



TERMS OF ISSUE OF BONDS

Reconstruction, modernization and development of towns and villages – support for the food industry, tourism and ecology in the Czech Republic and the Russian Federation – Reconstruction and modernization of the oil processing plant – North Orenburg [4.25 % / 2021–2025]

CONTENT

1. SUMMARY OF BONDS	3
2. IMPORTANT INFORMATION	4
3. DESCRIPTION OF BONDS	4
3.1 TYPE, FORM, NOMINAL VALUE AND FURTHER CHARACTERISTICS OF BONDS	4
3.2 BONDHOLDERS	5
3.3 TRANSFER OF BONDS	5
3.4 FURTHER RIGHTS ATTACHED TO THE BONDS	5
3.5 EQUAL TREATMENT	5
3.6 RATING	5
3.7 NOTIFICATION OF CHANGES	5
4. BASIC CHARACTERISTIC OF THE ISSUE	5
4.1 ISSUE DATE	5
4.2 ISSUE PERIOD	5
4.3 TOTAL NOMINAL VALUE OF ISSUE, ADDITIONAL ISSUE PERIOD	5
4.4 ISSUE PRICE	6
4.5 SUBSCRIPTION PRICE	6
4.6 MINIMUM SUBSCRIPTION	6
4.7 MANNER AND PLACE OF BOND SUBSCRIPTION	6
5. STATUS	7
6. INTEREST	7
6.1 INTEREST, METHODS OF INTEREST, YIELD PERIODS AND ITS PAYMENT	7
6.2 END OF INTEREST	7
6.3 REVENUE CALCULATION CONVENTIONS	7
6.4 DETERMINATION OF REVENUE	7
7. MATURITY AND REPURCHASE	7
7.1 BOND MATURITY	7
7.2 REPURCHASE OF BONDS	7
7.3 EXPIRY OF BONDS	7
7.4 ASSUMPTION OF REPAYMENT	7
8. TERMS OF PAYMENT	8
8.1 PAYMENT CURRENCY	8
8.2 PAYMENT DEADLINE	8
8.3 PERSONS ENTITLED TO RECEIVE PAYMENTS FROM BONDS	8
8.4 PAYMENTS	8
8.5 TIMELY NON-CASH PAYMENTS	9
8.6 CHANGE OF PAYMENT METHOD	9
9. EARLY MATURITY OF BONDS UPON ISSUER'S DECISION AND REQUEST OF BONDHOLDER FOR REPURCHASE OF BONDS BY ISSUER	9
9.1 EARLY MATURITY OF BONDS UPON ISSUER'S DECISION	9
9.2 BONDHOLDER'S REQUEST FOR REPURCHASE BY ISSUER	9
10. STATUTE OF LIMITATION	10
11. ADMINISTRATOR	10
11.1 ADMINISTRATOR AND DESIGNATED ESTABLISHMENT	10
11.2 (AN)OTHER ADMINISTRATOR AND OTHER DESIGNATED ESTABLISHMENT	10
11.3 ADMINISTRATOR'S RELATION TO BONDHOLDERS	10
12. BONDHOLDERS MEETINGS, CHANGES TO TERMS OF ISSUE	10
12.1 CONVENING AND COMPETENCE OF BONDHOLDERS MEETING	10
12.2 PERSONS ENTITLED TO ATTEND AND VOTE AT THE MEETING, OTHER PERSONS ATTENDING THE MEETING	11
12.3 COURSE OF MEETING, DECISIONS	12
12.4 OTHER RIGHTS OF BONDHOLDERS	13
13. NOTICES	14
14. TAX ON BONDS IN CZECH REPUBLIC	15
15. GOVERNING LAW AND LANGUAGE	16

ASTORIA MANAGEMENT GROUP CZ, s.r.o.

TERMS OF ISSUE OF BONDS

Reconstruction, modernization and development of towns and villages – support for the food industry, tourism and ecology in the Czech Republic and the Russian Federation – Reconstruction and modernization of the oil processing plant – North Orenburg [4.25 % / 2021–2025]

These terms of issue (hereinafter “**Terms of Issue**”) govern the rights and obligations of the Issuer and the Bondholders and provide detailed information about the Issue and the Bonds.

These Terms of Issue have been prepared in accordance with Act No. 190/2004 Coll., on Bonds, as amended (“**Act on Bonds**”) and Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on prospectus (“**Prospectus Regulation**”).

Unless these Terms of Issue stipulate otherwise, words and terms with capital initial letters have the meanings described in Article 1.

1. SUMMARY OF BONDS

Issuer:	ASTORIA MANAGEMENT GROUP CZ, s.r.o. ID number: 092 31 633 with its registered seat at Pražákova 1008/69, Štýřice, 639 00 Brno, incorporated in the commercial register kept by the Regional Court in Brno, file reference C 117958
Name of Bonds:	Reconstruction, modernization and development of towns and villages – support for the food industry, tourism and ecology in the Czech Republic and the Russian Federation – Reconstruction and modernization of the oil processing plant – North Orenburg [4.25 % / 2021–2025] – Serie GIGCZ1
ISIN:	CZ0003532731
LEI:	315700794MQ5L52DGN63
Nominal Value of Bond:	10 000 EUR (ten thousand euros)
Form of Bonds:	Securities to order
Type of Bonds:	Certificated securities
Issue Price:	100% of the nominal value of the Bonds as of the Issue Date 100% of the nominal value of the Bonds after the Issue Date
Minimum Investment:	10 (ten) Bonds
Issue Date:	4 June 2021
Issue Period:	Issue period for subscribing the Bonds commences on 4 June 2021 and ends on 4 June 2024, with an option for extension
Additional Issue Period:	May be exercised
Estimated Volume of Issue:	1 000 000 EUR (one million euros)
Maximum Volume of Issue:	1 000 000 EUR (one million euros)
Bond Numbers:	001 to 100
Interest:	Fixed rate of 4.25% for the yield period
Date of the beginning of the first yield period:	4 June 2021
Date of origin of the right to the payment of interest:	Annually as of 31 December 2021, 31 December 2022, 31 December 2023, 31 December 2024, 31 December 2025

