threatening insolvency within the meaning of Section 3 of the Insolvency Act.
- (f) Neither its general meeting nor any court made a resolution on winding up of the Guarantor with or without liquidation.
- (g) It has not been summoned to make a declaration on its assets nor is it aware of any petition to make a declaration on its assets.
- (h) There is no threat of any of the events set out in paragraphs (a) to (g) above.
- (i) No event exists under any law other than the Czech law which would be similar to any event set out in paragraphs (a) to (h) above.

### **3.7 Choice of law and prorogation**

- (a) The choice of Czech law as the law applicable to the relations arising from this Financial Guarantee shall be recognised and enforced in the state to the legal system of which the Guarantor is subject to as of the date of signing this Financial Guarantee.
- (b) Any judgment rendered in connection with this Financial Guarantee shall be recognised and enforceable in the state to whose laws the Guarantor is subject on the date of signing this Financial Guarantee.

### **3.8 Times when representations are made**

- (a) All the representations and warranties in this Clause 3 (*Representations and warranties*) are made by the Guarantor on the date of the issuance of this Financial Guarantee and on each subsequent day until the Discharge Date.
- (b) Each representation or warranty in this Clause 3 (*Representations and warranties*) made after the date of the issuance of this Financial Guarantee shall be made by reference to the facts and circumstances existing at the date such representation or warranty is made.

## **4. Undertakings of the Guarantor**

### **4.1 Information undertakings**

- (a) The Guarantor shall provide the Security Agent without undue delay with all information pertaining to this Financial Guarantee or which is otherwise relevant for the relationship between the Guarantor and the Security Agent under the Terms and Conditions of the Bonds, and in particular shall inform the Security Agent without undue delay of:
  - (i) any event due to which the existence of the Guarantee and/or the Security Agent's rights hereunder came or could come under threat or which would or could restrict or prevent the enforcement of the Financial Guarantee; and
  - (ii) any representation set out in Clause 3 (*Representations and warranties*) being untrue, incomplete or misleading.
- (b) The Guarantor shall provide the Security Agent, upon a request by the Security Agent, without undue delay, however not later than 3 (three) Business Days after receiving such a request, all information and documents relating to the Guarantor and/or other matters which are relevant to the relationship between the Guarantor and the Security Agent under this Financial Guarantee as may be required by the Security Agent.
- (c) The Guarantor undertakes to ensure that the Issuer shall provide to the Security Agent the documents and information that the Security Agent may reasonably require to fulfil its obligations under Clause 9.6(b), namely a confirmation duly signed by an authorised signatory of the Issuer (i) evidencing the total nominal amount of the Bonds outstanding under the Programme at the time the Security Agent should enter into an amendment or amendment and restatement of the Financial Guarantee under Clause 9.6(b) and (ii) containing information on the proposed maximum nominal amount of the Issue following the entry into that amendment or amendment and restatement of the Financial Guarantee by the Security Agent.
- (d) The Guarantor undertakes to ensure that the Issuer shall provide to the Security Agent at its own expense and without undue delay following the settlement of the Issue referred to in Clause 4.1(c) with an extract from the register of such Issue (*výpis emise*) maintained by the Central Depository (which may, in the case of an Issue in respect of which the Security Agent does not act as the fiscal and paying agent, be anonymized as to not show the identity of the respective holders of the Bonds forming such Issue).

### **4.2 Assistance**

- (a) The Guarantor shall provide the Security Agent with all the assistance necessary for the creation, existence, maintenance, and enforcement of this Financial Guarantee.
- (b) The Guarantor shall refrain from anything that might be detrimental to the Financial Guarantee or the Security Agent's rights hereunder, and shall not take or permit other person to take any action that could endanger the existence or enforceability of the Financial Guarantee.

## **5. Payments**

### **5.1 Payments to Security Agent**

On each date on which the Guarantor is required to make a payment under this Financial Guarantee, the Guarantor shall make the same available to the Security Agent for value on the due date to the account (or accounts) specified for such purposes by the Security Agent.

### **5.2 Set-off**

The Guarantor must not set-off any of its receivables against any receivable of the Security Agent hereunder. All payments to be made by the Guarantor under this Financial Guarantee shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim. The Guarantor shall not be entitled to claim against the Security Agent any objection which could be otherwise claimed against the Security Agent by the Issuer.

### **5.3 Gross-up**

All payments to be made by the Guarantor under this Financial Guarantee shall be calculated and be made free and clear of any deduction. If a deduction is required by law or otherwise to be made by the Guarantor from any payment hereunder, the amount of that payment due from the Guarantor hereunder shall be increased to an amount which (after making any deduction) leaves an amount equal to the payment which would have been due if no deduction had been required.

### **5.4 Use of proceeds**

All proceeds received by the Security Agent hereunder shall be used in accordance with the relevant provisions of the Terms and Conditions, the Security Agency Agreement, and the Bonds Act.

## **6. Further assurance**

The Guarantor shall from time to time and at its own expense, give such assurances and do all such things as the Security Agent may at its discretion require or consider desirable to enable the perfection, preservation and/or protection of the Financial Guarantee or exercise of any of the rights conferred on the Security Agent by this Financial Guarantee or applicable laws (including cases when the Security Agent considers such actions or legal acts necessary due to changes in the relevant laws or their interpretation).

## **7. Force and effect**

This Financial Guarantee shall enter into force and effect upon its execution by both Parties and, unless herein provided otherwise, shall remain in full force and effect until the Discharge Date.

## **8. Indemnity, expenses, and reimbursement**

### **8.1 Indemnity**

The Guarantor shall indemnify the Security Agent from and against any and all damages, liabilities, costs, claims, losses and expenses (including legal fees) which may be incurred by the Security Agent as a result of this Financial Guarantee or as a consequence of anything done or omitted in the exercise or purported exercise of the powers of the Guarantor contained in this Financial Guarantee. To the fullest extent permitted by law, the indemnity provided in this Clause 8.1 (*Indemnity*) shall survive the termination of this Financial Guarantee.

### **8.2 Costs and expenses**

The Guarantor shall pay to, and eventually reimburse, the Security Agent all expenses, costs and other amounts arising in connection with the establishment, creation, effectiveness and/or enforcement of the Financial Guarantee, or in connection with the execution and maintaining in force and effect of this Financial Guarantee.

## **9. Miscellaneous**

### **9.1 Security Agent may perform**

If the Guarantor fails to perform any of its obligations under this Financial Guarantee, the Security Agent may, but shall not be obliged to, perform to the fullest extent permitted by applicable law, or cause the performance of, such obligations, and the expenses of the Security Agent incurred in connection therewith shall be borne by the Guarantor.

### **9.2 Waiver of immunity**

If in any jurisdiction the Guarantor may claim immunity for itself or its property in any litigation, execution or sequestration proceeding or other legal process (whether as an initial stage of execution prior to judgment or otherwise) in respect of its obligations under this Financial Guarantee or if such immunity may be granted to it or its property in any jurisdiction (whether or not claimed), the Guarantor irrevocably agrees not to claim such immunity and, to the fullest extent permissible by law, waives such immunity.

### **9.3 Causing third party to perform**

If under this Financial Guarantee the Guarantor is obliged to “cause” a third party to provide performance to the Security Agent (or similarly is obliged to “procure” or “ensure” that a third party shall perform or shall refrain from any action), such arrangement shall be interpreted to mean that based on same, the Guarantor undertakes that the third party shall fulfil whatever was agreed within the meaning of the second sentence of Section 1769 of the Civil Code, and the Guarantor shall compensate the Security Agent for any damage incurred by it in the absence of fulfilment.

### **9.4 Severability**

If at any time any provision of this Financial Guarantee is or becomes void, illegal, invalid, ineffective or unenforceable in any respect, it shall not affect the validity, effectiveness and enforceability of the remaining provisions of this Financial Guarantee. The Parties agree that in such a case the Guarantor shall, upon request of the Security Agent and within 30 (thirty) Business Days after receipt of such request, enter into an amendment to this Financial Guarantee (in the form and substance satisfactory to the Security Agent), upon which such void, illegal, invalid, ineffective or unenforceable provision of this Financial Guarantee shall be replaced by incorporation of a provision which best achieves the commercial effect that the Parties intended thereby, and is valid, effective and enforceable.

### **9.5 No waiver**

No failure to exercise, or any delay in exercising, on the part of the Security Agent, any right under this Financial Guarantee shall operate as a waiver, nor shall any single or partial exercise of any right prevent any further or other exercise or the exercise of any other right.

### **9.6 Amendments**

- (a) This Financial Guarantee may only be amended by means of written amendments.
- (b) The Security Agent shall, in accordance with the Security Agency Agreement, provide the Guarantor with any assistance it requires to increase the Maximum Secured Amount and shall, to that effect, within 7 Business Days of receiving the Guarantor’s request, enter into any amendment or amendment and restatement of this Financial Guarantee reasonably required by the Guarantor, provided that the Guarantor’s request shall contain a draft of such amendment or amendment and restatement and the documents and information set out in Clause 4.1(c) and that such amendment or amendment and restatement has the effect of increasing the Maximum Secured Amount in accordance with the Terms and Conditions.

### **9.7 Continuing security**

The Parties expressly confirm that they intend that the existence of the Financial Guarantee shall not be affected by any amendment, variation, extension or addition of or to any of the Base Prospectus, the Terms and Conditions of the Bonds or any other related document and the Financial Guarantee shall



secure any and all Secured Obligations arising under the Bonds as so amended, varied, extended or supplemented.

## **9.8 Cumulative rights**

The Security Agent's rights hereunder shall be cumulative with respect to any and all further security provided to secure the Secured Obligations or any of them. The Security Agent may resort to any security, whether existing now or in the future, in order to satisfy such obligations in such ratios and order, as the Security Agent upon its discretion may deem appropriate. The provisions hereof shall not be prejudicial to the Security Agent's right to seek additional security, or the Guarantor's obligations to provide additional security, under applicable laws. The rights and obligations of the Security Agent under this Financial Guarantee can be enforced cumulatively and are not prejudicial to any other rights and remedies given to the Security Agent under applicable laws.

## **9.9 Exclusion of certain provisions of Civil Code**

- (a) The Parties agree that (to the fullest extent permitted by the laws of the Czech Republic) the following Sections of the Civil Code shall be excluded for the purposes of this Financial Guarantee: 558 (2) (to the extent to which it stipulates that business practice prevails over a non-mandatory provision of law), 1740 (3), 1747, 1748, 1799, 1800, 1936 (1), 1950, 1951, 1952 (2), 1978 (2), 1980, 1987 (2), 1995 (2) and 2015 (1).
- (b) The Guarantor shall bear the risk of a change of circumstances within the meaning of Section 1765 (2) of the Civil Code.
- (c) The Guarantor is not entitled to terminate this Financial Guarantee pursuant to Section 2000 (1) of the Civil Code.

## **10. Notices**

### **10.1 Communications in writing**

Any communication between the Parties to be made under or in connection with this Financial Guarantee shall be made in writing and, unless otherwise stated, may be made by e-mail or letter.

### **10.2 Addresses**

The address and e-mail addresses (and the department or officer, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with this Financial Guarantee is that identified with its name below or any substitute address, e-mail address (and the department or officer for whose attention the communication is to be made) as that Party may notify to the Party by not less than 5 (five) Business Days in advance.

- (a) If to the Guarantor:

**Accolade Holding, a.s.**

Address: Sokolovská 394/17, Karlín, 186 00 Prague 8

Attention: Mr. Milan Kratina, Mr. Zdeněk Šoustal

E-mail: [milan.kratina@accolade.eu](mailto:milan.kratina@accolade.eu), [zdenek.soustal@accolade.eu](mailto:zdenek.soustal@accolade.eu)

CC: [bonds@accolade.eu](mailto:bonds@accolade.eu)

- (b) If to the Security Agent:

**Česká spořitelna, a.s.**

Address: Budějovická 1518/13a, 140 00 Prague 4

Attention: Renata Pfortnerová, Tomáš Plánka

E-mail: [rpfortnerova@csas.cz](mailto:rpfortnerova@csas.cz), [tplanka@csas.cz](mailto:tplanka@csas.cz)

### 10.3 Delivery

- (a) Any communication or document made or delivered by one Party to another under or in connection with this Financial Guarantee shall only be considered as delivered:
- (i) if by way of e-mail, at the time of confirmation of delivery of the relevant message to the recipient's server and receipt of such e-mail by the recipient in legible form; or
  - (ii) if by way of letter, when it has been left at the relevant address.
- (b) Any communication or document to be delivered to the Security Agent shall be considered as delivered only when actually received by the Security Agent and then only if it is expressly marked for the attention of the department or officer identified with the Security Agent's name in Clause 10.2 (*Addresses*) (or any substitute department or officer as the Security Agent shall specify for this purpose).
- (c) Any communication or document to be made or delivered to the Guarantor shall also be deemed delivered as of the 3<sup>rd</sup> (third) Business Day after it has been sent using provider of postal services.

### 10.4 Language

- (a) Any notice given under or in connection with this Financial Guarantee must be in English.
- (b) All other documents provided under or in connection with this Financial Guarantee must be:
- (i) in English; or
  - (ii) if not in English, and if so required by the Security Agent, accompanied by a certified Czech or English translation and, in this case, the Czech or English translation shall prevail unless that document has been made in another language under the mandatory provisions of the relevant laws.

## 11. Transfer and assignment

### 11.1 No transfer and assignment by Guarantor

The Guarantor may not assign or transfer this Financial Guarantee, or any part thereof or any individual obligations or any individual rights arising therefrom.

### 11.2 Transfer and assignment by Security Agent

- (a) If a change of a security agent occurs in accordance with the Joint Terms and Conditions, all rights and obligations of the Security Agent as a security agent (the "**Existing Security Agent**") shall pass in full to the new security agent (the "**Transferee**") which has replaced the Existing Security Agent as a security agent, unless the Security Agency Agreement provides otherwise.
- (b) As of the moment the change according to paragraph (a) above becomes effective, the Existing Security Agent shall be fully relieved from its obligations under this Financial Guarantee to the extent such obligations were assigned or transferred to, or assumed by, the Transferee, or from its obligations which arise from this Financial Guarantee or its part so assigned to the Transferee, and the Existing Security Agent shall not guarantee nor be otherwise responsible for the

fulfilment of those obligations, nor be liable for their potential infringement. Section 1899 of Civil Code shall not apply for such assignment or transfer.

**12. Counterparts**

This Financial Guarantee has been executed in 2 (two) counterparts. Each Party shall obtain 1 (one) counterpart. The Parties acknowledge that a copy of this Financial Guarantee shall be inserted into the Base Prospectus and shall be available for inspection under the conditions set out in the Base Prospectus.

**13. Governing law and enforcement**

**13.1 Governing law**

This Financial Guarantee and any non-contractual obligations arising hereunder are governed by the laws of the Czech Republic.

**13.2 Jurisdiction of Czech courts**

The courts of Prague 1 in the Czech Republic have local jurisdiction to settle any dispute arising under or in connection with this Financial Guarantee (including a dispute relating to the existence, validity or termination of this Financial Guarantee or any non-contractual obligation arising hereunder) unless the mandatory rules of the applicable laws provide otherwise.

## Annex 1

### Template of the Notice

- To:** **Accolade Holding, a.s.**, with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Identification No. 286 45 065, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 19102 (the “**Guarantor**”)
- From:** **Česká spořitelna, a.s.**, with its registered office at Olbrachtova 1929/62, 140 00 Prague 4, Identification No. 452 44 782, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. B 1171 (the “**Security Agent**”)

We refer to the financial guarantee issued by you on [\_\_\_\_] 2025 in our favour (the “**Financial Guarantee**”). This document represents the Notice as defined in the Financial Guarantee.

Unless otherwise specified herein, a term that is defined in the Financial Guarantee (or that is stated therein to be subject to special interpretation) shall have the same meaning (or be subject to the same interpretation) in this Notice.

In accordance with Condition 3.6 (*Acceleration*) of the Joint Terms and Conditions, the Security Agent has decided that all liabilities arising under the Bonds, including any unpaid accrued interest or other yield on these become due and payable as a result of [the occurrence of an Event of Default under Condition [\_\_\_\_] of the Joint Terms and Conditions]/[a decision of the Meeting to that effect].

In accordance with Condition 3.7 (*Enforcement of the Security and Other Decisions*) of the Joint Terms and Conditions, [the Security Agent decided on [\_\_\_\_] on the enforcement of the rights arising under the Financial Guarantee]/[the Meeting of the Bondholders held on [\_\_\_\_] in [\_\_\_\_] decided on the enforcement of the rights arising under the Financial Guarantee].

In accordance with Clause 2.1 (*Financial Guarantee*) of the Financial Guarantee, you are hereby required to pay the sum of CZK [\_\_\_\_].

Please pay the amount within 15 (fifteen) Business Days to the account specified below:

- Account No.: [\_\_\_\_]
- IBAN: [\_\_\_\_]
- SWIFT: [\_\_\_\_]
- Bank: [\_\_\_\_]

Yours sincerely,

**Česká spořitelna, a.s.**

as Security Agent

By: \_\_\_\_\_

Name: [\_\_\_\_]

Title: [\_\_\_\_]

By: \_\_\_\_\_

Name: [\_\_\_\_]

Title: [\_\_\_\_]

**In witness whereof**, the Parties have executed this Financial Guarantee as of the day and year first above written.

**Accolade Holding, a.s.**

as Guarantor

By: \_\_\_\_\_

Name: Milan Kratina

Title: Member of the Board of Directors

By: \_\_\_\_\_

Name: Zdeněk Šoustal

Title: Member of the Board of Directors

Česká spořitelna, a.s.

as Security Agent

By: \_\_\_\_\_

Name:

Title:

  
Stanislav Šnajdr  
Head of Financial  
Institutions Department

By: \_\_\_\_\_

Name:

Title:

  
ZENATA PFORTNEROVA

FINANCIAL INSTITUTION

## USE OF PROCEEDS

Unless otherwise specified in the relevant Pricing Supplement, the Issuer plans to use the net proceeds from the Issues under this Programme to further develop the Group's business activities. For this purpose, the Issuer expects to provide the amount of the net proceeds to the Guarantor through intra-group loans or other forms of financing, whereas such amounts may be provided to the Guarantor's subsidiaries in the Czech Republic and abroad. The Bonds may be issued as "Green Bonds", whereby in such a case the net proceeds of such Issue, or an amount corresponding to the net proceeds of such Issue, will be used exclusively for the financing or refinancing, in whole or in part, of green projects or activities falling under the categories of green buildings or renewable energy according to the Green Finance Framework drawn up by the Guarantor in February 2024 which may be further amended, modified, replaced or otherwise changed by the Guarantor (the "**Green Finance Framework**"), in accordance with its terms (such projects hereafter referred to as "**Green Projects**").

