

Article I. Initial Provisions

11.1. These Financial Covenants Terms and Conditions regulate the mutual rights and obligations of the Lender and Borrower not expressly regulated by the Product Document, as well as certain rights and obligations of the Lender and Guarantor not regulated by the Product Document. The scope of regulation concerning the Financial Covenants Terms and Conditions is to determine the contents of the Product Document, in which application of the Financial Covenants Terms and Conditions was expressly agreed.

Upon entering into the relevant Product Document, the Financial Covenants Terms and Conditions become its integral part. By signing the Product Document the Borrower and Guarantor confirm that they took over the Financial Covenants Terms and Conditions, they read them and agree with their contents.

1.2. For the purpose of these Financial Covenants Terms and Conditions and also for the purpose of the Product Documents the following definitions apply:

Aggregate Whole – means the Borrower and each aggregate reporting entity;

Aggregate Reporting Entity – means each and every company indicated in the Product Document as “Aggregate Reporting Entity”;

Aggregate Financial Covenant – means a financial covenant of the Aggregate Whole specified in the Product Document and calculated in the manner specified in the Product Document or in these Financial Covenants Terms and Conditions;

Letter of Credit Terms and Conditions – Lender’s Commercial Terms and Conditions for Letters of Credit, as amended, to which the Product Document refers, whose integral part includes Financial Covenants Terms and Conditions;

Letter of Credit Document – has the meaning ascribed to it in the Letter of Credit Terms and Conditions;

Subsidiary Reporting Entity – means subsidiary reporting entity in line with the Accounting Regulations;

Borrower – with regard to and for the purposes of:

- a. Loan Document, it has the meaning ascribed to it in the Loan Document,
- b. Loan Terms and Conditions, it has the meaning ascribed to it in the Loan Terms and Conditions,
- c. Letter of Credit **Document**, means Client in the meaning ascribed to it in Letter of Credit,

- d. Letter of Credit Terms and Conditions, means Client in the meaning ascribed to it in Letter of Credit Terms and Conditions,
- e. Factoring Document, means Client in the meaning ascribed to it in Factoring Document,
- f. Factoring Terms and Conditions, means Client in the meaning ascribed to it in Factoring Terms and Conditions,
- g. Guarantee Document, means Client in the meaning ascribed to it in Guarantee Document,
- h. Guarantee Terms and Conditions, means Client in the meaning ascribed to it in Guarantee Terms and Conditions;

Factoring Terms and Conditions – Lender’s General Commercial Terms and Conditions for Factoring and Forfeiting, as amended, to which the Product Document refers, whose integral part includes Financial Covenants Terms and Conditions;

Factoring Document – has the meaning ascribed to it in the Factoring Terms and Conditions;

Calculation Interval – with regard to a specific financial covenant, the determination of the recurrence of its calculation (e.g. quarterly, semi-annual, annual) given in relation to such financial covenant in the Product Document;

Consolidated Whole – means the consolidated whole under the Accounting Regulations;

Parent Reporting Entity – means parent entity under the Accounting Regulations;

International Accounting Regulations – valid International Financial Reporting Standards issued by International Accounting Standards Board);

Measure – for the purpose of:

- a. double-entry bookkeeping means Measure of the Ministry of Finance of the Slovak Republic of 16 December 2002 No. 23054/2002-92, filed in the Collection of Laws under No. 740/2002 Coll. stipulating the details of accounting procedures and framework chart of accounts for entrepreneurs using double-entry bookkeeping system, as amended by the said measure including new regulation replacing the said measure,
- b. single-entry bookkeeping means Measure of the Ministry of Finance of the Slovak Republic of 13 December 2007 No. MF/27076/2007-74, filed in the Collection of Laws under No. 628/2007 Coll., stipulating the details of accounting procedures and details on organisation, indication and determination of contents of the items in the financial statements for reporting entities using the single-entry bookkeeping system, who conduct business

activities or other gainful activities, if they demonstrate their expenditures to achieve, ensure and keep income for the purposes of calculated income tax base, as amended by the said measure including new regulation replacing the said measure,

- c. bookkeeping for micro reporting entities: Measure of the Ministry of Finance of the Slovak Republic of 11 December 2013 No. MF/15464/2013-74, filed in the Collection of Laws under No. 457/2013 Coll., stipulating the details on organisation, indication and determination of contents of the items in the financial statements and extent of data from the individual financial statements to be disclosed by the micro reporting entities, as amended by the said measure including new regulation replacing the said measure;

Financial Covenants Terms and Conditions - these Financial Covenants Terms and Conditions, as amended;

Loan - funds owed by one person to another person other than a bank or branch of foreign bank regardless of relationship of such person to the person owing funds;

Product Terms and Conditions - joint name for Letter of Credit Terms and Conditions, Factoring Terms and Conditions, Loan Terms and Conditions and Guarantee Terms and Conditions or any of them;

Product Document - joint name for Letter of Credit Document, Factoring Document, Loan Document and Guarantee Document or any of them;

Monitored Period - any period comprising certain number of calendar months determined depending on Calculation Interval with regard to the individual financial covenant as follows:

- a. if concerning a quarter Calculation Interval, each period commencing on the first day of the relevant Accounting Period and ending on the last day of the third, sixth, ninth and twelfth calendar month in the same Accounting Period,
- b. if concerning a semi-annual Calculation Interval, each period commencing on the first day of the relevant Accounting Period and ending on the last day of the sixth and twelfth calendar month in the same Accounting Period,
- c. if concerning an annual Calculation Interval, each period commencing on the first day of the relevant Accounting Period and ending on the last day of the twelfth calendar month in the same Accounting Period;

