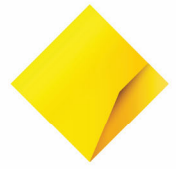


# ASX Announcement



## Medallion Trust Series 2016-2 (ASX Code: MZT)

**Wednesday, 22 October 2025 SYDNEY:** Securitisation Advisory Services Pty. Limited as the Manager of the Medallion Trust Series 2016-2 (MZT), provides holders with the MZT 2025 Annual Report which includes the Financial Statements for the year ended 30 June 2025.

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The release of this announcement was authorised by the Board of Securitisation Advisory Services Pty. Limited.

### Contact Details

Long Term Funding

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# Medallion Trust Series 2016-2

ABN 36 930 251 534

## Annual Report

For the year ended  
30 June 2025

Commonwealth Bank of Australia

# Contents

<b>1.</b>	<b>Manager's report</b>	<b>1</b>
<b>2.</b>	<b>Financial statements</b>	
	Statement of Comprehensive Income	3
	Balance Sheet	4
	Statement of Changes in Equity	5
	Statement of Cash Flows	6
<b>3.</b>	<b>Notes to the financial statements</b>	<b>7</b>
<b>4.</b>	<b>Manager's statement</b>	<b>17</b>
<b>5.</b>	<b>Trustee's report</b>	<b>18</b>
<b>6.</b>	<b>Independent auditor's report</b>	<b>19</b>

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# Manager's report

The Directors of Securitisation Advisory Services Pty Limited ("the Manager") submit their report together with the General Purpose Financial Statements ("the Financial Statements") of Medallion Trust Series 2016-2 ("the Trust"), for the financial year ended 30 June 2025.

## Trust Manager and Trustee

The Manager of the Trust for the reporting year was Securitisation Advisory Services Pty Limited. The Trustee of the Trust for the reporting year was Perpetual Trustee Company Limited.

## Directors

The names of the Directors of the Manager holding office during the financial year and up to the date of this report are:

V Hickey	Director
P Roa	Director
F Blackstock	Director (appointed 13 December 2024)
C Bhindi	Director (resigned 4 December 2024)

## Secretaries

The names of the Secretaries of the Manager holding office during the financial year and up to the date of this report are:

N Mlinarevic	Secretary
W Lee	Secretary (appointed 22 October 2024)

## Principal activities

The Trust was established under the Commonwealth Bank of Australia ("the Bank") Medallion Trust Programme, which enables the securitisation of the Bank's own assets. The principal activities of the Trust during the financial year were the holding of loan receivables from the Bank and the issue of medium term notes ("MTNs") to fund these assets.

There was no significant change in the nature of these activities during the financial year.

## Review of operations

The Trust recorded a profit for the financial year of \$nil (2024: \$nil).

## Distribution

Residual income in the Trust was returned to the Bank through excess servicing fees and as a result distributions paid and payable to the income unitholder, the Bank, in accordance with the Master Trust Deed, was \$nil for the financial year (2024: \$nil).

## Significant changes in the state of affairs

There have been no significant changes in the state of affairs during the financial year ended 30 June 2025.

## Likely developments and expected results of operations

Information as to likely developments in the operations of the Trust and the expected results of those operations in subsequent financial years have not been included in this report because, in the opinion of the Directors, it would prejudice the interests of the Trust.

## Environmental regulation

The Trust's operations are not subject to any particular or significant environmental regulations under Australian Commonwealth, State or Territory law.

## Interests in units of the Trust

As at the date of this report, no Director has any interests in the units of the Trust.

## Events subsequent to the balance sheet date

The Manager is not aware of any matter or circumstance that has occurred since the end of the financial year that has significantly affected or may significantly affect the operations, the results of those operations or the state of affairs of the Trust in subsequent years.

## Manager's report (continued)

### Rounding of amounts

The amounts contained in this report and in the Financial Statements have been rounded to the nearest thousand dollars (where rounding is applicable).

Signed for and on behalf of Securitisation Advisory Services Pty Limited as Manager of the Medallion Trust Series 2016-2.



Director

Sydney

17 October 2025

# Statement of Comprehensive Income

For the year ended 30 June 2025

	Note	30 Jun 25 \$'000	30 Jun 24 \$'000
<b>Interest income:</b>			
Interest revenue on loans to ultimate parent entity		20,186	24,417
Other interest income <sup>1</sup>		507	583
Interest expense on notes		(20,407)	(24,660)
<b>Net interest income</b>		<b>286</b>	<b>340</b>
<b>Other operating income:</b>			
Changes in estimated financial liabilities		(16)	35
<b>Total net operating income before operating expenses and impairment</b>		<b>270</b>	<b>375</b>
Operating expenses	2	(286)	(340)
Loan impairment benefit/(expense)	3	16	(35)
<b>Net profit before income tax</b>		<b>-</b>	<b>-</b>
Income tax expense		-	-
<b>Net profit after income tax from continuing operations</b>		<b>-</b>	<b>-</b>
Other comprehensive income net of tax		-	-
<b>Total comprehensive income net of tax from continuing operations</b>		<b>-</b>	<b>-</b>

1 Other interest income consists mainly of early repayment adjustments and lending fees payable by customers upon prepayment of home loans.

