MyState Limited

Registered Office
Level 2, 137 Harrington Street
Hobart Tasmania 7000

ABN: 26 133 623 962

e: info@mystatelimited.com.au
w: mystatelimited.com.au
p: 03 6215 9452

31 May 2021

ASX Compliance
525 Collins Street,
Rialto, North Tower Level 4
Melbourne VIC 3000

MyState Limited (ASX Code: MYS) – Retail Entitlement Offer Opens and booklet distributed to shareholders

Please be advised that, in accordance with MyState Limited's capital raising announcement to the market on 24 May 2021, the Retail Entitlement Offer opens today, Monday 31 May 2021. Accordingly, the attached Retail Entitlement Offer booklet has been dispatched for distribution to eligible retail shareholders today.

Yours faithfully,

Scott Lukianenko
Company Secretary

Retail Entitlement Offer

MyState Limited ACN 133 623 962

MyState Limited ACN 133 623 962 (**Company**) is undertaking a 1 for 6.6 non-renounceable entitlement offer of Shares at an issue price of $4.30 per New Share to raise approximately $60 million before costs.

The Retail Entitlement Offer closes at 5:00pm* (Sydney time), 21 June 2021.

The Entitlement Offer is partially underwritten up to $30 million by Merrill Lynch Equities (Australia) Limited ACN 006 276 795.

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This document and the personalised Entitlement and Acceptance Form that accompanies it contains important information and requires your immediate attention. You should read both documents carefully and in their entirety. This document is not a prospectus under the Corporations Act and has not been lodged with ASIC. If you have any queries please call your stockbroker, accountant or other professional adviser or the MyState Offer Information Line on 1300 040 684 (from within Australia) or +61 3 9415 4050 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period (31 May 2021 - 21 June 2021), or visit our website at www.mystatelimited.com.au.

*The Company reserves the right, subject to the Corporations Act and ASX Listing Rules to extend the Retail Closing Date for the Entitlement Offer.

MyStateLimited

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IMPORTANT NOTICES

This Retail Offer Booklet is dated 31 May 2021. Capitalised terms in this section have the meaning given to them in this Retail Offer Booklet (including the Glossary).

This Retail Offer Booklet is issued by MyState Limited ACN 133 623 962 (**Company** or **MyState**).

This Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) which allows entitlement offers to be offered without a prospectus. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus. As a result, it is important for you to read and understand this Retail Offer Booklet in its entirety, along with the publicly available information on MyState and the Entitlement Offer (for example, the information available on MyState's website www.mystatelimited.com.au and on the ASX's website www.asx.com.au) prior to deciding whether to accept your Entitlement and apply for New Shares.

The Investor Presentation, which is included in Annexure B, details important factors and risks that could affect the financial and operating performance of MyState. Please refer to the Key Risks section of the Investor Presentation for details. When making an investment decision in connection with this Entitlement Offer, it is essential that you consider these risk factors carefully in light of your individual personal circumstances, including financial and taxation issues (some of which have been outlined in Section 3 and Section 4 of this Retail Offer Booklet).

Investments in MyState are subject to investment risk, including delays in repayment and loss of income and capital invested. Neither MyState nor the Underwriter guarantees any return or any particular rate of return on the New Shares offered under the Retail Entitlement Offer, the performance of MyState generally, the repayment of capital from MyState or any particular tax treatment.

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

No overseas offering

This Retail Offer Booklet, the accompanying Entitlement and Acceptance Form, the accompanying ASX Announcement and the accompanying Investor Presentation, do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Offer Booklet does not constitute an offer to Ineligible Shareholders.

This Retail Offer Booklet is not to be distributed in, and no offer of New Shares is to be made under the Retail Entitlement Offer, in countries other than Australia and New Zealand.

No action has been taken to register or qualify the Retail Entitlement Offer or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Retail Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for MyState to lawfully receive your Application Monies.

New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of MyState with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

This document has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This document is not a prospectus under New Zealand law and is not required to, and may not, contain all the information that a prospectus under New Zealand law is required to contain.

United States - NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This Retail Offer Booklet, and any accompanying ASX announcement, Investor Presentation and the Entitlement and Acceptance Form, do not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States.

Neither this Retail Offer Booklet nor the Entitlement and Acceptance Form may be distributed or released in the United States. Neither the Entitlements nor the New Shares have been, or will be, registered under the US Securities Act or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of a person in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States or to persons acting for the account or benefit of a person in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States.

Definitions and currency

Defined terms used in this Retail Offer Booklet are contained in the Glossary. All currency amounts in this Retail Offer Booklet are in Australian dollars unless otherwise stated.

Times and dates

All dates and times in this Retail Offer Booklet are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Sydney time. Any changes to the timetable will be posted on MyState's website at www.mystatelimited.com.au. Refer to the Key Dates section for more details.

Not investment advice

Shareholders must note that the information provided in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form does not constitute financial product advice. All information has been prepared without taking into account your individual investment objectives, financial circumstances or particular needs. The information contained in this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form should not be considered as comprehensive or to comprise all the information which a Shareholder may require in order to determine whether or not to subscribe for New Shares. If you have any questions, please consult your professional adviser before deciding whether or not to invest.

Past Performance

Investors should note that MyState's past performance, including past share price performance and historical information in ASX announcements, cannot be relied upon as an indicator of (and provides no guidance as to) MyState's future performance, including MyState's future financial position or share price performance. The pro forma historical information is not represented as being indicative of MyState's views on its future financial condition or performance.

Forward-looking statements

This Retail Offer Booklet contains certain "forward looking statements" including, without limitation, projections and guidance on the performance of MyState and the outcome of the Entitlement Offer. Forward looking statements can generally be identified by use of forward looking words such as "anticipate", "expect", "likely", "intend", "should", "could", "may", "propose", "predict", "plan", "potential", "will", "believe", "forecast", "estimate", "target", "outlook", "guidance" and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, statements relating to the future performance of MyState and the outcome and effects of the Entitlement Offer and use of proceeds. No representation or warranty is given as to the accuracy or likelihood of achievement of any forward-looking statement in this Retail Offer Booklet, or any events or results expressed or implied in any forward-looking statement. Forward-looking statements, opinions and estimates provided in this Retail Offer Booklet are not guarantees of future performance and are by their nature inherently uncertain and are based on future events which may or may not be correct, assumptions and estimates which are subject to certain risks, uncertainties and change without notice, as are statements about market and industry trends, which are based on interpretation of market conditions. Actual results and performance may vary materially because events and actual circumstances frequently do not occur as forecast and future results are subject to known and unknown risk such as changes in market conditions and in regulations. Investors should form their own views as to these matters and any assumptions on which any of the forward-looking statements are based and not place reliance on such statements. To the maximum extent permitted by law, MyState, the Underwriter, their respective affiliates and related bodies corporate, and each of their respective directors, officers, employees, advisers, agents and intermediaries disclaim any obligation or undertaking to release any updates or revisions to the information to reflect any change in expectations or assumptions.

Risks

Refer to the Key Risks section of the Investor Presentation included in Annexure B of this Retail Offer Booklet for a summary of general and specific risk factors that may affect MyState.

Trading New Shares

MyState, the Underwriter and their respective affiliates and related bodies corporate will have no responsibility and disclaim all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by MyState or the Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

If you are in any doubt as to these matters, you should first consult with your stockbroker, accountant or other professional advisers.

CHAIRMAN'S LETTER

MyState – Retail Entitlement Offer

Dear Shareholder,

On behalf of the Directors of MyState, I am pleased to invite you to participate in MyState's recently announced a partially underwritten 1 for 6.6 non-renounceable pro-rata entitlement offer (**Entitlement Offer**) of new MyState fully paid ordinary shares (**New Shares**) at an issue price of $4.30 per New Share (**Issue Price**).

As you may know, MyState provides banking, trustee and managed fund products and services through its wholly-owned subsidiaries MyState Bank Limited and TPT Wealth Limited. MyState listed on the ASX in 2009 and is regulated by APRA, as the holding company of an approved deposit-taking institution. It currently is included in the ASX300 index.

Placement and Entitlement Offer

On 24 May 2021 MyState announced its intention to raise:

a. approximately $20 million by way of an institutional placement (**Placement**); and

b. approximately $60 million by way of the Entitlement Offer, being an accelerated non-renounceable pro-rata entitlement offer to Eligible Institutional Shareholders (**Institutional Entitlement Offer**) and Eligible Retail Shareholders (**Retail Entitlement Offer**),

to rapidly accelerate its growth.

The Institutional Entitlement Offer and Placement were strongly supported raising approximately $11.3m and $20m respectively for a combined total of approximately $31.3m.

Under the Entitlement Offer, Eligible Shareholders can subscribe for 1 New Share for every 6.6 Shares held as at the Record Date at an Issue Price of $4.30 per New Share. The Issue Price represents a discount of 11.3% to the last closing Share price of $4.85 on Friday, 21 May 2021.

The Entitlement Offer is partially underwritten up to $30 million by Merrill Lynch Equities (Australia) Limited ACN 006 276 795 (**Underwriter**), subject to the terms of the Underwriting Agreement (see section 4.6 for more details).

The New Shares issued under the Entitlement Offer will rank equally with existing Shares on issue and will be entitled to participate in all future distributions of MyState.

Actions required to take up your Entitlement

The number of New Shares for which you are entitled to subscribe for under the Retail Entitlement Offer (**Entitlement**) is set out in your personalised Entitlement and Acceptance Form that will accompany this Retail Offer Booklet when it is despatched to Eligible Retail Shareholders on 31 May 2021.

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferrable. If you do not participate in the Retail Entitlement Offer, your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you decide to take this opportunity to increase your investment in MyState please ensure that you have paid your Application Monies preferably via BPAY® so that they are received before 5.00pm (Sydney time) on 21 June 2021, pursuant to the instructions that are set out in the personalised Entitlement and Acceptance Form that will accompany this Retail Offer Booklet when it is despatched to you.

The Entitlement Offer closes at 5.00pm (Sydney time) on 21 June 2021.

The Board advises you to carefully read this Retail Offer Booklet in its entirety and to seek appropriate professional advice before making any investment decision. In particular, you should refer to the Key Risks section of the Investor Presentation included in Annexure B of this Retail Offer Booklet for a summary of general and specific risk factors that may affect MyState and the Entitlement Offer.

If you have any questions about the Entitlement Offer, please do not hesitate to contact MyState's Offer Information Line on 1300 040 684 (from within Australia) or +61 3 9415 4050 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

On behalf of the Directors of MyState, we invite you to consider this investment and participate in the exciting next stage of MyState's growth.

