

Patria Corporate Finance, a.s.
Petr Dědeček, Executive Director
Jungmannova 24
110 00 Prague

Prague, 04 July 2019

Binding offer on financing

Dear Mr, Dědeček,

We would like to present our updated binding offer of financing 5 pieces of Stadler Flirt EMU units in the following structure:

Overview of proposed financing parameters

Financing provider: Raiffeisen Leasing, s.r.o., with its registered office at Hvězdova 17 16 / 2b, Prague 4, ZIP 140 78, ID Nr: 6 14 67 863

Recipient of financing:

Leo Express s.r.o., with its registered office at Řehořova 908/4, Žižkov, 130 00 Praha 3, ID Nr.: 066 61 572

Supplier:

Leo Express Global a.s., with its registered office at Řehořova 908/4, Žižkov, 130 00 Praha 3, ID Nr.: 290 16 002

Subject of financing:

5 pieces of used Stadler Flirt EMUs (commissioned in November 2012)

Type of financing:

Financial leasing with a buyout option

Purchase Price :

540,000,000.00 CZK without VAT

The purchase price may be increased up to a maximum of CZK 730,000,000 without VAT in relation to the following EBITDA parameters achieved in 2019, considering the posted Management Fee:

EBITDA per year 2019 balance	the amount of the Purchase Price
0 - 57.0 mil. CZK.	0 mil. CZK
57.0 — 80.0 mil. CZK.	95.0 mil. CZK
80.0 — 100.0 mil. CZK.	142.5 mil. CZK
more than 100 mil. CZK.	190.0 mil. CZK

Financed amount:	350,000,000.00 CZK The financed amount of CZK 350,000,000 will be used to refinance the Supplier's liabilities to the Credit Suisse bank (hereinafter referred to as the "Refinanced Creditor"); the payment will be made through the Bound Account maintained with the Raiffeisenbank a.s. The financed amount can be increased in the framework of the annual review following the overall evaluation of the Recipient's performance with the maximum frequency once a year. However, the total amount financed (i.e. after any increases) does not exceed the amount of 730.000.000, - CZK without VAT.
The conversion price at the end of the financing:	116,000,000.00 CZK without VAT
Final maturity:	120 monthly instalments from the date of receipt of the Subject of Financing, no later than on 31.12.2029
Interest Period:	10 years for a fixed rate / 3 months for a floating rate
Interest repayment:	monthly together with the principal repayment
Interest rate:	a) The financed value of CZK 245,000,000 will bear a fixed rate for 10 years (ref. rate 1.85% p.a. + Margin) b) The financed value of CZK 105,000,000 will bear the floating rate of 3M PRIBOR + Margin
Margin:	1.85 % p.a.
Contract Processing Fee:	Fee for processing of leasing financing and preparation of contractual documentation in the amount of 0.00 CZK
Drawdown period:	until 31.12.2019
Repayment period:	120 months
Principal repayment:	Monthly
Fee for the early termination of lease contract:	In the event of early termination of the lease contract upon the request of the Recipient, the Financing Provider will be paid the fee calculated from the outstanding balance of the financing as of the date of early termination of the lease as follows: During the first 4 years of signing the lease contract..... 2.0% In the period of 5–6 years after signing the lease contract.1.5% During the period of 7 - 8 years of signing the lease contract.....1.0% During the period of 9 - 10 years of signing the lease contract.....0.5% In addition, the Recipient of financing is obliged to pay the Breakage Costs to the Financing Provider, which may eventually arise from the premature termination of the lease contract.

Extraordinary instalment:

190,000,000.00 CZK without VAT (will be subject to inclusion)
 In the event of a future increase in the Purchase Price, the amount of the extraordinary instalment will be determined based on the realized Purchase Price balance, with the exception that the extraordinary instalment may be subject to inclusion:

EBITDA amount For 2019/ *	amount of the Purchase Price supplement	amount of the extraordinary Instalment
0 — 57.0 mil. CZK.....	0.0 mil. CZK.....	0.0 mil. CZK
57.0 - 80.0 mil. CZK.....	95.0 mil. CZK.....	max. 95.0 mil. CZK
80.0 - 100.0 mil. CZK.....	142.5 mil. CZK.....	max. 142.5 mil. CZK
more than 100 mil. CZK.....	190.0 mil. CZK.....	max. 190.0 mil. CZK

