



28 August 2023

SBS BANK LAUNCHES RETAIL BOND OFFER

Southland Building Society, trading as SBS Bank (**SBS Bank**) confirmed today that it is offering up to \$125,000,000 (with the ability to accept oversubscriptions of up to an additional \$50,000,000 at SBS Bank's discretion) of 5.5 year, unsecured, senior, fixed rate bonds (**Bonds**) maturing on 7 March 2029 to institutional investors and New Zealand retail investors.

The offer opens today, 28 August 2023, and will close on 31 August 2023. The offer is being made pursuant to the Financial Markets Conduct Act 2013 as an offer of debt securities of the same class as SBS Bank's existing quoted debt securities which are quoted on the NZX Debt Market under the ticker code SBS010. The Bonds are expected to be quoted on the NZX Debt Market.

The interest rate for the Bonds will be set on the rate set date as being equal to the base rate plus the issue margin, subject to a minimum interest rate of 6.10% per annum.

The indicative issue margin range for the Bonds is 1.40% to 1.55% per annum. An announcement of the actual issue margin (which may be within, above or below the indicative issue margin range) and interest rate is expected to be made via NZX on 31 August 2023 following a bookbuild process. The Bonds are expected to be issued on 7 September 2023.

The Bonds are expected to be rated BBB+ by Fitch Australia Pty Limited. There is no public pool for the offer, with all of the Bonds being reserved for clients of the Joint Lead Managers, NZX Participants and other approved financial intermediaries.

Full details of the offer are contained in the indicative terms sheet. A copy of the indicative terms sheet is attached and is also available through www.sbsbank.co.nz/sbs-senior-bond.

Interested investors should contact a Joint Lead Manager or their usual financial advice provider.

Arranger and Joint Lead Manager



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Joint Lead Manager



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For further information, please contact:

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This document has been authorised for release by Mark McLean, Group Chief Executive