



Simon Property Group Announces Offering Of Euro-Denominated Bonds Exchangeable Into Shares Of Klépierre S.A.

November 7, 2023

INDIANAPOLIS, Nov. 7, 2023 /PRNewswire/ -- Simon®, a global leader in premier shopping, dining, entertainment and mixed-use destinations, today announced that its wholly-owned subsidiary, Simon Global Development B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) under the laws of the Netherlands (the "Issuer"), has agreed to issue €750 million principal amount of unsecured bonds due 2026 (the "Bonds") exchangeable into existing ordinary shares of Klépierre S.A., a French joint-stock company (*société anonyme*) under the laws of France in an offering to non-U.S. persons outside the United States in reliance on Regulation S under the Securities Act of 1933, as amended (the "Securities Act"). The Bonds will be fully and unconditionally guaranteed by Simon Property Group, L.P. (the "Guarantor"). The Bonds will be issued at 100% of their principal amount and will pay a fixed coupon of 3.50% per annum. The initial exchange price of the Bonds has been set at €27.2092, representing a 20% premium above the reference share price. This offering is expected to close on or around November 14, 2023, subject to customary closing conditions. The Bonds are expected to be admitted to trading on the Open Market segment (*Freiverkehr*) of the Frankfurt Stock Exchange.



The Issuer currently expects to use the net proceeds from the offering for general corporate purposes, including the repayment of existing facilities.

The Bonds and the guarantee have not been, and will not be, registered under the Securities Act or applicable state or other securities laws and may not be offered or sold in the United States or to, or for the account or benefit of, U.S. persons absent registration or an applicable exemption from registration requirements.

This press release shall not constitute an offer to sell or a solicitation of an offer to purchase the Bonds or any other securities, and shall not constitute an offer, solicitation or sale in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful. This press release is being issued pursuant to and in accordance with Rule 135c under the Securities Act.

No action has been taken by the Issuer, the Guarantor, the bookrunners or any of their respective affiliates that would permit an offering of the Bonds or possession or distribution of this press release or any offering or publicity material relating to the Bonds in any jurisdiction where action for that purpose is required. Persons into whose possession this press release or other information referred to herein comes are required by the Issuer, the Guarantor and the bookrunners to inform themselves about, and to observe, any such restrictions.

The Bonds and the Guarantee (collectively, the "Securities") are not being offered to the public in any jurisdiction and may not be offered to the public in any jurisdiction in circumstances which would require the preparation or registration of any prospectus or offering document relating to the Securities in such jurisdiction. This press release is not an offer of securities or investments for sale nor a solicitation of an offer to buy securities or investments in any jurisdiction where such offer or solicitation would be unlawful.

This press release is only addressed to, and directed in, member states of the European Economic Area (the "EEA") and the United Kingdom, at persons who are "qualified investors" within the meaning of the Prospectus Regulation ("Qualified Investors") or to and at other persons to whom the offering can otherwise be made pursuant to available exemptions under the Prospectus Regulation. For these purposes, the expression "Prospectus Regulation" means Regulation (EU) 2017/1129, as amended 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").

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on Markets in Financial Instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; (c) local implementing measures in the EEA; (d) Regulation (EU) No 600/2014 as it forms part of United Kingdom domestic law by virtue of the EUWA ("UK MiFIR"); and (e) the FCA Handbook Product Intervention and Product Governance Sourcebook (together, the "Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "Manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Securities have been subject to a product approval process, which has determined that: (i) the target market for the Securities is (a) in the EEA, eligible counterparties and professional clients only, each as defined in MiFID II and (b) in the United Kingdom, eligible counterparties (as defined in the FCA Handbook Conduct of Business Sourcebook) and professional clients (as defined in UK MiFIR); and (ii) all channels for distribution of the Securities to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Securities (a "distributor") should take into consideration the Manufacturers' target market assessment; however, a distributor subject to MiFID II or the Product Governance Requirements is responsible for undertaking its own target market

assessment in respect of the Securities (by either adopting or refining the Manufacturers' target market assessment) and determining appropriate distribution channels.

