



BayWa Aktiengesellschaft €[●],000,000 [●] per cent. Senior Notes due 2024

ISIN XS2002496409, Common Code 200249640

Issue Price: [●]%

BayWa Aktiengesellschaft, incorporated as a stock corporation (*Aktiengesellschaft*) in the Federal Republic of Germany, (the “**Issuer**” or the “**Company**”) will issue on June 19, 2019 (the “**Issue Date**”) [●] per cent Senior Notes due 2024 (the “**Notes**”) in an aggregate principal amount of €[●],000,000 (the “**Aggregate Principal Amount**”). The Notes will be issued in bearer form in denominations of €1,000 (the “**Specified Denomination**”). The Notes will be governed by the laws of the Federal Republic of Germany (“**Germany**”).

The Notes will bear interest from and including the issue date of the Notes to, but excluding June 24, 2024 (the “**Maturity Date**”) at a rate of [●] per cent. per annum, payable annually in arrears on June 24 of each year (each such date, an “**Interest Commencement Date**”), commencing on June 24, 2020.

Unless previously redeemed or repurchased and cancelled, the Notes will be redeemed at par on the Maturity Date.

The Notes (in whole but not in part) may be called by the Issuer at par within the period from March 25, 2024 (including) to the Maturity Date (excluding).

The Notes (in whole but not in part) may also be called by the Issuer at par upon occurrence of a Gross-Up Event or if the Issuer has purchased Notes equal to or in excess of 85% of the Aggregate Principal Amount of the Notes initially issued or within the period from 3-months prior to the Maturity Date, all as further described in the terms and conditions of the Notes (the “**Terms and Conditions**”).

If a Change of Control Event (as defined in the Terms and Conditions) has occurred, each Noteholder will have the option to declare all or some only of his Notes due, by giving not less than 15 days’ notice prior to the relevant Optional Redemption Date (as defined and further described in the Terms and Conditions). Notes declared due upon occurrence of a Change of Control Event will be redeemed at an amount per Note equal to the Specified Denomination, plus any interest accrued on the Notes to (but excluding) the Optional Redemption Date.

The Notes will initially be represented by a temporary global note, without interest coupons, which will be exchangeable in whole or in part for a permanent global note without interest coupons, not earlier than 40 days after the Interest Commencement Date, upon certification as to non-U.S. beneficial ownership.

This prospectus (the “**Prospectus**”) constitutes a prospectus within the meaning of Article 5 (3) of Directive 2003/71/EC of the European Parliament and of the Council of November 4, 2003 (as amended or superseded, the “**Prospectus Directive**”). This Prospectus will be published in electronic form, together with any supplement thereto, with all documents incorporated by reference on the website of the Luxembourg Stock Exchange (www.bourse.lu).

This Prospectus has been approved by the *Commission de Surveillance du Secteur Financier, Luxembourg* (“**CSSF**”) in its capacity as competent authority under the Luxembourg Act dated July 10, 2005 relating to prospectuses for securities (*Loi du 10 juillet 2005 relative aux prospectus pour valeurs mobilières*), as amended (the “**Luxembourg Prospectus Law**”). By approving this Prospectus, the CSSF gives no undertaking as to the economic and financial soundness of the operation or the quality or solvency of the Issuer in line with the provisions of article 7(7) of the Luxembourg Prospectus Law. The Issuer has requested the CSSF to provide the competent authorities in Germany and Austria with a certificate of approval attesting that the Prospectus has been prepared in accordance with the Luxembourg Prospectus Law. Application has been made to the Luxembourg Stock Exchange for the Notes to be listed on the official list of the Luxembourg Stock Exchange (the “**Official List**”) and to be admitted to trading on the Luxembourg Stock Exchange’s regulated market (the “**Regulated Market of the Luxembourg Stock Exchange**”), which is a regulated market for the purposes of Directive 2014/65/EU on Markets in Financial Instruments (“**MiFID II**”).

The Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). The Notes are being offered and sold in offshore transactions outside the United States in reliance on Regulation S under the U.S. Securities Act (“**Regulation S**”). The Notes may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The issue price, the aggregate principal amount of the Notes to be issued, the interest rate, the issue proceeds and the yield of the issue will, amongst others, be set out in the Pricing Notice (as described under “*Offer, Subscription and Sale*”) which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or after the Pricing Date (which is expected to be on or about June 12, 2019) and prior to the Issue Date.

Joint Bookrunners

BNP PARIBAS

ING

DZ BANK AG

UniCredit Bank

The date of this Prospectus is May 31, 2019.

NOTICE

This Prospectus should be read and construed with any supplement thereto and the Pricing Notice and with the documents incorporated by reference herein.

The Issuer has confirmed to the Joint Bookrunners (as defined herein in “*Offer, Subscription and Sale*”) that this Prospectus is true and accurate in all material respects and is not misleading; that any opinions and intentions expressed herein are honestly held and based on reasonable assumptions; that there are no other facts with respect to the Issuer (hereinafter also referred to as “**BayWa AG**”) or BayWa Group (with BayWa Aktiengesellschaft as the ultimate parent company and, together with its consolidated subsidiaries, the “**Group**” or the “**BayWa Group**”) or the Notes, the omission of which would make this Prospectus as a whole or any statement herein or opinions or intentions expressed herein misleading in any material respect; and that all reasonable enquiries have been made to verify the foregoing.

The Issuer has undertaken with the Joint Bookrunners to prepare a supplement to this Prospectus pursuant to Article 16 of the Prospectus Directive in the event that any significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus, which is capable of affecting the assessment of the Notes, arises or is noted after the date of this Prospectus.

No person has been authorized by the Issuer to give any information or to make any representation not contained in or not consistent with this Prospectus or any other document entered into in relation to the Notes or any information supplied by the Issuer or such other information as is in the public domain and, if given or made, such information or representation should not be relied upon as having been authorized by the Issuer, the Joint Bookrunners or any individual Joint Bookrunner.

To the extent permitted by the laws of any relevant jurisdiction, neither any Joint Bookrunner nor any of its respective affiliates nor any other person mentioned in the Prospectus, except for the Issuer, accepts responsibility for the accuracy and completeness of the information contained in this Prospectus or any other documents incorporated by reference. The Joint Bookrunners have not independently verified any such information and accept no responsibility for the accuracy thereof. Neither the delivery of this Prospectus nor the offering, sale or delivery of any Note shall, in any circumstances, create any implication that the information contained in this Prospectus is true subsequent to the date upon which this Prospectus has been published or most recently supplemented or that there has been no adverse change in the financial position of the Issuer since the date hereof or, as the case may be, the date upon which this Prospectus has been most recently supplemented or the balance sheet date of the most recent financial statements which are deemed to be incorporated into this Prospectus by reference is correct at any time subsequent to the date on which it is supplied or, if different, the date indicated in the document containing the same.

The Notes have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**Securities Act**”), and will include Notes in bearer form that are subject to U.S. tax law requirements. Subject to certain exceptions, Notes may not be offered, sold or delivered within the United States or to U.S. persons, see “*Offer, Subscription and Sale—Selling Restrictions*”.

The distribution of this Prospectus as well as the offering, sale, and delivery of the Notes in certain jurisdictions may be restricted by law.

Persons into whose possession this Prospectus comes are required by the Issuer and the Joint Bookrunners to inform themselves about and to observe any such restrictions. For a description of certain restrictions on offers, sales and deliveries of Notes and on the distribution of this Prospectus and other offering material relating to the Notes, see “*Offer, Subscription and Sale—Selling Restrictions*”.

This Prospectus may not be used for the purpose of an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorized or to any person to whom it is unlawful to make such an offer or solicitation.

This Prospectus does not constitute an offer or an invitation to subscribe for or purchase Notes and should not be considered as a recommendation by the Issuer or any Joint Bookrunner that any recipient of this Prospectus should subscribe for or purchase Notes. Each recipient of this Prospectus shall be taken to have made its own investigation and appraisal of the condition (financial or otherwise) of the Issuer.

MIFID II product governance / Retail investors, professional investors and ECPs target market – Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes are appropriate, including investment advice, portfolio management, non-

advised sales and pure execution services. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

Use of Proceeds / Eligible Green Projects - It is the Issuer’s intention to apply the proceeds from the issue of the Notes specifically to finance or refinance, in part or in full, projects aimed at increasing the production, connection and distribution of renewable energies, including solar (photovoltaic) and wind (onshore) energy (“**Eligible Green Projects**”). No Joint Bookrunner makes any representation as to the suitability of the Notes to fulfil environmental and sustainability criteria required by prospective investors. The Joint Bookrunners have not undertaken, nor are responsible for, any assessment of the Eligible Green Projects, any verification of whether the Eligible Green Projects meet the eligibility criteria of the green bond framework (the “**Green Bond Framework**”), or the monitoring of the use of proceeds. Investors should refer to the Green Bond Framework for information. ISS-oekom, the second-party opinion provider, has been appointed by the Issuer. In this Prospectus all references to “€”, “EUR” or “Euro” are to the currency introduced at the start of the third stage of the European Economic and Monetary Union, and as defined in Article 2 of Council Regulation (EC) No 974/98 of 3 May 1998 on the introduction of the Euro, as amended.

IN CONNECTION WITH THE ISSUE OF THE NOTES, UNICREDIT BANK AG (THE “STABILIZING MANAGER”) (OR PERSONS ACTING ON BEHALF OF THE STABILIZING MANAGER) MAY OVER ALLOT THE NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILIZATION MAY NOT NECESSARILY OCCUR. ANY STABILIZATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE ISSUE DATE OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILIZATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILIZING MANAGER (OR PERSON(S) ACTING ON BEHALF OF THE STABILIZING MANAGER) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES.

This Prospectus contains assessments of market data and information derived therefrom which could not be obtained from any independent sources. Such information is based on the Issuer’s own internal assessments and may therefore deviate from the assessments of competitors of BayWa Group or future statistics by independent sources. As regards the market positions of BayWa Group, BayWa Group’s own estimations are mainly based on company data which either is derived from information by competitors or from data provided by independent research companies.

The language of this Prospectus is English. The German text of the Terms and Conditions is controlling and binding; the respective English language text constitutes a translation. In respect of the documents incorporated by reference, the German language version is controlling and binding in relation to the documents listed in the table of documents incorporated by reference in the section “*Documents Incorporated by Reference*”.

FORWARD-LOOKING STATEMENTS

This Prospectus contains various forward-looking statements that reflect management's current views with respect to future events and anticipated financial and operational performance. Forward-looking statements as a general matter are all statements other than statements as to historical facts or present facts or circumstances. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology or subjective assessments, including the words "aims", "believes", "estimates", "anticipates", "expects", "intends", "may", "will", "plans", "continue" or "should" or, in each case, their negative or similar terms and phrases, including references and assumptions. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements appear in a number of places throughout this Prospectus, including, without limitation, in the sections entitled "*Summary*", "*Risk Factors*" and "*Business*", and include, among other things, statements relating to BayWa Group's:

- strategy, outlook and growth prospects;
- expectations as to future growth in demand for products and services;
- the impact of weather conditions and governmental regulations; and
- the competitive environment.

Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors, including, among others:

- changes in economic, geopolitical or other events;
- weather conditions, disease, government programs, competition, and various other factors affecting the availability and prices of the agricultural commodities and agricultural commodity products the BayWa Group procures, stores, transports and merchandises;
- trades in commodities which show high price volatility;
- unfavorable weather conditions or natural calamities that reduce agricultural production adversely affecting BayWa Group's business;
- BayWa Group's operating results being adversely affected by changes in government policies, mandates and regulations specifically affecting the agricultural sector and related industries;
- changing worldwide demand for food and different forms of bio-energy on the price of farm commodities and, consequently, the demand for certain agricultural equipment;
- the cyclical and seasonality and downturns in the construction industry;
- competition in the markets in which BayWa Group operates;
- compliance with numerous laws and regulations in multiple jurisdictions;
- dependence on BayWa Group's compliance and risk management systems;
- exposure to volatility and changes in foreign currency exchange rates arising from international operations;
- exposure to interest rate risks and counterparty risks;
- exposure to credit risk through financing of trading partners and commercial customers;
- international operations giving rise to complex tax matters; and
- risks from legal proceedings and investigations.

These forward-looking statements speak only as of the date of this Prospectus. The Issuer expressly undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, other than as required by law or regulation. Accordingly, prospective investors are cautioned not to place undue reliance on any of the forward-looking statements herein.

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SUMMARY

*Summaries are made up of disclosure requirements known as “Elements”. These Elements are numbered in Sections A – E (A.1 – E.7). This summary (the “**Summary**”) contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the Summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case, a short description of the Element is included in the Summary with the mention of “not applicable”.*

Section A – Introduction and Warnings

A.1 Warnings.

This Summary should be read as an introduction to this prospectus (the “**Prospectus**”). Any decision to invest in the securities should be based on consideration of the Prospectus as a whole.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area (the “**Member States**”), have to bear the costs of translating the Prospectus, before the legal proceedings are initiated.

Civil liability attaches only to those persons who have tabled the summary including any translation thereof, but only if the summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

A.2 Information regarding the subsequent use of the Prospectus.

The Issuer consents to the use of the Prospectus by the Joint Bookrunners and all financial intermediaries (general consent) and accepts responsibility for the content of the Prospectus also with respect to subsequent resale or final placement of the Notes by any financial intermediary which was given consent to use the Prospectus.

The subsequent resale or final placement of Notes by the Joint Bookrunners and/or by any financial intermediary can be made during the offer period which will commence on June 3, 2019 and will be open until June 19, 2019 being the date of issuance of the Notes.

The Joint Bookrunners and/or the financial intermediaries may use the Prospectus for subsequent resale or final placement of the Notes in Luxembourg, Austria and Germany.

Any financial intermediary using the Prospectus has to state on its website that it uses the Prospectus in accordance with the consent and the conditions attached thereto.

In the event of an offer being made by a financial intermediary, this financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

Section B – Issuer

B.1	Legal and commercial name.	The legal and commercial name of the Issuer is BayWa Aktiengesellschaft.
B.2	Domicile, legal form, legislation under which the issuer operates, country of incorporation.	BayWa Aktiengesellschaft has its registered seat in Munich, Germany, and is registered with the commercial register (<i>Handelsregister</i>) maintained by the local court (<i>Amtsgericht</i>) of Munich, Germany, under HRB 4921. The Company is a German stock corporation (<i>Aktiengesellschaft</i>) incorporated under and governed by the laws of the Federal Republic of Germany.
B.4b	Known trends affecting the Issuer and the industries in which it operates.	<p>The following external factors exert a significant influence on the course of BayWa Group’s business:</p> <ul style="list-style-type: none">• economic and geopolitical events;• crop disease;• changes in government policies, mandates and regulations;• changing worldwide demand for food and different forms of bio-energy;• unfavorable weather conditions or natural calamities;• governmental incentives for renewable energy sources;• cyclicity and seasonality of the construction industry; and• volatility and changes in foreign currency exchange rates.
B.5	Description of the group and the issuer’s position within the group.	BayWa Aktiengesellschaft is the parent company of the BayWa Group, which as per March 31, 2019 included more than 300 fully consolidated subsidiaries.
B.9	Profit forecast or estimate.	Not applicable. The Company has not published any profit forecasts or estimates.
B.10	Qualifications in the audit report on the historical financial information.	Not applicable. The audit opinions with respect to the audited consolidated financial statements of BayWa Aktiengesellschaft for the financial years ended December 31, 2017 and December 31, 2018 do not include any qualifications.
B.12	Selected historical key financial information regarding BayWa Group.	

The financial information contained in the following tables is taken from the audited consolidated financial statements of the BayWa Group as of and for the financial years ended December 31, 2017 and December 31, 2018 (the “**Audited Consolidated Financial Statements**”) and the unaudited and unreviewed condensed consolidated selected financial information of the BayWa Group as of and for the three months ended March 31, 2019 (the “**Unaudited and Unreviewed Condensed Consolidated Selected Financial Information**”), as contained in the Company’s quarterly report (*Quartalsmitteilung*). The Audited Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted in the European Union (“**IFRS**”) and the additional information required by section 315e para.1 German Commercial Code and the Unaudited and Unreviewed Condensed Consolidated Selected Financial Information have been prepared on a basis consistent with IFRS. The Audited Consolidated Financial Statements have been audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, Germany, who issued an unqualified audit opinion thereon.

Selected Consolidated Income Statement Data

	Year ended December 31,		Three months ended	
	2017	2018	2018	2019
	<i>in € million, unless stated otherwise</i>			
	(audited)		(unaudited)	
Revenues.....	16,055.1	16,625.7	3,797.1	4,079.6
Gross profit	1,784.9	1,889.1	362.8	400.3
Result of operating activities	131.4	156.6	- 44.4	- 23.6
Financial result.....	- 29.0	- 64.0	- 12.6	- 14.3
Earnings before tax (EBT).....	102.4	92.6	- 57.0	- 37.9
Net result for the period	67.2	54.9	- 43.7	- 38.8
EBIT	171.3	172.4	- 41.0	- 13.8
EBITDA.....	318.4	315.3	- 7.5	41.2
Basic earnings per share (in €)....	1.13	0.92	- 1.23	- 1.09
Diluted earnings in share (in €)....	1.13	0.92	- 1.23	- 1.09

Selected Consolidated Balance Sheet Data

	As of December 31,		As of March 31,
	2017	2018	2019
	<i>in € million</i>		
	(audited)		(unaudited)
Assets			
Non-current assets.....	2,396.9	2,476.9	3,125.1
Current assets.....	4,077.4	5,030.4	5,672.1
Non-current assets held for sale/disposal groups	13.7	4.2	2.1
Total assets.....	6,488.0	7,511.5	8,799.3
Shareholders' equity and liabilities			
Equity.....	1,435.5	1,389.1	1,362.8
Non-current liabilities	2,065.7	2,074.7	2,675.4
Current liabilities	2,986.8	4,047.7	4,761.1
Liabilities from non-current assets held for sale/disposal groups	-	-	-
Total shareholders' equity and liabilities.....	6,488.0	7,511.5	8,799.3

No material adverse change / There has been no material adverse change in the prospects significant changes in financial or of the Issuer and the Group since December 31, 2018. trading position

Not applicable. There have been no significant changes in the financial or trading position of the Issuer and its subsidiaries taken as a whole since March 31, 2019.

B.13 Recent developments.

On April 12, 2018, BayWa Aktiengesellschaft announced that it plans to facilitate the future growth of BayWa r.e. renewable energy GmbH by way of a capital increase at the level of BayWa r.e. renewable energy GmbH involving a third party investor. BayWa Aktiengesellschaft is committed to remain majority shareholder of BayWa r.e. renewable energy GmbH.

On May 10, 2019 BayWa Aktiengesellschaft announced that it intends to divest its wholly-owned subsidiary TESSOL

Kraftstoffe, Mineralöle und Tankanlagen GmbH with its seat in Stuttgart. TESSOL's main field of activity is the classic petrol station business. The planned transaction is part of a capital reallocation in the corporate portfolio in order to further expand BayWa Aktiengesellschaft's strategic business areas.

B.14 Statement of dependency upon other entities within the Group. *Please see Element B.5 for information on the description of the Group.*

Not applicable. BayWa Aktiengesellschaft is not dependent upon other entities in the Group.

B.15 Principal activities.

The BayWa Group, with BayWa Aktiengesellschaft as the ultimate parent company is a group of trade, services and logistics companies and an integrated solution provider, divided into the three operating segments Agriculture, Energy and Building Materials as well as the Innovation & Digitalisation segment.

The Agriculture segment comprises four business units: BayWa Agri Supply & Trade (BAST), Agri Trade & Service, Global Produce and Agricultural Equipment. Effective January 1, 2018, the domestic marketing activities for the BAST business unit were transferred to the former BayWa Agricultural Sales (BAV) business unit, in order to manage national produce trading in one place from recording through to marketing. As part of this reorganization, the BAV business unit was renamed the Agri Trade & Service business unit. The BAST business unit continues to include the international grain and oilseed trading activities. In addition, the Fruit business was renamed Global Produce effective January 1, 2018. BAST encompasses the BayWa Group's international trading, distribution and logistics activities involving grain, oilseed and additional products, acting as a supply chain manager, covering the entire value chain from procurement and logistics to sale.

The Agri Trade & Services business unit covers all stages of farms' value chains: recording, sales and service. It supplies national farmers with agricultural inputs throughout the entire agricultural year and collects as well as markets the harvest regionally.

The Global Produce business unit combines all activities of the Group in the business of fruit and vegetable growing and trading these products.

The full line of machinery, equipment and systems for all areas of agriculture is offered in the Agricultural Equipment business unit. In January 2017, the Agricultural Equipment business unit was reorganized by dividing it into the Agricultural Equipment, CLAAS Affiliated Companies and Special Agricultural Equipment business divisions to better meet the needs of different customer groups and realize growth potential.

The Energy operating segment is divided into the Renewable Energies business unit and the Conventional Energy business unit. Under the BayWa r.e. renewable energy GmbH umbrella, the Group covers the largest part of the value chain in the renewable energies business. Business activities are

divided into four areas: project development / implementation, services, photovoltaic trade and energy trade from renewable energy sources. The Conventional Energy business unit comprises an extensive network, which ensures the supply of heating oil, fuels, lubricants and wood pellets to commercial and private customers. Diesel and Otto fuels are sold through numerous filling stations.

The Building Materials segment comprises building materials trading activities, as well as the operation of do-it-yourself (DIY) and garden centers in Austria.

The Innovation & Digitalisation segment, which evolved from the former Digital Farming unit and the Group's e-commerce business activities, develops and provides software solutions and integrated services for enhancing productivity in agriculture.

B.16 Major shareholders.

According to voting right notifications received and the knowledge of the Issuer, the following entities hold an interest in the Issuer as of the date of this Prospectus:

Bayerische Raiffeisen-Beteiligungs-AG, Germany	34.75%
Raiffeisen Agrar Invest AG, Austria.....	25.01%
Freefloat	40.24%
Total	100.0%

B.17 Credit ratings of the Issuer or its debt securities.

Not applicable. Neither the Issuer nor the Notes nor any of the Issuer's outstanding debt securities have been assigned a rating by external rating agencies.

Section C – Securities

**C.1 Type and the class of the securities being offered and/or admitted to trading.
Security identification number.**

The Issuer is issuing unsecured notes (the “Notes”).

The security identification numbers of the Notes are:

ISIN: XS2002496409
Common Code: 200249640

C.2 Currency.

The Notes are issued in Euro (“EUR”).

C.5 A description of any restrictions on the free transferability of the securities.

Not applicable. The Notes are freely transferable.

C.8 Rights attached to the Notes, ranking of the Notes, limitations of the rights attached to the Notes.

Rights attached to the Notes:

The Notes entitle the Holders, in particular, to the interest payments described in Element C.9.

Ranking of the Notes:

The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by law.

Limitation of the rights attached to the Notes:

Except for the possibility to call the Notes for redemption or to repurchase and cancel Notes prior to the day on which the Notes become due for redemption in accordance with the Terms and Conditions (the “**Redemption Date**”), there are no limitations to the rights attached to the Notes.

Early redemption due to a Gross-up Event

If a Gross-up Event occurs, the Notes may be redeemed at any time at the option of the Issuer (in whole but not in part) upon giving not less than 30 and not more than 60 days’ notice. In the case such call notice is given, the Issuer shall redeem the Notes at an amount per Note equal to the principal amount, plus any interest accrued on the Note to but excluding the Redemption Date (as specified in the notice) but yet unpaid on such Redemption Date.

A “**Gross-up Event**” shall have occurred if the Issuer has or will become obliged to pay Additional Amounts as a result of any change in, or amendment to, the laws or regulations of the Relevant Taxing Jurisdiction, or as a result of any amendment to, or any change in, any official interpretation or application of any such laws or regulations by any legislative body, court, or taxing authority, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), provided that the relevant amendment, change or execution becomes effective on or after the issue date of the Notes and provided further that the payment obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

Early redemption in the case of minimal outstanding Aggregate Principal Amount

In case that the Issuer and/or any Subsidiary has purchased Notes equal to or in excess of 85% of the Aggregate Principal Amount of the Notes initially issued, the Issuer may at any time, upon giving not less than 30 and not more than 60 days’ prior notice to the Holders, call the Notes for redemption (in whole but not in part).

In the case such call notice is given, the Issuer shall redeem the remaining Notes at an amount per Note equal to the principal amount, plus any interest accrued on the Note to but excluding the Redemption Date but yet unpaid.

Early Redemption 3-months prior to the Maturity Date

The Issuer may call and redeem the remaining Notes (in whole but not in part) within the period from March 25, 2024 (including) to the Maturity Date (excluding) upon giving not less than 15 and not more than 60 days’ notice at an amount per Note equal to the principal amount, plus any interest accrued on the Note to but excluding the Redemption Date but yet unpaid.

Early redemption for reasons of a Change of Control

If a Change of Control have occurred, (i) the Issuer will specify the Optional Redemption Date and give notice of the occurrence Change of Control and the Optional Redemption Date (the “**Change of Control Notice**”) in each case within 15 days, and (ii) each Noteholder will have the option to declare, on giving not less than 15 days’ notice prior to the Optional Redemption Date, all or some only of his Notes due. In the case a Put Notice is given, the Issuer will redeem the Notes at an amount per Note equal to the principal amount, plus any interest accrued on the Note to but excluding the Optional Redemption Date but yet unpaid, on the Optional Redemption Date.

A “**Change of Control**” shall be deemed to occur if any person (or a group of persons acting in concert) directly or indirectly acquires such number of shares in the capital of the Issuer granting more than 30 per cent. of the voting rights exercisable at general meetings of the Issuer.

“**Optional Redemption Date**” means the date fixed by the Issuer in the Change of Control Notice, which: (i) must be a Business Day; and (ii) must fall not less than 60 and not more than 90 days after publication of the Change of Control Notice.

Early redemption of the Noteholders in an event of default (including cross default)

The Terms and Conditions provide for events of default (including cross default), *inter alia*, in the case of non-payment, breach of other obligations, cessation of business by the Issuer, sale of all or a substantially all of its assets and insolvency or liquidation.

Each Noteholder shall be entitled to declare his Notes due and demand immediate redemption thereof at their principal amount, together with accrued interest (if any) to the date of repayments if an event of default occurs and is continuing.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

Negative pledge

The Terms and Conditions provide for an undertaking of the Issuer (i) not to create or permit to subsist any mortgage, charge, pledge or other form of encumbrance in rem (each a “**Security Interest**”) over its assets to secure any capital market indebtedness and (ii) to procure that none of its subsidiaries creates or permits to subsist any Security Interest over its assets to secure any own or third-party financial indebtedness, subject to certain exceptions.

Resolutions of Holders

In accordance with the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*, “*SchVG*”) the Notes contain provisions pursuant to which Noteholders may agree by resolution to

amend the Terms and Conditions (with the consent of the Issuer) and to decide upon certain other matters regarding the Notes. Resolutions of Noteholders properly adopted, by vote taken without a meeting in accordance with the Terms and Conditions, are binding upon all Noteholders. Resolutions providing for material amendments to the Terms and Conditions require a majority of not less than 75% of the votes cast. Resolutions regarding other amendments are passed by a simple majority of the cast.

C.9 Interest and Redemption Payments, Yield, Name of holders' representative.	<p>Please see Element C.8. for information on rights attached to the Notes, ranking of the Notes, limitations to the rights attached to the Notes.</p> <p>Unless previously redeemed or repurchased and cancelled, the Notes bear interest on their principal amount at the rate of [●] per cent. per annum from and including June 24, 2019 (the "Interest Commencement Date") to, but excluding the Maturity Date (as defined below).</p> <p>Interest is scheduled to be paid annually in arrears on June 24 of each year (each an "Interest Payment Date"), commencing on June 24, 2020.</p>
Underlying on which interest rate is based	Not applicable. The interest rate is not based on an underlying.
Maturity date including repayment procedures	<p>June 24, 2024 (the "Maturity Date").</p> <p>Unless the Notes are previously redeemed or repurchased and cancelled, the Notes will be repaid at their principal amount on the Maturity Date. Payment of principal shall be made to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System outside the United States.</p>
Indication of yield	<p>The yield of the Notes is [●] per cent. per annum and is calculated on the basis of the issue price of the Notes (the "Issue Price").</p> <p>Not applicable. In accordance with the SchVG the Notes provide that the Noteholders may by majority resolution appoint a representative for all Noteholders (the "Holder's Representative"). The responsibilities and functions assigned to the Holder's Representative appointed by a resolution are determined by the SchVG and by majority resolutions of the Noteholders.</p>
Name of representative of the Noteholders	Not applicable. In accordance with the SchVG the Notes provide that the Noteholders may by majority resolution appoint a representative for all Noteholders (the " Holder's Representative "). The responsibilities and functions assigned to the Holder's Representative appointed by a resolution are determined by the SchVG and by majority resolutions of the Noteholders.
C.10 Derivative component in interest payment.	<p>See C.9.</p> <p>Not applicable. The Notes do not have a derivative component.</p>
C.11 Admission to trading of securities on a regulated market.	Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange.

Section D – Risks

D.2 Key information on the key risks that are specific to the Issuer or its industry.

Risks Related to the Markets and Business of the Group

- Economic, geopolitical or other events could adversely affect the BayWa Group.
- The availability and prices of the agricultural commodities and agricultural commodity products the BayWa Group procures, stores, transports and merchandises can be affected by weather conditions, disease, government programs, competition, and various other factors beyond the Group's control.
- Changes in government policies, mandates and regulations specifically affecting the agricultural sector and related industries could adversely affect the BayWa Group's operating results.
- Changing worldwide demand for food and different forms of bio-energy could have an effect on the price of farm commodities and, consequently, the demand for certain agricultural equipment.
- BayWa Group's business may be adversely affected by unfavorable weather conditions or natural calamities that reduce agricultural production.
- The business operations of BayWa Group in the field of renewable energies depend on governmental incentives for renewable energy sources.
- The construction industry is cyclical in nature and subject to seasonality, and downturns in the construction industry may adversely impact BayWa Group's Building Materials segment.
- BayWa Group operates in competitive markets and its competitive position may deteriorate.
- BayWa Group is required to comply with numerous laws and regulations in multiple jurisdictions.
- BayWa Group is dependent on its compliance and risk management systems. There can be no assurances that the Group's compliance and risk management systems are adequate to address all applicable risks in every jurisdiction.
- BayWa Group is dependent on information technology and the integrity of its information and data.
- BayWa Group is exposed to volatility and changes in foreign currency exchange rates arising from its international operations.
- BayWa Group is exposed to interest rate risks through its various financing arrangements.
- BayWa Group is exposed to the credit risk and potential default of its financing of its trading partners and commercial customers.
- BayWa Group is exposed to liquidity risks. It may be unable to meet payment obligations because it has insufficient cash funds at its disposal.
- BayWa Group may not be able to integrate acquired businesses effectively or successfully.
- BayWa Group's international operations give rise to

complex tax matters.

- The success of BayWa Group's business relies on certain key personnel and BayWa Group's ability to attract and retain key personnel, other qualified management personnel and skilled workers.
- BayWa Group is dependent on good relationships with its employees and unions. BayWa Group's success is highly dependent on its employees.
- BayWa Group is subject to risks from legal proceedings and investigations.
- BayWa Group has significant pension obligations to current and past employees, which could increase due to factors beyond the Group's control.
- BayWa Group's insurance coverage may not be sufficient or its insurance premiums may increase.

D.3 Key risks specific to the securities

Risks Related to the Notes

- Notes may not be a suitable investment for all investors.
- At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions of the Notes after the occurrence of a Gross-up Event, if 85 per cent. or more in principal amount of the Notes initially issued have been purchased or within a period of 3 months prior to the Maturity Date. In such case, the Holders might suffer a lower than expected yield.
- Due to future money depreciation (inflation), the real yield of an investment may be reduced.
- Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments on the Notes.
- There is no restriction on the amount of debt which the Issuer may issue ranking equal or senior to the obligations under or in connection with the Notes.
- Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Luxembourg Stock Exchange's regulated market. However, there can be no assurance that a liquid secondary market for the Notes will develop.
- It cannot be ruled out that the price of the Notes may fall as a result of changes in the current interest rate on the capital market (market interest rate), as the market interest rate fluctuates.
- The market value of the Notes could decrease if the creditworthiness of the Group worsens or for other reasons.
- The Euro-denominated Notes could represent a currency risk for a Holder if the Euro represents a foreign currency to such Holder; in addition, governments and competent authorities could impose exchange controls in the future.
- The income under the Notes may be reduced by taxes.
- Incidental costs related in particular to the purchase and sale of the Notes may have a significant impact on the profit potential of the Notes.
- No assurance can be given as to the impact of any

possible judicial decision or change of laws or administrative practices after the Interest Commencement Date.

- If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of the Foreign Account Tax Compliance Act (“FATCA”), neither the Issuer, nor any paying agent or any other person would, pursuant to the Terms and Conditions of the Notes be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.
- The EU and/or certain EU Member States may impose a Financial Transaction Tax (“FTT”) and the implications are not fully foreseeable at the moment.
- Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.
- A holder is subject to the risk of being outvoted and of losing rights towards the Issuer against his will in the case that the holders agree to amendments of the Terms and Conditions of the Notes by majority vote according to the SchVG. In the case of an appointment of a joint representative for all holders by majority resolution of the holders, a particular holder may be deprived of its individual right to pursue and enforce his rights against the Issuer regardless of other holders.

Risks Related to Green Bonds

- In connection with this offering, ISS-oekom has issued a second-party opinion stating, among other things, the view that the Notes are aligned with the Green Bond Principles (2018). This second-party opinion is not incorporated into and does not form part of this Prospectus and may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes. There can be no assurance that the Notes, including the use of proceeds therefrom, expected management of the proceeds, selection of projects and reporting, will satisfy an investor’s requirements or any future legal or quasi legal standards for investment in assets with green characteristics.

Section E – Offer

E.2b Reasons for the offer and use of proceeds when different from making profit and/or hedging certain risks.

The net proceeds will be used to finance or refinance, in part or in full, projects aimed at increasing the production, connection and distribution of renewable energies, including solar (photovoltaic) and wind (onshore) energy.

E.3 Description of the terms and conditions of the offer.

The Notes will be offered in Luxembourg, Germany and Austria during an offer period which will commence on June 3, 2019 and which will be open until the expiry of June 19,

2019 being the date of issuance of the Notes (the “**Issue Date**”), subject to a shortening or extension of the offer period.

The Issue Price, the aggregate principal amount of the Notes to be issued, the interest rate, the issue proceeds and the yield of the Notes will be included in the Pricing Notice which will be published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or after the Pricing Date and prior to the Issue Date of the Notes.

There are no conditions to which the offer is subject. Investors may submit their offers to buy Notes, using the information system Bloomberg or any other commonly used information systems. Any investor who has submitted an order in relation to the Notes whose order is accepted will receive a confirmation by electronic mail, fax or through commonly used information systems relating to the respective allotment of Notes.

Delivery and payment of the Notes will be made on June 19, 2019 and the confirmation of the allotment to investors will be made by electronic mail, fax or through commonly used information systems. The Notes will be delivered via book-entry through Euroclear Bank S.A./N.V. and Clearstream Banking, S.A. (each a “**Clearing System**” and together, the “**Clearing Systems**”) and their depository banks against payment of the Issue Price.

- | | | |
|------------|---|---|
| E.4 | Interests material to the issue/offer including conflicting interests. | Not applicable. There are no interests of natural and legal persons other than the Issuer involved in the issue of the Notes, including any conflicting interests that are material to the issue of the Notes. |
| E.7 | Estimated expenses charged to the investor by the issuer. | Not applicable. The Issuer will not charge any costs, expenses or taxes directly to any investor in connection with the Notes. Each investor has however to inform itself about taxes or expenses it may be subject to in its respective country of residence, including any charges their own depository banks charge them for purchasing or holding securities. |

GERMAN TRANSLATION OF THE SUMMARY

Zusammenfassungen bestehen aus Informationsblöcken, die als "Angaben" bezeichnet werden. Diese Angaben sind in den Abschnitten A – E (A.1 – E.7) nummeriert. Diese Zusammenfassung (die "Zusammenfassung") enthält alle Angaben, die für eine Zusammenfassung für diese Art von Wertpapier und diese Emittentin erforderlich sind. Da einige Angaben nicht aufgenommen werden müssen, kann die Nummerierung Lücken enthalten. Auch wenn eine Angabe für diese Art von Wertpapier und diese Emittentin in diese Zusammenfassung aufgenommen werden muss, kann es sein, dass keine relevanten Informationen zur Verfügung stehen. In diesem Fall wird eine kurze Beschreibung der geforderten Angabe mit dem Hinweis "entfällt" in die Zusammenfassung aufgenommen.

Abschnitt A – Einleitung und Warnhinweise

A.1 Warnhinweise.

Die Zusammenfassung sollte als Einleitung zu diesem Prospekt (der "**Prospekt**") verstanden werden. Ein Anleger sollte sich bei jeder Entscheidung, in die Schuldverschreibungen zu investieren, auf den Prospekt als Ganzes stützen.

Ein Anleger, der wegen der in dem Prospekt enthaltenen Angaben Klage einreichen will, muss möglicherweise nach den nationalen Rechtsvorschriften der Mitgliedstaaten des Europäischen Wirtschaftsraums (die "**Mitgliedsstaaten**") für die Übersetzung des Prospekts aufkommen, bevor das Verfahren eingeleitet werden kann.

Zivilrechtlich haften nur diejenigen Personen, die die Zusammenfassung samt etwaiger Übersetzungen vorgelegt und übermittelt haben, und dies auch nur für den Fall, dass die Zusammenfassung verglichen mit den anderen Teilen des Prospekts irreführend, unrichtig oder inkohärent ist oder verglichen mit den anderen Teilen des Prospekts wesentliche Angaben, die in Bezug auf Anlagen in die Schuldverschreibungen für die Anleger eine Entscheidungshilfe darstellen, vermissen lassen.

A.2 Zustimmung zur späteren Verwendung des Prospekts.

Die Emittentin stimmt der Verwendung des Prospekts durch die Joint Bookrunner und alle Finanzintermediäre zu (generelle Zustimmung) und übernimmt die Verantwortung für den Inhalt des Prospekts auch im Hinblick für die spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen durch einen Finanzintermediär, der die Zustimmung zur Verwendung des Prospekts erhalten hat.

Die spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen durch die Joint Bookrunner und/oder einen Finanzintermediär kann während der Angebotsfrist erfolgen. Der Beginn der Angebotsfrist ist am 3. Juni 2019, und die Angebotsfrist endet am 19. Juni 2019, dem Tag der Begebung der Schuldverschreibungen.

Die Joint Bookrunner und/oder die Finanzintermediäre können diesen Prospekt für die spätere Weiterveräußerung oder endgültige Platzierung der Schuldverschreibungen in Luxemburg, Deutschland und Österreich verwenden.

Jeder Finanzintermediär, der diesen Prospekt verwendet, muss auf seiner Internetseite bestätigen, dass er diesen Prospekt in Übereinstimmung mit der Zustimmung und den ihr beigefügten Bedingungen verwendet.

Falls ein Angebot durch einen Finanzintermediär erfolgt, wird dieser Finanzintermediär den Anlegern Informationen über die Bedingungen des Angebots zum Zeitpunkt der Vorlage des Angebots zur Verfügung stellen.

