

First Supplement

in accordance with Section 16 para. 1 of the
German Securities Prospectus Act (*Wertpapierprospektgesetz – WpPG*)

dated 18 January 2018

to the

Prospectus

for admission to trading on the

Regulated Market (*Regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), sub-segment General Standard

**of 35,000,000 ordinary bearer shares with no par value (*Stückaktien*)
- each with a pro-rata amount of EUR 1.00 in the share capital and with full dividend rights
for the financial year ending 31 December 2017, and for all subsequent financial years -**

of

De Raj Group AG
Cologne

International Securities Identification Number: DE000A2GSWR1

German Securities Code (Wertpapier-Kenn-Nummer): A2GSWR

Trading Symbol: DRJ

Listing Agent

ACON Actienbank AG

dated 15 November 2017 as approved by the
Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)
on 15 November 2017

in accordance with Section 13 para. 1 of the
German Securities Prospectus Act (*Wertpapierprospektgesetz – WpPG*)

Important Information

This document constitutes a supplement (the “**Supplement**”) to the prospectus of De Raj Group AG dated 15 November 2017 (the “**Prospectus**”). This Supplement has been drawn up in accordance with Section 16 para. 1 WpPG.

This Supplement and the Prospectus should be read in conjunction only and together constitute one prospectus for the purpose of the European Prospectus Directive and the German Securities Prospectus Act. Terms defined or otherwise attributed meanings in the Prospectus have the same meaning when used in this Supplement.

De Raj Group AG, Cologne, along with ACON Actienbank AG, Munich, assume responsibility for the contents of this Supplement and declare that the information contained therein is, to the best of their knowledge, correct and contains no material omissions, and that they have taken all reasonable care to ensure that the information contained therein is, to the best of their knowledge, in accordance with the facts and contains no omissions likely to affect the import of the Supplement.

The Prospectus has been published on the De Raj Group AG’s website at <http://www.thederajgroup.com> on 15 November 2017 pursuant to Sec. 14 para. 2 no. 3a WpPG. The Supplement will be published on the De Raj Group AG’s website at <http://www.thederajgroup.com> pursuant to Section 16 para. 1 sentence 5 and Sec. 14 para. 2 no. 3a WpPG as well.

Hard copies of the Prospectus and the Supplement are available free of charge during regular business hours at De Raj Group AG’s offices, located at Christophstr. 15-17, 50672 Cologne, Germany.

1. The following new, material circumstances have arisen after the date of the Prospectus:

- On 9 January 2018, De Raj Group AG decided that it will apply for admission of 35,000,000 ordinary bearer shares with no par value (*Stückaktien*), each with a pro-rata amount of EUR 1.00 per share in the share capital of De Raj Group AG and with full dividend rights for the financial year ending 31 December 2017 and for all subsequent financial years (the “**Shares**”) to trading on the regulated market (*Amtlicher Markt*) of the Vienna Stock Exchange (*Wiener Börse*). The admission of the Shares to trading on the regulated market of the Frankfurt Stock Exchange (General Standard) has been abandoned.

- De Raj Group AG’s Business Address was changed from “*c/o Heuking Kühn Lüer Wojtek, Magnusstr. 13, 50672 Cologne*” to “*Christophstr. 15-17, 50672 Cologne*” and registered with the Commercial Register on 19 December 2017.

2. Supplements and Amendments

De Raj Group AG announces that, as a result of the new circumstances as set out under no.1 above, the Prospectus is supplemented and amended as follows:

2.1 The third line of the first page (cover page) shall be replaced as follows:

„Regulated Market (*Amtlicher Markt*) of the Vienna Stock Exchange (*Wiener Börse*)”

2.2 In the section **“SUMMARY”**, in the section **“B- Issuer”**, in the element **“B.2 - Domicile, legal form, legislation under which the issuer operates, country of incorporation”**, the first sentence shall be replaced as follows:

„The Company has its registered seat in Cologne, Germany, (business address: Christophstr. 15-17, 50672 Cologne) and is registered with the commercial register of the local court (*Amtsgericht*) of Cologne, Germany, under the number HRB 92007.”

2.3 In the section **“SUMMARY”**, in the section **“C- Securities”**, the element **“C.6 - Application for admission to trading on a regulated market and identity of regulated markets where the securities are to be traded.”** shall be replaced as follows:

„The Company expects to apply for admission of the Shares to trading on the regulated market segment (*Amtlicher Markt*) of the Vienna Stock Exchange (*Wiener Börse*). The listing approval is expected to be announced on 1 February 2018. Trading of the Shares on the Vienna Stock Exchange is expected to commence on 6 February 2018.”