Slovak Accounting Regulations - generally binding accounting regulations applicable in the Slovak Republic, including the Accounting Act, Measures and Slovak Accounting Standards;

Related Party - has the meaning ascribed to it in Act No. 7/2005 Coll. on Bankruptcy and Restructuring, as amended, valid on the effective date of the Financial Covenants Terms and Conditions;

Accounting Period - means a period of the twelve consecutive calendar months ending on 31 December in each relevant calendar year or in such other calendar year specified in the Product Document;

Accounting Regulations - if concerning the Borrower and Guarantor or with regard to the Borrower and Guarantor having registered office:

- a. in the Slovak Republic, Slovak Accounting Regulations, and
- b. outside the Slovak Republic, International Accounting Regulations or Foreign Accounting Regulations;

Financial Statements - financial statements with the meaning ascribed to them in the Product Document with respect to a specific financial covenant, "Financial Statements" means the financial statements specified in the Product Document in relation to such financial covenant;

Loan Terms and Conditions - Lender's General Loan Terms and Conditions, as amended, to which this Loan Document refers, whose integral part includes Financial Covenants Terms and Conditions;

Loan Document - has the meaning ascribed to it in Loan Terms and Conditions;

General Commercial Terms and Conditions - currently valid General Commercial Terms and Conditions issued by the Lender, as amended;

Foreign Accounting Regulations - generally binding accounting regulations applicable in the country of registered office of the Borrower, Guarantor or other person, whose Financial Statements are to be used for calculating the financial covenant other than the International Accounting Regulations;

Accounting Act - Act No. 431/2002 Coll. on Accounting, as amended;

Guarantee Terms and Conditions - Lender's Commercial Terms and Conditions For Guarantees, as amended, to which this Loan Document refers, whose integral part includes Financial Covenants Terms and Conditions;

Guarantee Document - has the meaning ascribed to it in Guarantee Terms and Conditions.

- 1.3. For the purposes of the Financial Covenants Terms and Conditions as well as Product Documents and Product Terms and Conditions, the following applies:

- a. capitalised terms in the Financial Covenants Terms and Conditions have the meaning ascribed to them in the Product Document, unless the Financial Covenants Terms and Conditions provide expressly otherwise. If

- such term has no meaning ascribed to it in the Product Document, it will be used in the meaning ascribed to it in the Product Terms and Conditions,
- b. capitalised terms defined in the Financial Covenants Terms and Conditions will be used in the Product Documents and Product Terms and Conditions with regard to the financial covenants with the meaning ascribed to it in the Financial Covenants Terms and Conditions unless the Product Documents or Product Terms and Conditions ascribe to the definitions other meaning or unless such meaning is expressly excluded by the Product Documents,
 - c. names of the individual articles are used only for convenience,
 - d. the definitions will be used in the Product Documents with regard to financial covenants with the meaning specified in the Financial Covenants Terms and Conditions regardless of whether they are capitalised or start with small letter unless specified otherwise or unless the context provides otherwise,
 - e. the definitions will be used in the Product Documents with regard to financial covenants with the meaning specified in the Financial Covenants Terms and Conditions regardless of whether they are in singular or plural form, unless provided otherwise.
- i. **Receivables period** = ((Average value of trade receivables/ Operating revenues) * Number of days in Monitored Period);
 - j. **Inventory period** = (Average value of inventories / Cost of goods and services) * Number of days in Monitored Period;
 - k. **Payables period** = (Average value of payables / Cost of goods and services) * Number of days in Monitored Period;
 - l. **DSCR (*Debt Service Coverage Ratio*)** = (EBITDA - Income tax payable) / Debt service;
 - m. **DSCR considering CAPEX** = (EBITDA - CAPEX - Income tax payable) / Debt service
 - n. **EBIT (*Earnings Before Interests and Tax*)** as specified in par. 2.2. below;
 - o. **EBIT margin** in percent = (EBIT / Operating revenues) * 100
 - p. **EBITDA (*Earnings Before Interests, Tax, Depreciation and Amortization*)** as specified in par. 2.2. below;
 - q. **EBITDA margin** in percent = (EBITDA / Operating revenues) * 100
 - r. **EBT (*Earnings Before Tax*)** = EBIT + Profit/loss from financial activities;
 - s. **Profit / Loss** as specified in par. 2.2. below;
 - t. **Profit/Loss margin** in percent = (Profit/Loss / Operating revenues) * 100
 - u. **Long term assets** as specified in par. 2.2. below;
 - v. **Non-trade related intragroup relations** = Non-trade related intragroup payables - Non-trade related intragroup receivables;
 - w. **NET DEBT** = DEBT - Financial accounts;
 - x. **NET DEBT / EBITDA** = (DEBT - Financial Accounts) / EBITDA;
 - y. **Unpaid intragroup interest** as specified in par. 2.2. below;
 - z. **OPEX** as specified in par. 2.2. below;
 - aa. **Equity ratio** in percent = (Equity / Total Assets) * 100;

Article II. Financial Covenants

- 2.1. The individual financial covenants will be calculated as follows:
 - a. **CAPEX** as specified in par. 2.2. below;
 - b. **Current ratio** = Current assets / Current liabilities;
 - c. **Total assets** as specified in par. 2.2. below;
 - d. **Operating revenues** as specified in par. 2.2. below;
 - e. **CPLTD (*Current Portion of Long Term Debt*)** as specified in par. 2.2. below;
 - f. **DEBT** as specified in par. 2.2. below;
 - g. **DEBT/EBITDA** = DEBT / EBITDA;
 - h. **Debt service** as specified in par. 2.2. below;

- bb. **Re-invoiced costs** = revenues relating to re-invoicing of costs and energies;
- cc. **Adjusted equity** = Equity + Non-trade related intragroup payables – Non-trade related intragroup receivables;
- dd. **Adjusted equity ratio** in percent = ((Equity + Non-trade related intragroup payables – Non-trade related intragroup receivables) / Total Assets) * 100;
- ee. **Interest cover** = EBIT / Interest expense;
- ff. **Equity** as specified in par. 2.2. below.

