



MAKING YOUR PROJECTS REAL

SG EQUIPMENT FINANCE GROUP

- SG Equipment Finance is part of the renowned banking group Société Générale and the leading partner for equipment and vendor finance.
- Present in 31 countries on 5 continents (in 22 European countries, also in USA, China and Brazil).
- No. 1 in Europe and No. 2 worldwide.
- 26,3 billion EUR in managed assets.
- More than 2.500 employees.

SGEF IN THE CZECH AND SLOVAK REPUBLIC



OWNERSHIP STRUCTURE

Komerční banka, a.s. – 50,1 %

SGEF SA – 49,9 %

Established
1996

Position on the target market (CLFA)
#2 in the Czech Republic

Average Managed Assets
CZK 27,8 bn

New Business Volume 2019
CZK 13,4 bn

Number of employees
141

Regional presence
in 9 cities

No. of active clients
4439


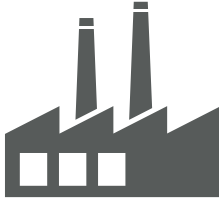

CIR 2019
37 %

SG EQUIPMENT FINANCE CZECH REPUBLIC – EVOLUTION

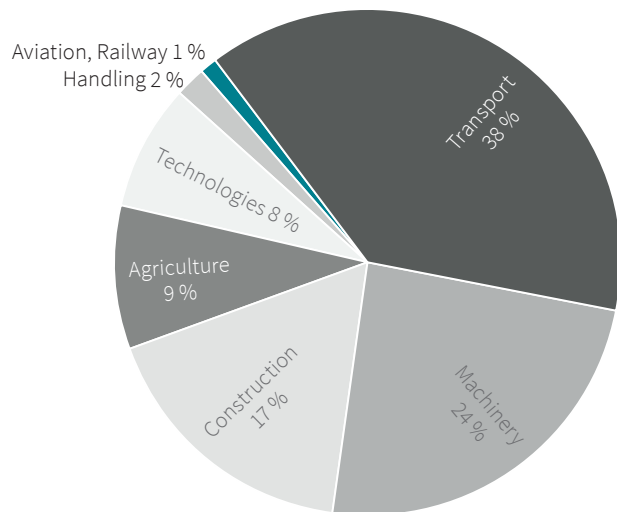
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
New Business Volume (NBV)*	306,3	319,2	334,1	352,5	325,9	352,6	425,3	453,5	453,9	466,5	522
Managed Assets*	760	779	771	798	783	824	905	957	1024	1018	1083
Employees	113	111	115	116	119	118	123	126	126	134	141
Customers	2903	3251	3244	3389	3115	3208	3238	3544	3606	4134	4439

* in mil. EUR and including Slovakia

SG EQUIPMENT FINANCE CZECH REPUBLIC – MAIN TARGETED ASSETS

TRANSPORT	INDUSTRIAL EQUIPMENT	HIGH TECH
<p>Transport</p> <ul style="list-style-type: none"> ■ Trucks & Trailers ■ Buses <p>Handling</p> <ul style="list-style-type: none"> ■ Forklift trucks ■ Handling equipment <p>Agricultural</p> <ul style="list-style-type: none"> ■ Tractors ■ Harvesters <p>Aviation & Railway</p> <ul style="list-style-type: none"> ■ Planes, helicopters ■ Locomotives, coaches 	<p>Machinery</p> <ul style="list-style-type: none"> ■ Machine tooling ■ Printing ■ Plastics <p>Construction</p> <ul style="list-style-type: none"> ■ Loader ■ Excavators ■ Earth moving equipment ■ Cranes 	<p>IT & Office</p> <ul style="list-style-type: none"> ■ Hardware ■ Software ■ IT Solutions <p>Software financing</p> <ul style="list-style-type: none"> ■ Financing of user rights associated with license contract <p>Medical</p> <ul style="list-style-type: none"> ■ Medical equipment ■ Laboratory equipment 

STRUCTURE OF MANAGED ASSETS AS OF END 2019



AMOUNT OF MANAGED AIRCRAFT AS OF END 2019



Airplanes – **CZK 1,32 billion**



Helicopters – **CZK 119 million**

Since launch of Aviation financing offered by SG Equipment Finance in 2005 have been closed 43 transactions in the original purchase prices amount of **CZK 6,4 billion**.

AVIATION FINANCING

Product description

- SG Equipment Finance has been involved in the financing of aircrafts for more than 50 years.
- Strategic focus on corporate aircraft and helicopters.
- The product we offer is a special-purpose financial loan, where the debtor is the economic owner of the aircraft, and our company is registered with the Civil Aviation Authority of Czech Republic (or CAA of another state) as the pledgee under a concluded pledge agreement.
- Aviation financing is partly backed by the value of the aircraft acquired as the underlying asset and is secured by a guarantee issued by an entity with proven financial strength that is able to secure loan repayment (corporate guarantee).
- By delivery of aircraft are financial resources paid on time to an escrow agent, or against the presentation of an original bill of sale directly to the supplier's account, based on a binding authorization and acceptance of the aircraft by the client (i.e. debtor) and signed closing agreement by a supplier.
- A balloon payment may be set in each agreement in accordance with the type and age of the aircraft.
- Airplanes are financed in USD (light airplanes also in EUR) based upon fixed interest rates or variable interest rates (3-month).
- Helicopters are financed in EUR, those registered beside European countries are financed also in USD based upon fixed interest rates or variable interest rates (3-month).



Aviation Financing Criteria

- Airplanes with a maximum capacity of 20 passengers and helicopters.
- Eligible manufacturers for airplanes are Beechcraft, Bombardier, Cessna, Cirrus, Daher-Socata, Dassault Aviation, Diamond, Embraer, Gulfstream, Honda Aircraft, Pilatus, Piper and Tecnam.
- Eligible manufacturers for helicopters are Airbus (Eurocopter), Bell, Leonardo (Agusta -Westland), Robinson (only R66) and Sikorsky.
- Airplanes or helicopters should not be more than 10 years old, except mid-size and large airplanes by that the maximum age is 5 years.
- Loan limit is usually 75% (for airplane) or 90% (for helicopter) of the “fair market value” (Aircraft BlueBook).
- The financing period ranges from 5 to 10 years mainly.
- The debtor could be SPV under a corporate guarantee issued by creditworthy entity with visible cash-flow needed for loan pay-back.
- An important presumption is conclusion of insurance contract (both – liability and hull insurance policy) to the necessary extent. We can even mediate draft insurance terms as part of the financial offer.
- Aircrafts can be registered in the Czech Republic, the Slovak Republic or the USA.



Who is an investor?

- Generally our customers are
 - for airplanes
 - large corporate bodies with other than aviation business activities through SPV
 - small to medium corporate bodies (through SPV)
 - wealthy individuals with convincing corporate history (incl. licenced professionals such as doctors, lawyers) with other than aviation business activities
 - no operators or airlines
 - for helicopters
 - specialized operators with long-term contracts with public entities (emergency medical services, search& rescue)
 - specialized operators with long-term contracts with oil producers (services to oil and gas platforms)
 - public bodies with long-term contracts with public entities (police or law enforcement, search&rescue)
 - specialized operators (aerial works, transport of passengers).
- Important presumptions are creditworthiness, technical erudition and the holding of the necessary certificates required of an aircraft operator/lessee, if not the same person as the debtor.
- The entire private aircraft business is built on discretion; naming customers is taboo. Intentionally, then, the investor and our debtor is not named. In this case, the debtor may be a special-purpose vehicle (SPV) set up, for example, to preserve a certain degree of investor anonymity.

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