

# Invitation

to the Extraordinary General Meeting on March 31, 2021  
(virtual General Meeting)



**Unique identifier for the event: BAUER\_ao2021**

We invite the shareholders of our company to attend the

**Extraordinary General Meeting of BAUER Aktiengesellschaft**

that will be held on

**Wednesday, March 31, 2021 at 10:00 a.m. (CEST).**

On the basis of section 1 of the Act concerning measures under the law of companies, cooperative societies, associations, foundations and commonhold property to combat the effects of the COVID-19 pandemic dated March 27, 2020 in the version dated December 22, 2020 ("**COVID-19 Act**"), the General Meeting will be held **without the physical presence of the shareholders and their representatives** (except for the proxies appointed by the company) at the company headquarters of BAUER Aktiengesellschaft, BAUER-Straße 1, 86529 Schrobenhausen, Germany and will be broadcast on an online portal ("**General Meeting Portal**"), at the internet address [www.bauer.de/agm](http://www.bauer.de/agm), using video and audio. More detailed information in this regard can be found in this invitation under the instructions and terms for participation.

## I. Agenda

### **1. Resolution regarding an increase of the company's share capital through a uniform mixed cash and/or non-cash capital increase including shareholders' subscription rights**

Given the background of implementing a new long-term financing structure that fits the future development plans of the BAUER Group, and in light of the interest expressed by investors in purchasing company shares, an equity reinforcement is planned.

The Management Board and Supervisory Board therefore propose to resolve the following:

1. To increase the company's share capital from its current value of EUR 80,301,417.61, divided into 18,844,066 no-nominal-value bearer shares, by up to EUR 30,885,149.15 against cash and/or non-cash contributions by the issue of up to 7,247,715 new no-nominal-value bearer shares in the form of ordinary shares (with voting rights) with a proportion of the share capital amounting to EUR 4.26 (rounded) per share ("new shares"). The new shares are entitled to profit-sharing as of January 1, 2021.
2. The shareholders are granted the statutory subscription rights. The subscription ratio is thirteen (13) old shares to five (5) new shares. This means that each shareholder can acquire 5 new shares for every 13 old shares they hold. If the subscription ratio results in computational claims to fragments of shares for shareholders, the shareholders are not entitled to the delivery of new shares or cash settlement with respect to these fractional amounts. In this regard, subscription rights are excluded. The time limit for accepting the subscription offer ends no earlier than two weeks after the announcement of the subscription offer.
3. The capital increase will be carried out as a mixed capital increase against cash and/or non-cash contributions.

- a) The shareholders can acquire new shares based on their subscription rights in return for cash contributions. The statutory subscription rights are granted to the shareholders as follows: the new shares are subscribed by a bank, or by a company operating pursuant to section 53 (1) sentence 1 or section 53b (1) sentence 1 or (7) of the German Banking Act, as part of an indirect subscription right pursuant to section 186 (5) of the AktG, and acquired with the obligation of offering them to the shareholders for purchase at a subscription price still to be defined and paying the additional proceeds to the company after deducting an appropriate commission and costs.
- b) The shareholders Dr.-Ing. Dr. Ing. E.h. Karl Heinrich Bauer (residing in 86529 Schrobenhausen), Dipl.-Kfm. Maria Elisabeth Bauer (residing in 86529 Schrobenhausen), Prof. Dr.-Ing. E.h. Dipl.-Kfm. Thomas Karl Bauer (residing in 86529 Schrobenhausen), Dr.-Ing. Johannes Karl Bauer (residing in 86529 Schrobenhausen), Dipl.-Ing. Elisabeth Maria Teschemacher (residing in 86529 Schrobenhausen) and Prof. Dr.-Ing. Sebastian Christoph Bauer (residing in 86529 Schrobenhausen) (jointly referred to as the "Investors"), may each exercise their respective rights directly by each subscribing new shares in return for contributions in kind. These contributions in kind consist of the contribution of loan repayment claims from a loan granted to BAUER Aktiengesellschaft by BAUER Anteilspool GbR (Schrobenhausen, Germany) in the amount of EUR 12 million according to the agreement dated December 9, 2020 along with the addendum dated December 15, 2020. The Investors are the sole shareholders of BAUER Anteilspool GbR. BAUER Anteilspool GbR intends to transfer to the Investors the full amount of its loan repayment claim against BAUER Aktiengesellschaft according to the breakdown outlined below. The Investors may each contribute the respective loan repayment claim against BAUER Aktiengesellschaft that is transferred to them, up to the amount of the respective nominal amount (without interest) as derived from the table below, as a non-cash contribution to be offset against the subscription price per new share to be stipulated according to no. 4 below. The number of shares to be granted in return for the non-cash con-

tribution, for which a subscription right was exercised based on personal rights or transferred rights, is calculated by dividing the contributed loan repayment claim by the subscription price which is still to be defined as it applies for all shareholders, rounded down to the nearest whole number.