Yours faithfully,



Miles L Hampton
Chairman

KEY DATES

Key Event	Date
Announcement of the Entitlement Offer	24 May 2021
Institutional Entitlement Offer results announcement	26 May 2021
Record Date for eligibility in the Retail Entitlement Offer	7pm (Sydney time) 26 May 2021
Retail Entitlement Offer opens	31 May 2021
Retail Offer Booklet despatched	31 May 2021
Issue of New Shares under the Institutional Entitlement Offer	2 June 2021
Retail Entitlement Offer closes	21 June 2021
Settlement of the New Shares issued under the Retail Entitlement Offer	25 June 2021
Issue of New Shares issued under the Retail Entitlement Offer	28 June 2021
New Shares issued under the Retail Entitlement Offer commence trading on ASX on a normal settlement basis	29 June 2021
Despatch of holding statements for the New Shares issued under the Retail Entitlement Offer	30 June 2021

All dates and times are indicative only and subject to change. Unless otherwise specified, all times and dates refer to Sydney time. MyState reserves the right to amend any or all of these dates and times, with the consent of the Underwriter, subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, MyState reserves the right to extend the Retail Closing Date and to accept late Applications under the Retail Entitlement Offer without prior notice. Any extension of the Retail Closing Date will have a consequential effect on the Issue Date for New Shares under the Retail Entitlement Offer. Any changes to the timetable will be posted on MyState's website at www.mystatelimited.com.au.

Subject to the consent of the Underwriter, MyState also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to issue of the New Shares under the Retail Entitlement Offer. In that event, the relevant Application Monies (without interest) will be returned in full to applicants.

The commencement of quotation of New Shares is subject to the discretion of ASX.

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw your application once it has been accepted. Eligible Retail Shareholders wishing to participate in the Retail Entitlement Offer are encouraged to submit their payment as soon as possible after the Retail Entitlement Offer opens to ensure their application is received by the Registry in time.

WHAT SHOULD YOU DO?

1. Read this Retail Offer Booklet and the accompanying Entitlement and Acceptance Form

This Retail Offer Booklet and the personalised Entitlement and Acceptance Form that accompanies it contain important information about the Retail Entitlement Offer. You should read both documents carefully and in their entirety before deciding whether or not to participate in the Retail Entitlement Offer. The Retail Offer Booklet can also be viewed at www.mystateoffer.com.au.

This Retail Entitlement Offer is not being made under a prospectus. This Retail Offer Booklet does not contain all of the information which would be required to be disclosed in a prospectus. As a result, it is important for you to read and understand this Retail Offer Booklet in its entirety, along with the publicly available information on MyState and the Entitlement Offer (for example, the information available on MyState's offer website at www.mystateoffer.com.au and on the ASX's website www.asx.com.au) prior to deciding whether to accept your Entitlement and apply for New Shares.

If you are in doubt as to the course you should follow, you should seek appropriate professional advice before making an investment decision.

2. Consider the Retail Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant or other independent professional adviser if you have any queries or are uncertain about any aspects of the Retail Entitlement Offer.

An investment in New Shares is subject to both known and unknown risks, some of which are beyond the control of MyState. These risks include the possible loss of income and principal invested. MyState does not guarantee any return, any particular rate of return, the performance of the New Shares offered under the Retail Entitlement Offer, the performance of MyState generally or the repayment of capital from MyState. In considering an investment in New Shares, investors should have regard to (amongst other things) the Key Risks section in the Investor Presentation and the disclaimers outlined in this Retail Offer Booklet.

3. Decide what you want to do

If you are an Eligible Retail Shareholder, you have three options available to you in relation to the Retail Entitlement Offer:

1. take up all of your Entitlement (refer to Section 2.2);
2. take up part of your Entitlement (refer to Section 2.2); or
3. do nothing and allow your Entitlement to lapse (refer to Section 2.3).

Ineligible Shareholders

All Shareholders who do not satisfy the criteria to be Eligible Retail Shareholders are Ineligible Shareholders. Ineligible Shareholders may not take up any of their Entitlements.

Eligible Retail Shareholders

Eligible Retail Shareholders who do not participate in the Entitlement Offer, or participate for an amount less than their full Entitlement will have their percentage holding in MyState reduced. Eligible Retail Shareholders who participate in the Entitlement Offer will see their percentage holding in MyState reduce, increase or stay the same depending on the proportion of their Entitlement they subscribe for.

The Entitlement Offer is non-renounceable, which means that the Entitlements cannot be traded or otherwise transferred on the ASX or any other exchange or privately. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

4. Apply for New Shares

To participate in the Retail Entitlement Offer, please make payment by BPAY®, so that it is received by 5.00pm (Sydney time) on 21 June 2021 pursuant to the instructions set out on the Entitlement and Acceptance Form. See Section 2 - How to Apply - Eligible Retail Shareholders for more information.

If you take no action your Entitlement under the Retail Entitlement Offer will lapse.

5. Questions

If you have any questions about the Retail Entitlement Offer, please do not hesitate to contact the MyState Offer Information Line on 1300 040 684 (from within Australia) or +61 3 9415 4050 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Retail Offer Period.

SECTION 1
OVERVIEW OF THE OFFER

1.1 Overview

MyState intends to raise up to $60 million through the Entitlement Offer, which is comprised of the Institutional Entitlement Offer and the Retail Entitlement Offer.

The Entitlement Offer is partially underwritten by the Underwriter, subject to the terms of the Underwriting Agreement (see section 4.6 for more details).

Under the Retail Entitlement Offer, MyState is offering Eligible Retail Shareholders the opportunity to subscribe for 1 New Share for every 6.6 Shares held on the Record Date. The Issue Price per New Share is $4.30, the same price as offered to Eligible Institutional Shareholders under the Institutional Entitlement Offer.

The Entitlement Offer is non-renounceable, which means that the Entitlements cannot be traded or otherwise transferred on the ASX or any other exchange or privately. If you do not participate in the Entitlement Offer, you will not receive any value for your Entitlement.

Please refer to the ASX Announcement and the Investor Presentation annexed to this Retail Offer Booklet for information on the reasons for the Entitlement Offer, the use of the proceeds of the Entitlement Offer, and for further information on MyState and its strategy.

1.2 Institutional Entitlement Offer and Placement

On 24 May 2021, the Institutional Entitlement Offer was conducted with Eligible Institutional Shareholders given the opportunity to take up all or part of their Entitlement under the Institutional Entitlement Offer at an Issue Price of $4.30 per New Share.

New Shares equivalent to the number not taken up by Eligible Institutional Shareholders and New Shares that otherwise would have been offered to Ineligible Institutional Shareholders under the Institutional Entitlement Offer were offered to Institutional Investors and allocated at the discretion of the Underwriter and the Company.

The Institutional Entitlement Offer raised approximately $11.3m and the Placement raised approximately $20m.

The New Shares are expected to be issued under the Institutional Entitlement Offer on 2 June 2021.

1.3 Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders are being invited to subscribe for all or part of their Entitlement and are being sent this Retail Offer Booklet with a personalised Entitlement and Acceptance Form. Eligible Retail Shareholders who have requested to receive their communications via email will be sent a personal link to their Entitlement and Acceptance Form and the Retail Offer Booklet by email.

The Retail Entitlement Offer constitutes an offer only to Eligible Retail Shareholders, being Shareholders on the Record Date who have a registered address in Australia or New Zealand and are eligible under all applicable laws to receive an offer under the Retail Entitlement Offer. A person in the United States or acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States) or an Institutional Shareholder (other than a nominee to the extent that the nominee holds Shares on behalf of an Eligible Retail Shareholder) is not entitled to participate in the Retail Entitlement Offer.

Determination of eligibility of investors for the purposes of the Entitlement Offer is by reference to a number of matters, including legal requirements and the discretion of MyState and the Underwriter. MyState, the Underwriter and their respective affiliates and related bodies corporate disclaim any liability in respect of the exercise or otherwise of that discretion, to the maximum extent permitted by law.

The Retail Entitlement Offer closes at 5.00pm (Sydney time) on 21 June 2021, with New Shares to be issued on 28 June 2021.

The Entitlement Offer is partially underwritten by the Underwriter and seeks to raise approximately $60 million. The Issue Price under the Entitlement Offer is $4.30 per Share.

1.4 Use of proceeds

The proceeds of the Entitlement Offer will be used to rapidly accelerate MyState's growth (as set out in the Investor Presentation).

1.5 Ranking of New Shares

New Shares will rank equally with existing Shares on issue.

1.6 Reconciliation and fractional entitlements

In any entitlement offer, investors may believe that they own more or fewer existing Shares on the Record Date than they ultimately do. This could potentially result in the requirement for reconciliation to ensure all Eligible Shareholders have the opportunity to receive their full Entitlement. If this is required, it is possible that MyState may need to issue a small quantity of additional New Shares to ensure all Eligible Shareholders have the opportunity to receive their full Entitlement. The price at which these Shares will be issued will be the same as the Issue Price. MyState also reserves the right to reduce the number of New Shares allocated to Eligible Shareholders or persons claiming to be Eligible Shareholders, if their Entitlement claims prove to be overstated, or if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are indeed not Eligible Shareholders.

To the extent that the application of the offer ratio of 1 New Share for every 6.6 existing Shares held on the Record Date results in a fractional entitlement to New Shares for a particular Shareholder, that Shareholder's Entitlement shall be rounded up to the next higher whole number of New Shares.

1.7 Quotation and trading

MyState will apply to ASX for the official quotation of the New Shares in accordance with ASX Listing Rule requirements. Subject to approval being granted, it is expected that normal trading of New Shares issued under the Retail Entitlement Offer will commence on 29 June 2021.

1.8 Holding statements

Holding statements are expected to be despatched to Eligible Retail Shareholders on 30 June 2021.

It is the responsibility of each applicant to confirm their holding before trading in New Shares. Any applicant who sells New Shares before receiving confirmation of their holding in the form of their holding statement will do so at their own risk. MyState, the Underwriter and their respective affiliates and related bodies corporate each disclaim all liability whether in negligence or otherwise (and to the maximum extent permitted by law) to persons who trade New Shares before receiving their holding statements, whether on the basis of confirmation of the allocation provided by MyState, the Registry or the Underwriter.

1.9 Withdrawal of the Entitlement Offer

Subject to the consent of the Underwriter, MyState reserves the right to withdraw the Entitlement Offer at any time, in which case MyState will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest.

SECTION 2
HOW TO APPLY – ELIGIBLE RETAIL SHAREHOLDERS

2.1 Choices available to Eligible Retail Shareholders

Eligible Retail Shareholders may do any one of the following:

1. take up all of your Entitlement (refer to Section 2.2);
2. take up part of your Entitlement (refer to Section 2.2); or
3. do nothing and allow your Entitlement to lapse (refer to Section 2.3).

