

SALE OF PART OF THE ENTERPRISE OF LIBERTY OSTRAVA A.S.

PROCEDURAL LETTER – ENTERPRISE

Notice: This english translation of the Procedural Letter is for information purposes only. The Insolvency Administrator is not responsible for the content of this Procedural Letter. The english translations of the annexes to the Procedural Letter cannot be used for the purpose of submitting offers for the purchase of the Enterprise.

This procedural letter on the sale of a part of the enterprise of Liberty Ostrava a.s. (hereinafter referred to as the **“Procedural Letter”**) is published by:

TP Insolvence, v.o.s., Company ID No.: 032 96 636, with its registered office at Černokostelecká 281/7, Strašnice, 100 00 Prague 10, the insolvency administrator of **Liberty Ostrava a.s.**, Company ID No.: 451 93 258, with its registered office at Vratimovská 689/117, Kunčice, 719 00 Ostrava (hereinafter referred to as the **“Insolvency Administrator”**).

Whereas:

- (A) The Regional Court in Ostrava (hereinafter referred to as the **“Insolvency Court”**) is conducting insolvency proceedings with respect to the property of **Liberty Ostrava a.s.**, Company ID No.: 451 93 258, with its registered office at Vratimovská 689/117, Kunčice, 719 00 Ostrava (hereinafter referred to as the **“Debtor”**), under File No. KSOS 37 INS 10270/2024 (hereinafter referred to as the **“Insolvency Proceedings”**);
- (B) By Ruling of the Regional Court in Ostrava of 21 June 2024, Ref. No. KSOS 37 INS 10270/2024-A-25, the insolvency of the Debtor was established on the basis of the insolvency petition of the Debtor and the Insolvency Administrator was appointed to perform its duties;
- (C) By Ruling of the Regional Court in Ostrava of 4 December 2024, Ref. No. KSOS 37 INS 10270/2024-B-347, the Debtor’s assets were declared bankrupt;
- (D) The Insolvency Administrator, as the entity with dispositive power over the Debtor’s assets, is proceeding with the sale of a part of the Debtor’s enterprise, defined below as the Enterprise (hereinafter referred to as the **“Transaction”**), and the related disclosure of details regarding the sale process and the submission of binding tenders;
- (E) The Transaction will be carried out by sale outside of an auction in accordance with Section 289 of Act No. 182/2006 Coll., on bankruptcy and methods of its resolution, as amended (hereinafter referred to as the **“Insolvency Act”**), in accordance with the resolution of the Debtor’s creditors’ meeting of 29 November 2024, with the approval of the creditors’ committee of 31 January 2025, based on the instructions of the secured creditors and in accordance with the rules set out in the Insolvency Act and this Procedural Letter;

The Insolvency Administrator hereby invites you to participate in the tender procedure for the sale of a part of the Debtor’s enterprise as specified below (hereinafter referred to as the **“Tender Procedure”**) and to this end publishes the following uniform binding terms and conditions of the Tender Procedure, including the annexes attached thereto (hereinafter referred to as the **“Terms and Conditions”**).

1. Time Schedule of the Transaction

- 1.1 Unless otherwise specified below, the steps specified below will be carried out as part of the Transaction. The parameters of each step of the Transaction, including the time schedule in Central European Time (CET), are described below.

Individual steps within the Transaction	Date:
Expression of interest in participating in the Tender Procedure, signing of the Confidentiality Agreement and payment of the First Portion of the Security	12 February 2025 – 7 April 2025
Opening of a Digital (Virtual) Data Room (VDR) with the Transaction Documentation, including documents for legal and financial due diligence of the interested parties	Individually according to the expression of interest in participating in the Tender Procedure, signing of the Confidentiality Agreement and payment of the First Portion of the Security, but not earlier than 12 February 2025
Deadline for comments on the Transaction Documentation	12 February 2025 – 7 April 2025
Publication of the final version of the Transaction Documentation	15 April 2025
Personal inspections of the Debtor's premises	17 February 2025 – 17 March 2025
Management presentations	1 March 2025 – 17 March 2025
Deadline for submission of Binding Tenders for Round 1 of the Tender Procedure and for payment of the Second Portion of the Security	16 April 2025 – 23 April 2025
Announcement of the results of Round 1 of the Tender Procedure	by 25 April 2025
Round 2 of the Tender Procedure	To be specified (to be held no later than 3 weeks after the announcement of the results of Round 1 of the Tender Procedure)
Announcement of the results of Round 2 of the Tender Procedure and the deadline for payment of the Third Portion of the Security	To be specified and to take place immediately after Round 2 of the Tender Procedure
Preparation of a notification of a concentration of undertakings to the European Commission (Commission) or a proposal to initiate a procedure for the concentration approval by the Office for the Protection of Competition (OPC)	Immediately after the announcement of the results of Round 2 of the Tender Procedure, or the announcement of the winner of the Tender Procedure
Payment of the Purchase Price, possibly increased in Round 2 of the Tender Procedure	According to the decision of the Commission or the OPC on the approval of the concentration of undertakings; <u>and at the same time</u> on the basis of a written request from the Insolvency Administrator