Decisive day for the payment of interest:	Always the last day of the yield period
Final Maturity Day:	31 December 2025
Decisive Day for Repayment of Nominal Value:	31 December 2025
Issue:	Issue of fungible Bonds issued under these Terms of Issue
Bonds:	Individual Bonds issued within the Issue
Administrator:	Vantu Bank Limited, registration number 012774, represented by Gideon Amihood, Executive director, with its registered office Top floor, Lolam House, Kumul Highway, Port Vila, Efate, Vanuatu
Payment and deposit agent:	Administrator
Designated Establishment:	Issuer's registered office Administrator's registered office
E-mail:	amgcz@email.cz
Ensuring Emissions:	Bank guarantee provided Rosbank PJSC, based Mashi Poryvaevoy Street 34, Moscow, 107078, Russian Federation agreement on a bank guarantee is available on the website of the Issuer in the section Invest with us, available on www.gigcz.com

The Issuer undertakes to repay the amounts due, in particular the Bond principal and interest in a manner and by the deadlines set in these Terms of Issue.

Activities related to the issue of the Bonds, repayment of the Bond and payment of interest shall be performed by the Issuer, unless the Issuer changes its decision in the course of the Issue.

2. IMPORTANT INFORMATION

These Terms of Issue are the terms of issue applicable to the Bonds within the meaning of the Act on Bonds.

Any possible offer of the Bonds made by the Issuer in the past or in the future, including the distribution of the Terms of Issue to selected investors in the Czech Republic or abroad, is made on the basis of an exemption pursuant to the relevant foreign legal regulations, i.e. the offer of securities is made to qualified investors, unqualified investors, where each such investor commits to invest at least EUR 100,000 in the given issue, and also to a limited number (150) unqualified investors. The distribution of the Terms of Issue and the offer, sale or purchase of the Bonds are restricted by law in certain countries. The Issuer has not applied for the approval or recognition of these Terms of Issue in another state.

These Terms of Issue have not been approved by the Czech National Bank. The Czech National Bank shall not supervise over the Issue of the Bonds or the Issuer.

3. DESCRIPTION OF BONDS

3.1 TYPE, FORM, NOMINAL VALUE AND FURTHER CHARACTERISTICS OF BONDS

The Bonds are issued in the type and form specified in Article 1 of these Terms of Issue.

Each Bond has a nominal value specified in Article 1 of these Terms of Issue.

The Issuer is entitled to issue the Bonds as collective securities replacing individual Bonds. Where the Bonds are issued as collective securities, their holder has the right to request the Issuer to replace the collective securities with individual Bonds. The holder's request for the replacement of collective securities with individual Bonds shall be delivered to the Issuer in writing. The Issuer is obliged to comply with the holder's request within 30 days of receipt. The Issuer is obliged to invite the holder in writing to take over the individual Bonds. The Bonds shall be handed over to the holder only against the return of the collective security. A handover protocol shall be signed to document the replacement. The issue of the Bonds is provided by the Issuer and / or the Administrator.

3.2 BONDHOLDERS

The bondholder (hereinafter "**Bondholder**") is a person registered in the List of Bondholders kept by the Issuer and / or the Administrator (hereinafter "**List of Bondholders**"). The Bondholder can be a natural or legal person. The Issuer may reject a subscriber.

Unless otherwise provided by law or a court decision delivered to the Issuer to the address of the Designated Establishment, the Issuer shall consider each Bondholder as the rightful owner of a Bond in all respects and shall make payments to such Bondholder in accordance with these Terms of Issue.

Persons who acquire ownership right to the Bonds but are not registered in the List of Bondholders for any reason are obliged to immediately inform the Issuer and / or the Administrator about this fact and about the acquisition of ownership right to the Bonds by means of a notice delivered to the Designated Establishment.

3.3 TRANSFER OF BONDS

Transferability of Bonds is not limited. The ownership right to the Bond is transferred in accordance with the Civil Code by endorsement and agreement as at the moment of handover. Notice to the Issuer on a change of the Bondholder shall bear officially certified signature and be delivered to the Designated Establishment. Upon due notice to the Issuer and / or the Administrator, the change of the Bondholder shall be entered in the List of Bondholders effective as at the day of due delivery of the notice pursuant to this paragraph.

3.4 FURTHER RIGHTS ATTACHED TO THE BONDS

Separation of the right to interest is not possible.

No special pre-emptive or convertible rights of the Bondholders are attached to the Bonds.

3.5 EQUAL TREATMENT

The Issuer commits to treat all Bondholders equally under the same conditions.

3.6 RATING

The Issuer has not been rated. The Issue has not been individually rated and therefore it has no individual rating.

3.7 NOTIFICATION OF CHANGES

Changes on the part of the Bondholder shall be notified to the Issuer and the Administrator within 10 business days after their occurrence. Changes shall be notified in writing. Changes in contact information may be notified to the Issuer and the Administrator in writing or by e-mail. Notification of a change of the Bondholder and a change of the Bondholder's bank account number for payment of the interest and repayment of the nominal value of the Bond shall bear an officially verified signature.

4. BASIC CHARACTERISTIC OF THE ISSUE

4.1 ISSUE DATE

The Issue Date is specified in Article 1 of these Terms of Issue.

4.2 ISSUE PERIOD

The Issue Period is specified in Article 1 of these Terms of Issue.

4.3 TOTAL NOMINAL VALUE OF ISSUE, ADDITIONAL ISSUE PERIOD

The Issuer plans to issue the Bonds in the Estimated Volume of Issue specified in Article 1 of these Terms of Issue.