The above Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

# Balance Sheet

As at 30 June 2025

	Note	30 Jun 25 \$'000	30 Jun 24 \$'000
<b>Assets</b>			
Cash and cash equivalents		152	153
Other assets	5	9,209	9,607
Loans and other receivables	6	316,459	387,378
<b>Total assets</b>		<b>325,820</b>	<b>397,138</b>
<b>Liabilities</b>			
Trade and other payables	7	2,878	3,592
Financial liabilities	8	322,942	393,546
Trust corpus <sup>1</sup>		-	-
<b>Total liabilities</b>		<b>325,820</b>	<b>397,138</b>
<b>Net assets</b>		-	-
<b>Total equity</b>		-	-

1 Trust corpus of \$200 has been rounded to \$nil.

The above Balance Sheet should be read in conjunction with the accompanying notes.

# Statement of Changes in Equity

For the year ended 30 June 2025

	Total equity <sup>1</sup>
	\$
<b>Balance at 1 July 2023</b>	–
<b>Balance at 30 June 2024</b>	–
<b>Balance at 30 June 2025</b>	–

1 Under Australian Accounting Standards (AAS), trust corpus is classified as a financial liability rather than equity. As a result, there was no equity at the start or the end of the year.

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

# Statement of Cash Flows

For the year ended 30 June 2025

	Note	30 Jun 25 \$'000	30 Jun 24 \$'000
<b>Cash flows from operating activities</b>			
Net profit before income tax		–	–
Add back non-cash movements:			
Net impairment movement on loans and other receivables		(16)	35
Net movement on financial liabilities		16	(35)
<b>Changes in operating revenue and expenses</b>			
Net decrease in interest receivable on loans and collections from ultimate parent entity <sup>1</sup>		737	325
Net decrease in fees receivable from ultimate parent entity <sup>1</sup>		3	12
Net decrease in interest payable on notes issued		(67)	(148)
Net decrease in trade payables		(647)	(205)
<b>Changes in operating assets and liabilities</b>			
Net cash provided by/(used in) operating activities		26	(16)
<b>Cash flows from investing activities</b>			
Receipts on loans to ultimate parent entity		70,593	85,834
Net cash provided by investing activities		70,593	85,834
<b>Cash flows from financing activities</b>			
Repayment of notes issued		(70,620)	(85,815)
Net cash used in financing activities	12.2	(70,620)	(85,815)
Net (decrease)/increase in cash at bank		(1)	3
Cash at bank at beginning of year		153	150
<b>Cash at bank at end of year</b>		<b>152</b>	<b>153</b>

<sup>1</sup> Includes a portion of the cash flow movement from collections of principal, interest and fees receivable - ultimate parent entity.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

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# Notes to the Financial Statements

For the year ended 30 June 2025

## 1 Summary of material accounting policies

### 1.1 General information

The General Purpose Financial Statements ("the Financial Statements") of Medallion Trust Series 2016-2 ("the Trust") for the financial year ended 30 June 2025 were approved and authorised for issue by the Board of Directors of Securitisation Advisory Services Pty Limited ("the Manager") on 17 October 2025. The Directors of the Manager have the power to amend and reissue the Financial Statements.

The Trust was constituted on 16 December 2016 and established under the Master Trust Deed dated 8 October 1997 and a Series Supplement dated 16 December 2016 for the purpose of purchasing loans from the Commonwealth Bank of Australia ("the Bank") and issuing medium term notes ("MTNs") to fund such purchase. The Trustee of the Trust is Perpetual Trustee Company Limited.

The issue of notes to noteholders and beneficial interest to the income unitholder occurred on 10 January 2017.

The Trust will terminate on its Termination Date unless it is terminated earlier in accordance with the provisions of the Master Trust Deed and the Series Supplement.

The Trust is domiciled in Australia. The address of its principal office is Commonwealth Bank Place South, Level 1, 11 Harbour Street, Sydney NSW 2000, Australia.

The ultimate parent entity of the Manager and the Trust is the Commonwealth Bank of Australia ACN 123 123 124.

### 1.2 Basis of preparation

The Financial Statements have been prepared in accordance with the Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ("AASB"). The Trust is a for-profit entity for the purpose of preparing the Financial Statements.

The Financial Statements of the Trust comply with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

The functional and presentation currency of the Trust have been determined to be Australian Dollars (AUD) as this currency best reflects the economic substance of the underlying events and circumstances relevant to the Trust.

The Financial Statements have been prepared using a historical cost basis, unless otherwise specified.

### 1.3 New accounting standards and future accounting developments

#### New or amended accounting standards adopted in the financial year

New and amended Australian Accounting Standards and Interpretations that are effective for the financial year beginning 1 July 2024 did not result in significant changes to the Trust's accounting policies.

#### Future accounting developments

Certain new accounting standards and interpretations have been published that are not yet effective for the 30 June 2025 reporting period and have not been early adopted by the Trust.

#### Other accounting developments

##### Amendments to AASB 9 Financial Instruments and AASB 7 Financial Instruments: Disclosures

In July 2024, the AASB issued AASB 2024-2 to amend AASB 9 *Financial Instruments* and AASB 7 *Financial Instruments: Disclosures* in order to address feedback from the International Accounting Standards Board's 2022 Post-implementation Review of the classification and measurement requirements in AASB 9 and related requirements in AASB 7.

The amendments will be effective for the Trust from 1 July 2026 and are required to be applied retrospectively. The Trust continues to assess the impact of adopting the amendments.

