

Mandatory Disclosure
PUBLIC DISCLOSURE OF INSIDE INFORMATION

29 January 2021 at 5:30pm CET

**POSITION OF THE MANAGEMENT BOARD OF MONETA MONEY BANK, A.S. (“MONETA”)
ON THE VOLUNTARY TENDER OFFER FOR PURCHASE OF UP TO 20% OF SHARES IN MONETA
MADE BY TANEMO A.S., A MEMBER OF PPF GROUP (“PPF”),
AS REQUIRED BY THE CORPORATIONS ACT**

I. Introduction and context

On 22 January 2021, Moneta received from PPF Group two documents:

- (a) a wording of a public proposal to purchase part of the shares issued by Moneta (“**voluntary tender offer**”) in the amount of up to 20% from its existing shareholders along with a request to the Management Board of Moneta to prepare its position thereon (see [Annex 1](#) for its summary and declared purpose); and
- (b) a letter containing an invitation for negotiations concerning an acquisition of Air Bank a.s. and other companies from PPF Group providing financial services in the Czech Republic and Slovakia (see [Annex 2](#) for its summary).

The Corporations Act (Act No. 90/2012 Coll., Section 324(2)) requires the Management Board of Moneta to render within five business days, i.e. by 29 January 2021, a position on the voluntary tender offer (this “**Position**”), including, primarily:

- (i) assessment of its alignment with interests of Moneta shareholders, with comments regarding the amount and type of offered consideration;
- (ii) assessment of its alignment with interests of Moneta, with comments regarding its potential impact on Moneta’s existing business model, strategic aims and structure;
- (iii) assessment of its alignment with interests of Moneta’s employees, with comments regarding its potential impact on Moneta’s employment;
- (iv) assessment of its alignment with interests of Moneta’s depositors and other creditors; and
- (v) information on Management Board’s ownership of Moneta shares and conflict of interest, if any.

In addition, the Corporations Act requires the Management Board to assess PPF’s potential strategic aims in respect of Moneta and include information as to (i) potentially dissenting opinions of individual Management Board members, if any, (ii) voluntary tender offer’s legal or factual defects, if any, and (iii) PPF’s likely impact on location of Moneta’s operations.

II. Context of the position of the Management Board

For a number of years, since its listing on the Prague Stock Exchange, Moneta has been pursuing a dual-prong strategy consisting in (a) organic growth and (b) an acquisition-supported growth acceleration. Such acquisition-related activities were underpinned by targeting incremental growth of Moneta's earnings per share (EPS) and dividend capacity. Furthermore, the acquisition pursuit has been framed in the context of enlarging the retail banking franchise of Moneta. Additionally, potential acquisitions are to support costs efficiency and deployment of investments. Overall, both components of the strategy are aiming to increase the value of Moneta.

During the recent past, Moneta accomplished the acquisition and integration of Wüstenrot – stavební spořitelna a.s. and Wüstenrot hypoteční banka a.s., benefiting Moneta on all the above dimensions. Moneta is also engaged in a pursuit of additional opportunities including, at a minimum, two additional potential merger and/or acquisition opportunities. These engagements are currently active and, hence, Moneta is pursuing several strategic options with the intent of choosing the best one. In one of these, Moneta had been approached as a potential acquisition target, however, no formal offer has materialised yet as a consequence of this effort and process lasting more than 12 months. The Management Board deployed considerable resources to pursue this opportunity. The existence of PPF's voluntary tender offer may create an environment for such a competing offer to come forward.

The summary of Moneta's M&A activities is, however, made only for contextual purposes and shall not be construed as an offer to sell or a solicitation of offers to purchase or otherwise trade in Moneta shares or other securities.

Most recently, on 22 January 2021, Moneta received the voluntary tender offer from PPF upon which the Management Board is required by the Corporations Act to render a position. The Corporations Act stipulates a short period of five business days and clearly states that the position must be reasoned albeit does not require the Management Board to provide a recommendation or a statement which could be construed as such.

Nonetheless, in light of its fiduciary duties, the Management Board seeks to present a position which by definition of the situation as well as a limited amount of information available to the Management Board deals mainly with the share price element of the voluntary tender offer. The Management Board believes that based upon its position stated herein the shareholders can form their opinion.

III. Position of the Management Board

In this section, the Management Board provides its assessments as to the voluntary tender offer as outlined in Part I., points (i) through (v), above and as required by the Corporations Act (Act No. 90/2012 Coll., Section 324(2)).

The Management Board instructed its legal counsel Skills s.r.o. advokátní kancelář to form an opinion on compliance of the voluntary tender offer with applicable law and advise the Management Board on legal aspects of its position expressed herein. Skills s.r.o. advokátní kancelář found no legal defects of the voluntary tender offer and the Management Board relies on such opinion.

Wherever possible or appropriate, the Management Board seeks, in good faith, to support its views by factual data and discloses results of analyses at its disposal as well as key assumptions deployed in constructing these. At the moment, the Management Board does not have a sufficient set of information concerning financial or commercial performance of Air Bank a.s. and its affiliates which Moneta is being offered to acquire. Such information would be required to duly assess the proposed acquisition terms communicated to Moneta separately through PPF's letter and, as such, outside the scope of the voluntary tender offer.

As required by the Corporations Act, this Position is limited to the voluntary tender offer and its content. Had it been plausible, the Management Board would wish to express a conclusive view also on PPF's invitation for negotiations concerning the acquisition of Air Bank a.s. and its affiliates. However, at present, the Management Board does not possess sufficient factual knowledge to be able to form such a view. Any view as to the appropriateness of proposed exchange ratio would have to be validated through a thorough due diligence review and overall evaluation of the proposed acquisition value in the context of Moneta's strategy.

(i) assessment of the voluntary tender offer's alignment with interests of Moneta shareholders, with comments regarding the amount and type of offered consideration

The voluntary tender offer entails cash consideration upon transfer of share ownership to PPF (delivery versus payment) and therefore is clear in terms of its substance.

The Management Board requested its financial adviser J.P. Morgan AG ("J.P. Morgan") to provide financial advice in relation to its assessment of Moneta's existing business plan.