As of the date of this Base Prospectus, the Green Finance Framework stipulates that the green buildings and renewable energy categories include projects that meet the following criteria:

- Construction of new buildings or acquisition of existing buildings that meet any of the following criteria: (i) buildings the net primary energy demand of which is at least 10% lower than the limit for buildings with almost zero energy consumption in the relevant market (in the case of buildings built after 31 December 2020); (ii) buildings with BREEAM<sup>7</sup> "Outstanding", "Excellent" or "Very Good" certification; (iii) buildings with equivalent WELL<sup>8</sup> ("Silver", "Gold" or "Platinum") certification, DGNB<sup>9</sup> ("Silver", "Gold" or "Platinum"), LEED<sup>10</sup> ("Silver", "Gold" or "Platinum"), EDGE<sup>11</sup> ("Level 1", "Level 2" or "Level 3"); (iv) buildings having by an energy efficiency certificate of class "A" (in the case of buildings constructed before December 31, 2020); or (v) a building the energy efficiency of which falls among the 15% of the best buildings in the state or in the region (in the case of buildings constructed before 31 December 2020).
- Renovations of existing buildings that are implemented in accordance with the requirements for general renovations or if they lead to a decrease in primary energy demand by at least 30%.
- Measures to increase energy efficiency and renewable energy sources – Installation of renewable energy sources and equipment to increase energy efficiency (except fossil fuel-powered equipment), such as, but not limited to, photovoltaics, heat pumps, wind turbines, solar panels for hot water heating, solar collectors, thermal or electrical storage units, highly efficient micro-cogeneration units, heat exchangers or recovery systems, intelligent control systems, new windows, new doors, improved thermal insulation, energy-saving lighting or ventilation systems.
- Climate adaptation measures for buildings owned by the Group – Implementation of adaptation solutions enabling resistance to the physical climate (risks such as drought, floods, heavy rainfall), such as, but not exclusively, modernisation of the building's plumbing, technical solutions allowing the use of rainwater or greywater, solutions to improve water drainage from the roof, implementation of solutions that will enable the management and use of surface water runoff and the avoidance, reduction or delay of discharge of rainfall into public sewers.

The Green Finance Framework is available on the Issuer's website <https://acolade.eu/> in the "*About Us, Bonds*" section. An independent opinion (i.e. a second party opinion) prepared by Sustainalytics BV on 28 February 2024 to assess the compliance of the Green Finance Framework with the Green Bond Principles issued by the

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<sup>7</sup> BREEAM (*Building Research Establishment Environmental Assessment Method*) is a sustainability assessment method applicable to new construction, existing buildings and renovations. The subject of BREEAM is the environmental, social and economic sustainability of the relevant asset. Value sustainability assessments are carried out within prescribed categories such as energy, health and well-being, innovation, land use, materials, management, pollution, transport, waste and water. The final assessment of the BREEAM certificate is calculated as a weighted sum of the results of the individual categories. To obtain certification at the "Very Good" level, it is necessary to obtain at least 55% in the assessment, in the case of the "Excellent" level at least 70% and in the case of the "Outstanding" level at least 85%.

<sup>8</sup> The WELL Building Standard is a platform for designing and certifying spaces that promote human health and well-being. As part of the certification, testing is carried out within prescribed categories such as air, water, thermal comfort, light, movement, nutrition, sound, psyche, community and materials. To obtain certification at the "Silver" level, it is necessary to obtain at least 50 points and at least 1 point in each category in the evaluation, in the case of the "Gold" level at least 60 points and at least 2 points in each category, and in the case of the "Platinum" level at least 80 points and a minimum of 3 points in each category.

<sup>9</sup> DGNB is a system for the certification of buildings, neighbourhoods or interior spaces. The system is conceived as holistic and takes into account the entire life cycle of the project. During the evaluation, the ecological, economic and socio-cultural aspects of the project are taken into account, which are further supplemented by criteria related to the technical quality of the project, the process quality of the project and the quality of its location. In order to obtain certification at the "Silver" level, it is necessary to obtain at least 35% in the evaluation, in the case of the "Gold" level at least 50% and in the case of the "Platinum" level at least 65%.

<sup>10</sup> LEED (*Leadership in Energy and Environmental Design*) is the most popular independent green building certification that evaluates the design, construction and operation of green buildings. It focuses on the effective use of materials and a responsible approach to the environment. To obtain certification at the "Silver" level, it is necessary to obtain at least 50 points in the evaluation, in the case of the "Gold" level at least 60 points, and in the case of the "Platinum" level at least 80 points.

<sup>11</sup> EDGE (*Excellence in Design for Greater Efficiencies*) is an international system for the certification of green buildings. In order to gain certification at the level "Level 1", it is necessary to demonstrate a saving of 20% in energy, water and energy contained in materials, for "Level 2" it is necessary to demonstrate a saving of at least 40% of the energy consumed on site and for "Level 3" it is necessary to achieve a carbon neutrality, i.e. use 100% renewable energy (whether produced at the project site or elsewhere), or use carbon compensation of up to 100%.

International Capital Markets Association and the Green Loan Principles issued by the Loan Market Association (“**Independent Opinion**”) is incorporated in the Green Finance Framework and can be found therein on page 22 *et seq.*

The Green Finance Committee established at Group level (the “**Committee**”) will compile (i) annual reports on the allocation of proceeds from the Bonds (up to full allocation of proceeds); and (ii) annual impact reports, which will include selected key performance indicators for consistent performance measurement. The Committee will establish data collection and reporting procedures and maintain up-to-date data on the environmental impact of funded Green Projects. In the event of changes in market reporting standards, the Committee may amend the reporting procedures accordingly. Documentation related to the issuance and allocation of proceeds from Green Bonds will be published on the Issuer’s website <https://acolade.eu/> in the “About us, Bonds” section, which will serve as the main platform for communication with stakeholders and investors.

The Green Finance Framework and the Independent Opinion do not form part of, or are incorporated by reference into, this Base Prospectus.

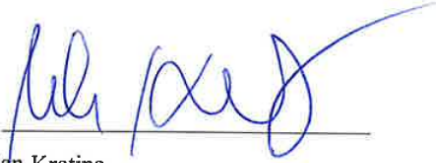


## RESPONSIBILITY STATEMENT

The person responsible for the accuracy and completeness of the information contained in the Base Prospectus is the Issuer, Accolade Finco Czech 2, s.r.o., with its registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8, Czech Republic, Postal Code 186 00, ID No.: 225 67 062, registered in the Commercial Register maintained by the Municipal Court in Prague under file No. C 418562. The Issuer declares that, to the best of its knowledge, the information contained in the Base Prospectus is in accordance with the facts and that the Base Prospectus makes no omission likely to affect its import.

In Prague as of the date of this Base Prospectus

Signature:

A handwritten signature in blue ink, appearing to be 'Milan Kratina', written over a horizontal line.

Name: Milan Kratina

Position: Executive Director

## SELECTED FINANCIAL INFORMATION

*Unless otherwise stated, the following data sets out selected financial information relating to the Group as of 30 June 2024 and 30 June 2023, and for the years ended 31 December 2023 and 31 December 2022, taken from the consolidated financial statements of the Guarantor. The information below should be read in conjunction with the information contained in the relevant financial statements incorporated by reference in this Base Prospectus.*

### Consolidated income statement of the Guarantor

	For the six months ending 30 June		For the year ending 31 December	
	2024	2023	2023	2022
	<i>(in CZK thousands)</i>			
Revenues.....	1,677,311	2,060,503	3,526,294	3,948,825
Cost of revenues.....	(1,027,297)	(1,248,751)	(2,113,588)	(3,248,147)
<b>Gross profit</b> .....	<b>650,014</b>	<b>811,752</b>	<b>1,412,706</b>	<b>700,678</b>
General and administrative expenses .....	(9,198)	(4,421)	(17 052)	(16,505)
Personnel expenses .....	(158,598)	(129,387)	(295,116)	(235,725)
Depreciation and amortization .....	(34,890)	(30,640)	(49,053)	(52,625)
Other income/ expense.....	36,169	(27,021)	(89,899)	180,158
Net valuation result on investment property..	353 062	(27,192)	339,646	506,803
Net valuation result on equity-accounted associates .....	73,765	(41,656)	(201,660)	252,619
Net valuation result on financial investments	(6,734)	1,910	(3,191)	99,974
<b>Profit from operations</b> .....	<b>903,590</b>	<b>553,345</b>	<b>1,096,381</b>	<b>1,435,377</b>
Financial income.....	737,242	473,934	987,204	897,183
Financial expense.....	(1,116,514)	(359,777)	(1,152,638)	(706,767)
Share on income/ loss of financial investments .....	72,123	95,067	27,136	18,310
<b>Profit before tax</b> .....	<b>596,441</b>	<b>762,569</b>	<b>958,083</b>	<b>1,644,103</b>
Income taxes.....	(20,741)	(47,409)	(108,730)	(114,726)
<b>Profit for the period from continuing operations</b> .....	<b>575,700</b>	<b>715,160</b>	<b>849,353</b>	<b>1,529,377</b>
Profit for the period from discontinued operation.....	8,224	0	(7,160)	0
<b>PROFIT FOR THE PERIOD</b> .....	<b>583,924</b>	<b>715,160</b>	<b>842,193</b>	<b>1,529,377</b>
<b>Profit/(loss) for the year attributable to:</b> ...				
Owners of the parent .....	628,201	649,760	811,444	1,597,740
Non-controlling interests.....	(44,277)	65,400	30,749	(68,363)
<b>PROFIT FOR THE PERIOD</b> .....	<b>583,924</b>	<b>715,160<sup>(1)</sup></b>	<b>842,193</b>	<b>1,529,377</b>
<b>OTHER COMPREHENSIVE INCOME..</b>				
Cash flow hedge - effective portion of changes in fair value net of tax.....	0	0	(144,067)	0
Foreign currency translation differences net of tax.....	42,571	0	42,217	0
<b>OTHER COMPREHENSIVE INCOME FOR THE YEAR, NET OF TAX</b> .....	<b>42,571</b>	<b>0</b>	<b>(101,850)</b>	<b>0</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b> .....	<b>626,495</b>	<b>715,160</b>	<b>740,343</b>	<b>1,529,377</b>
<b>Total comprehensive income attributable to:</b> .....				
Owners of the parent .....	670,772	649,760	709,594	1,597,740
Non-controlling interests.....	(49,403)	65,400	30,749	(68,363)

## Consolidated balance sheet of the Guarantor

	30 June 2024	31 December	
		2023	2022
		<i>(in CZK thousands)</i>	
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Inventories .....	42,678	34,565	48,088
Trade and other receivables .....	764,786	801,568	192,857
Income tax receivables.....	107,251	0	0
Prepayments and other current assets.....	487,702	636,086	649,411
Cash and cash equivalents.....	2,337,829	751,439	667,183
Assets classified as held for sale .....	0	635,949	0
<b>TOTAL CURRENT ASSETS .....</b>	<b>3,740,246</b>	<b>2,859,607</b>	<b>1,557,539</b>
<b>NON-CURRENT ASSETS</b>			
Investment properties.....	16,959,477	14,443,425	10,855,529
Investment properties under development .....	11,677,273	11,242,079	7,518,244
Property, buildings and equipment .....	845,598	802,575	757,551
Intangible assets.....	208,900	209,758	143,685
Investments in equity-accounted associates .....	1,054,159	977,960	1,239,123
Investments at fair value through profit and loss .....	2,203,031	1,205,943	1,263,165
Trade and other receivables .....	1,806,960	1,496,634	1,973,276
Derivative financial instruments .....	14,965	37,594	33,015
<b>TOTAL NON-CURRENT ASSETS .....</b>	<b>34,770,363</b>	<b>30,415,968</b>	<b>23,783,588</b>
<b>TOTAL ASSETS.....</b>	<b>38,510,609</b>	<b>33,275,575</b>	<b>25,341,127</b>
<b>LIABILITIES AND EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Trade and other payables .....	5,189,445	2,097,573	2,013,015
Loans and borrowings.....	3,004,242	2,027,124	2,801,375
Lease liabilities .....	22,970	31,856	24,602
Employee benefits.....	35,340	33,774	20,084
Tax payable.....	49,791	37,026	11,548
Provisions .....	18,155	18,155	138,498
Liabilities associated with assets classified as held for sale .....	0	420,826	0
<b>TOTAL CURRENT LIABILITIES .....</b>	<b>8,319,943</b>	<b>4,666,334</b>	<b>5,009,122</b>
<b>NON-CURRENT LIABILITIES .....</b>			
Trade and other payables .....	566,094	2,503,066	351,093
Loans and borrowings.....	17,495,905	14,500,573	9,396,430
Lease liabilities .....	541,955	541,955	549,727
Deferred tax liability .....	225,063	288,456	91,746
Derivative financial liabilities.....	62,375	90,443	0
<b>TOTAL NON-CURRENT LIABILITIES .....</b>	<b>18,891,392</b>	<b>17,924,493</b>	<b>10,388,996</b>

	30 June 2024	31 December	
		2023	2022
		<i>(in CZK thousands)</i>	
<b>EQUITY</b>			
Share capital.....	2,400	2,400	2,400
Reserve fund.....	664	1,170	1,170
Retained earnings.....	10,573,359	9,882,824	8,427,734
Net result for the period.....	628,201	811,444	1,597,740
<b>Equity attributable to equity holders of the parent...</b>	<b>11,204,624</b>	<b>10,697,838</b>	<b>10,029,044</b>
Non-controlling interest.....	94,650	(13,090)	(86,035)
<b>TOTAL EQUITY.....</b>	<b>11,299,274</b>	<b>10,684,748</b>	<b>9,943,009</b>
<b>TOTAL LIABILITIES AND EQUITY.....</b>	<b>38,510,609</b>	<b>33,275,575</b>	<b>25,341,127</b>

### Consolidated statement of cash flows of the Guarantor

	For the six months ending 30 June		For the year ending 31 December	
	2024	2023	2023	2022
	<i>(in CZK thousands)</i>			
<b>Cash flows from operating activities</b>				
<b>Profit per year.....</b>	<b>628,201</b>	<b>649,760</b>	<b>811,444</b>	<b>1,597,740</b>
Adjustments for:				
Amortization and depreciation.....	34,890	30,640	49,053	52,625
Net valuation result on investment property.....	(353,062)	27,192	(339,646)	(506,803)
Net valuation result on equity-accounted associates..	(73,765)	41,656	201,660	(252,619)
Net valuation result on financial investments.....	6,734	(1,910)	(23,945)	(99,974)
Gain/loss from sale of investment property.....	(73,633)	(246)	(220,995)	(296,121)
Finance income.....	(74,157)	(91,166)	(172,367)	(137,592)
Finance expense.....	502,968	307,890	679,126	322,669
Income tax expense.....	20,741	47,409	108,730	114,726
Other non-cash operations.....	22,306	588,073	709,806	598,514
<b>Operating cash flow before changes in working<sup>12</sup> capital.....</b>	<b>13,023</b>	<b>949,538</b>	<b>1,802,866</b>	<b>1,393,165</b>
Decrease/(increase) in trade and other receivables....	(176,727)	(694,869)	29,644	(889,607)
Decrease/(increase) in inventories.....	(8,113)	(5,612)	13,523	(13,416)
Derivative financial assets.....	(5,439)	(15,187)	(4,579)	(33,015)
Increase/(decrease) in trade and other payables.....	184,582	(673,612)	(2,120,569)	591,691
Increase/(decrease) in derivative financial liabilities..	0	0	90,443	0
Increase/(decrease) in provisions and employee benefits.....	1,566	(73,863)	(106,653)	73,863
<b>Changes in net working capital.....</b>	<b>(4,131)</b>	<b>(1,463,143)</b>	<b>(2,098,191)</b>	<b>(270,484)</b>
<b>Net cash flows from operating activities.....</b>	<b>8,891</b>	<b>(513,605)</b>	<b>(295,325)</b>	<b>1,122,681</b>
<b>Investing activities</b>				
Acquisition of investment property.....	(3,785,346)	(303,431)	(6,256,381)	(3,519,641)
Acquisition of property, plant and equipment.....	(86,336)	(76,177)	(136,111)	(78,688)

<sup>12</sup> The line item referenced above as "Operating profit before changes in working capital" reports operating cash flow before changes in working capital. This line item reports the same information as the line item referenced as "Operating cash flow before changes in working capital" in the consolidated financial statements of the Guarantor for the six-month period ending 30 June 2024.

	For the six months ending 30 June		For the year ending 31 December	
	2024	2023	2023	2022
	<i>(in CZK thousands)</i>			
Acquisition of intangible assets.....	(3,667)	(16,911)	(70,353)	(25,700)
Proceeds from disposal of investment property, PPE and intangible assets.....	1,550,656	17,072	3,572,787	718,306
Acquisition of new shares, net of cash acquired.....	(1,104,027)	(625,325)	(1,174,120)	(615,293)
Cash acquired by acquisition.....	0	0	21,360	0
Interest received.....	18,473	91,166	172,367	137,592
Decrease/(increase) of assets held for sale .....	0	0	(635,949)	0
<b>Net cash used in investing activities.....</b>	<b>(3,410,247)</b>	<b>(913,606)</b>	<b>(4,506,400)</b>	<b>(3,383,424)</b>
<b>Financing activities</b>				
Dividends paid to holders of the parent.....	0	0	(40,000)	(120,000)
Repayment of borrowings .....	(4,054,648)	(240,570)	(3,359,889)	(1,685,577)
Proceeds from loans and borrowings .....	8,775,474	1,479,108	8,486,727	4,591,672
Payment of lease liabilities .....	(8,886)	(14,279)	(35,487)	(26,362)
Interest paid on loans and borrowings.....	(352,395)	(309,634)	(586,196)	(322,669)
Increase/(decrease) in liabilities held for sale.....	0	0	420,826	0
<b>Net cash (used in) / from financing activities.....</b>	<b>4,359,545</b>	<b>914,625</b>	<b>4,885,981</b>	<b>2,437,064</b>
<b>Net increase in cash and cash equivalents.....</b>	<b>1,586,390</b>	<b>137,174</b>	<b>84,256</b>	<b>176,321</b>
<b>Cash and cash equivalents at the beginning of year .....</b>	<b>751,439</b>	<b>667,183</b>	<b>667,183</b>	<b>490,862</b>
<b>Cash and cash equivalents at end of the period....</b>	<b>2,337,829</b>	<b>804,357</b>	<b>751,439</b>	<b>667,183</b>

Note:

(1) The financial statements for the six months ended 30 June 2024 contain a calculating error in the addition of the line items attributing to the line item 'Profit for the period'. The correct figure, as stated above, is 715,160.