Abschnitt B – Emittent

B.1	Gesetzliche und kommerzielle Bezeichnung der Emittentin.	Die gesetzliche und kommerzielle Bezeichnung der Emittentin ist BayWa Aktiengesellschaft.
B.2	Sitz, Rechtsform, geltendes Recht, Land der Gründung.	Die BayWa Aktiengesellschaft hat ihren Sitz in München, Deutschland, und ist im Handelsregister des Amtsgerichts München, Deutschland, unter HRB 4921 eingetragen. Die Gesellschaft ist eine nach dem Recht der Bundesrepublik Deutschland gegründete deutsche Aktiengesellschaft mit Sitz in der Bundesrepublik Deutschland.
B.4b	Bereits bekannte Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken.	<p>Folgende externe Faktoren wirken auf den Geschäftsverlauf der BayWa-Gruppe in erheblichem Umfang ein:</p> <ul style="list-style-type: none"> • wirtschaftliche und geopolitische Ereignisse; • Pflanzenkrankheiten; • Änderungen der Regierungspolitik, der Mandate sowie –Vorschriften; • sich wandelnde weltweite Nachfrage nach Nahrungsmitteln und verschiedenen Arten der Bioenergie; • ungünstige Wetterbedingungen oder Naturkatastrophen; • staatliche Förderung zur Energieerzeugung aus regenerativen Energieträgern; • Konjunktur- und Saisonabhängigkeit der Bauwirtschaft; und • Wechselkursschwankungen.
B.5	Beschreibung der Gruppe und der Stellung der Emittenten innerhalb dieser Gruppe.	Die BayWa Aktiengesellschaft ist die Muttergesellschaft der BayWa-Gruppe, die zum 31. März 2019 etwa 300 vollkonsolidierte Tochtergesellschaften umfasst.
B.9	Gewinnprognosen oder -schätzungen.	Entfällt. Die Gesellschaft hat keine Gewinnprognosen oder -schätzungen veröffentlicht.
B.10	Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen.	Entfällt. Die Bestätigungsvermerke für die geprüften Konzernabschlüsse der BayWa Aktiengesellschaft für die zum 31. Dezember 2017 bzw. 31. Dezember 2018 endenden Geschäftsjahre enthalten keine Einschränkungen.
B.12	Ausgewählte wesentliche historische Finanzinformationen zur BayWa-Gruppe.	

Die den folgenden Tabellen zu entnehmenden Finanzzahlen stammen aus dem geprüften Konzernabschluss der BayWa-Gruppe für die zum 31. Dezember 2017 und zum 31. Dezember 2018 endenden Geschäftsjahre (die **„geprüften Konzernabschlüsse“**) und den ungeprüften und nicht prüferisch durchgesehenen ausgewählten konsolidierten Finanzinformationen der BayWa-Gruppe für den zum 31. März 2019 endenden Dreimonatszeitraum (die **„ungeprüften und nicht prüferisch durchgesehenen ausgewählten konsolidierten Finanzinformationen“**), wie sie in der Quartalsmitteilung der Gesellschaft enthalten sind. Der geprüfte Konzernabschluss ist gemäß den *International Financial Reporting Standards* (**„IFRS“**), wie sie von der Europäischen Union übernommen wurden, und den ergänzend nach §315e Abs. 1 HGB anzuwendenden handelsrechtlichen Vorschriften erstellt worden und die ungeprüften und nicht prüferisch durchgesehenen ausgewählten konsolidierten Finanzinformationen sind auf einer Basis konsistent mit

den IFRS erstellt worden. Der geprüfte Konzernabschluss wurde von Deloitte GmbH Wirtschaftsprüfungsgesellschaft, München, Deutschland, geprüft, die diesen mit einem uneingeschränkten Bestätigungsvermerk versehen hat.

Ausgewählte Daten der Konzern-Gewinn- und Verlustrechnung

	Geschäftsjahr zum 31. Dezember		Drei Monate zum 31. März	
	2017	2018	2018	2019
	<i>in Millionen €, sofern nicht anders angegeben</i>			
	(geprüft)		(ungeprüft)	
Umsatzerlöse.....	16.055,1	16.625,7	3.797,1	4.079,6
Rohergebnis	1.784,9	1.889,1	362,8	400,3
Ergebnis der betrieblichen Geschäftstätigkeit.....	131,4	156,6	- 44,4	- 23,6
Finanzergebnis	- 29,0	- 64,0	- 12,6	- 14,3
Gewinn vor Steuern (EBT)	102,4	92,6	- 57,0	- 37,9
Konzernperiodenüberschuss	67,2	54,9	- 43,7	- 38,8
EBIT	171,3	172,4	- 41,0	- 13,8
EBITDA.....	318,4	315,3	- 7,5	41,2
Unverwässertes Ergebnis je Aktie (in €).....	1,13	0,92	- 1,23	- 1,09
Verwässertes Ergebnis je Aktie (in €).....	1,13	0,92	- 1,23	- 1,09

Ausgewählte Daten der Konzernbilanz

	Zum 31. Dezember		Zum 31. März
	2017	2018	2019
	<i>in Millionen €</i>		
	(geprüft)		(ungeprüft)
Aktiva			
Langfristige Vermögenswerte.....	2.396,9	2.476,9	3.125,1
Kurzfristige Vermögenswerte.....	4.077,4	5.030,4	5.672,1
Zur Veräußerung gehaltene langfristige Vermögenswerte /Veräußerungsgruppen	13,7	4,2	2,1
Summe Aktiva	6.488,0	7.511,5	8.799,3
Passiva			
Eigenkapital	1.435,5	1.389,1	1.362,8
Langfristige Schulden.....	2.065,7	2.074,7	2.675,4
Kurzfristige Schulden	2.986,8	4.047,7	4.761,1
Schulden aus zur Veräußerung gehaltenen langfristigen Vermögenswerten/ Veräußerungsgruppen	-	-	-
Summe Passiva	6.488,0	7.511,5	8.799,3

Keine wesentliche Verschlechterung der Aussichten / Wesentliche Veränderungen bei Finanzlage oder Handelsposition

Seit dem 31. Dezember 2018 haben sich die Aussichten der Emittentin und der Gruppe nicht wesentlich verschlechtert.

Entfällt. Seit dem 31. März 2019 sind keine wesentlichen Veränderungen bei Finanzlage oder Handelsposition der Emittentin und ihrer Tochtergesellschaften insgesamt eingetreten.

B.13 Jüngste Entwicklungen.

Am 12. April 2019 gab die BayWa Aktiengesellschaft bekannt, dass sie plant, das künftige Wachstum der BayWa r.e.

renewable energy GmbH durch Kapitalerhöhung unter Beteiligung Dritter auf Ebene der BayWa r.e. renewable energy GmbH zu unterstützen. Die BayWa Aktiengesellschaft beabsichtigt dabei, in jedem Fall mehrheitlich an der BayWa r.e. renewable energy GmbH beteiligt zu bleiben.

Am 10. Mai 2019 gab die BayWa Aktiengesellschaft bekannt, dass sie beabsichtigt, ihre hundertprozentige Konzerntochter TESSOL Kraftstoffe, Mineralöle und Tankanlagen GmbH mit Sitz in Stuttgart abzugeben. Hauptbetätigungsfeld der TESSOL ist das klassische Tankstellengeschäft. Die geplante Transaktion ist Teil einer Kapitalumschichtung im Unternehmensportfolio, um die strategischen Geschäftsfelder der BayWa Aktiengesellschaft weiter auszubauen.

B.14 Angabe zur Abhängigkeit von anderen Unternehmen innerhalb der Gruppe.

Bitte Punkt B.5 lesen hinsichtlich Informationen bezüglich der Beschreibung der BayWa-Gruppe.

Entfällt. BayWa Aktiengesellschaft ist nicht von anderen Unternehmen innerhalb der BayWa-Gruppe abhängig.

B.15 Haupttätigkeiten.

Die BayWa-Gruppe mit der BayWa AG als oberste Muttergesellschaft ist eine Gruppe von Handels-, Dienstleistungs- und Logistikunternehmen und ein integrierter Lösungsanbieter, gegliedert in die drei operativen Segmente: Agrar, Energie und Bau und in das Entwicklungssegment Innovation & Digitalisierung.

Der Agrar Geschäftsbereich setzt sich aus vier Geschäftseinheiten zusammen: BayWa Agri Supply & Trade (BAST), Agrar, Global Produce und Technik. Mit Wirkung zum 1. Januar 2018 wurden die inländischen Vermarktungsaktivitäten des Geschäftsfelds BAST auf das ehemalige Geschäftsfeld BayWa Agrar Vertrieb (BAV) übertragen, um den nationalen Erzeugnishandel von der Erfassung bis zur Vermarktung aus einer Hand steuern zu können. Im Zuge dieser Reorganisation wurde das Geschäftsfeld BAV in Geschäftsfeld Agrar umbenannt. Das Geschäftsfeld BAST umfasst weiter die internationalen Handelsaktivitäten mit Getreide und Ölsaaten. Zudem wurde das Geschäftsfeld Obst zum 1. Januar 2018 in Global Produce umbenannt. BAST umfasst die internationalen Handels-, Distributions- und Logistiktätigkeiten der BayWa-Gruppe für Getreide, Ölsaaten und Zusatzprodukte und deckt die gesamte Wertschöpfungskette vom Einkauf über die Logistik bis zum Vertrieb als Supply Chain Manager ab.

Das Geschäftsfeld Agrar deckt die gesamten Wertschöpfungsstufen der landwirtschaftlichen Betriebe ab: Erfassung, Vertrieb und Service. Es versorgt die Landwirte über das gesamte Anbaujahr mit Betriebsmitteln und übernimmt die Erfassung und regionale Vermarktung der Ernte.

Das Geschäftsfeld Global Produce fasst sämtliche Aktivitäten der Gruppe im Bereich Obst- und Gemüseanbau und den Handel mit diesen Produkten zusammen.

Ein Vollsortiment von Maschinen, Geräten und Anlagen für sämtliche Bereiche der Landwirtschaft werden im Geschäftsfeld Technik abgebildet. Im Januar 2017 wurde die Organisation des Geschäftsfelds Technik mit der Aufteilung in

die Bereiche Agrartechnik, CLAAS-Beteiligungen und Technik Spezialbereiche neu ausgerichtet, um den unterschiedlichen Bedürfnissen der verschiedenen Kundengruppen besser gerecht zu werden und Wachstumspotenziale zu nutzen.

Die Geschäftsaktivitäten des Energiesegments unterteilen sich in das Geschäftsfeld Regenerative Energien und in den klassischen Energiebereich. Unter dem Dach der BayWa r.e. renewable energy GmbH deckt der Konzern die gesamte Wertschöpfungskette bei den erneuerbaren Energien ab. Die Geschäftsaktivitäten gliedern sich in die vier Bereiche Projektentwicklung/Realisierung, Services, Photovoltaikhandel und Energiehandel. Das Geschäftsfeld klassische Energie beinhaltet die flächendeckende Versorgung gewerblicher und privater Kunden mit Heizöl, Kraftstoffen, Schmierstoffen und Holzpellets. Diesel- und Ottokraftstoffe werden über zahlreiche Tankstellen verkauft.

Im Segment Bau sind die Aktivitäten des Handels von Baustoffen sowie der Betrieb von Bau- und Gartenmärkten in Österreich zusammengefasst.

Das Segment Innovation & Digitalisierung, das aus dem früheren Geschäftsfeld Digital Farming und den E-Commerce-Aktivitäten der Gruppe hervorgegangen ist, entwickelt und bietet Softwarelösungen und integrierte Dienstleistungen für die Produktivitätssteigerung in der Landwirtschaft an.

B.16 Hauptanteilseigner. Gemäß den erhaltenen Stimmrechtsbenachrichtigungen und nach Kenntnis der Emittentin halten zum Zeitpunkt dieses Prospektes folgende Personen Anteile an der Emittentin:

Bayerische Raiffeisen-Beteiligungs-AG, Deutschland	34,75%
Raiffeisen Agrar Invest AG, Österreich	25,01%
Freefloat	40,24%
Total	100,0%

B.17 Kreditratings der Emittentin oder ihrer Schuldtitel. Entfällt. Weder die Emittentin noch die Schuldverschreibungen, noch sonstige von der Emittentin begebene, umlaufende Schuldtitel sind mit einem Rating von externen Ratingagenturen versehen.

Abschnitt C – Wertpapiere

C.1 Art und Gattung der angebotenen und/oder zum Handel zugelassenen Wertpapiere. Die Emittentin begibt unbesicherte Schuldverschreibungen (die **“Schuldverschreibungen”**).

Wertpapierkennung. Die Wertpapierkennnummern der Schuldverschreibungen sind:
ISIN: XS2002496409
Common Code: 200249640

C.2 Währung. Die Schuldverschreibungen werden in Euro (**“EUR”**) begeben.

C.5 Beschreibung aller etwaigen Beschränkungen für die freie Übertragbarkeit der Wertpapiere. Entfällt. Es bestehen keine Einschränkungen der Übertragbarkeit der Schuldverschreibungen.

C.8 Rechte, die mit den Schuldverschreibungen verbunden *Mit den Schuldverschreibungen verbundene Rechte:*

sind, Rangordnung, Beschränkung der Rechte. Die Schuldverschreibungen berechtigen die Anleihegläubiger insbesondere zu den in Punkt C.9 beschriebenen Zinszahlungen.

Rang der Schuldverschreibungen:

Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind mit Ausnahme von Verbindlichkeiten, die nach geltenden Rechtsvorschriften vorrangig sind.

Beschränkungen der mit den Schuldverschreibungen verbundenen Rechte:

Die mit den Schuldverschreibungen verbundenen Rechte unterliegen keinen Beschränkungen, mit Ausnahme der Möglichkeit die Schuldverschreibungen vor dem Tag, an dem die Schuldverschreibungen nach Maßgabe der Anleihebedingungen zur Rückzahlung fällig werden (der **“Rückzahlungstermin”**), zu kündigen oder zurückzukaufen und zu entwerten.

Vorzeitige Rückzahlung aus steuerlichen Gründen

Bei Eintritt eines Quellensteuer-Ereignisses ist die Emittentin berechtigt, die Schuldverschreibungen jederzeit, unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tage, die Schuldverschreibungen (insgesamt und nicht nur teilweise) zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am in der Bekanntmachung festgelegten Rückzahlungstermin zu einem Betrag je Schuldverschreibung in Höhe des Nennbetrages zuzüglich der bis zu diesem Rückzahlungstermin (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen zurückzuzahlen.

Ein **“Quellensteuer-Ereignis”** liegt vor, falls die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge als Folge einer Änderung oder Ergänzung von Gesetzen oder Vorschriften der Maßgeblichen Steuerjurisdiktion oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Steuerbehörde, eine Aufsichtsbehörde oder eine sonstige Behörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) zu zahlen, allerdings nur soweit die betreffende Änderung, Ergänzung oder Durchführung an oder nach dem Ausgabetag der Schuldverschreibungen wirksam wird und die Emittentin die Zahlungsverpflichtung nicht durch das Ergreifen von Maßnahmen vermeiden kann, die sie nach Treu und Glauben für angemessen hält.

Vorzeitige Rückzahlung nach Wahl der Emittentin bei geringem ausstehenden Gesamtnennbetrag

Die Emittentin ist berechtigt, die Schuldverschreibungen jederzeit (insgesamt und nicht nur teilweise) falls die

Emittentin und/oder eine Tochtergesellschaft Schuldverschreibungen im Volumen von 85% oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben hat, durch eine Bekanntmachung an die Anleihegläubiger unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen zu kündigen.

Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen am festgelegten Rückzahlungstermin zu einem Betrag je Schuldverschreibung in Höhe des Nennbetrages zuzüglich der bis zum Rückzahlungstermin (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen zurückzuzahlen.

Vorzeitige Rückzahlung nach Wahl der Emittentin drei Monate vor dem Endfälligkeitstag.

Die Emittentin ist berechtigt, die verbleibenden Schuldverschreibungen (insgesamt, jedoch nicht teilweise) innerhalb des Zeitraums von 25. März 2024 (einschließlich) bis zum Endfälligkeitstag (ausschließlich), durch eine Bekanntmachung an die Anleihegläubiger unter Einhaltung einer Frist von nicht weniger als 15 und nicht mehr als 60 Tagen zu kündigen.

Vorzeitige Rückzahlung bei einem Kontrollwechsel

Bei Eintritt eines Kontrollwechsels (i) hat die Emittentin innerhalb von 15 Tagen den Wahl-Rückzahlungstag zu bestimmen und den Kontrollwechsel und den Wahl-Rückzahlungstag anzuzeigen (die **“Kontrollwechselmitteilung”**) und (ii) hat jeder Anleihegläubiger das Recht, alle oder einige seiner Schuldverschreibungen mit einer Frist von mindestens 15 Tagen vor dem Wahl-Rückzahlungstag fällig zu stellen. Im Falle einer solchen Ausübungserklärung hat die Emittentin die Schuldverschreibungen an dem Wahl-Rückzahlungstag zu einem Betrag je Schuldverschreibung in Höhe des Nennbetrages zuzüglich der bis zum Wahl-Rückzahlungstag (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen, zurückzuzahlen.

Ein **“Kontrollwechsel”** gilt als eingetreten, wenn eine Person (oder eine Gruppe von gemeinsam handelnden Personen) mittelbar oder unmittelbar eine solche Anzahl von Aktien der Emittentin, auf die mehr als 30 % der bei Hauptversammlungen der Emittentin ausübenden Stimmrechte entfallen, erwirbt.

“Wahl-Rückzahlungstag” bezeichnet den von der Emittentin in der Kontrollwechselmitteilung festgelegten Tag, der (i) ein Geschäftstag sein muss und (ii) nicht weniger als 60 und nicht mehr als 90 Tage nach Bekanntmachung der Kontrollwechselmitteilung liegen darf.

Vorzeitige Rückzahlung nach Wahl der Anleihegläubiger bei Eintritt eines Kündigungsereignisses (einschließlich Drittverzug)

Die Anleihebedingungen sehen Kündigungsgründe

(einschließlich einer Kündigung im Fall eines Drittverzugs (Cross-Default)), unter anderem, im Fall von Nicht-Zahlung, anderer Pflichtverletzungen, bei Geschäftsaufgabe der Emittentin, dem Verkauf aller oder eines beträchtlichen Teils ihrer Vermögenswerte, bei Insolvenz und Liquidation vor.

Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem Nennbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls ein Kündigungsgrund vorliegt.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

Negativverpflichtung

Die Anleihebedingungen sehen eine Verpflichtung der Emittentin vor (i) kein Grundpfandrecht, Mobiliarpfandrecht, Pfandrecht oder sonstiges dingliches Sicherungsrecht (jedes ein **“Sicherungsrecht”**) an ihren Vermögenswerten zur Besicherung einer Kapitalmarktverbindlichkeit zu gewähren oder bestehen zu lassen; und (ii) ihre Tochtergesellschaften zu veranlassen kein Sicherungsrecht an ihren jeweiligen Vermögenswerten zur Besicherung einer Kapitalmarktverbindlichkeit zu gewähren oder bestehen zu lassen.

Gläubigerbeschlüsse

Entsprechend den Vorgaben des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (**“SchVG”**) sehen die Anleihebedingungen vor, dass die Anleihegläubiger durch Beschluss Änderungen an den Anleihebedingungen vereinbaren (mit der Zustimmung der Emittentin) sowie über bestimmte andere anleihebezogene Angelegenheiten bestimmen können. Durch Abstimmung ohne Versammlung gemäß den Vorgaben der Anleihebedingungen ordnungsgemäß gefasste Gläubigerbeschlüsse sind für alle Anleihegläubiger gleichermaßen verbindlich. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen geändert wird, bedürfen einer Mehrheit von nicht weniger als 75% der abgegebenen Stimmen. Alle übrigen Beschlüsse können mit einer einfachen Mehrheit der abgegebenen Stimmen gefasst werden.

C.9 Zinssatz und Fälligkeitstermine, Rendite, Name des Gläubigervertreeters.

Siehe Punkt C.8. für Angaben zu mit den Schuldverschreibungen verbundenen Rechten, Rangordnung sowie Beschränkungen der mit den Schuldverschreibungen verbundenen Rechte.

Sofern die Schuldverschreibungen nicht zuvor zurückgezahlt oder zurückgekauft und entwertet wurden, werden die Schuldverschreibungen ab dem 24. Juni 2019 (der **“Verzinsungsbeginn”**) (einschließlich) bis zum Endfälligkeitstag (wie nachstehend definiert) (ausschließlich) bezogen auf den Nennbetrag mit einem Zinssatz von jährlich [●] % verzinst.

Die Zinsen sind nachträglich am 24. Juni eines jeden Jahres

zahlbar (jeweils ein **“Zinszahlungstag”**). Der erste Zinszahlungstag ist der 24. Juni 2020.

Basiswert für die Zinsberechnung	Entfällt. Dieser Zinssatz basiert nicht auf einem Basiswert.
Fälligkeitstag einschließlich Rückzahlungsverfahren	24. Juni 2024 (der “Endfälligkeitstag”) Soweit nicht die Schuldverschreibungen vorher zurückgezahlt oder zurückgekauft und entwertet wurden, werden die Schuldverschreibungen zum Nennbetrag am Endfälligkeitstag zurückgezahlt. Zahlungen des Nennbetrages erfolgen an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.
Rendite	Die Rendite der Schuldverschreibungen beträgt [●]% jährlich und wird anhand des Ausgabepreises der Schuldverschreibungen (der “Ausgabepreis”) berechnet.
Name des Vertreters der Inhaber der Wertpapiere	Entfällt. In Übereinstimmung mit dem SchVG sehen die Schuldverschreibungen vor, dass die Anleihegläubiger durch Beschluss einen gemeinsamen Vertreter bestellen können (der “Gemeinsame Vertreter”). Die Aufgaben und Befugnisse des durch Beschluss bestellten Gemeinsamen Vertreters bestimmen sich nach dem SchVG sowie den Mehrheitsbeschlüssen der Anleihegläubiger.
C.10 Derivate Komponente bei Zinszahlung	Siehe C.9. Entfällt. Die Schuldverschreibungen haben keine derivative Komponente.
C.11 Einführung in einen regulierten Markt	Die Zulassung zum Handel im regulierten Markt der Luxemburger Wertpapierbörse wurde beantragt.

Abschnitt D – Risiken

D.2 Zentrale Angaben zu den zentralen Risiken, die der Emittentin oder ihrer Branche eigen sind.

Markt- und geschäftsbezogene Risiken

- Wirtschaftliche, geopolitische oder sonstige andere Ereignisse könnten nachteilige Auswirkungen auf die BayWa-Gruppe haben.
- Wetterbedingungen, Krankheiten, staatliche Maßnahmen, Wettbewerb sowie andere externe, von der Gruppe nicht zu beeinflussende Umstände könnten sich auf die Verfügbarkeit und Preise der landwirtschaftlichen Rohstoffe und Erzeugnisse auswirken, die von der BayWa-Gruppe beschafft, gelagert, transportiert oder vermarktet werden.
- Änderungen der Regierungspolitik, -Mandate und -Vorschriften, die spezifisch den Landwirtschaftssektor oder damit zusammenhängende Wirtschaftszweige betreffen, könnten sich nachteilig auf die Geschäftsergebnisse der BayWa-Gruppe auswirken.

- Eine sich wandelnde weltweite Nachfrage nach Nahrungsmitteln und verschiedenen Arten der Bioenergie könnte den Preis für Agrarrohstoffe, und folglich die Nachfrage nach bestimmten landwirtschaftlichen Geräten beeinflussen.
- Ungünstige Wetterbedingungen oder Naturkatastrophen, die die landwirtschaftliche Produktivität verringern, könnten sich nachteilig auf das Geschäft der BayWa-Gruppe auswirken.
- Der Geschäftsbetrieb der BayWa-Gruppe im Bereich der regenerativen Energien ist abhängig von staatlicher Förderung zur Energieerzeugung aus regenerativen Energieträgern.
- Die Bauwirtschaft ist konjunkturanhängig und unterliegt saisonalen Schwankungen. Ein Abschwung in dieser Industrie könnte nachteilige Folgen für BayWa-Gruppe's Bausegment haben.
- Die BayWa-Gruppe betreibt ihr Geschäft in kompetitiven Märkten, und die Wettbewerbsposition der BayWa-Gruppe könnte sich verschlechtern.
- Die BayWa-Gruppe unterliegt zahlreichen gesetzlichen und sonstigen regulatorischen Verpflichtungen in verschiedenen Jurisdiktionen.
- Die BayWa-Gruppe ist auf ihre Compliance- und Risikomanagementsysteme angewiesen. Es ist nicht sicher, dass die Compliance- und Risikomanagementsysteme geeignet sind, alle möglichen Risiken in jeder Jurisdiktion abzudecken.
- Die BayWa-Gruppe ist auf die Nutzung von Informationstechnologie und die Sicherheit ihrer Informationen und Daten angewiesen.
- Aufgrund ihres internationalen Geschäfts ist die BayWa-Gruppe Risiken aus Wechselkursschwankungen ausgesetzt.
- Aufgrund ihrer verschiedenen Finanzierungen ist die BayWa-Gruppe Zinsrisiken ausgesetzt.
- Die BayWa-Gruppe ist Kreditrisiken sowie Ausfallrisiken aus Geschäftsbeziehungen zu einzelnen Handelspartnern und Geschäftskunden ausgesetzt.
- Die BayWa-Gruppe ist Liquiditätsrisiken ausgesetzt. Sie könnte aufgrund unzureichender Barmittel nicht in der Lage sein, ihren Zahlungsverpflichtungen nachzukommen.
- Die effektive und erfolgreiche Integration von durch die BayWa-Gruppe übernommenen Unternehmen könnte nicht gelingen.
- Das internationale Geschäft der BayWa-Gruppe führt zu komplexen Steuerungsfragen.
- Der Erfolg des Geschäfts der BayWa-Gruppe hängt von bestimmten Mitarbeitern in Schlüsselpositionen ab, und der Fähigkeit der BayWa-Gruppe Mitarbeiter in Schlüsselpositionen, qualifizierte Führungskräfte sowie Fachkräfte zu gewinnen und zu halten.
- Die BayWa-Gruppe ist auf ihre guten Beziehungen zu Mitarbeitern und Gewerkschaften angewiesen. Der Erfolg der BayWa-Gruppe hängt maßgeblich von ihren Mitarbeitern ab.
- Die BayWa-Gruppe ist Risiken aus Rechtsstreitigkeiten ausgesetzt.

- Bei der BayWa-Gruppe bestehen erhebliche Verbindlichkeiten aus Pensionsplänen gegenüber derzeitigen und ehemaligen Arbeitnehmern, die sich aufgrund von der Gruppe nicht zu beeinflussender Umstände vergrößern könnten.
- Der Versicherungsschutz der BayWa-Gruppe könnte unzureichend sein. Auch könnten die von der Gruppe zu entrichtenden Versicherungsbeiträge in Zukunft steigen.

D.3 Zentrale Angaben zu den zentralen Risiken, die den Schuldverschreibungen eigen sind.

Risiken bezüglich der Schuldverschreibungen

- Die Schuldverschreibungen sind möglicherweise keine für alle Anleger geeignete Anlage.
- Nach Wahl der Emittentin können die Schuldverschreibungen nach Eintritt eines Quellensteuer-Ereignisses, wenn 85% oder mehr des ursprünglich begebenen Gesamtnennbetrags der Schuldverschreibungen erworben wurden, zurückgezahlt werden oder innerhalb des Zeitraums von 3 Monaten vor dem Endfälligkeitstag. In diesem Fall können die Anleihegläubiger möglicherweise nur eine niedrigere Rendite erzielen als erwartet.
- Aufgrund der Inflationsrate könnte die tatsächliche Rendite einer Investition verringert werden.
- Die Anleihegläubiger tragen das Risiko, dass Zinszahlungen und/oder die Zahlung des Rückzahlungsbetrags durch die Emittentin ganz oder teilweise ausfallen.
- Es besteht keine Beschränkung hinsichtlich der Ausgabe von Schuldtiteln durch die Emittentin, die den Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen im Rang gleichstehen oder gegenüber ihnen vorrangig sind.
- Bei der Luxemburger Wertpapierbörse wurde die Zulassung der Schuldverschreibungen zum Handel im regulierten Markt der Luxemburger Wertpapierbörse beantragt. Es kann jedoch keine Zusicherung abgegeben werden, dass sich ein liquider Sekundärmarkt für die Schuldverschreibungen entwickeln wird.
- Es kann nicht ausgeschlossen werden, dass der Kurs der Schuldverschreibungen infolge von Veränderungen des derzeitigen Zinssatzes auf dem Kapitalmarkt (Marktzins) fällt, da der Marktzins Schwankungen unterliegt.
- Der Marktwert der Schuldverschreibungen könnte sinken, falls sich die Kreditwürdigkeit der Gruppe verschlechtert.
- Die auf Euro lautenden Schuldverschreibungen könnten ein Währungsrisiko für einen Anleihegläubiger darstellen, wenn der Euro für den betreffenden Anleihegläubiger eine Fremdwährung ist; außerdem könnten Regierungen und zuständige Behörden künftig Devisenkontrollen verhängen.
- Die aus den Schuldverschreibungen erzielten Einkünfte können durch Besteuerung geringer ausfallen.

- Nebenkosten insbesondere in Verbindung mit dem Kauf und Verkauf der Schuldverschreibungen können einen erheblichen Einfluss auf das Ertragspotential der Schuldverschreibungen haben.
- Es kann keine Gewähr hinsichtlich der Auswirkungen möglicher Gerichtsentscheidungen oder einer Änderung gesetzlicher Vorschriften oder der Verwaltungspraxis nach dem Verzinsungsbeginn gegeben werden.
- Falls ein Betrag aufgrund von FATCA für U.S. Steuerzwecke von Kapital- oder Zinszahlungen oder anderen Zahlungen auf die Schuldverschreibungen abgezogen oder einbehalten werden müsste, wären weder die Emittentin, noch eine Zahlstelle oder irgendeine andere Person nach den Anleihebedingungen verpflichtet, zusätzliche Beträge wegen eines solchen Abzugs oder Einhalts zu leisten. Im Ergebnis könnten daher Anleger weniger Zins- oder Kapitalzahlungen erhalten als erwartet.
- Die EU bzw. (bestimmte) EU Mitgliedstaaten könnten eine Finanztransaktionssteuer (“FTT”) einführen. Die Tragweite solcher Regelungen ist im Moment nicht vollständig vorhersehbar.
- Da die Globalurkunden von oder für Euroclear und Clearstream, Luxemburg gehalten werden, müssen sich Anleihegläubiger auf deren Verfahren zur Übertragung, Zahlung und Kommunikation mit der Emittentin verlassen.
- Für einen Anleihegläubiger besteht das Risiko, dass er überstimmt wird und gegen seinen Willen Rechte gegenüber der Emittentin verliert, falls Anleihegläubiger mit einer Stimmenmehrheit gemäß dem SchVG ihre Zustimmung zu Änderungen der Anleihebedingungen erteilen. Im Falle der Ernennung eines gemeinsamen Vertreters aller Anleihegläubiger durch Mehrheitsbeschluss der Anleihegläubiger besteht das Risiko, dass ein einzelner Anleihegläubiger ganz oder teilweise sein individuelles Recht verliert, seine Rechte gegenüber der Emittentin unabhängig von den anderen Anleihegläubigern zu verfolgen und durchzusetzen.

Green Bond bezogenen Risiken

- Im Zusammenhang mit diesem Angebot hat ISS-oekom eine Zweitmeinung abgegeben, in der unter anderem die Ansicht vertreten wird, dass die Schuldverschreibungen mit den Green Bond Principles (2018) übereinstimmen. Diese zweite Meinung ist nicht in diesen Prospekt aufgenommen und ist nicht Teil dieses Prospekts und spiegelt möglicherweise nicht die potenziellen Auswirkungen aller Risiken wieder, die sich aus der Struktur, dem Markt, den oben genannten zusätzlichen Risikofaktoren und anderen Faktoren ergeben, die den Wert der Schuldverschreibungen beeinflussen können. Es kann nicht garantiert werden, dass die Schuldverschreibungen, einschließlich der Verwendung der daraus resultierenden Erlöse, der erwarteten Verwaltung der Erlöse, der Auswahl der Projekte und der Berichterstattung, die Anforderungen

eines Investors oder künftige rechtliche oder quasi rechtliche Standards für Investitionen in Vermögenswerte mit grünen Merkmalen erfüllen.

Abschnitt E – Angebot

- E.2b Gründe für das Angebot und Zweckbestimmung der Erlöse, sofern diese nicht in der Gewinnerzielung und / oder der Absicherung bestimmter Risiken liegen.**
- Die Nettoerlöse werden zur teilweisen oder vollständigen Finanzierung oder Refinanzierung von Projekten zur Steigerung der Produktion, der Anbindung und der Verteilung von erneuerbaren Energien, einschließlich Solar (Photovoltaik) und Wind (Onshore) Energie, verwendet.
- E.3 Beschreibung der Angebotskonditionen.**
- Die Schuldverschreibungen werden in Luxemburg, Deutschland und Österreich innerhalb eines Angebotszeitraums angeboten, der am 3. Juni 2019 beginnt und bis zum Ablauf des 19. Juni 2019, dem Tag der Begebung der Schuldverschreibungen (der **“Ausgabetag”**), dauern wird, vorausgesetzt, es findet keine Verkürzung oder Verlängerung des Angebotszeitraumes statt.
- Der Emissionspreis, der maximale Gesamtnennbetrag der zu begebenden Schuldverschreibungen, der Zinssatz, die Marge, der Emissionserlös, die Rendite werden in der Preismitteilung enthalten sein, die am oder nach dem Tag der Preisfestsetzung und vor dem Ausgabebetage der Schuldverschreibungen auf der Internetseite der Luxemburger Wertpapierbörse (www.bourse.lu) veröffentlicht wird.
- Das Angebot unterliegt keinen Bedingungen. Anleger können Angebote zum Kauf der Schuldverschreibungen durch Nutzung des Informationssystems Bloomberg oder eines anderen üblicherweise verwendeten Informationssystems übermitteln. Jeder Anleger, der ein Angebot bezüglich der Schuldverschreibungen abgegeben hat und dessen Angebot angenommen wurde, erhält bezüglich der Zuteilung der Schuldverschreibungen eine Bestätigung per E-Mail, Fax oder über ein anderes üblicherweise verwendetes Informationssystem.
- Lieferung und Zahlung der Schuldverschreibungen erfolgen am 19. Juni 2019, und die Bestätigung der Zuteilung an die Anleger erfolgt per E-Mail, Fax oder über üblicherweise verwendete Informationssysteme. Die Lieferung der Schuldverschreibungen erfolgt durch buchmäßige Übertragung über Euroclear Bank S.A./N.V. und Clearstream Banking, S.A. (jeweils ein **“Clearingsystem”** und zusammen die **“Clearingsysteme”**), und deren Depotbanken gegen Zahlung des Emissionspreises.
- E.4 Beschreibung aller für die Emission / das Angebot wesentlichen, auch kollidierenden Interessen.**
- Entfällt. Außer den Interessen der Emittentin bestehen keinerlei Interessen von natürlichen oder juristischen Personen an der Begebung, auch nicht solche Interessen, die im Widerspruch stehen und wesentlich für die Begebung wären.
- E.7 Schätzungen der Ausgaben, die dem Anleger von der Emittentin in Rechnung gestellt werden.**
- Entfällt. Die Emittentin wird den Anleihegläubigern in Verbindung mit den Schuldverschreibungen keine Kosten, Ausgaben oder Steuern direkt in Rechnung stellen. Jeder Anleihegläubiger hat sich jedoch über etwaige Steuern oder Ausgaben in Verbindung mit den Schuldverschreibungen zu

informieren, die generell in ihrem jeweiligen Herkunftsstaat anfallen, einschließlich etwaiger Gebühren, die ihre eigenen Depotbanken für den Erwerb oder das Halten von Wertpapieren berechnen.

RISK FACTORS

Prospective investors should carefully consider each of the risks described below and all of the other information in this Prospectus before deciding to invest in the Notes. BayWa Group's business, financial condition, results of operations or general affairs could be materially adversely affected by any of these risks. The risks described below are not the only risks BayWa Group faces. Additional risks that are not currently known to BayWa Group, or that BayWa Group currently considers to be immaterial, could, individually or cumulatively, may also materially adversely affect BayWa Group's business, financial condition or results of operations. In any such case, BayWa Group may not be able to pay interest or principal on Notes when due and prospective investors may lose all or part of their investment in the Notes. The order in which these risks are presented is not intended to provide an indication of the likelihood of occurrence or of their severity or significance.

This Prospectus contains forward-looking statements that are based on assumptions and estimates, which are subject to risks and uncertainties. Actual results and future developments could differ materially from what is expressed or implied by such forward-looking statements, as a result of many factors, including but not limited to the risks as described below and elsewhere in this Prospectus.

Risks Related to the Markets and Business of the Group

Economic, geopolitical or other events could adversely affect the BayWa Group.

With the increasing interconnectedness of global economic and financial systems, a financial crisis, natural disaster, geopolitical crisis or other significant event in one area of the world can have an immediate and devastating impact on markets around the world.

A significant level of volatility prevailing in many economies continues to have an unsettling impact on markets and consumers. Certain emerging economies are currently performing below their full potential. Other economies continue to struggle with high debt levels.

Given recent political events and changes in attitudes regarding globalization generally, future global economic developments are currently subject to a significant degree of additional uncertainty with respect to potential barriers that could affect global trade. For example, changes in U.S. government policies since the November 2016 presidential elections as well as the United Kingdom's planned exit from membership in the European Union following the June 2016 referendum ("**Brexit**") could result in higher tariff and non-tariff barriers to trade. In addition, there has been recent political pressure against free trade in many countries, including the United States, which has sparked restrictive trade measures between the United States and other countries. Such changes could lead to additional expenses, as well as restrictions on the import and export of goods and products, and as an international business with operations and supply chains that span important trading regions, these changes could adversely impact the composition of the Group's logistics, procurement and services operations.

Europe, and particularly the eurozone, is still in the process of addressing a range of structural problems, such as those historically apparent in Greece, the Italian banking system and Italy's public debt as well as the recent refugee crisis, each of which could pose a threat to European integration and hopes of further expanding, or at least maintaining, a single economic and monetary area. Economic and financial conditions, including currency exchange rates, in Europe and the United Kingdom have also been affected, and may be further adversely affected, by Brexit. Depending on the terms of Brexit, particularly after a possible transition period or as a result of a no-deal Brexit, economic conditions in the United Kingdom, the European Union and global markets may be adversely affected by reduced growth and increased volatility.

Additionally, further aggravation of political conflicts, increased nationalist and protectionist behavior of governments, terrorist activities, natural disasters or possible pandemics could have a negative impact on the global economy and international capital markets.

The Group maintains operations in various markets which could be affected by volatile economic or political environments and, in some business activities, is pursuing growth opportunities in a number of emerging markets. These investments may expose the Group to heightened risks of economic, geopolitical, or other events, including governmental takeover (nationalization) of assets, restrictive currency exchange or import controls, disruption of business operations as a result of systemic political or economic instability, outbreak of war or expansion of hostilities, and acts of terrorism.

If any of these risks were to materialize this could have a material adverse effect on BayWa Group's business, net assets, financial condition or results of operations.

The availability and prices of the agricultural commodities and agricultural commodity products the BayWa Group procures, stores, transports and merchandises can be affected by weather conditions, disease, government programs, competition, and various other factors beyond the Group's control.

The availability and prices of agricultural commodities are subject to wide fluctuations due to changes in weather conditions, crop disease, plantings, government programs and policies, competition, changes in global demand, changes in standards of living, and global production of similar and competitive crops. The BayWa Group uses a global network of procurement, processing and transportation assets, as well as robust communications between global commodity trade teams, to continually assess price and basis opportunities. Additionally, the Group depends on agricultural producers globally to ensure an adequate supply of the agricultural commodities required by the Group for supply and trade operations is maintained. These factors have historically caused volatility in the availability and prices of agricultural commodities and, consequently, in the Group's working capital requirements. Reduced supply of agricultural commodities due to seasonal and weather factors, which can vary unpredictably, could adversely affect the Group's profitability by increasing the cost of raw materials and/or limiting its ability to procure, transport, store and merchandise agricultural commodities in an efficient manner. Conversely, if supplies are abundant and crop production globally outpaces demand for more than one or two crop cycles, price volatility could be somewhat diminished and result in reduced operating results due to reduced market spread and basis opportunities. Furthermore, advances in technology, such as seed and crop protection technology, farming techniques, or speed of information flow, may reduce the significance of dislocations and arbitrage opportunities in the agricultural global markets. If any of these risks were to materialize, this could have a material adverse effect on the Group's business, net assets, financial condition or results of operations.

Changes in government policies, mandates and regulations specifically affecting the agricultural sector and related industries could adversely affect the BayWa Group's operating results.

Agricultural production and trade flows are subject to government policies, mandates and regulations. Governmental policies affecting the agricultural industry, such as taxes, tariffs, duties, subsidies, incentives and import and export restrictions on agricultural commodities and commodity products, including policies related to genetically modified organisms, traceability standards, product safety and labeling, renewable fuels and low carbon fuel mandates, can influence the planting of certain crops, the location and size of crop production, whether unprocessed or processed commodity products are traded, the volume and types of imports and exports, industry profitability and, in turn, the viability and volume of production of certain of the Group's products.