##### AASB 18 Presentation and Disclosure in Financial Statements

In June 2024, the AASB issued a new standard AASB 18 *Presentation and Disclosure in Financial Statements*, which will be effective from 1 July 2027 and is required to be applied retrospectively. AASB 18 will replace AASB 101 *Presentation of Financial Statements* and introduces new requirements to improve entities' reporting of financial performance and give investors a better basis for analysing and comparing entities. These requirements aim to improve comparability in the income statement, enhance transparency of management-defined performance measures and provide useful grouping of information in the financial statements. The Trust continues to assess the impact of adopting AASB 18.

### 1.4 Revenue and expense recognition

The Trust recognises revenue and expenses from the following major sources:

#### (i) Interest revenue

Interest revenue on loans and other receivables is measured using the effective interest method. The effective interest method calculates the amortised cost of a financial instrument, and allocates the interest over the expected life of the financial instrument. Fees and transaction costs integral to loan origination are capitalised and included in interest revenue recognised over the expected life of the loan. Any excess income is returned to the Bank through the excess servicing fee and is accounted for by netting against interest revenue on the loans to ultimate parent entity.

#### (ii) Other interest income

Other interest income is recognised on an accrual basis over the service period.

#### (iii) Interest expense

Finance costs relating to the medium term notes and related borrowings are measured on an accrual basis using the effective interest method.

# Notes to the Financial Statements

For the year ended 30 June 2025

## 1 Summary of material accounting policies (continued)

### 1.5 Income tax

Under current income tax legislation, the Trust is not liable for income tax because it has no taxable income.

### 1.6 Cash and cash equivalents

Cash and cash equivalents presented in the Financial Statements comprise cash at bank. They are initially recognised at fair value and subsequently measured at amortised cost. Cash at bank earns interest at a floating rate based on daily deposit rates.

#### Extraordinary expense reserve

Extraordinary expense reserve was provided to meet possible shortfalls in the payment of interest on the notes and senior expenses in the event where all available facilities have been exhausted. This is an interest bearing account and interest will be recognised in profit or loss. The extraordinary expense reserve is \$150,000.

### 1.7 Financial assets and liabilities

The Trust categorises its significant financial assets and liabilities in the following categories:

#### (i) Loans and other receivables

Loans and other receivables consist of the loan to ultimate parent entity and any associated provision for impairment losses. The loan to ultimate parent entity reflects the Trust's economic interest in a pool of securitised mortgages originated by the Bank and legally assigned to the Trust. However, under Australian Accounting Standards, the criteria for derecognition for the Bank are not met because the Bank retains substantially all risks and rewards of ownership such as credit, liquidity and interest rate risks, through its roles as originator, servicer and swap provider.

As a result, the Trust does not recognise the mortgage loans directly on its balance sheet. Instead, it records an imputed loan receivable from the Bank, initially recognised at fair value with the initial amount of the loan to ultimate parent entity corresponding to the consideration paid by the Trust for the mortgage loans. Subsequently the loan to ultimate parent entity is measured at amortised cost using the effective interest method on the basis the Trust recognises solely the principal and interest cashflows from the pool of securitised mortgages only to the extent that it is contractually entitled to retain them. These financial assets are held within a business model whose objective is to hold financial assets to collect contractual cash flows. Any excess income is returned to the Bank through the excess servicing fee and is accounted for by netting against interest revenue on the loans to ultimate parent entity.

The Bank provides interest rate swaps to the Trust and as a result the Bank retains exposure to substantially all the risks and rewards of the securitised loans. Under AASB 9, the Bank and the Trust should therefore not separately recognise the AUD interest rate swaps in its entity-level Financial Statements. AUD interest rate swaps and associated payments/receipts are therefore treated as part of imputed loans and intra-group interest.

The terms of the loan include a few linked agreements between the Trust and the ultimate parent entity, such as interest rate swaps, redraw and liquidity facilities, which are embedded in the terms of the imputed loan and not recognised separately.

#### Impairment

Impairment provisions are recognised in accordance with the AASB 9 expected credit loss ("ECL") approach. The ECL is recognised on the Loans to ultimate parent entity at a portfolio level, based on the underlying securitised mortgages that provide cash flows to the Trust. A description of the key components of the Trust's AASB 9 impairment methodology is provided below.

#### ECL model

The ECL model applies to all financial assets measured at amortised cost. The model uses a three-stage approach to recognition of expected credit losses. Financial assets migrate through these stages based on changes in credit risk since origination:

- *Stage 1: 12 months ECL - performing financial assets*

On origination, an impairment provision equivalent to 12 months ECL is recognised. 12 months ECL includes credit losses expected to arise from defaults occurring over the next 12 months.

- *Stage 2: Lifetime ECL - performing financial assets that have experienced a significant increase in credit risk ("SICR")*

Financial assets that have experienced a SICR since origination are transferred to Stage 2 and an impairment provision equivalent to lifetime ECL is recognised. Lifetime ECL is the credit losses expected to arise from defaults occurring over the remaining life of financial assets.

- *Stage 3 - Lifetime ECL - non-performing financial assets*

Financial assets in default and assets restructured due to the borrower's financial difficulty or hardship are transferred to Stage 3 and an impairment provision equivalent to lifetime ECL is recognised.