This assessment was based on the business plan the highlights of which were published on 30 October 2020 and which underpins a so-called medium-term guidance of Moneta. The assessment also considered a conservative scenario for the current business plan, one that incorporated risks to Moneta's commercial and financial performance in light of the second and third waves of the COVID-19 pandemic experienced in the Czech Republic and elsewhere.

The guidance communicated to the capital markets sets financial and equity returns targets for Moneta to reach its upper boundary through performance laid out in the strategic plan published on 30 October 2020.

Valuation of Moneta based on its business plan and the conservative scenario indicates Moneta's stand-alone value in the range of CZK 49 billion to CZK 38 billion, subject to inherent business and other risks (e.g. interest rate environment, pricing competition, credit losses, demand for unsecured credit, increased taxation, and overall impact of the COVID-19 pandemic, amongst other). Many of these risks are beyond control or influence of the Management Board. Moneta's guidance as well as targets aim to reach the upper range of this valuation in the medium term. Furthermore, if one assumes that these estimates and underlying assumptions represent future developments, then the share price value would lie between CZK 95 and CZK 74.

Furthermore, based on stock market analysts' view of Moneta's performance expressed in the so-called target prices, the Management Board provides below the following table presenting developments of such views during past 12 months:

Table 1: Summary of broker recommendations

Date	As % of total broker recommendations			Median target price (CZK)	Min - max range of target prices (CZK)
	Buy	Hold	Sell		
01-Jan-20	100%	0%	0%	97	94 – 106
30-Jun-20	89%	11%	0%	75	54 – 106
22-Jan-21	77%	23%	0%	81	65 - 106

Source: FactSet as of 22 January 2021.

Table 2: Individual broker recommendations

Name of the broker	Date	Rating	TP (CZK)
J&T Banka	19-Jan-21	Buy	106.0
Citi	15-Jan-21	Buy	84.0
HSBC	14-Jan-21	Buy	75.0
Wood & Company	12-Jan-21	Buy	95.1
mBank Dom Maklerski	08-Dec-20	Buy	82.7
FIO Banka	01-Dec-20	Hold	75.0
Goldman Sachs	25-Nov-20	Buy	83.0
PKO Dom Maklerski	19-Nov-20	Hold	64.8
Erste Group Research	03-Nov-20	Buy	68.0
Komerční Banka	30-Oct-20	Buy	97.0
Haitong Bank	27-Oct-20	Buy	73.2
Patria	04-Jun-20	Buy	72.0
Median (all)			81.0
Last trading price (22-Jan)			67.1
Potential upside / (downside)			21%

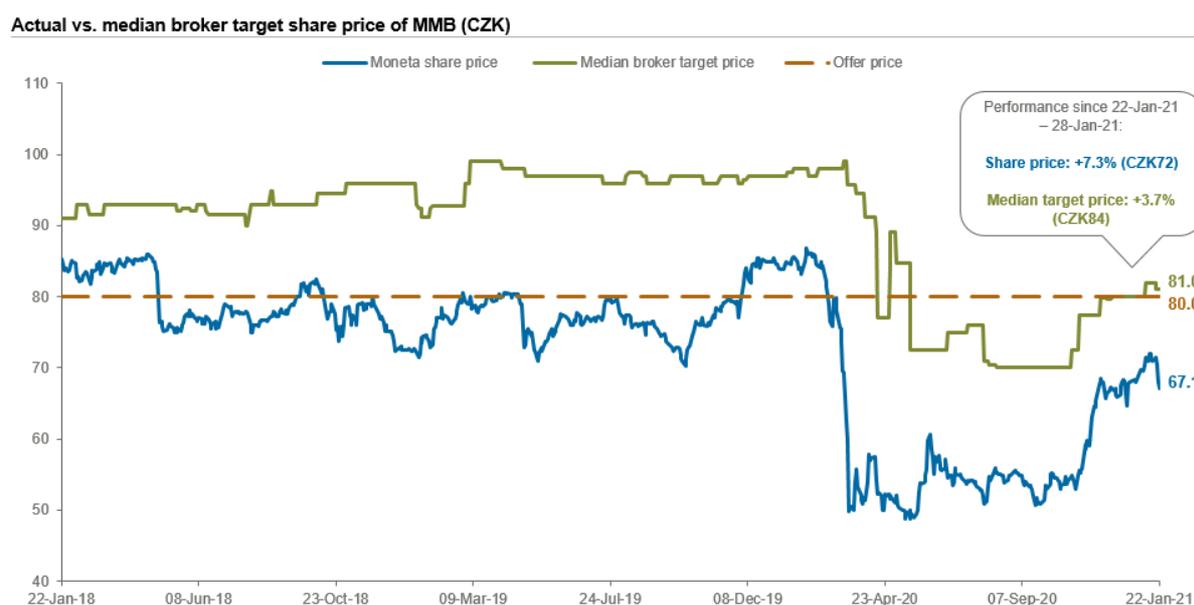
Source: Equity research reports as of 22 January 2021.

Note:

- J.P. Morgan has been restricted from research updates given its financial advisory role to Moneta. Its last target price (CZK 81) was included in the median calculation.
- Subsequently to Moneta's announcement of 22 January 2021 on its receipt of the voluntary tender offer, (i) PKO Dom Maklerski raised the target price to CZK 85.1 and revised its recommendation to "Buy", (ii) Haitong Bank raised the target price to CZK 86.7 and (iii) Goldman Sachs raised the target price to CZK 91.0, shifting the median to CZK 84.0.

Also, the Management Board requested J.P. Morgan to perform an analysis of Moneta share price performance against such target prices over the past 36 months, presented in the chart below.

Chart: Moneta share price performance against broker target share price



Source: FactSet as of 28 January 2021.

Note: Median target price in the chart above is calculated as an average of the median target prices over the observed period started on 22 January 2018

The chart indicates that on average the share price mirrored the median target price subject to the average discount of 20%, with the discount ranging from the minimum of 6% to the maximum of 46%.

