

Indicative Offer / Letter of Intent (LOI)

for the acquisition of a 100 % ownership interest in PaperTime s.r.o. — addressed to the shareholders Egor Nefedov (50 %) and Jaroslav Kevin Peterka (50 %), attn. Egor Nefedov, managing director, info@papertime.cz

1. Prospective buyer

Name / company: _____ Company ID / date of birth: _____

Registered office / address: _____ Represented by: _____

Contact person, e-mail, phone: _____

Brief profile and rationale for the acquisition (strategic / financial buyer, expected synergies):

2. Target and subject of the transaction

Target: **PaperTime s.r.o.**, Company ID 10666699, registered office Pod Cihelným vrchem 1030, 264 01 Sedlčany, Czech Republic (the “Company”); shareholders Egor Nefedov (50 %) and Jaroslav Kevin Peterka (50 %) (the “Sellers”).

- ☐ **Share deal** — acquisition of a 100 % ownership interest in the Company by way of a share transfer agreement (SPA).
- ☐ **Alternatively: asset deal** — acquisition of the business or a set of assets (brand and trademark, domains, e-shops, customer database, inventory, licences, workshop equipment); specify: _____

3. Indicative purchase price and its basis

Indicative price for 100 % of the ownership interest: **CZK** _____ (in words:

_____).

Basis / valuation method (replacement value, revenue multiple, asset value, outlook, other):

For reference only: the Sellers' asking price is CZK 2,000,000 for a 100 % stake, negotiable.

Treatment of debt. Bank loan (Česká spořitelna, approx. CZK 240k): ☐ remains in the Company and is reflected in the price ☐ repaid by the Sellers from the purchase price at closing ☐ other: _____

Shareholder loan (approx. CZK 200k) vs. the Company's receivable from a shareholder (CZK 267k): ☐ set-off before closing, remainder settled:

_____ ☐ other: _____

☐ The price is set on a **cash-free / debt-free** basis and will be adjusted for net debt and normalised working capital as at closing.

4. Payment

- ☐ **100 % in cash at closing** (bank transfer / escrow with a notary or bank).
- ☐ **Optional deferred part:** _____ % / CZK _____ payable within _____ after closing; security: _____

Source of funds: ☐ own resources ☐ bank financing (confirmation by: _____) · Expected signing: _____ Expected closing:

5. Conditions precedent

(a) satisfactory outcome of due diligence in the scope of Art. 6; (b) financing secured by the buyer; (c) no material adverse change (MAC) in the Company's business between the date of this offer and closing; (d) execution of an SPA with customary representations and warranties; (e) other:

6. Due diligence — scope and timeline

Legal, financial/tax, commercial and operational due diligence based on the data room (dataroom.papertime.cz, chapters 00–15) and follow-up questions, including a visit to the workshop in Brno and meetings with the founders. Expected duration: **2–3 weeks** from acceptance of this LOI (from _____ to _____). Buyer's advisers: _____

7. Exclusivity (optional)

☐ The Sellers undertake not to negotiate the sale of the Company with third parties for a period of _____ weeks from acceptance of this LOI. ☐ No exclusivity requested.

8. Handover and post-closing cooperation (offered by the Sellers)

Structured 30/60/90-day handover plan (SOPs, access credentials, suppliers, part-time workers, e-shops and advertising accounts); availability of the founder for 12 months after closing (scope and remuneration: _____); 3-year non-compete of the founders. Additional buyer requirements: _____

9. Confidentiality

This offer and all information exchanged are subject to the Non-Disclosure Agreement signed on _____. The existence and content of this offer are confidential.

10. Non-binding nature and costs

This letter is a non-binding expression of interest and does not oblige either party to complete the transaction; binding rights and obligations will arise only upon execution of the SPA. Only Art. 7 (exclusivity, if agreed), Art. 9 (confidentiality) and this Art. 10 (costs) are binding. Each party bears its own costs and the costs of its advisers.

11. Governing law · 12. Validity of the offer

This letter is governed by the laws of the Czech Republic; language of the transaction documents: _____. This offer is valid until _____ (date); acceptance is confirmed by the Sellers' countersignature below.

In _____ on _____

Prospective buyer — name, position, signature

In _____ on _____

Accepted for further negotiation: Egor Nefedov (50 %) · Jaroslav Kevin Peterka (50 %)