Changes in government policies or regulations, including international trade regulations, can adversely affect agricultural commodity trade flows by limiting or disrupting trade between countries or regions. For example, the Trump administration has announced a number of potential measures relating to international trade, which could have an adverse impact on the global economy and international trade and negotiated a replacement of the North American Free Trade Agreement in October 2018. The new United States-Mexico-Canada Agreement, which is expected to enter into force in 2019, includes more stringent rules of origin provisions and requirements for a minimum percentage of manufacturing being made with labor above a certain minimum wage. Furthermore, the imposition of sanctions or import restrictions, may lead to additional risks and costs. As a result, future government policies and regulations, or changes to existing policies and regulations, may adversely affect the supply of, demand for, and prices of the BayWa Group's products and services and, in turn, have a material adverse effect on the Group's business, particularly in its Agriculture segment, financial condition or results of operation.

Changing worldwide demand for food and different forms of bio-energy could have an effect on the price of farm commodities and, consequently, the demand for certain agricultural equipment.

Changing worldwide demand for farm outputs to meet the world's increasing food and bio-energy demands, driven in part by government policies and a growing world population, are likely to result in fluctuating agricultural commodity prices, which directly affect sales of agricultural equipment. Furthermore, changing bio-fuel demands may cause farmers to change the types or quantities of the crops they raise, with corresponding changes in equipment demands. Finally, changes in governmental policies regulating bio-fuel utilization could affect demand for diesel-fueled equipment, any of which changes or risks could have an adverse effect on the Group's business, particularly in its Agriculture segment, financial condition or results of operations.

BayWa Group's business may be adversely affected by unfavorable weather conditions or natural calamities that reduce agricultural production.

Poor weather conditions, particularly during the planting and early growing season, can significantly affect agricultural production and yields. The timing and quantity of rainfall are two of the most important factors in agricultural production. Insufficient levels of rain prevent farmers from planting new crops and may cause growing crops to die or result in lower yields. This can also result in low water levels, which, in turn, can lead to increased logistics costs. Excessive rain or flooding can prevent planting from occurring at optimal times and may cause crop loss through increased disease or mold growth. Temperatures outside normal ranges, such as unusually warm or cold temperatures, can also cause crop failure or decreased yields, and may also affect disease incidence. Temperature affects the rate of growth, crop maturity and crop quality. Natural calamities, such as regional floods, hurricanes or other storms, and droughts can have significant negative effects on agricultural and livestock production. If any of these risks were to materialize, this could have an adverse effect on the Group's business, net assets, financial condition or results of operations.

The business operations of BayWa Group in the field of renewable energies depend on governmental incentives for renewable energy sources.

The economic success of BayWa Group's renewable energy business is, to a significant extent, based on the level of governmental or statutory subsidization of renewable energy production. Until more recently, regenerative electricity generation has generally not been competitive with conventional forms of electricity generation due to higher production costs. In Germany, for example, energy generation from renewable sources is promoted by the German Renewable Energy Sources Act (EEG). For the current and future business activities and profitability of BayWa Group, it is essential that financial incentives for electricity produced from solar energy and wind facilities continue to be provided in the future. However, there is no guarantee that BayWa Group will continue to benefit from financial incentives, including tax incentives, for the energy produced in its existing solar and wind parks and that such incentives will not be reduced or even cancelled in the future or that the period of eligibility will not be shortened. A change in governmental incentives during the construction phase of a solar and wind park may also lead to a delay in the sale or transfer of parks to potential investors as well as to a decrease in power generating earnings.

Furthermore, existing incentive systems in certain countries are increasingly subject to public and political discussions. For example, incentives for the generation of renewable energy in Germany have been reduced in recent years with respect to both the amount of tariffs and the duration of eligibility, and this trend may continue and tariffs and support may be further reduced or even cancelled. In the future, BayWa Group cannot ensure that governments or parliaments of those countries in which BayWa Group operates will not decide to further reduce or cancel public incentives for renewable energy or that they will not shift the share of support in favor of renewable energy sources other than solar and wind power.

The materialization of any of these risks could have a material adverse effect on BayWa Group's business, financial condition, cash flows and results of operations.

The construction industry is cyclical in nature and subject to seasonality, and downturns in the construction industry adversely impact BayWa Group's Building Materials segment.

The building materials industry in any geographic market is dependent on the level of activity in the construction sector of that geographic market. The construction industry and the level of new construction, tends to be cyclical and is dependent on the level of construction-related expenditures in the residential and non-residential sectors, public investments and public and private spending on infrastructure projects. The construction industry is particularly sensitive to several factors, such as GDP growth, interest rates and costs as well as availability of mortgage financing for residential and non-residential construction, inflation, capital expenditures, consumer confidence as well as other macroeconomic factors. Political instability or changes in government policies or legislation, such as the introduction of rent control legislation for residential housing, may also negatively affect the construction industry. Moreover, demand in the construction industry may be affected by demographic trends, such as aging and declining populations in mature markets, such as Germany and other countries in the European Union, changes in the average number of persons living in one household or migration trends.

The construction industry can also be significantly impacted by weather conditions and is subject to seasonality. Lower demand for building materials occurs in periods of cold weather and may be aggravated by particularly harsh weather conditions. These effects and other unfavorable weather conditions could lead to a volatile development of the Group's quarterly financial results, particularly the results of the Building Materials segment. Historically, revenue in the Building Materials segment have been significantly higher in the second

and third quarters than in the other quarters of the year, particularly the first quarter. As a result, the Group's Building Materials segment is subject to strong seasonal effects. Results of a single financial quarter might therefore not be a reliable basis for the expectations of a full financial year and may not be comparable with the results in the other financial quarters.

BayWa Group operates in competitive markets and its competitive position may deteriorate.

BayWa Group operates in many competitive global and regional markets and industries. It competes worldwide with a variety of other trading, services and logistics companies. Increasing competition, unanticipated actions by competitors, aggressive pricing or other strategies pursued by competitors as well as the emergence of new competitors could lead to a decline in the Group's market share in a certain market or region, and its competitive position may deteriorate, which could adversely affect its business, financial conditions or results of operations.

BayWa Group is required to comply with numerous laws and regulations in multiple jurisdictions.

Compliance with laws is a basic prerequisite for the success of BayWa Group. Current laws provide the binding framework for the Group's various business activities around the world. The international scale of operations of the Group, the complexity of the business world and a broad set of complex legal, environmental, compliance and other regulations potentially applicable to the Group's business increase the risk of laws not being adhered to, simply because they are not known, fully understood or are subject to varying interpretations. Changes in the regulatory environment in which the Group operates, such as through government intervention in the general framework conditions for the agricultural industry or renewable energies business as well as other environmental and technical regulations, could have an adverse impact on the Group due to the necessary adjustment, reduction or termination of funding measures.

The Group has a compliance organization aimed at ensuring that its representative bodies, managers and staff act in a lawful manner at all times. Nevertheless, there remains a risk that the Group's employees may not act in compliance with applicable statutory provisions or the Group's compliance systems (including with respect to antitrust, anti-corruption or export controls) or that the Group's internal controls and compliance systems are not adequate to maintain compliance with applicable laws and that, as a result, penalties, liabilities or additional compliance costs could be imposed on the Group. The Group may also be subject to investigations and other proceedings initiated by government agencies. Any of these matters could, among other outcomes, have an adverse impact on the Group's reputation.

When known and quantifiable, the Group seeks to recognize appropriate levels of provisions for lawsuits in accordance with applicable accounting standards. It cannot be ruled out that losses from damages could arise which are either not covered or not fully covered by provisions. Some risks cannot be assessed in full or cannot be provided for in the Group's accounts, and new legal risks, as yet unidentified, could also materialize. If any of these risks were to materialize, this could have a material adverse effect on the Group's business, net assets, financial condition or results of operations.

BayWa Group is dependent on its compliance and risk management systems.

In connection with the Group's worldwide business operations, it must comply with a broad range of legal and regulatory requirements in a number of jurisdictions. Moreover, the Group has continued to expand its worldwide operations in recent years, thereby increasing the scope of applicable regulations and operational practices. The Group has compliance and risk management systems that support its operational business processes, help to monitor certain risk metrics and ensure compliance with applicable statutory provisions and, where necessary, initiate appropriate countermeasures. There can be no assurances that the Group's compliance and risk management systems are adequate to address all applicable risks in every jurisdiction.

Members of the Group's governing bodies, employees, authorized representatives or agents may intentionally or unintentionally violate applicable laws and internal standards and procedures. The Group may not be able to identify such violations, evaluate them correctly or take appropriate countermeasures. Furthermore, the Group's compliance and risk management systems may not be appropriate given its size, complexity and geographical diversification and may fail for various reasons.

The occurrence of these risks may result in reputational loss and adverse legal consequences, such as the imposition of fines, sanctions and penalties on the Group or the members of the Group's governing bodies or employees and could lead to the assertion of damages claims by third parties or to other detrimental legal consequences, including civil and criminal penalties.

If any of these risks were to materialize, this could have a material adverse effect on BayWa Group's business, net assets, financial condition or results of operations.

BayWa Group is dependent on information technology and the integrity of its information and data.

The importance of electronically processed data continues to increase, with information technology (IT) playing an increasingly crucial role in all key aspects of BayWa Group's business. The Group could suffer adverse consequences if the confidentiality, integrity or availability of its sensitive information and data is not maintained.

The Group is dependent on the efficient and uninterrupted functionality of its servers and data processing systems, particularly with respect to its trading operations for which having work processes supported electronically is imperative. Moreover, in a centralized and standardized IT environment, excessive dependence on a single system or a single data center could lead to serious consequences for the Group in the event of a system failure. Also, the demands placed on IT facilities, both externally and internally, are changing at a rapid pace in the face of technological developments. As a result of the increasing complexity of electronic information and communication technology, the Group is exposed to various risks in this context, ranging from the loss or theft of data to stoppages and interruptions of the Group's IT systems. Indirectly, BayWa Group could also be exposed to reputational risks, which are difficult to quantify.

If any of these risks were to materialize, this could have a material adverse effect on BayWa Group's business, net assets, financial condition or results of operations.

BayWa Group is exposed to volatility and changes in foreign currency exchange rates arising from its international operations.

As an internationally operating enterprise, BayWa Group conducts business in a variety of currencies, thus giving rise to currency risks. Although the Group's business activities are largely located in the eurozone, fluctuations in exchange rates can have a negative impact on the Group's earnings. In addition, the Group is also exposed to currency translation risk, as the financial statements of foreign consolidated subsidiaries prepared in a foreign currency are translated into Euro, with income and expenses translated at the average exchange rate and assets and liabilities translated at the closing rate for the relevant period. Currency risks related to payment obligations or receivables denominated in a foreign currency are hedged at the time they arise. Nevertheless, if any of these risks were to materialize, this could have a material adverse effect on BayWa Group's business, net assets, financial condition or results of operations.

BayWa Group is exposed to interest rate risks through its various financing arrangements.

Interest rate risks relate to potential losses caused by changes in market interest rates and arise principally from the issuing of commercial paper, short-term loans and floating rate bonded loans (*Schuldscheindarlehen*). Interest rate risks are managed by raising refinancing funds with matching maturities and by employing interest rate derivatives in the form of futures, interest rate caps and swaps. The BayWa Group monitors and manages these exposures as an integral part of its overall risk management program, which recognizes the unpredictability of markets and seeks to reduce potentially adverse effects on its business. Nevertheless, if any of these risks were to materialize, this could have an adverse effect on BayWa Group's business, net assets, financial condition or results of operations.

BayWa Group is exposed to the credit risk and potential default of its financing of its trading partners and commercial customers.

Credit and counterparty default risk arises if a contractual partner (e.g., a customer, a financial institution or trading partner) either becomes unable or is only partially able to fulfil its contractual obligations, such that lower income is generated or losses are incurred. BayWa Group serves an important function as a source of financing for its agricultural trading partners. In the context of so-called cultivation contracts, the Group is exposed to a financing risk arising from the advance financing of agricultural resources and equipment, the repayment of which is made through acquiring and selling the harvest. Moreover, the Group grants financing to commercial customers, particularly in the construction sector in the form of payment terms of a considerable scope. In addition, there are the customary default risks inherent in trade receivables.

BayWa Group uses debt monitoring system across all business units, with defined credit limits, document approval processes and ongoing monitoring, but there can be no assurances that such systems will be effective in all circumstances or that contractual parties will maintain sufficient creditworthiness. If the Group

experiences a high or unexpected increase in the level of credit losses or counterparty defaults, it could materially adversely affect its business, net assets, financial condition or results of operations.

BayWa Group is exposed to liquidity risks.

BayWa Group is exposed to liquidity risks in that it may be unable to meet payment obligations because it has insufficient cash funds at its disposal. BayWa Group manages the risk by planning all liquidity requirements for the short, medium and long term in terms of cash outflows and inflows. These requirements are mainly covered by, on the one hand, operating cash flow and, on the other, available refinancing options, like credit facilities, commercial paper program, asset backed securitization and bonded loans (*Schuldscheindarlehen*). The inability to ensure sufficient liquidity could have a material adverse effect on BayWa Group's business, financial position, results of operations and the ability of the Issuer and/or BayWa Group to fulfill the obligations under the Notes.

BayWa Group may not be able to integrate acquired businesses effectively or successfully.

To complement or expand BayWa Group's business, BayWa Group has made several acquisitions in the past and may continue to make acquisitions (or enter into joint ventures) in the future. The integration of acquired businesses requires time, focus and resources of management as well as employees. When combining previously independent businesses, marketing systems and corporate cultures, problems and risks may arise, including, among others:

- BayWa Group may not be able to successfully integrate the acquired business and its different business models;
- BayWa Group may not be able to integrate the acquired technologies or products with current technologies;
- BayWa Group may not be able to retain key personnel of the acquired business;
- BayWa Group may assume unknown liabilities and contingent liabilities of acquired companies, including legal, tax, intellectual property, environmental and other significant liabilities that may not be detected by its due diligence process; and
- BayWa Group may have difficulty implementing or maintaining internal controls, procedures, and policies.

In addition, acquired businesses may not perform as anticipated, resulting in charges for the impairment of goodwill and other intangible assets. Such charges may have a negative effect on operating margins and income. BayWa Group may not be successful in overcoming these risks and may, therefore, not benefit as anticipated from acquisitions, which could adversely affect BayWa Group's business, financial condition and results of operations.

There is also a risk that not all material risks in connection with the acquisition of a company or the establishment of a joint venture will be identified in the due diligence process and either are not, or could not be, sufficiently taken into account in the decision to acquire a business and in the purchase agreement (or the decision to enter into a joint venture and the joint venture agreement).

BayWa Group's international operations give rise to complex tax matters.

BayWa Group is subject to regular tax and customs audits. Ongoing or future tax audits may lead to demands for back taxes, tax penalties, interest and similar payments. Such payments may arise, for example, from the full or partial non-recognition of intra-group transfer prices. In countries where there are no limitation periods for tax payments, BayWa Group may also face demands for back taxes relating to any earlier period. As a result, the Group's provisions for tax and related risks may be insufficient to cover any actual settlement amount. Risks may also arise due to changes in tax or customs laws or accounting principles, including the implementation of new accounting standards. If any of these risks were to materialize, this could have a material adverse effect on BayWa Group's business, net assets, financial condition or results of operations.

The success of BayWa Group's business relies on certain key personnel and BayWa Group's ability to attract and retain key personnel, other qualified management personnel and skilled workers.

The success of BayWa Group's business relies, to a considerable extent, on the efforts, abilities and reputation of BayWa Group's board of management and senior management team. The loss of members of

BayWa Group's board of management or other key personnel could significantly disrupt BayWa Group's business and have an adverse effect on its business and results of operations. Further, if BayWa Group lost any of its key personnel, there can be no assurances that BayWa Group will be able to successfully find a suitable replacement in a timely manner, or at all.

In addition, the success of BayWa Group's business depends on BayWa Group's ability to attract and retain qualified management personnel and skilled workers in the long-term. BayWa Group competes with many other companies when recruiting qualified employees. If BayWa Group is unable to continue to attract and/or train qualified employees sufficiently and to retain those employees within its Group, this could have a material adverse effect on BayWa Group's business, financial condition and results of operations.

BayWa Group is dependent on good relationships with its employees and unions.

BayWa Group's success is highly dependent on its employees. Competition for highly qualified managers as well as skilled and motivated staff is intense in the industries and the regions in which the Group operates. The Group's future success also depends on the extent to which it succeeds over the long term in recruiting, integrating and retaining executives, managers, industry specialists and other highly qualified personnel. High employee fluctuation and failure to attract a sufficient number of qualified young talent may have a detrimental effect on the Group's performance in the future. Further, personnel expenses are a significant expense for the Group. Employees at the Group's German locations and many foreign subsidiaries are covered by collective bargaining agreements that are customary for the industry or are members of labor unions. BayWa Group's relationships with its employees and their labor unions could deteriorate in the future and BayWa Group might experience strikes, unionization efforts or other types of conflicts with labor unions or its employees. If any of these risks were to materialize, this could have an adverse effect on BayWa Group's business, financial condition or results of operations.

BayWa Group is subject to risks from legal proceedings and investigations.

BayWa Group is involved, from time to time, in legal proceedings and investigations in the ordinary course of business and could become involved in additional proceedings and investigations in the future which may involve substantial claims for damages or other payments, including damages claims by customers or partners related to payment disputes or for products and services which are not up to standard, among others. For example, in 2015, antitrust investigations were conducted at various agricultural companies in Germany, including BayWa AG, with regard to crop protection wholesale operations which are still ongoing and with respect to which no provisions have been recognized.

In the event of a negative outcome of any material legal or arbitration proceeding or investigation, whether based on a judgment, award, settlement or otherwise, BayWa Group could be obligated to make substantial payments. In addition, even in the event of a positive outcome in such proceedings, the cost related to litigation and arbitration proceedings may be significant. If any of these risks were to materialize, this could have a material adverse effect on BayWa Group's business, net assets, financial condition or results of operations.

BayWa Group has significant pension obligations to current and past employees, which could increase due to factors beyond the Group's control.

BayWa Group's pension obligations to employees resulting from defined benefit plans are measured on the basis of actuarial reports. Future pension payments are discounted by reference to market yields on investment grade corporate bonds. These yields are subject to market fluctuation and therefore influence the level of pension obligations. Changes in other parameters, such as extended periods of low interest rates, increases in inflation and longer life expectancy, also impact pension obligations and payments. Any such changes, include changes in any factors beyond the Group's control, could lead to funding shortfalls relating to pension obligations, which could have a material adverse effect on the Group's financial condition.

BayWa Group's insurance coverage may not be sufficient or its insurance premiums may increase.

BayWa Group maintains insurance coverage in relation to a number of risks associated with its business activities that are subject to standard exclusions, such as willful misconduct. However, the Group may suffer losses or claimants may bring claims against the Group that exceed the type and scope of its existing insurance coverage. Significant losses could lead to higher insurance premium payments. In addition, there are certain risks for which insurance is not available for which the Group does not maintain coverage based on the Group's cost-benefit analysis, and it therefore has no insurance against these events. If the Group sustains damage for which there is no insurance coverage or insufficient insurance coverage, or if it has to pay higher insurance

premiums or encounters restrictions on insurance coverage, this could materially adversely affect its business, net assets, financial condition or results of operations.

Risks Related to the Notes

An investment in the Notes involves certain risks associated with the characteristics of the Notes. Such risks could result in principal or interest not being paid on time or at all by the Issuer and/or a material impairment of the market price of the Notes or Holders of Notes losing all or some of their investment should the Issuer become insolvent. The following is a description of risk factors in relation to the Notes.

Notes may not be a suitable investment for all investors.

Each potential investor in the Notes must determine the suitability of such investment in light of its own circumstances. In particular, each potential investor should:

- have sufficient knowledge and experience to make a meaningful evaluation of the Notes, the merits and risks of investing in the Notes and the information contained or incorporated by reference in this Prospectus;
- have access to, and knowledge of, appropriate analytical tools to evaluate, in the context of its particular financial situation and the investment(s) it is considering, an investment in the Notes and the impact the Notes will have on its overall investment portfolio;
- have sufficient financial resources and liquidity to bear all of the risks of an investment in the Notes;
- understand thoroughly the terms of the Notes;
- be able to evaluate (either alone or with the help of a financial adviser) possible scenarios for economic, interest rate and other factors that may affect its investment and its ability to bear the applicable risks, and
- know that it might be impossible to dispose of the Notes for a substantial period of time, if at all.

Risk of Early Redemption

At the Issuer's option, the Notes may be redeemed pursuant to the Terms and Conditions of the Notes after the occurrence of a Gross-up Event, if 85 per cent. or more in principal amount of the Notes initially issued have been purchased by the Issuer or within a period of three months prior to the Maturity Date. In the event that the Issuer exercises the option to call and redeem the Notes, the Holders might suffer a lower than expected yield and might not be able to reinvest the funds on the same terms.

If the Notes are redeemed earlier than expected by a Holder, the Holder is exposed to the risk that due to the early redemption his investment will have a lower than expected yield and to the risks connected with any reinvestment of the cash proceeds received as a result of the early redemption. The redemption amount may be lower than the then prevailing market price of and the purchase price for the Notes paid by the Holder for the Notes so that the Holder in such case would not receive the total amount of the capital.

Due to future money depreciation (inflation), the real yield of an investment may be reduced.

Inflation risk describes the possibility that the value of assets such as the Notes or income therefrom will decrease as inflation reduces the purchasing power of a currency. Inflation causes the rate of return to decrease in value. If the inflation rate exceeds the interest paid on any Notes the yield on such Notes will become negative and investors will have to suffer a loss.

Risk of a partial or total failure of the Issuer to make interest and/or redemption payments

Any person who purchases the Notes is relying on the creditworthiness of the Issuer and has no rights against any other person. Holders are subject to the risk of a partial or total failure of the Issuer to make interest and/or redemption payments that the Issuer is obliged to make under the Notes. A materialization of the credit risk (for example, because of the materialization of any of the risks regarding the Issuer and/or the BayWa Group) may result in partial or total failure of the Issuer to make interest and/or redemption payments under the Notes.

No limitation on issuing further debt

The Issuer has not entered into any restrictive covenants in connection with the issuance of the Notes regarding its ability to incur additional indebtedness ranking *pari passu* or senior to the obligations under or in

connection with the Notes. The incurrence of any such additional indebtedness may significantly reduce the amount recoverable by Holders in the event of insolvency or liquidation of the Issuer. In addition, under the Notes, the Issuer will not be restricted from issuing or repurchasing its other securities. Holders will not be protected under the terms of the Notes in the event of a highly leveraged transaction, a reorganization or a restructuring, merger or similar transaction that may adversely affect the Holders.

Liquidity risk

There is currently no secondary market for the Notes. Application has been made for the Notes to be admitted to trading on the regulated market of the Luxembourg Stock Exchange and to be listed on the Official List of the Luxembourg Stock Exchange. There can, however, be no assurance that a liquid secondary market for the Notes will develop or, if it does develop, that it will continue. In an illiquid market, an investor may not be able to sell his Notes at any time at fair market prices. The possibility to sell the Notes might additionally be restricted by country specific reasons.

Fixed Interest Rate Notes

The Notes bear interest at a fixed rate. A holder of a fixed interest rate note is exposed to the risk that the price of such note may fall because of changes in the market interest rate. While the nominal interest rate of a fixed interest rate note is fixed during the life of such note or during a certain period of time, the current interest rate on the capital market (market interest rate) typically changes on a daily basis. As the market interest rate changes, the price of such note changes in the opposite direction. If the market interest rate increases, the price of such note typically falls, until the yield of such note is approximately equal to the market interest rate. If the market interest rate falls, the price of a fixed interest rate note typically increases, until the yield of such note is approximately equal to the market interest rate. Holders should be aware that movements of the market interest rate can adversely affect the market price of the Notes and can lead to losses for the Holders if they sell their Notes.

The market value of the Notes could decrease if the creditworthiness of the Group worsens or for other reasons.

The market value of the Notes is, amongst others, influenced by a change in the creditworthiness (or the perception thereof) of the Issuer and by any potential credit rating of the Issuer and a number of other factors including, but not limited to, economic and political events in Germany or elsewhere, factors affecting the capital markets in general and the stock exchanges on which the Notes are traded, market interest, rate of return and certain market expectations with regard to the Issuer making use of a right to call the Notes for redemption under the Terms and Conditions and the price at which a Holder can sell the Notes might be considerably below the issue price or the purchase price paid by such Holder.

If the likelihood that the Issuer will be in a position to fully perform all obligations under the Notes when they fall due decreases, for example, because of the materialization of any of the risks regarding the Issuer and/or the Group, the market value of the Notes will suffer. In addition, even if the likelihood that the Issuer will be in position to fully perform all obligations under the Notes when they fall due actually has not decreased, market participants could nevertheless have a different perception. Market participants may in particular have a different perception if market participants' estimation of the creditworthiness of corporate debtors in general or debtors operating in the same business as the Group adversely change. If any of these risks occurs, third parties would only be willing to purchase Notes for a lower price than before the materialization of mentioned risk. Under these circumstances, the market value of the Notes is likely to decrease.

Currency Risk

The Notes are denominated in Euro. If such currency represents a foreign currency to a Holder, such Holder is particularly exposed to the risk of changes in currency exchange rates which may affect the yield of such Notes measured in the Holder's currency. Changes in currency exchange rates result from various factors such as macroeconomic factors, speculative transactions and interventions by central banks and governments.

In addition, government and monetary authorities may impose (as some have done in the past) exchange controls that could adversely affect an applicable currency exchange rate. As a result, investors may receive less interest or principal than expected, or no interest or principal.

The income under the Notes may be reduced by taxes.

Potential purchasers and sellers of the Notes should be aware that they may be required to pay taxes or other documentary charges or duties in accordance with the laws and practices of the country where the Notes are transferred or other jurisdictions. In some jurisdictions, no official statements of the tax authorities or court decisions may be available for financial instruments such as the Notes. Potential investors are advised not to rely on the tax discussions contained in this Prospectus but to ask for their own tax advisor's advice on their individual taxation with respect to the acquisition, sale and redemption of the Notes. Only these advisors are in a position to duly consider the specific situation of the potential investor.

Incidental costs related in particular to the purchase and sale of the Notes may have a significant impact on the profit potential of the Notes.

When Notes are purchased or sold, several types of incidental costs (including transaction fees and commissions) may be incurred in addition to the purchase or sale price of the Notes. These incidental costs may significantly reduce or eliminate any profit from holding the Notes. Credit institutions as a rule charge commissions which are either fixed minimum commissions or pro-rata commissions, depending on the order value. To the extent that additional, domestic or foreign, parties are involved in the execution of an order, including but not limited to domestic dealers or brokers in foreign markets, investors may also be charged for the brokerage fees, commissions and other fees and expenses of such parties (third party costs). In addition to such costs directly related to the purchase of Notes (direct costs), investors must also take into account any follow-up costs (such as custody fees). Investors should inform themselves about any additional costs incurred in connection with the purchase, custody or sale of the Notes before investing in the Notes.

No assurance can be given as to the impact of any possible judicial decision or change of laws or administrative practices after the Interest Commencement Date.

The Terms and Conditions of the Notes are based on German law in effect as at Interest Commencement Date. No assurance can be given as to the impact of any possible judicial decision or change to German law (including German tax laws) or administrative practice or the official application or interpretation of German law after the Interest Commencement Date.

Special Investment Risks- U.S. Foreign Account Tax Compliance Withholding

Whilst the Notes are in global form and held within a clearing system in all but the most remote circumstances, it is not expected that FATCA will affect the amount of any payment received by the clearing system. However, FATCA may affect payments made to custodians or intermediaries in the subsequent payment chain leading to the ultimate investor if any such custodian or intermediary generally is unable to receive payments free of FATCA withholding. It also may affect payment to any ultimate investor that is a financial institution that is not entitled to receive payments free of withholding under FATCA, or an ultimate investor that fails to provide its broker (or other custodian or intermediary from which it receives payment) with any information, forms, other documentation or consents that may be necessary for the payments to be made free of FATCA withholding. Investors should choose the custodians or intermediaries with care (to ensure each is compliant with FATCA or other laws or agreements related to FATCA including any IGA legislation, if applicable), provide each custodian or intermediary with any information, forms, other documentation or consents that may be necessary for such custodian or intermediary to make a payment free of FATCA withholding. Investors should consult their own tax adviser to obtain a more detailed explanation of FATCA and how FATCA may affect them.

If an amount in respect of U.S. withholding tax were to be deducted or withheld from interest, principal or other payments on the Notes as a result of FATCA, neither the Issuer, nor any paying agent or any other person would, pursuant to the Terms and Conditions of the Notes be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected.

Financial Transaction Tax

On February 14, 2013, the European Commission has published a proposal for a Directive (the "**Draft Directive**") for a common financial transaction tax ("**FTT**") in certain EU Member States, including Germany.

The proposed FTT has very broad scope and could, if introduced in its current form, apply to certain dealings in the Notes (including secondary market transactions) in certain circumstances. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are exempt. Under current proposals the FTT could apply in certain circumstances to persons both within and outside of the Participating Member

States. Generally, it would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State. A financial institution may be, or be deemed to be, “established” in a Participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a Participating Member State or (b) where the financial instrument which is subject to the dealings is issued in a Participating Member State.

According to the coalition agreement between the German Christian Democratic Party and the German Social Democratic Party, the current German government still has the intention to introduce a FTT. In June 2018, Germany and France agreed to further pursue the implementation of a FTT in the EU for which the current French financial transaction tax (which is mainly focused on transactions regarding shares in listed companies with a market capitalization of more than € 1 billion) could serve as a role model.

However, the FTT proposal remains subject to negotiation between the (still) Participating Member States and its adoption and the scope of any such tax is uncertain. Additional EU member states may decide to participate.

Prospective investors should consult their own tax advisers in relation to the consequences of the FTT associated with subscribing for, purchasing, holding and disposing of the Notes.

Because the Global Notes are held by or on behalf of Euroclear and Clearstream, Luxembourg, investors will have to rely on their procedures for transfer, payment and communication with the Issuer.

The Notes will be represented by one or more Global Notes. Such Global Notes will be deposited with a common depository for Euroclear and Clearstream, Luxembourg. Investors will not be entitled to receive definitive Notes. Euroclear and Clearstream, Luxembourg will maintain records of the beneficial interests in the Global Notes. While the Notes are represented by one or more Global Notes, investors will be able to trade their beneficial interests only through Euroclear and Clearstream, Luxembourg and the Issuer will discharge its payment obligations under the Notes by making payments to the common depository for Euroclear and Clearstream, Luxembourg for distribution to their account holders. A holder of a beneficial interest in a Global Note must rely on the procedures of Euroclear and Clearstream, Luxembourg to receive payments under the Notes. The Issuer has no responsibility or liability for the records relating to, or payments made in respect of beneficial interests in the Global Notes.

Risks in connection with the application of the German Act on Issues of Debt Securities.

Pursuant to the Terms and Conditions of the Notes, the Holders may agree with the Issuer by majority resolution to amendments of the Terms and Conditions of the Notes in accordance with and subject to the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen – “SchVG”*). Therefore, a Holder is subject to the risk of being outvoted by a majority resolution of such Holders and losing rights towards the Issuer against his will in the event that Holders holding a sufficient aggregate nominal amount of the Notes participate in the vote and agree to amend the Terms and Conditions of the Notes or on other matters relating to the Notes by majority vote in accordance with the Terms and Conditions of the Notes and the SchVG. As such majority resolution is binding on all Holders of the Notes, including Holders who did not attend and vote at the relevant meeting and Holders who voted in a manner contrary to the majority, certain rights of such Holder against the Issuer under the Terms and Conditions of the Notes may be amended or reduced or even cancelled.

In addition, the Holders’ rights to convene a Holders’ meeting and to solicit a Holders’ resolution are limited as, pursuant to section 9 paragraph 1 of the SchVG, a holders’ meeting will only be convened if Holders jointly holding at least 5% of the outstanding Notes request such convocation in writing stating their particular interest in convening such a meeting.

In case of an appointment of a joint representative (*gemeinsamer Vertreter*) for all Holders, it is possible that a Holder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions of the Notes against the Issuer, such right passing to the joint representative who is then exclusively responsible to claim and enforce the rights of all the Holders.

Risks Related to Green Bonds

The Notes may not be a suitable investment for all investors seeking exposure to assets with green characteristics.

In connection with this offering, ISS-oekom has issued a second-party opinion stating, among other things, the view that the Notes are aligned with the Green Bond Principles (2018). This second-party opinion is not

incorporated into and does not form part of this Prospectus and may not reflect the potential impact of all risks related to the structure, market, additional risk factors discussed above and other factors that may affect the value of the Notes. It should be noted that there is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes, a “green” or “sustainable” or any equivalently-labelled project nor can any assurance be given that such clear definition or consensus will develop over time. There can be no assurance that the Notes, including the use of proceeds therefrom, expected management of the proceeds, selection of projects and reporting, will satisfy an investor’s requirements or any future legal or quasi legal standards for investment in assets with green characteristics. The Issuer does not purport to and has not obtained in relation to this issuance third-party analysis of its compliance with any sustainability-related standards other than as set forth above.

The examples of projects in the “Green Bond Framework” are for illustrative purposes only and no assurance can be provided that disbursements for projects with these specific characteristics will be made by the Issuer with the proceeds from the Notes or, if such disbursements are made, the timing of such disbursements and the allocation of such disbursements across the project categories. There can be no assurance that the projects funded with the proceeds from the Notes will meet investor expectations or any binding or non-binding legal standards regarding sustainability performance, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability of social impact of any projects or uses, the subject of or related to, any Eligible Green Projects. Adverse environmental or social impacts may occur during the design, construction and operation of the projects or the projects may become controversial or criticized by activist groups or other stakeholders.

Any negative change in market perception of the suitability of the Notes as green bonds, including due to shifting perceptions of what constitutes an environmentally-beneficial activity or in criteria for green labels, may negatively affect the value of the Notes and/or may have consequences to the extent investors hold the Notes within portfolio mandates specified as investing in green assets.

No assurance or representation is given as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the BayWa Group) which may be made available in connection with the issue of the Notes and in particular with any Eligible Green Projects to fulfill any environmental, sustainability, social and/or other criteria. For the avoidance of doubt, any such opinion or certification (i) is not, nor shall be deemed to be, incorporated into and/or form part of this Prospectus, (ii) is not, nor should be deemed to be, a recommendation by the BayWa Group to buy, sell or hold any Notes and (iii) would only be current as of the date that it was initially issued. Prospective investors must determine for themselves the relevance of any such opinion or certification and/or the information contained therein and/or the provider of such opinion or certification for the purpose of any investment in the Notes. Currently, the providers of such opinions and certifications are not subject to any specific regulatory or other regime or oversight.

In the event that the Notes will be listed or admitted to trading on any dedicated green, environmental, sustainable or other equivalently-labeled segment of any stock exchange or securities market (whether or not regulated), no representation or assurance is given by the BayWa Group or any other person that such listing or admission satisfies, whether in whole or in part, any present or future investor expectations or requirements as regards any investment criteria or guidelines with which such investor or its investments are required to comply, whether by any present or future applicable law or regulations or by its own by-laws or other governing rules or investment portfolio mandates, in particular with regard to any direct or indirect environmental, sustainability or social impact of any projects or uses, the subject of or related to, any Eligible Green Projects. Additionally, it should be noted that the criteria for any such listings or admission to trading may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Issuer or any other person that any such listing or admission to trading will be obtained in respect of the Notes or, if obtained, that any such listing or admission to trading will be maintained during the life of the Notes.

Any such event or failure to apply the proceeds of the Notes for any project(s) or use(s), including any Eligible Green Projects, and/or the withdrawal modification or downgrade or any opinion or certification as described above or any such opinion or certification attesting that the Issuer is not complying in whole or in part with any matters for which such opinion or certification is opining or certifying on, and/or the Notes no longer being listed or admitted to trading on any stock exchange or securities market as aforesaid may have a material adverse effect on the value of the Notes and also potentially the value of any other Notes which are intended by the Issuer to finance Eligible Green Projects and/or result in adverse consequences for certain investors with portfolio mandates to invest in securities to be used for a particular purpose.

RESPONSIBILITY STATEMENT

The Issuer is solely responsible for the information contained in this Prospectus. The Issuer declares that, having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of its knowledge, in accordance with the facts and contains no omission likely to affect its import.

TERMS AND CONDITIONS OF THE NOTES

ANLEIHEBEDINGUNGEN

Diese Anleihebedingungen sind in deutscher Sprache abgefasst und mit einer Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist allein rechtsverbindlich. Die englische Übersetzung dient nur zur Information.

§ 1

Definitionen und Auslegung

Soweit aus dem Zusammenhang nicht etwas anderes hervorgeht, haben die nachfolgenden Begriffe in diesen Anleihebedingungen die folgende Bedeutung:

Anleihegläubiger hat die in § 2(5) festgelegte Bedeutung.

Austauschtag hat die in § 2(3)(b) festgelegte Bedeutung.

„Ausübungserklärung“ hat die in § 5(4)(c) festgelegte Bedeutung.

„CBL“ hat die in § 2(4) festgelegte Bedeutung.

„Clearing System“ hat die in § 2(4) festgelegte Bedeutung.

„Dauerglobalurkunde“ hat die in § 2(3)(a) festgelegte Bedeutung.

„Depotbank“ hat die in § 15(3) festgelegte Bedeutung.

„Emittentin“ hat die in § 2(1) festgelegte Bedeutung.

„Endfälligkeitstag“ hat die in § 5(1) festgelegte Bedeutung.

„Euroclear“ hat die in § 2(4) festgelegte Bedeutung.

„Festgelegte Stückelung“ hat die in § 2(1) festgelegte Bedeutung.

„Festgelegte Währung“ hat die in § 2(1) festgelegte Bedeutung.

„Finanzverbindlichkeiten“ bezeichnet (unter Ausschluss einer Doppelberücksichtigung) alle Verbindlichkeiten (ausgenommen solche gegenüber anderen Mitgliedern der Gruppe) für oder in Bezug auf: (i) aufgenommene Gelder; (ii) alle aus Akzepten im Rahmen von Akzeptkreditfazilitäten oder dematerialisierten Vergleichbaren aufgenommenen Beträge; (iii) alle aus Fazilitäten für die Emission

TERMS AND CONDITIONS

These Terms and Conditions are written in the German language and provided with an English language translation. The German text will be the only legally binding version. The English language translation is provided for convenience only.

§ 1

Definitions and Interpretation

Unless the context otherwise requires, the following terms shall have the following meanings in these Terms and Conditions:

„Noteholder“ has the meaning specified in § 2(5).

„Exchange Date“ has the meaning specified in § 2(3)(b).

„Put Notice“ has the meaning specified in § 5(4)(c).

„CBL“ has the meaning specified in § 2(4).

„Clearing System“ has the meaning specified in § 2(4).

„Permanent Global Note“ has the meaning specified in § 2(3)(a).

„Depositary Bank“ has the meaning specified in § 15(3).

„Issuer“ has the meaning specified in § 2(1).

„Maturity Date“ has the meaning specified in § 5(1).

„Euroclear“ has the meaning specified in § 2(4).

„Specified Denomination“ has the meaning specified in § 2(1).

„Specified Currency“ has the meaning specified in § 2(1).

„Financial Indebtedness“ means (without duplication) any indebtedness (excluding any indebtedness owed to another member of the Group) for or in respect of: (i) money borrowed; (ii) any amount raised by acceptance under any acceptance credit facility or dematerialised equivalent; (iii) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, commercial papers,

kurzfristiger Schuldtitel oder aus der Begebung von Anleihen, Schuldverschreibungen, Commercial Paper, Schuldscheine oder sonstigen Schuldtiteln oder vergleichbaren Instrumenten aufgenommenen Beträge; (iv) veräußerte oder diskontierte Forderungen (mit Ausnahme von Forderungen, die regresslos verkauft werden); (v) die Aufnahme von Beträgen im Rahmen anderer Transaktionen (einschließlich Terminverkauf oder -kauf), die wirtschaftlich einer Kreditaufnahme gleichkommen; (vi) einen Aufwendungsersatzanspruch in Bezug auf eine Bürgschaft, eine Freistellungsverpflichtung, eine Garantie, ein Standby- oder Dokumentenakkreditiv oder ein anderes von einer Bank oder einem Finanzinstitut ausgestelltes Instrument; und (vii) Verbindlichkeiten aus einer Garantie, Bürgschaft oder Freistellungsverpflichtung in Bezug auf Verbindlichkeiten der in den vorstehenden Absätzen (i) bis (vi) genannten Art.

