

To whom it may concern,

We are writing on behalf of Česká exportní banka, a.s. (**the Issuer**). The Issuer issued notes under an alleviated base prospectus, last updated on 6 September 2024 (**the Prospectus**), documenting its EUR 1,500,000,000 Euro Medium Term Note Programme, fully guaranteed by the Czech Republic (**the State**), with ISIN XS2937301997, XS2721063555, XS2633823823, XS2633823237, XS2353477685, XS2344000299 and XS0911304326 (**the Notes**). The Notes are listed on the Official List and admitted to trading on the Regulated Market of the Luxembourg Stock Exchange (**LuxSE**).

We hereby notify LuxSE of certain events described in greater detail below.

## **Context**

The Issuer is a Czech specialised banking institution providing export financing with the support of the State to promote Czech exports. The Issuer is a 100% directly and indirectly State-owned and controlled bank. Currently, 84% of the Issuer's shares are held directly by the State. The remaining 16% of the Issuer's shares are currently held directly by Exportní garanční a pojišťovací společnost, a.s. (**EGAP**), which itself is 100% State-owned.

As noted in the Prospectus, on 29 November 2023, the Government of the Czech Republic approved the initiation of the integration process of the Issuer and Národní rozvojová banka, a.s. (**the National Development Bank**), another wholly State-owned entity. The goal of the first phase of the integration process is for the State to become a direct holder of 100% of the Issuer's shares.

On 22 January 2025, the Issuer held a general meeting on which its shareholders approved the Issuer's acquisition of 16% of its own shares in the nominal value of CZK 800,000,000 for consideration of CZK 1,127,504,000 (**the Acquisition Price**) from EGAP (**the 16% Shares**). The Acquisition Price was set according to an expert valuation. On 18 February 2025, the Board of Directors of the Issuer approved the acquisition of the 16% Shares for the Acquisition Price, subject to receiving relevant approvals from the Czech National Bank. The Czech National Bank approved that the Issuer may acquire the 16% Shares on 10 February 2025 and that the Issuer may decrease its registered share capital (as described below) on 5 March 2025, which decision, according to the Issuer's expectations, will come into legal force on 10 March 2025. Going forward, the Issuer expects to conclude a share purchase agreement with EGAP, by which the Issuer expects to buy the 16% Shares from EGAP for the Acquisition Price. Subsequently, the Issuer expects that a further general meeting will decide on (i) the cancellation of the 16% Shares, (ii) decrease of the Issuer's registered share capital by an amount corresponding to the nominal value of the 16% Shares, ie on decrease of the Issuer's registered share capital from CZK 5,000,000,000 to CZK 4,200,000,000 and (iii) settling of the remaining difference between the Acquisition Price and the nominal value of the 16% Shares against the account of retained earnings from previous years, ie on decrease of the account of retained earnings from previous years by CZK 327,504,000 (**the Second GM Decision**). In effect, the Issuer expects these events to decrease its own capital by an amount equal to the Acquisition Price. Following the Second GM Decision, the Issuer expects to take steps necessary to enact the decision. The Issuer expects these events to result in the State becoming the direct holder of 100% of shares of the Issuer (**together the Transaction**).

The Issuer has conducted appropriate due diligence in relation to the Transaction, including updated stress tests. The Transaction is not expected to affect the Issuer's ability to meet its obligations under the Notes in any way. The Notes continue to be irrevocably and unconditionally guaranteed by statute by the State. Following the Transaction, the Issuer's regulatory capital is expected to remain well above all applicable regulatory capital requirements. The buyback of the Issuer's shares and the subsequent

reduction of the Issuer's registered share capital, as presumed, will not have a negative impact on the fulfilment of the Issuer's designated role within the national economy.

#### **Notifications under the ROI in relation to the Transaction**

If the events expected by the Issuer in relation to the Transaction take place, the Issuer will notify LuxSE in further e-mail notifications about (i) the proposal to decrease its registered share capital (once such proposal is adopted by the Board of Directors) in accordance with Article 906 in connection with Article 907 item 1 of the Rules and Regulations of the Luxembourg Stock Exchange (Edition 01/2025) (ROI) and (ii) its amended articles of association (once any modifications are made) in accordance with Article 906 in connection with Article 907 item 2 of ROI.

In the Issuer's view, events occurring in relation to the Transaction otherwise do not trigger notification requirements towards LuxSE, in particular under Articles 903, 904, 906, 907 or 908 of ROI. Specifically, in the Issuer's view:

- the events do not constitute information relating to events affecting the Notes that are necessary to facilitate the due and proper operation of the market within meaning of Article 903 or 904 of ROI;
- the events, except as mentioned above, do not constitute information that the Issuer has to make public under National Regulations and the European Union Law, or important changes in Issuer's activities within meaning of Article 906 and 907 item 2; and
- the events do not constitute other information deemed useful for the protection of investors or for the due and proper operation of the market within meaning of Article 908 of ROI.

However, out of abundance of caution, the Issuer hereby notifies LuxSE of the Transaction, in case LuxSE did not share the view of the Issuer.

In case of any questions, please do not hesitate to contact us.

Thank you.

Yours sincerely

David Franta on behalf of Česká exportní banka, a.s.