<b>Shareholder</b>	<b>Loan repayment claim</b>	<b>Number of new shares to be granted</b>
Dr.-Ing. Dr. Ing. E.h. Karl Heinrich Bauer, residing in 86529 Schrobenhausen	EUR 3,372,255.01	up to 321,167
Dipl.-Kfm. Maria Elisabeth Bauer, residing in 86529 Schrobenhausen	EUR 2,818,639.87	up to 268,441
Prof. Dr.-Ing. E.h. Dipl.-Kfm. Thomas Karl Bauer, residing in 86529 Schrobenhausen	EUR 2,446,391.52	up to 232,989
Dr.-Ing. Johannes Karl Bauer, residing in 86529 Schrobenhausen	EUR 724,470.39	up to 68,997
Dipl.-Ing. Elisabeth Maria Teschemacher, residing in 86529 Schrobenhausen	EUR 971,683.59	up to 92,541
Prof. Dr.-Ing. Sebastian Christoph Bauer, residing in 86529 Schrobenhausen	EUR 1,666,559.62	up to 158,719

The aforementioned shareholders may only acquire new shares against cash contributions, as described under no. 3 (a), insofar as they have not exercised the subscription rights that are due to them personally or transferred to them by making a non-cash contribution as described above in no. 3 (b) of this document.

- The Management Board is authorized, with the consent of the Supervisory Board, to stipulate the further details of the capital increase, its execution and the conditions for the issue of shares. This also includes the definition of the subscription price. This subscription price is to be determined and set by the Management Board based on the volume-weighted average price of the company's shares in XETRA trading of Deutsche Börse AG for the last five trading days prior to the price definition, less a discount of up to 20%, whereby the subscription price should amount to at least EUR 10.50. The Supervisory Board is authorized to adapt the wording of section 4 (1) of the Articles of Association according to the execution of the capital increase.

5. The resolution concerning the increase of the share capital shall become invalid if the execution of the capital increase has not been entered in the Commercial Register by September 30, 2021 at the latest.

## **2. Resolution regarding cancellation of the existing authorized capital for 2020 (section 4 (4) of the company's Articles of Association), the creation of new authorized capital with the option of excluding subscription rights and the corresponding modification of the Articles of Association**

The 2020 authorized capital approved by the Annual General Meeting on June 25, 2020 under agenda item 4 pursuant to section 4 (4) of the company's Articles of Association, originally created in the amount of up to EUR 7,300,000.00 in total, currently amounts to EUR 2.84 after its nearly full utilization. Therefore, new authorized capital should be created so that the company can continue to reinforce its equity capital as needed in the coming years.

The Management Board and Supervisory Board therefore propose to resolve the following:

1. The 2020 authorized capital approved by the Annual General Meeting on June 25, 2020 under agenda item 4 pursuant to section 4 (4) of the company's Articles of Association, which was originally created in the amount of up to EUR 7,300,000.00 in total and which currently amounts to EUR 2.84 after its partial utilization, is hereby canceled – as far as not yet utilized – with effect from the date of registration of the newly authorized capital in the Commercial Register, to be resolved under nos. 2. and 3. below.
2. The Management Board is authorized, with the consent of the Supervisory Board, to increase the share capital once or more than once up to March 30, 2026 by up to a total of EUR 10,000,000.00 by the issue of no-nominal-value bearer shares against cash and/or non-cash contributions (2021 authorized capital). In principle, the shareholders have subscription rights.

The subscription rights can also be granted to shareholders indirectly pursuant to section 186 (5) of the AktG. However, the Management Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in the following cases:

- a) in the case of capital increases in return for non-cash contributions, particularly for the purpose of purchasing companies, parts of companies, participations in companies and other assets or claims for the purchase of assets, including receivables from companies or their Group companies, or for the purpose of company mergers;
- b) in the event of capital increases against cash contributions where the issue amount of the new shares is not materially below the market price of the already quoted shares at the time that the issue price is set definitively and the shares issued excluding shareholders' subscription rights pursuant to section 186 (3) sentence 4 of the AktG do not in total exceed 10% of the existing share capital either at the time this authority takes effect or at the time of exercising this authority. Shares which have been or will be sold or issued in direct or corresponding application of section 186 (3) sentence 4 of the AktG while this authority is in place, until such time as it is exercised pursuant to other authorities excluding subscription rights, are to be set off against this limit;
- c) to compensate fractional amounts resulting during capital increases in return for cash and/or non-cash contributions due to the subscription ratio;
- d) to implement so-called scrip dividends where shareholders are offered an option to pay in their dividend entitlement (in full or part thereof) as a non-cash contribution to the company in return for the issuance of new shares from the 2021 authorized capital.

The Management Board is authorized to stipulate the additional content of the share rights, including a preference in the distribution of profits with a concurrent exclusion of voting rights, and the conditions for the issue of shares with the approval of the Supervisory Board.

The Supervisory Board is authorized to change the wording of section 4 of the Articles of Association according to the respective utilization of the 2021 authorized capital, and if the 2021 authorized capital is not fully utilized by March 30, 2026, the Supervisory Board may change this authorization after the period has expired.

3. Section 4 (4) of the Articles of Association is revised as follows:

“4. The Management Board is authorized, with the consent of the Supervisory Board, to increase the share capital once or more than once up to March 30, 2026 by up to a total of EUR 10,000,000.00 by the issue of no-nominal-value bearer shares against cash and/or non-cash contributions (2021 authorized capital). In principle, the shareholders have subscription rights. The subscription rights can also be granted to shareholders indirectly pursuant to section 186 (5) of the AktG. However, the Management Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of shareholders in the following cases:

- a) in the case of capital increases in return for non-cash contributions, particularly for the purpose of purchasing companies, parts of companies, participations in companies and other assets or claims for the purchase of assets, including receivables from companies or their Group companies, or for the purpose of company mergers;
- b) in the event of capital increases against cash contributions where the issue amount of the new shares is not materially below the market price of the already quoted shares at the time that the issue price is set definitively and the shares issued excluding shareholders' subscription rights pursuant to section 186 (3) sentence 4 of the AktG do not in total exceed 10% of the existing share capital either at the time this authority takes effect or at the time of exercising this authority. Shares which have been or will be sold or issued in direct or corresponding application of section 186 (3) sentence 4 of the AktG while this authority is in place, until such time as it



is exercised pursuant to other authorities excluding subscription rights, are to be set off against this limit;

- c) to compensate fractional amounts resulting during capital increases in return for cash and/or non-cash contributions due to the subscription ratio;
- d) to implement so-called scrip dividends where shareholders are offered an option to pay in their dividend entitlement (in full or part thereof) as a non-cash contribution to the company in return for the issuance of new shares from the 2021 authorized capital.

