



Equitable Bank completes issue of 5-year \$250 million deposit note

Largest and longest ever Equitable Bank deposit note attracts second most buyers ever for the bank as investor confidence grows

TORONTO – November 26, 2020 /CNW/ – Equitable Bank (the “Bank”), a wholly owned subsidiary of Equitable Group Inc. (the “Company”) (TSX: EQB and EQB.PR.C) today announced the closing of a successful \$250 million 5-year fixed rate deposit note due November 26, 2025 (the “Deposit Note”).

The Deposit Note -- the Bank’s second in 2020 – was priced at 145 basis points over the interpolated Government of Canada curve, and will carry a coupon of 1.876%. This offering was distributed to 38 buyers – the second most ever for the Bank. Equitable was able to capitalize on investor confidence, the success of the 3-year note issued in September, and the momentum demonstrated by strong Q3 results. Equitable remains committed to growing its program, and now has \$800 million of deposit notes outstanding.

“Equitable continues to build on its solid financial results and widening market support to further our funding diversification strategy,” said **Chadwick Westlake, Chief Financial Officer of Equitable Bank**. “This latest offering saw broad demand, including a number of new investors, which demonstrates investor confidence while increasing our credit following. Building a consistent, successful deposit note program diversifies the Bank’s funding channels, and now provides comparable cost funding relative to other funding sources. The success of this deposit note reinforces our position to deliver superior market returns and is indicative of the growing recognition Equitable is receiving as *Canada’s Challenger Bank*™.”

The issuance was completed with National Bank Financial Inc., Scotia Capital Inc., and TD Securities Inc., acting as joint leads and bookrunners, supported by BMO Nesbitt Burns Inc., CIBC World Markets Inc., and RBC Dominion Securities Inc. acting as co-managers. The Deposit Note ranks equally and rateably with all present and future unsecured and unsubordinated liabilities of the Bank. It is not eligible for Canada Deposit Insurance Corporation insurance.

About Equitable Group Inc.

Equitable Group Inc. is a growing Canadian financial services business that operates through its wholly owned subsidiary, Equitable Bank. Equitable Bank, *Canada's Challenger Bank™*, has grown to become the country's ninth largest independent Schedule I bank through its proven branchless approach and customer service focus in providing residential lending, commercial lending, wealth management, and savings solutions to Canadian consumers and investors. EQ Bank, the digital banking platform offered by Equitable Bank, provides state-of-the-art digital banking services. Equitable Bank is a member of Canada Deposit Insurance Corporation (CDIC) and employs over 900 dedicated professionals across the country. For more information about Equitable Bank, EQ Bank and its products, please visit equitablebank.ca and eqbank.ca.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Statements made by the Company in the sections of this news release, in other filings with Canadian securities regulators and in other communications include forward-looking statements within the meaning of applicable securities laws ("forward-looking statements"). These statements include, but are not limited to, statements about the Company's objectives, strategies and initiatives, financial result

expectations and risk management, statements about or containing possible future issuances of deposit notes of the Bank, statements made by our President and CEO and any other statements made herein, whether with respect to the Company's businesses or the Canadian economy. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "planned", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases which state that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved". Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, closing of transactions, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements, including but not limited to risks related to capital markets and additional funding requirements, fluctuating interest rates and general economic conditions, legislative and regulatory developments, the nature of our customers and rates of default, and competition as well as those factors discussed under the heading "Risk Management" in the Management's Discussion and Analysis and in the Company's documents filed on SEDAR at www.sedar.com. All material assumptions used in making forward-looking statements are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current credit, interest rate and liquidity conditions affecting the Company and the Canadian economy. Although the Company believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material assumptions are applied by the Company in making forward-looking statements, including without limitation, assumptions regarding its continued ability to fund its mortgage business at current levels, a continuation of the current level of economic uncertainty that affects real estate market conditions, continued acceptance of its products in the

marketplace, as well as no material changes in its operating cost structure and the current tax regime. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in accordance with applicable securities laws.

This press release does not constitute an offer to sell or the solicitation of any offer to buy securities in any province, state or jurisdiction in which such offer or solicitation would be unlawful prior to registration or qualification under the securities laws of any such province, state or jurisdiction.

The Deposit Note has not been and will not be registered under the United States Securities Act of 1933, as amended, or any state securities laws and may not be offered or delivered, directly or indirectly, or sold in the United States absent an applicable exemption from the registration requirements. This press release does not constitute an offer to sell or the solicitation to buy nor shall there be any sale of the securities in any State in which such offer, solicitation or sale would be unlawful.

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