Publication of information on the deposit of the enterprise purchase document in the collection of documents of the Commercial Register and publication of information on the purchase of the enterprise in the Commercial Bulletin	According to the payment of the Purchase Price, possibly increased in Round 2 of the Tender Procedure
Handover of the enterprise	According to the disclosure of the deposit of the Enterprise purchase document in the collection of documents with respect to the buyer

2. Object of the Tender Procedure

- 2.1 The Debtor's enterprise is listed in the inventory of assets dated 18 October 2024, published in the Insolvency Register in the Insolvency Proceedings under No. B-258, under "V. Other assets", under item no. 1, as amended.
- 2.2 The object of the Tender Procedure is the Debtor's enterprise excluding items to be listed via the Digital (Virtual) Data Room (VDR) (hereinafter referred to as the "**Excluded Items**"; the portion of the Debtor's enterprise being sold without the Excluded Items is hereinafter referred to as the "**Enterprise**").
- 2.3 Within the meaning of Section 2175 et seq. of Act No. 89/2012 Coll., the Civil Code, as amended (hereinafter referred to as the "**Civil Code**"), the Enterprise constitutes an organised set of assets created by the Debtor and used for the operation of its business, including everything belonging to the Enterprise as a whole, except for the Excluded Items. The Insolvency Administrator reserves the ability to unilaterally adjust the scope of the Excluded Items during the Tender Procedure; the extent of such adjustments made after the commencement of the period for the submission of Binding Tenders, as that term is defined below, will not materially affect the value of the Enterprise.
- 2.4 The Enterprise consists of:
- a) The Main Plant – i.e., everything outside the Coking Plant that falls within the Enterprise under paragraph 2.2 of this Procedural Letter (hereinafter referred to as the "**Main Plant**"). A more detailed definition of the Main Plant will be provided to interested parties in accordance with paragraph 4.2 b) of this Procedural Letter;
 - b) The Coking Plant, which is represented by Plant 10 according to the Debtor's internal organisational structure and the detailed description of which will be included in the Transaction Documentation shared through the VDR (hereinafter referred to as the "**Coking Plant**").

The Main Plant and the Coking Plant together form the Enterprise.

- 2.5 The Insolvency Administrator stipulates in these Terms and Conditions that interested parties are entitled (but not obliged) to exclude their interest in the purchase of the Coking Plant in the Binding Tender, i.e., to express an interest solely in the purchase of the Main Plant (without the Coking Plant). For the avoidance of doubt, interested parties do not have the option in the Binding Tender to express an interest solely in the purchase of the Coking Plant (see Article 5 of this Procedural Letter for further details).
- 2.6 For the avoidance of all doubt, it is hereby stated that interested parties are obliged to state in the Binding Tender, as that term is defined below, one specific amount of the purchase price (the tender price) which they offer for the purchase of the Enterprise (i.e., including the Coking

Plant) or the Main Plant (i.e., excluding the Coking Plant) according to the choice made in the Binding Tender submitted by them. For the avoidance of doubt, it is noted that the exclusion of interest in the purchase of the Coking Plant has no effect on the obligation of an interested party to include a single tender price in the Binding Tender.

- 2.7 If an interested party participates in Round 2 of the Tender Procedure in accordance with this Procedural Letter, it shall be entitled, at its sole discretion, to change its expressed interest in the purchase of the Enterprise (including the Coking Plant) or its excluded interest in the purchase of the Coking Plant stated in the Binding Tender, as that term is defined below, submitted in Round 1 of the Tender Procedure.

3. Tender Procedure and the Conditions Thereof

- 3.1 The Tender Procedure consists of two rounds. In the first round, Tenderers, as that term is defined below, shall submit written binding tenders and, in the second round, a designated number of them shall be allowed to bid the tender price.

- 3.2 An interested party who wishes to participate in the Tender Procedure shall comply, **no later than 7 April 2025**, with all the conditions for participation in the Tender Procedure pursuant to this Article 3 of the Procedural Letter, including the payment of the First Portion of the Security, as that term is defined below.