The Management Board is authorized to stipulate the additional content of the share rights, including a preference in the distribution of profits with a concurrent exclusion of voting rights, and the conditions for the issue of shares with the approval of the Supervisory Board.

The Supervisory Board is authorized to change the wording of section 4 of the Articles of Association according to the respective utilization of the 2021 authorized capital, and if the 2021 authorized capital is not fully utilized by March 30, 2026, the Supervisory Board may change this authorization after the period has expired.

## **II. Reports of the Management Board**

### **1. Report of the Management Board pursuant to section 186 (4) sentence 2 of the AktG concerning agenda item 1**

Under agenda item 1, the Management Board and Supervisory Board propose a resolution to the General Meeting regarding an increase of the company's share capital against cash and/or non-cash contributions including shareholders' subscription rights. In this context, the subscription ratio is thirteen (13) old shares to five (5) new shares. This means that each shareholder can acquire 5 new shares at the subscription price for every 13 old shares they hold.

However, this subscription ratio could result in computational claims to fragments of shares for shareholders. In this regard, subscription rights

are excluded from the proposed resolution. Shareholders are not entitled to any delivery of new shares or cash settlement with respect to these fractional amounts.

The definition of the subscription ratio at 13:5 as proposed facilitates the handling of rights issue since this is a feasible subscription ratio. At the same time, the potential dilution effect is kept low due to the limitation to fractional amounts. As a result, the exclusion of subscription rights for fractional amounts is objectively justified.

## **2. Report of the Management Board pursuant to sections 203 (2) sentence 2 and 186 (4) sentence 2 of the AktG concerning agenda item 2**

The authorization to increase the share capital, approved by the Annual General Meeting on June 25, 2020 under agenda item 4, which was originally distributed in the amount of up to EUR 7,300,000.00, currently amounts to EUR 2.84 after its nearly full utilization. Therefore, new authorized capital should be created so that the company can continue to reinforce its equity capital as needed in the coming years. To grant the Management Board of the company full flexibility to utilize its authority with respect to timing, the Management Board and Supervisory Board propose to cancel the authorization to increase the share capital in section 4 (4) of the Articles of Association and to replace it with a new authorization with a term lasting up to March 30, 2026. This should authorize the Management Board of the company, with the consent of the Supervisory Board, to increase the share capital once or more than once by up to a total of EUR 10,000,000.00 by the issue of no-nominal-value shares against cash and/or non-cash contributions (2021 authorized capital).

The Management Board thus remains capable, within reasonable bounds, of adjusting the company's equity base to commercial and legal requirements and to react at short notice to financing requirements that arise in connection with the implementation of strategic decisions. To this end, the company must always dispose of the necessary instruments for raising capital regardless of the specific plans for utilization. Typical occasions for utilizing authorized capital include reinforcing the

equity base and financing the purchase of participations. Since decisions regarding the coverage of required capital generally have to be made on short notice, it is important for the company to be independent of the yearly rhythm of the Annual General Meetings. The law has taken account of this requirement through the instrument of authorized capital.

In principle, the shareholders have subscription rights concerning the utilization of the 2021 authorized capital. The statutory subscription right also allows the granting of shares to shareholders indirectly pursuant to section 186 (5) of the AktG. However, an exclusion of the shareholders' subscription rights for the 2021 authorized capital that has been proposed for resolution is possible with the approval of the Supervisory Board in the cases outlined below:

- a) It should be possible to exclude the shareholders' subscription rights, with the consent of the Supervisory Board, in the event of capital increases in return for non-cash contributions. This allows the Management Board to utilize company shares in appropriate individual cases, particularly for the purpose of purchasing companies, parts of companies, participations in companies and other assets or make claims for the purchase of assets, including receivables from companies or their Group companies, or for the purpose of company mergers or other fixed assets. During negotiations it may be necessary to offer shares as a consideration for such transactions instead of cash. The authorized capital together with a corresponding exclusion of subscription rights should enable BAUER Aktiengesellschaft in suitable cases, without utilizing borrowed capital lines and while maintaining liquidity, to acquire companies, parts of companies, participations in companies or other fixed assets or third-party claims in exchange for the issue of shares, significantly increasing the Management Board's scope for action in international competition. Particularly for company divisions experiencing constant growth that are affected by such transactions, it is often impossible for considerations to be made in cash without placing strain on the company's liquidity or increasing debt to an undesirable extent.

