MyState Limited

ASX/Media release

29 June 2020

Strengthened loan provisions, new investment grade credit rating and potential Tier 2 capital issuance

Monday 29 June 2020: MyState Limited **(ASX: MYS)**, the banking and wealth management group, today announced that it has strengthened its level of loan provisioning for the potential impact from the COVID-19 pandemic. In addition, Moody's has assigned an investment grade issuer credit rating to MyState Limited of 'Baa2/P-2' (long term/short term). All ratings are under review for possible downgrade, in-line with the credit ratings of MyState Bank. Finally, MyState Limited today will be conducting a fixed income debt investor call with a potential Tier 2 Capital Instrument issuance to follow, to further improve regulatory capital efficiency.

MyState anticipates an increase in the collective provision and general reserve for credit losses of approximately $3.0m to $4.0m.

Managing Director and Chief Executive Officer, Melos Sulicich said "Most of the increase in the collective provision is based on our view on the impacts of COVID-19 and does not reflect any significant deterioration in our underlying credit quality.

"We are assuming a slow economic recovery and the increased provision reflects significant changes to the economic outlook impacting growth in the economy, unemployment and assumptions in respect to residential property prices.

"MyState Bank's loan book predominantly consists of high-quality housing loans, the vast majority of which are owner-occupied with a loan-to-valuation ratio of less than 80%.

"We are fully committed to supporting our customers through this unique time and have provided more than 1,700 personal and business customers with a comprehensive range of support measures, including the option to pause loan repayments for up to six months to help them through the COVID-19 disruption. It is pleasing to note that some customers are already electing to move back to their normal repayments at the three month check in interval.

"We remain well placed to continue to provide credit to both new and existing customers, recognising the role we play in supporting the economy, our customers and the communities we operate in."

MyState's capital is well above regulatory benchmarks with a pro-forma Common Equity Tier 1 (CET1) ratio of approximately 10.93% as at 31 May 2020 and a total capital ratio of approximately 12.87%.

Also announced today, Moody's Investor Services has assigned an investment grade issuer credit rating to MyState Limited of 'Baa2/P-2' (long term/short term).

MyState will conduct a debt investor call in preparation for a potential Tier 2 subordinated note issue to be launched in the coming days, subject to market conditions. The subordinated notes are expected to be rated Baa3 by Moody's.

All ratings are under review for possible downgrade.

Further information is detailed in the attached – "Presentation to Debt Investors".

Authorised
Melos Sulicich
Managing Director and Chief Executive Officer

About MyState Limited
Registered Office: 137 Harrington Street, Hobart 7000
MyState Limited is the ASX-listed (MYS) non-operating holding company of the diversified financial services Group consisting of MyState Bank and TPT Wealth, a trustee and wealth management company. MyState Bank is regulated by the Australian Prudential Regulatory Authority. MyState Bank and TPT Wealth hold Australian Financial Services Licences issued by the Australian Securities and Investments Commission.

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MyState Limited

Presentation to Debt Investors

Subordinated Debt Issuance June 2020

Agenda

01 Corporate profile
Gary Dickson
Chief Financial Officer

02 Transaction details
Ryan Sharp
Treasurer

03 Strategy & highlights
Gary Dickson
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04 Financial results
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Gary Dickson
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06 Capital, funding & liquidity
Ryan Sharp
Treasurer

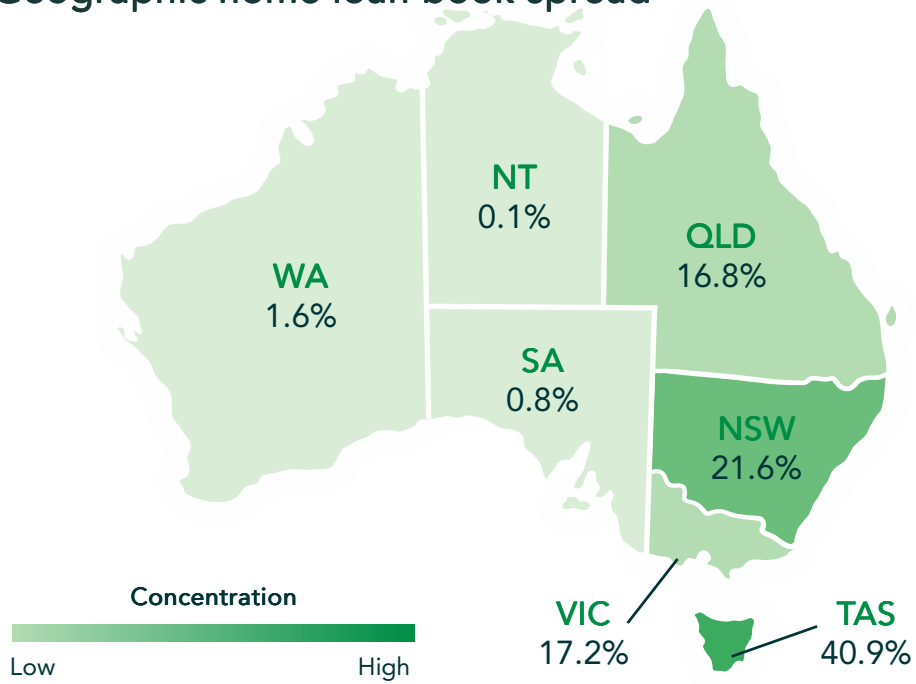
Corporate profile

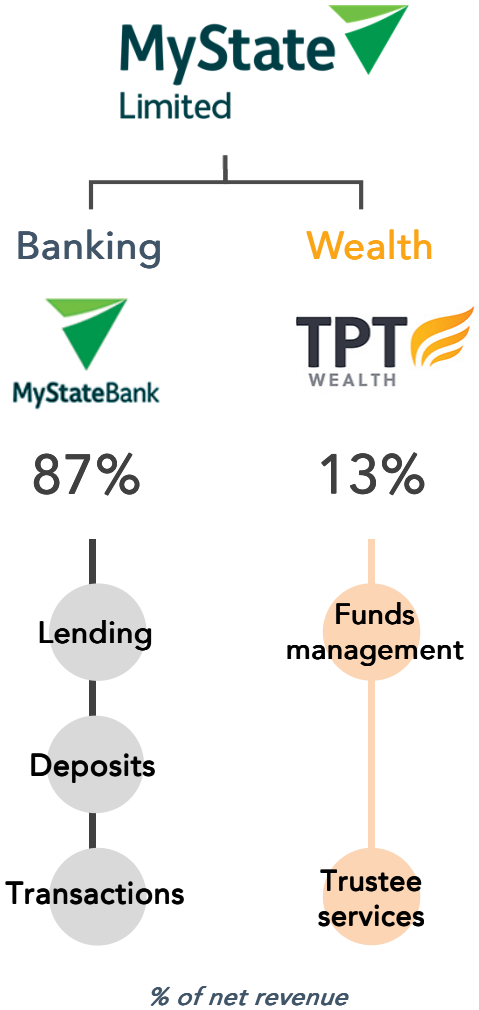
Corporate profile

MyState Group is a leading regional bank with Banking and Wealth Management operations

- ASX listed company
- Market capitalisation of c. $377m[1]
- Approximately 400 employees, over 140,000 customers
- Banking Home Loan Book: $4.90bn[2]
- TPT Wealth Funds Under Management: $1.19bn[2]

Geographic home loan book spread





1. At 26 June 2020
2. At 31 December 2019

Key metrics and performance drivers

STRONG 1H20 PROFIT
driven by solid uplift in total operating income

INCREASED NET INTEREST INCOME
driven by balance sheet growth and focused margin management

HIGH CUSTOMER SERVICE AND ADVOCACY
underpinning growth in bank assets and deposits

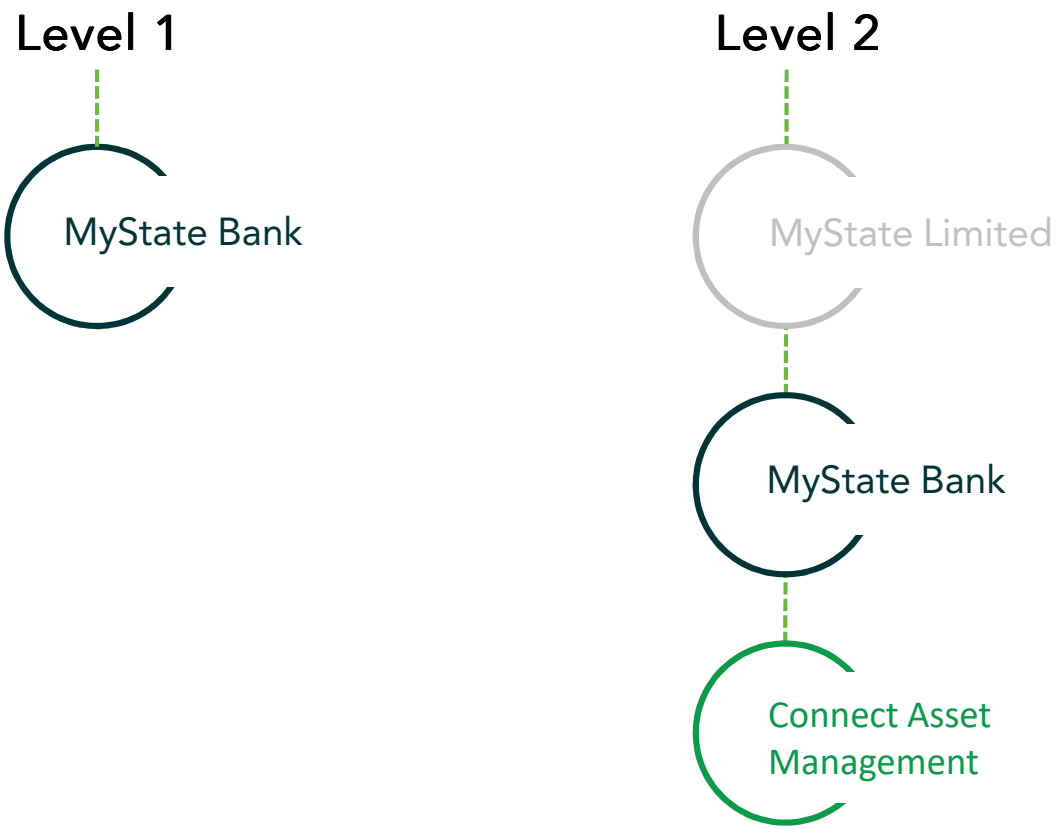
EVERMORE DIGITALLY ENABLED
89% of all customer transactions performed online up 3% on 1H19

FINANCIAL PERFORMANCE		*Change**
Net profit after tax[1]:	$15.1m	▲ +5.4%
Earnings per share:	16.57cps	▲ +4.4%
Return on tangible equity:	12.6%	▲ +20bps
BALANCE SHEET + CAPITAL		
Customer deposits:	$3.7b	▲ +0.6%
Level 2 CET1 capital ratio:	11.38%	▲ +29bps
Level 2 Total capital ratio:	13.21%	▲ +31bps
Total loan book:	$5.1b	▲ +7.4%

* Financial performance figures compare 1H20 to 1H19 as the previous corresponding period (pcp). Balance sheet and capital figures compare 30 June 2019 as pcp. All amounts shown represent statutory results inclusive of discontinued operations unless otherwise stated.

