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## Adler Group S.A. successfully places a EUR 1.5bn 5 and 8-year dual tranche bond to refinance debt

- Dual tranche due January 2026 and January 2029 with a weighted average coupon of 2.075%
- Total order book of EUR 4.0bn with more than 200 investors participating
- Proceeds will be used to refinance upcoming maturities and further extend debt maturity profile

**Berlin, 8 January 2021** – Adler Group S.A. ("**Adler Group**") successfully placed EUR 1.5 billion fixed rate senior unsecured notes (the "**Notes**") comprising of two tranches, a EUR 700 million 5-year maturity with a 1.875% fixed coupon and a EUR 800 million 8-year maturity with a 2.25% fixed coupon. The Notes were placed with institutional investors across Europe with a total order book of EUR 4.0bn.

The proceeds of the issue of the Notes will be used to repay existing indebtedness, including the announced buyback of Adler Real Estate AG's EUR 500 million bond due in December 2021, to further smoothen and extend Adler Group's debt maturity profile and a next step to achieve the targeted financial synergies. Together with existing liquidity and cash received from the recently closed transactions, all the upcoming debt maturities in 2021 are covered.

The Notes are rated BB+ with S&P, driven by the strong recovery rating of the bonds and influenced by Adler Group's valuable asset base.

The Notes have a denomination of EUR 100,000 each and will be listed on the Euro MTF of the Luxembourg Stock Exchange. J.P. Morgan acted as Sole Global Coordinator and Barclays, Deutsche Bank and J.P. Morgan acted as Joint Bookrunners.

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Solely for the purposes of the product approval process of J.P. Morgan AG, Barclays Bank Ireland PLC and Deutsche Bank Aktiengesellschaft (each, a “**manufacturer**”), the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive (EU) 2014/65 (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, Adler Group is not a MiFID II regulated entity and does not qualify as a distributor or a manufacturer under the MiFID II product governance rules.

## UK MIFIR PRODUCT GOVERNANCE

Solely for the purposes of each manufacturer’s product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is only eligible counterparties, as defined in the FCA Handbook Conduct of Business Sourcebook (“**COBS**”), and professional clients, as defined in Regulation (EU) 600/2014 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (“**UK MiFIR**”); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a “**distributor**”) should take into consideration the manufacturers’ target market assessment; however, a distributor subject to the FCA Handbook Product Intervention and Product Governance Sourcebook (the “**UK MiFIR Product Governance Rules**”) is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers’ target market assessment) and determining appropriate distribution channels.

#### **PROHIBITION OF SALES TO EEA RETAIL INVESTORS**

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area (the “**EEA**”). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive (EU) 2014/65 (as amended, “**MiFID II**”); (ii) a customer within the meaning of Directive (EU) 2016/97 as amended, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II or (iii) not a qualified investor as defined in Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 (as amended, the “**Prospectus Regulation**”). Consequently, no key information document required by Regulation (EU) 1286/2014 (as amended or superseded, the “**PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPs Regulation.

#### **PROHIBITION OF SALES TO UK RETAIL INVESTORS**

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Consequently, no key information document required by Regulation (EU) 1286/2014 as it forms part of domestic law by virtue of the EUWA (the “**UK PRIIPs Regulation**”) for offering or selling the Notes or otherwise making them available to retail investors in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the UK may be unlawful under the UK PRIIPs Regulation.