An exclusion of subscription rights involves a reduction of the relative investment quota and the relative share of voting rights for the existing shareholders. But granting subscription rights would make it impossible to acquire companies, parts of companies, participations in companies or other fixed assets in exchange for shares, and thus make it impossible to achieve the associated advantages for the company and the shareholders. In each individual case, the Management Board will carefully review whether to utilize the 2021 authorized capital. The Management Board will only do so if the purchase in question is required for the company's interests. The issue of shares in exchange for non-cash contributions presupposes that the value of the non-cash contribution is reasonably proportionate to the value of the shares. When determining the valuation ratio, the Management Board will ensure that the interests of the company and its shareholders remain appropriately protected and that an appropriate issue amount is achieved.

- b) With the consent of the Supervisory Board, it should also be possible to exclude the subscription right if the new shares are issued in the event of cash capital increases pursuant to section 186 (3) sentence 4 of the AktG for an amount that is not significantly lower than the market price. This option to exclude the subscription right should enable the management to take advantage of favorable market situations at short notice and to use a market-oriented price definition to achieve the highest possible issue amount and thereby to achieve maximum strengthening of equity capital. In principle, the opportunity of more rapid action with such capital increases will lead to a higher cash inflow than comparable capital increases involving subscription rights for the shareholders because the discounts involved will generally be lower than for a rights issue. Accordingly, this is in the company's interests. In addition, such capital increases can also be used to acquire new shareholder groups.

The shares issued excluding shareholders' subscription rights pursuant to section 186 (3) sentence 4 of the AktG must not in total exceed 10% of the existing share capital either at the time

this authority takes effect or at the time of exercising this authority. The sale of treasury shares is to be set off against this limit insofar as their sale occurs while this authority is in place excluding subscription rights pursuant to sections 71 (1) no. 8 sentence 5 and 186 (3) sentence 4 of the AktG. Shares that have been used for the settlement of bonds that were issued or are to be issued with conversion rights or option rights or a conversion obligation must also be set off against this limit insofar as the bonds are issued while this authority is in place excluding subscription rights, applying section 186 (3) sentence 4 of the AktG accordingly. These requirements fulfill the shareholders' need to prevent the dilution of their shareholdings.

When utilizing the proposed authority, the Management Board with the approval of the Supervisory Board will set the issue amount as close as possible to the current stock market price considering the relevant capital market situation. The connection to the stock market price prevents a considerable economic disadvantage to the shareholders excluded from subscription rights. Due to the stock market orientation of the issue amount for the new shares and the limitation of the capital increase amount that is excluded from subscription rights, the shareholders essentially have the option of maintaining their investment quota by purchasing the necessary shares on the stock market under nearly equivalent conditions. When utilizing the authority, the Management Board will endeavor to issue the new shares from the capital increase under conditions that protect the capital market. The asset and voting rights interests of the shareholders remain suitably protected when utilizing the 2021 authorized capital excluding subscription rights, and the company is granted additional scope for action in the interest of all shareholders.

- c) If the Management Board does not utilize the above authority to exclude subscription rights, the Management Board should also be authorized within the scope of the authorized capital, and with the consent of the Supervisory Board, to exclude the subscription rights of shareholders for fractional amounts resulting from the

calculation of the subscription ratio. This facilitates the handling of a rights issue if fractional amounts result due to the issue volume or in order to present a feasible subscription ratio. The fractions of treasury shares excluded from the subscription rights of the shareholders will be sold to the company's greatest possible advantage, either via the stock market or in another manner. The potential dilution effect is kept low due to the limitation to fractional amounts and is thus objectively justified.

- d) With the consent of the Supervisory Board, the Management Board should also be authorized to exclude the statutory subscription rights of the shareholders in order to implement so-called scrip dividends under more flexible conditions. For scrip dividends, shareholders are offered an option to pay in their dividend entitlement established by the Annual General Meeting's resolution on the appropriation of returned earnings as a non-cash contribution to the company in return for the issuance of new shares in the company. Although the implementation of scrip dividends as a real rights issue is possible in principle, depending on the respective capital market situation it may be in the company's interest not to be tied to the restrictions of section 186 (1) of the AktG (minimum subscription period of 2 weeks) and section 186 (2) of the AktG (notification of the issue amount no more than three days before the end of the subscription period) in particular. In addition, the shareholders will only be offered full shares for purchase. With respect to portions of the dividend claim that fall below the purchase price for a full share, the remaining option is to collect a cash dividend and no provisions are made for the acquisition of partial rights or the establishment of a trade in subscription rights or parts thereof. Therefore, the Management Board should also be authorized to offer the option of purchasing new shares in exchange for paying in their dividend claim to all shareholders who are entitled to dividends while observing the general principle of equal treatment (section 53a of the AktG), nevertheless formally excluding the subscription rights of the shareholders as a whole with the approval of the Supervisory Board. Under the condition that the new shares are

offered to all shareholders and the remainders of partial dividend amounts are settled by the payment of cash dividends, the exclusion of subscription rights is objectively justified and appropriate.

The nominal amount of the 2021 authorized capital will be up to EUR 10,000,000.00 in total. This corresponds to around 12% of the company's available share capital as of the authorization date and therefore remains within the framework permitted by law.

There are currently no plans for utilization of the authorized capital. In each individual case, the Management Board will carefully review whether to utilize its authorization to establish capital increases excluding subscription rights. The Management Board will only do so if this is in the interest of the company and therefore its shareholders based on the assessment of the Management Board and the Supervisory Board. The proposed term of the 2021 authorized capital remains within the framework permitted by law. In the event of a specific utilization of the proposed authority, the Management Board will inform the next Annual General Meeting of this fact after the utilization.