- 3.3 In order to enable participation in the Tender Procedure, the Insolvency Administrator must receive the following documents filled in with the relevant details and signed by persons authorised to act on behalf of the interested party in the Tender Procedure:

- a) Application for participation in the Tender Procedure, which is attached as **Annex 1** to this Procedural Letter (hereinafter referred to as the “**Application**”);
- b) An affidavit of the interested party on fulfilment of the conditions for participation in the Tender Procedure, which is attached as **Annex 2** to this Procedural Letter (hereinafter referred to as the “**Affidavit**”);
- c) Two original counterparts of the completed confidentiality agreement attached as **Annex 3** to this Procedural Letter (hereinafter referred to as the “**Confidentiality Agreement**”);
- d) Two original counterparts of the completed Security Agreement attached as **Annex 4** to this Procedural Letter (hereinafter referred to as the “**Security Agreement**”);

all in printed written form to the address of the Insolvency Administrator, in an original in an opaque, sealed and undamaged envelope. The envelope shall bear the interested party’s business name/first name and surname and address and will prominently display the text “***Liberty Ostrava – Expression of Interest – Enterprise***” below this identification. The envelope will be sealed or similarly tamper-proof (e.g., with an adhesive label and the interested party’s signature over it).

- 3.4 A company within the meaning of Section 2716 et seq. of the Civil Code is entitled to participate in the Tender Procedure whereby two persons join together by agreement as partners for the joint purpose of acquiring the Enterprise, so that one person from the company seeks to acquire the Main Plant and the other person from the company seeks to acquire the Coking Plant. The Application must make it clear which of the persons in the company is seeking to acquire the Main Plant and which of the persons in the company is seeking to acquire the Coking Plant. A company within the meaning of Section 2716 et seq. of the Civil Code is entitled to participate in the Tender Procedure only on the condition that the joined persons seek to acquire the entire Enterprise as set forth in this paragraph. The following applies to a company within the meaning of Section 2716 et seq. of the Civil Code:

- a) Both members of the company are obliged to take all legal actions relating to the Tender Procedure together and are obliged to bind themselves jointly and severally in the Tender Procedure, which means, among other things, that both members of the company will always be a party to all documentation (except for the Purchase Agreement and the Updated Purchase Agreement, as those terms are defined below);
 - b) Both members of the company are required to comply with the conditions of participation set out in the Affidavit;
 - c) Both members of the company are required to submit all documents required of the interested parties or Tenderers, as that term is defined below, in the Tender Procedure;
 - d) If the persons elect to participate in the Tender Procedure as part of a company within the meaning of Section 2716 et seq. of the Civil Code, they are required to notify the Insolvency Administrator in writing no later than 14 March 2025 for the purpose of preparing the relevant modification to the Transaction Documentation (as defined below);
 - e) If the Tender Procedure is to be participated in by a company as an association of two persons, the Insolvency Administrator shall publish a separate purchase agreement for the purchase of the Coking Plant (hereinafter referred to as the **“Coking Plant Purchase Agreement”**), to which all the provisions herein applicable to the Purchase Agreement (as defined below) shall apply *mutatis mutandis*;
 - f) The company shall specify in the Binding Tender (as defined below) one specific amount of the total Purchase Price (as defined below); furthermore, the Binding Tender shall specify the proposed purchase price for the Main Plant and the proposed purchase price for the Coking Plant. The amount of the purchase price for the Main Plant and the amount of the purchase price for the Coking Plant shall be stated out of the total bid amount **solely in the ratio to be published by the Insolvency Administrator in the VDR [will be determined by an expert opinion]**; and
 - g) The Security paid shall be used in full to pay the purchase price for the Main Plant.
- 3.5 In order to be able to participate in the Tender Procedure, the interested party is also obliged to deposit the first portion of the cash security in the amount of **CZK 50,000,000** (in words: fifty million Czech crowns) (hereinafter referred to as the **“First Portion of the Security”**) in accordance with the concluded Security Agreement.
- 3.6 An interested party who fails to comply in due and timely manner with all the conditions for participation in the Tender Procedure pursuant to this Article 3 of the Procedural Letter may be allowed by the Insolvency Administrator, after consultation with the creditors’ committee and the secured creditors, to participate in the Tender Procedure at its discretion if such action is in the interest of the outcome of the Tender Procedure.
- 3.7 Interested parties who have fulfilled the conditions for participation in the Tender Procedure pursuant to Article 3 of this Procedural Letter and interested parties who are allowed by the Insolvency Administrator to participate in the Tender Procedure pursuant to paragraph 3.6 of this Procedural Letter shall become participants in the Tender Procedure (hereinafter referred to as the **“Tenderer”**).
- 3.8 An interested party becomes a Tenderer on the date of delivery of the Insolvency Administrator’s notification pursuant to paragraph 4.2 a) of this Procedural Letter.
- 3.9 For the avoidance of doubt, it is hereby declared that an interested party cannot become a Tenderer in any event without depositing the First Portion of the Security in accordance with this Procedural Letter and the Security Agreement.

