

Press release

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RAG-STIFTUNG LAUNCHES AN OFFERING OF NEW BONDS EXCHANGEABLE INTO SHARES OF EVONIK INDUSTRIES AG AND INVITES BONDHOLDERS TO SUBMIT OFFERS TO SELL ANY AND ALL OF THE EXCHANGEABLE BONDS DUE 2024 (ISIN: DE000A2LQRA1) AND UP TO €50M OF THE OUTSTANDING EXCHANGEABLE BONDS DUE 2026 (ISIN: DE000A3E44N7).

Essen, 21 November 2023. RAG-Stiftung (the "Issuer") announces today the concurrent launch of the following transactions:

- The offering of new senior and unsecured bonds exchangeable into existing ordinary registered shares of Evonik Industries AG (the "**Shares**") in an aggregate principal amount of EUR 500 million, maturing on 28 November 2030 (the "**New Bonds**")
- The invitation to (i) holders of the outstanding non-interest bearing senior, unsecured exchangeable bonds due 2024 (ISIN: DE000A2LQRA1) in an aggregate principal amount in circulation of EUR 450 million (the "**Outstanding 2024 Bonds**") and (ii) holders of the outstanding non-interest bearing senior, unsecured exchangeable bonds due 2026 (ISIN: DE000A3E44N7) in an aggregate principal amount in circulation of EUR 450 million (the "**Outstanding 2026 Bonds**") and together with the Outstanding 2024 Bonds, the

"**Outstanding Bonds**") to sell their Outstanding Bonds for cash up to the Target Amount (the "**Invitation to Sell**")

The Issuer plans to use the net proceeds of the offering of the New Bonds to finance the potential repurchase of Outstanding Bonds and to increase its financial assets.

New Bonds

The New Bonds will have a maturity of 7 years, an aggregate principal amount of EUR 500 million and will be exchangeable into cash, Shares or a combination thereof, at the option of the Issuer.

The New Bonds will bear interest at a rate of 1.75-2.25% per annum payable semi-annually in arrear on 28 May and 28 November in each year, commencing on 28 May 2024, and are expected to be issued at par. Unless previously exchanged, redeemed or purchased and cancelled, the Issuer will redeem the Bonds at par on 28 November 2030. Bondholders will have the right to require the Issuer to redeem the New Bonds at their principal amount plus accrued interest on 28 November 2028 (the "**Bondholder Put Date**"). Upon redemption at maturity or on the Bondholder Put Date, the Issuer may elect to settle all or part of the redemption value in Shares.

The initial exchange price for the New Bonds will be determined in the accelerated bookbuilding procedure at an exchange premium of 20.0-25.0% above the reference share price (being the volume-weighted average price of the Shares on XETRA on 21 November 2023).

The Issuer will have the option to redeem the New Bonds at their principal amount plus accrued interest in accordance with the terms and conditions of the New Bonds at any time (i) on or after 19 December 2028 if the price of the Shares is equal to or exceeds 130% of the then applicable exchange price over a certain period or (ii) in the case of an all cash offer for the underlying Shares during a certain period following the completion of such all-cash offer or (iii) if 15% or less of the aggregate principal amount of the New Bonds originally issued remains outstanding.

The final terms of the New Bonds are expected to be announced later today through a separate press release, and settlement is expected to take place on or around 28 November 2023.

In the context of the transaction, the Issuer has committed to a lock-up of 90 days in respect of the Shares, subject to customary exceptions.

It is intended that an application will be made for the New Bonds to be admitted to trading on the Open Market (*Freiverkehr*) segment of the Frankfurt Stock Exchange.

The New Bonds will be offered by way of an accelerated bookbuilding to institutional investors outside the United States of America (the "**United States**") in reliance on Regulation S (Category 1) under the United States Securities Act of 1933 as amended, as well as outside of Australia, Canada, Japan, South Africa and any other jurisdiction in which offers or sales of the New Bonds would be prohibited by applicable law.

Invitation to Sell

Concurrently with the New Bonds offering, the Issuer announces an invitation to holders of the Outstanding Bonds that are outside the United States and to whom the Invitation to Sell may otherwise be lawfully made (as further described below) (each an "**Eligible Holder**") to sell up to EUR 450 million in aggregate principal amount of their Outstanding 2024 Bonds and up to EUR 50 million in aggregate principal amount of their Outstanding 2026 Bonds (the "**Target Amount**") for purchase at the Issuer's sole and absolute discretion for cash. The Issuer reserves the right, in its sole and absolute discretion, to purchase significantly less than or significantly more than (or none of) the Target Amount and reserves the right to accept significantly less or significantly more (or none) of one series as compared to the other series.

As at 5:30 p.m. CET on 20 November 2023, EUR 450 million in aggregate principal amount of the Outstanding 2024 Bonds and €450 million in aggregate principal amount of the Outstanding 2026 Bonds remained in circulation.

The fixed purchase price per EUR 100,000 principal amount of the Outstanding 2024 Bonds will be EUR 97,000. The fixed purchase price per EUR 100,000 principal amount of the Outstanding 2026 Bonds will be EUR 94,000.