**Information pursuant to Table 3 Block E nos. 3, 4 and 5 of the Commission Implementing Regulation (EU) 2018/1212 of September 3, 2018**

The documents to be communicated concerning agenda items 1 and 2 can be accessed on the company's website at [www.bauer.de/agm](http://www.bauer.de/agm).

Additional information is provided to shareholders there concerning participation in the General Meeting, the agenda and the deadlines for exercising other shareholder rights.

Votes cast concerning agenda items 1 and 2 are binding. With respect to agenda items 1 and 2, the shareholders can vote "Yes" or "No" or abstain from voting.

### **III. More details concerning convocation**

#### **Share capital and voting rights**

As of the date on which this General Meeting is convened, the company's share capital is EUR 80,301,417.61 divided into 18,844,066 no-nominal-value registered bearer shares (no-par-value shares) with an equal number of voting rights. On the date of convening, the company holds no treasury shares.

#### **Virtual General Meeting without the physical presence of the shareholders and their representatives**

On the basis of the COVID-19 Act, the extraordinary General Meeting on March 31, 2021 will be held as a virtual General Meeting without the physical presence of the shareholders and their representatives. For this reason, the shareholders and their representatives (except for the proxies appointed by the company) cannot physically attend the General Meeting.

Nevertheless, registered shareholders and their representatives can follow the entire General Meeting on a video and audio broadcast at the internet address [www.bauer.de/agm](http://www.bauer.de/agm) and connect to the General Meeting via the company's online portal (General Meeting Portal) accessible at the same web address, particularly in order to exercise their voting rights. Instead of the usual admission card, properly registered shareholders will be sent a voting rights card with additional information about exercising their rights. Among other details, the voting rights card contains the access code that allows the shareholders to use the General Meeting Portal.

#### **Internet-based online General Meeting Portal and shareholder hotline**

Starting March 10, 2021, the company will maintain an internet-based online portal (General Meeting Portal) at the internet address [www.bauer.de/agm](http://www.bauer.de/agm). In this portal, properly registered shareholders (and their representatives where relevant) can perform actions such as exercising their voting rights, appointing proxies, submitting questions or lodging objections to be recorded in the minutes. In order to use the General Meeting Portal, you have to log in using the access code



that you receive with your voting rights card. The various options for exercising your rights will then appear in the user interface of the General Meeting Portal in the form of buttons and menus. Shareholders will receive further details about the General Meeting Portal and the conditions for registration and use along with the voting rights card or online at [www.bauer.de/agm](http://www.bauer.de/agm). Please also observe the technical instructions at the end of this invitation announcement.

For questions about the virtual General Meeting and use of the General Meeting Portal, you can contact our shareholder hotline by calling the number +49 89 21027 220 (Monday to Friday, 9:00 a.m. – 5:00 p.m.).

### **Requirements for participation in the virtual General Meeting and exercising voting rights**

Pursuant to section 16 (1) and (2) of the company's Articles of Association, only those shareholders who have registered in text form with the registration office designated below and demonstrated their entitlement are allowed to participate in the virtual General Meeting and to exercise their voting rights. To participate in the General Meeting and to exercise voting rights, a certificate of share ownership drawn up in text form pursuant to section 67c (3) of the AktG is required. This evidence must include a reference to the start of the 21st day before the meeting, i.e. **March 10, 2021 at 12:00 midnight (CET)** (record date – stipulated pursuant to Commission Implementing Regulation (EU) 2018/1212 of September 3, 2018: March 9, 2021). Registration and evidence of share ownership must be received at the following address in German or English by **March 24, 2021, 24:00 hours (CET)** at the latest:

BAUER Aktiengesellschaft  
c/o Link Market Services GmbH  
Landshuter Allee 10  
80637 Munich, Germany  
Email: [inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

In case of doubts concerning the accuracy or authenticity of the evidence, the company is entitled to request suitable additional evidence.

If this evidence is not provided or is not given in proper form, the company may decline the shareholder.

After receipt of registration and the evidence of their share ownership at the designated address, the shareholders will be sent voting rights cards in order to exercise their rights with respect to the General Meeting, including access data for the General Meeting Portal for electronic connection to the General Meeting.

### **Significance of the record date**

The record date is the decisive date for the scope and ability to exercise participation rights and voting rights during the virtual General Meeting. Only shareholders who have provided evidence of share ownership as of the record date will be considered company shareholders for the purposes of participating in the virtual General Meeting or exercising voting rights. Changes to the share portfolio after the record date have no significance in this context. Thus shareholders who only purchased their shares after the record date may not participate in the virtual General Meeting without being authorized by the previous shareholder. Shareholders that have properly registered and submitted evidence are entitled to participate in the virtual General Meeting and exercise their voting rights even if they sell the shares after the record date. The record date has no impact on the salability of the shares.

### **Exercising voting rights through absentee voting**

Shareholders may exercise their voting rights through absentee voting in text form or through electronic communication. In this case as well, proper registration and proper evidence of share ownership (see above under "Requirements for participation in the virtual General Meeting and exercising voting rights") are required.

Before the General Meeting, you can use the absentee voting form sent with your voting rights card. The absentee voting form can also be requested by mail from the address BAUER Aktiengesellschaft, Investor Relations, BAUER-Straße 1, 86529 Schrobenhausen, Germany, by fax: +49 8252 97-2900 or by e-mail ([hv2021@bauer.de](mailto:hv2021@bauer.de)). The absentee voting form can also be downloaded from the company's website at

[www.bauer.de/agm](http://www.bauer.de/agm). If you use the absentee voting form, this must exclusively be sent to the following mailing address or e-mail address for the registration office and must be received there up to **March 30, 2021, 24:00 hours (CEST)**:

BAUER Aktiengesellschaft, c/o Link Market Services GmbH  
Landshuter Allee 10, 80637 Munich, Germany  
E-mail: [inhaberaktien@linkmarketservices.de](mailto:inhaberaktien@linkmarketservices.de)

Absentee votes that cannot be reliably attributed to a proper registration will not be counted.