1. Excludes discontinued operations

APRA regulatory group



TPT Wealth sits outside the APRA Regulatory Group

Capital markets issuance

Strong capital markets brand

Well established NCD programme

Programmatic RMBS issuer via the Conquest RMBS programme. c. $2.9bn of capital markets RMBS issued since inception of the programme across 9 Trusts (8 public, 1 private placement)

$2bn debt issuance programme MyState Limited and MyState Bank Limited

- $25m of 10nc5 Tier 2 qualifying subordinated notes issued by MyState Bank Limited on 14 August 2015
- $10m of 10nc5 Tier 2 qualifying subordinated notes issued by MyState Bank Limited on 28 September 2016

Transaction details

Proposed subordinated debt structure

Issuer:	MyState Limited (ABN 26 133 623 962)
Issuer Rating:	Baa2/P-2
Expected Issue Rating	Baa3
Documentation	Information Memorandum, Pricing Supplement
Instrument	Subordinated Notes
Offer Size	AUD25,000,000
Structure	10NC5
Format	Floating (quarterly payments) at the aggregate of 90 day BBSW plus the Margin
Margin	[*]
Ranking	Subordinated Notes will constitute direct, subordinated and unsecured obligations of the Issuer ranking in a Winding-Up as set out in Condition 4.3, subject to the provisions for Conversion and Write-off, pari passu with all Equal Ranking Instruments. The claims of Holders against the Issuer in respect of Subordinated Notes that have not been Converted or Written-off will: (A) be subordinated in right of payment to the claims of all Senior Creditors and all such claims of Senior Citizens shall be entitled to be paid in full before any payment shall be paid on account of any sums payable in respect of such Subordinated Notes; (B) rank equally with the obligations of the Issuer to the holders of other Subordinated Notes that have not been Converted or Written-off, and the obligations of the Issuer to holders of Equal Ranking Instruments; and (C) rank prior to, and senior in right of payment to, the obligations of the Issuer to holders of Ordinary Shares and other Junior Ranking Capital Instruments.

This is a summary of the proposed Terms and Conditions for MyState Limited Subordinated Notes – Further information and complete terms in connection to any issuance is included in the Information Memorandum dated 23 December 2016 as supplemented by the preliminary Pricing Supplement dated 29 June 2020

Proposed subordinated debt structure

Tax	The Issuer intends to issue the Subordinated Notes in a manner which will satisfy the public offer test under section 128F of the *Income Tax Assessment Act 1936 (Cth)*
Governing Law	New South Wales, Australia
Settlement Eligibility	Austraclear, Euroclear, Clearstream
Listing	Unlisted
Regulatory Treatment	Tier 2 Capital
Payment Subject to Issuer Solvency	At any time prior to a Winding-Up: (a) the obligation of the Issuer to make any payment of principal or interest in respect of Subordinated Notes shall be conditional upon the Issuer being Solvent at the time the payment or other amount owing falls due; and (b) no amount is payable by the Issuer in respect of the Subordinated Notes unless, at the time of and immediately after such payment, the Issuer is Solvent.
Early Redemption	Subject to the prior written approval of APRA, the Subordinated Notes may be redeemed before the Maturity Date for certain tax and regulatory reasons at par plus accrued interest. Holders should not expect that APRA's approval will be given for any early redemption of Subordinated Notes. Holders have no right to request redemption before the Maturity date.
Non-Viability Trigger Event	A Non-Viability Trigger Event occurs when APRA has notified the Issuer in writing that it believes: (a) Conversion or Write-off of all or some Subordinated Notes or conversion or write down of all or some of the capital instruments of the Issuer is necessary because, without it, the Issuer would become non-viable; or (b) a public sector injection of capital, or equivalent support, is necessary because, without it, the Issuer would become non-viable.

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Proposed subordinated debt structure

Conversion Following a Non-Viability Trigger Event	If a Non-Viability Trigger Event occurs, the primary method of loss absorption is Conversion. Upon a Non-Viability Trigger Event occurring, the Issuer may be required to Convert all or, in some cases a proportion of the Subordinated Notes into Ordinary Shares. If for any reason Conversion is not effected within five Business Days, Subordinated Notes will be Written-Off and Holders' rights, including any rights to unpaid interest or Additional Amounts and repayment of principal, will be immediately and irrevocably terminated with effect on and from the Conversion Date.
Conversion Number	On the Conversion Date, the Issuer will, for the Principal Amount of Subordinated Notes held by the Holder that is required to be Converted, allot and issue that number of fully paid ordinary shares in the capital of the Issuer which is the lesser of the number calculated according to the following formula and the Maximum Conversion Number: $$\frac{\text{Principal Amount}}{(1-\text{CD}) \times \text{VWAP during the VWAP Period}}$$ (the "**Conversion Number**") where: **Principal Amount** (including where these words are used for the purposes of the definition of Residual Outstanding Principal Amount) means in respect of any Subordinated Note which is outstanding at any time, the outstanding principal amount of the Subordinated Note, and for such purposes: (a) the principal amount of a Subordinated Note issued at a discount, par or at a premium is at any time to be taken to be equal to its Denomination; and (b) if the principal amount of a Subordinated Note has from time to time been Converted or Written-off as described in, and in accordance with, Conditions 5 ("Non-Viability, Conversion and Write-off") and 6 ("Procedures for Conversion") the principal amount of the Subordinated Note will be reduced by the principal amount so Converted or Written-off; **CD** means 1%; and **VWAP Period** means in the case of a Conversion resulting from the occurrence of a Non-Viability Trigger Event, the period of 5 ASX Business Days on which trading in Ordinary Shares took place immediately preceding (but not including) the Non-Viability Trigger Event Date.

This is a summary of the proposed Terms and Conditions for MyState Limited Subordinated Notes – Further information and complete terms in connection to any issuance is included in the Information Memorandum dated 23 December 2016 as supplemented by the preliminary Pricing Supplement dated 29 June 2020

Proposed subordinated debt structure

MyState Limited will be the issuer of the proposed Subordinated Notes

Non-Operating Holding Company (NOHC) and head entity of the MyState Group and is ASX listed entity

Regulated by APRA as an authorised NOHC of an APRA Level 2 group

Issuing subordinated notes by MyState Limited improves the overall regulatory capital efficiency of the APRA Level 2 group

MyState Limited holds 100% of the equity in MyState Bank and TPT Wealth

Strong cash flow generation and capital position of subsidiary businesses supports capacity to upstream dividends

All existing Group debt is issued by MyState Bank (including the existing subordinated notes)

MyState Limited does not issue debt or have any external borrowings (outside of the proposed Subordinated Notes)

TPT Wealth does not issue debt or have any external borrowings

Strategy & highlights

Our strategic priorities

Our GOAL is to be

Simple, relevant and **easy** to "use"

Digitally enabled so that we can attract and retain the **target customers** we are seeking more cost effectively

Agile with a strong focus on **growth, margins** and **cost management**

Our STRATEGY is focused on

Growing and automating our **bank operations,** increasing our **digital capabilities** and building our **brand**

Investing in contemporary, scalable **wealth management and trustee** products and systems and growth through mainland distribution

Our strategy is DRIVEN BY

Marketing, automation and **continuous improvement,** underpinned by a **robust risk culture**

We are building a digital business that is attracting and engaging customers*

Growing contribution from digital

- 62% increase in online customer growth
- 89% of all customer transactions performed online or on a mobile device
- Over 20% growth in eStatement registrations

Leading customer advocacy and product offerings

- Customer NPS +40
- Bonus Saver account awarded 5 stars by Canstar & winner Mozo Experts Choice 2020 Regular Saver
- Business online saver winner of Mozo Choice 2020 Small Business No Strings Savings
- Loan book 59% mainland and proportion is increasing

Operating momentum for further high quality growth

- Marketing investment up 39%
- Re-brand of Wealth Management as TPT Wealth
- Transition of funds management to a new digital platform powered by Link Market Services
- Selected as a panelist on the Federal Government's First Home Loan Deposit Scheme

* All statistics compare 1H20 with 1H19 unless otherwise stated

Outlook

Revenue growth through:

- Bank balance sheet growth
- Focused margin management
- FUM growth via mainland distribution

Robotics technology now in use with more to come reducing operating costs.

Re-engineering cost base, improving productivity and reinvesting in growth.

Increased marketing spend to increase number of customers.

Enhanced customer facing digital proposition.

Further **fund product rationalisation.**

Further investment in mortgage fund lending systems.

Investing in trust management system.

Growth of a highly scalable banking and funds management business

Financial results

Results summary

Positive jaws in 1H with income growth exceeding cost growth leading to a lower cost to income ratio

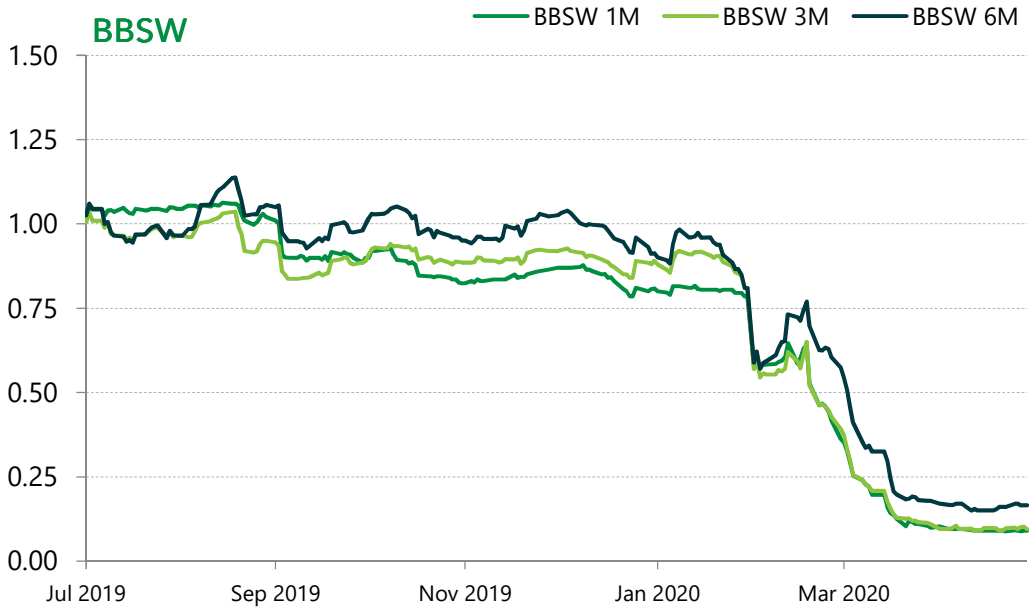
Return on average equity increased on pcp to 9.29% which compares favourably to regional bank peers

	1H20	1H19	Change*	
Net interest income ($m)	48.16	44.15	+9.1%	▲
Total operating income ($m)[1]	63.34	59.36	+6.7%	▲
Operating expenses (excl. BDD) ($m)[1]	41.12	39.23	+4.8%	▲
Net profit after tax ($m)[1]	15.12	14.34	+5.4%	▲
Earnings per share (cps)	16.57	15.87	+0.7cps	▲
Net interest margin (%)	1.82%	1.81%	+1bp	▲
Cost to income ratio (%)[1]	64.92%	66.08%	-116bp	▼
Level 2 Total capital ratio (%)[2]	13.21%	12.90%	+31bp	▲
Return on average equity (%)[3]	9.29%	9.02%	+27bp	▲
Return on tangible equity (%)[3]	12.64%	12.44%	+20bp	▲
Dividend–fully franked (cps)[4]	14.25	14.25	0.0cps	▬
Dividend payout ratio (%)	86%	90%	-4%	▼
Credit performance - 30 day arrears (%)	0.56	0.52	+4bp	▲

*Financial performance figures compare 1H20 to 1H19 as the previous corresponding period (pcp). Balance sheet and capital figures compare 30 June 2019 as pcp. All amounts shown represent statutory results inclusive of discontinued operations unless otherwise stated

1. Excludes discontinued operations
2. As at 30 June 2019
3. Annualised FYTD
4. Interim dividend of 14.25cps paid to shareholders on the register at the record date of 2 March 2020