4. Preparatory Phase before Submission of Binding Tenders

- 4.1 The preparatory phase prior to the submission of a Binding Tender, as that term is defined below, runs from **12 February 2025 to 7 April 2025, until 2:00 p.m. (CET)**.
- 4.2 The Insolvency Administrator will deliver the following to the Tenderers in accordance with the time schedule set out in paragraph 1.1 of this Procedural Letter:
- a) Notification by the Insolvency Administrator that the interested party has become a Tenderer; and
 - b) Access details to the VDR through which the Tenderers will be provided with access to information and documentation relating to the Enterprise and contractual documentation for the Transaction (hereinafter referred to as the “**Transaction Documentation**”), unless otherwise specified below. The access details will be sent in accordance with the Confidentiality Agreement to Tenderers and members of the Tenderer’s group, members of their bodies and management, and their advisors bound by confidentiality obligations to the same extent as the Tenderer; a list of these persons will be provided by the Tenderer before the access details to the VDR are sent to them.
- 4.3 By providing any information in this Procedural Letter, or by following the procedure set out in paragraph 4.2 b) of this Procedural Letter, the Insolvency Administrator makes no representations or warranties regarding the Enterprise. The Tenderers are required to independently (notwithstanding any information provided by the Insolvency Administrator) assess the Enterprise and may (and should) undertake their own due diligence of the Enterprise for this purpose.
- 4.4 The Insolvency Administrator is prepared to:
- a) Receive, through the VDR or as otherwise determined in advance by the Insolvency Administrator, enquiries from Tenderers regarding the Enterprise and the Transaction Documentation, which the Insolvency Administrator shall answer through the VDR in its absolute discretion; and
 - b) Allow the Tenderers to have a personal tour of the Enterprise together with a personal (or online) meeting with the Debtor’s management (management presentation) in the period between **1 March 2025 and 17 March 2025** on one of the dates offered in advance. The Tenderer is obliged to limit the list of participants of the personal tour to a maximum of 15 persons, whose list indicating their relationship to the Tenderer it is obliged to send to the Insolvency Administrator no later than 3 business days before the date of the personal tour. The participation of the proposed persons is subject to the consent of the Insolvency Administrator.
- 4.5 The Tenderer is entitled to submit comments on the Transaction Documentation through the VDR, **no later than 7 April 2025**.
- 4.6 The acceptance of comments on the Transaction Documentation and the limitation of the maximum number of comments per Tenderer is at the sole discretion of the Insolvency Administrator. For the avoidance of doubt, it is noted that the Insolvency Administrator may accept or reject any comments that are not submitted to the Insolvency Administrator in time entirely at its discretion, or does not have to deal with them at all.
- 4.7 The Insolvency Administrator will publish the final version of the Transaction Documentation, or information that no changes have been made to it, via the VDR no later than **15 April 2025**.

5. Submission of Binding Tenders and Consents of Authorised Entities

5.1 A Tenderer interested in purchasing the Enterprise (including the Coking Plant) or the Main Plant (excluding the Coking Plant) shall duly and timely deliver to the Insolvency Administrator a binding tender for the Enterprise and/or the Main Plant in accordance with this Procedural Letter (hereinafter referred to as the “**Binding Tender**”), and shall duly and timely comply with all of the conditions for the submission of the Binding Tender pursuant to this Article 5 of the Procedural Letter, including the payment of the Second Portion of the Security, as that term is defined below, **no later than 23 April 2025, by 2:00 p.m. (CET).**

5.2 **For the avoidance of doubt, it is noted that:**

- a) **It is possible to submit a Binding Tender excluding interest in the purchase of the Coking Plant (i.e., it is possible to express interest in the purchase of the Main Plant only);**
- c) **It is not possible to submit a Binding Tender excluding interest in the purchase of the Main Plant (i.e., it is not possible to express interest exclusively in the purchase of the Coking Plant);**
- d) **A single specific tender price must be quoted for the purchase of the Enterprise and/or the Main Plant in accordance with the submitted Binding Tender;**
- e) **The exclusion of interest in the purchase of the Coking Plant or the expression of interest in the purchase of the Enterprise (including the Coking Plant) shall have no effect on the obligation to state one specific tender price in the Binding Tender; and at the same time**
- f) **In Round 2 of the Tender Procedure, it is possible to change the expressed interest in the purchase of the Enterprise (including the Coking Plant) or to exclude the interest in the purchase of the Coking Plant stated in the Binding Tender in Round 1 of the Tender Procedure.**

5.3 The Tenderer is obliged to provide the following information in the Binding Tender:

- a) **Description of the Tenderer:**
 - (i) Identification of the Tenderer and a description of its activities;
 - (ii) Description of the property and organisational structure;
 - (iii) Identification of the members or shareholders, including the beneficial owner; and
 - (iv) The contact details of the persons to whom all enquiries concerning the Binding Tender and the Tender Procedure will be addressed, namely the address(es) for email communication and the address(es) for delivery by postal services.
- b) **Binding nature of the tender and the Draft Purchase Agreement:**
 - (i) The unconditional and irrevocable nature of the Binding Tender, unless otherwise specified below;
 - (ii) An express statement that the Tenderer is interested solely in the purchase of the Main Plant (and therefore submits a Binding Tender excluding interest in the purchase of the Coking Plant) **or** an express statement that the Tenderer is interested in the purchase of the Enterprise (and therefore submits a Binding Tender for the entire Enterprise, including the Coking Plant);