Taking into account advice received from J.P. Morgan, the Management Board believes that the offer price of CZK 80.00 is within the range of value of Moneta and is at 98.8% of the analysts’ median target prices for Moneta shares. Furthermore, the offered price represents 19.2% premium over the closing price as of 22 January 2021.

And additionally, the offered share price of CZK 80 per share also provides a premium over volume-weighted averages (VWAP) set forth in the table below. These averages do not include dividend payments and as such do not correspond to total shareholder return.

Table 3: Volume-weighted averages of Moneta share price

VWAP period	Moneta VWAP (CZK)	Offer price (CZK)	Implied premium
1-month	70.1	80.0	14%
2-months	68.3	80.0	17%
3-months	64.0	80.0	25%
6-months	59.5	80.0	34%
12-months	59.5	80.0	35%
24-months	66.7	80.0	20%

Source: FactSet as of 22 January 2021.

The offered premium for 20% to 29% of Moneta shares at the offer price of CZK 80 per share creates a price support for the share price. This impact is observable despite the fact that the voluntary tender offer is partial in its nature and has a component conditional upon the Czech National Bank's consent. In the following table the Management Board provide closing market price for the period of four days prior the date of this Position.

Table 4: Closing market share price of Moneta and its peers

	Moneta	Raiffeisen Bank International	Erste	Komerční banka
Share price (22-Jan-21)	67.1	17.1	26.0	672.0
Share price (28-Jan-21)	72.0	16.4	25.5	668.0
Share price change	7.3%	(4.2%)	(2.0%)	(0.6%)

Source: FactSet as of 28 January 2021.

Note: Share prices quoted in local trading currency.

In conclusion, the Management Board believes that each shareholder of Moneta will be able to assess the above information and form an opinion whether to continue to seek a value appreciation and, in doing so, assume risks associated with Moneta's performance and capital markets developments.

The Management Board notes that if the voluntary tender offer is successful and the acquisition of Air Bank a.s. and its affiliates is pursued, it will entail an issuance of new shares to PPF. As required under the

Corporations Act and Moneta’s Articles of Association, such an issuance would have to be approved by a 75% majority of votes present at Moneta’s General Meeting.

Historically, attendance at General Meetings ranged from 50% to 66% (see Table 5 below). Based on the historical average of 59% participation in past seven General Meetings, a minimum of 44% of all shareholder votes would be required to meet the 75% approval threshold. The threshold is applicable to a waiver of shareholder pre-emptive rights on newly issued shares which is embedded in the Articles of Association.

It is reasonable to assume that participation would significantly increase in a meeting which votes on such an important matter. Hence, the effective support level would have to be higher. To support this argument, the Management Board provides you with tables below representing such situation under various scenarios (see Table 6 below).

Table 5: Historical average participations at past Moneta’s General Meetings

Date of General Meeting	% of share capital participating
Apr-17	66%
Oct-17	60%
Apr-18	56%
Dec-18	59%
Apr-19	62%
Nov-19	60%
Sep-20	50%
Average participation	59%

Table 6: Indicative voting thresholds for (i) approval of the acquisition of Air Bank a.s. and (ii) election of Supervisory Board members at Moneta’s General Meeting

Scenario 1) PPF obtains 10% through voluntary tender offer

(i) Number of NON-PPF shareholder votes needed to pass 75% votes of shareholders present at GM required to approve waiver of pre-emptive right for newly issued shares

SHARES ISSUED	PARTICIPATION ON GENERAL MEETING						75% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL		
	OVERALL	PPF	NON-PPF shareholders	Share %	50% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL				
(A) Number of all shares/votes issued	(B) Participation %	(C) Number of shares/votes [A x B]	(D) Number of shares/ votes	(E) Number of shares/votes	(F) Number of shares/votes [0.75 x C]	(G)Number of shares/votes needed [F - D]	% of NON-PPF shareholder votes PRESENT on GM [G / E]	% of ALL NON-PPF shareholder votes [G / (0.9 x A)]		
511	60%	306.6	10%	51.1	50%	255.5	230.0	178.9	70%	39%
511	70%	357.7	10%	51.1	60%	306.6	268.3	217.2	71%	47%
511	80%	408.8	10%	51.1	70%	357.7	306.6	255.5	71%	56%
511	90%	459.9	10%	51.1	80%	408.8	344.9	293.8	72%	64%
511	100%	511.0	10%	51.1	90%	459.9	383.3	332.2	72%	72%

(ii) Number of NON-PPF shareholder votes needed to pass 50% threshold of votes of shareholders present at GM required to elect Supervisory Board member

SHARES ISSUED	PARTICIPATION ON GENERAL MEETING						50% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL		
	OVERALL	PPF	NON-PPF shareholders	Share %	50% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL				
(A) Number of all shares/votes issued	(B) Participation %	(C) Number of shares/votes [A x B]	(D) Number of shares/ votes	(E) Number of shares/votes	(F) Number of shares/votes [0.5 x C]	(G)Number of shares/votes needed [F - D]	% of NON-PPF shareholder votes PRESENT on GM [G / E]	% of ALL NON-PPF shareholder votes [G / (0.9 x A)]		
511	60%	306.6	10%	51.1	50%	255.5	153.3	102.2	40%	22%
511	70%	357.7	10%	51.1	60%	306.6	178.9	127.8	42%	28%
511	80%	408.8	10%	51.1	70%	357.7	204.4	153.3	43%	33%
511	90%	459.9	10%	51.1	80%	408.8	230.0	178.9	44%	39%
511	100%	511.0	10%	51.1	90%	459.9	255.5	204.4	44%	44%

Note: Numbers of shares are in million pieces.