“**Gemeinsamer Vertreter**” hat die in § 14(6) festgelegte Bedeutung.

“**Gesamtnennbetrag**” hat die in § 2(1) festgelegte Bedeutung.

“**Geschäftstag**” bezeichnet jeden Tag (außer einem Samstag oder Sonntag), an dem das Clearing System sowie alle maßgeblichen Stellen des Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) geöffnet sind, um Zahlungen abzuwickeln.

“**Globalurkunde**” hat die in § 2(3)(a) festgelegte Bedeutung.

“**Gruppe**” bezeichnet die Emittentin und alle ihre direkten und indirekten gegenwärtig und zukünftig zu konsolidierenden Tochtergesellschaften.

“**Hauptzahlstelle**” hat die in § 9(1) festgelegte Bedeutung.

“**ICSD**” und “**ICSDs**” hat die in § 2(4) festgelegte Bedeutung.

“**IFRS**” bezeichnet die nach der EU anwendbaren International Financial Reporting Standards des International Accounting Standards Board in jeweils geltender Fassung.

“**Kapitalmarktverbindlichkeiten**” bedeutet jede bestehende oder zukünftige Verbindlichkeit (gleich ob Kapital, Aufgeld, Zinsen oder andere Beträge) der Emittentin oder einer Tochtergesellschaft bezüglich Geldaufnahmen in Form von, oder verbrieft durch,

debentures, loan stock, certificate of indebtedness (*Schuldschein*) or any similar instrument; (iv) receivables sold or discounted (other than any receivables to the extent they are sold on a non-recourse basis); (v) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing; (vi) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and (vii) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (vi) above.

“**Holders’ Representative**” has the meaning specified in § 14(6).

“**Aggregate Principal Amount**” has the meaning specified in § 2(1).

“**Business Day**” means a day (other than Saturday or Sunday) on which the Clearing System as well as all relevant parts of the Trans-European Automated Real-time Gross Settlement Express Transfer System 2 (TARGET2) are open to effect payments.

“**Global Note**” has the meaning specified in § 2(3)(a).

“**Group**” means the Issuer and all of its direct or indirect Subsidiaries that are presently or in the future consolidated by it.

“**Principal Paying Agent**” has the meaning specified in § 9(1).

“**ICSD**” and “**ICSDs**” has the meaning specified in § 2(4).

“**IFRS**” means the International Financial Reporting Standards as adopted by the European Union and as published by the International Accounting Standards Board, as in effect from time to time.

“**Capital Market Indebtedness**” means any present or future indebtedness (whether being principal, premium, interest or other amounts) of the Issuer or of a Subsidiary in respect of any monies borrowed which is in the form of, or represented by, bonds, notes or

Schuldverschreibungen, Anleihen oder ähnliche Wertpapiere, mit einer ursprünglichen Laufzeit von mindestens einem Jahr soweit sie an einer Börse oder im Freiverkehr notiert sind oder gehandelt werden oder werden können oder Schuldscheindarlehen.

“**Kontrollwechsel**” hat die in § 5(4)(a) festgelegte Bedeutung.

“**Kontrollwechsel-Mitteilung**” hat die in § 5(4)(a) festgelegte Bedeutung.

“**Maßgebliche Steuerjurisdiktion**” hat die in § 7(1) festgelegte Bedeutung.

“**Neue Anleiheschuldnerin**” hat die in § 12(1) festgelegte Bedeutung.

“**Person**” hat die in § 5(4)(a) festgelegte Bedeutung.

“**Quellensteuer-Ereignis**” hat die in § 5(2) festgelegte Bedeutung.

“**Rechtsstreitigkeiten**” hat die in § 15(2) festgelegte Bedeutung.

“**Rückzahlungstermin**” bezeichnet den Tag, an dem die Schuldverschreibungen nach Maßgabe dieser Anleihebedingungen zur Rückzahlung fällig werden.

“**Schuldverschreibungen**” hat die in § 2(1) festgelegte Bedeutung.

“**SchVG**” hat die in § 14(1) festgelegte Bedeutung.

“**Sicherungsrechts**” hat die in § 3(2)(a) festgelegte Bedeutung.

“**Tochtergesellschaft**” bezeichnet jedes direkte oder mittelbare, mehrheitlich der Emittentin gehörende Tochterunternehmen, das im betreffenden Zeitpunkt für die Zwecke der Erstellung des konsolidierten Jahresabschlusses der Emittentin nach IFRS von der Emittentin konsolidiert werden muss.

“**Vereinigte Staaten**” hat die in § 2(3)(b) festgelegte Bedeutung.

“**Verzinsungsbeginn**” hat die in § 4(1) festgelegte Bedeutung.

“**Vorläufige Globalurkunde**” hat die in § 2(3)(a) festgelegte Bedeutung.

“**Wahl-Rückzahlungstag**” hat die in § 5(4)(a) festgelegte Bedeutung.

“**Wesentliche Tochtergesellschaft**” bezeichnet eine Tochtergesellschaft der Garantin, deren Umsatzerlöse mindestens 5% der Umsatzerlöse der Gruppe

any similar securities with an original maturity of more than one year which are or are capable of being quoted, listed or traded on any stock exchange or over-the-counter securities market or certificate of indebtedness (*Schuldschein*).

“**Change of Control**” has the meaning specified in § 5(4)(a).

“**Change of Control Notice**” has the meaning specified in § 5(4)(a).

“**Relevant Taxing Jurisdiction**” has the meaning specified in § 7(1).

“**Substitute Debtor**” has the meaning specified in § 12(1).

“**Person**” has the meaning specified in § 5(4)(a).

“**Gross-up Event**” has the meaning specified in § 5(2).

“**Proceedings**” has the meaning specified in § 15(2).

“**Redemption Date**” means the day on which the Notes become due for redemption in accordance with these Terms and Conditions.

“**Notes**” has the meaning specified in § 2(1).

“**SchVG**” has the meaning specified in § 14(1).

“**Security Interest**” has the meaning specified in § 3(2)(a).

“**Subsidiary**” means any directly or indirectly majority-owned subsidiary of the Issuer that must be consolidated by the Issuer for the purposes of preparing annual consolidated financial statements of the Issuer under IFRS from time to time.

“**United States**” has the meaning specified in § 2(3)(b).

“**Interest Commencement Date**” has the meaning specified in § 4(1).

“**Temporary Global Note**” has the meaning specified in § 2(3)(a).

“**Optional Redemption Date**” has the meaning specified in § 5(4)(a).

“**Material Subsidiary**” means any Subsidiary of the Issuer whose revenues are at least equal to 5% of the revenues of the Group.

ausmacht.

“**Zahlstelle**” hat die in § 9(5) festgelegte Bedeutung.

“**Zahlstellen**” hat die in § 9(5) festgelegte Bedeutung.

“**Zinsperiode**” hat die in § 4(3) festgelegte Bedeutung.

“**Zinszahlungstag**” hat die in § 4(1) festgelegte Bedeutung.

“**Zusätzliche Beträge**” hat die in § 7(1) festgelegte Bedeutung.

“**Paying Agent**” has the meaning specified in § 9(5).

“**Paying Agents**” has the meaning specified in § 9(5).

“**Interest Period**” has the meaning specified in § 4(3).

“**Interest Payment Date**” has the meaning specified in § 4(1).

“**Additional Amounts**” has the meaning specified in § 7(1).

§ 2

Währung, Gesamtnennbetrag, Stückelung, Form und Clearing System

(1) *Währung, Gesamtnennbetrag, Stückelung, Übertragung.* Diese Emission von Schuldverschreibungen (die “**Schuldverschreibungen**”) der BayWa AG (die “**Emittentin**”) wird in Euro (die “**Festgelegte Währung**”) im Gesamtnennbetrag von € [●] (in Worten: Euro [●] Millionen) (der “**Gesamtnennbetrag**”) in einer Stückelung von € 1.000 (die “**Festgelegte Stückelung**”) begeben.

(2) *Form.* Die Schuldverschreibungen lauten auf den Inhaber.

(3) Vorläufige Globalurkunde – Austausch.

(a) Die Schuldverschreibungen sind anfänglich durch eine vorläufige Globalurkunde (die “Vorläufige Globalurkunde”) ohne Zinsscheine verbrieft. Die vorläufige Globalurkunde wird gegen Schuldverschreibungen in der Festgelegten Stückelung, die durch eine Dauerglobalurkunde (die “Dauerglobalurkunde” und, gemeinsam mit der Vorläufigen Globalurkunde, jeweils die “Globalurkunde”) ohne Zinsscheine verbrieft sind, ausgetauscht. Die Vorläufige Globalurkunde und die Dauerglobalurkunde tragen jeweils die Unterschriften ordnungsgemäß bevollmächtigter Vertreter der Emittentin und sind jeweils von der Zahlstelle oder in deren Namen mit einer Kontrollunterschrift versehen. Einzelurkunden und Zinsscheine

§ 2

Currency, Aggregate Principal Amount, Denomination, Form, Clearing System

(1) *Currency, Aggregate Principal Amount, Denomination, Transfer.* This issue of notes (the “**Notes**”) of BayWa AG (the “**Issuer**”) is being issued in Euro (the “**Specified Currency**”) in the aggregate principal amount of € [●] (in words: Euro [●] million) (the “**Aggregate Principal Amount**”) in a denomination of € 1,000 (the “**Specified Denomination**”).

(2) *Form.* The Notes are being issued in bearer form.

(3) Temporary Global Note – Exchange.

(a) The Notes are initially represented by one temporary global note (the “Temporary Global Note”) without interest coupons. The Temporary Global Note will be exchanged for Notes in the Specified Denomination represented by a permanent global note (the “Permanent Global Note” and together with the Temporary Global Note, the “Global Note”) without interest coupons. The Temporary Global Note and the Permanent Global Note shall each be signed by authorised signatories of the Issuer and shall each be authenticated by or on behalf of the Paying Agent. Definitive certificates representing individual Notes and interest coupons will not be issued.

werden nicht ausgegeben.

- (b) Die Vorläufige Globalurkunde wird frühestens an einem Tag (der "Austauschtag") gegen die Dauerglobalurkunde austauschbar, der 40 Tage nach dem Tag der Ausgabe der Vorläufigen Globalurkunde liegt. Ein solcher Austausch soll nur nach Vorlage von Bescheinigungen gemäß U.S. Steuerrecht erfolgen, wonach der oder die wirtschaftlichen Eigentümer der durch die Vorläufige Globalurkunde verbrieften Schuldverschreibungen keine U.S.-Personen sind (ausgenommen bestimmte Finanzinstitute oder bestimmte Personen, die Schuldverschreibungen über solche Finanzinstitute halten). Zinszahlungen auf durch eine Vorläufige Globalurkunde verbrieft Schuldverschreibungen erfolgen erst nach Vorlage solcher Bescheinigungen. Eine gesonderte Bescheinigung ist hinsichtlich einer jeden solchen Zinszahlung erforderlich. Jede Bescheinigung, die am oder nach dem 40. Tag nach dem Tag der Ausgabe der Vorläufigen Globalurkunde eingeht, wird als ein Ersuchen behandelt werden, diese Vorläufige Globalurkunde gemäß § 2(3)(b) auszutauschen. Wertpapiere, die im Austausch für die Vorläufige Globalurkunde geliefert werden, sind nur außerhalb der Vereinigten Staaten zu liefern.

Für die Zwecke von § 2(3) und § 7(1), bezeichnet "**Vereinigte Staaten**" die Vereinigten Staaten von Amerika (einschließlich deren Bundesstaaten und des District of Columbia) sowie deren Territorien (einschließlich Puerto Rico, der U.S. Virgin Islands, Guam, American Samoa, Wake Island und Northern Mariana Islands).

- (4) *Clearing System.* Jede die Schuldverschreibungen verbriefende Globalurkunde wird von einem oder im Namen eines Clearing Systems verwahrt. "**Clearing System**" meint Clearstream

- (b) The Temporary Global Note shall be exchangeable for the Permanent Global Note on a date (the "Exchange Date") not earlier than 40 days after the date of issue of the Temporary Global Note. Such exchange shall only be made upon delivery of certifications to the effect that the beneficial owner or owners of the Notes represented by the Temporary Global Note are not U.S. persons (other than certain financial institutions or certain persons holding Notes through such financial institutions) as required by U.S. tax law. Payment of interest on Notes represented by a Temporary Global Note will be made only after delivery of such certifications. A separate certification shall be required in respect of each such payment of interest. Any such certification received on or after the 40th day after the date of issue of the Temporary Global Note will be treated as a request to exchange such Temporary Global Note pursuant to § 2(3)(b). Any securities delivered in exchange for the Temporary Global Note shall be delivered only outside of the United States.

For purposes of § 2(3) and § 7(1), "**United States**" means the United States of America (including the States thereof and the District of Columbia) and its possessions (including Puerto Rico, the U.S. Virgin Islands, Guam, American Samoa, Wake Island and Northern Mariana Islands).

- (4) *Clearing System.* Each Global Note representing the Notes will be kept in custody by or on behalf of the Clearing System. "**Clearing System**" means each of the following: Clearstream Banking, société

Banking, société anonyme, 42 Avenue JF Kennedy, 1855 Luxemburg, Luxemburg (“**CBL**”), Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brüssel, Belgien (“**Euroclear**”), (CBL and Euroclear jeweils “**ICSD**” und zusammen die “**ICSDs**”) sowie jeden Funktionsnachfolger. Die Schuldverschreibungen werden als klassische Globalurkunde (classical global note) begeben und werden von einer gemeinsamen Verwahrstelle im Namen beider ICSDs verwahrt.

- (5) *Anleihegläubiger.* “**Anleihegläubiger**” bezeichnet jeden Inhaber eines Miteigentumsanteils oder anderen wirtschaftlichen Interesses oder Rechts an den Schuldverschreibungen.

§ 3

Status der Schuldverschreibungen, Negativverpflichtung

- (1) *Rang der Schuldverschreibungen.* Die Schuldverschreibungen begründen nicht besicherte und nicht nachrangige Verbindlichkeiten der Emittentin, die untereinander und mit allen anderen nicht besicherten und nicht nachrangigen Verbindlichkeiten der Emittentin gleichrangig sind mit Ausnahme von Verbindlichkeiten, die nach geltenden Rechtsvorschriften vorrangig sind.
- (2) *Negativverpflichtung.* Die Emittentin verpflichtet sich, solange Schuldverschreibungen ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen an das Clearingsystem oder an dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearingsystems zur Verfügung gestellt worden sind,
- (a) kein Grundpfandrecht, Mobiliarpfandrecht, Pfandrecht oder sonstiges dingliches Sicherungsrecht (jedes ein “**Sicherungsrecht**”) an ihren gesamten Vermögenswerten oder Teilen davon zur Besicherung einer anderen gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeit zu

anonyme, 42 Avenue JF Kennedy, 1855 Luxembourg, Grand Duchy of Luxembourg (“**CBL**”), Euroclear Bank SA/NV, Boulevard du Roi Albert II, 1210 Brussels, Belgium (“**Euroclear**”), (CBL and Euroclear each an “**ICSD**” and together the “**ICSDs**”) and any successor in such capacity. The Notes will be issued in classical global note form and will be kept in custody by a common depositary on behalf of both ICSDs.

- (5) *Noteholder.* “**Noteholder**” means any holder of a proportionate co-ownership or other beneficial interest or right in the Notes.

§ 3

Status of the Notes, Negative Pledge

- (1) *Status of the Notes.* The obligations under the Notes constitute unsecured and unsubordinated obligations of the Issuer ranking pari passu among themselves and pari passu with all other unsecured and unsubordinated obligations of the Issuer except for any obligations preferred by law.
- (2) *Negative pledge.* The Issuer undertakes, so long as any of the Notes are outstanding, but only up to the time that all amounts of principal and interest have been placed at the disposal of the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System,
- (a) not to create or permit to subsist any mortgage, charge, pledge or other form of encumbrance in rem (each a “**Security Interest**”) over the whole or any part of its assets to secure any present or future Capital Market Indebtedness; and

gewähren oder bestehen zu lassen; und

- (b) ihre Tochtergesellschaften zu veranlassen (soweit rechtlich möglich und zulässig), kein Sicherungsrecht an ihren jeweiligen gesamten Vermögenswerten oder jeweiligen Teilen davon zur Besicherung einer gegenwärtigen oder zukünftigen Kapitalmarktverbindlichkeit zu gewähren oder bestehen zu lassen,

ohne zuvor oder gleichzeitig die Anleihegläubiger gleichrangig an einem solchen Sicherungsrecht gleichwertig zu beteiligen oder zu Gunsten der Anleihegläubiger ein Sicherungsrecht zu gleichwertigen Bedingungen zu bestellen, welches von einem unabhängigen Sachverständigen als gleichwertige Sicherheit beurteilt wird.

Diese Verpflichtung findet keine Anwendung auf ein Sicherungsrecht, das

- (i) nach dem anzuwendenden Recht zwingend notwendig ist,
- (ii) als Voraussetzung einer staatlichen Genehmigung erforderlich ist,
- (iii) eine Kapitalmarktverbindlichkeit besichert, die vor dem Erwerb, zum Zeitpunkt des Erwerbs oder innerhalb von 6 Monaten nach dem Erwerb eines Vermögensgegenstandes durch die Emittentin zum Zwecke der vollständigen oder teilweisen Kaufpreisfinanzierung eingegangen worden ist, oder
- (iv) eine Kapitalmarktverbindlichkeit besichert, die infolge einer zukünftigen Akquisition zu einer Verbindlichkeit der Emittentin oder einer Tochtergesellschaft wird, sofern diese Kapitalmarktverbindlichkeit nicht im Hinblick auf die betreffende zukünftige Akquisition begründet wurde.

Eine nach diesem § 3(2) zu leistende Sicherheit kann auch zu Gunsten eines Treuhänders der Anleihegläubiger bestellt werden.

- (b) to procure (to the extent legally possible and permissible) that none of its Subsidiaries creates or permits to subsist any Security Interest over the whole or any part of its assets to secure any present or future Capital Market Indebtedness,

without prior thereto or at the same time letting the Noteholders share *pari passu* and equally in such Security Interest or benefit from an equal Security Interest, which shall be approved by an independent expert as being equivalent security.

This undertaking shall not apply to a Security Interest which

- (i) is mandatory according to applicable laws,
- (ii) is required as a prerequisite for governmental approvals,
- (iii) secures a Capital Market Indebtedness incurred prior to, at the time of, or within 6 months after the acquisition of any asset by the Issuer for the purpose of financing all or any part of the purchase price thereof, or
- (iv) secures a Capital Market Indebtedness that becomes an obligation of the Issuer or any Subsidiary as a consequence of a future acquisition, provided that such Capital Market Indebtedness was not created in contemplation of such future acquisition.

Any security which is to be provided pursuant to this § 3(2) may also be provided to a person acting as trustee for the Noteholders.

§ 4 Verzinsung

- (1) *Verzinsung und Zinszahlungstage.* Vorbehaltlich einer vorzeitigen Rückzahlung gemäß diesen Anleihebedingungen werden die Schuldverschreibungen bezogen auf ihren Nennbetrag verzinst, und zwar ab dem 24. Juni 2019 (einschließlich) (der “**Verzinsungsbeginn**”) bis zum Endfälligkeitstag (ausschließlich) mit jährlich [●] %. Die Zinsen sind nachträglich am 24. Juni eines jeden Jahres zahlbar (jeweils ein “**Zinszahlungstag**”). Die erste Zinszahlung erfolgt am 24. Juni 2020.
- (2) *Auflaufende Zinsen.* Falls die Emittentin die Schuldverschreibungen bei Fälligkeit nicht einlöst, endet die Verzinsung der Schuldverschreibungen nicht am Tag der Fälligkeit, sondern erst zu dem Zeitpunkt, an dem Kapital und Zinsen aus oder im Zusammenhang mit den Schuldverschreibungen dem Clearingsystem zur Verfügung gestellt worden sind. Die Verzinsung des ausstehenden Nennbetrages ab dem Tag der Fälligkeit (einschließlich) bis zum Tag der Rückzahlung der Schuldverschreibungen (ausschließlich) erfolgt zum gesetzlich festgelegten Satz für Verzugszinsen.
- (3) *Berechnung der Zinsen.* Sind Zinsen für einen Zeitraum zu berechnen, der kürzer als eine Zinsperiode ist oder einer Zinsperiode entspricht, so werden die Zinsen auf der Grundlage der tatsächlichen Anzahl der Tage in dem jeweiligen Zeitraum ab dem ersten Tag des jeweiligen Zeitraums (einschließlich) bis zu dem letzten Tag des jeweiligen Zeitraums (ausschließlich) berechnet, geteilt durch die Anzahl der Tage in der Zinsperiode, in die der jeweilige Zeitraum fällt (einschließlich des ersten Tages der betroffenen Zinsperiode, aber ausschließlich des letzten Tages der betroffenen Zinsperiode).

“**Zinsperiode**” bezeichnet den Zeitraum ab dem Verzinsungsbeginn (einschließlich) bis zu dem ersten Zinszahlungstag (ausschließlich) und danach ab dem jeweiligen Zinszahlungstag (einschließlich) bis zu dem nächstfolgenden Zinszahlungstag (ausschließlich).

§ 4 Interest

- (1) *Interest and Interest Payment Dates.* Unless previously redeemed in accordance with these Terms and Conditions, the Notes shall bear interest on their principal amount at the rate of [●] per cent. per annum from and including June 24, 2019 (the “**Interest Commencement Date**”) to but excluding the Maturity Date. Interest shall be payable in arrear on June 24 in each year (each such date, an “**Interest Payment Date**”). The first payment of interest shall be made on June 24, 2020.
- (2) *Accrual of interest.* If the Issuer shall fail to redeem the Notes when due, interest shall continue to accrue on the outstanding principal amount of the Notes at the default rate of interest established by law from and including the due date to but excluding such date as principal and interest on or in connection with the Notes has been placed at the disposal of the Clearing System.
- (3) *Calculation of interest.* Where interest is to be calculated in respect of a period which is shorter than or equal to an Interest Period, the interest will be calculated on the basis of the actual number of days elapsed in the relevant period, from and including the first date in the relevant period to but excluding the last date of the relevant period, divided by the actual number of days in the Interest Period in which the relevant period falls (including the first such day of the relevant Interest Period but excluding the last day of the relevant Interest Period).

“**Interest Period**” means the period from and including the Interest Commencement Date to but excluding the first Interest Payment Date and thereafter from and including each relevant Interest Payment Date to but excluding the next following Interest Payment

Date.

§ 5

Rückzahlung und Rückkauf

- (1) *Rückzahlung bei Endfälligkeit.* Soweit nicht zuvor bereits ganz oder teilweise zurückgezahlt oder angekauft und entwertet, werden die Schuldverschreibungen am 24. Juni 2024 (der “**Endfälligkeitstag**”) zu ihrem Nennbetrag zurückgezahlt.
- (2) Rückzahlung bei einem Quellensteuer-Ereignis.

Bei Eintritt eines Quellensteuer-Ereignisses ist die Emittentin berechtigt, die Schuldverschreibungen jederzeit (insgesamt, jedoch nicht teilweise) durch Bekanntmachung gemäß § 11 unter Einhaltung einer Frist von mindestens 30 und höchstens 60 Tagen zu kündigen. Im Falle einer solchen Kündigung hat die Emittentin die Schuldverschreibungen zu einem Betrag je Schuldverschreibung in Höhe der Festgelegten Stückelung zuzüglich der bis zum Rückzahlungstermin (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen am in der Bekanntmachung festgelegten Rückzahlungstermin zurückzuzahlen.

Die Bekanntmachung der Kündigung muss diejenigen Tatsachen enthalten, auf welche die Emittentin ihr Kündigungsrecht stützt, und den für die Rückzahlung bestimmten Rückzahlungstermin angeben.

Die Emittentin hat der Hauptzahlstelle vor einer solchen Kündigungserklärung folgende Dokumente übermittelt bzw. deren Übermittlung veranlasst:

- (a) eine von zwei ordnungsgemäß bevollmächtigten Vertretern der Emittentin unterzeichnete Bescheinigung, die bestätigt, dass die Emittentin berechtigt ist, die maßgebliche Rückzahlung vorzunehmen, und aus der die Tatsachen hervorgehen, auf deren Grundlage die Voraussetzungen für das Rückzahlungsrecht der Emittentin eingetreten sind; sowie

§ 5

Redemption and Repurchase

- (1) *Redemption at maturity.* Unless previously redeemed in whole or in part or purchased and cancelled, the Notes shall be redeemed at their principal amount on June 24, 2024 (the “**Maturity Date**”).
- (2) Redemption due to a Gross-up Event.

If a Gross-up Event shall have occurred, the Issuer may call the Notes for redemption (in whole but not in part) at any time upon giving of not less than 30 and not more than 60 days' notice in accordance with § 11. In this case the Issuer shall redeem the Notes at an amount per Note equal to the Specified Denomination, plus any interest accrued on the Note to but excluding the Redemption Date but yet unpaid on the Redemption Date specified in the notice.

The notice shall also set forth the underlying facts of the Issuer's right to redemption and specify the Redemption Date fixed for redemption.

Prior to the giving of any such notice of redemption, the Issuer shall deliver or procure that there is delivered to the Principal Paying Agent:

- (a) a certificate signed by any two duly authorised representatives of the Issuer stating that the Issuer is entitled to effect such redemption and setting out a statement of facts showing that the conditions precedent to the exercise of the right of the Issuer to redeem have been satisfied; and

- (b) ein Gutachten eines angesehenen externen Rechtsberaters, aus dem hervorgeht, dass die Emittentin verpflichtet ist oder verpflichtet sein wird, die betreffenden zusätzlichen Beträge als Folge eines Quellensteuer-Ereignis zu zahlen.

Ein **“Quellensteuer-Ereignis”** liegt vor, falls die Emittentin verpflichtet ist oder verpflichtet sein wird, Zusätzliche Beträge als Folge einer Änderung oder Ergänzung von Gesetzen oder Vorschriften der Maßgeblichen Steuerjurisdiktion oder als Folge einer Änderung oder Ergänzung der offiziellen Auslegung oder Anwendung dieser Gesetze oder Vorschriften durch eine gesetzgebende Körperschaft, ein Gericht, eine Steuerbehörde, eine Aufsichtsbehörde oder eine sonstige Behörde (einschließlich des Erlasses von Gesetzen sowie der Bekanntmachung gerichtlicher oder aufsichtsrechtlicher Entscheidungen) zu zahlen, allerdings nur soweit die betreffende Änderung, Ergänzung oder Durchführung an oder nach dem Ausgabebetrag der Schuldverschreibungen wirksam wird und die Emittentin die Zahlungsverpflichtung nicht durch das Ergreifen von Maßnahmen vermeiden kann, die sie nach Treu und Glauben für angemessen hält.

- (3) *Kündigungsrecht der Emittentin bei geringem ausstehenden Gesamtnennbetrag.* Falls die Emittentin und/oder eine Tochtergesellschaft allein oder gemeinsam Schuldverschreibungen im Volumen von 85% oder mehr des ursprünglich begebenen Gesamtnennbetrages der Schuldverschreibungen erworben hat, kann die Emittentin die verbleibenden Schuldverschreibungen jederzeit (insgesamt, jedoch nicht teilweise) durch Bekanntmachung gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 30 und nicht mehr als 60 Tagen kündigen und am festgelegten Rückzahlungstermin zu einem Betrag je Schuldverschreibung in Höhe der Festgelegten Stückelung zuzüglich der bis zum Rückzahlungstermin (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen zurückzahlen.

- (b) an opinion of an external legal adviser of recognised standing to the effect that the Issuer has or will become obliged to pay the additional amounts in question as a result of a Gross-up Event.

A **“Gross-up Event”** shall have occurred if the Issuer has or will become obliged to pay Additional Amounts as a result of any change in, or amendment to, the laws or regulations of the Relevant Taxing Jurisdiction, or as a result of any amendment to, or any change in, any official interpretation or application of any such laws or regulations by any legislative body, court, or taxing authority, governmental agency or regulatory authority (including the enactment of any legislation and the publication of any judicial decision or regulatory determination), provided that the relevant amendment, change or execution becomes effective on or after the issue date of the Notes and provided further that the payment obligation cannot be avoided by the Issuer taking such reasonable measures it (acting in good faith) deems appropriate.

- (3) *Issuer Call Right in the case of Minimal Outstanding Aggregate Principal Amount.* In the event that the Issuer and/or any Subsidiary has, severally or jointly, purchased Notes equal to or in excess of 85% of the Aggregate Principal Amount of the Notes initially issued, the Issuer may call and redeem the remaining Notes (in whole but not in part) at any time upon giving not less than 30 and not more than 60 days' notice in accordance with § 11 at an amount per Note equal to the Specified Denomination, plus any interest accrued on the Note to but excluding the Redemption Date but yet unpaid.

(4) *Kündigungsrecht und Rückzahlung bei einem Kontrollwechsel.*

- (a) Tritt ein Kontrollwechsel ein, (i) verpflichtet sich die Emittentin, innerhalb von 15 Tagen (x) den Wahl-Rückzahlungstag (wie nachstehend definiert) zu bestimmen und (y) den Kontrollwechsel und den Wahl-Rückzahlungstag den Anleihegläubigern durch Mitteilung gemäß § 11 (die “**Kontrollwechsel-Mitteilung**”) und der Hauptzahlstelle bekannt zu machen und (ii) hat jeder Anleihegläubiger das Recht (sofern nicht die Emittentin, bevor die nachstehend beschriebene Ausübungserklärung gemacht wird, die Rückzahlung der Schuldverschreibungen nach § 5(2), § 5(3) oder § 5(5) angezeigt hat), alle oder einige seiner Schuldverschreibungen mit einer Frist von mindestens 15 Tagen vor dem Wahl-Rückzahlungstag fällig zu stellen. Im Falle einer solchen Ausübungserklärung hat die Emittentin die Schuldverschreibungen an dem Wahl-Rückzahlungstag zu einem Betrag je Schuldverschreibung in Höhe der Festgelegten Stückelung zuzüglich der bis zum Wahl-Rückzahlungstag (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen, zurückzuzahlen.

Ein “**Kontrollwechsel**” gilt als eingetreten, wenn eine Person (oder eine Gruppe von gemeinsam handelnden Personen) mittelbar oder unmittelbar eine solche Anzahl von Aktien der Emittentin, auf die mehr als 30 % der bei Hauptversammlungen der Emittentin ausübaren Stimmrechte entfallen, erwirbt.

“**Person**” bezeichnet jede der folgenden Personen: natürliche Personen, Körperschaften, Personengesellschaften, Joint Ventures, Vereinigung, Aktiengesellschaften, Trusts, nicht rechtsfähige Vereinigungen, Gesellschaften mit

(4) *Issuer Call Right and Redemption due to a Change of Control.*

- (a) If a Change of Control occurs (i) the Issuer undertakes to (x) fix the Optional Redemption Date (as defined below) and (y) give notice to the Noteholders in accordance with § 11 and to the Principal Paying Agent of the Change of Control and the Optional Redemption Date (the “**Change of Control Notice**”), in each case within 15 days, and (ii) each Noteholder will have the option (unless, prior to the giving of the Put Notice referred to below, the Issuer gives notice to redeem the Notes in accordance with § 5(2), § 5(3) or § 5(5)) to declare, on giving not less than 15 days' notice prior to the Optional Redemption Date, all or some only of his Notes due. In the case a Put Notice is given, the Issuer will redeem the Notes at an amount per Note equal to the Specified Denomination, plus any interest accrued on the Note to but excluding the Optional Redemption Date but yet unpaid, on the Optional Redemption Date.

A “**Change of Control**” shall be deemed to occur if any person (or a group of persons acting in concert) directly or indirectly acquires such number of shares in the capital of the Issuer granting more than 30 per cent. of the voting rights exercisable at general meetings of the Issuer.

“**Person**” means any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organisation, limited liability company or government (or any agency or political subdivision thereof) or other entity.

beschränkter Haftung, staatliche Stellen (oder Behörden oder Gebietskörperschaften) oder sonstige Rechtsträger.

“**Wahl-Rückzahlungstag**” bezeichnet den von der Emittentin in der Kontrollwechsel-Mitteilung festgelegten Tag, der (i) ein Geschäftstag sein muss und (ii) nicht weniger als 60 und nicht mehr als 90 Tage nach Bekanntmachung der Kontrollwechsel-Mitteilung liegen darf.

- (c) Die wirksame Ausübung des Rechts des Gläubigers auf Rückzahlung für eine Schuldverschreibung nach Maßgabe dieses § 5(4) setzt voraus, dass der Gläubiger unter Beachtung der Kündigungsfrist gemäß § 5(4)(a)

(i) bei der angegebenen Geschäftsstelle der Hauptzahlstelle eine ordnungsgemäß ausgefüllte und unterzeichnete Ausübungserklärung einreicht, die in ihrer jeweils maßgeblichen Form bei der angegebenen Niederlassung der Hauptzahlstelle erhältlich ist (die “Ausübungserklärung”); und

(ii) seine Schuldverschreibung(en), für die das Recht ausgeübt werden soll, an die Hauptzahlstelle liefert, und zwar durch Lieferung (Umbuchung) der Schuldverschreibungen auf das in der Ausübungserklärung angegebene Konto der Hauptzahlstelle beim Clearingsystem.

Eine einmal abgegebene Ausübungserklärung ist unwiderruflich. Die Ausübungserklärung hat unter anderem die folgenden Angaben zu enthalten:

- Name und Anschrift des ausübenden Anleihegläubigers;
- die Zahl der Schuldverschreibungen, für die

“**Optional Redemption Date**” means the date fixed by the Issuer in the Change of Control Notice, which (i) must be a Business Day and (ii) must fall not less than 60 and not more than 90 days after publication of the Change of Control Notice.

- (c) The valid exercise of the Noteholder's option to require the redemption of a Note under this § 5(4) is conditional upon the Noteholder in observation of the notice period provided in § 5(4)(a)

(i) submitting at the specified office of the Principal Paying Agent a duly signed and completed notice of exercise in the form (for the time being current) obtainable from the specified office of the Principal Paying Agent (a “Put Notice”); and

(ii) delivering to the Principal Paying Agent the Note(s) for which the right shall be exercised, by transferring (book-entry transfer) the Notes to the account of the Principal Paying Agent with the Clearing System specified in the Put Notice.

A Put Notice, once given, shall be irrevocable. The Put Notice shall, among other things:

- state the name and address of the exercising Noteholder;
- specify the number of Notes with respect to which the right

das Recht gemäß diesem § 5(4) ausgeübt werden soll; und

- die Bezeichnung eines auf Euro lautenden Bankkontos des Anleihegläubigers, auf das auf die Schuldverschreibungen zahlbare Beträge geleistet werden sollen.

(d) Die Emittentin wird Zahlungen in Bezug auf Schuldverschreibung(en) am Wahl-Rückzahlungstag auf das Bankkonto des Anleihegläubigers, welches dieser in der Ausübungserklärung ordnungsgemäß bezeichnet hat, überweisen.

(5) *Kündigungsrecht der Emittentin drei Monate vor dem Endfälligkeitstag.* Die Emittentin ist berechtigt die verbleibenden Schuldverschreibungen (insgesamt, jedoch nicht teilweise) innerhalb des Zeitraums von 25. März 2024 (einschließlich) bis zum Endfälligkeitstag (ausschließlich) durch Bekanntmachung gemäß § 11 unter Einhaltung einer Frist von nicht weniger als 15 und nicht mehr als 60 Tagen zu kündigen und am festgelegten Rückzahlungstermin zu einem Betrag je Schuldverschreibung in Höhe der Festgelegten Stückelung zuzüglich der bis zum Rückzahlungstermin (ausschließlich) in Bezug auf die Schuldverschreibung aufgelaufenen, aber noch nicht bezahlten Zinsen zurückzuzahlen.

(6) *Rückkauf von Schuldverschreibungen.* Die Emittentin oder Tochtergesellschaften können unter Einhaltung der einschlägigen gesetzlichen Vorschriften jederzeit Schuldverschreibungen im Markt oder anderweitig zu jedem beliebigen Preis kaufen. Derartig erworbene Schuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

§ 6 Zahlungen

- (1) Allgemein.
- (a) Zahlungen auf Kapital. Zahlungen auf Kapital in Bezug auf die Schuldverschreibungen erfolgen nach Maßgabe von § 6(2) an das Clearing

under this § 5(4) shall be exercised; and

- designate a Euro denominated bank account of the Noteholder to which any payments on the Notes are to be made.

(d) The Issuer will make any payment in respect of any Note to the account of the Noteholder specified in the Put Notice on the Optional Redemption Date.

(5) *Issuer Call Right three months prior to the Maturity Date.* The Issuer may call and redeem the remaining Notes (in whole but not in part) within the period from March 25, 2024 (including) to the Maturity Date (excluding) upon giving not less than 15 and not more than 60 days' notice in accordance with § 11 at an amount per Note equal to the Specified Denomination, plus any interest accrued on the Note to but excluding the Redemption Date but yet unpaid.

(6) *Repurchase of Notes.* The Issuer or any Subsidiary may, subject to applicable laws, at any time purchase Notes in the open market or otherwise and at any price. Such acquired Notes may be cancelled, held or resold.

§ 6 Payments

- (1) General.
- (a) Payment of Principal. Payment of principal in respect of the Notes shall be made in accordance with § 6(2) to the Clearing System or to its order for

System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems außerhalb der Vereinigten Staaten.

- (b) Zahlungen von Zinsen. Zahlungen von Zinsen auf Schuldverschreibungen erfolgen nach Maßgabe von § 6(2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems.

Zahlungen von Zinsen auf Schuldverschreibungen, die durch die Vorläufige Globalurkunde verbrieft sind, erfolgen nach Maßgabe von § 6(2) an das Clearing System oder dessen Order zur Gutschrift auf den Konten der jeweiligen Kontoinhaber des Clearing Systems, und zwar nach ordnungsgemäßer Bescheinigung gemäß § 2(3)(b).

- (2) *Zahlungsweise.* Vorbehaltlich geltender steuerlicher und sonstiger gesetzlicher Regelungen und Vorschriften erfolgen zu leistende Zahlungen auf die Schuldverschreibungen in der Festgelegten Währung.
- (3) *Erfüllung.* Die Emittentin werden durch Leistung der Zahlung an das Clearing System oder dessen Order von ihrer Zahlungspflicht befreit.
- (4) *Zahltag.* Fällt der Fälligkeitstag für eine Zahlung von Kapital und/oder Zinsen in Bezug auf eine Schuldverschreibung auf einen Tag, der kein Geschäftstag ist, dann haben die Anleihegläubiger keinen Anspruch auf Zahlung vor dem nächsten Tag, der ein Geschäftstag ist, und sind nicht berechtigt, weitere Zinsen oder sonstige Zahlungen aufgrund dieser Verspätung zu verlangen.
- (5) *Bezugnahmen auf Kapital und Zinsen.* Bezugnahmen in diesen Anleihebedingungen auf Kapital der Schuldverschreibungen schließen, soweit anwendbar, die folgenden Beträge ein: den Betrag, zu dem die Schuldverschreibungen gemäß § 5 zurückzuzahlen sind sowie sonstige auf oder in Bezug auf die Schuldverschreibungen

credit to the accounts of the relevant account holders of the Clearing System outside the United States.

- (b) *Payment of Interest.* Payment of interest on Notes shall be made in accordance with § 6(2) to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System.

Payment of interest on Notes represented by the Temporary Global Note shall be made in accordance with § 6(2) to the Clearing System or to its order for credit to the accounts of the relevant account holders of the Clearing System, upon due certification as provided in § 2(3)(b).

- (2) *Manner of Payment.* Subject to applicable fiscal and other laws and regulations, payments of amounts due in respect of the Notes shall be made in the Specified Currency.
- (3) *Discharge.* The Issuer shall be discharged by payment to, or to the order of, the Clearing System.
- (4) *Payment Day.* If the due date for payment of any principal and/or interest in respect of any Note is not a Business Day then the Noteholders shall not be entitled to payment until the next day which is a Business Day and shall not be entitled to further interest or other payment in respect of such delay.
- (5) *References to Principal and Interest.* References in these Terms and Conditions to principal in respect of the Notes shall be deemed to include, as applicable, the following amounts: the amount at which the Notes are redeemed pursuant to § 5 and any other amounts which may be payable under or in respect of the Notes. References in these

zahlbaren Beträge. Bezugnahmen in diesen Anleihebedingungen auf Zinsen auf Schuldverschreibungen schließen, soweit anwendbar, sämtliche gemäß § 7 zahlbaren Zusätzlichen Beträge ein.