2.2. For the purpose of these Financial Covenants Terms and Conditions and also for the purpose of the Product Documents the following financial covenants will be calculated as follows:

CAPEX (investments in Long term assets (tangible, intangible, financial) in Monitored Period) calculated based on the Financial Statements prepared under:

- (i) Slovak Accounting Regulations:

$$\text{CAPEX} = (\text{Long term assets in current accounting period (S I. 02)} + \text{depreciations of and provisions for non-current intangible assets and non-current tangible assets (V I. 21) in current accounting period} + \text{provisions of financial assets (V I. 48) in current accounting period} + \text{value of assets sold (V I. 24) current accounting period} + \text{sold securities and ownership interests (V I. 46) - Long term assets immediately preceding period (S I. 02)})$$
- (ii) Slovak Accounting Regulations for micro reporting entities:

$$\text{CAPEX} = (\text{Long term assets in current accounting period (S I. 02)} + \text{depreciations current accounting period and provisions (V I. 14) current accounting period} + \text{value of assets sold (V I. 15) current accounting period} + \text{sold securities and ownership interests (V I. 28) - Long term assets in immediately preceding period (S I. 02)})$$
- (iii) International Accounting Regulations or Foreign Accounting Regulations:

$$\text{CAPEX} = (\text{value of non-current assets at the end of the Monitored Period} + \text{depreciations and provisions for non-current assets} + \text{value of non-current assets sold} - \text{value of non-current assets at the beginning of the Monitored Period})$$

Total Assets (sum of current assets, non-current assets and accruals on the asset side) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
 Total Assets = total assets (S I. 01)
- (ii) Slovak Accounting Regulations for micro reporting entities:
 Total Assets = total assets (S I. 01)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
 Total Assets = Total Assets

Operating revenues (revenues from the economic/operating activities (excluding the revenues from financial activities) net of income from sale of assets, assignment of receivables and value relating to dissolution of investment subsidy) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:

$$\text{Operating revenues} = (\text{Total revenues from economic activities (V I. 02)} - \text{Revenues from sale of non-current intangible assets, non-current tangible assets and materials (V I. 08)} - \text{Revenues from assignment of receivables and value relating to dissolution of investment subsidy (part V I. 09)})$$
- (ii) Slovak Accounting Regulations for micro reporting entities:

$$\text{Operating revenues} = (\text{Total revenues from economic activities (V I. 01)} - \text{Revenues from sale of non-current intangible assets, non-current tangible assets and materials (V I. 06)} - \text{Revenues from assignment of receivables and value relating to dissolution of investment subsidy (part V I. 07)})$$
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
 Operating revenues = operating income

CPLTD (Current Portion of Long Term Debt) (part of long-term loans, leases and Loans payable within Monitored Period, for which this financial covenants is calculated) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:

$$\text{CPLTD} = (\text{total annual amount of principal instalments of all credits and Loans} + \text{total annual amount of principal instalments of Intragroup Loans and financial assistance} + \text{total annual amount of principal instalments of finance leases} + \text{total annual amount of principal instalments from other sources (issued bonds and issued bills of exchange payable)*, which are accepted and payable in Monitored Period, for which this financial covenant is calculated})$$
- * concerning bonds and bills of exchange issued by:
- Borrower if CPLTD is calculated based on individual Financial Statements of Borrower

