

ASX Release, 26 May 2021

SUCCESSFUL COMPLETION OF STRATEGIC CAPITAL RAISE

Highlights

- **Successful completion of A\$13.0m Placement to new and existing domestic institutional and sophisticated investors at an issue price of A\$0.70 per share**
- **Funds raised via the Placement provides additional regulatory capital to enable the banking division to continue to grow its on-balance sheet lending book and establish recently announced securitisation warehouses**

The Board of BNK Banking Corporation Limited (ASX:BBC) (“BNK”, “Company” or the “Group”) is pleased to announce that it has received binding commitments from a broad range of existing and new institutional and sophisticated investors to subscribe to an equity placement (the “Placement”) of A\$13.0 million via the issue of 18,572,000 fully paid ordinary shares at an issue price of A\$0.70 per share. The Placement price represents a 4.2% discount to the 30-day volume weighted average price (VWAP) and a 16.2% discount to the closing price of 21 May 2021.

The capital raising will increase the Company’s Tier 1 common equity facilitating the ongoing growth of the loan book, fund the establishment of a securitisation program and provide general working capital.

In accordance with the ASX Listing Rules, the shares are issued pursuant to the following placement capacity:

- 9,022,794 shares will be issued pursuant to existing capacity under ASX LR7.1.
- 9,549,206 shares will be issued pursuant to existing capacity under ASX LR7.1A;

Settlement of the Placement is expected to occur on Monday, 31 May 2021 with the issue and trading of the new Placement shares expected to commence on Tuesday, 1 June 2021.

Bell Potter Securities Limited (“Bell Potter”) acted as Lead Manager to the Placement.

Mr Brett Morgan, Chief Executive Officer of BNK commented:

“BNK is delighted to welcome a broad range of new shareholders to the register as we build upon the successful momentum of the business this year. The successful raising will underpin the continued growth of the Bank’s loan book and supports the establishment of the recently announced securitisation program.”

This announcement has been authorised for release by the Board of Directors.

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Who is BNK Banking Corporation Limited?

BNK Banking Corporation Limited (BNK) is a diversified financial services company with two key operating divisions in banking and mortgage broking aggregation:

Bank

The company has operated as an APRA-regulated authorised deposit-taking institution (ADI) for over 38 years. As such our customers benefit from the Australian government deposit guarantee scheme for deposits up to A\$250,000.

The Bank provides simple and easy to understand deposit accounts, personal loans and mortgages under a number of brands: Goldfields Money, which is used in the Goldfields region of Western Australia, complemented by the Better Choice Home Loans brand, distributed via mortgage brokers nationally.

BNK Bank plans to offer a new range of product under the BNK brand later this year. The Company is continuing to develop its new digital banking platform which will enable it to deliver a broad range of banking products directly to customers, as well as through third party intermediaries across Australia.

Mortgage Aggregation

The Aggregation division, operating as Finsure, provides one of the largest distribution networks in the country as well as valuable market insights that assist BNK with product development. As at 31 March 2021 the business services 1,960 mortgage brokers and manages a loan book in excess of A\$52.2bn.

This unique combination allows BNK to develop competitive products that meet its changing customer needs, leveraging its low-cost, technology-driven model. BNK is focused on becoming a challenger bank of scale through building its product portfolio, growing its diversified distribution network and pursuing API-enabled partnering opportunities.

The Company is listed on the Australian Securities Exchange (ASX:BBC).

You can read more about us at www.bnk.com.au and www.finsure.com.au.