

09 June 2022

## ABA to present at the MST Financial Cash Generators Forum

Auswide Bank Ltd (ASX: ABA) is pleased to announce that it will be participating at the MST Financial Cash Generators Forum.

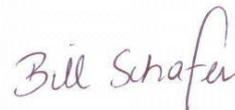
The presentation will be held on Thursday 9 June at 4.30pm AEST where Chief Financial Officer, Bill Schafer and Chief Customer Officer, Damian Hearne will be presenting the Company's latest investor presentation.

To join the presentation, please follow the webinar link below.

[MST Financial Cash Generators Forum](#)



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This announcement has been authorised by Martin Barrett.

**For more information:**

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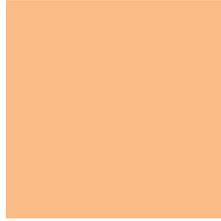
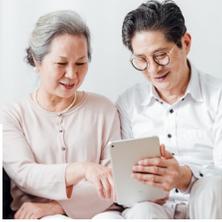
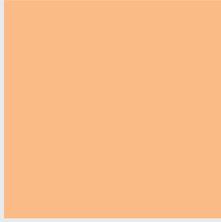
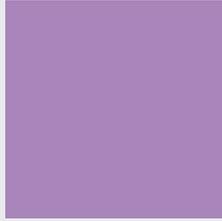
### About Auswide Bank Ltd

Auswide Bank became Australia's tenth and Queensland's third Australian owned bank, listed and trading on the ASX, on April 1, 2015. The company had operated as a building society since 1966.

Auswide Bank has an Australian Credit Licence and an Australian Financial Services Licence issued by ASIC and is an Authorised Deposit-taking Institution prudentially supervised by the Australian Prudential Regulation Authority.

Auswide Bank offers Australians an extensive range of personal and business banking products & services issued directly or in partnership with leading service providers via an omni-channel distribution strategy which includes branches, strategic relationships and online & digital channels.

*Small things. Big difference.*



# MST FINANCIAL CASH GENERATORS FORUM

9 JUNE 2022



# Auswide Bank Small things. Big difference.

**56 YEARS STRONG**  
EST. IN 1966

## OUR MISSION

To demonstrate the 'power of small' by placing our customers at the centre of everything we do.

## OUR VISION

To be the Bank that our customers, staff and partners want their friends, family and colleagues to bank with.



**STAFF ENGAGEMENT  
SCORE OF 98\***

\*In 2021, 87% of staff participated in Auswide Bank Employee Engagement & Satisfaction Survey

## CORE OFFERINGS



Home Loans



Personal Loans



Credit Cards



Payments



Deposit Solutions



Insurance



Internet Banking and App

## FINANCIAL STATUS

**\$3.05b**   
CUSTOMER DEPOSITS

**\$3.75b**   
IN LOAN BOOK ASSETS

## AWARDS



## MAJOR STRATEGIC PARTNERSHIPS



**National Seniors**  
AUSTRALIA

## DISTRIBUTION



**PRIVATE BANKING**





## Scale is not the advantage it once was

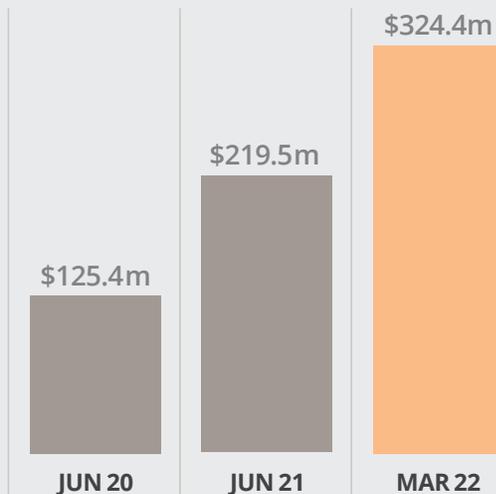
- > Ability to quickly seize opportunities
- > Customer Hub waiting times less than 1 minute vs 10 minutes+ for big rivals
- > Technology is providing productivity and efficiency benefits
- > Technology is opening new distribution possibilities
- > 65% of Australian home loans are written by brokers, which is an efficient growth opportunity for smaller banks like Auswide that can service them
- > Industry top quartile for loan approval times
- > Quickly assess, acquire and integrate technology solutions at much lower cost than big rivals
- > A bank with a building society service proposition and empathy
- > Customers are looking for alternatives following royal commission and low service levels