Credit losses for financial assets in Stage 1 and Stage 2 are assessed for impairment collectively, whilst those in Stage 3 are subjected to either collective or individual assessment of ECL.

#### Significant increase in credit risk

SICR is assessed by comparing the risk of default occurring over the expected life of the financial asset at reporting date to the corresponding risk of default at origination. The Trust considers all available qualitative and quantitative information that is relevant to assessing SICR.

#### ECL measurement and forward-looking information

ECL is an unbiased and probability-weighted expected credit loss estimated by evaluating a range of possible outcomes and taking into account the time value of money, past events, current conditions and forecasts of future economic conditions. The Trust uses the following four alternative macroeconomic scenarios to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL:

Central scenario: This scenario is based on the Group's internal economic forecasts and market consensus as well as other assumptions used in business planning and forecasting;

# Notes to the Financial Statements

For the year ended 30 June 2025

## 1 Summary of material accounting policies (continued)

- **Downside scenario:** This scenario contemplates the potential impact of possible, but less likely, adverse macroeconomic conditions, resulting from significant inflationary pressures which leads to disorderly asset price declines, a sharp increase in credit spreads, corporate defaults and high unemployment. This is exacerbated by a breakdown in global trade and compounded by geopolitical risks;
- **Upside scenario:** This scenario is included to account for the potential impact of remote, more favourable macroeconomic conditions. Relative to the Central scenario, the Upside scenario features stronger growth in economic output, further improvement in labour market conditions and a stronger housing market; and
- **Severe downside scenario:** This scenario contemplates the potentially severe impact of remote, extremely adverse macroeconomic conditions. Relative to the Downside scenario, this scenario features a sharper contraction with a slower recovery in economic output, heightened and prolonged weakness in the labour market, and more severe declines in house prices, while interest rates are reduced to accommodative levels.

The requirement to probability-weight possible future outcomes captures the uncertainty inherent in the credit outlook, and changes in that uncertainty over time. Weights are assigned to each scenario based on management's best estimate of the proportion of potential future loss outcomes that each scenario represents.

The following probability weights applied at 30 June 2025 and 2024:

Scenario	Combined weighting	
	30 Jun 25	30 Jun 24
Central and Upside	55.0%	57.5%
Downside and Severe downside	45.0%	42.5%

### Incorporation of experienced credit judgement

Management exercises credit judgement in assessing if an exposure has experienced SICR and in determining the amount of impairment provisions at each reporting date. Where it is applicable, credit risk factors are adjusted to incorporate reasonable forward-looking information about known or expected risks for specific segments of portfolios that would otherwise not have been considered in the modelling process. Credit judgement is used to determine the degree of adjustment to be applied and considers information such as emerging risks at an industry, geographic and portfolio segment level.

### (ii) Other assets

Other assets include collections of principal, interest and fees receivable from the ultimate parent entity as well as other unrealised income receivable and are recorded at the cash value to be realised when it is settled.

### (iii) Financial liabilities

Financial liabilities comprise Australian dollar denominated medium term notes issued by the Trust. Financial liabilities are initially measured at fair value including direct and incremental costs. Subsequently, they are measured at amortised cost using the effective interest method.

## 1.8 Excess servicing fee payable to the income unitholder

Excess servicing fee payable to the income unitholder is accrued on a monthly basis as the excess income after all expenses have been accrued. This excludes impairment on loans and other receivables and adjustments to notes issued.

Excess servicing fee income represents the residual income of the Trust payable to the sole income unitholder, the Bank. Such income is offset with the interest revenue received on loans to the ultimate parent entity in the Financial Statements.

In accordance with the Master Trust Deed, the Trust returns its residual income, and any other amounts determined by the Manager, to the income unitholder, the Bank.

## 1.9 Trust capital

Trust corpus - the beneficial interest in the Trust is divided into two units: one capital unit and one income unit. The income unit is a separate class of unit to the capital unit.

### Capital unit

The capital unitholder in the Trust is the Bank.

The beneficial interest in the Trust represented by the capital unit is in each asset of the Trust (other than the beneficial interests in the asset represented by the income unit).

### Income unit

The income unitholder in the Trust is the Bank. The beneficial interest represented by the income unit is limited to excess distribution which is due, but it has not yet been paid.

Under Australian Accounting Standards (AAS), trust corpus is classified as a financial liability rather than equity. The Trust has been structured to earn a net interest revenue each year. Gains/losses from fair value revaluation as well as impairment benefit/expenses are retained in the Trust and are expected to reverse over time. The classification of trust corpus does not alter the underlying economic interest of the unitholders in the net assets/liabilities and profit or loss attributable to unitholders of the Trust.

## 1.10 Critical judgements and estimates

The application of the Trust's accounting policies requires the use of judgement, estimates and assumptions. The estimates and associated assumptions are based on historical experience and other factors, including expectations of future events, that are considered to be relevant, and are reviewed on an ongoing basis. Actual results may differ from these estimates, which could impact the Trust's net assets and profit. Critical accounting judgements and estimates involved in calculating AASB 9 provisions for impairment are provided in Note 1.7. No other transactions or balances were subject to critical estimates or judgements during the financial year.

# Notes to the Financial Statements

For the year ended 30 June 2025

## 1 Summary of material accounting policies (continued)

### 1.1.1 Segment reporting

The Trust operates in only one segment that is domiciled in Australia to act as a special purpose vehicle for the securitisation of the Bank's home loan mortgage portfolio. The Trust has no other operating segment.