Before and also during the General Meeting, you may also exercise your voting rights through (electronic) absentee voting on the company's General Meeting Portal that can be accessed at the web address [www.bauer.de/agm](http://www.bauer.de/agm). Electronic absentee voting through the General Meeting Portal is available starting March 10, 2021 until the start of voting on the day of the General Meeting. The button „Briefwahl“ (Absentee voting) is provided in the General Meeting Portal for this purpose. Using the General Meeting Portal, you can change or withdraw any votes you cast previously through the absentee voting process until shortly before the start of voting.

Additional instructions concerning absentee voting are included in the voting rights card that is sent to properly registered shareholders. Relevant information and a more detailed description of electronic absentee voting in the General Meeting portal can also be accessed online at [www.bauer.de/agm](http://www.bauer.de/agm).

### **Exercising voting rights by granting power of attorney to the company's proxies**

In order to exercise voting rights, the shareholders can also grant power of attorney to the proxies appointed by the company, who are bound to follow instructions. In this case as well, proper registration and proper evidence of share ownership (see above under “Requirements for participation in the virtual General Meeting and exercising voting rights”) are required. Text form is required when granting or withdrawing the power

of attorney for the company's proxies. If power of attorney is granted to proxies appointed by the company, instructions for exercising voting rights must always be given. The proxies are obliged to vote according to their instructions. Without such explicit instructions, the proxies will not exercise the voting rights.

Before the General Meeting, you can use the power of attorney and instruction form sent with the voting rights card. The power of attorney and instruction form can also be requested by mail from the address BAUER Aktiengesellschaft, Investor Relations, BAUER-Straße 1, 86529 Schrobenhausen, Germany, by fax: +49 8252 97-2900 or by e-mail (hv2021@bauer.de). The power of attorney and instruction form can also be downloaded from the company's website at [www.bauer.de/agm](http://www.bauer.de/agm). If you use the power of attorney and instruction form, this must exclusively be sent to the following mailing address or e-mail address for the registration office and must be received there up to **March 30, 2021, 24:00 hours (CEST)**:

BAUER Aktiengesellschaft, c/o Link Market Services GmbH  
Landshuter Allee 10, 80637 Munich, Germany  
E-mail: inhaberaktien@linkmarketservices.de

After March 30, 2021, 24:00 hours (CEST), powers of attorney and instructions sent to the above address may no longer be changed or withdrawn. Changes or withdrawals may still be made in the General Meeting Portal as described below until the start of voting.

Before and during the General Meeting, you may also exercise your voting rights by granting power of attorney to the company's proxies on the company's General Meeting Portal that can be accessed at the web address [www.bauer.de/agm](http://www.bauer.de/agm). Power of attorney may be granted through the General Meeting Portal starting March 10, 2021 until the start of voting on the day of the General Meeting. The button „Vollmacht und Weisungen“ (Power of attorney and instructions) is provided in the General Meeting Portal for this purpose. Using the General Meeting Portal, you can change or withdraw any powers of attorney and in-

instructions you granted previously through the absentee voting process until the start of voting.

Additional instructions about granting powers of attorney and instructions to the company's proxies are included in the voting rights card that is sent to properly registered shareholders. Relevant information and a more detailed description on issuing powers of attorney and instructions to the company's proxies in the General Meeting Portal can also be accessed online at [www.bauer.de/agm](http://www.bauer.de/agm).

### **Authorization of third parties to exercise voting rights and other rights**

Shareholders can also exercise their voting rights and other rights using authorized representatives, for instance an intermediary (e.g. a bank), a voting rights advisor, a shareholder association or a third party. In this case as well, proper registration and proper evidence of share ownership (see above under "Requirements for participation in the virtual General Meeting and exercising voting rights") are required. Authorized third parties can exercise the voting right in turn through absentee voting or by issuing power of attorney and instructions to the company's proxies (see above). If the shareholder authorizes more than one person, the company may reject one or more of these parties in accordance with section 134 (3) sentence 2 of the AktG.

Text form is required when granting or withdrawing this power of attorney and providing evidence of authorization to the company (section 126b of the German Civil Code, BGB) if power of attorney was not issued pursuant to section 135 of the AktG. When authorizing other parties to exert voting rights pursuant to section 135 of the AktG (granting power of attorney to banks, shareholder associations, voting rights advisors, other intermediaries included in section 135 of the AktG or their equivalent pursuant to section 135 of the AktG), particular conditions generally need to be observed. Shareholders who wish to grant power of attorney for exercising voting rights pursuant to section 135 of the AktG are requested to ask the relevant proxy about any particular conditions for the power of attorney and to coordinate these conditions with the proxy.

The granting of the power of attorney can be submitted to the proxy or to the company.

Evidence of authorization may be submitted to the company, changed or withdrawn by the end of **Tuesday, March 30, 2021, 24:00 hours (CEST)** by mail or e-mail to the above address of the registration office or using the General Meeting Portal at [www.bauer.de/agm](http://www.bauer.de/agm). Compliance with this deadline depends on the time of receipt by the company.

