

LETTER OF INTENT

PRIVATE & CONFIDENTIAL

Date: 1 March 2021

Addressee: NIPPON INVEST Ltd.
MFPR SHIBUYA, 1-2-5
Shibuya, Shibuya-ku
Tokyo, 150-0002
Japan

SUBJECT TO CONTRACT
(save as set out in clauses 4, 5, 8 and 9)

Dear Sirs,

ALPHA REAL s.r.o., with its registered office in Brno Veveří 77, Postal Code 602 00, Czech Republic, business ID No.: 290 55 130 (the "**Company**")

1. Introduction

1.1. The purpose of this letter is to set out the indicative terms on which, we, the company BOHEMIA INVEST a.s., with its registered office in Prague, Náměstí Curieových 7, Postal Code 110 00, Czech Republic, business ID No.: 290 00 111 (the "**Seller**"), are prepared, in principle, to accept an offer (the "**Offer**") from the company NIPPON INVEST Ltd., with its registered office in MFPR SHIBUYA, 1-2-5, Shibuya, Shibuya-ku, Tokyo, 150-0002, Japan, business ID No.: 35896210-000-08-15-3 (the "**Buyer**") to acquire the 75 % issued share capital of the Company (the "**Transaction**"). The Offer is to be effected through the Buyer itself with closing ("**Closing**") scheduled for 31 July 2019 subject to satisfactory due diligence and the provision of funding. For the purpose of this letter, "satisfactory" means that no liabilities of any nature whatsoever may be challenged by the Buyer which would be different from those existing in a company carrying out the same activity.

2. Purchase Price

- 2.1. Subject to the conditions set forth herein, the Purchase Price payable for the shares representing 75 % of the share capital of the Company amounts to CZK 300,000,000 (such amount having been calculated by reference to the audited accounts of the Company for the period ending 31 December 2018 using valuation methodologies including a multiple of the Company's turnover as at 31 December 2018 (the "**Initial Purchase Price**").
- 2.2. The Initial Purchase Price shall be adjusted on a period for period basis post-Closing to the extent that net assets of the Company as at Closing are higher than or lower than the net assets of the Company as at 31 December 2018 (the "**Net Assets Adjustments**").
- 2.3. Fifty per cent (50 %) of the Initial Purchase Price shall be payable to the Seller in cash at Closing. The balance, adjusted upwards or downwards depending on the Net Assets Adjustment aforesaid, shall be payable in cash to the Seller on the first anniversary of Closing.
- 2.4. The procedure for calculating the Net Assets Adjustment is set out in **Schedule [A]**.

3. Confirmation of timing

3.1. All Parties agree to use their reasonable endeavours to work in accordance with the detailed timetable shown in **Schedule [B]** of this letter with a view to completion of initial due diligence on 30 June 2019 and completion of the Transaction on 31 July 2019.

4. Exclusivity

4.1. In order to allow the Buyer to complete its due diligence and to move expeditiously toward a timely completion of the Transaction, the Seller agrees that it will (save as set out below) during the period (the "**Exclusivity Period**") from the date of this letter until the earlier of (i) 31 July 2019 and (ii)

the date on which the Buyer notifies to the Seller or its advisors in writing that it no longer wishes to continue negotiations in relation to the Transaction:

- a) not enter into, directly or indirectly, or continue discussions or negotiate with any person other than the Buyer regarding the sale of the share capital of the Company or any material part of the Company or substantially all of the business and assets of the Company and nor invite nor solicit any such discussions;
- b) not enter into any agreement or arrangement with any person other than the Buyer regarding the sale of the Company;
- c) not supply any information relating to the Company or its business to any prospective acquirer in connection with the sale of the Company other than to the Buyer; and
- d) procure compliance with this clause by the Company and each employee of the Company and each of its respective agents and professional advisers.

5. Costs and expenses

- 5.1. If at any time during the Exclusivity Period the Seller withdraw from negotiations and as a result the Transaction does not take place in circumstances where the Buyer is able and willing to proceed with the Transaction at the same price and on the same terms set out in this agreement, the Seller agree to pay all legal, tax, accounting and other third party professional fees and expenses, incurred by the Buyer in connection with the Transaction after the date of this letter, up to a maximum aggregate sum of CZK 1,000,000 (including VAT if applicable).
- 5.2. The Exclusivity Period shall come to an immediate end and, for the avoidance of doubt, no costs will be payable by the Seller if:
 - a) the Buyer proposes any reduction to the Purchase Price of CZK 300,000,000 or otherwise to alter the terms of the Transaction as set out in this letter in any way which is adverse to the interests of the Seller;
 - b) the Buyer withdraws from negotiations with the Seller or notifies the Seller that it has decided not to proceed with the Transaction; and
 - c) the Buyer does not comply with any requirement set out in the indicative timetable attached to this letter.

6. Due Diligence

- 6.1. The Buyer's appointed legal, tax and financial advisors will be given reasonable access to the management and records of the Company in order to carry out the due diligence. The Seller understand that, subject to agreement, the Buyer intends to instruct accountants to complete work on financial due diligence.
- 6.2. No contact will be made by or on behalf of the Buyer with any customers, management or employees of the Company without the prior consent of the Seller or their appointed representatives, which shall not be unreasonably withheld.

7. Conduct before Closing

- 7.1. The Seller acknowledge that it is its intention to continue to run the business of the Company in the ordinary course up to Closing.

8. Confidentiality

- 8.1. The maintaining of confidentiality throughout the sale process is a matter of paramount importance to the Seller. The Buyer acknowledges and confirms that the Non-disclosure Agreement signed by the Buyer on 1 February September 2019 shall remain in effect in accordance with its terms and is not affected by this letter. The Buyer confirms that each of its advisors agree to be bound by the terms of that agreement, and further acknowledges and confirms that it is liable for any breach by any of its advisors of the terms of the Non-disclosure Agreement.

9. Effect and Applicable Law

- 9.1. In consideration of the Parties continuing negotiations and incurring associated expenses in respect of the proposed Transaction the Parties agree that clause 4 (Exclusivity), clause 5 (Costs and expenses), clause 8 (Confidentiality) and clause 9 (Effect and Applicable Law) are intended to and shall constitute legally binding and enforceable obligations as between the Buyer and the Seller.
- 9.2. This document shall be governed by and construed in accordance with the Laws of Czech Republic. The Seller and the Buyer expressly waive the application of any other law which might be applicable.

10. Jurisdiction

10.1. Any dispute between the Parties that may arise under or relate to this letter, regarding its interpretation, validity, enforceability, performance, termination or rescission, will be submitted to the jurisdiction of the Courts of Czech Republic, expressly waiving any other jurisdiction that may be applicable.

11. Acceptance

11.1. If the terms and conditions in this letter are acceptable to you, please confirm your understanding and acceptance by signing in the space provided below, and returning to us a copy thereof.

Yours faithfully,

On behalf of: **BOHEMIA INVEST a.s.**

In Brno, Czech Republic, on 1 March 2021

Mr Josef Novák, on the basis of proxy

We hereby accept and agree with the foregoing terms and to be legally bound by clause 4 (Exclusivity), clause 5 (Costs and expenses), clause 8 (Confidentiality) and clause 9 (Effect and Applicable Law).

On behalf of: **NIPPON INVEST Ltd.**

In Brno, Czech Republic, on 1 March 2021

Mr Kiyomi Wada, the Chairman of the Board of Directors