

ASX ANNOUNCEMENT

19 February 2025

ASX: MYS

MyState Limited and Auswide Bank Merger Implemented

19 February 2025

MyState Limited today announced the implementation of its merger with Auswide Bank Ltd (Auswide).

MyState Managing Director & CEO Brett Morgan said: "Today we celebrate the first day of a new MyState with the Auswide merger complete. We look forward to growing into a stronger and larger regional bank with a more diverse customer and geographic footprint."

New MyState Chair Sandra Birkenleigh said: "We expect significant long-term benefits for shareholders from merging two strong, customer centric businesses with quality loan books and deep roots in their local communities."

The merger combines MyState, a Tasmanian based financial services company providing banking and wealth services, with Queensland based Auswide, providing banking services and asset finance.

The merged group will operate under four brands; MyState Bank, Auswide Bank, SelfCo and TPT Wealth. The Group will distribute a suite of banking products via its branch network, digitally and through trusted broker networks across Australia's eastern seaboard. TPT Wealth will continue to offer Investment and Trustee Services.

Mr Morgan said: "We will be in a great position to invest and to provide Australians with a real alternative for their banking, asset finance and wealth needs. The merger will significantly enhance the scale of the Group and increase funding flexibility."

"The new Board and Executive team are in place on Day 1 to drive business growth and lead integration initiatives. I look forward to working with our broader team as we deliver value for our customers and shareholders."

Profile of the merged group

- Balance sheet - \$12.7b in home lending and \$9.9b in customer deposits
- Total customers - 272,000 (MyState 180 000 customers, Auswide 92,000 customers)
- Distribution - 23 branches, mobile and internet banking, two Australian-based contact centres, brokers and mobile lenders

Long term value creation for shareholders

The merger is expected to deliver pre-tax cost synergies of between \$20m to \$25m per annum by the end of FY27 and the merged business is expected to be EPS accretive on a post synergies run rate basis (excluding integration and transaction costs) from FY26.¹

The operational integration is expected to be completed within 3 years, at which point the business is expected to have realised the ongoing benefits of the merger.

Scheme Implementation Summary

MyState Bank Limited (a wholly owned subsidiary of MyState Limited) has acquired 100% of the fully paid ordinary shares in Auswide and Auswide is now an indirect wholly owned subsidiary of MyState Limited.

Scheme Consideration

Eligible Auswide shareholders have today received 1.112 new MyState shares for each Auswide share they held on the Record Date at 7.00pm (AEDT) (6.00pm Queensland time) on Wednesday, 12 February 2025. Ineligible Foreign Shareholders will receive their pro rata share of the proceeds under the Sale Facility (expected to be by no later than Wednesday, 19 March 2025).

For more information on the Scheme please refer to the Scheme Booklet released to the ASX on 23 October 2024 which is available on the MyState website at www.mystatelimited.com.au.

Delisting of Auswide

As previously announced, trading in Auswide shares on the ASX was suspended at the close of trading on Monday, 10 February 2025. Auswide intends to apply for its removal from the official list of ASX with effect from close of trading tomorrow, Thursday, 20 February 2025.

Rating Agency Update

Fitch Ratings (Fitch) is expected to confirm that the issuer credit rating of 'BBB+/F2' (long-term/short-term) for MyState Limited, 'BBB+/F2' (long-term/short-term) for MyState Bank Limited and 'BBB+/F2' (long-term/short-term) for Auswide Bank Limited are unaffected by the merger. The stable outlook associated with each rating is also expected to be unaffected.

Moody's Ratings (Moody's) is expected to confirm that the long-term rating of Baa3 for MyState Limited and Baa2 for MyState Bank Limited and Auswide Bank Limited are unaffected by the merger. The stable outlook associated with each rating is also expected to be unaffected.

Appointment of MyState Limited as issuer of Auswide Tier 2 Subordinated Notes

APRA has approved the appointment of MyState Limited as the Approved Successor of each series of Auswide's \$47m of Tier 2 subordinated notes. The effect of the appointment is to transfer the issuer of each series of subordinated notes from Auswide to MyState. The amount of notes on issue, call date and maturity date for each series of notes remains unchanged. The subordinated notes continue to be rated by Fitch and the rating of the subordinated notes is expected to be unchanged at 'BBB-'.

MyState Board changes

The following changes to the MyState Board took effect today on implementation of the Scheme:

- Brett Morgan continues as MyState's Managing Director and Chief Executive Officer;
- Sandra Birkenleigh is appointed as a Non-Executive Director and Board Chair;
- Sibylle Krieger, Warren Lee, Vaughn Richtor and Andrea Waters continue as Non-Executive Directors;
- Gregory Kenny and Jacqueline Korhonen are appointed as Non-Executive Directors
- Stephen Davy resigns his position as a Non-Executive Director

The Board of MyState wishes to acknowledge the significant contribution of Vaughn Richtor as the outgoing Chair of MyState and looks forward to working with him as a continuing Director.

The Board also wishes to thank Stephen Davy for his considerable contribution to the Company having been appointed as a Non-Executive Director in July 2021. Stephen was Chair of the Group People Remuneration and Nominations Committee, a member of the Group Risk and Group Audit Committees, as well as a Director of the MyState Community Foundation.

¹ Further information on the key assumptions and risks are set out in the Scheme Booklet released by Auswide on 23 October 2024.

Authorised

MyState Limited Board

Contact

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About MyState

Registered Office: 137 Harrington Street, Hobart 7000

MyState Limited (ABN 26 133 623 962) is the ASX-listed (MYS) non-operating holding company of the diversified financial services Group consisting of MyState Bank, Auswide Bank and TPT Wealth, a trustee and wealth management company. MyState Bank and Auswide Bank are regulated by the Australian Prudential Regulatory Authority. MyState Bank, Auswide Bank and TPT Wealth hold Australian Financial Services Licences issued by the Australian Securities and Investments Commission.