

25 August 2026

The Manager  
Company Announcements  
Australian Securities Exchange  
20 Bridge Street  
Sydney NSW 2000

**MyState Limited – Preliminary Final Report  
(Appendix 4E) for the year ended 30 June 2026**

The Directors of MyState Limited (the “Company”) are pleased to announce the audited results of the Company for the year ended 30 June 2026 as follows:

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

| Extracted from the Financial Statements for the year ended | \$'000<br>30 June 2025 | \$'000<br>30 June 2026 | %<br>Change |
|------------------------------------------------------------|------------------------|------------------------|-------------|
| Income from operations                                     | 186,643                | 255,947                | 37.1%       |
| Profit after tax attributable to members                   | 35,558                 | 56,190                 | 58.0%       |
| Net profit after tax attributable to members               | 35,558                 | 56,190                 | 58.0%       |

| Dividends for the current year are:                                                                                                                                                                                                                   | Amount per security                   | Franked amount per security |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|-----------------------------|
| <b>Interim Dividend 2026</b> - fully franked at 30%<br>Paid 20 March 2026                                                                                                                                                                             | 12.0 cents                            | 12.0 cents                  |
| <b>Final Dividend 2026</b> - fully franked at 30%<br>Payable 22 September 2026<br>Record Date for determining entitlements for final dividend – 31 August 2026                                                                                        | 12.5 cents                            | 12.5 cents                  |
| Dividend for the prior corresponding period:                                                                                                                                                                                                          | Amount per security                   | Franked amount per security |
| <b>Final dividend 2025</b>                                                                                                                                                                                                                            | 11.0 cents                            | 11.0 cents                  |
| Dividend Reinvestment Plan                                                                                                                                                                                                                            | Last Date for Receipt of DRP Election |                             |
| The MyState Limited Dividend Reinvestment Plan is operational for this 2026 Final Dividend at a 1.5% discount to the Volume Weighted Average Price over the DRP pricing period from Wednesday 2 September 2026 to Tuesday 8 September 2026 inclusive. | 1 September 2026                      |                             |
| Net Tangible Assets per share                                                                                                                                                                                                                         | 2025                                  | 2026                        |
|                                                                                                                                                                                                                                                       | 354 cents                             | 364 cents                   |

#### **Details of entities over which control has been gained or lost during the period**

During the financial period the holding company MyState Limited gained control of the following entities:

- ConQuest 2025-2 Trust<sup>1</sup>

<sup>1</sup> Securitisation trust

#### **Subsequent events**

The remainder of the information requiring disclosure to comply with Listing Rule 4.3A is contained in the attached copy of the Financial Statements and comments on performance of the Company included in the Media and ASX Release dated 25 August 2026.

Further information regarding MyState Limited and its business activities can be obtained by visiting the company's website at [www.mystatelimited.com.au](http://www.mystatelimited.com.au).



**Scott Lukianenko**  
**Company Secretary**

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# Consolidated Financial Report

For the year ended 30 June 2026

## Appendix 4E

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# Directors' report

Your Directors present their report for MyState Limited and its controlled entities (the Group) for the year ended 30 June 2026.

## Directors

- **Vaughn Richtor** BA (Hons), MAICD  
Chair and Independent Non-Executive Director  
(Appointed Chair 1 July 2026)
- **Brett Morgan** BEc, MAppFin  
Managing Director and Chief Executive Officer
- **Jacqueline Korhonen** BSc, BEng (Hon), FAICD  
Independent Non-Executive Director
- **Sibylle Krieger** LLB (Hons), LLM, FAICD, MBA  
Independent Non-Executive Director
- **Warren Lee** BCom, CA  
Independent Non-Executive Director
- **Andrea Waters** BCom, FCA, GAICD  
Independent Non-Executive Director
- **Sandra Birkenleigh** BCom, CA, GAICD, ICCP (Fellow)  
Chair and Independent Non-Executive Director  
(Retired 30 June 2026)
- **Gregory Kenny** GAICD, GradDipFin  
Independent Non-Executive Director  
(Retired 19 February 2026)

## Company Secretary

- **Scott Lukianenko** Ad Dip BMgmt, Grad Dip BA, GIA (Cert).

## Principal activities

MyState Limited (MyState) provides banking, trustee, equipment finance and managed fund products and services through its wholly-owned subsidiaries MyState Bank Limited (MyState Bank) and TPT Wealth Limited (TPT Wealth).

Following the merger with Auswide Bank Ltd (now Auswide Australia Limited) (Auswide) in February 2025, on 1 December 2025, Auswide completed a voluntary transfer of all its assets and liabilities to MyState Bank, as approved by the Australian Prudential Regulation Authority (APRA), in accordance with the *Financial Sector (Transfer and Restructure) Act 1999 (Cth)*. Auswide's banking licence was subsequently revoked by APRA on 11 December 2025.

Under the MyState Bank and Auswide brands, home lending, savings and transactional banking solutions are delivered through digital, branch and partner channels, an Australian-based contact centre, private bankers, mobile lenders and mortgage brokers.

Selfco is a commercial asset finance lender providing Australian businesses with tailored funding solutions to acquire business-critical assets, including trucks, trailers, construction equipment and other essential machinery. It operates nationally through a network of accredited finance brokers.

TPT Wealth delivers asset management and trustee services through relationship managers, digital channels and an Australian-based estate planning, trust administration and support team.

Other than as noted above, there have been no significant changes in the nature of the principal activities of the Group during the year.

## Dividends

Dividends paid in the full year ended 30 June 2026 were as follows:

- For the year ended 30 June 2025, a fully franked dividend of 11.00 cents per share, amounting to \$18.60m was paid on 16 September 2025.
- For the half year ended 31 December 2025, a fully franked dividend of 12.00 cents per share, amounting to \$20.36m was paid on 20 March 2026.

The Directors have declared a fully franked final dividend of 12.50 cents per share. The dividend will be payable on 22 September 2026 to shareholders on the register at the record date of 31 August 2026, taking the dividend for the full year to 24.50 cents per share. The full year dividend payout ratio of 74.1% is within the target range of 60% to 80% on a Statutory net profit after tax (NPAT) basis.

## Operating and financial review

### Financial performance

Pre-provision operating profit of \$85.8m increased \$26.2m (or 43.9%) on the prior year, driven by the addition of Auswide and Selfco for the full period, growth in the home loan and equipment finance portfolios, an uplift in net interest margin of 3bps and realised synergies of \$10.7m.

Income growth of \$69.3m (or 37.1%) on the prior year was partly offset by an increase in operating expenses of \$43.1m (or 34.0%). Total expenses for FY26 as disclosed in the statutory financial statements include integration costs (\$6.5m) and merger related fair value adjustments (-\$3.4m).

Underlying NPAT of \$58.3m was 41.2% higher than the prior year (FY25: \$41.3m). The significant rise was supported by increased scale, growth across key business lines and the realisation of year one merger related synergies. The prior year included post-merger earnings of Auswide and Selfco from 19 February to 30 June 2025.

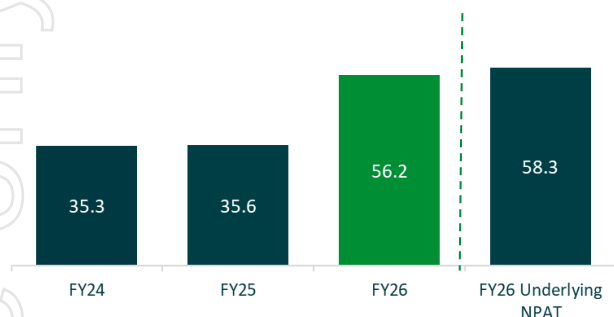
The Group recorded a Statutory NPAT of \$56.2m, an increase of 58.0% on the prior year (FY25: \$35.6m). Statutory NPAT includes the post-tax impact of merger related integration costs (-\$4.5m) and fair value adjustments (\$2.4m).

Underlying earnings per share (EPS) was 34.3 cents per share (cps), an increase of 11.7% on FY25 (30.7cps), return on tangible equity (ROTE) was 9.7% (FY25: 8.9%) and the Group cost to income ratio (CTI) improved 150 basis points to 66.5% (FY25: 68.0%). Statutory EPS increased 25.4% to 33.1 cps (FY25: 26.4 cps).

MyState continues to invest in the business, with a focus on executing its integration strategy, leveraging diversified income streams from Selfco and TPT Wealth, and growing its core retail home loan and customer deposit portfolios.

# Directors' report continued

## Group statutory net profit after tax (\$m)



Integration remains on track. The transition to a single banking licence on 1 December 2025 has delivered operational, funding and capital benefits. The move to a single loan origination system is expected to be completed by the end of calendar year 2026, while the single core banking solution program commenced in early July 2026 and is expected to take approximately two years to complete. The Group continues to target pre-tax run-rate synergies of \$20–25m by the end of FY28.

## Banking group

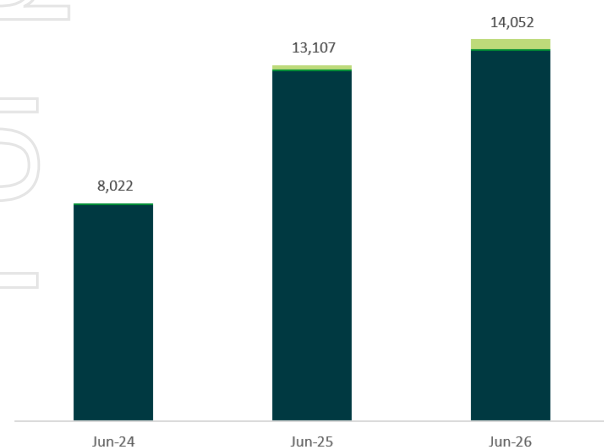
During the year, the total loan book (excluding capitalised acquisition costs) grew \$944m or 7.2% to \$14.0b as at 30 June 2026. A significant uplift in application volume across the MyState Bank and Auswide brands, following the move to a single banking licence, saw the home loan book grow 10.8% on an annualised basis in the second half of the year. For the full year, the home loan book grew \$740m or 5.8%.

Since the merger, investment in Selfco has been prioritised, reflecting its attractive growth profile and higher-margin earnings contribution. Its loan portfolio grew 134% to \$371m during the year.

The Group continues to invest in initiatives that mitigate sector-wide cyber and fraud-related risks.

MyState's net promoter score has remained strong at +60, showing that customer satisfaction has remained a clear strength.

## Total loan book composition (\$m)



- Housing loans
- Other loans (personal/business/overdrafts)
- Selfco

## Home loan book – LVR profile (\$m)

Credit quality remains a pillar of MyState and Auswide's lending, with a focus on loans with a loan to value ratio (LVR) <80%. Exposure to non-residential, investor and interest-only lending remains relatively low compared to sector averages.

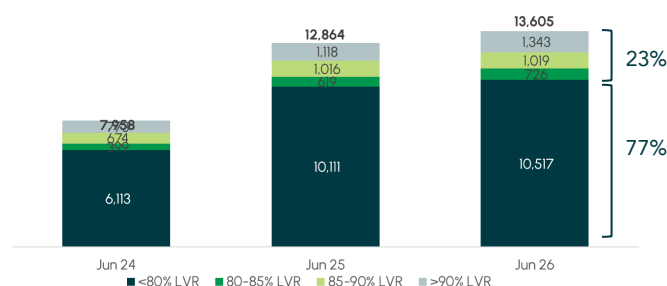
High LVR lending is generally to borrowers eligible to participate in the Australian Government's 5% Deposit Scheme (formerly known as the Home Guarantee Scheme). Scheme changes, effective 1 October 2025, have increased relevance of the Scheme to First Home Buyers. MyState Bank continues to be a participating lender in the Scheme.

The majority of non-Scheme loans with an LVR >80% are lenders mortgage insured.

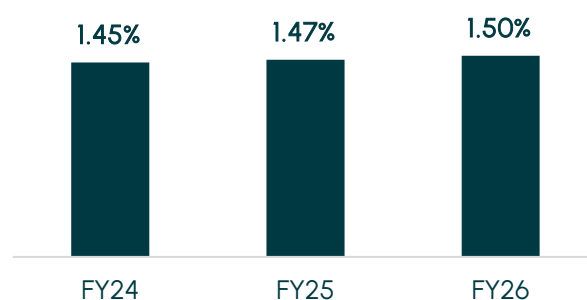
Credit quality improved during the year with the Group's 30 and 90+ day arrears both declining year on year and remaining below industry benchmarks. 30+ day arrears fell from 0.77% to 0.68% and 90+ day arrears fell from 0.44% to 0.32% as at 30 June 2026.

Impairment expense was \$4.1m during the year (FY25: \$0.5m), comprising net write-offs of \$2.6m (FY25: \$0.6m) and an increase in specific and collective provisions of \$1.5m (FY25: decrease of \$0.1m), with the increase reflecting the inclusion of Auswide and Selfco for a full 12 months.

In line with expectations for a more challenging macroeconomic environment in the near term, the forward looking economic and other risk overlays increased from \$3.0m at 30 June 2025 to \$4.6m at 30 June 2026. There were 11 mortgagee-in-possession loans with no loss expected.



## Net interest margin (NIM) trend

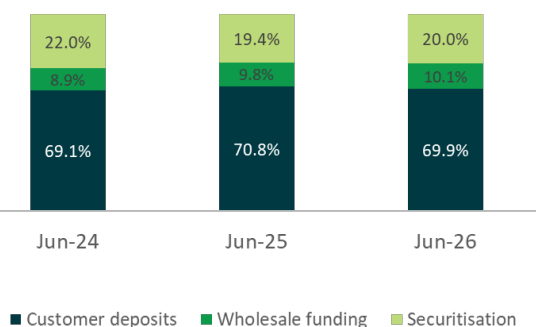


Net interest income was up \$58.6m or 37.4% on the prior year primarily driven by the benefits of a larger home loan and liquids portfolio (post-merger), partly offset by higher interest expense. Group NIM was up 3bps on FY25. NIM in the second half of FY26 improved 8bps on the first half, supported by RBA cash rate increases in February, March and May 2026 and the increased contribution from the higher-margin Selfco portfolio.

## Directors' report continued

Looking forward, ongoing front book pricing pressures, competition in the market for new home loans, elevated levels of customer switching and retention discounting are sector-wide trends that are expected to continue to impact NIM.

### Funding mix (%)



Customer deposits remained the Group's primary source of funding, comprising approximately 70% of total funding.

While competition for retail deposits remained strong across the sector, deposits grew by approximately \$400m during the year, supported by continued investment in branch and online deposit origination, the launch of the Hello Saver at-call savings product in December 2025 and diversification through partnership and third-party channels.

Together with the Group's securitisation program, which remains an important source of longer-term wholesale funding, these initiatives support a well-diversified and resilient funding profile.

### Non-interest income

Non-interest income from banking activities increased by \$9.0m or 58.3% on the prior year, primarily driven by a full year contribution from Auswide and a gain on sale of shares in Indue and Australian Settlements Ltd (\$2.3m).

### TPT Wealth

#### Funds under management (\$m)



TPT Wealth's recorded a \$2.7m NPAT for the year, \$0.3m or 12.5% higher than FY25 (\$2.4m). Income from wealth management activities increased by \$1.6m or 11.2%, driven by higher trustee services income and commercial lending fee revenue.

Operating expenses were up 11.8% due to uplifts in personnel (salary related), technology costs (CPI related increases), and an increase in Group related overhead charges.

Funds under management (FUM) was up marginally during the year to \$970m.

The result reflects the resilience of TPT Wealth's trustee and funds management business, with opportunities to pursue selective growth opportunities while maintaining disciplined cost and compliance settings.

### Capital position

MyState remains well capitalised. At 30 June 2026, the Group's Common Equity Tier 1 (CET1) ratio was 11.57% and the total capital ratio was 15.83% (30 June 2025: 11.88% and 17.51% respectively).

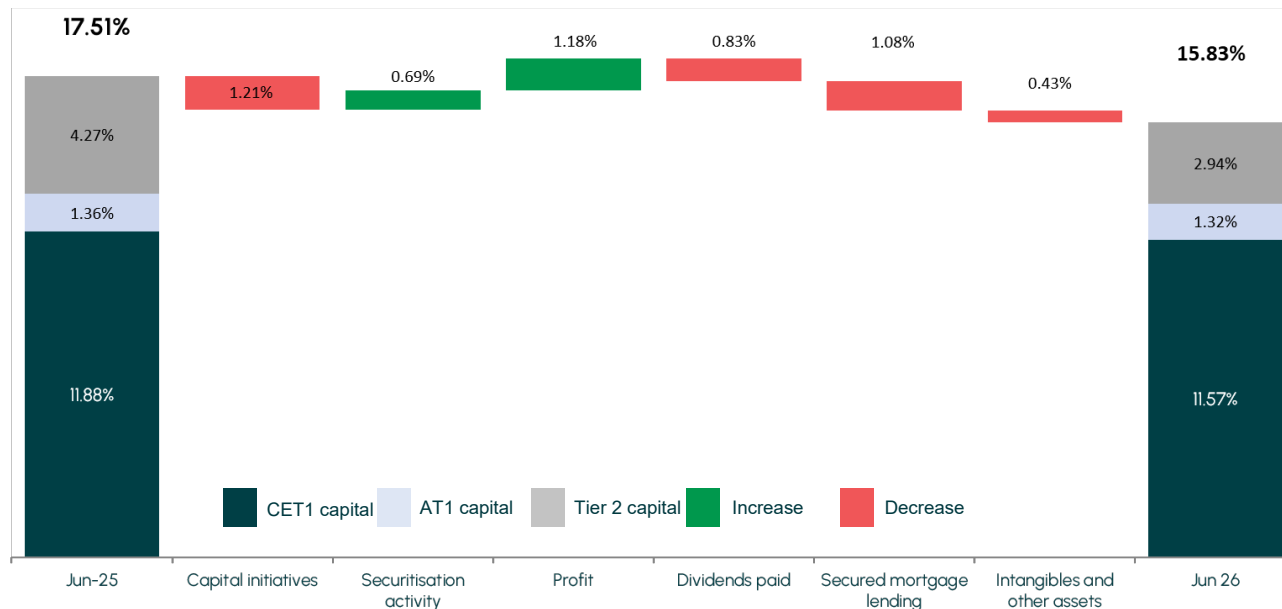
The reduction in the total capital ratio reflects the repayment of \$52m of Tier 2 qualifying subordinated notes (\$25m on 10 July 2025, \$12m on 11 September 2025 and \$15m on 25 May 2026). At 30 June 2026, the estimated impact on the total capital ratio was a reduction of 106bps. These repayments followed the issue of \$100m of new notes in May 2025.

MyState's capital management strategy remains focused on the organic generation of capital through retained earnings, supplemented by the flexibility provided through securitisation activity. In October 2025, MyState issued a \$750m capital relief term RMBS transaction.

Key movements in capital are summarised in the chart on the following page.

# Directors' report continued

## Capital movements (1 July 2025 to 30 June 2026)



# Directors' report continued

## Community

MyState has a proud history of supporting the communities in which we operate.

The MyState Foundation invests in community organisations that support young Tasmanians to reach their potential.

Since 2001, the MyState Foundation has awarded over \$3.0m in grants to not-for-profit organisations across Tasmania.

In Queensland, Auswide Bank provides support to a range of community organisations including the Salvation Army, Ronald McDonald House and the Mental Awareness Foundations' Walk for Awareness. Support was also provided to the local community following floods in Bundaberg in March 2026.

## Outlook

The Board and management team remain focused on profitable growth across deposits, home loans and funds under management, while accelerating growth in the Selfco equipment finance loan book and selected trustee services segments.

In terms of integration, efforts will remain focused on the execution of key IT projects, including a single home loan origination system and single core banking platform, and transitioning to one retail banking brand, MyState Bank.

The total cost of integration for the period through to 30 June 2028 is expected to increase from \$29m to \$32m, predominantly to support the delivery of a modern, AI-enabled core banking platform in partnership with MyState Bank's long-term core banking provider, TCS. A portion of the additional investment will be capitalised, reducing the expected impact on integration costs recognised through the profit and loss statement over the three-year integration program from \$29m to \$26m.

MyState delivered \$11.8m in run-rate synergies (pre-tax) by June 2026 and remains on track to achieve its target run-rate synergies of \$20-\$25 million (pre-tax) by the end of FY28 as integration initiatives continue to be executed.

## Directors' meetings

| MYS Directors                           | MYS Board meetings |    | Group Audit Committee |     | Group Risk Committee |     | Group People, Remuneration & Nominations Committee |     |
|-----------------------------------------|--------------------|----|-----------------------|-----|----------------------|-----|----------------------------------------------------|-----|
|                                         | A                  | B  | A                     | B   | A                    | B   | A                                                  | B   |
| S Birkenleigh<br>(retired 30 June 2026) | 9                  | 9  | 4                     | 4   | 4                    | 4   | n/a                                                | n/a |
| J Korhonen                              | 10                 | 10 | n/a                   | n/a | 4                    | 4   | 4                                                  | 4   |
| G Kenny (retired 19 February 2026)      | 4                  | 5  | n/a                   | n/a | 1                    | 2   | n/a                                                | n/a |
| S Krieger                               | 10                 | 10 | n/a                   | n/a | 4                    | 4   | 3                                                  | 4   |
| W Lee                                   | 10                 | 10 | 4                     | 4   | 4                    | 4   | n/a                                                | n/a |
| B Morgan                                | 10                 | 10 | n/a                   | n/a | n/a                  | n/a | n/a                                                | n/a |
| V Richter                               | 8                  | 10 | 4                     | 4   | 2                    | 4   | 4                                                  | 4   |
| A Waters                                | 10                 | 10 | 4                     | 4   | 4                    | 4   | n/a                                                | n/a |

A = Number of meetings attended. B = Number of meetings eligible to attend.

## Lead auditor's independence declaration under section 307C of the Corporations Act 2001

The lead auditor's independence declaration is set out on page 7 and forms part of the Directors' Report for the year ended 30 June 2026.

## Rounding of amounts

In accordance with applicable financial reporting regulations and current industry practices, amounts in this report have been rounded-off to the nearest one thousand dollars, unless otherwise stated. Any discrepancies between totals and sums of components in charts contained in this report are due to rounding.

## Events subsequent to balance date

On 25 August 2026, the Directors declared a fully franked final dividend of 12.5 cents per share, payable on 22 September 2026 to shareholders on the register at the record date of 31 August 2026.

In the opinion of the Directors, there are no other matters or circumstances that have arisen in the period between 30 June 2026 and the date of this report, that have significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

## Environmental regulation

The Group is required to report under AASB S2 *Climate-related Disclosures* as a Group 1 entity and has included its inaugural mandatory climate-related financial disclosures as part of the annual reporting suite for the year ended 30 June 2026.

## Directors' meetings

The number of meetings of Directors (including meetings of the Committees of Directors) held during the year and the number of meetings attended by each Director are as indicated in the following table:

## Directors' report continued

### Indemnification and insurance of Directors and officers

The Company has paid, or agreed to pay, a premium in relation to a contract insuring the Directors and officers listed in this report against those liabilities for which insurance is permitted under Section 199B of the *Corporations Act 2001*.

The Company has not otherwise, during or since the relevant period, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

### Non-audit services

During the year, Ernst & Young, the Company's auditor, has not performed any other services in addition to its statutory duties. Details on the statutory services performed are set out in note 8.2 to the financial statements.

The Board annually considers any non-audit services provided during the year by the auditor and, in accordance with written advice provided by the Group Audit Committee, satisfies itself that the provision of those non-audit services during the year by the auditor is compatible with, and does not compromise, the auditor independence requirements of the *Corporations Act 2001*, for the following reasons:

- any non-audit services would be subject to the corporate governance procedures adopted by the Company and would have been reviewed by the Group Audit Committee, to ensure that they would not impact the integrity and objectivity of the auditor; and
- any non-audit services provided would not undermine the general principles relating to auditor independence as they related to technical disclosure issues.



**Shape the future  
with confidence**

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## Auditor's independence declaration to the directors of MyState Limited

As lead auditor for the audit of the financial report of MyState Limited and for the review of the selective sustainability information in the sustainability report for the financial year ended 30 June 2026, I declare to the best of my knowledge and belief, there have been:

- a. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit and review;
- b. No contraventions of any applicable code of professional conduct in relation to the audit and review; and
- c. No non-audit services provided that contravene any applicable code of professional conduct in relation to the audit and review.

This declaration is in respect of MyState Limited and the entities it controlled during the financial year.

A stylized, handwritten signature of 'Ernst &amp; Young' in black ink.

Ernst & Young

A handwritten signature of Andrew Harmer in black ink.

Andrew Harmer  
Partner  
Sydney  
25 August 2026

# Remuneration report- audited

## Letter from the Chair of the Group People, Remuneration and Nominations Committee

Dear Shareholder,

On behalf of the Board, I am pleased to present the MyState Limited Remuneration Report for the year ended 30 June 2026 (FY26).

This report outlines how the Board has applied the Group's remuneration framework for Key Management Personnel (KMP), and how remuneration outcomes reflect the Group's performance, strategic progress and shareholder experience during the year.

FY26 was the first full year MyState Limited operated as a merged entity, and it was a year in which the Group delivered a strong profit outcome, built momentum in the second half and made meaningful progress on integration.

At the commencement of the year, the Board approved a challenging business plan designed to encourage management to drive business performance, accelerate integration synergies and position the Group for sustainable long-term growth. The Board's expectation was that executive performance should be assessed against internal objectives and also against the external performance benchmarks and market expectations that shareholders use to evaluate the Group's performance.

Against a challenging operating environment, MyState delivered a solid financial result, with Underlying NPAT up 41.2% on FY25 and up 22.0% on a pro forma basis. Underlying EPS increased 11.7% year on year. This result was underpinned by stronger second-half momentum, with accelerated growth in home lending and retail deposits and an increased contribution from higher-margin businesses. The Group delivered outcomes consistent with market expectations, while continuing to progress its significant integration program. These outcomes reflect the disciplined execution of key priorities by management and confidence in the strength of the Group's strategic direction.

The integration program remains on track with committed FY26 synergies delivered. The financial result reflected balance sheet growth, a stronger earnings mix, disciplined cost management and synergy benefits associated with the Group's integration efforts. Together, these outcomes demonstrate meaningful progress in reshaping the Group and creating long-term value for shareholders.

Through the Group People, Remuneration and Nominations Committee, the Board, in assessing Short-Term Incentive (STI) outcomes, has carefully considered performance against the metrics established at the beginning of the year, alongside the Group's delivery against external expectations. While outcomes varied across objectives, the Board believes management delivered a strong and credible outcome in a difficult market, with second-half performance demonstrating accelerated momentum. Cash incentive outcomes have been determined in this context, balancing strong profit delivery and strategic progress during the year against those areas where performance fell short of the ambitious targets originally set.

The Group's Executive Long-Term Incentive Program (ELTIP) remains focused on aligning executive reward with sustained shareholder value creation. The current structure continues to emphasise Total Shareholder Return (TSR), which directly links outcomes to shareholder experience. The Board also recognises that Return on Equity (ROE) may be influenced by integration-related impacts in the near term. Performance will therefore be assessed over the full three-year period, supporting disciplined decision-making and a longer-term view of value creation. The performance period for the 2023 ELTIP offer concluded on 30 June 2026. Hurdle testing for the performance rights allocated under the 2023 offer has been completed, and the outcomes of the assessment are detailed in this report.

The Board remains committed to a remuneration framework that is transparent, performance-linked and appropriate for the size, complexity and strategic priorities of the Group. This includes remuneration outcomes that are fair and reflective of underlying performance, while supporting the attraction, retention and motivation of the leadership capability required to deliver the Group's strategy, meet shareholder expectations and drive long-term sustainable performance in a demanding and competitive market environment.

We value the ongoing support and engagement of our shareholders as the Group continues to progress integration, strengthen performance and position itself for sustainable long-term growth. Our remuneration policy can be found on the MyState Limited website.



**Jacqueline Korhonen**

Chair – Group People, Remuneration and Nominations Committee

# Our people and our company

Executive Key Management Personnel (KMP) and Non-Executive Directors who served our company in the year ended 30 June 2026 were:

| Name                            | Role                                       | Commenced        | Ceased                   | Group, People, Remuneration & Nominations Committee |
|---------------------------------|--------------------------------------------|------------------|--------------------------|-----------------------------------------------------|
| Sandra Birkenleigh <sup>2</sup> | Non-Executive Director                     | 19 February 2025 | Retired 30 June 2026     |                                                     |
| Vaughn Richtor <sup>3</sup>     | Non-Executive Director                     | 1 September 2019 |                          | ✓                                                   |
| Jacqueline Korhonen             | Non-Executive Director                     | 19 February 2025 |                          | Chair                                               |
| Sibylle Krieger                 | Non-Executive Director                     | 1 December 2016  |                          | ✓                                                   |
| Warren Lee                      | Non-Executive Director                     | 19 October 2017  |                          |                                                     |
| Andrea Waters                   | Non-Executive Director                     | 19 October 2017  |                          |                                                     |
| Gregory Kenny <sup>1</sup>      | Non-Executive Director                     | 19 February 2025 | Retired 19 February 2026 |                                                     |
| Brett Morgan                    | Managing Director, Chief Executive Officer | 17 January 2022  |                          |                                                     |
| Gary Dickson                    | Chief Financial Officer                    | 19 October 2019  |                          |                                                     |
| Mandakini Khanna                | Chief Risk Officer                         | 12 December 2015 |                          |                                                     |
| Tim Newman                      | Chief Operating Officer                    | 12 June 2023     |                          |                                                     |
| Damian Hearne                   | Chief Customer Officer                     | 19 February 2025 |                          |                                                     |

1. MyState Limited Non-Executive Director Gregory Kenny announced his retirement on 17 December 2025.
2. MyState Limited Chair Sandra Birkenleigh announced her retirement on 1 June 2026.
3. From 1 July 2026 Vaughn Richtor is Chair of the MyState Limited Board.

# Our remuneration framework

## Philosophy and principles

MyState Limited's remuneration policy is founded on a company-wide commitment to transparency, ethical practices and the creation of long-term value. The framework is designed to encourage and reward actions by executives that deliver positive results for both customers and shareholders through good discipline and strong financial performance, prudent risk management, and the maintenance and enhancement of our company's earned and valued reputation for trustworthiness in the market for financial services. The remuneration policy is designed to support these objectives through:

- appropriately structured performance-based pay for executives and other eligible employees, including short-term and long-term incentive plans;
- recognition and reward for strong performance linked to both favourable customer experiences and positive sustainable returns to shareholders;
- a thoughtful balancing of the company's capacity to pay and our need to attract and retain excellent staff at all levels;
- careful structuring of remuneration for our risk and financial control managers, including performance-based payments, to preserve their independence in carrying out their important roles;
- Board discretion over variable remuneration generally, including discretion to apply malus (reduction or forfeiture) to executive incentives, when appropriate, to preserve the interests of shareholders and customers and avoid unexpected or unjust outcomes; and
- enhancement of risk management and governance by maintaining separate structures for Non-Executive Director remuneration and executive remuneration.

## Non-Executive Director remuneration

MyState's Non-Executive Directors (NEDs) are paid annual fixed fees, including statutory superannuation, for their services. They are also entitled to reimbursement of reasonable expenses.

Unlike executives, NEDs do not receive short-term or long-term incentive payments. The Board determines the level of fees paid to Non-Executive Directors according to two main criteria:

- the level of skill and experience required to conduct their roles; and
- the level of fees needed to attract and retain talented NEDs.

The aggregate remuneration paid to all NEDs, including statutory superannuation, may not exceed the amount fixed by shareholders, which is currently \$1,200,000. Each NED currently receives a base fee of \$116,696 per annum, and the Chair receives \$250,869 per annum. Chairs of Board Committees (other than the Board Chair) receive an additional \$20,000 per annum and the TPT Wealth Limited Board Chair receives an additional \$30,000 per annum.

## Managing Director and Executive KMP remuneration

### Executive remuneration mix

MyState Limited's remuneration packages for the Managing Director and executives who report directly to the Managing Director are structured to support the company's ability to attract and retain talented and experienced leaders, and to provide incentives and rewards for high performance and achievement of the company's goals and objectives over the short, medium and long-term. Executive remuneration packages comprise three elements: Total Fixed Reward (TFR), cash-based Short-Term Incentives (STI) and Executive Long-Term Incentive Program (ELTIP). The maximum value of incentives is expressed as a percentage of TFR as determined by the Board.

#### 1. TFR

TFR for executives, including the Managing Director, comprises a fixed base salary, superannuation contributions, optional salary sacrifice, and fixed allowances as applicable. The level of payment is set with reference to:

- the relative strategic value and importance of the role;
- the complexity and breadth of the role;
- experience and skills required; and
- external market considerations for comparable positions.

Base salary rates are set with a view to attracting and retaining talented and culturally aligned executives, while delivering value to shareholders. Executive salaries are periodically reviewed to take into account external market conditions, the business critical nature of the role, and individual performance.

#### 2. STI

Cash-based STIs provide appropriate rewards to executives for meeting or exceeding performance targets and achieving our core company goals – both financial and non-financial. To this end, STI performance measures and associated targets are set with reference to the drivers of annual company performance and the roles of individual executives in achieving positive business outcomes. The STI awarded to executives is calculated annually by assessing performance against the achievement of performance measures set via a STI 'scorecard'. These include financial, growth, cultural, risk and compliance, reputational, customer and stakeholder measures. Financial and non-financial gateways serve to balance reward with MyState's profitability and to avoid rewarding conduct that is inconsistent with our values and risk framework.

#### 3. ELTIP

Long-term incentive payments to executives, in the form of company shares or performance rights, under the ELTIP exist to encourage and culturally embed long-term thinking and risk management among our company leaders. Long-term planning plays an indispensable role in preparing the company to meet future challenges in an evolving financial services marketplace, and to take advantage of new opportunities as they arise.

## Our remuneration framework continued

### FY26 Executive KMP remuneration breakdown

Total Target Reward comprises of Total Fixed Remuneration (TFR), Short-Term Incentive (STI) and Executive Long-Term Incentive (ELTIP)

| Managing Director – Total Target Reward              |                                                                                                        |                                      |                            |
|------------------------------------------------------|--------------------------------------------------------------------------------------------------------|--------------------------------------|----------------------------|
| TFR 33.3%                                            | Maximum STI 33.3%                                                                                      | Maximum ELTIP 33.3%                  |                            |
|                                                      | Paid as cash. Performance assessed against business performance for the financial year.                | Paid as shares or performance rights |                            |
|                                                      | Opportunity: 100% of total TFR                                                                         | Total Shareholder Return (TSR) 75%   | Return on Equity (ROE) 25% |
| Opportunity: 100% of TFR                             |                                                                                                        |                                      |                            |
| Chief Financial Officer – Total Target Reward        |                                                                                                        |                                      |                            |
| TFR 50%                                              | Maximum STI 25%                                                                                        | Maximum ELTIP 25%                    |                            |
|                                                      | Paid as cash. Performance assessed against business and individual performance for the financial year. | Paid as shares or performance rights |                            |
|                                                      | Opportunity: 50% of TFR                                                                                | Total Shareholder Return (TSR) 75%   | Return on Equity (ROE) 25% |
| Opportunity: 50% of TFR                              |                                                                                                        |                                      |                            |
| Other Key Management Personnel – Total Target Reward |                                                                                                        |                                      |                            |
| TFR 56%                                              | Maximum STI 22%                                                                                        | Maximum ELTIP 22%                    |                            |
|                                                      | Paid as cash. Performance assessed against business and individual performance for the financial year. | Paid as shares or performance rights |                            |
|                                                      | Opportunity: 40% of TFR                                                                                | Total Shareholder Return (TSR) 75%   | Return on Equity (ROE) 25% |
| Opportunity: 40% of TFR                              |                                                                                                        |                                      |                            |

### Remuneration governance

A Group People, Remuneration and Nominations Committee – appointed by the MyState Board and comprising three Non-Executive Directors – assists the Board in discharging its remuneration governance responsibilities. Among a range of functions, the Committee reviews and makes recommendations to the Board on:

- remuneration arrangements for Directors, the Managing Director and other executives;
- executive incentives, including setting gateways, performance measures and targets at the commencement of the performance period, and assessing performance outcomes against these measures and targets at the conclusion of the performance period, and making recommendations for payment or otherwise;
- incentive payments for Material Risk Takers, and the aggregate pool for short-term incentives for non-executive staff; and
- the appropriate exercise of Board discretion on variable remuneration matters.