MSB captures funding tailwinds



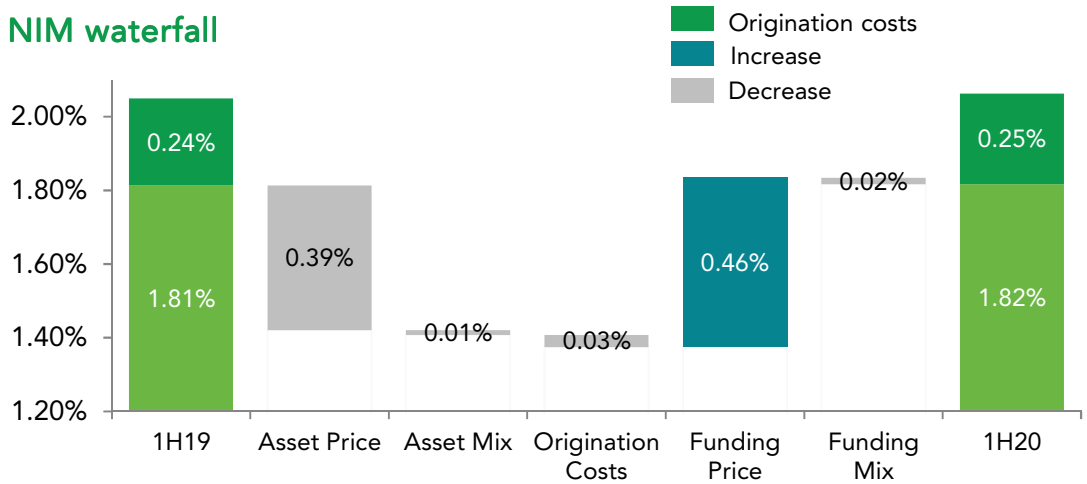
Net interest margin up +3bps on 2H19

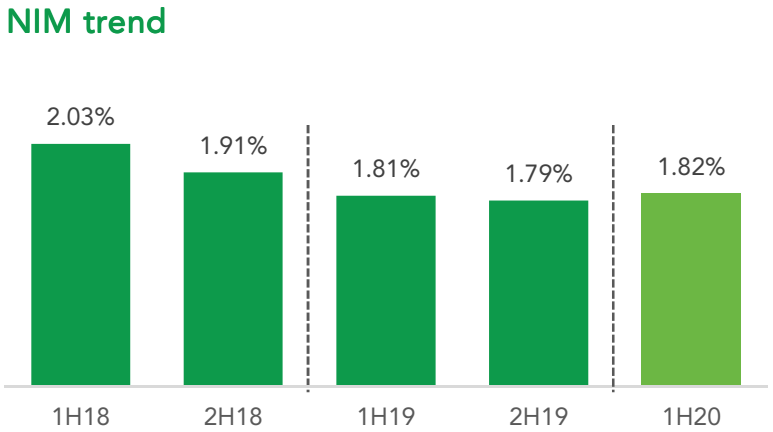
Continued fall in wholesale funding costs

Narrowing of BBSW-OIS spread contributed 10bps

TD rates falling as book rolls to lower rates

Lending market remains highly competitive





Operating costs well managed

Operating costs increased 4.82% led by increased investment in capability, marketing and digital

Increased investment in marketing of $0.8m, up 39% on pcp

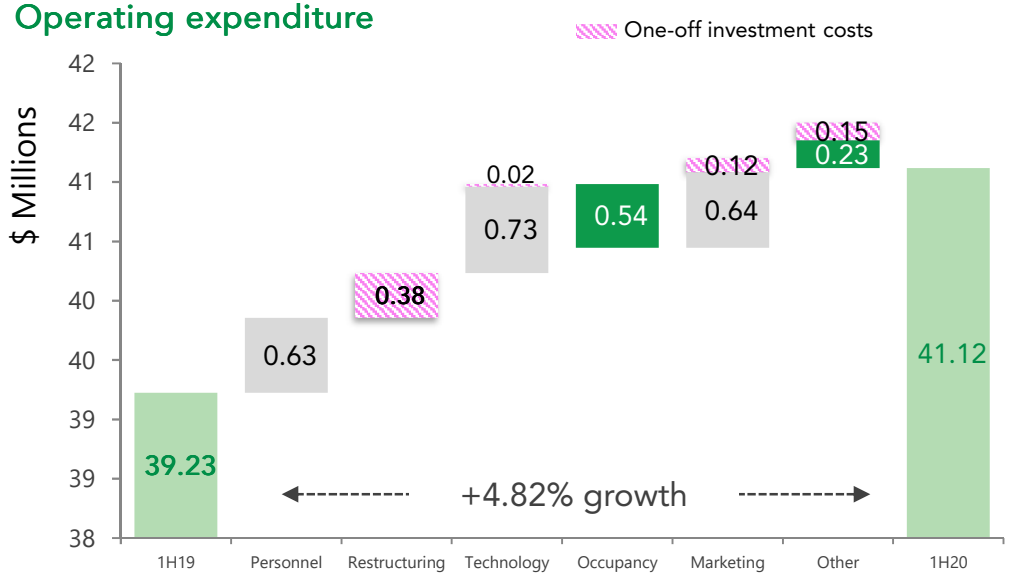
One-off investment costs of $0.65m relating to rebrand of TPT Wealth and launch of new managed funds platform ($0.4m) and re-engineering the cost base ($0.25m)

Underlying cost growth of 3.16% excluding one-off investment costs

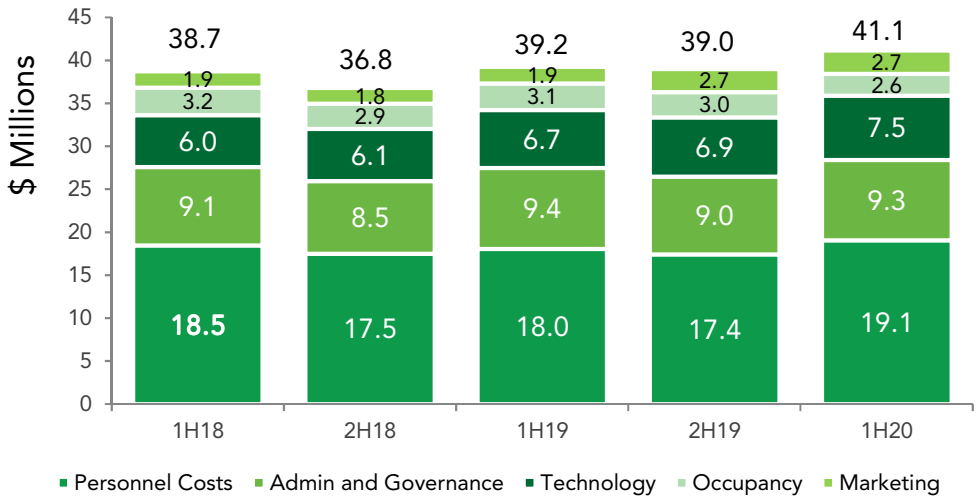
Restructuring costs to provide benefits in 2H20

One branch closure, network reduced to 13 branches

Operating expenditure



Expenditure breakdown



1H20 Admin and Governance and Occupancy costs impacted by first time adoption of AASB16 Leases

NPAT bridge

NPAT growth of 5.4%

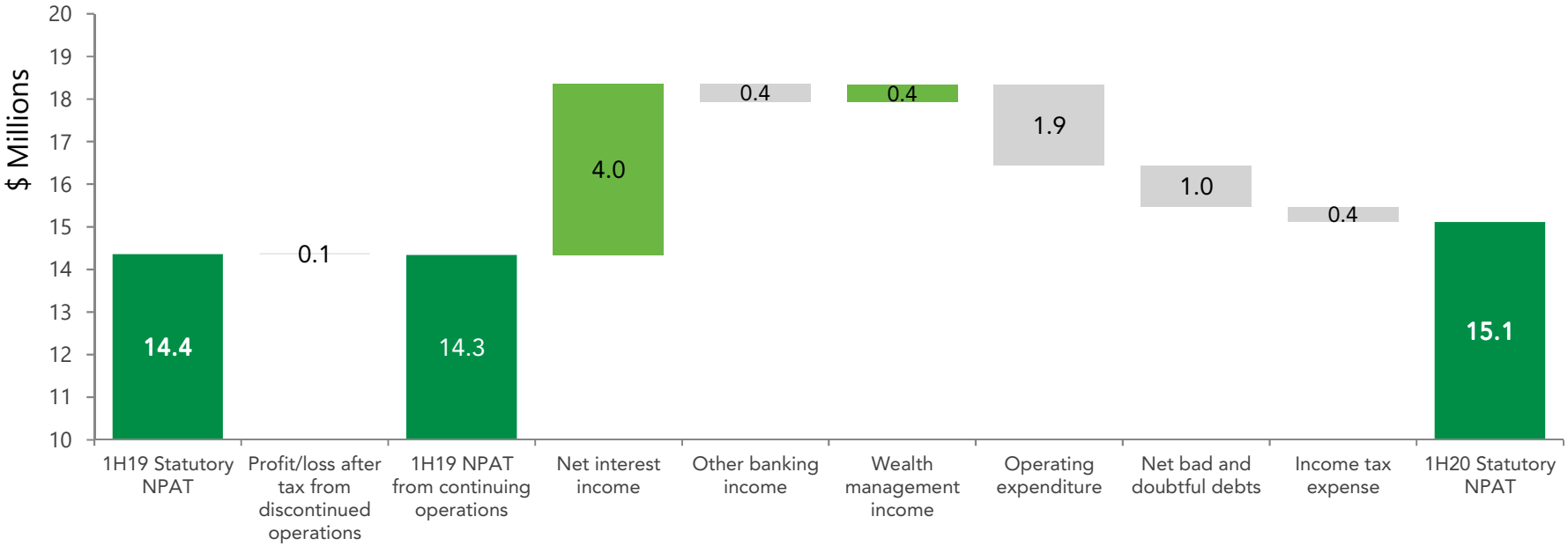
Net interest income grew 9.1% on pcp off the back of a higher average balance sheet, falling funding costs and focused margin management

Disciplined management of costs while we continue to invest in marketing and digital

Net bad and doubtful debts charge reflects a small increase in late stage arrears

Arrears remain well below benchmarks for regional bank peers and major banks

Net profit after tax



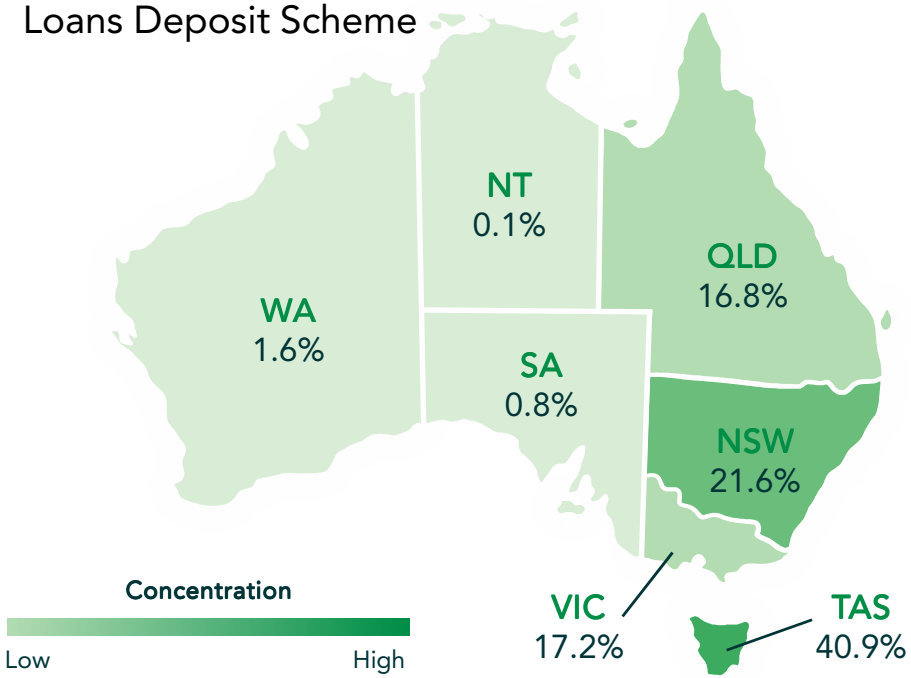
Quality, low risk loan book

Emphasis on maintaining quality lending growth amidst strong competition

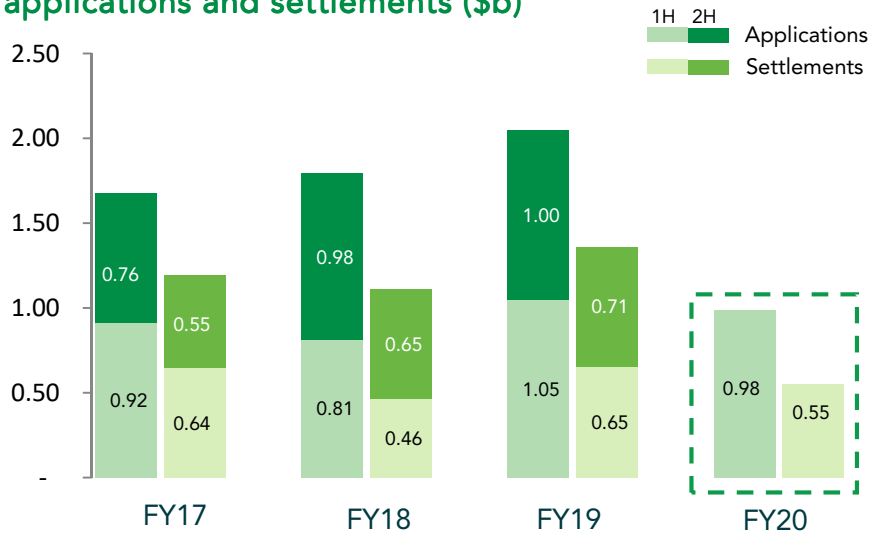
Loan book growth eased in the half; offset by increases in NIM