# Private Bank driving growth

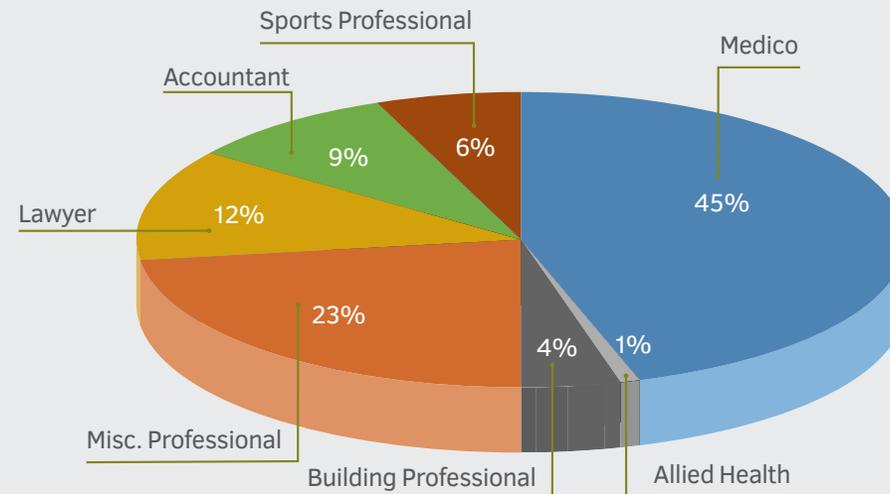
High Net Worth customers focusing on medical, professional and sporting with borrowing needs ideally over \$1m

## PRIVATE BANK PORTFOLIO

Material growth in Private Bank up from \$125.4m at June 20 to \$324.4m at March 22.



## PORTFOLIO DISSECTION

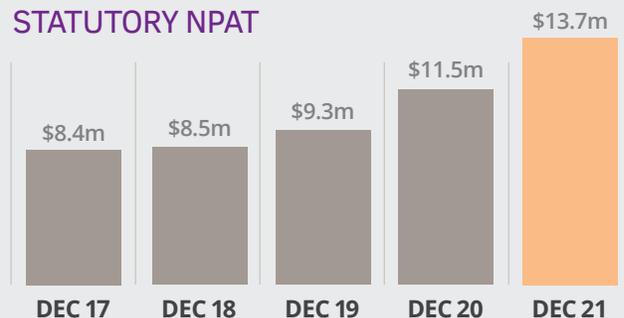


- > Deliver lending and deposit solutions to high net worth individuals
- > Quick loan turnaround time differentiates Auswide from its competitors
- > Leverage customer service capabilities in a high service model
- > Exciting growth niche with strong pipeline for future growth benefiting from advocacy
- > Solid referral base built on relationships and quality service proposition
- > Reviewing other services and offers to grow

# Track record of delivering profitable growth

Above system loan book growth, stable NIM and cost management

## STATUTORY NPAT



Incremental NPAT growth based on balance sheet strength and productivity

## NET INTEREST REVENUE



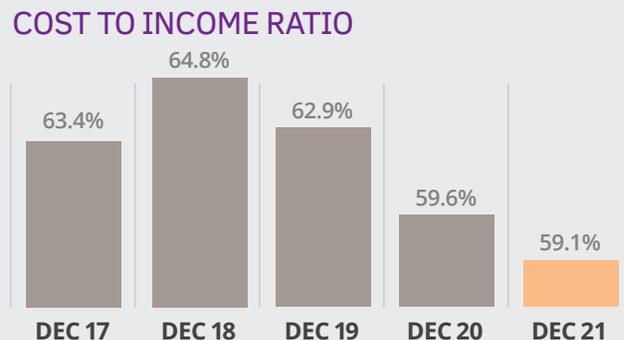
Increased interest revenue through competitive pricing and management of funding