- Borrower and each person, which under the Financial Regulations is in relation to the Borrower as a Parent Reporting Entity its Subsidiary Reporting Entity composing the Consolidated Whole, if CPLTD is calculated based on the consolidated Financial Statements of the Borrower
- (ii) Slovak Accounting Regulations for micro reporting entities:
 CPLTD = (total annual amount of principal instalments of all credits and Loans + total annual amount of principal instalments of Intragroup Loans and financial assistance + total annual amount of principal instalments of finance leases + total annual amount of principal instalments from other sources (issued bonds and issued bills of exchange payable)*, which are accepted and payable in Monitored Period, for which this financial covenants is calculated)
- * concerning bonds and bills of exchange issued by:
- Borrower if CPLTD is calculated based on individual Financial Statements of Borrower
 - Borrower and each person, which under the Financial Regulations is in relation to the Borrower as a Parent Reporting Entity, its Subsidiary Reporting Entity composing the Consolidated Whole, if CPLTD is calculated based on the consolidated Financial Statements of the Borrower
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
 CPLTD = (total annual amount of principal instalments of all credits and Loans + total annual amount of principal instalments of Intragroup Loans and financial assistance + total annual amount of principal instalments of finance leases + total annual amount of principal instalments from other sources (issued bonds and issued bills of exchange payable)*, which are accepted and payable in Monitored Period, for which this financial covenants is calculated)
- * concerning bonds and bills of exchange issued by:
- Borrower if CPLTD is calculated based on individual Financial Statements of Borrower
 - Borrower and each person, which under the Financial Regulations is in relation to the Borrower as a Parent Reporting Entity, its Subsidiary Reporting Entity composing the Consolidated Whole, if CPLTD is calculated based on the consolidated Financial Statements of the Borrower
- DEBT** (sum of values of the issued bonds, value of bills of exchange payable and all outstanding Loans, leases and financial assistance not provided by the Related Parties) calculated based on the Financial Statements prepared under:
- (i) Slovak Accounting Regulations:
 DEBT = (Long-terms bills of exchange payable (S I. 112) + issued bonds (S I. 113) + part of line other non-current payables (bound to lease -> S I. 115) + long-term bank loans (S I. 121) + part of line other payables (bound to lease -> S I. 135) + current bank loans (S I. 139) + short-term financial assistance (S I. 140))
- (ii) Slovak Accounting Regulations for micro reporting entities:
 DEBT = (non-current payables other than reserves and loans (part bound to lease and Loans from third parties -> S I. 35) + long-term bank loans (S I. 37) + Other short-term payables (part bound to leases and Loans from third parties -> S I. 42) + current bank loans (S I. 44) + short-term financial assistance (S I. 45))
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
 DEBT = sum of values of the issued bonds, value of bills of exchange payable and all drawdown Loans, leases and financial assistance not provided by the Related Parties
- Debt service** (sum of instalments of principal and interest of all Loans, credits (including Intragroup Loans), leases, bonds repaid in Monitored Period) calculated based on the Financial Statements under:
- (i) Slovak Accounting Regulations:
 Debt service = (total annual amount of principal instalments of all credits and Loans + total annual amount of principal instalments of Intragroup Loans and financial assistance + total annual amount of principal instalments of finance leases + total annual amount of principal instalments from other sources payable in Monitored Period (issued bonds and issued bills of exchange payable)*, for which this financial covenants is calculated + total amount of interest expense (V I. 49))
- (ii) Slovak Accounting Regulations for micro reporting entities:
 Debt service = (total annual amount of principal instalments of all credits and Loans + total annual amount of principal instalments of Intragroup Loans and financial assistance + total annual amount of principal instalments

of finance leases + total annual amount of principal instalments from other sources (issued bonds and issued bills of exchange payable)*, which are accepted and payable in Monitored Period, for which this financial covenant is calculated + total amount of interest expense (V I. 31))

- (iii) International Accounting Regulations or Foreign Accounting Regulations:

Debt service = (total annual amount of principal instalments of all credits and Loans + total annual amount of principal instalments of Intragroup Loans and financial assistance + total annual amount of principal instalments of finance leases + total annual amount of principal instalments from other sources (issued bonds and issued bills of exchange payable)*, which are accepted and payable in Monitored Period, for which this financial covenants is calculated + total amount of interest expense)

EBIT (*Earnings Before Interests and Tax*)

(operating profit expressed as profit/loss from economic/operating activities net of items related to sale of assets, negative value of provisions, value related to dissolution of investment subsidies to revenues) calculated based on the Financial Statements prepared under:

- (i) Slovak Accounting Regulations:
EBIT = (Profit/Loss from economic activities (V I. 27) – Revenues from sale of non-current intangible assets, non-current tangible assets and materials (V I. 08) + Residual price of non-current assets sold and materials sold (V I. 24) + negative balance of account Provisions for inventories (V I. 13) + negative balance of account (Provisions for non-current intangible assets and non-current tangible assets (V I. 23) + negative balance of account Provisions for receivables (V I. 25) – revenues from investment, one-time or other extraordinary subsidies (part to V I. 9))
- (ii) Slovak Accounting Regulations for micro reporting entities:
EBIT = (Profit/Loss from economic activities (V I. 18) – Revenues from sale of non-current intangible assets, non-current tangible assets and materials (V I. 06) + Residual price of non-current assets sold and materials sold (V I. 15) + negative balance of account Provisions for receivables (V I. 16) – revenues from investment, one-time or other extraordinary subsidies (part to V I. 7))
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
EBIT = Profit/Loss from operating activities net of items related to sale of assets, negative value of provisions, value related to dissolution of investment subsidies to revenues

EBITDA (sum of operating profit and depreciation of non-current tangible assets and non-current intangible assets, where operating profit means profit/loss from economic/operating activities net of items related to sale of assets, negative value of provisions, value related to dissolution of investment subsidies to revenues) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
EBITDA = (Profit/Loss from economic activities (V I. 27) – Revenues from sale of non-current intangible assets, non-current tangible assets and materials (V I. 08) + Residual price of non-current assets sold and materials sold (V I. 24) + Depreciations of non-current intangible assets and non-current tangible assets (V I. 22) + negative balance of account Provisions for inventories (V I. 13) + negative balance of account (Provisions for non-current intangible assets and non-current tangible assets (V I. 23) + negative balance of account Provisions for receivables (V I. 25) – revenues from investment, one-time or other extraordinary subsidies (part to V I. 9))
- (ii) Slovak Accounting Regulations for micro reporting entities:
EBITDA = (Profit/Loss from economic activities (V I. 18) – Revenues from sale of non-current intangible assets, non-current tangible assets and materials (V I. 06) + Residual price of non-current assets sold and materials sold (V I. 15) + Depreciations and provisions for non-current intangible assets and non-current tangible assets (V I. 14) + negative balance of account Provisions for receivables (V I. 16) – revenues from investment, one-time or other extraordinary subsidies (part to V I. 7))
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
EBITDA = (sum of operating profit and depreciation of non-current tangible assets and non-current intangible assets where operating profit means profit/loss from economic/operating activities net of items related to sale of assets, negative value of provisions and value related to dissolution of investment subsidies to revenues)

