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Bayer AG announces Tender Offer in respect of its EUR 1,300,000,000 Subordinated Resetable Fixed Rate Notes due 2075 (ISIN: DE000A14J611) and proposed issue of new euro-denominated subordinated resettable fixed rate notes in one or more tranches with first call dates in 2027 and 2030, respectively (the "New Notes").

22 March 2022. Bayer AG (the "**Company**") announces today an invitation to eligible holders of its outstanding EUR 1,300,000,000 Subordinated Resetable Fixed Rate Notes due 2075 (ISIN: DE000A14J611) (the "**Notes**") to tender their Notes for purchase by the Company for cash up to the Maximum Acceptance Amount (as defined below), subject to the satisfaction of the New Financing Condition (as defined below) (the "**Offer**").

The Offer is being made on the terms and subject to the conditions contained in a tender offer memorandum dated 22 March 2022 (the "**Tender Offer Memorandum**") prepared by the Company and is subject to the offer restrictions set out below and as more fully described in the Tender Offer Memorandum.

Copies of the Tender Offer Memorandum are (subject to distribution restrictions) available from the Tender Agent as set out below. Capitalised terms used in this announcement but not defined herein have the meanings given to them in the Tender Offer Memorandum.

Summary of the Offer

ISIN	Outstanding Principal Amount	Coupon until first reset date	First call date	Purchase Price	Maximum Acceptance Amount
DE000A14J611	EUR 1,300,000,000	2.375 per cent. <i>per annum</i>	2 October 2022	101.10 per cent.	The Offer is limited to such aggregate principal amount of Notes expected to be equal to the principal amount of the New Notes and to be announced as soon as practicable after the pricing of the New Notes

Rationale for the Offer

The purpose of the Offer and the planned issuance of New Notes is, amongst other things, to proactively manage the Issuer's layer of hybrid capital. The Offer also provides Noteholders with the opportunity to sell their current holdings in the Notes ahead of the upcoming first call date and to subscribe to the New Notes. The transaction is intended to be equity credit neutral for the Issuer.

Notes purchased by the Company pursuant to the Offer are expected to be cancelled and will not be re-issued or re-sold.

Purchase Price

The Company will pay, for Notes accepted for purchase pursuant to the Offer (and subject to satisfaction or waiver of the New Financing Condition), a cash purchase price equal to 101.10 per cent. of the principal amount of the Notes (the "**Purchase Price**").

Accrued Interest

The Company will also pay an Accrued Interest Payment in respect of Notes accepted for purchase pursuant to the Offer.

Maximum Acceptance Amount

Any Notes validly tendered may be accepted for purchase by the Company up to such maximum aggregate principal amount of the Notes expected to be equal to the principal amount of the New Notes to be issued by the Company and to be announced by the Company as soon as practicable after the pricing of the New Notes (the "**Maximum Acceptance Amount**").

New Financing Condition

The Company intends to issue new euro-denominated subordinated resettable fixed rate notes in one or more tranches with first call dates in 2027 and 2030, respectively (the "**New Notes**"). Whether the Company will accept for purchase any Notes validly tendered in the Offer and complete the Offer is subject, without limitation, to the successful completion (in the sole determination of the Company) of the issue of the New Notes (the "**New Financing Condition**").

Allocation of the New Notes

The Company will, in connection with the allocation of the New Notes, consider among other factors whether or not the relevant investor seeking an allocation of the New Notes has, prior to such allocation, validly tendered or given a firm intention to the Company or the Dealer Managers that they intend to tender their Notes pursuant to the Offer and, if so, the aggregate nominal amount of Notes tendered or intended to be tendered by such investor. Therefore, a Noteholder who wishes to subscribe for New Notes in addition to tendering its Notes for purchase pursuant to the Offer may be eligible to receive, at the sole and absolute discretion of the Company, priority in the allocation of the New Notes, subject to the issue of the New Notes and such Noteholder also making a separate application for the purchase of such New Notes to the Dealer Managers (in their capacity as joint bookrunners of the issue of the New Notes) or to any other manager of the issue of the New Notes in accordance with the standard new issue procedures of such manager. However, the Company is not obliged to allocate the New Notes to a Noteholder who has validly tendered or indicated a firm intention to tender the Notes pursuant to the Offer and, if New Notes are allocated, the principal amount thereof may be less or more than the principal amount of Notes tendered by such holder and accepted by the Company pursuant to the Offer. Any such allocation will also, among other factors, take into account the denomination of the New Notes (being EUR 100,000).