Lending momentum has returned with strong application flows towards the end of 2019

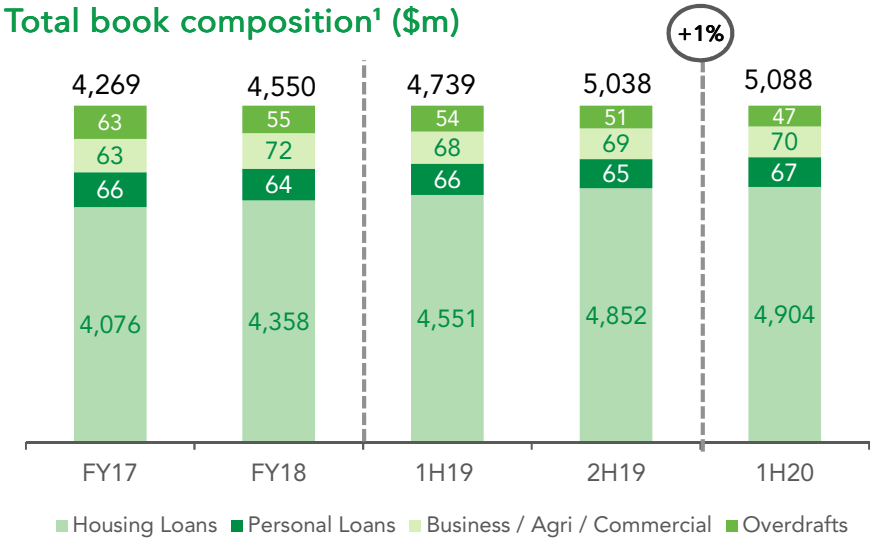
Approved as a provider of the National First Home Loans Deposit Scheme



Home loan book – applications and settlements ($b)



Total book composition[1] ($m)



1. Excludes capitalised origination costs

High credit quality

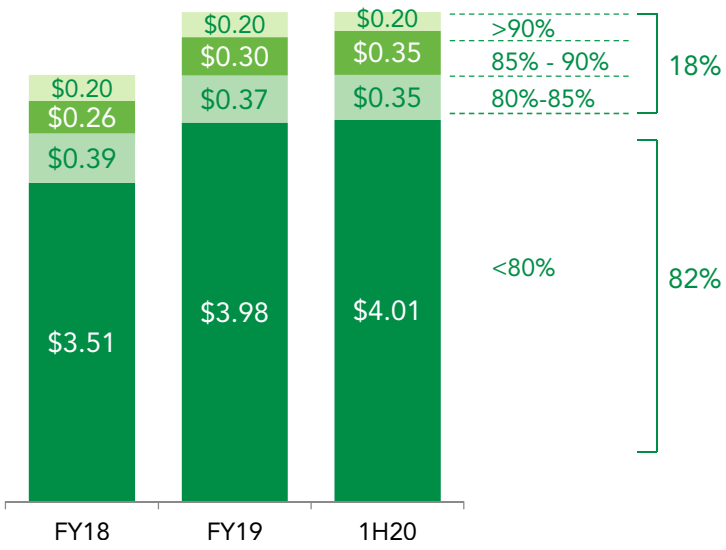
Consistent focus on lower LVR loans with high asset quality

Uptick in arrears has lead to an increase in impairment provisions

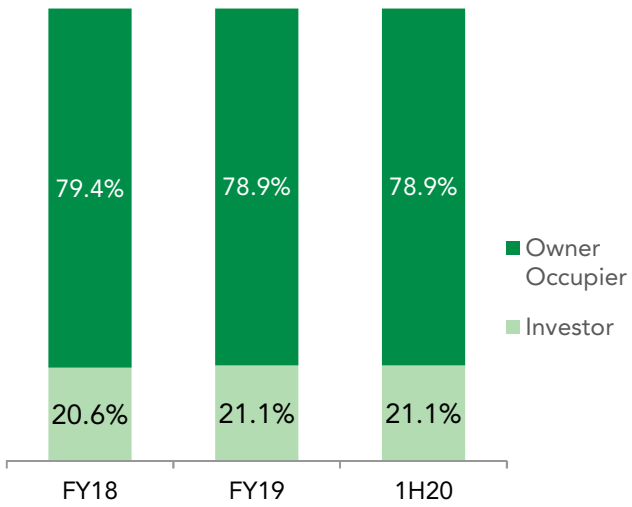
30 and 90 day arrears well below industry

Impairments remain at historic lows

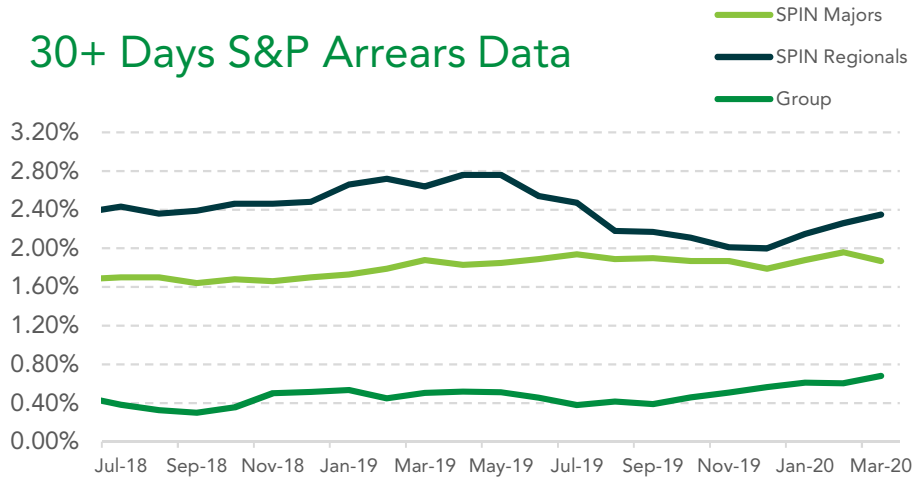
Home loan book – LVR profile ($b)



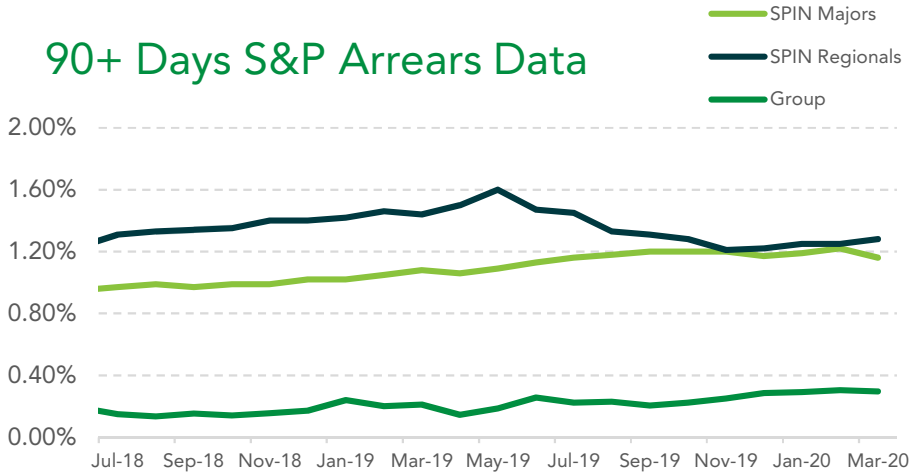
Home loan book composition (%)



30+ Days S&P Arrears Data



90+ Days S&P Arrears Data



TPT Wealth

Net FUM growth to $1.19b

Wealth revenue increased 5.1%* on pcp due to higher trustee fees and funds management revenue

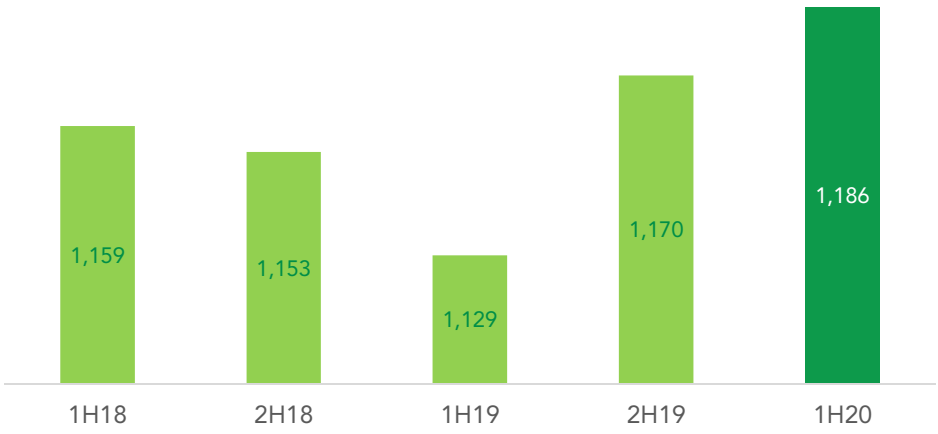
Rebranding of Wealth operations as TPT Wealth and launch of new investor portal supporting plan for national growth

Outsourced registry and funds admin providing business simplification and improved customer experience

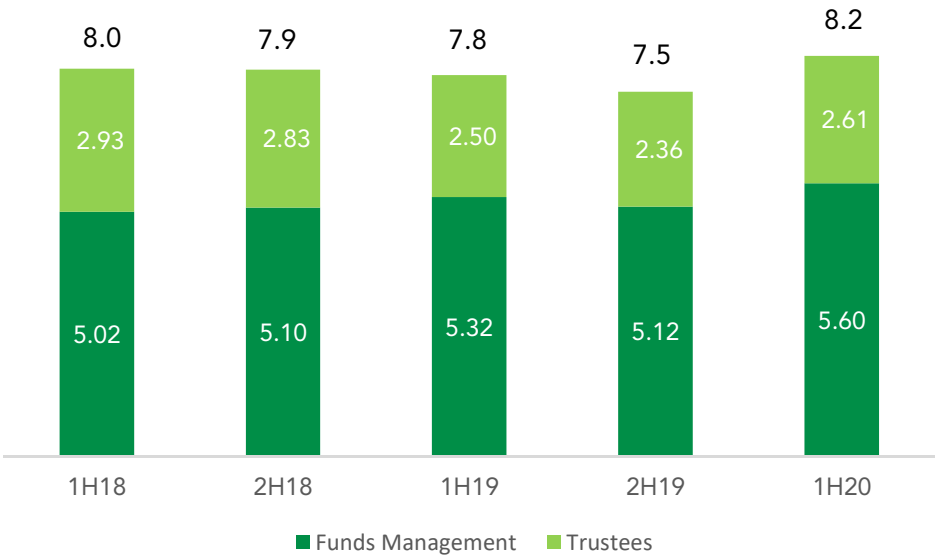
Closed Platform Mortgage Fund to simplify product suite

TPT WEALTH

Funds under management ($m)



Operating income ($m)



*on a continuing business basis

COVID-19

COVID-19 assistance to customers

On 24 March 2020, MyState Bank announced a range of new measures to support customers who may be experiencing financial hardship due to COVID-19. These measures included:

- Home loan, personal loan or commercial loan customers can defer their payments for a period of up to six months – with a check in at 3 months
- Allowing early access to Christmas Accounts without penalty
- Raising the maximum threshold on MyState's high interest Bonus Saver Accounts from $150,000 to $250,000
- Allowing customers to redraw on home and personal loans, with fee-free redraws in-branch or through the Customer Care team as well as online, which has always been free
- Allowing early access to Term Deposit Accounts for business customers

COVID-19 assistance to customers

Loans that have been provided assistance due to COVID-19:

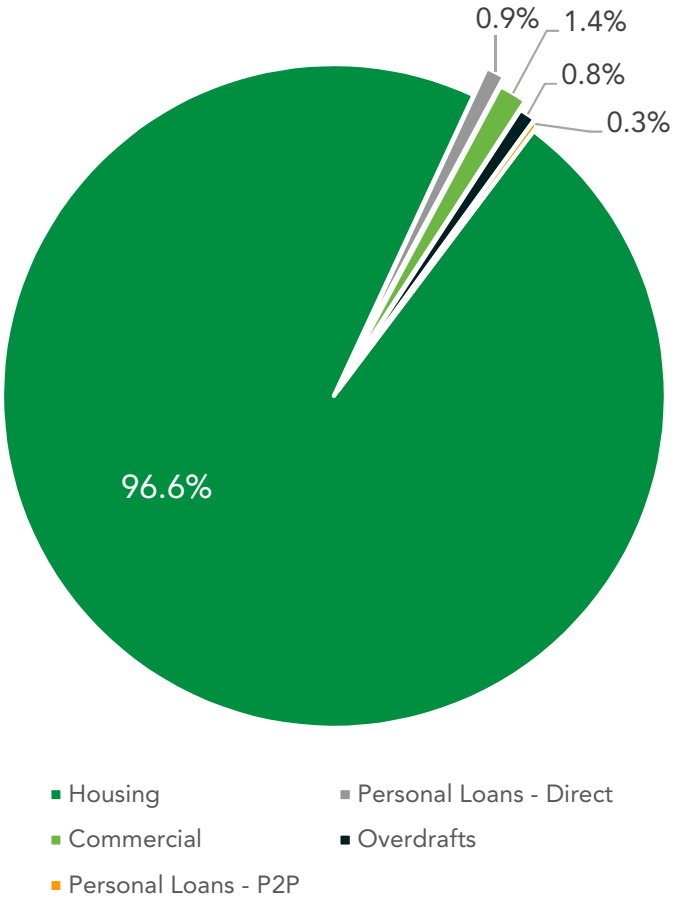
Assistance Type	Total Balance of COVID-19 Assistance ($m)			
	Home Loan	Personal Loan	MSB Commercial	Total
Restructure	59.14	0.18	0.11	59.42
Loan Pause	448.60	1.97	14.04	464.61
Change to Interest Only	47.09	0.02	0.57	47.67
Reduced Repayments	9.98	-	-	9.98
Total Approved	564.80	2.17	14.71	581.68

3 month check-in call (consumer borrowers only):

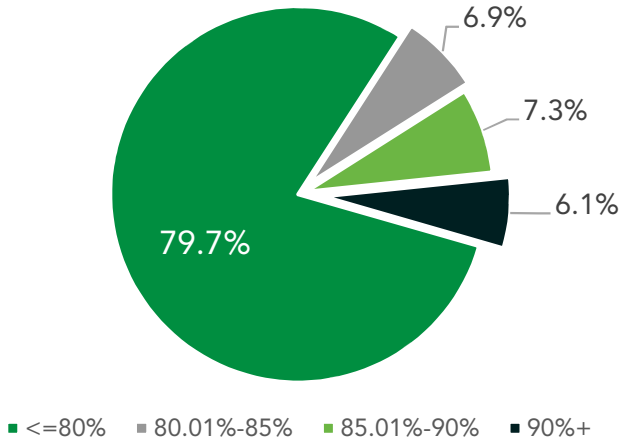
- Check–in at the midway point through the 6 month loan pauses has been initiated. MSB endeavouring to call all customers and ask them about their financial position and ability to re-start payments.
- Resourcing has been increased to meet the additional workload and also maintain the focus on BAU collection activities.

COVID-19 profile of customers provided assistance

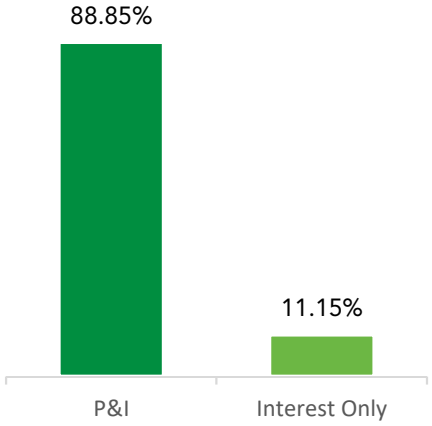
Total COVID-19 Loans



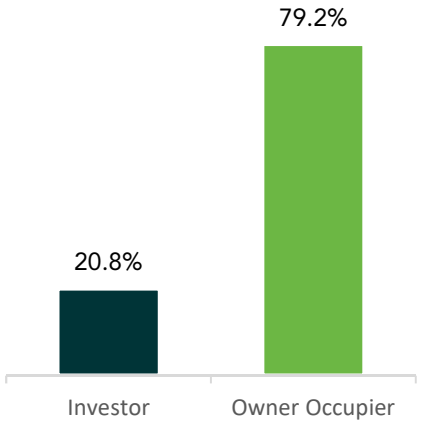
Home Loan LVR Breakdown



Residential Portfolio - P&I v IO

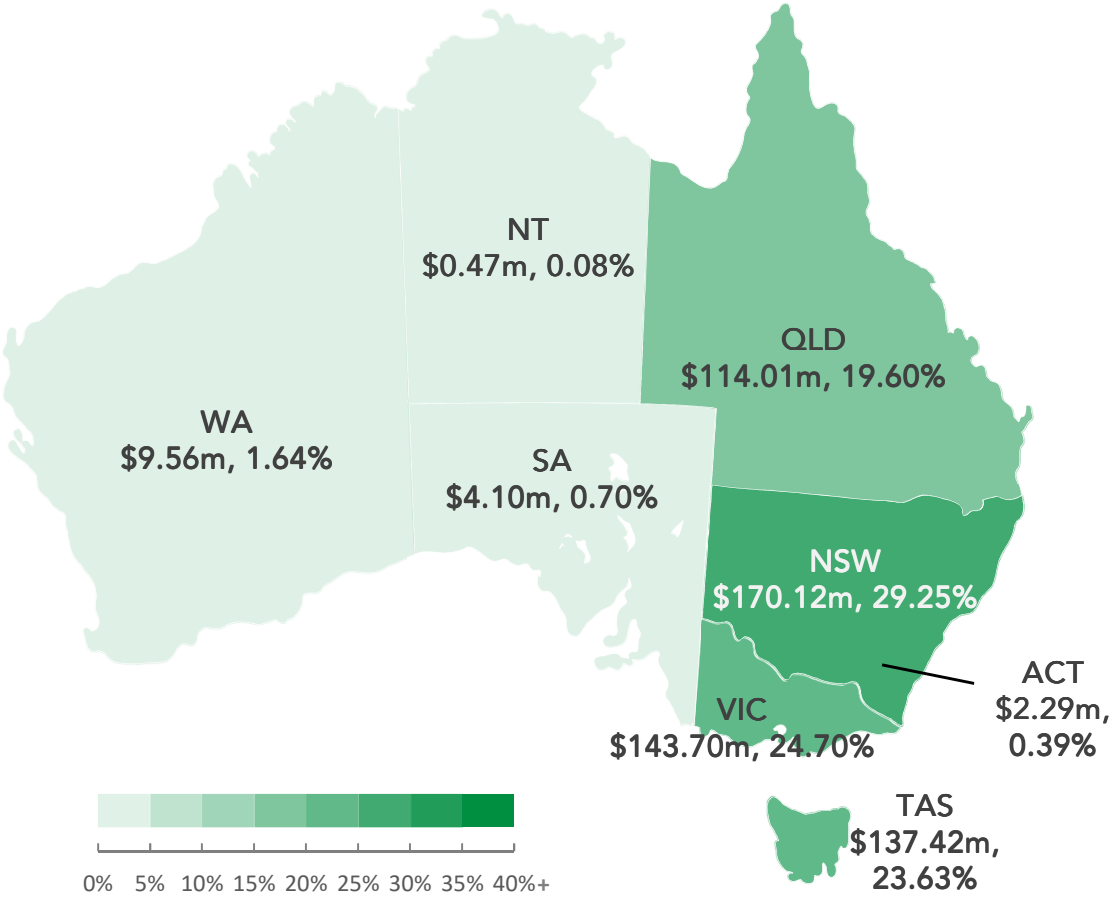


Residential Portfolio - OO v INV



Data as at 31 May 2020

COVID-19 profile of customers provided assistance

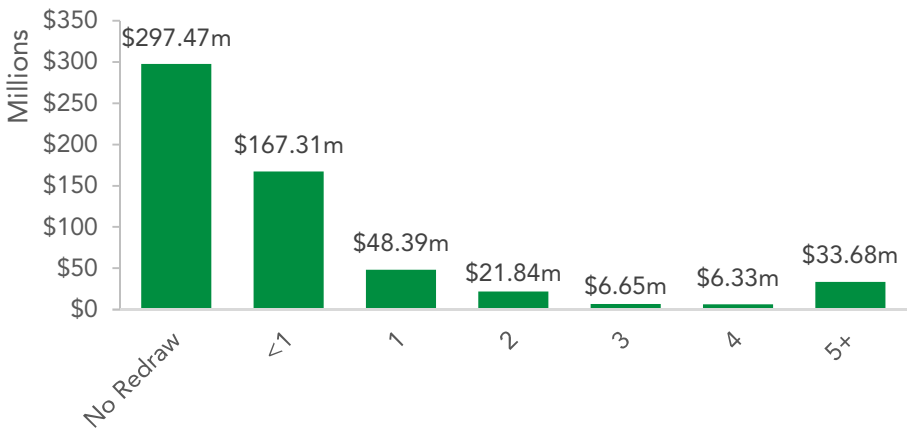


COVID-19 hardship loans are predominantly located in NSW ($170m), followed by VIC ($144m), TAS ($137m) and QLD ($114m)