Financial Accounts calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Financial Accounts = Financial Accounts (S I. 71)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Financial Accounts = financial assets (S I. 21)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:

Financial Accounts = balance on financial account

Profit/Loss (economic results for Monitored Period after taxation) calculated based on the Financial Statements prepared under:

- (i) Slovak Accounting Regulations:
Profit/Loss = Economic results for Monitored Period after taxation (V I. 61)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Profit/Loss = Economic results for Monitored Period after taxation (V I. 38)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Profit/Loss = Net profit (economic results after taxation)

Non-trade related intragroup receivables (receivables from Related Parties except for trade receivables) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Non-trade related intragroup receivables = (Loans to related reporting entities (S I. 25) + Loans as a participation share except to related reporting entities (S I. 26) + Other loans (S I. 27) + Loans and other non-current financial assets with residual maturity period up to one year (S I. 29) + Other receivables from related reporting entities (S I. 47) + Other receivables as a participation share except receivables from related reporting entities (S I. 48) + Receivables from partners, members and association (S I. 49) + part of item Other receivables (S I. 51) bound to intragroup relations + Other receivables from related reporting entities (S I. 59) + Other receivables as a participation share except receivables from related reporting entities (S I. 60) + Receivables from partners, members and association (S I. 61) + part of item Other receivables (S I. 65) bound to intragroup relations)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Non-trade related intragroup receivables = (receivables from Related Parties except for trade receivables)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Non-trade related intragroup receivables = receivables from Related Parties except for trade receivables

Non-trade related intragroup payables (payables to Related Parties except for trade payables) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Non-trade related intragroup payables = (Other payables to related reporting entities (S I. 108) + Other payables as a share participation except for payables to related reporting entities (S I. 109) + part of item Other non-current payables (S I. 110) and Other non-current payables (S I. 115) bound to intragroup relations + Other payables to related reporting entities (S I. 128) + Other payables as a share participation except for payables to related reporting entities (S I. 129) + Payables to partners and association (S I. 130) + part of item Other payables (S I. 135) and Short-term financial assistance (S I. 140) bound to intragroup relations)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Non-trade related intragroup payables = (part of items Non-current payables except for reserves and loans (S I. 35) and Other current payables (S I. 42) bound to intragroup relations)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Non-trade related intragroup payables = payables to Related Parties except for trade payables

Investment subsidy calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Investment subsidy = revenues from investment, one-time or other extraordinary subsidies used for financing CAPEX (part to V I. 9)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Investment subsidy = revenues from investment, one-time or other extraordinary subsidies used for financing CAPEX (part to V I. 7)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Investment subsidy = revenues from investment, one-time or other extraordinary subsidies used for financing CAPEX

Current assets calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Current Assets = (Current Assets (S I. 33) – Non-current receivables (S I. 41))
- (ii) Slovak Accounting Regulations for micro reporting entities:
Current Assets = (Current Assets (S I. 14) – Non-current receivables (S I. 16))
- (iii) International Accounting Regulations or Foreign Accounting Regulations:

Current Assets = volume of short-term (current) assets

Current liabilities (Current liabilities (due within 1 year)) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Current liabilities = (Current provisions for liabilities (S I. 136) + Current payables (S I. 122) + Current financial assistance (S I. 140) + Short-term bank loans (S I. 139) + CPLTD)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Current liabilities = (Current provisions for liabilities (S I. 43) + Current payables except payables, loans and assistance (S I. 38) + Current financial assistance (S I. 45) + Short-term bank loans (S I. 44) + CPLTD)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Current liabilities = Current liabilities (due within 1 year)

Cost of goods and services (sum of costs of material, energies, goods and services) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Cost of goods and services = (Costs incurred for acquisition of the sold goods (V I. 11) + Consumption of material, energy, and other non-storable supplies (V I. 12) + Provisions for inventories (V I. 13) + Services (V I. 14))
- (ii) Slovak Accounting Regulations for micro reporting entities:
Cost of goods and services = (Costs incurred for acquisition of the sold goods (V I. 9) + Consumption of material, energy, and other non-storable supplies (V I. 10) + Services (V I. 11))
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Cost of goods and services = sum of costs of material and energies, goods and services in the current accounting Monitored Period

Long term assets calculated based on the Financial Statements prepared under:

- (i) Slovak Accounting Regulations:
Long term assets = (Sum of non-current intangible assets (S I. 03) + Sum of current intangible assets (S I. 11) + Securities and ownership interests in related reporting entities (S I. 22) + Securities and shares with ownership interest other than in related reporting entities (S I. 23) + Other realisable securities and shares (S I. 24) + Bonds and other non-current financial assets (S I. 28) + Non-current financial assets in acquisition (S I. 31) + Advances to non-current financial assets (S I. 32))

- (ii) Slovak Accounting Regulations for micro reporting entities:
Long term assets = Long term assets (S I. 02)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Long term assets = fixed assets

Unpaid intragroup interest (unpaid interest expense accrued on credits and Loans provided by Related parties) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Unpaid intragroup interest = (part of line unpaid interest expense accrued on credits and Loans provided by Related parties (part on V I. 49))
- (ii) Slovak Accounting Regulations for micro reporting entities:
Unpaid intragroup interest = (part of line unpaid interest expense accrued on credits and Loans provided by Related parties (part on V I. 31))
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Unpaid intragroup interest = unpaid interest expense accrued on credits and Loans provided by Related parties