### Alternative performance measures

This Base Prospectus contains selected financial data and indicators that are not calculated in accordance with IFRS and are considered alternative performance measures as defined in the “ESMA General Guidelines – Alternative Performance Measures” issued by the European Securities and Markets Authority and valid from 5 October 2015. Specifically, these are the following measures: LTV Ratio, the Priority Debt Ratio and the Equity Ratio (each as defined below) (collectively referred to as “**Alternative Performance Measures**”).

Alternative Performance Measures are sometimes used by investors to evaluate the efficiency of a company’s operations and its ability to use its earnings to repay debt, cover capital expenditures and satisfy working capital requirements. Alternative Performance Measures have their limitations as analytical tools, whereas investors should not consider them in isolation or use them as a substitute for analysis of the results presented in the Guarantor’s financial statements. Investors should not place undue reliance on Alternative Performance Measures.

For the purposes of calculating the Alternative Performance Measures, on 27 September 2024, the Group has altered the valuation methodology for investment properties under development, transitioning from a cost-based valuation to fair market valuation. As a result, the Group restated the value of investment properties under development as of 30 June 2024 and 31 December 2023. This revaluation also led to an increase in the Total Equity of the Group as of 30 June 2024 and 31 December 2023.

The following table shows the value of the Group’s investment property under development and the Group’s Total Equity before and after the alteration of the valuation methodology as of 30 June 2024 and 31 December 2023.

<b>30 June 2024</b>	<b>31 December 2023</b>
---------------------	-------------------------

(in CZK thousands)

**Investment properties under development**

Before fair market valuation .....	11,677,273	11,242,079
After fair market valuation.....	12,038,749	11,192,825
<b>Total Equity</b>		
Before fair market valuation .....	11,299,274	10,684,748
After fair market valuation.....	13,796,823	12,115,820

*LTV Ratio*

The “**LTV Ratio**” represents the ratio of the Group’s net indebtedness (i.e. total short-term and long-term liabilities – loans and borrowings and lease liabilities, always after deducting cash and cash equivalents) to selected categories of the Group’s valuable assets (i.e. investment property, investment property under development, property, plant and equipment, investments in equity-accounted associates and other investments at fair value through profit and loss, assets classified as held for sale).

The Issuer presents the LTV Ratio because it provides investors with relevant information on the ratio of the Group’s liabilities to the assets that the Group possesses, i.e. information on the amount of assets the Group has available to discharge its obligations, including debts arising under the Bonds.

The following table shows the reconciliation of the Group’s LTV Ratio as of 30 June 2024, 31 December 2023 and 31 December 2022.

	<b>30 June 2024</b>	<b>31 December</b>	
		<b>2023</b>	<b>2022</b>
		<i>(in CZK thousands)</i>	
Current liabilities – loans and borrowings.....	3,004,242	2,027,124	2,801,375
Current liabilities – lease liabilities .....	22,970	31,856	24,602
Non-current liabilities – loans and borrowings .....	17,495,905	14,500,573	9,396,430
Non-current liabilities – lease liabilities.....	541,955	541,955	549,727
Liabilities classified as hold for sale (loans and borrowings).....	0	223,185	0
<i>minus</i>			
<i>Cash and cash equivalents</i> .....	2,337,829	761,492	667,183
<b>Net indebtedness</b> .....	<b>18,727,243</b>	<b>16,563,201</b>	<b>12,104,951</b>
<i>divided by</i>			
Investment property .....	16,959,477	14,443,425	10,855,529
Investment property under development .....	12,038,749	11,192,825	7,518,244
Property, plant and equipment .....	845,598	802,575	757,551
Investments in equity-accounted associates .....	1,054,159	977,960	1,239,123
Investments at fair value through profit and loss .....	2,203,031	1,205,943	1,263,165
Assets classified as held for sale .....	0	617,750	0
<b>Total value assets</b> .....	<b>33,101,014</b>	<b>29,240,478</b>	<b>21,633,612</b>
<b>LTV Ratio (in %)</b> .....	<b>56.58</b>	<b>56.64</b>	<b>55.95</b>

*Priority Debt Ratio*

The “**Priority Debt Ratio**” represents the ratio of the Group’s priority debts (which, for calculation purposes, are considered to be loans and borrowings that are secured by pledges and loans and borrowings whose debtors are the Guarantor’s subsidiaries, always after deducting cash and cash equivalents) to the selected categories of the Group’s valuable assets (i.e. investment property, investment property under development, property, plant and equipment, investments in equity-accounted associates and other investments at fair value through profit and loss, assets classified as held for sale).

The Issuer presents the Priority Debt Ratio, as it provides investors with relevant information about the ratio of the Group’s debts from financial security which have structural priority over the debts arising under the Bonds, i.e.

information about the amount of assets the Group has available to discharge its unsecured liabilities, if any, including its debts arising under the Bonds.

Since the calculations of the Priority Debt Ratio are set very specifically in relation to the fulfilment of the financial obligations specified in the Joint Terms and Conditions, it is not possible to match all the data contained in the calculations of the Priority Debt Ratio to the items listed in the Guarantor's financial statements, as they were drawn from the Guarantor's accounting documents. These items are marked (\*) in the calculations below.

	30 June 2024	31 December	
		2023	2022
		<i>(in CZK thousands)</i>	
Priority debts (*).....	15,077,093	13,292,692	9,734,979
<i>minus</i>			
Cash and cash equivalents.....	2,337,829	761,492	667,183
<b>Net priority debt</b> .....	<b>12,739,264</b>	<b>12,531,200</b>	<b>9,067,796</b>
<i>divided by</i>			
Investment property .....	16,959,477	14,443,425	10,855,529
Investment property under development.....	12,038,749	11,192,825	7,518,244
Property, plant and equipment .....	845,598	802,575	757,551
Investments in equity-accounted associates .....	1,054,159	977,960	1,239,123
Investments at fair value through profit and loss .....	2,203,031	1,205,943	1,263,165
Assets classified as held for sale .....	0	617,750	0
<b>Total value assets</b> .....	<b>33,101,014</b>	<b>29,240,478</b>	<b>21,633,612</b>
<b>Priority Debt Ratio (in %)</b> .....	<b>38.49</b>	<b>42.86</b>	<b>41.92</b>

#### Equity Ratio

The “**Equity Ratio**” represents the ratio of the Guarantor's equity on a consolidated basis (which, for the purposes of calculation, is deemed to be the equity attributable to the shareholders of the Guarantor's parent on a consolidated basis and the non-controlling interests of the Guarantor on a consolidated basis) to the total assets of the Guarantor on a consolidated basis.

The Issuer presents the Equity Ratio, because it provides investors with relevant information about the extent of the Group's own resources available to the Group to carry out its business.

The following table provides a reconciliation of the Equity Ratio as of 30 June 2024, 31 December 2023, and 31 December 2022.

	30 June 2024	31 December	
		2023	2022
		<i>(in CZK thousands)</i>	
Equity attributable to shareholders.....	13,702,173	12,128,910	10,029,044
Non-controlling interest .....	94,650	(13,090)	(86,035)
<b>Total Equity</b> .....	<b>13,796,823</b>	<b>12,115,820</b>	<b>9,943,009</b>
<i>divided by</i>			
<b>Total assets</b>	<b>38,872,085</b>	<b>33,226,321</b>	<b>25,341,127</b>
<b>Equity Ratio (in %)</b>	<b>35.49</b>	<b>36.46</b>	<b>39.24</b>

## INFORMATION ABOUT THE ISSUER

### 1. BASIC INFORMATION

The Issuer was established on 28 January 2025 for an indefinite period. In its activities, the Issuer is governed by Czech law, in particular Act No. 89/2012 Coll., the Civil Code, as amended (the “**Civil Code**”), and Act No. 90/2012 Coll., on business corporations and cooperatives, as amended (the “**Business Corporations Act**”). The Issuer’s LEI is 3157005T8FZ0X95ZN793 and its website is <https://accolade.eu/>. The information on the Issuer’s website is not part of the Base Prospectus, unless such information is incorporated into the Base Prospectus by reference. The Issuer can be contacted by phone at +420 220 303 019 and e-mail at [bonds@accolade.eu](mailto:bonds@accolade.eu).

### 2. ORGANISATIONAL STRUCTURE

As of the date of this Base Prospectus, the Issuer’s share capital amounts to CZK 24,000 and is fully paid. The Issuer has a single shareholder, namely the Guarantor, who directly owns 100% of the Issuer’s share capital. Therefore, the Issuer is directly controlled by the Guarantor based on the ownership of 100% of the share capital and 100% share of the voting rights. The Issuer does not follow special principles that would prevent the Guarantor from abusing control over the Issuer. The issuer follows the rules and measures established by the applicable legislation and believes that they are sufficient. The Issuer is not aware of any arrangements that could lead to a change of control over the Issuer at a later date.

The Issuer is dependent on the Guarantor as its parent company. The Issuer was established by the Guarantor for the purpose of obtaining funds and their further provision to the Guarantor in the form of a loan or other form of financing. The Issuer’s ability to fulfil its obligations under the Bonds will be entirely dependent on the Guarantor’s ability to fulfil its obligations to the Issuer. This fact establishes the dependence of the Issuer’s source of income on the Guarantor and its financial results. More detailed information is provided in the section “*Risk factors - Risks related to the Issuer and the Guarantor - Risks associated with a special purpose vehicle*”.

### 3. OVERVIEW OF THE ISSUER’S BUSINESS

The Issuer is a special purpose vehicle established for the purpose of issuing bonds. The main activity of the Issuer is the provision of funds obtained through the issuance of bonds in the form of loans or other forms of financing to the Guarantor. The issuer does not currently carry out any other business activity. Due to its main activity, the Issuer as such does not compete on any market and has no relevant market shares and position. The subject of the Issuer’s business is regulated under Article IV of its founding deed.

### 4. INDEBTEDNESS

The Issuer fulfils all its debts properly and on time. The Issuer is not aware of any specific recent event that would be of significant importance in assessing the Issuer’s solvency. As of the date of this Base Prospectus, the Issuer has not provided any loans, borrowings or other forms of financing.

The Issuer expects that on or around each Issue Date of the Bonds under the Programme, it will enter into a loan agreement or other similar agreements with the Guarantor on the basis of which the Issuer will provide the Guarantor with a loan up to the amount of the net proceeds of the Issuance of such Bonds under the Programme. Apart from the abovementioned intention to make such loans to the Guarantor, the Issuer is not aware of, nor does it anticipate the need for, any significant changes in the structure of its financing since the date of its creation.

The Issuer was established for the purpose of issuing bonds and assumes that the only source of its financing will be the Bonds issued under the Programme. The Issuer intends to provide the proceeds of the Bonds to the Guarantor in the form of intra-group loans. Therefore, the Issuer’s activities will be financed by the interest received from such financings. In addition, the Issuer is not aware of, nor does it expect the need for, any additional financing of its own activities, as it does not carry out any business activities.

### 5. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

In accordance with the Business Corporations Act and the Issuer’s founding deed, the Issuer’s statutory body are its executive directors. The Issuer has not established a supervisory board.



### ***General Meeting***

The General Meeting is the supreme body of the Issuer. The scope of competence of the General Meeting is determined by Czech law and the Issuer's founding deed. Furthermore, the General Meeting can reserve decision-making in cases which, according to the law, fall under the competence of another body of the company. The General Meeting is held at least once a year, no later than six months after the last day of the previous accounting period. The General Meeting has a quorum if the shareholders who have a majority of the votes of all shareholders are present. The decision of the General Meeting is adopted if the majority of votes of the shareholders present voted for it, unless the law or the founding deed provide otherwise. The sole shareholder of the Issuer exercises powers within the competence of the General Meeting.

### ***Executive Directors***

The Executive Directors comprise the statutory body that manages the activities of the Issuer, act on its behalf, and decide on all matters of the Issuer, unless they are reserved to the competence of the General Meeting by law or the Issuer's founding deed. The issuer has two Executive Directors. Each of the Executive Directors is authorised to act on behalf of the Issuer independently, and neither of the Executive Directors is subject to the prohibition of competition to the extent stipulated in Section 199 of the Business Corporations Act. The Executive Directors are elected and dismissed by the General Meeting and re-election of Executive Directors is possible.

The Issuer's Executive Directors as of the date of this Base Prospectus are:

#### *Milan Kratina*

Term commencement date: 6 February 2025

Membership in the bodies of other companies, or ownership of shares in other companies outside the Issuer, if such membership or ownership is significant for the Issuer:

- None

#### *Zdeněk Šoustal*

Term commencement date: 6 February 2025

Membership in the bodies of other companies, or ownership of shares in other companies outside the Issuer, if such membership or ownership is significant for the Issuer:

- chairman of the board of directors of MY Portfolio Holding, as, ID number: 14097451, with registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8; owner of 25% of the shares of MY Portfolio Holding, a.s. and works in the bodies of its subsidiaries;
- chairman of the board of directors and majority owner of shares in the company Reticulum, a.s., ID number: 47973561, with registered office at Sokolovská 394/17, 186 00 Prague 8 and holds positions in the corporate bodies of its subsidiaries;
- chairman of the board of directors and majority owner of the shares of Reticulum Holding as, ID number: 06634265, with registered office at Sokolovská 394/17, 186 00 Prague 8 and holds positions in the corporate bodies of its subsidiaries;
- shareholder with a share of 32% in the company JCHS Invest s.r.o., ID number: 06860125, with registered office at Sokolovská 394/17, 186 00 Prague 8; and
- member of the board of directors and owner of 60% of the shares of V-Sharp Ventures Alpha SE, ID number 09276254, with registered office at Pernerova 676/51, Karlín, 186 00 Prague 8 and holds positions in the corporate bodies of its subsidiaries.

The working address of the Issuer's Executive Directors is Sokolovská 394/17, 186 00 Prague 8 - Karlín, Czech Republic.

*Conflict of interests at the level of administrative, management and supervisory bodies*

The Issuer's Executive Directors are also members of the Guarantor's Board of Directors and members of the corporate bodies of other companies in the Group, including the Guarantor's subsidiaries. Due to the fact that the Issuer expects to provide proceeds from each Issue of the Bonds under the Programme to the Guarantor in the form of an intra-group loan, these persons may have a conflict of interest due to the different interests of the Issuer and the Guarantor as lender under such loans. The Issuer is not aware of other possible conflicts of interest between the obligations of the members of the statutory bodies to the Issuer and their private interests or other obligations to the Issuer are known.

**6. SIGNIFICANT CONTRACTS**

The Issuer has not entered into any such agreements that could lead to the creation of debts or claims of any member of the Group that would be material to the Issuer's ability to fulfil its debts to the holders of securities based on the issued securities.

## INFORMATION ABOUT THE GUARANTOR

### 1. OVERVIEW OF THE GUARANTOR'S BUSINESS

The Group is engaged in the development, sale, management and leasing of real estate for light manufacturing, logistics and e-commerce. It operates mainly in the Czech Republic and Poland, as well as in Germany, the Netherlands, Slovakia and Spain. In addition, the Group owns the founding shares and is the manager of the Accolade Fund of qualified investors and operates the Brno Airport, the second largest airport in the Czech Republic based on the number of passengers transported.<sup>13</sup> The Group operates a business model focused mainly on the construction and subsequent sale of real estate. It also owns and leases selected properties on a long-term basis, as a result of which its interests are closely intertwined with those of its tenants.

The Group focuses on development and sale, or ownership of large multi-purpose industrial parks with the aim of reaching the largest possible number of potential tenants through a flexible offer. As of 31 December 2024, the Group had a property portfolio of 1,303,184 sqm in 28 industrial parks in four countries with an occupancy rate of 89%. The Group's strategy is focused on controlled organic growth of the real estate portfolio, strategic investments, primarily through tenant-led development, strategic acquisitions and selective strategic expansion into new geographic areas. For the six months ending 30 June 2024 and 2023, the Group's revenue amounted to CZK 1,677 million and 2,061 million CZK, respectively. The Group's profit for the same period amounted to CZK 583.9 million and CZK 715.2 million, respectively. In the years ending 31 December 2023 and 2022, the Group's revenue amounted to CZK 3,526 million and CZK 3,949 million, respectively. The Group's profit for the same period amounted to CZK 842.2 million, or 1,529 million CZK. As of 30 June 2024, the Group had 356 employees.

The Guarantor has a management team with extensive real estate experience, particularly in the Central European region, with particular expertise in asset and real estate management, financing, leasing and development. The Group also benefits from the local knowledge and experience of its regional managers.

The Guarantor was established on 23 December 2010 for an indefinite period. The aims and purpose of the Guarantor are governed by Article 5 (*Business and activities of the Company*) of its Articles of Association, the Guarantor's business is comprised of (i) purchase, sale, management and maintenance of real estate; (ii) advisory and consulting activities, preparation of professional studies and assessments; and (iii) the lease of real estate, apartments and non-residential premises. In its activities, the Guarantor is governed by Czech law, namely the Civil Code, the Business Corporations Act and Act No. 455/1991 Coll., the trade licensing act, as amended. The Guarantor has been assigned the identification number LEI: 315700DJG0G8FUQIP845 and has a website available at <https://accolade.eu/>, while the information on the Guarantor's website is not part of the Base Prospectus, unless such information is incorporated into the Base Prospectus by reference. The Guarantor can be contacted by phone at +420 220 303 019 or by e-mail at [bonds@accolade.eu](mailto:bonds@accolade.eu).