If the Issuer fails to issue all Bonds as at the Issue Date, it may issue the remaining Bonds at any time during the Issue Period, and also after the Issue Period expires during the Additional Issue Period, set by the Issuer and notified in accordance with applicable legal regulations.

The Issuer may issue the Bonds in a smaller volume than the Estimated Volume of Issue, if the Estimated Volume of Issue has not been subscribed by the end of the Issue Period.

As at the Issue Date or during the Issue Period or Additional Issue Period, the Issuer may issue the Bonds in a larger volume than the Estimated Volume of the Issue, up to the amount of the Maximum Volume of Issue specified in Article 1 of these Terms of Issue.

Bonds may be issued at once as at the Issue Date and/or in tranches after the Issue Date during the Issue Period and/or the Additional Issue Period.

The Issuer may set the Additional Issue Period repeatedly.

The Issuer shall notify the Bondholders of the total nominal value of all issued Bonds without undue delay after the Issue Period and/or the Additional Issue Period but only if the total nominal value of all issued Bonds is lower or higher than the Estimated Volume of Issue. The Issuer shall notify this information to the Bondholders by email to the address listed in the Subscription Agreement or in the List of Bondholders.

4.4 ISSUE PRICE

The Issue Price of the Bonds is specified in Article 1 of these Terms of Issue.

4.5 SUBSCRIPTION PRICE

The subscription price of the Bond as at the Issue Date is equal to the Issue Price.

The subscription price of the Bond subscribed after the Issue Date is equal the Issue Price on the Issue Date.

4.6 MINIMUM SUBSCRIPTION

One subscriber shall subscribe at least Bonds corresponding to the Minimum Investment referred to in Article 1 of these Terms of Issue. Offers for subscription of fewer Bonds are ineffective and shall be rejected by the Issuer.

4.7 MANNER AND PLACE OF BOND SUBSCRIPTION

Bonds may be subscribed at the Designated Establishment or in another suitable place selected by the Issuer and / or Administrator.

The Issuer and / or Administrator shall enter into an Agreement on Subscription and Purchase of Bonds with the subscribers of the Bonds, the subject of which shall be the Issuer's obligation to issue and the obligation of potential purchasers to purchase the Bonds under the conditions laid down in the Agreement on Subscription and Purchase of Bonds ("**Subscription Agreement**").

The Bonds shall be issued by the Issuer and / or Administrator to the subscriber in accordance with the Subscription Agreement within 14 business days after the subscription or purchase price has been credited to the Issuer's bank account.

The subscription or purchase price of the Bonds shall be paid by the subscriber in cashless form to a bank account.

The Issuer and / or Administrator shall issue the Bonds to the subscriber after payment of the subscription or purchase price of the Bonds. The Bond shall indicate the name, surname, date of birth (natural persons) or business name and ID number (legal persons) and address of residence or registered office of the first Bondholder. These data shall be entered in the List of Bondholders and the Bonds shall be handed over to the first Bondholder. The handover of the Bond to the first Bondholder is possible only after the subscription or purchase price has been paid, on business days and after previous agreement with the Issuer and / or Administrator. Bonds shall be handed over at the Designated Establishment or at another place specified in the Subscription Agreement after signing of the handover protocol. At the written request of the first Bondholder indicated in the Subscription Agreement or sent in accordance with these Terms of Issue and with the certified signature of the Bondholder, the Bonds may be sent by post "to the addressee only" and to the address specified by the Bondholder in the Subscription Agreement or in the written request. The Issuer and / or Administrator sends the Bonds by mail "to the addressee only" at the risk of the Bondholder.

5. STATUS

The Bonds establish direct, general, non-contingent and non-subordinated liabilities of the Issuer, secured by a bank guarantee, which are and shall be equal (*pari passu*) in order of their satisfaction with each other and at least equivalent to all other current and future non-contingent and the same or similarly secured liabilities of the Issuer, with the exception of Issuer's liabilities where a mandatory provision of legal regulations or an agreement between the Issuer and Bondholders stipulate otherwise.

Repayment of the principal of the Bonds and payment of interest income is secured by a bank guarantee of PJSC ROSBANK, with its registered office at Mashi Poryvaevoy Street 34, Moscow, 107078, Russian Federation, bank guarantee agreement available on the Issuer's website, in the *Invest with us* section, available at www.gjgcz.com.

6. INTEREST

6.1 INTEREST, METHODS OF INTEREST, YIELD PERIODS AND ITS PAYMENT

Interest is specified in Article 1 of these Terms of Issue.

The Interest is fixed at 4.25% for the yield period. The first yield period begins on the Issue Date and ends on 31 December 2021. Subsequent yield periods always start on 1 January of the given calendar year and end on 31 December of the given calendar year.

The Interest will be paid for each yield period retrospectively, always no later than the last calendar day of the following calendar month immediately following the last Day of entitlement to the payment of the Interest.

6.2 END OF INTEREST

The Bonds will cease to bear interest on the Final Maturity Date of the Bonds.

6.3 REVENUE CALCULATION CONVENTIONS

Not applicable.

6.4 DETERMINATION OF REVENUE

The Interest is set at 4.25% for the yield period. The Interest is fixed regardless of the date of subscription of the Bond.

The total amount of the Interest income from all Bonds of one Bondholder is rounded down to whole euros.

7. MATURITY AND REPURCHASE

7.1 BOND MATURITY

The nominal value of the Bonds shall be repaid in a one-time manner no later than the last calendar day of the following calendar month immediately following the Final Maturity Day.

7.2 REPURCHASE OF BONDS

The Issuer cannot repurchase the Bonds from the Bondholders.

7.3 EXPIRY OF BONDS

Not applicable.

