FAQ
on the Planned Capital Reduction

What are the objectives of the proposed agenda items?

The capital measures proposed in agenda items 1 to 3 are intended to help fully offset the balance sheet loss of €24.2 billion under German Local GAAP (HGB individual financial statements) as of December 31, 2022, with the next annual financial statements 2023 (December 31, 2023). In this case, any future net income of Uniper SE could again result in a retained profit from the 2024 financial year onwards and would thus in principle be due to shareholders again (within the legal framework).

Agenda item 4 is not related to the proposed capital measures. An intra-group profit and loss transfer agreement is to be concluded between Uniper SE and its 100% subsidiary Uniper Beteiligungs GmbH. In the future, Uniper Beteiligungs GmbH will therefore regularly transfer its earnings to Uniper SE.

Why should the Extraordinary General Meeting decide on a capital reduction?

Uniper SE's equity of €1.0 billion as of the balance sheet date on December 31, 2022, consists of subscribed capital of €14.2 billion, capital reserves of €10.8 billion, retained earnings of €0.2 billion and a net loss of €24.2 billion.

Future retained profits are not available for distributions and must be retained over many years until the existing balance sheet loss is fully offset.

The proposed capital reduction serves to restructure equity to eliminate this balance sheet loss of €24.2 billion as of the next balance sheet date. In principle, this would restore the ability to pay dividends for the 2024 financial year, subject to further legal restrictions.

Why is an Extraordinary General Meeting convened?

The German government has committed itself to the EU Commission to reduce its stake in Uniper to no more than 25% plus one share by December 31, 2028, subject to compliance with certain additional conditions. Uniper is obliged to make all necessary efforts to enable, prepare for and support the exit in accordance with the corresponding state aid commitment by means of appropriate measures.

The proposed capital reduction is intended to facilitate this process and to enable Uniper to retain future profits or to be able to make distributions again as far as legally possible. The ability of a share to pay dividends is a prerequisite for investment for many investors and fundamentally improves the saleability of a share. This, in turn, would support the implementation of the EU requirements to reduce the federal government's stake and would at the same time be in the interest of all shareholders. The federal government, as a shareholder, decides when (within the framework of the requirements of the EU Commission) and how it sells its shares.

What are the consequences of the capital reduction for shareholders?

Initially, the capital reduction would mean that Uniper SE would in principle be able to pay dividends again from the 2024 financial year, subject to further legal restrictions. As a result of the proposed measures, the subscribed capital will be reduced to € 416.5 million, and the capital reserve will be increased accordingly by the reduction amount. This means that the overall equity position does not change.

Shareholders will feel the impact of the capital reduction in a higher share price following share consolidation. At the time of booking, the share price theoretically increases according to the consolidation ratio, without any change in the value of the stake in Uniper.

Will the value of each shareholding decrease as the share capital is reduced?

Uniper plans to merge shares at a ratio of 20:1, i.e., 20 old Uniper shares will become one new Uniper share.

The value of the shares held by a shareholder in Uniper will not change as a result of the capital reduction. It is true that the price of a new share will theoretically change to the consolidation ratio of 20:1 at the time the consolidation takes effect. The value of a shareholder's stake in Uniper, on the other hand, remains unchanged.

If, for example, an old Uniper share is quoted at €3 per share at the time the share consolidation is posted, 1,000 old Uniper shares become 50 new shares at a theoretical price of €60 per share.

What impact does the redemption of 11 shares have on shareholders?

Agenda item 1 states that 11 shares out of a total of 8,329,506,651 outstanding shares will be cancelled as part of a capital reduction. The shares will be cancelled by a single shareholder, UBG Uniper Beteiligungsholding GmbH, a state-owned company. The reduction by 11 shares results in a total number of shares divisible by 20. The 20:1 share consolidation proposed under agenda item 3 is thus mathematically possible. This has no effect on all other Uniper shareholders.

What is a share split?

Through a share consolidation, a number of old shares are exchanged for one new share in a certain ratio. In the case of the planned capital reduction for Uniper shares, this is to be done at a ratio of 20:1. This means that 20 old Uniper shares will be exchanged for one new Uniper share. This reduces the total number of shares issued by a factor of 20. A shareholder's share in the company and the value of his or her share portfolio do not change as a result, while the market value of a new share theoretically increases in the underlying ratio.

Does the capital reduction have an impact on market capitalization?

Theoretically, the market capitalization or the value of a shareholder's stake does not change as a result of the capital reduction.

The capital reduction and the share consolidation relate to the balance sheet of Uniper SE. The subscribed capital will be reduced from €14.2 billion to €416.5 million as a result of the proposed capital reduction steps. The reduction amount of €13.7 billion will be transferred to Uniper SE's capital reserves. It is therefore a shift within the individual equity positions; total equity remains unchanged.