All allocations of the New Notes, while being considered by the Company as set out above, will be made in accordance with customary new issue allocation processes and procedures. In the event that a Noteholder validly tenders Notes pursuant to the Offer, such Notes will remain subject to such tender and the conditions of the Offer as set out in the Tender Offer Memorandum irrespective of whether that Noteholder receives all, part or none of any allocation of New Notes for which it has applied.

Clean-up Call

Pursuant to § 5(2) of the Terms and Conditions of the Notes, the Issuer may redeem the Notes, in whole but not in part, at its principal amount plus accrued and unpaid interest and any arrears of interest, if the Issuer has purchased or redeemed at least 80% of the originally issued aggregate principal amount of the Notes (the "**Clean-up Call**"). The Company reserves the right to exercise the Clean-up Call if the aggregate principal amount of Notes outstanding falls below the said threshold.

Scaling

If the Company decides to accept any validly tendered Notes for purchase pursuant to the Offer and the aggregate principal amount of Notes validly tendered for purchase is greater than the Maximum Acceptance Amount, the Company intends to accept such Notes for purchase on a pro rata basis such that the aggregate principal amount of Notes accepted for purchase

pursuant to the Offer is no greater than the Maximum Acceptance Amount, as detailed further in the Tender Offer Memorandum.

Tender Instructions

In order to participate in, and be eligible to receive the Purchase Price and the Accrued Interest Payment pursuant to, the Offer, Noteholders must validly tender their Notes for purchase by delivering, or arranging to have delivered on their behalf, a valid Tender Instruction that is received by the Tender Agent by 5 p.m. (Frankfurt time) on 29 March 2022, unless extended, re-opened, amended and/or terminated as provided in the Tender Offer Memorandum (the "**Expiration Deadline**").

Tender Instructions will be irrevocable except in the limited circumstances described in "*Amendment and Termination*" in the Tender Offer Memorandum.

Tender Instructions must be submitted in respect of a minimum principal amount of Notes of no less than EUR 1,000, being the denomination of the Notes. A separate Tender Instruction must be completed on behalf of each beneficial owner.

Expected Timetable of Events

The following sets out the expected times and dates of the key events relating to the Offer. The times and dates below are indicative only. This timetable is subject to change and the times and dates may (subject to applicable law) be extended, re-opened or amended by the Company, or the Offer terminated, in each case in accordance with the terms of the Offer as described in the Tender Offer Memorandum. Accordingly, the actual timetable may differ significantly from the timetable below.

Events

Times and Dates

(all times are Frankfurt time)

Commencement of the Offer

Announcement of Offer made by publication on the website of the Luxembourg Stock Exchange at www.bourse.lu and through the Clearing Systems. Tender Offer Memorandum available from the Tender Agent.
Commencement of the tender offer period.

22 March 2022

Announcement of Maximum Acceptance Amount

Announcement of Maximum Acceptance Amount by the Company

As soon as practicable after the pricing of the New Notes

Expiration Deadline

Final deadline for receipt of valid Tender Instructions by the Tender Agent in order for Noteholders to be able to participate in the Offer.

5 p.m. on 29 March 2022

Announcement of Results

Announcement of (i) whether the Company will accept (subject to satisfaction or waiver of the New Financing Condition on or prior to the Settlement Date) valid tenders of Notes for purchase pursuant to the Offer and, if so accepted, (ii) the aggregate principal amount of the Notes accepted for purchase and (iii) the Scaling Factor (if any).