The Committee assists the Board to meet remuneration obligations required by APRA Prudential Standards and the Financial Accountability Regime (FAR). The Committee also aims to eliminate conflicts of interest from decisions concerning executive remuneration. To this end, no executive is directly involved in deciding their own remuneration.

# Company performance

MyState's financial performance informs the level of incentive-based remuneration for both short-term and long-term.

For the financial year in review, MyState has reported a strong result, with disciplined execution of its integration program, strong underlying net profit after tax growth, tightly controlled costs and an improving earnings mix. As shown below, in FY26 the Group has delivered a strong full-year profit.

| Indicator                                                | 2022   | 2023   | 2024   | 2025   | 2026   |
|----------------------------------------------------------|--------|--------|--------|--------|--------|
| Statutory profit after income tax (\$'000)               | 32,026 | 38,502 | 35,288 | 35,558 | 56,190 |
| Statutory earnings per share (EPS) (cents)               | 30.34  | 35.45  | 32.02  | 26.40  | 33.10  |
| Underlying profit after income tax (\$'000) <sup>1</sup> | 32,026 | 38,502 | 35,288 | 41,300 | 58,302 |
| Underlying earnings per share (EPS) (cents) <sup>1</sup> | 30.34  | 35.45  | 32.02  | 30.66  | 34.34  |
| Dividends paid (\$'000)                                  | 26,874 | 24,720 | 25,285 | 30,426 | 38,960 |
| Share price (dollar)                                     | 4.08   | 3.17   | 3.74   | 4.21   | 4.58   |
| Statutory average return on equity (%)                   | 7.7    | 8.7    | 7.7    | 7.3    | 7.6    |
| Statutory cost to income ratio (%)                       | 68.4   | 64.0   | 66.3   | 68.0   | 67.6   |

<sup>1</sup> Underlying profit after income tax excludes merger-related transaction and integration costs

## Key highlights for FY26 include:

- Underlying NPAT up 41.2% to \$58.3m (Statutory NPAT up 58.0% to \$56.2m)
- Growth delivered across key business lines and retail banking momentum improved
- Higher-return businesses increased contribution to 11.3% of underlying NPAT (FY25: 6.0%)
- Integration delivered \$11.8m of run-rate synergies; all major integration decisions made
- Underlying EPS up 11.7% to 34.3 cps
- Fully franked, final dividend 12.5 cents per share (cps); full year dividends 24.5 cps (+3.0 cps on FY25)

# Short-term incentive (STI) payments

## How the STI works

Each year, the Committee recommends to the Board key performance indicators (KPIs) for the Managing Director with reference to short-term incentive payments. The Managing Director, in turn, recommends KPIs for executives to the Committee, which then makes a recommendation to the Board. KPIs for STI payments include both financial and non-financial metrics that are considered consistent with the business plans and desired culture of the Group.

At the end of each financial year, the Managing Director assesses the performance of the executives against their KPIs and any additional matters of relevance that have arisen during the performance period and makes a recommendation for each executive to the Committee. Simultaneously, the Committee assesses the performance of the Managing Director against the relevant KPIs, and any additional matters of relevance that have arisen during the performance period. After consultation with the Group Risk Committee, the Committee recommends STI payment amounts to the Board for approval.

The Board retains complete discretion over STI payments, including the right to reduce or forfeit payments as it sees fit. The annual STI component may be reduced or forfeited if the company, or an individual executive, does not meet the 'gateway' criteria approved by the Board at the start of the financial year.

Threshold performance levels for risk and compliance, customer advocacy, executive behaviour standards and profit must be met or exceeded for payments to be made under the STI program. These 'gateway' criteria are a prerequisite to determining individual scorecard outcomes.

Executives, including the Managing Director, are assessed as a group with reference to performance on net profit after tax, customer advocacy, and risk and compliance – including corporate reputational matters. Individual executive behaviours are assessed against the MyState values, and individual executives' risk and compliance accountabilities are measured via a scorecard comprising several indicators. The Board has the discretion to reduce the STI (including to zero) if any of these gateways are not met.

Individual STI scorecards include a mix of financial and non-financial metrics, with the relative weightings varying between different executive roles.

The scorecard comprises a diverse list of both quantitative and qualitative performance measures (or criteria), which have been chosen with a view to driving positive outcomes not just for MyState shareholders, but also for customers, employees and other key stakeholders of the organisation.

Quantitative performance measures include Group cost to income ratio, funds under management, loan book and retail deposit growth, the increase in active bank customers, employee engagement, and synergy targets. Executives are also individually assessed with reference to their performance as leaders in their specific roles, and for their individual contributions to the future development of the organisation. The Board has the discretion to vary STI outcomes to reflect differing levels of performance.

## MyState values Our 3 Cs – to make it happen

### Create customer 'wow'

- We act in our customers' best interests and deliver on our promises.
- We build trust by being clear, caring and genuine.
- We simplify our customer experience to make things easy and deliver with heart.
- We take pride in understanding what matters most.

### Chase the better

- We are bold in our ambition and passionate about sustainable progress.
- We empower our people to identify the 'why', own their actions and adapt to change.
- We have the courage to try new things and grow through learning and celebrate success.
- We improve continuously – how we think, how we work together, and our customer experience.

### Collaborate to win

- We care for each other, our customers, our communities and our partners.
- We combine our efforts and strengths across our business to win together.
- We take ownership and support one another to be accountable in a positive, respectful way.
- We share knowledge freely to enable confident, informed decision-making.

# Short-term incentive (STI) payments continued

## FY26 Executive KMP Performance Weightings

| Executive KMP           | Total fixed remuneration | Maximum STI opportunity <sup>(1)</sup> | Scorecard weighting against each key result area <sup>(2)</sup> |                    |        |                  |                     |                 |
|-------------------------|--------------------------|----------------------------------------|-----------------------------------------------------------------|--------------------|--------|------------------|---------------------|-----------------|
|                         |                          | %                                      | \$                                                              | Financial outcomes | Growth | People & culture | Synergies delivered | Key initiatives |
| Managing Director       | \$716,000                | 100%                                   | \$716,000                                                       | 25%                | 40%    | 20%              | 15%                 | -               |
| Chief Financial Officer | \$450,000                | 50%                                    | \$225,000                                                       | 35%                | 30%    | 20%              | 15%                 | -               |
| Chief Risk Officer      | \$420,000                | 40%                                    | \$168,000                                                       | 30%                | -      | 20%              | 10%                 | 40%             |
| Chief Customer Officer  | \$375,000                | 40%                                    | \$150,000                                                       | 20%                | 50%    | 20%              | 10%                 | -               |
| Chief Operating Officer | \$420,000                | 40%                                    | \$168,000                                                       | 40%                | 30%    | 20%              | 10%                 | -               |

1. STI opportunity is calculated as a percentage of TFR

2. Performance measures and targets are set at the beginning of the performance period and weighted to best align the individual's reward to Company objectives and its overall long-term performance.

## FY26 'gateway' criteria for short-term incentive payments

If threshold performance is not met, the STI may be reduced or forfeited at the discretion of the Board. The Board retains a residual discretion not to award or pay STIs even if the measures have been met, if, in its reasonable view, the needs of the Group require this.

| Group gateways               | Assessment measures                                                                                                                                                       |
|------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Group risk                | The MyState Group meets compliance and risk management obligations; reputation is not materially damaged; capital adequacy and liquidity are managed within Board limits. |
| 2. Group profit              | NPAT exceeds the threshold level as determined by the Board.                                                                                                              |
| 3. Customer advocacy         | The customer net promoter score exceeds a monthly average target score.                                                                                                   |
| Individual gateways          | Assessment measures                                                                                                                                                       |
| 4. Values and behaviours     | The individual executive meets behaviour expectations, assessed against the MyState values.                                                                               |
| 5. Individual risk           | The executive risk scorecard meets the standard required.                                                                                                                 |
| 6. Individual accountability | An Accountable Person meets their personal accountability obligations as per the FAR.                                                                                     |

The Board has made a positive assessment of the Group STI gateways, determining that the FY26 STI program is open for assessment. In making this decision, consideration was given to the following:

- underlying NPAT was \$58.3m.
- no material risk or reputational incidents; and
- customer advocacy remained strong with a customer net promoter score (NPS) of +60.

With regard to individual risk, the GPRNC consulted with the Group Risk Committee in the assessment of the risk scorecard for the Managing Director and each individual executive. It was determined that each executive met or exceeded the risk standards required by the Board.

In consultation with the Managing Director, each individual executive reporting to the Managing Director, was assessed as living the Group values and having met the standards required by the Board. In addition, the Board determined the Managing Director consistently demonstrated behaviours aligned to the Group values.

Executives who are also Accountable Persons under FAR have met their accountability obligations. There were no FAR breaches, and executives have been positively assessed on how they have demonstrated their accountability obligations throughout the year.

## Short-term incentive (STI) payments continued

### STI assessment for FY26

In determining FY26 remuneration outcomes, the Board assessed performance against a balanced scorecard of financial, strategic, customer, people, risk and conduct measures. This assessment considered the Group's strong profit and delivery of integration milestones in its first full year operating as a merged entity, and the extent to which outcomes were achieved in a manner consistent with MyState's values, risk appetite and regulatory obligations.

FY26 performance demonstrated strong progress. Underlying NPAT increased to \$58.3 million and the Group made meaningful progress on integration. During the year, 158 integration initiatives were completed, delivering \$11.8 million of run-rate synergies, with the Group remaining on track to achieve its \$20-\$25 million of run-rate synergies (pre-tax) by the end of FY28. The achievement of a single banking licence, growth in the home lending portfolio and deposit books and increased contribution from higher-return businesses were important indicators of progress against the Group's strategic priorities.

The Board also considered the broader context of performance. While the overall result reflected strong execution and momentum, not all objectives were fully achieved. In particular, the Board considered transitional impacts, market conditions, execution risk and the need to maintain prudent risk management, customer focus, employee engagement and sustainable performance over the longer term.

Consistent with the Group's remuneration framework, short-term incentive outcomes were therefore assessed as recognising solid delivery across key measures, while being moderated where objectives were not fully achieved. The Board retained discretion to adjust outcomes to ensure that remuneration was fair, proportionate and aligned to shareholder outcomes, risk outcomes and the long-term interests of the Group.

Overall, the Board considers that FY26 STI outcomes appropriately reflect the Group's performance, the progress made in reshaping the business and the need to maintain a disciplined, risk-aware approach to reward. The outcomes support the attraction, retention and motivation of the executive capability required to deliver the Group's strategy, while remaining aligned to sustainable value creation for shareholders, customers and other stakeholders.

# Short-term incentive (STI) payments continued

## FY26 Executive KMP STI scorecard assessment

| Area               | Measure                            | Driver                                                                                            | Performance                                                                          |
|--------------------|------------------------------------|---------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Financial Outcomes | Cost to income ratio               | Operating efficiency and financial performance                                                    |   |
|                    | Group and business unit efficiency |                                                                                                   |                                                                                      |
|                    | Bank profit and loss               |                                                                                                   |                                                                                      |
| Growth             | Lending                            | Growing the size of loan book, retail deposits, active bank customers and funds under management. |   |
|                    | Retail deposits                    |                                                                                                   |                                                                                      |
|                    | Active customers                   |                                                                                                   |                                                                                      |
|                    | Funds under management             |                                                                                                   |                                                                                      |
| People & Culture   | Employee engagement                | Positive employee experience score<br>Making progress toward our target culture                   |   |
|                    | Culture                            |                                                                                                   |                                                                                      |
| Merger synergies   | Cost savings                       | Creating company value                                                                            |   |
| Key initiatives    | Project execution                  | Realising our strategic priorities                                                                |  |

 Target met or exceeded target
  Target largely met
  Target partially met
  Below target
  Target not met

If the results on which any STI reward was based are subsequently found by the Board to have been the subject of deliberate management misstatement, error, misrepresentation or act or omission, which the Group People, Remuneration and Nominations Committee or the Board (acting reasonably) considers would have resulted in the KPIs not being satisfied, or there is otherwise a reward decision incorrectly made, the Board may require repayment of the whole or part of the relevant STI, in addition to taking any other disciplinary actions.

## Short-term incentive (STI) payments continued

### STI outcomes for FY26

Details of STI payment offers for FY26 are set out below:

| Key Management Personnel | % max.<br>(of TFR) | Max.<br>payable | % awarded | % forfeited | \$ amount<br>paid |
|--------------------------|--------------------|-----------------|-----------|-------------|-------------------|
| <b>FY26</b>              |                    |                 |           |             |                   |
| Brett Morgan             | 100%               | \$716,000       | 70%       | 30%         | \$501,000         |
| Gary Dickson             | 50%                | \$225,000       | 65%       | 35%         | \$146,000         |
| Mandakini Khanna         | 40%                | \$168,000       | 71%       | 29%         | \$120,000         |
| Tim Newman               | 40%                | \$168,000       | 65%       | 35%         | \$109,000         |
| Damian Hearne            | 40%                | \$150,000       | 60%       | 40%         | \$90,000          |

# Executive Long-Term Incentive Plan (ELTIP)

## How the ELTIP works

The Executive Long-Term Incentive Plan (ELTIP) was established by the Board to encourage and motivate the Managing Director and other eligible executives by rewarding them with Company shares for helping to create long-term value for the Company's shareholders. Participating executives are allocated 'performance rights' which, on vesting, deliver one share for each vested performance right.

Each year, the Board has the discretion to offer executives shares/performance rights worth up to a specified percentage of their TFR. The 2023 to 2024 offers are equal to 80% of TFR for the Managing Director, and a range of 30%-40% for eligible executives as determined by the Board. The 2025 to 2026 offers are equal to 100% of TFR for the Managing Director, and a range of 40%-50% for eligible KMP executives as determined by the Board. The number of shares or performance rights allocated is based on the Volume Weighted Average Price (VWAP) of shares calculated over the 20 trading days to 30 June immediately prior to the commencement of the performance period for the relevant offer.

For the performance rights to vest, certain performance criteria must be satisfied within the specified performance period.

Both the performance criteria and the performance period are set by the Board alone. ELTIP performance measures are weighted between relative TSR and ROE. The relative TSR incorporates both dividends paid and movements in share prices, while the ROE is a measure of corporate profitability. For the 2023 to 2026 offers, the TSR performance measure will have a weighting of 75% and the ROE performance measure will have a weighting of 25%. Currently the Board has set three financial years, commencing with the year in which an offer is made, as the performance period.

The performance criteria are assessed following the completion of each performance period. Under the ELTIP rules, an assessment is made against the performance criteria to determine the number of performance rights awarded to the Managing Director and each participating executive.

Performance rights cannot be allocated for a further two-year deferral period. This means a total period of five years will elapse from the commencement of the performance period to the time when shares are vested. Any ELTIP reward is subject to reassessment and possible reduction or forfeiture. This enables the Board to adjust share allocations (potentially to zero) to protect the financial soundness of the company or respond to significant unforeseen or unexpected consequences. In addition, if the Managing Director or a participating executive is an Accountable Person under the Banking Executive Accountability Regime (BEAR), or the FAR, allocating the shares will be subject to the Board being satisfied that the Accountable Person has met their accountability obligations. The number of shares allocated (and/or the value of any associated payment) may be reduced or cancelled to the extent that the Board determines that the accountability obligations have not been met.

Allocation of shares to the Managing Director and eligible executives is ultimately at the complete discretion of the Board. The participating executive cannot transfer or dispose of shares before they have been allocated to them. Any shares or performance rights to be allocated to the Managing Director under this plan require shareholder approval in accordance with ASX Listing Rules. Participating executives are required not to hedge their economic exposure to any allocated non-vested entitlement. Failure to comply with this directive will constitute a breach of duty and may result in forfeiture of the offer, dismissal, or both.

## Commencement of employment during a financial year

Subject to Board approval, a pro-rata ELTIP offer can be made to an executive who commences employment during the financial year, but before 1 April. The terms of the offer must be consistent with all other offers for that year, irrespective of the date of employment commencement.

## Cessation of employment

Executives who cease employment with the Company will be eligible to receive shares only if the cessation is due to a Qualifying Reason, as defined by the ELTIP Plan Rules. Qualifying Reasons include death, total and permanent disability, retirement at normal retirement age, redundancy or other such reason as the Board may determine. Where an ELTIP participant ceases employment, their ELTIP offer will be assessed by the Board at the end of the performance period along with all other participants, subject to meeting the 12-month employment hurdle that applies to any ELTIP offer. If the separated employee is an Accountable Person under the FAR, any awarded shares will not be allocated until all FAR requirements are satisfied, including the variable remuneration deferral period.

## Entitlement to dividend income

When shares allocated to an executive are held by a trustee, the executive is entitled to receive dividend payments on the allocated shares and to have the trustee exercise the voting rights on those shares in accordance with the executive's instructions. However, executives have no entitlements to dividends or voting rights for shares or performance rights during the deferral period.

# Executive Long-Term Incentive Plan (ELTIP) continued

## ELTIP offers FY26

Details of offers made under the Executive Long-Term Incentive Plan (ELTIP) are detailed in the following table:

| Offer                                                   | 2023                        | 2024                        | 2025                        |
|---------------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|
| <b>Performance period</b>                               | 1 July 2023 to 30 June 2026 | 1 July 2024 to 30 June 2027 | 1 July 2025 to 30 June 2028 |
| <b>The comparator group</b>                             | Members of the S&P/ASX300   |                             |                             |
| <b>Fair value of shares on offer date<sup>(1)</sup></b> | Managing Director           | Managing Director           | Managing Director           |
| • Managing Director                                     | ROE: \$2.49                 | ROE: \$3.28                 | ROE: \$3.91                 |
| • Other executives                                      | TSR: \$1.66                 | TSR: \$1.96                 | TSR: \$2.44                 |
|                                                         | Other executives            | Other executives            | Other executives            |
|                                                         | ROE: \$2.93                 | ROE: \$3.13                 | ROE: \$3.91                 |
|                                                         | TSR: \$2.16                 | TSR: \$1.75                 | TSR: \$2.44                 |
| <b>Offer date</b>                                       |                             |                             |                             |
| • Managing Director                                     | 19 October 2023             | 23 October 2024             | 21 October 2025             |
| • Other executives <sup>(3)</sup>                       | 17 August 2023              | 2 October 2024              | 21 October 2025             |
| <b>Value of offer<sup>(2)</sup></b>                     |                             |                             |                             |
| • Managing Director                                     | \$233,574                   | \$250,173                   | \$343,171                   |
| • Other executives                                      | \$590,106                   | \$449,796                   | \$340,772                   |

1. The fair value of offers that are assessed and awarded on market-based conditions is determined on the grant date in accordance with AASB 2. The fair value is used to recognise an expense over the performance period for the TSR component of offers. The value of the offer is the maximum value calculated as at the date of offer at that time for those who were KMP at the commencement of the offer. As such, it may include the value of offers made to individuals who are no longer KMP of the company.
2. The value of the offer is the value calculated as at the date of offer at that time, based on the probability of vesting applied in the valuation process, for those who were KMP at the commencement of the offer. As such, it may include the value of offers made to individuals who are no longer KMP of the company.
3. Pro-rata offer made in respect of the '2023' offer to Matthew Pearson.

# Executive Long-Term Incentive Plan (ELTIP) continued

## Calculation of the reward TSR component

The TSR component will vest on the following basis.

The TSR component has a weighting of 75%:

| MYS TSR relative to the ASX 300:                    | Percentage of the applicable reward that will vest: |
|-----------------------------------------------------|-----------------------------------------------------|
| Below the 50th percentile                           | 0%                                                  |
| At the 50th percentile                              | 50%                                                 |
| Between the 50th percentile and the 75th percentile | Straight line basis between 50% and 100%            |
| At or above the 75th percentile                     | 100%                                                |

## Calculation of the reward ROE component

The ROE component will vest on the following basis.

For the 2023 offer the ROE component has a weighting of 25%:

| Statutory ROE with Board discretion to adjust for one-off items: | Percentage of the applicable reward that will vest: |
|------------------------------------------------------------------|-----------------------------------------------------|
| Below 30.00%                                                     | 0%                                                  |
| 30.00%                                                           | 50%                                                 |
| 30.00% to 31.50%                                                 | Straight line basis from 50% to 100%                |
| 31.50% or above                                                  | 100%                                                |

For the 2024, 2025 and 2026 offers the ROE component has a weighting of 25%:

| Statutory ROE with Board discretion to adjust for one-off items:               | Percentage of the applicable reward that will vest: |
|--------------------------------------------------------------------------------|-----------------------------------------------------|
| Below the Board approved business plan target %                                | 0%                                                  |
| Equal to the Board approved business plan target %                             | 50% Straight line basis from 50% to 100%            |
| Exceeds the Board approved business plan target <sup>1</sup> by 1.5% / 150 bps | 100%                                                |

1. The ROE target will be assessed at the end of the three-year performance period. The aggregate threshold performance for the ROE component will be disclosed on assessment.

# Executive Long-Term Incentive Plan (ELTIP) continued

## Actual and potential ELTIP share allocations

The following table details, for current KMP, the status of offers made under the ELTIP. The '2023' offer performance period was completed on 30 June 2026.

| 2023 offer                      | Component | Maximum offer           | Forfeited/lapsed | Awarded <sup>(1)</sup> |
|---------------------------------|-----------|-------------------------|------------------|------------------------|
| <b>Key Management Personnel</b> |           | <b>Number of shares</b> |                  |                        |
| Brett Morgan                    | TSR       | 121,905                 | -                | 121,905                |
|                                 | ROE       | 40,635                  | 40,635           | -                      |
| Gary Dickson                    | TSR       | 39,048                  | -                | 39,048                 |
|                                 | ROE       | 13,016                  | 13,016           |                        |
| Mandakini Khanna                | TSR       | 29,286                  | -                | 29,286                 |
|                                 | ROE       | 9,762                   | 9,762            | -                      |
| Tim Newman                      | TSR       | 35,714                  |                  | 35,714                 |
|                                 | ROE       | 11,905                  | 11,905           |                        |

1. Shares awarded following the assessment of the 2023 offer are subject to a further two-year deferral period.

# Executive Long-Term Incentive Plan (ELTIP) continued

The 2024, 2025 and 2026 offers have not been assessed for vesting. The following table shows the maximum number of shares available under each of these offers.

|                                 | Component | 2024 offer              | 2025 offer | 2026 offer <sup>1</sup> |
|---------------------------------|-----------|-------------------------|------------|-------------------------|
| <b>Key Management Personnel</b> |           | <b>Number of shares</b> |            |                         |
| Brett Morgan                    | TSR       | 102,127                 | 126,056    | 131,579                 |
|                                 | ROE       | 34,043                  | 42,019     | 43,860                  |
| Gary Dickson                    | TSR       | 32,713                  | 39,613     | 37,829                  |
|                                 | ROE       | 10,904                  | 13,204     | 12,610                  |
| Mandakini Khanna                | TSR       | 24,535                  | 29,578     | 28,289                  |
|                                 | ROE       | 8,178                   | 9,859      | 9,430                   |
| Tim Newman                      | TSR       | 29,921                  | 29,578     | 28,289                  |
|                                 | ROE       | 9,973                   | 9,859      | 9,430                   |
| Damian Hearne <sup>(2)</sup>    | TSR       | 26,659                  | 26,408     | 25,329                  |
|                                 | ROE       | 8,886                   | 8,803      | 8,443                   |

1. The Board has determined to make a '2026' ELTIP offer to eligible participants. On acceptance of the '2026' ELTIP offer by each recipient, the company will issue the relevant number of performance rights and notify the market accordingly. The offer to the Managing Director and CEO, Brett Morgan, is subject to shareholder approval at the 2026 Annual General Meeting and subsequent notice to the market.
2. The Board has determined to offer Damian Hearne a full year offer for 2024 (FY25) in accordance with commitments made by both parties pre-merger (MyState and Auswide) to harmonise the pre-existing ELTIP programs. Auswide executives were not granted 2024 ELTIPs.

# Review of Executive remuneration

## Executive employment agreements

The Managing Director and executives are employed under individual open-ended employment contracts that set out the terms of their employment, as detailed below. Any adjustments to fixed remuneration apply from the first full pay period in October for the relevant financial year in which the adjustment is made, unless otherwise stated.

| Incumbent                 | Commenced in role | Contract term | TFR       | STI (maximum) | ELTIP (maximum)                        | Termination provisions in the event of termination by the Company                                                                                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------|-------------------|---------------|-----------|---------------|----------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Brett Morgan <sup>1</sup> | 17 January 2022   | Ongoing       | \$800,000 | 90% TFR       | 100% TFR                               | <b>Notice:</b><br>The contract may be terminated by the Company with six months' notice or payment in lieu of notice.<br><b>Entitlement:</b> <ul style="list-style-type: none"> <li>Pro-rata STI payment applied as at the date of termination.</li> <li>Payment of STI if the performance period is complete but not yet paid.</li> <li>Pro-rata ELTIP allocation, in accordance with the ELTIP rules.</li> </ul>                                                                                               |
| Tim Newman                | 9 August 2022     | Ongoing       | \$430,000 | 40% TFR       | 40% TFR                                | <b>Notice:</b><br>Each contract can be terminated by the Company upon provision of three months' notice.<br><b>Entitlement:</b> <ul style="list-style-type: none"> <li>Pro-rata STI payment applied as at the date of termination.</li> <li>Payment of STI if the performance period is complete but not yet paid.</li> <li>Pro-rata ELTIP allocation, in accordance with the ELTIP rules.</li> </ul>                                                                                                            |
| Damian Hearne             | 19 February 2025  | Ongoing       | \$385,000 | 40% TFR       | upon invitation to participate         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| Gary Dickson              | 19 October 2019   | Ongoing       | \$460,000 | 50% TFR       | 50% TFR upon invitation to participate | <b>Notice:</b><br>Each contract can be terminated by the Company upon provision of three months' notice.<br><b>Entitlement:</b> <ul style="list-style-type: none"> <li>Payment of the equivalent of six months TFR (inclusive of the provision of three months' notice).</li> <li>Pro-rata STI payment applied as at the date of termination.</li> <li>Payment of STI if the performance period is complete but not yet paid.</li> <li>Pro-rata ELTIP allocation, in accordance with the ELTIP rules.</li> </ul> |
| Mandakini Khanna          | 1 December 2015   | Ongoing       | \$430,000 | 40% TFR       | 40% TFR upon invitation to participate |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |

1. Required to hold shares to the value of 50% of TFR.

## Statutory tables

|                                | Financial year | Salary & fees  | Cash bonus <sup>(2)</sup> | Other short-term benefits | Non-monetary benefits <sup>(3)</sup> | Post-employment | Termination benefits | Share-based payment <sup>(4)</sup> | Total          |
|--------------------------------|----------------|----------------|---------------------------|---------------------------|--------------------------------------|-----------------|----------------------|------------------------------------|----------------|
| <b>Non-Executive Directors</b> |                |                |                           |                           |                                      |                 |                      |                                    |                |
| Sandra Birkenleigh             | 2026           | 208,605        | -                         | -                         | -                                    | 25,033          | -                    | -                                  | 233,638        |
|                                | 2025           | 78,317         | -                         | -                         | -                                    | 9,006           | -                    | -                                  | 87,323         |
| Vaughn Richtor                 | 2026           | 97,025         | -                         | -                         | -                                    | 11,643          | -                    | -                                  | 108,668        |
|                                | 2025           | 170,923        | -                         | -                         | -                                    | 19,656          | -                    | -                                  | 190,579        |
| Robert Gordon                  | 2026           | -              | -                         | -                         | -                                    | -               | -                    | -                                  | -              |
|                                | 2025           | 35,874         | -                         | -                         | -                                    | 7,726           | -                    | -                                  | 43,600         |
| Sibylle Krieger                | 2026           | 114,374        | -                         | -                         | -                                    | 13,725          | -                    | -                                  | 128,099        |
|                                | 2025           | 116,593        | -                         | -                         | -                                    | 13,408          | -                    | -                                  | 130,001        |
| Warren Lee                     | 2026           | 123,047        | -                         | -                         | -                                    | 14,766          | -                    | -                                  | 137,813        |
|                                | 2025           | 125,561        | -                         | -                         | -                                    | 14,439          | -                    | -                                  | 140,000        |
| Stephen Davy                   | 2026           | -              | -                         | -                         | -                                    | -               | -                    | -                                  | -              |
|                                | 2025           | 73,991         | -                         | -                         | -                                    | 8,509           | -                    | -                                  | 82,500         |
| Andrea Waters                  | 2026           | 127,807        | -                         | -                         | -                                    | -               | -                    | -                                  | 127,807        |
|                                | 2025           | 130,000        | -                         | -                         | -                                    | -               | -                    | -                                  | 130,000        |
| Jacqueline Korhonen            | 2026           | 114,373        | -                         | -                         | -                                    | 13,725          | -                    | -                                  | 128,098        |
|                                | 2025           | 37,806         | -                         | -                         | -                                    | 4,348           | -                    | -                                  | 42,154         |
| Gregory Kenny                  | 2026           | 64,966         | -                         | -                         | -                                    | 7,796           | -                    | -                                  | 72,762         |
|                                | 2025           | 36,426         | -                         | -                         | -                                    | 4,189           | -                    | -                                  | 40,615         |
| <b>Total NED</b>               | <b>2026</b>    | <b>850,197</b> | <b>-</b>                  | <b>-</b>                  | <b>-</b>                             | <b>86,688</b>   | <b>-</b>             | <b>-</b>                           | <b>936,885</b> |
|                                | <b>2025</b>    | <b>805,491</b> | <b>-</b>                  | <b>-</b>                  | <b>-</b>                             | <b>81,281</b>   | <b>-</b>             | <b>-</b>                           | <b>886,772</b> |

# Statutory tables continued

|                                   | Financial year | Salary & fees    | Cash bonus <sup>(2)</sup> | Other short-term benefits | Non-monetary benefits <sup>(3)</sup> | Post-employment | Termination benefits | Share-based payment <sup>(4)(5)</sup> | Total            |
|-----------------------------------|----------------|------------------|---------------------------|---------------------------|--------------------------------------|-----------------|----------------------|---------------------------------------|------------------|
| <b>KMP Executives<sup>1</sup></b> |                |                  |                           |                           |                                      |                 |                      |                                       |                  |
| Brett Morgan                      | 2026           | 644,431          | 501,000                   | -                         | 1,514                                | 29,077          | -                    | 236,704                               | 1,421,726        |
|                                   | 2025           | 610,000          | 336,000                   | -                         | 1,594                                | 30,000          | -                    | 181,914                               | 1,159,508        |
| Gary Dickson                      | 2026           | 391,550          | 146,000                   | -                         | -                                    | 28,737          | -                    | 79,416                                | 645,703          |
|                                   | 2025           | 380,000          | 90,000                    | -                         | -                                    | 30,000          | -                    | 60,339                                | 560,339          |
| Mandakini Khanna                  | 2026           | 361,500          | 120,000                   | -                         | 1,514                                | 42,885          | -                    | 59,455                                | 585,354          |
|                                   | 2025           | 378,048          | 90,000                    | -                         | 1,594                                | 42,287          | -                    | 48,211                                | 560,140          |
| Tim Newman                        | 2026           | 365,885          | 109,000                   | -                         | -                                    | 29,077          | -                    | 67,225                                | 571,187          |
|                                   | 2025           | 345,000          | 85,000                    | -                         | -                                    | 30,000          | -                    | 51,980                                | 511,980          |
| Damian Hearne                     | 2026           | 327,360          | 90,000                    | -                         | 1,268                                | 29,077          | -                    | 21,479                                | 469,184          |
|                                   | 2025           | 110,644          | 60,000                    | -                         | -                                    | 12,724          | -                    | -                                     | 183,368          |
| Paul Moss <sup>1</sup>            | 2026           | -                | -                         | -                         | -                                    | -               | -                    | -                                     | -                |
|                                   | 2025           | 225,577          | 28,726                    | -                         | 1,017                                | 19,615          | -                    | 35,212                                | 310,147          |
| Janelle Whittle <sup>1</sup>      | 2026           | -                | -                         | -                         | -                                    | -               | -                    | -                                     | -                |
|                                   | 2025           | 193,269          | 44,685                    | -                         | 1,017                                | 19,451          | -                    | 30,489                                | 288,911          |
| Matthew Pearson <sup>1</sup>      | 2026           | -                | -                         | -                         | -                                    | -               | -                    | -                                     | -                |
|                                   | 2025           | 225,577          | 28,726                    | -                         | -                                    | 19,615          | -                    | 26,479                                | 300,397          |
| Claudio Mazzarella <sup>1</sup>   | 2026           | -                | -                         | -                         | -                                    | -               | -                    | -                                     | -                |
|                                   | 2025           | 225,857          | -                         | -                         | -                                    | 19,356          | 25,576               | 27,557                                | 298,346          |
| <b>Total KMP Executive</b>        | 2026           | <b>2,090,726</b> | <b>975,000</b>            | <b>-</b>                  | <b>4,296</b>                         | <b>158,853</b>  | <b>-</b>             | <b>464,279</b>                        | <b>3,693,154</b> |
|                                   | 2025           | <b>2,693,972</b> | <b>763,137</b>            | <b>-</b>                  | <b>5,222</b>                         | <b>223,048</b>  | <b>25,576</b>        | <b>462,181</b>                        | <b>4,173,136</b> |
| <b>Total KMP</b>                  | 2026           | <b>2,940,923</b> | <b>975,000</b>            | <b>-</b>                  | <b>4,296</b>                         | <b>245,541</b>  | <b>-</b>             | <b>464,279</b>                        | <b>4,630,039</b> |
|                                   | 2025           | <b>3,499,463</b> | <b>763,137</b>            | <b>-</b>                  | <b>5,222</b>                         | <b>304,329</b>  | <b>25,576</b>        | <b>462,181</b>                        | <b>5,059,908</b> |

- Following the merger with Auswide Bank Ltd on 19 February 2025 and the appointment of KMP for the Group, some executive roles did not meet the criteria for KMP. The remuneration for individuals in these roles has been disclosed on a pro-rata basis.
- The cash bonus shown in '2025' and '2026' represents the short-term incentives in respect of performance for select KMP.
- Non-monetary benefits consist of car parking expense, travel and accommodation and entertainment.
- Share-based payment amounts have been calculated in accordance with the relevant accounting policy and Accounting Standard. The fair value of the share grant is calculated at the date of grant and is allocated to each reporting period evenly over the period from grant date to vesting date. This fair value will generally be different to the value of shares at the time they vest. The value disclosed is the portion of the fair value of the share grant allocated to this reporting period. These amounts represent share grants that will only vest to the KMP when certain performance and service criteria are met. In some circumstances all, or a portion, of the shares may never vest to the KMP. As these figures are based on accrual accounting and are not a reflection of actual cash paid or shares vested, negative figures can result in the event of accrual reversals being recorded. Amounts stated are in respect of the period that the individual held a role as a KMP.
- Comparative information for 2025 has been restated to correctly reflect the ELTIP awards in 2024 and 2025. The share-based payment amounts previously disclosed for 2025 were misstated by \$64k on a net basis. Amounts stated for 2025 are in respect of the period that the individual held a role as a KMP.