/ * EBITDA for 2019 considering the posted Management Fee

Reserve Account (DSRA):

Depositing funds in the amount of at least 3 monthly instalments (=payment of the Purchase Price) to the special account of the Recipient of the financing maintained with Raiffeisenbank a.s. ("Bank") as of the date of drawdown at the latest. These funds will be blocked by the Bank against withdrawal and transfer, and the Recipient of financing will not have the right to dispose of such funds.

The amount of the deposited funds can be revised in the manual review and reduced in relation to the development of the economy after the previous approval of the Financing Provider.

Investment Account:

The recipient of the financing will deposit regular funds intended for planned repairs or investments in the Subject of Financing to the Investment Account opened for this purpose and maintained with Raiffeisenbank a.s. ("the Bank") in the amount and periods:

- No later than the date of the requested drawdown (= payment of the purchase price) a one-off deposit of CZK 32.5 million intended for the repair of the chassis planned for 2019. The amount will then be released upon repair and the invoice / invoices submitted.
- From 11/2019 to 10/2021 in the amount of **1.813.000, - CZK per month** (EV repair 37.5 million CZK + first EH repair 6.0 million CZK = 43.5 million CZK / 24M)
- From 11/2021 to 10/2025 in the amount of **2.063.000, - CZK per month** (EV repair 37.5 million CZK /24M+ EH repair 6.0 million CZK / 12M)
- From 11/2025 to 10/2029 in the amount of **1.563.000, - CZK monthly** (EV repair 37,5 million CZK / 24M)

The amount of payments to the Investment Account can be adjusted based on the previous approval of the Financing Provider in connection with the submitted updated investment plan of repairs, which is attached to the Lease Contract. The implementation of repairs by a supplier other than the manufacturer is subject to approval by the Financing Provider.

**Bound
Account:**

Account opened at Raiffeisenbank a.s. and intended to settle the Supplier's obligations towards the Refinanced Creditor. The Funded amount will be deposited to this account.

Collateral:

- Ownership of the Subject of Financing;
- Right of lien in first order to the business share of the Recipient of financing.
- Right of lien in first order to the deposit claims in the Reserve and Investment Accounts.
- Subordination agreement.
- Insurance indemnity for property insurance of the Subject of financing.

Financial indicators:

EBITDA = Operating result - Sales of fixed assets - Sales of material sold + Net book value of fixed assets sold + Net book value of material sold + Adjustments to intangible and tangible fixed assets (temporary) + Adjustments to inventory values + Adjustments to receivables + Provisions for operating expenses for complex deferred expenses + Adjustments to intangible and tangible fixed assets (permanent) + Deferred expenses to current period expenses due to extraordinary instalment of Raiffeisen Leasing, s.r.o.

The covenant will be evaluated on a semi-annual basis (based on the preliminary financial statements as of 30 June and 31 December and the audited financial statements as of 31 December) on a sliding basis, i.e. the EBITDA for the last 12 months.

Value in 12/2019:

EBITDA = min. CZK 57 million

Determined based on these assumptions:

- Current tax CZK 1 million
- Interest costs CZK 1.6 million.
- Other financial expenses CZK 4.5 million
- Repayments of long-term loans CZK 2.2 million.
- The average CAPEX for 2 years was CZK 23.3 million calculated for the years 2020 and 2021 based on the model and information on future overhauls.
- Rent for trainsets paid to Leo Express Global for the period 1-6 / 2019 in the amount of CZK 15 million.
- Reserve of CZK 9 million

The minimum EBITDA parameters above are set so that the DSCR indicator after Capex is at least 1.2x

Value from 6/2020:

EBITDA = min. CZK 40 million

Determined based on these assumptions:

- Current tax CZK 2,6 million average tax in the 2020-2029 model (10 years)

