



Tier 2 Subordinated Notes

Indicative Terms Sheet

For an offer of up to NZ\$200 million unsecured subordinated notes (with the option to accept oversubscriptions)

1 December 2025



This indicative terms sheet (**Terms Sheet**) is a summary only. More details are contained in the limited disclosure document (**LDD**) dated 28 November 2025 for the offer of unsecured subordinated notes (**Notes**) by Kiwibank Limited (the **Offer**).

The LDD is available free of charge on the online Disclose Register maintained by the Companies Office at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR14035) or can be obtained from the Joint Lead Managers or your usual financial advice provider.

This investment is riskier than a bank deposit. The Notes are complex financial products that are not suitable for many investors. If you do not fully understand how they work or the risks associated with them, you should not invest in them. You should read the LDD before deciding to invest in the Notes and you can seek advice from a financial advice provider to help you make an investment decision.

Capitalised terms used but not defined in this Terms Sheet have the meaning given to them in the LDD unless the context otherwise requires.

Important dates for the Offer	
Opening Date	Monday, 1 December 2025
Closing Time	11.00am on Friday, 5 December 2025
Rate Set Date	Friday, 5 December 2025
Issue Date/allotment date	Friday, 12 December 2025

Important dates for the Notes	
Expected quotation on NZX Debt Market	Monday, 15 December 2025
First Scheduled Interest Payment Date	12 March 2026
Scheduled Interest Payment Dates	Each 12 March, 12 June, 12 September and 12 December during the Term
First Optional Redemption Date	12 March 2031
Maturity Date	12 March 2036

Dates may change

The “Important dates for the Offer” (listed above) are indicative only and subject to change. Kiwibank may, in its absolute discretion and without notice, vary such dates (including by closing the Offer early and changing the Closing Time). If the Closing Time is changed, all subsequent dates may also change. Any such changes will not affect the validity of any applications received.

Kiwibank reserves the right to cancel the Offer and the issue of the Notes.

Notes			
Issuer	Kiwibank Limited (Kiwibank).		
Kiwibank Group	Kiwibank, its wholly owned entities and all other entities consolidated for financial reporting purposes, as specified in its latest financial statements on a consolidated and not an individual basis.		
Description of the debt securities	Unsecured subordinated notes.		
Purpose	The Offer will raise Tier 2 Capital to help Kiwibank meet its regulatory capital requirements and manage its capital position, including following the planned repayment of Kiwibank's KWB010 Notes. The proceeds of the Offer will be used for Kiwibank's general corporate purposes.		
Credit ratings		Kiwibank Senior Credit Rating	Notes Credit Rating
	Moody's Investors Service	A1	Baa2
	A credit rating is not a recommendation to buy, sell or hold the Notes or any securities issued by Kiwibank. Ratings are subject to suspension, revision or withdrawal at any time.		
Issue amount	Up to NZ\$200 million (with the ability to accept oversubscriptions at Kiwibank's discretion).		
No public pool	There is no public pool for the Notes. All Notes will be reserved for subscription by clients of the Joint Lead Managers and Primary Market Participants and other persons invited to participate in the Bookbuild.		
Legal form	Debt.		
Regulatory treatment	Tier 2 Capital.		
Accounting treatment	Liability.		
Ranking in a liquidation	<p>In a liquidation of Kiwibank the claims of Holders will rank:</p> <ul style="list-style-type: none"> • behind the claims of all depositors, holders of unsubordinated debt securities and other creditors of Kiwibank, except for the claims and rights described below; • equally with the claims of other Holders and holders of any other Tier 2 Capital instruments or other securities and obligations of Kiwibank that rank equally with the Notes; and • ahead of the rights of Kiwibank's shareholders (including holders of perpetual preference shares) and holders of any other securities and obligations of Kiwibank that rank behind the Notes. 		