§ 7 Steuern

- (1) *Zusätzliche Beträge.* Sämtliche auf die Schuldverschreibungen zu zahlenden Beträge sind ohne Einbehalt oder Abzug von oder aufgrund von gegenwärtigen oder zukünftigen Steuern oder sonstigen Abgaben gleich welcher Art zu leisten, die von oder im Namen eines Landes, in dem die Emittentin gegründet wurde, geschäftstätig, steuerlich ansässig oder grundsätzlich mit ihren Nettoeinkünften steuerpflichtig ist oder über das oder aus dem Zahlungen auf die Schuldverschreibungen geleistet werden, oder einer steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde dieses Landes (jeweils eine **“Maßgebliche Steuerjurisdiktion”**) auferlegt oder erhoben werden, es sei denn, dieser Einbehalt oder Abzug ist gesetzlich vorgeschrieben. Wenn die Emittentin gesetzlich zu einem solchen Einbehalt oder Abzug verpflichtet ist, wird die Emittentin diejenigen zusätzlichen Beträge (die **“Zusätzlichen Beträge”**) zahlen, die erforderlich sind, damit die den Anleihegläubigern zufließenden Nettobeträge nach diesem Einbehalt oder Abzug jeweils den Beträgen entsprechen, die ohne einen solchen Einbehalt oder Abzug von den Anleihegläubigern empfangen worden wären; die Verpflichtung zur Zahlung solcher Zusätzlichen Beträge besteht jedoch nicht im Hinblick auf Steuern und Abgaben, die:
- (a) von einer als Depotbank oder Inkassobeauftragter des Anleihegläubigers handelnden Person oder sonst auf andere Weise zu entrichten sind als dadurch, dass die Emittentin aus den von ihr zu leistenden Zahlungen von Kapital oder Zinsen einen Abzug oder Einbehalt vornimmt;
- (b) wegen einer gegenwärtigen oder früheren persönlichen oder geschäftlichen Beziehung des

Terms and Conditions to interest in respect of the Notes shall be deemed to include, as applicable, any Additional Amounts which may be payable under § 7.

§ 7 Taxation

- (1) *Additional Amounts.* All amounts payable in respect of the Notes shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by way of withholding or deduction by or on behalf of any jurisdiction in which the Issuer is organised, engaged in business, resident for tax purposes or generally subject to tax on a net income basis or through or from which payment on the Notes is made or any political subdivision or any authority thereof or therein having power to tax (each, a **“Relevant Taxing Jurisdiction”**). If Issuer is required by law to make such withholding or deduction, the Issuer shall pay such additional amounts (the **“Additional Amounts”**) as shall be necessary in order that the net amounts received by the Noteholders, after such withholding or deduction shall equal the respective amounts of principal and interest which would otherwise have been receivable in the absence of such withholding or deduction; except that no such Additional Amounts shall be payable on account of any taxes or duties which:
- (a) are payable by any person acting as custodian bank or collecting agent on behalf of a Noteholder, or otherwise in any manner which does not constitute a deduction or withholding by the Issuer from payments of principal or interest made by it;
- (b) are payable by reason of the Noteholder having, or having had, some personal or business connection with the Relevant

Anleihegläubigers zu der Maßgeblichen Steuerjurisdiktion zu zahlen sind, und nicht allein deshalb, weil Zahlungen auf die Schuldverschreibungen aus Quellen in der Maßgeblichen Steuerjurisdiktion stammen (oder für Zwecke der Besteuerung so behandelt werden) oder dort besichert sind;

- (c) aufgrund (i) einer Richtlinie oder Verordnung der Europäischen Union betreffend die Besteuerung von Zinserträgen oder (ii) einer zwischenstaatlichen Vereinbarung über deren Besteuerung, an der die Maßgebliche Steuerjurisdiktion oder die Europäische Union beteiligt ist, oder (iii) einer gesetzlichen Vorschrift, die diese Richtlinie, Verordnung oder Vereinbarung umsetzt oder befolgt, abzuziehen oder einzubehalten sind;
- (d) wegen einer Rechtsänderung zu zahlen sind, welche später als 30 Tage nach Fälligkeit der betreffenden Zahlung von Kapital oder Zinsen oder, wenn dies später erfolgt, ordnungsgemäßer Bereitstellung aller fälligen Beträge und einer diesbezüglichen Bekanntmachung gemäß § 11 wirksam wird;
- (e) durch die Erfüllung von gesetzlichen Anforderungen oder durch die Vorlage einer Nichtansässigkeitserklärung oder durch die sonstige Geltendmachung eines Anspruchs auf Befreiung gegenüber der betreffenden Steuerbehörde vermeidbar sind oder gewesen wären;
- (f) abgezogen oder einbehalten werden, weil der wirtschaftliche Eigentümer der Schuldverschreibungen nicht selbst rechtlicher Eigentümer (Gläubiger) der Schuldverschreibungen ist und der Abzug oder Einbehalt bei Zahlungen an den wirtschaftlichen Eigentümer nicht erfolgt wäre oder eine Zahlung Zusätzlicher Beträge bei einer Zahlung an den wirtschaftlichen Eigentümer nach Maßgabe der vorstehenden Regelungen hätte vermieden werden können, wenn dieser zugleich rechtlicher Eigentümer (Gläubiger) der

Taxing Jurisdiction and not merely by reason of the fact that payments in respect of the Notes are, or for purposes of taxation are deemed to be, derived from sources in, or are secured in, the Relevant Taxing Jurisdiction;

- (c) are withheld or deducted pursuant to (i) any European Union directive or regulation concerning the taxation of interest income, or (ii) any international treaty or understanding relating to such taxation and to which the Relevant Taxing Jurisdiction or the European Union is a party, or (iii) any provision of law implementing, or complying with, or introduced to conform with, such Directive, Regulation, treaty or understanding;
- (d) are payable by reason of a change in law that becomes effective more than 30 days after the relevant payment becomes due, or is duly provided for and notice thereof is published in accordance with § 11, whichever occurs later;
- (e) are avoidable or would have been avoidable through compliance with statutory requirements or through the submission of a declaration of non-residence or by otherwise enforcing a claim for exemption at the relevant tax authority;
- (f) are deducted or withheld because the beneficial owner of the Notes is not itself their legal owner (creditor) and no deduction or withholding would have been made from payments to the beneficial owner, or payment of any Additional Amounts could have been avoided by making payment to the beneficial owner in accordance with the above provisions if such beneficial owner had also been the legal owner (creditor) of the Notes; or

Schuldverschreibungen gewesen wäre;
oder

- (g) aufgrund der Vorschriften in Bezug auf Abschnitte 1471-1474 des US Bundessteuergesetzes von 1986 (“**Internal Revenue Code**”), einer in Abschnitt 1471(b) des Internal Revenue Code beschriebenen Vereinbarung oder anderweitig aufgrund eines Gesetzes zur Umsetzung zwischenstaatlicher Vertragswerke in Bezug auf diese abgezogen oder einbehalten werden.
- (2) *Andere Steuerrechtsordnung.* Falls die Emittentin zu irgendeinem Zeitpunkt einer anderen Steuerrechtsordnung als der gegenwärtig maßgeblichen Steuerrechtsordnung der Emittentin oder einer zusätzlichen Steuerrechtsordnung unterworfen wird, sollen die Bezugnahmen in diesem § 7 auf die Rechtsordnung der Emittentin als Bezugnahmen auf die Rechtsordnung der Emittentin und/oder diese anderen Rechtsordnungen gelesen und ausgelegt werden.

§ 8 Vorlegungsfrist

Die in § 801 Absatz 1 Satz 1 Bürgerliches Gesetzbuch bestimmte Vorlegungsfrist wird für die Schuldverschreibungen auf zehn Jahre verkürzt.

§ 9 Zahlstellen

- (1) *Hauptzahlstelle.* Die Hauptzahlstelle (die “**Hauptzahlstelle**”) ist:
BNP Paribas Securities Services, Luxembourg Branch
60, avenue JF Kennedy
L-1855 Luxemburg
- (2) *Erfüllungsgehilfen der Emittentin.* Die Hauptzahlstelle handelt ausschließlich als Beauftragte der Emittentin und übernimmt keine Verpflichtungen gegenüber den Anleihegläubigern; es wird kein Vertrags-, Auftrags- oder Treuhandverhältnis zwischen ihr und den Anleihegläubigern begründet.
- (3) *Ersetzung von Hauptzahlstelle.* Die Emittentin

- (g) are deducted or withheld in respect of sections 1471-1474 of the US Internal Revenue Code of 1986 (“**Internal Revenue Code**”), any agreements described in Section 1471(b) of the Internal Revenue Code, or under any law implementing an intergovernmental approach to any of the foregoing.

- (2) *Other Tax Jurisdiction.* If at any time the Issuer becomes subject to any taxing jurisdiction other than, or in addition to, the currently relevant taxing jurisdiction of the Issuer, references in this § 7 to the jurisdiction of the Issuer shall be read and construed as references to the jurisdiction of the Issuer and/or to such other jurisdiction(s).

§ 8 Term of Presentation

The presentation period of the Notes provided in § 801 paragraph 1 sentence 1 of the German Civil Code (*Bürgerliches Gesetzbuch*) is reduced to ten years.

§ 9 Paying Agents

- (1) *Principal Paying Agent.* Principal paying agent (the “**Principal Paying Agent**”) shall be:
BNP Paribas Securities Services, Luxembourg Branch
60, avenue JF Kennedy
L-1855 Luxemburg
- (2) *Agents of the Issuer.* The Principal Paying Agent acts solely as agent of the Issuer and does not assume any obligations towards or relationship of contract, agency or trust for or with any of the Noteholders.
- (3) *Replacement of Principal Paying Agent.* The

behält sich das Recht vor, jederzeit eine weitere Zahlstelle (gemeinsam mit der Hauptzahlstelle, die “Zahlstellen”, und jede eine “Zahlstelle”) oder eine andere Zahlstelle zu beauftragen oder eine solche Beauftragung zu beenden und zusätzliche oder Nachfolge-Zahlstellen zu ernennen. Den Anleihegläubigern werden Änderungen in Bezug auf die Zahlstellen oder ihre jeweils angegebenen Geschäftsstellen unverzüglich gemäß § 11 mitgeteilt.

§ 10

Begebung weiterer Schuldverschreibungen, Entwertung

- (1) *Begebung weiterer Schuldverschreibungen.* Die Emittentin ist berechtigt, jederzeit ohne Zustimmung der Anleihegläubiger weitere Schuldverschreibungen mit gleicher Ausstattung (mit Ausnahme des Tags der Begebung, des Verzinsungsbeginns und/oder des Ausgabekurses) in der Weise zu begeben, dass sie mit diesen Schuldverschreibungen eine einheitliche Serie bilden.
- (2) *Entwertung.* Sämtliche vollständig zurückgezahlten Schuldverschreibungen sind unverzüglich zu entwerten und können nicht wiederbegeben oder wiederverkauft werden.

§ 11

Mitteilungen

- (1) *Bekanntmachungen.* Die Schuldverschreibungen betreffende Bekanntmachungen werden im Bundesanzeiger veröffentlicht; solange die Schuldverschreibungen auf der offiziellen Liste der Luxemburger Börse notiert und zum Handel am regulierten Markt der Luxemburger Börse zugelassen sind, erfolgen darüber hinaus mit Ausnahme der in § 14 vorgesehenen Bekanntmachungen, die ausschließlich gemäß den Bestimmungen des SchVG erfolgen, alle die Schuldverschreibungen betreffenden Mitteilungen durch elektronische Publikation auf der Internetseite der Luxemburger Börse (www.bourse.lu). Jede derartige Mitteilung gilt am dritten Tag nach dem Tag der Veröffentlichung (oder bei mehreren Veröffentlichungen am dritten Kalendertag nach dem Tag der ersten solchen

Issuer reserves the right at any time to appoint an additional paying agent (together with the Principal Paying Agent, the “Paying Agents”, and each a “Paying Agent”) or to vary or terminate the appointment of any Paying Agent and to appoint successor or additional Paying Agents. Notice of any change in the Paying Agents or in the specified office of any Paying Agent will be given without undue delay to the Noteholders in accordance with § 11.

§ 10

Further Issues, Cancellation

- (1) *Further Issues.* The Issuer may from time to time, without the consent of the Noteholders, issue further notes having the same terms and conditions as the Notes in all respects (except for the issue date, the interest commencement date and/or the issue price) so as to form a single series with the Notes.
- (2) *Cancellation.* All Notes redeemed in full shall be cancelled forthwith and may not be reissued or resold.

§ 11

Notices

- (1) *Publication.* All notices concerning the Notes shall be published in the Federal Gazette (*Bundesanzeiger*) and in addition, for as long as Notes are listed on the official list of and admitted to trading on the regulated market of the Luxembourg Stock Exchange, all notices concerning the Notes, other than any notices stipulated in § 14 which shall be made exclusively pursuant to the provisions of the SchVG, shall be made by means of electronic publication on the website of the Luxembourg Stock Exchange (www.bourse.lu). Any such notice shall be deemed to have been given to the Noteholders on third day following the date of such publication (or, if published more than once, on the third day following the date of the first of such publications).

Veröffentlichung) als wirksam erfolgt.

- (2) *Mitteilungen an das Clearingsystem.* Solange die Schuldverschreibungen an der Luxemburger Börse notieren, gilt § 11(1). Soweit die Regeln der Luxemburger Börse es zulassen, kann die Emittentin die relevante Mitteilung betreffend die Schuldverschreibungen auch an das Clearingsystem zur Weiterleitung an die Anleihegläubiger übermitteln. Jede derartige Mitteilung gilt als den Anleihegläubigern mitgeteilt, sobald diese Mitteilung an das Clearingsystem zur Weiterleitung an die Anleihegläubiger übermittelt wurde.
- (3) *Form der Mitteilung der Anleihegläubiger.* Mitteilungen, die von einem Anleihegläubiger gemacht werden, müssen in Textform erfolgen und zusammen mit dem Nachweis seiner Inhaberschaft gemäß § 15(3) an die Zahlstelle geleitet werden. Eine solche Mitteilung kann von einem Anleihegläubiger an die Zahlstelle über das Clearing System in der von der Zahlstelle und dem Clearing System dafür vorgesehenen Weise erfolgen.

§ 12 Ersetzung

- (1) *Ersetzung.* Die Emittentin ist jederzeit berechtigt, ohne Zustimmung der Anleihegläubiger eine Tochtergesellschaft der Emittentin als neue Anleiheschuldnerin für alle sich aus oder im Zusammenhang mit den Schuldverschreibungen ergebenden Verpflichtungen mit schuldbefreiender Wirkung für die Emittentin an die Stelle der Emittentin zu setzen (die “**Neue Anleiheschuldnerin**”), sofern
- (a) die Neue Anleiheschuldnerin alle Verpflichtungen der Emittentin in Bezug auf die Schuldverschreibungen übernimmt;
- (b) die Neue Anleiheschuldnerin sämtliche für die Schuldnerersetzung und die Erfüllung der Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen erforderlichen Genehmigungen und Zustimmungen erhalten hat;
- (c) die Neue Anleiheschuldnerin berechtigt

- (2) *Notification to Clearing System.* So long as any Notes are listed on the Luxembourg Stock Exchange, § 11(1) shall apply. If the Rules of the Luxembourg Stock Exchange so permit, the Issuer may deliver the relevant notice concerning the Notes also to the Clearing System for communication by the Clearing System to the Noteholders. Any such notice shall be deemed to have been given to the Noteholders when such notice is sent to the Clearing Systems for publication to the Noteholders.
- (3) *Form of Notice of Noteholders.* Notices to be given by any Noteholder shall be made by means of a declaration in textform to be delivered together with an evidence of the Noteholder's entitlement in accordance with § 15(3) to the Paying Agent. Such notice may be given through the Clearing System in such manner as the Paying Agent and the Clearing System may approve for such purpose.

§ 12 Substitution

- (1) *Substitution.* The Issuer may at any time, without the consent of the Noteholders, substitute for the Issuer any Subsidiary of the Issuer as substitute debtor (the “**Substitute Debtor**”) in respect of all obligations arising under or in connection with the Notes, with the effect of releasing the Issuer of all such obligations, if:
- (a) the Substitute Debtor assumes all obligations of the Issuer in respect of the Notes;
- (b) the Substitute Debtor has obtained all authorisations and approvals necessary for the substitution and the fulfilment of the obligations arising under or in connection with the;
- (c) the Substitute Debtor may transfer to

ist, an die Hauptzahlstelle die zur Erfüllung der Zahlungsverpflichtungen auf die Schuldverschreibungen zu zahlenden Beträge in der hierin festgelegten Währung zu zahlen, und zwar ohne Abzug oder Einbehalt von Steuern oder sonstigen Abgaben jedweder Art, die von dem Land (oder den Ländern), in dem (in denen) die Neue Anleiheschuldnerin ihren Sitz oder Steuersitz hat, auferlegt, erhoben oder eingezogen werden;

- (d) die Neue Anleiheschuldnerin sich verpflichtet hat, die Anleihegläubiger hinsichtlich solcher Steuern, Abgaben oder behördlicher Gebühren freizustellen, die den Anleihegläubigern bezüglich der Ersetzung auferlegt werden;
- (e) die Emittentin unwiderruflich und unbedingt gegenüber den Anleihegläubigern (i) die Zahlung aller von der Neuen Anleiheschuldnerin auf die Schuldverschreibungen zahlbaren Beträge zu Bedingungen garantiert, die die Anleihegläubiger wirtschaftlich in eine Position versetzt, die zumindest der Position entspricht, die Anleihegläubiger ohne Ersetzung innegehabt hätten, und (ii) eine Negativverpflichtung nach Form und Inhalt entsprechend der Negativverpflichtung in § 3(2) abgibt;
- (f) jede Wertpapierbörse, an der die Schuldverschreibungen zugelassen sind, bestätigt hat, dass nach der vorgesehenen Ersetzung durch die Neue Anleiheschuldnerin diese Schuldverschreibungen weiterhin an dieser Wertpapierbörse zugelassen sind; und
- (g) der Hauptzahlstelle jeweils ein Rechtsgutachten bezüglich der betroffenen Rechtsordnungen von anerkannten Rechtsanwälten vorgelegt wird, das bestätigt, dass die Bestimmungen in den vorstehenden Unterabsätzen (a), (b), (c) und (e) erfüllt wurden.

the Principal Paying Agent in the currency required hereunder and without being obligated to deduct or withhold any taxes or other duties of whatever nature imposed, levied or deducted by the country (or countries) in which the Substitute Debtor has its domicile or tax residence all amounts required for the performance of the payment obligations arising from or in connection with the Notes;

- (d) the Substitute Debtor has agreed to indemnify the Noteholders against such taxes, duties or governmental charges as may be imposed on the Noteholders in connection with the substitution;
- (e) the Issuer irrevocably and unconditionally (i) guarantees such obligations of the Substitute Debtor under the Notes on terms which ensure that each Noteholder will be put in an economic position that is at least as favourable as that which would have existed if the substitution had not taken place, and (ii) issues a negative pledge in form and substance substantially equal to the negative pledge set out in § 3(2);
- (f) each stock exchange on which the Notes are listed shall have confirmed that, following the proposed substitution of the Substitute Debtor, such Notes will continue to be listed on such stock exchange; and
- (g) there shall have been delivered to the Principal Paying Agent an opinion or opinions of lawyers of recognised standing to the effect that subparagraphs (a), (b), (c) and (e) above have been satisfied.

- (2) *Bezugnahmen.* Im Fall einer Schuldnerersetzung nach Maßgabe von § 12(1) gilt jede Bezugnahme in diesen Anleihebedingungen auf die Emittentin als eine solche auf die Neue Anleiheschuldnerin.

Klarstellend sei erwähnt, dass dies nur gilt, soweit sich nicht aus Sinn und Zweck der jeweiligen Bedingung ergibt, dass die Bezugnahme entweder weiterhin nur auf die BayWa AG erfolgen soll, oder dass die Bezugnahme auf die Neue Anleiheschuldnerin und gleichzeitig auch auf die BayWa AG im Hinblick auf deren Verpflichtungen aus der Garantie gemäß § 12(1)(e) erfolgen soll.

Insbesondere gilt im Fall einer Ersetzung Folgendes:

- (i) in § 5(4) gilt die Bezugnahme auf die Emittentin als Bezugnahme auf die BayWa AG und nicht auf die Neue Anleiheschuldnerin;
- (ii) in der Definition “Maßgebliche Steuerjurisdiktion” gilt eine zusätzliche Bezugnahme auf das Land, in dem die BayWa AG gegründet wurde, geschäftstätig, steuerlich ansässig oder grundsätzlich mit ihren Nettoeinkünften steuerpflichtig ist oder über das oder aus dem Zahlungen auf die Garantie nach § 12(1)(e) geleistet werden, oder einer steuererhebungsberechtigten Gebietskörperschaft oder Steuerbehörde dieses Landes, als aufgenommen (zusätzlich zu der Bezugnahme die Neue Anleiheschuldnerin);
- (iii) § 13(1)(c) bis (f) gilt eine alternative Bezugnahme auf die BayWa AG in ihrer Eigenschaft als Garantin als aufgenommen (zusätzlich zu der Bezugnahme auf die Nachfolgeschuldnerin) sowie das Recht jedes Anleihegläubigers, seine Schuldverschreibungen fällig zu stellen und deren sofortige Rückzahlung zu ihrem Nennbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen, zu verlangen, falls die Garantie ungültig wird oder nicht mehr rechtsverbindlich ist.

- (3) *Mitteilung und Wirksamwerden der Ersetzung.*

- (2) *References.* In the event of a substitution pursuant to § 12(1), any reference in these Terms and Conditions to the Issuer shall be a reference to the Substitute Debtor.

For the avoidance of doubt this shall apply only to the extent that the meaning and purpose of the relevant condition requires that the relevant reference shall continue to be a reference only to BayWa AG, or that the reference shall be to the Substitute Debtor and BayWa AG, in relation to its obligations under the guarantee in accordance with § 12(1)(e), at the same time.

In particular, in the event of such substitution the following shall apply:

- (i) in § 5(4) the reference to the Issuer shall be deemed as a reference to BayWa AG and not to the Substitute Debtor;
- (ii) in the definition “Relevant Taxing Jurisdiction” an additional reference to the jurisdiction in which BayWa AG is organised, engaged in business, resident for tax purposes or generally subject to tax on a net income basis or through or from which payment on the guarantee pursuant to § 12(1)(e) is made or any political subdivision or any authority thereof or therein having power to tax shall be deemed to have been included in addition to the reference to the the Substitute Debtor;
- (iii) in § 13(1)(c) to (f) an alternative reference to BayWa AG in its capacity as guarantor shall be deemed to have been included in addition to the reference to the Substitute Debtor and each Noteholder shall have the right to declare its Notes due and to demand immediate redemption thereof at their principal amount, together with accrued interest (if any) to the date of repayment, in the event that the guarantee ceases to be valid or legally binding.

- (3) *Notice and Effectiveness of Substitution.*

Die Ersetzung der Emittentin ist gemäß § 11 mitzuteilen. Mit der Mitteilung der Ersetzung wird die Ersetzung wirksam und die Emittentin (und im Falle einer wiederholten Anwendung dieses § 12 jede frühere Neue Anleiheschuldnerin) von ihren sämtlichen Verpflichtungen aus oder im Zusammenhang mit den Schuldverschreibungen frei. Im Falle einer solchen Ersetzung werden die Wertpapierbörsen informiert, an denen die Schuldverschreibungen notiert sind.

§ 13

Kündigungsgründe

- (1) *Kündigungsgründe.* Jeder Anleihegläubiger ist berechtigt, seine Schuldverschreibung zu kündigen und deren sofortige Rückzahlung zu ihrem Nennbetrag, zuzüglich etwaiger bis zum Tage der Rückzahlung aufgelaufener Zinsen zu verlangen, falls:
- (a) die Emittentin Kapital oder Zinsen nicht innerhalb von 10 Geschäftstagen nach dem betreffenden Fälligkeitstag zahlt; oder
 - (b) die Emittentin die ordnungsgemäße Erfüllung einer anderen Verpflichtung aus den Schuldverschreibungen unterlässt und diese Unterlassung nicht geheilt werden kann oder, falls sie geheilt werden kann, länger als 15 Geschäftstage fort dauert, nachdem die Hauptzahlstelle hierüber eine Benachrichtigung von einem Anleihegläubiger erhalten hat; oder
 - (c) (i) eine gegenwärtige oder zukünftige Zahlungsverpflichtung im Zusammenhang mit einer Finanzverbindlichkeit der Emittentin oder einer Tochtergesellschaft wird aufgrund des Vorliegens einer Nichterfüllung oder eines Verzuges vorzeitig fällig gestellt oder anderweitig vorzeitig fällig; oder
 - (ii) eine solche Finanzverbindlichkeit der Emittentin oder einer Tochtergesellschaft wird bei Fälligkeit oder innerhalb der zutreffenden

Notice of any substitution of the Issuer shall be given by publication in accordance with § 11. Upon such publication, the substitution shall become effective, and the Issuer and, in the event of a repeated application of this § 12, any previous Substitute Debtor shall be discharged from any and all obligations under or in connection with the Notes. In the case of such substitution, the stock exchange(s), if any, on which the Notes are then listed will be notified.

§ 13

Events of Default

- (1) *Events of default.* Each Noteholder shall be entitled to declare his Notes due and demand immediate redemption thereof at their principal amount, together with accrued interest (if any) to the date of repayment, in the event that:
- (a) the Issuer fails to pay principal or interest within 10 Business Days from the relevant due date, or
 - (b) the Issuer fails duly to perform any other obligation arising from the Notes which failure is not capable of remedy or, if such failure is capable of remedy, such failure continues for more than 15 Business Days after the Principal Paying Agent has received notice thereof from a Noteholder, or
 - (c) (i) any present or future Financial Indebtedness of the Issuer or any Subsidiary for or in respect of monies borrowed or raised is declared to be or otherwise becomes due and payable prior to its stated maturity as a result of any default (however described); or
 - (ii) any such Financial Indebtedness of the Issuer or any Subsidiary is not paid when due or within any applicable grace period, as the case may be; or

Nachfrist nicht erfüllt; oder

- (iii) die Emittentin oder eine Tochtergesellschaft zahlt einen Betrag, der aus einer bestehenden oder zukünftigen Garantie oder Gewährleistung im Zusammenhang mit einer Finanzverbindlichkeit zu zahlen ist, bei Fälligkeit oder innerhalb der zutreffenden Nachfrist nicht,

es sei denn, der Gesamtbetrag aller dieser Zahlungsverpflichtungen unterschreitet € 20.000.000 (oder den entsprechenden Gegenwert in einer oder mehreren anderen Währung(en)); oder

- (d) die Emittentin oder eine Tochtergesellschaft den gesamten oder einen wesentlichen Teil ihres Geschäftsbetriebs einstellt oder alle oder einen wesentlich Teil ihrer Vermögenswerte verkauft oder anderweitig veräußert und dadurch (i) die Emittentin den Wert ihrer Vermögenswerte erheblich reduziert und (ii) es aus diesem Grund wahrscheinlicher wird, dass die Emittentin ihren Zahlungsverpflichtungen aus den Schuldverschreibungen nicht nachkommen kann; oder
- (e) die Emittentin oder eine Tochtergesellschaft ihre Zahlungsunfähigkeit bekanntgibt oder ihre Zahlungen einstellt; oder
- (f) ein zuständiges Gericht ein Insolvenzverfahren gegen die Emittentin oder eine Wesentliche Tochtergesellschaft eröffnet, oder die Emittentin oder eine Wesentliche Tochtergesellschaft ein solches Verfahren einleitet oder beantragt, oder ein Dritter ein Insolvenzverfahren gegen die Emittentin oder eine Wesentliche Tochtergesellschaft beantragt und ein solches Verfahren nicht innerhalb einer Frist von 50 Geschäftstagen aufgehoben oder ausgesetzt worden ist; oder
- (g) die Emittentin in Liquidation tritt, es sei

- (iii) the Issuer or any Subsidiary fails to pay when due or within any applicable grace period, as the case may be, any amount payable by it under any present or future guarantee or indemnity for any Financial Indebtedness,

unless in each case the aggregate amount of all such indebtedness is less than € 20,000,000 (or its equivalent in any other currency or currencies); or

- (d) the Issuer or a Subsidiary ceases all or substantially all of its business operations or sells or otherwise disposes of all or a material part of its assets and thus (i) the Issuer materially reduces the value of its assets and (ii) for this reason it becomes likely that the Issuer may not fulfil its payment obligations under the Notes; or
- (e) the Issuer or any Subsidiary announces its inability to meet its financial obligations or ceases its payments; or
- (f) a competent court opens insolvency proceedings against the Issuer or any Material Subsidiary or the Issuer or any Material Subsidiary applies for or institutes such proceedings or offers, or a third party applies for insolvency proceedings against the Issuer or any Material Subsidiary and such proceedings are not discharged or stayed within 50 Business Days, or
- (g) the Issuer goes into liquidation unless

denn, dies geschieht im Zusammenhang mit einer Verschmelzung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft und diese Gesellschaft übernimmt alle Verpflichtungen der Emittentin im Zusammenhang mit den Schuldverschreibungen; oder

- (h) in der Bundesrepublik Deutschland ein Gesetz, eine Verordnung oder behördliche Anordnung Geltung erlangt, durch welche die Emittentin rechtlich gehindert ist, die von ihr gemäß diesen Anleihebedingungen übernommenen Verpflichtungen zu erfüllen.

Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechts geheilt wurde.

- (2) *Kündigungserklärung.* Eine Kündigung der Schuldverschreibungen gemäß § 13(1) ist in Textform in deutscher oder englischer Sprache gegenüber der Hauptzahlstelle zu erklären und an deren bezeichnete Geschäftsstelle zu übermitteln. Der Benachrichtigung ist ein Nachweis beizufügen, aus dem sich ergibt, dass der betreffende Anleihegläubiger zum Zeitpunkt der Abgabe der Benachrichtigung Inhaber der betreffenden Schuldverschreibung ist. Der Nachweis kann durch eine Bescheinigung der Depotbank oder auf andere geeignete Weise erbracht werden.

§ 14

Änderung der Anleihebedingungen, Gemeinsamer Vertreter

- (1) *Änderung der Anleihebedingungen.* Die Anleihegläubiger können entsprechend den Bestimmungen des Gesetzes über Schuldverschreibungen aus Gesamtemissionen (“**SchVG**”) durch einen Beschluss mit der in § 14(2) bestimmten Mehrheit über einen im SchVG zugelassenen Gegenstand eine Änderung der Anleihebedingungen mit der Emittentin vereinbaren. Die Mehrheitsbeschlüsse der Anleihegläubiger sind für alle Anleihegläubiger gleichermaßen verbindlich. Ein Mehrheitsbeschluss der Anleihegläubiger, der nicht gleiche Bedingungen für alle Anleihegläubiger

this is done in connection with a merger or other form of combination with another company and such company assumes all obligations of the Issuer in connection with the Notes; or

- (h) any governmental order, decree or enactment shall gain recognition in the Federal Republic of Germany whereby the Issuer is legally prevented from performing its obligations as set forth in these Terms and Conditions.

The right to declare Notes due shall terminate if the situation giving rise to it has been cured before the right is exercised.

- (2) *Termination notice.* Any notice declaring Notes due in accordance with § 13(1) shall be made by means of a declaration in text form in the German or English language delivered to the specified office of the Principal Paying Agent together with proof that such Noteholder at the time of such notice is a holder of the relevant Notes by means of a certificate of his custodian or in other appropriate manner.

§ 14

Amendments to the Terms and Conditions, Holders' Representative

- (1) *Amendment to the Terms and Conditions.* In accordance with the German Act on Issues of Debt Securities (*Gesetz über Schuldverschreibungen aus Gesamtemissionen* – “**SchVG**”), the Noteholders may agree with the Issuer on amendments to the Terms and Conditions with regard to matters permitted by the SchVG by resolution with the majority specified in § 14(2). Majority resolutions of the Noteholders shall be binding on all Noteholders. A majority resolution of the Noteholders which does not provide for identical conditions for all Noteholders is void, unless Noteholders who are disadvantaged

- vorsieht, ist unwirksam, es sei denn, die benachteiligten Anleihegläubiger stimmen ihrer Benachteiligung ausdrücklich zu.
- (2) *Mehrheitserfordernisse.* Die Anleihegläubiger entscheiden mit einer Mehrheit von 75% der an der Abstimmung teilnehmenden Stimmrechte. Beschlüsse, durch welche der wesentliche Inhalt der Anleihebedingungen nicht geändert wird und die keinen Gegenstand des § 5(3), Nr. 1 bis Nr. 9 SchVG betreffen, bedürfen zu ihrer Wirksamkeit einer einfachen Mehrheit der an der Abstimmung teilnehmenden Stimmrechte.
- (3) *Abstimmung ohne Versammlung.* Alle Abstimmungen werden ausschließlich im Wege der Abstimmung ohne Versammlung durchgeführt. Eine Gläubigerversammlung und eine Übernahme der Kosten für eine solche Versammlung durch die Emittentin findet ausschließlich im Fall des § 18(4) Satz 2 SchVG statt.
- (4) *Leitung der Abstimmung.* Die Abstimmung wird von einem von der Emittentin beauftragten Notar oder, falls der Gemeinsame Vertreter zur Abstimmung aufgefordert hat, vom Gemeinsamen Vertreter geleitet.
- (5) *Stimmrecht.* An Abstimmungen der Anleihegläubiger nimmt jeder Anleihegläubiger nach Maßgabe des Nennwerts oder des rechnerischen Anteils seiner Berechtigung an den ausstehenden Schuldverschreibungen teil.
- (6) *Gemeinsamer Vertreter.* Die Anleihegläubiger können durch Mehrheitsbeschluss zur Wahrnehmung ihrer Rechte einen gemeinsamen Vertreter (der **“Gemeinsame Vertreter”**) für alle Anleihegläubiger bestellen. Der Gemeinsame Vertreter hat die Aufgaben und Befugnisse, welche ihm durch Gesetz oder von den Anleihegläubigern durch Mehrheitsbeschluss eingeräumt wurden. Er hat die Weisungen der Anleihegläubiger zu befolgen. Soweit er zur Geltendmachung von Rechten der Anleihegläubiger ermächtigt ist, sind die einzelnen Anleihegläubiger zur selbständigen Geltendmachung dieser Rechte nicht befugt, es sei denn, der Mehrheitsbeschluss sieht dies ausdrücklich vor. Über seine Tätigkeit hat der Gemeinsame
- have expressly consented to their being treated disadvantageously.
- (2) *Majority.* Resolutions shall be passed by a majority of not less than 75% of the votes cast. Resolutions relating to amendments of the Terms and Conditions which are not material and which do not relate to the matters listed in § 5(3), nos. 1 to 9 SchVG require a simple majority of the votes cast.
- (3) *Vote without a meeting.* All votes will be taken exclusively by vote taken without a meeting. A meeting of Noteholders and the assumption of the fees by the Issuer for such a meeting will only take place in the circumstances of §18(4) sentence 2 SchVG.
- (4) *Chair of the vote.* The vote will be chaired by a notary appointed by the Issuer or, if the Holders' Representative has convened the vote, by the Holders' Representative.
- (5) *Voting rights.* Each Noteholder participating in any vote of the Noteholders shall cast votes in accordance with the principal amount or the notional share of its entitlement to the outstanding Notes.
- (6) *Holdings' Representative.* The Noteholders may by majority resolution appoint a common representative (the **“Holders' Representative”**) to exercise the Noteholders' rights on behalf of each Noteholder. The Noteholders' Representative shall have the duties and powers provided by law or granted by majority resolution of the Noteholders. The Holders' Representative shall comply with the instructions of the Noteholders. To the extent that the Holders' Representative has been authorised to assert certain rights of the Noteholders, the Noteholders shall not be entitled to assert such rights themselves, unless explicitly provided for in the relevant majority resolution. The Holders' Representative shall report to the Noteholders on its activities. The

Vertreter den Anleihegläubigern zu berichten. Für die Abberufung und die sonstigen Rechte und Pflichten des Gemeinsamen Vertreters gelten die Vorschriften des SchVG.

- (7) Die oben aufgeführten auf die Änderung der Anleihebedingungen anwendbaren Bestimmungen finden sinngemäß auf die Bestimmungen einer gemäß § 12(1)(e) gestellten Garantie Anwendung.

§ 15

Anwendbares Recht und Gerichtsstand

- (1) *Anwendbares Recht.* Form und Inhalt der Schuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Emittentin bestimmen sich in jeder Hinsicht nach dem Recht der Bundesrepublik Deutschland.
- (2) *Gerichtsstand.* Nicht ausschließlich zuständig für sämtliche im Zusammenhang mit den Schuldverschreibungen entstehenden Klagen oder sonstige Verfahren (“**Rechtsstreitigkeiten**”) ist das Landgericht Frankfurt am Main, Bundesrepublik Deutschland. Für Entscheidungen gemäß § 9(2), § 13(3) und § 18(2) SchVG ist gemäß § 9(3) Satz 1 1. Alt. SchVG das Amtsgericht Frankfurt am Main, Bundesrepublik Deutschland zuständig. Für Entscheidungen über die Anfechtung von Beschlüssen der Anleihegläubiger ist gemäß § 20(3) Satz 3 1. Alt. SchVG das Landgericht Frankfurt am Main, Bundesrepublik Deutschland ausschließlich zuständig.
- (3) *Gerichtliche Geltendmachung.* Jeder Anleihegläubiger ist berechtigt, in jedem Rechtsstreit gegen die Emittentin oder in jedem Rechtsstreit, in dem der Anleihegläubiger und die Emittentin Partei sind, seine Rechte aus diesen Schuldverschreibungen im eigenen Namen auf der folgenden Grundlage zu schützen oder geltend zu machen:
- (a) indem er eine Bescheinigung der Depotbank beibringt, bei der er für die Schuldverschreibungen ein Wertpapierdepot unterhält, welche (a) den vollständigen Namen und die vollständige Adresse des

regulations of the SchVG apply with regard to the recall and the other rights and obligations of the Holders’ Representative.

- (7) The provisions set out above applicable to the amendment of the Terms and Conditions shall apply mutatis mutandis to any guarantee given in accordance with § 12(1)(e).

§ 15

Governing Law and Place of Jurisdiction

- (1) *Applicable Law.* The Notes, with regard to both form and content, as well as all rights and obligations of the Noteholders and the Issuer shall in all respects be governed by the laws of the Federal Republic of Germany.
- (2) *Place of Jurisdiction.* The regional court (*Landgericht*) in Frankfurt am Main, Federal Republic of Germany, shall have non-exclusive jurisdiction for any action or other legal proceedings (“**Proceedings**”) arising out of or in connection with the Notes. Pursuant to § 9(3) sentence 1 1st alternative SchVG, the local court (*Amtsgericht*) Frankfurt am Main, Federal Republic of Germany shall have jurisdiction to decide on any matters pursuant to § 9(2), § 13(3) and § 18(2) SchVG. Pursuant to § 20(3) sentence 3 1st alternative SchVG, the regional court (*Landgericht*) Frankfurt am Main, Federal Republic of Germany shall have exclusive jurisdiction to decide on the challenge of resolutions of the Noteholders.
- (3) *Enforcement.* Any Noteholder may in any Proceedings against the Issuer, or to which the Noteholder and the Issuer are parties, protect and enforce in its own name its rights arising under these Notes on the following basis:
- (a) by submitting a certificate issued by its Depository Bank with which he maintains a securities account, which (a) states the full name and address of the Noteholder, (b) specifies the aggregate principal amount of the Notes

Anleihegläubigers enthält, (b) den Gesamtnennbetrag der Schuldverschreibungen bezeichnet, die unter dem Datum der Bestätigung auf dem Wertpapierdepot verbucht sind und (c) bestätigt, dass die Depotbank gegenüber dem Clearing System eine schriftliche Erklärung abgegeben hat, die die vorstehend unter (a) und (b) bezeichneten Informationen enthält; und

- (b) indem er eine Kopie der die betreffenden Schuldverschreibungen verbriefenden Globalurkunde vorlegt, deren Übereinstimmung mit dem Original eine vertretungsberechtigte Person des Clearing Systems oder des Verwahrers des Clearing Systems bestätigt hat, ohne dass eine Vorlage der Originalbelege oder der die Schuldverschreibungen verbriefenden Globalurkunde in einem solchen Verfahren erforderlich wäre.

