Laurentian Bank announces size and pricing of previously announced offering of Limited Recourse Capital Notes

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MONTREAL, April 30, 2021 (GLOBE NEWSWIRE) -- Laurentian Bank of Canada (TSX:LB) ("Laurentian Bank") today announced the size and pricing of its previously announced offering (the "Offering") of Limited Recourse Capital Notes, Series 1 (Non-Viability Contingent Capital (NVCC)) (Subordinated Indebtedness) (the "Notes"). Laurentian Bank intends to issue $125 million aggregate principal amount of Notes. The Notes will bear interest at a rate of 5.300 per cent annually, payable semi-annually, for the initial period from the date of issue to, but excluding, June 15, 2026. Thereafter, the interest rate on the Notes will reset every five years at a rate equal to the prevailing 5-year Government of Canada Yield plus 4.334 per cent. The Notes will mature on June 15, 2081. The expected closing date of the Offering is on or about May 7, 2021. As previously announced, the Notes will be offered for sale through a syndicate of agents co-led by Laurentian Bank Securities and CIBC Capital Markets acting as joint bookrunners on the Offering. In connection with the issuance of the Notes, Laurentian Bank will also issue Non-Cumulative 5-Year Fixed Rate Reset Class A Preferred Shares, Series 17 (Non-Viability Contingent Capital (NVCC)) ("Preferred Shares Series 17") to be held by Computershare Trust Company of Canada as trustee for a newly formed trust (the "Limited Recourse Trust"). In case of non-payment of principal of, or interest on, the Notes when due, the recourse of each noteholder will be limited to that holder's proportionate share of the Limited Recourse Trust's assets which, except in limited circumstances, will consist of Preferred Shares Series 17. Laurentian Bank may redeem the Notes during the period from May 15 to and including June 15, commencing in 2026 and every five years thereafter, only upon the redemption by Laurentian Bank of the Preferred Shares Series 17 held in the Limited Recourse Trust, in accordance with the terms of such shares and with the prior written approval of the Superintendent of Financial Institutions (Canada), in whole but not in part on giving not more than 60 nor less than 10 days' notice. If the Offering closes, the net proceeds from the Offering will be used to redeem Laurentian Bank's outstanding 5,000,000 Non-Cumulative Class A Preferred Shares, Series 15 (Non-Viability Contingent Capital (NVCC)) for an aggregate redemption price of approximately $125 million which redemption is expected to occur on June 15, 2021, subject to a formal notice being delivered. The closing of the Offering will be subject to certain conditions. The Notes have not been, and will not be, registered in the United States under the United States Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state of the United States or any other jurisdiction and the Notes may not be offered, sold or delivered, directly or indirectly in the United States or to, or for the account or benefit of, a "U.S. person" (as defined in Regulation S under the Securities Act) absent registration under the Securities Act or an applicable exemption from such registration requirements. This press release does not constitute an offer to sell or a solicitation to buy securities in the United States or in any other jurisdiction where such offer or solicitation would be unlawful.

Caution Regarding Forward-Looking Statements

This document contains forward-looking statements within the meaning of applicable securities legislation including the expected date of closing of the Offering, the use of proceeds from the Offering, the expected date of redemption of the outstanding 5,000,000 Non-Cumulative Class A Preferred Shares, Series 15 (Non-Viability Contingent Capital (NVCC)) and other statements that are not historical facts. Forward-looking statements typically are identified with words or phrases such as "believe", "assume", "estimate", "forecast", "outlook", "project", "vision", "expect", "foresee", "anticipate", "plan", "goal", "aim", "target", "may", "should", "could", "would", "will", "intend" or the negative of these terms, variations thereof or similar terminology. The Bank cautions readers against placing undue reliance on forward-looking statements, as a number of factors, many of which are beyond our control and the effects of which can be difficult to predict, could influence, individually or collectively, the accuracy of the forward-looking statements and cause actual future results to differ significantly from the targets, expectations, estimates or intentions expressed in the forward-looking statements. Readers should consult our 2020 Annual Report and other documents filed on the SEDAR website (www.sedar.com) for additional information about our forward-looking statements and other material aspects of our business. The Bank does not undertake to update any forward-looking statements, whether oral or written, made by us or on our

behalf whether as a result of new information, future events or otherwise, except to the extent required by securities regulations.

About Laurentian Bank Financial Group

Founded in 1846, Laurentian Bank Financial Group is a diversified financial services provider whose mission is to help its customers improve their financial health. The Laurentian Bank of Canada and its entities are collectively referred to as Laurentian Bank Financial Group (the “Group”). With more than 2,900 employees guided by the values of proximity, simplicity and honesty, the Group provides a broad range of advice-based solutions and services to its personal, business and institutional customers. With pan-Canadian activities and a presence in the U.S., the Group is an important player in numerous market segments. The Group has $45.2 billion in balance sheet assets and $29.2 billion in assets under administration.

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https://news.laurentianbank.ca/2021-04-30-Laurentian-Bank-announces-size-and-pricing-of-previously-announced-offering-of-Limited-Recourse-Capital-Notes