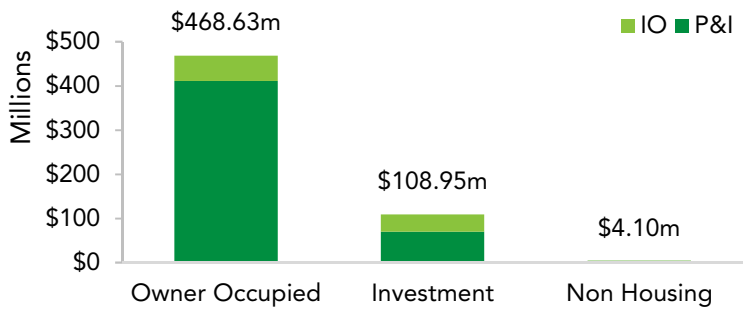
Data at 31 May 2020

COVID-19 profile of customers provided assistance

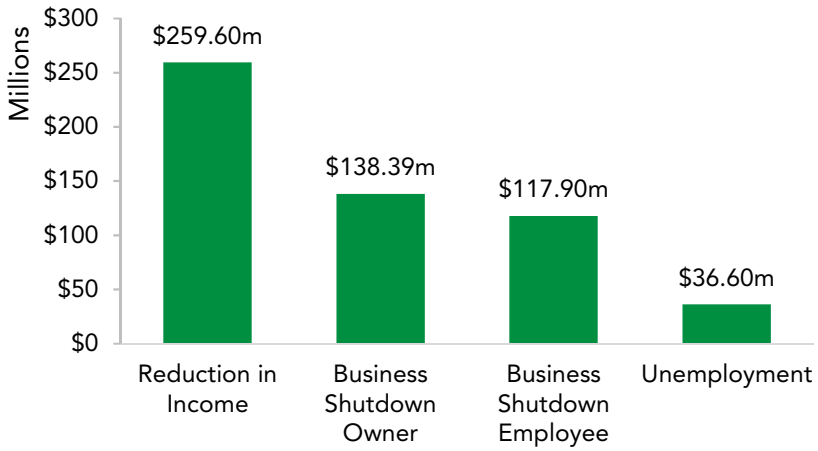
Number of Advance Payments



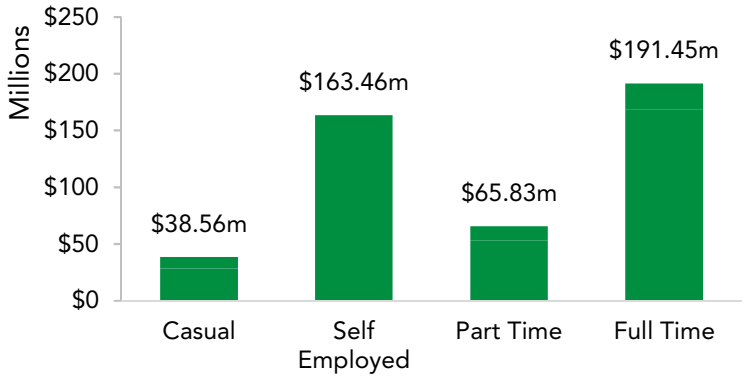
Purpose & Repayment Type



Predominant Hardship Reasons



Employment



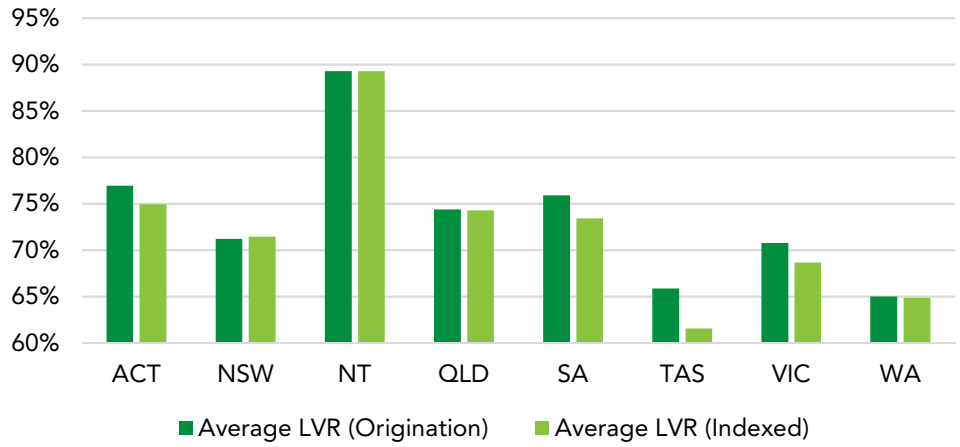
Data at 31 May 2020

COVID-19 profile of customers provided assistance

State	Average Balance of Loans with COVID-19 Assistance ($)			
	Home Loan	Personal Loan	Commercial	All Lending
ACT	327,539			327,539
NSW	507,721	22,652	614,269	501,824
NT	455,487	16,356		235,922
QLD	344,567	22,856	170,823	324,824
SA	214,965	16,328		205,033
TAS	234,533	16,428	304,464	207,904
VIC	401,119	17,667	407,102	398,065
WA	340,963	9,850		329,546
All COVID-19	351,680	17,765	350,337	328,633
Total Lending Book	232,518	13,182	277,764	202,020

The average loan balance for COVID-19 assistance loans are slightly higher than the Bank's total loan book.

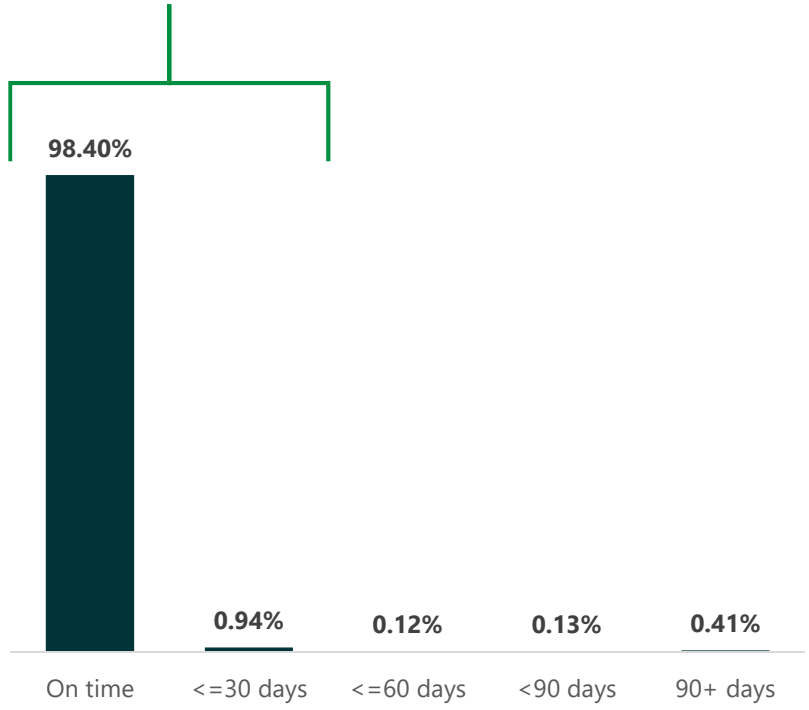
LVR change since origination
(COVID-19 Assistance loans)



Total portfolio arrears

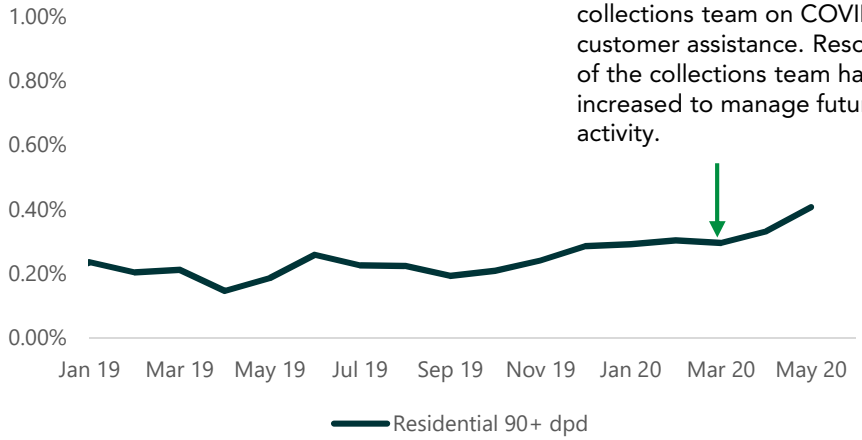
Home loan arrears profile (%)

>99% of home loan book arrears is 30 days or less and therefore considered performing loans.

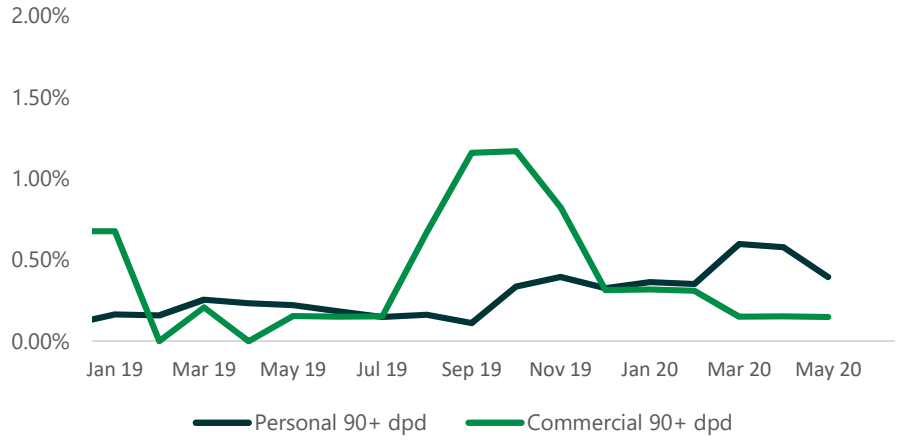


Home loan arrears

The increase since Mar 20 partly reflects the focus of the collections team on COVID-19 customer assistance. Resourcing of the collections team has been increased to manage future activity.



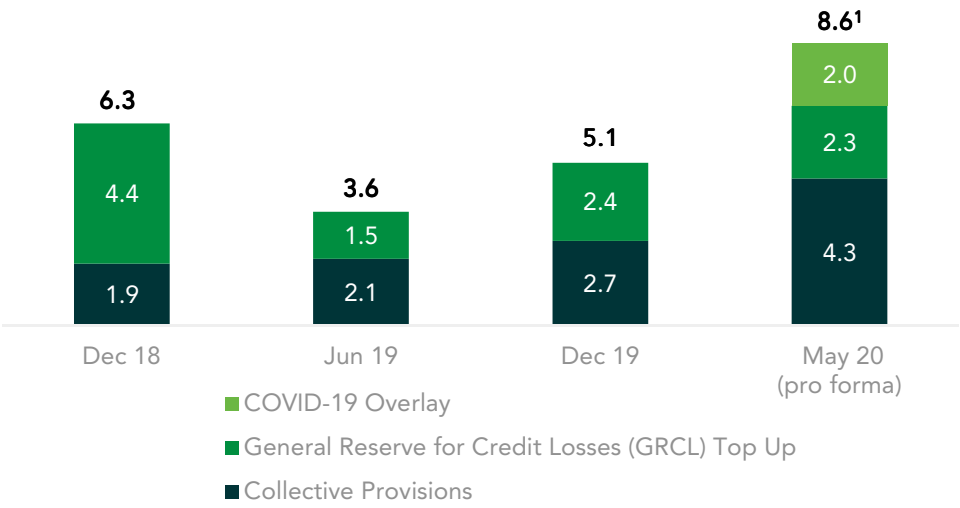
Commercial and personal arrears[1]



[1]Direct personal loan portfolio only
Data at 31 May 2020

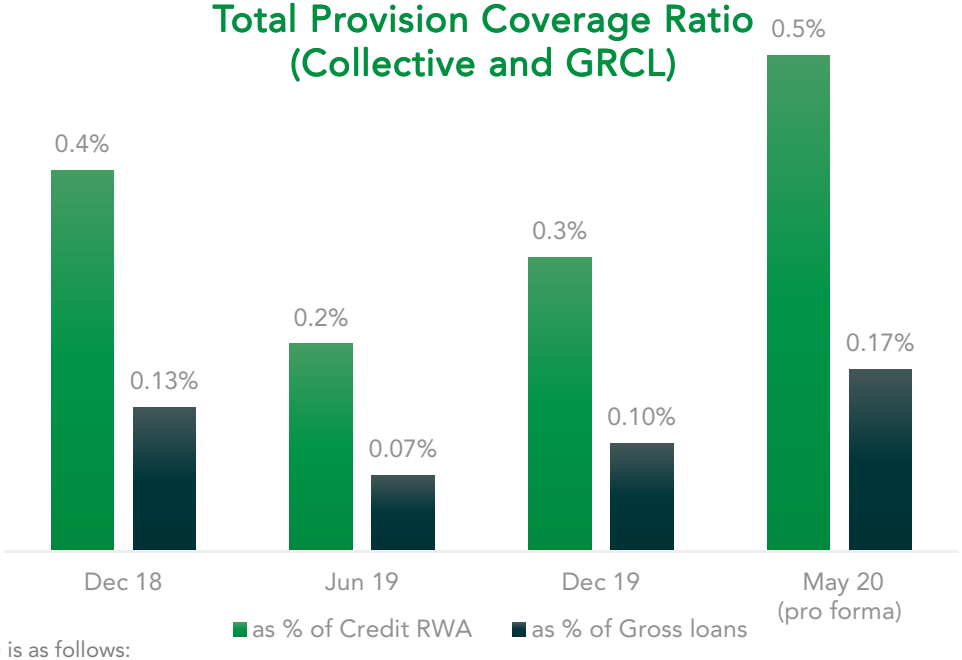
Provisions and coverage ratios

Total Collective Provisions and GRCL ($m)