The Retail Entitlement Offer is a pro rata offer to Eligible Retail Shareholders only.

2.2 Take up all or part of your Entitlement

If you wish to take up your Entitlement in full or in part you are required to make payment via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form. You can only make payment by BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions. If you do not have an account that supports BPAY® transactions, please contact the MyState Offer Information Line for further instructions.

When making payment by BPAY®, please ensure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) found on your personalised Entitlement and Acceptance Form. Eligible Retail Shareholders who have requested to receive their communications via email will be sent a personal link to their Entitlement Form and the Retail Offer Booklet by email. If you have multiple holdings and receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings, only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding, you will be deemed to have applied only for New Shares on the holding to which that CRN relates, or alternatively your Application may not be recognised as valid and may be rejected.

Applicants should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment, and should therefore take this into consideration when making payment of Application Monies.

To apply and pay via BPAY®, you should:

- read this Retail Offer Booklet and the Entitlement and Acceptance Form in their entirety (also available online at www.mystateoffer.com.au) and seek appropriate professional advice if necessary;
- make your payment in respect of the full Application Monies via BPAY® for the number of New Shares you wish to subscribe for (being the Issue Price of $4.30 per New Share multiplied by the number of New Shares) so that it is received by no later than the Retail Closing Date, being 5:00pm (Sydney time) on 21 June 2021.

When making payment via BPAY® you are not required to return the Entitlement and Acceptance Form but are taken to make the statements on that form and representations outlined below in Section 2.4 (Implications of making an Application), including the Eligible Retail Shareholder declarations referred to in the Entitlement and Acceptance Form.

Cash payment will not be accepted. Additionally, due to postal delays and for public health and safety reasons in light of the COVID-19 pandemic, payments by cheque, bank draft or money order will not be accepted. Receipts for payment will not be issued.

If you take up all or part of your Entitlement and your payment of the Application Monies is received in cleared funds by the Retail Closing Date, being 5:00pm (Sydney time) on 21 June 2021, New Shares are expected to be issued to you on the Issue Date being 28 June 2021. Your payment of the Application Monies will not be accepted after the Retail Closing Date, being 5:00pm (Sydney time) on 21 June 2021, and no New Shares will be issued to you in respect of such late Application.

If the amount of Application Monies is insufficient to pay in full for the number of New Shares you applied for, you will be taken to have applied for such whole number of New Shares which is covered in full by your Application Monies. Alternatively, your application will be rejected.

2.2.1 Refund of Application Monies

Any Application Monies received for more than your final allocation of New Shares will be refunded as soon as practicable after issue. No interest will be paid to applicants on any Application Monies received or refunded.

2.3 Take no action and allow all of your Entitlement to lapse

If you are an Eligible Retail Shareholder and you do nothing, the Entitlements in respect of your Shares will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable and will not be tradeable or otherwise transferable. Shareholders who do not take up their Entitlements in full will not receive any payment or value for those Entitlements they do not take up.

You should also note that, if you do not take up all or part of your Entitlement, then your percentage holding in MyState will be diluted to the extent that New Shares are issued to other Shareholders.

2.4 Implications of making an Application

Paying any Application Monies for New Shares via BPAY® will be taken to constitute a representation by the Eligible Retail Shareholders that they:

- have received a copy of this Retail Offer Booklet accompanying the Entitlement and Acceptance Form, and have read them in their entirety;
- make the Eligible Retail Shareholder declarations referred to in the Entitlement and Acceptance Form and on page 18 of this Retail Offer Booklet; and
- acknowledge that once a BPAY® payment is made in relation to any Application Monies, the Application may not be varied or withdrawn except as required by law.

2.5 Enquiries

This Retail Offer Booklet and the Entitlement and Acceptance Form that accompanies it contain important information. You should read both documents in their entirety before deciding whether or not to participate in the Retail Entitlement Offer. If you:

- have questions in relation to the existing Shares upon which your Entitlement has been calculated;
- have questions on how to complete the Entitlement and Acceptance Form or take up your Entitlement; or
- have lost your Entitlement and Acceptance Form and would like a replacement form,

please call MyState's Offer Information Line on 1300 040 684 (from within Australia) or +61 3 9415 4050 (from outside Australia) between 8.30am and 5.00pm (Sydney time), Monday to Friday during the Offer Period. If you have further questions you should contact your professional adviser.

SECTION 3
AUSTRALIAN TAXATION

3.1 General

The section below provides a general summary of the Australian income tax, capital gains tax (CGT), goods and services tax (GST) and stamp duty implications of the Entitlement Offer for certain Eligible Shareholders.

The comments in this section deal only with the Australian taxation implications of the Entitlement Offer if you:

- are a resident for Australian income tax purposes; and
- hold your Shares on capital account.

The comments do not apply to you if you:

- are not a resident for Australian income tax purposes;
- hold your Shares as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of trading in securities);
- are subject to the 'TOFA provisions' in Division 230 of the Income Tax Assessment Act 1997 in relation to the Shares; or
- acquired the Shares in respect of which the Entitlement Offer is issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme.

The taxation implications of the Entitlement Offer will vary depending upon your particular circumstances. Accordingly, you should seek and rely upon your own professional advice before concluding on the particular taxation treatment that will apply to you.

MyState and its officers, employees, taxation or other advisers do not accept any liability or responsibility in respect of any statement concerning taxation consequences, or in respect of the taxation consequences.

This taxation summary is necessarily general in nature. It is strongly recommended that each Eligible Shareholder seeks their own independent professional tax advice applicable to their particular circumstances.

This taxation summary does not constitute financial product advice as defined in the Corporations Act. This summary is confined to taxation issues and is only one of the matters you need to consider when making a decision about your investments. You should consider taking advice from a licensed adviser, before making a decision about your investments.

3.2 Issue of Entitlements

The issue of the Entitlements should not, in and of itself, result in any amount being included in your assessable income.

3.3 Exercise of Entitlements

Eligible Shareholders who exercise their Entitlements will acquire New Shares. No assessable income or capital gain should arise for you on the exercise (i.e. taking up) of your Entitlements.

If you take up all or part of your Entitlements, you will acquire New Shares. Each of the New Shares will constitute a separate asset for CGT purposes.

The total cost base (and reduced cost base) of the New Shares should equal the Issue Price for the New Shares plus certain incidental costs incurred in acquiring the New Shares. The cost base should be allocated across the New Shares on a reasonable basis.

Each of the New Shares will be taken to be acquired on the day that the Entitlement in respect of the New Share is exercised.

3.4 Distributions on New Shares

Future distributions made in respect of New Shares will be subject to the same income taxation treatment as distributions made on existing Shares held in the same circumstances.

3.5 Disposal of New Shares

On disposal of a New Share (referred to in this section as a Share), you will make a capital gain if the capital proceeds on disposal exceed the total cost base of the Share. You will make a capital loss if the capital proceeds are less than the total reduced cost base of the Share.

As each individual Share is a separate CGT asset, the disposal of a Share will constitute a disposal for CGT purposes of each individual Share. Accordingly, the capital proceeds referable to the disposal of each Share will need to be determined by apportioning the total capital proceeds received in respect of the disposal of the Share on a reasonable basis.

Individuals, complying superannuation entities or trustees that have held Shares for at least 12 months (not including the dates of acquisition and disposal of the Shares) should be entitled to discount the amount of any capital gain resulting from the disposal of the Shares (after the application of any current year or carry forward capital losses).

The CGT discount applicable is currently 50% for individuals and trustees and 33 ⅓% for complying superannuation entities. The CGT discount is not available for companies that are not acting as trustee for a trust. Trustees should seek specific tax advice regarding the tax consequences arising to beneficiaries because of the CGT discount.

If a capital loss arises on disposal of the Shares, the capital loss can only be used to offset capital gains. The capital loss cannot be used to offset ordinary income. However, the capital loss can be carried forward to use in future income years if the loss cannot be used in a particular income year. In the case of corporate investors, this will require the satisfaction of separate loss recoupment tests.

3.6 Entitlements not taken up

As described in Section 2.3 above, any Entitlement not taken up under the Entitlement Offer will lapse and the Eligible Shareholder will not receive any consideration for those Entitlements. In these circumstances, there should not be any adverse income tax implications for the Eligible Shareholder.

3.7 Tax file number

If a Shareholder has quoted their Australian business number (ABN), tax file number (TFN) or an exemption from quoting their tax file number in respect of an existing Share, this quotation or exemption will also apply in respect of any New Shares acquired by that Shareholder.

Tax may be required to be deducted by MyState from any distributions at the highest marginal tax rate if an ABN or TFN has not been quoted, or an appropriate TFN exemption has not been provided.

3.8 Other Australian taxes

No Australian GST or stamp duty will be payable by Eligible Shareholders in respect of the issue or exercise of the Entitlements or the acquisition of New Shares pursuant to the Entitlement Offer.

SECTION 4
IMPORTANT INFORMATION FOR SHAREHOLDERS

4.1 Retail Offer Booklet availability

Those Eligible Retail Shareholders with a registered address in Australia or New Zealand will receive a copy of this Retail Offer Booklet and their personalised Entitlement and Acceptance Form. Please read the Retail Offer Booklet and the Entitlement and Acceptance Form together in their entirety.

It is important to note that you will only be entitled to accept the Entitlement Offer by making a payment of Application Monies via BPAY® using the information contained on your personalised Entitlement and Acceptance Form or accessed at www.mystateoffer.com.au (see Section 2.2 for further information). Please carefully read the instructions on the accompanying Entitlement and Acceptance Form.

4.2 Continuous disclosure requirements

Under the Corporations Act, MyState is considered a disclosing entity and is subject to ongoing reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

Under the ASX Listing Rules, MyState has an obligation (subject to certain exceptions) to notify the ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of its Shares. Such information is available to the public from the ASX at www.asx.com.au.

MyState is also required to lodge certain documents with ASIC. Such documents can be inspected and obtained from an ASIC office.

4.3 No authorisation beyond information contained within this Retail Offer Booklet

Any information or representation not contained in this Retail Offer Booklet may not be relied on as having been authorised by MyState in connection with the Entitlement Offer. No person is authorised to give any information or make any representation in connection with the Entitlement Offer, which is not contained in this Retail Offer Booklet.

4.4 No cooling-off rights

Cooling-off rights do not apply to a subscription for New Shares under the Entitlement Offer. This means that you cannot withdraw your Application once it has been accepted.