- (iii) One specific amount of the purchase price that the Tenderer is prepared to pay for the purchase of the Enterprise and/or the Main Plant pursuant to the Binding Tender submitted by the Tenderer, being the amount of the initial purchase price (before any adjustment based on the selected parameters under the Purchase Agreement or the Updated Purchase Agreement, as defined below) (hereinafter referred to as the “**Purchase Price**”). The fact that the Tenderer is interested in the purchase of the Enterprise (i.e., the Main Plant and the Coking Plant) does not affect its obligation to indicate a single amount of the Purchase Price in the Binding Tender (i.e., the Tenderer is not entitled to indicate two amounts of the Purchase Price for the Main Plant and the Coking Plant);
- (iv) Four copies of the final draft agreement for the purchase of the Main Plant with the Coking Plant listed in the Excluded Items in the Annex to the Draft Purchase Agreement or for the purchase of the Enterprise without the Coking Plant listed in the Excluded Items in the Annex to the Draft Purchase Agreement (hereinafter referred to as the “**Purchase Agreement**”), supplemented only by the Tenderer’s identification data and the Purchase Price. Any further additions and modifications to the Purchase Agreement and the setting out of additional terms and conditions in any way relating to or connected with the same shall be deemed to be unwritten. All counterparts of the Purchase Agreement must be signed by the person(s) authorised to represent the Tenderer in the Tender Procedure (in the case of foreign legal entities, this authorisation must be evidenced by appropriate official documents); the authenticity of the signatures must be officially authenticated; and
- (v) **If the Tenderer is interested in participating in the Tender Procedure as part of a company pursuant to paragraph 3.4 of this Procedural Letter** – Four copies of the final version of the Draft Coking Plant Purchase Agreement, in the event that the Tender Procedure will be participated in by a company pursuant to Section 2716 et seq. of the Civil Code as an association of two persons; the Draft Coking Plant Purchase Agreement will be supplemented solely by the identification data of the Tenderer and the purchase price of the Coking Plant. Any further additions and modifications to the Coking Plant Purchase Agreement and the setting out of additional terms and conditions in any way relating to or connected with the same shall be deemed to be unwritten. All counterparts of the Coking Plant Purchase Agreement must be signed by the person(s) authorised to represent the Tenderer in the Tender Procedure (in the case of foreign legal entities, this authorisation must be evidenced by appropriate official documents); the authenticity of the signatures must be officially authenticated.

c) Financing:

- (i) The manner in which the Tenderer intends to finance the Transaction, i.e., whether the Tenderer will finance the Transaction solely from its own resources, a combination of its own and external resources or solely from external resources;
- (ii) In the case of financing the Transaction with a combination of own and external resources, the Tenderer is obliged to indicate their expected ratio and the stage of communication with the financing party; in the case of financing the Transaction with external resources only, the Tenderer is obliged to indicate the stage of communication with the financing party; and

- (iii) Confirmation that the Tenderer has, or reasonably expects to have, sufficient funds to complete the Transaction based on the use of external financing, including the origin of such funds. The obligation to provide confirmation of a reasonable expectation of sufficient funds shall be deemed fulfilled by the Tenderer by providing evidence that it is in relevant negotiations to secure such external financing. The Insolvency Administrator is entitled to require the Tenderer to demonstrate the availability of funds necessary to complete the Transaction. For the avoidance of doubt, it is emphasised that the Binding Tender cannot be conditional on the receipt of financing for the Transaction. It is at the sole discretion of the Insolvency Administrator to assess whether the confirmation submitted by the Tenderer meets the conditions set out in this clause.

d) Terms and conditions of the Transaction and consents of the authorised entities:

- (i) A list of necessary internal and external approvals and legal requirements that could affect the Tenderer's ability to complete the Transaction; and
- (ii) Confirmation that the Tenderer has secured and obtained all necessary internal and external approvals and consents required for the submission of the Binding Tender;

e) Miscellaneous:

- (i) Confirmation that the Tenderer has been afforded the opportunity by the Insolvency Administrator to complete a due diligence review of the Enterprise to the extent that it anticipated conducting such a due diligence review prior to the execution of the Purchase Agreement and in relation to any specific issues the Tenderer considers to be key issues and that it wished to address in the due diligence; and
- (ii) Any other information that the Tenderer considers relevant and that the Insolvency Administrator should consider in evaluating the Binding Tenders.