# Shareholdings of Key Management Personnel (KMP)

## Non-Executive Director minimum shareholding

In the absence of approval from the Board to the contrary, Non-Executive Directors are required to acquire and maintain, directly or indirectly, shares in MyState Limited to the equivalent of one year's pre-tax base Director's fee or base Chair fee as the case may be. The Minimum Shareholding Requirement (MSR) must be achieved within four years of their appointment as a NED or as Chair. The value of the shares held for the purpose of calculating the MSR will be determined by the price of the shares at the time of purchase.

## Managing Director minimum shareholding

In the absence of approval from the Board to the contrary, the Managing Director will be required to acquire and maintain shares in MyState Limited equivalent to 50% of their Total Fixed Reward (TFR) within four years of appointment. Any shares subject to deferral (including shares that may be allocated in respect of awarded

performance rights) will be recognised for the purposes of the requirement. The shares in MyState Limited may include shares obtained prior to commencement of employment and/or shares acquired through ELTIP or any other scheme. The value of the shares held for the purpose of calculating the MSR will be determined by the price of the shares at the time of purchase, or the 'issue price' in the case of any shares acquired under the ELTIP.

## Related parties of KMP shareholdings

Details of ordinary shares in the company held by KMP and their related parties are set out in the table below, which shows both issued shares and performance rights to be converted to shares. Related parties include close family members and entities under joint or several control, or significant influence, of the KMP and their close family members. No equity transactions with the KMP, other than those arising as payment for compensation, have been entered into with the company.

|                                          | No. of shares at commencement of financial year <sup>(1)</sup> | No. of shares received on ELTIP vesting <sup>(2)</sup> | Net change Other <sup>(3)</sup> | No. of shares at end of financial year | No. of shares issued from the 2017 – 2020 ELTIP offers <sup>(4)</sup> |
|------------------------------------------|----------------------------------------------------------------|--------------------------------------------------------|---------------------------------|----------------------------------------|-----------------------------------------------------------------------|
| Key Management Personnel                 | 1                                                              | 2                                                      | 3                               | 1 + 2 + 3                              |                                                                       |
| <b>Non-executive Directors</b>           |                                                                |                                                        |                                 |                                        |                                                                       |
| Sandra Birkenleigh                       | 5,230                                                          | -                                                      | -                               | 5,230                                  | -                                                                     |
| Vaughn Richter                           | 46,756                                                         | -                                                      | 2,542                           | 49,298                                 | -                                                                     |
| Sibylle Krieger                          | 34,067                                                         | -                                                      | -                               | 34,067                                 | -                                                                     |
| Warren Lee                               | 37,641                                                         | -                                                      | -                               | 37,641                                 | -                                                                     |
| Andrea Waters                            | 40,673                                                         | -                                                      | 2,212                           | 42,885                                 | -                                                                     |
| Jacqueline Korhonen                      | 5,700                                                          | -                                                      | 6,700                           | 12,400                                 | -                                                                     |
| Gregory Kenny (retired 19 February 2026) | 21,680                                                         | -                                                      | (21,680)                        | -                                      | -                                                                     |
| <b>Sub Total</b>                         | <b>191,747</b>                                                 | <b>-</b>                                               | <b>(10,226)</b>                 | <b>181,521</b>                         | <b>-</b>                                                              |
| <b>Executives</b>                        |                                                                |                                                        |                                 |                                        |                                                                       |
| Brett Morgan                             | 74,894                                                         | -                                                      | 4,072                           | 78,966                                 | -                                                                     |
| Gary Dickson                             | 5,704                                                          | 5,495                                                  | -                               | 11,199                                 | 11,199                                                                |
| Tim Newman                               | -                                                              | -                                                      | -                               | -                                      | -                                                                     |
| Mandakini Khanna                         | 30,816                                                         | 5,358                                                  | (10,445)                        | 25,729                                 | 24,371                                                                |
| Damian Hearne                            | 500                                                            | -                                                      | -                               | 500                                    | -                                                                     |
| <b>Subtotal</b>                          | <b>111,914</b>                                                 | <b>10,853</b>                                          | <b>(6,373)</b>                  | <b>116,394</b>                         | <b>35,570</b>                                                         |

1. Number of shares at commencement of financial year agrees to the closing position at 30 June 2025 as per the Computershare Share Register.

2. These amounts are the shares issued under the '2020' ELTIP offer.

3. Net changes include KMP personal share purchases or sales and/or participation in Dividend Reinvestment Plan (DRP).

4. These amounts are the shares issued under the '2017' to '2020' ELTIP offers and may also include shares subsequently received through participation in the DRP.

# Shareholdings of Key Management Personnel (KMP) continued

## Performance Rights of Key Management Personnel

|                          | No. of vested performance rights at commencement of financial year <sup>(1)</sup> | No. of performance rights vested <sup>(2)</sup> | No. performance rights converted to shares <sup>(3)</sup> | No. of vested performance rights at end of financial year |
|--------------------------|-----------------------------------------------------------------------------------|-------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------------|
| Key Management Personnel | 1                                                                                 | 2                                               | 3                                                         | 1 + 2 + 3                                                 |
| Brett Morgan             | 26,229                                                                            | 121,905                                         | -                                                         | 148,134                                                   |
| Gary Dickson             | 12,690                                                                            | 39,048                                          | (5,495)                                                   | 46,243                                                    |
| Tim Newman               | 5,261                                                                             | 35,714                                          | -                                                         | 40,975                                                    |
| Mandakini Khanna         | 12,373                                                                            | 29,286                                          | (5,358)                                                   | 36,301                                                    |
| <b>Sub Total</b>         | <b>56,553</b>                                                                     | <b>225,953</b>                                  | <b>(10,853)</b>                                           | <b>271,653</b>                                            |

1. Number of performance rights at commencement of financial year includes performance rights vested under the '2020' and '2022' ELTIP Offer. There were no performance rights vested under the '2021' ELTIP Offer. Under BEAR / FAR requirements, any performance rights vested are 'held' in suspension pending the additional Board assessment (two years post) that there has been no subsequent forfeiture event.
2. The independent assessment of the Company's performance against the '2023' ELTIP targets was completed in August 2026 and resulted in performance rights being vested to participants.
3. These amounts are the performance rights that converted to shares under the '2020' ELTIP

# Loans to Key Management Personnel

## Loan transactions

Loans to KMP and their related parties (including close family members and entities over which the KMP and/or their close family members have control, joint control or significant influence) are provided in the ordinary course of business. Normal commercial terms and conditions are applied to all loans. Any discounts provided to KMP are the same as those available to all employees of the Group. There have been no write-downs or amounts recorded as provisions during FY26.

The following table outlines details of loans to key management personnel, where the individual's aggregate loan balance exceeded \$100,000 at any time in this reporting period.

|                                 | Balance<br>30 June 2025<br>\$ | Interest charged<br>\$ | Write-off<br>\$ | Balance<br>30 June 2026<br>\$ | Highest in period<br>\$ |
|---------------------------------|-------------------------------|------------------------|-----------------|-------------------------------|-------------------------|
| <b>Key Management Personnel</b> |                               |                        |                 |                               |                         |
| <b>Executive</b>                |                               |                        |                 |                               |                         |
| Damian Hearne                   | 1,209,292                     | 33,808                 | -               | -                             | 1,209,292               |

Directors Report signed in accordance with a resolution of the Directors.



**Vaughn Richtor**  
Chair



**Brett Morgan**  
Managing Director & Chief Executive Officer

Hobart, 25 August 2026

# Sustainability Report

For the period ended  
30 June 2026

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## AASB S2

.....

**MyStateLimited** 

ABN 26 133 623 962

## Directors' declaration

In the opinion of the directors of MyState Limited (the Company), the Company has taken reasonable steps to ensure that the substantive provisions of the Sustainability Report of the Company and its subsidiaries (collectively the Group) for the year ended 30 June 2026, as presented on pages 31 to 45, are in accordance with the *Corporations Act 2001*, including:

- a) Complying with Australian Sustainability Reporting Standard AASB S2 *Climate-related Disclosures* and any further requirements determined under section 296C(2) of the *Corporations Act 2001*; and
- b) Containing the climate statement disclosures required by section 296D of the *Corporations Act 2001*.

Made in accordance with a resolution of the directors of MyState Limited pursuant to section 296A(6) of the *Corporations Act 2001*, as modified by section 1707C(2) of the *Corporations Act 2001*.

On behalf of the Board



**Vaughn Richtor**

Chair

25 August 2026

# Basis of preparation

## Statement of compliance

This Sustainability Report covers MyState Limited and its operating entities ('MyState' or 'the Group') for the year ended 30 June 2026. It has been prepared in accordance with the Corporations Act 2001 and complies with Australian Sustainability Reporting Standard AASB S2 Climate-related Disclosures.

Prior to aligning with AASB S2, MyState voluntarily reported climate-related disclosures in line with the Task Force on Climate-related Financial Disclosures (TCFD) from 2022 to 2025 in its Annual Report. In transitioning to AASB S2, MyState has reviewed and updated its existing TCFD-aligned processes to achieve compliance with the new standard.

Following MyState's merger with Auswide Bank (Auswide) on 19 February 2025, MyState has, for the first time, included Auswide operations within the scope of its climate-related reporting, resulting in increases to MyState's GHG emissions in the current year relative to prior periods.

This report aligns with MyState's consolidated financial reporting boundary and period. It encompasses climate-related data and information from MyState Bank, Auswide Bank, TPT Wealth and Selfco. For further detail on the basis of consolidation, refer to note 7.2 in MyState's consolidated financial statements for the year ended 30 June 2026.

Sustainability-related information is presented in Australian dollars. All amounts have been rounded to the nearest thousand, unless otherwise stated.

## Materiality

This report discloses all material information about climate-related risks and opportunities that could reasonably be expected to affect MyState's prospects.

## Connectivity

This report connects with other reports, including the financial statements, to present a cohesive view of how relevant climate-related risks and opportunities could impact MyState's financial position, performance and cash flows over the short, medium and long term. Where applicable, quantitative sustainability-related metrics are directly connected and cross-referenced to relevant financial statement line items.

## Events subsequent to reporting date

In the opinion of the Directors, for the period between the year ended 30 June 2026 and the date of this report, no material item, transaction or event has arisen that is likely to significantly affect the Group's operations.

## Transition reliefs

In preparing this report, MyState has applied the transitional reliefs available under AASB S2 for the first annual reporting period. MyState has elected not to disclose comparative information for any period before the date of initial application, as permitted under AASB S2.

MyState has also applied the transitional relief available under AASB S2 paragraph C4(b), which permits entities not to disclose Scope 3 greenhouse gas emissions in their first annual reporting period applying AASB S2. While this exemption applies to MyState's mandatory AASB S2 disclosures, Scope 3 greenhouse gas emissions have been voluntarily disclosed outside the mandatory AASB S2 disclosures in the section titled 'Voluntary climate-related disclosures' to provide additional transparency.

# Judgements, uncertainties and errors

MyState acknowledges that the preparation of climate-related disclosures involves a high degree of judgement, reliance on estimates, and the use of evolving data sources and methodologies. These factors introduce limitations that may affect the accuracy, comparability and completeness of the reported information.

## Judgements

Significant judgements applied in preparing this report include:

- **Identification of climate-related risks and opportunities** - determining which climate-related risks and opportunities could reasonably be expected to affect MyState's prospects, including the selection of climate scenarios and assessment of impacts across short, medium and long-term time horizons
- **Selection of climate data, assumptions and methodologies** - determining the most appropriate climate scenarios, data sources, guidance and emissions calculation methodologies to support the assessment of climate-related risks and opportunities and GHG emissions
- **Assessment of materiality** - determining which climate-related information is material for disclosure, including the application of materiality thresholds, aggregation of individually immaterial items, and consideration of low-probability, high-impact risks
- **Assessment of changes in circumstances** - determining whether changes in internal or external conditions require reassessment of previously identified climate-related risks and opportunities across MyState's value chain.

## Measurement uncertainty

The disclosed amounts that are subject to a high level of measurement uncertainty are outlined in Table 1.

Table 1: Sources and nature of measurement uncertainty

| Amount                                                                         | Sources and nature of measurement uncertainty                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GHG emissions total                                                            | Estimation uncertainty due to limitations in scientific knowledge underpinning emission factors. MyState uses a platform that prioritises NGAF 2025 emission factors, the most representative data currently available in Australia. In addition, assumptions are used when gaps in measurement data occur, particularly for some of the Scope 3 GHG emission categories. In this case, MyState has taken additional steps to verify final totals in order to validate the final amounts. Given the emissions boundary and prioritised activity data, the results are not considered highly sensitive to the methodologies, assumptions or data used. Uncertainty is expected to decrease as more granular and robust emissions data becomes available.                                                                                                                                                                                                                                                                                                                                                                                                                    |
| Values found in financial impact assessment of climate risks and opportunities | Climate-related risks may affect MyState's financial position, performance and cash flows, and these impacts are subject to uncertainty. This uncertainty arises in the financial exposure assessment of climate-related physical risks on the home loan book due to the inherently forward-looking nature of this assessment and the use of assumptions, judgements and scenario-based inputs. Additional estimates for the climate risk and opportunity assessment are influenced by factors such as the selection of climate-related scenarios, assumptions regarding physical impacts, time horizons, industry effects, and the timing and magnitude of potential impacts. MyState uses reasonable and supportable information available at the reporting date, informed by climate-related scenario analysis, external climate science and internal expertise. While these estimates are subject to uncertainty, MyState considers the results to be proportionate to the nature and scale of the identified risks. Measurement uncertainty is expected to decrease over time as data availability, climate modelling and MyState's methodologies continue to evolve. |

## Errors

As this is MyState's first year reporting under AASB S2, and a new baseline is being established, no errors have been identified.

# Governance

MyState's governance framework supports the effective oversight of climate-related risks and opportunities, with climate considerations integrated into strategy, decision-making and reporting. Climate-related risks and opportunities are considered through the Group's governance, risk and approval processes, including the assessment of major transactions and strategic initiatives. Typically, this will include a standard due diligence assessment of the potential changes in impact for relevant climate risks and opportunities arising from decisions that are being considered by the Group. This enables potential impacts and relevant trade-offs to be evaluated alongside financial, customer, operational and regulatory considerations. The governance structure is as follows:

## Governance body

### Board's oversight of climate-related risks and opportunities

The Board has overall responsibility for overseeing climate-related risks and opportunities, including their integration into MyState's strategy, planning and risk management frameworks. Updates on climate-related risks and opportunities are provided at least annually through MyState's Corporate Governance Framework, supported by Board and management committees, as illustrated in Figure 1.

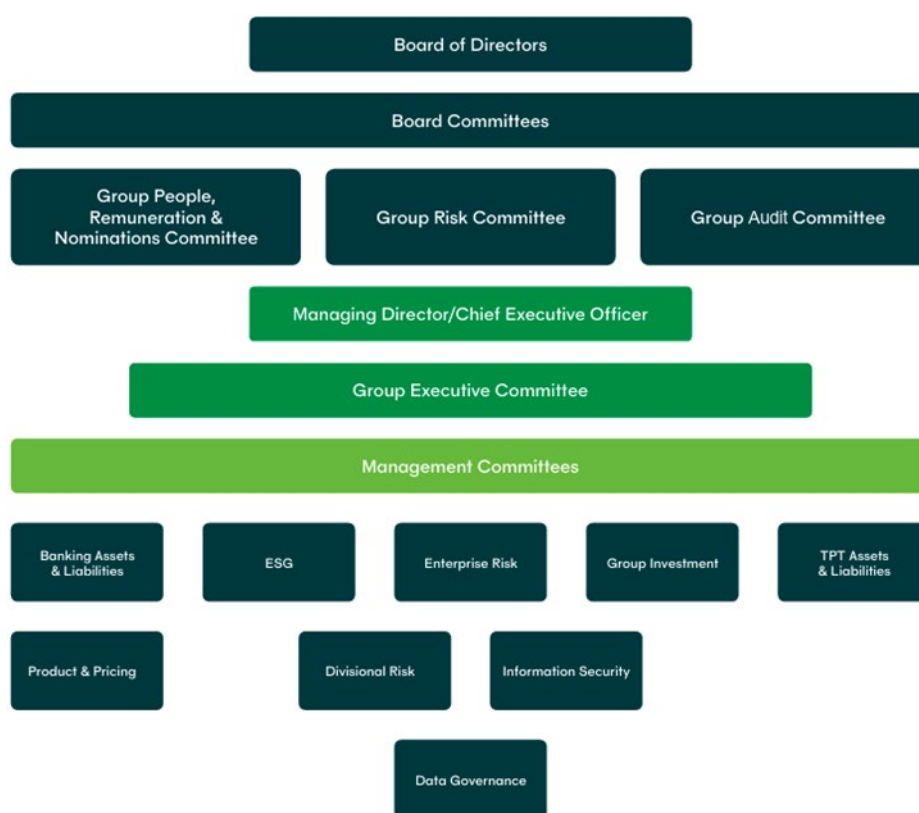


Figure 1: MyState Corporate Governance Framework

To fulfil its responsibilities and commitments associated with overseeing climate-related risks and opportunities, the Board is primarily supported by the Group Audit Committee and the Group Risk Committee. In addition, MyState Group's Executive Committee receives information on climate-related matters through the ESG Committee. Together, these committees support the integration of climate-related considerations into decision-making processes across the Group.

The purpose of each of the committees supporting the Board is detailed in Table 2 on the following page.

# Governance continued

Table 2: Summary of MyState's climate and sustainability governance structure

| Role of Board and Committees       |                                                                                                                                                                                                                                                                                                                                                        |
|------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>The Board</b>                   | <ul style="list-style-type: none"> <li>Provides review and approval of ESG-related policies and reporting, including review of climate-related risks and opportunities, and oversees identification, assessment and compliance management of climate-related targets where established or developed in future.</li> </ul>                              |
| <b>Group Audit Committee (GAC)</b> | <ul style="list-style-type: none"> <li>Reviews and recommends approval of climate-related disclosures in financial reports and accompanying material reported to the market</li> <li>Advises on the appropriateness and consistency of the application of, or adherence to, climate-related accounting principles</li> </ul>                           |
| <b>Group Risk Committee (GRC)</b>  | <ul style="list-style-type: none"> <li>Oversees the implementation and operation of internal controls designed to manage climate-related risks</li> <li>Oversees the impact of any climate-related events on the level of credit risk for MyState's loan portfolio and also provides recommendations to the Board on climate risk appetite.</li> </ul> |
| Role of management                 |                                                                                                                                                                                                                                                                                                                                                        |
| <b>Managing Director/CEO</b>       | <ul style="list-style-type: none"> <li>Demonstrates and communicates commitment to ESG and climate strategy by 'setting the tone from the top'</li> <li>Monitors existing climate strategies and initiatives.</li> </ul>                                                                                                                               |
| <b>Executive Committee</b>         | <ul style="list-style-type: none"> <li>Recommends the ESG and climate strategy to the Board</li> <li>Supports effective identification and management of MyState's climate risks and opportunities through decision-making processes and structures.</li> </ul>                                                                                        |
| <b>ESG Committee</b>               | <ul style="list-style-type: none"> <li>Monitors ESG and climate initiatives and associated reporting for internal and external stakeholders</li> <li>Proposes ESG and climate strategy to the Executive.</li> </ul>                                                                                                                                    |

In addition to the Board Charter, which sets out the Board's responsibilities for the governance of climate-related risks and opportunities, the Group Audit Committee and Group Risk Committee operate under their own Charters. These Charters define each Committee's authority and responsibilities in relation to climate governance. Further details are provided in the respective Committee Charters.

## Management

Management plays a central role in the governance of climate-related risks and opportunities through defined oversight structures and integrated control mechanisms. Responsibility for climate oversight is delegated to the Managing Director and CEO, with assistance from senior executives across MyState's business units and the ESG Committee. Together, they integrate climate-related considerations into MyState's operational framework and implement governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities.

Controls and procedures supporting this oversight include a triennial climate risk and opportunity assessment and an annual resilience assessment. These mechanisms are integrated within broader internal functions – such as the Risk Management Strategy and Framework, Risk Appetite Statement and relevant committee charters – supporting the integration of climate governance across MyState's operations.

## Skills, competencies and training

The Board maintains the collective skills, competencies and experience required for effective oversight of MyState's climate-related risks and opportunities. This is supported through annual Board skills assessments and oversight of climate-related disclosures since 2022.

Tailored training and workshops are provided so that Board members remain informed and appropriately educated on relevant climate-related topics.

The Board assesses its collective skills and experience on an annual basis. For further detail, please refer to MyState's most recent Corporate Governance Statement.

## Remuneration linked to sustainability performance metrics

Climate-related considerations or metrics have not been incorporated within MyState's executive remuneration.

# Strategy

## Climate-related risks and opportunities

Climate change may affect the Group's business model, value chain, strategy and financial performance through both physical climate impacts and the transition to a lower-carbon economy. Potential climate-related financial exposure is concentrated within the Group's home loan portfolio, particularly in areas of Australia with greater exposure to physical climate hazards including fire, storms and flooding.

In response, MyState has embedded climate considerations into its strategic planning and has implemented strategies to mitigate climate-related risks and position the Group to respond to future climate-related opportunities should they arise. This approach supports the possible reduction of MyState's environmental footprint while strengthening long-term resilience and positioning the Group for the transition to a lower-carbon economy. To inform this strategy, MyState has conducted a comprehensive assessment of current and emerging climate-related risks and opportunities, focusing on their potential financial and operational impacts, and strategic implications.

MyState has identified two climate-related risks that could reasonably be expected to impact its prospects across the short, medium and long term, as detailed in Table 3.

In shaping its strategic direction and performing scenario analysis, MyState considers the potential impacts of climate change across three distinct time horizons:

- **Short term:** 1 to 3 years – up to 2029
- **Medium term:** 3 to 5 years – between 2029 and 2031
- **Long term:** More than 5 years – 2031 and beyond.

MyState defined its short, medium and long-term time horizons with reference to its strategic planning and forecasting cycles and the average duration of home loans within its mortgage portfolio. The short term aligns with its standard strategic planning horizon of one to three years, the medium term reflects an extended forecasting period, and the long term extends beyond the average loan duration to capture the potential impacts of longer-dated climate-related risks, including changes in physical climate hazards, insurance affordability and property values that may influence future lending portfolios and business decisions.

The impacts of climate change are considered across these three time horizons as they inform MyState's strategic decision-making and planning cycle. This approach embeds consideration of climate-related risks and opportunities into forward planning business decisions.

MyState considered potential climate-related opportunities as part of its assessment of climate-related risks and opportunities. While opportunities were identified and evaluated, none were considered to reasonably impact MyState's prospects or decision-making at the reporting date and are therefore not separately disclosed in this report.

Table 3: Acute and chronic climate-related risks

| Climate-related impacts |                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                       |                    |
|-------------------------|---------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|--------------------|
| Climate-related risks   |                                                               |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                       |                    |
| ID                      | Name                                                          | Description                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | Type                  | Time Horizon(s)    |
| AR1                     | Acute physical climate risks (fire weather, storms, flooding) | Increasing frequency and severity of acute climate risks, including bushfires, severe storms (e.g. tropical cyclones and convective storms) and flooding, across Australia. These hazards are expected to drive heightened credit risk for customers in exposed geographies (particularly coastal, tropical, and urban/regional centres), asset devaluation, rising insurance costs, and disruption to bank operations and workforce health. Intensifying weather events and longer hazard seasons may reduce borrower resilience and collateral values over time. | Physical (acute) risk | Short to long term |
| TR1                     | Higher insurance premiums on housing                          | Evolving climate-related regulations and the transition to a lower-emissions economy may increase insurance costs for customers with MyState home loans, reducing borrower affordability and potentially affecting property values.                                                                                                                                                                                                                                                                                                                                | Transition risk       | Short to long term |

## Strategy continued

### Business model and value chain

To strengthen its climate-related scenario analysis and stress testing, MyState reviewed and documented its business model and value chain to identify where climate-related risks and opportunities are concentrated and how they may affect the Group's operations and prospects. Climate-related impacts may arise through residential and commercial lending activities, customer affordability and insurance accessibility, and the operation of office and branch locations across Australia.

Table 4: Business model and value chain assessment results

| Effects on the business model and value chain                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|-----------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ID                                                                    | Current                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | Anticipated                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Climate-related risks</b>                                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| AR1 - Acute physical climate risk (fire weather, storms and flooding) | <p>Customer awareness of acute physical climate risks is increasing, alongside expectations for responsive support, flexible financial options and clear communication during extreme weather events.</p> <p>Acute events are already affecting local economic activity, customer behaviour and property resilience, particularly in high-risk locations, contributing to concerns regarding insurance affordability and financial resilience.</p> <p>Operational disruptions arising from these events require enhanced workforce flexibility and strengthened business continuity responses.</p> | <p>Customer expectations for timely support, risk transparency and tailored financial solutions will increase during and after extreme weather events.</p> <p>More frequent and severe disruptions to service delivery are likely, requiring resilient operating models, strengthened business continuity and increased reliance on digital channels.</p> <p>Physical risk considerations will need to be further embedded into credit assessment, onboarding and operational planning, including more detailed evaluation of location-specific exposures, insurance constraints and asset resilience, increasing due diligence complexity.</p> <p>Financial impacts may include higher credit losses, reduced insurance coverage, asset devaluation and increased provisioning, placing upward pressure on capital requirements.</p> <p>Workforce disruption and safety risks are expected to increase in affected regions, requiring enhanced flexibility and capability.</p> <p>Demand for transparent risk disclosures and adaptive financial products supporting customer resilience is expected to grow.</p>                                                                                                                                                          |
| TR1 – Higher insurance premiums on housing                            | <p>Reducing customer access to affordable housing finance, particularly for borrowers experiencing rising insurance costs or reduced coverage.</p> <p>Customer feedback can reflect concern about escalating insurance costs and their impact on long-term property affordability and valuations, prompting a greater need for clear communication and responsive lending practices.</p>                                                                                                                                                                                                           | <p>Reshaping market understanding of property affordability, insurability and long-term asset value.</p> <p>Management and operational support functions will likely face greater complexity in incorporating insurance-related affordability metrics into credit assessment, collateral valuation and portfolio monitoring processes.</p> <p>MyState's staff capabilities may need to expand to include deeper expertise in insurance trends, climate risk interpretation and customer guidance on affordability impacts.</p> <p>Financial capital requirements may increase as higher premiums and reduced insurability contribute to elevated credit risk, lower asset values and greater provisioning needs.</p> <p>Customer understanding of the link between climate risk and insurance costs is also evolving, contributing to higher demand for transparent information regarding insurance requirements, property risk exposure, and the implications for loan eligibility and financial resilience.</p> <p>These conditions will influence customer onboarding, as staff will need to incorporate more frequent insurance affordability checks, assess coverage adequacy, and consider the effect of higher premiums on serviceability and collateral values.</p> |

# Strategy continued

## Strategy and decision making

To support resilience, value protection and creation, MyState has developed mitigation and adaptation strategies to reduce climate-related risks and strengthen resilience to future climate-related impacts. This includes assessing the implications of natural hazards and insurance affordability, and considering appropriate responses where climate-related risks may affect the Group's operations, customers or financial position.

Table 5: Effects on strategy and decision making

| Effects on strategy and decision making |                                                                                                                                                                                                 |                                                                                                                                                                                                                                                             |
|-----------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| ID                                      | Current                                                                                                                                                                                         | Anticipated                                                                                                                                                                                                                                                 |
| <b>Climate-related risks</b>            |                                                                                                                                                                                                 |                                                                                                                                                                                                                                                             |
| <b>All risks</b>                        | MyState's risk assessment process supports oversight of natural hazards, market changes and other climate-related factors that may affect parts of the Group's operations or lending portfolio. | Climate-related risks may influence portfolio monitoring, lending practices, risk assessment processes and strategic planning activities, particularly where climate-related exposures become more pronounced in specific geographies or customer segments. |

The following table summarises the mitigation and adaptation strategies currently in place, and the actions MyState may consider as climate-related risks continue to evolve.

Table 6: Mitigation and adaptation strategies

| Direct mitigation and adaptation efforts                                |                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                     |                                                                                                                 |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------|
| Climate-related risk (ID)                                               | Mitigation/adaptation strategies and efforts                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                     | Resource allocation                                                                                             |
|                                                                         | Current                                                                                                                                                                                                                                                                                                                              | Anticipated                                                                                                                                                                                                                                                                         |                                                                                                                 |
| AR1 - Acute physical climate risks (fire weather, storms and flooding)  | Monitoring and assessment of potential home loan book exposure in areas with higher exposure to climate risk. Mortgage holders are required to have the appropriate insurance.                                                                                                                                                       | Physical climate risks affecting the lending portfolio and operations can be managed by reviewing lending guidelines in higher-risk hazard regions.                                                                                                                                 | No material additional resource allocation is currently required for these mitigation or adaptation activities. |
| TR1 – Higher insurance premiums on housing                              | Monitoring the impacts of climate-related regulatory and market changes on insurance affordability, property values and credit risk across the portfolio, thereby reducing exposure to areas vulnerable to localised economic or environmental disruption and helping minimise the impact of rising insurance premiums on customers. | Continuing to actively manage the impacts of increasing insurance costs on customer affordability and mortgage portfolio diversification.                                                                                                                                           | No material additional resource allocation is currently required for these mitigation or adaptation activities. |
| Indirect mitigation and adaptation efforts                              |                                                                                                                                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                     |                                                                                                                 |
| Climate-related risk (ID)                                               | Mitigation/Adaptation Strategies and Efforts                                                                                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                                     | Resource allocation                                                                                             |
|                                                                         | Current                                                                                                                                                                                                                                                                                                                              | Anticipated                                                                                                                                                                                                                                                                         |                                                                                                                 |
| AR1 - Acute physical climate events (fire weather, storms and flooding) | Maintaining a diversified mortgage portfolio and a broad geographic footprint, thereby reducing exposure to localised economic or climate-related disruptions.<br><br>Maintaining the ability to offer services online rather than at a physical site to reduce exposure to climate risks.                                           | Climate risk considerations are expected to be further embedded within portfolio monitoring, credit risk assessment and exposure management processes, including increased use of climate-related data to identify and monitor concentrations in higher-risk locations and sectors. | No material additional resource allocation is currently required for these mitigation or adaptation activities. |
| TR1 – Higher insurance premiums on housing                              | Continue to maintain a diversified mortgage portfolio to reduce concentration risk in areas experiencing changing insurance market conditions.                                                                                                                                                                                       | Review insurance pricing, coverage and affordability trends across the portfolio using third-party data to help identify potential hot spots.                                                                                                                                       | No material additional resource allocation is currently required for these mitigation or adaptation activities. |

## Transition plans

MyState has not yet developed a climate transition plan or set climate-related targets at the reporting date.

## Strategy continued

### Financial position, financial performance and cash flows

MyState undertook qualitative and quantitative analysis to assess the current and anticipated effects of identified climate-related risks on its financial position, financial performance and cash flows. The assessment identified potential financial effects arising from AR1 (Acute physical climate risks) and TR1 (Higher insurance premiums on housing).

#### AR1 – Acute physical climate risks (fire weather, storms and flooding)

Severe weather events may damage residential properties securing MyState's mortgage portfolio, potentially reducing collateral values, increasing credit risk and affecting borrower repayment capacity. MyState undertook financial exposure modelling to assess the exposure of its mortgage portfolio to properties located in higher-risk climate-exposed suburbs and regions across Australia.

As at 30 June 2026, areas of potential exposure were identified across a 50-year horizon, with quantitative analysis limited to a five-year period, reflecting the availability of reliable data and the Group's planning horizon. The most significant anticipated financial impacts are projected to occur over the long term, as the Group's assessment includes the severity and frequency of climate-related hazards increasing over time.

Although potential exposures were identified, they were not assessed as materially affecting the carrying value or overall performance of the mortgage portfolio at the reporting date.

#### TR1 – Higher insurance premiums on housing

MyState assessed that increasing insurance premiums associated with evolving climate-related regulation, as well as the transition to a lower-emissions economy, may affect customer affordability and increase credit risk within the mortgage portfolio. Over time, this may result in higher hardship levels, increased loan arrears and defaults, and higher impairment expenses on loans and advances, particularly in higher-risk geographies where insurance affordability and availability may become more constrained, reflected in expected credit loss provisions and impairment expense on loans and advances.

At the reporting date, no material impacts on the carrying value or financial performance of the mortgage portfolio had been identified arising from this risk. Given the uncertainty associated with future insurance market responses, customer behaviour and regulatory developments, quantitative estimates were not considered sufficiently reliable for disclosure.

#### Overall assessment

The analysis revealed no current or anticipated material impacts on MyState's own properties or aspects of the business model other than the mortgage portfolio. In the year ended 30 June 2026, MyState did not identify any other matters for which there was a significant risk of a material adjustment to the carrying amounts of assets and liabilities, or to the Group's financial performance or cash flows, within the current or next annual reporting period.

### Climate resilience

MyState has evaluated the resilience of its strategy, business model and value chain to climate-related changes, developments and uncertainties using two climate scenarios. The scenarios are based on the IPCC SSPs and the Australian Energy Market Operator (AEMO) for the transition assessment. The scenario analysis provides long-term insights into how climate-related risks may evolve and affect the Group's resilience over coming decades.

The two climate scenarios are:

1. Low temperature scenario: SSP1-1.9 pathway (a very low emissions, sustainable development scenario aligned with limiting warming to between 1.0°C and 1.8°C) consistent with "... pursuing efforts to limit the temperature increase to 1.5°C above pre-industrial levels" (Climate Change Act 2022, subparagraph 3(a)(ii)) aligned with the Paris Agreement and required by the Corporations Act 2001.
2. High temperature scenario: SSP2-4.5 pathway representing "the increase in the global average temperature well exceeds the increase mentioned in subparagraph 3(a)(i) of the *Climate Change Act 2022*, namely '...holding the increase in the global average temperature to well below 2°C'." This scenario was selected to reflect a business-relevant trajectory that aligns with current national policy settings and market expectations. It provides a realistic basis for assessing climate-related risks and opportunities without assuming rapid decarbonisation.

The climate-related scenario analysis was conducted for the year ended 30 June 2026, covering both physical and transition risks, as well as opportunities. MyState included its entire operations within the scope of the assessment.

The climate-related scenario analysis is undertaken by MyState every three years to align with its strategic planning cycle, unless significant changes to its strategy, business model, or value chain occur during this period. The next scenario analysis is scheduled for the financial year ending 30 June 2029.

In addition, MyState performs an annual assessment of its climate resilience to reflect any updated insights into the implications of climate uncertainty for its business model and strategy.

Risk exposure levels are based on MyState's risk matrix which combines the likelihood and consequence of each climate-related risk.

