



**SUMMARY OF THE PROPOSALS AND THE PROPOSED RESOLUTIONS
REGARDING TO THE AGENDA ITEMS OF THE EXTRAORDINARY GENERAL
MEETING**

**CIG PANNÓNIA LIFE INSURANCE PLC.
FOR THE EXTRAORDINARY GENERAL MEETING TO BE HELD ON
19TH JANUARY 2018**

Date of the Extraordinary General Meeting: 19 January 2018 (Friday) at 10 a.m.

Place of the Extraordinary General Meeting: Registered seat of the Company

(address: 1033 Budapest, Flórián tér 1.)

Dear Esteemed Shareholders!

The Board of Directors of CIG Pannónia Life Insurance Plc. (hereinafter the "Company") convened the Extraordinary General Meeting for 10 a.m. on 19th January 2018. The agenda is included in the Notice of the invitation to the Extraordinary General Meeting that was announced according to Article VIII. 8. of the Company's Articles of Association. The Notice of the invitation to the Extraordinary General Meeting was published on the Company's website (www.cigpannonia.hu), on the website operated by the National Bank of Hungary (www.kozzetetelek.hu) and on the website of the Budapest Stock Exchange Private Company Limited by Shares (www.bet.hu) on 12th December 2017.

After the publication of the announcement, none of the shareholders exercised his/her right - according to the 3:259. § (2) of the Act V of 2013 on the Civil Code - to request additional items for the agenda of the General Meeting.

According to the legislation the Board of Directors publishes the proposed resolutions on the agenda items.

The Board of Directors convenes the Extraordinary General Meeting with the following agenda items:

1. Decision on the issuing of 23,466,020 pieces of CIGPANNONIA ordinary shares (ISIN: HU0000097738) of HUF 40 of nominal value each by the means of private placement and on the increase of the share capital of the Company in such a way that KONZUM Investment and Asset Management Plc. subscribes the newly issued shares for HUF 8,213,107,000 (HUF 350/each).
2. Decision on the amendment of the Articles of Association of the Company occurred as a result of the share capital increase.
3. Decision on the purchase of 1,368,851 pieces of KONZUM shares (ISIN: HU0000142419) at HUF 3,000/each.

This document contains the summary of the proposals and the proposed resolutions regarding to the agenda items of the Extraordinary General Meeting. After studying this document the Esteemed Shareholders receive detailed information on the agenda items of the General Meeting. The Repeated General Meeting convened as a result of lack of quorum shall have quorum for all issues included in the original agenda with the summary of the submissions and proposals for decisions published in this document.

The detailed conditions of attending the Extraordinary General Meeting and the Repeated General Meeting are included in the Notice of the invitation of the General Meeting.

Disclaimer: All information contained within this document is for information purposes only, and shall not be considered an official translation of the official communication referred to herein. This document does not include the integral wording of the official communication referred to herein, the original Hungarian language version of it remains to be the solely legally binding material in the subject matter. For further information, please do not hesitate to contact us.

AGENDA ITEM no. I.

Decision on the issuing of 23,466,020 pieces of CIGPANNONIA ordinary shares (ISIN: HU0000097738) of HUF 40 of nominal value each by the means of private placement and on the increase of the share capital of the Company in such a way that KONZUM Investment and Asset Management Plc. subscribes the newly issued shares for HUF 8, 213,107,000 (HUF 350/each).

SUMMARY OF THE PROPOSAL

The proposal regarding to this item of the agenda provides the possibility to the Company to increase its capital effected by means of private placement. The Company aims to strengthen its capital position through the strategic partnership and to reach new sales channels in order to raise its business acquiring capacity. This could be a significant new source of finance and guarantee partly for the stability of the Company and for the possible acquisition plans and partly for the long-term development.

A decisive part of the partnership is the share acquisition of Konzum Plc. in the Company and the share acquisition of the Company in Konzum Plc. The shares will be acquired, by considering the mutual interests, on a fixed price, thus avoiding the transaction to be exposed to the volatility of the share prices.

The share acquisitions are based on the in-private issue of new shares.

PROPOSED RESOLUTIONS

Shareholders of dematerialized, registered, voting, series "A" ordinary share of a nominal value of HUF 40 (that is forty Hungarian forints) who participate the General Meeting give their contribution to the share capital increase according to Paragraph (2) of Section 3:239 of the Civil Code and section XII.1 of the Articles of Associations of the Company.

The General Meeting of the Company decides that solely for the payment of cash contribution it excludes the existing shareholder's pre-emption right in subscription to new shares in accordance with the capital increase by means of private placement.

The General Meeting of the Company decides to increase the share capital of the Company with an amount of HUF 938,640,800 (that is nine hundred thirty-eight million six hundred and forty thousand eight hundred Hungarian Forints) (the amount of the Share Capital increase) through issuing new "A" series shares as a private placement for the payment of cash contribution (method of the Share Capital increase). The Company issues a total number of 23,466,020 pieces (that is twenty-three million, four hundred and sixty-six thousand and twenty pieces) of registered dematerialized series "A" ordinary shares representing voting rights of nominal value of HUF 40 (that is forty Hungarian Forints) per share and HUF 350 (that is three hundred and fifty Hungarian Forints) issue price per share. The minimal planned amount of the share capital increase is HUF 938,640,800 (that is nine hundred and thirty-eight million six hundred and forty thousand eight

hundred Hungarian Forints). The nominal value and the issue price of the shares issued by the company has been payed and made available in full, so the requirements of the share capital increase are fulfilled.