What corporate actions should be implemented to eliminate the balance sheet loss?

The balance sheet loss of €24.2 billion reported in the annual financial statements for the 2022 financial year (HGB individual financial statements) is to be offset by several steps.

In three stages, subscribed capital will be reduced by a total of €13.7 billion from €14.2 billion to €416.5 million.

- Agenda item 1: There will be a capital reduction of €18.70 by cancelling 11 shares. This step is necessary as a preparation for the third step, so that the number of all Uniper shares can be combined in a ratio of 20:1.
- Agenda item 2: The nominal amount per share will be reduced from €1.70 to €1.00. The resulting difference in subscribed capital of €5.8 billion will be placed in the capital reserve, i.e., it will be retained.
- Agenda item 3: In a third step, the shares will be combined in a ratio of 20:1, so that 20 registered shares will be combined into one registered share. The resulting difference in subscribed capital of €7.9 billion will also be transferred to the capital reserve.

As a result, the capital reserves referred to in agenda items 1 to 3 will increase from €10.8 billion to a total of €24.6 billion. This new capital reserve to be created, together with any net income for the 2023 financial year and – if necessary – the full or partial release of the existing capital reserves, is to be used to completely eliminate the balance sheet loss of €24.2 billion recorded as of December 31, 2022.

With the implementation of the capital measures, the number of shares will be reduced from the current 8,329,506,651 no-par value shares to 416,475,332 no-par value shares.

Will the new Uniper share also have a new identification number (ISIN)?

The new tradable Uniper share will be automatically converted into a new ISIN (International Security Identification Number) or WKN (Securities Identification Number) for clear identification and differentiation from the old Uniper shares. Shareholders do not have to do anything.

When will the share consolidation take place after the Extraordinary General Meeting and the changeover in the securities portfolio of shareholders?

The conversion of the securities accounts to the converted new share will generally take place in accordance with the resolutions of the Annual General Meeting.

We currently assume that the first day of trading of the converted Uniper shares can take place at the beginning of Week 51, which starts on December 18, 2023.

In individual cases, the changeover can only be carried out by the custodian bank with a delay after the settlement of the open stock exchange transactions. The changeover to the new number of shares will take place automatically after the share merger with a new ISIN or WKN.

Are there any direct costs associated with the capital reduction or share consolidation? If so, what are the costs for shareholders?

As part of the resolution, the participating institutions will receive a customary custodian bank commission from Uniper. This applies both to the conversion of the respective depots and to the peak compensation (see below). According to our information, shareholders will not incur any additional costs for the capital reduction or share consolidation.

Should a custodian bank nevertheless claim fees, the shareholder should contact the respective custodian bank with reference to the custodian commission paid. A further individual reimbursement of costs is also not possible against the background of the necessary equal treatment of all shareholders.

What do shareholders have to do if they have a number of shares that is not divisible by 20?

In this case, shareholders are asked to contact their respective custodian bank, as banks may take different approaches here.

Custodian bank reports directly to shareholders:

- It is possible for the custodian bank to contact us and, in the case of a number of shares that cannot be divisible by 20, to sell the resulting partial rights or to acquire further partial rights in order to arrive at a number divisible by 20. Example: If a shareholder owns 313 Uniper shares, these are exchanged for 15 new Uniper shares and booked into the securities account. The remaining 13 partial rights are also booked into the custody account and can then be sold by the shareholder or .dem to his or her custodian bank by means of an instruction or 7 partial rights can be acquired. In the event of the acquisition of 7 shares, these would then be exchanged for another Uniper share. This exchange phase, the so-called partial rights regulation, is expected to run from Week 51 of 2023 until mid-January 2024.
- The shareholder should contact his or her respective custodian bank for further details.

Custodian bank does not report to shareholders:

- There is also the possibility that the respective custodian bank does not actively grant an option to acquire partial rights or does not contact shareholders. In this case, the shareholder would have to actively contact his or her custodian bank. If the custodian bank does not participate in the partial rights regulation, the stock of shares that cannot be divisible by 20 (so-called partial rights) is automatically sold at the end of the exchange phase. The corresponding value is credited to the shareholder's securities account.

Shareholders should contact the respective custodian bank for further information and details.

What happens in the event that shareholders do not or cannot give instructions regarding share consolidation?

If the respective custodian bank does not receive instructions from the shareholder or if the custodian bank does not participate in the global partial rights regulation, the remaining rights are usually automatically sold at the end of the exchange phase. The corresponding consideration will be credited to the shareholder.

Shareholders should contact the respective custodian bank for further information and details.