4.5 Notice to nominees and custodians

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from MyState in respect of the Entitlement Offer. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to, and they must not purport to accept the Retail Entitlement Offer in respect of:

- beneficiaries on whose behalf they hold Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- Eligible Institutional Shareholders who were invited to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- Ineligible Shareholders who were ineligible to participate in the Entitlement Offer; or
- Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons must not take up any Entitlements on behalf of, or send any documents related to the Entitlement Offer to, any person in the United States or any person that is acting for the account or benefit of a person in the United States.

MyState is not required, and does not undertake to, determine whether or not any Shareholder or investor is acting as a nominee or custodian or the identity or residence of any beneficial owners of existing Shares. Where any person is acting as a nominee or custodian for a foreign person, that person, in dealing with its beneficiary, will need to assess whether indirect participation in the Entitlement Offer by the beneficiary complies with applicable foreign laws. MyState is not able to advise on foreign laws. Eligible Retail Shareholders who are nominees or custodians are therefore advised to seek independent advice as to how to proceed.

4.6 Underwriting arrangements and fees

Merrill Lynch Equities (Australia) Limited ACN 006 276 795 will be acting as lead manager and underwriter of the Entitlement Offer. MyState has entered into the Underwriting Agreement with the Underwriter in respect of the Entitlement Offer.

MyState must pay the Underwriters an underwriting fee of 2.4% and a management fee of 0.6% of the proceeds of the Placement (being $20 million) and $30 million of the Entitlement Offer. MyState must also pay or reimburse the Underwriter for costs it has incurred in respect of the Entitlement Offer, including legal fees, reasonable out of pocket expenses (including travel expenses, bookbuild expenses and stamp duty or similar taxes payable in respect of the Underwriting Agreement). Subject to certain exceptions, MyState has agreed to indemnify the Underwriter, their affiliates and related bodies corporate (as that expression is defined in the Corporations Act), and their respective directors, officers, employees, agents and advisers (each an Indemnified Party) from and against all losses suffered or incurred by an Indemnified Party, directly or indirectly in connection with the Entitlement Offer or the Underwriting Agreement.

As is customary with these types of arrangements, the Underwriting Agreement contains representations and warranties and indemnities in favour of the Underwriter. The Underwriter may also, in certain circumstances, terminate its obligations under the Underwriting Agreement on the occurrence of certain termination events (in some circumstances, having regard to the materiality of the relevant event). The termination events of the Underwriter have been summarised on slides 35 - 39 of the Investor Presentation under Annexure B.

If the Underwriter terminates the Underwriting Agreement, the Underwriter will not be obliged to perform any of its obligations which remain to be performed under the Underwriting Agreement but the termination will not limit or prevent the exercise of any other rights or remedies which any of the parties may otherwise have under the Underwriting Agreement.

Neither the Underwriter nor any of their respective related bodies corporate and affiliates, nor any of its directors, officers, partners, employees, representatives, agents or advisers (the **Limited Parties**) have authorised or caused the issue of this Retail Offer Booklet and they do not take responsibility for any statements made in this Retail Offer Booklet or any action taken by you on the basis of such information. To the maximum extent permitted by law, each Limited Party excludes and disclaims all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Entitlement Offer and this information being inaccurate or incomplete in any way for any reason, whether by negligence or otherwise. None of the Limited Parties make any representation or warranties as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties to you concerning this Entitlement Offer or any such information and you represent, warranty and agree that you have not relied on any statements made by the Underwriter or any of their respective related bodies corporate and affiliates or any of their respective directors, officers, partners, employees, representatives or agents in relation to the New Shares or the Entitlement Offer generally.

The Underwriter and their respective affiliates and related bodies corporate may also hold interests in the securities of MyState or earn brokerage, fees or other benefits from MyState. The engagement of the Underwriter by MyState is not intended to create any agency, fiduciary or other relationship between the Underwriter and the Ineligible Shareholders or any other investor.

4.7 Control effect of the Entitlement Offer

The potential effect of the issue of New Shares pursuant to the Entitlement Offer on control of MyState and the consequences of that effect will depend on a number of factors, including the current holdings of MyState Shareholders and the extent to which Eligible Shareholders take up New Shares under the Entitlement Offer.

MyState is a "financial sector company" for the purposes of the Financial Sector (Shareholdings) Act 1998 (Cth) (FSSA). The FSSA regulates the acquisition of interests in financial sector companies and, in particular, generally limits the "stake" that a person may have in a financial sector company to 20%, which, in turn is defined by reference to the direct control interests of the person and their associates (which is broadly defined). Accordingly, under the FSSA, without the Commonwealth Treasurer's consent, the control of a shareholder in MyState will be limited to 20%.

As at the date of this Retail Offer Booklet, there are no substantial holders in the Company.

MyState expects that the proposed Entitlement Offer will have a relatively small impact on control of MyState having regard to:

a. the FSSA and the maximum "stake" of 20% that a person may hold in MyState;

b. the fact there are no substantial holders in MyState as referred to above; and

c. the offer ratio of 1: 6.6.

4.7.1 Director sub-underwriting

Director Miles Hampton has entered into a sub-underwriting agreement for up to 93,023 New Shares ($400,000).

Mr Hampton will not receive any sub-underwriting fees in respect of his sub-underwriting arrangements.

The maximum total shareholding of Mr Hampton following the Entitlement Offer has been calculated in the table below on the basis that Mr Hampton subscribes for his full Entitlement and receives up to his full sub-underwriting allocation.

Director	Current shareholding (including direct and indirect)	Current interest in voting shares	Entitlement and sub-underwriting commitment	Total shares held post Entitlement Offer	Post Entitlement Offer interest in voting shares*
Miles Hampton	780,156	0.80%	93,023	991,384	0.89%

*Assuming all shares under the Placement and Entitlement Offer are issued.

The Company intends to rely on ASX Listing Rule 10.12, exception 2 to permit Miles Hampton to sub-underwrite the Entitlement Offer. Accordingly, Shareholder approval under ASX Listing Rule 10.11 is not required.

Ineligible Shareholders are not entitled to participate in the Entitlement Offer and their percentage holding in MyState will be diluted.

4.8 Consents

Statements included in this Retail Offer Booklet, or any statement on which a statement in this Retail Offer Booklet is based, are not made by the directors, officers, employees, partners, agents and advisers of MyState, but by MyState itself.

To the maximum extent permitted by law each of these parties expressly disclaims and takes no responsibility for any statements in or omissions from this Retail Offer Booklet other than references to its name.

4.9 Governing law

This Retail Offer Booklet, the Entitlement Offer and the contracts formed on acceptance of the Entitlement and Acceptance Forms are governed by the law applicable in New South Wales, Australia. Each Shareholder who applies for New Shares submits to the jurisdiction of the courts of New South Wales, Australia.

ELIGIBLE RETAIL SHAREHOLDER DECLARATIONS

In making your application for New Shares as part of the Retail Entitlement Offer, you will be making the declarations to MyState that you:

- have read and understand the Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, the constitution of MyState ;
- acknowledge the statement of risks in the "Key Risks" section of the Investor Presentation included in Annexure B of this Retail Offer Booklet and that investments in MyState are subject to risks;
- authorise MyState to register you as the holder of New Shares issued to you under this Retail Entitlement Offer;
- declare that all details on the Entitlement and Acceptance Form are complete, accurate and up to date;
- are over 18 years of age and that you have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- accept that there is no cooling-off period under the Retail Entitlement Offer and that once MyState receives either your personalised Entitlement and Acceptance Form, your payment of Application Monies via BPAY® or both, that you may not withdraw or change your Application;
- agree to apply for and be issued with up to the number of New Shares shown on the Entitlement and Acceptance Form, or for which you have submitted payment of Application Monies via BPAY®, at the Issue Price of $4.30 per Share;
- authorise MyState, the Underwriter, the Registry and their respective related bodies corporate, affiliates, officers or agents, to do anything on your behalf necessary for the New Shares to be issued to you, including to act on instructions of the Registry upon using the contact details set out in the Entitlement and Acceptance Form;
- authorise MyState to correct any errors in your Entitlement and Acceptance Form or other forms provided by you;
- were the registered holder(s) at the Record Date of the Shares indicated on your Entitlement and Acceptance Form as being held by you on the Record Date;
- represent and warrant (for the benefit of MyState, the Underwriter and their respective related bodies corporate and affiliates) that you are not an Ineligible Shareholder and are otherwise eligible to participate in the Retail Entitlement Offer;
- acknowledge that the information contained in this Retail Offer Booklet and the Entitlement and Acceptance Form does not constitute investment advice, nor a recommendation that New Shares are suitable for you given your individual investment objectives, financial situation or particular needs;
- understand that this Retail Offer Booklet is not a prospectus and does not contain all of the information that you may require in order to assess an investment in MyState and is given in the context of MyState's past and ongoing continuous disclosure obligations under the Corporations Act and the ASX Listing Rules;
- acknowledge that neither MyState, the Underwriter, nor any of their respective related bodies corporate, directors, officers, employees, agents, consultants or advisers, guarantee the performance of the New Shares offered under the Retail Entitlement Offer or the performance of MyState, nor do they guarantee the repayment of capital from MyState;
- acknowledge and agree that:
  - determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of MyState and/or the Underwriter;
  - each of MyState and the Underwriter, and each of their respective affiliates and related bodies corporate, and their respective directors, officer, employees, advisers, agents and intermediaries disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- represent and warrant that you are an Eligible Retail Shareholder and the law of any other jurisdiction does not prohibit you from being given the Retail Offer Booklet, the Entitlement and Acceptance Form, nor does it prohibit you from making an Application and you are otherwise eligible to participate in the Retail Entitlement Offer;
- represent and warrant that you are not in the United States and are not acting for the account or benefit of a person in the United States (to the extent you hold Shares for the account or benefit of such person in the United States);
- understand and acknowledge that the Entitlements and the New Shares have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdictions in the United States, or in any other jurisdiction outside Australia. The Entitlements may not be taken up or exercised by persons in the United States or by persons who are acting for the account or benefit of, a person in the United States. Neither the Entitlements nor the New Shares may be offered, sold or resold in the United States except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction in the United States;
- are subscribing for or purchasing the Entitlements or the New Shares in an "offshore transaction" (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act;

- have not and will not send this Retail Offer Booklet or the Entitlement and Acceptance Form, or copies thereof, or any other material relating to the Retail Entitlement Offer to any person in the United States or any other country outside Australia and New Zealand;
- if you are acting as a nominee or custodian, each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form has a registered address in Australia or New Zealand and is not in the United States and is not acting for the account or benefit of a person in the United States, otherwise satisfies the criteria of an Eligible Retail Shareholder and you have not sent this Retail Offer Booklet, the Entitlement and Acceptance Form or any information relating to the Retail Entitlement Offer to any such person;
- make all other representations and warranties set out in the Retail Offer Booklet; and
- agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Entitlement Offer and/or of your holding of Shares on the Record Date.