7.4 ASSUMPTION OF REPAYMENT

For the purposes of this Article 7, any relevant monetary liability of the Issuer from the Bonds shall be deemed fully paid on the date on which the relevant amounts of the nominal value of the Bonds due under these Terms of Issue are remitted to the Bondholders and debited from the Issuer's or Administrator's bank account.

8. TERMS OF PAYMENT

8.1 PAYMENT CURRENCY

The Issuer undertakes to pay the nominal value and to pay interest exclusively in euros.

The nominal value and interest of the Bonds shall be paid to the Entitled Persons (as defined below) under and in accordance with the conditions set out in these Terms of Issue and tax, foreign exchange, and other relevant legal regulations of the Czech Republic effective at the time of the payment.

8.2 PAYMENT DEADLINE

Payments of the interest and nominal value of the Bonds will be made within the deadlines specified in these Terms of Issue.

If the final day of the deadline is not a Business Day, the Issuer shall be obliged to pay the amounts in question on the next following Business Day, without incurring an obligation to pay interest or any other additional amounts for such delay.

For the avoidance of doubt, if the payment is postponed to the next following Business Day in accordance with the previous sentence, the relevant Decisive Day will not be postponed.

For the purposes of these Terms of Issue, "**Business Day**" means any day (except for Saturday and Sunday) when banks in the Czech Republic are open and interbank payments in Czech korunas are settled.

8.3 PERSONS ENTITLED TO RECEIVE PAYMENTS FROM BONDS

8.3.1 Interest income

Unless otherwise stipulated in the Issuance Conditions, the entitled persons to whom the Administrator and / or Issuer repays the nominal value of the Bonds are the persons who will be registered as Bondholders in the List of Owners at the end of the Decisive Date for the payment of interest (each such person also referred to as the "**Entitled Person**").

8.3.2 Nominal value

Unless otherwise stipulated in these Terms of Issue, entitled persons to whom the Issuer or/ and Administrator repays the nominal value of the Bonds are persons that shall be registered as Bondholders in the List of Bondholders as at the end of the Decisive Day for Payment of Nominal Value (each such person also "**Entitled Person**").

8.4 PAYMENTS

Execution of payments is provided by the Administrator. Administrator shall make payments to the Entitled Persons by a non-cash transfer to their bank accounts specified in the Subscription Agreement. Indicating a bank account is a mandatory requirement of the Subscription Agreement. Account number in IBAN format shall be provided in case of foreign bank accounts.

Any change of the bank account of the Entitled Person for making payments in accordance with these Terms of Issue shall take the form of an instruction delivered by the relevant Entitled Person to the Issuer and / or Administrator to the address of the Designated Establishment no later than on the Decisive Day for Repayment of Nominal Value / Interest. The instruction shall be indicated on a signed written form of the Issuer, which shall sufficiently specify the above-mentioned account to enable the Issuer to make the payment and, in case of legal persons, shall be supplemented by a copy of a valid extract from the commercial register of the payee and other relevant attachments (hereinafter also as "**Instruction**"). The Instruction shall bear an officially certified signature of the Entitled Person. The content and form of the Instruction shall meet reasonable requirements of the Issuer and / or Administrator. The Issuer and / or Administrator may require sufficiently satisfactory proof that the person who signed the Instruction is entitled to sign it on behalf of the Entitled Person. Such proof shall also be delivered to the Issuer no later than on the Decisive Day. In this regard, the Issuer may in particular require (i) the submission of a power of attorney where a representative act on behalf of the Entitled Person, and/or (ii) additional confirmation of the Instruction by the Entitled Person.

If the Entitled Person claims a tax benefit in accordance with the international double taxation agreement acceded to by the Czech Republic, they shall deliver to the Issuer and Administrator a document of their tax domicile together with the Instruction (such document being an integral part thereof) and other documents which may be requested by the Issuer and Administrator and the relevant tax authorities. Notwithstanding this right, the Issuer and Administrator shall not verify the accuracy and completeness of such Instructions and shall not be liable for damages caused by the Entitled Person's delayed, inaccurate, or defective Instruction. If originals of foreign official documents or official certifications abroad are used, the Issuer and Administrator may request the relevant higher or further certification, or Apostilles under the Hague Apostille Convention, as applicable.

8.5 TIMELY NON-CASH PAYMENTS

The Issuer's obligation to pay any amount due in connection with the Bonds shall be deemed fulfilled in a proper and timely manner, (a) if the relevant amount is transferred to the Entitled Person to the bank account specified in the Subscription Agreement pursuant to Article 8.4. of the Terms of Issue, or in the Instruction and in accordance with the terms of payment stated therein, and (b) if such amount is debited from the Issuer's or Administrator's bank account no later than by the end of the relevant deadline set in these Terms of Issue.

If any Entitled Person has provided the Issuer and Administrator with wrong payment details and the respective payment cannot be properly remitted or has not provided such information at all, the Issuer's obligation to pay any amount due shall be deemed to have been duly and timely fulfilled vis-à-vis such Entitled Person when the relevant amount is debited from the Issuer's or Administrator's bank account within 15 (fifteen) Business Days from the day on which the Issuer or Administrator received correct payment data from the Entitled Person enabling proper payment; in such case, the Entitled Person shall not claim any additional interest or other additional payment or surcharge for such delay.

The Issuer and Administrator shall not be liable for any delay in payment of any amount caused by: (a) failure of the Entitled Person to deliver the documents or information required in accordance with Article 8.4. of these Terms of Issue in a timely manner, (b) such information, documents or data were incomplete or incorrect or (c) such delay was caused by circumstances beyond the Issuer's and / or Administrator control. In such a case, the Entitled person shall not claim any additional payment or interest for delayed payment.

8.6 CHANGE OF PAYMENT METHOD

The Issuer may decide to change the payment method. Such change shall not harm the Bondholders. Such decision shall be notified to the Bondholders in the same manner as these Terms of Issue.