The Board of the Directors of the Company appoints the following person to take over the above described shares at a HUF 350 /share price:

Konzum Investment and Asset Management Plc. (registered seat: 1065 Budapest, Révay Street 10 II.floor.; company registration number: Cg 01-10-049323; tax ID: 10210901-2-42). Konzum Investment and Asset Management Plc. is obliged to make a final declaration of undertaking on the take over of the shares within 15 days after taking this decision.

The above shareholder is committed to pay the issue price – HUF 8,213,107,000 that is eight billion two hundred and thirteen million one hundred and seven thousand Hungarian Forints - of the shares it has been committed to take over. It has to pay the price within 15 days after getting the authorisation of the National Bank of Hungary on the share acquisition, but until 31st March 2018 at the latest by transferring the price on the Company's bank account.

The General Meeting decides in a separate resolution on the amendment of the Articles of Association in relation with the share capital increase.

AGENDA ITEM no. 2.

Decision on the amendment of the Articles of Association of the Company occurred as a result of the share capital increase

SUMMARY OF THE PROPOSAL

The Articles of Association of the Company will be amended according to the in-private share capital increase. The basis of the amendment is the authorisation for the share acquisition issued by the National Bank of Hungary, and the transaction based on this.

The proposal for amendment contains the amount of the share capital after the capital increase and the modified number of shares.

PROPOSED RESOLUTION

Having regard the capital increase decided in the framework of the previous agenda item, the General Meeting of the Company modifies the Articles of Association of the Company in case of the successful capital increase subscription as follows on the date when the deadline expires for the commitment statement for the share take over.

Section VII1 of the Articles of Association of the Company changes as follows:

The amount of the Company's share capital is HUF 3,777,130,400 (that three billion, seven hundred and seventy-seven million, one hundred and thirty thousand, four hundred Hungarian forints), of which HUF 3,452,325,320 (that is, three billion, four hundred, fifty-two million, three hundred and twenty-five thousand, three hundred and twenty Hungarian forints) are cash contributions and HUF 324,805,080 (that is, three hundred and twenty-four million, eight hundred and five thousand and eighty Hungarian forints) are in-kind contributions. The description of in-kind contributions is included in Annex I of these Articles of Association.

Section VII2 of the Articles of Association of the Company changes as follows:

The share capital of the Company consists of 94,428,260 pieces (that is, ninety-four million, four hundred and twenty-eight thousand, two hundred and sixty pieces) of dematerialized, registered, voting, series "A" ordinary shares of a nominal value of HUF 40 (that is, forty Hungarian forints).

Section VII7 will be added to the Articles of Association of the Company:

At its extraordinary meeting held on 30 January 2018, the General Meeting of the Company decided to increase the share capital of the Company through issuing and subscribing new shares as a private placement in exchange of a contribution in cash. In course of the capital increase the share capital of the Company increased with an amount of HUF 938,640,800 (that is that is nine hundred thirty-eight million six hundred forty thousand eight hundred Hungarian Forints). In course of the capital increase the Company issued 23,466,020 pieces (that is twenty-three million, four hundred sixty-six thousand and twenty pieces) of registered dematerialized ordinary shares representing voting rights of nominal value of HUF 40 (that is forty Hungarian Forints) per share and HUF 350 (that is forty Hungarian Forints) issuing value per share. The person appointed by the General Meeting had been committed to pay the price within 15 days after getting the authorisation of the National Bank of Hungary on the share acquisition, but at least until 31st March 2018 by transferring the price on the Company's bank account.

AGENDA ITEM no. 3.

Decision on the purchase of 1,368,851 pieces of KONZUM shares (ISIN: HU0000142419) at HUF 3,000/each.

SUMMARY OF THE PROPOSAL

The Company aims to acquire share in Konzum Investment and Asset Management Plc. in order to establish a strategic partnership depending on the share acquisition of Konzum Investment and Asset Management Plc. The cross-shareholding is a substantial requirement for the partnership.

The cover of the purchase for the Company is the cash contribution paid for the capital increase by the means of private placement. The Parties fix the acquired number of shares and the price of the shares.

The Company pays particular attention to its investment portfolio in order to fulfil the investment requirements prescribed by the Insurance Act and the principles determined by Solvency II Regulation at all times. The amount of investment risk should guarantee an adequate level of safety for investors and clients, too. According to its strategy the Company not averses to the possibility of further acquisitions, that could be covered by liquid assets. In order to validate this requirements the General Meeting has to provide the possibility for the Company, thus the General Meeting authorises the Board of Directors of the Company that in case the composition of the shareholder's equity should be diversified on the basis of the possible risk reduction aspects and for other – above detailed- reasons, the Board of Directors may decide autonomously on the decrease of Konzum shares, on the modification of the shareholding or on the introduction of possible risk reducing steps.

PROPOSED RESOLUTION

The General Meeting compels the Board of Directors to acquire share in Konzum Investment and Asset Management Plc. in case if the National Bank of Hungary gives the authorisation to Konzum Investment and Asset Management Plc. to acquire share in CIG Pannónia Life Insurance Plc. and if Konzum Investment and Asset Management Plc. acquires the planned 23, 466, 020 pieces of CIGPANNONIA shares. The General Meeting determines the amount of shares to be acquired in 1,368,851 pieces to be purchased at a HUF 3000 purchase price per share.

The General Meeting authorises the Board of Directors to decrease the Company's share in Konzum Investment and Asset Management Plc. in case the investment portfolio of the Company has to be modified - in order to fulfil the principles determined by Solvency II Regulation, or other liquidation legislation requirements.