No set-off	A Holder will not have any right to set-off any amounts owing to it by Kiwibank in connection with the Notes against any amount owing by it to Kiwibank (whether in connection with the Notes or otherwise).
No guarantee	The Notes are not guaranteed by any member of the Kiwibank Group, the Government or by any other person.
Face Value and Issue Price	NZ\$1.00 per Note.
Minimum subscription amount	NZ\$5,000 and in multiples of NZ\$1,000 thereafter.
Term	10 years and 3 months, ending on the Maturity Date (12 March 2036) if not repaid earlier.
Issue Date	12 December 2025.
Rate Reset Date	12 March 2031.
Maturity Date	12 March 2036.
Repayment	<p>The Notes must be repaid by Kiwibank on the Maturity Date (12 March 2036).</p> <p>However, Kiwibank may repay all (but not some) of the Notes earlier on the First Optional Redemption Date (12 March 2031) or on any Scheduled Interest Payment Date after that date. Kiwibank may also repay all of the Notes at any time if a Tax Event or Regulatory Event has occurred.</p> <p>Early repayment is subject to certain conditions being met (including Kiwibank satisfying the Solvency Condition and obtaining the Reserve Bank's prior approval).</p> <p>Holders have no right to require that the Notes be repaid early.</p>
Amount that is payable to Holders if the Notes are repaid	Holders will receive the Face Value of the Notes plus all accrued but unpaid interest on the Notes when the Notes are repaid on the Maturity Date or if the Notes are repaid early on the First Optional Redemption Date or on any Scheduled Interest Payment Date after that date or following the occurrence of a Tax Event or a Regulatory Event.
Interest Payment Dates	<p>Interest on the Notes is scheduled to be paid quarterly in arrear on:</p> <ul style="list-style-type: none"> • each Scheduled Interest Payment Date, being 12 March, 12 June, 12 September and 12 December during the Term, commencing on 12 March 2026; and • the Maturity Date.
Interest rate	<p>The interest rate will be a fixed rate for a period of 5 years and 3 months, after which it will change to a floating rate that resets at quarterly intervals.</p> <p>The interest rate for the first 5 years and 3 months until the First Optional Redemption Date (12 March 2031) will be a fixed rate equal to the sum of the Swap Rate (a reference rate for a period of 5 years and 3 months) on the Rate Set Date (5 December 2025) plus the Margin.</p>

	<p>The Margin and the initial interest rate will be determined by Kiwibank following the Bookbuild and will be announced by Kiwibank via NZX on the Rate Set Date.</p> <p>The interest rate after the First Optional Redemption Date will be a floating rate which will be reset quarterly to be equal to the sum of the applicable 3 Month Bank Bill Rate (a benchmark interest rate for a 3 month period) plus the same Margin.</p> <p>If the sum of the 3 Month Bank Bill Rate plus the Margin is less than 0% per annum, the interest rate will be 0% per annum.</p>
Margin	<p>The Margin (which may be above or below the indicative Margin range) will be determined by Kiwibank in consultation with the Joint Lead Managers on the Rate Set Date following the Bookbuild, and will be announced by Kiwibank via NZX on the Rate Set Date.</p> <p>The Margin for the Notes will not change.</p>
Indicative Margin range	1.50% – 1.70% per annum.
Swap Rate	The mid-market swap rate for an interest rate swap of a term matching the period from the Issue Date to the First Optional Redemption Date, as calculated by Kiwibank in accordance with market convention with reference to Bloomberg page ICNZ2 (or its successor page) adjusted for quarterly payments and rounded to 2 decimal places if necessary, with five being rounded up.
3 Month Bank Bill Rate	<p>In relation to an Interest Payment Date after the First Optional Redemption Date:</p> <ul style="list-style-type: none"> the FRA rate administered by the New Zealand Financial Benchmark Facility (NZFBF) (or any person that takes over the administration of that rate) for bank bills having a term of, or of about, 3 months, as displayed at or about 10.45am or such later time as Kiwibank may determine on the preceding Scheduled Interest Payment Date on Bloomberg BKBK page 'GDCO 2805' (or any successor page); or if that rate is not displayed by 10.45am or such later time as Kiwibank may determine on that date, the equivalent rate provided by the NZFBF (or any person that takes over the administration of that rate) at or around that time on that date, <p>in each case expressed as a percentage per annum and rounded, if necessary, to the nearest 4 decimal places with 0.00005% being rounded up.</p> <p>Kiwibank is able to replace the 3 Month Bank Bill Rate with an alternative reference rate if the 3 Month Bank Bill Rate becomes unavailable.</p>
Calculation of interest payments	<p>Until the First Optional Redemption Date (12 March 2031) interest will be calculated on an annual basis and payable in equal quarterly instalments on each Scheduled Interest Payment Date.</p> <p>After the First Optional Redemption Date the interest payable on each Interest Payment Date will be calculated on the basis of the actual number of days from (and including) the previous Interest Payment Date to (but excluding) that Interest Payment Date and a 365-day year.</p>