Für die Zwecke des Vorstehenden bezeichnet **“Depotbank”** jede Bank oder ein sonstiges anerkanntes Finanzinstitut, das berechtigt ist, das Wertpapierverwahrungsgeschäft zu betreiben und bei der/dem der Anleihegläubiger ein Wertpapierdepot für die Schuldverschreibungen unterhält, einschließlich des Clearing Systems. Unbeschadet des Vorstehenden kann jeder Anleihegläubiger seine Rechte aus den Schuldverschreibungen auch auf jede andere Weise schützen oder geltend machen, die im Land der Rechtsstreitigkeit prozessual zulässig ist.

§ 16 Sprache

Diese Anleihebedingungen sind in deutscher Sprache abgefasst. Eine Übersetzung in die englische Sprache ist beigelegt. Der deutsche Text ist bindend und maßgeblich. Die Übersetzung in die englische Sprache ist unverbindlich.

credited on the date of such certificate to such Noteholder's securities account and (c) confirms that the Depository Bank has given a written notice to the Clearing System containing the information pursuant to (a) and (b); and

- (b) by presenting a copy of the relevant Global Note certified by a duly authorized officer of the Clearing System or the depository as being a true copy without any requirement to submit originals of the relevant Global Note.

For the purposes of the foregoing, **“Depository Bank”** means any bank or other financial institution of recognized standing authorized to engage in securities deposit business with which the Noteholder maintains a securities account in respect of the Notes, and includes the Clearing System. Without prejudice to the foregoing, any Noteholder may also protect and enforce its rights arising under these Notes in any other way, which is admitted in the country of the Proceedings.

§ 16 Language

These Terms and Conditions are written in the German language and provided with an English language translation. The German version shall be the only legally binding version. The English language translation is provided for convenience only.

BUSINESS

Overview

The BayWa Group, with BayWa Aktiengesellschaft as the ultimate parent company is a group of trade, services and logistics companies and an integrated solution provider, divided into the three operating segments Agriculture, Energy and Building Materials as well as the Innovation & Digitalisation segment. The Agriculture segment comprises four business units: BayWa Agri Supply & Trade (BAST), Agri Trade & Service, Global Produce and Agricultural Equipment.

Effective January 1, 2018, the domestic marketing activities for the BAST business unit were transferred to the former BayWa Agricultural Sales (BAV) business unit, in order to manage national produce trading in one place from recording through to marketing. As part of this reorganization, the BAV business unit was renamed the Agri Trade & Service business unit. The BAST business unit continues to include the international grain and oilseed trading activities. In addition, the Fruit business was renamed Global Produce effective January 1, 2018. BAST encompasses the BayWa Group's international trading, distribution and logistics activities involving grain, oilseed and additional products, acting as a supply chain manager, covering the entire value chain from procurement and logistics to sale.

The Agri Trade & Services business unit covers all stages of farms' value chains: recording, sales and service. It supplies national farmers with agricultural inputs throughout the entire agricultural year and collects as well as markets the harvest regionally. The Global Produce business unit combines all activities of the Group in the business of fruit and vegetable growing and trading these products.

The full line of machinery, equipment and systems for all areas of agriculture is offered in the Agricultural Equipment business unit. In January 2017, the Agricultural Equipment business unit was reorganized by dividing it into the Agricultural Equipment, CLAAS Affiliated Companies and Special Agricultural Equipment business divisions to better meet the needs of different customer groups and realize growth potential.

The Energy operating segment is divided into the Renewable Energies business unit and the Conventional Energy business unit. Under the BayWa r.e. renewable energy GmbH umbrella, the Group covers the largest part of the value chain in the renewable energies business. Business activities are divided into four areas: project development / implementation, services, photovoltaic trade and energy trade from renewable energy sources. The Conventional Energy business unit comprises an extensive network, which ensures the supply of heating oil, fuels, lubricants and wood pellets to commercial and private customers. Diesel and Otto fuels are sold through numerous filling stations.

The Building Materials segment comprises building materials trading activities, as well as the operation of do-it-yourself (DIY) and garden centers in Austria of the Austrian Group companies. The Innovation & Digitalisation segment, which evolved from the former Digital Farming unit and the Group's e-commerce business activities, develops and provides software solutions and integrated services for enhancing productivity in agriculture.

BayWa Group's business focus is primarily on Europe, but BayWa Group has also established an international trade and procurement network by maintaining important activities in the United States and New Zealand and business relations from Asia to South America. The BayWa Group has registered places of business in approximately 40 countries, either through itself or through Group companies and approximately 18,000 employees.

In the financial year 2018, BayWa Group generated revenues of €16,625.7 million, which represents a year-on-year increase of 3.6% (2017: €16,055.1 million). The BayWa Group's operating result (EBIT) increased by 0.6% to €172.4 million (2017: €171.3 million). Consolidated net income decreased by 18.3% to €54.9 million (2017: €67.2 million).

History, Formation, Company Name, Registered Office and Fiscal Year

BayWa AG is a listed stock corporation (*Aktiengesellschaft*) organized under the laws of Germany. BayWa AG was established in 1923. On January 17, 1923, the banking business was separated from the trading business of the Bayerische Zentral-Darlehenskasse (BZDK), leading to the creation of Bayerische Warenvermittlung landwirtschaftlicher Genossenschaften AG. The BZDK, which had been founded in the late 19th century, already had a few hundred warehouses to its name by 1920. Grain, chemical fertilizers, feedstuff and machinery formed the BZDK's core business focus. However, conditions were deteriorating with each passing day in the wake of WWI. The public sector's creditworthiness suffered as a result of the war's financing. With the situation worsening in 1923, those in charge at the BZDK were forced to act. They separated

the banking business from the trading business to ensure the trading business was no longer subject to financial market risks. The trading organization was separated from the finance business at an extraordinary general meeting on January 17, 1923. The company was recorded in the commercial register on February 16, 1923. Based in Munich, the new company's full name was Bayerische Warenvermittlung landwirtschaftlicher Genossenschaften AG. It soon became known simply as BayWa.

BayWa AG was established for an indefinite period and is recorded in the commercial register of the local court of Munich, Germany (docket number HRB 4921) under its company name BayWa Aktiengesellschaft.

BayWa AG has its registered office in Munich, Germany. Its business address is Arabellastrasse 4, 81925 Munich, Germany. Its telephone number is +49 89/9222-0.

BayWa Group's fiscal year is the calendar year.

General Information about BayWa Group

Share Capital

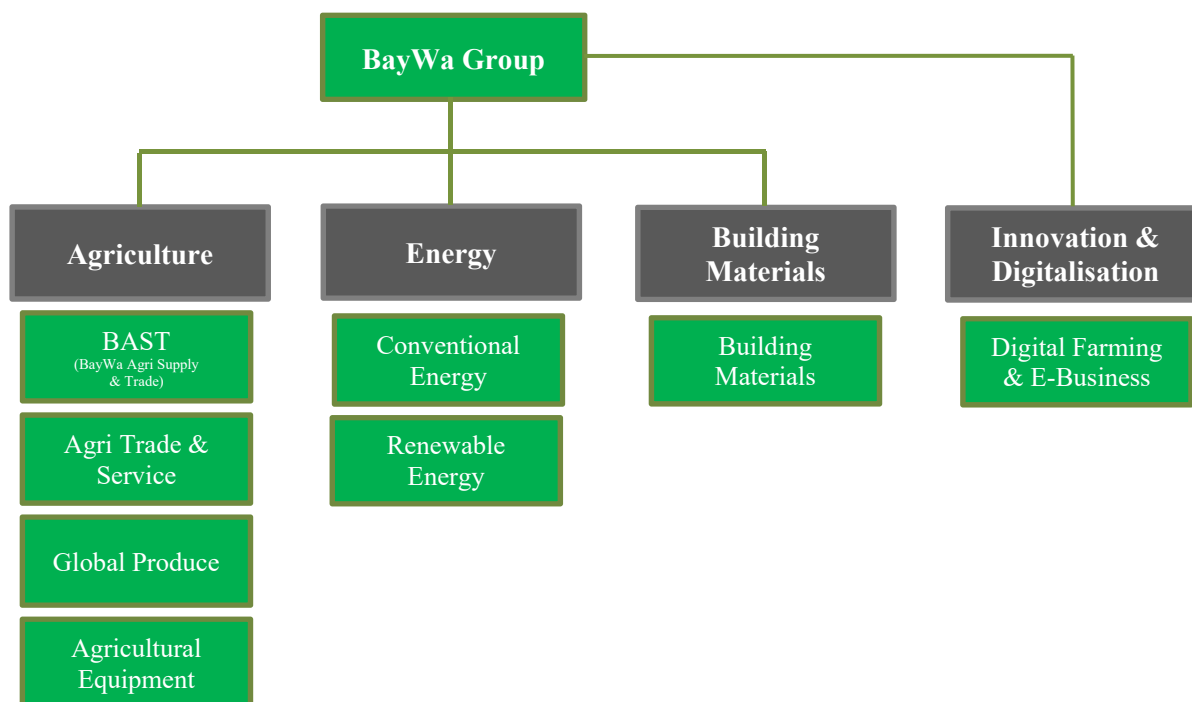
As of the date of this Prospectus, BayWa AG's subscribed capital amounts to €89,954 million (December 31, 2017: €89,583 million) and is divided into 35,138,148 ordinary registered shares. Of the shares issued, 33,769,555 are registered shares with restricted transferability and 125,342 recently registered shares with restricted transferability (*i.e.*, dividend-bearing employee shares from January 1, 2017 onwards). 1,243,251 shares are not registered shares with restricted transferability.

Shareholder Structure

To the knowledge of BayWa AG and based on notifications in accordance with the German Securities Trading Act (*Wertpapierhandelsgesetz, WpHG*), the shareholder structure as of the date of this Prospectus is as follows: Bayerische Raiffeisen-Beteiligungs-AG holds 34.75% of the share capital of BayWa AG. It is thus the largest shareholder of BayWa AG. Raiffeisen Agrar Invest GmbH owns 25.01% of the share capital of BayWa AG. The remainder of the shares is in free float. In the financial years ended December 31, 2017 and December 31, 2018 the dividend per share was €0.90 and €0.90, respectively.

BayWa AG is listed on the Frankfurt Stock Exchange.

Organizational Structure



The following companies represent the major part of BayWa Group's revenue as of year-end 2018:

Company	% of BayWa Group External Revenue as of December 31, 2018 (unaudited)
BayWa AG	28.32%
Cefetra B.V.	13.77%
Cefetra Limited	6.42%
RWA Raiffeisen Ware Austria Aktiengesellschaft	5.31%

BayWa Group is a group with worldwide operations in the core competencies of trading, logistics and supplementary services in its three operating segments Agriculture, Energy and Building Materials. The Innovation & Digitalisation development segment was established in the second half of 2016. The head office of the parent company BayWa AG is located in Munich. The international activities focus on Europe as well as the United States and New Zealand. As of December 31, 2018, the BayWa Group had registered places of business in approximately 40 countries, either through itself or through Group companies. In addition to the parent company BayWa AG, the BayWa Group comprises approximately 310 fully consolidated Group companies. Furthermore, approximately 30 companies were included at equity in the financial statements of BayWa Group as of March 31, 2019.

Corporate Bodies

As a company with its principal place of business in Munich, Germany, BayWa AG is subject to the provisions laid down under German law. The executive and supervisory bodies consisting of the Board of Management and the Supervisory Board form the dual-tier management and control structure in accordance with the provisions under German stock corporation law. The Board of Management and the Supervisory Board work closely together in the interest of the company.

Board of Management

The Board of Management, which currently comprises five members, is independently responsible for running the company, developing the corporate strategy, agreeing the strategy with the Supervisory Board and ensuring that it is implemented.

The following table shows the current members of the Board of Management as well as certain information regarding their external and group mandates:

Name	Function	External mandates	Group mandates
Prof. Klaus Josef Lutz	Chief Executive Officer Corporate Audit, Corporate Compliance, Corporate Environment, Health & Safety, Corporate Governance, Corporate HR, Corporate M&A, Corporate Marketing, PR/Corporate Communications/Public Affairs, Corporate Risk, Corporate Strategy & Innovation, Corporate Sustainability, Group IT, BayWa Foundation, BayWa Agri Supply & Trade (BAST), Global Produce, RI-Solution GmbH	Deutscher Raiffeisenverband e.V., Berlin, Germany (Vice President) Euro Pool System International B.V., Rijswijk, the Netherlands (Chairman of the Supervisory Board) Giesecke & Devrient GmbH, Munich, Germany (Chairman of the Supervisory Board and the Advisory Committee) IHK Industrie- und Handelskammer für München und Oberbayern (chamber of industry and commerce for Munich and Upper Bavaria) (Vice President)	Al Dahra BayWa Agriculture LLC, Abu Dhabi, United Arab Emirates (member of the Board of Directors) RWA Raiffeisen Ware Austria Aktiengesellschaft, Vienna, Austria (First Vice Chairman of the Supervisory Board) T&G Global Limited, Auckland, New Zealand (Chairman of the Board of Directors) "UNSER LAGERHAUS" WARENHANDELSGESELLSCHAFT m.b.H., Klagenfurt, Austria (Chairman of the Supervisory Board)
Andreas Helber	Chief Financial Officer Corporate Controlling, Corporate Finance &	Munich Stock Exchange (Member of the Stock Exchange Council) R+V Pensionsversicherung a.G.,	RWA Raiffeisen Ware Austria Aktiengesellschaft, Vienna, Austria (Third Vice Chairman of the

Name	Function	External mandates	Group mandates
	Accounting, Corporate Insurance, Corporate Legal, Corporate Real Estate Management, Investor Relations, BayWa Services (Business Service Center, HR Shared Service Center, Corporate Purchasing Own Requirements and Services)	Wiesbaden, Germany (Member of the Supervisory Board)	Supervisory Board T&G Global Limited, Auckland, New Zealand (Member of the Board of Directors) "UNSER LAGERHAUS" WARENHANDELSGESELLSCHAFT m.b.H., Klagenfurt, Austria (Member of the Supervisory Board)
Marcus Pöllinger	Member of the Board of Management Agri Trade & Service, Agricultural Equipment, Building Materials, Digital Farming	Süddeutsche Zuckerrübenverwertungs-Genossenschaft eG, Ochsenfurt, Germany (Member of the Supervisory Board, since December 18, 2018)	n/a
Matthias Taft	Member of the Board of Management Energy, Renewable Energies (BayWa r.e. renewable energy GmbH)	n/a	BayWa r.e. Asia Pacific Pte. Ltd., Singapore, Republic of Singapore (Chairman of the Board of Directors) BayWa r.e. Nordic AB, Malmö, Sweden (Chairman of the Board of Directors) BayWa r.e. renewable energy GmbH, Munich, Germany (Managing Director) BayWa r.e. Scandinavia AB, Malmö, Sweden (Chairman of the Board of Directors) BayWa r.e. Solar Projects LLC, Wilmington (Delaware), USA (Chairman of the Board of Directors) BayWa r.e. Solar Pte. Ltd., Singapore, Republic of Singapore (Chairman of the Board of Directors) BayWa r.e. USA LLC, Wilmington (Delaware), USA (Chairman of the Board of Directors) BayWa r.e. Wind, LLC, Wilmington (Delaware), USA (Chairman of the Board of Directors) BayWa r.e. Wind Pte. Ltd., Singapore, Republic of Singapore (Chairman of the Board of Directors) RWA Raiffeisen Ware Austria Aktiengesellschaft, Vienna, Austria (First Replacement Member of the Supervisory Board)
Reinhard Wolf	Member of the Board of Management RWA Raiffeisen Ware Austria Aktiengesellschaft, Vienna, Austria (Chairman of the Board of Directors and General Director)	Niederösterreichische Verkehrsorganisationsgesellschaft m.b.H., St. Pölten, Austria (Member of the Supervisory Board)	Garant- Tiernahrung Gesellschaft m.b.H., Pöchlarn, Austria (Chairman of the Supervisory Board) Raiffeisen-Lagerhaus GmbH, Bruck an der Leitha, Austria (Vice Chairman of the Supervisory Board)

Prof. Klaus Josef Lutz (*Chief Executive Officer*) – Mr. Lutz was appointed CEO of BayWa Group in 2008. He has previously served as managing director at Süddeutscher Verlag GmbH. He holds a degree in law from the Ludwig-Maximilians-Universität in Munich.

Andreas Helber (*Chief Financial Officer*) – Mr. Helber joined BayWa Group in 2000 as head of finance and has acted as CFO since 2010. He previously served as a tax advisor and accountant at KPMG Deutsche-Treuhand-Gesellschaft AG. Mr. Helber holds a degree in business from the Universität Siegen.

Marcus Pöllinger (*Member*) – Mr. Pöllinger joined BayWa Group in 2008. After occupying various management positions at the BayWa Group, he was appointed head of the Building Materials segment in 2015. From 2017 to 2018, he was senior executive vice president of BayWa AG. He holds a degree in business administration from Munich Business School and completed his professional training in Munich, London and Sophia Antipolis (France).

Matthias Taft (*Member*) – Mr. Taft joined BayWa Group in 2015 as a member of the Board of Management. He additionally serves as CEO at BayWa r.e. renewable energy GmbH. He previously served as spokesman of the Board of Management of RENERCO Renewable Energy Concepts AG. Mr. Taft holds a degree in Mechanical Engineering from the Technische Universität München.

Reinhard Wolf (*Member*) – Mr. Wolf joined BayWa Group in 2013 as a member of the Board of Management. He additionally serves as CEO at Raiffeisen Ware Austria AG and board member at Raiffeisen-Holding NÖ-Wien. He holds a degree in agricultural economics from the Universität Wien.

The members of the Board of Management can be contacted at Arabellastrasse 4, 81925 Munich, Germany.

Supervisory Board

The Supervisory Board of BayWa AG appoints the members of the Board of Management and advises and supervises the Board of Management in its management of the Company. The Supervisory Board currently comprises 16 members. In accordance with the German Codetermination Act (*Mitbestimmungsgesetz*), it is composed in equal parts of representatives of the shareholders and employees. The Supervisory Board is composed of what it considers to be a sufficient number of independent members.

The following table shows the current members of the Supervisory Board as well as certain information regarding their other mandates:

Name	Function	Other mandates
Manfred Nüssel	Master of Agriculture (University of Applied Sciences), Chairman Honorary President of Deutscher Raiffeisenverband e.V.	AGCO GmbH, Marktobendorf, Germany (Supervisory Board) Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany (Chairman of the Supervisory Board) Landwirtschaftliche Rentenbank, Frankfurt am Main, Germany (Board of Administration) RWA Raiffeisen Ware Austria Aktiengesellschaft, Vienna, Austria (Vice Chairman of the Supervisory Board)
Klaus Buchleitner	Vice Chairman Managing Director of Raiffeisen-Holding Niederösterreich-Wien reg.Gen.m.b.H. and Raiffeisenlandesbank Niederösterreich-Wien AG	AGRANA Beteiligungs-Aktiengesellschaft, Vienna, Austria (Second Vice Chairman) AGRANA Zucker, Stärke und Frucht Holding AG (First Vice Chairman) AUSTRIA JUICE GmbH, Allhartsberg, Austria (Chairman of the Shareholders Committee) LEIPNIK-LUNDENBURGER INVEST Beteiligungs Aktiengesellschaft, Vienna, Austria (Supervisory Board) Niederösterreichische Versicherung AG, St. Pölten, Austria (Supervisory Board) NÖM AG, Baden, Austria (Chairman of the Supervisory Board)

Name	Function	Other mandates
		Board) Raiffeisen Bank International AG, Vienna, Austria (Supervisory Board) Raiffeisen Software GmbH, Vienna, Austria (Chairman of the Supervisory Board) Saint Louis Sucre S.A., Paris, France (Supervisory Board, until February 28, 2019) Süddeutsche Zuckerrübenverwertungs-Genossenschaft e.G., Ochsenfurt, Germany (Supervisory Board, until February 28, 2019) Z&S Zucker und Stärke Holding AG, Vienna, Austria (Chairman of the Supervisory Board)
Werner Waschbichler	Vice Chairman of the Supervisory Board Chairman of the Main Works Council of BayWa Headquarters	n/a
Wolfgang Altmüller	MBA, Chairman of the Board of Directors of VR meine Raiffeisenbank eG	Allianz Deutschland AG, Munich, Germany (Supervisory Board) Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany (Vice Chairman of the Supervisory Board) Fiducia & GAD IT AG, Karlsruhe, Germany (Supervisory Board) DK Travel Holding AG, Zurich, Switzerland (member of the Advisory Board, since June 20, 2018)
Theo Bergmann	Driver, Vice Chairman of the Main Works Council of BayWa AG	n/a
Andrea Busch	General Secretary of ver.di, Saxony West-East-South	n/a
Renate Glashauser	Member of the Works Council, Vice Chairwoman of BayWa AG Works Council, Chairwoman of BayWa AG Works Council, Agricultural Equipment, Lower Bavaria region	n/a
Jürgen Hahnemann	Warehouse manager, Chairman of the Works Council of BayWa AG, Building Materials, Central Franconia, member of the Main Works Council of BayWa AG	n/a
Monika Hohlmeier	Member of the European Parliament	n/a
Stefan Kraft M.A.	National Secretary of the Union, ver.di-Bundesverwaltung	n/a
Michael Kuffner	Head of Environment, Health & Safety (EH & S)	BGHW Berufsgenossenschaft für Handel und Warenlogistik (Member of the Board of Directors)
Dr. Johann Lang	Master of Agricultural Engineering, farmer and Managing Director of Landwirtschaftsbetrieb Lang	Niederösterreichische Versicherung AG, St. Pölten, Austria (Supervisory Board)

Name	Function	Other mandates
	GbR, Ort, Austria	RWA Raiffeisen Ware Austria Aktiengesellschaft, Vienna, Austria (Chairman of the Supervisory Board) RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen, Vienna, Austria (Chairman of the Supervisory Board)
Bernhard Loy	Service specialist, Chairman of the Works Council of BayWa AG, Agricultural Equipment, Central Franconia, member of the Main Works Council of BayWa AG	n/a
Wilhelm Oberhofer	Member of the Board of Management of Raiffeisenbank Kempten-Oberallgäu eG	Bayerische Raiffeisen-Beteiligungs-AG, Beilngries, Germany (Member of the Board of Management) Bausparkasse Schwäbisch Hall AG, Schwäbisch Hall, Germany (Supervisory Board) GOS Grundstücksgesellschaft Oberallgäu-Süd mbH, Sonthofen, Germany (Advisory Committee) DZ Bank AG, Frankfurt am Main, Germany (Central Advisory Board)
Joachim Rukwied	Master of Agricultural Engineering (University of Applied Sciences), farmer and vintner President of the European farmers' association COPA, of the Deutscher Bauernverband e.V. and of the Landesbauernverband in Baden-Württemberg e.V.	Buchstelle LBV GmbH, Stuttgart, Germany (Chairman) KfW Bankengruppe, Frankfurt am Main, Germany (Board of Administration) Landwirtschaftliche Rentenbank, Frankfurt am Main, Germany (Chairman of the Board of Administration) Land-DATA GmbH, Visselhövede, Germany (Chairman) LBV-Unternehmensberatungsdienste GmbH, Stuttgart, Germany (Chairman of the Board of Administration) Messe Berlin GmbH, Berlin, Germany (Supervisory Board) R+V Allgemeine Versicherung AG, Wiesbaden, Germany (Supervisory Board) Südzucker AG, Mannheim/Ochsenfurt, Germany (Supervisory Board)
Monique Surges	Chief Executive Officer German-New Zealand Chamber of Commerce Inc., Auckland, New Zealand Treasurer of the New Zealand Europe Business Council (NZEBC), Auckland, New Zealand	n/a

The members of the Supervisory Board can be contacted at Arabellastrasse 4, 81925 Munich, Germany.

There are no conflicts of interests of members of the Board of Management or of the Supervisory Board between any duties to BayWa AG and their private interests and or other duties.

Committees of the Supervisory Board

The Supervisory Board has established a total of six committees: Audit Committee, Board of Management Committee; Strategy Committee; Lending and Investment Committee; Nomination Committee; Mediation Committee. To the extent permitted by law, decision-making powers of the Supervisory Board were delegated to the committees. These committees prepare resolutions for the Supervisory Board and issues to be

discussed by the entire Supervisory Board. With the exception of the Audit Committee, the Chairman of all committees is the Chairman of the Supervisory Board.

The Audit Committee concentrates mainly on the documentation of the independent auditor in respect of auditing the annual and consolidated financial statements and prepares them for adoption by the Supervisory Board. The committee also supervises the accounting process, the annual audit and the effectiveness of the internal control, risk management and audit system. It checks the auditor's independence and agrees on the key points of the audit and on the fees with the auditor. The Annual General Meeting on June 6, 2018 appointed Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, Germany as auditor for the financial year 2018. The Supervisory Board ensures that the committee members can act independently and that they are familiar with and experienced in applying special know-how associated with the application of accounting rules and the internal controlling procedures. The Audit Committee is made up of the Chairman of the Supervisory Board Manfred Nüssel and the Supervisory Board members Wolfgang Altmüller, Klaus Buchleitner, Werner Waschbichler, and Michael Kuffner and Wilhelm Oberhofer. The Chairman of the Audit Committee is Wolfgang Altmüller.

Corporate Governance

Pursuant to Section 161 of the German Stock Corporation Act (*Aktiengesetz, AktG*), the Board of Management and Supervisory Board of a listed company must issue an annual declaration of compliance with the German Corporate Governance Code.

Declaration of Compliance pursuant to § 161 AktG (German Stock Corporation Act)

The Board of Management and the Supervisory Board explained in their most recent declaration of compliance, dated November 8, 2017 (as amended on June 30, 2018), to what extent they are complying with the recommendations of the "Government Commission on the German Corporate Governance Code", as amended by the commission resolutions, dated February 7, 2017, (published in the German Federal Gazette on April 24, 2017, hereinafter referred to as the "GCGC").

“

1. Deductible under the D&O insurance for members of the Supervisory Board – Code Item 3.8 para. 3 GCGC

In Code Item 3.8 para. 3, the GCGC recommends a deductible to be provided for when a Directors & Officers (D&O) insurance policy is taken out for members of the Supervisory Board. BayWa AG has concluded a D&O insurance policy on behalf of the members of the Supervisory Board that does not provide for a deductible in respect of its members. BayWa AG is not of the opinion that the motivation and the responsibility with which the members of the Supervisory Board discharge of their duties would be improved by having a deductible in the D&O insurance policy.

2. Setting the targeted level of benefits, taking into account the length of service on the Board of Management – Code Item 4.2.3 para. 3 GCGC

In Code Item 4.2.3 para. 3, the GCGC recommends that the Supervisory Board establish the target level of pension benefits for every pension commitment, including based on the duration of membership on the Board of Management. Several Board of Management members received a fixed pension from the company that is not dependent on the length of their service on the Board of Management. The Supervisory Board believes this arrangement is appropriate in view of the Board of Management members' many years at the BayWa Group.

3. Severance payment cap – Code Item 4.2.3 para. 4 GCGC

In Code Item 4.2.3 para. 4, the GCGC recommends that, when Board of Management employment contracts are concluded, care should be taken to ensure that, in the event of premature termination of a Board member's activities without serious cause, payments made to the Board member, including supplementary benefits, do not exceed the value of two years' compensation (severance cap) and compensate no more than the remaining term of the employment contract. The employment contracts of members of the Board of Management of BayWa AG do not contain such a provision, as the amount of any possible severance payment is part of an agreement to be signed upon termination of Board member activities and therefore depends on reaching an agreement with the respective member of the Board of Management.

Even if such a contractual provision were to be included, a member of the Board of Management could nonetheless insist upon having the full scope of claims arising from the employment contract paid out and otherwise refuse to give their consent to the termination of their Board member contract. Moreover, BayWa AG is convinced that having such a clause is unnecessary, as, even without it, the Supervisory Board will take sufficient account of the interests of the company in negotiations with the member leaving the Board of Management and not grant an excessive severance payment.

4. Individual disclosure of executive remuneration – Code Item 4.2.5 para. 3 GCGC

In Code Item 4.2.5 para. 3 GCGC, it is recommended that Board of Management member remuneration be disclosed in the remuneration report in table form and for each member individually for financial years from December 31, 2013. At BayWa AG, Board of Management member remuneration is disclosed in accordance with relevant legal regulations. The Annual General Meeting 2015 passed a new resolution pursuant to Sections 286 para. 5 and 314 para. 2 of the old version of the German Commercial Code (HGB), according to which Board of Management remuneration is not disclosed for each member individually. As long as this Annual General Meeting resolution is valid, no individual disclosure of Board of Management member remuneration will take place pursuant to the recommendations in Code Item 4.2.5 para. 3 GCGC.

5. No set age limit for the Board of Management – Code Item 5.1.2 para. 2 sentence 3 GCGC

In the current version of the bylaws applicable to the Board of Management of BayWa AG, and contrary to the recommendations in Code Item 5.1.2 para. 2 sentence 3 GCGC, there is no restriction on age for membership on the Board of Management. BayWa AG reviews the ability to perform and the competence of the members of its supervisory body on an ongoing basis. Age, however, is not indicative of the ability of a current or potential member of said body to perform their duties. For this reason, BayWa AG does not consider fixed age limits expedient, also because such limits restrict flexibility in respect of personnel decisions and the number of potential candidates.

6. Tasks of the Audit Committee – Code Item 5.3.2 sentence 1 GCGC

Pursuant to Code Item 5.3.2 sentence 1 GCGC, the Audit Committee should also concentrate on compliance if no other committee is responsible for it. At the current time, compliance issues are not allocated to any particular committee by derogation of Code Item 5.3.2 sentence 1 GCGC. In fact, the Supervisory Board is directly responsible for this area. Due to the high value it places on compliance, BayWa AG is of the opinion that all Supervisory Board members should be included in the response to compliance issues. In order to ensure that tasks in this area are fulfilled comprehensively and professionally, this area remains the responsibility of the Supervisory Board.

7. No set age or specified limit for maximum length of service on the Supervisory Board – Code Item 5.4.1 para. 2 GCGC

In the current version of the bylaws applicable to the Supervisory Board of BayWa AG, and contrary to the recommendations in Code Item 5.4.1 para. 2 sentence 1 GCGC, there is no restriction on age for membership in or specified limit for maximum length of service on the Supervisory Board. BayWa AG reviews the ability to perform and the competence of the members of its supervisory body on an ongoing basis. Age, however, is not indicative of the ability of a current or potential member of said body to perform their duties. Furthermore, the expertise of experienced and proven Supervisory Board members ought to be available to BayWa AG. For this reason, BayWa AG does not consider a fixed age limit and a specified limit for maximum service on the Supervisory Board expedient, also because such limits restrict flexibility in respect of personnel decisions and the number of potential candidates.

8. Specification of concrete objectives for the composition of the Supervisory Board – Code Item 5.4.1 para. 2 and para. 4 GCGC

In Code Item 5.4.1 para. 2 and para. 4, the GCGC recommends the specification of concrete objectives and a profile of skills and expertise for the composition of the Supervisory Board. In the specification of concrete objectives, the international activities of the company, potential conflicts of interest, the number of independent Supervisory Board members within the meaning of Code Item 5.4.2 GCGC and diversity, among other things, are to be given due regard in consideration of the situation specific to the company. Proposals by the Supervisory Board to the

Annual General Meeting of Shareholders shall take these objectives into account. BayWa AG has not established concrete objectives and has not specified a profile of skills and expertise for the composition of the Supervisory Board as a whole. BayWa AG believes that potential Supervisory Board members' professional, experience-based qualifications are the primary criteria for the assumption of a Supervisory Board mandate and therefore also for the composition of the Supervisory Board as a whole. In the proposals on the composition of the Supervisory Board, BayWa AG supports and takes into account the criteria specified in Code Item 5.4.1 para. 2 and para. 4 GCGC, though it does not regard concrete objectives or quotas as expedient.

9. Information about what the Supervisory Board regards as the appropriate number of independent Supervisory Board members – Code Item 5.4.1 para. 4 sentence 3 GCGC

According to Code Item 5.4.1 para. 4 sentence 3 DCGK, the Supervisory Board must provide information about what it regards as the appropriate number of independent members representing shareholders and the names of these members. However, the Code does not define more specifically what “independence” means in this context. Until such time as lawmakers, the courts or the author of the Code have provided their own definition of this vague legal term, the company will refrain from defining and accordingly releasing said information so as to avoid being reprimanded for the composition of the Supervisory Board.

10. Disclosure of personal and business relationships of Supervisory Board candidates with the company, the company's executive and supervisory bodies and a shareholder holding a material interest in the company – Code Item 5.4.1 para. 5 to para. 7 GCGC

Code Item 5.4.1 para. 5 to para. 7 GCGC includes the recommendation that the personal and business relationships of candidates proposed by the Supervisory Board for election to the Supervisory Board with the company, the company's executive and supervisory bodies and a shareholder holding a material interest in the company be disclosed. BayWa AG does not comply with this recommendation. There is no legal certainty at the current time in regard to the nature and scope of circumstances that are to be disclosed upon the proposition of election candidates. Therefore, there is a risk that the lack of clarity in this Code Item could be used within the scope of resolution challenges. The Supervisory Board will continue to observe how this issue develops and will review the application of this Code Item in future Supervisory Board elections.

11. Information on the disclosure of the remuneration of members of the Supervisory Board – Code Item 5.4.6 para. 3 GCGC

Contrary to the recommendation under Code Item 5.4.6 para. 3 GCGC, the remuneration of Supervisory Board members (including remuneration or benefits paid by the company to members of the Supervisory Board for services personally rendered, in particular the rendering of advisory or agency services) is disclosed annually in the Notes and the Management Report in accordance with the fixed statutory amounts and not for each member individually. The information included in the Notes or Management Report shows the structure and the amount of compensation received by the Supervisory Board. BayWa AG considers this information to be sufficient to satisfy the interest in such information of the capital market and its shareholders.

12. Information on the attendance of the members of the Supervisory Board at committee meetings – Code Item 5.4.7 sentence 1 GCGC

Among other things, Code Item 5.4.7 sentence 1 GCGC stipulates that a note is to be made in the Report of the Supervisory Board if a member of the Supervisory Board has attended only half or less than half of the meetings of those committees to which he or she belongs. BayWa AG believes that it is important for a member of the Supervisory Board to participate in the committees and be involved in the decision-making process as well. As a rule, meetings of the committees of BayWa AG's Supervisory Board are held twice a year. Missing one time would already result in a note in the Report of the Supervisory Board when complying with Code Item 5.4.7 sentence 1 GCGC. Due to the number of committee meetings, such a note would give a false impression of the discipline of the Supervisory Board member with regard to meeting attendance. BayWa AG will therefore not comply with the recommendation of the GCGC and make a note of it if a member of the Supervisory Board only attends half or less than half of the committee meetings.

Munich, 7 November 2018

Stock Exchange Listing

BayWa Group's shares are traded on stock exchanges in Frankfurt (floor and Xetra) and in Munich on the Official Market/Prime Standard.

Auditors

Deloitte GmbH Wirtschaftsprüfungsgesellschaft has been appointed as BayWa Group's auditor for the fiscal years 2017 and 2018. The address for the Munich office is Rosenheimer Platz 4, 81669 Munich, Germany.

Selected Financial Information

The financial information presented below is taken from the Unaudited and Unreviewed Condensed Consolidated Selected Financial Information of BayWa Group as of and for the three months ended March 31, 2019 as well as from the Audited Consolidated Financial Statements of BayWa AG as of and for the financial years ended December 31, 2017 and December 31, 2018. The Audited Consolidated Financial Statements as of and for the financial years ended December 31, 2017 and December 31, 2018 have been audited by Deloitte GmbH Wirtschaftsprüfungsgesellschaft.

Selected Consolidated Income Statement Data

	<u>Year ended December 31,</u>		<u>Three months ended March 31,</u>	
	<u>2017</u>	<u>2018</u>	<u>2018</u>	<u>2019</u>
	<i>in € million, unless stated otherwise</i>			
	(audited)		(unaudited)	
Revenues.....	16,055.1	16,625.7	3,797.1	4,079.6
Gross profit.....	1,784.9	1,889.1	362.8	400.3
Result of operating activities.....	131.4	156.6	- 44.4	- 23.6
Financial result	- 29.0	- 64.0	- 12.6	- 14.3
Earnings before tax (EBT).....	102.4	92.6	- 57.0	- 37.9
Consolidated net income / Net result for the period	67.2	54.9	- 43.7	- 38.8
EBIT	171.3	172.4	- 41.0	- 13.8
EBITDA	318.4	315.3	- 7.5	41.2
Basic earnings per share (in €).....	1.13	0.92	- 1.23	- 1.09
Diluted earnings in share (in €)	1.13	0.92	- 1.23	- 1.09

The management of the Group presents certain additional financial measures and performance indicators that are not defined by IFRS or any other internationally accepted accounting principles. Such non-IFRS financial measures and performance indicators are presented as (i) they represent measures that the management of the Group believes may be relevant for certain investors, securities analysts and other parties in assessing the Group's operating and financial performance and (ii) they may be used by the Group's management as a basis for strategic planning and forecasting. In addition to result of operating activities, the Group's management uses EBIT and EBITDA as its primary key performance indicators to manage the Group's business. The table below shows the reconciliation, based on line items included in the Group's consolidated income statement, from result of operating activities to EBIT and EBITDA for the periods presented:

	Year ended December 31,		Three months ended March 31,	
	2017	2018	2018	2019
	<i>in € million</i>			
	(audited)		(unaudited)	
Result of operating activities.....	131.4	156.6	- 44.4	- 23.6
Income from participating interests recognised at equity	2.5	9.0	1.9	1.8
Other income from shareholdings ..	37.4	6.8	1.5	8.0
EBIT	171.3	172.4	- 41.0	- 13.8
Depreciation and amortisation.....	147.2	142.9	33.5	55.0
EBITDA.....	318.4	315.3	- 7.5	41.2

Selected Consolidated Balance Sheet Data

	As of December 31,		As of March 31,
	2017	2018	2019
	<i>in € million</i>		
	(audited)		(unaudited)
Assets			
Non-current assets	2,396.9	2,476.9	3,125.1
Current assets.....	4,077.4	5,030.4	5,672.1
Non-current assets held for sale/disposal groups	13.7	4.2	2.1
Total assets	6,488.0	7,511.5	8,799.3
Shareholders' equity and liabilities.....			
Equity	1,435.5	1,389.1	1,362.8
Non-current liabilities.....	2,065.704	2,074.7	2,675.4
Current liabilities	2,986.8	4,047.7	4,761.1
Liabilities from non-current assets held for sale/disposal groups.....	-	-	-
Total shareholders' equity and liabilities	6,488.0	7,511.5	8,799.3

Selected Consolidated Statement of Cash Flows Data

	Year ended December 31,	
	2017	2018
	<i>in € million</i>	
	(audited)	
Cash flow from operating activities.....	- 170.2	- 452.2
Cash flow from investing activities	- 60.5	- 243.0
Cash flow from financing activities.....	- 235.9	710.8
Cash and cash equivalents at the end of the period	105.5	120.6

There have been no significant changes in the financial or trading position of BayWa AG and its subsidiaries taken as a whole since March 31, 2019.

Segment information by region

	<i>External sales</i>	
	Year ended December 31,	
	2017	2018
	<i>in € million</i>	
	(audited)	
Germany	6,547.6	7,128.0
Austria	2,240.6	2,293.5
Netherlands.....	1,870.8	-1,640.0
New Zealand.....	-	-
Other international operations	5,396.2	5,564.2
Group	16,055.1	16,625.7

Corporate Purpose

The corporate purpose of BayWa AG is set out in Article 2 of its articles of association (*Satzung*) (the “**Articles of Association**”):

The Company operates an international group of companies. The business segments in which the Company and its companies do business include:

- (a) the agriculture industry, in particular the production, collection and marketing of, as well as trading with, produce and products from the agricultural, forestry and food sectors including agricultural equipment, as well as trading with capital goods for the agricultural and forestry industry and municipalities and businesses;
- (b) the construction and garden industry, in particular the marketing of and trading with building materials and garden products, as well as rendering construction, construction planning, construction logistics and general contractor services;
- (c) the energy industry, in particular trading with fossil and renewable fuels and lubricants and the development, production and marketing of, as well as trading with technologies, or technology concepts primarily in the renewables field; and
- (d) the provision of services related to the aforementioned business segments, in particular consultancy, agency, logistics and financing services, as well as performing group management activities.