In order to participate in the Invitation to Sell, Eligible Holders must submit their offer to sell in respect of the Outstanding Bonds prior to 5.30 p.m. (CET) on 21 November 2023.

Settlement of the Invitation to Sell is expected to occur on or around 29 November 2023.

The Issuer may, at its discretion, extend, re-open, amend, waive any condition of or terminate the Invitation to Sell at any time prior to announcement of the final aggregate principal amount of the

Outstanding 2024 Bonds accepted for purchase in the Invitation to Sell (subject to applicable law). Details of any such extension, re-opening, amendment, waiver or termination will be announced as soon as reasonably practicable after the relevant decision is made.

The Invitation to Sell 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 Invitation to Sell cannot be accepted by any such use, means, instrumentality or facility or from within the United States. The Invitation to Sell is not open to any persons located or resident in the United States, or persons acting for the account or benefit of any such persons, or in any other jurisdiction where the Invitation to Sell or any participation therein would be unlawful.

BNP PARIBAS and BofA Securities Europe SA are acting as Joint Global Coordinators and Joint Bookrunners on the Offering of the New Bonds and as Joint Dealer Managers on the Invitation to Sell.

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This announcement and the offer, when made, in member states of the European Economic Area or in the United Kingdom, are only addressed to and directed at persons who are "qualified investors" as defined in the Prospectus Regulation ("**Qualified Investors**"). For these purposes, the expression "**Prospectus Regulation**" means regulation (EU) 2017/1129 and Regulation (EU) 2017/1129 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, the "**EUWA**"), in each case as amended.

If located in a relevant member state, each person who initially acquires any securities, and to the extent applicable any funds on behalf of which such person acquires such securities that are located in a relevant member state, or to whom any offer of securities may be made will be deemed to have represented, acknowledged and agreed that it is a Qualified Investor as defined above.

The New Bonds are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or the United Kingdom. For these purposes, a "**retail investor**" means (a) in the EEA, a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("**MIFID II**") (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a Qualified Investor as defined in the Prospectus Regulation and (b) in the United Kingdom, a person who is one (or more) of (i) a retail client, as defined in point (8) of Article 2 of Regulation (EU) no 2017/565 as it forms part of United Kingdom domestic law by virtue of the EUWA or (ii) a customer within the meaning of the provisions of the Financial Services and Markets Act 2000 of the United Kingdom (the "**FSMA**") and any rules or regulations made under the FSMA to implement Directive (EU) 2016/97, where that customer would not qualify as a professional client, as defined in point (8) of Article 2(1) of Regulation (EU) no 600/2014 as it forms part of United Kingdom domestic law by virtue of the EUWA.

Consequently, no key information document required by Regulation (EU) no 1286/2014 (the "**EU PRIIPs Regulation**") or the EU PRIIPs Regulation as it forms part of United Kingdom domestic law by virtue of the EUWA (the "**UK PRIIPs Regulation**") for offering or selling the New Bonds or otherwise making them available to retail investors in the EEA or the United Kingdom has been prepared and therefore offering or selling the New Bonds or otherwise making them available to any retail investor in the EEA or the United Kingdom may be unlawful under the EU PRIIPs Regulation and/or the UK PRIIPs Regulation. In the United Kingdom, this announcement is directed only at, Qualified Investors (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), (ii) who fall within Article 49(2)(a) to (d) of the Order, or (iii) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "**relevant persons**"). This announcement must not be acted on or relied on (i) in the United Kingdom, by persons who are not relevant persons, and (ii) in any member state of the European Economic Area, by persons who are not Qualified Investors.

Each of the Joint Bookrunners is acting exclusively for the Issuer and no-one else in connection with the New Bonds offering. They will not regard any other person as their respective clients in relation to the New Bonds offering and will not be responsible to anyone other than the Issuer for providing the protections afforded to their respective clients, nor for providing advice in relation to the New Bonds offering, the contents of this announcement or any transaction, arrangement or other matter referred to herein.

In connection with the New Bonds offering, the Joint Bookrunners and any of their affiliates, acting as investors for their own accounts, may subscribe for or purchase New Bonds of the Issuer and in that capacity may retain, purchase, sell, offer to sell or otherwise deal for their own accounts in such Bonds and other securities of the Issuer or related investments in connection with this New Bonds offering or otherwise. The Joint Bookrunners do not intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligations to do so.

None of the Joint Bookrunners or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Issuer, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith.

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No reliance may or should be placed by any person for any purposes whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change.

The date of admission of the New Bonds to trading may be influenced by things such as market conditions. There is no guarantee that admission will occur and you should not base your financial decisions on RAG-Stiftung's intentions in relation to admission at this stage. Acquiring investments to which this announcement relates may expose an investor to a significant risk of losing all of the amount invested. Persons considering making such investments should consult an authorised person specialising in advising on such investments. This announcement does not constitute a recommendation concerning the exchangeable bond offering. The value of shares can decrease as well as increase. Potential investors should consult a professional advisor as to the suitability of the exchangeable bonds offering for the person concerned.