## NET INTEREST MARGIN



A stable NIM has been maintained while peers have seen decline

## COST TO INCOME RATIO



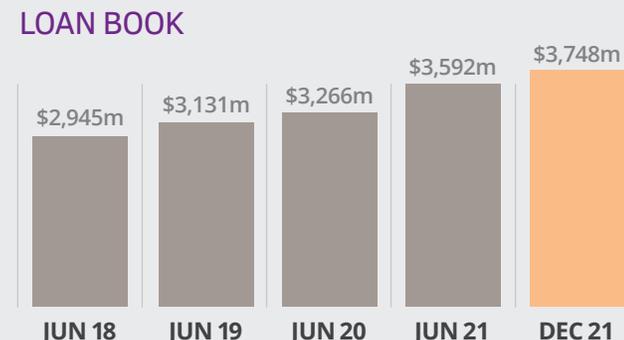
Cost management through effective technology investments and productivity

## STATUTORY EARNINGS PER SHARE (EPS)



Material growth in EPS based on profitable asset growth

## LOAN BOOK

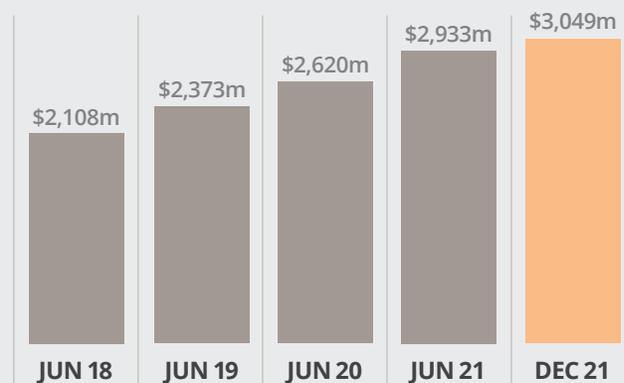


Broker flows, Private Bank and Partnerships have led to sustained growth

# Balance sheet strength

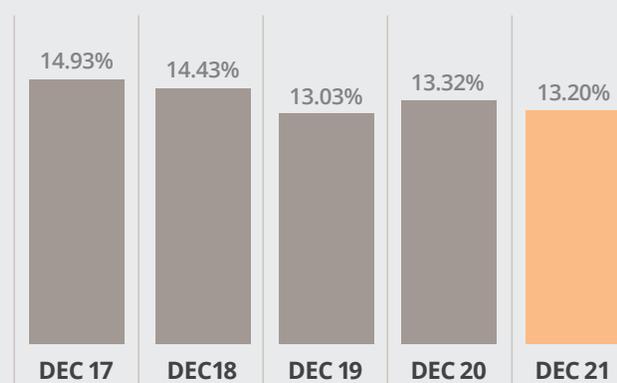
Strong deposit growth, RONTA ahead of strategic targets

## CUSTOMER DEPOSITS



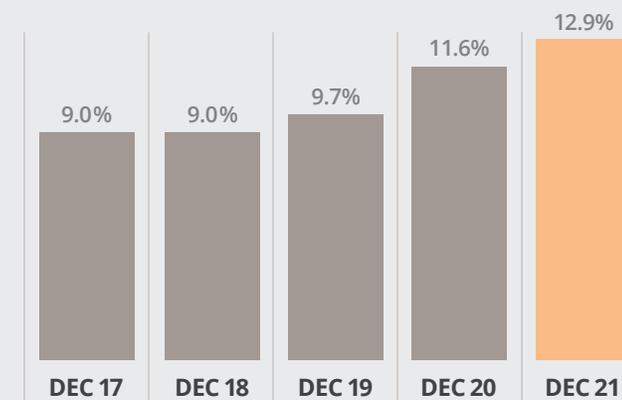
- > 7.9% annualised growth in deposits reflects strategic focus on cost effective funding lines
- > 75.0% of funding from customer deposits (H1 FY21: 74.4%)