As soon as practicable on 30 March 2022

Settlement Date

Subject to satisfaction or waiver of the New Financing Condition on or prior to such date, expected Settlement Date for the Offer.

31 March 2022

Subject to applicable law and as provided in the Tender Offer Memorandum, the Company may, in its sole discretion, extend, re-open, amend or terminate the Offer at any time before such announcement and may, in its sole discretion, waive any of the conditions to the Offer either before or after such announcement.

Noteholders are advised to check with any bank, securities broker or other intermediary through which they hold Notes when such intermediary would need to receive instructions from a Noteholder in order for that Noteholder to be able to participate in, or (in the limited circumstances in which revocation is permitted) revoke their instruction to participate in, the Offer by the deadlines specified in the Tender Offer Memorandum. The deadlines set by any such intermediary and each Clearing System for the submission and revocation of Tender Instructions will be earlier than the relevant deadlines specified in the Tender Offer Memorandum.

Announcements

Announcements in connection with the Offer will be made by the Company by the delivery of notices to the Clearing Systems for communication to Direct Participants and publication on the website of the Luxembourg Stock Exchange (www.bourse.lu). Such announcements may also be made (a) on the relevant Reuters Insider Screen and/or (b) by the issue of a press release to a Notifying News Service. Copies of all such announcements, press releases and notices can also be obtained upon request from the Tender Agent, the contact details for which are set out below. Significant delays may be experienced where notices are delivered to the Clearing Systems and Noteholders are urged to contact the Tender Agent for the relevant announcements during the course of the Offer. In addition, Noteholders may contact the Dealer Managers for information using the contact details set out below.

Noteholders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for, participating in the Offer.

Further information

Questions and requests for assistance in connection with (i) the Offer may be directed to the Dealer Managers, and (ii) the delivery of Tender Instructions may be directed to the Tender Agent, the contact details for each of which are set out below:

DEALER MANAGERS

Banco Bilbao Vizcaya Argentaria, S.A.

44th Floor, One Canada Square
London E14 5AA
United Kingdom

Telephone: +44 20 7397 6029/6061
Attention: Liability Management
Email: liabilitymanagement@bbva.com

J.P. Morgan SE

Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany

Telephone: +44 20 7134 2468
Attention: Liability Management
Email: liability_management_EMEA@jpmorgan.com

Morgan Stanley Europe SE

Grosse Gallusstrasse 18
60312 Frankfurt am Main
Germany

Telephone: +44 20 7677 5040
Attention: Liability Management Team, Global Capital
Markets
Email: liabilitymanagementeuropa@morganstanley.com

UniCredit Bank AG

Arabellastrasse 12
81925 Munich
Germany

Telephone: +49 171 306 6648
Attention: Liability Management
Email: corporate.lm@unicredit.de

TENDER AGENT

Lucid Issuer Services Limited

The Shard
32 London Bridge Street
London SE1 9SG
United Kingdom

Telephone: +44 20 7704 0880

Attention: Arlind Bytyqi

Email: bayer@lucid-is.com

Website: <https://deals.lucid-is.com/bayer>

Disclaimer

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer. If any Noteholder is in any doubt as to the contents of the Tender Offer Memorandum or the action it should take, it is recommended to seek its own financial and legal advice, including in respect of any tax consequences, from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser. Any individual or company whose Notes are held on its behalf by a broker, dealer, bank, custodian, trust company or other nominee must contact such entity if it wishes to tender such Notes pursuant to the Offer. None of the Company, the Dealer Managers or the Tender Agent (or any of their respective directors, officers, employees, agents, advisers or affiliates) makes any recommendation as to whether or not Noteholders should participate in any Offers or refrain from taking any action in any Offers with respect to any of such Notes, and none of them has authorised any person to make any such recommendation. None of the Company, the Dealer Manager or the Tender Agent or any of their respective directors, employees or affiliates has made or will make any assessment of the merits and risks of the Offer or of the impact of the Offer on the interests of Noteholders either as a class or individuals, and none of them makes any recommendation whether Noteholders should tender Notes pursuant to the Offer. None of the Company, the Dealer Manager or the Tender Agent (or any of their respective directors, officers, employees, agents, advisers or affiliates) is providing Noteholders with any legal, business, tax, financial, investment, accounting or other advice in this announcement and/or the Tender Offer Memorandum and/or in connection with the Offer. Noteholders should consult with their own advisers as they consider appropriate to assist them in taking decisions with respect to the Offer, including to determine whether they are legally permitted to tender Notes pursuant to the Offer. The Tender Agent is the agent of the Company and owes no duty to any Noteholder.

