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Report of the Board of Management concerning agenda item 7 of the Annual General Meeting of VIB Vermögen AG on 6 August 2025

Report of the Board of Management concerning the exclusion of subscription rights of shareholders in the event of the issue of convertible bonds and/or bonds with warrants pursuant to section 221 subsection 4 in conjunction with section 186 subsection 4 sentence 2 and section 186 subsection 3 sentence 4 of the German Stock Corporation Act (Aktiengesetz)

Report of the Board of Management on Agenda item 7
of the Annual General Meeting
of VIB Vermögen AG[1]
on 6 August 2025[2]

Report of the Board of Management concerning the exclusion of subscription rights of shareholders in the event of the issue of convertible bonds and/or bonds with warrants pursuant to section 221 subsection 4 in conjunction with section 186 subsection 4 sentence 2 and section 186 subsection 3 sentence 4 of the German Stock Corporation Act (Aktiengesetz)

The Management Board has reported in written form on the reasons for the authorization to exclude subscription rights proposed in agenda item 7 and on the proposed issue price according to section 221 subsection 4 sentence 2, section 186 subsection 4 Sentence 2 AktG. The report of the Board of Management will be available upon the date of the convocation of the Annual General Meeting under

https://vib-ag.de/en/investorrelations/#annual_general_meeting.

It will also be available there during the Annual General Meeting.

1. Overview

Under agenda item 7, the Board of Management and the Supervisory Board propose to the Annual General Meeting to grant a new authorization to issue convertible bonds and/or bonds with warrants (together hereinafter referred to as "**Bonds**") and to create a new conditional capital 2025 ("**Conditional Capital 2025**") and a respective exclusion of subscription rights.

Adequate capital resources are an essential basis for the Company's development. Bonds are in particular an appropriate financing instrument to provide the Company with low-interest debt capital. The option to issue Bonds with a conversion obligation expands the possibilities of structuring such financing instruments.

The proposed authorization will enable the issuance of Bonds in the value of up to EUR 480,000,000.00. Shares with a proportionate amount of the share capital of up to

[1] Hereinafter referred to as "**Company**".

[2] Convenience translation; German version is legally binding.

EUR 16,527,293.00 shall be available to service the conversion and option rights resulting from the Bonds.

2. Conversion/warrant price

The conversion/warrant price for a share of VIB Vermögen AG ("**VIB-Share**") must not be below 80% of the average price of VIB-Shares at the close of Xetra trading (or at the close of a functionally equivalent successor to the Xetra system) on the Frankfurt Stock Exchange on the ten trading days prior to the day of the resolution by the Board of Management on the issue of Bonds or on the declaration of acceptance following the public invitation to submit subscription offers. To the extent that the shareholders have the right to subscribe to the Bond issue, the average price of VIB-Shares at the close of Xetra trading (or at the close of a functionally equivalent successor to the Xetra system) during the trading days of subscription rights trading on the Frankfurt Stock Exchange can be used as a basis for the determination of the 80% threshold (excluding the days of the subscription period that are required to announce the conversion/option price in due time in accordance with section 186 subsection 2 AktG.

3. Shareholders' subscription rights and exclusion of subscription rights

The shareholders generally have subscription rights according to section 221 subsection 4 in conjunction with section 186 subsection 1 AktG when Bonds are issued. However, with the approval of the Supervisory Board, the Board of Management can exclude subscription rights in certain clearly defined cases.

First, the Board of Management shall be authorized in *mutatis mutandis* application of section 221 subsection 4 sentence 2 in conjunction with section 186 subsection 3 sentence 4 AktG to exclude subscription rights, with the approval of the Supervisory Board, if the Bonds are issued in exchange for cash payment and the issue price is not significantly below the theoretical market value of the Bonds, as calculated according to generally accepted, in particular actuarial calculation methods. This enables the Company to respond quickly to favorable stock-market situations and to place Bonds on the market quickly and flexibly with attractive conditions. On the other hand, in view of the increased volatility of the stock markets, the issue of Bonds with the inclusion of subscription rights is often less attractive, as in order to comply with the subscription period, the issue price must be set at a very early stage, which is to the detriment of optimum exploitation of the stock-market situation and the value of the Bonds. Favorable conditions as close as possible to those prevailing on the market can generally only be established if the Company is not bound to them for an excessively long offer period. The achievable conditions (in particular, the conversion/warrant price per share and the amount of the option premium received or to be paid out) can be estimated much more reliably at very short notice, allowing attractive conditions to be achieved more reliably. In the event of subscription rights being granted, the success of the placement would be jeopardized due to the uncertainty surrounding the utilization of the subscription rights or would involve additional expense and significantly longer lead times, during which market conditions could change. Otherwise, a safety margin would be necessary to ensure the attractiveness of the conditions and thus the chances of success of the respective issue for the entire offer period.