9. EARLY MATURITY OF BONDS UPON ISSUER'S DECISION AND REQUEST OF BONDHOLDER FOR REPURCHASE OF BONDS BY ISSUER

9.1 EARLY MATURITY OF BONDS UPON ISSUER'S DECISION

9.1.1 Decision on early maturity of the Issuer

The Issuer has no right to decide on early maturity of Bonds.

9.1.2 Maturity

Not applicable.

9.2 BONDHOLDER'S REQUEST FOR REPURCHASE BY ISSUER

9.2.1 Bondholder's request

The Bondholder has no right to request the Issuer to repurchase the Bonds held by the Bondholder.

9.2.2 Maturity

Not applicable.

9.2.3 Purchase price

Not applicable.

10. STATUTE OF LIMITATION

The rights attached to the Bonds become time-barred three (3) years after the date on which it could have been exercised for the first time.

11. ADMINISTRATOR

11.1 ADMINISTRATOR AND DESIGNATED ESTABLISHMENT

Administrator is Vantu Bank Limited, registration number 012774, represented by Gideon Amihood, Managing Director, with its registered office at Top floor, Lolam House, Kumul Highway, Port Vila, Efate, Vanuatu.

The Designated Establishment is registered seat of Administrator.

11.2 (AN)OTHER ADMINISTRATOR AND OTHER DESIGNATED ESTABLISHMENT

The Issuer reserves the right to appoint an Administrator and to designate (an)other Designated Establishment, or to appoint more payment facilitators at any time.

The Issuer shall notify the Bondholders of appointment of the Administrator or the Designated Establishment or on the appointment of more payment facilitators in writing to the addresses provided in the List of Bondholders.

11.3 ADMINISTRATOR'S RELATION TO BONDHOLDERS

When performing activities in accordance with any administrator agreement, the Administrator acts as a representative of the Issuer. The Administrator shall not guarantee or otherwise secure the Issuer's obligations arising from the Bonds. When performing activities under the administrator agreement, the Administrator is not in any legal relation vis-à-vis the Bondholders or the Entitled Persons, unless otherwise stated in the administrator agreement or stipulated by law. This fact shall not affect the legal relations of the Administrator vis-à-vis the Bondholders or Entitled Persons from other types of agreements.

12. BONDHOLDERS MEETINGS, CHANGES TO TERMS OF ISSUE

12.1 CONVENING AND COMPETENCE OF BONDHOLDERS MEETING

12.1.1 Right to convene a Bondholders meeting

The Issuer or the Bondholder or the Common Representative (if appointed) may convene a Bondholders meeting ("**Meeting**") in accordance with the Terms of Issue if it is necessary to decide on the common interests of the Bondholders,

The costs of organizing and convening the Meeting shall be borne by the convener, unless otherwise provided by law.

If the Bondholder convenes the Meeting, he shall deliver a notice of the Meeting to the Issuer by registered mail to the address of the Designated Establishment in good time, but no later than 40 (forty) calendar days before the intended Meeting, together with (a) a request for dispatch of notice of the Meeting to the Bondholders at the expense of the Bondholder that convenes the Meeting, and request for procurement of certificate of the number of all Bonds granting the right to attend the Meeting convened by the Bondholder(s), and (b), if applicable, pay an advance on expenses connected with the Meeting to the Issuer. Together with the notice of the Meeting, the Bondholder shall send the agenda of the Meeting including the draft changes and requirements. The Issuer is obliged to provide necessary cooperation to the convener for due convening of the Meeting, i.e. to notify the Bondholders of the Meeting in accordance with Article 12.1.3. of these Terms of Issue, however, no later than within 5 days from receipt of the request for dispatching notice of the Meeting to the Bondholders.

Due and timely delivery of the request under the above point (a) and payment of the advance on expenses under point (b) are mandatory for valid convening of the Meeting.

12.1.2 Meeting Convened by the Issuer

The Issuer is obliged to immediately convene a Meeting in the cases set out below in this Article 12.1.2 and in other cases set out by currently valid generally binding legal regulations (hereinafter “**Changes of Significant Nature**”),

- (a) proposal for a change or changes to the Terms of Issue, if consent to such change(s) of the Terms of Issue is required by law;
- (b) other changes of the Terms of Issue that may significantly impair the Issuer’s ability to meet its obligations from the Bonds.

however, provided that convening of the Meeting in such a case is mandated by legal regulations valid at the given time.

12.1.3 Notice of Meeting

The convener is obliged to publish the notice of the Meeting in the manner specified in Article 13 of these Terms of Issue, no later than 30 (thirty) calendar days before the date of the Meeting.

If the convener is the Bondholder or the Common Representative (if appointed), he is obliged to deliver the notice of the Meeting pursuant to Art.12.1.1 of these Terms of Issue.

If the Issuer is the convener, it is obliged to announce the Meeting by sending an invitation by e-mail or registered mail to the address of permanent residence specified by the Bondholder in the List of Bondholders, no later than 30 (thirty) calendar days before the date of the Meeting. The notice of the Meeting shall indicate at least (a) the business name, ID number and registered office of the Issuer, (b) the specification of the Bonds, containing at least the name of the Bond and the Issue Date, (c) the place, date and time of the Meeting whereas the place, date and time of the Meeting shall be determined so as to maximally allow the Bondholders to attend the Meeting; the Meeting shall be held on a Business Day and shall take place between 10 a.m. to 4 p.m.; the place of the Meeting can only be the seat of the Issuer, (d) the agenda of the Meeting and, if a change within the meaning of Article 12.1.2 of these Terms of Issue is proposed, also a draft change and justification, and (e) the date which is the Decisive Day for attendance at the Meeting.