GLOSSARY

Defined Term	Meaning
Application	an application for New Shares under the Entitlement Offer.
Application Monies	monies received from an applicant in respect of their Application.
ASIC	Australian Securities and Investments Commission.
ASX	ASX Limited (ABN 98 008 624 691) and, where the context requires, the financial market that it operates (i.e., the Australian Securities Exchange).
ASX Announcement	the announcement released to ASX on 24 May 2021 in relation to the Entitlement Offer and annexed as Annexure A to this Retail Offer Booklet.
ASX Listing Rules	the listing rules of ASX.
Board	the board of directors of MyState Limited ACN 133 623 962.
Company or MyState	MyState Limited ACN 133 623 962.
Corporations Act	*Corporations Act 2001* (Cth).
Eligible Institutional Shareholder	an Institutional Shareholder who has been invited to participate in the Institutional Entitlement Offer.
Eligible Retail Shareholder	a Shareholder on the Record Date who: • has a registered address in Australia or New Zealand; • is not in the United States and is not acting for the account or benefit of a person in the United States (to the extent such person holds Shares for the account or benefit of such person in the United States); • was not invited to participate (other than as nominee, in respect of other underlying holdings) under the Institutional Entitlement Offer, and was not treated as an Ineligible Shareholder under the Institutional Entitlement Offer; and • is eligible under all applicable securities laws to receive an offer under the Entitlement Offer.
Eligible Shareholder	an Eligible Institutional Shareholder or an Eligible Retail Shareholder.
Entitlement	the entitlement to subscribe for 1 New Share for every 6.6 Shares held on the Record Date by Eligible Shareholders.
Entitlement and Acceptance Form	the Entitlement and Acceptance Form accompanying this Retail Offer Booklet upon which an Application can be made.
Entitlement Offer	means the offer of New Shares to Eligible Shareholders, as described in Section 1.1.
Exempt Investor	a person: 1. offered securities in circumstances that do not need disclosure under Part 6D.2 because of subsections 708(8) to (12); or 2. offered interests as a wholesale client (as defined in section 761G).
Ineligible Shareholder	a Shareholder that is not an Eligible Shareholder.
Institutional Entitlement Offer	the offer of New Shares to Eligible Institutional Shareholders and Institutional Investors, as described in Section 1.2.

Institutional Investor	a person: 1. in the case of a person with a registered address in Australia, who is an "exempt investor" as defined in ASIC Corporations (Non-Traditional Rights Issue) Instrument 2016/84; or 2. if outside Australia, to whom offers for issue of Shares may lawfully be made without the need for a lodged prospectus or other disclosure document or other lodgement, registration, filing with or approval by a governmental agency (other than one with which MyState is willing, in its absolute discretion, to comply).
Institutional Shareholder	a holder of Shares on the Record Date who is an Institutional Investor.
Investor Presentation	the investor presentation dated 24 May 2021 in relation to the Entitlement Offer and annexed as Annexure B to this Retail Offer Booklet.
Issue Date	means 28 June 2021 in respect of remaining New Share issued under the Entitlement Offer.
Issue Price	the issue price per New Share, being $4.30 per New Share.
New Share	a Share offered under the Entitlement Offer.
Placement	the placement to the Institutional Investor as announced on 24 May 2021.
Record Date	7:00pm (Sydney time) on 26 May 2021.
Registry	Computershare Investor Services Pty Limited ACN 078 279 277.
Retail Closing Date	5:00pm (Sydney time), 21 June 2021.
Retail Entitlement Offer	the offer of New Shares to Eligible Retail Shareholders, as described in Section 1.3.
Retail Offer Booklet	this booklet dated 31 May 2021, including the ASX Announcement and the Investor Presentation.
Retail Offer Period	the period from the date the Retail Entitlement Offer opens until the Retail Closing Date.
Share	a fully paid ordinary share in the capital of the Company.
Shareholder	the registered holder of a Share.
Underwriter	means Merrill Lynch Equities (Australia) Limited ACN 006 276 795.
Underwriting Agreement	the underwriting agreement between MyState and the Underwriter dated on or around 24 May 2021, as described in section 4.6.
United States	United States of America, its territories and possessions, any state of the United States and the District of Columbia.
U.S. Securities Act	the U.S. Securities Act of 1933, as amended.

ANNEXURE A
ASX ANNOUNCEMENT

Monday 24 May 2021

ASX ANNOUNCEMENT

MyStateLimited

MyState announces capital raising of up to approximately $80m[1] to rapidly accelerate growth

Monday, 24 May 2021: MyState Limited is today announcing a capital raising which aims to raise up to approximately $80 million to rapidly accelerate its growth strategy.

MyState shares have been placed in a trading halt to enable the Placement to be completed, with trading expected to recommence on 26 May 2021.

MyState Chairman, Miles Hampton, said: "The capital raising will support the business to pursue a significant acceleration of its growth strategy. Since 2016, MyState has increased its home loan book by 43%. We now see an opportunity to build on that success and substantially increase our growth trajectory. This is important as it helps us to remain competitive and provide the services that our customers expect whilst improving shareholder value.

MyState has built a modern, scalable technology platform, upgraded its systems and processes, and has established a high calibre and high performing team. With the investments made in these areas we are targeting growth well ahead of system at reduced marginal cost, with the objective of creating significant incremental value for our shareholders."

Managing Director and Chief Executive Officer, Melos Sulicich said: "Our focused and accelerated growth strategy builds on MyState's strong financial position and leading customer NPS to access growth opportunities via a strong digital offering. We see significant opportunity in the current market to rapidly grow our business.

Our growth strategy is underpinned by four strategic priorities:

- **Culture & Capability:** Building on our high customer advocacy will further drive a culture of customer centricity and execution excellence.
- **Customer Experience & Acquisition:** Delivering a digital and intuitive customer experience by providing easy to access banking and wealth services.
- **Distribution:** A simple core product set distributed through expanded digital and third party channels.
- **Operations:** Simplify, digitise and automate processes and create value through productivity improvements."

The 2021 - 2025 strategy has the following objectives:

- Accelerated home loan and retail deposit growth over the medium term, while maintaining asset quality.
- Improved operating leverage (cost to income ratio) in line with business growth.
- ROE accretion as capital is deployed.
- Sustainable growth in EPS over the medium term.

In FY22 ROE and EPS expected to be diluted as capital is deployed and increased opex continues to deliver balance sheet growth.

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[1] Up to approximately $80m equity raising comprising:

- $20m fully-underwritten institutional placement (Placement)
- 1 for 6.6 pro rata accelerated non-renounceable entitlement offer to raise gross proceeds of approximately $60 million (Entitlement Offer)
- Up to approximately 18.6 million new fully paid ordinary shares (New Shares) (equivalent to 20.2% of current issued capital)

April 2021 YTD Trading Update

Financial performance for the 10-month period ended 30 April 2021 is well ahead of the prior comparative period.

Mr Sulicich said: "The results of this trading update reflect our continued focus on driving customer acquisition and investment in digital innovation, supported by our disciplined approach to managing operating expenses. The momentum we have seen is expected to continue with many of the underlying drivers to remain for the full financial year. Our digital transformation is delivering continuous improvement, further supporting our significant growth ambitions".

Financial highlights for the 10-month period ended 30 April 2021[2] include:

- Net profit after tax increase of 17.1%.
- Earnings per share up 16.2%.
- Net interest margin of 1.96%, up 10bps.
- Cost to income ratio down 360bps.
- Return on average equity up 101bps to 10.47%.

FY21 guidance

MyState is on track to deliver growth in pre-provision operating profit of +11% to +14% over the prior year, and positive JAWS, notwithstanding an uplift in cost growth to support accelerated growth in FY22.

Mr Sulicich said: "Our financial results summarised in this trading update are a good indication of what the market can expect for FY21. I am also very confident in our updated strategy and as a trusted, respected and established digital challenger brand with demonstrated capability in execution and a strong balance sheet, we are well placed to continue delivering for our customers, shareholders and our people."

Equity raising details

To further accelerate its growth strategies, MyState is undertaking a $20m fully-underwritten institutional placement (**Placement)** and a partially underwritten 1 for 6.6 pro rata accelerated non-renounceable entitlement offer to raise gross proceeds of approximately $60 million (**Entitlement Offer**). The Entitlement Offer is underwritten to $30 million.

The offer price for the Placement and Entitlement Offer of $4.30 per share (**Offer Price**), represents a:

- 9.6% discount to the theoretical ex-rights price (**TERP**) of $4.76; and
- 11.3% discount to MyState's last closing price of $4.85 on Friday, 21 May 2021.

The Placement and the Entitlement Offer will result in the issue of up to approximately 18.6 million new fully paid ordinary shares (**New Shares**) (equivalent to 20.2% of current issued capital). The New Shares issued under the Placement and the Entitlement Offer will rank equally with existing MyState shares as at their date of issue.

The Entitlement Offer is non-renounceable and rights are not transferrable and will not be traded on the ASX or other exchange.

Eligible shareholders who do not take up their entitlement under the Entitlement Offer in full or in part, will not receive any value in respect of those entitlements not taken up.

Placement

All shares offered under the Placement will be issued at the same price as New Shares issued under the Entitlement Offer ($4.30 per share). New Shares issued under the Placement do not have rights to participate in the Entitlement Offer.

Institutional Entitlement Offer

Eligible institutional shareholders will be invited to participate in the institutional component of the Entitlement Offer (**Institutional Entitlement Offer**). Under the Institutional Entitlement Offer, eligible institutional shareholders can choose to take up all, part or none of their entitlement. Entitlements not taken up under the Institutional Entitlement Offer and those that would otherwise have been offered to ineligible institutional

[2] Unaudited management results. Financial performance figures compare FY April YTD 20 to FY April YTD 21 as the previous corresponding period (pcp). Balance sheet and capital figures compare 31 December 2020 as pcp.

shareholders will be offered to certain eligible institutional investors and existing eligible institutional shareholders through an institutional book build at the Offer Price.

Retail Entitlement Offer

Eligible retail shareholders in Australia or New Zealand may participate in the retail component of the Entitlement Offer (**Retail Entitlement Offer**), which opens on Monday 31 May 2021 and closes at 5.00pm (AEST) on Monday 21 June 2021.

Please note that shareholders outside Australia or New Zealand (among other criteria) are ineligible to participate in the Retail Entitlement Offer. Further details will be set out in the Retail Offer Booklet.