### 2. COMPARATIVE ADVANTAGES AND CHALLENGES FOR THE GROUP

*An attractive and resilient industrial and logistics sector with many positive structural demand factors and increased barriers to new competitors.*

The Group benefits from strong demand for real estate for light manufacturing, logistics and e-commerce and due to the currently very low supply of free space on the market in the Czech Republic, in the 4<sup>th</sup> quarter of 2024, the vacancy rate of industrial and logistics real estate reached 3.1%<sup>14</sup>, in Slovakia it reached 5.2%<sup>15</sup> and 7.4%<sup>16</sup> in Poland and 10.57% in Spain in the same period.<sup>17</sup> The current low vacancy rate is putting an upward pressure on rents. Tenants and potential tenants are most often companies from three segments, namely light manufacturing, logistics and e-commerce. The most important factors for maintaining strong demand for vacant spaces for light manufacturing, logistics and e-commerce are as follows.

- The e-commerce segment and retail sales – the e-commerce segment experienced very significant growth, especially in the post-covid era, driven by a change in the behaviour of end customers towards online purchases. Although this trend is currently weakening due to the macroeconomic situation and reduced

<sup>13</sup> Source: Internal analysis of the Group.

<sup>14</sup> Source: CBRE: Czech Republic Industrial and Logistics Market Figures, Q4 2024, available here: [https://mktgdocs.cbre.com/2299/7c5cc8f5-9778-415e-948e-a99116382ee3-1119506290/Market\\_Figures\\_Q4\\_2024\\_Industr.pdf](https://mktgdocs.cbre.com/2299/7c5cc8f5-9778-415e-948e-a99116382ee3-1119506290/Market_Figures_Q4_2024_Industr.pdf).

<sup>15</sup> Source: CBRE: Slovak Industrial & Logistics Figures Q4 2024, available here: [https://mktgdocs.cbre.com/2299/76ac0fb2-62f7-44b3-a867-36a1ba02c4be-388955927/FIGURES\\_INDUSTRIAL\\_LOGISTICS\\_Q.pdf](https://mktgdocs.cbre.com/2299/76ac0fb2-62f7-44b3-a867-36a1ba02c4be-388955927/FIGURES_INDUSTRIAL_LOGISTICS_Q.pdf).

<sup>16</sup> Source: CBRE: Poland Industrial and Logistics Figures Q4, available here: [https://mktgdocs.cbre.com/2299/10dc2829-a1f1-4d24-b095-59db2b413131-1684814421/Poland\\_Industrial\\_and\\_Logistic.pdf](https://mktgdocs.cbre.com/2299/10dc2829-a1f1-4d24-b095-59db2b413131-1684814421/Poland_Industrial_and_Logistic.pdf).

<sup>17</sup> Source: CBRE: Industrial y Logístico, datos de mercado - Figuras cuarto trimestre 2024 España, available here: <https://www.cbre.es/insights/figures/datos-de-mercado-industrial-y-logistico-figuras-cuarto-trimestre-espana-2024>.

demand, the Group's management believes that the share of online purchases will continue to grow in the long term at the expense of classic physical sales.

- The trend of friend-shoring and Europe's self-sufficiency – Part of the production capacities that in the past moved to enable cheaper production, especially to Asia, are now returning to Europe. This trend is particularly evident for several reasons, such as the decrease of cost differentials due to automation and robotics, as well as rising labour costs in Asia. Another reason is the growing political risks and the associated fear of dependence on suppliers from third countries, especially in selected production sectors such as healthcare, pharmaceutical or certain technological sectors. All this creates pressure for greater self-sufficiency in Europe and the related demand for suitable premises for production or storage. The Group management believes that the Group is well positioned to meet this demand.
- Sustainability and ESG – Sustainability plays an increasingly important role in the decision-making and behaviour of economic entities, especially within the EU. The pressure to reduce the carbon footprint and the path to carbon neutrality are becoming common factors in deciding where to invest. A number of economic entities may therefore prefer business partners who meet sustainability criteria. Group management believes that the Group is well positioned to benefit from this trend.

The Group believes that its real estate portfolio is well positioned to benefit from the significant segment of online retail sales in Europe following its acceleration during the COVID-19 pandemic, which has forced retailers to reassess their supply chains and gradually develop their logistics networks. Despite the increased caution in spending associated with unstable macroeconomic conditions, the level of e-commerce expansion remains above the level before the COVID-19 pandemic, and the Group anticipates that the e-commerce sector will continue to at least maintain its economic importance.

***A portfolio of industrial parks and other locations that appeal to a broad, international and diversified tenant and buyer base.***

The Group focuses on the development of large multipurpose industrial parks. As of 31 December 2024, and the date of this Base Prospectus, the Group's real estate portfolio consisted of 1,303,184 sqm of leasable space located in 28 industrial parks, which are mostly strategically located near the capitals or large cities of Europe and important transportation hubs. The Group focuses on strategic locations which are always located near the main transportation hubs, which are further connected to the main transportation corridors, or to larger cities. The Group has a broad and diversified international tenant base of top companies from a variety of industries, including manufacturing (e.g. Goodyear, Miele, GE Aviation, Witte), retail and e-commerce (e.g. IKEA, H&M, Dermacol, Richter+Frenzel) and logistics (DHL, DB Schenker and DPD, InPost). The Group has achieved a solid balance between diversification and concentration of the rental base, with no single tenant contributing more than 16.4% of the Group's total gross lease income.

***A pioneer in sustainability***

Since its foundation, the Group has been building its properties with the aim of operating and owning them for the long term. As a result, sustainability is an important part of the Group's strategy, which continues to attract tenants as they demand ever higher standards of sustainability in construction and operation. As a rule, the Group certifies all its new properties for light manufacturing, logistics and e-commerce by *the Building Research Establishment Environmental Assessment Method* ("BREEAM"), which is the first standardised method in the world for assessing the sustainability of buildings. Since 2022, the Group has had plans to receive a minimum rating of BREEAM Excellent for most new buildings, or other similar certification. In exceptional cases, the Group may implement building projects with a lower rating. As of 31 December 2024, the Group owned 17 buildings with certification lower than BREEAM Excellent or equivalent certification. Furthermore, the Group focuses on the revitalisation of brownfields, and as of 31 December 2024, 25% of the Group's real estate portfolio in terms of leasable area is located on of revitalised brownfields.

As of 31 December 2024, the Group had installed photovoltaics on the roofs of its buildings with a total installed capacity of 498 kWp of solar energy, and during its existence it implemented projects with a total installed capacity of 5.268 MWp, some of which were sold by the Group together with the respective buildings after implementation. As of the date of this Base Prospectus, the Group is preparing the implementation of an 7.445 MWp PVP project in the Cheb park, 3.334 MWp in Ostrov u Střebra and another 14.575 MWp on other projects. The business model of photovoltaic resource projects is prepared by the Group without the need of state aid or other similar performance. Possible state aid (coming from, for example, the modernisation fund, the national recovery plan,

etc.) will have a positive effect on the economic conditions of the project but its non-availability does not represent a risk for the implementation of the project.

***An entrepreneurial team led by founders who are also the sole shareholders and a strong management team.***

The Group has a strong management team led by Board Members Milan Kratina and Zdeněk Šoustal. Milan Kratina and Zdeněk Šoustal have been fully dedicated to the Group since its foundation in 2011 and continue to personally actively participate in the management of the Group. The founder of the Group, Mr. Kratina, is the CEO of the Guarantor. The CEO is assisted by an experienced management team of approximately 8 people. The Group also benefits from the local knowledge and experience of its national managers, whose contribution is an integral part of the business. The Issuer is committed to continuous and gradual strengthening of the team as well as the implementation of best practices with respect to corporate governance and continues to adjust and further strengthen its internal procedures to meet evolving standards.

***Challenges for the Group's business activities***

The Group's management believes that the Group is well positioned to further benefit from the economic trends and growing demand described above which increases occupancy and income from the sale or lease of logistics properties, and to benefit from the Group's other comparative advantages, which are described above. The Group's business is also exposed to risks which are described in more detail in the section "*Risk factors - Risks related to the Group's business and the industry in general*" and the materialisation of these risks may have a negative impact on the Group's market position.

### **3. STRATEGY**

***Managed organic growth, primarily through the strategic selection of attractive locations.***

The Group strives to take advantage of the strong fundamentals of the European logistics markets and to continue the organic growth of its real estate portfolio, primarily through the construction of new real estate or selective acquisitions, both in the markets where the Group already operates and in other markets as well. The Group concentrates its properties in selected areas around logistics centres with strategic development potential or in locations suitable for industrial production, in both cases mainly near large cities and major transportation hubs. At the same time, the Group takes into account the importance of nearshoring, i.e. moving production capacities closer to target markets and friend-shoring, i.e. moving production capacities to politically friendly countries, energy security and the need to reduce the carbon footprint. The Group actively applies a selection strategy based on its own analysis or consultation with its tenants. The Group intends to grow by meeting the needs of its clients, either by expanding existing properties or building brand new ones. The Group plans to continuously evaluate new investment opportunities for the purchase of land in strategic locations where demand for logistics space is expected to increase.

***Selective strategic expansion into new geographies***

Due to the lack of modern industrial parks and the increased demand for these spaces throughout Europe, the Group is considering selective expansion into new markets where it is currently not present at all or only to a limited extent, primarily Germany, the Netherlands, Croatia and Hungary. Any such expansion will be in line with the Group's strategy of selling light manufacturing, logistics and e-commerce properties or their lease.

***An ongoing focus on sustainability and social responsibility***

With the aim of further expanding the Group's sustainability efforts, the Group issued an ESG Strategy in 2023, summarising its key goals and commitments.

The Group intends to continue to focus on sustainability as an important part of its strategy. The Group plans to continue to focus on brownfield revitalisation and plans to ensure that all newbuilding projects meet its BREEAM certification policy of at least "Excellent" level, although in exceptional cases it may implement buildings with a lower rating.

The Group is also striving to develop a newly established business in the field of sustainable energy. As of 31 December 2024, the Group implemented projects with a total installed solar energy capacity of 5.268 MWp and on the same date had 498 kWp of installed solar energy capacity on the roofs of its buildings. As of the date of this Base Prospectus, the Group is preparing the implementation of an 7.445 MWp PVP project in the Cheb park, 3.334

MWp in Ostrov u Stříbra and another 14.575 MWp on other projects. The Group aims to minimise its environmental impact mainly by retaining rainwater, minimising the use of lawns and replacing them with naturally occurring vegetation, introducing charging stations for electric cars, using special membrane roofs that minimise the heating of properties during the summer months, building beehives, habitats for lizards or insect hotels or by implementing strict policies to save drinking water.

In accordance with its ESG strategy, the Group creates suitable conditions for its employees, implements an equal opportunities policy and creates opportunities for further training and employee motivation. As for management itself, the Group emphasises ethical behaviour in accordance with its code of ethics.

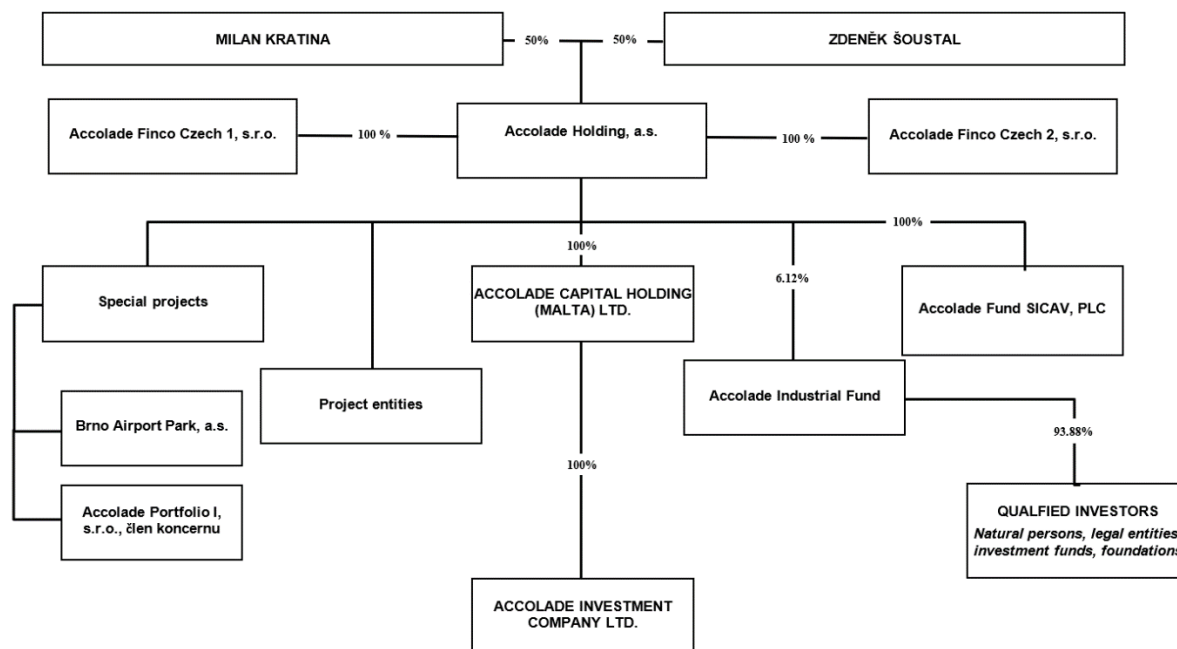
The Group also plans to support community groups and charities with the aim of a responsible social approach. The Group is particularly active in supporting a number of non-profit organisations and foundations, such as the Mela non-profit organisation, the Neuron foundation or the Veronika Kašáková foundation, while also participating in the support of public life in the form of sponsorship of the Karlovy Vary International Film Festival or support of the Česká spořitelna-Accolade cycling team. It also gives young talented artists the opportunity to realise their works in the Group's premises.

#### **Active property management and property improvement**

The Group strives to continuously improve the active management of its real estate portfolio and the portfolio of the Accolade Fund with the aim of increasing net industrial lease revenue through (i) negotiating favourable terms from newly concluded leases; (ii) increasing the occupancy rate by actively leasing vacant spaces; (iii) offering new services and space, such as project management and financing of tenant upgrades, managing buildings and operations on behalf of tenants to satisfy and retain existing tenants; and (iv) reducing operating costs by working with tenants, including to reduce utility costs, which creates scope for a rent increase when the contract is renewed and at the same time reduces the tenant's total lease costs. The Group's strategy in this regard is to exploit the synergies between its asset management expertise on the one hand and development expertise on the other.

## **4. GROUP STRUCTURE**

The following diagram shows a simplified version of the Group's structure as of the date of this Base Prospectus:



The Guarantor's share capital as of the date of this Base Prospectus amounts to CZK 2,400,000 and is fully paid. The Guarantor has two shareholders who are also its founders, namely Mr. Milan Kratina and Mr. Zdeněk Šoustal, who each hold 12 registered ordinary shares in paper form with a nominal value of CZK 100,000. As of the date of this Base Prospectus, the Guarantor and the Group are controlled by Mr. Milan Kratina and Mr. Zdeněk Šoustal, each of whom holds a 50% stake in the Guarantor. As of the date of this Base Prospectus, the Issuer is not aware of any fact that could lead to a change in control over the Guarantor and thus the Group.

The Guarantor is a holding company, and its economic results depend on the business results of its subsidiaries, which carry out the business activities of the Group.

## 5. HISTORY OF THE GROUP

The Group was founded in 2011 in the Czech Republic. The following table provides an overview of significant steps in the development of the Group:

2011	Foundation of the Group, entry into the Czech market
2013	Completion of construction of the first building in Týniště, Czech Republic, establishment of the Guarantor
2014	Establishment of the Accolade Fund
2015	The Group entered the Polish market by building the first park in Lublin, Poland and opening an office in Warsaw. Commencement of certification of the Group's properties to at least BREEAM "Very Good"
2016	Acquisition of the first brownfield in Szczecin, Poland
2017	Acquisition and commencement of operations of the Brno Airport. The number of investors in the Accolade Fund exceeded 100
2018	The Group entered the German market with the construction of the first industrial park in Alsdorf. The first hall with BREEAM "Excellent" certification
2019	The Group entered the Slovak market by building the first industrial park in Košice, the Group becomes a member of the professional organisation Inrev
2020	The Group acquired the first brownfield site in Germany. The first hall with BREEAM "Outstanding" certification. The Group entered the Spanish market. The number of investors in the Accolade Fund exceeded 1,000
2021	The Group entered the Dutch market with the construction of the first industrial park in Venlo. The number of investors in the Accolade Fund exceeded 2,000
2022	The Group opened an office in Valencia. The Group has started the certification of the Group's real estate to at least BREEAM "Excellent" or other similar certification. The number of investors in the Accolade Fund exceeded 3,000 and the leasable area of properties in the Accolade Fund exceeded 1.5 million sqm
2023	The Group opened offices in Szczecin and Zagreb. The Group entered the Croatian market. The Group launched an ESG strategy to last until 2027 and participated in the United Nations Global Compact initiative
2024	The Group entered the capital markets through the issuance of the 2024 Bonds (ISIN: CZ0003561441) by Accolade Finco Czech 1, s.r.o., and guaranteed by the Guarantor, becoming the first-ever corporate issuer of green bonds denominated in Czech crowns.

## 6. RECENT DEVELOPMENTS

The company's management believes that the war in Ukraine and recent economic conditions have not had such a severe impact on light manufacturing, logistics and e-commerce properties in Europe, compared to its impact on other sectors. Therefore, the Group did not experience a significant drop in demand for real estate leases. Therefore, as of the date of this Base Prospectus, the Group has not experienced a significant change in the occupancy of its properties compared to the occupancy on 31 December 2024, which was 90%. The Group also has not experienced a significant deterioration in the payment morale of its tenants compared to the situation as of 30 June 2024 when 98% of lease payments were paid properly and on time. The construction of new real estate by the Group does not currently experience a shortage of building materials or an unpredictable increase in their price. The current development is not an indicator of the future development and business of the Group which may be materially

different depending on factors beyond the control of the Group. The Group's business is associated with a number of risks, which are described in the "Risk Factors" section of this Base Prospectus.

## 7. BUSINESS OF THE GROUP

The Guarantor is a holding company with a limited scope of its own business activity. The majority of the Guarantor's activities is focused on the management of its own equity holdings in companies in the Group and the provision of loans and guarantees, mainly to companies from the Group. The Guarantor is part of the Group, a group of companies covering basic activities in the field of real estate development for light manufacturing, logistics and e-commerce in Europe, especially in the Czech Republic and Poland, as well as in Germany, the Netherlands, Slovakia and Spain, primarily in the area of project management, construction work, development and real estate management. The Guarantor uses the synergistic effects of cooperation within the Group and its market position. The Guarantor most often sells completed properties primarily to the Accolade Fund, but the Guarantor continues to own and lease selected properties. In addition, the Group owns founding shares and is the manager of the Accolade Fund for qualified investors and operates Brno Airport. The Group has limited activities in other areas, including holding interests in companies providing services in the areas of water supply, energy and wastewater disposal and treatment, and may invest in other activities outside its core business.

