

SAZKA Group a.s. and SAZKA Group Financing a.s. announce the conclusion of a EUR 640 million senior secured facilities agreement between SAZKA Group a.s., SAZKA Group Financing (Czech Republic) a.s. and various lenders (the Senior Facilities Agreement) and the entry into a related intercreditor agreement.

Entry into the Finance Documents

SAZKA Group a.s. (together with its subsidiaries, **SAZKA Group**, or the **Company**) and SAZKA Group Financing a.s. (the **Slovak Issuer**) have announced today that SAZKA Group has entered into a Senior Facilities Agreement with a syndicate of Czech and international banks.

Under the Senior Facilities Agreement the lenders have committed to make available loan facilities in an aggregate amount equal to EUR 640 million.

The financing includes a EUR 220 million amortising Term Loan A facility, a EUR 220 million non-amortising Term Loan B facility, and a EUR 200 million revolving credit facility. The facilities mature in July 2024.

The use of proceeds of the financing include refinancing of certain existing facilities of SAZKA Group and its subsidiaries, general corporate purposes (including acquisitions of additional shareholdings in the currently owned subsidiaries of the Company as well as new companies) and payment of related fees.

SAZKA Group intends to make an initial draw on the facilities by the end of 2020, subject to compliance with conditions precedents.

Use of proceeds from the initial utilisation will include refinancing of the Company's EUR 100 million bilateral loan facility, the outstanding balance of EUR 104 million under the loan facility of the Company's subsidiary CAME Holding GmbH and the outstanding balance of CZK 5.9 billion (approximately EUR 227 million) under the loan facility of the Company's subsidiary SAZKA a.s.

The liabilities arising under the Senior Facilities Agreement will be secured together with liabilities arising under the currently issued EUR 200 million notes of the Slovak Issuer that are guaranteed by the Company (ISIN SK4120013475) (the **Slovak Notes**), the currently issued CZK 6 billion notes of the Company (ISIN CZ0003522930) (the **Czech Notes**), the currently issued EUR 300 million notes of the Company (ISIN XS2010038813 and XS2010038904), the currently issued EUR 300 million notes of the Company (ISIN XS2113254028 and XS2113253210) (both issuances the **NY Notes** and together with the Slovak Notes and the Czech Notes, the **Secured Notes**) and certain liabilities arising from hedging agreements that may be entered into by certain companies from SAZKA Group and their hedge counterparties (all so secured liabilities, the **Secured Liabilities**).

The security is contractually shared (the **Shared Security**) on the basis of the English law governed intercreditor agreement (the **Intercreditor Agreement**) that has been entered into by the Company, the lenders under the Senior Facilities Agreement and trustees, representatives, agents or security agents acting on behalf of the holders of the Secured Notes (the **Secured Noteholders**) among the parties holding the Secured Liabilities (the **Secured Parties**).

The Intercreditor Agreement ensures that:

- (a) the Secured Liabilities rank *pari passu* in right and priority of payment with any payment liabilities of the respective debtors and are secured by the Shared Security;

- (b) the Shared Security is established in favour of LUCID TRUSTEE SERVICES LIMITED as the common security agent under the Intercreditor Agreement (the **Common Security Agent**) which holds the Shared Security on trust and is obliged to distribute any proceeds to the Secured Parties, if the security is enforced;
- (c) the Secured Noteholders or their direct trustees, representatives or agents do not have any direct *in rem* security interest in respect of any Shared Security;
- (d) enforcement decisions under the Shared Security documents will be made by the “Instructing Group” consisting of, as the case may be, majority creditors holding the Secured Liabilities; no individual Secured Party (including their respective trustee, agent or representative) has any independent right to enforce any of the Shared Security or to instruct or require the respective Secured Party or Parties to enforce any of the Shared Security documents except as instructed by the Instructing Group; any instructions given by the Instructing Group will be binding on all of the Secured Parties (including their respective trustee, agent or representative);
- (e) as of the moment of its conclusion, the Shared Security will only be released, and security will only be granted on the assets the subject of the Shared Security, to the extent permitted under (or not prohibited by) the documents governing the terms of the Secured Liabilities; and
- (f) the Common Security Agent acts, as of the moment of the conclusion of the Intercreditor Agreement, on behalf of all of the Secured Parties, including the Secured Noteholders; only such Common Security Agent can take any enforcement action under the Intercreditor Agreement in line with an appropriate instruction.

Appointment of the Slovak Common Representative and the Czech Security Agent

On a noteholders meeting held on 16 December 2020, the holders of the Slovak Notes (the **Slovak Noteholders**) approved (i) establishment of the security under Clause 4.2 of the terms and conditions of the Slovak Notes, (ii) appointment of J&T BANKA, a.s., with its registered office at Sokolovská 700/113a, Karlín, 186 00 Praha 8, Czech Republic, Identification No.: 471 15 378, registered in the Commercial Register kept with the Municipal Court in Prague under file number B 1731 (**J&T BANKA**) as a common representative of the Slovak Noteholders (the **Slovak Common Representative**) and (iii) proposed changes to the terms and conditions of the Slovak Notes. The Slovak Common Representative has entered into the Intercreditor Agreement and so accepted the benefits of the Shared Security on behalf and for the benefit of the Slovak Noteholders.