- Interest costs CZK 1.6 million. value in the model from 2021 to 2034
- Other financial expenses CZK 4.5 million average value for 2020-2034
- Repayments of long-term loans CZK 1 million. reserve for possible minor long-term loans
- The average CAPEX for 2 years CZK 23.3 million calculated for the years 2020 and 2021 based on the model and information on future overhauls.
- Reserve of CZK 6,5 million

Overview of other financing conditions

Terms of drawdown:

1. Deadline for fulfilling the Terms of drawdown: 31 Dec. 2019
2. Conclusion of a Lease Contract, Purchase Agreement and any security documentation in a form and wording acceptable to the Financing Provider.
3. Opening of the Investment Account and depositing CZK 32.5 million. These funds will be blocked by the Bank against withdrawal and transfer, and the Recipient of financing will not have the right to dispose of such funds. The required deposited amount can be adjusted (reduced) following the advance payments already made. Under this condition, an Account Agreement will be concluded between the Recipient, the Financing Provider and the Bank.
4. Opening of the Reserve Account and DSRA deposit corresponding to 3 monthly instalments, i.e. CZK 8,147,820. These funds will be blocked by the Bank against withdrawal and transfer, and the Recipient of financing will not have the right to dispose of such funds. Under this condition, an Account Agreement will be concluded between the Recipient, the Financing Provider and the Bank.
5. Concluding a Bound Account Agreement and opening a Bound Account in the Bank.
6. Submission of a Refinanced Creditor Statement for waiver of any liens following the settlement of the calculated balance of the Refinanced Commitment. The declaration will indicate the amount of the Refinanced Balance, the date and account number to which the payment will be made.
7. Submission of a valid insurance contract to the Subject of Financing, including proof of payment of the last premium payable. In addition to the standard scope of insurance, business interruption insurance will be taken out for the period of at least 12 months in the wording acceptable for the Financing Provider.
8. Proof of payment of own funds to pay the Refinanced Commitment to the Tied Account. The amount of own funds must correspond to the difference between the calculated balance of the Refinanced Commitment and the financed amount.
9. Proof of the payment of the advance in the form of inclusion of the Financing Provider's commitment to the Supplier with the Financing Provider's claim against the Financing Recipient.
10. Submission of final accounts of the Recipient of the verified by the auditor as of 31.12.2018.

Collateral

1. Conclusion of the Purchase Agreement and Lease Contract for the Subject of Financing.
2. Conclusion of a pledge holder agreement to the share of the Recipient on the receipt of a proposal for the registration of the right of lien to the Commercial Register, bearing a stamp confirming its filing with the relevant registry court.
If required by law, the Recipient will also submit to the Financing Provider evidence of approval by the General Meeting to suspend the share.
3. Conclusion of a contract on the establishment of a lien on the receivables of deposits in the accounts, based on which the lien of the Financing Provider will be established to the receivables of deposits in the Reserve Investment Account.
4. Submitting copies of any loan or loan agreements or similar content contracts that include the provision of a loan or credit or cash to the Recipient with the obligation to return it.
5. Conclusion of a subordination agreement between the Financing Provider, the Recipient of the Financing and the Contractor as a Subordinate Creditor, or other third parties, in which the Subordinated Creditor undertakes to repay the Subordinate Creditor's claim against the Recipient of the financing, on the basis of a ceded receivable from the Financing Provider based on a concluded Purchase Contract No:, loans or other financial debts of the Client to a Subordinated Creditor, it will be subject to the full repayment of the Loan.
6. Insurance indemnity of the concluded insurance contract.

Terms of payment of funds from the bound account:

1. Submission of the Refinanced Creditor statement.
2. Submission of a payment order issued by the Leo Express Global a.s. stating the amount and bank account number indicated in the Refinanced Creditor's statement.

