

Notice to Clearing systems

Klagenfurt am Wörthersee, this 8 February 2024

HETA ASSET RESOLUTION AG i.A.

Technical presentation of Notes as part of ongoing company liquidation Potential future payments in respect of the liquidation participation

We, HETA ASSET RESOLUTION AG i.A. ("**HETA**"), are the issuer of various notes, which have been issued by HETA in most instances under the former company name HYPO ALPE-ADRIA-BANK INTERNATIONAL AG. A list of relevant notes is included in Annex I (the "**Notes**").

A. A brief introductory overview of latest events regarding HETA:

- (i) The Austrian Financial Market Authority ("**FMA**") ordered in its mandate decision of 1 March 2015, GZ FMA-A001-ABB/2015, confirmed by the decision of 10 April 2016, that HETA is to be wound down in accordance with the Austrian Act on the Recovery and Resolution of Banks (BaSAG). In the course of the wind-down of HETA under the BaSAG, the eligible non-subordinated liabilities of HETA, including the interest accrued until 28 February 2015 (hereinafter collectively referred to as the "**Eligible Non-Subordinated Liabilities**"), were initially reduced to 46.02% through the application of the bail-in tool and subsequently increased twice, most recently to 86.32% by decree of 13 September 2019.

In addition, one main administrative measure was the unification/postponement of all the maturities on all Eligible Non-Subordinated Liabilities until 31 December 2023.

- (ii) In the course of a total of five distributions, most recently in October 2021, HETA paid in full the amount outstanding on the 86.32% quota of Eligible Non-Subordinated Liabilities. The Eligible Non-Subordinated Liabilities are thus deemed to have been discharged (§ 95 para 2 no. 1 BaSAG). The (reduced) amount of HETA's Eligible Non-Subordinated Liabilities in excess of the fully satisfied ratio of 86.32% continues to exist as an imperfect obligation (*Naturalobligation*) (hereinafter the "**Imperfect Obligations**").
- (iii) Since 1 January 2022 HETA has been in Liquidation in accordance with the regulations of the under the Austrian Stock Corporation Act (*Aktiengesetz*; herein after the "**AktG**").
- (iv) In the course of the Liquidation under the AktG, the liquidators of HETA must terminate the remaining business, collect the receivables, convert the remaining assets into cash and satisfy the creditors. Any assets remaining after settlement of the debts (liquidation proceeds) are to be distributed.
- (v) In preparation for the Liquidation under the AktG HETA granted on 1 December 2021, the holders of the Imperfect Obligations a debt instrument, according to which they will be entitled to participate in the economic outcome of the liquidation of HETA ("**Liquidation Participation**"). In summary, HETA commits to making payments on the Imperfect Obligations upon fulfilling the suspensive conditions specified in the Liquidation Participation. This could lead to further payments to the Holders of Imperfect Obligations during the liquidation of HETA if excess liquidity is identified in the liquidation of HETA in accordance with the Liquidation Participation. The first payment in respect of the Liquidation Participation took place in June 2023.

- (vi) **In order to receive any payments in respect of the Liquidation Participation, the holders of Imperfect Obligations do not have to take any further action.** Any payment by HETA will be made in the same way as for the distributions in the course of the resolution pursuant to BaSAG (i.e. payment via the Clearing systems).

On 25 May 2023 the General Assembly of HETA passed a resolution to distribute a first payment in respect of the Liquidation Participation, executed in June 2023 which resulted in a quota of 3,27% (based on the initial nominal amount as of 1 March 2015 including partial interest accrued until 28 February 2015).

B. Current status and HETA's assessment:

- (i) Despite the termination of the winding-up process according to BaSAG and the initiation of the liquidation process (under AktG), the FMA's former mandate decisions on winding-up measures continue to apply (with the exception of the postponement of the maturities of the Eligible Non-Subordinated Liabilities).
- (ii) In view of this further development of the ongoing HETA liquidation process, we as the Issuer of the Notes, **take the following approaches to a uniform & practical technical presentation of the key data for the Notes in a variety of (settlement) systems:**
- a. **Deletion of the technical Maturity Date 31 December 2023 and restoration of the original Maturity Date** of the Notes; However, this is with the important note that all Notes are now irrevocably in a kind of **default status** - i.e. the date 31 December 2023 is no longer relevant or should no longer be taken into account.
 - b. From HETA's point of view, it has been established that all Eligible Non-Subordinated Liabilities no longer exist (legally) in their original form (due to the official fulfillment) but must be regarded as Imperfect Obligations until the final deletion of HETA from the company register.
 - c. **For HETA solely the distribution process of the potential future Liquidation Participation is relevant (legally and technically). For this exclusive purpose, the continued (technical) existence of the Notes (in the various systems) would have to be ensured or represented in terms of system technology.**
 - d. **An actual HETA end date in the formal sense is unclear - from today's perspective, the year 2027 can be set. Until then, all HETA Notes would have to remain (technically) recorded in the various systems as a basis for calculation and as a processing aid.**
 - e. For the sake of completeness, the Subordinated Notes listed in the Annex I should be technically represented in the various systems in the same manner as described under section B. (ii) a., but it is hereby made clear that, as completely defaulted instruments, these are factually excluded from the Liquidation Participation.

In general, the specific terms and conditions of the Liquidation Participation as well as all announcements made by HETA with regard to Imperfect Obligations as well as to Holders of the Notes are published on HETA's website at <https://heta-asset-resolution.com/de/liquidation> .