Dividend

All shares issued under the Placement and Entitlement Offer will qualify for the final dividend expected to be announced with our full year results in August. It is expected that the dividend will be no less than the first half dividend of 12.5cps.[3]

Retail Investor enquiries

For further information in regard to the Entitlement Offer, please do not hesitate to contact the Registry from 8.30am to 5.00pm (AEST) Monday to Friday on 1300 040 684 (callers within Australia) or +61 3 9415 4050 (callers outside Australia).

ENDS

Authorised
MyState Limited Board

Investor call

A briefing call will take place via audio webcast at 10:30am (AEST) on Monday, 24 May 2021.

Teleconference details

If you wish to join the investor teleconference you will need to pre-register at the link below. You will receive a calendar invite and a unique code which is to be quoted when dialling into the call.

https://s1.c-conf.com/diamondpass/10014172-fup453.html

Investor Relations
Adrian Mulcahy
adrian.mulcahy@marketeye.com.au
+61 438 630 422

Media Relations
Christie Thomas
christie.thomas@mystate.com.au
+61 400 935 275

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.

[3] The amount of any dividend paid will be at the discretion of the Board and will depend on several factors, including (a) the recognition of profits and availability of cash for distributions; (b) the anticipated future earnings of the Company; and (c) when the forecast timeframe for capital demands of the business allows for a prudent distribution to Shareholders.

ANNEXURE B
INVESTOR PRESENTATION





MyStateLimited

Executive summary

Trading update

- Momentum continues with financial performance ahead of prior year.
- Operating expenses managed carefully with further widening of 'positive JAWS'.
- Digital transformation delivering continuous improvement.

2025 strategy

A focused and accelerated growth strategy:

- Increased rate of loan book growth with further geographic diversification.
- Underpinned by Culture and Capability, Customer Experience and Acquisition, Distribution and Operations.
- Enabled via a strong digital and AI offering.

Capital raising

- Capital raised will be used to rapidly accelerate the execution of MyState's growth strategies.
- Up to approximately $80 million equity raising comprising:
  - $20m fully-underwritten institutional placement (Placement).
  - 1 for 6.6 pro rata accelerated non-renounceable entitlement offer to raise gross proceeds of up to approximately $60 million (Entitlement Offer).
    - The Entitlement Offer is partially underwritten to $30 million.
  - Up to approximately 18.6 million new fully paid ordinary shares (New Shares) (equivalent to 20.2% of current issued capital).

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MyStateLimited

Key highlights

Financial YTD April 2021

+17.1% Net profit after tax

+16.2% Earnings per share

-360bps Cost to income[1]

+10bps Net interest margin

+120bps Return on tangible equity

+10.6% Customer deposits

Note: Unaudited management results. Financial performance figures compare FY April YTD 20 to FY April YTD 21 as the previous corresponding period (pcp). Balance sheet and capital figures compare 31 December 2020 as pcp.

1 Excludes restructure costs
2 1 May 2020 – 30 April 2021

Strategic initiatives delivered

Grow	✓ Customer deposit growth of 10.6% over prior year ✓ Wealth distribution capability and capacity enhanced ✓ Cost out via closure of 6 MyState Bank branches
Increase digital capability + automation	✓ AI enabled home loan retention tool now live ✓ Best in class AI insights in MyState Bank app generating over 1.5m insights to benefit customers per month ✓ Multiple improvements to internet and mobile banking platform ✓ New Wealth Trustee Services platform
Build our brand	✓ Significant expansion of marketing activities into Melbourne and Tasmania ✓ Sponsorship of Football Tasmania
Attract + deepen relationships	✓ 16,100 customers have joined across the past 12 months[2] ✓ Customer NPS +33; Customer funding ratio 72.4% ✓ COVID assistance to customers

We have a focused digital strategy, with a significant opportunity to accelerate growth.

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MyStateLimited

Financial YTD April 2021 performance summary

	FYTD April 21	FYTD April 20	Change	
Pre-provision operating profit ($m)[1]	45.1	38.1	+18.3%	▲
Net profit after tax ($m)	30.2	25.8	+17.1%	▲
Underlying net profit after tax ($m)[1]	31.5	26.7	+18.2%	▲
Earnings per share (cps)[3]	39.4	33.9	+16.2%	▲
Underlying EPS (cps)[1,3]	41.0	35.0	+17.3%	▲
Net interest margin	1.96%	1.86%	+10bps	▲
Cost to income ratio[1]	60.75%	64.35%	-360bps	▼
Total capital ratio[2]	12.79%	13.24%	-45bps	▼
Return on average equity[3]	10.47%	9.46%	+101bps	▲
Return on tangible equity[3]	14.39%	13.19%	+120bps	▲
Credit performance - 30 day arrears	0.56%	0.68%	-12bps	▼

- Double digit NPAT and EPS growth.
- Strong top line momentum with NIM continuing to benefit from lower funding costs.
- Positive 'JAWS' with operating expenses continuing to be well managed.
- Annualised return on average equity increased on pcp to 10.47%.

Peer group ROE comparison (%)[4]



Note: Unaudited management results. Financial performance figures compare FY April YTD 20 to FY April YTD 21 as the previous corresponding period (pcp). Balance sheet figures compare 31 December 2020 as pcp. Forward looking COVID-19 overlay unchanged since 31 December 2020.
1. Excludes restructure costs and Bad & Doubtful Debts expense
2. Comparative is as at 31 December 2020
3. Annualised FYTD
4. As per most recent financial reporting

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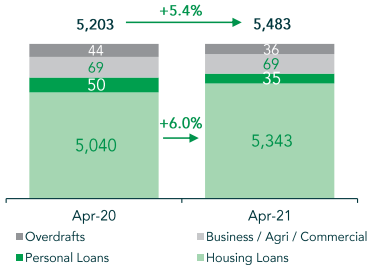
MyStateLimited

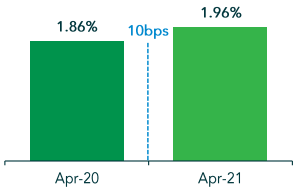
Operating performance

- Lending book growth a result of continued diversification across the eastern seaboard. Personal loans origination ceased.
- NIM benefiting from lower funding costs and growth in retail funding.
- Disciplined management of costs remains a priority.
- NPAT growth a result of strong net interest income performance, continued operating leverage and tight cost management.

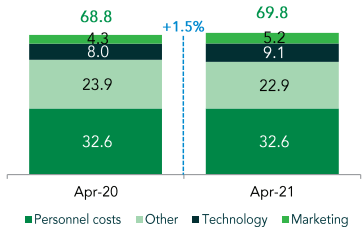
Lending book ($m)



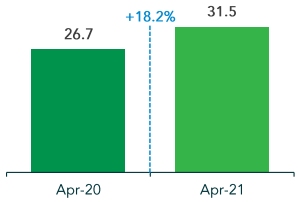
Net interest margin (NIM)



Operating expenses ($m) [1]



Underlying NPAT [2]



1. Excludes restructure costs
2. Excludes restructure costs (FY21) and Bad & Doubtful Debts expense

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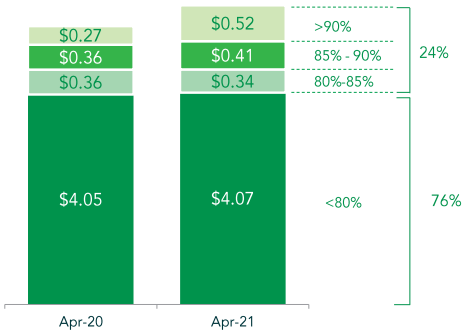
MyStateLimited

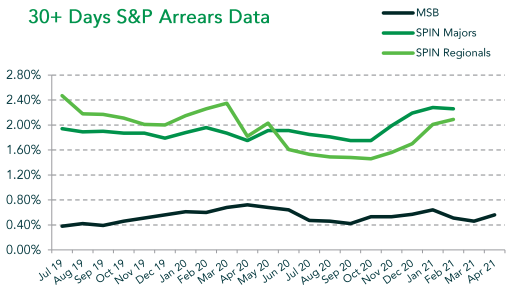
High credit quality

- Continued credit quality remains a hallmark of MyState's strategy and balance sheet strength.
- Focus on low-risk, owner occupied lending with LVR of less than 80%.
- Growth in >90% LVR loans reflects strong support of the First Home Loan Deposit Scheme.

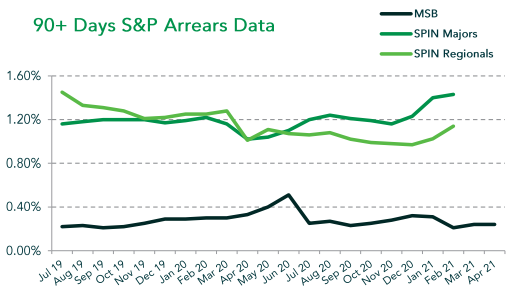
Home loan book - LVR profile ($b)



30+ Days S&P Arrears Data



90+ Days S&P Arrears Data



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MyStateLimited

Balance sheet

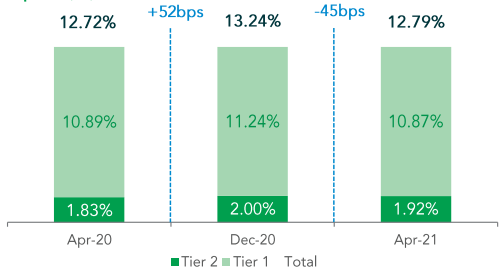
Capital

- Reduction in total capital ratio since 31 Dec 2020 reflects payment of FY21 interim dividend and balance sheet growth.
- Capital raising will provide capital flexibility and capacity for further growth.

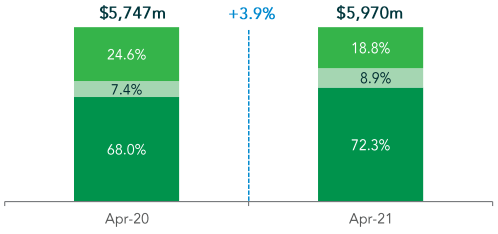
Funding

- Retail deposit led growth strategy.
- Customer deposits up 10.6% on pcp.
- Significant growth in the award winning Bonus Saver Account (+319% on 30 June 2020) driven by digital acquisition of new customers.
- Funding costs have continued to fall.