### *Significant markets of the Group*

As of the date of this Base Prospectus, the Group's management considers Poland, which represented a total of 37.9% of the Group's leasable area as of 30 June 2024, and the Czech Republic, which represented a total of 58.7% of the Group's leasable area as of the same date, to be the most important markets in which the Group operates.

The Polish market is one of the fastest growing European markets for logistics and industrial real estate.<sup>18</sup> In 2024 there was an annual increase in the leasable area of logistics and industrial parks by 9.2%, compared to 2023, reaching approximately 33.9 million sqm. The massive construction of new logistics and industrial areas in Poland is carried out to a significant extent on a speculative basis, i.e. without prior contractual securing of tenants for the buildings under development, and currently approximately 47% of all current projects are carried out in this way.<sup>19</sup> This has an impact on the vacancy rate, which rose to 7.4% in 2024, compared to around 7.44% in 2023, with occupancy rates varying significantly between individual Polish regions. The average rent rate is relatively stable in Poland, where in 2024 the average rent of modern warehouse spaces was EUR 4.6 per sqm per month, while the highest rent rates were recorded in the Warsaw region within the city limits, where they reach EUR 7.5 per sqm per month, as well as in the Pomorskie Voivodeship, where they reach up to EUR 7 per sqm per month, and in the Małopolskie Voivodeship, where rent rates reaching EUR 6.5 per sqm per month.<sup>20</sup>

On the Czech market, logistics and industrial parks with a leasable area of 106,700 sqm were completed as of the fourth quarter of 2024, while the total leasable area reached approximately 12.3 million sqm.<sup>21</sup> The total area of logistics and industrial parks under development reached approximately 978 thousand sqm, by the fourth quarter of 2024, which represents a year-on-year decrease of 3%.<sup>22</sup> Compared to Poland, speculative construction is less widespread on the Czech market, and in the fourth quarter of 2024, approximately 31% of the leasable area was realised in this way.<sup>23</sup> The vacancy rate reached 3.13% in the Czech market at the end of the third quarter of 2024, which represents an increase compared to the end of 2023, when the vacancy rate reached approximately 1.75%.<sup>24</sup> The average rental rate of premium logistics and industrial properties was, as of the third quarter of 2024, EUR 7.4 per sqm per month and on a year-on-year basis rents remained stable and the average rent of all logistics and industrial properties was EUR 6 per sqm per month.<sup>25</sup>

### *Development activities*

The Group is an investor and real estate developer for light manufacturing, logistics and e-commerce in Europe. It operates primarily in the Czech Republic and Poland, as well as in Germany, the Netherlands, Slovakia and Spain. Development activity mainly consists in the preparation, development and realisation of projects. The Group builds properties for light manufacturing, logistics and e-commerce especially adapted for the production, retail and e-

<sup>18</sup>Source: CBRE: Poland Industrial and Logistics Figures Q4 2024, available here: [https://mktgdocs.cbre.com/2299/10dc2829-a1f1-4d24-b095-59db2b413131-1684814421/Poland\\_Industrial\\_and\\_logistic.pdf](https://mktgdocs.cbre.com/2299/10dc2829-a1f1-4d24-b095-59db2b413131-1684814421/Poland_Industrial_and_logistic.pdf).

<sup>19</sup>Source: Ibid.

<sup>20</sup>Source: Ibid.

<sup>21</sup>Source: CBRE: Czech Republic Industrial and Logistics Market Figures, Q4 2024, available here: [https://mktgdocs.cbre.com/2299/7c5cc8f5-9778-415e-948e-a99116382ee3-1119506290/Market\\_Figures\\_Q4\\_2024\\_Industr.pdf](https://mktgdocs.cbre.com/2299/7c5cc8f5-9778-415e-948e-a99116382ee3-1119506290/Market_Figures_Q4_2024_Industr.pdf).

<sup>22</sup>Source: Ibid.

<sup>23</sup>Source: Ibid.

<sup>24</sup>Source: Ibid.

<sup>25</sup>Source: Ibid.



commerce and logistics segments. The Group builds industrial parks tailored to each tenant and their specific requirements. After completion of individual projects, they are most often sold, primarily to the Accolade Fund. In its development activities, the Group cooperates with municipal governments and supports civic amenities and local development.

The following table contains an overview of the Group's revenue from property sales for the six months ending 30 June 2024 and 2023 and the years ending 31 December 2023 and 2022, including sales to the Accolade Fund:

	<b>Six months ending 30 June</b>		<b>Year ending 31 December</b>	
	<b>2024</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<i>(in CZK thousands)</i>			
Income from the sale of real estate .....	676,931	1,332,624	1,826,974	2,369,817

The following table provides an overview of sold and completed industrial parks by leasable area for the years 2018 to 2024:

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>	<b>2020</b>	<b>2019</b>	<b>2018</b>
	<i>(leasable area in sqm)</i>						
Completed industrial parks .....	202,431	459,291	625,845	225,515	320,212	160,513	282,757
Sold industrial parks.....	208,486	365,841	262,755	336,255	265,934	224,740	225,823
<i>from that sold to the Accolade Fund.....</i>	208,486	365,841	262,755	336,255	265,934	224,740	225,823

As of 31 December 2024, the Group had constructed 202,431 sqm of leasable space in 6 buildings, of which approximately 94.8% was leased as of the date of this Base Prospectus. The following table shows the geographical distribution of the Group's properties under development according to their area as of 31 December 2024:

<b>Market</b>	<b>Share of leasable area under development</b>
	<i>(in %)</i>
Czech Republic .....	77.2
Poland .....	17.1
Slovakia .....	5.8
<b>Total .....</b>	<b>100</b>

To successfully implement its development projects, the Group owns an extensive land fund that as of the date of this Base Prospectus is totalling at 5 million sqm. The following table shows the distribution of this land fund according to the countries in which the Group conducts its activities as of 31 December 2024:

<b>Market</b>	<b>The area of the land fund</b>
	<i>(in million sqm)</i>
Czech Republic .....	3.35
Poland .....	1.30
Germany.....	0.10
Slovakia .....	0.05
Spain .....	0.15
Hungary .....	0.10
<b>Total .....</b>	<b>5</b>

As part of its land fund, the Group also holds non-construction plots in addition to construction plots, i.e. plots in relation to which at least a zoning decision or decision of a similar type has been issued, mainly due to the potential conversion of these plots into construction plots. The following table provides an overview of the size of the land of the fund with a division into construction and non-construction plots as of 31 December 2024:

	<b>Area</b>
	<i>(in million sqm)</i>
Construction plots .....	5
Non-construction plots.....	0.5

## Real estate portfolio

This part of the Base Prospectus describes the Group's real estate portfolio. As of 31 December 2024, the Group had a property portfolio consisting of 41 properties in 28 industrial parks in four countries. In addition, the Group owns strategic land for the further expansion of its industrial portfolio.

The following table contains an overview of the Group's existing industrial portfolio as of 31 December 2024, with no change in the number of industrial parks in the Group's portfolio as of the date of this Base Prospectus:

	<b>Number of parks</b>	<b>Leasable area</b>	<b>Share of the total leasable area</b>	<b>Occupancy rate</b>
		<i>(in sqm)</i>	<i>(in %)</i>	<i>(in %)</i>
Czech Republic .....	13	765,173	58.7	97
Poland .....	13	493,911	37.9	83
Slovakia.....	1	23,821	1.8	85
Spain .....	1	20,279	1.6	59
<b>Total .....</b>	<b>28</b>	<b>1,303,184</b>	<b>100</b>	<b>90</b>

The following table provides an overview of the Group's total industrial lease revenue from of its industrial parks for the six months ending 30 June 2024 and 2023 and the years ending 31 December 2023 and 2022:

<b>Industrial lease revenue</b>	<b>Six months ending 30 June</b>		<b>Year ending 31 December</b>	
	<b>2024</b>	<b>2023</b>	<b>2023</b>	<b>2022</b>
	<i>(in CZK thousands)</i>			
Czech Republic .....	259,287	209,751	425,429	349,870
Netherlands .....	0	23,923	35,669	0
Poland.....	202,718	120,581	251,480	111,492
Slovakia.....	15,593	7,767	27,119	7,136
Spain .....	33,897	0	5,892	850
<b>Total .....</b>	<b>511,495</b>	<b>362,022</b>	<b>745,589</b>	<b>469,348</b>

The Group focuses on the construction and ownership of large multi-purpose industrial parks for the purpose of sale or lease in order to reach the largest possible number of potential clients.

The following table provides an overview of the Group's five largest industrial parks by leasable area as of 30 June 2024.

<b>Industrial park</b>	<b>Localities</b>	<b>Leasable area</b>	<b>Share of the total leasable area</b>	<b>Leasable area for construction</b>	<b>Land adjacent to the built-up part</b>
		<i>(in thousand sqm)</i>	<i>(in %)</i>	<i>(in thousand sqm)</i>	
Park Cheb	Karlovy Vary region	204,187	37	-	303,155
Park Brno Airport	South Moravian region	111,823	20	0	148,403
Park Prague City Logistic	Prague	93,339	17		93,339
Park Ostrov North	Karlovy Vary region	77,579	14	47,454-	295,368
Bydgoszcz IV	Bydgoszcz	69,553	13		310,379

The following table provides an overview of the average monthly rent per sqm of the Group's properties for the years 2024, 2023, 2022 and 2021:

	<b>2024</b>	<b>2023</b>	<b>2022</b>	<b>2021</b>
	<i>(in EUR per sqm per month)</i>			
Industrial premises .....	4.89	4.70	4.30	3.60

The following table shows the use of the Group's property portfolio by tenants' sector as of 30 June 2024:

**Share of leasable area as of  
31 December 2024**

	<i>(in %)</i>	
Light manufacturing.....		41
Retail / e-commerce .....		37
Logistics.....		15
Services & other.....		7

As of 31 December 2024, the average age more than 90% of the of the Group’s real estate portfolio was 4.4 years and the average unexpired lease term was 10 years.

The following maps show the location of the Group’s parks as of 30 June 2024:





The Group specialises in the construction and subsequent sale or lease of mainly industrial parks. The construction process usually begins with the strategic selection of a suitable plot of land, either based on consultations with the prospective buyer or on the basis of an internal analysis of suitable locations. Locations are carefully selected with regard to the long-term demand of clients and companies in attractive segments for the Group.

The Group's lease agreements are always carefully adjusted by the Group according to current market conditions and typically contain an inflation clause in order to minimise the impact of price increases.

The Group has a wide and diversified international and domestic tenant base, which consists mainly of companies operating in the manufacturing, retail and e-commerce and logistics segments. The following table provides an overview of the Group's selected tenants and their respective industries as of 30 June 2024:

Selected industries	Chosen clients
Light manufacturing .....	Goodyear, ZF Automotive, Witte, Miele
Retail / e-commerce .....	IKEA, H&M, Dermacol, Richter+Frenzel, Brit Vafo
Logistics .....	DHL, InPost, DPD, Rohlig Shipmonk

### ***Accolade Fund***

In 2014, the Group established Accolade Fund SICAV plc, a Maltese qualified investors' fund, and its sub-fund Accolade Industrial Fund. The Accolade Fund focuses on strategic real estate acquisitions for light manufacturing, logistics and e-commerce and their subsequent lease. As of 31 December 2024, the fund had 3,422 investors and the net asset value for the six-month period ending 31 December 2024 was EUR 887 million (CZK 22.339 billion). The annual industrial lease revenue from concluded leases was EUR 98.4 million (CZK 2.5 billion) for the year ending 31 December 2023. As of 31 December 2024, the Accolade Fund owned 36 industrial parks, which it leased to a total of 118 tenants. The minimum investment in the fund is EUR 75,000 or its equivalent in CZK, when the investment horizon is five years. Fund valuations and new subscriptions take place quarterly.

The Accolade Fund acquires fully leased properties for light manufacturing, logistics and e-commerce, receives rent from tenants and thereby generates income for investors. The rent is typically guaranteed by a bank guarantee, parent company guarantee, or cash security, whereas the rent is indexed on a regular basis. As of 31 December 2024, the Accolade Fund owned 36 industrial parks with a leasable area of 2.04 million sqm, which it leased to a total of 118 tenants. On the same day, the portfolio measured according to the value of assets was mainly located

in the Czech Republic (42.81%), Poland (47.48%), then Germany (2.25%), the Netherlands (2.5%), Spain (3.42%) and Slovakia (1.55%).

The Group provides various services to the Accolade Fund and Accolade Investment Company Ltd., a member of the Group whose sole indirect shareholder is the Guarantor. Accolade Investment Company Ltd is the manager of the Accolade Fund on the basis of an investment management agreement. As of the date of this Base Prospectus, the Group holds 13.91% of the investment shares in the Accolade Fund and, through Accolade Fund SICAV, plc, 100% of the founder shares. Otherwise, the assets, liabilities and equity of the Accolade Fund are separate from the Guarantor's. The Group sells a significant number of industrial parks to the Accolade Fund, thereby creating a synergy between the sale of real estate and the generation of stable income through management fees.

The Accolade Fund has several tools for cash-flow regulation, including a 12-month notice period for share buybacks, the obligation of investors to hold investment shares for at least five years after their subscription, or the option to further limit share buybacks under certain conditions. The Accolade Fund monitors the current situation of redemptions and is able to predict in time a possible reduction in the volume of funds under management.

The following table contains the historical annual performance of the Accolade Fund from 2018 to 2024:

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
	<i>(in %)</i>						
Rate of appreciation of investment shares for share class – CZK.....	8.35	1.00	8.49	28.56	12.02	9.82	9.48
Rate of appreciation of investment shares for the share class – EUR.....	7.17	(0.76)	9.33	33.02	10.02	9.64	10.11

The table below shows the *net asset value* of the Accolade Fund as of 30 June 2024 and 31 December 2024 to 2018:

	<u>30 June 2024</u>	<u>31 December</u>						
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	
	<i>(in EUR millions)</i>							
Net business assets .....	838.0	887.0	782.7	771.8	581.9	274.3	215.7	152.9

The table below shows the total number of Accolade Fund investors as of 30 June 2024 and 31 December 2023 through 2020:

	<u>31 December</u>				
	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Number of investors .....	3,422	3,386	3,039	2,247	1,252

The Accolade Fund acquires new real estate mainly from the Group (see “*Development activities*” above). The Accolade Fund is not obligated to purchase real estate from the Group and the Group is not obligated to sell the Accolade Fund's real estate. Historically, the Accolade Fund has also purchased properties from other market entities.

### ***Brno Tuřany International Airport***

Through the company Letiště Brno, a.s., in which the Guarantor holds a 100% indirect stake, the Group has operated Brno Airport since 2017. Brno Airport is the second most trafficked airport in the Czech Republic in terms of the number of passengers handled. The Group generates revenue from Brno Airport primarily through fees for handling services and airport usage.

As of the date of this Base Prospectus, there are two regular flights from Brno Airport to London (year-round), Milan/Bergamo, Malaga and Rome (March-October), operated by Ryanair. Other charter lines include, as of the date of this Base Prospectus, 35 destinations, mainly in Greece, Bulgaria, Türkiye and Egypt, with the largest traffic of the year being in summer. During the winter season, a long-distance direct flight to Thailand and Mauritius is operated from Brno Airport. Brno Airport handles general aviation flights, i.e. training flights, private flights and business aviation flights. Cargo transport is also part of the airport's operation, as part of which more

than eleven thousand tons of cargo are transported through Brno Airport annually. As of the date of this Base Prospectus two regular cargo lines for DHL and FedEx are handled.

The table below shows the Group's revenue and operating profit from operating Brno Airport for the six months ending 30 June 2024 and 2023 and the years ending 31 December 2023 and 2022:

	Six months ending 30 June		Year ending 31 December	
	2024	2023	2023	2022
	<i>(in CZK thousands)</i>			
Revenue.....	178,871	154,286	455,542	301,054
Operating profit.....	44,383	26,297	137,382	85,970

Brno Airport is the second busiest airport in the Czech Republic in terms of the number of passengers handled, with the potential for further development. The table below shows the number of handled passengers and the volume of handled cargo as of 31 December for the years 2024 to 2018:

	Year ending 31 December						
	2024	2023	2022	2021	2020	2019	2018
Number of checked passengers.....	749,153	686,867	471,811	186,368	86,089	543,633	500,727
Number of handled Cargo tons.....	11,803	11,653	11,222	12,890	4,147	3,529	3,750

## 8. ADMINISTRATIVE, MANAGEMENT AND SUPERVISORY BODIES

In accordance with the Business Corporations Act and the Guarantor's articles of association, the Guarantor's statutory body is the Board of Directors.

### *General Meeting*

The General Meeting is the supreme body of the Guarantor. The scope of competence of the General Meeting is determined by Czech law and the Guarantor's articles of association. Furthermore, the General Meeting can reserve decision-making in cases which, according to the law, fall under the purview of another body of the company. The General Meeting is held at least once a year, no later than six months after the last day of the previous accounting period. The General Meeting has a quorum if the shareholders who have a supermajority of the votes of all shareholders are present. The decision of the General Meeting is adopted if the majority of the votes of the present shareholders voted for it, unless the law or articles of association provide otherwise.

### *Board of Directors*

The Board of Directors is a statutory body that manages the activities of the Guarantor and acts on its behalf, decides on all affairs of the Guarantor, unless they are reserved to the General Meeting by law or the articles of association of the Guarantor. The Guarantor has two members of its Board of Directors. The two members of the Board of Directors always act jointly for the Guarantor, and none of the members of the Board of Directors is subject to the prohibition of competition to the extent stipulated in Section 441 of the Business Corporations Act. Members of the Board of Directors are elected and dismissed by the General Meeting and re-election of the members of the Board of Directors is possible.