Scenario 2) PPF obtains 20% through voluntary tender offer

(i) Number of NON-PPF shareholder votes needed to pass 75% votes of shareholders present at GM required to approve waiver of pre-emptive right for newly issued shares

SHARES ISSUED	PARTICIPATION ON GENERAL MEETING					75% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL			
	OVERALL	PPF	NON-PPF shareholders	Share %	NON-PPF shareholders		75% Threshold	% of NON-PPF shareholder votes PRESENT on GM	% of ALL NON-PPF shareholder votes	
(A) Number of all shares/votes issued	(B) Participation %	(C) Number of shares/votes [A x B]	Share %	(D) Number of shares/ votes	Share %	(E) Number of shares/votes	(F) Number of shares/votes [0.75 x C]	(G)Number of shares/votes needed [F - D]	% of NON-PPF shareholder votes PRESENT on GM [G / E]	% of ALL NON-PPF shareholder votes [G / (0.9 x A)]
511	60%	306.6	20%	102.2	40%	204.4	230.0	127.8	63%	31%
511	70%	357.7	20%	102.2	50%	255.5	268.3	166.1	65%	41%
511	80%	408.8	20%	102.2	60%	306.6	306.6	204.4	67%	50%
511	90%	459.9	20%	102.2	70%	357.7	344.9	242.7	68%	59%
511	100%	511.0	20%	102.2	80%	408.8	383.3	281.1	69%	69%

(ii) Number of NON-PPF shareholder votes needed to pass 50% threshold of votes of shareholders present at GM required to elect Supervisory Board member

SHARES ISSUED	PARTICIPATION ON GENERAL MEETING					50% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL			
	OVERALL	PPF	NON-PPF shareholders	Share %	NON-PPF shareholders		50% Threshold	% of NON-PPF shareholder votes PRESENT on GM	% of ALL NON-PPF shareholder votes	
(A) Number of all shares/votes issued	(B) Participation %	(C) Number of shares/votes [A x B]	Share %	(D) Number of shares/ votes	Share %	(E) Number of shares/votes	(F) Number of shares/votes [0.5 x C]	(G)Number of shares/votes needed [F - D]	% of NON-PPF shareholder votes PRESENT on GM [G / E]	% of ALL NON-PPF shareholder votes [G / (0.9 x A)]
511	60%	306.6	20%	102.2	40%	204.4	153.3	51.1	25%	13%
511	70%	357.7	20%	102.2	50%	255.5	178.9	76.7	30%	19%
511	80%	408.8	20%	102.2	60%	306.6	204.4	102.2	33%	25%
511	90%	459.9	20%	102.2	70%	357.7	230.0	127.8	36%	31%
511	100%	511.0	20%	102.2	80%	408.8	255.5	153.3	38%	38%

Note: Numbers of shares are in million pieces.

Scenario 3) PPF obtains 29% through voluntary tender offer

(i) Number of NON-PPF shareholder votes needed to pass 75% votes of shareholders present at GM required to approve waiver of pre-emptive right for newly issued shares

SHARES ISSUED	PARTICIPATION ON GENERAL MEETING					75% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL			
	OVERALL	PPF	NON-PPF shareholders	Share %	NON-PPF shareholders		75% Threshold	% of NON-PPF shareholder votes PRESENT on GM	% of ALL NON-PPF shareholder votes	
(A) Number of all shares/votes issued	(B) Participation %	(C) Number of shares/votes [A x B]	Share %	(D) Number of shares/ votes	Share %	(E) Number of shares/votes	(F) Number of shares/votes [0.75 x C]	(G)Number of shares/votes needed [F - D]	% of NON-PPF shareholder votes PRESENT on GM [G / E]	% of ALL NON-PPF shareholder votes [G / (0.9 x A)]
511	60%	306.6	29%	148.2	31%	158.4	230.0	81.8	52%	23%
511	70%	357.7	29%	148.2	41%	209.5	268.3	120.1	57%	33%
511	80%	408.8	29%	148.2	51%	260.6	306.6	158.4	61%	44%
511	90%	459.9	29%	148.2	61%	311.7	344.9	196.7	63%	54%
511	100%	511.0	29%	148.2	71%	362.8	383.3	235.1	65%	65%

(ii) Number of NON-PPF shareholder votes needed to pass 50% threshold of votes of shareholders present at GM required to elect Supervisory Board member

SHARES ISSUED	PARTICIPATION ON GENERAL MEETING					50% Threshold	NON-PPF SHAREHOLDER VOTES NEEDED FOR APPROVAL			
	OVERALL	PPF	NON-PPF shareholders	Share %	NON-PPF shareholders		50% Threshold	% of NON-PPF shareholder votes PRESENT on GM	% of ALL NON-PPF shareholder votes	
(A) Number of all shares/votes issued	(B) Participation %	(C) Number of shares/votes [A x B]	Share %	(D) Number of shares/ votes	Share %	(E) Number of shares/votes	(F) Number of shares/votes [0.5 x C]	(G)Number of shares/votes needed [F - D]	% of NON-PPF shareholder votes PRESENT on GM [G / E]	% of ALL NON-PPF shareholder votes [G / (0.9 x A)]
511	60%	306.6	29%	148.2	31%	158.4	153.3	5.1	3%	1%
511	70%	357.7	29%	148.2	41%	209.5	178.9	30.7	15%	8%
511	80%	408.8	29%	148.2	51%	260.6	204.4	56.2	22%	15%
511	90%	459.9	29%	148.2	61%	311.7	230.0	81.8	26%	23%
511	100%	511.0	29%	148.2	71%	362.8	255.5	107.3	30%	30%

Note: Numbers of shares are in million pieces.

The above calculations are based on *ex ante* participation levels and, as such, may change. Therefore, the support level needed for PPF-proposed acquisition might be significantly higher, and the up to 29% ownership

of PPF does not appear to form a majority in such a vote. Hence, a considerable support from the non-PPF shareholder base would be required.

The support needed under these illustrative scenarios ranges from 52% to 72% of present non-PPF shareholder votes which translate into the range from 23% to 72% of all non-PPF shareholder votes.

Based on the legal advice procured, the Management Board believes that a mandatory tender offer would likely be required shortly after PPF takes control over Moneta. In order for this event to occur, PPF (alone or while acting in concert with other shareholders) would have to reach the threshold of 30% of direct or indirect shareholding in Moneta.

The voluntary tender offer in itself will not result in a takeover of control over Moneta by PPF Group.