Solvency Condition	<p>A condition to the payment of interest or principal in respect of a Note prior to the Maturity Date (12 March 2036) or the liquidation of Kiwibank, requiring the following:</p> <ul style="list-style-type: none"> • Kiwibank must be Solvent at the time the payment is due; and • Kiwibank must be able to pay the amount and still be Solvent immediately after paying that amount. <p>The Solvency Condition does not apply to payments that are required to be made on the Maturity Date or if Kiwibank is in liquidation.</p>
No event of default for failure to satisfy the Solvency Condition	No event of default arises if Kiwibank fails to pay an amount on the Notes because the Solvency Condition is not satisfied, other than on the Maturity Date.
Solvent	Solvent means satisfying the solvency test contained in section 4 of the Companies Act 1993.
Unpaid interest accumulates	If interest is not paid on the Notes on a Scheduled Interest Payment Date because the Solvency Condition is not satisfied, the unpaid interest will remain owing, will itself bear interest (at the same rate as the Notes), and will be payable on the earlier of the next date on which the Solvency Condition is satisfied and the date of repayment of the Notes.
Events of default	<p>The Notes have very limited events of default and a Holder's rights are limited if an event of default occurs, as described below:</p> <ul style="list-style-type: none"> • Payment default: an event of default will occur if Kiwibank does not pay any Face Value due in respect of the Notes within 7 days of its due date, or Kiwibank does not pay any interest due in respect of the Notes within 15 days of its due date. • Commencement of liquidation: an event of default will occur on the commencement of liquidation of Kiwibank. <p>To the extent that a payment on the Notes is not required to be made because the Solvency Condition is not satisfied, the amount is not due and payable and a payment default cannot occur.</p>
Limited enforcement rights	<p>If a payment default occurs, a Holder may only bring proceedings:</p> <ul style="list-style-type: none"> • to recover any amount then due and payable but unpaid on the Notes (subject to satisfaction of the Solvency Condition if the payment of the unpaid amount was subject to the Solvency Condition); • to obtain an order for specific performance of any other obligation in respect of the Holder's Notes; or • for the liquidation of Kiwibank. <p>If Kiwibank is placed in liquidation, in addition to taking the actions above, the Holder is entitled to claim in the liquidation for the Face Value of each Note and any accrued but unpaid interest.</p>
No restrictions on other securities or liabilities	There are no restrictions on Kiwibank issuing further securities or creating further liabilities after the Notes have been issued that rank equally with, or in priority to, the Notes in a liquidation of Kiwibank.

	Kiwibank could therefore, at any time after the Issue Date, issue further securities or create further liabilities that rank equally with or in priority to the Notes.
No other rights	<p>A Holder of the Notes has no right to:</p> <ul style="list-style-type: none"> • subscribe for new securities of Kiwibank; or • otherwise participate in the profits or property of Kiwibank, except by receiving payments on the Notes.
Conversion or exchange	Not applicable.
Business Days	A day on which commercial banks in New Zealand are open for general business (including dealings in foreign exchange and foreign currency deposits), not being a Saturday, a Sunday, a New Zealand "public holiday", as defined in section 44(1)(a)-(j) of the Holidays Act 2003, or a day which is not a business day according to a market notice issued by the New Zealand Financial Markets Association (or its successor).
Record Date (for interest payment purposes)	<p>10 calendar days before the relevant Interest Payment Date.</p> <p>If a Record Date is a day which is not a Business Day, then the Record Date will be the immediately preceding Business Day.</p>
Brokerage	0.35% on firm allocations plus 0.40% retail brokerage, payable by Kiwibank.
No underwriting	The Offer is not underwritten.
Registrar	<p>MUFG Pension & Market Services (NZ) Limited.</p> <p>The Notes will be accepted for settlement within the NZClear System.</p>
Arranger	Forsyth Barr Limited.
Joint Lead Managers	Bank of New Zealand, Craigs Investment Partners Limited and Forsyth Barr Limited.
ISIN	NZKWBD02T2L9.
NZX quotation	<p>Kiwibank intends to quote the Notes on the NZX Debt Market. NZX ticker code KWB2T2 has been reserved for the Notes.</p> <p>NZX is a licensed market operator and the NZX Debt Market is a licensed market under the Financial Markets Conduct Act 2013.</p>
Documents	<p>LDD relating to the offer of Notes dated 28 November 2025.</p> <p>Deed Poll dated 28 November 2025.</p> <p>Other documents and information are available on the online Disclose Register maintained by the Companies Office at www.disclose-register.companiesoffice.govt.nz/ (offer number OFR14035).</p>
Governing law	New Zealand.