BayWa AG is entitled to enter into all transactions and take all actions that are related to or appear suited to achieve the object of the Company. For this purpose, BayWa AG may, in particular, enter into domination and/or profit and loss transfer agreements, joint-venture agreements or similar agreements.

BayWa AG shall be entitled to establish branches or subsidiaries in Germany and abroad as well as to acquire other German or foreign companies, or interests in such companies. It may spin-off its operations, in whole or in part, to affiliates.

Operating Segments

BayWa Group’s core business activities are divided into the three operating segments Agriculture, Energy and Building Materials, as well as the Innovation & Digitalisation segment. The Innovation & Digitalisation development segment was established in the second half of 2016. The Agriculture segment is further divided into four business units: BAST, Agri Trade & Service, Global Produce and Agricultural Equipment. The Energy segment comprises the Renewable Energies business unit and the Conventional Energy business unit.

Agriculture Segment

Overview

BayWa Group offers a wide range of input resources and agricultural products in its conventional agricultural trading, complemented by advisory services and other associated services, covering the entire value

chain from field to produce marketing. The Agriculture segment traditionally accounts for the largest share of revenues at the BayWa Group; in 2018, it accounted for 66.3% of revenues. The Agriculture segment is organized into four business units: BAST, Agri Trade & Service, Global Produce and Agricultural Equipment. Effective January 1, 2018, the domestic marketing activities for the BAST business unit were transferred to the former BayWa Agricultural Sales (BAV) business unit, in order to manage national produce trading in one place from recording through to marketing. As part of this reorganization, the BAV business unit was renamed the Agri Trade & Service business unit. The BAST business unit continues to include the international grain and oilseed trading activities. These changes resulted in a corresponding shift of revenues and earnings from BAST to the Agri Trade & Service business unit. In addition, the Fruit business was renamed Global Produce effective January 1, 2018.

BAST encompasses the BayWa Group's international trading, distribution and logistics activities involving grain, oilseed and additional products, acting as a supply chain manager, covering the entire value chain from procurement and logistics to sale. The Agri Trade & Services business unit covers all stages of farms' value chains: recording, sales and service. It supplies national farmers with agricultural inputs throughout the entire agricultural year and collects as well as markets the harvest regionally. The Global Produce business unit combines all activities of the Group in the business of fruit and vegetable growing and trading these products. The full line of machinery, equipment and systems for all areas of agriculture is offered in the Agricultural Equipment business unit.

BayWa Group holds a significant position as a full-line supplier. It provides nearly full coverage of the agricultural value chain and is the largest agricultural trader by revenue in Germany and worldwide among the top 10.

Revenues generated through business with third parties in the Agriculture segment increased in the financial year 2018 by 1.7% to €11,015.9 million (2017: €10,836.5 million). EBIT for the segment increased by €18.0 million to €100.1 million (2017: €82.1 million) due to an increase in earnings in the Agricultural Equipment and BAST business units. Revenues generated through business with third parties for the BAST business unit decreased by 9.1% to €5,286.8 million (2017: €5,817.8 million). This decline was primarily due to the transfer of grain and oilseed marketing activities in Germany and those managed by the Austrian Group company RWA Raiffeisen Ware Austria Aktiengesellschaft ("RWA") to the Agri Trade & Services business unit at the start of the year and the resulting decline in handling volume in the BAST business unit. EBIT increased substantially by €24.1 million to €31.1 million (2017: €7.0 million). Since January 1, 2018, the Agri Trade & Service business unit (formerly: BayWa Agricultural Sales) has encompassed the grain and oilseed marketing activities of the BAST business unit in Germany as well as those managed by RWA, alongside the agricultural input business and the recording of agricultural produce. This increased revenues generated through business with third parties by 17.3% to €3,298.8 million in the financial year 2018. However, adjusted for this effect, revenues decreased due to the fall in sales volumes in both the agricultural input and produce business because of weather conditions and very low harvest volumes. EBIT in the Agri Trade & Service business unit decreased by €20.5 million to €5.2 million in the financial year 2018. This was due to substantial decreases in volumes and a rise in logistics costs.

In the financial year 2018, revenues generated through business with third parties in the Global Produce business unit increased slightly by 0.3% to €807.9 million (2017: €805.5 million). EBIT in the Global Produce business unit decreased by €2.2 million to €27.2 million. One reason for the decline was the negative impact of the trade conflict between the United States and People's Republic of China on T&G Global Limited's ("T&G") international activities. In addition, the earnings contribution from the German fruit business was lower in 2018 due to a lack of marketing volume in the first half of the year. Revenues generated through business with third parties in the Agricultural Equipment business unit increased by 15.9% to €1,622.4 million (2017: €1,400.3 million) in the financial year 2018 in particular due to the significant growth of the sale of new machinery in Germany and Austria. EBIT increased substantially by 83.9% to €36.6 million (2017: €19.9 million).

BAST (BayWa Agri Supply & Trade)

Overview

In the BAST business unit, BayWa Group acts as a supply chain manager primarily for grain and oilseed. It covers the entire value chain from procurement and logistics to sales, and it is continuing to expand its international grain trading activities. BayWa Group's product portfolio comprises grain, oilseed and supplementary products and it is expanding its specialties trading, which includes malting barley, hops, beans, organic grain. BayWa Group is the largest soy importer for the European feedstuff industry.

Regional Focus and Customers

The BAST business unit pools activities that are not tied to a specific location, particularly national and international grain trading activities, and is geared primarily towards grain or oil mills, producers of starch and feedstuffs, malt houses, breweries and biofuel manufacturers as its main customers. It imports and exports agricultural products through own domestic and deep-water ports.

Agri Trade & Service

Overview

The Agri Trade & Service business unit covers all stages of the value chain with farms: recording, sales and service. It supplies national farmers with agricultural inputs such as seed, fertilizers, crop protection and feedstuffs throughout the entire agricultural year and takes responsibility for collecting and marketing the harvest regionally. BayWa sells products to local, regional, national and international companies in the foodstuff, wholesale and retail industries through its in-house trade departments.

Regional Focus and Customers

BayWa Group has one of the leading market positions in the agricultural trade in Germany and Austria. In its traditional core regions, BayWa Group's agribusiness is embedded in the agricultural cooperatives trading structure. In Germany, this business is focused on specific regions because of historical structures. BayWa Group has approximately 200 sites in its traditional core regions, particularly in Bavaria, Baden-Württemberg, Mecklenburg-West Pomerania, Thuringia, Saxony, Saxony-Anhalt and southern Brandenburg, which form part of an extensive and dense network. BayWa Group's omni-channel sales concept allows customers to decide whether to do business in person at a BayWa site or online. By expanding its digital activities, BayWa Group is also acquiring new customers beyond these regions. Through its Austrian subsidiary RWA, which maintains close business relations across Austria with approximately 470 cooperative warehouses, BayWa Group is represented throughout the country. Numerous privately-owned medium-sized trading enterprises, mainly operating locally, make up the competitive environment for agricultural produce. In contrast, there are also many wholesalers operating nationwide that offer agricultural inputs.

Global Produce

Overview

BayWa Group is one of the leading fruit traders worldwide and also collects, stores, sorts, packages and trades fruit for customers in Germany and abroad as a marketer under contract at its six sites in the Lake Constance, Neckar and Rhineland-Palatinate regions. It has a diversified fruit portfolio focused on soft & stone fruits, tropical fruits and vegetable fruits. BayWa Group is a year-round supplier of pome fruit from all over the world. In Germany, BayWa Group is the leading single seller of dessert pome fruit to wholesalers and retailers in the food industry and the largest supplier of organic pome fruit.

Regional Focus and Customers

The Global Produce business unit is one of the BayWa Group's business units with a great international focus. With the acquisition of T&G in 2012, BayWa Group tapped into the New Zealand market and simultaneously gained access to the American continents, Australia and Asia through its network of international trade links. Together with its subsidiary Apollo Apples Limited, which was acquired by T&G in 2014, T&G is the leading provider of apples in New Zealand with international trade links to Asia, Europe, Australia and the Americas. In 2016, BayWa Group expanded its portfolio in the "ready-to-eat" sector of the existing specialty fruits market through the acquisition of a majority interest in the Dutch supplier TFC Holland B.V., significantly strengthening its position as a leading international supplier of fruit and pome fruit. TFC Holland B.V. has long-standing international trade relations in all procurement markets for tropical fruits - mainly for avocado, mango and citrus fruits - as well as with the European food retail industry. In March 2017, BayWa Group and Al Dahra Holding LLC, Abu Dhabi, a leading agricultural company in the Arab world, founded a joint venture in the United Arab Emirates to provide the region with premium vegetable fruits in an efficient manner that conserves resources.

Agricultural Equipment

Overview

The Agricultural Equipment business unit offers a full line of machinery, equipment and systems for all types of agriculture. In addition to tractors and combine harvesters, the range of machinery includes versatile

municipal vehicles, road-sweeping vehicles, mobile systems for wood shredding and forklift trucks for municipal services and commercial operations. The machinery range for forestry extends from large machinery and equipment such as forestry tractors, wood splitting and chipping machinery, forest milling cutters and mulchers, cable winches, road and path construction machinery, to small appliances such as chainsaws, brush cutters and the necessary protective clothing. In addition, BayWa Group's dense service network with approximately 670 mobile service vehicles and approximately 280 workshops provide maintenance and repair services for machinery and equipment.

In January 2017, the Agricultural Equipment business unit was reorganized by dividing it into the Agricultural Equipment, CLAAS Affiliated Companies and Special Agricultural Equipment business divisions to better meet the needs of different customer groups and realize growth potential. The Agricultural Equipment business division comprises product management for new machinery, especially AGCO-brand machinery, as well as international activities. CLAAS sales and service through the joint affiliated companies are equally positioned from an organizational perspective. The Special Agricultural Equipment business division is divided into the product categories municipal services, forestry, indoor equipment and irrigation technologies.

BayWa Group is one of the leading agricultural equipment traders in Germany and one of the largest in Europe.

Regional Focus and Customers

BayWa Group maintains a closely linked network of in-house workshops in southern and eastern Germany, as well as the Netherlands, that are tailored to manufacturer brands. In Germany, BayWa Group has also significantly expanded sales structures for Massey Ferguson-branded products in recent years. This range is complemented by the sale of spare parts and the provision of mobile service vehicles for maintenance and repair services. BayWa Group has exclusive sales rights for the AGCO Group brands (Fendt, Massey Ferguson, Valtra and Challenger) in southern Germany, parts of eastern Germany and the southern part of The Netherlands as well as CLAAS in southern Germany and John Deere in Austria. BayWa Group is also expanding its activities to Canada, South Africa and Zambia. BayWa Group entered into a partnership with CLAAS in Canada, for example. The partnership focuses on marketing CLAAS products in the province of Alberta. Three locations were opened in 2016, 2017 and 2018, respectively. In the Netherlands, BayWa Group also acquired the remaining 51% of the shares in the Agrimec Group B.V. in July 2016, a joint venture with Agrifirm Group B.V. established in 2014. The joint venture operates in agricultural machinery sales and service. Effective January 1, 2019, a subsidiary of BayWa AG acquired three sites from the Dutch company Van Arendonk B.V. in Dronten, Zeewolde and Ermelo. The three agricultural equipment sites complement BayWa Group's existing network of locations in the south of the country. In 2015, BayWa Group partnered with Barloworld Limited in South Africa to establish the joint venture BHBW Zambia Limited for distributing agricultural equipment in sub-Saharan Africa. This partnership resulted in a second joint venture, BHBW Holding, for agricultural equipment and logistics technology in South Africa and other neighboring markets in January 2017.

Energy Segment

Overview

The Energy segment's business activities are divided into the Renewable Energies business unit, which is pooled in BayWa r.e. renewable energy GmbH ("**BayWa r.e.**"), and the Conventional Energy business unit. BayWa r.e. plans and implements projects in the wind and solar sector with the aim of selling them at a profit once completed. At the same time, BayWa r.e. is available as service provider to guarantee the smooth technical and commercial operation of wind, solar and biogas plants. Trade with photovoltaic systems and components is another mainstay of BayWa r.e. BayWa r.e.'s expertise also includes trading in biomethane, green electricity and green gas. BayWa AG plans to facilitate the future growth of BayWa r.e. renewable energy GmbH by way of a capital increase at the level of BayWa r.e. renewable energy GmbH involving a third party investor. BayWa AG is committed to remain majority shareholder of BayWa r.e. renewable energy GmbH. The Conventional Energy business unit encompasses the sale and distribution of fossil-based and renewable heating materials, fuels, lubricants and AdBlue, which is a Diesel exhaust fluid used as a consumable in selective catalytic reduction in order to lower NO_x concentration in the diesel exhaust emissions from diesel engines.

In the financial year 2018, revenues generated through business with third parties in the Energy segment increased by €373.7 million to €3,968.4 million (2017: €3,594.7 million). EBIT increased by 12.9% to €96.0 million (2017: €85.0 million). In the financial year 2018, the Energy segment accounted for 23.9% of the BayWa Group's revenues generated through business with third parties. In the Renewable Energies business unit, revenues generated through business with third parties increased by 12.0% to €1,530.2 million (2017: €1,366.7 million) primarily as a result of a significant rise in the volume of energy trade. EBIT increased by €5.9 million to €72.5 million (2017: €66.6 million). This increase was primarily due to a rise in project sales and the growth in the service business. Conventional Energy revenues generated through business with third parties

increased by 9.4% to €2,438.3 million (2017: €2,228.1 million) primarily due to the higher price of oil compared to 2017. EBIT increased by 27.0% to €23.5 million (2017: €18.5 million). This was primarily due to improved margins in the fuel business.

Renewable Energies

Overview

The Group covers a significant portion of the renewable energy value chain through BayWa r.e. BayWa r.e. pursues a three-pronged diversification strategy for its business portfolio: by country, by energy carrier and by business activity. Business activities are divided into four areas: project development/implementation, services, photovoltaic trade and energy trade. Worldwide, project development/implementation encompasses project planning, management and the construction of wind and solar plants through to the sale of finished plants. Services comprise planning and technical services, the provision of consumables, operational management and maintenance of the turbines and plants. In addition, BayWa r.e. sells photovoltaic systems and components and is one of the leading wholesalers that is independent of a specific manufacturer in this sector. In energy trading, BayWa r.e. markets electricity, gas and heat generated from renewable sources.

Regional Focus and Customers

The Renewable Energies business unit has a strong international focus in order to limit reliance on individual national markets. BayWa r.e. has presence in the most important markets in Europe as well as Australia, Japan, North America and Southeast Asia. The market for renewable energies is a largely regulated market where energy is produced and fed into the grid at prices set by the government. Developments in the market are therefore largely determined by changes in the structure and size of state subsidies. In terms of wind and solar energy, BayWa r.e. operates in Australia, Austria, Croatia, Denmark, France, Germany, Greece, Hungary, Indonesia, Italy, Japan, Luxembourg, Malaysia, Mexico, the Netherlands, Poland, the Republic of Singapore, Romania, Spain, Sweden, Switzerland, Thailand, the United Kingdom, the United States and Zambia. This ensures that BayWa r.e. is highly diversified in terms of its range of energy carriers, business units and its geographic distribution.

Conventional Energy

Overview

In its Conventional Energy business, BayWa Group predominantly sells heating oil, fuels, lubricants and wood pellets in Bavaria, Baden-Württemberg, Hesse, Saxony and Austria. BayWa Group has a strong position in the heating oil trade. It is one of the largest independent traders in Southern Germany and one of the largest in Austria. BayWa Group has also positioned itself as a market leader in lubricants for biogas combined heat and power units and with regard to multifunctional oils.

Regional Focus and Customers

In the heating oil business, heating materials are primarily sold through in-house sales offices. Diesel and Otto fuels, as well as AdBlue, are sold through approximately 250 Group filling stations and partner stations in Germany. In addition, fuels are supplied to resellers and wholesalers. In Austria, more filling stations are managed by subsidiaries. The Group company GENOL Gesellschaft m.b.H. & Co. KG acts as a wholesale fuel supplier to cooperative filling stations. In addition to its filling station operations, BayWa Group also offers a fleet filling station card that has also been accepted by filling station operator ALLGUTH in and around Munich since October 2018. This means that users of the BayWa Group filling station card can now take advantage of approximately 2,500 filling stations in Germany. Electric vehicle customers can now charge their vehicles at approximately 8,000 charging stations in Germany and approximately 35,000 throughout Europe using the BayWa filling station card. BayWa Group sells lubricants to commercial and industrial customers, as well as to farmers and operators of combined heat and power plants. In March 2018, BayWa Group launched the new Interlubes digital platform. The platform is used for selling lubricants and operating resources online to B2B customers. It also offers B2B users in the areas of commerce, industry, municipal services, transportation, agriculture and forestry a wide range of lubricants encompassing multiple manufacturers and brands. The subsidiary BayWa Energie Dienstleistungs GmbH offers extensive and individual solutions for energy provision to residential properties, municipal and commercial buildings and the healthcare and industrial sectors.

Building Materials Segment

Overview

BayWa Group sells and supplies a broad array of building materials to commercial and private customers. It also helps customers locate qualified craft businesses and providing construction site logistics as well as supplying systems solutions such as full facades. Further areas of focus include healthy-living construction and energy efficiency. BayWa Group offers a wide range of emissions-tested building materials as well as solutions for energy-efficient construction or renovation. It has also created a quality seal for building materials that are not hazardous to health in the shape of the BauGesund seal. This is based on a database containing approximately 6,000 certified low-emission products from a variety of different manufacturers covering all trades. Products bearing the BauGesund seal are distinguished by the fact that they undergo a strict multiple-stage control process to prove that they are low in emissions and comply with the reference values for pollutants and compounds as recommended by the German Environment Agency (UBA). The BauGesund partnership program is aimed at commercial customers and encompasses training courses and consultation on the topic of healthy construction and modernization as well as support in marketing and sales. BayWa Group is also increasingly becoming an initiator of new products through its private brand lines casafino for construction components and landscaping; Formel Pro for structural and chemical products, as well as insulation materials; Formel Pro Green for healthy-living building materials and cleaning agents; as well as Valut for roofing accessories. BayWa Group also offers construction activities through own building services engineering. In January 2017, BayWa Group launched an online portal for building materials, which enables business customers to place orders at any time.

The BayWa Group has one of the leading market positions in Germany in the building materials trade with approximately 125 locations and ranks among the leading suppliers in Austria with approximately 30 sites.

In the financial year 2018, revenues generated through business with third parties in the Building Materials segment increased by 0.7% to €1,617.5 million (2017: €1,606.1 million), and accounted for 9.7% of BayWa Group's consolidated revenues. EBIT increased by 3.3% to €31.1 million (2017: €30.1 million) primarily due to the expansion of digital sales channels as well as a positive sales development.

Regional Focus and Customers

The Building Materials segment primarily comprises building materials trading activities in southern and eastern Germany and Austria. In addition, BayWa Group serves a number of franchise partners in the building materials and retail business in Austria through its Austrian subsidiary AFS Franchise-Systeme GmbH.

In the building materials trade, BayWa Group mainly caters to the needs of small and medium-sized construction companies, tradesmen, commercial enterprises and municipalities. Private developers and homeowners are also an important part of the segment's customer base.

Innovation & Digitalisation Segment

Overview

The Innovation & Digitalisation segment is responsible for developing and marketing digital products and services for enhancing productivity in agriculture. It also pools the BayWa Group's e-commerce activities in the BayWa Portal. With its software product NEXT Farming OFFICE, the Group company FarmFacts GmbH offers farmers a future-oriented and interoperable farm management system. Many modular tools and solutions are also available. The next innovative step is the networking of entire areas of farms and processes with upstream and downstream stages. To this end, FarmFacts offers an overall concept for medium-sized and small farms with the NEXT Farming LIVE product family. In addition, FarmFacts collaborated with the agricultural equipment manufacturers AGCO, Krone, Kuhn, Lemken, Pöttinger and Rauch as part of the Agriculture Application Group (aag) partnership to continue to develop the web-based, open NEXT Machine Management machine data management software as a new module for NEXT Farming LIVE. This software makes it possible to process all data generated by machinery and equipment regardless of the manufacturer. This enables farmers to seize the opportunity of smart farming across all types of machinery and agricultural inputs, irrespective of the type of farm or farm size.

In May 2017, the BayWa Group entered into a partnership with the European Space Agency (ESA) to further the assessment of satellite data in the farming industry. The goal is to optimally incorporate satellite data into agriculture processes to create positive effects regarding the use of resources and water, as well as for harvest yields. In addition, the BayWa Group has acquired 51% of the shares in VISTA Geowissenschaftliche Fernerkundung GmbH ("VISTA") based in Munich, Germany, in July 2017. Using satellite data, VISTA

develops digital solutions for agriculture, water management and the environment. BayWa has been working with VISTA since 2008 through its subsidiary FarmFacts.

To accelerate the development of innovative ideas for agriculture, BayWa Group and RWA created the Agro Innovation Lab (“**AIL**”). Start-ups with innovative business ideas for agriculture can apply for the acceleration program organized by AIL. The third application process took place in 2018, and saw companies participate in similar numbers to 2017. A total of 252 start-ups from 53 submitted proposals, with the best six being selected to develop their concepts with the support of the BayWa Group and RWA’s international network.

The Innovation & Digitalisation segment increased its revenues generated through business with third parties to €10.7 million in the financial year 2018. The segment generated negative EBIT of €12.3 million due to significant investment in the development of digital farming solutions and the new BayWa Portal online platform.

Regional Focus and Customers

BayWa Group is striving to secure a leading market role in this field across Europe. With the Agrar Office software, BayWa Group is a leading supplier in farm management for large scale firms. The NEXT Farming product generation targets farmers irrespective of farm size.

Research and Development

The BayWa Group’s research and development activities relate primarily to the formation and further development of the Innovation & Digitalisation segment and are conducted primarily through its subsidiaries FarmFacts GmbH and VISTA.

Research focuses primarily on pilot projects on the topics of site-specific sowing and fertilization, as well as satellite-based remote sensing services and applications for agriculture, water management and the environment. Development pertains mainly to software and digital applications for digital farming.

FarmFacts GmbH focuses on software modules for controlling agricultural processes, as well as telematic applications and management software for the automated steering of agricultural machinery. In the financial year 2018, FarmFacts continued to develop the web-based, open NEXT Machine Management machine data management software as a new module for NEXT Farming LIVE in collaboration with agricultural equipment manufacturers AGCO, Krone, Kuhn, Lemken, Pöttinger and Rauch. This software makes it possible to process all data generated by machinery and equipment regardless of the manufacturer. This interface is also open to other agricultural equipment manufacturers to allow farmers to digitally connect their machinery in future despite a growing number of manufacturers. The module is likely to be ready to market in the second quarter of 2019. VISTA implements the scientific methods in operational services and applications and develops digital solutions on the basis of satellite data, including hydrology, agriculture and environmental applications such as accurate local forecasts of nutrient and water requirements or harvest forecasts for research and commercial applications. As at December 31, 2018, 72 employees worked in research and development. The BayWa Group’s research and development expenses totalled €400,000 in the financial year 2018. Own work capitalized with regard to new digital farming products amounted to €2.0 million.

Historical Financial Information

The consolidated financial statements of BayWa AG for the financial years ended December 31, 2017 and December 31, 2018 were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union, and the additional requirements of German commercial law pursuant to Sec. 315e (1) German Commercial Code (*Handelsgesetzbuch*).

The Audited Consolidated Financial Statements of BayWa AG for the financial years ended December 31, 2017 and December 31, 2018 and the Unaudited and Unreviewed Condensed Consolidated Selected Financial Information of BayWa AG for the three months ended March 31, 2019 are incorporated by reference into this Prospectus.

Investments

BayWa will continue to invest in modern infrastructure in the future. This includes investments in land and buildings, wherever such investments are expedient and prudent. By contrast, BayWa Group will seek to continue to dispose of real estate no longer used for operations. The proceeds accruing from these transactions are used to reduce debt or to finance the Group’s growth.

In the financial year 2018, the BayWa Group invested a total of €202.0 million in intangible assets (€43.5 million) and property, plant and equipment (€158.5 million) in addition to its acquisitions (total 2017: €179.5 million). The investments made in the financial year 2018 were primarily for the purpose of repair and maintenance of buildings, facilities (in construction) and office fixtures and fittings, as modern locations and seamlessly operating facilities are a precondition for efficient logistics processes.

Including company acquisitions, approximately 43.3% of total investments in non-current assets at the BayWa Group were accounted for by the Energy segment, where the largest share was attributable to the Renewable Energies business unit. The acquisition of the GroenLeven Group had a particular impact in this regard. In addition, 29.3% of investments were attributable to the Agriculture segment, with 8.3% going to the Building Materials segment, and 2.3% earmarked for the Innovation & Digitalisation segment. The remaining 16.8% are accounted for by investments in Other Activities. The Other Activities segment includes the major part of the BayWa Group's administration as well as peripheral business activities that are of secondary importance in the BayWa Group.

Employees

The number of employees at BayWa Group increased in 2018 compared to 2017. As of December 31, 2018, the BayWa Group employed 17,864 employees (2017: 17,323). On average during the financial year 2018, 10,428 employees were employed in the Agriculture segment, 2,407 employees in the Energy segment, 4,211 employees in the Building Materials segment and 183 in the Innovation & Digitalisation segment. In terms of an annual average, the number of employees increased by 454, or 2.6%, to 18,004. In addition to the expansion of the Building Materials segment, the increase was due to a number of strategic acquisitions in the Renewable Energies, Agricultural Equipment and Agri Trade & Service business units. The Innovation & Digitalisation development segment, which was established in 2016, was also expanded further. While the number of employees in the Conventional Energy business unit remained stable, the number of employees in the BAST and Global Produce business units decreased slightly due to structural adjustments.

Pensions

BayWa Group's current pension commitments are based exclusively on defined benefit plans. They are based both on company agreements and commitments made on a case-by-case basis. For the most part, these are final pay plans. The obligation of BayWa Group consists in fulfilling the committed benefits to active and former employees. The benefit commitments undertaken by the Group are financed by allocations to provisions.

Legal Disputes and Investigations

BayWa AG is involved from time to time in various claims and lawsuits arising in the ordinary course of business.

In 2015, antitrust investigations were conducted at various agricultural companies in Germany, including BayWa AG, with regard to crop protection wholesale operations. In January 2016, the German federal antitrust authority (*Bundeskartellamt*) conducted a search of several agricultural equipment offices at BayWa's headquarters. The investigation is based on suspected agreements aimed at restricting competition in the sale of agricultural equipment.

In February 2018, the German federal antitrust authority announced that it was ceasing its investigation relating to agricultural equipment against BayWa Group. The investigation into crop protection material wholesale activities is ongoing. Supported by the assessment of legal advisors and a legal appraisal, BayWa AG believes that the investigation will not result in the imposition of financial penalties. The BayWa AG Board of Management therefore regards this as a contingent liability for which no separate risk provision needs to be recognized.

Except as described above, BayWa AG is not currently involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which BayWa AG is aware), which may have, or have had in the recent past, significant effects on BayWa AG and/or BayWa Group's financial position or profitability.

Trend Information, Recent Developments and Strategy and Outlook

The environment and the markets in which BayWa Group operates are subject to constant and increasingly serious changes. New technologies and advancing digitalization in all areas of business society are resulting in the appearance of new competitors on the market who are having a disruptive impact on a number of existing business models. At the same time, new data-driven business models are developing, which are prompting companies to transform their activities. Globalization is increasing competitive pressure, on the one

hand, while opening up access to international markets on the other. The independence of both producers and customers is on the rise, due in particular to the opportunities provided by digitalization. Despite the existing framework of complex business structures, the pace of change in business is constantly accelerating. More and more frequently, young, flexible start-ups are developing new business ideas into fully fledged products ready to be marketed. As a result, company lifespan is dropping, as many new business forms are ousting established companies. Sustainability as regards climate protection and the conservation of natural resources is growing in social importance virtually all across the world. BayWa Group has set itself the target of taking on a pioneering role when it comes to sustainability and the development of green solutions across all of its business units. Since the start of the financial year 2018, BayWa r.e.'s business operations have been completely carbon-neutral. The carbon footprint of the entire BayWa r.e. Group was analyzed, and measures to reduce carbon emissions were then identified and implemented. Certificated from high-quality carbon offset projects were then used to compensate for the remaining emissions. German sites in the Global Produce business unit haven been operating carbon-neutrally since June 2018 and there are plans to ensure that international sites follow suit in future.

BayWa remains true to its roots while continuing to evolve. The fundamental changes in the value chain call for adjustments or even entirely new business models. In keeping with the guiding principle “We meet basic need trough leading solutions for food, energy and shelter”, BayWa Group is becoming a trusted partner to its customers when it comes to integrated solutions. The aim is to ensure the success of BayWa Group’s customers by combining products with advisory and other services and to make their work easier. As a strong partner to its customers, BayWa Group seeks to ensure that the company remains independent and competitive. True to the current motto, “United for success.”, BayWa Group’s corporate conduct has always had a long-term focus and been shaped by the company’s responsibility towards customers, employees, other stakeholders and society as a whole.

BayWa Group is taking two market-driven approaches with regard to its further strategic development: ensuring business continuity by enhancing competitive strength and consequently maintaining its leading position in core business endeavors, as well as growth in new business areas by developing innovative, customer-focused business models.

The strategic pursuits at a functional level are fourfold: Within business models and the organization, the objective is to press ahead with digitalization. In operating business, the plan is to optimize management and expand the points of customer contact to strengthen BayWa Group brands. Particular focus is being placed at Group level on strengthening the BayWa Group umbrella brand across all segments and business units. Achieving an excellent organizational set-up marked by close collaboration across divisions and high-performing employees portfolio for future growth and earnings potential with the aim of ensuring and sustainably increasing the profitability of the BayWa Group’s business operations.

The development of the BayWa Group is accompanied by a solid and proactive financing strategy. It is shaped by caution traditionally exercised by companies in the cooperative and agricultural sectors, but also takes into account the changing requirements of an established international group. With its corporate financing, BayWa Group puts its faith in tried-and-tested, reliable partners in the cooperative federation. Furthermore, it makes sure that there is sufficient diversification in terms of financing sources, so as to guarantee its independence and limit risks. Efficient management of working capital is vital at the BayWa Group as it represents a net figure for current assets less current liabilities. BayWa Group aims to maintain a balanced capital structure.

TAXATION

The following is a general overview of certain tax considerations relating to the subscription, purchasing, holding and disposing of Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes. In particular, this discussion does not consider any specific facts or circumstances that may apply to a particular Holder. The discussions that follow for each jurisdiction are based upon the applicable laws in force and their interpretation on the date of this Prospectus. These tax laws and interpretations are subject to change that may occur after such date, even with retroactive effect.

The information contained in this section is limited to taxation issues and prospective investors should not apply any information set out below to other areas, including (but not limited to) the legality of transactions involving the Notes.

Prospective holders of Notes (“**Holders**”) should consult their own tax advisers as to the particular tax consequences of subscribing, purchasing, holding and disposing the Notes, including the application and effect of any federal, state or local taxes, under the tax laws of Germany, Austria and Luxembourg and any country of which they are residents or citizens or whose tax laws apply to them for other reasons.

Taxation in Germany

The following general overview does not consider all aspects of income taxation in Germany that may be relevant to a Holder in the light of the Holder’s particular circumstances and income tax situation. Certain tax aspects may not be described because they correspond to general principles in the law or are assumed to be part of the general knowledge of Holders. This general overview is based on German tax laws and regulations, all as currently in force and as applied on the date of this Prospectus, which are all subject to change at any time, possibly with retroactive or retrospective effect.

German residents holding the Notes as private assets

Taxation of income from the Notes

If the Notes are held as private assets (*Privatvermögen*) by an individual investor whose residence or habitual abode is in Germany, payments of interest under the Notes are generally taxed as investment income (*Einkünfte aus Kapitalvermögen*) at a 25% flat tax (*Abgeltungsteuer*) (plus a 5.5% solidarity surcharge (*Solidaritätszuschlag*) thereon and, if applicable to the individual investor, church tax (*Kirchensteuer*)).

The same applies to capital gains from the sale or redemption of the Notes. The capital gain is generally determined as the difference between the proceeds from the sale or redemption of the Notes and the acquisition costs. Expenses directly and factually related (*unmittelbarer sachlicher Zusammenhang*) to the sale or redemption are taken into account in computing the taxable capital gain. Otherwise the deduction of related expenses for tax purposes is not permitted. The same applies to proceeds from the separate disposal of interest claims (*i.e.* without the Notes) or to proceeds from the payment of interest claims if the Notes have been disposed separately. Where the Notes are acquired and/or sold in a currency other than Euro, the acquisition costs will be converted into Euro at the time of acquisition, the sales proceeds will be converted in Euro at the time of sale, and only the difference will then be computed in Euro.

The flat tax is generally collected by way of withholding (see subsequent paragraph - *Withholding tax*) and the tax withheld shall generally satisfy the individual investor’s tax liability with respect to the Notes. If, however, no or not sufficient tax was withheld other than by virtue of a withholding tax exemption request (*Freistellungsauftrag*) (e.g., in case there is no Domestic Paying Agent as defined in the subsequent paragraph - *Withholding Tax*), the investor will have to include the income received with respect to the Notes in its income tax return. The flat tax will then be collected by way of tax assessment. The investor may also opt for inclusion of investment income in its income tax return if the aggregated amount of tax withheld on investment income during the year exceeded the investor’s aggregated flat tax liability on investment income (e.g., because of available losses carried forward or foreign tax credits). If the investor’s individual income tax rate on all taxable income including the investment income determined by generally applicable individual progressive tax rates is lower than 25%, the investor may opt to be taxed at individual progressive tax rates with respect to its investment income.

Capital losses from the Notes held as private assets are generally tax-recognized irrespective of the holding period of the Notes. The losses may, however, not be used to offset other income like employment or business income but may only be offset against investment income subject to certain limitations. Losses not utilized in one year may be carried forward into subsequent years but may not be carried back into preceding years. Pursuant to a tax decree issued by the German Federal Ministry of Finance dated 18 January 2016 (as amended), losses suffered upon a bad debt loss (*Forderungsausfall*) and a waiver of a receivable

(*Forderungsverzicht*) (to the extent the waiver does not qualify as a hidden contribution) shall, in general, not be treated as a sale, so that losses suffered upon such bad debt loss or waiver shall not be deductible for tax purposes. However, the German Federal Fiscal Court decided in 2017 that a final bad debt loss with respect to a capital claim shall be deductible for tax purposes; the question whether this also applies to a waiver of a receivable has been left open by the court. The new ruling has not been officially acknowledged by the German Federal Ministry of Finance and, therefore, has not been published in the Federal Tax Gazette (*Bundessteuerblatt*). The Regional Tax office North Rhine-Westphalia has since published guidance that the ruling should therefore not be used apart from the specific case which was decided by the court, as the coordination of the supreme tax authorities of the federation and the German states on whether the ruling shall be published in the Federal Tax Gazette has not taken place yet. With respect to a (voluntary) waiver of receivable a lower German fiscal court confirmed the view of the German tax authorities in a final decision and another lower fiscal court rejected the jurisdiction of the Federal Fiscal Court with respect to the tax deductibility of a bad debt loss. Further decisions in this context are currently still pending with the German Federal Fiscal Court.

While the German tax authorities previously took the position that a disposal (and, as a consequence, a tax loss resulting from such disposal) shall not be recognized if the Notes are sold at a market price, which is lower than the transaction costs or if the level of transaction costs is restricted because of a mutual agreement that the transaction costs are calculated by subtracting a certain amount from the sales price, the German tax authorities have recently concluded in an amendment from 10 May 2019 to the tax decree issued by the German Federal Ministry of Finance dated 18 January 2016 (as amended on 10 May 2019) that the recognition as disposal shall not depend on the amount of any consideration or the amount of the transaction costs (decision dated 12 June 2018, docket number VIII R 32/16).

Capital losses might further not be recognized by the German tax authorities if no (or only de minimis) payments are made to the individual investors on the maturity or redemption date of the Notes. However, in a recently published decision by the German Federal Tax Court with regard to losses incurred in connection with knock-out certificates due to the fact of exceeding the knock-out threshold the German Federal Fiscal Court took the view that such a case (*i.e.* no payments on the day of exceeding the knock-out threshold) shall be treated similar to a bad debt loss as a sale at the value zero, so that losses suffered shall also be deductible for tax purposes. It remains unclear if and to what extent the German tax authorities will change their position as currently published with respect to the treatment of capital losses.

According to the recently published draft bill of the German Federal Ministry of Finance (*Referentenentwurf des Bundesministeriums der Finanzen*) for an annual Tax Act 2019 (*Jahressteuergesetz 2019*) dated 8 May 2019 the view of the German tax authority on the non-deductibility of capital losses for tax purposes in the scenarios described above are proposed to be provided for in the German Income Tax Act.

Individual investors are entitled to a saver's lump sum tax allowance (*Sparer-Pauschbetrag*) for investment income of EUR 801 per year (EUR 1,602 for jointly assessed investors). The saver's lump sum tax allowance is considered for purposes of the withholding tax (see subsequent paragraph - Withholding tax) if the investor has filed a withholding tax exemption request (*Freistellungsauftrag*) with the respective Domestic Paying Agent (as defined below). The deduction of related expenses for tax purposes is not possible.

Please note that the coalition agreement between the German Christdemocratic Party and the German Socialdemocratic Party for the formation of a new German federal government provides that the flat tax regime shall be partially abolished for certain capital investment income, in particular interest income. The coalition agreement further provides that the solidarity surcharge shall be abolished in stages provided that the individual income does not exceed certain thresholds. There is however no draft bill available yet and a lot of details are hence still unclear. That means however that income received by investors holding the Notes as private assets may be taxed at individual progressive income tax rates of up to 45 per cent. in the future (plus a 5.5 per cent. solidarity surcharge thereon, unless abolished or reduced in the future, and church tax, if applicable to the individual investor).

Withholding tax

If the Notes are kept or administered in a domestic securities deposit account by a German credit or financial services institution (*Kredit- oder Finanzdienstleistungsinstitut*) (or by a German branch of a foreign credit or financial services institution), or by a German securities trading company (*Wertpapierhandelsunternehmen*) or a German securities trading bank (*Wertpapierhandelsbank*) (each a "**Domestic Paying Agent**") which pays or credits the interest, a 25% withholding tax, plus a 5.5% solidarity surcharge thereon, resulting in a total withholding tax charge of 26.375%, is levied on the interest paid or credited. The applicable withholding tax rate is in excess of the aforementioned rate if church tax applies and is collected for the individual investor by way of withholding which is provided for as a standard procedure unless

the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*). In the latter case the investor has to include the investment income in the tax return and will then be assessed to church tax.

Capital gains (*i.e.*, the difference between the proceeds from the disposal, redemption, repayment or assignment after deduction of expenses directly and factually related to the disposal, redemption, repayment or assignment and the cost of acquisition) of the Notes and interest accrued on the Notes (“**Accrued Interest**” (*Stückzinsen*)) are also subject to the 25% withholding tax, plus a 5.5% solidarity surcharge thereon, if the Notes are kept or administered by a Domestic Paying Agent effecting the sale or redemption from the time of their acquisition. If Notes held or managed in the same custodial account were acquired at different points in time, the Notes first acquired will be deemed to have been sold first for the purposes of determining any capital gains. The separation of interest claims from the Notes is treated as disposition of the Notes at their fair market value which has to be apportioned to the capital and the interest strips. If interest claims are disposed of separately (*i.e.*, without the Notes), the proceeds from the disposition are subject to withholding tax. The same applies to proceeds from the redemption or collection of interest claims or interest coupons if the Notes have been disposed of separately.