## Strategy continued

### Low temperature scenario

Low temperature scenario SSP1-1.9 assumes that net zero emissions are achieved and global warming is limited to 1.5°C above pre-industrial levels by 2050. It anticipates strong climate-related policies across all operating jurisdictions, including stringent emissions reduction targets and carbon pricing mechanisms. Macroeconomic trends reflect moderate population growth, stable economic expansion and prioritisation of sustainable development. National and regional variables include improved infrastructure resilience, proactive land-use planning favouring reforestation and stable local weather patterns with enhanced resource efficiency. Energy usage shifts rapidly towards renewables, supported by a declining reliance on fossil fuels and widespread electrification. Technological developments are assumed to advance clean energy systems, carbon capture and efficiency innovations at scale. These integrated assumptions underpin a pathway aligned with global climate goals and sustainable growth.

Table 7: Low temperature scenario

| Low temperature scenario                   |                     |             |           |
|--------------------------------------------|---------------------|-------------|-----------|
| Climate-related risk or opportunity (ID)   | Risk exposure level |             |           |
|                                            | Short term          | Medium term | Long term |
| AR1 – Acute physical climate risks         | Moderate            | Moderate    | Moderate  |
| TR1 – Higher insurance premiums on housing | Low                 | Moderate    | Moderate  |

Key assumptions used in the low temperature scenario analysis include:

- Under a low temperature scenario, the policies implemented to combat the impacts of climate change and consumer demands for stronger action from organisations will be more common
- The frequency and severity of climate-related weather events will be fewer, therefore, there is expected to be a limited increase in insurance premiums compared to the high temperature scenario.

Significant areas of uncertainty considered in MyState's assessment of its climate resilience in the low temperature scenario include:

- Heightened reputational and regulatory risk due to stronger policy under the SSP1-1.9 scenario, as stakeholders increasingly scrutinise climate-related practices – particularly carbon footprint – and broader ESG performance, linking ethical conduct with financial resilience
- Policy and market developments due to uncertainty around the timing and impact of climate-related regulations, carbon pricing and shifts in consumer demand for low-emission vehicles
- Climate projections being impacted by the dependence on external modelling frameworks (e.g., IPCC SSP pathways) to estimate future climate conditions and their potential impact on MyState's business model and value chain.

The implications of MyState's low temperature scenario assessment for its strategy and business model include:

- Stronger climate policy settings and increased stakeholder scrutiny of climate-related practices, which may adversely affect MyState's brand and reputation if climate-related impacts are not effectively managed
- Increased climate-related policy intervention and insurance market responses, which may contribute to higher insurance costs for some customers and affect housing affordability, borrowing capacity and credit risk within the mortgage portfolio
- Greater consideration of insurance affordability, climate-related risk factors and customer resilience within lending, risk management and portfolio monitoring activities.

MyState's business model remains resilient under the low-temperature scenario through its ability to adapt lending practices, maintain operational continuity through digital service channels and incorporate climate-related considerations into strategic decision-making over the short, medium and long term.

MyState's resilience to climate change is supported by its ability to maintain flexibility in its financial resources. This flexibility enables capital to be allocated to emerging climate-related risks and opportunities, including investments in risk management, portfolio monitoring and operational resilience initiatives, supporting an effective response to evolving risks and opportunities over time.

### High temperature scenario

High temperature scenario SSP2-4.5 assumes moderate climate-related policies that vary by jurisdiction, with gradual implementation of carbon pricing and emissions standards rather than aggressive measures. Macroeconomic trends follow a middle-of-the-road trajectory, with steady population growth and economic development that balances sustainability with conventional practices. National and regional variables include incremental improvements in infrastructure, mixed land-use changes, and continued pressure on natural resources due to uneven adaptation. Energy usage remains diversified, with fossil fuels still significant but gradually declining as renewables and low-carbon technologies expand. Technological developments progress at a moderate pace, enabling efficiency gains and some decarbonisation but without transformative breakthroughs.

## Strategy continued

Table 8: High temperature scenario

| High temperature scenario                  |                     |             |             |
|--------------------------------------------|---------------------|-------------|-------------|
| Climate-related risk or opportunity (ID)   | Risk exposure level |             |             |
|                                            | Short term          | Medium term | Long term   |
| AR1 – Acute physical climate risks         | Moderate            | Moderate    | Significant |
| TR1 – Higher insurance premiums on housing | Moderate            | Moderate    | Significant |

Key assumptions used in the high temperature scenario analysis include:

- Under a high temperature scenario, the frequency and severity of climate-related weather events will increase
- The policies implemented to combat the impacts of climate change and consumer demands for stronger action from organisations will be less common
- Similar levels of risk exposure for the short- and medium-term time horizons across both low and high temperature scenarios due to the temperature difference between the two scenarios being minimal in IPCC predictions.

The significant areas of uncertainty considered in MyState's assessment of its climate resilience in the high temperature scenario include:

- Increasing uncertainty around climate hazards, including fire, storms and flooding, creating exposure to properties in the loan book, as well as offices and branch sites across Australia
- Escalating insurance premiums, driven by rising claims volumes and the increasing severity of climate-related events across Australia
- Uncertainty around potential impairments to owned and leased sites across Australia due to repeated climate-related damage.

The implications of MyState's high temperature scenario assessment for its strategy and business model include:

- More frequent and severe climate-related weather events may disrupt customers, branches and operations, requiring enhanced business continuity and operational resilience
- Increased property damage arising from flooding, storms and bushfires may adversely affect collateral values, borrower resilience and credit risk within the mortgage portfolio
- Higher insurance premiums and reduced insurance availability may affect housing affordability, borrowing capacity and the insurability of some properties, increasing credit risk within the mortgage portfolio
- Greater focus may be required on climate-related risk monitoring, portfolio management, insurance affordability assessments and customer resilience initiatives in higher-risk geographies.

MyState's business model remains resilient under the high-temperature scenario through its ability to adapt lending and risk management practices, maintain diversified portfolio exposures, leverage digital service channels and incorporate climate-related considerations into strategic decision-making over the short, medium and long term.

# Risk management

## The processes for identifying and assessing climate-related risks and opportunities

The overarching risk framework has been established to help business units take reasonable steps to identify, assess, monitor and manage climate-related risks and future potential climate-related opportunities, supporting MyState's climate and sustainability approach.

The Board completes an annual review of MyState's Risk Management Framework, with climate-related risks embedded into MyState's Risk Appetite Statement.

## The processes for managing climate-related risks and opportunities

### Physical risks

Physical risks impacting the lending portfolio are managed by requiring mortgage holders to have appropriate insurance and by reviewing MyState's guidelines for loans in high-risk regions.

This process has been guided by analysis of financially exposed loans that meet certain criteria, against loans in suburbs that are at a higher risk of climate impacts.

### Transition risks and opportunities

MyState continues to explore the most effective strategies to support customers' transition to a lower-carbon economy while building climate resilience. Processes for identifying, assessing and managing climate-related risks are integrated into MyState's overall risk and opportunity assessment.

MyState identifies and assesses risks and their associated impacts through its Risk Management Framework which is built on six key steps – identify, measure, evaluate, monitor, report, and control or mitigate all internal and external sources of risk.

### Step 1: Identify

MyState identifies climate-related risks and opportunities on an inherent basis, considering physical risks, transition risks and potential climate-related opportunities across its operations and value chain. To identify potentially relevant climate-related impacts and opportunities, MyState undertakes a structured assessment of impacts and dependencies across its value chain. This includes:

- Identifying the users of the sustainability report, who can help to identify material information
- Determining time horizons for the purposes of assessment
- Engaging with key stakeholders through targeted consultation and surveys to understand their priorities, expectations and perceptions of MyState and its strategy
- Scenario analysis to identify climate-related risks and opportunities, drawing on IPCC scenarios, asset-level exposure and projected carbon price trajectories
- Asset-level resilience and exposure assessments to help identify climate-related physical risks and opportunities, using inputs such as atmospheric projections, rainfall outlooks and extreme weather forecasts
- Climate-related risk and opportunity assessment workshops bringing together key internal stakeholders to understand strategic priorities and develop a longlist of potentially relevant items.

### Step 2: Measure

Potentially relevant sustainability-related risks are then measured by:

- Evaluating their potential magnitude using a defined impact scale – from insignificant to critical – based on both quantitative and qualitative factors across varying time horizons
- Assessing the likelihood of each risk and opportunity – rated from rare to almost certain – informed by historical data, scenario analysis and specialist input
- Understanding the nature of each risk, including how (e.g. disrupted operations, damage to assets, non-compliance with regulations) and where it may affect the business (e.g. customers, certain regions or assets), considering whether it is acute or chronic and whether it stems from internal operations or external dependencies.

## Risk management continued

### Likelihood Criteria

The way MyState assesses the probability of a climate-related risk or opportunity occurring is outlined in Table 9.

Table 9: Probability of climate-related risks and opportunities.

|        |                | Description                                                                                     | Likelihood |
|--------|----------------|-------------------------------------------------------------------------------------------------|------------|
| Rating | Almost certain | Will occur in most circumstances                                                                | >75%       |
|        | Likely         | Will probably occur in most circumstances                                                       | 50-75%     |
|        | Possible       | May occur within the foreseeable future or medium term                                          | 25-50%     |
|        | Unlikely       | May occur at some time but not likely in the foreseeable future                                 | 5-25%      |
|        | Rare           | Will only occur in exceptional circumstances or as a result of a combination of unusual events. | <5%        |

### Magnitude criteria

The way MyState assesses the potential impact of a climate-related risk or opportunity on operations is shown in Table 10.

Table 10: Potential impacts of climate-related risks and opportunities

|                 |               | Description                                                           |
|-----------------|---------------|-----------------------------------------------------------------------|
| Magnitude Level | Critical      | Most objectives or day-to-day operations cannot be achieved           |
|                 | Major         | Some important objectives or day-to-day operations cannot be achieved |
|                 | Moderate      | Some objectives or day-to-day operations affected                     |
|                 | Minor         | Minor effects that are easily remedied                                |
|                 | Insignificant | Little or no impact on objectives or day-to-day operations.           |

In addition to these magnitude criteria, MyState has used other categories to assess the potential consequence of identified climate-related risks and opportunities, including:

- Operational and strategic financial impacts
- Compliance and legal impacts
- Reputational impacts
- Stakeholder impacts (including customers, shareholders and staff).

# Risk management continued

## Step 3: Evaluate

Using information collected in steps 1 and 2, MyState evaluates climate-related risks and opportunities by prioritising them in terms of time horizons, magnitude and likelihood.

### Risk matrix

MyState assesses the severity of climate-related risks by combining the likelihood of occurrence with the magnitude of potential consequences.

|            |                | Magnitude     |             |             |             |             |
|------------|----------------|---------------|-------------|-------------|-------------|-------------|
|            |                | Insignificant | Minor       | Moderate    | Major       | Critical    |
| Likelihood | Almost certain | Moderate      | Significant | High        | High        | High        |
|            | Likely         | Low           | Moderate    | Significant | High        | High        |
|            | Possible       | Low           | Moderate    | Significant | Significant | High        |
|            | Unlikely       | Low           | Low         | Moderate    | Moderate    | Significant |
|            | Rare           | Low           | Low         | Low         | Low         | Moderate    |

## Opportunity Matrix

MyState assesses the potential value of climate-related opportunities by combining the likelihood of occurrence with the expected magnitude of impact.

|                          |                | Exposure of impact (ability to capitalise on the opportunity) |                   |                   |                   |                   |
|--------------------------|----------------|---------------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                          |                | Insignificant                                                 | Minor             | Moderate          | Major             | Critical          |
| Likelihood of occurrence | Almost certain | Moderate value                                                | Significant value | High value        | High value        | High value        |
|                          | Likely         | Low value                                                     | Moderate value    | Significant value | High value        | High value        |
|                          | Possible       | Low value                                                     | Moderate value    | Significant value | Significant value | High value        |
|                          | Unlikely       | Low value                                                     | Low value         | Moderate value    | Moderate value    | Significant value |
|                          | Rare           | Low value                                                     | Low value         | Low value         | Low value         | Moderate value    |

## Step 4: Monitor

MyState monitors climate-related risks and opportunities on an ongoing basis through its risk management processes, including periodic climate risk and opportunity assessments, scenario analysis, portfolio monitoring, and review of external developments that may affect the Group's risk profile. Monitoring activities focus on identified climate-related risks and opportunities, including exposure concentrations within the lending portfolio, changes in insurance affordability and availability, evolving regulatory requirements, and emerging climate-related trends.

In addition, MyState continuously monitors changes in economic, social, financial, regulatory and environmental factors that could affect climate-related risks and opportunities, and revisits and updates its assessments where material changes are identified. The effectiveness of associated risk management activities and controls is monitored through risk-based internal audits, controls testing and regular reporting to the Group Risk Committee and ESG Committee.

## Step 5: Report

MyState utilises climate-related scenario analysis described in the 'Climate Resilience' section of this report to support the identification and assessment of climate-related risks and opportunities. It applies both qualitative and quantitative criteria to assess the nature, likelihood and magnitude of the effects of identified risks and opportunities, including the home loan book's potential financial exposure.

The Risk Management Strategy and Framework outlines the ESG Committee's oversight responsibilities and the strategies in place to manage climate-related risks.

Climate-related risk is integrated into the Risk Appetite Statement and is assessed using the same criteria and thresholds applied across the broader Risk Management Strategy and Framework. Therefore, the sustainability-related risks are prioritised on the same basis as other enterprise risks.

Using this framework, MyState has disclosed climate-related risks and opportunities considered material to the Group's prospects at the reporting date.

## Step 6: Control or mitigate

MyState investigates and implements controls based on identified climate-related risks and opportunities, and available resources. These include a hierarchy of control types such as avoidance, mitigation, transference, remediation, acceptance and maximisation (opportunities). These controls are embedded into capital investment approvals, and health and safety systems.

While this is MyState's first reporting period under AASB S2, the underlying climate-related risk assessment process remains broadly consistent with that applied in prior voluntary climate-related disclosures.

# Metrics and targets

## Climate-related metrics

MyState has assessed that its home lending portfolio is the business activity most exposed to the climate-related risks identified in this report.

Apart from the assessment of exposure within the Group's home lending portfolio presented in the *Financial position, financial performance and cash flow* section, MyState has not undertaken any further quantitative assessment of the amount or percentage of assets or business activities exposed to climate-related risks.

MyState has instead assessed vulnerability to identified climate-related risks using a qualitative approach. This assessment indicates that climate-related physical risks, including severe weather events such as fire, storms and flooding, may adversely affect properties securing residential mortgages, potentially reducing collateral values and increasing credit risk through impacts on borrower repayment capacity. Climate-related transition risks may also affect the portfolio, as increasing insurance premiums associated with higher climate risk exposure could reduce customer affordability and contribute to elevated credit risk.

Climate-related opportunities were assessed as part of MyState's climate-related risk and opportunity assessment. However, no opportunities were identified as being reasonably expected to affect the Group's prospects. Accordingly, no assessment of the amount or percentage of assets exposed to climate-related opportunities has been performed.

As at the reporting date, the Group has not made, nor does it have any plans to make, any capital expenditure, financing or investment specifically related to identified climate-related risks or opportunities.

## Scope 1 and 2 GHG emissions

MyState measures its GHG emissions in accordance with:

- *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard* (World Resources Institute (WRI)/WBCSD, 2004)

MyState's FY26 GHG emissions inventory has been prepared using the operational control approach. Accordingly, Scope 1 and Scope 2 emissions include all entities and activities under MyState's operational control. The organisational boundary comprises MyState Bank, Auswide Bank, Selfco and TPT Wealth, all of which are controlled subsidiaries that are fully consolidated into the Group's financial statements and are 100% under MyState's operational control.

MyState has reported its Scope 1 and Scope 2 GHG emissions, which have been expressed in metric tonnes of CO<sub>2</sub>e and are shown in Table 12.

## Consolidated accounting group (Includes parent entity and consolidated subsidiaries)

Table 12: Scope 1 & 2 GHG emissions in metric tonnes of CO<sub>2</sub>

| GHG Emissions (per category, expressed in metric tonnes of CO <sub>2</sub> e, tCO <sub>2</sub> e) |            |
|---------------------------------------------------------------------------------------------------|------------|
| Scope                                                                                             | FY26       |
| Scope 1 – direct emissions                                                                        | 55         |
| Scope 2 – electricity-related emissions (location-based)                                          | 786        |
| <b>Total Scope 1 and Scope 2 emissions</b>                                                        | <b>841</b> |

### Note:

1. Scope 1 and Scope 2 greenhouse gas emissions are disclosed in accordance with the mandatory requirements of AASB S2 Climate-related Disclosures.
2. Previous voluntary sustainability reporting by MyState was aligned to the TCFD reporting standard and included comparisons of annual emissions totals

- Scope 1 and 2 calculation methodologies

Scope 1 GHG emissions refer to direct emissions from sources owned or controlled by MyState. Scope 1 GHG emissions primarily stem from the use of company-owned vehicles (mobile combustion).

MyState utilised the following inputs and assumptions to measure its Scope 1 GHG emissions:

### Mobile Combustion<sup>1</sup>

- Litres of fuel consumed by MyState vehicles throughout the reporting period
- Emissions factors from the National Greenhouse Accounts Factors

Scope 2 GHG emissions represent indirect emissions from electricity purchased from the grid and consumed by MyState's operations. Electricity costs are based on actual consumption, with invoices generally received and settled on a monthly or quarterly basis depending on the relevant site and retailer arrangements.

MyState utilised the following inputs and assumptions to measure its Scope 2 GHG emissions:

- Kilowatt hours of electricity consumed by MyState sites throughout the reporting period
- Emissions factors from the National Greenhouse Accounts Factors

<sup>1</sup> Scope 1 and Scope 2 GHG emissions have been calculated using actual fuel consumption and electricity consumption data where available. Where consumption data was incomplete, limited estimates were applied using the most recent available activity data and were not considered material to the reported totals.

## Metrics and targets continued

### Internal carbon prices

MyState does not apply a carbon price in decision making.

### Climate-related targets

MyState has not set any quantitative or qualitative climate-related targets, and no targets are required to be met by law or regulation.

## Metrics and targets continued

### Voluntary climate-related disclosures

Information disclosed in this section of the report is not required under the AASB S2 standards in the first year of reporting and is therefore voluntary. No independent assurance is provided over this section of the report.

### Scope 3 calculation methodology

Scope 3 GHG emissions refer to the indirect emissions that occur in MyState's upstream and downstream supply chain. MyState does not have Scope 3 GHG emissions associated with categories 8 (Upstream leased assets), 9 (Downstream transportation and distribution), 10 (Processing of sold products), 11 (Use of sold products), 12 (End-of-life treatment of sold products), 13 (Downstream leased assets) and 14 (Franchises).

Table 13: Scope 3 indirect emissions

| GHG Emissions (per category, expressed in metric tonnes of CO <sub>2</sub> e, tCO <sub>2</sub> e) |                                                                   |                |
|---------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------|
| Cat.                                                                                              | Description                                                       | FY26           |
| 1                                                                                                 | Purchased goods and services                                      | 6,460          |
| 2                                                                                                 | Capital goods                                                     | 4              |
| 3                                                                                                 | Fuel and energy-related activities (not included in Scope 1 or 2) | 39             |
| 4                                                                                                 | Upstream transportation and distribution                          | 1,087          |
| 5                                                                                                 | Waste generated in operations                                     | 374            |
| 6                                                                                                 | Business travel                                                   | 351            |
| 7                                                                                                 | Employee commuting                                                | 200            |
| 15                                                                                                | Financed emissions                                                | 110,408        |
| <b>Total Scope 3 Emissions</b>                                                                    |                                                                   | <b>118,923</b> |

To calculate Scope 3 emissions, MyState prioritised activity data where available, and supplemented calculations with secondary data, including spend-based data and estimates obtained from the Australian Bureau of Statistics (ABS). When calculating Scope 3 financed emissions, the chosen approach was to focus on the most material financed emissions – those associated with residential mortgage lending – which account for over 99% of the value of MyState's lending portfolio.

### Category 1: Purchased goods and services

#### Measurement approach

Spend-based data for the past 12 months was used to reconcile purchases on 'purchased goods and services' to then calculate kilograms of CO<sub>2</sub> emitted per Australian dollar using allocated emissions factor.

#### Inputs and assumptions

- Total spend amounts for purchased goods and services
- Emissions factor per dollar of expenditure (Industrial Ecology Virtual Laboratory (IELab)).

#### Inputs verification

1. Compare overall spend split between the assessed entities to overall revenue to check for a reasonable split
2. Leverage experience with comparable industry peers and cost category splits appeared appropriate
3. Check total and sub-totals with no variance.

# Metrics and targets continued

## Category 2: Capital goods

### Measurement approach

Spend-based data for past 12 months was used to reconcile purchases on 'capital goods' to then calculate kilograms of CO<sub>2</sub> emitted per Australian dollar using allocated emissions factor.

### Inputs and assumptions

- Total spend amounts for capital goods
- Emissions factor per dollar of expenditure (Industrial Ecology Virtual Laboratory (IELab)).

### Inputs verification

1. Compare overall spend split between the assessed entities to overall revenue to check for a reasonable split
2. Leverage experience with comparable industry peers and cost category splits appeared appropriate.
3. Check total and sub totals with no variance.

## Category 3: Fuel and energy-related activities (not included in Scope 1 or 2)

### Measurement approach

Activity data for the past 12 months was used to quantify emissions associated with fuel and energy-related activities not included in Scope 1 or Scope 2 emissions. Emissions were calculated using the relevant activity data and applicable emissions factors.

### Inputs and assumptions

- Total litres of fuel used for fuel and energy-related activities
- Emissions factor per dollar of expenditure (Industrial Ecology Virtual Laboratory (IELab)).

### Inputs verification

1. Conduct a sense check on fuel used, which has been subject to accuracy and completeness testing as a step in developing Scope 1 emissions
2. Conduct a sense check on the kilowatt hours used, which has been subject to accuracy and completeness testing as a step in developing the Scope 2 emissions (electricity purchased from grid) footprint.

## Category 4: Upstream transportation and distribution

### Measurement approach

Spend-based data for the past 12 months was used to reconcile purchases on 'upstream transportation and distribution' to then calculate kilograms of CO<sub>2</sub> emitted per Australian dollar using allocated emissions factor.

### Inputs and assumptions

- Total spend amounts for upstream transportation and distribution
- Emissions factor per dollar of expenditure (Industrial Ecology Virtual Laboratory (IELab)).

### Inputs verification

1. Compare overall spend split between the assessed entities to overall revenue to check for a reasonable split
2. Leverage experience with comparable industry peers and cost category splits appeared appropriate
3. Check total and sub totals with no variance.

## Category 5: Waste generated in operations

### Measurement approach

Total measured amounts of waste that has occurred over the past 12 months was used to calculate kilograms of CO<sub>2</sub> emitted per kilogram of waste using allocated emissions factor.

### Inputs and assumptions

- Total weight of waste produced
- Emissions factor per kilogram of waste (Department for Business, Energy & Industrial Strategy, United Kingdom Government).

### Inputs verification

1. Assess assumptions on number of bins and type of waste in conjunction with the service they provide and deem appropriate.

## Metrics and targets continued

### Category 6: Business travel

#### Measurement approach

Total measured amounts of air travelled accumulated in kilometres and nights stayed in hotel accommodation over the past 12 months was used to calculate kilograms of CO<sub>2</sub> emitted per kilometre of air travel and per night of accommodation using allocated emissions factors.

#### Inputs and assumptions

- Total kilometres of air travel covered.
- Total number of nights stayed in hotel accommodation.
- Emissions factor per kilometre of air travel (Ministry for the Environment, New Zealand Government).
- Emissions factor per night of accommodation (Department for Business, Energy & Industrial Strategy, United Kingdom Government).

#### Inputs verification

1. Conduct sense check on total air travel and accommodation nights to understand variances between previous reporting years and this year's total amounts.

### Category 7: Employee commuting (including working from home (WFH) emissions)

#### Measurement approach

ABS commuting data was used to calculate the daily average commuting kilometres for private, public and active transport methods used by employees over the past 12 months. Total amounts can then be used to calculate kilograms of CO<sub>2</sub> emitted per kilometre of travel using allocated emissions factors.

Use recorded data to calculate the daily average number of employees who WFH over the past 12 months to find the total kilogram CO<sub>2</sub> emitted per hour WFH.

#### Inputs and assumptions

- FTE data
- WFH login data
- ABS commuting to work data
- Assumption – most common form of transport used to get to work by MyState employees (personal vehicle, public transport, active transport)
- Assumption – most common form of public transport used by MyState employees to get to work
- Assumption – distance travelled by MyState employees to get to work
- Emissions factor per kilometre of work commute (Department for Business, Energy & Industrial Strategy, United Kingdom Government)
- Emissions factor per employee worked from home per day (Ministry for the Environment, New Zealand Government).

#### Inputs verification

1. Conduct sense check on the total employee commuting kilometres to confirm it aligns with expectations.
2. Conduct sense check on the WFH emissions calculated to confirm it aligns with expectations.

### Category 15: Financed emissions

#### Measurement approach

Use internal and external sources to calculate the average Scope 1 and Scope 2 residential emissions per state, and then apply those values to the Home Loan Book for June 2026 to determine the total kilograms of CO<sub>2</sub> emitted through financing home loans.

#### Inputs and assumptions

- MyState Bank core banking system – MyState's Home Loan Book for June 2026
- ABS Housing Statistics – number of private dwellings per state
- National Greenhouse Accounts Emissions Inventory – Scope 1 emissions attributable to residential property per state
- Australian Energy Statistics – energy use consumed by residential properties per state
- ABS Building Activity – number of private dwellings per state.



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## Independent auditor's review report to the members of MyState Limited

### Conclusion

We have conducted a review of the following information in the Sustainability Report of MyState Limited (the Company) and its subsidiaries (collectively the Group) for the year ended 30 June 2026 (the 'selective sustainability information') as required by Australian Standard on Sustainability Assurance ASSA 5010 *Timeline for Audits and Reviews of Information in Sustainability Reports under the Corporations Act 2001* issued by the Auditing and Assurance Standards Board (AUASB):

| Selective sustainability information | Criteria: Reporting requirement of AASB S2 Climate-related Disclosures (AASB S2) (including related general disclosures required by Appendix D) | Location in Sustainability Report                           |
|--------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| Governance                           | Paragraph 6                                                                                                                                     | The Governance section on page 33 to 34                     |
| Strategy (risk and opportunities)    | Subparagraphs 9(a), 10(a) and 10(b)                                                                                                             | Table 3: Acute and chronic climate-related risks on page 35 |
| Scope 1 and 2 emissions              | Subparagraphs 29(a)(i)(1) to (2) and 29(a)(ii) to (v)                                                                                           | The Scope 1 and 2 GHG emissions section on page 44 to 45    |

The requirements of AASB S2 identified in the table above form the criteria relevant to the selective sustainability information and apply under Division 1 of Part 2M.3 of the *Corporations Act 2001* (the Act).

We have not become aware of any matter in the course of our review that makes us believe that the selective sustainability information specified in the table above does not comply with Division 1 of Part 2M.3 of the *Corporations Act 2001*.

### Basis for conclusion

Our review has been conducted in accordance with Australian Standard on Sustainability Assurance ASSA 5000 *General Requirements for Sustainability Assurance Engagements* (ASSA 5000) issued by the AUASB. Our review includes obtaining limited assurance about whether the selective sustainability information is free from material misstatement.

In applying the relevant criteria, we note that subsection 296C(1) of the Act includes a requirement to comply with AASB S2.

Our conclusion is based on the procedures we have performed and the evidence we have obtained in accordance with ASSA 5000. The procedures in a review vary in nature and timing from, and are less in extent than for, an audit. Consequently, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an audit been performed. See the *Summary of the Work performed* section of our report.



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Our responsibilities under ASSA 5000 are further described in the *Auditor's responsibilities* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the Act and the ethical requirements of *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* issued by the Accounting Professional & Ethical Standards Board Limited (November 2018 incorporating all amendments to June 2024) (the Code) that are relevant to reviews of the selective sustainability information of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the Code.

Our firm applies Australian Standard on Quality Management ASQM 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Reports and Other Financial Information or Other Assurance or Related Services Engagements*, which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

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

## Other information

The directors of the Company are responsible for the other information. The other information comprises the Company's Annual Report, but does not include the selective sustainability information and our review report thereon.

Our conclusion on the selective sustainability information does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our review of the selective sustainability information, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the selective sustainability information, or our knowledge obtained when conducting the review, or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

## Responsibilities for the selective sustainability information

The directors of the Company are responsible for:

- The preparation of the selective sustainability information in accordance with the Act; and
- Designing, implementing and maintaining such internal control necessary to enable the preparation of the selective sustainability information, in accordance with the Act that is free from material misstatement, whether due to fraud or error.

## Inherent limitations

As discussed on page 31 to 32 of the Report, climate-related risk management is an emerging area, and often uses data and methodologies that are developing and uncertain. The Report contains forward looking statements, including climate-related scenarios, targets, assumptions, climate projections, forecasts, statements of future intentions and estimates and judgements that have not



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yet occurred and may never occur. We do not provide assurance on the achievability of this prospective information.

Greenhouse gas emissions quantification is subject to significant measurement uncertainty, which arises because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. The comparability of sustainability information between entities and over time may be affected by inconsistencies in the methods to estimate or measure those emissions, due to different, but acceptable, methods applied.

### **Auditor's responsibilities**

Our objectives are to plan and perform the review to obtain limited assurance about whether the selective sustainability information, defined in the *Conclusion* section of our report, is free from material misstatement, whether due to fraud or error, and to issue a review report that includes our conclusion. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence decisions of users taken on the basis of the selective sustainability information.

As part of a review in accordance with ASSA 5000, we exercise professional judgement and maintain professional scepticism throughout the engagement. We also:

- Perform risk assessment procedures, including obtaining an understanding of internal control relevant to the engagement, to identify and assess the risks of material misstatements, whether due to fraud or error, at the disclosure level but not for the purpose of providing a conclusion on the effectiveness of the entity's internal control.
- Design and perform procedures responsive to assessed risks of material misstatement at the disclosure level. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

### **Summary of the work performed**

A review is a limited assurance engagement and involves performing procedures to obtain evidence about the selective sustainability information. The nature, timing and extent of procedures selected depend on professional judgement, including the assessed risks of material misstatement at the disclosure level, whether due to fraud or error.

In conducting our review, the procedures we performed included, but were not limited to:

- Considered the completeness of MyState Limited's assessment of climate-related risks and opportunities
- Conducted interviews with key personnel to understand the process for collecting, collating and reporting the selective sustainability information during the reporting period
- Read minutes of relevant committees to understand matters discussed and decisions made with respect to climate-related disclosures
- Assessed the appropriateness of the reporting boundaries applied



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- Undertook analytical review procedures to support the reasonableness of the selective sustainability information
- Evaluated the appropriateness of emission factors applied in the greenhouse gas emission processes
- Agreed the selective sustainability information disclosures made in the report with the underlying records
- Evaluated the presentation and disclosure of the selective sustainability information against the requirements of AASB S2

The Ernst &amp; Young logo, featuring the company name in a stylized, handwritten-style script.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Andrew Harmer'.