## CAPITAL ADEQUACY RATIO



- > Capital remains strong at 13.20%
- > CET1 of 10.84%
- > Capital in excess of Board target

## STATUTORY RONTA

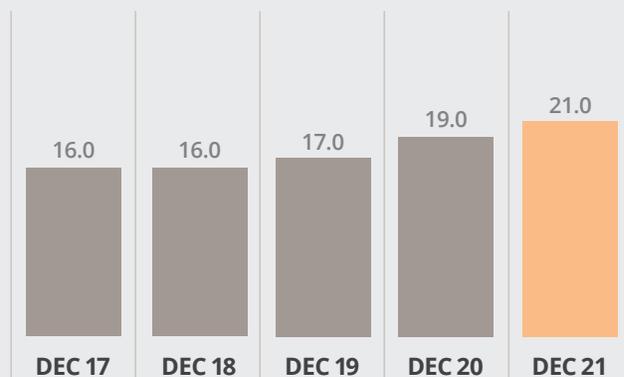


- > Return on Net Tangible Assets of 12.9% up from 11.6% on PCP
- > Ahead of strategic target of 10% and amongst the strongest in the ADI sector

# Interim dividend

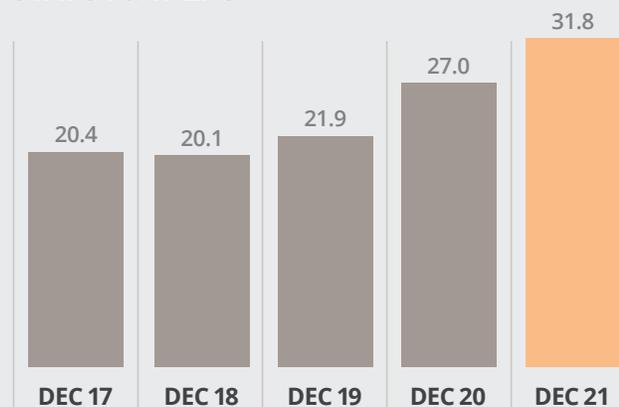
Interim dividend reflects very strong operational performance and prudent capital management

## INTERIM DIVIDEND (CPS)



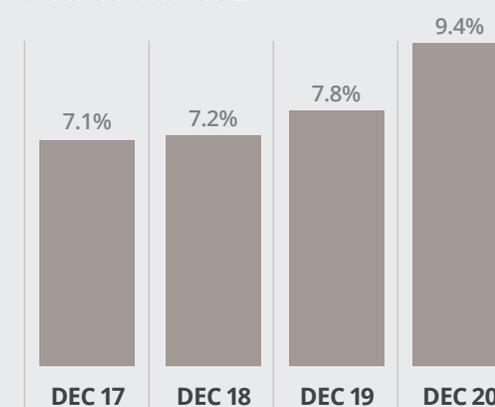
- > Interim fully franked dividend increase of 2.0 cents to 21.0 cents reflects balance between prudent capital management and providing strong returns to shareholders
- > Yield of 6.3% fully franked based on Dec 21 share price

## STATUTORY EPS



- > Interim dividend payout ratio of 66.4%; H1 FY21: 70.8%
- > Dividend payout ratio of 69.6% of underlying NPAT

## STATUTORY ROE



- > ROE of 10.5% up from 9.4% in H1 FY21
- > Outperforming sector in growth of returns, above regional bank peers and matching big 4 banks