If the Notes were sold or redeemed after being transferred to a securities deposit account with a Domestic Paying Agent, 25% withholding tax (plus solidarity surcharge at a rate of 5.5% thereon) would be levied on 30% of the proceeds from the sale or the redemption (plus Accrued Interest, if any), as the case may be, unless the Domestic Paying Agent has been provided with evidence for the investor’s actual acquisition costs of the Notes by the previous depository bank or by a statement of a bank or financial services institution within the European Union, the European Economic Area or certain other countries (e.g. Switzerland or Andorra). The applicable withholding tax rate is in excess of the aforementioned rate if church tax applies and is collected for the individual investor by way of withholding which is provided for as a standard procedure unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*). If the withholding tax on a sale or redemption of the Notes has been calculated on the basis of 30% of the disposal proceeds (rather than from the actual gain), a German tax resident individual Holder may also apply for an assessment on the basis of its actual acquisition costs; however, in case the actual gain is higher than 30% of the disposal proceeds a German tax resident individual Holder is obliged to apply for an assessment on the basis of its actual acquisition costs.

The Domestic Paying Agent may generally deduct from the basis of the withholding tax negative investment income realised by the individual investor of the Notes via the Domestic Paying Agent (e.g. losses from the sale of other securities with the exception of shares). The Domestic Paying Agent may also deduct Accrued Interest on the Notes or other securities paid separately upon the acquisition of the respective security via the Domestic Paying Agent. In addition, subject to certain requirements and restrictions the Domestic Paying Agent may credit foreign withholding taxes levied on investment income in a given year regarding securities held by the individual investor in the custodial account with the Domestic Paying Agent.

German resident investors holding the Notes as business assets

Taxation of income from the Notes

If the Notes are held as business assets (*Betriebsvermögen*) by an individual or corporate investor which is tax resident in Germany (*i.e.*, a corporation with its statutory seat or place of management in Germany), interest income (including Accrued Interest) and capital gains from the Notes are subject to personal income tax at individual progressive rates or corporate income tax (plus a 5.5% solidarity surcharge thereon and church tax, if applicable to the individual investor) and, in general, trade tax. The effective trade tax rate depends on the applicable trade tax factor (*Gewerbesteuer-Hebesatz*) of the relevant municipality where the business is located. In case of an individual investor or an individual partner of a partnership the trade tax may, however, be partially or fully creditable against the investor’s personal income tax liability depending on the applicable trade tax factor and the investor’s particular circumstances. Losses from the disposal or redemption of the Notes will generally be tax-recognized and may generally be offset against other income subject to certain limitations.

Withholding tax

If the Notes are kept or administered by a Domestic Paying Agent which pays or credits the interest, a 25% withholding tax, plus a 5.5% solidarity surcharge thereon, resulting in a total withholding tax charge of 26.375 per cent, is generally levied on the interest payments. The applicable withholding tax rate is in excess of the aforementioned rate if church tax applies and is collected for the individual investor by way of withholding which is provided for as a standard procedure unless the Holder has filed a blocking notice (*Sperrvermerk*) with the German Federal Central Tax Office (*Bundeszentralamt für Steuern*). In the latter case the investor has to include the investment income in the tax return and will then be assessed to church tax.

No withholding is generally required on capital gains from the disposal or redemption of the Notes which is derived by German resident corporate investors and, upon application, by individual investors holding the Notes as assets of a German business, subject to certain requirements.

Any capital losses incurred from the disposal or redemption of the Notes will not be taken into account for withholding tax purposes. If withholding tax is levied, the withholding tax does not satisfy the investor's personal or corporate income tax liability with respect to the Notes. The income and related (business) expenses from the Notes will have to be included in the investor's personal or corporate income tax return. Any German withholding tax (including surcharges) levied, if any, is generally fully creditable as advance payment against the investor's personal or corporate income tax liability or, to the extent exceeding this personal or corporate income tax liability, refundable, as the case may be.

Non-German resident Holders

Income derived from the Notes (including Accrued Interest and currency gains and losses, if any) by Holders who are not tax resident in Germany is in general not subject to German income taxation, and no withholding tax shall be withheld, unless (i) the Notes are held as business assets of a German permanent establishment of the investor or by a permanent German representative of the investor, (ii) the income derived from the Notes does otherwise constitute German source income (such as income derived from Notes that are secured by German real estate or vessels subject to certain exceptions or income from the letting and leasing of certain property located in Germany or income from certain other finance instruments issued by a German tax resident issuer, unless the Notes qualify as global notes certificates (*Sammelurkunden*) within the meaning of Section 9a of the German Custody Act (*Depotgesetz*) or as fungible notes representing the same issue (*Teilschuldverschreibungen*)) or (iii) the income is paid by a Domestic Paying Agent against presentation of the Notes or interest coupons (so-called over-the-counter transaction, *Tafelgeschäfte*).

If the income derived from the Notes is subject to German taxation according to (i) to (iii) above, the income is subject to German income taxation and withholding tax similar to that described above for German resident Holders. Under certain circumstances, foreign investors may benefit from tax reductions or tax exemptions under applicable double tax treaties (*Doppelbesteuerungsabkommen*) entered into with Germany.

Substitution of the Issuer

If the Issuer exercises the right to substitute the debtor of the Notes, the substitution might, for German tax purposes, be treated as an exchange of the Notes for new notes issued by the Substitute Debtor and subject to similar taxation rules like the Notes. In particular, such a substitution could result in the recognition of a taxable gain or loss for any Holder of the Notes.

Inheritance and gift tax

The transfer of Notes to another person by way of gift or inheritance is subject to German gift or inheritance tax, respectively, if *inter alia*

- (i) the testator, the donor, the heir, the donee or any other acquirer had or was deemed to have his residence, habitual abode or, in case of a corporation, association of persons (*Personenvereinigung*) or asset pool (*Vermögensmasse*), has or is deemed to have its seat or place of management in Germany at the time of the transfer of property,
- (ii) except as provided under (i), the testator's or donor's Notes belong to a business asset attributable to a permanent establishment or a permanent representative in Germany, or the obligations under the Notes are directly or indirectly secured by German-situs real estate (unless the Notes qualify as fungible notes representing the same issue (*Teilschuldverschreibungen*)).

Special regulations apply to certain German expatriates.

Should a double tax treaty be in effect in the individual case, however, German taxation provisions may be restricted thereby.

Prospective investors are urged to consult with their tax advisor to determine the particular inheritance or gift tax consequences in light of their particular circumstances.

Other taxes

The purchase, sale or other disposal of Notes does not give rise to capital transfer tax, value added tax, stamp duties or similar taxes or charges in Germany. However, under certain circumstances entrepreneurs may

choose liability to value added tax with regard to the sales of Notes which would otherwise be tax exempt. Net wealth tax (*Vermögensteuer*) is, at present, not levied in Germany.

The Proposed Financial Transactions Tax

The EU Commission and certain EU member states (including Germany) are currently intending to introduce a FTT (presumably on secondary market transactions involving at least one financial intermediary). The scope and the timing of its potential introduction is, however, still unclear. Prospective Holders are advised to seek their own professional advice in relation to FTT.

Taxation in Austria

This summary is based on Austrian tax laws as currently in force and as applied on the date of this Prospectus. The laws and their interpretation by the tax authorities and tax courts may change and such changes may also have retroactive effect. The following comments reflect the Issuer's understanding of certain aspects of Austrian tax laws in connection with the acquisition, ownership, disposition and redemption of the Notes. They are of rather general nature and included herein solely for information purposes. They are not intended to be, nor should they be construed to be, legal or tax advice. For their particular case, prospective investors should consult their professional legal and tax advisors.

General Remarks

Individuals resident in Austria are subject to Austrian income tax (*Einkommensteuer*) on their worldwide income (unlimited income tax liability). Individuals qualify as residents if they have either their permanent domicile and/or their habitual abode in Austria. Otherwise they are non-resident individuals subject to income tax only on income from certain Austrian sources (limited income tax liability).

Companies resident in Austria are subject to Austrian corporate income tax (*Körperschaftsteuer*) on their worldwide income (unlimited corporate income tax liability). Companies qualify as residents if they have their place of effective management and/or their legal seat in Austria. Otherwise they are non-residents subject to corporate income tax only on income from certain Austrian sources (limited corporate income tax liability).

Under Austrian tax law, individuals are subject to income tax pursuant to the Austrian Income Tax Act 1988 (*Einkommensteuergesetz* 1988, Federal Law Gazette 1988/400 as amended – “ITA”) generally at progressive tax rates between 0 per cent. and 55 per cent. Corporate entities are subject to a corporate income tax at a rate of 25 per cent. pursuant to the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz* 1988, Federal Law Gazette 1988/401 as amended – “CITA”).

In case of unlimited and limited (corporate) income tax liability, Austria's right to levy taxes may be restricted by double taxation treaties.

There is no transfer tax, registration tax or similar tax payable in Austria by the holders of Notes as a consequence of the acquisition, ownership, disposition or redemption of Notes (when issued in bearer form only). The sale and purchase of Notes is not subject to Austrian stamp duty provided that no other transaction potentially taxable under the Federal Stamp Duty Act (*Gebührengesetz* 1957, Federal Law Gazette 1957/267 as amended) such as an assignment is entered into for which a document (*Urkunde*) within the meaning of the Stamp Duty Act is executed. Wealth tax (*Vermögensteuer*) is currently not levied in Austria.

The Issuer does not assume any responsibility for withholding tax deductions at source.

Fiscal Reform 2015/2016

Due to the fiscal reform enacted by Federal Law Gazette I 2015/118, certain tax rates have been changed with effect as of 1 January 2016. Inter alia, the highest progressive income tax rate has been raised to 55 per cent. for yearly taxable income exceeding €1,000,000 (limited in time for the years 2016 to 2020). Furthermore, the flat (special) tax rate applicable to investment income and capital gains derived from debt instruments such as the Notes has been raised from 25 per cent. to 27.5 per cent.

Austrian Residents

Income derived from the Notes by individuals with a permanent domicile or their habitual abode in Austria or corporate entities having their corporate seat or place of management in Austria is taxable in Austria pursuant to the ITA or the CITA.

Austrian Resident Individuals

Income derived from debt instruments such as the Notes qualifies as investment income (*Einkünfte aus Kapitalvermögen*). Such income comprises not only current income, *i.e.* interest payments and similar earnings, but also “realized” capital gains (*Einkünfte aus realisierten Wertsteigerungen von Kapitalvermögen*) from the sale or redemption of debt instruments, irrespective of whether they have been held as business or non-business assets and irrespective of whether the profits have been realized within a particular holding period (formerly, in case of individuals, only realized capital gains derived from securities which were held for a period not exceeding one year were taxed). According to the relevant provisions of the ITA, in the tax base is, in general, the difference (sur-plus) between the proceeds from the sale or redemption of the debt instruments, *i.e.* their selling or redemption price, and their purchase price (acquisition cost).

Such profits, *i.e.* current income and “realized” capital gains, are in principle subject to a flat (special) tax rate of 27.5 per cent. (*Kapitalertragsteuer*, Capital Proceeds Tax – “CPT”) and will be deducted by the custodian bank (*depotführende Stelle*) or the paying office (*auszahlende Stelle*) located in Austria. Expenses which are directly connected with income subject to the flat (special) tax rate are not deductible. However, as regards profits from debt instruments such as the Notes, the flat (special) tax rate will only apply in cases where the instruments have in the primary offering been offered to an undetermined number of people (“public offer”). This tax is in principle “final”, which means that no further tax will be levied on such income and capital gains and that they do not have to be declared in other tax declarations of the taxpayer (in particular, a personal tax rate exceeding 27.5 per cent. will not apply). In case the taxpayer applies for regular taxation (*Regelbesteuerungsoption* - which he might do in case his personal tax rate is below 27.5 per cent.) or for the offsetting of losses (*Verlustausgleichsoption*), taxation is not final. The option for regular taxation may be exercised independently from the option for the offsetting of losses by filing a respective request to the tax office. It leads to an assessment for income tax and to the application of the regular, progressive income tax rate (currently amounting to a maximum of 55 per cent. for yearly taxable income exceeding €1,000,000) on all taxable capital gains.

Further, pursuant to the relevant provisions of the ITA also the withdrawal or transfer of debt instruments such as the Notes from their current investor's securities account shall, as a general rule, equally trigger CPT, unless one of the exemptions contained in the ITA applies. These exemptions are all based on the idea that no CPT shall be deducted, in cases where the taxation in Austria of potential future profits deriving from the sale or redemption of the transferred debt instruments remains in fact possible. In addition, since April 1, 2012 amended exit tax rules (*Wegzugsbesteuerung*) apply, which are not discussed herein.

In its international dimension, the capital gains tax only applies and CPT will only be deducted, if either the custodian bank (*depotführende Stelle*) or - under certain conditions - the paying office (*auszahlende Stelle*) is located in Austria. In most cases the paying office (*auszahlende Stelle*) will be the bank with which the investor maintains his securities account. It is not the Paying Agent (as defined in the Prospectus). The term “custodian bank” refers to banks (its branches and offices) providing the securities account to the investor and not to any other bank up in the holding chain. The custodian bank or, if applicable, the paying office will be responsible for the deduction of the capital gains tax (CPT) and its transfer to the respective Austrian tax office.

To the extent that no CPT is deducted due to the lack of a custodian bank (*depotführende Stelle*) or a paying office (*auszahlende Stelle*) located in Austria, the income derived from debt instruments such as the Notes must be included into the respective taxpayer's tax declaration, if such profits are received by an Austrian resident individual subject to unlimited income tax liability. In this case, the flat (special) tax rate of 27.5 per cent. equally applies.

The Issuer does not assume any responsibility for Austrian CPT (*Kapitalertragsteuer*) to be withheld by any custodian bank (*depotführende Stelle*) or a paying office (*auszahlende Stelle*) located in Austria at source and is not obliged to make additional payments in case of withholding tax deductions at source.

Austrian Resident Corporate Investors

Income derived from the Notes by corporate investors (including any capital gains) is subject to corporate income tax at the general corporate income tax rate of 25 per cent. CPT generally is credited against CIT. Resident corporate investors deriving business income from the Notes may avoid the deduction of CPT by filing a statement of exemption with the securities account keeping bank (or the paying office) and (via the bank/paying office) with the competent Austrian tax office to the fact that the payment received is due to a commercial enterprise subject to taxation in Austria (*Befreiungserklärung*). A special tax regime applies for private foundations (*Privatstiftungen*).

Non-Resident Individuals and Non-Resident Corporate Investors

Due to changes of the ITA by the EU-AbgÄG 2016 as of January 1, 2017 interest income falls within the limited income tax liability applicable to non-resident individuals in case the interest payment is qualified “domestic” (section 98 para 1 no. 5 of the ITA as amended by the EU-AbgÄG 2016) and provided that CPT has to be deducted. Interest payments will be qualified domestic in case the debtor’s domicile, legal seat or place of effective management is located in Austria or in case the debtor is an Austrian branch of a foreign bank. Interest income derived from debt instruments will be qualified domestic in case the debt securities have been issued by an Austrian issuer. For non-resident corporate entities deriving business income from Notes the current exemption in section 98 para 1 no. 5 of the ITA will continue to apply pursuant to which interest payments which are not received by natural persons are exempt from the limited income tax liability. In addition, a new exemption will apply in case interest income is received by individuals which are resident in countries in respect of which an automatic exchange of financial account information (see below) with Austria is implemented. The justification of residence in such a country must be proven by a certificate of residence.

For non-resident corporate entities deriving business income from Notes, provided that such income is not attributable to an Austrian permanent establishment, an exemption applies as pursuant to section 98 para 1 no. 5 of the ITA interest payments which are not received by natural persons are exempt from the limited income tax liability. In addition, non-resident corporate investors deriving business income from Notes may avoid the deduction of CPT by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian paying office, as section 94 no. 5 of the ITA has not been changed or amended.

Applicable double taxation treaties may provide for a reduction of or relief from CPT. In case non-residents receive income from Notes through an Austrian permanent establishment, they are to a large extent subject to the same tax treatment as resident investors. Investors should consult their professional advisers to clarify their position.

Automatic Exchange of Information

In Austria, the Common Reporting Standard Act (*Gemeinsamer Meldestandard-Gesetz – “GMSG”*, Federal Law Gazette I 2015/116) regulates the automatic exchange of information on financial accounts regarding taxable periods from 1 January 2017. The GMSG implements the common reporting standard concerning automatic exchange of information on financial accounts, which has been developed by the OECD and adopted by the EU. The GMSG obliges Austrian financial institutions to report to the tax authority account information of persons subject to reporting, which will subsequently be reported to the competent authority of the participating countries by the Federal Ministry of Finance. Subject to reporting are basically account data of individuals or entities, which are tax residents of states participating in the common reporting standards – which are all EU member states as well as all countries, which concluded or will conclude multilateral or bilateral agreements concerning the common reporting standard.

Other Taxes

Due to a decision of the Austrian Constitutional Court (*Verfassungsgerichtshof*), the Austrian inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) has been abolished with effect of August 1, 2008. However, pursuant to section 121a of the Federal Fiscal Code (*Bundesabgabenordnung*, Federal Law Gazette 1961/194 as amended), gifts exceeding certain amounts must be notified to the Austrian tax authorities within a three-month notification period. In addition, it should be mentioned that certain gratuitous transfers of assets to (Austrian or foreign) private law foundations and comparable legal estates are subject to foundation transfer tax (*Stiftungseingangssteuer*) pursuant to the Federal Foundation Transfer Tax Act (*Stiftungseingangssteuergesetz*, Federal Law Gazette I 2008/85). This tax is triggered, if the transferor and/or the transferee at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. The tax is based on the market value of the transferred assets less any debt economically linked to these assets. In general, the applicable tax rate amounts to 2.5 per cent. However, in certain cases a higher tax rate of 25 per cent. applies.

Further, gratuitous transfers of the Notes pursuant to section 27 para 6 no. 2 AITA may trigger income tax at the level of the transferor.

Taxation in the Grand Duchy of Luxembourg

The comments below do not relate to any form of Luxembourg taxation other than certain taxes withheld at source with respect to the Notes.

Withholding tax

Non-resident Holders of Notes

Under Luxembourg general tax law currently in force, there is no withholding tax on payments of principal, premium or interest made to non-resident holders of Notes, nor on accrued but unpaid interest in respect of the Notes. Nor is there any Luxembourg withholding tax payable upon redemption or repurchase of the Notes held by non-resident holders of Notes, *provided that* the interest on the Notes does not depend on the profit of.

Resident Holders of Notes

Under Luxembourg general tax law currently in force and subject to the law of December 23, 2005, as amended (the “**Relibi Law**”) and mentioned below, there is no withholding tax on payments of principal, premium or interest made to Luxembourg resident holders of Notes, nor on accrued but unpaid interest in respect of Notes, nor is any withholding tax payable upon redemption or repurchase of Notes held by Luxembourg resident holders of Notes, *provided that* the interest on the Notes does not depend on the profit of the Company.

However, under the Relibi Law, payments of interest or similar income made or ascribed by a paying agent established in Luxembourg to or for the benefit of an individual beneficial owner who is resident of Luxembourg will be subject to a withholding tax of 20%. Such withholding tax will be in full discharge of income tax if the beneficial owner is an individual acting in the course of the management of his/her private wealth. Responsibility for the withholding of the tax will be assumed by any Luxembourg paying agent within the meaning of the law.

In addition, pursuant to the Relibi Law, Luxembourg resident individuals can opt to self-declare and pay a 20% levy on payment of interest or similar incomes made or ascribed by paying agents located in a Member State of the European Union other than Luxembourg, a Member State of the European Economic Area. The 20% levy is final when Luxembourg resident individuals are acting in the context of the management of their private wealth. The option to the 20% final levy must cover all interest payments made by the paying agents to the abovementioned foreign beneficial owner over the full civil year.

U.S. Foreign Account Tax Compliance Withholding

Pursuant to certain provisions of the U.S. Internal Revenue Code of 1986, commonly known as FATCA, a “foreign financial institution” may be required to withhold certain payments it makes (“foreign passthru payments”) to persons that fail to meet certain certification, reporting, or related requirements. A number of jurisdictions (including Germany) have entered into, or have agreed in substance to, intergovernmental agreements with the United States to implement FATCA (“IGAs”), which modify the way in which FATCA applies in their jurisdictions. Certain aspects of the application of the FATCA provisions and IGAs to instruments such as the Notes, including whether withholding would ever be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, are uncertain and may be subject to change. Even if withholding would be required pursuant to FATCA or an IGA with respect to payments on instruments such as the Notes, such withholding would not apply prior to the date that is two years after the date of publication of final regulations with the U.S. Federal Register defining the term “foreign passthru payments”. To date such final regulations have not been published. Holders should consult their own tax advisors regarding how these rules may apply to their investment in the Notes. In the event any withholding would be required pursuant to FATCA or an IGA with respect to payments on the Notes, the Issuer will not pay any additional amounts as a result of the withholding.

OFFER, SUBSCRIPTION AND SALE

Offer of the Notes

The Notes will be offered to investors by BNP Paribas, DZ BANK AG Deutsche Zentral-Genossenschaftsbank, Frankfurt am Main, ING Bank N.V. and UniCredit Bank AG (together the “**Joint Bookrunners**”) during an offer period which will commence on June 3, 2019 and which, in each case, will end with the expiry of June 19, 2019 (being the date of issuance of the Notes) (the “**Offer Period**”), subject to a shortening or extension of the Offer Period.

Should the Issuer and the Joint Bookrunners determine any shortening or extension of the Offer Period (e.g., due to changing market conditions), a supplement to the Prospectus will be prepared and published in accordance with Article 13 of the Luxembourg Prospectus Law.

The Notes will be offered to institutional and retail investors in compliance with the applicable public offer restrictions. The Notes may be offered to the public in Luxembourg, Austria and Germany during the Offer Period. Any investor will receive relating to the respective allotment of the Notes a confirmation relating to the results of the offer. There is no minimum or maximum amount of Notes to be purchased.

The Issue Price, the aggregate principal amount of Notes to be issued, the interest rate, the margin, the issue proceeds and the yield of the issue to the Maturity Date (together, the “**Pricing Details**”) will be determined as described in “Method of determination of the Pricing Details” below on the pricing date which is expected to be on or about June 12, 2019 (the “**Pricing Date**”). Upon determination, the Pricing Details will be set out in a notice (the “**Pricing Notice**”) which will be filed with the CSSF and published on the website of the Luxembourg Stock Exchange (www.bourse.lu) on or after the Pricing Date and prior to the Issue Date. Investors have the right to withdraw their offers to purchase within two working days following publication of the Pricing Notice.

Subscription by the Joint Bookrunners

The Joint Bookrunners will enter into a subscription agreement on or about June 12, 2019 (the “**Subscription Agreement**”) in which they agree to subscribe for the Notes on a firm commitment basis. The Joint Bookrunners will be entitled, under certain circumstances, to terminate the Subscription Agreement. In such event, no Notes will be delivered to investors. Furthermore, the Issuer will agree in the Subscription Agreement to indemnify the Joint Bookrunners against certain liabilities in connection with the offer and sale of the Notes.

The fees payable to the Joint Bookrunners in connection with the offering, placement and subscription of the Notes will be up to 0.42% per cent. of the aggregate principal amount of the Notes.

The Joint Bookrunners or their affiliates have provided from time to time, and expect to provide in the future, investment services to the Issuer and its affiliates, for which the Joint Bookrunners or their affiliates have received or will receive customary fees and commissions.

Offers to purchase Notes by the investors

During the Offer Period, the Joint Bookrunners will offer the Notes upon request through banking institutions in Germany, Austria and Luxembourg. These institutions will supply investors with the relevant information on such offers. Subscription rights for the Notes will not be issued. Therefore, there are no procedures in place for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised. There are no conditions to which the offer is subject. Investors may submit their offers to buy Notes, using the information system Bloomberg or any other commonly used information systems.

Method of determination of the Pricing Details

The Issue Price, the aggregate principal amount of Notes to be issued, the interest rate, the margin and the yield will be determined by the Issuer and the Joint Bookrunners on the basis of the price indications and orders received by the Joint Bookrunners from the investors by the time of pricing.

The relevant Issue Price for, and the relevant interest rate of, the Notes will be fixed on the basis of a yield which is determined by adding a credit spread (“**Pricing Credit Spread**”) to the level of the Midswaps (as defined below) at the time of pricing. The level of the Midswaps (as defined below) will be determined as the average yield of the bid and ask prices of Interest-Swap Transactions (“**Midswaps**”) with a maturity corresponding to the Maturity Date of the Notes shown on the Reuters page ICAPEURO or on any other screen

page which is conventionally used to price Eurobond transactions at the time of pricing. The Pricing Credit Spread will be fixed on the basis of the orders received and confirmed by the Joint Bookrunners.

The resulting yield will be used to determine the relevant Issue Price (which is expected to be less than par) and the rate of interest (which is expected to be a percentage figure which can be evenly divided by 1/8 of a full per cent. and which will be correspondingly higher if a higher relevant Issue Price is determined and which will be correspondingly lower if a lower relevant Issue Price is determined), all to correspond to the yield which reflects the level of the Midswaps and the Pricing Credit Spread. In the event that the figures for the relevant Midswaps will not be shown as set out above, the yield, the relevant Issue Price and the relevant interest rate will be determined in a manner which banks and other institutional market participants apply at that time.

Confirmation of offers placed by, and allotments to, investors

Any investor who has submitted an order in relation to the Notes and whose order is accepted by the Joint Bookrunners will receive a confirmation by electronic mail, fax or through commonly used information systems setting out its respective allotment of Notes. Until an investor receives a confirmation from the Joint Bookrunners that its offer to purchase Notes has been accepted, the investor may reduce or withdraw its purchase order. In case an excess amount has been paid by an investor such excess amount will be refunded to the respective account of the investor.

Delivery of the Notes to investors

Delivery and payment of the Notes will be made on the Issue Date (June 19, 2019). The Notes so purchased will be delivered via book-entry through the Clearing Systems and their depository banks against payment of the Issue Price therefor.

Costs and expenses relating to the offer

The Issuer will not charge any costs, expenses or taxes directly to any investor in connection with the Notes. Investors must, however, inform themselves about any costs, expenses or taxes in connection with the Notes which are generally applicable in their respective country of residence, including any charges their own depository banks charge them for purchasing or holding securities.

Selling Restrictions

General

The Joint Bookrunners have agreed to observe all applicable laws and regulations in each jurisdiction in or from which it may acquire, offer, sell or deliver Notes or have in its possession or distribute this Prospectus or any other offering material relating to the Notes. No action has been, or will be, taken in any country or jurisdiction that would, to the best of the Joint Bookrunners' knowledge, permit a public offering of the Notes, or the possession or distribution of this Prospectus or any other offering material relating to the Notes, in any country or jurisdiction where action for that purpose is required. Accordingly, the Notes may not be offered or sold, directly or indirectly, and neither this Prospectus nor any circular, prospectus, form of application, advertisement or other offering material relating to the Notes may be distributed in or from, or published in, any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of Notes by it will be made on the same terms.

European Economic Area

In relation to each Member State of the European Economic Area (each, a "**Member State**"), each Joint Bookrunner has represented, warranted and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes which are the subject of the offering contemplated in this Prospectus to the public in that Member State other than the offers contemplated in this Prospectus in Luxembourg, Austria and Germany from the time the Prospectus has been approved by the competent authority in Luxembourg and published and notified to the relevant competent authorities in accordance with the Prospectus Directive as implemented in Luxembourg, Austria and Germany until the Issue Date, and provided that the Issuer has consented in writing to the use of the Prospectus for any such offers, except that it may, with effect from and including the Relevant Implementation Date, make an offer of such Notes to the public in that Relevant Member State:

- (i) at any time to any legal entity which is a qualified investor as defined in the Prospectus Directive;

- (ii) at any time to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive) subject to obtaining the prior consent of the Joint Bookrunners for any such offer; or
- (iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of Notes referred to in (a) to (c) above shall require the Issuer or any Joint Bookrunner to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an “offer of Notes to the public” in relation to any Notes in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and the expression “**Prospectus Directive**” means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in each Member State.

United States

The Notes have not been and will not be registered under the Securities Act, and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act.

Each Joint Bookrunner has represented, warranted and undertaken that it has not offered or sold, and will not offer or sell, the Notes constituting part of its allotment within the United States except in accordance with Rule 903 of Regulation S under the Securities Act. Accordingly, each Joint Bookrunner has further represented, warranted and undertaken that neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts with respect to the Notes. Terms used in this paragraph shall have the same meanings given to them by Regulation S.

The Notes are subject to U.S. tax law requirements and may not be offered, sold or delivered within the United States or its possessions or to a United States person, except in transactions permitted by U.S. tax regulations. Terms used in this paragraph have the meanings given to them by the United States Internal Revenue Code of 1986, as amended, and regulations thereunder.

In addition, until 40 days after the commencement of the offering, an offer or sale of Notes within the United States by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act.

United Kingdom of Great Britain and Northern Ireland

The issue and distribution of this Prospectus is restricted by law. This Prospectus is not being distributed by, nor has it been approved for the purposes of Section 21 of the Financial Services and Markets Act 2000 by, a person authorized under the Financial Services and Markets Act 2000. This Prospectus is for distribution only to persons who (i) have professional experience in matters relating to investments (being investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”)), (ii) are persons falling within Art. 49(2)(a) to (d) (“high net worth companies, unincorporated associations, etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom and Northern Ireland or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Notes that may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**relevant persons**”). This Prospectus is directed only at relevant persons and must not be acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this Prospectus relates is available only to relevant persons and will be engaged in only with relevant persons. No part of this Prospectus should be published, reproduced, distributed or otherwise made available in whole or in part to any other person without the prior written consent of the Company. The Notes are not being offered or sold to any person in the United Kingdom and Northern Ireland, except in circumstances which will not result in an offer of securities to the public in the United Kingdom and Northern Ireland within the meaning of Part VI of the Financial Services and Markets Act 2000.

GREEN BOND FRAMEWORK


The Issuer has decided to commit to the sustainable capital markets as a way of financing renewable energy projects and has created a Green Bond Framework.

The Green Bond Framework has been designed using the Green Bond Principles, 2018 version, published by the International Capital Markets Association (ICMA), and has been reviewed by ISS-oekom. The Issuer intends to follow best market practice and communicate in a transparent manner on:

- i. Use of proceeds
- ii. Process for project evaluation and selection
- iii. Management of proceeds
- iv. Reporting

Use of proceeds

An amount equal to the net proceeds from the issuance of the Notes will be used to finance or refinance, in part or in full, Eligible Green Projects, as defined below.

Green Bond Category	Description	Environmental benefits	UN Sustainable Development Goals
Renewable Energy	<p>Projects aimed at increasing the production, connection and distribution of renewable energies, including:</p> <ul style="list-style-type: none"> • Solar (photovoltaic) • Wind (onshore) 	<p>Greenhouse gas emissions reduction</p> <p style="text-align: center;">-</p> <p>Climate change mitigation and adaptation through development of renewable energies</p>	

Eligible Green Projects include new projects, projects under construction or in the Issuer's portfolio.

Eligible Green Projects exclude any projects related to fossil fuel and hydro energy production, transmission and distribution.

If for any reason a project were no longer eligible, the Issuer will use its best efforts to substitute any assets that are no longer eligible, as soon as practical once an appropriate substitution option has been identified.

Process for Project Evaluation and Selection

Projects financed and/or refinanced through the proceeds of the Notes are evaluated and selected by a working group of representatives with the required level of expertise and seniority from the Issuer and BayWa r.e.

This working group will be constituted of representatives from:

- Members of the Board of Management,
- the treasury team,
- the corporate social responsibility team,
- the finance team of BayWa r.e., and
- the project team.

The project team will evaluate the nominated projects and assets and report the information to this working group. Then the working group will be responsible to select the Eligible Green Projects that are compliant with the eligible categories described in the previous section.

The role of the working group will be to:

1. review, select and validate the list of Eligible Green Projects, based on the Green Bond Framework;
2. validate annual reporting for investors; and
3. review the Green Bond Framework to reflect any changes with regards to the Issuer's sustainability strategies and initiatives.

Management of Proceeds

The net proceeds from the Notes will be deposited in the general account and an amount equal to the net proceeds will be earmarked for allocation to the Eligible Green Projects of BayWa r.e., in accordance with the Green Bond Framework.

All relevant information regarding the issuance of green bonds and projects (re)financed will be monitored and kept in its accounting systems. The balance of the tracked proceeds should be periodically adjusted on a quarterly basis, in order to match allocations to Eligible Green Projects (re)financed during this period.

The Issuer will use its best efforts to substitute any projects that are no longer eligible, as soon as practical once an appropriate substitution option has been identified.

The payment of principal and interest on any bond issued by the Issuer under the Green Bond Framework will be made from its general funds and will not be linked to the performance of any Eligible Green Project.

Pending the allocation or reallocation, as the case may be, of the net proceeds, the Issuer will invest the balance of the net proceeds, at its own discretion, in cash or cash equivalent, or in other liquid marketable instruments, as per the Issuer's liquidity management policy.

The Issuer intends to allocate the full amount of proceeds within the next 12 months following the issuance of the Notes.

Reporting

The Issuer will report on the allocation of net proceeds and associated impact metrics of the Notes within one year from issuance date and annually thereafter until the proceeds have been fully allocated, and as necessary in the event of material development.

This report will be published as a standalone green bond report on the Issuer's website.

Allocation Report

The report will include:

- The list of Eligible Green Projects (re)financed;
- The aggregated amount of allocation of the net proceeds to the Eligible Green Projects;
- The proportion of net proceeds used for financing versus refinancing; and
- The balance of any unallocated proceeds invested in cash and/or cash equivalents.

Impact Report

Where possible, the Issuer will report on a number of impact metrics associated with the Green Eligible Projects funded with the net proceeds of the Notes.

Green Bond Category	Impact Measurement Metrics - Examples
Renewable energy	<ul style="list-style-type: none"> ▪ Estimated installed capacity (MW) ▪ Estimated production (GWh) ▪ Estimated tons CO2 eq. avoided

External Review

Pre-issuance

The Issuer has appointed ISS-oekom to review the Eligible Green Projects and to provide a second party opinion (the “**Second Party Opinion**”) on its Green Bond Framework.

The Second Party Opinion and the Green Bond Framework will be made available on the Issuer’s website.

Post-issuance

The allocation of the proceeds of the Notes and adherence to asset selection criteria and environmental metrics will be reviewed by an independent auditor who will provide a limited assurance. The auditors’ report will be made available on the Issuer’s website.

GENERAL INFORMATION

Interest of Natural and Legal Persons involved in the Issue/Offer

There are no interests of natural and legal persons other than the Issuer involved in the issue, including conflicting ones that are material to the issue. However, the Joint Bookrunners will be entitled to a fee payable in connection with the offering, placement and subscription of the Notes of up to 0.42 per cent. of the aggregate principal amount of the Notes.

Authorization

The issue of the Notes was authorized by the Board of Management (*Vorstand*) of the Issuer on February 12, 2019 and the lending and investment committee (*Kredit- und Investitionsausschuss*) of the Issuer has been informed on March 26, 2019.

Use of Proceeds

The net proceeds from the issuance of the Notes, estimated by the Issuer to be approximately €[●], will be used towards the financing of green projects or assets as described under the Eligible Green Projects in the Green Bond Framework (see “*Green Bond Framework—Use of Proceeds*”). The Green Bond Framework, structured in accordance with the Green Bond Principles (2018), is evaluated to be credible and robust by ISS-oekom, the second-party opinion provider.

Expenses of the Issue

The expenses related to the issue of the Notes are expected to amount to approximately €200,000 plus the fees of up to 0.42 per cent of the aggregate principal amount of the Notes to be paid in connection with the offer of the Notes to the Joint Bookrunners.

Listing and admission to trading of the Notes

Application has been made to the Luxembourg Stock Exchange for the Notes to be admitted to trading on the Regulated Market of the Luxembourg Stock Exchange, which is a regulated market for the purposes of Directive 2014/65/EU on Markets in Financial Instruments, and to be listed on the Official List of the Luxembourg Stock Exchange on or around the Issue Date.

Clearing Systems and Security Codes

Payments and transfers of the Notes will be settled through Euroclear Bank SA/NV, 1 Boulevard du Roi Albert II, B-1210 Brussels, Belgium and Clearstream Banking, S.A., 42 Avenue JF Kennedy, L-1855 Luxembourg.

The Notes have the following securities codes:

ISIN: XS2002496409

Common Code: 200249640

Ratings of the Issuer and the Notes

Neither the Issuer nor the Notes have been assigned a rating by external rating agencies.

Indication of Yield

The yield in respect of the Notes is [●]% *per annum*, calculated on the basis of the Issue Price. Such yield is calculated in accordance with the ICMA (*International Capital Markets Association*) Method. The ICMA Method determines the effective interest rate on notes by taking into account accrued interest on a daily basis.

Legal Entity Identifier

The LEI of BayWa Aktiengesellschaft is 529900SM0FDLLYATXU36.

Third Party Information

With respect to any information included herein and specified to be sourced from a third party, (i) the Issuer confirms that any such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information available to it from such third party, no facts have been omitted the omission of which would render the reproduced information inaccurate or misleading and (ii) the Issuer has not independently verified any such information and accepts no responsibility for the accuracy thereof.

Consent to the use of the Prospectus

The Issuer has consented in writing to the use of this Prospectus during the offer period, which will commence on June 3, 2019 and will be open until June 19, 2019 (the “**Offer Period**”), by the Joint Bookrunners and by all financial intermediaries (general consent) for the offers in compliance with the Selling Restrictions (see “*Offer, Subscription and Sale—Selling Restrictions*”) and accepts responsibility for the content of the Prospectus also with respect to subsequent resale or final placement of the Notes by any financial intermediary which was given consent to use the Prospectus. Financial intermediaries may use the Prospectus for subsequent resale or final placement of the Notes into Germany and Austria. The subsequent resale or final placement of Notes by financial intermediaries can be made during the Offer Period, provided however, that the Prospectus is still valid in accordance with Article 11 of the Luxembourg Prospectus Law.

In the event of an offer being made by a financial intermediary, this financial intermediary will provide information to investors on the terms and conditions of the offer at the time the offer is made.

Any financial intermediary using the Prospectus has to state on its website that it uses the Prospectus in accordance with the consent and the conditions attached thereto.

Documents available

So long as the Notes are outstanding, copies of the following documents will be available from the registered office of the Issuer and from the specified office of the Principal Paying Agent:

- (a) the articles of association (*Satzung*) of the Issuer;
- (b) a copy of this Prospectus;
- (c) the documents incorporated herein by reference; and
- (d) any supplements to this Prospectus and any other documents incorporated herein or therein by reference.

This Prospectus, any supplements thereto, and the documents incorporated by reference in this Prospectus are available on the website of the Luxembourg Stock Exchange (www.bourse.lu).

DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have previously been published or are published simultaneously with this Prospectus and which have been filed with the CSSF, are incorporated by reference into this Prospectus: (i) the audited consolidated financial statements of BayWa AG for the financial years ended December 31, 2016, 2017 and 2018 and (ii) the unaudited and unreviewed condensed consolidated selected financial information of BayWa AG as of and for the three months ended March 31, 2019. Any information not listed in the cross reference list is not incorporated by reference into this Prospectus but contained in one of the documents mentioned as source documents in the cross reference list below is either not relevant for the investor or covered in another part of this Prospectus. Page numbers included in the table below refer to the page numbers of the respective English-language BayWa Group annual report.

	Pages
Consolidated Selected Financial Information of BayWa AG as of and for the three months ended March 31, 2019	
Consolidated Balance Sheet as at March 31, 2019 (condensed)	6-7
Consolidated Income Statement for the Period from January 1 to March 31, 2019 (condensed)	8
 Consolidated Financial Statements of BayWa AG as of and for the financial year ended December 31, 2018	
Consolidated Balance Sheet as at December 31, 2018	60-61
Consolidated Income Statement for 2018	62
Consolidated Statement of Comprehensive Income-Transition.....	63
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 Consolidated Financial Statements of BayWa AG as of and for the financial year ended December 31, 2017	
Consolidated Balance Sheet as at December 31, 2017	48-49
Consolidated Income Statement for 2017	50
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¹ English language translation of the German language auditor's report (*Bestätigungsvermerk*), issued in accordance with German generally accepted auditing standards, in particular Section 322 of the German Commercial Code (*Handelsgesetzbuch*) which refers to the consolidated financial statements and the respective group management report as a whole. The group management report is not incorporated by reference into this prospectus.

ISSUER

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