Andrew Harmer  
Partner  
Sydney  
25 August 2026

# MyState Limited Consolidated Financial Statements

For the year ended 30 June 2026

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**MyState Limited**  
**Consolidated Income Statement**  
**for the year ended 30 June 2026**

|                                                       | Notes | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-------------------------------------------------------|-------|-------------------------|-------------------------|
| Interest income                                       | 2.1   | 769,113                 | 608,582                 |
| Interest expense                                      | 2.1   | (553,911)               | (452,009)               |
| <b>Net interest income</b>                            |       | <b>215,202</b>          | <b>156,573</b>          |
| Non-interest income from banking activities           | 2.1   | 24,542                  | 15,526                  |
| <b>Net banking operating income</b>                   |       | <b>239,744</b>          | <b>172,099</b>          |
| Income from wealth management activities              | 2.2   | 16,203                  | 14,544                  |
| <b>Total operating income</b>                         |       | <b>255,947</b>          | <b>186,643</b>          |
| <b>Less: Expenses</b>                                 |       |                         |                         |
| Personnel costs                                       |       | (80,547)                | (57,958)                |
| Administration costs                                  | 2.3   | (27,100)                | (22,623)                |
| Technology costs                                      | 2.3   | (40,232)                | (29,931)                |
| Occupancy costs                                       | 2.3   | (8,513)                 | (5,446)                 |
| Marketing costs                                       |       | (5,265)                 | (5,830)                 |
| Governance costs                                      |       | (5,019)                 | (3,575)                 |
| Merger Integration and transaction costs              | 1.4   | (6,453)                 | (7,502)                 |
| Impairment recovery / (expense) on loans and advances | 4.3   | (4,081)                 | (480)                   |
| <b>Total expenses</b>                                 |       | <b>(177,210)</b>        | <b>(133,345)</b>        |
| <b>Profit before tax</b>                              |       | <b>78,737</b>           | <b>53,298</b>           |
| Income tax expense                                    | 6.1   | (22,547)                | (17,740)                |
| <b>Profit for the year</b>                            |       | <b>56,190</b>           | <b>35,558</b>           |
| Profit attributable to the:                           |       |                         |                         |
| <b>Equity holders of MyState Limited</b>              |       | <b>56,190</b>           | <b>35,558</b>           |
| <b>Basic earnings per share (cents per share)</b>     | 2.4   | <b>33.10</b>            | <b>26.40</b>            |
| <b>Diluted earnings per share (cents per share)</b>   | 2.4   | <b>29.67</b>            | <b>23.60</b>            |

**MyState Limited**  
**Consolidated Statement of Comprehensive Income**  
**for the year ended 30 June 2026**

|                                                                      | Notes | 30 June 2026<br>\$ '000 | 30 Jun 2025<br>\$ '000 |
|----------------------------------------------------------------------|-------|-------------------------|------------------------|
| <b>Profit for the year</b>                                           |       | <b>56,190</b>           | <b>35,558</b>          |
| <b>Other comprehensive income/(expense)</b>                          |       |                         |                        |
| <b>Items that may be reclassified subsequently to profit or loss</b> |       |                         |                        |
| Cash flow hedges - Net gains/(losses) taken to equity                |       | (5,150)                 | 1,379                  |
| Income tax effect                                                    |       | 1,545                   | (414)                  |
| <b>Total other comprehensive income/(expense) for the year</b>       |       | <b>(3,605)</b>          | <b>965</b>             |
| <b>Total comprehensive income for the year</b>                       |       | <b>52,585</b>           | <b>36,523</b>          |
| Total comprehensive income for the year is attributable to:          |       |                         |                        |
| <b>Equity holders of MyState Limited</b>                             |       | <b>52,585</b>           | <b>36,523</b>          |

**MyState Limited**  
**Consolidated Statement of Financial Position**  
**as at 30 June 2026**

|                                               | Notes | 30 June 2026<br>\$ '000 | 30 Jun 2025<br>\$ '000 |
|-----------------------------------------------|-------|-------------------------|------------------------|
| <b>Assets</b>                                 |       |                         |                        |
| Cash and cash equivalents                     | 4.1   | 245,492                 | 318,767                |
| Due from other financial institutions         |       | 67,257                  | 61,740                 |
| Other assets                                  |       | 34,262                  | 36,753                 |
| Financial instruments                         | 4.2   | 1,457,212               | 1,530,457              |
| Derivatives                                   |       | -                       | 1,870                  |
| Loans and advances                            | 4.3   | 14,120,576              | 13,169,670             |
| Property, plant and equipment                 | 5.1   | 22,072                  | 19,409                 |
| Right-of-use assets                           | 5.1   | 12,635                  | 8,208                  |
| Tax assets                                    | 6.1   | 20,910                  | 22,753                 |
| Intangible assets and goodwill                | 5.2   | 116,403                 | 120,303                |
| <b>Total assets</b>                           |       | <b>16,096,819</b>       | <b>15,289,930</b>      |
| <b>Liabilities</b>                            |       |                         |                        |
| Due to other financial institutions           |       | 101,592                 | 130,946                |
| Deposits                                      | 4.5   | 10,577,206              | 10,130,368             |
| Derivatives                                   |       | 3,450                   | -                      |
| Employee benefits provisions                  | 5.3   | 9,807                   | 10,090                 |
| Other liabilities                             | 4.6   | 99,393                  | 82,837                 |
| Tax liabilities                               | 6.1   | 16,600                  | 15,200                 |
| Other borrowings including subordinated notes |       | 4,532,190               | 4,184,480              |
| <b>Total liabilities</b>                      |       | <b>15,340,238</b>       | <b>14,553,921</b>      |
| <b>Net assets</b>                             |       | <b>756,581</b>          | <b>736,009</b>         |
| <b>Equity</b>                                 |       |                         |                        |
| Share capital                                 | 5.4   | 498,842                 | 493,238                |
| Retained earnings                             |       | 258,231                 | 238,633                |
| Reserves                                      |       | (492)                   | 4,138                  |
| <b>Total equity</b>                           |       | <b>756,581</b>          | <b>736,009</b>         |

**MyState Limited**  
**Consolidated Statement of Changes in Equity**  
**for the financial year ended 30 June 2026**

|                                                                       | Note | Share capital<br>\$ '000 | Retained<br>earnings<br>\$ '000 | General reserve for<br>credit losses<br>\$ '000 | Employee equity<br>benefits reserve<br>\$ '000 | Hedging reserve<br>\$ '000 | Other reserves<br>\$ '000 | Total<br>\$ '000 |
|-----------------------------------------------------------------------|------|--------------------------|---------------------------------|-------------------------------------------------|------------------------------------------------|----------------------------|---------------------------|------------------|
| <b>At 1 July 2024</b>                                                 |      | <b>228,603</b>           | <b>233,501</b>                  | <b>2,368</b>                                    | <b>1,542</b>                                   | <b>(77)</b>                | <b>(1,000)</b>            | <b>464,937</b>   |
| Profit for the year                                                   |      | -                        | 35,558                          | -                                               | -                                              | -                          | -                         | 35,558           |
| Other comprehensive income / (expense)                                |      | -                        | -                               | -                                               | -                                              | 965                        | -                         | 965              |
| <b>Total comprehensive income for the year</b>                        |      | <b>-</b>                 | <b>35,558</b>                   | <b>-</b>                                        | <b>-</b>                                       | <b>965</b>                 | <b>-</b>                  | <b>36,523</b>    |
| Equity issued under employee share scheme                             | 5.4  | 37                       | -                               | -                                               | -                                              | -                          | -                         | 37               |
| Revaluation of land and buildings to fair value (net of deferred tax) |      | -                        | -                               | -                                               | -                                              | -                          | -                         | -                |
| Equity issued under dividend reinvestment plan                        | 5.4  | 3,056                    | -                               | -                                               | -                                              | -                          | -                         | 3,056            |
| Share based payment expense recognised                                |      | -                        | -                               | -                                               | 340                                            | -                          | -                         | 340              |
| Share issue costs                                                     | 5.4  | (185)                    | -                               | -                                               | -                                              | -                          | -                         | (185)            |
| Equity issued under executive long term incentive plan                | 5.4  | 214                      | -                               | -                                               | -                                              | -                          | -                         | 214              |
| Share issuance to Auswide on merger                                   | 5.4  | 261,513                  | -                               | -                                               | -                                              | -                          | -                         | 261,513          |
| Dividends paid                                                        | 2.5  | -                        | (30,426)                        | -                                               | -                                              | -                          | -                         | (30,426)         |
| <b>At 30 June 2025</b>                                                |      | <b>493,238</b>           | <b>238,633</b>                  | <b>2,368</b>                                    | <b>1,882</b>                                   | <b>888</b>                 | <b>(1,000)</b>            | <b>736,009</b>   |
| <b>At 1 July 2025</b>                                                 |      | <b>493,238</b>           | <b>238,633</b>                  | <b>2,368</b>                                    | <b>1,882</b>                                   | <b>888</b>                 | <b>(1,000)</b>            | <b>736,009</b>   |
| Profit for the year                                                   |      | -                        | 56,190                          | -                                               | -                                              | -                          | -                         | 56,190           |
| Other comprehensive income / (expense)                                |      | -                        | -                               | -                                               | -                                              | (3,605)                    | -                         | (3,605)          |
| <b>Total comprehensive income for the year</b>                        |      | <b>-</b>                 | <b>56,190</b>                   | <b>-</b>                                        | <b>-</b>                                       | <b>(3,605)</b>             | <b>-</b>                  | <b>52,585</b>    |
| Equity issued under employee share scheme                             | 5.4  | 39                       | -                               | -                                               | -                                              | -                          | -                         | 39               |
| Revaluation of land and buildings to fair value (net of deferred tax) |      | -                        | -                               | -                                               | -                                              | -                          | 1,073                     | 1,073            |
| Equity issued under executive long term incentive plan                | 5.4  | 119                      | -                               | -                                               | (119)                                          | -                          | -                         | 0                |
| Equity issued under dividend reinvestment plan                        | 5.4  | 5,544                    | -                               | -                                               | -                                              | -                          | -                         | 5,544            |
| Share based payment expense recognised                                |      | -                        | -                               | -                                               | 389                                            | -                          | -                         | 389              |
| Share issue costs                                                     | 5.4  | (98)                     | -                               | -                                               | -                                              | -                          | -                         | (98)             |
| General Reserve for Credit Losses write-back                          |      | -                        | 2,368                           | (2,368)                                         | -                                              | -                          | -                         | -                |
| Dividends paid                                                        | 2.5  | -                        | (38,960)                        | -                                               | -                                              | -                          | -                         | (38,960)         |
| <b>At 30 June 2026</b>                                                |      | <b>498,842</b>           | <b>258,231</b>                  | <b>-</b>                                        | <b>2,152</b>                                   | <b>(2,717)</b>             | <b>73</b>                 | <b>756,581</b>   |

**MyState Limited**  
**Consolidated Statement of Cash Flows**  
**for the financial year ended 30 June 2026**

|                                                                 | Notes | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-----------------------------------------------------------------|-------|-------------------------|-------------------------|
| <b>Cash flows from operating activities</b>                     |       |                         |                         |
| Interest received                                               |       | 804,766                 | 633,522                 |
| Interest paid                                                   |       | (551,384)               | (436,108)               |
| Fees and commissions received                                   |       | 35,762                  | 27,832                  |
| Other non-interest income received                              |       | 11,381                  | 1,753                   |
| Payments to suppliers and employees                             |       | (149,197)               | (104,649)               |
| Income tax paid                                                 |       | (18,861)                | (18,681)                |
| (Increase) / decrease in operating assets:                      |       |                         |                         |
| Due from other financial institutions                           |       | 4,388                   | 1,660                   |
| Financial instruments                                           |       | 241,838                 | (89,854)                |
| Loans and advances                                              |       | (976,770)               | (384,234)               |
| Increase / (decrease) in operating liabilities:                 |       |                         |                         |
| Due to other financial institutions                             |       | (34,199)                | 71,521                  |
| Deposits - excluding subordinated notes and floating rate notes |       | 498,779                 | 495,828                 |
| <b>Net cash flows from / (used in) operating activities</b>     | 4.1   | <b>(133,497)</b>        | <b>198,590</b>          |
| <b>Cash flows from investing activities</b>                     |       |                         |                         |
| (Purchase) / sale of intangible assets and other assets         |       | (3,841)                 | (5,254)                 |
| Merger with Auswide Bank Ltd, net of cash transferred           |       | -                       | 95,200                  |
| Dividends received                                              |       | 86                      | -                       |
| Purchase of property, plant and equipment                       |       | (8,634)                 | (1,024)                 |
| Proceeds from sale of other investments                         |       | 3,202                   | -                       |
| <b>Net cash flows from / (used in) investing activities</b>     |       | <b>(9,187)</b>          | <b>88,922</b>           |
| <b>Cash flows from financing activities</b>                     |       |                         |                         |
| Employee share issue                                            |       | (59)                    | 214                     |
| Payments for lease liabilities                                  |       | (4,861)                 | (2,987)                 |
| Subordinated notes issued / (redeemed)                          |       | (52,255)                | 99,922                  |
| Floating rate notes issued / (redeemed)                         |       | 160,000                 | (150,000)               |
| Dividends paid net of dividend reinvestment plan                | 2.5   | (33,416)                | (27,710)                |
| <b>Net cash flows from / (used in) financing activities</b>     |       | <b>69,409</b>           | <b>(80,561)</b>         |
| Net increase / (decrease) in cash held                          |       | (73,275)                | 206,951                 |
| Cash at beginning of financial year                             |       | 318,767                 | 111,816                 |
| <b>Closing cash and cash equivalents</b>                        | 4.1   | <b>245,492</b>          | <b>318,767</b>          |

### **1.1 Reporting entity**

MyState Limited (the Company) is incorporated and domiciled in Australia and is a company limited by shares that are publicly traded on the Australian Securities Exchange. The address of its registered office and principal place of business is 137 Harrington Street, Hobart Tasmania 7000. The consolidated financial statements of MyState Limited and its subsidiaries (the Group) were authorised for issue by the Directors on 25 August 2026.

### **1.2 Basis of accounting**

These consolidated financial statements are general purpose financial statements which have been prepared in accordance with the *Corporations Act 2001*, Australian Accounting Standards and Interpretations, and other requirements of the law. The financial report complies with Australian equivalents to International Financial Reporting Standards ("IFRS").

The financial statements comprise the consolidated financial statements of the Group. For the purpose of preparing the consolidated financial statements, the Company is a for-profit entity.

Where necessary, comparative figures have been re-classified and re-positioned for consistency with current period disclosures.

The consolidated financial statements have been prepared on the basis of historical cost, except for financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies.

#### **Rounding of amounts**

The Company is a company of the kind referred to in Australian Securities and Investments Commission (ASIC) Class Order 2026/183, and, in accordance with that Class Order, amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated. All amounts are presented in Australian dollars.

### **1.3 Use of estimates and judgement**

The preparation of the financial report in conformity with Australian Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise judgment in the process of applying the accounting policies. The notes to the financial statements set out areas involving a higher degree of judgment or complexity, or areas where assumptions are significant to the financial report such as:

- Loan origination cost amortisation, refer note 2.1;
- Impairment losses on loans and advances, refer note 4.3;
- Fair value of financial instruments, refer note 4.7;
- Impairment assessment of intangibles and goodwill, refer note 5.2;
- Merger of MyState Bank Limited and Auswide Bank Ltd and purchase price allocation, refer note 1.4;
- Recoverability of deferred tax assets, refer note 6.1; and
- Assessment of lease liabilities and right-of-use assets, refer notes 4.6 and 5.1.

**1.4 Merger of MyState Bank Limited and Auswide Bank Ltd**

On 19 February 2025, MyState Bank Limited merged with Auswide Bank Ltd, a regional retail bank based in Queensland, Australia. The merger formed part of MyState's strategic objective to expand its national presence and diversify its customer base. MyState acquired all the shares in Auswide in exchange for MyState shares by way of a Scheme Implementation Agreement (the Scheme). As part of the Scheme, Auswide shareholders received 1.112 MyState shares per Auswide share (Merger conversion ratio), implying a 65.9% proforma ownership of the combined group for existing MyState shareholders.

Following the merger with Auswide Bank Ltd (now Auswide Australia Limited) (Auswide) in February 2025, on 1 December 2025, Auswide completed a voluntary transfer of all its assets and liabilities to MyState Bank, as approved by the Australian Prudential Regulation Authority (APRA), in accordance with the Financial Sector (Transfer and Restructure) Act 1999 (Cth). Auswide's banking licence was subsequently revoked by APRA on 11 December 2025.

**(a) Purchase price allocation (PPA)**

MyState determined a purchase price consideration of \$261.5m, based on the MyState share price and Merger conversion ratio. The total consideration paid in relation to the merger transaction is considered representative of the fair value of Auswide, given it was negotiated between unrelated parties and at arms length. Additionally, the transaction was deemed in the best interest of Auswide shareholders by an Independent Expert. The purchase price consideration calculation is reported below:

|                                             |                      |
|---------------------------------------------|----------------------|
| Shares issued to Auswide                    | 57,602,145           |
| Closing MYS share price on 18 February 2025 | \$4.54               |
| Purchase price consideration                | <u>\$261,513,738</u> |

**(b) Accounting implications - Goodwill arising from Merger**

From an accounting perspective MyState has a controlling interest in Auswide and therefore, under AASB 3 Business Combinations (AASB 3), it is required to recognise the identifiable net assets of Auswide at fair value within the Group's financial statements on the merger date and recognise and measure goodwill acquired in the business combination.

In line with AASB 3, management are allowed to perform a fair value assessment within the measurement period of no more than 12 months subsequent to the acquisition date. This is to reflect new information obtained about facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of the amounts recognised as of that date. This involves the determination of the fair value of consideration transferred, identifiable assets (including intangible assets) taken on and liabilities assumed, with a view to recognise and measure the resulting goodwill associated with the business combination.

MyState engaged an external independent valuations specialist to perform a fair value assessment. In December 2025 the fair value assessment was finalised and provided to MyState.

A 'measurement period adjustment' has been made to retrospectively recognise the changes in fair value of assets and liabilities acquired and resulting goodwill on the statement of financial position.

These changes were reflected in the interim financial statements at 31 December 2025, with amendments made to carrying values from 19 February 2025, and reflected in the 30 June 2025 balances.

The cumulative profit or loss impact of the measurement period adjustment for the period 19 February 2025 to 30 June 2025 was not deemed to be material to the financial year ended 30 June 2025. Therefore, no profit or loss restatement has been made in the prior period.

The table in note 1.4(d) shows the impact of the measurement period adjustment, including the changes in carrying values to assets and liabilities (i.e. recognising a provision within other liabilities), adjusted as at the acquisition date of 19 February 2025.

**(c) Merger related transaction and integration costs**

MyState incurred transaction costs to complete the merger and integration costs to combine the two businesses have been and will be incurred in the future. Transaction and integration costs include financial adviser fees, filing fees, legal and accounting fees, regulatory fees, technology and consultancy costs. These costs are disclosed separately in the consolidated income statement as follows:

|                                   | Jun-26       | Jun-25       |
|-----------------------------------|--------------|--------------|
| Merger related costs              | \$ '000      | \$ '000      |
| Transaction costs                 | -            | 5,417        |
| Integration costs                 | 6,453        | 2,085        |
| <b>Total Merger related items</b> | <b>6,453</b> | <b>7,502</b> |

From 1 December 2025, Auswide and MyState Bank became a single ADI with Auswide handing back its banking licence to APRA. From this date, the financial results are reported as a combined banking entity.

**(d) Goodwill arising from Merger**

The PPA exercise was prepared in line with the requirements of AASB 3 Business Combinations, AASB 13 Fair Value Measurement and AASB 138 Intangible Assets. The fair values of the identifiable assets and liabilities of Auswide as at the date of acquisition were:

|                                                            | Provisional FV<br>Balance Sheet as<br>at<br>28-Feb-25 | Measurement<br>period<br>adjustments to<br>28-Feb-25 | Final FV Balance<br>Sheet as at<br>28-Feb-25 |
|------------------------------------------------------------|-------------------------------------------------------|------------------------------------------------------|----------------------------------------------|
| Fair value balance sheet                                   | \$ '000                                               | \$ '000                                              | \$ '000                                      |
| <b>Assets</b>                                              |                                                       |                                                      |                                              |
| Cash and liquid assets                                     | 95,200                                                | -                                                    | 95,200                                       |
| Due from other financial institutions                      | 137,500                                               | -                                                    | 137,500                                      |
| Other assets                                               | 7,100                                                 | -                                                    | 7,100                                        |
| Financial instruments                                      | 624,400                                               | -                                                    | 624,400                                      |
| Loans and advances                                         | 4,777,800                                             | -                                                    | 4,777,800                                    |
| Property, plant and equipment and right-of-use assets      | 21,500                                                | -                                                    | 21,500                                       |
| Tax assets                                                 | 15,800                                                | -                                                    | 15,800                                       |
| Intangible assets and goodwill                             | 20,700                                                | -                                                    | 20,700                                       |
| <b>Total assets</b>                                        | <b>5,700,000</b>                                      | <b>-</b>                                             | <b>5,700,000</b>                             |
| <b>Liabilities</b>                                         |                                                       |                                                      |                                              |
| Deposits and other borrowings including subordinated notes | (5,341,500)                                           | -                                                    | (5,341,500)                                  |
| Other liabilities                                          | (99,300)                                              | (12,352)                                             | (111,652)                                    |
| Tax liabilities                                            | (10,100)                                              | -                                                    | (10,100)                                     |
| <b>Total liabilities</b>                                   | <b>(5,450,900)</b>                                    | <b>(12,352)</b>                                      | <b>(5,463,252)</b>                           |
| <b>Net assets</b>                                          | <b>249,100</b>                                        | <b>(12,352)</b>                                      | <b>236,748</b>                               |
| Purchase price                                             | 261,500                                               |                                                      | 261,500                                      |
| Goodwill                                                   | 12,400                                                | 12,352                                               | 24,752                                       |

Goodwill of \$24.8m has been recognised, representing the difference between the purchase consideration and the fair value of the identified assets and liabilities. The PPA process is now complete and has resulted in the fair value adjustments to liability balances as disclosed above, including an increase of \$12.4m to provisions within other liabilities of the provisional balance sheet. The goodwill recognised is primarily attributed to the expected synergies and other benefits from combining the assets and activities of Auswide with those of the Group. The goodwill is not deductible for income tax purposes.

A reconciliation of the carrying amount of goodwill is presented below:

| Goodwill arising on merger      | \$ '000       |
|---------------------------------|---------------|
| Goodwill balance (provisional)  | 77,567        |
| Movement                        | 12,352        |
| <b>Goodwill balance (final)</b> | <b>89,919</b> |

## Notes to the consolidated financial statements for the year ended 30 June 2026

## 2.1 Net banking operating income and average balance sheet

The following tables show the major categories of interest-earning assets and interest-bearing liabilities, together with their respective interest earned or paid by the Group and the average interest rates. Averages are calculated based on the balance at each month end.

| Year ended 30 June 2026                                                      | Average Balance<br>\$ '000 | Interest<br>\$ '000 | Average Interest<br>rate<br>% |
|------------------------------------------------------------------------------|----------------------------|---------------------|-------------------------------|
| <b>Interest income</b>                                                       |                            |                     |                               |
| Loans and advances <sup>3</sup>                                              | 12,546,990                 | 696,028             | 5.55%                         |
| Investment securities                                                        | 1,795,637                  | 72,305              | 4.03%                         |
| Swap interest <sup>1</sup>                                                   | -                          | 526                 | -                             |
| <b>Total interest income<sup>5</sup></b>                                     | <b>14,342,627</b>          | <b>768,859</b>      | <b>5.36%</b>                  |
| <b>Interest expense</b>                                                      |                            |                     |                               |
| At call deposits                                                             | (3,354,192)                | (100,580)           | 3.00%                         |
| Fixed term deposits                                                          | (5,283,693)                | (233,750)           | 4.42%                         |
| Negotiable certificates of deposit                                           | (910,771)                  | (39,959)            | 4.39%                         |
| Subordinated notes                                                           | (160,784)                  | (10,975)            | 6.83%                         |
| Repo interest                                                                | (14,663)                   | (629)               | 4.29%                         |
| Floating rate notes                                                          | (224,345)                  | (11,836)            | 5.28%                         |
| Securitisation                                                               | (2,901,688)                | (146,319)           | 5.04%                         |
| Additional Tier 1 Hybrid capital instrument                                  | (65,000)                   | (4,544)             | 6.99%                         |
| Swap interest <sup>2</sup>                                                   | -                          | (4,420)             | -                             |
| <b>Total interest expense<sup>4</sup></b>                                    | <b>(12,915,136)</b>        | <b>(553,012)</b>    | <b>4.28%</b>                  |
| <b>Net Interest revenue and spread</b>                                       |                            | <b>215,847</b>      | <b>1.08%</b>                  |
| <b>Benefit of interest free liabilities &amp; capital (non IFRS measure)</b> |                            |                     | <b>0.42%</b>                  |
| <b>Net interest margin</b>                                                   |                            |                     | <b>1.50%</b>                  |

| Year ended 30 June 2025                                                      | Average Balance<br>\$ '000 | Interest<br>\$ '000 | Average Interest<br>rate<br>% |
|------------------------------------------------------------------------------|----------------------------|---------------------|-------------------------------|
| <b>Interest income</b>                                                       |                            |                     |                               |
| Loans and advances <sup>3</sup>                                              | 9,421,272                  | 548,854             | 5.84%                         |
| Investment securities                                                        | 1,388,382                  | 57,837              | 4.21%                         |
| Swap interest <sup>1</sup>                                                   | -                          | 1,612               | -                             |
| <b>Total interest income<sup>5</sup></b>                                     | <b>10,809,654</b>          | <b>608,303</b>      | <b>5.64%</b>                  |
| <b>Interest expense</b>                                                      |                            |                     |                               |
| At call deposits                                                             | (2,672,591)                | (89,794)            | 3.16%                         |
| Fixed term deposits                                                          | (3,824,156)                | (187,876)           | 4.91%                         |
| Negotiable certificates of deposit                                           | (562,735)                  | (26,815)            | 4.77%                         |
| Subordinated notes                                                           | (80,644)                   | (6,031)             | 7.16%                         |
| Repo interest                                                                | (4,371)                    | (200)               | 4.56%                         |
| Floating rate notes                                                          | (255,050)                  | (13,976)            | 5.53%                         |
| Securitisation                                                               | (2,171,218)                | (121,281)           | 5.51%                         |
| Additional Tier 1 Hybrid capital instrument                                  | (65,000)                   | (4,713)             | 7.25%                         |
| Swap interest <sup>2</sup>                                                   | -                          | (644)               | -                             |
| <b>Total interest expense<sup>4</sup></b>                                    | <b>(9,635,765)</b>         | <b>(451,329)</b>    | <b>4.64%</b>                  |
| <b>Net Interest revenue and spread</b>                                       |                            | <b>156,974</b>      | <b>1.00%</b>                  |
| <b>Benefit of interest free liabilities &amp; capital (non IFRS measure)</b> |                            |                     | <b>0.47%</b>                  |
| <b>Net interest margin</b>                                                   |                            |                     | <b>1.47%</b>                  |

## Notes to the consolidated financial statements for the year ended 30 June 2026

<sup>1</sup> Swap interest relates to hedges that the Group has entered into to protect its portfolio of loans and advances from changes in interest rates.

<sup>2</sup> Swap interest relates to hedges that the Group has entered into to protect its portfolio of term deposits from changes in interest rates.

<sup>3</sup> The offset account average balance included in loans and advances is \$824.753m (June 2025 : \$761.652m)

<sup>4</sup> Total interest expense recognised on the consolidated income statement comprises the table above plus lease financing costs of \$0.899m. (Jun-25 \$0.680m)

<sup>5</sup> Total interest income recognised on the consolidated income statement comprises the table above plus TPT interest of \$0.254m. (Jun-25 \$0.279m)

|                                                          | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|----------------------------------------------------------|-------------------------|-------------------------|
| <b>Non-interest income from banking activities</b>       |                         |                         |
| Transaction fees                                         | 3,734                   | 3,473                   |
| Loan fees                                                | 11,916                  | 6,536                   |
| Banking commissions                                      | 4,256                   | 4,032                   |
| Other banking operations income                          | 4,636                   | 1,485                   |
| <b>Total non-interest income from banking activities</b> | <b>24,542</b>           | <b>15,526</b>           |

#### Income accounting policy

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured. The following specific recognition criteria must also be met before income is recognised.

#### Interest

Interest income is accrued using the effective interest rate method, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument. Loan origination fees are recognised as components of the calculation of the effective interest rate method in relation to originated loans, and therefore effect the interest recognised in relation to this portfolio of loans. The average life of loans in the relevant loan portfolios is reviewed annually to ensure the amortisation methodology for loan origination fees is appropriate.

Interest expense is calculated on an accruals basis using the effective interest rate method. The effective interest rate method is the rate that exactly discounts future payments through the expected life of the financial instrument.

#### Non-interest income from banking activities

Refer to the "income accounting policy" in note 2.2.

|                                                       | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-------------------------------------------------------|-------------------------|-------------------------|
| <b>2.2 Income from wealth management activities</b>   |                         |                         |
| Funds management income                               | 8,324                   | 8,180                   |
| Other fees and commissions                            | 7,879                   | 6,364                   |
| <b>Total income from wealth management activities</b> | <b>16,203</b>           | <b>14,544</b>           |

#### Funds management income and fiduciary activities

TPT Wealth Limited, a controlled entity of the Group, acts as Responsible Entity, Trustee and Funds Manager for eight managed investment schemes. The investment schemes place monies with external wholesale fund managers, direct mortgages and mortgage backed securities, term deposits and other investments. The clients include individuals, superannuation funds and corporate investors.

The assets and liabilities of these funds are not included in the Consolidated Financial Statements. Income earned by the Group in respect of these activities is included in the Consolidated Income Statement of the Group as "Funds management income".

The following table shows the balance of the unconsolidated funds under management and funds under advice that gives rise to funds management and other fees and commissions income respectively:

|                        | 30 June 2026<br>\$ 'M | 30 June 2025<br>\$ 'M |
|------------------------|-----------------------|-----------------------|
| Funds under management | 970                   | 969                   |
| Funds under advice     | 560                   | 389                   |

#### Other fees and commissions

TPT Wealth Limited provides private client tax accounting services and acts as trustee and executor of estates. "Other fees and commissions income" is the income earned from these activities.

#### Income accounting policy

The Group earns three main types of fees and commissions under contracts with customers. The first income type is single performance obligation contracts, such as transaction services, where the performance obligation is performed and consideration received in quick succession. Income from these contracts is recorded as the performance obligations are satisfied. The second income type is where contracts with the customer are for the performance of multiple obligations over time and the customer only benefits from delivery of all those obligations together over time, for example the provision of trustee services and services to funds under management. For these contracts, income is recognised over the service period. The third type of income is insurance intermediary income where the performance obligations are satisfied substantially at the time of referring the customer and economic benefits flow to the Group over time. The Group has estimated that nil income will be brought forward as a contract asset under these contracts due to the insufficient probability of the timing and amount of future income that will flow from these contracts. This income is therefore recorded when received.

## Notes to the consolidated financial statements for the year ended 30 June 2026

## 2.3 Expenses

The following items are included within each item of specified expenses:

**Occupancy costs include:**

|                                                     |         |         |
|-----------------------------------------------------|---------|---------|
| Operating lease payments                            | (868)   | (507)   |
| Depreciation - right-of-use lease assets            | (4,593) | (3,411) |
| Depreciation - buildings and leasehold improvements | (999)   | (282)   |

**Technology costs include:**

|                                  |         |         |
|----------------------------------|---------|---------|
| Amortisation - computer software | (5,541) | (4,643) |
|----------------------------------|---------|---------|

**Administration costs include:**

|                                                           |         |         |
|-----------------------------------------------------------|---------|---------|
| Depreciation - furniture, equipment and computer hardware | (1,487) | (1,020) |
| Merger related - Amortisation of intangibles              | (1,850) | (617)   |

**The Group's leasing activities***(i) Real estate leases*

The Group leases land and buildings for its office space and branch network. The leases of office space and branches typically run for a period of between 3 and 10 years. Some leases include an option to renew the lease for an additional period of the same duration after the end of the contract term, which is included in the calculation of the lease liability.

*(ii) Other leases*

The Group leases vehicles, with lease terms of three to five years. In some cases, the Group has options to purchase the assets at the end of the contract term; in other cases, it guarantees the residual value of the leased assets at the end of the contract term.

There are no other covenants or restrictions on the Group's leases other than those identified above.

|                                                               | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|---------------------------------------------------------------|-------------------------|-------------------------|
| <b>Amount recognised in the Consolidated Income Statement</b> |                         |                         |
| Expenses relating to short-term leases and low-value leases   | (64)                    | (62)                    |

**Expense accounting policy****Depreciation and amortisation expense**

The Group adopts the straight line method of depreciating plant and equipment and amortising intangible assets over the estimated useful lives, commencing from the time the asset is held ready for use. Leasehold improvements and right-of-use assets are depreciated over the shorter of either the unexpired expected term of the lease or the estimated useful life of the improvements. Estimated useful lives are:

|                                        |      |        |
|----------------------------------------|------|--------|
| Office furniture, fittings & equipment | 3-5  | years. |
| Land and buildings                     | 40   | years. |
| Building fit-out                       | 4-10 | years. |
| Computer hardware                      | 3    | years. |
| Software                               | 3-10 | years. |
| Leasehold improvements                 | 4-10 | years. |
| Right-of-use assets                    | 2-15 | years. |

The useful lives and residual values of property, plant and equipment and intangible assets are reviewed annually and adjusted where appropriate. The remaining useful life of selected core banking systems is periodically reassessed to reflect significant enhancements and additional functionality that have extended the systems' operational capability and economic life beyond that originally estimated. The remaining useful life of the existing core banking system was revised to less than one year due to the planned implementation and migration to a new core banking platform. As a result, the revised remaining useful life falls outside the standard useful life ranges disclosed above. The total useful life of the core banking system since its original implementation exceeds the standard useful life ranges. This reflects the effect of ongoing investments and system enhancements that extended the period over which the asset provided economic benefits to the Group.

**2.4 Earnings per share**

|                                                                                      | 30 June 2026<br>cents | 30 June 2025<br>cents |
|--------------------------------------------------------------------------------------|-----------------------|-----------------------|
| Basic earnings per share                                                             | 33.10                 | 26.40                 |
| Diluted earnings per share                                                           | 29.67                 | 23.60                 |
| <b>Reconciliation of earnings used in calculation of earnings per ordinary share</b> | <b>\$ '000</b>        | <b>\$ '000</b>        |
| Net profit after tax                                                                 | 56,190                | 35,558                |
| <b>Total statutory earnings</b>                                                      | <b>56,190</b>         | <b>35,558</b>         |
| Earnings used in calculating statutory earnings per ordinary share                   | 56,190                | 35,558                |
| Add back: distributions accrued and / or paid on dilutive loan capital instrument    | 3,181                 | 3,299                 |
| <b>Total diluted earnings</b>                                                        | <b>59,371</b>         | <b>38,857</b>         |

**Earnings per share accounting policy**

Basic earnings per share is calculated by dividing the Group's profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the financial year. Diluted earnings per share is calculated by dividing the Group's profit attributable to ordinary equity holders by the weighted average number of ordinary shares that would be issued on the exchange of all the dilutive potential ordinary shares into ordinary shares.

The following table details the weighted average number of shares (WANOS) used in the calculation of basic and diluted earnings per share:

|                                                                    | Number             | Number             |
|--------------------------------------------------------------------|--------------------|--------------------|
| <b>WANOS used in the calculation of basic earnings per share</b>   | <b>169,770,444</b> | 134,698,983        |
| Effect of dilution - executive performance rights                  | 1,612,180          | 1,262,701          |
| Effect of dilution - Tier 1 capital instrument                     | 28,697,572         | 28,697,572         |
| <b>WANOS used in the calculation of diluted earnings per share</b> | <b>200,080,196</b> | <b>164,659,256</b> |

**Potentially dilutive instruments**

The following instruments are potentially dilutive during the reporting period

|                                               | <i>Dilutive instruments</i> |              |
|-----------------------------------------------|-----------------------------|--------------|
|                                               | 30 June 2026                | 30 June 2025 |
| Tier 1 capital instrument                     | Yes                         | Yes          |
| Executive performance rights                  | Yes                         | Yes          |
| Subordinated note (with non viability clause) | No                          | No           |

**2.5 Dividends**

|                                                   | Date of<br>payment | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|---------------------------------------------------|--------------------|-------------------------|-------------------------|
| <b>Dividends paid</b>                             |                    |                         |                         |
| 2024 Final dividend paid - 11.5 cents per share   | 16 Sep 2024        | -                       | 12,725                  |
| 2025 Interim dividend paid - 10.5 cents per share | 21 Mar 2025        | -                       | 17,701                  |
| 2025 Final dividend paid - 11.0 cents per share   | 16 Sep 2025        | 18,600                  | -                       |
| 2026 Interim dividend paid - 12.0 cents per share | 20 Mar 2026        | 20,360                  | -                       |
| <b>Total dividends paid</b>                       |                    | <b>38,960</b>           | <b>30,426</b>           |

The dividends paid during the year were fully franked at the 30% corporate tax rate.

## 2.5 Dividends (continued)

|                                                                                                  | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|--------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Franking credit balance</b>                                                                   |                         |                         |
| The amount of franking credits available for the subsequent financial year are:                  |                         |                         |
| Franking account balance as at the end of the period at 30%                                      | 141,186                 | 138,762                 |
| Franking credits that will arise from the payment of income tax payable at the end of the period | (1,039)                 | 1,023                   |

**Dividends not recognised at the end of the financial year**

On 25 August 2026, the Directors resolved to pay a final dividend for the 2026 financial year of 12.5 cents per share or \$21.30m total to be paid on 22 September 2026, fully franked at the 30 per cent corporate tax rate. This dividend has not been brought to account as the amount had not been determined at the reporting date. This dividend will reduce the balance of the franking account by \$9.10m.

## 2.6 Segment financial information

**Operations of reportable segments**

The Group has identified two operating divisions and a corporate division, which are its reportable segments. These divisions offer different products and services and are managed separately. The Group's management committee review internal management reports for each of these divisions at least monthly.

Reported segments have changed since 30 June 2025; following the move to a single ADI on 1 December 2025, Auswide is now included within the MyState Bank segment and the comparative period amounts have been adjusted to reflect the same. This change aligns with the way the Chief Executive Officer, as the Group's chief operating decision maker, reviews and manages the Group.

**MyState Bank (including Auswide & Selfco)**

MyState Bank's product offerings include lending; encompassing home loans, personal, overdraft, line of credit and commercial products, leasing and commercial hire purchase, transactional savings accounts, fixed term deposits and insurance products. It delivers these products and services through its branch network, digital channels and third party channels.

**Wealth Management division**

The Wealth Management division is a provider of funds management and trustee services. It operates predominantly within Tasmania. It holds \$0.970 billion (2025: \$0.969 billion) in funds under management on behalf of personal, business and wholesale investors as the responsible entity for eight managed investment schemes. TPT Wealth is also a trustee company licensed within the meaning of Chapter 5D of the *Corporations Act 2001* and is the only private trustee company with significant operations in Tasmania.

**Corporate and consolidation division**

The corporate division is responsible for the governance of the Group. The corporate division charges the operating divisions on a cost recovery basis for costs it has incurred. This division is also where eliminations are allocated between the MyState Bank and Wealth Management divisions.

