

Inner East Community Finance Limited

22 April 2024

Market Announcement
National Stock Exchange (NSX)

BY ELECTRONIC LODGEMENT

Dear Sir/Madam

SHAREHOLDER UPDATE

Inner East Community Finance Limited (NSX: IEC) attaches a shareholder update that is being sent to shareholders today.

Yours sincerely

Steve Miller
Company Secretary
Inner East Community Finance Limited

For further information contact:

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SHAREHOLDER UPDATE

April 2024



Message from the Chair

I can report a pleasing result for the first six months of the financial year. We have maintained and slightly increased our revenue due to the favourable net interest margin environment. Shareholders received a dividend of 10c a share and we were able to increase our return to the community through sponsorship and grants. The latter showed an increase of over 60 per cent compared with the same period the previous year.

Revenue is benefitting from the acquisition of the banking books of Kew East Financial Services and of Swinburne Community Bank. We are continuing to serve those communities through our Community Investment Program by providing grants and sponsorships to organisations in these areas. Expenses have increased during the half year reflecting our full complement of staff, including the provision of services to Kew East customers, salary increases, end of year staff bonuses, and the provision of \$500,000 as depreciation of the cost of acquiring the Kew East customer book.

The half year saw us continuing our promotion and marketing under our new company name, Inner East Community Finance Limited. A milestone during the half year was the 15th anniversary of our Ashburton Branch. When that branch opened there were five other banks in the shopping strip. Now our branch is the only bank, and we continue our strong support of that community.

We have now invested over \$8 million into our community, and we expect that this year is likely to be our second most profitable year. Currently, we consider there are good prospects that strong returns to shareholders will continue and our share price has increased to \$1.35 based on the most recent on-market trading activity.

We should all be very proud of our achievements for our community and for the dedicated work of our staff and Board.

Bob Stensholt, Chair

Interim Financial Results

for half year ended 31 December 2023

	31 December 2023	31 December 2022
Revenue	\$4,144,048	\$3,790,726
Expenses	\$3,004,615	\$2,010,540
Charitable donations & sponsorships	\$310,823	\$191,253
Profit/(loss) after income tax expense	\$536,781	\$1,175,287

To view the full interim financial report please visit to the NSX website, www.nsx.com.au. Company code: IEC

2024 Share-Buy-Back Program

At last year's Annual General Meeting, shareholders approved the Company's on-market Share Buy-Back Program for the 2024 calendar year. We have appointed Pritchard Partners Pty Limited to administer the Program for this year. The Buy-Back Program is an on-market Program, which means that the Company purchases shares via the National Stock Exchange (NSX). The shares will be purchased at the market price available from time to time. Any shareholder wishing to sell their shares via the Program will need to appoint a NSX share broker to sell them on the market on your behalf. Details of NSX brokers can be found at www.nsx.com.au/investing/broker-directory. Once you have appointed a broker, they can guide you through the selling process, including how much you will be paid. Further details about the Share Buy-Back Program can be found on our website, <https://iecf.com.au/investor-relations>. If you have any questions about your shareholding, please contact our share registry, BoardRoom Pty Ltd, on 1300 737 760 or via email to: enquiries@boardroomlimited.com.au.

Community Investment Program

Investment (July- December 2023)

Sponsorships	\$264,556
Grants	\$92,126
Total	\$356,682*

We are pleased to have been able to return more than \$350,000 in Grants and Sponsorships in the first six months of the financial year. Our total community investment is now almost \$8.1 million.

Our support

Our Community Investment for the first six months of the year has exceeded \$350,000. We have supported Trader Associations in Ashburton, Canterbury and Surrey Hills, sponsoring their community festivals and celebrations. The Union Road Surrey Hills Traders Association was re-established in 2023 during the level crossing removal project and has been valuable in promoting the shopping precinct. We have been long-term sponsors of the Christmas Carols held in Balwyn and Canterbury and were once again involved in 2023.

We provided funds for much needed equipment and furniture to a neighbourhood centre and a hot water system for an aged care facility.

Our support of sporting clubs has continued and our expansion into the Kew and Kew East areas has seen us provide sponsorship and grants for the first time to sporting clubs and community organisations in this area.

We have provided funds for a scholarship at Swinburne University and continued our support of many local State and Catholic Primary Schools in our area.

*Includes GST