If the Bonds are issued in exchange for cash upon exclusion of the subscription right in *mutatis mutandis* application of section 186 subsection 3 sentence 4 AktG, the shareholders' interests are safeguarded by the Bonds being issued at a price that is not significantly lower than the theoretical market value of the Bond. The theoretical market value is to be calculated here according to generally accepted, in particular actuarial calculation methods. In determining the price and taking into account the then current capital market situation, the management of the Company will keep the discount on that market price as small as possible, thus reducing the financial value of a subscription right in respect of the Bonds to near zero. As a result, shareholders will not suffer a material economic disadvantage following the exclusion of their subscription rights.

It is further proposed that the Board of Management shall be authorized, subject to the approval of the Supervisory Board, to exclude the shareholders' subscription rights if the Bonds are issued in exchange for contribution or consideration in kind. This allows *inter alia* to use the Bonds in appropriate cases as an acquisition currency, in the context of business combinations or for the purpose of acquiring (also indirectly) companies, businesses, parts of companies, participations or other assets or rights to acquire assets, including receivables against the Company. The management of the Company will check in each individual case whether to make use of this authorization as soon as such acquisition opportunities take a more concrete shape. It will not exclude the shareholders' subscription rights to Bonds unless this would be in best interests of the Company and its shareholders.

The proposed authorization to exclude the subscription right in the case of fractions that may result from the amount of the total amount issued from time to time and from a practicable conversion or subscription ratio serves the purpose to facilitate ease of handling.

Finally, the Board of Management, with the approval of the Supervisory Board, shall also be authorized to exclude subscription rights to these Bonds in order to grant holders/creditors of conversion or warrant rights in the Company's shares or respective conversion or warrant obligations from Bonds issued or to be issued by the Company on the basis of other authorizations to grant subscription rights to Bonds as compensation against the effects of dilution to the extent to which they would be entitled upon exercising such rights or fulfilling such obligations. The exclusion of shareholders' subscription rights for the benefit of holders/creditors of outstanding Bonds has the advantage that the conversion/warrant price for the already outstanding Bonds, which are commonly equipped with an anti-dilution mechanism, does not have to be reduced. As a result, the attractiveness of a Bond issue may be enhanced by placing the Bonds in several tranches in order to raise a higher total inflow of funds.

Pursuant to section 221 subsection 4 sentence 2 AktG, section 186 subsection 3 sentence 4 AktG shall apply *mutatis mutandis* to the exclusion of subscription rights when issuing Bonds. The statutory limit for exclusions of subscription rights of up to 20% of the relevant share capital provided for therein shall be fully exhausted. Each Bond under this authorization may only be issued under exclusion of the subscription right if the computational portion of the share capital attributable to the total of new shares to be issued or granted on the basis of such Bond, does not exceed, 20% of the share capital at the time this authorization takes effect or at the time it is exercised, if the latter amount is lower. Where shares issued or sold during the term of this authorization until the time of its exercise in direct or *mutatis mutandis* application of section 186 subsection 3 sentence 4 AktG, then these shares are to be included in the above limit. Shares shall also be included in this limit that were issued or granted or are still to be granted on the basis of a Bond issued during the term of this authorization and on the basis of the exercise of another authorization, with shareholders' subscription rights being excluded in accordance with the same legislative provision.

4. Conditional Capital 2025

The Conditional Capital 2025 is required to be able to service the conversion/warrant rights or conversion/warrant obligations associated with Bonds, unless other forms of performance are used for servicing. The issue price is equal to the conversion/warrant price.

There are currently no concrete plans to make use of the authorization to issue Bonds. In each case, the Board of Management will carefully examine whether it is in the interest of the Company and its shareholders to exercise the authorization. In the event that the authorization to issue Bonds with the exclusion of subscription rights is exercised, the Board of Management will report on this at the following Annual General Meeting.