## Notes to the consolidated financial statements for the year ended 30 June 2026

## 2.6 Segment financial information (continued)

|                                                       | MyState Bank     | Wealth Management | Corporate & Consolidation | Total            |
|-------------------------------------------------------|------------------|-------------------|---------------------------|------------------|
|                                                       | \$' 000          | \$' 000           | \$' 000                   | \$' 000          |
| <b>Year ended 30 June 2026</b>                        |                  |                   |                           |                  |
| Interest income                                       | 768,789          | 238               | 86                        | 769,113          |
| Interest expense                                      | (553,881)        | -                 | (30)                      | (553,911)        |
| <b>Other income</b>                                   |                  |                   |                           |                  |
| Transaction fees                                      | 3,734            | -                 | -                         | 3,734            |
| Loan fee income                                       | 11,916           | -                 | -                         | 11,916           |
| Banking commissions                                   | 4,256            | -                 | -                         | 4,256            |
| Other banking operations income                       | 4,636            | 32                | (32)                      | 4,636            |
| Funds management income                               | -                | 8,324             | -                         | 8,324            |
| Other wealth management fees and commissions          | -                | 7,847             | 32                        | 7,879            |
| <b>Total operating income</b>                         | <b>239,450</b>   | <b>16,441</b>     | <b>56</b>                 | <b>255,947</b>   |
| <b>Expenses</b>                                       |                  |                   |                           |                  |
| Personnel costs                                       | (70,517)         | (5,694)           | (4,336)                   | (80,547)         |
| Administration costs                                  | (18,484)         | (3,458)           | (5,158)                   | (27,100)         |
| Technology costs                                      | (38,782)         | (2,675)           | 1,225                     | (40,232)         |
| Occupancy costs                                       | (9,088)          | (274)             | 849                       | (8,513)          |
| Marketing costs                                       | (5,341)          | (208)             | 284                       | (5,265)          |
| Governance costs                                      | (11,757)         | (312)             | 7,050                     | (5,019)          |
| Merger Integration and transaction costs              | (6,007)          | -                 | (446)                     | (6,453)          |
| Impairment recovery / (expense) on loans and advances | (4,081)          | -                 | -                         | (4,081)          |
| <b>Total expenses</b>                                 | <b>(164,057)</b> | <b>(12,621)</b>   | <b>(532)</b>              | <b>(177,210)</b> |
| Income tax expense                                    | (22,000)         | (1,148)           | 601                       | (22,547)         |
| <b>Segment statutory profit for the year</b>          | <b>53,393</b>    | <b>2,672</b>      | <b>125</b>                | <b>56,190</b>    |
| <b>Segment balance sheet information</b>              |                  |                   |                           |                  |
| Segment assets                                        | 16,018,020       | 27,340            | 51,459                    | 16,096,819       |
| Segment liabilities                                   | 15,327,609       | 3,632             | 8,997                     | 15,340,238       |
|                                                       |                  |                   |                           |                  |
|                                                       | MyState Bank     | Wealth Management | Corporate & Consolidation | Total            |
|                                                       | \$' 000          | \$' 000           | \$' 000                   | \$' 000          |
| <b>Year ended 30 June 2025</b>                        |                  |                   |                           |                  |
| Interest income                                       | 608,213          | 279               | 90                        | 608,582          |
| Interest expense                                      | (452,009)        | -                 | -                         | (452,009)        |
| <b>Other income</b>                                   |                  |                   |                           |                  |
| Transaction fees                                      | 3,473            | -                 | -                         | 3,473            |
| Loan fee income                                       | 6,536            | -                 | -                         | 6,536            |
| Banking commissions                                   | 4,032            | -                 | -                         | 4,032            |
| Other banking operations income                       | 1,485            | -                 | -                         | 1,485            |
| Funds management income                               | -                | 8,397             | -                         | 8,397            |
| Other wealth management fees and commissions          | -                | 6,147             | -                         | 6,147            |
| <b>Total operating income</b>                         | <b>171,730</b>   | <b>14,823</b>     | <b>90</b>                 | <b>186,643</b>   |
| <b>Expenses</b>                                       |                  |                   |                           |                  |
| Personnel costs                                       | (46,935)         | (5,318)           | (5,705)                   | (57,958)         |
| Administration costs                                  | (19,164)         | (2,760)           | (699)                     | (22,623)         |
| Technology costs                                      | (27,520)         | (2,397)           | (14)                      | (29,931)         |
| Occupancy costs                                       | (5,521)          | (313)             | 388                       | (5,446)          |
| Marketing costs                                       | (5,562)          | (260)             | (8)                       | (5,830)          |
| Governance costs                                      | (9,278)          | (239)             | 5,942                     | (3,575)          |
| Merger Integration and transaction costs              | (1,864)          | -                 | (5,638)                   | (7,502)          |
| Impairment recovery / (expense) on loans and advances | (480)            | -                 | -                         | (480)            |
| <b>Total expenses</b>                                 | <b>(116,324)</b> | <b>(11,287)</b>   | <b>(5,734)</b>            | <b>(133,345)</b> |
| Income tax expense                                    | (16,472)         | (1,158)           | (110)                     | (17,740)         |
| <b>Segment statutory profit for the year</b>          | <b>38,934</b>    | <b>2,378</b>      | <b>(5,754)</b>            | <b>35,558</b>    |
| <b>Segment balance sheet information</b>              |                  |                   |                           |                  |
| Segment assets                                        | 15,222,179       | 26,854            | 40,897                    | 15,289,930       |
| Segment liabilities                                   | 14,551,540       | 3,418             | (1,037)                   | 14,553,921       |

## Notes to the consolidated financial statements for the year ended 30 June 2026

## 3.1 Capital management strategy

The Group's capital management strategy is to adhere to regulatory requirements and maximise shareholder value through optimising the level and use of capital resources, whilst also providing the flexibility to take advantage of opportunities as they may arise.

The Group's capital management objectives are to:

- Comply with internal and regulatory capital requirements;
- Ensure sufficient capital resource is available to support the Group's business, operational and investment activities;
- Maintain balance sheet resilience to safeguard the Group's ability to continue as a going concern; and
- Support MyState Limited's and MyState Bank Limited's credit rating.

The Group's capital management policy considers each of internal, regulatory and rating agency capital requirements. Under APS 110 Capital Adequacy, the ultimate responsibility for the prudent management of capital resides with the Board of Directors. The Board must ensure that an appropriate level and quality of capital is maintained, commensurate with the type, amount and concentration of risk exposures.

The Group's regulatory capital requirements are measured on a Level 1 and Level 2 basis.

**Level 1** is comprised of MyState Bank Limited (the ADI) and Conquest 2025-1R Trust.

**Level 2** is comprised of the wider MyState Limited prudential group. This group includes MyState Limited (the non-operating holding company), MyState Bank Limited, Connect Asset Management Ltd (the Securitisation programme Manager), Widcap Securities Pty Ltd and ConQuest 2025-1R Trust.

All entities that are consolidated for accounting purposes are included within the Level 2 regulatory capital calculation except for TPT Wealth Limited and securitisation special purposes vehicles (Conquest 2017-1 Trust, Conquest 2018-1 Trust, Conquest 2019-1 PP Trust, Conquest 2019-2 Trust, Conquest 2022-1 Trust, Conquest 2023-1 Warehouse Trust, Conquest 2023-2 Trust, Conquest 2023-3 Warehouse Trust, Conquest 2024-1 Trust, Conquest 2025-2 Trust, ABA Trusts 7, ABA Trust 2023-1, Wide Bay Trust 5 and Wide Bay Trust 2008-1).

The Group has developed a detailed Internal Capital Adequacy Assessment Plan (ICAAP). This plan covers the capital requirements of the Group on a Level 1 and Level 2 basis (as previously described). The Group's capital position is monitored on a frequent basis and is reported to the Board monthly. The ICAAP also includes a three year forecast of capital adequacy which is prepared and submitted to the Board at least annually.

The ICAAP aims to ensure that adequate planning activities take place so that the Group is effectively capitalised. The ICAAP encompasses known financial events, dividend policy, capital raisings, securitisation and stress testing.

## Notes to the consolidated financial statements for the year ended 30 June 2026

## 3.1 Capital management strategy (continued)

The Board has currently set a minimum total capital adequacy ratio of 15% for the Group (2025: 15%). Capital adequacy of the Group on a level 2 basis is detailed in the following table:

|                                                      | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|------------------------------------------------------|-------------------------|-------------------------|
| <b>Qualifying capital</b>                            |                         |                         |
| <b>Common equity tier 1 capital</b>                  |                         |                         |
| Paid-up ordinary share capital                       | 500,681                 | 494,987                 |
| Retained earnings                                    | 279,976                 | 267,950                 |
| Reserves excluding general reserve for credit losses | 73                      | (356)                   |
| <b>Total common equity tier 1 capital</b>            | <b>780,730</b>          | <b>762,581</b>          |
| <b>Less: Regulatory adjustments</b>                  |                         |                         |
| Deferred expenditure including deferred tax assets   | 40,618                  | 39,923                  |
| Goodwill and intangibles                             | 126,232                 | 118,162                 |
| Other deductions                                     | 45,667                  | 43,788                  |
| <b>Total regulatory adjustments</b>                  | <b>212,517</b>          | <b>201,873</b>          |
| <b>Net common equity tier 1 capital</b>              | <b>568,213</b>          | <b>560,708</b>          |
| <b>Additional tier 1 capital</b>                     |                         |                         |
| Floating rate notes AT1 issuance (ii)                | 64,643                  | 64,374                  |
| <b>Tier 2 capital</b>                                |                         |                         |
| Subordinated notes (i)                               | 144,560                 | 196,815                 |
| General reserve for credit losses                    | -                       | 4,756                   |
| <b>Total capital</b>                                 | <b>777,416</b>          | <b>826,653</b>          |
| Risk weighted assets                                 | 4,911,264               | 4,721,642               |
| Capital adequacy ratio                               | 15.83%                  | 17.51%                  |

(i) On 10 July 2020, the Group issued \$25 million of floating rate subordinated notes ("notes"). The issuer was MyState Limited. The notes had a term of 10 years, maturing 10 July 2030, and paid interest quarterly at a floating rate equal to the three-month BBSW plus a margin of 4.35% per annum. These notes were redeemed on 10 July 2025 following the receipt of written regulatory approval from APRA.

On 3 November 2021, the Group issued \$25 million of floating rate subordinated notes ("notes"). The issuer was MyState Limited. The notes have a term of 10 years, maturing 3 November 2031, and pay interest quarterly at a floating rate equal to the three-month BBSW plus a margin of 2.75% per annum. The issuer has the option to redeem these notes on 3 November 2026 and each quarterly interest payment date thereafter, and for certain regulatory events (in each case subject to APRA's prior written approval). On the same date, and with the same terms, MyState Bank Limited issued \$25 million of floating rate subordinated notes to MyState Limited with terms identical to those issued by MyState Limited.

If APRA notifies the issuer that a non-viability trigger event has occurred, the notes will be converted into ordinary shares of MyState Limited, or written-off. For the notes issued on 3 November 2021, the amount included in the Group's Level 2 Tier 2 regulatory capital is a percentage equal to that of the external interest in the Group's regulatory capital. The amount included in the Group's Level 1 Tier 2 regulatory capital is 100%.

(ii) On 30 August 2022, MyState Limited (MyState) issued \$65 million of Additional Tier 1 notes to wholesale investors (Capital Notes). The Capital Notes were fully paid, mandatorily convertible subordinated perpetual debt securities of MyState. The issuer was MyState Limited. The Capital Notes have a term in perpetuity and pay interest quarterly at a floating rate equal to the three-month BBSW plus a margin of 5.50% per annum. The issuer has the option to redeem these Capital Notes on 30 August 2027, 30 November 2027 and 28 February 2028 respectively, and for certain regulatory events (in each case subject to APRA's prior written approval). If APRA notifies the issuer that a loss-absorption event has occurred, the Capital Notes will be converted into ordinary shares of MyState Limited, or written-off. On 4 December 2025, APRA finalised changes to phase out Additional Tier 1 capital instruments, effective 1 January 2027. Under APRA's new Capital Framework, the Capital Notes will be eligible Tier 2 capital from the effective date.

## Notes to the consolidated financial statements for the year ended 30 June 2026

**3.1 Capital management strategy (continued)**

On 19 February 2025, APRA approved the appointment of MyState Limited as the Approved Successor of each series of the \$47m of Tier 2 subordinated notes issued by Auswide Bank Ltd that were outstanding on the merger completion date. The effect of the Approved Successor appointment was to transfer the issuer of each series of subordinated notes from Auswide Bank Ltd to MyState Limited. Details of each of the series of notes for which MyState Limited was appointed as the Approved Successor appointment are as follows:

(i) \$12m of floating rate subordinated notes ("notes") which were issued on 11 September 2020. The notes had a term of 10 years, maturing 11 September 2030, and paid interest quarterly at a floating rate equal to the three-month BBSW plus a margin of 3.95% per annum. These notes were redeemed on 11 September 2025 following the receipt of written regulatory approval from APRA.

(ii) \$15m of floating rate subordinated notes ("notes") which were issued on 20 May 2021. The notes had a term of 10 years, maturing 20 May 2031, and paid interest quarterly at a floating rate equal to the three-month BBSW plus a margin of 2.85% per annum. These notes were redeemed on 20 May 2026 following the receipt of written regulatory approval from APRA.

(iii) \$20m of floating rate subordinated notes ("notes") which were issued on 19 June 2024. The notes have a term of 10 years, maturing 19 June 2034, and pay interest quarterly at a floating rate equal to the three-month BBSW plus a margin of 3.40% per annum. The issuer has the option to redeem these notes on 19 June 2029 and each quarterly interest payment date thereafter, and for certain regulatory events (in each case subject to APRA's prior written approval).

Concurrently, on 19 February 2025, Auswide Bank Ltd issued \$47m of new Tier 2 subordinated notes to MyState Limited. Three series of floating rate subordinated notes were issued of \$12m, \$15m and \$20m. Each of the series of notes have a term of 10 years, maturing 19 February 2035 and may be redeemed at the option of the issuer at the earliest of 19 February 2030, and for certain regulatory events (in each case subject to APRA's prior written approval). Following the redemption of the notes transferred to MyState Limited, as noted above, \$12m of notes were redeemed by Auswide Bank Ltd on 11 September 2025 and \$15m of notes were redeemed on 20 May 2026.

On 21 May 2025, the Group issued \$100m of floating rate subordinated notes ("notes"). The issuer was MyState Limited. The notes have a term of 10 years, maturing 21 May 2035, and pay interest quarterly at a floating rate equal to the three-month BBSW plus a margin of 2.75% per annum. The issuer has the option to redeem these notes on 21 May 2030 and each quarterly interest payment date thereafter, and for certain regulatory events (in each case subject to APRA's prior written approval). On the same date, and on the same terms to the notes issued by MyState Limited, MyState Bank Limited issued \$25m of floating rate subordinated notes to MyState Limited and Auswide Bank Ltd issued \$75m of floating rate subordinated notes to MyState Limited. On 1 December 2025, at the time MyState Bank Limited and Auswide Bank Ltd became one ADI, the notes issued by Auswide Bank Ltd were transferred to MyState Bank Limited.

**3.2 Financial risk management**

Risk management is an integral part of the Group's business processes. The Board sets policy to mitigate risks and ensure the risk management framework is appropriate, to direct the way in which the Group conducts business. Promulgated Board approved policies ensure compliance throughout the business, which are monitored by way of a dedicated compliance system. Risk management plans exist for all documented risks within the Group and these plans are reviewed regularly by the Executive Management Team, the Group Risk Committee and the Board. Business units are accountable for risks in their area and are responsible for ensuring the appropriate assessment and management of these risks.

***Risk exposure profile***

The Group actively monitors a range of risks, which are not limited to, but include the following:

- Credit risk,
- Market risk; and
- Liquidity risk.

Notes to the consolidated financial statements for the year ended 30 June 2026

3.2 Financial risk management (continued)

3.2.1 Credit risk

Approach to credit risk management

Credit risk arises within the Group's lending and treasury investment activities and is the risk that a counterparty may fail to complete its contractual obligations when they fall due.

The Group's approach to managing this risk is to separate prudential control from operational management by assigning responsibility for approval of credit exposures to specific individuals and management committees. The Group Risk Committee has oversight of credit risk exposures and the Enterprise Risk Committee monitors credit related activities through regular reporting processes, including monitoring large exposure to single groups and counterparties. The roles of funding and oversight of credit are separate.

Board approved lending policies guide the processes for all loan approvals by subsidiary operations. All loans over a designated amount, whether within delegated limits or not, are reported to the Group Risk Committee on a regular basis. Any loan outside of delegated limits must be approved by the Board prior to funding.

Maximum exposure to credit risk

The amounts disclosed in the following table are the maximum exposure to credit risk, before taking account of any collateral held or other credit enhancements. For financial assets recognised in the Statement of Financial Position, the exposure to credit risk equals their carrying amount. For customer commitments, the maximum exposure to credit risk is the full amount of the committed facility as at the reporting date.

|                                       | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|---------------------------------------|-------------------------|-------------------------|
| Cash and cash equivalents             | 245,492                 | 318,767                 |
| Due from other financial institutions | 67,257                  | 61,740                  |
| Other assets                          | 34,262                  | 36,753                  |
| Financial instruments                 | 1,457,212               | 1,530,457               |
|                                       | 1,804,223               | 1,947,717               |
| Loans and advances                    | 14,120,576              | 13,169,670              |
| Customer commitments (i)              | 387,909                 | 324,102                 |
| Maximum exposure to credit risk       | 16,312,708              | 15,441,489              |

(i) For further information regarding these commitments, refer to note 8.1.

Notes to the consolidated financial statements for the year ended 30 June 2026

3.2 Financial risk management (continued)

The credit quality of financial assets has been determined based on Standard and Poor's credit ratings for financial assets other than loans and advances at amortised cost. For loans and advances at amortised cost, the assets identified as being "closely monitored" are those assets that are greater than 30 days past due. New facilities are loans that have been funded within the financial year.

|                                                                         | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Credit quality of financial assets</b>                               |                         |                         |
| <b>Financial assets other than loans and advances at amortised cost</b> |                         |                         |
| Equivalent S&P rating A+ and above                                      | 1,238,974               | 1,254,096               |
| Equivalent S&P rating A and below                                       | 565,249                 | 693,621                 |
| <b>Loans and advances at amortised cost</b>                             |                         |                         |
| New Facilities - not closely monitored                                  | 4,480,901               | 3,479,070               |
| New Facilities - closely monitored                                      | 3,073                   | 4,066                   |
| Continuing facilities - not closely monitored                           | 9,933,212               | 9,929,819               |
| Continuing facilities - closely monitored                               | 91,299                  | 80,817                  |
| <b>Total on balance sheet exposure to credit risk</b>                   | <b>16,312,708</b>       | <b>15,441,489</b>       |
| <b>Loans and advances at amortised cost past due analysis</b>           |                         |                         |
| Not past due                                                            | 14,022,671              | 13,075,082              |
| Past due days:                                                          |                         |                         |
| 31 to 60 days                                                           | 41,159                  | 28,557                  |
| 61 to 89 days                                                           | 13,270                  | 11,619                  |
| Greater or equal to 90 days                                             | 43,476                  | 54,412                  |
| <b>Total loans and advances at amortised cost</b>                       | <b>14,120,576</b>       | <b>13,169,670</b>       |
| Estimate of collateral held against past due assets                     | 145,181                 | 152,576                 |

Estimate of collateral held

In the event of customer default, the bank can enforce any security held as collateral against the outstanding claim. Any loan security is usually held as mortgagee in possession while the bank seeks to realise its value through the sale of the property. Therefore, the bank does not hold any real estate or other assets acquired through the repossession of collateral. The collateral shown above is an estimate of the value of collateral held, it is not practicable to determine the fair value.

Notes to the consolidated financial statements for the year ended 30 June 2026

3.2 Financial risk management (continued)

Credit quality is impacted by concentration risk created by the ensuing vulnerability of assets to similar conditions such as economic or political factors. The Group monitors the geographical diversification of its loans and advances. An analysis of this concentration of credit risk at the reporting date is shown in the following table:

|                                            | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|--------------------------------------------|-------------------------|-------------------------|
| Tasmania                                   | 2,689,091               | 2,626,450               |
| Victoria                                   | 3,180,780               | 2,790,388               |
| New South Wales                            | 2,483,912               | 2,318,233               |
| Queensland                                 | 4,468,954               | 4,359,672               |
| Western Australia                          | 740,746                 | 588,681                 |
| Australian Capital Territory               | 191,134                 | 180,203                 |
| South Australia                            | 292,791                 | 231,588                 |
| Northern Territory                         | 41,921                  | 44,258                  |
| Gross loans and advances at amortised cost | 14,089,329              | 13,139,473              |

There are no loans that individually represent 10% or more of shareholders' equity.

3.2.2 Market risk

Managing market risk

Market risk is the exposure to adverse changes in the value of the Group's portfolio as a result of changes in market prices or volatility. The Group is exposed primarily to interest rate risk.

Interest rate risk exposure

The operations of MyState Bank are subject to the risk of interest rate fluctuations as a result of mismatches in the timing of the repricing of interest rates on its assets and liabilities.

Value at Risk (VaR)

The following table indicates the VaR based on historical data. The Group estimates VaR as the potential change in value of the balance sheet from adverse market movements over a 20-day holding period to a 99% confidence level. Market risks attributable to trading activities are primarily measured using a historical simulation VaR model based on historical data. VaR takes account of all material market variables that may cause a change in the value of the loan portfolio. As an additional overlay to VaR, the individual market risks of interest rate, foreign exchange, credit and equity are managed using a framework that includes stress testing, scenario analysis, sensitivity analysis and stop losses. Risks are monitored and measured against limits delegated by the Asset Liability Committee (ALCO) and approved by the Group's Risk Committee. Although an important tool for the measurement of market risk, the assumptions underlying the model are limited to reliance on historical data.

|                                                 | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-------------------------------------------------|-------------------------|-------------------------|
| Value at risk (post-tax) based on historic data |                         |                         |
| Average                                         | 4,428                   | 5,488                   |
| Minimum                                         | 3,149                   | 2,994                   |
| Maximum                                         | 7,488                   | 9,840                   |

Derivatives

The Group is exposed to changes in interest rates from variable rate loans and variable rate deposits. To mitigate this risk, the Group uses interest rate swaps. Interest rate swaps are held for risk and asset management purposes only and not for the purpose of speculation. When the Group designates certain derivatives to be part of a hedging relationship and they meet the criteria for hedge accounting, the hedges are classified as cash flow hedges.

Notes to the consolidated financial statements for the year ended 30 June 2026

3.2 Financial risk management (continued)

The following table shows the notional amounts and fair value of derivative financial instruments.

| Cash flow hedges                          | 30 June 2026 | 30 June 2025 |
|-------------------------------------------|--------------|--------------|
| Description                               | \$ '000      | \$ '000      |
| Notional amount of hedging instrument (i) | 2,049,932    | 2,318,388    |
| Fair value of hedging instrument (i)      | (3,450)      | 1,870        |

(i) Note that derivatives are reported separately in the statement of financial position.

**Derivatives accounting policy**  
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and subsequently remeasured to their fair value. The fair value of derivative financial assets and liabilities are determined using the discounted cash flow valuation technique. The models use a number of inputs, including the credit quality of counterparties, foreign exchange spot and forward rates, interest rate curves and forward rate curves of the underlying instruments. Movements in the carrying amounts of derivatives are recognised in the Consolidated Income Statement, unless the derivative meets the requirements for hedge accounting.

The Group documents the relationship between the hedging instruments and hedged items at inception of the transaction, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment of whether the derivatives used in hedging transactions have been or will continue to be, highly effective in offsetting changes in the fair values or cash flows of hedged items. This assessment is carried out both at inception and on a monthly basis.

**Cash flow hedges**  
The Group has cash flow hedges that are used to hedge the variability of interest rates in relation to certain assets and liabilities. These derivative instruments are established with terms that exactly match the terms of the asset or liability designated as the hedged item and therefore form highly effective relationships. The portion of the asset or liability designated in the hedging relationship is determined by reference to variable rate assets or liabilities within the loan or deposit portfolio. The Group conducts tests for ineffectiveness and sources of ineffectiveness are limited to credit risk of parties to the relationship. The variability in fair values attributable to an item designated as a cash flow hedge is recognised in Other Comprehensive Income to the extent of the hedge's effectiveness. Any ineffective portion of the change in the fair value of a derivative is recognised immediately in the Consolidated Income Statement.

**Derivatives that do not qualify for hedge accounting**  
If a derivative expires or is sold, terminated, or exercised, or no longer meets the criteria for hedge accounting, then hedge accounting is discontinued and the amount recognised in Other Comprehensive Income remains in Other Comprehensive Income until the forecast transaction affects the Consolidated Income Statement. If the forecast transaction is no longer expected to occur, it is reclassified to the Consolidated Income Statement as a reclassification adjustment.

When a derivative is not designated in a qualifying relationship, all changes in its fair value are recognised immediately in the Consolidated Income Statement.

The main potential source of hedge ineffectiveness from cash flow hedges is mismatches in the terms of hedged items and hedging instruments, for example the frequency and timing of when interest rates are reset. The Group did not recognise any amounts (2025: nil) due to ineffectiveness on derivative instruments designated as cash flow hedges.

### 3.2 Financial risk management (continued)

#### 3.2.3 Liquidity risk

##### Managing liquidity risk

Liquidity risk is the risk that the Group is unable to meet its financial obligations as they fall due, which could arise due to mismatches in cash flows.

The Group maintains a portfolio of highly marketable assets that can be liquidated in the event of an unforeseen interruption of cash flows. The Group also has committed lines of credit that it can access to meet its liquidity needs. Liquidity scenarios are calculated under stressed and normal operating conditions, to assist in anticipating cash requirements providing adequate reserves.

The Group's objective is to manage its funds in a way that will facilitate growth in core business under a wide range of market conditions. The Group maintains, and adheres to, a Liquidity Risk Management framework (LRMF). This process includes acknowledgement of liquidity risks within the Group and justification of the amount of liquidity that is being held based on the liquidity risk profile of the organisation.

Group Treasury is responsible for implementing liquidity risk management strategies in accordance with the LRMF. The Group's Assets and Liabilities Committee (ALCO) assists the Board with oversight of asset and liability management including liquidity risk management. The Group's liquidity policies are approved by the Board after endorsement by the Group Risk Committee and the Banking Group's ALCO.

## 3.2 Financial risk management (continued)

## 3.2.3 Liquidity risk (continued)

## Liquidity risk exposure

The Group is exposed to liquidity risk primarily through its banking activities. The Group's contractual cash flows associated with its financial liabilities and hedging derivatives, within relevant maturity groupings is as follows. These are presented on an undiscounted basis and, therefore, will not agree to amounts presented on the Consolidated Statement of Financial Position as they incorporate principal and associated future interest payments.

|                                             | On demand<br>\$ '000 | < 3 months<br>\$ '000 | 3 months<br>to 1 year<br>\$ '000 | 1 year<br>to 5 years<br>\$ '000 | > 5 years<br>\$ '000 | Total<br>\$ '000  |
|---------------------------------------------|----------------------|-----------------------|----------------------------------|---------------------------------|----------------------|-------------------|
| <b>2026</b>                                 |                      |                       |                                  |                                 |                      |                   |
| At call deposits                            | 5,170,583            | -                     | -                                | -                               | -                    | 5,170,583         |
| Due to other financial institutions         | -                    | 101,592               | -                                | -                               | -                    | 101,592           |
| Term deposits                               | -                    | 942,413               | 4,114,820                        | 349,390                         | -                    | 5,406,623         |
| Negotiable certificates of deposit          | -                    | 572,419               | 281,552                          | -                               | -                    | 853,971           |
| Subordinated notes                          | -                    | 2,637                 | 7,911                            | 42,191                          | 166,682              | 219,421           |
| Floating rate notes                         | -                    | 17,772                | 71,088                           | 480,380                         | -                    | 569,240           |
| Securitisation liabilities                  | -                    | 359,845               | 1,079,536                        | 2,253,896                       | -                    | 3,693,277         |
| Additional Tier 1 Hybrid capital instrument | -                    | 1,133                 | 3,398                            | 86,149                          | -                    | 90,680            |
| <b>Contractual amounts payable</b>          | <b>5,170,583</b>     | <b>1,997,811</b>      | <b>5,558,305</b>                 | <b>3,212,006</b>                | <b>166,682</b>       | <b>16,105,387</b> |
| <b>Derivative liability</b>                 | -                    | -                     | 1,155                            | 2,295                           | -                    | 3,450             |
| <b>2025</b>                                 |                      |                       |                                  |                                 |                      |                   |
| At call deposits                            | 4,696,523            | -                     | -                                | -                               | -                    | 4,696,523         |
| Due to other financial institutions         | -                    | 130,946               | -                                | -                               | -                    | 130,946           |
| Term deposits                               | -                    | 1,227,140             | 3,953,718                        | 302,989                         | -                    | 5,483,847         |
| Negotiable certificates of deposit          | -                    | 518,194               | 360,632                          | -                               | -                    | 878,826           |
| Subordinated notes                          | -                    | 13,692                | 17,803                           | 109,848                         | 57,683               | 199,026           |
| Floating rate notes                         | -                    | 4,788                 | 82,246                           | 351,654                         | -                    | 438,688           |
| Securitisation liabilities                  | -                    | 322,627               | 967,882                          | 2,020,780                       | -                    | 3,311,289         |
| Additional Tier 1 Hybrid capital instrument | -                    | 1,120                 | 3,361                            | 74,712                          | -                    | 79,193            |
| <b>Contractual amounts payable</b>          | <b>4,696,523</b>     | <b>2,218,507</b>      | <b>5,385,642</b>                 | <b>2,859,983</b>                | <b>57,683</b>        | <b>15,218,338</b> |
| <b>Derivative liability</b>                 | -                    | -                     | 1,439                            | 28                              | -                    | 1,467             |

## 3.2 Financial risk management (continued)

## 3.2.3 Liquidity risk (continued)

**Contractual maturity of assets and liabilities**

The contractual maturities of the Group's financial assets and liabilities as at the reporting date are contained in the following table. The Group expects that certain assets and liabilities will be recovered or settled at maturities which are different to their contractual maturities.

|                                                       | 30 June 2026           |                        |                     | 30 June 2025           |                        |                     |
|-------------------------------------------------------|------------------------|------------------------|---------------------|------------------------|------------------------|---------------------|
|                                                       | < 12 months<br>\$ '000 | > 12 months<br>\$ '000 | Total<br>\$ '000    | < 12 months<br>\$ '000 | > 12 months<br>\$ '000 | Total<br>\$ '000    |
| <b>Financial assets</b>                               |                        |                        |                     |                        |                        |                     |
| Cash and liquid assets                                | 245,492                | -                      | 245,492             | 321,622                | -                      | 321,622             |
| Due from other financial institutions                 | 51,257                 | 16,000                 | 67,257              | 45,740                 | 16,000                 | 61,740              |
| Other assets                                          | 34,262                 | -                      | 34,262              | 32,984                 | 914                    | 33,898              |
| Financial instruments                                 | 372,007                | 1,085,205              | 1,457,212           | 480,218                | 1,052,109              | 1,532,327           |
| Loans and advances (i)                                | 94,439                 | 14,026,137             | 14,120,576          | 93,850                 | 13,075,820             | 13,169,670          |
| <b>Total financial assets</b>                         | <b>797,457</b>         | <b>15,127,342</b>      | <b>15,924,799</b>   | <b>974,414</b>         | <b>14,144,843</b>      | <b>15,119,257</b>   |
| <b>Financial liabilities</b>                          |                        |                        |                     |                        |                        |                     |
| Due to other financial institutions                   | (101,592)              | -                      | (101,592)           | (130,946)              | -                      | (130,946)           |
| Other liabilities                                     | (99,393)               | -                      | (99,393)            | (82,837)               | -                      | (82,837)            |
| Deposits                                              | (8,741,092)            | (1,836,114)            | (10,577,206)        | (8,814,003)            | (1,366,363)            | (10,180,368)        |
| Negotiable certificates of deposit                    | (853,971)              | -                      | (853,971)           | (878,828)              | -                      | (878,828)           |
| Subordinated notes                                    | -                      | (144,560)              | (144,560)           | -                      | (196,815)              | (196,815)           |
| Floating rate notes                                   | (40,000)               | (384,640)              | (424,640)           | (65,000)               | (199,960)              | (264,960)           |
| Securitisation liabilities                            | (898,700)              | (2,145,676)            | (3,044,376)         | (1,182,524)            | (1,546,979)            | (2,729,503)         |
| Additional Tier 1 Hybrid capital instrument           | -                      | (64,643)               | (64,643)            | -                      | (64,374)               | (64,374)            |
| <b>Total financial liabilities</b>                    | <b>(10,734,748)</b>    | <b>(4,575,633)</b>     | <b>(15,310,381)</b> | <b>(11,154,138)</b>    | <b>(3,374,491)</b>     | <b>(14,528,629)</b> |
| <b>Net contractual amounts receivable / (payable)</b> | <b>(9,937,291)</b>     | <b>10,551,709</b>      | <b>614,418</b>      | <b>(10,179,724)</b>    | <b>10,770,352</b>      | <b>590,628</b>      |

(i) Contractual recovery is subject to evolving regulatory and industry support for counterparties requesting such support, as at the reporting date, the primary support provided to borrowers is repayment deferral periods.

**MyState Limited**

**Notes to the consolidated financial statements for the year ended 30 June 2026**

|                                                                                           | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>4.1 Cash and cash equivalents</b>                                                      |                         |                         |
| Notes, coins and cash at bank                                                             | 243,414                 | 313,882                 |
| Other short term liquid assets                                                            | 2,078                   | 4,885                   |
| <b>Total cash and cash equivalents</b>                                                    | <b>245,492</b>          | <b>318,767</b>          |
| <b>Reconciliation of profit for the year to net cash provided by operating activities</b> |                         |                         |
| Profit for the year                                                                       | 56,190                  | 35,558                  |
| Add / (less) items classified as investing / financing activities or non-cash items:      |                         |                         |
| Depreciation of property, plant and equipment                                             | 2,486                   | 1,302                   |
| Depreciation of right-of-use assets                                                       | 4,593                   | 2,744                   |
| Amortisation of intangible assets                                                         | 5,541                   | 4,643                   |
| Bad and doubtful debts expense net of recoveries                                          | 4,081                   | 480                     |
| Share based payment                                                                       | 291                     | 192                     |
| Movement in hedge reserve                                                                 | (3,605)                 | 965                     |
| Changes in assets and liabilities:                                                        |                         |                         |
| Decrease / (increase) in due from other financial institutions                            | (5,517)                 | 3,420                   |
| Decrease / (increase) in loans and advances                                               | (950,907)               | (313,301)               |
| Decrease / (increase) in financial instruments                                            | 76,388                  | (153,946)               |
| Decrease / (increase) in other assets                                                     | 920                     | (15,967)                |
| Decrease / (increase) in deferred tax assets                                              | 1,843                   | (6,505)                 |
| Increase / (decrease) in due to other financial institutions                              | (29,353)                | 151,236                 |
| Increase / (decrease) in other liabilities                                                | 16,556                  | 27,949                  |
| Increase / (decrease) in deposits and other borrowings                                    | 685,879                 | 453,615                 |
| Increase / (decrease) in employee benefits provisions                                     | (283)                   | 678                     |
| Increase / (decrease) in tax liabilities                                                  | 1,400                   | 5,527                   |
| <b>Net cash flows used in operating activities</b>                                        | <b>(133,497)</b>        | <b>198,590</b>          |

**Cash and liquid assets accounting policies**

**Cash and liquid assets**

Cash and liquid assets in the Consolidated Statement of Financial Position and for the purposes of the Consolidated Statement of Cash Flows comprise cash at bank and in hand and short-term deposits with an original maturity of less than three months, net of outstanding bank overdrafts. Cash flows arising from deposits, share capital, investments, loans to subsidiaries and investments in associates are presented on an aggregated basis in the Statement of Cash Flows.