Loan provisioning strengthened for the potential impact of COVID-19 pandemic

Total Provision Coverage Ratio (Collective and GRCL)



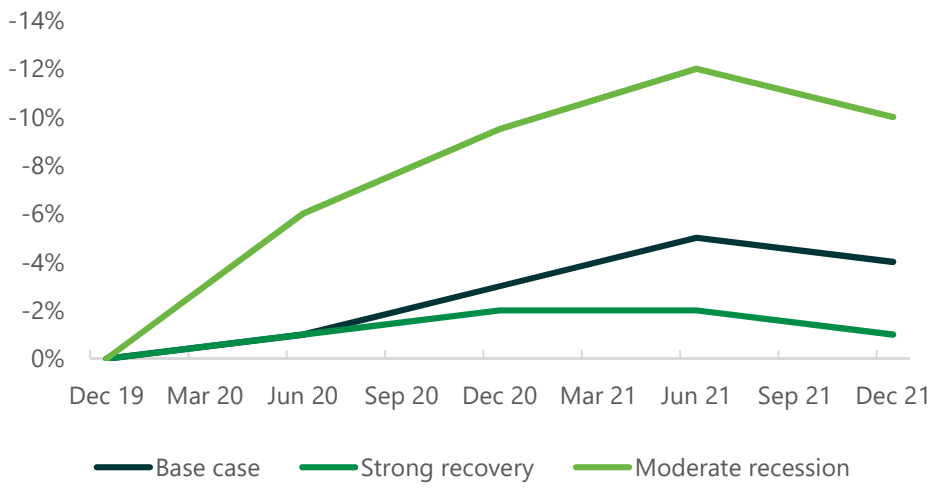
[1]The $3.5m increase in Total Collective Provisions and GRCL between Dec-19 and May-20 (pro-forma) is as follows:

+$2.0m COVID-19 overlay (Collective Provision)
+$1.4m GRCL Top-Up
-$1.5m GRCL Top-up methodology change (contractual life to actual average life for stage 1 loans)
+$1.6m Increase in total arrears and an ageing of arrears in the total loan book (Collective Provision)

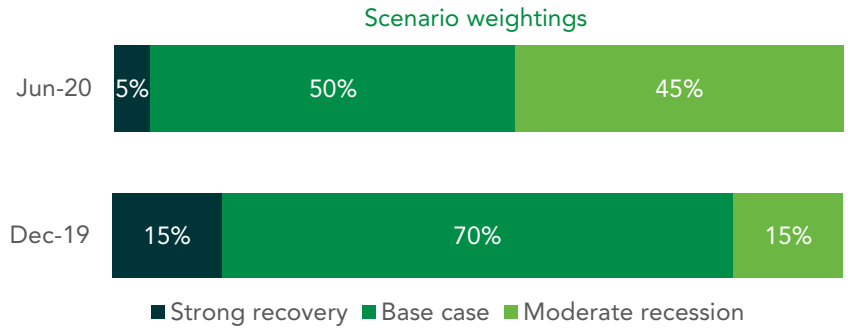
$3.5m has been used for the May-20 pro-forma which is the mid-point of the expected range of $3.0m - $4.0m

COVID-19 economic outlook and scenario weightings

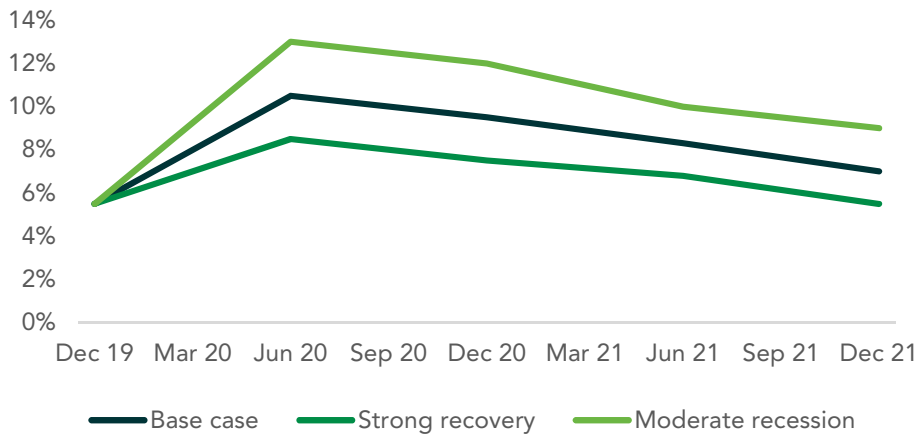
Housing Prices (%)



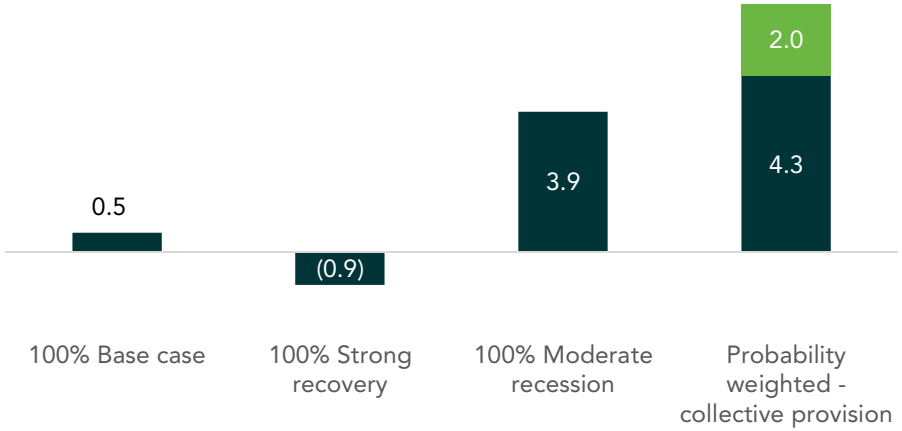
Economic outlook – scenario weights – $2.0m



Unemployment (%)



Collective provisions - scenario outcomes ($m)*



*Excludes GRCL

Capital, funding & liquidity

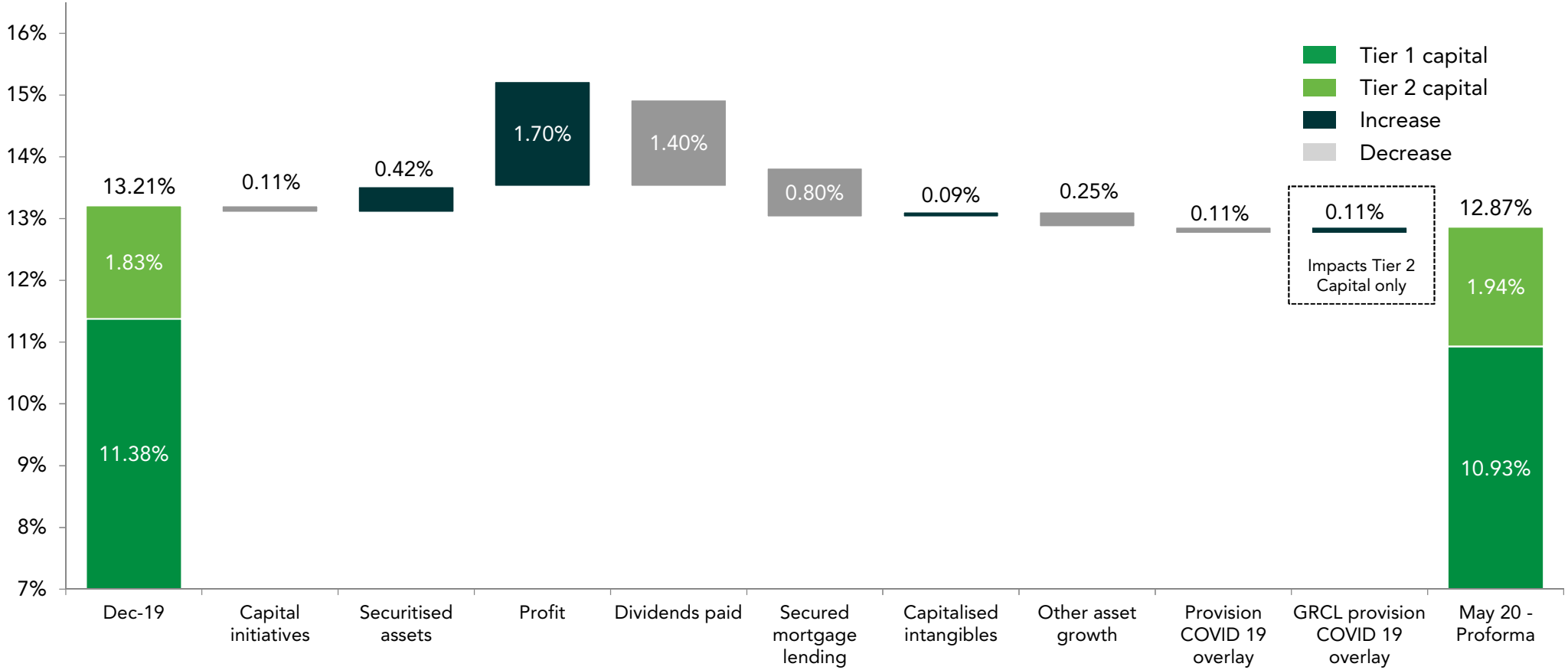
Well capitalised

Capital ratios comfortably above regulatory minimums

Capital position supported by earnings growth and securitised funding

Effective capital strategy underpinning growth and investment in digital capability

Issuance of replacement subordinated notes by MyState Limited will improve Level 2 regulatory capital efficiency



Capital management approach

Capital is managed under the Board approved ICAAP framework pursuant to APS 110. Capital is monitored on three levels:

- Regulatory Capital (APRA Approach)
- Rating Agency Capital (Moody's Approach)
- Economic Capital (Internal Risk Management Approach)

MyState's current capital plan is for capital adequacy to be managed within the Board approved risk appetite over the 3 year ICAAP forecast period.

The capital forecast is based on budget lending and RWA growth, capital expenditure and expected capital management activities and is reported to ALCO and the Board on a monthly basis. Risks to the capital forecast and potential capital actions are discussed at both ALCO and Board.

Stress testing of capital is undertaken quarterly as part of the enterprise wide stress testing framework, ICAAP and Recovery Plan processes to assess the business' capacity to withstand and recover from significant shocks.

Organic capital generation, warehouse securitisation and term RMBS are the primary form of capital generation for the Group, supplemented by use of the Dividend Reinvestment Plan and DRP underwrites as appropriate.