Depreciations calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Depreciations = Depreciations of non-current intangible assets and non-current tangible assets (V I. 22)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Depreciations = Depreciations and provisions for non-current intangible assets and non-current tangible assets (V I. 14)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Depreciations = sum of depreciation of non-current tangible assets and non-current intangible assets

OPEX (investments in Long term assets (tangible, intangible, financial) in Monitored Period) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
OPEX = (Consumption of material, energy, and other non-storable supplies (V I. 12) + Services (V I. 14) + personal expenditure (V I. 15) + taxes and fees (V I. 20) + other costs of economic activities (V I. 26))
- (ii) Slovak Accounting Regulations for micro reporting entities:
OPEX = (Consumption of material, energy, and other non-storable supplies (V I. 10) + Services (V I. 11) + personal expenditure (V I.

12) + taxes and fees (V I. 13) + other costs of economic activities (V I. 17))

- (iii) International Accounting Regulations or Foreign Accounting Regulations:
OPEX = operational expenditure

Cash (treasury) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Cash = Cash (S I. 72)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Cash = Part of item cash and bank accounts related to cash (part of S I. 22)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Cash = Money in cash

Number of days in Monitored Period (number of days in current Reporting Period) calculated based on the Financial Statements prepared under:

- (i) Slovak Accounting Regulations:
Number of days in Monitored Period = number of days in current Reporting Period
- (ii) Slovak Accounting Regulations for micro reporting entities:
Number of days in Monitored Period = number of days in current Reporting Period
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Number of days in Monitored Period = number of days in current Reporting Period

Operating subsidy calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Operating subsidy = revenues from operating, one-time or other extraordinary subsidies used for financing ordinary operating activities (part to V I. 9)
- (ii) Slovak Accounting Regulations for micro reporting entities:
Operating subsidy = revenues from operating, one-time or other extraordinary subsidies used for financing ordinary operating activities (part to V I. 7)
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Operating subsidy = revenues from operating, one-time or other extraordinary subsidies used for financing ordinary operating activities

Average value of (trade) receivables (Average value of trade receivables for the current and preceding Monitored Period) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Average value of trade receivables = (trade receivables in the current Monitored Period

(S I. 54) + trade receivables from immediately preceding Monitored Period (S I. 54)) / 2

- (ii) Slovak Accounting Regulations for micro reporting entities:
Average value of trade receivables = (trade receivables in the current accounting period (S I. 18) + trade receivables from immediately preceding Monitored Period (S I. 18)) / 2
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Average value of trade receivables = average value of trade receivables for the current and preceding Monitored Period

Average value of inventory (average value of inventory for the current and preceding Monitored Period) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Average value of inventory = (inventory in current Monitored Period (S I. 34) + inventory from the immediately preceding Monitored Period (S I. 34)) / 2
- (ii) Slovak Accounting Regulations for micro reporting entities:
Average value of inventory = (inventory in current accounting Monitored Period (S I. 15) + inventory from the immediately preceding Monitored Period (S I. 15)) / 2
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Average value of inventory = average value of inventory for the current and preceding Monitored Period

Average value of payables (average value of trade payables for the current and preceding Monitored Period) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:
Average value of payables = (trade payables in current Monitored Period (S. I. 123) + trade payables from immediately preceding Monitored Period (S I. 123)) / 2
- (ii) Slovak Accounting Regulations for micro reporting entities:
Average value of payables = (current trade payables in current Monitored Period (S I. 39) + current trade payables from immediately preceding Monitored Period (S I. 39)) / 2
- (iii) International Accounting Regulations or Foreign Accounting Regulations:
Average value of payables = average value of trade payables for the current and preceding Monitored Period

Income tax payable (paid tax) (Income tax payable) calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:

Income tax payable = Income tax payable (V I. 58)

- (ii) Slovak Accounting Regulations for micro reporting entities:

Income tax payable = income tax (V I. 36)

- (iii) International Accounting Regulations or Foreign Accounting Regulations:

Income tax payable = tax payable

Interest cost calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:

Interest cost = Interest cost (V I. 49)

- (ii) Slovak Accounting Regulations for micro reporting entities:

Interest cost = Interest cost (V I. 31)

- (iii) International Accounting Regulations or Foreign Accounting Regulations:

Interest cost = Interest cost

Equity calculated based on the Financial Statements under:

- (i) Slovak Accounting Regulations:

Equity = Equity (S I. 80)

- (ii) Slovak Accounting Regulations for micro reporting entities:

Equity = Equity (S I. 25)

- (iii) International Accounting Regulations or Foreign Accounting Regulations:

Equity = Equity

Financial result calculated based on the Financial Statements prepared under:

- (i) Slovak Accounting Regulations:

Financial result = Financial result (V I. 55)

- (ii) Slovak Accounting Regulations for micro reporting entities:

Financial result = Financial result (V I. 34)

- (iii) International Accounting Regulations or Foreign Accounting Regulations:

Financial result = Financial result

- 2.3. The methods of calculating the financial covenants specified in par. 2.1. above will be used for calculation always when the calculation methods under 2.3. below are not used. For calculating a particular financial covenants the calculation method of financial covenants in par. 2.1. above, which is determined for calculating will be used, which is determined for calculation according to the last Financial Statements provided to Lender.

