

Macquarie Bank Limited

ABN 46 008 583 542

50 Martin Place
Sydney NSW 2000
GPO Box 4294
Sydney NSW 1164
AUSTRALIA

Telephone (61 2) 8232 3333
Facsimile (61 2) 8232 3019
Internet <http://www.macquarie.com>



ASX/Media Release

Macquarie Bank Limited – Launch of \$A400 Million Macquarie Bank Capital Notes 3 Offer

SYDNEY, Tuesday, 3 August 2021 – Macquarie Bank Limited (ASX: MBL) (“**MBL**”) today announced its intention to raise \$A400 million with the ability to raise more or less, through the offer of Macquarie Bank Capital Notes 3 (“**BCN3**”). BCN3 are expected to be quoted on the Australian Stock Exchange (**ASX**) under the code MBLPD.

BCN3 are fully paid, unsecured, subordinated, non-cumulative, mandatorily convertible, perpetual, automatically convertible notes issued by MBL at an Issue Price of \$A100 per BCN3. Distributions are scheduled to be paid quarterly in arrears, subject to certain Payment Conditions.

The Offer is consistent with Macquarie’s strategy to actively manage its capital mix and maintain diverse sources of funding.

BCN3 will qualify as Additional Tier 1 Capital of MBL for Australian Prudential Regulation Authority purposes.

The offer of BCN3 is made under a Prospectus which was lodged with the Australian Securities and Investments Commission (“**ASIC**”) and the ASX today. The offer is available only to investors resident in Australia and to certain Institutional Investors.

The Prospectus is available at www.BCN3Offer.com.au. A replacement Prospectus containing the Margin is expected to be made available on Wednesday, 11 August 2021 (the “**Replacement Prospectus**”) when the BCN3 offer is expected to open.

Macquarie Capital (Australia) Limited has been appointed as Sole Arranger and a Joint Lead Manager. ANZ Securities Limited, Citigroup Global Markets Australia Pty Limited, Commonwealth Bank of Australia, E&P Corporate Advisory Pty Limited, Morgans Financial Limited, National Australia Bank Limited, Ord Minnett Limited and Westpac Institutional Bank have also been appointed as Joint Lead Managers (collectively the “**JLMs**”).

More information about the Offer

The Offer is expected to open on Wednesday, 11 August 2021 and consists of:

- an Institutional Offer to Institutional Investors;
- a Broker Firm Offer made to Australian resident retail and high net worth clients of Syndicate Brokers who are invited to apply under the Broker Firm Offer; and
- a Securityholder Offer made to holders of Macquarie Group Limited (“**MGL**”) Ordinary Shares (ASX: MQG), Macquarie Bank Capital Notes 2 (ASX: MBLPC), Macquarie Group Capital Notes 3 (ASX: MQGPC), Macquarie Group Capital

Notes 4 (ASX: MQGPD), and Macquarie Group Capital Notes 5 (ASX: MQGPE) on the Record Date (7.00pm (AEST) Wednesday, 28 July 2021), who are resident in Australia (and not otherwise prevented from receiving the Offer of BCN3 under the securities laws of another jurisdiction, as determined by MBL).

Persons wishing to invest in BCN3 should contact a Syndicate Broker (to apply under the Broker Firm Offer) or complete the online Application Form (to apply under the Securityholder Offer) that will accompany the Replacement Prospectus, which will be available at www.BCN3Offer.com.au when the Offer opens.

The Closing Date for the Securityholder Offer and Broker Firm Offer is expected to be 5.00pm (AEST) on Tuesday, 24 August 2021.

Further information

BCN3 are complex and not suitable for all investors. Potential investors should read the Replacement Prospectus in its entirety before deciding whether to apply to invest in BCN3. If any part of the Replacement Prospectus is unclear, we recommend seeking guidance from a financial advisor or other professional adviser.

If you have any questions about BCN3 or the Offer, you should seek advice from your financial adviser or other professional adviser. You can also email the Registrar at BCN3Offer@linkmarketservices.com.au or call the BCN3 Offer Information Line on 1300 963 991 (within Australia) or on +61 1300 963 991 (outside Australia) (Monday to Friday 8.30am - 5.30pm, AEST) during the Offer Period. Applicants under the Broker Firm Offer may also call their Syndicate Broker.

Indicative Timetable

KEY DATES FOR THE OFFER	DATE
Record date for determining Eligible Securityholders (this is the date for determining eligibility for the Securityholder Offer)	Wednesday, 28 July 2021
Lodgement of this Prospectus with ASIC	Tuesday, 3 August 2021
Bookbuild period commences	Tuesday, 3 August 2021
Announcement of the Margin	Friday, 6 August 2021
Lodgement of the replacement Prospectus with ASIC	Wednesday, 11 August 2021
Opening Date	Wednesday, 11 August 2021
Closing Date	Tuesday, 24 August 2021
Issue Date	Friday, 27 August 2021
BCN3 commence trading on ASX on a normal settlement basis	Monday, 30 August 2021
Holding Statements despatched by	Thursday, 2 September 2021
KEY DATES FOR BCN3	DATE
Issue Date	27 August 2021
First Distribution Payment Date ¹	7 December 2021
Scheduled Optional Exchange Dates	7 September 2028, 7 March 2029, 7 September 2029
Scheduled Mandatory Exchange Date	8 September 2031 ²

¹ Subject to Payment Conditions, including MBL's absolute discretion to determine whether or not to pay Distributions.

² Due to the Business Day convention, the Scheduled Mandatory Exchange Date is deferred from 7 September 2021 to 8 September 2021.

Dates may change

These dates are indicative only and may change without notice.

MBL with prior consent of the JLMs may vary the timetable, including by 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 BCN3 are issued, in its discretion. You are strongly encouraged to apply online as soon as possible after the Opening Date to ensure that your Application and Application Payment (if applicable) are received by the Closing Date for the Offer.

Definitions

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

Disclaimer

The information provided in this announcement and the Prospectus is not personal investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation issues). It is important that you read the Replacement Prospectus in full before deciding to invest in BCN3 and consider the risks that could affect the performance of BCN3.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer of any securities (including the BCN3) for sale or issue. No action has been taken to register or qualify BCN3 or the Offer or to otherwise permit a public offering of BCN3 outside Australia. In particular, this announcement does not constitute an offer of securities for sale in the United States. Neither the BCN3 nor the MGL Ordinary Shares have been or will be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or the securities laws of any state or other jurisdiction of the United States, and they may not be offered, sold or resold in the United States or to, or for the benefit of, any “U.S. person” (as defined in Regulation S under the Securities Act) except pursuant to an exemption from the registration requirements of the Securities Act and applicable US State Securities laws.

Contacts

Sam Dobson

Macquarie Group Investor Relations

+61 2 8232 9986

Lisa Jamieson

Macquarie Group Media Relations

+61 2 8232 6016