2.4 In the section **“ZUSAMMENFASSUNG”**, in the section **“B - Emittent”**, in the element **“B.2 - Sitz und Rechtsform des Emittenten, geltendes Recht, Land der Gründung.”**, the first sentence shall be replaced as follows:

„Der Emittent hat seinen Sitz in Köln, Deutschland, (Geschäftsanschrift: Christophstr. 15-17, 50672 Köln), und ist im Handelsregister des Amtsgerichts Köln, Deutschland, unter HRB 92007 eingetragen.”

2.5 In the section **“ZUSAMMENFASSUNG”**, in the section **“C- Wertpapiere”**, the element **“C.6 - Angabe, ob für die angebotenen Wertpapiere die Zulassung zum Handel an**

einem geregelten Markt beantragt wurde bzw. werden soll, und Nennung aller geregelten Märkte, an denen die Wertpapiere gehandelt werden oder werden sollen.”

shall be replaced as follows:

„Die De Raj wird die Zulassung der Aktien der De Raj zum Amtlichen Markt an der Wiener Börse beantragen. Die Zulassung wird voraussichtlich am 1. Februar 2018 erteilt. Der Handel der Neuen Aktien an der Wiener Börse wird voraussichtlich am 6. Februar 2018 beginnen.“

2.6 In the section “**4. General Information**”, in the section “**4.1 Responsibility for the Content of this Prospectus**”, in the first sentence “c/o Heuking Kühn Lüer Wojtek, Magnusstr. 13, 50672 Cologne “ shall be changed to “Christophstr. 15-17, 50672 Cologne”.

2.7 In the section “**4. General Information**”, the section “**4.2 Purpose of this Prospectus**”, shall be replaced as follows:

“The subject matter of this Prospectus is the admission to trading on the regulated market (*Amtlicher Markt*) of the Vienna Stock Exchange (*Wiener Börse*), of 35,000,000.00 ordinary bearer shares of the Company with no par value (*Stückaktien*), each such share representing a notional value of EUR 1.00 and carrying full dividend entitlement from 1 January 2017 (the “**Shares**”) as described hereinafter in detail. The issuance of the Shares will be carried out according to German law and in Euro currency. The admission of the Shares to trading as explained above will be carried out according to Austrian law and in Euro currency.”

2.8 In the section “**4. General Information**”, in the section “**4.7 Documents Available for Inspection**”, in the second sentence “c/o Heuking Kühn Lüer Wojtek, Magnusstr. 13, 50672 Cologne “ shall be changed to “Christophstr. 15-17, 50672 Cologne”.

2.9 In the section “**5. The Listing**”, in the section “**5.1 Admission to Exchange Trading, Individual Share Certificates, Delivery and Transferability**”, the first and the second subsection shall be replaced as follows:

“The Company will apply for admission of 35,000,000 ordinary bearer shares with no par value (*Stückaktien*), each with a pro-rata amount of EUR 1.00 per share in the share cap-

ital of the Company and with full dividend rights for the financial year ending 31 December 2017 and for all subsequent financial years (the “**Shares**”) to trading in the regulated market (*Amtlicher Markt*) of the Vienna Stock Exchange.

The admission of the Shares to trading on the regulated market of the Vienna Stock Exchange is expected to take place on 1 February 2018. The commencement of trading of the Shares is expected to take place on 6 February 2018. “

2.10 In the section “**5. The Listing**”, in the section “**5.6 Timetable of the Listing**”, the timetable and the second subsection shall be replaced as follows:

“The anticipated timetable for the Listing of the Shares to the regulated market of the Vienna Stock Exchange is as follows:

15 November 2017	Approval of the Prospectus by the German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i> , “ BaFin ”). Publication of the approved Prospectus on the Company's website.
19 January 2018	Approval of the Supplement to the Prospectus by the German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i> , “ BaFin ”). Publication of the approved Supplement to the Prospectus on the Company's website.
22 January 2018	Applications for listing filed with the Vienna Stock Exchange (<i>Wiener Börse</i>)
1 February 2018	Listing approval issued by the Vienna Stock Exchange.
6 February 2018	First Day of Trading

The Prospectus and the Supplement to the Prospectus will be published on the Company's website at www.thederajgroup.com. Printed copies of the Prospectus and the Sup-

plement to the Prospectus will also be available upon publication from the Company and ACON free of charge during normal business hours at the following addresses: De Raj Group AG, Christophstr. 15-17, 50672 Cologne and ACON Actienbank AG, Heimeranstr. 37, 80339 Munich.”