The members of the Board of Directors of the Guarantor as of the date of this Base Prospectus are:

#### *Milan Kratina*

Term commencement date: 26 March 2018

Membership in the bodies of other companies, or ownership of shares in other companies outside the Guarantor, if such membership or ownership is significant for the Guarantor:

- none

#### *Zdeněk Šoustal*

Term commencement date: 30 January 2019

Membership in the bodies of other companies, or ownership of shares in other companies outside the Guarantor, if such membership or ownership is significant for the Guarantor:

- chairman of the board of directors of MY Portfolio Holding, a.s., ID number: 14097451, with registered office at Sokolovská 394/17, Karlín, 186 00 Prague 8; owner of 25% of the shares of MY Portfolio Holding, a.s. and holds positions in the corporate bodies of its subsidiaries;
- chairman of the board of directors and majority owner of shares in the company Reticulum, a.s., ID number: 47973561, with registered office at Sokolovská 394/17, 186 00 Prague 8 and holds positions in the corporate bodies of its subsidiaries;
- chairman of the board of directors and majority owner of the shares of Reticulum Holding a.s., ID number: 06634265, with registered office at Sokolovská 394/17, 186 00 Prague 8 and holds positions in the corporate bodies of its subsidiaries;
- partner with a share of 32% in the company JCHS Invest s.r.o., ID number: 06860125, with registered office at Sokolovská 394/17, 186 00 Prague 8; and
- member of the board of directors and owner of 60% of the shares of V-Sharp Ventures Alpha SE, ID number 09276254, with registered office at Pernerova 676/51, Karlín, 186 00 Prague 8 and holds positions in the corporate bodies of its subsidiaries.

The working address of the members of the Board of Directors of the Guarantor is Sokolovská 394/17, 186 00 Prague 8 — Karlín, Czech Republic.

### ***Supervisory Board***

The Supervisory Board is the supervisory body of the Guarantor.

The sole member of the Supervisory Board as of the date of this Base Prospectus is:

*Tomáš Procházka*

Term commencement date: 30 January 2019

Membership in the bodies of other companies, or ownership of shares in other companies outside the Guarantor, if such membership or ownership is significant for the Guarantor:

- none

The working address of the members of the supervisory board is Sokolovská 394/17, 186 00 Prague 8 — Karlín, Czech Republic.

### ***Conflict of interests at the level of administrative, management and supervisory bodies***

The members of the Board of Directors of the Guarantor are, as stated above, Executive Directors of the Issuer and members of the corporate bodies of other companies in the Group, including subsidiaries of the Guarantor. Due to the fact that the Issuer expects to provide proceeds from each Issue of the Bonds under the Programme to the Guarantor in the form of an intra-group loan, these persons may have a conflict of interest due to the different interests of the Issuer and the Guarantor as lender and borrower under such loans. The Issuer is not aware of other possible conflicts of interest between the obligations of the members of the statutory and supervisory bodies to the Guarantor and their private interests or other obligations to the Guarantor are known.

## **9. SUSTAINABILITY AND ENVIRONMENTAL ISSUES**

Sustainable development is key for the Group and it focuses in particular on modern industrial parks with a high proportion of revitalised brownfields that meet the strict requirements of BREEAM certification. In 2015, the Group generally began to comply with the minimum BREEAM certification level of “very good” for all newly built industrial parks. In 2018, the Group built the first building with BREEAM “excellent” certification, and in 2020 the first building with BREEAM “outstanding” certification. From 2022, the Group plans to receive a minimum rating of BREEAM Excellent for most new buildings, or other similar certification, but in exceptional cases it may implement buildings with a lower rating.

Furthermore, the Group focuses on the revitalisation of brownfields, which are carriers of industrial heritage and the revitalisation of which is important for the preservation of biodiversity and ecological balance. As of 31 December 2024, 24.6% of the Group's real estate portfolio in terms of leasable area is located on the land of revitalised brownfields. From 2023, all newly built properties are for light manufacturing, logistics and e-commerce. The groups are either built in such a way that a PVP can be built on each building by incorporating the necessary connection technology, or the roofs are built with photovoltaic solar panels already installed.

The Group tries to minimise its environmental impact mainly by retaining rainwater, minimising the use of lawns and replacing them with naturally occurring vegetation, introducing charging stations for electric cars, using a special membrane roof that minimises the heating of properties during the summer months, building beehives, habitats for lizards or insect hotels or by implementing strict policies to conserve drinking water or waste management.

As part of its social responsibility, the Group supports a large number of non-profit organisations and foundations, for example the non-profit organisation Mela, the Neuron foundation or the Veronika Kašáková foundation fund. At the same time, the Group participates in the support of public life in the form of sponsorship of the Karlovy Vary International Film Festival or by supporting the Česká spořitelna-Accolade cycling team.

The Group has implemented transparent and accountable corporate governance, for which it has implemented a criminal and ethical compliance program consisting of a criminal code and a code of ethics. These codes introduce measures to prevent the commission of a criminal offense or unethical behaviour for all persons operating within the Group.

## **10. INSURANCE**

The Group has insurance protection in all countries where it owns properties and where it currently develops and operates its business. The Group has taken out various types of insurance protection in the amount it considers appropriate for its business, including property insurance against all risks, which also provides cover for business interruption and material damage to business property caused, among other things, by fire, explosion, earthquake, flood, theft and terrorism, and insurance for members of the board of directors and executives, and liability insurance for damage caused to a third party as a result of the ownership and operation of real estate. Construction risk insurance for projects under development and related liability insurance cover insurance contracts entered into by the general contractor hired by the Group to implement the relevant project. Other suppliers of the Group usually also have insurance against specific risks.

Tenants are obliged to take out their own insurance for their property located in the buildings and for any damage caused by them to the property of the Group or other tenants.

The Group believes that its insurance coverage is adequate and in line with industry practice in the markets in which the Group operates. The Group's management regularly reviews the adequacy of insurance coverage. However, it cannot be guaranteed that the Group will not incur damages that are not covered by its insurance policies or that exceed the coverage limits of these insurance policies.

## **11. FINANCIAL INDEBTEDNESS OF THE GROUP**

This section provides an overview of the Group's indebtedness, including interest-bearing loans and borrowings and issued bonds. As of 30 June 2024, 54.3% of the Group's loans and borrowings and issued bonds were secured. In addition, as of 30 June 2024, the Group had unused credit facilities in the amount of CZK 3,525.83 million to finance its future development projects. Drawdowns under these credit facilities are subject to certain customary restrictions. In the period from 1 January 2024 to 30 June 2024, the Group's indebtedness increased by CZK 3.972 billion, while approximately 74.3% of this indebtedness was used to finance the project costs of development projects implemented by the Group, and the remaining financial indebtedness was used for financing other needs, obligations and expenses of the Group.

The following table contains a basic overview of the Group's financial liabilities as of 30 June 2024, which are secured by the assets of the relevant company, including receivables and shares in such company, unless otherwise stated below:



Group member	Type of financing	Drawn (in CZK million)	Basic rate	Maturity
Accolade BUR, S.L.	Bank loans	260	fix	2026
Accolade BUR, S.L.	Bank loans	260	var	2026
Accolade CZ 45, s.r.o., člen koncernu	Bank loans	263	var	2028
Accolade CZ 50, s.r.o., člen koncernu	Bank loans	108	var	2025
Accolade CZ 52, s.r.o., člen koncernu	Bank loans	25	var	2024
Accolade CZ 61, s.r.o., člen koncernu	Bank loans	581	fix	2029
Accolade CZ 61, s.r.o., člen koncernu	Bank loans	249	var	2029
Accolade CZ 67, s.r.o., člen koncernu	Bank loans	125	var	2025
Accolade CZ 68, s.r.o., člen koncernu	Bank loans	452	var	2027
Accolade CZ 70, s.r.o., člen koncernu	Bank loans	231	fix	2027
Accolade CZ XL, s.r.o., člen koncernu	Bank loans	26	var	2024
Accolade CZ XVIII, s.r.o., člen koncernu	Bank loans	1,756	var	2030
Accolade CZ XXXV, s.r.o., člen koncernu	Bank loans	119	var	2025
Accolade Holding, a.s.	Bank loans	307	var	2026
Accolade PL 42 sp. z o.o.	Bank loans	561	var	2030
Accolade PL 44 sp. z o.o.	Bank loans	430	var	2029
Accolade PL VI, sp. z.o.o.	Bank loans	130	var	2030
Accolade PL XXI sp. z o.o.	Bank loans	320	var	2029
Accolade PL XXIX sp. z o.o.	Bank loans	248	var	2029
Accolade PL XXXI sp. z o.o.	Bank loans	137	fix	2032
Accolade PL XXXI sp. z o.o.	Bank loans	59	var	2032
Accolade PL XXXIV sp. z o.o.	Bank loans	188	fix	2028
Accolade PL XXXIV sp. z o.o.	Bank loans	81	var	2028
Accolade PL XXXV sp. z o. o.	Bank loans	256	var	2029
Accolade PL XXXVI sp. z o.o.	Bank loans	266	var	2029
Accolade Portfolio I, s.r.o.	Bank loans	247	var	2027
Accolade SK III, s.r.o.	Bank loans	99	var	2024
Accolade VITO, S.L.	Bank loans	190	fix	2027
Accolade VITO, S.L.	Bank loans	82	var	2027
B.A.W.D.F. s.r.o.	Bank loans	80	var	2029
Brno Airport Park, a.s.	Bank loans	1,410	fix	2026
Industrial Center CR 2 s.r.o.	Bank loans	125	var	2025
Industrial Center CR 4 s.r.o.	Bank loans	303	var	2029
Letiště Brno a.s.	Bank loans	280	var	2031
Accolade CZ XXVII, s.r.o., člen koncernu	Bonds	416	fix	2026
Accolade Finco Czech 1, s.r.o.	Bonds	2,940	fix	2029
Accolade Portfolio F2, a.s.	Bonds	515	var	2025
Accolade Holding, a.s.	Shareholders	155	fix	2029-2030

Accolade ALZ, S.L.	JV loan	262	fix	2024
Accolade CZ 51, s.r.o., člen koncernu	JV loan	251	fix	2027
Accolade CZ 78, s.r.o., člen koncernu	JV loan	127	fix	2026
Accolade CZ 50, s.r.o., člen koncernu	JV loan	32	fix	2030
Accolade CZ 68, s.r.o., člen koncernu	JV loan	72	fix	2030
Accolade CZ XXVII, s.r.o., člen koncernu	JV loan	26	fix	2025
Accolade Finance CZ s.r.o., člen koncernu	Investor relations	1,555	fix	2024-2027
Accolade Finance Cheb, s.r.o., člen koncernu	Investor relations	167	fix	2025
Accolade Finance Okrouhlá, s.r.o., člen koncernu	Investor relations	210	fix	2025
Accolade Holding, a.s.	Investor relations	534	fix	2024-2030
Accolade MUR, S.L.	JV loan	142	fix	2027
Accolade VITO, S.L.	JV loan	141	fix	2025
Accolade PL XVII sp. z o.o.	JV loan	36	fix	2026
Accolade PL XVIII sp. z o.o.	JV loan	35	fix	2028
Accolade PL XXI sp. z o.o.	JV loan	283	fix	2027
Accolade PL XXII sp. z o.o.	JV loan	123	fix	2024
Accolade PL XXVI sp. z o.o.	JV loan	98	fix	2025
Accolade PL XXIX sp. z o.o.	JV loan	158	fix	2030
Accolade PL XXX sp. z o.o.	JV loan	82	fix	2025-2030
Accolade PL XXXI sp. z o.o.	JV loan	254	fix	2028
Accolade PL XXXII sp. z o.o.	JV loan	114	fix	2028
Accolade PL XXXV sp. z o.o.	JV loan	176	fix	2028
Accolade PL XXXVI sp. z o.o.	JV loan	177	fix	2028
Accolade PL XXXVIII sp. z o.o.	JV loan	75	fix	2029
Accolade PL XXXIX sp. z o.o.	JV loan	159	fix	2029
Accolade PL XL sp. z o.o.	JV loan	269	fix	2027
Accolade PL 42 sp. z o.o.	JV loan	310	fix	2028
Accolade PL 43 sp. z o.o.	JV loan	185	fix	2027
Accolade PL 49 sp. z o.o.	JV loan	150	fix	2027
Accolade, s.r.o. člen koncernu	Investor relations	17	fix	2025
<b>TOTAL</b>		<b>20,500</b>		

The following table provides an overview of the maturity profile of the Group's indebtedness (interest bearing credits and loans and bonds issued) as of 30 June 2024 in the period from 2024 to 2032:

	2024	2025	2026	2027	2028
	<i>(in CZK millions)</i>				
Maturity of debt.....	589	2,701	3,417	2,714	1,513
	<i>(in CZK millions)</i>				
	2029	2030	2031	2032	
Maturity of debt.....	6,063	3,002	305	196	

The Group's interest-bearing loans and borrowings are usually secured by the assets of subsidiaries (usually including their shares, real estate and receivables).

The Guarantor fulfils its debts properly and on time. The Issuer is not aware of any recent event specific to the Guarantor that would be of material importance in assessing the solvency of the Guarantor or the Group.

The Guarantor always plans to finance its future projects by a combination of (i) the Guarantor's own resources and/or funds provided by potential co-investors; (ii) proceeds from individual bond issues, including the Bonds issued under the Programme, which will be provided to the Guarantor by the Issuer through intra-group loans or borrowings (iii) a medium-term development loan provided by a banking institution based on current market conditions; or (iv) income from the issuance of bonds or other securities carried out by individual members of the Group.

## **12. SIGNIFICANT CONTRACTS**

### ***Significant loan agreements***

On 7 September 2022, the Guarantor entered into a loan agreement with Banka CREDITAS a.s., on the basis of which Banka CREDITAS a.s. undertook to provide the Guarantor with a loan of up to EUR 12,260,000, due no later than 2026, which bears an interest rate in the amount of 4.1% p.a. + EURIBOR 3M. As of the date of this Base Prospectus, the Guarantor has drawn down a loan of EUR 12,260,000 from this framework.

On 6 December 2022, the Guarantor entered into a loan agreement with Accolade Portfolio I, s.r.o., člen koncernu, and PPF banka a.s., on the basis of which PPF banka a.s. undertook to provide the Guarantor and Accolade Portfolio I, s.r.o., člen koncernu with a loan of up to EUR 11,250,000, due in 2027, which bears interest at an interest rate of 4.0% p.a. + EURIBOR 3M. The outstanding loan under this framework as of the date of this Base Prospectus is EUR 9,410,000.

### ***Agreement on the provision of investment services***

Accolade Investment Company Ltd., which holds an alternative investment fund administrator/manager license issued by the Malta Financial Services Authority and the only indirect shareholder of which is the Guarantor, entered into an investment services agreement, dated 29 January 2020, with Accolade Fund SICAV plc. The agreement is concluded on a non-exclusive basis and can be terminated by both parties under standard market conditions. Remuneration of Accolade Investment Company Ltd., as the manager of the Accolade Fund, consists of two components, the "management fee", the amount of which is derived from the volume of funds managed in the Accolade Fund, and the "performance fee", the amount of which is derived from the performance of the Accolade Fund.

The fees received by the Group for the management of the Accolade Fund for six-month period ending 30 June 2024 and 2023 and the years ending 31 December 2023 and 2022 correspond to 15.1%, 6.2%, 8.9% and 14.6% of the Group's total revenues, respectively.

### ***2024 Subordination Agreement***

The Guarantor is a party to the 2024 Subordination Agreement as borrower. The 2024 Subordination Agreement regulates the order of satisfaction of the Subordinated Receivables (*Podřízené pohledávky*) (as defined therein) comprising the 2024 SHL Subordinated Receivables. Under the 2024 Subordination Agreement, it is agreed that the 2024 SHL Subordinated Receivables are subordinated to the Senior Receivables (*Seniorní pohledávky*) (as defined therein), which comprise the 2024 Senior Receivables, i.e., claims for the payment of the nominal value of the 2024 Bonds, interest on the 2024 Bonds and any payments under the financial guarantee issued in favour of J&T Banka as security agent under the 2024 Bonds.

Furthermore, under the 2024 Subordination Agreement, the Guarantor undertook in particular not to pay the 2024 SHL Subordinated Receivables or any part of them or fulfil them in any other way, nor otherwise seek to fulfil or enable the fulfilment or other extinction of the 2024 SHL Subordinated Receivables or their part, in violation of the terms and conditions of the 2024 Bonds. Under the 2024 Subordination Agreement, the Subordinated Shareholders undertake in particular not to demand, take or accept from the Guarantor any payment in relation to the 2024 SHL Subordinated Receivables or part thereof, in violation of the terms and conditions of the 2024 Bonds. Simultaneously, the Subordinated Shareholders undertake, among other things, that if, in violation of the terms of the 2024 Subordination Agreement, they receive or demand any payment in payment of the 2024 SHL

Subordinated Receivables or part thereof, they will accept such payment in favour of J&T Banka and without undue delay after receipt of such payment they will transfer it to J&T Banka for the payment of the 2024 Senior Receivables.

***2024 Bonds intra-group loan***

On 14 June 2024, the Guarantor has entered into an intra-group loan as borrower and Accolade Finco Czech 1, s.r.o., as lender under which Accolade Finco Czech 1, s.r.o., undertook to provide the Guarantor with a loan of CZK 3,100,000,000, due 14 June 2029, which bears interest at an interest rate of 8.74% p.a.

## TAXATION AND FOREIGN EXCHANGE REGULATION

*The following is a general discussion of certain Czech tax consequences of the acquisition, ownership and disposition of Bonds. This discussion does not purport to be a comprehensive description of all tax considerations which may be relevant to a decision to purchase Bonds. As each Tranche of Bonds may be subject to a different tax treatment due to the specific terms of such Tranche of Bonds as set out in the respective Final Terms, the following section only provides some very general information on the possible tax treatment. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular purchaser. This overview is based on the laws of the Czech Republic currently in force and as applied on the date of this Base Prospectus, which are subject to change, possibly with retroactive or retrospective effect. The information contained within this section are limited to taxation issues, and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Bonds.*

*The description below represents a brief summary of selected material tax aspects of the purchase, holding and disposal of the Bonds in the Czech Republic. The summary is mainly based on the Act No. 586/1992 Coll., on Income Taxes, as amended (the “**Income Taxes Act**”), and on other related laws which are effective as of the date of this Base Prospectus as well as on the administrative practice or the prevailing interpretations of these laws and other regulations as applied by Czech tax, administrative and other authorities and bodies and as these are known to the Issuer at the date of this Base Prospectus. The information contained herein is neither intended to be nor should be construed as legal or tax advice. The description below is solely of a general nature (i.e. it does not take into account, for example, specific tax treatment of certain taxpayers such as investment, mutual or pension funds) and may change in the future depending on changes in the relevant laws that may occur after this date, or in the interpretation of these laws which may be applied after that date. In this respect, please note that the below description of Czech tax treatment of the Bonds has been significantly affected by the Act No. 609/2020 Coll., which amends some acts in the field of taxes and some other acts (“**2021 ITA Amendment**”). The 2021 ITA Amendment has significantly changed the tax regime of Bonds issued after 31 December 2020. The new rules are quite controversial. Therefore, the tax regime of bonds (including the Bonds) is currently associated with many ambiguities. In the Issuer’s opinion, the summary below represents a rational interpretation of the relevant provisions of the Income Taxes Act in relation to bonds.*

*The following summary assumes that the person to whom any income is paid in connection with the Bonds is a beneficial owner of such income (within the OECD Model Tax Convention on Income and on Capital meaning of this term), i.e. it does not act, for example, as a proxy, agent, depositary or in any other similar position in which any such payments would be received on account of another person or entity.*

For the purposes of this section (*Taxation*), the following terms have the following meaning:

“**Beneficial Owner**” means a holder of a Bond if such holder is also a beneficial owner (within the OECD Model Tax Convention on Income and on Capital meaning of this term) in respect of income paid on or in connection with such Bond or a recipient of such income who qualifies as a beneficial owner within the above meaning, in each case under the Income Taxes Act as well as for the purposes of a relevant Tax Treaty (if any).