## 2 Operating expenses

	30 Jun 25	30 Jun 24
	\$'000	\$'000
Manager fees - related party	107	130
Liquidity facility fees - ultimate parent entity	28	37
Trustee fees	20	24
Other expenses	131	149
<b>Total operating expenses</b>	<b>286</b>	<b>340</b>

## 3 Provision for impairment losses

	30 Jun 25	30 Jun 24
	\$'000	\$'000
<b>Impairment provision</b>		
Opening balance	446	411
Changes in impairment provision	(16)	35
Closing balance	430	446
<b>Total provision for impairment loss</b>	<b>430</b>	<b>446</b>

## 4 Remuneration of auditor

	30 Jun 25	30 Jun 24
	\$	\$
Audit fees	46,122	36,736

## 5 Other assets

	30 Jun 25	30 Jun 24
	\$'000	\$'000
Interest receivable on loans to ultimate parent entity	676	921
Collections of principal, interest and fees receivable from ultimate parent entity	8,501	8,655
Prepaid expenses	32	31
<b>Total other assets</b>	<b>9,209</b>	<b>9,607</b>

The amounts are due to be received within twelve months of the Balance Sheet date.

# Notes to the Financial Statements

For the year ended 30 June 2025

## 6 Loans and other receivables

	30 Jun 25 \$'000	30 Jun 24 \$'000
Loans to ultimate parent entity <sup>1</sup>	316,889	387,824
Less: Provision for impairment losses	(430)	(446)
<b>Total loans and other receivables</b>	<b>316,459</b>	<b>387,378</b>

<sup>1</sup> The amounts expected to be repaid within twelve months of the Balance Sheet date are \$60,843,000 (2024: \$74,020,000).

## 7 Trade and other payables

	30 Jun 25 \$'000	30 Jun 24 \$'000
Interest payable - medium term notes	370	437
Excess servicing fees payable - ultimate parent entity	2,259	2,942
Manager fees payable - related party	2	2
Liquidity facility fees payable - ultimate parent entity	1	1
Trustee fees payable	-	-
Extraordinary expense reserve payable - ultimate parent entity	150	150
Other payables	96	60
<b>Total trade and other payables</b>	<b>2,878</b>	<b>3,592</b>

The amounts expected to be settled within twelve months of the Balance Sheet date are \$2,728,000 (2024: \$3,442,000).

## 8 Financial liabilities

	30 Jun 25 \$'000	30 Jun 24 \$'000
Medium term notes <sup>1 2</sup>	323,372	393,992
Changes in estimated financial liabilities	(430)	(446)
<b>Total financial liabilities</b>	<b>322,942</b>	<b>393,546</b>

<sup>1</sup> The amounts expected to be settled within twelve months of the Balance Sheet date are \$61,524,000 (2024: \$74,661,000).

<sup>2</sup> Refer to Note 11 for medium term notes held by ultimate parent entity.

The gross carrying amount of the medium term notes held at amortised cost absorbs the expected shortfalls in cash flows. Accordingly, the estimated payments on medium term notes may increase or decrease in future periods up to a maximum of the face value of the medium term notes. The movement in financial liabilities to reflect the estimated cash flows is shown in the reconciliation in Note 12.2.

# Notes to the Financial Statements

For the year ended 30 June 2025

## 9 Financial risk management

Financial risk management is the process of identifying, assessing, fair value approximation, reporting and taking action to mitigate risks. The Trust's risks are managed under the Group's overall risk management program which seeks to minimise the potential adverse effects of financial markets on the Bank and its subsidiaries.

The Trust's financial instruments principally comprise loans to ultimate parent entity and medium term notes, cash and other receivables and payables that arise directly from the Trust's operations.

The Trust is exposed to market risk, credit risk and liquidity risk. Further details on these risks are provided below. All risks are monitored and managed at a business unit level in compliance with the Group's Risk Management Framework.

### 9.1 Market risk

#### Interest rate risk

Interest rate risk arises from the possibility that changes in interest rates will affect future cash flows of financial instruments.

In relation to the Trust, interest rate risk arises due to the pricing on the underlying mortgage assets not matching the pricing of interest bearing liabilities. Interest rate risk is the current and prospective impact of changes in interest rates to which the Trust's earnings are exposed. The Trust mitigates interest rate risk by entering into a series of interest rate swaps with the Bank by transferring fixed rate cash inflows from underlying mortgage assets and in return receives floating rate cash flows based on the Bank Bill Swap rate plus a margin sufficient to meet the interest commitments on the loans from the Bank, associated swaps and fees payable. The margin receivable is calculated based on a weighted average margin of the liabilities to the Bank for each distribution period and also includes a margin for fees, including excess servicing fees payable to the Bank

Based on management's best estimate, having regard to a number of factors, including historical levels of changes in interest rates, the impact on the Trust's profit or loss and equity of a reasonably possible upwards or downwards movement in interest rates assuming that all other variables remain constant is \$nil.

### 9.2 Credit risk

Credit risk is the potential for loss arising from failure of a counterparty to meet their contractual obligations to the Trust. The maximum exposure to credit risk at the end of the reporting period, excluding the value of any collateral or other security, in relation to recognised financial assets, is the carrying value of those assets as disclosed in the Balance Sheet and Notes to the Financial Statements.

