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BOQ SUCCESSFULLY COMPLETES THE INSTITUTIONAL COMPONENT OF ITS \$1.35 BILLION CAPITAL RAISING

Tuesday 23 February 2021, Brisbane: Bank of Queensland Limited (**BOQ**) is pleased to announce the successful completion of the institutional component of its underwritten 1 for 3.34 accelerated pro rata non-renounceable entitlement offer (**Institutional Entitlement Offer**) and its underwritten institutional placement (**Placement**), that was announced on Monday 22 February 2021, having received strong support from BOQ's existing institutional shareholders and new investors.

Of the approximate \$673 million raised in the institutional component, the Institutional Entitlement Offer raised approximately \$323 million at the offer price of \$7.35 per share (**Offer Price**) and was strongly supported by institutional shareholders with take-up of approximately 98% by eligible institutional shareholders. The Placement raised approximately \$350 million at the Offer Price, representing significant demand with a total of approximately 48 million New Shares to be issued under the Placement. No shareholder approval is required in connection with the issue of New Shares under the Placement.

As announced on Monday, 22 February 2021, the proceeds from the capital raising will be used to fund the acquisition of Members Equity Bank Limited (ACN 070 887 679) for A\$1.325 billion (subject to completion adjustments). BOQ's Managing Director and CEO, George Frazis said, "We are very pleased with the strong support we have received from our institutional shareholders and other investors as we take this unique opportunity to create a leading customer-centric alternative to the big banks. We believe that this transformational merger creates a compelling proposition with significant scale benefits through the alignment of operating models and our technology roadmaps.

"We are pleased that investors recognise the compelling strategic and financial proposition of this transaction and we are excited to work hard to deliver better outcomes for our customers, employees, the community and our shareholders."

New Shares to be issued under the Institutional Entitlement Offer and Placement will rank equally with existing BOQ shares in all respects from the date of issue. Settlement of the New Shares issued as part of the Institutional Entitlement Offer and Placement is expected to occur on Tuesday, 2 March 2021, with the issue of those New Shares to occur and ordinary trading to commence on Wednesday, 3 March 2021. BOQ securities are expected to resume trading on the ASX today.

The retail component of the entitlement offer (**Retail Entitlement Offer**, and together with the Institutional Entitlement Offer, the **Entitlement Offer**), which is also underwritten, is expected to raise approximately \$680 million, taking the expected size of BOQ's total equity raising (being the Placement and Entitlement Offer) to approximately \$1.35 billion.

Commencement of the Retail Entitlement Offer

The Retail Entitlement Offer will open on Monday, 1 March 2021 and is expected to close at 5.00pm (Sydney time) on Wednesday, 10 March 2021. The terms of the Retail Entitlement Offer are the same as the terms of the Institutional Entitlement Offer with eligible retail shareholders having the opportunity to subscribe for 1 New Share for every 3.34 existing BOQ shares held at 7.00pm (Sydney time) on Wednesday, 24 February 2021 (**Record Date**), at the offer price of \$7.35 per New Share.

The Retail Entitlement Offer will be open to eligible retail shareholders who:

- are registered as a holder of BOQ shares as at the Record Date;
- as at the Record Date, have a registered address in Australia or New Zealand or (as at the Record Date) are persons that BOQ has otherwise determined are eligible to participate in the Retail Entitlement Offer;
- are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent they hold Shares for the account or benefit of such person in the United States); and
- are not an eligible institutional shareholder or an ineligible shareholder,

(Eligible Retail Shareholders).

Eligible Retail Shareholders will be allotted their entitlements under the Retail Entitlement Offer which can be taken up in whole or in part. Under the Retail Entitlement Offer, Eligible Retail Shareholders that take up their full Entitlement may also apply for Additional New Shares in excess of their Entitlement, up to a maximum of 35% of their Entitlement, at the Offer Price ("**Oversubscription Facility**"). BOQ is providing the Oversubscription Facility to provide Eligible Retail Shareholders with the opportunity to acquire Additional New Shares to minimise the dilutionary impact of the Placement.

