

## CBA launches CommBank PERLS XV Capital Notes Offer

**Expected Margin of between 2.85% and 3.00% above bank bill swap reference rate**

### NOT FOR DISTRIBUTION IN THE UNITED STATES

**Tuesday, 18 October 2022 SYDNEY:** Commonwealth Bank of Australia (CBA) today announced the offer of a new Tier 1 hybrid security, CommBank PERLS XV Capital Notes (PERLS XV) (the Offer). The Offer includes a reinvestment offer for Eligible PERLS VII Holders (Reinvestment Offer).

PERLS XV will qualify as Tier 1 Capital of CBA. The Offer is expected to raise A\$750 million, with the ability to raise more or less. PERLS XV are expected to be quoted on ASX under the trading code 'CBAPL'. The net proceeds of the Offer will be used to fund CBA's business.

CBA is the Arranger and a Joint Lead Manager to the Offer. ANZ Securities Limited, Bell Potter Securities Limited, Morgans Financial Limited, National Australia Bank Limited, Ord Minnett Limited, Shaw and Partners Limited, UBS AG, Australia Branch and Westpac Institutional Bank have also been appointed as Joint Lead Managers to the Offer (the Arranger, Joint Lead Managers and any other participating brokers, together being 'Syndicate Brokers').

Unless otherwise defined, capitalised terms in this announcement have the meaning given to them in the PERLS XV prospectus (Prospectus).

### Eligibility requirements

In response to the recent introduction of product design and distribution obligations in the *Corporations Act 2001* (Cth), CBA has created a target market determination for PERLS XV (Target Market Determination). Under the Target Market Determination, Applications under the Offer, including the Reinvestment Offer, can only be made by investors who satisfy certain eligibility criteria<sup>1</sup>. There is no

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<sup>1</sup> Applications by eligible holders can be made by contacting your Syndicate Broker and completing any Application Form in, or accompanying, the Prospectus.

separate offer to CBA securityholders or a general offer for PERLS XV. PERLS VII holders will not be able to apply to CBA directly for PERLS XV.

In order to apply, investors must be an eligible client of a Syndicate Broker and:

- be a company or an individual (including as a trustee of a family, hybrid or unit trust) aged 18 years or older;
- have a registered address in Australia; and
- be either:
  - an investor who has received personal financial product advice from a financial adviser to acquire PERLS XV; or
  - a Wholesale Client.

Investors who wish to participate in the Offer are encouraged to contact a Syndicate Broker as soon as possible. As the size of the Offer is expected to be significantly less than that of PERLS VII, even if investors do register their interest with a Syndicate Broker, their allocation of PERLS under the Offer, including the Reinvestment Offer, may be subject to scale back.

### **Details of the Offer**

The Offer will comprise:

- a New Money Offer; and
- a Reinvestment Offer made to Eligible PERLS VII Holders.

The Reinvestment Offer is an offer to Eligible PERLS VII Holders, with registered holdings as at 7.00pm on the Reinvestment Offer Record Date (7 October 2022), to apply to have all or some of their PERLS VII Resold to a Nominated Party and reinvest the proceeds (A\$100 per PERLS VII) in PERLS XV on the Reinvestment Date (15 November 2022).

Participation in the Reinvestment Offer is voluntary. If you do not wish to participate, you do not need to take any action.

For those PERLS VII holders who do not participate (or do not participate fully) in the Reinvestment Offer, CBA will redeem your PERLS VII on 15 December 2022 (for A\$100 per PERLS VII) in accordance with the PERLS VII Terms (as amended) and the Redemption Notice lodged with the ASX on 18 October 2022<sup>2</sup>. For further information, please refer to the CommBank PERLS VII Capital Notes Holder Letter, which is available on [www.commbank.com.au/perls](http://www.commbank.com.au/perls).

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<sup>2</sup> While CBA has obtained APRA's approval to redeem PERLS VII, it does not imply that CBA's other outstanding capital instruments with call dates (including, when issued, PERLS XV) will be redeemed and any such redemption will be in accordance with the relevant capital instrument's terms and conditions and subject to APRA's approval, which may or may not be given.



## Key features of PERLS XV

PERLS XV are subordinated, unsecured notes scheduled<sup>3</sup> to pay floating rate distributions quarterly, which are expected to be fully franked. PERLS XV have Call Dates on 15 June 2028, 15 December 2028 and 15 June 2029, and will mandatorily Exchange into Ordinary Shares on 16 June 2031 (subject to certain conditions). PERLS XV have an Initial Face Value of A\$100.

The Offer will be made under the Prospectus. Investors should read and consider the Prospectus in full before deciding whether to invest in PERLS XV. PERLS XV may not be suitable for some investors. It is important that you consider the risks set out in the Prospectus, many of which are outside the control of CBA. Investors are encouraged to seek advice from a financial adviser or other professional adviser before deciding to invest.

## Key Dates for the Offer<sup>4</sup>

Lodgement of Prospectus with ASIC	18 October 2022
Bookbuild period commences for Syndicate Brokers	18 October 2022
Announcement of Margin	26 October 2022
Opening Date for the Offer and lodgement of the replacement Prospectus with ASIC	26 October 2022
Closing Date for the Offer	5.00pm (Sydney time), 8 November 2022
PERLS XV Issue Date	15 November 2022
Commencement of trading on normal settlement basis	16 November 2022
Despatch of Holding Statements	21 November 2022

A copy of the Prospectus and the Target Market Determination can be obtained electronically from [www.commbank.com.au/perls](http://www.commbank.com.au/perls).

## Important information

Investments in PERLS XV are an investment in CBA and may be affected by the ongoing performance, financial position and solvency of CBA. They are not deposit liabilities or protected accounts of CBA under the Banking Act 1959 (Cth) and are not guaranteed or insured by any Australian government, government agency or compensation scheme. The information provided in this announcement is not investment advice and has been prepared without taking into account your investment objectives, financial situation or particular needs (including financial and taxation considerations). If you have any questions, you should seek advice from your financial adviser or other professional adviser before deciding to invest in PERLS XV.

The offering of securities referred to in this release is open only to investors that are in Australia, and accordingly, this release does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to, or for the account or benefit of,

<sup>3</sup> Distributions are discretionary and subject to the distribution payment conditions being satisfied. Distributions are non-cumulative.

<sup>4</sup> The key dates for the Offer are indicative only and subject to change without notice.



any U.S. person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended). This information, the Prospectus or any other material relating to the Offer is not for distribution in the United States.

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The release of this announcement was authorised by the Continuous Disclosure Committee.

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