Capital (%)



Funding mix (%)



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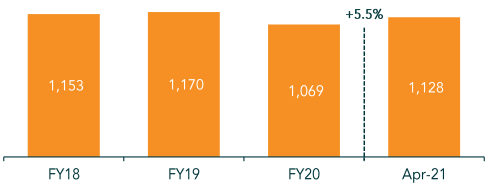
MyStateLimited

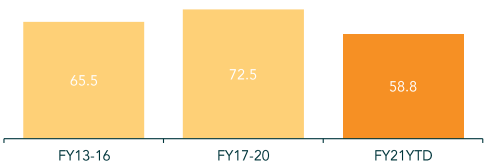
TPT Wealth

- Distribution capability enhanced to drive growth on the eastern seaboard, to compliment the team in the heartland market of Tasmania.
- FUM increased 5.5% financial YTD April 2021 to $1.128b driven by income fund growth.
- 29% of investors on the new digital portal.
- Investment management for growth funds outsourced to Mercer.
- Replacement of legacy trustee system completed on schedule in February 2021.

Funds under management ($m)



Net FUM growth ($m)



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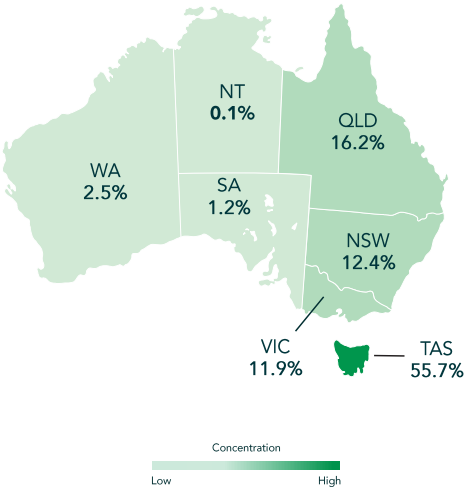
MyStateLimited

Strong heartland presence and growing national reach...

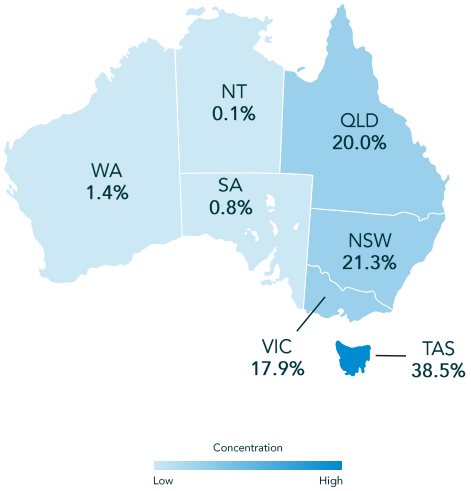
Home Loan geographic concentration – June 2016

Total home loan book $3.7b



Home Loan geographic concentration – April 2021

Total home loan book $5.3b



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MyStateLimited

...which has evolved into a digital bank

2016 — Our journey — 2021

Branch based "credit union"

- Geographically concentrated customer base
- Legacy technology platforms
- Inward-focused processes
- Disparate systems and processes
- Largely manual workflow

Customer-centred business

Digital Bank

- Increasingly geographically diverse customer base
- Online origination increasing
- Customer focused processes
- Relationship focused business and people
- Digitised and simplified systems and processes
- AI enabled customer insights

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MyStateLimited

Well positioned for accelerated growth

Proven execution capability

- Transformed digital bank attracting new customers.
- Strong customer NPS demonstrating deep customer relationships.
- Simpler business, products and systems.
- Focus on operations, growth, margins, cost management and scalability.
- Increased marketing and brand activities reaching new markets.

Digital transformation driving growth

- 'Human way to bank' underpinned by strong digital capability.
- National reach.
- Enhanced customer facing digital proposition.
- Award winning products and leading customer satisfaction ratings.
- Automation of back-office operations.

Disciplined cost management

- Key restructuring activities complete – focus now on realising benefits and reinvesting in accelerated growth.
- Productivity efficiencies achieved through My Excellence program and ongoing digitisation.
- Reducing cost to income ratio.

Managing growth and credit quality

- Credit quality maintained amidst strong competition.
- Focus on low-risk owner occupier lending with an LVR less than 80%.
- Geographic diversification of loan book.
- Strong risk management practices in place.

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MyStateLimited

Proven execution capability

Strategic initiatives delivered 2016 to 2021		
MyStateBank	**Grow** our balance sheet	• Home loan book has grown 43% from $3.7bn to $5.3bn • New customer growth across eastern seaboard • Customer funding ratio > 72% from 66.9% in 2016 • Ceasing origination of Personal Loans
	Increase digital capabilities and use of automation	• National scalable digital bank • Best in class AI insights and retention tools • Simplification of processes with increasing use of robotics to scale • Early to adopt NPP and digital wallets • Closed CQ branch network and funds used to build out digital bank
	Build our brand	• Upscaled marketing activity in Tasmania • Significant expansion of marketing activities in Melbourne • Award winning products: Bonus Saver awarded 5 Stars by Canstar and Mozo Experts Choice Award • Trusted brand
	Attract and deepen relationships	• Customer growth momentum • Leading customer NPS +33 • COVID assistance to customers • AI insights helping customers staying ahead
TPT WEALTH	**Invest** in contemporary, scalable wealth management and trustee products and systems	• Legacy systems replaced • Trustee services platform launched
	Grow through mainland distribution	• Wealth distribution capability and capacity enhanced • Uplift in business development resourcing within and outside Tasmania

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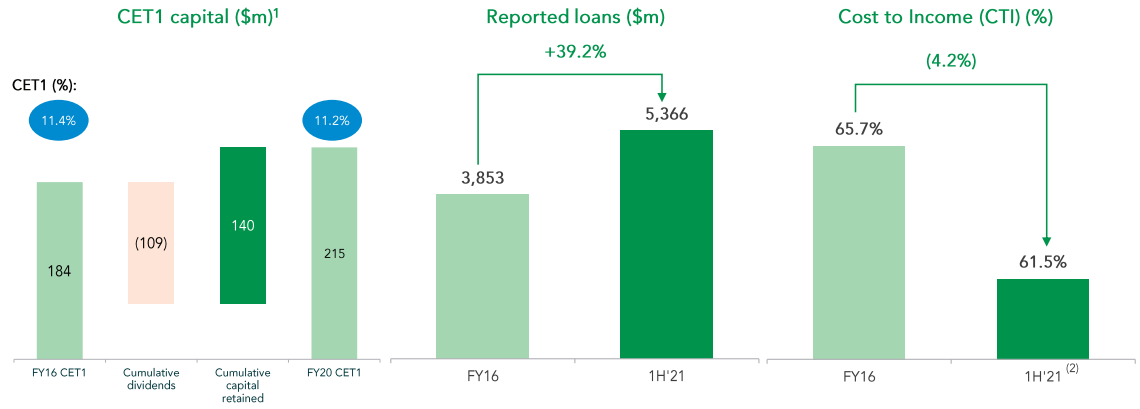
MyStateLimited

Capital invested generating loan book growth and resulting in lower CTI



- Over 5 years $31m of capital invested to support loan growth.
- Loan book has grown by $1,513m since FY16, representing a CAGR of 7.6%
- CTI has been on a downward trend between FY16 to 1H21 – a reduction of 4.2%

1. Based on movement in CET1 between 2016 and 2020, including retained earnings and dividends net of any re-investment plan
2. Excluding restructuring costs.

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MyStateLimited

Digital transformation driving growth

April 2017 – CRM

May 2017 – Single Core banking system (TCS BaNCS); Internet and mobile banking upgrade; Online deposit origination

June 2017 – Contact Centre system replacement

Feb 2018 – New Payments Platform (NPP)

Dec 2019 – Online mortgage origination

Feb 2020 – Online managed fund platform

Aug 2020 – AI-driven personalised insights in MyState Bank app

Feb 2021 – Trustees services platform upgrade

1HCY 2022 – On track to launch next generation mobile app & internet banking



Currently enabled

Apple Pay · Google Pay · Samsung Pay · Osko · fitbit pay · Garmin Pay

MyStateLimited

Operating environment creating opportunities

- In a world still feeling the effects of COVID-19, business is adapting to a lower growth environment; regulation, capital requirements, record low interest rates, intense competition and shifting buying patterns are all affecting profitability.
- In this environment, our focus remains on simplifying, automating, improving productivity, investing and innovating to grow retail deposits, home loans and wealth investments.

Economic and industry dynamics	MyState's response
Australian economy rebound strong with business confidence positive.	• Continue to grow market share in our heartland. • Plans to grow rapidly in eastern seaboard markets.
Low credit growth combined with low rates for longer increases importance of scale economies.	• Simplified digital product set. • Best in class analytics, insights and robotics processes.
Competition for new lending remains intense.	• Simple and easy origination – swift time to 'yes'.
Shifting customer preferences towards digital.	• 'Human way to bank' with strong digital capability. • Leading customer NPS.
Regulatory requirements increasing.	• Simplified business model reduces complexity. • Automation and digitisation reducing error rates.
Increasing industry consolidation.	• A trusted brand with a deep care for customers.

MyStateLimited

Strategy 2021 - 2025

Our ambition is to grow our share in deposits, lending and FUM.

Our growth strategy is focused and bold. It builds on our strong financial position and high customer NPS to access specific growth opportunities in eastern seaboard markets, via a strong digital and AI enabled offering.



Culture and Capability
Drive a culture of customer centricity and execution excellence.

Customer Experience and Acquisition
Deliver a digital and intuitive customer experience by providing easy access banking and wealth services.

Operations
Simplify, digitise and automate processes and create value through productivity improvements.

Distribution
A simple core product set distributed through expanded digital and third party channels.

Enablers
- Continuous improvement program driving innovation and process automation.
- A strong and flexible capital position with robust risk culture.

Values
- Create customer 'wow'
- Chase the better
- Collaborate to win

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MyStateLimited

Strength in balance sheet supports accelerated growth and returns

- MyState sees a significant opportunity across its markets to accelerate growth, creating value for shareholders.
- Since 2016 MyState's home loan book has increased +43%.[2]
- Opportunity to build on past success and rapidly accelerate growth trajectory.
- Targeting above system growth at low marginal cost.

	2021 – 2025 targets[1]
Assets	• Rapidly accelerate balance sheet growth over the medium term, while maintaining current asset quality.
Costs	• Improved operating leverage (cost to income ratio) in line with business growth.
Earnings	• Targeting ROE accretion as capital is deployed. • Targeting growth in EPS over the medium term.
2022	• In FY22 ROE and EPS diluted as capital is deployed and increased opex continues to deliver balance sheet growth.