The Meeting may decide only on draft resolutions specified in the notice of the Meeting. Decisions on draft resolutions that were not on the agenda of the Meeting in the notice of the Meeting are admissible only when all the Bondholders who are entitled to vote at this Meeting are present.

If the reason for convening the Meeting ceases to exist, the Meeting shall be canceled in the same manner as it was convened, no later than 7 (seven) calendar days before the date of the Meeting.

12.2 PERSONS ENTITLED TO ATTEND AND VOTE AT THE MEETING, OTHER PERSONS ATTENDING THE MEETING

12.2.1 Persons entitled to attend and vote at the Meeting, Decisive Day for Attending the Meeting

Solely the following persons may attend and vote at the Meeting

- (a) a Bondholder registered in the List of Bondholders as at the end of the day preceding by 7 (seven) calendar days the day of the relevant Meeting (the “**Decisive Day for Attending the Meeting**”), or
- (b) a person who is identified as the agent of the Bondholder pursuant to lit. (a) for the purposes of this Meeting.

Transfers of Bonds made after the Decisive Day for Attending the Meeting shall be invalid.

12.2.2 Voting right

Each Bondholder has as a number of votes corresponding to the ratio between the nominal value of the Bonds in his possession to the total nominal value of all issued and outstanding or existing Bonds as at the Decisive Day for Attending the Meeting.

Bonds held by the Issuer as at the Decisive Day for Attending the Meeting, which have not expired upon the decision of the Issuer within the meaning of Article 7.3. of these Terms of Issue, shall not be recognized at the Meeting.

If the Meeting is voting on removal of the Common Representative (if appointed) pursuant to Article 12.3.3. of these Terms of Issue, the Common representative may not exercise the voting right attached to the Bonds in his possession, and his votes are not included in the total number of votes required for quorum.

12.2.3 Other Persons Attending the Meeting

The Meeting shall be attended by the Issuer. The representatives of the Administrator, if appointed, the Common Representative, if appointed, (if the Common Representative is not a person generally entitled to attend the Meeting), and guests invited by the Issuer may attend the Meeting. The Meeting is also attended by persons necessary for managing the Meeting (such as the chairman, minute-taker, notary, etc.).

12.2.4 Attending the Meeting Using Means of Distance Communication

In the notice of the Meeting, the Issuer may specify the organizational and technical conditions under which the Bondholders may attend the Meeting using electronic means enabling direct remote audiovisual transmission of the Meeting, and/or direct two-way communication between the Meeting and the Bondholder. In case of email communication, the Bondholder's identity is verified when the Bondholder uses the email address provided in the Subscription Agreement or notified to the Issuer in the List of Bondholders. The Bondholder who exercises the rights under these conditions shall be deemed present at the Meeting, with all rights arising therefrom.

12.3 COURSE OF MEETING, DECISIONS

12.3.1 Quorum

The Meeting has quorum if attended by persons holding Bonds (entitlement to vote in accordance with Article 12.2 of these Terms of Issue) which nominal value represents more than 30 % of the total nominal value of issued and hitherto unredeemed or existing Bonds. Before the start of the Meeting, the convener shall provide information on the number of all Bonds whose holders are authorized to attend and vote at the Meeting.

12.3.2 Chairman of the Meeting

The Meeting convened by the Issuer shall be chaired by a chairman appointed by the Issuer. The Meeting convened by the Bondholder shall be chaired by a chairman elected by a simple majority of the present Bondholders who have the right to vote at the relevant Meeting. The meeting is chaired by a person appointed by the convener until the chairman is elected.

12.3.3 Common representative

No common representative has been appointed as at the date of the Terms of Issue within the meaning of Section 24 (1) of the Act on Bonds. The Meeting may appoint a natural or legal person as the common representative by a resolution and task such person with activities pursuant to Section 24 of the Act on Bonds ("**Common Representative**").

The Meeting may remove the Common Representative in the same manner in which he was appointed or appoint a different Common Representative. Appointment of a new Common Representative shall automatically remove the current Common Representative (where he has not been removed upon a separate resolution adopted at the Meeting).

The Meeting shall determine by a resolution the scope of authorization of the Common Representative to represent the Bondholders.

12.3.4 Decisions

The Meeting decides on the presented drafts in the form of a resolution.

Approval of $\frac{3}{4}$ (three quarters) of the votes of the present Bondholders who have the right to vote under Article 12.2 of these Terms of Issue is required to adopt a resolution which (a) approves the proposal under Article 12.1.2. of these Terms of Issue or (b) appoints or removes the Common Representative.

Other resolutions are adopted when approved by a simple majority of present Bondholders who are entitled to vote in accordance with Article 12.2. of these Terms of Issue.

12.3.5 Adjournment and Alternative Meeting

If the Meeting is not quorate within 60 minutes from the scheduled start, it shall be dismissed. This fact shall not affect the right of the Issuer or the Bondholders to convene an alternative Meeting immediately after the original Meeting in accordance with these Terms of Issue.

If the Meeting has been convened for the purpose of deciding on a change of the Terms of Issue and it is not quorate within 60 minutes from the scheduled start, it shall be dismissed. If necessary, the convener shall convene an alternate Meeting to be held within 6 (six) weeks from the date of the original Meeting. An alternate Meeting with an unchanged agenda shall be notified to the Bondholders no later than 15 (fifteen) days from the date of the original Meeting.

An alternate Meeting is quorate regardless of the conditions set out in Article 12.3. of these Terms of Issue.

12.4 OTHER RIGHTS OF BONDHOLDERS

12.4.1 Changes of Terms of Issue

For the avoidance of doubts, the consent of the Bondholders Meeting is not required (a) to change the Terms of Issue due to a change in legislation, (b) to a change of the Terms of Issue not affecting the position or interests of the Bondholders, or (c) if the Issuer holds all Bonds.