In order to elect members of the Supervisory Board, who in turn elect members of the Management Board, PPF would have to get a support from 13% of all non-PPF shareholder votes in case it owns a 20% shareholding and 1% of all non-PPF shareholder votes in case it owns a 29% shareholding. These threshold figures assume a participation level starting from 60% and increase or decrease proportionately with shareholder attendance.

The Management Board assumes, based on the above analysis and rules built in Moneta's Articles of Association, that PPF would not be able to singularly approve the proposed acquisition of Air Bank a.s. and its affiliates. Additionally, based on the above analysis, PPF would neither be in a position to singularly amend the Articles of Association or otherwise make key decisions without a material support from the shareholder base.

However, it is important to acknowledge the fact that PPF would have a significant voice in election of the Supervisory Board members.

Subsequently, if the acquisition of Air Bank a.s. and its affiliates is realised, PPF would most likely be required to launch a mandatory takeover bid in respect of all Moneta shareholders pursuant to the Takeover Bids Act (Act No. 104/2008 Coll.) and if such a situation arises within 12 months from the voluntary tender offer settlement, offer to Moneta shareholders a consideration not lower than CZK 80 per share (as offered under the voluntary tender offer).¹

(ii) assessment of the voluntary tender offer's alignment with interests of Moneta and comments regarding its potential impact on Moneta's existing business model, strategic aims and structure

Since its IPO in 2016, Moneta has pursued a consistent strategy aimed at dynamic organic growth, supported by targeted acquisitions with an overarching goal of being one of the fastest growing and profitable banking

¹ In case a material change in Moneta's economic situation or another extraordinary event set forth in law occurs and price offered in a mandatory takeover bid is non-commensurate, such price may be adjusted by the Czech National Bank.

institutions in this part of Europe. Over the course of almost five years, Moneta has consistently delivered against previously communicated targets. In the pre-COVID period until the end of 2019, Moneta has delivered an industry leading total shareholder return of 65%, average return on equity exceeding 16% while recording a double-digit loan and deposit growth rates which allow Moneta to dynamically capture market share from its competitors.

While COVID-19 has introduced certain business slow down and uncertainty to the overall outlook, the Management Board believes that Moneta is well positioned to continue pursuing its strategy going forward. This confidence of the Management Board seems to be mirrored through the view of Moneta shareholders, considering the recent share price recovery preceding the voluntary tender offer announcement of 22 January 2021. At the same time, as can be ascertained from the [Chart](#) above, Moneta share price is yet to reach its pre-COVID levels.

Any acquisition or business combination considered by the Management Board has always been assessed against a consistent set of strategic aims evaluating its potential for facilitating or achieving prior communicated business objectives. As such, the Management Board would analyse and evaluate the proposed acquisition of Air Bank a.s. and its affiliates from the perspective of its potential contribution to Moneta's balance sheet and income statement.

It is the Management Board's understanding that a potential combination with Air Bank a.s. and its affiliates could materially contribute to Moneta's balance sheet and particularly in areas considered as the most attractive in Moneta's strategy including retail banking. Following the potential combination Moneta could record a significant increase in mortgage business passing the 10% market share, unsecured consumer lending exceeding 20% market share as well as total deposits passing the 10% market share in the Czech Republic. Similarly to these market share increases, revenue base for Moneta would increase on a commensurate basis particularly given its relatively stronger revenue generation potential based on higher net interest margin achieved on its balance sheet.

The Management Board also notes that a potential combination could create a significant scope for cost and revenue synergies extraction through reduction of duplicate functions, rationalisation of the combined infrastructure as well as through utilisation of combined client bases. While detailed estimate of potential synergies would require a customary due diligence process, the Management Board believes in good faith that a significant cost optimisation could be achieved and, thus, bring a further potential to improve the overall financial profile of the combined businesses.

Finally, the Management Board also recognises and acknowledges risks related to a potential combination. Given the nature of Air Bank's and its affiliates' business model more heavily geared towards unsecured retail loans, the potential combination would likely increase the volatility in cost of risk of Moneta.

Additionally, the Management Board also recognises and acknowledges risk associated with certain PPF's intragroup exposures and dependency in terms of the ability of Air Bank a.s. to generate income streams. In addition, as with any integration process, the business risk will be higher compared to a standalone scenario, however, the Management Board has integration experience and has previously delivered on its guided integration and cost synergies targets.

In conclusion, Moneta Management Board believes that PPF-proposed combination with Air Bank a.s. and its affiliates has a potential to materially impact Moneta business model by bringing tangible benefits and facilitating overall delivery on its communicated strategy. While noting the risks, the Management Board believes such a positive impact could be achieved given proved human capital capabilities inherent to Moneta. Additionally, eventual realisation of PPF's proposal for an acquisition of Air Bank a.s. and its affiliates is subject to arms' length negotiations.

Our above statements are consistent with previously negotiated attempt to purchase Air Bank dating to October 2018 and unsuccessfully concluded in February 2019. In materials published and archived in our investor relations website at that time Moneta had indicated interest to PPF Group valued at CZK 19.75 billion and subsequently post due diligence process altered the offer to the level of CZK 18.5 billion. The offer was refused by PPF Group. Our attempt at that time was supported by financial advice from J.P. Morgan and a positive fairness opinion by an additional global investment bank.

In order to adequately measure the potential impacts and assess risks, a customary due diligence process should be conducted. Such process should allow Moneta Management Board to form a more thoroughly informed view as to more specific financial and commercial impacts of the PPF-proposed acquisition. The outcome of such study would be shared with Moneta shareholders timely after completing the due diligence process. As in the previous process, the Management Board would solicit a shareholder feedback based on a transparent disclosure as done previously.

The voluntary tender offer in itself should not lead to any material impact on Moneta and its business model. Such an impact might occur only if the PPF-proposed acquisition is realised after due diligence process outlined above is followed and completed and its results are supported by a significant portion of the shareholder base. As the illustrative analysis above indicates, the minimum threshold of non-PPF shareholders required for approval of the proposed acquisition of Air Bank a.s. and its affiliates is quite high and is ranging between 52% to 72% of non-PPF participating shareholders to support such a proposal, as measured against average participation levels at past General Meetings.