- 5.4 The Tenderer is obliged to deliver the Binding Tender in printed written form to the address of the notary **JUDr. Lucie Vaňková, Václavská 316/12, Prague 2 – Nové Město, postal code: 120 00** in a single original copy, in an opaque, sealed and undamaged envelope. The envelope shall bear the Tenderer's business name/first name and surname and address and will prominently display the text "***Liberty Ostrava – Binding Tender – Enterprise***" below this identification. The envelope will be sealed or similarly tamper-proof (e.g., with an adhesive label and the Tenderer's signature over it). The tender can be delivered by postal carrier or in person during the office hours of the notary's office, which are published on the notary's website.
- 5.5 The Tenderer is also obliged to deposit the second portion of the security in the amount of **CZK 200,000,000** (in words: two hundred million Czech crowns) (hereinafter referred to as the "**Second Portion of the Security**") in accordance with the concluded Security Agreement.
- 5.6 Unless otherwise specified below, the Tenderer shall be bound by the Binding Tender submitted by it until payment of the full Purchase Price by the winning Tenderer whose Binding Tender is selected by the Insolvency Administrator, but **not beyond 30 June 2025**.
- 5.7 For the avoidance of doubt, it is hereby determined that the payment of the Second Portion of the Security in accordance with this Procedural Letter and the Security Agreement is a precondition for the due and timely fulfilment of the requirements for the submission of the Binding Tender.

- 5.8 For the avoidance of doubt, it is noted that, in the Tender Procedure, the Enterprise cannot be provided to the Tenderer as security for the Tenderer's performance of any obligation to a third party that provides financing to the Tenderer for the purpose of payment of the Purchase Price.
- 5.9 The Tenderer acknowledges that, in order to complete the Transaction (monetisation of the Enterprise), it will be necessary to obtain the approval of the Insolvency Court, the Debtor's creditors' committee and, at the same time, the instructions of the secured creditors.
- 6. Evaluation of Binding Tenders**
- 6.1 Tenderers will be notified of the outcome of Round 1 of the Tender Procedure **no later than 25 April 2025**.
- 6.2 The opening of the envelopes containing the Binding Tenders will be carried out by the Insolvency Administrator in the presence of the notary, the Debtor's creditors' committee (or its representative) and the secured creditors, if any, no later than on the following business day after the date set out in paragraph 5.1 of this Procedural Letter.
- 6.3 After notifying the Tenderers of the result of Round 1 of the Tender Procedure according to paragraph 6.1 of this Procedural Letter, the Insolvency Administrator will organise Round 2 to increase the Binding Tenders, in which no more than three Tenderers who submitted the highest Binding Tenders will have the opportunity to increase their offers of the Purchase Price, **and at the same time** the opportunity to change the Binding Tenders submitted by them in Round 1 of the Tender Procedure to the extent that they will be able to change their previously expressed interest in the purchase of the Enterprise (including the Coking Plant) or their previously excluded interest in the purchase of the Coking Plant.
- 6.4 Therefore, the Tenderer is entitled to change its Binding Tender in Round 2 of the Tender Procedure only to the extent of: (i) an increase in its offer of the Purchase Price made in Round 1 of the Tender Procedure; and/or (ii) a change in its previously expressed interest in the purchase of the Enterprise (including the Coking Plant) or its previously excluded interest in the purchase of the Coking Plant.
- 6.5 The specific terms and conditions for the conduct of Round 2 to increase the Binding Tenders will be communicated well in advance to the Tenderers who will be invited to participate in accordance with paragraph 6.3 of this Procedural Letter.
- 6.6 The Insolvency Administrator, together with the Debtor's creditors' committee and the secured creditors, will evaluate the Binding Tenders in accordance with the rules pursuant to the Insolvency Act.
- 6.7 The Insolvency Administrator shall be entitled to select as the winning tender also a Binding Tender submitted in Round 1 of the Tender Procedure if the Tenderer who has advanced to Round 2 of the Tender Procedure does not submit any Binding Tender in that round, or if any of the Tenderers fails to fulfil any of its obligations arising from its participation in Round 2 of the Tender Procedure.
- 6.8 The Insolvency Administrator reserves the right not to select any winning Binding Tender.
- 6.9 In assessing the Binding Tenders, the Insolvency Administrator shall take into account, in particular:
- a) The proposed amount of the Purchase Price;
 - b) The overall effect of the Binding Tender with respect to the Debtor's assets; and