- 2.11** In the section “**7. GENERAL INFORMATION ABOUT THE COMPANY**”, in the section “**7.1 Name, Formation, Registration with the Commercial Register, Fiscal Year, Term and Business Seat of De Raj**”, the third and fourth sentences shall be replaced as follows:

“The business address is “Christophstr. 15-17, 50672 Cologne”. The telephone number is +49-0221 - 299 8507.”

- 2.12** The Prospectus shall be amended by adding the following new section “**20. TAXATION IN AUSTRIA**”:

“20. TAXATION IN AUSTRIA

20.1 Tax Aspects for Austrian Resident Shareholders

The following is a brief summary of certain Austrian tax law considerations relating to an investment in the shares based on Austrian tax laws applicable as of the date of this Prospectus. Those laws and the application thereof are subject to change, possibly with retroactive effect. This summary only describes tax implications relating to shareholders who are Austrian tax residents and does not address any tax law consequences relating to an investment in the shares that arise under the laws of any other jurisdiction. This section is for general information purposes only and does not purport to address all aspects of Austrian taxation that may be relevant for shareholders who plan to acquire shares and does therefore not purport to be a comprehensive description of all the tax considerations which may be relevant for a decision to invest in, hold or dispose of the shares. The summary is not a substitute for obtaining individual tax advice from a tax law advisor. Prospective shareholders are therefore urged to consult their own tax advisers as to the particular tax consequences and tax refund procedures of their acquiring, holding or disposing of the shares, including the applicability and effect of local, foreign and other tax laws and tax regulations and possible changes in tax law and tax regulations prior to investing, since only a specific tax law advice may evaluate the individual tax situation of shareholders in light of their particular facts and circumstances.

Also, tax considerations relevant to shareholders that are subject to a special tax regime such as, e.g., private foundations (*Privatstiftungen*), governmental authorities, investment or pension funds or credit institutions are not addressed herein.

20.2 General

Individuals resident in Austria are subject to Austrian income tax (*Einkommensteuer*) on their worldwide income (unlimited tax liability). Individuals are considered Austrian tax residents if they have either a domicile (*Wohnsitz*) or their habitual place of abode (*gewöhnlicher Aufenthalt*) in Austria. Corporations resident in Austria are subject to Austrian corporate income tax (*Körperschaftsteuer*) on their worldwide income (unlimited tax liability). Corporations are considered resident in Austria if either their place of effective management (*Ort der Geschäftsleitung*) is in Austria or if they have their legal seat (*Sitz*) in Austria. Non-resident individuals or corporations are subject to Austrian corporate income tax only on income from certain Austrian sources (limited tax liability), e.g., if the shares were held through an Austrian business.

Both, in case of unlimited and limited tax liability, Austria's right to tax may be restricted or reduced by applicable double tax treaties.

Except for Austrian withholding taxes that have to be withheld at source, it is the responsibility of the relevant shareholder to comply with Austrian tax laws, in particular, to file an annual tax return. The Company does not assume any responsibility for the withholding of Austrian withholding tax, if any.

20.3 Taxation of Dividends

Resident Individuals

If the shares are held by the shareholders through a securities account with an Austrian bank or with a domestic branch of a foreign bank (an "Austrian Depository Bank"), the Austrian Depository Bank will deduct the 27.5% Austrian withholding tax on any dividends paid on the shares as a withholding agent. The Austrian Depository Bank may withhold less than 27.5%, since it may credit any actually paid foreign withholding taxation up to 15% of the respective dividends. Distributions paid from the Company's capital contribution account are not taxed as dividends and may, if the sum of such dis-

tributions exceeds the acquisition costs of the shareholder, lead to taxable capital gains.

For resident individuals, the dividend withholding tax constitutes a final taxation (*Endbesteuerungswirkung*) finally settling the tax burden of such resident individual for the dividends; no further Austrian income tax will be payable in this respect and the dividends do not have to be included in such resident individual's annual income tax return (*Einkommensteuererklärung*).