On the day of the virtual General Meeting, power of attorney can exclusively be issued, changed or withdrawn electronically in the General Meeting Portal at [www.bauer.de/agm](http://www.bauer.de/agm) until the start of voting. The button "Vollmacht an Dritte" (Appoint third-party proxy) is provided in the General Meeting Portal for this purpose.

The above means of communication are also available until the respective times listed above when issuing a power of attorney by submitting a declaration to the company; separate evidence concerning the granting of the power of attorney is not required in this case. Existing powers of attorney can also be withdrawn or changed until the respective times listed above by submitting a direct declaration to the company using the means of communication listed above.

Shareholders that wish to authorize a proxy are requested to use the form provided by the company for granting the power of attorney. This will be sent to properly registered shareholders along with the voting rights card and can also be requested by mail from the address BAUER Aktiengesellschaft, Investor Relations, BAUER-Straße 1, 86529 Schrobenhausen, Germany, by fax: +49 8252 97-2900 or by e-mail ([hv2021@bauer.de](mailto:hv2021@bauer.de)). The power of attorney form can also be downloaded from the company's website at [www.bauer.de/agm](http://www.bauer.de/agm). Power of attorney can also be issued, changed or withdrawn electronically in the General Meeting Portal until directly before the start of voting during the General Meeting. The button "Vollmacht an Dritte" (Appoint third-party proxy) is provided in the General Meeting Portal for this purpose.

In order to use a proxy to exercise shareholder rights by means of electronic connection to the General Meeting Portal, the proxy must receive the access code sent with the voting rights card from the party issuing the power of attorney.

Additional instructions about appointing third parties as proxies are included in the voting rights card that is sent to properly registered shareholders. Relevant information and a more detailed description of appointing third parties as proxies can also be accessed online at [www.bauer.de/agm](http://www.bauer.de/agm).

### **Shareholder rights: Additions to the Agenda**

Pursuant to section 122 (2) of the AktG, shareholders with shares that make up one-twentieth of the share capital or the proportional amount of EUR 500,000 can request that items be added to the agenda and announced. The applicants must demonstrate that they have owned the necessary number of shares for at least 90 days before the date on which the request is received and must hold the shares until the Management Board makes its decision concerning the request. Each new item must be accompanied by a justification or proposed resolution. Pursuant to section 126 of the BGB, the request must be addressed to the Management Board. Requests for additions to the agenda must be received by the company at least 30 days before the General Meeting, i.e. no later than **February 28, 2021 at 24:00 hours (CET)**. We ask that such requests be submitted to the following address:

BAUER Aktiengesellschaft  
- Management Board -  
BAUER-Straße 1  
86529 Schrobenhausen, Germany

### **Shareholder rights: Counter-motions**

Each shareholder is entitled to submit motions concerning agenda items pursuant to section 126 (1) of the AktG. The company will communicate the counter-motions of shareholders including the name of the shareholder, the justification and any statement from the administration at [www.bauer.de/agm](http://www.bauer.de/agm) insofar as this is prescribed by law if the

shareholder sent the company an admissible motion concerning a specific agenda item along with justification at least 14 days before the General Meeting, i.e. by **March 16, 2021 at 24:00 hours (CET)**.

Counter-motions must exclusively be sent to the following address:

BAUER Aktiengesellschaft

- Investor Relations -

BAUER-Strasse 1

86529 Schrobenhausen, Germany

Fax: +49 8252 97-2900

E-mail: hv2021@bauer.de

Pursuant to section 1 (2) sentence 3 of the COVID-19 Act, shareholder motions that require communication pursuant to section 126 of the AktG are deemed as proposed in the General Meeting if the shareholder proposing the motion is properly legitimized and registered for the General Meeting.

#### **Shareholder rights: Right to ask questions**

Pursuant to section 1 (2) of the COVID-19 Act, shareholders are granted the right to ask questions by means of electronic communication.

**Properly registered shareholders therefore have the right to ask questions by means of electronic communication. Any questions must be submitted at least one day before the Special General Meeting, i.e. received by the end of March 29, 2021, 24:00 hours (CEST) through the company's General Meeting Portal at the web address [www.bauer.de/agm](http://www.bauer.de/agm).**

The button "Frage einreichen" (Submit a question) is provided in the General Meeting Portal for this purpose. No more questions may be submitted after the above period has elapsed.

The Management Board decides at its due and free discretion as to how it answers questions; it may also summarize questions and responses.



## **Shareholder rights: Declaration of objections to be recorded in the minutes**

Properly registered shareholders who have exercised their voting rights may electronically submit objections against resolutions of the General Meeting to be recorded in the notary's minutes until the end of the General Meeting through the General Meeting Portal. The button "Widerspruch einlegen" (Submit an objection) is provided in the General Meeting Portal for this purpose.

## **IV. Technical instructions concerning the virtual General Meeting**

In order to follow the virtual General Meeting and to use the General Meeting Portal and exercise shareholder rights, you will require an internet connection and web-enabled end device. In order to optimally reproduce the video and audio broadcast of the General Meeting, a stable internet connection with a sufficient transmission speed is recommended. If you use a computer to receive the video and audio broadcast of the virtual General Meeting, you will need a browser and speaker or headphones.

To access the company's General Meeting Portal, you will need your voting rights card which was sent to you after proper registration. On this voting rights card you will find your individual access data, which you can use to register in the General Meeting Portal on the registration page.