- c) The Tenderer's ability to pay the proposed Purchase Price and settle the Transaction in the shortest possible time and with maximum certainty.
- 6.10 The winning Tenderer who makes the highest bid in Round 2 of the Tender Procedure shall be required by the Insolvency Administrator, promptly after the conclusion of Round 2 of the Tender Procedure, to submit within ten (10) days of the date of receipt of the request:
- a) An updated version of the Purchase Agreement reflecting its highest bid in Round 2 of the Tender Procedure (hereinafter referred to as the “**Updated Purchase Agreement**”); the rules set forth in paragraph 5.3 b) (iv) of this Procedural Letter shall apply to its execution; and, at the same time
 - b) A declaration that the Tenderer has sufficient funds reflecting its highest bid in Round 2 of the Tender Procedure pursuant to the Updated Purchase Agreement.
- 6.11 The winning Tenderer is further obliged to pay the third portion of the security in the amount of CZK 250,000,000 (in words: two hundred and fifty million Czech crowns) (hereinafter referred to as the “Third Portion of the Security”; the First Portion of the Security, the Second Portion of the Security and the Third Portion of the Security shall hereinafter be collectively referred to as the “Security”) within the time limit set out in paragraph 6.10 of this Procedural Letter in accordance with the concluded Security Agreement.
- 6.12 For the avoidance of doubt, it is hereby determined that the payment of the Third Portion of the Security in accordance with this Procedural Letter and the Security Agreement is a precondition for the conclusion of the Updated Purchase Agreement by the Insolvency Administrator.
- 6.13 If the winning Tenderer fails to timely comply with any of the obligations set forth in paragraphs 6.10 and/or 6.11 of this Procedural Letter:
- a) It will be grounds for its exclusion from the Tender Procedure. In such a case, the Insolvency Administrator may declare the submitter of the second highest bid to be the winning Tenderer and, if applicable, the submitter of the third highest bid; and at the same time
 - b) The Insolvency Administrator may, in its sole discretion, notify such Tenderer that the First Portion of the Security and the Second Portion of the Security deposited by the Tenderer to date shall be forfeited to the Debtor's assets pursuant to the Security Agreement.
- 6.14 The Insolvency Administrator shall conclude the Updated Purchase Agreement without official signature authentication and shall forward a copy of the Updated Purchase Agreement to the winning Tenderer. The original Updated Purchase Agreement with an officially authenticated signature of the Insolvency Administrator will be received by the winning Tenderer only after payment of the Purchase Price. The adjustment under this Article of the Procedural Letter shall apply equally to the Purchase Agreement in the event of the procedure under paragraph 6.7 of this Procedural Letter.
- 6.15 The Tenderer whose Binding Tender will be selected by the Insolvency Administrator as the winning tender and which meets the conditions under which it is necessary, for the concentration of undertakings, to seek the permission of the OPC pursuant to Act No. 143/2001 Coll., on the protection of competition, as amended, or pursuant to a Commission decision declaring the concentration compatible with the common market under Council Regulation (EC) No 139/2004 of 20 January 2004 on the control of concentrations between undertakings, shall be obliged to submit, without undue delay after the announcement of the evaluation of the Binding Tenders, together with the Insolvency Administrator, a (simplified) proposal addressed to the OPC to initiate proceedings for the authorisation of the concentration of undertakings or to notify the Commission of the concentration of undertakings.

6.16 The Tenderer:

- a) Whose Binding Tender is selected by the Insolvency Administrator as the winning tender;
- b) Who complies with all of the obligations set forth in paragraphs 6.10 and 6.11 of this Procedural Letter; and at the same time
- c) With respect to whose Binding Tender the OPC finally decides on the approval of the concentration of undertakings, or that such concentration is not subject to approval, or on a fiction of approval of the concentration of undertakings, or the Commission issues a decision declaring the concentration compatible with the common market or a fiction of compatibility of the concentration with the common market;

shall be obliged to pay the Purchase Price according to the Binding Tender submitted by the Tenderer [possibly adjusted on the basis of the selected parameters according to the Updated Purchase Agreement according to paragraph 5.3 b) (iii) of this Procedural Letter] less the Security deposited within the time limit according to the Updated Purchase Agreement.

6.17 In the event that a Tenderer who becomes obliged to pay the Purchase Price pursuant to paragraph 6.16 of this Procedural Letter breaches its obligation to pay the Purchase Price proposed by it less the Security within the time limit specified in paragraph 6.16 of this Procedural Letter (as per the Updated Purchase Agreement), the Insolvency Administrator may, in its sole discretion:

- a) Notify such Tenderer that the Security deposited by it shall be forfeited to the Debtor's assets pursuant to the Security Agreement;
- b) Exclude that Tenderer from the Tender Procedure; and/or
- c) Select the Binding Tender of another Tenderer and settle the Transaction with that Tenderer in accordance with this Procedural Letter.

7. Miscellaneous Provisions

- 7.1 All documents pursuant to this Procedural Letter and its annexes to be signed by the interested party and the Tenderer in connection with participation in the Tender Procedure and submission of the Binding Tender must be **signed by persons authorised to act on behalf of the interested party and the Tenderer, with the signatures to be officially authenticated**. If such authorisation cannot be verified in the Czech or Slovak Commercial Register, the interested party and the Tenderer shall be obliged to prove the authorisation to act by another document with the validity of the original (e.g., similar publicly accessible register, power of attorney, etc.). If the document is in a language other than Czech, Slovak or English, the interested party and the Tenderer are obliged to submit the document with an apostille clause and an official translation into Czech.
- 7.2 All documents proving the authorisation to act on behalf of the interested party and the Tenderer must be attached to the Application and Binding Tender.
- 7.3 The treatment of the Transaction Documentation, as well as other documents and information contained in the VDR and any related documents is governed by the Confidentiality Agreement attached as Annex 3 to this Procedural Letter.
- 7.4 This Procedural Letter and the Terms and Conditions, including any non-contractual obligations arising out of or in connection with this Procedural Letter, shall be governed by and construed in accordance with Czech law. The general courts of the Czech Republic shall have jurisdiction to hear and determine any action, dispute, claim or proceedings arising out of or relating to this

Procedural Letter (including non-contractual obligations arising out of or relating to this Procedural Letter).

