

talanx.

Insurance. Investments.

Annual General Meeting 2022

Explanatory note on agenda item 9
Conditional Capital I

05 May 2022

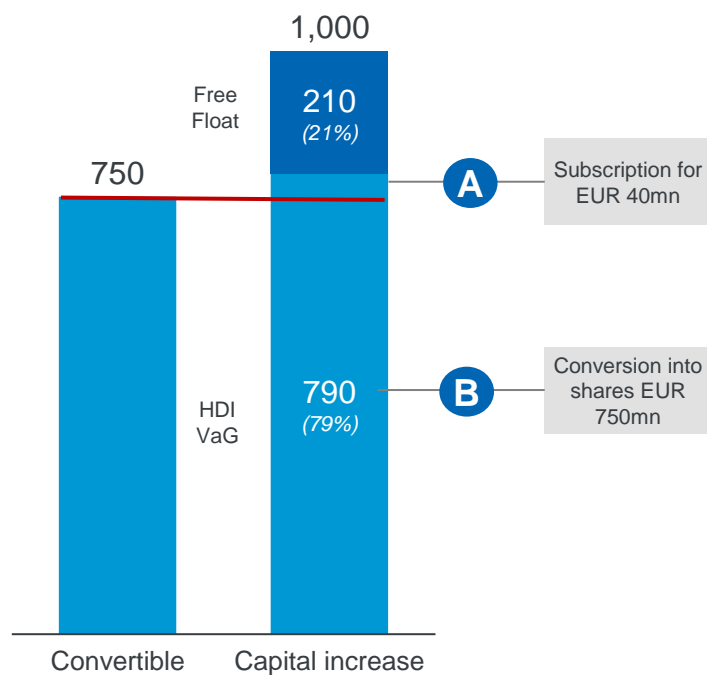


Conditional Capital I

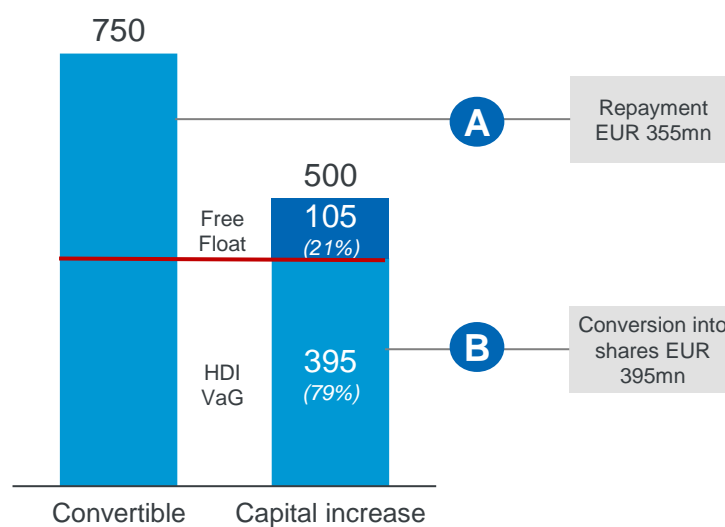
(incl. potential exclusion of subscription rights)

Illustrative sample calculations

Scenario: Bond below subscription rights
HDI VaG
in EURmn.



Scenario: Bond exceeding subscription rights
HDI VaG
in EURmn



Dilution of free float impossible despite exclusion of subscription rights for Conditional Capital I

- Agreement between HDI VaG and Talanx AG dated 16.12.2021 relating to provision of revolving credit facility which is available for ordinary cash advances and/or issuance of mandatory convertible
- Loan structure provides flexible access to swift cash drawings from existing funds of controlling shareholder
- Conversion into shares possible only if and to the extent a capital increase with subscription rights is being executed (subsequently to issuance of convertible)
- Shares received via conversion of convertible will be credited against subscription rights HDI VaG would be entitled to from capital increase (i.e. HDI VaG waiving subscription rights in capital increase in exchange for mandatory conversion)
- If conversion rights exceed number of subscription rights in ordinary right issue, residual amount of convertible is to be repaid in cash
- In any event, HDI VaG cannot receive more shares than entitled to in capital increase