- 2.4. If the financial covenants are calculated based on the Financial Statements of a person using the single-entry bookkeeping system, such financial covenants will be calculated as follows:

- a. **Difference of income and expenses** = difference of income and expenses (V I. 12)

- b. **Income** (means sum of income from sale of goods, products and services and any other income in Monitored Period) = total income (V I. 4)

- c. **Expenses** (means sum of expenses on the purchase of inventories, services, wage payments, premium and contribution payments, social fund creation and other expenses paid either in cash or from a bank account in Monitored Period) = total expenses (V I. 11)

- d. **Difference of assets and liabilities** = difference of assets and liabilities (S I. 21)

- e. **Assets** (means sum of non-current assets (tangible, intangible + financial), inventories (material, goods, work in progress, livestock and other), current financial assets (cash, valuables, bank account balance, other current financial assets), provisions for acquired assets. The positive value of interim items will be added to or negative value of interim items will be deducted from this amount) = total assets (S I. 15)

- f. **Liabilities** (means sum of all provisions for liabilities, payables, social fund balance, loans and provisions for acquired assets) = total liabilities (S I. 20)

- 2.5. Financial covenants specified in par. 2.3. above will be calculated always based on the Financial Statements prepared under the Slovak Accounting Regulations for micro reporting entities.

Article III.

Rules for Calculating Financial Covenants

- 3.1. For the purpose of calculating the financial covenants based on the Financial Statements prepared under the Slovak Accounting Regulations (including the Slovak Accounting Regulations for micro reporting entities) the following rules apply:

I. - means number of line from Income Statement form in full or Balance Sheet form in full for the relevant Monitored Period;

c. - means number of columns from Income Statement in full or Balance Sheet form in full for the relevant Monitored Period;

if there is no column number with the line number for Income Statement, it is assumed that it is column 1;

if the column number is not listed under the balance line number, it is assumed that it is column 2 (current Net monitored period) if it is an asset item and column 4 (current reference period) if it is an item liabilities;

S – means Balance Sheet;

V – means Income Statement;

reference to “Income Statement” means a reference to the income statement prepared in the form in line with Measure, which forms a part of the Financial Statements, based on which the financial covenant is calculated, and prepared as at the last day of the relevant Monitored Period, for which the financial covenant is calculated;

-> with regard to a particular value or item, for which this sign is used, it means reference to a particular line or columns from Income Statement form or Balance Sheet form, from which such value or item is to be used;

reference to “Balance Sheet” means a reference to the balance sheet prepared in the form in line with Measure, which forms a part of the Financial Statements, based on which the financial covenant is calculated, and prepared as at the last day of the relevant Monitored Period, for which the financial covenant is calculated;

For single-entry bookkeeping the following applies:

I. means number of line for the relevant period from Statement on Income and Expenses and Statement of Assets and Liabilities.

- 3.2. If during the validity period of the Product Document the Accounting Regulations are amended or facts relevant for use of abbreviations and signs in the formula for calculating the relevant financial covenant are changed (as specified in the Product Document or in the Financial Covenants Terms and Conditions) or rules specified in par. 3.1. above, e.g. Income Statement form, abbreviations specified in Accounting Act and/or Measures, new Accounting Regulations and/or relevant facts will be used for the purpose of calculating the relevant financial covenant in order to achieve the purpose or goal of the original version of the formula for calculating the relevant financial covenant and/or rules specified in par. 3.1. above.
- 3.3. If the Financial Covenants Terms and Conditions are amended in line with par. 5.2. below, the Amended Financial Covenants Terms and Conditions (as defined below) will be used for calculating the financial covenants not later than on the day following the effective date of the Amended Financial Covenants Terms and Conditions. The Amended Financial Covenants

Terms and Conditions will not be used for calculating the financial covenants performed prior to the effective date of the Amended Financial Covenants Terms and Conditions.

- 3.4. If the Product Document contains the obligation of the Borrower, Guarantor or third person to fulfil or cause to fulfil certain financial covenant, then any Person Concerned (as defined in the Product Document) may not change length, first or last day of its Accounting Period without Lender's prior written consent. If calculation:
- of the financial covenant is to be performed based on the consolidated Financial Statements, in addition to the Person Concerned or Parent Reporting Entity, the aforementioned ban also applies to all its Subsidiary Reporting Entities that together with the Parent Reporting Entity form the consolidated whole,
 - Aggregate Financial Covenant is to be performed based on the Aggregate Financial Statements, the aforementioned ban also applies to each person forming Aggregate Whole.

Each change of length, first or last day of its Accounting Period of such Person Concerned (including Aggregate Reporting Entity) without prior written consent of the Lender as well as violation of any ban specified in this paragraph is considered to be a Default Event.

- 3.5. The first calculation of the financial covenant will be performed for the Monitored Period, in which any of the following documents was entered into:
- Product Document containing obligation of the Person Concerned to ensure compliance with the agreed value of the financial covenant , or
 - Amendment to the Product Document, by which the Product Document is supplemented with the obligation of the Person Concerned to ensure compliance with the agreed value of the financial covenant,.

Other calculations of the financial covenant will be performed for each following Monitored Period.

- 3.6. If the formula for calculating any financial covenant according to certain Accounting Regulations uses different financial covenant, it applies that for such calculation such other financial covenant calculated according to the Accounting Regulations as calculated financial covenant.
- 3.7. Calculation of the Aggregate Financial Covenant will be performed so that depending on the type of the Accounting Regulations, under which the Financial Statements for calculation of Aggregate Financial Covenant are prepared (Slovak Accounting Regulations, Slovak Accounting Regulations for micro reporting entities, International Accounting Regulations or Foreign Accounting Regulations):

- a. They first sum up the individual items in the relevant formula for the calculation of the financial covenants referred to in Art. II. Of these Financial Covenants Terms and Conditions (the "Formula") for each person constituting the Aggregate Entity (based on the data in the Financial Statements for such Calculation in the Product Document); and
- b. Subsequently the individual items identified under (a) will be used in the formula to calculate the Aggregate Financial Covenants.