If an Austrian resident shareholder does not hold the shares through an Austrian Depository Bank, the resident individual will have to declare his or her dividend income in the annual income tax return; the special tax rate of 27.5% will also apply as well as the effect of a final taxation (*Endbesteuerungswirkung*).

If the 27.5% flat income tax rate is higher than the resident shareholder's personal income tax rate, the shareholder may opt to have the dividends taxed at the personal income tax rate; whether such option is beneficial has to be determined on an individual basis.

Under the double tax treaty between Germany and Austria, Germany may also levy taxes on dividends paid on the shares to Austrian tax residents. Those German taxes may, however, not exceed 15% of the gross amount of the dividends. Any taxes paid for (or by) an Austrian resident individual in Germany up to the amount of 15% of the gross dividend income can be credited against the individual's income tax liability in Austria. The described treatment may, however, not apply if the shares are held in a German permanent establishment (*Betriebsstätte*) or a German fixed base (*feste Einrichtung*).

Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with the shares are not tax effective.

Resident Corporations

Dividend paid on the shares to Austrian corporate shareholders is generally exempt from taxation in Austria. The exemption applies, because the Company has the legal form of corporations listed in the EU Parent Subsidiary Directive (90/435/EEC) and is not exempt from (corporate) tax in Germany and a potential corporate income tax is levied on the Company's income at a rate of at least 15%. If this exemption would not

apply, dividends received by Austrian corporate shareholders would be subject to corporate income tax at the general corporate income tax rate of 25%.

If the shares are held by corporate shareholders through an Austrian Depository Bank, the bank will deduct the 25% Austrian withholding tax, unless the shareholder files a declaration of exemption (*Befreiungserklärung*) with the Austrian Depository Bank. If withholding taxation is imposed it would be refunded (or credited onto the corporate shareholder's tax liability).

Under the double tax treaty between Germany and Austria, Germany may also levy taxes on dividends. German withholding taxes may, however, not exceed 15% of the gross amount of such dividends or, if the direct shareholding is at least 10% and if shares are held by a corporation, German withholding taxes may not exceed 5% of the gross amount of such dividends; German laws implementing the EU Parent-Subsidiary Directive may even reduce the tax burden.

Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with dividends paid on the shares are not tax effective, unless the exception for the deduction of interest expenses for debt financed participations applies.

Austrian Partnerships

If the shares are held by an Austrian partnership which is in principle considered as transparent for tax purposes, i.e., the profit of the partnership will be attributed to the various partners, the tax treatment of dividends distributed by the Company to the partnership depends on the tax status of the respective partner. For certain corporate shareholders such as, e.g., pension funds, special tax rules may apply.

20.4 Taxation of Capital Gains

Taxation of Capital Gains of shareholders with a Tax Domicile in Austria

Shares Held as Non-Business Assets

Generally, income arising with respect to the shares in the form of realized capital gains (*Einkünfte aus realisierten Wertsteigerungen*) qualifies as 'investment income' (*Einkünfte aus Kapitalvermögen*) and is, as such, taxed under a special regime at a flat 27.5% tax rate. Realized capital gains are the difference between (i) the amount realized (e.g., the sale proceeds, the redemption or other pay-off amount, or the fair market value in case of

a deemed realization) and (ii) the acquisition costs. If distributions from the Company's capital contribution account exceed a shareholder's acquisition costs, the excess would also be taxed as capital gains.

For shares held as non-business assets, the acquisition costs do not include ancillary acquisition costs (*Anschaffungsnebenkosten*). An average price is determined regarding shares, not acquired at the same time, but held in the same securities account with the same securities identification number. Expenses and costs (*Aufwendungen und Ausgaben*) that are directly connected with investment income are not tax effective.

Capital gains are not only taxed upon an actual disposition or redemption of the shares, but also upon a deemed realization, particularly upon giving up the residency status in Austria (i.e., move abroad, unless in case of final taxation if the Austrian custodian is notified), or upon withdrawals (*Entnahmen*) and other transfers of shares from one securities account to another one. In both cases exemptions are available upon request, regarding the loss of the residency status if the shareholder moves to an EU Member State (deferral of tax) and regarding withdrawals and other transfers from a securities account if an information procedure is fulfilled and the shares are held as non-business assets.