It is up to Moneta shareholders to exercise their rights and participate at the General Meeting. The Management Board believes in good faith that such an important decision may attract higher than usual participation when and if a commercial agreement is reached and the PPF-proposed acquisition of Air Bank a.s. and its affiliates is put on the General Meeting agenda.

(iii) assessment of the voluntary tender offer's alignment with interests of Moneta's employees, with comments regarding its potential impact on Moneta's employment

Although the voluntary tender offer is in itself not expected to have a negative impact on Moneta's employment, the potential acquisition and subsequent combination with Air Bank a.s. and its affiliates would entail an employment reduction of a combined employment base and a possible rationalisation of a combined branch network.

The employment impact could be moderated by growth of business volumes enhanced through combining customer bases of Moneta and Air Bank a.s. and its affiliates. As experienced in previous acquisitions, negative impacts of employment restructurings could be mitigated by Moneta's retention programmes and lay-off benefits in excess of minimum Czech statutory requirements. These tools were successfully deployed by Moneta in its acquisition of Wüstenrot – stavební spořitelna a.s. and Wüstenrot hypoteční banka a.s., and in due course would be designed for implementation also in case of the potential acquisition of Air Bank a.s. and its affiliates.

It is important to stress that any acquisition will ultimately be framed in such efficiency seeking actions. Moneta is committed to social responsibility and due care in balancing the interests of its employees and shareholders in an utmost responsible manner.

Moreover, the voluntary tender offer should not lead to a relocation of Moneta's operations. Also, given that operations of Air Bank a.s. and its affiliates are predominantly located in the Czech Republic with a small portion located in the Slovak Republic, there appears to be no indication that their potential combination with Moneta would lead to a significant relocation of Moneta's operations out of the Czech Republic.

(iv) assessment of the voluntary tender offer's alignment with interests of Moneta's depositors and other creditors

The voluntary tender offer should not have any impact on Moneta's solvency and liquidity due to its very nature. Given that Moneta is regulated by the Czech National Bank, any acquisition of shareholding interest of at least 10% is subject to the Czech National Bank's prior consent. Accordingly, PPF could acquire a significant shareholding in Moneta only once impacts of such an acquisition on Moneta's depositors and other creditors are fully scrutinised by the Czech National Bank. Hence, the Management Board believes that the voluntary tender offer should have no impact on Moneta's depositors and other creditors.

(v) information on Management Board's ownership of Moneta shares and conflict of interest, if any

At the meeting of the Management Board on 28 January 2021, individual members of the Management Board declared that none of them will tender his shares in Moneta in response to the voluntary tender offer. The

Management Board is committed individually and collectively to success of Moneta, and its members intend to remain shareholders of Moneta.

None of the Management Board members is aware of any conflict between his interests and interests of Moneta and/or Moneta shareholders, nor was elected to his position through PPF's influence.

IV. Commentary on the proposed exchange ratio

Although the Corporations Act and other applicable laws do not stipulate the Management Board's view on the PPF-proposed exchange ratio as it is not part of the voluntary tender offer, the Management Board wishes to outline its position for the benefit of its shareholders and clarity where it stands.

The Management Board would like to seek a mutually symmetrical and mutually beneficial exchange ratio. This means that the Management Board is open to entering negotiations based on an arms' length basis. Given the potential value of the Air Bank acquisition opportunity and recognising the risks inherently embedded in such an acquisition opportunity, the Management Board believes it is prudent to seek a variable and conditional exchange ratio based on commercial and financial performance.

The Management Board is aware of its fiduciary duties and would seek to negotiate a transaction that is beneficial to Moneta, its shareholders, and all other stakeholders.

V. Shareholders' and analysts' views

Several analysts have increased their target prices for Moneta shares since disclosure of the information that Moneta received the voluntary tender offer on 22 January 2021, namely Haitong Bank, Goldman Sachs, and PKO Dom Maklerski. In parallel, a large US-based investment bank, notified the Czech National Bank regarding a substantial increase in its holdings. There are also at a minimum two large institutional shareholders that have strengthened or increased their positions in Moneta above the 1% shareholding level.

Moneta also received a statement from two long-term institutional investors. The first, Petrus Advisers, who claim to hold between 2% and 3% convey a strong negative opinion and request refusal of the voluntary tender offer. Their arguments dispute the proposed share price level and claim a lack of transparency and clarity of the voluntary tender offer overall. They also outline that an eventual mandatory tender offer would have to be higher than CZK 80 per share.

Additionally, Moneta also received a statement from Franklin Templeton Investments. Their view is equally negative pointing out a problematic nature of the offered assets, high requested valuation of such, and claim negative impact on corporate governance as well as the shareholder structure. The Franklin Templeton Investments letter also states that the acquisition of Air Bank a.s. and its affiliates was previously rejected by Moneta shareholders which is factually incorrect since the transaction was never presented to them for approval, and the negotiations were terminated by PPF Group.

Both letters question the so-called strategic fit and reputation of the offer or, and point to inappropriate timing in terms of the overall economic cycle, namely due to the COVID-19 pandemic and its foreseen impacts.

While the Management Board understands some of the voiced concerns not directly relating to the voluntary tender offer on which the Management Board is to take a position, it deems some also speculative and defamatory in nature. The Management Board is in no position to judge future behaviour and standards of PPF Group, however, it highlights that a part of PPF Group is subject to financial regulation and PPF Group owns at least one publicly traded entity. At the same time, the Management Board is not in a position to pass any recommendation or assessment in this respect.

VI. Conclusion

Moneta shareholders have to decide whether or not to accept the voluntary tender offer considering the overall circumstances, their individual circumstances and personal assessment of the future performance of the value and stock market price of Moneta shares.

The voluntary tender offer provides Moneta shareholders wishing to realise cash value at CZK 80 per share with an avenue through which they can act. The Management Board has limited means to measure or otherwise gauge the level of interest that will be expressed by the tendered volume.

The Management Board assessed that its obligation entails an entertainment, consideration, and verification of PPF's acquisition proposal through a due diligence process and related tasks. In case that the Management Board outright rejects the invitation to negotiate with PPF, such decision might ultimately lead to a decrease of the current level of Moneta share price. Hence, the Management Board are open to engaging in the process of evaluation of Moneta's potential combination with Air Bank a.s. and its affiliates.