The shareholders can follow the entire General Meeting via the video and audio broadcast online. Based on the current state of technology, the video and audio broadcast of the virtual General Meeting and the availability of the General Meeting Portal may be subject to fluctuations over which the company has no influence due to restrictions in the availability of the telecommunications network and the restriction of internet services from third-party providers. For this reason, the company cannot issue a guarantee or accept liability for the functional operation and constant availability of the internet services used, for the third-party network elements used, for the video and audio broadcast or for access to the General Meeting Portal and its general availability. Nor can the

company accept responsibility for errors and defects in the hardware and software used for the online service including the services offered by third-party providers, except in cases of willful intent.

To prevent the risk of restrictions when exercising shareholder rights due to technical problems during the virtual General Meeting, it is recommend to exercise shareholders rights (particularly voting rights) **before the start of the General Meeting** if possible. The General Meeting Portal is accessible for exercise of voting rights starting March 10, 2021.

## **V. Information and documents concerning the General Meeting**

The information to be communicated pursuant to section 124a of the AktG, along with further clarifications concerning the rights of shareholders pursuant to sections 122 (2), 126 (1), 131 (1) of the AktG in conjunction with section 1 of the COVID-19 Act, are available on the company's website at [www.bauer.de/agm](http://www.bauer.de/agm). The voting results will be published on the same web address after the end of the General Meeting.

The statutory documents to be communicated can also be accessed during the General Meeting on the company's website at [www.bauer.de/agm](http://www.bauer.de/agm).

## **VI. Data protection information**

The controller for data processing is

BAUER Aktiengesellschaft  
BAUER-Strasse 1, 86529 Schrobenhausen, Germany  
Phone +49 8252 97-0, Fax +49 8252 97-2900

You can reach the controller's data protection officer at [bag-daten-schutz@bauer.de](mailto:bag-daten-schutz@bauer.de) or using the contact details provided below with the addition of „Data protection officer“.

In order to administer the virtual General Meeting (particularly for participation and exercising other shareholder rights) and for communication with the shareholders/shareholder representatives, the company processes personal data (in particular name, address, additional contact details, signature, shareholding, questions/motions/nominations, voting behavior, IP addresses where relevant, times of access to the General Meeting Portal) concerning shareholders and shareholder representatives that these parties submit to the company or that is submitted to the company by their intermediaries or proxies for the General Meeting. If the personal data required by law in order to identify shareholders and manage their participation in the General Meeting is not provided, participation in the General Meeting cannot be arranged.

As a shareholder, if you make use of the right to submit questions prior to the virtual General Meeting, your name may be mentioned in the General Meeting during this process. Other participants in the General Meeting will then be able to take note of this information. This data processing is necessary to pursue our legitimate interest in conducting the virtual General Meeting as similarly as possible to a physical General Meeting and the legitimate interest of the remaining participants in the General Meeting to learn the name of the party asking the question.

The legal basis for processing is provided by the respective regulations in the Stock Corporation Act (AktG) and the Securities Trading Act in conjunction with section 6 (1)(c) GDPR. Apart from this, processing is carried out pursuant to Art. 6 (1)(f) GDPR to pursue the controller's legitimate interest in organizing and conducting the virtual General Meeting in an orderly fashion provided that the interests or the fundamental rights and freedoms of the data subject are not overriding.

Within the company, access to personal data will be granted to those parties who require the data in order to fulfill statutory obligations. The service providers engaged by the company to enable holding of the General Meeting, who are bound to comply with data protection law under processing agreements where necessary, may also obtain data for the above-mentioned purposes. These include recipients in the following categories: service providers for annual general meetings, IT

service providers, printing and mailing of shareholder documents, telecommunications, legal advisors. Personal data will also be communicated to other shareholders through the participation list and the participants in the General Meeting in the course of exercising shareholder rights, and potentially to the public or public authorities to fulfill statutory reporting obligations, including on the company's website (e.g. additional item requests, counter-motions, nominations, voting rights communications).

The storage period (subject to special legal requirements) is regularly up to three years for the data collected in connection with virtual General Meetings. After this period, the data will be erased unless other statutory obligations require further retention of the data, in particular retention periods under trade law and tax law (up to 10 years), the data is necessary for the establishment, exercise or defense of legal claims under the applicable limitation provisions (up to 30 years) or if the controller has a legitimate interest in this regard.

The data subject has the right to access information (section 15 of the GDPR), the right to rectification (section 16 of the GDPR), the right to erasure (section 17 of the GDPR), the right to restriction of processing (section 18 of the GDPR), the right to object against the processing (section 21 of the GDPR) and the right to data portability (section 20 of the GDPR). The restrictions of sections 34 and 35 of the Federal Data Protection Act (BDSG) apply for the right to access information and the right to erasure. Rights can be exercised by contacting the data protection officer indicated above. The data subject also has the right to lodge a complaint with the data protection officer listed above or with a data protection supervisory authority.

## **Information regarding the right to object pursuant to section 21 of the GDPR**

You have the right to object, on grounds relating to your particular situation, at any time, to processing of personal data concerning you that is based on overriding legitimate interests pursuant to section 6 (1)(f) of the GDPR. After you object, we will no longer process the personal data unless we can demonstrate compelling legitimate grounds for the processing which override your interests, rights and freedoms, or if processing is necessary for the establishment, exercise or defense of legal claims.

Schrobenhausen, February 2021

BAUER Aktiengesellschaft

The Management Board

### **BAUER Aktiengesellschaft**

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