Overview of other Client's obligations

1. Regular submission of preliminary quarterly financial statements and annual audited financial statements of the Recipient of financing to the Financing Provider including evidence of cost and revenue breakdown for the reported period.
2. Obligation to fulfil other information obligations and to provide assistance according to the requirements of the Financing Provider.
3. The obligation to execute all payments only through the account of the Recipient maintained by the Bank.
4. Establishment and suspension of a special reserve account of the debt service ("Reserve Account") maintained by the Bank to which the Recipient of financing is obliged to deposit the amount of CZK 8,147,820 corresponding to the estimated amount of 3 monthly instalments before the first drawdown of financing.
5. Establishment and suspension of a special Investment account maintained by the Bank to which the Recipient of financing is obliged to periodically deposit funds intended for the planned repairs of the EV and EH Funding Objectives as follows:
 - on the date of the requested drawdown at the latest, to deposit a one-off amount of CZK 32.5 million for the intended repair of chassis planned for 2019. The amount deposited will be reduced by demonstrably paid advances intended to realize the EV repairs in 2019. The deposited amount will then be released to cover the charged supplementary payment based on the repair and against the submitted invoice / invoices.

- from 11/2019 to 10/2021 in the amount of 1.8 13.000, - CZK monthly,
- from 11/2021 to 10/2025 in the amount of 2.063.000, - CZK monthly,
- from 11/2025 to 10/2029 in the amount of 1.563.000, - CZK monthly,

The stated amounts are payable always on the last day of the given calendar month at the latest. The release of funds will be made based on the submitted invoice for the repair of the EV type (repair of chassis) and the EH (overhaul) and the completed payment order. If the balance of the Investment Account does not cover the invoiced amount, the Recipient of financing is obliged to add funds to the Investment Account, so that the invoice can be paid.

The amount of payments to the Investment Account can be adjusted based on the previous approval of the Financing Provider in connection with the submitted updated investment plan of repairs, which is attached to the Lease Contract.

The implementation of repairs by a supplier other than the manufacturer is subject to approval by the Financing Provider.

6. Obligation to fulfil the following financial indicators:

The EBITDA will be calculated as follows: Operating result - Sales of fixed assets - Sales of material sold + Net book value of fixed assets sold + Net book value of material sold + Adjustments to intangible and tangible fixed assets (temporary) + Adjustments to inventory values + Adjustments to receivables + Provisions for operating expenses for complex deferred expenses + Adjustments to intangible and tangible fixed assets (permanent) + Deferred expenses to current period expenses due to extraordinary instalment of Raiffeisen Leasing, s.r.o.

The covenant will be evaluated on a semi-annual basis (based on the preliminary financial statements as of 30 June and 31 December and the audited financial statements as of 31 December) on a sliding basis, i.e. the EBITDA for the last 12 consecutive calendar months.

The EBITDA as of 31 December 2019 may not fall below CZK 57.0 million, from June 30, 2020 it may not fall below CZK 40.0 million.

7. Without the prior written consent of the Financing Provider, it is forbidden to pay any profit shares to the Recipient's shareholders.
8. Without the prior written consent of the Financing Provider, it is forbidden to pay so-called Management Fee from a Service Agreement between the Recipient and Leo Express Global a.s. The Management Fee can be paid based on the evaluation of audited financial results, fulfilment of financial indicators, contractual conditions and other relevant facts up to a maximum annual amount of CZK 30.0 million. The distribution of the Management Fee can also be made during the marketing year based on the Provider's prior approval of financing in half-yearly or quarterly intervals.
9. Without the prior written consent of the Financing Provider, it is forbidden to receive or provide loans.
10. Without the prior written consent of the Financing Provider, it is forbidden to make investments worth more than CZK 5.0 million.
11. The Recipient of financing undertakes to keep its payment transactions solely through accounts maintained by Raiffeisenbank a.s. The volume of payments will be continuously evaluated in connection with the submitted quarterly financial statements.

Collateral

1. Obligation to submit the original extract from the Commercial Register with a pledged right of lien to the Client within 30 days of the conclusion of the pledge contract to the Client's share.
2. No later than thirty (30) days from the date of the conclusion of the Lease Contract, the Recipient of financing shall notify the Rail Authority of the change in the Owner of the Lease Subject and make the appropriate re-registration.
3. No later than ten (10) days from the date of payment of the Refinanced Commitment, the Financing Provider shall receive a receipt issued by the Refinanced Creditor, based on which the proceedings for the cancellation of the lien on the subject of financing will be initiated.

The offer is valid until 31 July 2019.

Best regards,

Raiffeisen — Leasing, s.r.o.

Přemysl Beneš

Sales Director