The Management Board has no means at its disposal to determine who will eventually purchase or sell Moneta shares as these investment decisions lie exclusively with shareholders themselves.

As stated above, this Position (including the conclusions below) pertains only to the voluntary tender offer as required by the Corporations Act and is based on the reasoning as summarised below:

- (i) assessment of its alignment with interests of Moneta shareholders, with comments regarding the amount and type of offered consideration – as a whole, the Management Board's position is positive based on the objective data as these are gathered by the markets and further supported by external valuation estimate. The Management Board does not judge adequacy of a premium as it believes that such judgement should be exercised by each individual shareholder.
- (ii) assessment of its alignment with interests of Moneta, with comments regarding its potential impact on Moneta's existing business model, strategic aims and structure – as a whole, the Management Board's position is neutral based on subjectively judged strategic fit while acknowledging risks and uncertainties related to such.

- (iii) assessment of its alignment with interests of Moneta's employees, with comments regarding its potential impact on Moneta's employment – as a whole, the Management Board's position is neutral as the existence of the voluntary tender offer due to its very nature does not impact employment nor employees in the relevant timeframe.
- (iv) assessment of its alignment with interests of Moneta's depositors and other creditors – as a whole, the Management Board's position is neutral as the existence of the voluntary tender offer due to its very nature does not impact solvency and/or liquidity of Moneta.
- (v) information on Management Board's ownership of Moneta shares and conflict of interest, if any – as stated above, the Management Board, individually and collectively, is not aware of any conflict of interest. As declared, the Management Board, individually and collectively, does not intend to tender any shares in response to the voluntary tender offer due its commitment to Moneta and its shareholders.

In this Position required by law, the Management Board balances all these factors into a single statement as it understands the Corporations Act's requirement.

In light of the foregoing and based on information available to it, the Management Board unanimously finds the voluntary tender offer to be in line with the interests of Moneta as well as with the interests of Moneta's shareholders, employees, depositors and other creditors.

On 29 January 2021

Management Board of MONETA Money Bank, a.s.

Tomáš Spurný

Chairman of the Management Board and Chief Executive Officer

IMPORTANT NOTICE

This Position is prepared in English and Czech language versions. In case of any discrepancy, the Czech version shall prevail.

This Position is based on the wording of the voluntary tender offer Moneta received on 22 January 2021. The voluntary tender offer will be made once published by PPF in the prescribed manner.

Subject to mandatorily applicable law, the Management Board assumes no responsibility in the event that the acceptance or non-acceptance of the voluntary tender offer subsequently has any adverse economic consequences for any Moneta shareholder.

This Position reflects the state of affairs as at the date hereof, unless otherwise indicated herein. Under no circumstances may the issue or distribution of this Position be interpreted as implying that the information contained herein is true and accurate on a later date than the date hereof. The Management Board does not undertake any obligation to publicly release any revision to this Position to reflect events or circumstances after the date of this Position, except as may be required by applicable law or by a competent regulatory authority.

THIS DOCUMENT IS NOT AN OFFER TO SELL OR A SOLICITATION OF OFFERS TO PURCHASE OR SUBSCRIBE FOR SHARES OF MONETA, OTHER SECURITIES OR OTHER FINANCIAL INSTRUMENTS. This document does not constitute a prospectus or a public offer of any shares or other securities within meaning of the Act No 256/2004 Coll., the Capital Markets Act, as amended, and Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market. Copies of this document may not be sent to countries, or distributed in or sent from countries, in which this is barred or prohibited by law. Persons into whose possession this document comes should inform themselves about and observe all such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such jurisdiction.

This Position does not constitute a recommendation regarding any securities and may not be regarded as a substitute for specific legal, financial, commercial or other expert advice on the matters covered herein. Recipients of this document are also reminded to exercise caution when dealing in the shares of Moneta and form their own view and opinion and reach their own decision.

THIS DOCUMENT IS NOT A PROXY STATEMENT NOR A SOLICITATION OF PROXIES UNDER THE U.S. SECURITIES LAWS. The securities referred to herein are exempt from the proxy rules of the U.S. Securities Exchange Act of 1934, as amended. This document does not constitute an offer to sell, or a solicitation of an offer to purchase, any securities in the United States. The securities referred to in this document have not been registered under the U.S. Securities Act of 1933, as amended (the "Securities Act") or the laws of any state or other jurisdiction of the United States, and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in each case in compliance with the laws of the applicable state or other

jurisdiction of the United States.

This document may contain projections, estimates, forecasts, targets, opinions, prospects, results, returns and forward-looking statements of Moneta with respect to, inter alia, profitability, costs, assets, capital position, financial condition, results of operations, dividend and business (together, "forward-looking statements"). Any forward-looking statements involve material assumptions and subjective judgements which may or may not prove to be correct and there can be no assurance that any of the matters set out in forward looking statements will actually occur or will be realized or are complete or accurate. The assumptions may prove to be incorrect and involve known and unknown risks, uncertainties, contingencies and other important factors, many of which are outside the control of Moneta. Actual achievements, results, performance or other future events or conditions may differ materially from those stated, implied and/or reflected in any forward-looking statements due to a variety of risks, uncertainties and other factors. No statement in this document is a profit or dividend forecast or estimate and no statement in this document should be construed as such, nor should any statement be interpreted to mean that the future earnings per share, profits, dividends, margins or cash flows of Moneta for the current or future financial years would necessarily match or be greater than the historically published figures. Any forward-looking statement contained in this document is made as at the date of this document and cannot be relied upon as a guide to future performance. Moneta does not assume, and hereby disclaims, any obligation or duty to update forward-looking statements if circumstances or management's assumptions, beliefs, expectations or opinions should change, unless it would be required to do so under applicable law or regulation.

Annex 1

Summary of the voluntary tender offer for purchase of up to 20% shares in MONETA Money Bank, a.s.

