

ASX Release, 31 October 2023

BNK GROUP 1Q24 - TRADING UPDATE

BNK CONTINUES TO GROW ITS LOAN AND DEPOSIT BOOKS IN THE FACE OF CHALLENGING MARKET CONDITIONS

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 first quarter of FY24 ("**Quarter**" "**Q1 FY24**").

HIGHLIGHTS

- Total deposits at a record high of \$1.45b, an increase of 16% from Q4 FY23.
- BNK loan book at a record high of \$1.41b, an increase of 5% from Q4FY23
- Organic 'on balance sheet' lending settlements of \$150m, an increase of 40% from Q4 FY23.
- Direct loan to deposit ratio of 80%, reflecting BNK's continued ability to raise deposits to fund growth.
- Remains well capitalised, with a capital adequacy ratio of 20.9% at September 2023.
- Elects Jon Denovan as new Chair and appoints Stephen Kinsella as Chief Financial Officer.

BNK has made a solid start to FY24 with a 16 per cent increase in total deposits to a fresh record of \$1.45b, reflecting its competitive product mix.

In addition, BNK's total loan book rose by 5 per cent to a record \$1.41b, aided by its continued expansion into the higher margin lending space.

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

"BNK has started the year well, with steady increases in both our loan and deposit books."

"Our direct loan to deposit ratio of 80 per cent reflects our competitive products and ability to continue carving out market share in a complex interest rate environment."

"BNK remains well capitalised and we are dedicated to growing our higher margin product solutions whilst carefully managing our funding costs as we work towards minimising our liability concentrations and diversifying our product mix".

OTHER DEVELOPMENTS

BNK appoints new Chief Financial Officer

BNK appointed Stephen Kinsella as its new Chief Financial Officer this quarter. Mr Kinsella has over 25 years of experience in the banking sector, including senior management roles at Commonwealth Bank of Australia (CBA), Bank West and ABN Amro. Mr Kinsella joins BNK from Avenue Bank, where he was CFO from 2021 to June 2023. Mr Kinsella will commence employment at BNK on 1 November 2023.

Retirement of Chair Don Koch and appointment of Jon Denovan as BNK Chair

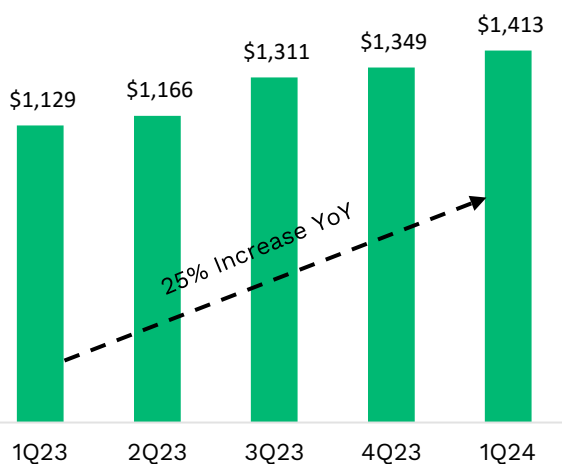
BNK elected Jon Denovan as Independent Chair of the Company this quarter, following the retirement of outgoing Chair Don Koch. Mr Denovan is a leading lawyer in financial services regulation, with significant banking, commercial, and property experience. He joined the BNK Board in 2019 and holds directorships with several other finance and property private companies. Mr Koch will remain on the Board as a Non-Executive Director until the conclusion of the Company's 2023 annual general meeting in November.

Appointment of Danny Davies as BNK Company Secretary

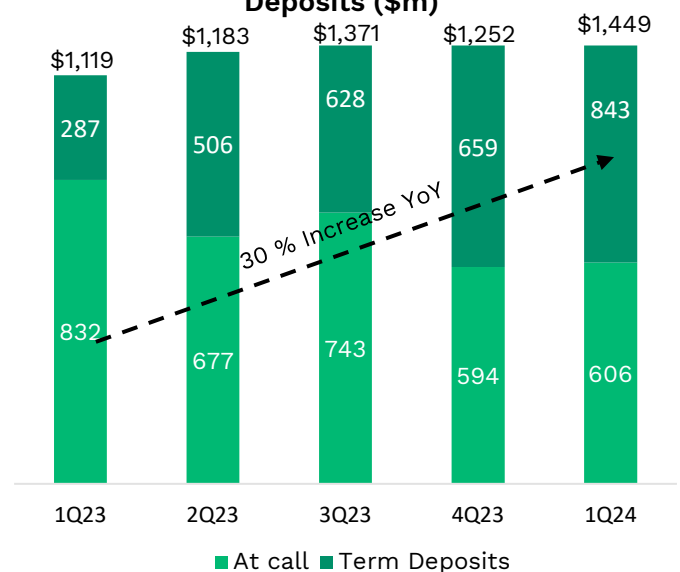
BNK appointed Mr Danny Davies as its new Company Secretary this quarter. Mr Davies has over 20 years of legal and governance experience and has provided governance and company secretarial services for several listed and non-listed Australian and international companies.

Q1 FY2024 Results

On Balance Sheet portfolio (\$m)



Deposits (\$m)





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

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