**Cash Flow statement**

Cash flows arising from the following activities are presented on a net basis in the Statement of Cash Flows:

- Customer deposits and withdrawals from savings and fixed-term deposit accounts;
- Movements in investments;
- Amounts due to and from other financial institutions;
- Customer loans and advances; and
- Dividends paid.

Where operational income and expense accruals and prepayments are included in the above line items, the movements will differ between the Statement of Financial Position and the disclosure in this note.

**MyState Limited**  
**Notes to the consolidated financial statements for the year ended 30 June 2026**

|                                                      | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|------------------------------------------------------|-------------------------|-------------------------|
| <b>4.2 Financial instruments</b>                     |                         |                         |
| <b>Financial instruments at amortised cost</b>       |                         |                         |
| Negotiable certificates of deposits                  | 254,600                 | 439,575                 |
| Term deposits                                        | 51,700                  | 35,700                  |
| Floating rate notes                                  | 1,107,610               | 1,038,946               |
| Other deposits                                       | 43,302                  | 16,236                  |
| <b>Total financial instruments at amortised cost</b> | <b>1,457,212</b>        | <b>1,530,457</b>        |
| <b>Financial instruments at fair value</b>           |                         |                         |
| Derivative asset/(liability)                         | (3,450)                 | 1,870                   |
| <b>Total Derivatives</b>                             | <b>(3,450)</b>          | <b>1,870</b>            |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Financial instruments accounting policies</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <p><b>Financial instruments at amortised cost</b></p> <p>Financial instruments at amortised cost are those non-derivative financial assets that the Group has acquired with the objective of holding in order to collect contractual cash flows. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.</p> <p><b>Financial instruments at fair value</b></p> <p>Financial instruments other than those carried at amortised cost, are carried at their fair value at the reporting date. Note 4.7 contains information on how the Group determines fair values. Fair value gains and losses are recognised in comprehensive income until the derecognition date, at which point the net gains and losses are transferred to profit or loss for that instrument.</p> <p><b>Derecognition of financial assets and liabilities</b></p> <p>Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired, or where the Group has transferred its contractual rights to receive the cash flows of the financial assets and substantially all the risks and rewards of ownership. Financial liabilities are derecognised when they are extinguished, i.e. when the obligation is discharged, cancelled or expired.</p> |

|                                                                                                                                                                                                                                                                                                                                                                          | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>4.3 Loans and advances</b>                                                                                                                                                                                                                                                                                                                                            |                         |                         |
| <b>Classification of loans and advances at amortised cost</b>                                                                                                                                                                                                                                                                                                            |                         |                         |
| Residential loans secured by mortgage                                                                                                                                                                                                                                                                                                                                    | 13,604,907              | 12,864,509              |
| Personal loans and unsecured overdrafts                                                                                                                                                                                                                                                                                                                                  | 28,897                  | 29,070                  |
| Overdrafts secured by mortgage                                                                                                                                                                                                                                                                                                                                           | 16,536                  | 20,620                  |
| Commercial loans                                                                                                                                                                                                                                                                                                                                                         | 401,258                 | 193,029                 |
| Upfront capitalised loan origination costs                                                                                                                                                                                                                                                                                                                               | 37,731                  | 32,245                  |
| Trail Broker commission <sup>(i)</sup>                                                                                                                                                                                                                                                                                                                                   | 45,881                  | 43,333                  |
| <b>Total loans and advances at amortised cost</b>                                                                                                                                                                                                                                                                                                                        | <b>14,135,210</b>       | <b>13,182,806</b>       |
| (i) For ongoing trail commissions payable to mortgage brokers, the Group recognises a liability within Other liabilities equal to the present value of expected future trail commissions payable and a corresponding increase in capitalised brokerage costs in loans, which is amortised over the relevant period of the loan using the effective interest rate method. |                         |                         |
| <b>Less:</b>                                                                                                                                                                                                                                                                                                                                                             |                         |                         |
| Specific provision for impairment                                                                                                                                                                                                                                                                                                                                        | 232                     | 1,468                   |
| Collective provision for impairment                                                                                                                                                                                                                                                                                                                                      | 14,402                  | 11,668                  |
| <b>Total loans and advances at amortised cost net of provision for impairment</b>                                                                                                                                                                                                                                                                                        | <b>14,120,576</b>       | <b>13,169,670</b>       |

|                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Loans and advances at amortised cost accounting policy</b>                                                                                                                                                                                                                                                                                                                                                                                            |
| Loans and other receivables that have fixed or determinable payments that are not quoted in an active market are classified as "loans and advances". Loans and advances are recognised on trade date and are measured at amortised cost using the effective interest method, less any impairment. Interest income is recognised by applying the effective interest rate, except for short-term receivables when the effect of discounting is immaterial. |

4.3 Loans and advances (continued)

|                                                                    | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|--------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Provision for impairment</b>                                    |                         |                         |
| <b>Specific provision for impairment</b>                           |                         |                         |
| Opening balance                                                    | 1,468                   | 176                     |
| Net change in specific provision                                   | (1,236)                 | 1,292                   |
| <b>Closing balance of specific provision for impairment</b>        | <b>232</b>              | <b>1,468</b>            |
| <b>Collective provision for impairment</b>                         |                         |                         |
| Opening balance                                                    | 11,668                  | 7,887                   |
| Net change in collective provision                                 | 2,734                   | 5,228                   |
| Write-off of previously provisioned facilities                     | -                       | (1,447)                 |
| <b>Closing balance of collective provision for impairment</b>      | <b>14,402</b>           | <b>11,668</b>           |
| <b>Total balance of provision for impairment</b>                   | <b>14,634</b>           | <b>13,136</b>           |
| <b>Charge to profit for impairment on loans and advances</b>       |                         |                         |
| (Increase) / decrease in specific provision for impairment         | 1,236                   | (1,292)                 |
| (Increase) / decrease in collective provision for impairment       | (2,734)                 | 1,447                   |
| Bad debts recovered                                                | 290                     | 270                     |
| Bad debts written off directly                                     | (2,873)                 | (905)                   |
| <b>Total impairment (expense) / recovery on loans and advances</b> | <b>(4,081)</b>          | <b>(480)</b>            |

**Movements in provisions and reserve**

|                                                              | Stage 1           | Stage 2       | Stage 3                              |                                      |                   |
|--------------------------------------------------------------|-------------------|---------------|--------------------------------------|--------------------------------------|-------------------|
|                                                              | 12 month ECL      | Lifetime ECL  | Collectively assessed - lifetime ECL | Individually assessed - lifetime ECL | Total             |
|                                                              | \$ '000           | \$ '000       | \$ '000                              | \$ '000                              | \$ '000           |
| Balance as at 1 July 2025                                    | 8,120             | 1,262         | 2,286                                | 1,468                                | 13,136            |
| <i>Transfers during the period to:</i>                       |                   |               |                                      |                                      |                   |
| Increase / (decrease) in provisions                          | 2,324             | 122           | 288                                  | (1,236)                              | 1,498             |
| <b>Total provision for doubtful debts as at 30 June 2026</b> | <b>10,444</b>     | <b>1,384</b>  | <b>2,574</b>                         | <b>232</b>                           | <b>14,634</b>     |
| <b>Loans and advances as at 30 June 2026</b>                 | <b>14,245,569</b> | <b>54,430</b> | <b>39,112</b>                        | <b>4,364</b>                         | <b>14,343,475</b> |
| Balance as at 1 July 2024                                    | 3,295             | 1,743         | 2,849                                | 176                                  | 8,063             |
| <i>Transfers during the period to:</i>                       |                   |               |                                      |                                      |                   |
| Increase / (decrease) in provisions                          | 4,825             | (481)         | (563)                                | 1,292                                | 5,073             |
| <b>Total provision for doubtful debts as at 30 June 2025</b> | <b>8,120</b>      | <b>1,262</b>  | <b>2,286</b>                         | <b>1,468</b>                         | <b>13,136</b>     |

The Group has undertaken a review of the expected credit loss (ECL) of its lending portfolios against relevant specific economic conditions under varying scenarios. The review considered the macroeconomic outlook, customer credit quality, the quality of collateral held and exposure at default as at the reporting date. The modelled ECL is sensitive to the current environment of ongoing inflation and cost of living pressures, and the longevity of any monetary and fiscal intervention, as these influence both the probability of default, and the value of collateral that may be utilised. Whilst the inputs have been revised, the underlying methodology for calculating the ECL is consistently applied in the current and comparative period as described in the Impairment of financial assets accounting policy presented below.

At 30 June 2026, this review includes forward looking economic assumptions using a scenario weighting of 50% base case, 30% moderate recession and 20% strong recovery. The key assumptions used to determine the forward looking economic overlay were revised to incorporate the latest observed economic data, including marginal increases in unemployment rates, inflation moving back towards the RBA's target range and a decline in the housing market with prices affected by the prospect of further increases in the Official Cash Rate (OCR) in the short term and the impact of changes announced in the May 2026 Federal government Budget on the investor segment of the home loan market. In the moderate recession scenario, unemployment is assumed to peak at 5.6% in FY28 with house price falls of -10% across FY27 and FY28.

Given the uncertain economic outlook of the Australian and global economy, global geopolitical uncertainties still lingering, ongoing cost of living pressures and their repercussions on financial hardships, future economic conditions that result in outcomes that differ from the current estimate are possible and will be accounted for in future periods.

**4.3 Loans and advances (continued)****Impairment of financial assets accounting policy**

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are considered to be impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. The primary source of credit risk for the Group arises on its loan portfolio. In relation to this portfolio, the Group maintains a specific provision and a collective provision.

Specific provisions for impairment are made against individual risk rated credit facilities where a loss is expected. The provisions are measured as the difference between a financial asset's carrying amount and the expected future cash flows.

All other loans and advances that do not have an individually assessed provision are assessed collectively for impairment. The collective provisions are calculated using an Expected Credit Loss (ECL) model. This model is forward looking and does not require evidence of an actual loss event for impairment provisions to be recognised.

The Group applies a three-stage approach to measuring the ECL based on credit risk since origination. The Group estimates ECL through modelling the probability of default, loss given default and exposure at default, as follows:

Stage 1 - Performing - This category includes financial assets that have not experienced a significant increase in credit risk since their origination. For these financial assets an allowance equivalent to 12 month's ECL is recognised, which represents the credit losses expected to arise from defaults occurring over the next 12 months.

Stage 2 - Under-performing - This category includes financial assets that have experienced a significant increase in credit risk since their origination and are not credit impaired. For these financial assets an allowance equivalent to lifetime ECL is recognised. Lifetime ECL is the credit losses expected to arise from defaults occurring over the remaining life of the financial assets. There is a rebuttable presumption that exposures more than 30 days past due indicate a significant increase in credit risk.

Stage 3 - Non-performing (impaired) - This category includes financial assets that are credit impaired. The provision is also equivalent to the lifetime ECL. There is a rebuttable presumption that exposures more than 90 days past due indicate default or Stage 3 classification.

Financial assets in stage 1 and stage 2 are assessed for impairment collectively, whilst those assets in stage 3 are subject to either collective or specific impairment assessment. The Group uses the following material collective provisioning models for the purpose of calculating ECL: residential mortgages, personal loans, commercial loans and overdrafts.

**Write off policy**

The Group writes off an impaired financial asset (and the related impairment allowance), either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, write off is generally after receipt of any proceeds from the realisation of security. In circumstances where the net realisable value of any collateral has been determined and there is no reasonable expectation of further recovery, write off may be earlier. In subsequent periods, any recoveries of amounts previously written off are credited to the provision for credit losses in the Income Statement.

**Significant changes in credit risk**

Significant increases in credit risk for financial assets are assessed by comparing the risk of a default occurring over the expected life of a financial asset at the reporting date compared to the corresponding risk of default at origination. In determining what constitutes a significant increase in credit risk, the Group considers qualitative and quantitative information. The judgement to determine this is primarily based on changes in internal customer risk grades since origination of the facility. For all of the Group's loan portfolios, in addition to the primary indicator, a mathematical model has been developed to identify where a facility's recent behaviour has deteriorated significantly from its original behaviour.

**Key judgements and estimates made by the Group include the following:****Forward looking information**

The measurement of expected credit losses needs to reflect an unbiased probability-weighted range of possible future outcomes. AASB 9 provides limited guidance on how to meet this requirement and consequently, the Group has developed an approach considered appropriate for its credit portfolio, informed by emerging market practices.

In applying forward looking information in its AASB 9 credit models, the Group considered three alternate economic scenarios (base case, strong recovery and moderate recession), to ensure a sufficient unbiased representative sample is included in estimating ECL. At 30 June 2026, the forward looking component of the collective provision for doubtful debts is \$3.7m (2025: \$2.0m). At 30 June 2026 the overlay primarily reflects the uncertainty surrounding the impact geopolitical risks and macro-economic headwinds on borrowers and the economy more broadly.

4.4 Transfer of financial assets (securitisation program)

Some loans and advances to customers are sold by the Group to securitisation vehicles. The transfer takes the form of the Group assuming an obligation to pass cash flows from the underlying assets to investors in the notes. The Group utilises its securitisation program to provide regulatory capital relief and funding diversification.

The following table sets out the carrying values at the transaction date of financial assets transferred during the financial year in this manner to securitisation vehicles and the value of the associated liabilities issued from the vehicles. This table does not include transfer of assets to self securitisation vehicles for which the Group is the sole bond holder.

|                                                  | 30 June 2026<br>\$ '000 | 30 June 25<br>\$ '000 |
|--------------------------------------------------|-------------------------|-----------------------|
| <b>Transferred financial assets:</b>             |                         |                       |
| Loans and advances (ex self securitisation)      | 1,068,858               | 757,391               |
| <b>Associated financial liabilities:</b>         |                         |                       |
| Securitisation liabilities to external investors | 943,110                 | 673,662               |

**Transfer of financial assets accounting policy**

Once assets are transferred to a securitisation vehicle, the Group does not have the ability to use the transferred assets during the term of the arrangement. The Group does not have any loans transferred to unconsolidated securitisation vehicles.

The consolidated securitisation vehicles generally transfer all the risks and rewards of ownership of the assets to the investors in the notes. However, these transfers do not give rise to the de recognition of the financial assets for the Group. In these cases, the consideration received from the investors in the notes in the form of cash is recognised as a financial asset and a corresponding financial liability is recognised. The investors in the notes have recourse only to the cash flows from the transferred financial assets.

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**Notes to the consolidated financial statements for the year ended 30 June 2026**

|                                                                         | 30 June 2026<br>\$ '000 | 30 June 25<br>\$ '000 |
|-------------------------------------------------------------------------|-------------------------|-----------------------|
| <b>4.5 Deposits and other borrowings including subordinated notes</b>   |                         |                       |
| <b>Deposits</b>                                                         |                         |                       |
| At call deposits                                                        | 5,170,583               | 4,696,523             |
| Term deposits                                                           | 5,406,623               | 5,433,845             |
| <b>Total deposits</b>                                                   | <b>10,577,206</b>       | <b>10,130,368</b>     |
| <b>Other borrowings</b>                                                 |                         |                       |
| Negotiable certificates of deposit                                      | 853,971                 | 928,828               |
| Subordinated notes (i)                                                  | 144,560                 | 196,815               |
| Floating rate notes                                                     | 424,640                 | 264,960               |
| Securitisation liabilities (ii)                                         | 3,044,376               | 2,729,503             |
| Additional Tier 1 Hybrid capital instrument (i)                         | 64,643                  | 64,374                |
| <b>Total deposits and other borrowings including subordinated notes</b> | <b>15,109,396</b>       | <b>14,314,848</b>     |
| <b>Concentration of deposits:</b>                                       |                         |                       |
| Customer deposits                                                       | 10,559,010              | 10,150,624            |
| Wholesale deposits                                                      | 872,167                 | 908,572               |
| Subordinated notes (i)                                                  | 144,560                 | 196,815               |
| Floating rate notes                                                     | 424,640                 | 264,960               |
| Securitisation liabilities                                              | 3,044,376               | 2,729,503             |
| Additional Tier 1 Hybrid capital instrument (i)                         | 64,643                  | 64,374                |
| <b>Total deposits and other borrowings including subordinated notes</b> | <b>15,109,396</b>       | <b>14,314,848</b>     |

(i) Refer to note 3.1 for details regarding the subordinated notes and additional tier 1 hybrid capital instrument issue.

(ii) Refer to note 4.4 for details regarding securitisation liabilities.

There are no customers who individually have deposits which represent 10% or more of total liabilities.

**Deposits and other borrowings accounting policy**

Deposits and other borrowings are initially measured at fair value, net of transaction costs and are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The Group does not currently hold any financial liabilities at fair value other than derivatives which may be asset or liability balance at year end.

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**Notes to the consolidated financial statements for the year ended 30 June 2026**

|                                                    | 30 June 2026<br>\$ '000 | 30 Jun 2025<br>\$ '000 |
|----------------------------------------------------|-------------------------|------------------------|
| <b>4.6 Other liabilities</b>                       |                         |                        |
| Trade payables and related accruals <sup>(i)</sup> | 70,950                  | 60,060                 |
| Lease liabilities                                  | 15,166                  | 10,425                 |
| Contingent consideration payable                   | 13,277                  | 12,352                 |
| <b>Total other liabilities</b>                     | <b>99,393</b>           | <b>82,837</b>          |

(i) Refer to note 4.3 Loans and advances for details of the accounting policy relating to the treatment of ongoing trail commissions payable to mortgage brokers.

**Lease liabilities**

Lease liabilities are initially measured at the present value of the future lease payments at the commencement date, discounted using the interest rate implicit in the lease (or if that rate cannot be readily determined, the lessee's incremental borrowing rate).

Lease payments are allocated between principal and interest expense. Interest expense is recognised as a financing cost within interest expense (refer note 2.1) in the income statement over the lease period. Any variable lease payments not included in the measurement of the lease liability are also recognised in the income statement in the period in which the event or condition that triggers those payments occurs. Lease liabilities are remeasured when there is a change in future lease payments arising from a change in lease term, an assessment of an option to purchase the underlying asset, an index or rate, or a change in the estimated amount payable under a residual value guarantee. When the lease liability is remeasured, a corresponding adjustment is made to the carrying value of the Right-of-use (ROU) asset, or, in the income statement, where the carrying value of the ROU asset has been fully written down. The ROU asset is recorded in plant and equipment and right-of-use assets (refer to note 5.1).

**4.7 Fair value of financial instruments**

**Classification of financial instruments**

Cash and liquid assets, amounts due to financial institutions and amounts due from financial institutions are carried at amortised cost. As these assets are short term assets, their cost is considered to approximate their fair value. Derivative assets are carried at fair value.

The following financial assets and liabilities are carried at amortised cost:

- Financial instruments - excluding derivatives;
- Loans and advances;
- Deposits;
- Other borrowings;
- Due from other financial institutions; and
- Due to other financial institutions.

The following financial assets and liabilities are carried at fair value:

- Derivatives; and
- Other liabilities (Contingent consideration payable).

The aggregate fair value of financial assets and financial liabilities which are carried at amortised cost is:

|                                                    | 30 June 2026                 |                          | 30 June 2025                 |                          |
|----------------------------------------------------|------------------------------|--------------------------|------------------------------|--------------------------|
|                                                    | Carrying<br>value<br>\$ '000 | Fair<br>value<br>\$ '000 | Carrying<br>value<br>\$ '000 | Fair<br>value<br>\$ '000 |
| <b>Financial assets</b>                            |                              |                          |                              |                          |
| Financial instruments                              | 1,457,212                    | 1,604,745                | 1,530,457                    | 1,608,795                |
| Loans and advances                                 | 14,120,576                   | 14,107,140               | 13,169,670                   | 13,160,922               |
| Due from other financial institutions <sup>1</sup> | 67,257                       | 67,257                   | 61,740                       | 61,740                   |
| <b>Total financial assets</b>                      | <b>15,645,045</b>            | <b>15,779,142</b>        | <b>14,761,867</b>            | <b>14,831,457</b>        |
| <b>Financial liabilities</b>                       |                              |                          |                              |                          |
| Deposits                                           | 10,577,206                   | 10,587,669               | 10,130,368                   | 10,141,304               |
| Due to other financial institutions <sup>1</sup>   | 101,592                      | 101,592                  | 130,946                      | 130,946                  |
| Other borrowings including subordinated notes      | 4,532,190                    | 4,576,980                | 4,184,480                    | 4,185,598                |
| <b>Total financial liabilities</b>                 | <b>15,210,988</b>            | <b>15,266,241</b>        | <b>14,445,794</b>            | <b>14,457,848</b>        |

<sup>1</sup> Due from/to other financial institutions comprise primarily of amounts in clearing accounts and accrued interest. The amortised cost approximates fair value due to the short term nature. These have been reclassified in the fair value hierarchy as items carried at amortised cost and comparative amounts have been adjusted to conform with the current period disclosure.

#### 4.7 Fair value of financial instruments (continued)

The aggregate fair values of financial assets and financial liabilities which are carried at fair value is:

|                                    | 30 June 2026                 |                          | 30 June 2025                 |                          |
|------------------------------------|------------------------------|--------------------------|------------------------------|--------------------------|
|                                    | Carrying<br>value<br>\$ '000 | Fair<br>value<br>\$ '000 | Carrying<br>value<br>\$ '000 | Fair<br>value<br>\$ '000 |
| <b>Financial assets</b>            |                              |                          |                              |                          |
| Derivative assets                  | -                            | -                        | 1,870                        | 1,870                    |
| <b>Total financial assets</b>      | -                            | -                        | <b>1,870</b>                 | <b>1,870</b>             |
| <b>Financial liabilities</b>       |                              |                          |                              |                          |
| Contingent consideration payable   | 13,277                       | 13,277                   | 12,352                       | 12,352                   |
| Derivative liabilities             | 3,450                        | 3,450                    | -                            | -                        |
| <b>Total financial liabilities</b> | <b>16,727</b>                | <b>16,727</b>            | <b>12,352</b>                | <b>12,352</b>            |

##### Fair value hierarchy

The level in the fair value hierarchy of the inputs used in determining the fair values is shown below.

The fair value of these assets is:

- Level 1 - inputs that are prices quoted for identical instruments in active markets;
- Level 2 - inputs based on observable market data other than those in level 1; and
- Level 3 - inputs for which there is no observable market data.

Where the expected maturity is in excess of 12 months, the fair value is discounted to its present value. During the year, there have been no material transfers between levels of the fair value hierarchy. Classifications are reviewed at reporting dates and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

##### Fair value hierarchy for items carried at amortised cost

|                                                    | Level 1<br>value<br>\$ '000 | Level 2<br>value<br>\$ '000 | Level 3<br>value<br>\$ '000 | Total<br>value<br>\$ '000 |
|----------------------------------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|
| <b>2026</b>                                        |                             |                             |                             |                           |
| <b>Financial assets</b>                            |                             |                             |                             |                           |
| Financial instruments                              | -                           | 1,604,745                   | -                           | 1,604,745                 |
| Loans and advances                                 | -                           | -                           | 14,107,140                  | 14,107,140                |
| Due from other financial institutions <sup>1</sup> | -                           | 67,257                      | -                           | 67,257                    |
| <b>Financial liabilities</b>                       |                             |                             |                             |                           |
| Deposits                                           | -                           | 10,587,669                  | -                           | 10,587,669                |
| Due to other financial institutions <sup>1</sup>   | -                           | 101,592                     | -                           | 101,592                   |
| Other borrowings including subordinated notes      | -                           | 4,576,980                   | -                           | 4,576,980                 |
| <b>2025</b>                                        |                             |                             |                             |                           |
| <b>Financial assets</b>                            |                             |                             |                             |                           |
| Financial instruments                              | -                           | 1,608,795                   | -                           | 1,608,795                 |
| Loans and advances                                 | -                           | -                           | 13,160,922                  | 13,160,922                |
| Due from other financial institutions <sup>1</sup> | -                           | 61,740                      | -                           | 61,740                    |
| <b>Financial liabilities</b>                       |                             |                             |                             |                           |
| Deposits                                           | -                           | 10,141,304                  | -                           | 10,141,304                |
| Due to other financial institutions <sup>1</sup>   | -                           | 130,946                     | -                           | 130,946                   |
| Other borrowings including subordinated notes      | -                           | 4,185,598                   | -                           | 4,185,598                 |

<sup>1</sup> Due from/to other financial institutions comprise primarily of amounts in clearing accounts and accrued interest. The amortised cost approximates fair value due to the short term nature. These have been reclassified in the fair value hierarchy as items carried at amortised cost and comparative amounts have been adjusted to conform with the current period disclosure.

There has been no impact on profit and loss of fair value movements of assets that are within Level 3 of the fair value hierarchy.

##### Fair value hierarchy for items carried at fair value

|                                  | Level 1<br>value<br>\$ '000 | Level 2<br>value<br>\$ '000 | Level 3<br>value<br>\$ '000 | Total<br>value<br>\$ '000 |
|----------------------------------|-----------------------------|-----------------------------|-----------------------------|---------------------------|
| <b>2026</b>                      |                             |                             |                             |                           |
| <b>Financial liabilities</b>     |                             |                             |                             |                           |
| Contingent consideration payable | -                           | -                           | 13,277                      | 13,277                    |
| Derivative liabilities           | -                           | 3,450                       | -                           | 3,450                     |
| <b>2025</b>                      |                             |                             |                             |                           |
| <b>Financial assets</b>          |                             |                             |                             |                           |
| Derivative assets                | -                           | 1,870                       | -                           | 1,870                     |

There has been no impact on profit and loss of fair value movements of assets that are within Level 3 of the fair value hierarchy. The Group has performed a VaR analysis as detailed in note 3.2, Market risk. VaR takes account of all material market variables that may cause a change in the value of the loan portfolio, being 100% of Level 3 inputs.

## Notes to the consolidated financial statements for the year ended 30 June 2026

|                                                                  | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|------------------------------------------------------------------|-------------------------|-------------------------|
| <b>5.1 Property, plant and equipment and right-of-use assets</b> |                         |                         |
| <b>Leasehold improvements</b>                                    |                         |                         |
| At cost                                                          | 18,789                  | 15,814                  |
| Accumulated depreciation                                         | (11,877)                | (10,146)                |
|                                                                  | 6,912                   | 5,668                   |
| <b>Land and buildings</b>                                        |                         |                         |
| At fair value                                                    | 13,105                  | 11,875                  |
| Accumulated depreciation                                         | (329)                   | (247)                   |
|                                                                  | 12,776                  | 11,628                  |
| <b>Plant and equipment</b>                                       |                         |                         |
| At cost                                                          | 10,996                  | 10,374                  |
| Accumulated depreciation                                         | (8,612)                 | (8,261)                 |
|                                                                  | 2,384                   | 2,113                   |
| <b>Right-of-use assets - land and buildings</b>                  |                         |                         |
| At cost                                                          | 31,320                  | 24,997                  |
| Accumulated depreciation                                         | (18,685)                | (16,789)                |
|                                                                  | 12,635                  | 8,208                   |
| <b>Total property, plant and equipment</b>                       | <b>34,707</b>           | <b>27,617</b>           |

**Plant and equipment accounting policy****Leasehold improvements**

Leasehold improvements are carried at cost less any subsequent accumulated depreciation on leasehold improvements.

**Land and buildings**

Freehold land and buildings are stated in the consolidated statement of financial position at their revalued amounts, being the fair value at the date of revaluation, less any subsequent depreciation for buildings and subsequent accumulated impairment losses. Freehold land is not depreciated. Revalued amounts are based on periodic, but at least triennial, valuations by external independent valuers. Any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset and the net amount is restated to the revalued amount of the asset.

**Plant and equipment and right-of-use (ROU) assets**

Plant and equipment and right-of-use assets are measured at cost less accumulated depreciation and any impairment in value. The cost of ROU assets correspond to the amount recognised for the lease liability on initial recognition together with any lease payments made at or before the commencement date, of any lease incentives received and initial direct costs.

**Impairment of plant and equipment and right-of-use assets**

The carrying values of plant and equipment and right-of-use assets are reviewed for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. For an asset that does not generate largely independent cash flows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

**Derecognition of plant and equipment and right-of-use assets**

An item of plant and equipment or right-of-use asset is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Consolidated Income Statement in the year the item is derecognised.

## 5.2 Intangible assets and goodwill

|                                                         | Goodwill<br>\$ '000 | Software<br>\$ '000 | Core Deposit<br>Intangible<br>\$ '000 | Total<br>\$ '000 |
|---------------------------------------------------------|---------------------|---------------------|---------------------------------------|------------------|
| <b>Year ended 30 June 2026</b>                          |                     |                     |                                       |                  |
| At 1 July 2025, net of accumulated amortisation         | 89,919              | 12,501              | 17,883                                | 120,303          |
| Additions / (disposals)                                 | -                   | 3,491               | -                                     | 3,491            |
| Amortisation                                            | -                   | (5,541)             | (1,850)                               | (7,391)          |
| <b>At 30 June 2026, net of accumulated amortisation</b> | <b>89,919</b>       | <b>10,451</b>       | <b>16,033</b>                         | <b>116,403</b>   |
| <b>At 30 June 2026</b>                                  |                     |                     |                                       |                  |
| Cost (gross carrying amount less impairment)            | 89,919              | 52,199              | 18,500                                | 160,618          |
| Accumulated amortisation                                | -                   | (41,748)            | (2,467)                               | (44,215)         |
| <b>Net carrying amount</b>                              | <b>89,919</b>       | <b>10,451</b>       | <b>16,033</b>                         | <b>116,403</b>   |
| <b>Year ended 30 June 2025</b>                          |                     |                     |                                       |                  |
| At 1 July 2024, net of accumulated amortisation         | 65,152              | 11,766              | -                                     | 76,918           |
| Additions                                               | 24,767              | 5,378               | 18,500                                | 48,645           |
| Amortisation                                            | -                   | (4,643)             | (617)                                 | (5,260)          |
| <b>At 30 June 2025, net of accumulated amortisation</b> | <b>89,919</b>       | <b>12,501</b>       | <b>17,883</b>                         | <b>120,303</b>   |
| <b>At 30 June 2025</b>                                  |                     |                     |                                       |                  |
| Cost (gross carrying amount less impairment)            | 89,919              | 48,708              | 18,500                                | 157,127          |
| Accumulated amortisation                                | -                   | (36,207)            | (617)                                 | (36,824)         |
| <b>Net carrying amount</b>                              | <b>89,919</b>       | <b>12,501</b>       | <b>17,883</b>                         | <b>120,303</b>   |

**Intangibles accounting policy**

Intangible assets acquired separately are capitalised at cost and from a business combination are capitalised at fair value as at the date of acquisition. Following initial recognition, the cost model is applied to the class of intangible assets. The useful lives of these intangible assets are assessed to be either finite or infinite. Where amortisation is charged on assets with finite lives, this expense is taken to the Consolidated Income Statement. Certain costs directly incurred in acquiring and developing software are capitalised and amortised over the estimated useful life.

A core deposit intangible asset was recognised on merger with Auswide Bank Ltd and reflects the value associated to low-cost funding through the deposit book. Following initial recognition, the core deposit intangible asset is amortised over its useful life.

Intangible assets are tested for impairment where an indicator of impairment exists and, in the case of indefinite life intangibles (limited to Goodwill), annually, either individually or at the cash-generating unit level. Useful lives are also examined on an annual basis and adjustments, where applicable, are made on a prospective basis.

Goodwill is treated as an indefinite life intangible, software and other intangibles are finite life intangibles. Refer to note 2.3 Expenses for the useful life of tangible and intangible assets.

## Notes to the consolidated financial statements for the year ended 30 June 2026

## 5.2 Intangible assets and goodwill (continued)

## Impairment testing of goodwill

For the purpose of impairment testing, goodwill has been allocated to the Group's three cash-generating units (CGU's), being Retail Banking Business, Selfco and the Wealth Management Business. These CGU's represent the lowest level within the Group at which the goodwill is monitored for internal management purposes. The aggregate carrying amounts of goodwill allocated to each CGU for the purpose of impairment testing is as follows:

|                            | 30 June 2026  | 30 June 2025  |
|----------------------------|---------------|---------------|
|                            | \$ '000       | \$ '000       |
| Retail Banking Business    | 48,426        | 48,426        |
| Selfco                     | 16,530        | 16,530        |
| Wealth Management Business | 24,963        | 24,963        |
| <b>Total goodwill</b>      | <b>89,919</b> | <b>89,919</b> |

The Group's assessment of value-in-use exceeds the carrying value allocated to the CGU's and included in the financial statements.

The recoverable amounts for value-in-use were determined using cash flow projections from the latest business plan approved by the Board. Growth rates have been applied from year two through to year five. Cash flows are projected by undertaking detailed calculations for each income and expense category over a three year period and are then extrapolated off the 3rd year, which is the lowest point of growth. An exit value is calculated at the end of 10 years, based on an implied terminal value earnings multiple of 10.3, 6.6 and 13.7 for the Banking Business, Selfco and the Wealth Management Business respectively, and a long-term growth rate not exceeding industry. A post-tax discount rate of 11.5%, 16.0% and 8.8% was used for the Banking Business, Selfco and the Wealth Management Business respectively. Certain income categories are modelled by projecting growth in relevant portfolio balances and the resulting income derived therefrom. Other non-portfolio related income streams and expense categories are modelled by projecting real rates of growth (above inflation) for each category. Terminal value is determined at year ten using the assumption that the CGU achieves no real growth above inflation into perpetuity. The growth rates applied do not exceed the long-term average growth rate for the business which the CGU operates. The discount rates used have been determined by externally engaged advisers and approved by the Board. Average inflation is projected to be 4.0%. The method for determining value-in-use is consistent with that adopted in the comparative period.

The key assumptions adopted in assessing Banking's value-in-use are the rate of growth of the housing loan portfolio and the outlook for net interest margin (NIM). Taking into account management's past experiences and external evidence, the assumptions that have been adopted for both of these components are considered to be reasonable. Management expects that any reasonably possible change to assumptions used in Management's assessment will not result in impairment.

The key assumptions adopted in assessing Selfco's value-in-use are the rate of growth of the equipment finance portfolio and the outlook for NIM. Taking into account management's past experiences and external evidence, the assumptions that have been adopted for both of these components are considered to be reasonable. Management expects that any reasonably possible change to assumptions used in Management's assessment will not result in impairment.

The key assumption adopted in assessing Wealth Management's value-in-use is the rate of growth in income derived from management fee (MF) income. MF income is derived from its activities as the responsible entity for various Managed Investment Schemes (MIS). MF income derived is directly related to the portfolio balances of the MIS. Other sources of income for the Wealth Management Business are its Trustee Services divisions. Taking into account Management's past experiences and external evidence, the assumptions adopted are considered reasonable. Management's assessment of Wealth Management's value-in-use exceeds its carrying value. Any reasonably possible change to assumptions used in Management's assessment will not result in impairment.