The Trust has a concentration of risk to the Bank as the mortgage originator, the Trust's bank account provider, derivative counterparty and servicer of the mortgages. Importantly, the legal transfer of mortgages is structured as a derivative transaction under a one-sided Credit Support Annex (CSA) agreement. This reflects the substance of the arrangement, whereby the Trust's exposure is to the Bank rather than directly to the underlying mortgages.

The ability of the Trust to meet obligations to pay the medium term notes interest and principal to the investors will depend on the amount and timing of payments of interest and principal on the mortgage loans by the borrowers, therefore credit risk arises due to the potential loss arising from mortgage holders failing to meet repayments on the underlying mortgage assets.

To mitigate the aforementioned credit risks the Trust has engaged a servicer (the Bank), to manage arrears, including foreclosure of homes. All home loans are secured by fixed charges over borrowers' residential properties which serves as collateral or credit enhancement on the underlying mortgage assets.

#### Credit quality

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to external credit ratings (if it is available) or to historical information about counterparty default rates:

	30 Jun 25	30 Jun 24
	\$'000	\$'000
<b>Credit risk exposures</b>		
Cash and cash equivalents	152	153
Other assets	9,177	9,576
Loans to ultimate parent entity	316,889	387,824
<b>Total gross credit risk <sup>1</sup></b>	<b>326,218</b>	<b>397,553</b>
Other <sup>2</sup>	32	31
Provision for impairment losses <sup>2</sup>	(430)	(446)
<b>Total assets</b>	<b>325,820</b>	<b>397,138</b>

1 Financial assets, all of which are investment grade, amounting to \$326,218,000 (2024: \$397,553,000) are concentrated within Australia, all of which are held with the ultimate parent entity which carries a AA- (S&P) external credit rating.

2 For the purpose of reconciling to the Balance Sheet, the following assets do not give rise to credit exposures: "Other" comprising prepaid expenses and "Provision for impairment losses".

# Notes to the Financial Statements

For the year ended 30 June 2025

## 9 Financial risk management (continued)

Loans to ultimate parent entity, as presented above, represents a single loan, with repayments sourced from the cash flows generated by the underlying pool of home loans. This loan is considered Stage 1 of the ECL model as the majority of the credit exposures as at 30 June 2025 are classified in Stage 1. The credit quality of the underlying home loans has been analysed below:

	30 Jun 25 \$'000	30 Jun 24 \$'000
Stage 1	299,114	365,431
Stage 2	16,702	19,956
Stage 3	1,073	2,437
<b>Total loans by impairment stage</b>	<b>316,889</b>	<b>387,824</b>

Details of the ECL model applied by the Trust are provided in Note 1.7.

### 9.3 Liquidity risk

Liquidity risk is the risk of being unable to meet financial obligations as they fall due.

The Trust's ability to meet payments on the medium term notes as they fall due is dependent on timely receipt of funds from the loans to ultimate parent entity.

Principal repayments on medium term notes are made in accordance with the Trust's priority of payments schedule as stated in the Trust deeds. In the event the Trust does not have sufficient cash flows from the underlying mortgage loans in order to repay the medium term notes when they fall due, the Trust may draw on a liquidity facility provided by the Bank for the purpose of funding certain income shortfalls up to the facility limit specified in Note 12.1.

### Maturity analysis of financial liabilities

Amounts shown in the tables below are based on contractual undiscounted cash flows for the remaining contractual maturities.

	Maturity period as at 30 June 2025				
	0 to 3 months \$'000	3 to 12 months \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
	Excess servicing fees payable - ultimate parent entity	2,259	–	–	–
Manager fees payable - related party	2	–	–	–	2
Liquidity facility fees payable - ultimate parent entity	1	–	–	–	1
Trustee fees payable	–	–	–	–	–
Extraordinary expense reserve payable - ultimate parent entity	–	–	150	–	150
Other payables	–	96	–	–	96
Medium term notes interest payable	4,971	13,451	17,929	–	36,351
Medium term notes principal	16,027	45,497	261,848	–	323,372
<b>Total financial liabilities</b>	<b>23,260</b>	<b>59,044</b>	<b>279,927</b>	<b>–</b>	<b>362,231</b>

	Maturity period as at 30 June 2024				
	0 to 3 months \$'000	3 to 12 months \$'000	1 to 5 years \$'000	Over 5 years \$'000	Total \$'000
	Excess servicing fees payable - ultimate parent entity	2,942	–	–	–
Manager fees payable - related party	2	–	–	–	2
Liquidity facility fees payable - ultimate parent entity	1	–	–	–	1
Trustee fees payable	–	–	–	–	–
Extraordinary expense reserve payable - ultimate parent entity	–	–	150	–	150
Other payables	–	60	–	–	60
Medium term notes interest payable	6,401	17,329	32,779	–	56,509
Medium term notes principal	19,439	55,222	319,331	–	393,992
<b>Total financial liabilities</b>	<b>28,785</b>	<b>72,611</b>	<b>352,260</b>	<b>–</b>	<b>453,656</b>

# Notes to the Financial Statements

For the year ended 30 June 2025

## 9.4 Fair value estimation

According to AASB 13 *Fair Value Measurement*, fair value is a price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market at measurement date.