Main parameters of the wording of the voluntary tender offer are as follows:

- I. **Share purchase price – CZK 80.00.** PPF will offer to purchase Moneta shares for the all-cash consideration of CZK 80.00 per one share ("**Offer Price**"). The consideration for tendered shares will be paid out upon a transfer of their ownership title. Purchases of shares under the voluntary tender offer will be carried out through PPF banka a.s.
- II. **Maximum volume of purchased shares – 20 % of the total nominal value with PPF's right to increase it up to 29 %.** The wording of the voluntary tender offer contemplates purchases of shares with the total nominal value (after counting in PPF Group's existing 0.6279 % shareholding in Moneta) not exceeding 20 % of the total nominal value of all shares in Moneta, with PPF's right to unilaterally increase this maximum volume up to 29 %. The offer further contemplates that the voluntary tender offer will be carried out in two phases, the first unconditional and the second conditional upon obtaining a regulatory approval as laid out in Section IV. below.
- III. **Unconditional part of the voluntary tender offer – up to 10 % of the total nominal value.** The transfer of ownership and payment of the purchase price in respect of the tendered shares with the total nominal value (after counting in PPF Group's existing 0.6279 % shareholding in Moneta) below 10 % will not be conditional upon obtaining approval from the regulator - the Czech National Bank ("**CNB**"). According to the Banking Act (Act No. 21/1992 Coll., Section 20(3)), acquisition of a shareholding in Moneta below 10% does not constitute acquisition of a so-called "qualified shareholding" and is not subject to such regulatory approval.
- IV. **Conditional part of the voluntary tender offer – conditional upon CNB's approval.** The transfer of ownership and payment of the purchase price in respect of tendered shares with the total nominal value (after counting in PPF Group's existing 0.6279 % shareholding in Moneta) of 10 % or more will be conditional upon obtaining a regulatory approval from the CNB pursuant to the Banking Act. According to the information in the voluntary tender offer, PPF will apply for such regulatory approval within 20 business days from its announcement that the total nominal value of tendered shares (after counting in PPF Group's existing 0.6279 % shareholding in Moneta) has reached 10 % or more.
- V. **Settlement of potential excess demand.** If the volume of tendered shares (after counting in PPF Group's existing 0.6279 % shareholding in Moneta) reaches or exceeds the threshold for the unconditional part of the tender offer (*i.e.* 10 % of the total nominal value), shareholders who tendered their shares will be satisfied from the unconditional part proportionately. Shareholder demand not satisfied under the unconditional part will be accepted (and the sale of the remaining tendered shares settled) under the allotment for the conditional part of the voluntary tender offer.

The principle of proportionate satisfaction of shareholder demand is also envisaged in respect of the conditional part of the voluntary tender offer in case the maximum volume of shares subject to the tender offer is exceeded (see Section II. above).

- VI. Settlement of share purchases.** PPF will instruct PPF banka a.s. to act on behalf of PPF in the process of acceptance of the voluntary tender offer, settlement of Moneta shares transfers and payment of the consideration for such transfers. Further details will be published by PPF together with the voluntary tender offer.
- VII. Acceptance period of the voluntary tender offer.** The voluntary tender offer will be binding in accordance with the Business Corporations Act. The voluntary tender offer will be open for acceptance by Moneta's shareholders from 8 February 2021 to 26 February 2021. PPF reserves the right to extend the acceptance period to 5 March 2021. The voluntary tender offer might be in part subject to the regulatory approval from the CNB as described above.
- VIII. The voluntary tender offer will not result in takeover of control over Moneta.** According to wording of the voluntary tender offer, PPF Group will not take over control over Moneta as a result of realization of the voluntary tender offer.

The declared reason for making the voluntary tender offer is the interest of the PPF Group to reach an agreement with Moneta concerning an acquisition and a mutual combination of business activities, anticipating combination of Air Bank a.s. and other companies from PPF Group providing financial services in the Czech Republic and Slovakia with Moneta.

Annex 2

Summary of letter containing invitation for negotiations concerning acquisition of Air Bank a.s. and other companies from PPF Group providing financial services in the Czech Republic and Slovakia by MONETA Money Bank, a.s.

In the letter accompanying the voluntary tender offer, PPF Group proposed the following transaction parameters concerning an acquisition of Air Bank a.s. and of other companies from PPF Group providing financial services primarily in the Czech Republic and also in Slovakia by Moneta ("Air Bank Acquisition").

- I. Acquisition of and subsequent merger with Air Bank.** As part of the Air Bank Acquisition, Moneta would acquire from PPF Group a 100% shareholding in Air Bank a.s. and the following companies affiliated with Air Bank a.s.: (i) Home Credit a.s.; (ii) Benxy s.r.o.; and (iii) Home Credit Slovakia, a.s. (together "Air Bank") The acquisition is structured as a share-for-share exchange based on an exchange ratio and does not contemplate payment of any other consideration. A subsequent step is to merge these two banks.
- II. Proposed share exchange ratio.** The Air Bank Acquisition would be carried out by the shares exchange with the exchange ratio of 60.3 % (value of Moneta) : 39.7 % (value of Air Bank). By this shares exchange, PPF would acquire a 39.7 % shareholding in Moneta in addition to any shares acquired under the voluntary tender offer described in Annex 1. Based on the proposed exchange ratio, the number of shares issued by Moneta would increase from 511 million pieces to 847,429,519 pieces. The PPF Group would acquire the newly issued Moneta shares in exchange for 100% shares in Air Bank.
- III. Offer of mutual due diligence.** PPF further contemplates a mutual due diligence the results of which would serve as a basis for confirmation of the proposed share exchange ratio between Moneta and Air Bank (see Section II. above).
- IV. Transaction documents and regulatory approvals.** Proposals from the PPF Group also envisage negotiations of transaction documents and a subsequent application for relevant regulatory approvals.
- V. Moneta shareholders' approval of the Air Bank Acquisition.** Subsequently, the letter also anticipates that the Air Bank Acquisition will be submitted for shareholders' approval at Moneta's Annual General Meeting, which is typically held at the end of April of each calendar year.
- VI. Share exchange settlement.** The share exchange would be carried out after completion of steps III. through V. above.