Funding mix

Funding mix enhanced by lower cost at call customer deposits

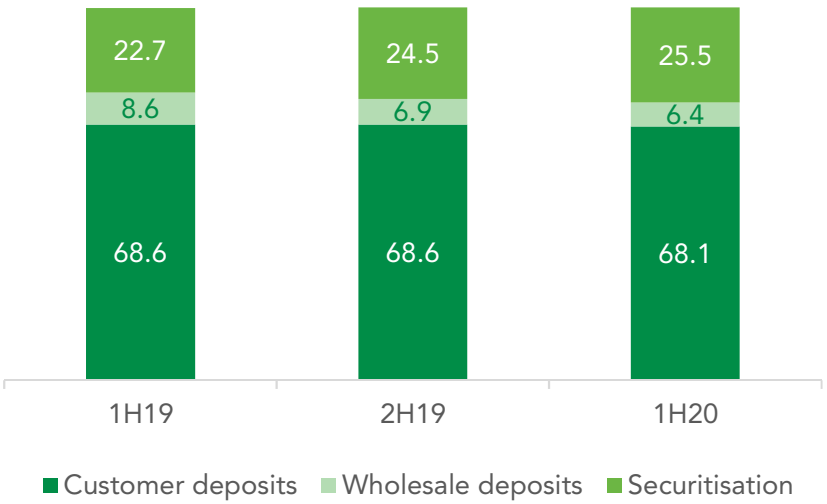
Programmatic RMBS issuance continues to be well supported by broad investor-base

Retail funding costs continuing to fall off the back of lower wholesale funding rates

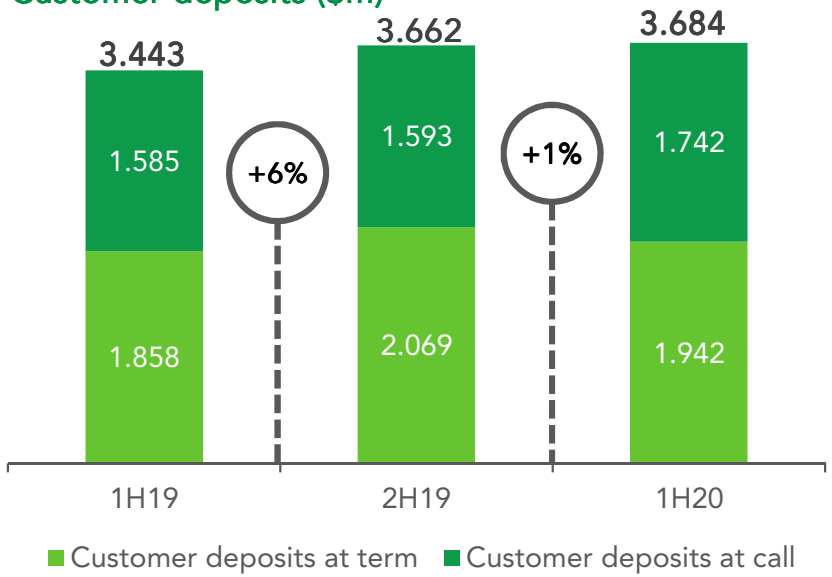
Bonus Saver account awarded 5 stars by Canstar and winner of Mozo Experts Choice 2020 Regular Saver

Business Online Saver winner of Mozo Experts Choice 2020 Small Business No Strings Savings

Funding mix (%)



Customer deposits ($m)

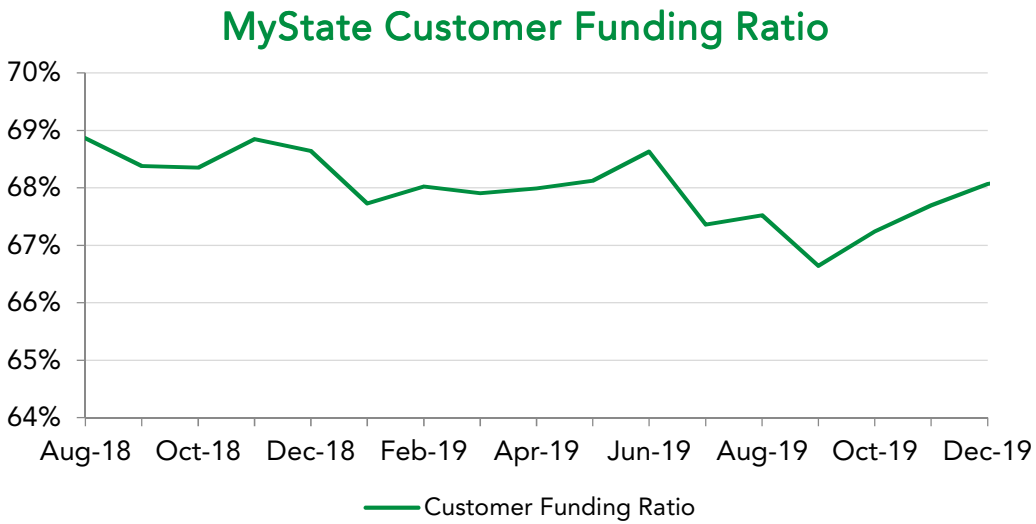


Customer deposits

Customer deposits are the core part of the MyState funding strategy and provide a strong, sustainable base from which to support lending growth.

The majority of deposits continue to be originated via the branch channel. Key transformational investment has been made to build out the digital capability of the organisation to access the online channel for growth.

The use of third party introducers and deposit platforms is also available to supplement the branch and online channels.



Data s at 31 December 2019

Wholesale funding composition

Securitisation remains the largest portion of wholesale funding. Approximately 80% of this is term RMBS

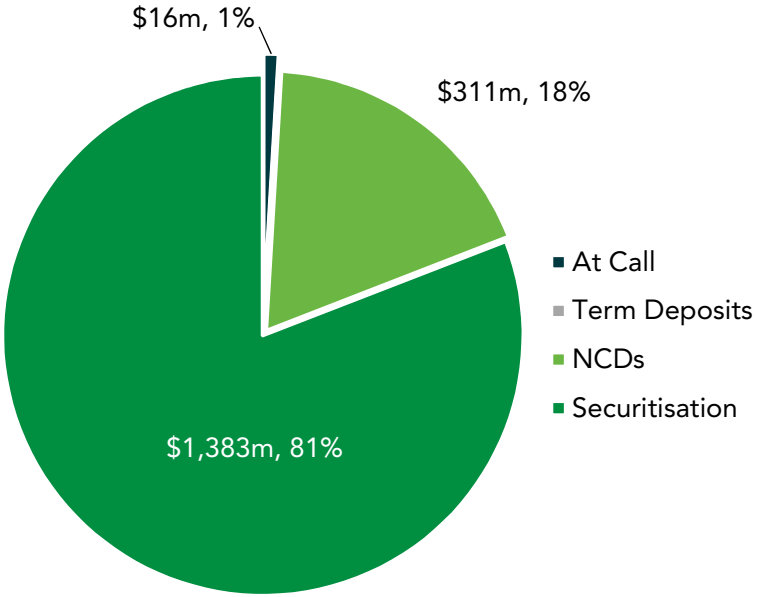
Securitisation is used for both capital and funding

Wholesale funding is actively managed by caps and maturity limits

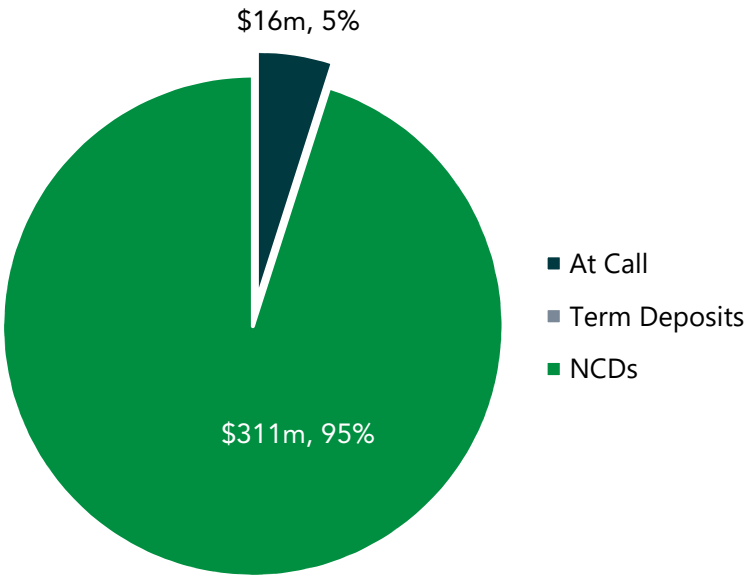
Wholesale funding provides MyState with diversification of its funding sources

Internal RMBS portfolio sized to cover all short-term wholesale funding maturities (i.e. < 12 months)

Wholesale Funding



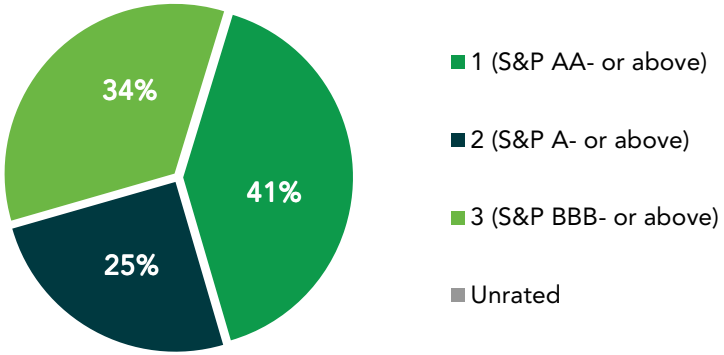
Wholesale Deposits



Data as at 31 December 2019

Liquidity

MLH Investments by Credit Rating



MyState Bank is an MLH ratio bank

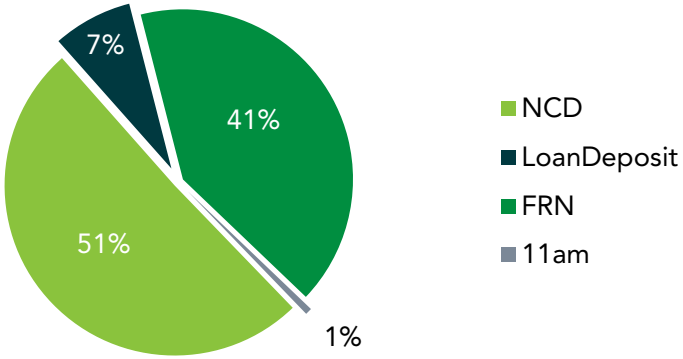
Holding an elevated level of liquidity assets and contingent liquidity (i.e. internal RMBS) in response to the COVID-19 environment

Majority of MLH Investments are repurchase eligible

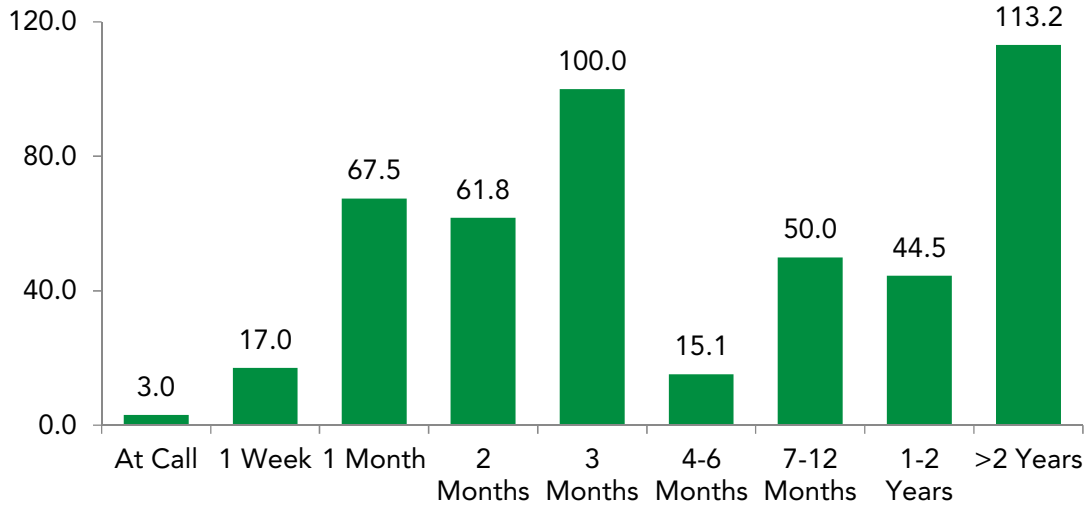
Limits in place to manage MLH Porfolio concentration risk by counterpart, credit rating and tenor

MLH Ratio augmented by proxy LCR metric, 60 day cash flow projections and early warning indicators to support liquidity management

MLH Investments by Type



MLH Maturity Profile ($m)



Data at 31 December 2019

Contingent funding plan & liquidity stress testing

The Contingent Funding Plan (CFP) is undertaken and tested regularly as part of MyState's liquity risk management framework. Testing includes a fire drill test run by ALCO (at least annually) and regular testing of RBA repurchase capability

The CFP includes detailed contingent funding options and strategies that are available to MyState in the event of deteriorating liquidity conditions

The CFP is supported by a series of risk metrics, early warning indicators (qualitative and quantitative) and escalation protocols that have been designed to identify the emergence of increased risk or vulnerabilities in MyState's liquidity risk position or potential funding needs and allow MyState to take remediation actions as appropriate

MyState undertakes quarterly liquidity stress testing as part of its enteprise wide stress testing framework. These stress tests consider the efficacy of contingent funding options against idiosyncratic and systemic scenarios at varying degrees of severity and timeframes that are calibrated to the macro-economic environment and MyState's business model and liquidity risk profile

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