As envisaged in the terms and conditions of the Czech Bonds and the applicable Czech laws the Company and J&T Banka have entered into an agreement on the appointment of J&T BANKA as security agent in respect of the Czech Notes (the **Czech Security Agent Appointment Agreement**). As a result J&T Banka has become a security agent (the **Czech Security Agent**) that will act in the best interest of the holders of the Czech Notes (the **Czech Noteholders**). The Czech Security Agent has entered into the Intercreditor Agreement as a creditor representative of the Czech Noteholders and by doing so accepted the benefits of the Shared Security on behalf and for the benefit of the Slovak Noteholders.

The Slovak Noteholders and the Czech Noteholders are, therefore, Secured Parties under the Intercreditor Agreement and do benefit from any proceeds that may be distributed by the Common Security Agent from the enforced Shared Security.

The copies of the Intercreditor Agreement and the Czech Security Agent Appointment Agreement are available to the Secured Noteholders in line with the applicable terms and conditions of the respective Secured Notes.

Shared Security for Payment Obligations under the Secured Liabilities

Under the Senior Facilities Agreement, the Secured Liabilities are required to be secured by the Shared Security within 30 days from the first drawdown under the Senior Facilities Agreement. The Secured Liabilities will be secured indirectly as the Shared Security will be given to the Common Security Agent as pledgee and it will then hold all proceeds from the Shared Security on a trust for the benefit of the Secured Parties. The Shared Security will consist of the following pledges granted to the Common Security Agent by the persons specified below (each as a **Pledgor**):

Security provider	Shared Security	Shared Security document(s)
The Company	100% of shares the Company holds in companies: (i) SAZKA Czech a.s.; (ii) Italian Gaming Holding a.s.; (iii) Austrian Gaming Holding a.s.; and (iv) SAZKA Group Financing (Czech Republic) a.s.	share pledge agreements under Czech law
	100% of shares the Company holds in Rubidium Holdings Limited	share pledge agreement under Cypriot law
	100% of shares the Company holds in Hellenic Football Prognostics Organisation, S.A. with Komerční banka a.s. as pledgee and delegate of the Common Security Agent	share pledge agreement under Greek law
	Receivables from the agreement on opening and maintenance of the bank account to which dividends of subsidiaries are distributed	agreement on pledge of receivables under Czech law
	Receivables from an intragroup loan against SAZKA a.s., Italian Gaming Holding a.s. and CAME Holding GmbH	agreement on pledge of receivables under Czech law
SAZKA Group Financing (Czech Republic) a.s.	Intragroup loan receivables against the Company	agreement on pledge of receivables under Czech law
SAZKA Czech a.s.	100% of shares SAZKA Czech a.s. holds in SAZKA a.s.	share pledge agreement under Czech law
Austrian Gaming Holding a.s.	100% of shares Austrian Gaming Holding a.s. holds in CAME Holding GmbH	share pledge agreement under Austrian law
CAME Holding GmbH	100% of shares CAME Holding GmbH holds in Medial Beteiligungs GmbH	share pledge agreement under Austrian law

In addition to the above,

- (a) Italian Gaming Holding a.s. will pledge for the benefit of the Company 32.5% of the shares in LottoItalia S.r.l. as a security over an intragroup loan, receivables under which will be pledged to the Common Security Agent. In this way, the Common Security Agent will benefit from the pledge of shares in LottoItalia S.r.l. and
- (b) the Company, the Slovak Issuer, SAZKA Group Financing (Czech Republic) a.s., SAZKA Czech a.s., Italian Gaming Holding a.s. have provided cross-guarantees as part of the Shared Security that will benefit all Secured Liabilities. Austrian Gaming Holding a.s., CAME Holding GmbH and Sazka a.s. will provide similar cross-guarantees as part of the Shared Security that will benefit all Secured Liabilities in three business days after the first drawdown under the Senior Facilities Agreement .

The indirect holding of the Shared Security provides the Secured Noteholders only with contractual rights to the proceeds from any enforcement of the Shared Security by the Common Security Agent. The Slovak Common Representative and the Czech Common Security Agent will represent the Slovak Noteholders and the Czech Noteholders, respectively, as their creditor representatives under the Intercreditor Agreement and vote pursuant to their instructions, when necessary.

Any enforcement decision under the Shared Security documents will be made by the Instructing Group or otherwise in accordance with the terms of the Intercreditor Agreement. Any enforcement of the Shared Security will be made in any of the manners permitted by the conditions set out in the relevant Shared Security document, the Intercreditor Agreement and applicable laws.

Securing the Secured Liabilities by the Shared Security ensures that the Secured Noteholders will keep the same ranking as other so secured creditors under the Intercreditor Agreement.

A copy of each Shared Security document will be available in line with the respective terms and conditions of the Secured Notes.