

## Future Consolidation of ZSE and VSEH

### November 2023 Update – New ZSE Shareholders Agreement and Agreement on Transfer and Contribution of VSEH Shares Executed

On 8 April 2022, the shareholders of Západoslovenská energetika a.s. ("**ZSE**"), E.ON SE ("**E.ON**") and the Slovak Republic, represented by the Ministry of Economy of the Slovak Republic (the "**State**"), entered into the Future Consolidation Agreement, pursuant to which the parties wish to consolidate ZSE and Východoslovenská energetika Holding a.s. ("**VSEH**"), in which they are direct or indirect only shareholders (the "**Agreement**", as amended by Amendment No. 1 of 4 May 2023).

**Anticipated Transaction:** The Agreement sets out, inter alia, that E.ON and the State wish to implement a transaction of:

- (i) contribution of 100% of VSEH's shares to ZSE (the "**Contribution**");
- (ii) sale of VSEH's all or selected subsidiaries to ZSE, being, in particular, Východoslovenská distribučná, a.s., Východoslovenská energetika a.s. and innogy Slovensko s.r.o. (the "**Sale of Subsidiaries**"); and
- (iii) implementation of corporate changes in VSEH, in particular:
  - (a) decrease of the registered capital in VSEH to the statutory minimum required level;
  - (b) distribution of the undivided profit from the past accounting periods;
  - (c) decrease of the reserve fund balance exceeding the mandatory legal value; and
  - (d) mutual settlement, to the extent legally possible, of the outstanding liabilities between ZSE and VSEH resulting from the above steps (jointly the "**Corporate Changes**").

As a result of the Contribution (i) ZSE shall become the sole (100%) shareholder of VSEH (and eventually, of the selected subsidiaries of VSEH); and (ii) the shareholdings' split in ZSE shall not change, i.e., 49% of the book-entered shares in ZSE shall be held by E.ON and the State shall hold 51% of the book-entered shares in ZSE. The Agreement sets out that following the Contribution, ZSE shall be governed under substantially the same principles as it is governed at the date of signing of the Agreement.

ZSE has published notices on the Anticipated Transaction and its progress within the Investors section of its website on 12 April 2022 (available at: [https://www.skupinazse.sk/documents/26046/ZSE\\_Investors\\_ZSEs-shareholders-entered-into-the-Future-Consolidation-Agreement.pdf](https://www.skupinazse.sk/documents/26046/ZSE_Investors_ZSEs-shareholders-entered-into-the-Future-Consolidation-Agreement.pdf)) and 21 June 2023 (available at: [https://www.skupinazse.sk/documents/26046/ZSE\\_Investors\\_ZSEs-shareholders-entered-into-the-Future-Consolidation-Agreement.pdf](https://www.skupinazse.sk/documents/26046/ZSE_Investors_ZSEs-shareholders-entered-into-the-Future-Consolidation-Agreement.pdf)) respectively. You should read the notices to seek the relevant information about the Anticipated Transaction as disclosed by ZSE and this update shall be read in conjunction with such previous notices.

**Conditions and Timing of the Anticipated Transaction – November 2023 Update:** The parties to the Agreement together with ZSE and VSEH are in the process of implementation of the Anticipated Transaction as provided in the Agreement. In this respect, on 16 November 2023 the State and E.ON Slovensko, a.s., E.ON Beteiligungen GmbH and E.ON First Future Energy Holding B.V. entered into the Amended and Restated Shareholders' Agreement in respect of ZSE and its subsidiaries (the "**Shareholders Agreement**"); the Shareholders Agreement has been made in Slovak and English and, as part of the publication in the Central Register of Contracts, is available at: [242/2023-2060-1060 | Centrálny register zmlúv \(gov.sk\)](https://www.zmluvy.gov.sk/242/2023-2060-1060). By signing the new Shareholders Agreement, the relevant parties equally agreed to terminate the Shareholders' Agreement dated 26 August 2020 in relation to VSEH and the former Amended and Restated Shareholders' Agreement dated 11 June 2007 as amended in relation to ZSE. However, the Shareholders Agreement shall become effective no sooner than on the date of occurrence of the Contribution. Further, on 16 November 2023 the State, E.ON First Future Energy Holding B.V. and ZSE entered into the Agreement on Transfer and Contribution of Shares (the "**Transfer and Contribution Agreement**") that is to effect the Contribution, comprising the contribution of 100% of VSEH's shares to ZSE against the increase of share capital of ZSE via subscription of new shares by the State and E.ON First Future Energy Holding B.V. respectively; as a result the share capital of ZSE shall amount to EUR 282,466,533.86, in which E.ON group entities remain to hold 49% of the book-entered shares and the State 51% of the book-entered shares. The Transfer and Contribution Agreement has been made in Slovak and English and, as part of the publication in the Central Register of Contracts, is available at: [241/2023-2060-1060 | Centrálny register zmlúv \(gov.sk\)](https://www.zmluvy.gov.sk/241/2023-2060-1060).

As a result of the foregoing ZSE anticipates that the Contribution will be completed (particularly the transfer of 100% of VSEH's shares to ZSE registered in the Slovak Central Depository of Securities) in the next few weeks while the remaining steps of the Anticipated Transaction, including the Sale of Subsidiaries and the registration of the corporate changes underlying the Anticipated Transaction with the Commercial Register, are provisionally expected to be completed still by the end of 2023.

### **Important notice:**

ZSE reserves right to provide a separate additional notice on the Anticipated Transaction (particularly completion of the remaining steps of the Anticipated Transaction) in the future to the extent of its eventual knowledge of the transaction (including its progress) and/or where so required based on laws regulating the disclosure of information by issuers of bonds to the public. While the Agreement, the Shareholders Agreement and the Transfer and Contribution Agreement have been published and accordingly the information regarding the Anticipated Transaction has been made public, ZSE is not required to make any specific disclosure regarding the Anticipated Transaction under the relevant regulations, particularly Article 17 of the Regulation (EU) 596/2014.

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End of Notice