The Issuer shall, without undue delay after any change of the Terms of Issue, notify the investors by email to the address provided in the List of Bondholders of such change and, upon written request of the Bondholders, provide them with the wording of the change and also the new full wording of the Terms of Issue.

An Investor who agreed to purchase or subscribe the Bond and did not acquire ownership right to the Bond prior to the notification of the change of the Terms of Issue where the prior consent of the Bondholders Meeting is required, may withdraw from the purchase or subscription within 5 (five) business days after the change of the Terms of Issue has been published.

12.4.2 Consequence of Voting against Resolutions of the Meeting

If the Meeting approved Changes of Significant Nature, a person who (as the Bondholder) was entitled to attend and vote at the Meeting under Article 12.2. these Terms of Issue and, according to the minutes of the Meeting, voted against a draft resolution of the Meeting or did not attend the particular Meeting (hereinafter "**Applicant**"), may apply for the payment of the Nominal Value of the Bonds he held as at the Decisive Day for Attending the Meeting and which have not been alienated since, within 30 (thirty) days after the resolution of the relevant Meeting was published.

The Applicant shall exercise this right in the form of a written notice (hereinafter "**Application**") sent to the Issuer to the address of the Designated Establishment.

The aforementioned amounts become due 30 (thirty) days following the day when the Application was delivered to the Issuer (such day, in addition to other such days defined in these Terms of Issue, hereinafter also "**Day of Early Maturity of Bonds**").

Provisions of Article 9 of these Terms of Issue shall apply *mutatis mutandis* to the Early Maturity of Bonds under Article 12.4.2.

12.4.3 Resolution on early maturity of Bonds upon request of Bondholders

If the agenda of the Meeting includes any matters set out in Article 12.1.2. (b) of these Terms of Issue and the Meeting does not approve such Changes of Significant nature, the Meeting may, in addition to the agenda, decide that where the Issuer proceeds in conflict with the Meeting's resolution, it shall be obliged to early

redeem the Nominal Value of the Bond as at the day of submission of the Application to the Bondholders who request so (hereinafter "**Applicant**"). The Applicant shall exercise this right in the form of a written notice (hereinafter "**Application**") sent to the Issuer to the address of the Designated Establishment.

The aforementioned amounts become due 30 (thirty) days following the day when the Application was delivered to the Issuer (such day, in addition to other such days defined in these Terms of Issue, hereinafter also "**Day of Early Maturity of Bonds**").

Provisions of Article 9 of these Terms of Issue shall apply *mutatis mutandis* to the Early Maturity of Bonds under Article 12.4.3.

12.4.4 Requisites of Application

In the Application the Bondholder shall specify the number of Bonds to be redeemed in accordance with this Article. The Application shall be in writing, signed by persons authorized to act on behalf of the Applicant and the signatures shall be officially certified.

The Applicant shall also deliver all necessary documents required for payment under Article 9 of these Terms of Issue within the same deadline to the Designated Establishment.

12.4.5 Minutes of the Meeting

Within 30 (thirty) days from the date of the Meeting, the convener shall draw up minutes of the Meeting, either himself or through a person authorized by the convener, indicating the conclusions of the Meeting, in particular the resolutions adopted.

If the Bondholder convenes the Meeting, the minutes of the Meeting shall also be delivered to the Issuer to the address of the Designated Establishment no later than within 30 (thirty) days from the date of the Meeting.

The Issuer is obliged to keep the minutes of the Meeting until the expiration of the rights from the Bonds. The minutes of the Meeting are available for inspection to the Bondholders during standard business hours at the Designated Establishment.

The Issuer is obliged to notify the Bondholders of all decisions of the Meeting within 30 (thirty) days from the date of the Meeting, in the manner specified in Article 13 of these Terms of Issue.

If the Meeting discussed a resolution on a Change of Significant Nature, the attendance and decisions taken at the Meeting shall be documented in a notarial record. If the Meeting adopts such a resolution, the notarial record must state the names of the persons entitled to attend the Meeting who validly voted for adoption of such resolution and the number of Bonds held by those persons as at the Decisive Day for Attending the Meeting.

13. NOTICES

Information concerning the exercise of the rights of the Bondholders, notice of Meeting and any other notices to the Bondholders shall be valid and effective if drafted in the Czech language and sent by registered mail to the Bondholder's address recorded in the List of Bondholders and/or sent by electronic means.

Information concerning the exercise of the rights of the Bondholders may be provided to the Bondholders by electronic means, in particular by e-mail to the email address specified in the Subscription Agreement or in the List of Bondholders. If mandatory provisions of relevant legal regulations or these Terms of Issue stipulate a different method for disclosing or publishing any of the notices hereunder, such notice shall be deemed to have been validly disclosed or published by disclosure or publication under the relevant legal regulation. In the event that a notice is disclosed or published in different forms, the date of such notice shall be deemed to be the date of the first disclosure or publication.

Pursuant to the Act on Bonds, these Terms of Issue have been provided free of charge to the Bondholders at the Issuer's registered office on information medium that allows investors to reproduce the Terms of Issue in an unchanged form and save the Terms of Issue so that they can be used at least until the maturity day of the Bonds. The above also applies to any changes of the Terms of Issue and resolutions of the Bondholders meeting.

14. TAX ON BONDS IN CZECH REPUBLIC

Principal

Repayment of the nominal value of Bonds shall always be net of any deduction for tax or other fee, unless such tax or fee is mandated by the relevant legal regulations of the Czech Republic valid as at the day of such payment. If any such deduction for tax or fees is mandated by the relevant legal regulations of the Czech Republic effective as at the day of such payment, the Issuer shall not compensate the Bondholders for any such deductions for tax or fees.

Interest

Interest income paid to a natural person who is a Czech tax resident is subject to a 15% tax.

