

ASX Release, 31 July 2023

BNK GROUP 4Q23 - TRADING UPDATE

EXCEEDS HIGHER MARGIN EXPANSION TARGET AND ACHIEVES UNAUDITED CASH PROFIT FOR Q4 FY23

BNK Banking Corporation Limited (ASX: **BBC**) ("**BNK**" or the "**Company**"), the brokers' bank with over 40 years of experience, today provides a trading update for the fourth quarter of FY23 ("**Quarter**" "**Q4 FY23**").

HIGHLIGHTS

- Total deposits of \$1.3b, an increase of 30% from Q4 FY22
- Total on balance sheet loan book of \$1.3b, an increase of 37% from Q4 FY22.
- Direct loan to deposit ratio of 88%, reflecting BNK's continued ability to raise deposits to fund growth.
- Unaudited cash profit achieved for Q4 FY23.
- Remains well capitalised with a capital adequacy ratio of 22.9% at 30 June 2023.
- Exceeds \$100m higher margin expansion target, with a total higher margin lending portfolio of \$195m up from \$13m on 30 June 2022.

BNK has closed out the quarter with a 30% year-on-year increase in its total deposits to \$1.3 billion, reflecting the company's value proposition.

BNK has a direct loan to deposit ratio of 88%, reflecting the company's continued ability to raise deposits to fund growth. It remains well capitalised with a capital adequacy ratio of 22.9% at 30 June 2023.

In addition, BNK continued to deliver on its strategic expansion into the higher margin lending space, exceeding its \$100m higher margin expansion target and materially increasing its total higher margin lending portfolio to \$195m.

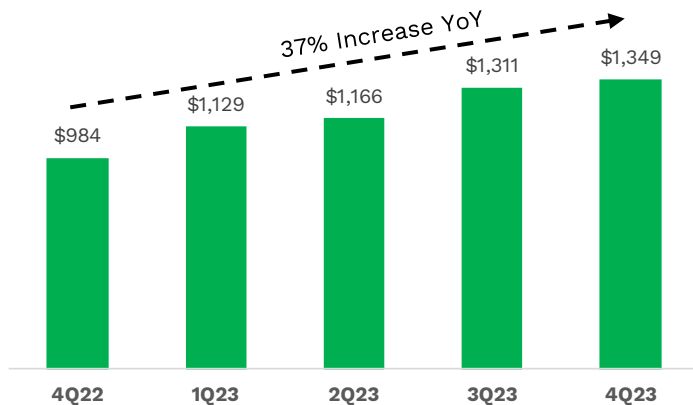
Commenting on the results from the quarter, BNK CEO, Allan Savins, said:

"BNK has finished the year on a strong note by materially improving on our higher margin loan portfolio, which now stands at \$195m."

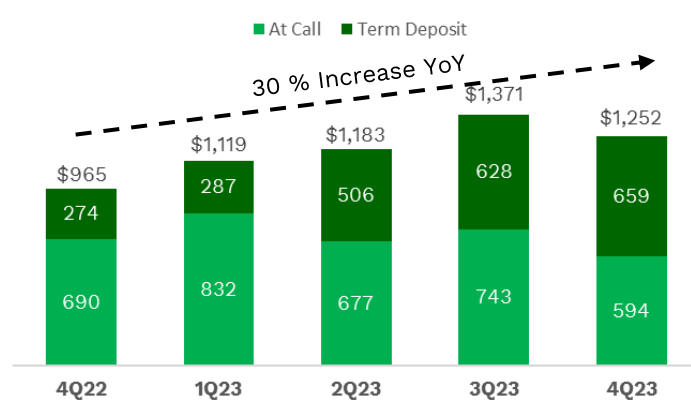
"We are executing on our strategy of expanding into the higher margin commercial lending space, and we will continue to make investments that drive organic growth."

Q4 FY2023 Results

On Balance Sheet Portfolio (\$m)



Deposits (\$m)



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

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