# Transforming our business with technology

First phase of digital integration is complete

## Phase 1: Complete

### IMPROVED CUSTOMER AND PARTNER EXPERIENCE

- > Improving digital experience through Internet Banking and Mobile App
- > Loan processing enhancements to maintain time-to-yes and turnaround times
- > Boosting cyber resilience and protections to customer data
- > Digital advances for broker accreditation, support and communications
- > Enabling increased sales volumes with digital Verification of Identity services
- > Adoption of robotic processes in loan processing and administration
- > Capabilities to support a data driven business

## Phase 2: Now

### BUILD ON DELIVERED FOUNDATIONAL CAPABILITY

- > Enable a full digital experience including payment choices and anytime anywhere banking
- > Improved loan experience through a higher proportion of auto decisioned loans, digital document enablement and robotic processes
- > Elevating the Auswide brand across digital platforms including mobile and website
- > Implementing AI to retain customers in a period of customer volatility
- > Delivering trusted data for decision making off the basis of Auswide's Data Platform
- > Completing cloud foundation work allowing Data Platform to be the first major transition to the cloud

## Phase 3: Next

### TRANSFORMING OUR CUSTOMER AND PARTNER EXPERIENCE

- > Delivering a fully digitised loan experience supported by open banking, streamlined refinancing, auto decisioning capability, a digital document experience and automated processing
- > Investing to ensure a consistent experience meeting our customers channel of choice needs
- > Build on AI capability delivered to expand this offering across other business challenges
- > Deliver a digital Web/App experience that matches our target customer expectations
- > Continue cloud transitions in alignment with strategic goals

# Disclaimer

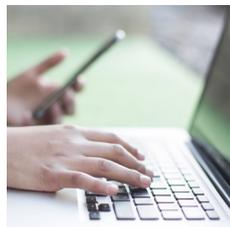
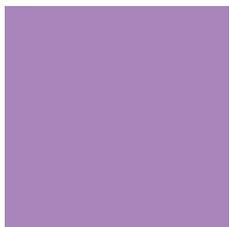
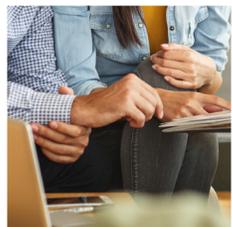
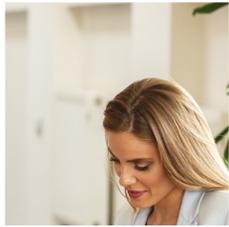
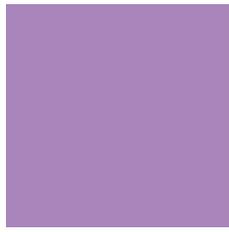
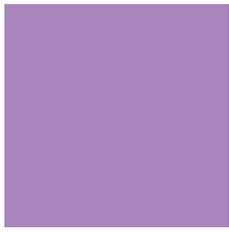
This Presentation has been prepared for Auswide Bank Ltd ABN 40 087 652 060, Australian Financial Services and Australian Credit License Number 239686, ASX Code ABA. The information is current as at 9 June 2022.

## FINANCIAL AMOUNTS

All dollar values are in Australia dollars (A\$) and financial data is presented as at the date stated. Pro-forma financial information and past information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of ABA's views on its future financial condition and/or performance. Past performance, including past trading or share price performance of ABA, cannot be relied upon as an indicator of (and provides no guidance as to) future ABA performance including future trading or share price performance.

## FUTURE PERFORMANCE

This Presentation contains certain "forward-looking statements". Forward-looking statements can generally be identified by the use of forward-looking words such as "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "will", "could", "may", "target", "plan" and other similar expressions within the meaning of securities laws of applicable jurisdictions. The forward-looking statements contained in this Presentation involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of ABA, and may involve significant elements of subjective judgment as to future events which may or may not be correct. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements.



Small things. Big Difference.