If the shares are held through a securities account with an Austrian Depository Bank, 27.5% withholding tax is to be deducted by the Austrian Depository Bank. The 27.5% withholding tax generally results in a final income taxation; an option to assess the income at the progressive income tax rate exists (in particular relevant for shareholders whose regular personal income tax rate is lower than 27.5%). If no withholding tax is imposed (e.g., because the shares are held through a foreign paying agent), the investment income arising from the shares has to be included in the shareholder's income tax return in accordance with the law and will generally be subject to the special 27.5% flat tax.

Losses from shares held as private assets may only be offset with other investment income (excluding, inter alia, interest income from bank deposits and other claims against banks) and cannot offset any other income. Mandatory loss-offsetting rules to be handled by Austrian custodians apply. A carry-forward of losses is not possible in this context.

Shares Held as Business Assets

Generally, the same rules as described in the previous heading apply regarding shares that are held as business assets by tax residents who are individuals. The most important differences are the following:

- Realized capital gains, contrary to dividends, have to be included in the annual

tax return, since despite a 27.5% withholding taxation that is also imposed in the context of shares held as business assets if an Austrian Depository Bank is involved, no final income taxation applies.

- Write-downs and realized losses regarding the shares held as business assets may be offset with positive income from realized capital gains of such financial assets, income from derivatives and with income from appreciations in value of such assets in the first place; 55% of the remaining losses may be offset against other income or carried forward. The custodian agent does not implement the offsetting of losses (as mentioned above) with respect to deposit accounts that are not privately held; instead losses are taken into account upon assessment.
- The acquisition costs of shares held as business assets may also include ancillary costs incurred upon the acquisition.

It is noted that expenses and costs (*Aufwendungen und Ausgaben*) directly connected with investment income are also not tax effective in case the shares are held as business assets.

Corporations

Capital gains derived from a disposition of the shares by corporate shareholders are subject to corporate income tax at the general corporate income tax rate of 25%, unless the participation exemption applies (minimum holding period one year, minimum percentage of participation 10%, no low taxation of the Company, not opted out of the exemption).

If the corporate shareholders hold shares through a securities account with an Austrian Depository Bank, the bank, as withholding agent, will deduct up to 25% Austrian withholding tax. Corporate shareholders holding the shares as business property and deriving capital gains from the disposition of shares may avoid the application of such withholding tax by filing a declaration of exemption (*Befreiungserklärung*) with the Austrian withholding tax agent.

Losses can be taken into account in the course of the annual tax assessment. If no declaration of exemption is submitted, the retained withholding tax can be charged towards the corporate tax debt or refunded with a potentially exceeding amount.

20.5 Common Reporting Standard

In December 2014 the European Council adopted directive 2014/107/EU amending provisions on the mandatory automatic exchange of information between tax administrations and thus implementing OECD rules of a Common Reporting Standard. It extended the scope of that exchange to include interest, dividends and other types of income held by private individuals and certain entities. Austrian law implementing Directive 2014/107/EU came into force on 1 January 2016 and provides that information exchange is applicable for taxable periods from 1 January 2017. However, certain information about opening of new accounts in Austria has been collected from 1 October 2016 already. As equivalent provisions are applicable in all participating countries, there will be full tax transparency regarding dividends and capital gains deriving from the shares from 2017 at the latest.

20.6 No Inheritance and Gift Tax, but Notification

The Austrian inheritance and gift tax (*Erbschafts- und Schenkungssteuer*) was abolished in 2008. However, certain gift notification obligations may apply in case gratuitous transfers of assets exceed specific thresholds.

The gratuitous transfer of assets to (Austrian or foreign) private law foundations and comparable legal estates is subject to foundation tax (*Stiftungseingangssteuer*) pursuant to the Austrian Foundation Tax Act (*Stiftungseingangssteuergesetz*). Such tax is triggered if the transferor and/or the foundation at the time of transfer have a domicile, their habitual abode, their legal seat or their place of effective management in Austria. The tax basis is the fair market value of the assets transferred minus any debts, calculated at the time of transfer. The tax rate is in general 2.5%, with a higher rate of 25% applying in special cases.

20.7 Other Taxes

No Austrian stock exchange transfer tax or other financial transaction tax, value-added tax or stamp duty will be levied on the purchase, sale or other disposition of the shares.”

2.13 In view of the addition of the new Section “**20. TAXATION IN AUSTRIA**” according to No. 2.12 above, the Table of Contents of the Prospectus shall be amended by adding the following new section at the end of the Table of Contents:

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