Additional New Shares will only be available under the Oversubscription Facility to the extent that there are Entitlements under the Retail Entitlement Offer that are not taken up by Eligible Retail Shareholders. Applications under the Oversubscription Facility will be subject to scale back if Eligible Retail Shareholders apply for more Additional New Shares than available under the Oversubscription Facility. There is no guarantee that Eligible Retail Shareholders will receive the number of Additional New Shares applied for under the Oversubscription Facility. New Shares issued under the Retail Entitlement Offer will rank equally with existing BOQ shares from the date of issue.

Application Forms and payments are due by no later than 5:00pm (Sydney time) on Wednesday, 10 March 2021. Full details of the Retail Entitlement Offer will be set out in the Retail Entitlement Offer booklet and the accompanying personalised entitlement and acceptance form, which will be dispatched to Eligible Retail Shareholders on Monday, 1 March 2021. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer should carefully read the Retail Entitlement Offer booklet (and their personalised entitlement and acceptance form). Copies of the Retail Entitlement Offer booklet will also be available on Monday, 1 March 2021 on the ASX website at www.asx.com.au and BOQ's website at www.boq.com.au.

Authorised for release by: The Board of Directors of Bank of Queensland Limited

Key Dates

<i>Event</i>	<i>Date¹</i>
Announcement of the Placement and Entitlement Offer	Monday, 22 February 2021
Record Date for Retail Entitlement Offer (7.00pm Sydney, Australia time)	Wednesday, 24 February 2021
Institutional Entitlement Offer and Placement opens	Monday, 22 February 2021
Institutional Entitlement Offer and Placement closes	Monday, 22 February 2021
Announcement of results of Institutional Entitlement Offer and Placement	Tuesday, 23 February 2021
Shares recommence trading	Tuesday, 23 February 2021
Retail Offer Booklet lodged with ASX	Monday, 1 March 2021
Retail Offer Booklet and Entitlement and Acceptance Form dispatched to Eligible Retail Shareholders	Monday, 1 March 2021
Retail Entitlement Offer opens	Monday, 1 March 2021
Settlement of New Shares issued under the Institutional Entitlement Offer and Placement	Tuesday, 2 March 2021
New Shares issued under the Institutional Entitlement Offer and Placement and commence trading	Wednesday, 3 March 2021
Retail Entitlement Offer closes (5.00pm Sydney, Australia time)	Wednesday, 10 March 2021
Announcement of results of Retail Entitlement Offer	Monday, 15 March 2021
Settlement of New Shares issued under the Retail Entitlement Offer	Tuesday, 16 March 2021
Allotment of New Shares issued under the Retail Entitlement Offer	Wednesday, 17 March 2021
Normal ASX trading for New Shares issued under the Retail Entitlement Offer commences	Thursday, 18 March 2021
Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer	Thursday, 18 March 2021

¹ The above timetable is indicative only and subject to change. The commencement and quotation of securities is subject to confirmation from ASX. Subject to the requirements of the Corporations Act, the ASX Listing Rules and other applicable rules, Bank of Queensland reserves the right to amend this timetable at any time, including extending the period for the Entitlement Offer or accepting late applications, either generally or in particular cases, without notice.

Additional Details

Further details of the Offer are set out in the ASX announcement and Investor Presentation provided to ASX on Monday, 22 February 2021 (**Investor Presentation**). The Investor Presentation contains important information including key risks and foreign selling restrictions with respect to the Placement.

For Further Information

Security holders can access further information through the BOQ Offer Information Line on 1800 779 639 (within Australia) or +61 1800 779 639 (from overseas), Monday to Friday from 8:30am to 7:30pm (AEDT), excluding public holidays.

Definitions

Unless otherwise defined, capitalised words used in this announcement have the meaning given to them in the Investor Presentation.

Advisors

Luminis Partners are acting as financial advisors on the Acquisition and King & Wood Mallesons is acting as legal advisor to BOQ on the transaction. Goldman Sachs and UBS are acting as underwriters.

Important Notice

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES.

This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States or persons acting for the account or benefit of persons in the United States (to the extent they such persons hold Shares for the account or benefit of persons in the United States).

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