

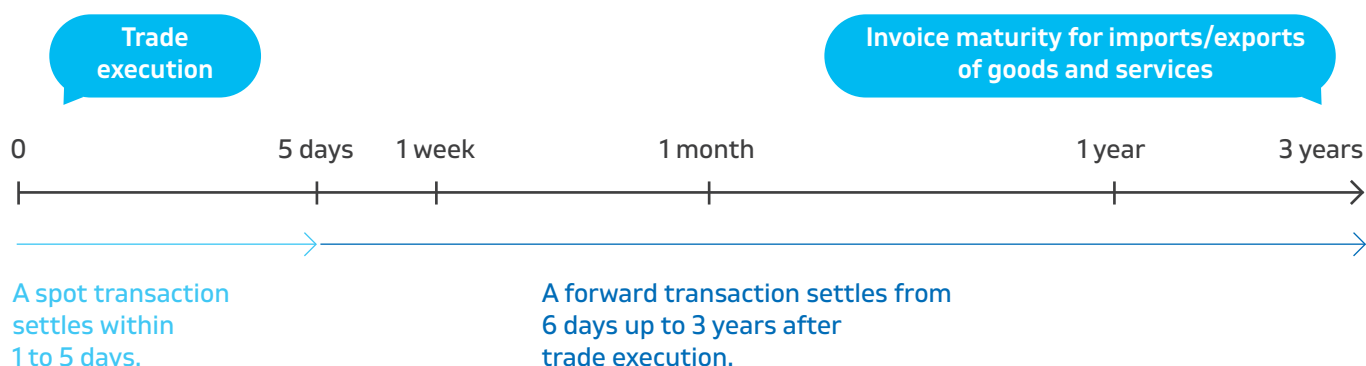
# The best time to enter a forward



**A currency forward is a financial instrument based on the purchase or sale of a currency at a pre-agreed exchange rate for a fixed or flexible settlement date.**

In addition to other business risks, companies today face significant exchange rate volatility driven by various external factors. This risk can be effectively managed using a forward contract.

With this solution, we can provide exchange rate stability for up to three years **by securing a guaranteed rate** for a specified amount. Forwards are widely used, particularly for margin protection and cash flow planning.



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# Benefits of a Forward

- ✓ Exchange rate certainty – you know exactly what your future rate will be.
- ✓ No fees associated with execution or settlement
- ✓ Fast approval and execution
- ✓ Accurate pricing – clearly determine the price of your goods or services.
- ✓ Effective cash flow planning – know exactly how much you will pay or receive.
- ✓ Elimination of FX uncertainty
- ✓ Save time – no need to monitor the market or worry about adverse movements.

# Risks

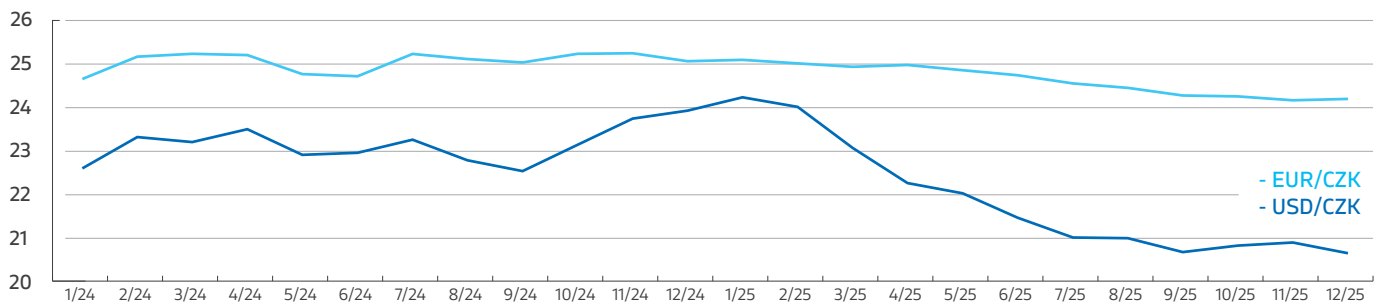
- ✓ By entering into a forward contract, you forgo the opportunity to benefit from any favourable exchange rate movements of the hedged currency, which cannot be predicted at the time the transaction is concluded.

# Key Terms

- ✓ Available with maturities of up to 3 years
- ✓ Settlement can be set for a fixed date or a flexible period, during which you choose when to execute the exchange.
- ✓ Tailor-made solution – parameters and tenor are customised to suit your needs.
- ✓ Linked to payments for goods, services, or, for example, payroll expenses.

## Development of EUR/CZK and USD/CZK Exchange Rates

Between January 2024 and December 2025, the market experienced significant exchange rate volatility.



## How to arrange a forward?

### 1 Execute the Master Agreement

and an addendum for forward transactions with the regional director.

### 2 Approve the Forward

without collateral, payable within three days of trade execution.

### 3 Execute the Forward

with your dedicated specialist and set all key parameters.



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