- 7.5 Unless the context of this Procedural Letter indicates otherwise, words in the singular include the plural and vice versa, and one gender includes all other genders.
- 7.6 This Procedural Letter does not constitute a proposal for the conclusion of an agreement pursuant to Section 1731 of the Civil Code, a public call for tenders pursuant to Section 1772 et seq. of the Civil Code or a public offer for the conclusion of an agreement pursuant to Section 1780 et seq. of the Civil Code.
- 7.7 The Insolvency Administrator is entitled to amend this Procedural Letter or the Terms and Conditions of the Tender Procedure at any time, as well as to suspend, terminate or cancel the Tender Procedure at any time, at its own discretion, on the instructions of the Insolvency Court, the creditors' committee or the secured creditors.
- 7.8 The Insolvency Administrator shall be entitled to exclude from the Tender Procedure any interested party or Tenderer who:
- a) Makes a false statement or representation in any document delivered to the Insolvency Administrator;
 - b) Ceases to meet the conditions for participation in the Tender Procedure;
 - c) Otherwise breaches the Terms and Conditions of the Tender Procedure, and/or
- The Insolvency Administrator is entitled to exclude any interested party or Tenderer from the Tender Procedure at its discretion made in accordance with Section 5 of the Insolvency Act.
- 7.9 An interested party or Tenderer who ceases to meet the conditions of the Tender Procedure is obliged to inform the Insolvency Administrator thereof in writing without delay, but no later than within three (3) days of the date on which it becomes aware of such fact.
- 7.10 Paragraphs 7.8 and 7.9 of this Procedural Letter apply mutatis mutandis to a representative acting on behalf of the interested party or Tenderer under a power of attorney and other authorisation.
- 7.11 Amendments to this Procedural Letter or the Terms and Conditions of the Tender Procedure will be (i) notified to interested parties and Tenderers in the Tender Procedure, depending on the stage in which the Tender Procedure is at the date of such amendment; (ii) published in the Insolvency Register on file in the Insolvency Proceedings; and (iii) announced on the Debtor's website.
- 7.12 All costs associated with participation in the Tender Procedure shall be borne in full by the interested parties and Tenderers who incur such costs. The suspension, termination or cancellation of the Tender Procedure by the Insolvency Administrator shall not affect this obligation in any way. This also applies to changes to the Terms and Conditions of the Tender Procedure and any other changes to the Tender Procedure.
- 7.13 The Insolvency Administrator shall not be liable for any fees and expenses incurred by the interested parties and Tenderers or their advisors in connection with the Transaction. By participating in the Tender Procedure, the person waives any claims against the Insolvency Administrator and the Debtor on account of any pre-contractual liability.
- 7.14 Unless this Procedural Letter provides otherwise, all documents pursuant to this Procedural Letter and its annexes to be signed and submitted by the interested party and the Tenderer in connection with participation in the Tender Procedure and submission of the Binding Tender

must be submitted in **Czech**. In order to facilitate the orientation of interested parties and Tenderers, documents pursuant to this Procedural Letter and its annexes may be made available by the Insolvency Administrator in English. Such translations are for information purposes only and therefore documents published in English cannot be used to fulfil the obligations under the Tender Procedure.

- 7.15 Except as otherwise provided in this Procedural Letter, all communications regarding the Tender Procedure and the Transaction will be addressed by email to the Insolvency Administrator, to the attention of Šimon Peták, to: liberty@tpinsolvence.cz.
- 7.16 If in this Procedural Letter the Insolvency Administrator is expected to act in relation to interested parties and Tenderers, the economic advisors PricewaterhouseCoopers Česká republika, s.r.o., Company ID No.: 610 63 029, with its registered office at Hvězdova 1734/2c, Nusle, 140 00 Prague 4, and the legal advisors Constelius, s.r.o., advokátní kancelář, Company ID No.: 281 47 294, with its registered office at Opletalova 1417/25, Nové Město, 110 00 Prague 1, shall be authorised to act to the same extent.

Thank you in advance for your interest in the Transaction and we look forward to our cooperation.

TP Insolvence, v.o.s.
insolvency administrator of Liberty
Ostrava a.s.
JUDr. Ing. Šimon Peták, Ph.D., LL.M.
notified partner