If the Aggregate Whole consists of at least one Aggregate Reporting Entity located outside the Slovak Republic, the calculation of the Aggregate Financial Covenants will be made on the basis of Financial Statements prepared under the International Accounting Regulations.

- 3.8. Non-compliance with the value of any financial covenant specified in the Product Document is considered to be a Default Event, irrespective of the (i) possibility of the Borrower, the Guarantor, or any other person to whom such a financial covenant relates directly or indirectly to affect the achievement of the value of such a financial covenant (ii) per person whose Financial Statements are used to calculate the financial covenant.
- 3.9. If the value of the financial covenant CAPEX is lower than zero, such value will be considered to be zero.

Article IV. Information Obligations

- 4.1. Notwithstanding the provisions of the Product Terms and Conditions, the Borrower is obliged to deliver to Lender all the Financial Statements under which the financial covenant is to be calculated according to the Product Document, within:
 - a. 60 days after the first, second and third quarter of the financial year and 100 days after the last quarter of the financial year, and always when the Interval of calculation is set in Product Document as quarterly,
 - b. 60 days after the end of the first half of the accounting period and 100 days after the end of the second half of the accounting period, always if the Interval of the Calculation in the Product Document is stated as semi-annual,
 - c. 100 days after the end of the Accounting Period if the Interval of the Calculation in the Product Document is stated as annual.

If there is a different Interval of Calculation in the Product Documents listed for multiple financial variables, the Borrower will deliver the Financial Statements at the most frequent interval.

- 4.2. Obligation under the previous paragraph relates to submission of:
 - a. Audited Financial Statements that include the obligation to submit also the annual report,
 - b. Financial Statements prepared under the Slovak Accounting Regulations for the Monitored Period of twelve months include the obligation to submit notes accompanying the financial statements together with the Financial Statements,
 - c. Financial Statements prepared under the International Accounting Regulations or Foreign Accounting Regulations for the Monitored Period of any length include the obligation to submit notes accompanying the financial statements together with the Financial Statements.

Obligation under previous paragraph applies accordingly to any other person, such as the Borrower, who undertook in the Product Document to ensure that the value of a particular financial covenant is respected.

- 4.3. If any person whose financial statements are to be used for the calculation of a financial covenant under generally binding legal regulations is required to have the accounts audited, the Financial Statements delivered to the Lender pursuant to par. 4.1. must be audited.
- 4.4. The Borrower and the Guarantor undertake to submit Lender's Financial Statements only in Slovak or English.
- 4.5. Failure to submit any Financial Statements or any Documents specified in Article IV. of the Financial Covenants Terms and Conditions, is considered to be Default Event for the purpose of the Product Document.

Article V. Final Provisions

- 5.1. With regard to the Financial Covenants Terms and Conditions the General Commercial Terms and Conditions do not apply.
- 5.2. **Amendment to the Financial Covenants Terms and Conditions.**
 - 5.2.1. Amendment to the Financial Covenants Terms and Conditions can be made:
 - a. Lender and Borrower and / or Lender and Guarantor, which will be confirmed by the conclusion of a written amendment to the Product Document, or
 - b. Unilateral decision of the Lender under par. 5.2.2. below.
 - 5.2.2. The unilateral change to Financial Covenants Terms and Conditions may result from a change in Accounting Regulations or legislation (other than Accounting Regulations), the

occurrence of the facts specified in par. 2.3 above, a change in the methodology or procedures for calculating financial ratios and Lender's decision. With the unilateral change of Financial Covenants Terms and Conditions, Lender is entitled to fully replace or change the Financial Covenants Terms and Conditions ("**Amended** Financial Covenants Terms and Conditions"). Amended Financial Covenants Terms and Conditions and their effectiveness will be published by the Lender publishes on its website or notified to the Borrower and the Guarantor by delivery of the notification of the Amended Financial Covenants Terms and Conditions no later than 30 days prior to the effective date of the Amended Financial Covenants Terms and Conditions. If the Borrower or the Guarantor disagrees with the Amended Financial Covenants Terms and Conditions, they shall disclose their disapproval in writing to the Lender not later than on the effective date of the Amended Financial Covenants Terms and Conditions. Upon receipt of disagreement with the Lender's Amended Financial Covenants Terms and Conditions, Lender will

request in writing the Borrower, Guarantor to negotiate an individual amendment to Financial Covenants Terms and Conditions. If, within 15 days of such negotiations, such a written agreement between Lender and Borrower or, Guarantor, the non-conclusion of the said agreement before the expiry of the above-mentioned period means the Event of Default.

- 5.2.3. If the Borrower and the Guarantor fail to notify the Lender of their disagreement with the Amended Financial Covenants Terms and Conditions no later than on the effective date of the Amended Financial Covenants Terms and Conditions, that they agree to the Amended Financial Covenants Terms and Conditions. From the date of expiration of the said time limit for notifying the disagreement, Lender, Borrower, and Guarantor's relationships will be governed by the Amended Financial Covenants Terms and Conditions.

Financial Covenants Terms and Conditions were approved in Bratislava by Credit Committee of Tatra banka, a.s., dated 16 April 2019.