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ASX RELEASE

BOQ GROUP

BOQ COMPLETES WHOLE-OF-LOAN SALE

1 May 2026, Brisbane: Bank of Queensland Limited (ASX: BOQ) is pleased to confirm that it has today completed its previously announced[1] whole-of-loan equipment finance portfolio sale to Challenger Limited (ASX: CGF), with $3.6[2] billion of assets sold.

The completion of this transaction represents a key milestone in BOQ's transformation to a simpler, specialist bank, with improved returns. As previously announced, the proceeds of the sale are expected to reduce funding and, subject to regulatory and Board approval, provide a return to shareholders, through an on-market buyback of shares and a fully franked special dividend[3].

Financial implications[4]

As at 28 February 2026, the assets and associated liabilities of the whole-of-loan sale were considered a 'held for sale disposal group', which resulted in a statutory loss of $31 million recorded in the first half of the year.

Following completion of the sale, an estimated loss of $52 million[5] will be recorded as an expense item in the 2026 financial statements, and as a non-cash item within Statutory net profit after tax. This comprises a sale premium of $3 million and reduction in the provision for expected credit losses of $16 million, offset by an allocation of goodwill of $20 million, the impact of interest rate swaps of $41 million which remain economic, transaction costs relating to the sale of $6 million, and $4 million of other items.

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Authorised for release by: The Disclosure Committee of Bank of Queensland

IMPORTANT INFORMATION

This document should not be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consider these factors, and consult with their own legal, tax, business and/or financial advisors in connection with any investment decision. Nothing in this document should be construed as either an offer to sell or a solicitation of an offer to buy or sell BOQ securities in any jurisdiction.

[1]Transaction announced to the ASX on 7 April 2026. Further information can be found in the Group's 2026 Half Year Results announcement on 22 April 2026.
[2]Final whole-of-loan assets of $3.6 billion varies from previous estimate of $3.7 billion, due to the composition of the portfolio of assets between transaction date of 7 April and completion date.
[3]Subject to market conditions, Board and regulatory approval. Timing and actual number of shares purchased under the buy-back and the timing of the special dividend will depend on market conditions, available trading windows, and other considerations. BOQ reserves the right to vary, suspend or terminate the buy-back at any time.
[4]Figures quoted are post-tax. Tax impacts may change and final position will be included in the 2026 annual report.
[5]Unaudited.

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