Per AASB 13 *Fair Value Measurement* the different levels are defined as follows:

- Level 1 - this category includes assets and liabilities for which the valuation is determined by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted price is readily available.
- Level 2 - this category includes assets and liabilities that have been valued using inputs other than quoted prices as described for Level 1, which are observable for the asset or liability, either directly or indirectly.
- Level 3 - this category includes assets and liabilities where the valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). Unobservable inputs are those not readily available in an active market due to market illiquidity or complexity of the product.

### Other assets and trade and other payables

The fair value of these financial assets and liabilities approximates their carrying amounts as at 30 June 2025 and 30 June 2024, due to their short-term nature. They are classified as Level 3 within the fair value hierarchy.

### Loans to ultimate parent entity

Management has assessed the fair value of the loans to the ultimate parent entity to be materially consistent with their carrying value, and they are classified as Level 3 within the fair value hierarchy. The imputed loan reflects the consideration and cash flows of the underlying pool of mortgages. The imputed loan effectively represents a single, variable rate loan.

### Medium term notes

Management has assessed the fair value of the medium term notes to be materially consistent with their carrying value, and they are classified as Level 2 within the fair value hierarchy.

## 10 Key management personnel

The Directors of the Manager have been determined to be key management personnel ("KMP") within the scope of AASB 124 *Related Party Disclosures*. The names of persons who were Directors of the Manager at any time during the financial year are as follows:

- V Hickey
- P Roa
- F Blackstock (appointed 13 December 2024)
- C Bhindi (resigned 4 December 2024)

Directors were in office for the full period unless otherwise stated.

None of the Directors hold any shares or other interests in the Trust.

### Compensation of key management personnel

The Manager's KMP are employees of the ultimate parent entity, the Bank. Management services, including KMP, are provided by the Bank at no cost to the Manager; no fees or reimbursements are made. Bank employees are not remunerated for director roles, as these obligations are considered part of their standard responsibilities. No other transactions occurred between the Manager and KMP during the financial year (2024: \$nil).

### Loans and other transactions

There were no loans provided to any KMP by the Manager for the year ended 30 June 2025 (2024: \$nil). Any loans to Directors or other related parties at balance date would have been made by the Bank, a provider of finance, under standard employee terms.

There were no other transactions between the Manager and KMP during the financial year (2024: \$nil).

# Notes to the Financial Statements

For the year ended 30 June 2025

## 11 Related party transactions

### Ultimate parent entity

The ultimate parent entity is the Commonwealth Bank of Australia.

### Transactions with related parties

#### Manager fees

The fee is calculated as 0.03% per annum applied to the balance of the medium term notes issued by the Trust in the determination period.

#### Servicing fees

The fee is calculated as 0.25% per annum applied to the balance of the mortgage assets issued by the Bank in the determination period. Servicing fees are disclosed within 'Interest revenue' under ultimate parent entity.

#### Liquidity facility fees

The fee is calculated as 0.90% per annum applied to the undrawn balance of the liquidity facility issued by the Bank in the determination period.

The following transactions occurred with related parties:

	30 Jun 25	30 Jun 24
	\$	\$
<b>Revenue</b>		
Ultimate parent entity:		
Interest revenue	20,185,509	24,417,223
Other interest income	506,817	583,398
<b>Total revenue from continuing operations</b>	<b>20,692,326</b>	<b>25,000,621</b>
<b>Expenses</b>		
Ultimate parent entity:		
Interest expense on internally issued notes	4,483,692	5,307,405
Liquidity facility fees - ultimate parent entity	28,307	37,159
Manager:		
Manager fees - related party	107,162	129,996
<b>Total expenses</b>	<b>4,619,161</b>	<b>5,474,560</b>
<b>Assets</b>		
Ultimate parent entity:		
Cash and cash equivalents	151,714	153,194
Interest receivable on loans to ultimate parent entity	676,232	920,679
Collections of principal, interest and fees receivable from ultimate parent entity	8,501,429	8,655,394
Loans to ultimate parent entity	316,889,428	387,823,739
Less: Provision for impairment losses	(430,112)	(445,507)
<b>Total assets</b>	<b>325,788,691</b>	<b>397,107,499</b>
<b>Liabilities</b>		
Ultimate parent entity:		
Interest payable - medium term notes	84,379	94,562
Excess servicing fees payable - ultimate parent entity	2,258,683	2,941,542
Liquidity facility fees payable - ultimate parent entity	592	690
Extraordinary expense reserve payable to ultimate parent entity	150,000	150,000
Medium term notes	52,355,812	63,789,688
Less: Changes in estimated financial liabilities	(430,112)	(445,507)
Trust Corpus	200	200
Manager:		
Manager fees payable - related party	2,126	2,261
<b>Total liabilities</b>	<b>54,421,680</b>	<b>66,533,436</b>

# Notes to the Financial Statements

For the year ended 30 June 2025

## 12 Notes to the Statement of Cash Flows

### 12.1 Financing facilities

The Trust has access to financing facilities from the Bank, which have no set future date and can be drawn at call. In addition, a liquidity facility is provided by the Bank to the Trust for the purpose of funding certain income shortfalls up to the facility limit of \$3 million (2024: \$4 million). The amount drawn under the liquidity facility at period end was \$nil (2024: \$nil).