## 5.2 Intangible assets and goodwill (continued)

### Goodwill accounting policy

Goodwill on the acquisition of businesses is carried at cost as established at the date of the acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of CGU's) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the CGU and then to the other assets of the unit pro rata based on the carrying amount of each asset in the CGU. Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods. On disposal of the relevant CGU, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

### Impairment of subsidiaries accounting policy

Investments in subsidiaries are tested annually for impairment or more frequently if events or changes in circumstances indicate that the carrying value may not be recoverable. An impairment loss is recognised for the amount by which the investment's carrying amount exceeds its recoverable amount (which is the higher of fair value less costs to sell and value in use). At each balance sheet date, the investments in subsidiaries that have been impaired are reviewed for possible reversal of the impairment.

### Business combinations

Goodwill is initially measured at cost (being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests and any previous interest held over the net identifiable assets acquired and liabilities assumed). If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the business combination transaction date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

Where goodwill has been allocated to a cash-generating unit (CGU) and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

As per note 1.4, MyState Bank merged with Auswide Bank on 19 February 2025. From an accounting perspective MyState gained control over Auswide and therefore, under AASB 3, the Group was required to recognise and measure goodwill acquired in the business combination. The PPA exercise to determine the fair value of consideration transferred, identifiable assets (including intangible assets) acquired and liabilities assumed related to the acquisition of Auswide, and measure the resulting goodwill was completed as at 31 December 2025.

Goodwill of \$24.8m was recognised, representing the difference between the purchase consideration and the fair value of the identified assets and liabilities. A Core deposit intangible of \$18.5m was also recognised following a valuation using the multi-period excess earnings (MEEM) method.

## Notes to the consolidated financial statements for the year ended 30 June 2026

|                                           | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-------------------------------------------|-------------------------|-------------------------|
| <b>5.3 Employee benefits provisions</b>   |                         |                         |
| <b>Balances</b>                           |                         |                         |
| Provision for annual leave                | 4,107                   | 4,153                   |
| Provision for long service leave          | 5,700                   | 5,937                   |
| <b>Total employee benefits provisions</b> | <b>9,807</b>            | <b>10,090</b>           |
|                                           |                         |                         |
| Due to be settled within 12 months        | 7,675                   | 8,397                   |
| Due to be settled in more than 12 months  | 2,132                   | 1,693                   |
| <b>Total employee benefits provisions</b> | <b>9,807</b>            | <b>10,090</b>           |

**Employee benefits accounting policy**

Liabilities for salaries, wages and annual leave are recognised in respect of employees' service up to the reporting date. Where settlement is expected to occur within twelve months of the reporting date, the liabilities are measured at their nominal amounts based on the remuneration rates which are expected to be paid when the liability is settled. Where settlement is expected to occur later than twelve months from reporting date, the liabilities are measured at the present value of payments which are expected to be paid when the liability is settled.

A liability for long service leave is recognised and measured at the present value of expected future payments to be made in respect of services provided up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service.

Contributions are made by the Group to employee superannuation funds and are charged as expenses when incurred.

## Notes to the consolidated financial statements for the year ended 30 June 2026

## 5.4 Share capital

|                                    | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|------------------------------------|-------------------------|-------------------------|
| Issued and paid up ordinary shares | 498,842                 | 493,238                 |

## Movements in ordinary share capital

|                                      | 30 June 2026        |                   | 30 Jun 2025         |                   |
|--------------------------------------|---------------------|-------------------|---------------------|-------------------|
|                                      | Number<br>of shares | Amount<br>\$ '000 | Number<br>of shares | Amount<br>\$ '000 |
| Opening balance                      | 169,089,474         | 493,238           | 110,600,801         | 228,603           |
| Shares issued pursuant to the:       |                     |                   |                     |                   |
| - Group employee share scheme        | 9,286               | 39                | 9,508               | 37                |
| - Dividend reinvestment plan         | 1,290,616           | 5,544             | 830,428             | 3,056             |
| - Shares issuance costs              | -                   | (98)              | -                   | (185)             |
| - Shares issued to Auswide           | -                   | -                 | 57,602,145          | 261,513           |
| - Executive long term incentive plan | 29,616              | 119               | 46,592              | 214               |
| <b>Closing balance</b>               | <b>170,418,992</b>  | <b>498,842</b>    | <b>169,089,474</b>  | <b>493,238</b>    |

## Terms and conditions

Ordinary shares have the right to receive dividends as declared from time to time and, in the event of a winding up of the Company, to participate in the proceeds from the sale of all surplus assets in proportion to the number of shares and amounts paid up on the shares held. Ordinary shares entitle their holder to one vote per share, either in person or by proxy at meetings of the Company.

The Company does not have authorised capital or par value in respect of its issued shares.

The Group offers share based remuneration, refer to the Remuneration Report for further information regarding these arrangements.

## Notes to the consolidated financial statements for the year ended 30 June 2026

|                                                                                                                                                         | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>6.1 Income tax expense, current and deferred tax balances</b>                                                                                        |                         |                         |
| <b>The major components of income tax expense / (benefit) are:</b>                                                                                      |                         |                         |
| <b>Income tax expense</b>                                                                                                                               |                         |                         |
| Current income tax charge                                                                                                                               | (22,086)                | (17,402)                |
| Adjustment in respect of current income tax of previous years                                                                                           | (648)                   | (7)                     |
| Reversal of adjustments in respect of hedge & asset revaluation reserve movements                                                                       | 1,239                   | (1,894)                 |
| Relating to origination and reversal of temporary differences                                                                                           | (1,052)                 | 1,563                   |
| <b>Total income tax expense</b>                                                                                                                         | <b>(22,547)</b>         | <b>(17,740)</b>         |
| <b>A reconciliation between tax expense and accounting profit before income tax multiplied by the Group's applicable income tax rate is as follows:</b> |                         |                         |
| <b>Income tax expense attributable to:</b>                                                                                                              |                         |                         |
| Accounting profit before income tax                                                                                                                     | 78,737                  | 53,298                  |
| The income tax expense comprises amounts set aside as:                                                                                                  |                         |                         |
| Provision attributable to the current year at the statutory rate of 30%, being:                                                                         |                         |                         |
| - Prima facie tax on accounting profit before tax                                                                                                       | (23,621)                | (15,989)                |
| - (Under)/over provision in prior year                                                                                                                  | 648                     | (7)                     |
| Expenditure not allowable for income tax purposes                                                                                                       | (123)                   | (1,791)                 |
| Other                                                                                                                                                   | 549                     | 47                      |
| <b>Income tax expense reported in the consolidated income statement</b>                                                                                 | <b>(22,547)</b>         | <b>(17,740)</b>         |
| <b>Total income tax expense</b>                                                                                                                         | <b>(22,547)</b>         | <b>(17,740)</b>         |
| Weighted average effective tax rates                                                                                                                    | 28.6%                   | 33.3%                   |

## Notes to the consolidated financial statements for the year ended 30 June 2026

|                                                                   | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |                          |                        |
|-------------------------------------------------------------------|-------------------------|-------------------------|--------------------------|------------------------|
| Income tax expense, current and deferred tax balances (continued) |                         |                         |                          |                        |
| Deferred income tax relates to the following:                     |                         |                         |                          |                        |
| Deferred tax assets                                               |                         |                         |                          |                        |
| Plant & equipment                                                 | 1                       | -                       |                          |                        |
| Intangible assets                                                 | 3,438                   | 3,941                   |                          |                        |
| Derivatives                                                       | 1,035                   | -                       |                          |                        |
| Employee entitlements                                             | 4,730                   | 3,028                   |                          |                        |
| Provisions                                                        | 1,028                   | 1,522                   |                          |                        |
| Doubtful debts                                                    | 2,602                   | 3,941                   |                          |                        |
| Other                                                             | 8,076                   | 7,930                   |                          |                        |
| Total deferred tax assets                                         | 20,910                  | 20,362                  |                          |                        |
| Current tax receivable                                            | -                       | 2,391                   |                          |                        |
| Total tax assets                                                  | 20,910                  | 22,753                  |                          |                        |
| Deferred tax liabilities                                          |                         |                         |                          |                        |
| Derivatives                                                       | -                       | 664                     |                          |                        |
| Property, plant and equipment                                     | 3,913                   | 4,461                   |                          |                        |
| Other                                                             | 10,262                  | 10,075                  |                          |                        |
| Total deferred tax liabilities                                    | 14,175                  | 15,200                  |                          |                        |
| Current tax payable                                               | 2,425                   | -                       |                          |                        |
| Total tax liabilities                                             | 16,600                  | 15,200                  |                          |                        |
| Movements in deferred tax balances                                |                         |                         |                          |                        |
|                                                                   | Deferred tax assets     |                         | Deferred tax liabilities |                        |
|                                                                   | 30 June 2026<br>\$' 000 | 30 Jun 2025<br>\$' 000  | 30 June 2026<br>\$' 000  | 30 Jun 2025<br>\$' 000 |
| Opening balance                                                   | 20,362                  | 7,161                   | 15,200                   | 3,560                  |
| Adjustments on acquisition                                        | -                       | 12,050                  | -                        | 9,597                  |
| Reclassification deferred tax                                     | 103                     | -                       | 103                      | -                      |
| (Charged) / credited to income statement                          | (1,253)                 | 1,151                   | (1,588)                  | 1,485                  |
| Credited / (charged) to equity                                    | 1,698                   | -                       | 460                      | 558                    |
| Closing balance                                                   | 20,910                  | 20,362                  | 14,175                   | 15,200                 |

**6.1 Income tax expense, current and deferred tax balances (continued)****Taxation accounting policy**

Income tax expense is recognised in the Consolidated Income Statement, except to the extent that it relates to items recognised directly in other comprehensive income, in which case it is recognised in the Consolidated Statement of Comprehensive Income. Income tax expense on the profit or loss of the period comprises current tax and deferred tax.

**Current tax payable**

Current tax payable is the expected tax payable on the taxable income for the financial year using tax rates that have been enacted, and any adjustment to tax payable in respect of previous years.

**Deferred tax**

Deferred income tax is provided on all temporary differences at reporting date. Temporary differences are calculated at each reporting date as the difference between the carrying amount of assets and liabilities for financial reporting purposes and their tax base.

Deferred income tax liabilities are recognised for all taxable temporary differences except:

- Where the deferred income tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- When the taxable temporary differences associated with the investments in subsidiaries and the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred income tax assets are recognised for all deductible temporary differences, carry forward of unused tax assets and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax assets and unused tax losses can be utilised except:

- When the deferred income tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affect neither the accounting profit nor the taxable profit and loss; and
- When the deductible temporary differences are associated with investments in subsidiaries, in which case a deferred tax asset is only recognised to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

As per note 1.4, MyState Bank merged with Auswide Bank on 19 February 2025. Temporary differences have arisen as a result of the PPA exercise undertaken to determine the fair value of consideration transferred, identifiable assets (including intangible assets) acquired and liabilities assumed related to the acquisition of Auswide, and the measurement of resulting goodwill.

Deferred tax assets and deferred tax liabilities may be offset only if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to the same taxable entity and the same taxable authority.

The Group undertakes transactions in the ordinary course of business where the income tax treatment requires the exercise of judgement. The Group estimates its tax liability based on its understanding of the tax law.

**6.1 Income tax expense, current and deferred tax balances (continued)****Taxation accounting policy (continued)****Tax consolidation**

The Group has elected to be taxed as a single entity under the tax consolidation regime. The head company is MyState Limited. The members of the Group, with the recent addition of Auswide Australia Limited, have entered into a tax sharing agreement that provides for the allocation of income tax liabilities among the entities should the head entity default on its tax payment obligations. No amounts have been recognised in the financial statements in respect of this agreement on the basis that the possibility of default is remote.

The Company and the controlled entities in the tax consolidated group continue to account for their own current and deferred tax amounts. The Company has applied the separate tax payer within group approach in determining the appropriate amount of current taxes and deferred taxes to allocate to members of the tax consolidated group.

In addition to its own current and deferred tax amounts, the Company also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

7.1 Parent entity information

The accounting policies of the parent entity, which have been applied in determining the financial information shown below, are the same as those applied in the consolidated financial statements except for investments in subsidiaries. Refer to note 1 and policy notes within the financial statements for a summary of the significant accounting policies relating to the Group.

|                                                       | 30 June 2026             | 30 June 2025             |
|-------------------------------------------------------|--------------------------|--------------------------|
| Statement of Financial Position                       | \$ '000                  | \$ '000                  |
| <strong>Assets</strong>                               |                          |                          |
| Cash and cash equivalents                             | 2,820                    | 2,138                    |
| Other receivables                                     | 731                      | 1,551                    |
| Related party receivables                             | 205,347                  | 257,280                  |
| Investments in subsidiaries                           | 611,707                  | 606,160                  |
| Current and deferred tax assets                       | 2,043                    | 1,180                    |
| <strong>Total assets</strong>                         | <strong>822,648</strong> | <strong>868,309</strong> |
| <strong>Liabilities</strong>                          |                          |                          |
| Other liabilities                                     | 2,032                    | 1,042                    |
| Other borrowings                                      | 209,643                  | 261,374                  |
| Related party payables                                | 1,141                    | 1,674                    |
| Tax liabilities                                       | 2,475                    | 1,206                    |
| Employee benefits provisions                          | 864                      | 599                      |
| <strong>Total liabilities</strong>                    | <strong>216,155</strong> | <strong>265,895</strong> |
| <strong>Net assets</strong>                           | <strong>606,493</strong> | <strong>602,414</strong> |
| <strong>Equity</strong>                               |                          |                          |
| Share capital                                         | 604,656                  | 598,963                  |
| Retained earnings                                     | (313)                    | 1,570                    |
| Reserves                                              | 2,150                    | 1,881                    |
| <strong>Total equity</strong>                         | <strong>606,493</strong> | <strong>602,414</strong> |
| <strong>Financial performance</strong>                |                          |                          |
| <strong>Profit after income tax for the year</strong> | <strong>37,089</strong>  | <strong>24,667</strong>  |
| <strong>Total comprehensive income</strong>           | <strong>37,089</strong>  | <strong>24,667</strong>  |

The parent entity has not entered into any guarantees and does not have any contingent liabilities as at 30 June 2026 (30 June 2025: nil).

Transactions between the Company and the consolidated entities principally arise from the provision of management and governance services. All transactions with subsidiaries are in accordance with regulatory requirements and are on commercial terms. All transactions undertaken during the financial year with the consolidated entities are eliminated in the Consolidated Financial Statements. Amounts due from and due to entities are presented separately in the Statement of Financial Position of the Company except where offsetting reflects the substance of the transaction or event.

7.2 Controlled entities and principles of consolidation

Details of the Group’s material subsidiaries at the end of the reporting period are as follows.

| Significant subsidiaries                                 | Principal activities               | Country of Incorporation | Ownership Interest |
|----------------------------------------------------------|------------------------------------|--------------------------|--------------------|
| MyState Bank Limited                                     | Banking                            | Australia                | 100%               |
| Auswide Australia Ltd                                    | Non operating                      | Australia                | 100%               |
| TPT Wealth Ltd                                           | Wealth Management                  | Australia                | 100%               |
| Specialist Equipment Leasing Finance Co Pty Ltd (Selfco) | Non operating <sup>1</sup>         | Australia                | 100%               |
| Connect Asset Management Pty Ltd                         | Manager of Securitisation Vehicles | Australia                | 100%               |

<sup>1</sup> Selfco business is an operating division of MyState Bank Limited.

Basis of consolidation accounting policy

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

- Has power over the investee;
- Is exposed, or has rights, to variable returns from its involvement with the investee; and
- Has the ability to use its power to affect its returns.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of these three elements of control.

When the Company has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Company considers all relevant facts and circumstances in assessing whether or not the Company's voting rights in an investee are sufficient to give it power, including:

- The size of the Company's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Company, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Company has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Income Statement and Other Comprehensive Income from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Profit or loss and each component of Other Comprehensive Income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### 7.3 Related party disclosures

The ultimate parent entity and controlling entity is MyState Limited. Balances and transactions between the Company and its subsidiaries, which are related parties of the Company, have been eliminated on consolidation and are not disclosed in this note. Details of transactions between the Group and other related parties are disclosed in the following paragraphs.

#### Managed Investment Schemes

Within the Group, TPT Wealth Limited (TPT) is a Responsible Entity for Managed Investment Schemes (Funds) and, accordingly, has influence over their activities. TPT receives management fees from these Funds. TPT also pays expenses of the Funds for which it is reimbursed. TPT and the Company have also invested in these Funds and receive distributions on these investments. These investments are made on the same terms and conditions that apply to all investors in these Funds. Details of these transactions and balances are as follows:

|                                           | Consolidated            |                         | TPT                     |                         |
|-------------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
|                                           | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
| Management fees received                  | 8,324                   | 8,180                   | 8,324                   | 8,180                   |
| Balance of investment held at year end    | 2,982                   | 2,855                   | 2,982                   | 2,855                   |
| Distributions received from managed funds | 127                     | 128                     | 127                     | 128                     |

The Funds have:

- Accepted money on deposit from Directors and Executives or entities associated with Directors and Executives at prevailing Fund rates and conditions;
- Loaned money to MyState Bank, in the form of term deposits and negotiable certificates of deposit, totalling \$16.43m (2025: \$1.96m); and
- Invested in the ConQuest Trusts Residential Mortgage Backed Securities Program in the form of Class A and B notes totalling \$0 (2025: \$27.3m).

These deposits are made on the same terms and conditions that apply to all similar transactions.

#### Key Management Personnel

##### (i) Individual Directors and Executive compensation disclosures

Information regarding individual Directors, Executive compensation, and equity instruments disclosures, as required by the Corporations Regulation 2M.2.03, is provided in the Remuneration Report section of the Directors' report. Disclosure of the compensation and other transactions with key management personnel (KMP) is required pursuant to the requirements of Australian Accounting Standard AASB 124 *Related Party Disclosures*. The KMP of the Group is comprised of the Non Executive Directors, Managing Director and Chief Executive Officer and certain Executives.

|                                                      | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|------------------------------------------------------|-------------------------|-------------------------|
| <b>Key management personnel compensation</b>         |                         |                         |
| The key management personnel compensation comprised: |                         |                         |
| Short-term employee benefits                         | 3,920                   | 4,293                   |
| Post employment benefits                             | 246                     | 304                     |
| Share-Based payment (a)                              | 464                     | 462                     |

\* Comparatives have been restated for consistency with current year disclosures.

(a) These amounts are estimates of compensation and include a portion that will only vest to the Managing Director or Executive when certain performance criteria are met or a 'Capital Event' occurs. The fair value of shares is calculated at the date of grant and is allocated to each reporting period over the period from grant date to vesting date. The value disclosed is the portion of the fair value of the shares allocated to this reporting period.

## 8.1 Contingent liabilities and expenditure commitments

MyState Bank Limited has provided guarantees to third-parties in order to secure the obligations of customers. The maximum exposures to these guarantees are disclosed below. The range of situations in which these guarantees are given include:

- Local Government Authorities, to secure the obligations of property and sub-divisional developers to complete infrastructure developments;
- Local Government Authorities, Schools and other building owners, to secure the obligations of building contractors to complete building works;
- Landlords, to secure the obligations of tenants to pay rent; and
- CUSCAL, to secure payroll and direct debit payments processed by CUSCAL on behalf of customers.

|                                                  | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|--------------------------------------------------|-------------------------|-------------------------|
| <b>Customer commitments</b>                      |                         |                         |
| Loans approved but not advanced to borrowers (i) | 291,876                 | 222,156                 |
| Undrawn continuing lines of credit (i)           | 90,499                  | 97,502                  |
| Performance guarantees                           | 5,534                   | 4,444                   |
| <b>Total customer commitments</b>                | <b>387,909</b>          | <b>324,102</b>          |

(i) Under AASB 9, off-balance-sheet loan commitments are subject to expected credit loss (ECL) provisioning. The provision arising on loan commitments is \$38k.

Guarantees are issued in accordance with approved Board policy. Those guarantees over \$10,000 are required to be secured. In the event that a payment is made under a guarantee, the customer's obligation to MyState Bank Limited is crystallised in the form of an overdraft or loan.

A contingent liability is disclosed where a legal or constructive obligation is possible, but not probable; or where the obligation is probable, but the financial impact of the event is unable to be reliably estimated. The Group does not have any material contingent liabilities as at 30 June 2026 (30 June 2025: nil).

### Estate Administration

TPT Wealth Limited acts as executor and trustee for a significant number of trusts and estates. In this capacity, this company has incurred liabilities for which it has a right of indemnity out of the assets of those trusts and estates. Accordingly, these liabilities are not reflected in the financial statements.

Other contracted commitments for expenditure on plant and equipment as at the reporting date are for only minimal amounts.

## 8.2 Remuneration of auditors

During the financial year, the following fees which are shown exclusive of GST claimed were paid or payable for services provided by the auditor of the Group, Ernst & Young (2025: Wise Lord & Ferguson and the component auditor Deloitte Touche Tomatsu):

### 8.2.1 Principal auditor - Ernst & Young (2025: Wise Lord & Ferguson)

|                                                                 | 30 June 2026<br>\$ '000 | 30 June 2025<br>\$ '000 |
|-----------------------------------------------------------------|-------------------------|-------------------------|
| <b>Audit services</b>                                           |                         |                         |
| Audit of the financial statements of the consolidated entities  | 717                     | 559                     |
| <b>Total remuneration for audit services</b>                    | <b>717</b>              | <b>559</b>              |
| <b>Audit related services</b>                                   |                         |                         |
| Assurance related services                                      | 209                     | 68                      |
| Audit of loans and other services to the securitisation program | -                       | 3                       |
| <b>Total remuneration for audit related services</b>            | <b>209</b>              | <b>71</b>               |
| <b>Other non-external audit related services</b>                |                         |                         |
| Other services                                                  | -                       | 33                      |
| <b>Total remuneration for non-audit related services</b>        | <b>-</b>                | <b>33</b>               |
| <b>Total remuneration for principal audit services provided</b> | <b>926</b>              | <b>663</b>              |

### 8.2.2 Component auditor - none (2025: Deloitte Touche Tohmatsu)

|                                                                 |          |            |
|-----------------------------------------------------------------|----------|------------|
| <b>Audit services</b>                                           |          |            |
| Audit of the financial statements of the consolidated entities  | -        | 495        |
| <b>Total remuneration for audit services</b>                    | <b>-</b> | <b>495</b> |
| <b>Audit related services</b>                                   |          |            |
| Assurance related services                                      | -        | 119        |
| Other assurance related services                                | -        | 15         |
| <b>Total remuneration for audit related services</b>            | <b>-</b> | <b>134</b> |
| <b>Other non-external audit related services</b>                |          |            |
| Tax compliance services                                         | -        | 45         |
| <b>Total remuneration for non-audit related services</b>        | <b>-</b> | <b>45</b>  |
| <b>Total remuneration for component audit services provided</b> | <b>-</b> | <b>674</b> |

### **8.3 Events subsequent to balance sheet date**

On 25 August 2026, the Directors declared a fully franked final dividend of 12.5 cents per share, payable on 22 September 2026 to shareholders on the register at the record date of 31 August 2026.

In the opinion of the Directors, there are no other matters or circumstances that have arisen since the end of the financial year that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial periods.

### **8.4 Other material accounting policies, new accounting standards and disclosures**

The principal accounting policies, which are consistent with those applied in the comparative period unless otherwise stated, that have been adopted in the preparation of the financial report are set out in this section and the preceding sections.

#### **(i) Other assets**

Other assets comprise accounts receivable, accrued income and prepayments. Accounts receivable are initially recorded at the fair value of the amounts to be received and are subsequently measured at amortised cost using the effective interest rate method, less any provision for impairment loss.

#### **(ii) Other liabilities**

Other liabilities comprise accounts payable and accrued expenses and represent liabilities for goods and services received by the Group that remain unpaid at the end of the reporting period. The balance is recognised as a current liability with the amounts normally paid within 30 days of the recognition of the liability.

#### **(iii) New and revised accounting standards**

There are no new Australian Accounting Standards in effect from the 2026 financial year that have not already been adopted by the Group.

No accounting standards became effective in the current financial year. New or amended standards effective for annual reporting periods beginning on or after 1 July 2026 are as follows:

- *AASB 18 Presentation and Disclosure in Financial Statements (1 January 2027).*
  - AASB 18 was issued in June 2024 replacing AASB 101 Presentation of Financial Statements (AASB 101) and will be effective for the Group from 1 January 2027. The standard has been issued to improve how entities communicate their results within their financial statements, with a particular focus on information about financial performance in the income statement. The key presentation and disclosure requirements are:
    - (i) The presentation of newly defined categories of income and expenses and subtotals in the income statement;
    - (ii) The disclosure of management-defined performance measures; and
    - (iii) Enhanced guidance on the grouping of information.

The Group is currently undertaking an impact assessment of this new standard on presentation and disclosure requirements.

- *AASB 2024-2 & AASB 2025-2 Amendments to AAS - Classification and Measurement of Financial Instruments (1 January 2026).*
  - The amendments address matters identified during the post-implementation review of the classification and measurement requirements of AASB 9 Financial Instruments.

Adoption of these amendments is not expected to result in any significant changes to how the Group applies accounting standards in future financial years.

**MyState Limited**  
**Consolidated Entity Disclosure Statement for the year ended 30 June 2026**

The table below presents the MYS group consolidated entity disclosure statement as required by s295(3A) of the Corporations Act 2001.

| Name of entity                                      | Type of entity | Trustee, partner or participate in joint venture | % of share capital held | Country of incorporation | Australian or foreign resident (for tax purposes) |
|-----------------------------------------------------|----------------|--------------------------------------------------|-------------------------|--------------------------|---------------------------------------------------|
| MyState Limited                                     | Body Corporate | N/A                                              | N/A                     | Australia                | Australia                                         |
| MyState Bank Limited                                | Body Corporate | N/A                                              | 100                     | Australia                | Australia                                         |
| Auswide Australia Ltd                               | Body Corporate | N/A                                              | 100                     | Australia                | Australia                                         |
| TPT Wealth Ltd                                      | Body Corporate | N/A                                              | 100                     | Australia                | Australia                                         |
| Auswide Performance Rights Pty Limited              | Body Corporate | N/A                                              | 100                     | Australia                | Australia                                         |
| Auswide Bank Limited Employee Share Trust           | Trust          | N/A                                              | 100                     | Australia                | Australia                                         |
| Specialist Equipment Leasing Finance Co Pty Limited | Body Corporate | N/A                                              | 100                     | Australia                | Australia                                         |
| Connect Asset Management Pty Limited                | Body Corporate | N/A                                              | 100                     | Australia                | Australia                                         |
| Conquest 2017-1 Trust (i)                           | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2018-1 Trust (i)                           | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2019-1 PP Trust (i)                        | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2019-2 Trust (i)                           | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2022-1 Trust (i)                           | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2023-1 Warehouse Trust (i)                 | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2023-2 Trust (i)                           | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2023-3 Warehouse Trust (i)                 | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2024-1 Trust (i)                           | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2025-1R Trust (i)                          | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Conquest 2025-2 Trust (i)                           | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Widcap Securities Pty Limited                       | Body Corporate | N/A                                              | 100                     | Australia                | Australia                                         |
| Wide Bay Trust 5 (ii)                               | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| ABA Trusts 7 (ii)                                   | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| ABA Trust 2023-1 (ii)                               | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |
| Wide Bay Trust 2008-1 (ii)                          | Trust          | N/A                                              | N/A                     | Australia                | Australia                                         |

(i) Entities listed here are securisation special purpose vehicles. Connect Asset Management Pty Ltd is the securitisation program manager.  
(ii) Entities listed here are securisation special purpose vehicles. Widcap Securities Pty Ltd is the securitisation program manager.

**MyState Limited**  
**Directors' Declaration for the year ended 30 June 2026**

In accordance with a resolution of the Directors of MyState Limited, we state that:

1. In the opinion of the Directors:

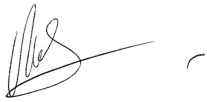
- (a) The financial statements and notes of the Group set out on pages 54 to 103 are in accordance with the *Corporations Act 2001*, including:
  - (i) Giving a true and fair view of the Group's financial position as at 30 June 2026 and of its performance for the year ended on that date; and
  - (ii) Complying with Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements; and
- (b) There are reasonable grounds to believe that MyState Limited will be able to pay its debts as and when they become due and payable; and
- (c) The consolidated entity disclosure statement, required by section 295(3A) of the *Corporations Act 2001*, is true and correct.

2. The Directors have been given the declarations required by Section 295A of the *Corporations Act 2001* by the Chief Executive Officer and Chief Financial Officer for the financial year ended 30 June 2026.

3. The financial statements and notes also comply with International Financial Reporting Standards as disclosed in note 1.2.

This declaration is made in accordance with a resolution of the Directors.

On behalf of the Board



Vaughn Richtor  
**Chair**



Brett Morgan  
**Managing Director and Chief Executive Officer**

Hobart  
Dated 25 August 2026



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## Independent auditor's report to the members of MyState Limited

### Report on the audit of the financial report

#### Opinion

We have audited the financial report of MyState Limited (the Company) and its subsidiaries (collectively the Group), which comprises the consolidated statement of financial position as at 30 June 2026, the consolidated income statement, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, notes to the financial statements, including material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- a. Giving a true and fair view of the consolidated financial position of the Group as at 30 June 2026 and of its consolidated financial performance for the year ended on that date; and
- b. Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

#### 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 are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to audits of the financial report of public interest entities in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial report of the current year. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditor's responsibilities for the audit of the financial report* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial report. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial report.



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## Provision for impairment on loans and advances

| Why Significant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>As at 30 June 2026, the Group has a provision for impairment on loans and advances of \$14.6 million as disclosed in Note 4.3 <i>Loans and advances</i>.</p> <p>The provision for impairment on loans and advances is measured in accordance with the requirements of AASB 9 <i>Financial Instruments</i> (AASB 9).</p> <p>Key areas of significant judgment included:</p> <ul style="list-style-type: none"> <li>the application of the impairment requirements of AASB 9 within the expected credit loss (ECL) methodology;</li> <li>the identification of exposures with a significant increase in credit risk;</li> <li>assumptions used in ECL models (for exposures assessed on an individual or collective basis);</li> <li>the incorporation of forward-looking information that appropriately reflects the impact of current and anticipated external factors, including multiple economic scenarios and the weightings applied for each of these scenarios; and</li> <li>assumptions used in the calculation of overlays, which are used to incorporate current and future factors that are not currently captured by the Group's ECL models.</li> </ul> <p>This was a key audit matter due to the value of the provision, and the degree of judgement and estimation uncertainty associated with the provision calculation.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>We assessed the alignment of the Group's ECL model and its underlying methodology against the requirements of AASB 9.</li> <li>In conjunction with our modelling and economic specialists, we assessed the following for exposures and evaluated on a collective basis: <ul style="list-style-type: none"> <li>significant modelling and macroeconomic assumptions;</li> <li>the determination of a significant increase in credit risk;</li> <li>the mathematical accuracy of management's model; and</li> <li>the basis for and assumptions used to determine overlays recognised to capture current and future market characteristics.</li> </ul> </li> <li>We assessed the adequacy and appropriateness of the disclosures related to the impairment on loans and advances included in the Notes to the financial statements.</li> </ul> |



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## Impairment assessment of goodwill

| Why significant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Group has recognised goodwill of \$89.9 million as at 30 June 2026.</p> <p>As disclosed in Note 5.2 <i>Intangible assets and goodwill</i>, the Group performs an annual impairment assessment, or more frequently if there is an indication that goodwill may be impaired. This involves a comparison of the carrying value of the cash generating unit (CGU) to which the goodwill has been attributed with its recoverable amount. Judgement is involved in assessing the CGUs identified by the Group.</p> <p>Recoverable amounts were determined using a value in use (VIU) basis for all CGUs. The determination of recoverable amounts incorporated a range of key assumptions, including:</p> <ul style="list-style-type: none"> <li>• forecast future cash flows;</li> <li>• discount rate; and</li> <li>• terminal growth rate</li> </ul> <p>This was a key audit matter due to the value of goodwill and the degree of estimation uncertainty associated with the assumptions applied in the impairment assessment.</p> | <p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> <li>• We assessed whether the models used by the Group for the impairment assessment of goodwill were in accordance with the requirements of Australian Accounting Standards.</li> <li>• We assessed the appropriateness of the CGUs identified by management to which goodwill was allocated.</li> <li>• We agreed forecast cash flows to the most recent Board approved cash flow forecasts and assessed the reasonableness of these forecasts based on the current economic environment, and the historical forecasting accuracy of the Group.</li> <li>• We involved our valuation specialists to assess the key assumptions used in the impairment assessment, including future cash flow forecasts, discount rates and terminal growth rates, and to test the mathematical accuracy of the impairment models.</li> <li>• We assessed the Group's current market capitalisation against the recoverable amount implied by the Group's VIU calculation and benchmarked the implied valuation multiples to comparable company valuation multiples.</li> <li>• We assessed the adequacy and appropriateness of the disclosures related to the impairment assessment of goodwill included in the Notes to the financial statements.</li> </ul> |



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## Information Technology (IT) systems and controls over financial reporting

| Why significant                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>The Group's operations and financial reporting systems are heavily dependent on IT systems, including automated accounting procedures and IT dependent manual controls. The Group's controls over IT systems include:</p> <ul style="list-style-type: none"><li>the framework of governance over IT systems;</li><li>controls over program development and changes;</li><li>controls over access to programs, data and IT operations; and</li><li>governance over generic and privileged user accounts.</li></ul> <p>Due to the reliance on the IT systems in the financial reporting process, we considered this to be a key audit matter.</p> | <p>Our audit procedures were conducted with the involvement of our IT specialists and included the following:</p> <ul style="list-style-type: none"><li>We focused our audit procedures on those IT systems and controls that are significant to the Group's financial reporting process.</li><li>We assessed the design and tested the operating effectiveness of the Group's IT controls, including those related to user access management, change and operating management and data integrity.</li><li>Where we identified design and/or operating deficiencies in the IT control environment, our audit procedures included the following:<ul style="list-style-type: none"><li>we assessed the integrity and reliability of the systems and data related to financial reporting; and</li><li>where automated procedures were supported by systems with identified deficiencies, we either<ol style="list-style-type: none"><li>assessed compensating or mitigating controls that were not reliant on the IT control environment,</li><li>performed direct testing of IT application controls and/or IT dependent manual controls, or</li><li>varied the nature, timing and extent of substantive procedures performed.</li></ol></li></ul></li></ul> |



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### Information other than the financial report and auditor's report thereon

The directors are responsible for the other information. The other information comprises the information included in the annual report, 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, with the exception of the Remuneration Report and our related assurance opinion.

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, 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.

### Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- The consolidated entity disclosure statement that is true and correct in accordance with the

for such internal control as the directors determine is necessary to enable the preparation of:

- The financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- The consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

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

### 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 this financial report.



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As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial report. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.



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From the matters communicated to the directors, we determine those matters that were of most significance in the audit of the financial report of the current year and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on the audit of the Remuneration Report

### Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 8 to 28 of the directors' report for the year ended 30 June 2026.

In our opinion, the Remuneration Report of MyState Limited for the year ended 30 June 2026, complies with section 300A of the *Corporations Act 2001*.

### Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

The Ernst &amp; Young logo, featuring the company name in a stylized, handwritten-style font.

Ernst & Young

A handwritten signature in black ink, appearing to read 'Andrew Harmer'.

Andrew Harmer  
Partner  
Sydney  
25 August 2026