“**Coupon**” means any bond yield other than a bond yield that is determined by reference to the difference between the nominal value of a bond and its issue price (i.e. yield determined as the Discount). For the avoidance of doubt, the Coupon also includes the Early Redemption Premium.

“**Coupon Bond**” means a bond whose issue price is equal to its nominal value. For the avoidance of doubt, the Coupon Bond is not a bond with a yield that is determined by reference to the combination of the Discount and the Coupon.

“**Czech Permanent Establishment**” means a permanent establishment in the Czech Republic under the Income Taxes Act as well as under a relevant Tax Treaty, if any.

“**Czech Tax Non-Resident**” means a taxpayer who is not a tax resident of the Czech Republic under the Income Taxes Acts or under any Tax Treaty.

“**Czech Tax Resident**” means a taxpayer who is a tax resident of the Czech Republic under the Income Taxes Acts as well as under a relevant Tax Treaty, if any.

“**Discount**” means a positive difference between the nominal value of a bond and its lower issue price.

“**Discounted Bond**” means a bond whose issue price is lower than the nominal value. For the avoidance of doubt, the Discounted Bond is also a bond with a yield that is determined by the combination of the Discount and the Coupon.

“**Early Redemption Premium**” means any extraordinary yield paid by an issuer in the event of early redemption of a bond.

“**Legal Entity**” means a taxpayer other than an individual (i.e. a taxpayer which is subject to corporate income tax but who may not necessarily have a legal personality).

“**Tax Security**” means a special amount collected by means of a deduction at source made by the Withholding Agent (for example by the issuer of a bond or by the buyer of a bond) upon payment of taxable income which serves essentially as an advance with respect to tax that is to be self-assessed by the recipient of the relevant income (i.e. unlike the Withholding Tax, the amount so withheld does not generally represent a final tax liability).

“**Tax Treaty**” means a valid and effective tax treaty concluded between the Czech Republic and another country under which the Czech Tax Non-Resident is treated as a tax resident of the latter country. In the case of Taiwan, the Tax Treaty is Act No. 45/2020 Coll., on the elimination of double taxation in relation to Taiwan, as amended.

“**Withholding Agent**” means a payer of (taxable) income who is responsible for making the deduction of (i) the Withholding tax or (ii) the Tax Security, as applicable, and their remittance to the tax authorities.

“**Withholding Tax**” means a tax collected by means of a deduction at source made by the Withholding Agent (for example by the issuer of the bond) upon payment of taxable income. Save in certain limited circumstances, such tax is generally considered as final.

## **Interest Income**

### ***Czech Tax Residents***

#### ***(a) Individuals***

The yield in the form of the Coupon paid to an individual is subject to the Withholding Tax at a rate of 15%. This tax represents final taxation of the Coupon in the Czech Republic.

The yield in the form of the Discount paid to an individual is not subject to the Withholding tax or Tax Security. Instead, it is included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual’s applicable bracket (the threshold for higher bracket is 36 times the average wage amounting to CZK 1,676,052 in 2025). However, the general tax base does not include the amount of the Discount, but rather the (positive) difference between the nominal value of the Bond paid by the Issuer (or the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any) and the price for which the individual acquired the Bond. If an individual holds the Bond, which is the Coupon Bond, until its maturity (or early redemption) and this individual acquired such Bond on a secondary market at an amount below the nominal value of the Bond (or below the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any), such (positive) difference is also included in the individual’s general tax base.

#### ***(b) Legal Entities***

The yield (whether in the form of the Discount or the Coupon) paid to a Legal Entity is not subject to the Withholding Tax, but it is rather included in the general tax base, which is subject to corporate income tax at a flat rate of 21%. The Legal Entity which is an accounting unit is generally required to recognise the yield in its profit and loss statement on an accrual basis.

### ***Czech Tax Non-Residents***

#### ***(a) Individuals***

The yield in the form of the Coupon paid to an individual is subject to the Withholding Tax at a rate of 15% or 35%. The 35% rate applies to recipients, which do not have Czech Permanent Establishment to which the Bonds are attributable and, at the same time, are tax residents of neither (i) an EU/EEA member state nor (ii) a country with which the Czech Republic has an effective Tax Treaty or an effective bilateral (or multilateral) treaty on the

exchange of information. The 15% rate applies to all other recipients. This tax generally represents a final taxation of the Coupon in the Czech Republic. However, an individual who is a tax resident of an EU/EEA member state may decide to include the Coupon in his/her tax return filed in the Czech Republic for the relevant tax year. In such a case, the above Withholding Tax represents an advance payment which is credited against the final Czech tax liability as declared in the tax return.

The yield in the form of the Discount paid to an individual is not subject to the Withholding Tax. Instead, it is included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual's applicable bracket (the threshold for higher bracket is 36 times the average wage amounting to CZK 1,676,052 in 2025). However, the general tax base does not include the amount of the Discount, but rather the (positive) difference between the nominal value of the Bond paid by the Issuer (or the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any) and the price for which the individual acquired the Bond. However, if the Bonds are not attributable to the individual's Czech Permanent Establishment, the taxable amount cannot exceed the Discount (i.e. if such difference is higher, the amount of the Discount will be included in the general tax base). Furthermore, if an individual is not a tax resident of an EU/EEA member state, the Issuer will withhold the Tax Security at the rate of 1% applicable to a gross amount paid (i.e. the nominal value of the Bond upon the maturity or the amount paid by the Issuer upon an early redemption of the Bond, but excluding the Early Redemption Premium, if any). This Tax Security is creditable against the final tax liability as declared in the Czech tax return for the relevant tax year (any Tax Security overwithholding is generally refundable). If (i) an individual holds the Bond, which is the Coupon Bond, until its maturity (or its early redemption), (ii) this individual acquired such Bond on a secondary market for an amount below its nominal value (or below the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium, if any) and (iii) such Bond is attributable to that individual's Czech Permanent Establishment, such (positive) difference is also included in the individual's general tax base.

*(b) Legal Entities*

The yield in the form of the Coupon paid to a Legal Entity, where the Bond is not attributable to its Czech Permanent Establishment, is subject to the Withholding Tax at a rate of 15% or 35%. The 35% rate applies to recipients, which are tax residents of neither (i) an EU/EEA member state nor (ii) a country with which the Czech Republic has an effective Tax Treaty or an effective bilateral (or multilateral) treaty on the exchange of information. The 15% rate applies to all other recipients. This tax generally represents final taxation of the Coupon in the Czech Republic. However, the Legal Entity who is a tax resident of an EU/EEA member state may decide to include the Coupon in its tax return filed in the Czech Republic for the relevant tax year. In such a case, the above Withholding Tax represents an advance payment which is credited against the final self-assessed tax liability as declared in the tax return. The yield in the form of the Coupon paid to a Legal Entity, where the Bond is attributable to its Czech Permanent Establishment, is not subject to the Withholding Tax. Instead, it is included in the general tax base, which is subject to corporate income tax at a rate of 21%. Furthermore, if the Legal Entity is not a tax resident of an EU/EEA member state, the Issuer will withhold a Tax Security at the rate of 10% applicable to the amount of the Coupon (on a gross basis). This Tax Security is creditable against the final tax liability as declared in a Czech tax return for the relevant tax year (any Tax Security overwithholding is generally refundable).

The yield in the form of the Discount paid to the Legal Entity is not subject to the Withholding tax. Instead, it is included in the general tax base, which is subject to corporate income tax at a rate of 21%. However, the general tax base does not include the amount of the Discount, but rather the (positive) difference between the nominal value of the Bond paid by the Issuer (or the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium) and the price at which the Legal Entity acquired the Bond. However, if the Bonds are not attributable to Legal Entity's Permanent Establishment, the taxable amount cannot exceed the Discount (i.e. if such difference is higher, the amount of the Discount will be included in the general tax base). Furthermore, if the Legal Entity is not a tax resident of an EU/EEA member state, the Issuer will withhold the Tax Security at the rate of 1% applicable to gross amount (i.e. the nominal value of the Bond at maturity or the amount paid by the Issuer upon an early redemption of the Bond, but excluding the Early Redemption Premium). This Tax Security is creditable against the final tax liability as declared in the Czech tax return for the relevant tax year (any Tax Security overwithholding is generally refundable). If (i) a Legal Entity holds the Bond, which is the Coupon Bond, until its maturity (or its early redemption), (ii) this Legal Entity acquired such Bond on a secondary market for an amount below the nominal value of the Bond (or below the amount paid by the Issuer upon early redemption of the Bond, but excluding the Early Redemption Premium) and (iii) such Bond is attributable to that Legal Entity's Czech Permanent Establishment, such (positive) difference is also included in its general tax base.

A Legal Entity which is an accounting unit and where the Bonds are attributable to its Czech Permanent Establishment, is generally required to recognise the yield (whether in the form of the Discount or the Coupon) in its profit and loss statement on an accrual basis.

### **Capital gains/losses**

#### ***Czech Tax Residents***

##### *(a) Individuals*

Capital gains from the sale of the Bonds that have not formed part of business assets of an individual are generally exempt from personal income tax if:

- total annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds) does not exceed the amount of CZK 100,000, or
- such gains are derived from the sales of the Bonds which the individual has held for more than three years prior to their sale (however, income from a future sale of the Bonds where a purchase agreement is concluded after 3 years but where income arises within 3 years from their acquisition is not tax-exempt); as of 2025 this exemption is limited only up to total amount of CZK 40,000,000 of annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds) and participations in companies.

If the Bonds formed part of business assets of an individual, the exemption upon their sale may still apply but only if the Bonds are sold no earlier than 3 years after the termination of that individual's business activities.

Taxable gains from the sale of the Bonds realised by an individual are included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual's applicable bracket (the threshold for higher bracket is 36 times the average wage amounting to CZK 1,676,052 in 2025). If an individual has held the Bonds in connection with his/her business activities, such gains are also subject to social security and health insurance contributions. Losses from the sale of the Bonds realised by an individual are generally tax non-deductible, except where such losses are compensated by taxable gains on the sales of other securities in the same year and the income from the sale of the Bonds is not tax-exempt.

##### *(b) Legal Entities*

Capital gains from the sale of the Bonds are included in the general tax base, which is subject to corporate income tax at a rate of 21%. Losses from the sale of the Bonds realised by Legal Entities are generally tax deductible.

#### ***Czech Tax Non-Residents***

Capital gains from the sale of the Bonds realised by a Czech Tax Non-Resident are subject to taxation in the Czech Republic provided that:

- the Bonds are attributable to a Czech Permanent Establishment of the Czech Tax Non-Resident selling these Bonds, or
- the Bonds are acquired by (i) a Czech Tax Resident or (ii) a Czech Tax Non-Resident acquiring the Bonds through his/her/its Czech Permanent Establishment.

Therefore, capital gains realised by a Czech Tax Non-Resident where the Bonds are sold to another Czech Tax Non-Resident and where such Bonds are attributable to neither (i) a Czech Permanent Establishment of the seller nor (ii) a Czech Permanent Establishment of the buyer, are out of scope of Czech taxation.

##### *(a) Individuals*

Capital gains from the sale of the Bonds that have not formed part of business assets of an individual are generally exempt from personal income tax if:

- total annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds) does not exceed the amount of CZK 100,000, or



- such gains are derived from the sales of the Bonds which the individual has held for more than three years prior to their sale (however, income from a future sale of the Bonds where a purchase agreement is concluded after 3 years but where income arises within 3 years from their acquisition is not tax-exempt); as of 2025 this exemption is limited only up to total amount of CZK 40,000,000 of annual (worldwide) gross income (i.e. not gains) of that individual from the sale of securities (including the Bonds) and participations in companies.

If the Bonds formed part of business assets of an individual, the exemption upon their sale may still apply but only if the Bonds are sold no earlier than 3 years after the termination of that individual's business activities.

Taxable gains (as defined above) from the sale of the Bonds realised by an individual are included in the general tax base, which is subject to personal income tax at a progressive rate of 15% and 23% depending on individual's applicable bracket (the threshold for higher bracket is 36 times the average wage amounting to CZK 1,676,052 in 2025). If an individual has held the Bonds in connection with his/her business activities, such gains may also be subject to social security and health insurance contributions. Losses from the sale of the Bonds realised by an individual are generally tax non-deductible, except where such losses are compensated by taxable gains on the sales of other securities in the same year and the income from the sale of the Bonds is not tax-exempt.

Furthermore, if the Bonds are sold by an individual who is not a tax resident of an EU/EEA member state, a buyer acting as a Withholding Agent may be required to withhold a Tax Security amounting to 1% of the gross purchase price. The buyer will be acting as a Withholding Agent if he/she/it is:

- a Czech Tax Resident, or
- a Czech Tax Non-Resident and the acquired Bonds are attributable to his/her/its Czech Permanent Establishment.

Any Tax Security withheld is creditable against the final tax liability as declared by the Czech Tax Non-Resident selling the Bonds in a Czech tax return for the relevant tax year (any Tax Security overwithholding is generally refundable).

*(b) Legal Entities*

Capital gains from the sale of the Bonds, which are subject to Czech taxation (as discussed above), are included in the general tax base, which is subject to corporate income tax at a rate of 21%. Losses from the sale of the Bonds realised by the Legal Entities are generally tax deductible. However, according to certain interpretations, such losses are not tax deductible for a Czech Tax Non-Resident who does not keep its accounting books under the Czech accounting rules.

Furthermore, if the Bonds are sold by a Legal Entity which is not a tax resident of an EU/EEA member state, a buyer acting as the Withholding Agent may be required to withhold a Tax Security amounting to 1% of the gross purchase price. The buyer will be acting as a Withholding Agent if he/she/it is:

- a Czech Tax Resident, or
- a Czech Tax Non-Resident and the acquired Bonds are attributable to his/her/its Czech Permanent Establishment.

Any Tax Security withheld is creditable against the final tax liability as declared by the Czech Tax Non-Resident selling the Bonds in a Czech tax return for the relevant tax year (any Tax Security overwithholding is generally refundable).

**Benefits under Tax Treaties**

A Tax Treaty may reduce or even fully eliminate Czech taxation of interest income from the Bonds or capital gains from their sale (including a Tax Security withholding, if applicable). Such Tax Treaty relief is usually applicable on the condition that the income recipient who is a Czech Tax Non-Resident does not hold the Bonds through his/her/its Czech Permanent Establishment. Furthermore, the entitlement to particular Tax Treaty benefits is generally conditional on presenting documents proving that the income recipient qualifies for the Tax Treaty benefits including, in particular (i) a tax residency certificate issued by the relevant tax authorities and (ii)

a beneficial ownership declaration of the income recipient. Entitlement to particular Tax Treaty benefits may also be conditional on meeting further specific criteria under that Tax Treaty.

### **Reporting Obligation**

An individual holding the Bonds (whether a Czech Tax Resident or a Czech Tax Non-Resident) is obliged to report to the Czech tax authorities any income earned in connection with the Bonds if such income is exempt from taxation in the Czech Republic and exceeds, in each individual case, CZK 5,000,000. The reporting must be fulfilled within the deadline for filing a personal income tax return. A non-compliance with this reporting obligation is penalized by a sanction of up to 15% of a gross amount of the unreported income.

A Withholding Agent (including the Issuer) is obliged to file a formal notification to the relevant Czech tax authorities upon making a payment that (i) is subject to the Withholding Tax, (ii) would be subject to the Withholding Tax, but is not because the income is tax-exempt or a Tax Treaty prevents taxation of that income in the Czech Republic, subject to certain exemptions, or (iii) is subject to withholding of the Tax Security.

### **Value Added Tax**

There is no Czech value added tax payable in respect of payments in consideration for the issue of the Bonds, or in respect of the payment of interest or principal under the Bonds, or in respect of the transfer of the Bonds.

### **Other Taxes or Duties**

No registration tax, capital tax, customs duty, transfer tax, stamp duty or any other similar tax or duty is payable in the Czech Republic by a Czech Tax Resident or a Czech Tax Non-Resident in respect of or in connection with the purchase, holding or disposition of the Bonds, save for disposition in certain cases upon donation or inheritance.

## ENFORCEMENT OF CIVIL LIABILITIES AGAINST THE ISSUER AND THE GUARANTOR

*This chapter contains only general information and relies on information obtained from publicly available sources. The Issuer and Guarantor or their advisers make no representation as to the accuracy or completeness of the information included herein. Any prospective purchasers of the Bonds should therefore not rely upon the information included herein and are recommended to contact their legal advisers for consultation about the enforcement of claims in respect of the Issuer's private law liabilities within any relevant jurisdiction.*

The Joint Terms and Conditions provide, among other things, that the courts of the Czech Republic shall have jurisdiction to settle any disputes, which may arise out of or in connection with the Bonds (including a dispute relating to any non-contractual obligations arising out of or in connection with the Bonds).

The recognition and enforcement of foreign judgments in civil and commercial matters in the Czech Republic is governed by EU law, public international treaties and Czech law. EU Regulation 1215/2012 of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters ("**Regulation 1215/2012**") is directly applicable in the Czech Republic. Based on this regulation, court rulings issued by any court authority in the EU member states with regard to civil and commercial matters are enforceable in the Czech Republic, subject to the rules set forth in the Regulation 1215/2012 and, conversely, court rulings issued by court authorities in the Czech Republic with regard to civil and commercial matters are reciprocally enforceable in the EU member states.