The target market assessment is without prejudice to the requirements of any contractual or legal selling restrictions in relation to any offering of the Securities. For the avoidance of doubt, the target market assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Securities.

The Securities 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 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 MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II 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 and Services and Markets Act 2000 (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, as amended (the "PRIIPs Regulation") or the 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 Securities or otherwise making them available to retail investors in the EEA or the United Kingdom has been prepared and therefore offering or selling the Securities or otherwise making them available to any retail investor in the EEA or the United Kingdom may be unlawful under the PRIIPs Regulation and/or the UK PRIIPs Regulation.

In addition, in the United Kingdom, this press release is being distributed only to, and is directed only at, Qualified Investors who are persons 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") or who are high-net-worth entities and other persons to whom it may otherwise lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "Relevant Persons"). This press release is directed only at Relevant Persons and must not be acted on or relied on (i) in the United Kingdom, by persons who are not Relevant Persons, and (ii) in a Member State of the EEA, by persons who are not Qualified Investors. Any investment or investment activity to which this press release relates is available only to (a) Relevant Persons in the United Kingdom and will be engaged in only with Relevant Persons in the United Kingdom and (b) Qualified Investors in Member States of the EEA. Any person in the United Kingdom who is not a Relevant Person should not act or rely on this press release or any of its contents.

Forward-Looking Statements

Certain statements made in this press release may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Although the Company believes the expectations reflected in any forward-looking statements are based on reasonable assumptions, the Company can give no assurance that its expectations will be attained, and it is possible that the Company's actual results may differ materially from those indicated by these forward-looking statements due to a variety of risks, uncertainties and other factors. Such factors include, but are not limited to: changes in economic and market conditions that may adversely affect the general retail environment, including but not limited to those caused by inflation, recessionary pressures, wars, escalating geopolitical tensions as a result of the war in Ukraine and the conflicts in the Middle East, and supply chain disruptions; the inability to renew leases and relet vacant space at existing properties on favorable terms; the potential loss of anchor stores or major tenants; the inability to collect rent due to the bankruptcy or insolvency of tenants or otherwise; an increase in vacant space at our properties; the potential for violence, civil unrest, criminal activity or terrorist activities at our properties; natural disasters; the availability of comprehensive insurance coverage; the intensely competitive market environment in the retail industry, including e-commerce; security breaches that could compromise our information technology or infrastructure; the increased focus on ESG metrics and reporting; environmental liabilities; our international activities subjecting us to risks that are different from or greater than those associated with our domestic operations, including changes in foreign exchange rates; our continued ability to maintain our status as a REIT; changes in tax laws or regulations that result in adverse tax consequences; risks associated with the acquisition, development, redevelopment, expansion, leasing and management of properties; the inability to lease newly developed properties on favorable terms; the loss of key management personnel; uncertainties regarding the impact of pandemics, epidemics or public health crises, and the associated governmental restrictions on our business, financial condition, results of operations, cash flow and liquidity; changes in market rates of interest; the impact of our substantial indebtedness on our future operations, including covenants in the governing agreements that impose restrictions on us that may affect our ability to operate freely; any disruption in the financial markets that may adversely affect our ability to access capital for growth and satisfy our ongoing debt service requirements; any change in our credit rating; risks relating to our joint venture properties, including guarantees of certain joint venture indebtedness; and general risks related to real estate investments, including the illiquidity of real estate investments.

The Company discusses these and other risks and uncertainties under the heading "Risk Factors" in its annual and quarterly periodic reports filed with the SEC. The Company may update that discussion in subsequent other periodic reports, but except as required by law, the Company undertakes no duty or obligation to update or revise these forward-looking statements, whether as a result of new information, future developments, or otherwise.

About Simon

Simon® is a real estate investment trust engaged in the ownership of premier shopping, dining, entertainment and mixed-use destinations and an S&P 100 company (Simon Property Group, NYSE: SPG). Our properties across North America, Europe and Asia provide community gathering places for millions of people every day and generate billions in annual sales.

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SOURCE Simon

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