The interest income of a Bondholder who is a Czech tax resident or is not a Czech tax resident and at the same time does not do business in the Czech Republic through a permanent establishment is subject to withholding tax upon payment of interest. The withholding tax rate according to Czech tax regulations is 15%. If the recipient of interest income is a natural person who is not a Czech tax resident, does not achieve income through a permanent establishment in the Czech Republic and is not a tax resident of another EU Member State or another country forming the European Economic Area or a third country / jurisdiction with which the Czech Republic has a valid and effective international agreement on the avoidance of double taxation or an international agreement on the exchange of information in tax matters in the field of income taxes, including a multilateral international agreement, the withholding tax rate according to Czech tax regulations is 35 %. The above tax deduction represents the final taxation of income in the Czech Republic. In connection with the determination of the tax base for the application of withholding tax on interest on bonds, we would like to point out that the tax base and withheld tax on individual bonds are not rounded. The total amount of withheld tax for all Bonds owned by one Bondholder is rounded down to whole crowns.

The interest income paid to a legal person that is a Czech tax resident or is not a Czech tax resident and simultaneously conducts business in the Czech Republic through a permanent establishment is a part of the general tax base and is subject to a 19 % corporate income tax (2021).

Fiction of tax residence

The Issuer considers a natural person to be a tax resident of the country in which the natural person resides unless the natural person notifies and documents to the Issuer a different fact.

Profit/loss from sale

Profits from the sale of bonds made by a natural person who is a Czech tax resident, or who is not a Czech tax resident and also operates in the Czech Republic through a permanent establishment, or who is not a Czech tax resident and receives income from the sale of bonds from a buyer who is a Czech tax resident. resident or from a Czech permanent establishment of a buyer who is not a Czech tax resident are included in the general tax base for non-entrepreneurs or the general tax base for natural persons engaged in business, which have included these bonds in their business assets, and are subject to personal income tax. Income in the form of a positive difference between the nominal value of the bond paid at repayment and the issue price, as of 1 January 2021 is no longer a separate tax base for taxation at a special tax rate (as is generally the case for non-residents and resident individuals), but taxpayers are generally obliged state the difference between the nominal value of the bond upon repayment and the acquisition price in the tax return. From 1 January 2021, two personal income tax rates were introduced, namely 15% (for a part of the tax base up to 48 times the average wage, CZK 1,701,168 for 2021) and 23% (for a part of the tax base exceeding 48 times the average wage). Losses from the sale of bonds are generally non-tax deductible for non-business individuals, unless taxable gains on the sale of other securities are also recognized in the same tax period; in that case, losses from the sale of bonds may be offset against the amount of profits from the sale of other securities.

The legal entity, as the owner of the Bond, generally accounts for the proceeds and to the debit of the increase in the carrying amount of the security in accordance with the applicable accounting regulations on the accruing aliquot interest income. The accruing aliquot interest income is therefore continuously taxed within the general corporate tax base for 2021 at a tax rate of 19%. Gains from the sale of bonds to third parties or on maturity by the Issuer realized by a legal entity that is a Czech tax resident or who is not a Czech tax resident and also conducts business in the Czech Republic through a permanent establishment or which is not a Czech tax resident. a buyer who is a Czech tax resident or from a Czech permanent establishment of a buyer who is not a Czech tax resident are included in the general corporate income tax base and are subject to tax at a rate of 19% (for 2021). Losses from the sale of bonds are generally tax deductible for this category of persons.

Income from sale of Bonds of natural persons, where the Bond is not a part of the business assets of such person, can be exempt from income tax under certain conditions, if at least 3 years elapse between acquisition and sale of the Bonds. Income from sale of Bonds by natural persons can also be exempt from tax where business assets of such natural persons do not include the Bond, if taxpayer's income from the sale of securities and income from common funds pertaining to a unit certificate upon termination of a common fund does not exceed CZK 100,000 in aggregate in a tax period.

In case of sale of Bonds by the Bondholder who is not a Czech tax resident and simultaneously is not a tax resident of a Member State of the European Union or the European Economic Area, to a purchaser who is a Czech tax resident, or a person who is not a Czech tax resident and simultaneously conducts business in the Czech Republic through a permanent establishment and purchases Bonds which then form a part of business assets of such permanent establishment, the purchaser is generally obliged to secure income tax by deducting 1 % of such income at payment of the purchase price of such Bonds. The tax administrator may or may not consider the tax liability of the taxpayer (tax non-resident who is the seller in this case) fulfilled by the deduction according to the previous sentence. Nevertheless, the obligation to file a tax return according to the following sentence shall not expire. In this case, the seller is obliged to file a tax return in the Czech Republic, or the tax administrator may assess tax by the end of the period for assessment of tax. Deducted taxes are included in the total tax liability of the tax non-resident. Amount for securing tax is rounded up to whole CZK (2021).

In the case of resale of bonds by an owner - a natural person who is not a Czech tax resident, to an issuer who is a Czech tax resident or to an issuer who is not a Czech tax resident and who also does business in the Czech Republic through a permanent establishment or employs employees for longer than 183 days, the difference in resale between the resale price of the bond and the issue price when it is issued is subject to a withholding tax of 15%

A double taxation agreement between the Czech Republic and the country of residence of the Bondholder may exclude the taxation of profits from the sale of bonds in the Czech Republic or reduce the rate of any withholding tax or tax security. Entitlement to apply the tax regime provided for in a double taxation agreement may be made conditional on proof that the relevant double taxation agreement actually applies to the recipient of the payment.

15. GOVERNING LAW AND LANGUAGE

The rights and obligations arising from the Bonds shall be governed by and construed in accordance with the laws of the Czech Republic.

The Terms of Issue are in two identical versions, namely the Czech and English versions. In this case, if there is a discrepancy between the different language versions, the Czech version shall prevail.