The Issuer and the Guarantor have not agreed on the jurisdiction of any foreign court in connection with any legal proceedings initiated based on the acquisition of any Bonds or in connection with the Financial Guarantee, nor have they appointed any representative for proceedings in any country. Therefore, it may be impossible for investors in any Bonds to initiate any proceedings against the Issuer or the Guarantor or to seek foreign court judgments against the Issuer or the Guarantor or to enforce judgments issued by such courts based on provisions of foreign law.

In cases where the Czech Republic concluded an international treaty with a specific country on the recognition and enforcement of court rulings, the recognition and enforcement of court rulings issued in such country is processed in accordance with the provisions of the applicable international treaty.

If no international treaty on the recognition and enforcement of court rulings exists, then the rulings of foreign courts shall be recognised and enforced in the Czech Republic in accordance with Act No. 91/2012 Coll., on private international law, as amended (the "**Private International Law Act**") and other relevant legislation. In the event of a foreign ruling against a Czech individual or legal entity, such a foreign ruling shall be recognised and enforced if, among other things, actual reciprocity has been established regarding the recognition and enforcement of judgments rendered by Czech courts in the relevant country.

The Czech Ministry of Justice may, upon agreement with the Czech Ministry of Foreign Affairs and other ministries, declare that reciprocity has been established with respect to a particular foreign country. Such declaration is binding on the Czech courts and other state authorities. If such declaration of reciprocity has not been issued with regard to a particular country, however, this does not automatically mean that reciprocity cannot be established in a given case. In such cases, the recognition of reciprocity would be assessed as part of the proceedings by the Czech court based on the actual situation in a given country with regard to the recognition of judgments of Czech authorities.

On the other hand, even if reciprocity has been established and declared by the Ministry of Justice with respect to judgments issued by judicial bodies of a particular foreign country, such judgments may not be recognised and enforced under applicable provisions of Czech law if, for example: (i) the matter falls within the exclusive jurisdiction of the courts of the Czech Republic, or in the event that the proceedings could not have been conducted by any authority of a foreign state, should the provisions on the jurisdiction of Czech courts be applied for considering the jurisdiction of the foreign authority (unless the party against whom the decision was issued voluntarily submitted to the authority of the foreign body); (ii) proceedings are underway before a Czech court with regard to the same legal relations and if said proceedings commenced prior to the proceedings abroad, in which the judgement whose recognition has been proposed was issued; (iii) a Czech court has issued or recognised a final judgment in the same matter, or proceedings regarding the same matter are pending before a Czech court; (iv) the foreign authority deprived the party to the proceedings against whom the judgment was made of the opportunity to properly participate in the proceedings (i.e., in particular, if such party had not been

duly served for the purposes of the initiation of the proceedings); or (v) the recognition of a foreign judgment would be contrary to the public order in the Czech Republic.

### **Foreign exchange regulation**

The issue and acquisition of the Bonds is not subject to any foreign exchange regulation in the Czech Republic. Under Czech Constitutional Act No. 110/1998 Coll., on security of the Czech Republic, the Czech Government or its Prime Minister may declare an emergency (*nouzový stav*). If the Czech Government declares an emergency, payments in foreign currency or abroad generally, interbank transfers of monies from abroad to the Czech Republic and/or sale of securities (including the Bonds) abroad may be suspended in accordance with Act No. 240/2000 Coll., on crisis management and amendment to certain acts, as amended, for the duration of such emergency. Such an emergency may be declared for a maximum period of 30 days unless prolonged by the approval of the Chamber of Deputies of the Parliament of the Czech Republic.

## SUBSCRIPTION AND SALE

The Issuer is entitled to issue individual Bond Issues under the Bond Programme on an ongoing basis, with the total nominal value of all outstanding Bonds issued under the Bond Programme not exceeding CZK 5,000,000,000. Individual Bond Issues issued under the Bond Programme will be offered for subscription and purchase in the Czech Republic, or, if applicable, and subject to compliance with the relevant legislative conditions for such offering, in other markets as described in the applicable Final Terms. The Final Terms will determine whether the Manager may offer the Bonds to interested domestic or foreign investors, both qualified and non-qualified (in particular retail) investors, in the primary and/or secondary market.

The Bonds will be offered by the Issuer through the Joint Lead Managers or any person that the Issuer entrusts with the performance of such activity for a particular Bond Issue.

The method and place of subscription of the Bonds, the method and time limit for handing over the Bonds (or their crediting to the Bondholder's account) and the method of payment of the Issue Price of the Bonds of the individual Issue, including the information on persons involved in the arrangement of the Issue, will be specified in the relevant Pricing Supplement.

This Base Prospectus has been approved by the CNB. This approval, together with any supplements to the Base Prospectus approved by the CNB and together with the Final Terms of each Issue duly filed with the CNB and made available, authorises the Issuer to offer the Bonds to the public in the Czech Republic in accordance with the laws and regulations in force in the Czech Republic on the date of the relevant offering. The foregoing is one of the prerequisites for the admission of any Bonds issued under this Bond Programme to trading on a regulated market in the Czech Republic. If it is stated in the relevant Final Terms that the Issuer has applied or will apply for admission of the Bonds to trading on a particular segment of the regulated market of the PSE or another regulated market, as the case may be, and the Bonds are in fact admitted to trading on such regulated market upon fulfilment of all statutory requirements, they will become securities admitted to trading on a regulated market.

The distribution of this Base Prospectus and the offer, sale or purchase of Bonds of each Issue are restricted by law in certain countries. Persons into whose possession this Base Prospectus comes are responsible for compliance with the restrictions applicable in each country on the offer, purchase or sale of the Bonds or the possession and distribution of any materials relating to the Bonds.

A public offering of the Bonds issued under this Bond Programme may be made in the Czech Republic only if, at the latest at the commencement of such public offering, this Base Prospectus (including any amendments thereto) has been approved by the CNB and published and the Final Terms of the relevant Issue have been filed with the CNB and subsequently published. Public offerings of Bonds in other countries may be restricted by the laws of such countries and may require the approval, recognition or translation of the Base Prospectus or any part thereof or other documents thereof by the competent authority.

In addition to the foregoing, the Issuer requests the underwriters of each Issue and the purchasers of the Bonds to comply with the provisions of all applicable laws in each country (including the Czech Republic) where they will purchase, offer, sell or deliver Bonds issued by the Issuer under this Bond Programme or where they will distribute, make available or otherwise circulate this Base Prospectus, including any supplements thereto, individual Final Terms or other offering or promotional material or information relating to the Bonds, in each case at their own expense and regardless of whether this Base Prospectus or any supplements thereto, individual Final Terms or other offering or promotional material or information relating to the Bonds is reproduced in printed form or in electronic or other intangible form only.

Prior to the approval of the Base Prospectus or any supplement thereto or the due publication of the Final Terms, the Issuer, the underwriters of each Issue and all other persons to whom this Base Prospectus is made available are required to comply with the above restrictions on public offerings and, if they offer the Bonds in the Czech Republic, must do so only in a manner that is not a public offering. In such a case, they should inform the persons to whom they are offering the Bonds of the fact that the Base Prospectus or any supplement thereto has not yet been approved by the CNB and published or that the Final Terms of the relevant Issue have not yet been filed with the CNB and published, and that such offering may not be a public offering and, if the offering is made in a manner that is not considered to be a public offering under the provisions of the Prospectus Regulation, inform such persons also of the related restrictions.

Any person acquiring any Bonds issued under this Bond Programme will be deemed to have represented and agreed that (i) such person understands all applicable restrictions on the offer and sale of Bonds in particular in the Czech Republic applicable to him and the relevant method of offer or sale, and (ii) such person will not offer for sale or resell the Bonds, without complying with all applicable restrictions that apply to such person and the relevant method of offer and sale and (iii) prior to offering or reselling the Bonds, such person will inform potential purchasers that further offers or sales of the Bonds may be subject to legal restrictions in various states that must be complied with.

The Issuer informs the prospective Bondholders that the Bonds are not and will not be registered in accordance with the Securities Act or by any securities commission or another regulatory body of any state of the U.S. and therefore cannot be offered, sold or transferred in the territory of the U.S. or to U.S. residents (as these terms are defined in Regulation S) other than on the basis of an exemption from the registration obligation according to the Securities Act or as a part of a transaction that is not subject to mandatory registration according to the Securities Act.

The Issuer also advises that the Bonds may not be offered or sold in the UK by disseminating any material or notice, except for sale to persons authorised to deal in securities in the UK on their own account or on behalf of others or under circumstances which do not constitute a public offering of securities within the meaning of the Companies Act 1985, as amended. Any legal acts regarding bonds performed in, from, or otherwise in connection with the UK must also be performed in accordance with the Financial Services and Markets Act 2000 (FSMA 2000), as amended, the Financial Services and Markets Act 2000 (Financial Promotion Order 2005), as amended, and the Prospectus Regulation, as it forms part of English law by virtue of the European Union (Withdrawal) Act 2018.

The Issuer has not granted consent for the use of the Base Prospectus for the subsequent resale or final placement of the Bonds by financial intermediaries.

## GENERAL INFORMATION

### 1. Internal approval

The establishment of the Programme was approved by the decision of the Issuer's sole shareholder dated 26 February 2025 and by the decision of the Issuer's Executive Directors dated 26 February 2025. The issuance of the Financial Guarantee was approved by the decision of the Board of Directors of the Guarantor dated 26 February 2025, by the decision of the General Meeting of the Guarantor dated 26 February 2025 and by the decision of the Supervisory Board of the Guarantor dated 26 February 2025.

### 2. Legislation governing the establishment of Programme issuance of Bonds

The establishment of the Programme and the issuance of Bonds under the Programme is governed by applicable and effective laws, in particular the Bonds Act, the Prospectus Regulation, the Commission Delegated Regulation and the regulations of the respective regulated securities market on which the Bonds of the relevant Issue may be admitted to trading.

### 3. Approval of the Base Prospectus by the Czech National Bank

This Base Prospectus, which includes the wording of the Joint Terms and Conditions, was approved by the CNB in its decision ref. No. 2025/025253/CNB/650, file No. S-Sp-2025/00074/CNB/653 dated 4 March 2025, which became final and effective on 5 March 2025. The CNB has approved the Base Prospectus in its capacity as the competent authority under the Prospectus Regulation and only to the extent that the Base Prospectus meets the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. By approving the Base Prospectus, the CNB certifies that the Base Prospectus contains all information required by law necessary for the investor to take an investment decision. The CNB assesses neither the financial results nor the financial situation of the Issuer and by approving the Base Prospectus it does not guarantee the quality of the security or the Issuer's future profitability or its ability to pay the interest on, and the principal of, the Bonds.

### 4. Auditor of the Issuer

The Issuer's opening balance sheet as of 6 February 2025 was audited by BDO Audit s.r.o., with registered office at V parku 2316/12, 148 00, Prague 4, registration number 453 14 381, certificate number 018, and the auditor issued a clean opinion on it.

The auditor, BDO Audit s.r.o., does not, to the best of the Issuer's knowledge, have any significant interest in the Issuer. For the purposes of this statement, the Issuer has considered, among others, any (i) ownership of shares in companies forming a concern with the Issuer, or any options to acquire or subscribe for such shares; (ii) employment with the Issuer or any compensation from the Issuer; (iii) membership in the Issuer's corporate bodies; and (iv) acceptance of the Bonds to trading on the Prague Stock Exchange or any other relevant securities market.

### 5. Auditor of the Guarantor

The Guarantor's consolidated financial statements for the years 2023 and 2022 were audited by BDO Audit s.r.o., with registered office at V parku 2316/12, 148 00, Prague 4, registration number 453 14 381, certificate number 018.

The auditor audited the Guarantor's consolidated financial statements for the years 2023 and 2022 and issued a clean opinion on them.

The Guarantor's auditor stated the following in his independent auditor's report on the 2022 financial statements:

“Emphasis of Matter

We draw attention to Note 4 of the consolidated financial statements, which describes the reasoning for the amendment of the previously issued consolidated financial statements and to the earlier report on audit of the consolidated financial statements provided by the auditor on 20 June 2023.

Our opinion is not modified in respect of this matter.”

The auditor concluded reports on review of the interim consolidated statements of the Guarantor for the periods ending 30 June 2024 and issued a clean conclusion.

The auditor, BDO Audit s.r.o., does not, to the best of the Issuer's knowledge, have any significant interest in the Guarantor. For the purposes of this statement, the Issuer has considered, among others, any (i) ownership of shares issued by the Guarantor or shares of companies forming a concern with the Guarantor, or any options to acquire or subscribe for such shares; (ii) employment with the Guarantor or any compensation from the Guarantor; (iii) membership in the Guarantor's corporate bodies; and (iv) acceptance of the Bonds to trading on the Prague Stock Exchange or any other relevant securities market.

## **6. Litigation and Arbitration**

To the best knowledge of the Issuer, no judicial, administrative or arbitration proceedings that could have or have recently had a significant impact on the Issuer's financial situation or profitability are ongoing or threatened, nor have they been ongoing in the previous 12 months.

To the best of the Issuer's knowledge, no judicial, administrative or arbitration proceedings that could have or have recently had a significant impact on the financial situation or profitability of the Guarantor or the Group are ongoing or threatened, nor have they been ongoing in the previous 12 months.

## **7. Significant change in financial position**

From the date of the Issuer's opening balance sheet, i.e. 6 February 2025, to the date of this Base Prospectus, there have been no significant negative changes in the Issuer's prospects, nor any significant changes in the Group's financial performance.

From the date of the last unaudited financial statements of the Guarantor, i.e. 30 June 2024, to the date of preparation of this Base Prospectus, there have been no significant changes in the financial position of the Guarantor or the Group, with the exception of bank loans taken out by the Group after this date, the basic description of which is contained in the "*Information on the Guarantor – Financial Indebtedness of the Group*".

## **8. Available documents**

The full text of the Issuer's founding deed is available on the website [www.justice.cz](http://www.justice.cz) – Public Register (*veřejný rejstřík*) – by searching for the Issuer – Collection of documents (*sbírka listin*) and also on the Issuer's website <https://accolade.eu/> in the section "About us, Bonds".

The full text of the Guarantor's articles of association is available on the Issuer's website <https://accolade.eu/>, in the "About Us, Bonds" section.

All documents set out in this section will be available for inspection at the Issuer's headquarters for the period of validity of this Base Prospectus during standard business hours on each business day.

## **9. Information about trends**

Given that the Group operates in the real estate market, there are a number of factors and trends that may affect the Group (and therefore also the Guarantor and the Issuer). These trends include in particular the following trends:

- the trend of the development of the e-commerce and retail sales segment, which is essential for maintaining the demand for the Group's real estate, the trend of moving production capacities back to Europe, which creates further demand for suitable premises for production or storage, and the trend of increasing emphasis on sustainability and ESG issues, in contexts with which some economic entities may prefer business partners who meet sustainability criteria. The Group perceives these trends as its comparative advantage and a more detailed description of them is contained in the section "*Information about the Guarantor – Comparative advantages and challenges for the Group – An attractive and resilient industrial and logistics sector with many positive structural demand factors and increased barriers to new competitors*"; and
- general developments in the most important real estate markets in the countries where the Group operates, in particular trends regarding the extent of newly built leasable spaces for production or storage and related trends regarding the vacancy rate of leasable areas, which subsequently affect the average rental rates in the respective markets. The achieved rental rates subsequently have an impact on the Group's income and its other financial indicators, as well as on the Group's management's decision-making regarding the implementation of new projects. More detailed information on developments in the most



important real estate markets in the countries where the Group operates is provided in the section *“Information about the Guarantor – Business of the Group – Significant markets of the Group”*.

In addition to these trends, there are also risk factors that can have a negative effect on the Group, the Guarantor and the Issuer. These risk factors are described in more detail in the *“Risk Factors”* section of this Base Prospectus.

With the exception of the above, the Issuer is not aware of any trends, uncertainties, demands, obligations or events affecting the current financial year.

The Issuer declares that from the date of the Guarantor’s last published audited financial statements to the date of the Base Prospectus, there has been no significant negative change in the prospects of the Guarantor or the Group, nor any significant change in the financial performance of the Guarantor or the Group.

## **ADDRESSES**

### **ISSUER**

Accolade Finco Czech 2, s.r.o.  
Sokolovská 394/17, Karlín  
186 00 Prague 8

### **GUARANTOR**

Accolade Holding, a.s.  
Sokolovská 394/17, Karlín  
186 00 Prague 8

### **COORDINATOR**

Česká spořitelna, a.s.  
Olbrachtova 1929/62  
140 00 Prague 4

### **ARRANGERS**

Česká spořitelna, a.s.  
Olbrachtova 1929/62  
140 00 Prague 4

Československá obchodní banka, a. s.  
Radlická 333/150  
150 57 Prague 5

Komerční banka, a.s.  
Na Příkopě 969/33  
11407 Prague 1

### **JOINT LEAD MANAGERS**

Česká spořitelna, a.s.  
Olbrachtova 1929/62  
140 00 Prague 4

Československá obchodní banka, a. s.  
Radlická 333/150  
150 57 Prague 5

Komerční banka, a.s.  
Na Příkopě 969/33  
11407 Prague 1

### **CO-MANAGER**

Conseq Investment Management, a.s.  
Rybná 682/14, Staré Město  
110 00 Praha 1

### **SECURITY AGENT**

Česká spořitelna, a.s.  
Olbrachtova 1929/62  
140 00 Prague 4

### **FISCAL AND PAYING AGENT**

Česká spořitelna, a.s.  
Olbrachtova 1929/62  
140 00 Prague 4

### **LISTING AGENT**

Česká spořitelna, a.s.  
Olbrachtova 1929/62  
140 00 Prague 4

### **LEGAL ADVISOR TO THE ISSUER**

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Na Příkopě 854/14  
110 00 Prague 1

### **LEGAL ADVISOR TO THE JOINT LEAD MANAGERS**

Allen Overy Shearman Sterling (Czech Republic)  
LLP, organizační složka  
Karolinská 707/7  
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### **AUDITOR OF THE ISSUER AND THE GUARANTOR**

BDO Audit s.r.o.  
V parku 2316/12, Chodov  
148 00 Prague 4