### 12.2 Reconciliation of liabilities arising from financing activities

	Financial liabilities \$'000	Extraordinary expense reserve payable \$'000	Total \$'000
<b>Balance at 1 July 2023</b>	479,396	150	479,546
Changes from financing cash flows:			
Repayment of notes issued	(85,815)	–	(85,815)
Adjustment for non-cash items:			
Movement in financial liabilities	(35)	–	(35)
<b>Balance at 30 June 2024</b>	393,546	150	393,696
Changes from financing cash flows:			
Repayment of notes issued	(70,620)	–	(70,620)
Adjustment for non-cash items:			
Movement in financial liabilities	16	–	16
<b>Balance at 30 June 2025</b>	322,942	150	323,092

## 13 Contingent liabilities, contingent assets and commitments

There were no outstanding contingent liabilities, contingent assets or commitments as at 30 June 2025 (2024: \$nil).

## 14 Events subsequent to the balance sheet date

The Manager is not aware of any matter or circumstance that has occurred since the end of the financial year that has significantly affected or may significantly affect the operations of the Trust, the results of those operations or the state of affairs of the Trust in subsequent financial years.

# Manager's statement

In the opinion of the Manager:

- (a) the Financial Statements and Notes thereto comply with applicable Australian Accounting Standards and the Master Trust Deed dated 8 October 1997;
- (b) the Financial Statements and Notes thereto give a true and fair view of the Trust's financial position as at 30 June 2025 and of its performance for the financial year ended 30 June 2025;
- (c) Note 1.2 of the financial statements includes a statement of compliance with International Financial Reporting Standards;
- (d) the Trust operated during the year ended 30 June 2025 in accordance with the provisions of the Master Trust Deed; and
- (e) in the opinion of the Manager, there are reasonable grounds to believe that the Trust will be able to pay its debts as and when they become due and payable.

Signed for and on behalf of Securitisation Advisory Services Pty Limited as Manager of Medallion Trust Series 2016-2.



Director  
Sydney  
17 October 2025

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# Trustee's report

The General Purpose Financial Statements for the financial year ended 30 June 2025 have been prepared by the Trust Manager, Securitisation Advisory Services Pty Limited as it is required by the Master Trust Deed.

The Auditor of the Trust, PricewaterhouseCoopers, who has been appointed in accordance with the Master Trust Deed, has conducted an audit of these Financial Statements.

A review of operations of the Trust and the results of those operations for the reporting period is contained in the Manager's Report.

Based on our ongoing program of monitoring the Trust, the Trust Manager and our review of the Financial Statements, we believe that:

- (i) the Trust has been conducted in accordance with the Master Trust Deed; and
- (ii) the Financial Statements have been appropriately prepared and contain all relevant and required disclosures.

We are not aware of any material matter or significant change in the state of affairs of the Trust occurring up to the date of this report that requires disclosure in the Financial Statements and the Notes thereto that has not already been disclosed.

Signed for and on behalf of Perpetual Trustee Company Limited as Trustee of Medallion Trust Series 2016-2.



Sydney

17 October 2025

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## Independent auditor's report

To the unitholders of Medallion Trust Series 2016-2

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### Our opinion

In our opinion the accompanying financial report gives a true and fair view of the financial position of Medallion Trust Series 2016-2 (the Trust) as at 30 June 2025 and of its financial performance and its cash flows for the year then ended in accordance with Australian Accounting Standards to the extent described in Note 1 of the financial report.

### What we have audited

The financial report comprises:

- the balance sheet as at 30 June 2025
- the statement of comprehensive income for the year then ended
- the statement of changes in equity for the year then ended
- the statement of cash flows for the year then ended
- the notes to the financial statements, including material accounting policy information and other explanatory information
- the Manager's statement.

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### Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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One International Towers Sydney, Watermans Quay, BARANGAROO NSW 2000,  
GPO BOX 2650, SYDNEY NSW 2001  
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## Independence

We are independent of the Trust in accordance with the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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## Emphasis of matter - basis of accounting and restriction on use

We draw attention to Note 1 in the financial report, which describes the basis of accounting. The financial report has been prepared to assist the directors of the Manager (the directors) to meet the requirements of the Master Trust Deed dated 8 October 1997 and Series Supplement dated 16 December 2016. As a result, the financial report may not be suitable for another purpose. Our report is intended solely for Medallion Trust Series 2016-2 and its unitholders and should not be used by parties other than Medallion Trust Series 2016-2 and its unitholders. Our opinion is not modified in respect of this matter.

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## Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

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## Other information

The directors of the Manager are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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## **Responsibilities of the directors of the Manager for the financial report**

The directors of the Manager are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards to the extent described in Note 1 of the financial report, and for such internal control as the directors of the Manager determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. The directors of the Manager have determined that the basis of preparation described in Note 1 to the financial report is appropriate to meet the needs of the unitholders.

In preparing the financial report, the directors of the Manager are responsible for assessing the ability of the Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors of the Manager either intend to liquidate the Trust or to cease operations, or have no realistic alternative but to do so.

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## **Auditor's responsibilities for the audit of the financial report**

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.



A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at:  
[https://www.auasb.gov.au/admin/file/content102/c3/ar2\\_2020.pdf](https://www.auasb.gov.au/admin/file/content102/c3/ar2_2020.pdf). This description forms part of our auditor's report.

  
PricewaterhouseCoopers

  
Alastair Findlay  
Partner

Sydney  
17 October 2025

For person only