Selling Restrictions	<p>The Notes may only be offered for sale or sold in accordance with the selling restrictions set out in this Terms Sheet and Section 10.1 of the LDD (Selling Restrictions). A condition of the Notes is that you indemnify Kiwibank, the Registrar, the Arranger and the Joint Lead Managers (and their respective directors, officers, employees and agents) in respect of any loss incurred as a result of you breaching the Selling Restrictions.</p> <p>No action has been or will be taken by Kiwibank which would permit a public offering of Notes, or possession or distribution of any offering material, in any country or jurisdiction where action for that purpose is required (other than New Zealand). The Notes may only be offered for sale or sold in conformity with all applicable laws and regulations in any jurisdiction in which they are offered, sold or delivered. No product disclosure statement, information memorandum, prospectus, circular, advertisement or other offering material in respect of any Notes may be published, delivered or distributed in or from any country or jurisdiction except under circumstances which will result in compliance with all applicable laws and regulations.</p> <p>Specific selling restrictions as of the date of this Terms Sheet are set out in the Schedule to this Terms Sheet for Australia, the United States, Hong Kong, Singapore and Japan.</p>
Non-reliance	<p>This Terms Sheet does not constitute a recommendation by the Arranger, the Joint Lead Managers or any of their respective directors, officers, employees, agents or advisers to subscribe for, or purchase, any of the Notes. The Arranger and the Joint Lead Managers have not independently verified the information contained in this Terms Sheet. None of the Arranger, the Joint Lead Managers nor their respective directors, officers, employees, agents or advisers gives any warranty or representation that this Terms Sheet is accurate or reliable and they take no responsibility for it.</p>

Key Risks

The LDD should be read in full before deciding whether to invest in the Notes.

The LDD includes:

- Section 1 “*Key Information Summary*”;
- Section 5 “*Key features of the Notes*”; and
- Section 6 “*Risks of investing*”.

The key features of the Notes are outlined in sections 1 and 5, and the risks of investing are outlined in sections 1 and 6, including risks relating to Kiwibank’s creditworthiness and risks associated with the Notes.

Schedule: Specific Selling Restrictions

Australia

This Terms Sheet, the LDD and the offer of Notes are only made available in Australia to persons to whom an offer of securities can be made without disclosure under Parts 6D.2 or 7.9 of the Corporations Act 2001 (Cth) (the "**Corporations Act**"), including in accordance with the applicable exemptions in sections 708(8) (sophisticated investors) or 708(11) (professional investors) of the Corporations Act. This Terms Sheet, the LDD and the offer of Notes must not be made available, and is not intended to be made available, to any "retail client" within the meaning of section 761G of the Corporations Act.

This Terms Sheet and the LDD are not a prospectus, product disclosure statement or any other formal disclosure document for the purposes of the Corporations Act and contains only summary information concerning the Issuer and the offer of Notes. Neither this Terms Sheet, the LDD nor any other disclosure document in relation to the Notes have been, or will be, lodged or registered with the Australian Securities & Investments Commission or any other authority in Australia.

Prospective investors should not construe anything in this Terms Sheet or the LDD as legal, business or tax advice nor as financial product advice for the purposes of Chapter 7 of the Corporations Act.

United States

This Terms Sheet and the LDD do not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The Notes have not been, and will not be, registered under the US Securities Act of 1933 ("**US Securities Act**") or the securities laws of any state or other jurisdiction of the United States. The Notes may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws. Accordingly, the Notes will only be offered and sold outside the United States in compliance with Regulation S under the US Securities Act.

Hong Kong

The Notes may not be offered or sold in Hong Kong other than (i) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (as amended, the "**SFO**") and any rules made under the SFO, or (ii) in other circumstances which do not result in this Term Sheet or the LDD or any other document in relation to the Notes being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (as amended, the "**C(WUMPO)**") or which do not constitute an offer to the public within the meaning of the C(WUMPO).

No advertisement, invitation, this Terms Sheet, the LDD or other offering material or other document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) may be issued, or is intended to be issued, whether in Hong Kong or elsewhere, other than to persons outside Hong Kong or only to "professional investors" within the meaning of the SFO and any rules made under the SFO.

Singapore

Neither this Terms Sheet nor the LDD have been, or will be, registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Notes may not be offered or sold, or caused to be made the subject of an invitation for subscription or purchase, nor may this Terms Sheet, the LDD or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, be circulated or distributed, whether directly or indirectly, to any persons in Singapore other than:

- (a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 of Singapore (as modified or amended from time to time) (the "**SFA**")) pursuant to Section 274 of the SFA; or
- (b) to an accredited investor (as defined in Section 4A of the SFA) pursuant to and in accordance with the conditions specified in Section 275 of the SFA.

Japan

The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the “**Financial Instruments and Exchange Act**”) and, accordingly, the Notes may not be offered or sold, and are not intended to be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)) or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other applicable laws, directives and ministerial guidelines of Japan.