Offer and Distribution Restrictions

This announcement and the Tender Offer Memorandum do not constitute an invitation to participate in the Offer in any jurisdiction in which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this announcement and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this announcement and the Tender Offer Memorandum comes are required by each of the Company, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions.

This notice, the Tender Offer Memorandum and the Offer are not for distribution, directly or indirectly, in or into or to any person located or resident in the United States.

The Offer referenced herein is not being made, directly or indirectly, in or into the United States by use of the mails or by any means or instrumentality (including, without limitation, e-mail, facsimile transmission, telephone and the internet) of interstate or foreign commerce, or of any facility of a national securities exchange of the United States and the Offer cannot be accepted by any such use, means, instrumentality or facility or from within the United States.

This notice, the Tender Offer Memorandum and the Offer do not constitute or form a part of any offer or solicitation to purchase or subscribe for securities in the United States.

Nothing in this notice and the Tender Offer Memorandum constitutes an offer to buy or the invitation to offer to sell securities in Italy (except as set out in the Tender Offer Memorandum), Belgium (except as set out in the Tender Offer Memorandum), the Republic of France (except as set out in the Tender Offer Memorandum) or any other jurisdiction in which such offer or solicitation would be unlawful.

The Tender Offer Memorandum and the Offer may only be communicated to persons in the United Kingdom in circumstances where section 21 (1) of the Financial Services and Markets Act 2000 does not apply.

The distribution of this notice and the Tender Offer Memorandum in certain jurisdictions may be restricted by law. Persons into whose possession this notice and the Tender Offer Memorandum comes are required by the Company, the Dealer Managers and the Tender Agent to inform themselves about, and to observe, any such restrictions. See "*Offer and Distribution Restrictions*" in the Tender Offer Memorandum.

New Notes

Any investment decision to purchase any New Notes should be made solely on the basis of the information contained in the prospectus prepared in connection with the issue of the New Notes and their admission to the official list of the Luxembourg Stock Exchange (the "**Official List**") and to trading on the Luxembourg Stock Exchange's regulated market "Bourse de Luxembourg" (the "**Prospectus**"), and no reliance is to be placed on any representations other than those contained in the Prospectus. Subject to compliance with all applicable securities laws and regulations, the Prospectus is expected to become available on request from the Dealer Managers, in their capacity as joint bookrunners of the issue of the New Notes, and the other managers so appointed.

The New Notes are not being, and will not be, offered or sold in the United States. Nothing in this announcement and the Tender Offer Memorandum constitutes an offer to sell or the solicitation of an offer to buy the New Notes in the United States or any other jurisdiction. Securities may not be offered, sold or delivered in the United States absent registration under, or an exemption from the registration requirements of, the United States Securities Act of 1933, as amended (the "Securities Act"). The New Notes have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States and may not be offered, sold or delivered, directly or indirectly, within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S under the Securities Act).

Compliance information for the New Notes: MiFID II professionals/ECPs-only/No PRIIPs KID – eligible counterparties and professional clients only (all distribution channels). UK MiFIR professionals/ECPs-only/No PRIIPs KID – eligible counterparties and professional clients only (all distribution channels). No sales to EEA and UK retail investors; no key information document has been or will be prepared. See the Prospectus for further information.

No action has been or will be taken in any jurisdiction in relation to the New Notes to permit a public offering of securities.