

7 September 2021

Suncorp opens Capital Notes 4 Offer

Suncorp Group Limited (ASX: SUN | ADR: SNMCY) (Suncorp) today announced the opening of the Capital Notes 4 offer (the Offer).

As announced on 1 September 2021, following the successful Bookbuild, Suncorp has allocated \$375 million in firm commitments to Syndicate Brokers and Institutional Investors, and the Margin has been set at 2.90% p.a.

The total amount to be raised under the Offer will depend on the volume of applications received and accepted under the Securityholder Offer. Suncorp retains the right to scale back applications received under the Securityholder Offer.

Full details of this investment opportunity and the terms and conditions of Capital Notes 4, including the Margin and increased Offer size, are set out in the replacement Prospectus lodged today with the Australian Securities and Investments Commission (ASIC) and Australian Securities Exchange (ASX).

Eligible Securityholders wishing to invest in Capital Notes 4 should complete the online Application Form included with the online replacement Prospectus which is available at www.suncorpgroup.com.au/sunpi.

The Closing Date for the Securityholder Offer is expected to be 5:00pm (Sydney time) on 20 September 2021. If you wish to participate in the Securityholder Offer, your Application (including Application Payment) will need to be received by then. You are encouraged to apply as soon as possible after the Offer opens.

If you are applying under the Broker Firm Offer, you should contact the Syndicate Broker who has offered you an allocation for information about how and when to lodge your Application. Applications under the Broker Firm Offer (whether lodged through a Syndicate Broker or as otherwise directed) must be received by your Syndicate Broker in sufficient time for your Syndicate Broker to process your Application on your behalf by the Broker Firm Offer Closing Date, which is expected to be 10:00am (Sydney time) on 20 September 2021.

There are risks associated with an investment in Capital Notes 4. Investors should read and consider the replacement Prospectus in full before deciding whether to invest in Capital Notes 4. Suncorp strongly recommends that investors seek professional advice from a licensed adviser, which takes into account their particular investment objectives and circumstances, before deciding whether to participate in the Offer. Capital Notes 4 are not guaranteed by, nor are they deposits or policy liabilities of any member of the Suncorp Group.

Authorised for lodgement with the ASX by the Suncorp Group Chief Financial Officer.

For more information contact:

Securityholders

Suncorp Capital Notes 4 Offer
Information Line

1300 882 012 (within Australia) or
+61 2 8767 1219 (outside Australia)
Monday to Friday, 8:00am to 7:30pm (Sydney
time)
Website: www.suncorpgroup.com.au/sunpi

Further information about the Offer

The Offer comprises:

- an Institutional Offer made to certain Institutional Investors invited by the Joint Lead Managers;
- a Broker Firm Offer made to Australian resident retail or high net worth clients of Syndicate Brokers; and
- a Securityholder Offer made to Eligible Securityholders¹.

Key features of Capital Notes 4

- Capital Notes 4 are fully paid, perpetual, unsecured, subordinated notes to be issued by Suncorp;
- Holders of Capital Notes 4 will be eligible to receive floating rate, discretionary, non-cumulative Distributions, which are scheduled to be paid quarterly (subject to no Payment Condition existing). Distributions are expected to be fully franked;
- The Distribution Rate will be calculated on a quarterly basis as the sum of the 3-month Bank Bill Rate plus the Margin, multiplied by (1 – the corporate tax rate²);
- The Margin is 2.90% as determined under the Bookbuild. The Margin will not change for the term of Capital Notes 4.;
- Capital Notes 4 are scheduled to be Converted into a variable number of Suncorp Ordinary Shares on 17 December 2030 (subject to certain conditions being satisfied), unless they are Exchanged earlier;
- Suncorp has the option to Exchange Capital Notes 4 on 17 June 2028³, 17 September 2028⁴ or 15 December 2028⁵, or following a Tax Event, a Regulatory Event or a Potential Acquisition Event, subject to APRA's prior written approval and certain other conditions. Investors should not assume APRA's approval will be given if requested;
- Suncorp must Convert all Capital Notes 4 if an Acquisition Event occurs (subject to certain conditions being satisfied);
- When a Non-Viability Trigger Event occurs, Capital Notes 4 must be Converted into Ordinary Shares or, if Conversion does not occur for any reason within 5 Business Days, Capital Notes 4 will be Written-Off, in which case Holders are likely to suffer a material loss; and
- The minimum investment in Capital Notes 4 is \$5,000 (50 Capital Notes 4).

¹ You are an Eligible Securityholder if you were a registered holder of Suncorp Ordinary Shares, Capital Notes 1, Capital Notes 2 or Capital Notes 3 at 7:00pm (Sydney time) on 24 August 2021; shown on the applicable register as having an address in Australia; and are not in the United States, or acting for the account or benefit of a person in the United States.

² Currently 30%.

³ Due to the Business Day convention, the First Optional Exchange Date is deferred from 17 June 2028 to 19 June 2028.

⁴ Due to the Business Day convention, the Second Optional Exchange Date is deferred from 17 September 2028 to 18 September 2028.

⁵ As 17 December 2028 is not a Business Day, this date has been brought forward to the preceding Business Day.

Dates may change

These dates are indicative only and may change without notice.

Suncorp, the Arranger and the Joint Lead Managers may at their discretion agree to vary the timetable, including extending any Closing Date, closing the Offer early without notice or accepting late Applications, whether generally or in particular cases, or withdrawing the Offer at any time before Capital Notes 4 are issued.

You are encouraged to apply as soon as possible after the Opening Date.

Definitions

Unless otherwise defined, capitalised words used in this announcement have the meanings given to them in the Prospectus.

Disclaimer

This announcement does not constitute an offer of any securities (including Capital Notes 4) for sale or issue. No action has been taken to register or qualify Capital Notes 4 or the Offer or to otherwise permit a public offering of Capital Notes 4 outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the Capital Notes 4 nor the Ordinary Shares have been or will be registered under the US Securities Act of 1933 or the securities laws of any state of the United States, and they may not be offered or sold in the United States or to, or for the account or benefit of, a US Person. Capital Notes 4 are being offered and sold in the Offer solely outside the United States pursuant to Regulation S under the US Securities Act.

Ends