1. Targets assume current market conditions persist and there is no significant change or deterioration in Federal and State Government responses to COVID-19.
2. From 30 June 2016 to 30 April 2021

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Capital strength 03

Gary Dickson

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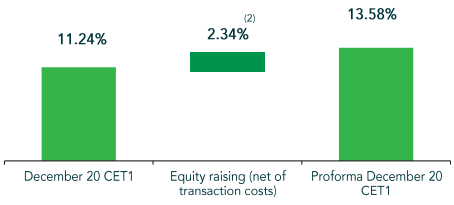
MyStateLimited

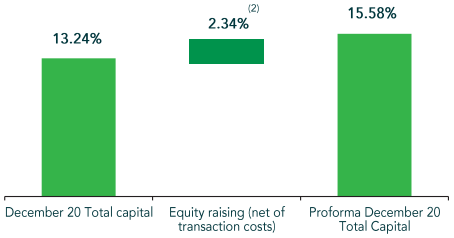
Capital raising will support MyState's significant growth plans

- MyState remains well capitalised with all capital ratios comfortably above regulatory requirements.
- Additional capital will be used to rapidly accelerate the execution of MyState's growth strategies.
- Capacity for Additional Tier 1 and Tier 2 capital to provide further capital flexibility.

CET1(%)[1]



Total capital (%)[1]



1. Excludes the impact of the FY21 interim dividend (-0.50%) and retained earnings for the period from 1 Jan 2021 to 30 April 2021
2. Assumes $50m capital raise (net of estimated transaction costs of $2.25m)

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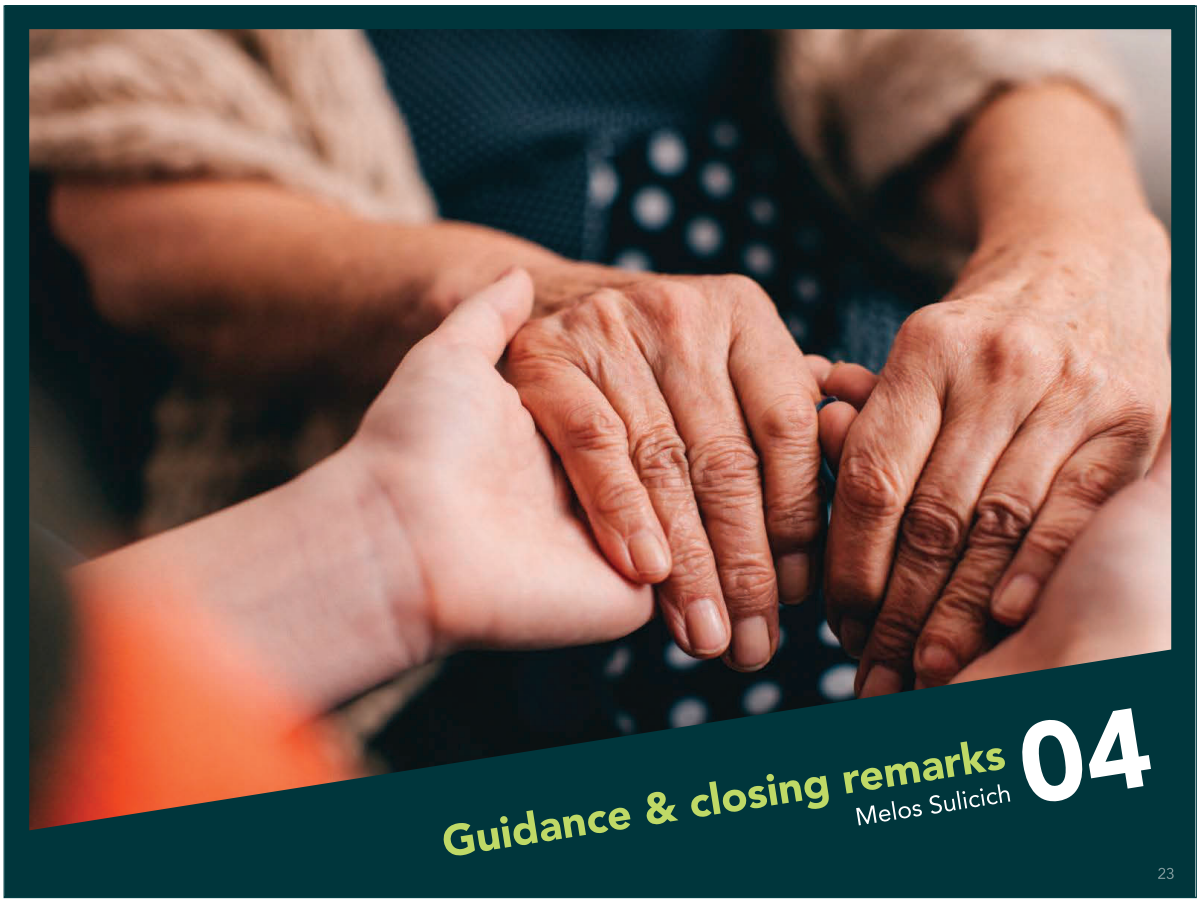

MyStateLimited

FY21 guidance and closing remarks

Guidance FY21

- Expect FY21 NPAT and EPS (pre capital raising) to continue momentum from FYTD April 21.
- Pre-provision operating profit range +11% to +14%.
- Positive JAWS.
- Full year FY21 dividend at least 12.5 cps.[1]

Closing remarks

- Demonstrated capability on strategic execution.
- Trusted and respected challenger brand with leading customer advocacy.
- Increasing digital and AI capabilities remain a focus for future investment.
- Established digital bank.
- Delivering consistent shareholder returns.

1 The amount of any dividend paid will be at the discretion of the Board and will depend on several factors, including (a) the recognition of profits and availability of cash for distributions; (b) the anticipated future earnings of the Company; and (c) when the forecast timeframe for capital demands of the business allows for a prudent distribution to Shareholders.

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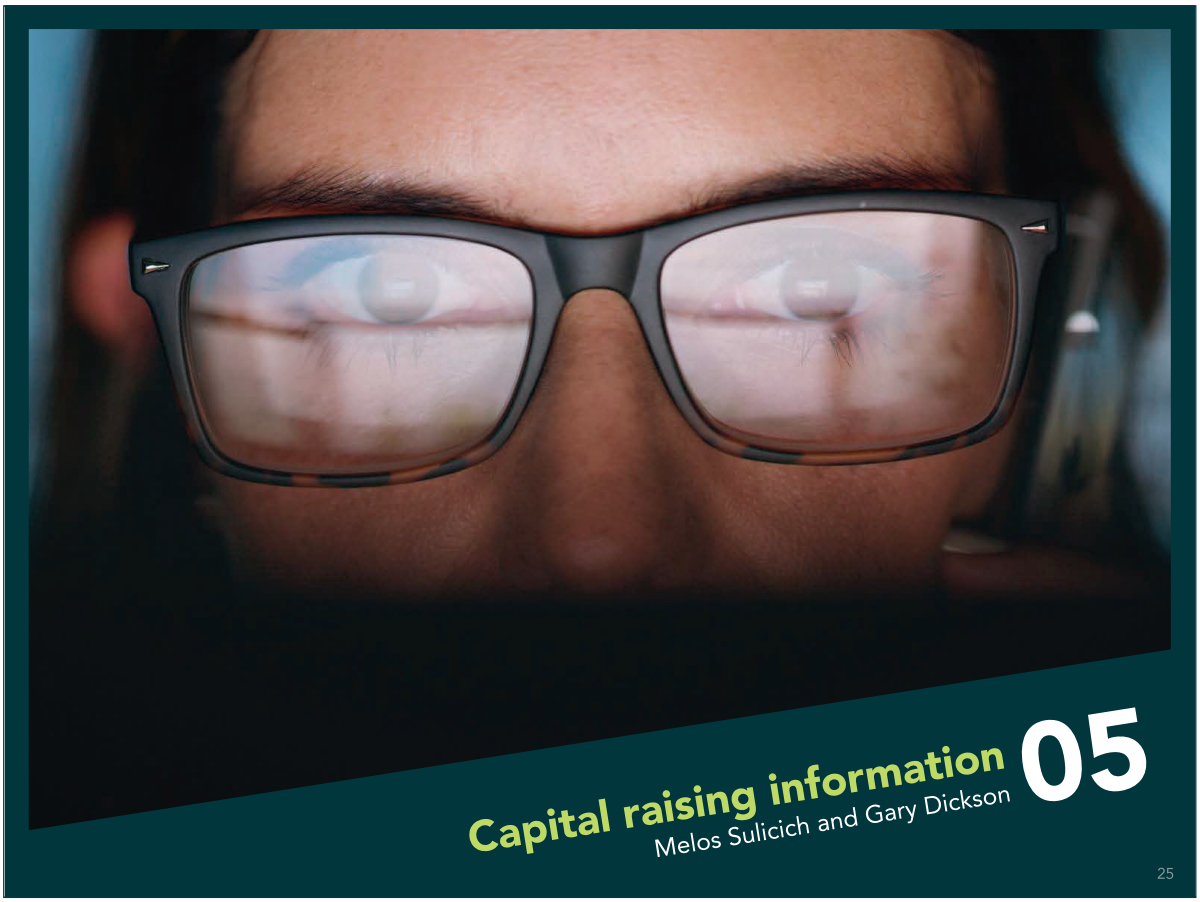

Capital raising information 05

Melos Sulicich and Gary Dickson

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MyStateLimited

Key details of capital raise

Offer size and structure	• Fully underwritten institutional placement (Placement) to raise approximately $20 million • Partially underwritten 1 for 6.6 pro rata accelerated non-renounceable entitlement offer to raise gross proceeds of up to approximately $60 million (Entitlement Offer) • Up to approximately 18.6 million new fully paid ordinary shares (New Shares) (equivalent to 20.2% of current issued capital)
Offer price	• $4.30 per New Share (Offer Price) representing: ○ 9.6% discount to the theoretical ex-rights price (TERP)[1] of $4.76; and ○ 11.3% discount to MyState's last closing price of $4.85 on Friday 21 May 2021
Use of proceeds	• Capital raised will be used to rapidly accelerate the execution of MyState's growth strategies
Institutional offer	• Placement and Institutional Entitlement Offer to be conducted on Tuesday 25 May 2021
Retail offer	• Retail Entitlement Offer to open on Monday, 31 May 2021 and close at 5.00pm on Monday 21 June 2021 • Only eligible shareholders with a registered address in Australia or New Zealand may participate in the Retail Entitlement Offer
Board participation	• Most directors who are eligible to participate intend to participate in the Entitlement Offer
Underwriting	• The Placement is fully underwritten • The Entitlement Offer is partially underwritten by the Underwriter to a value of $30m • Merrill Lynch Equities (Australia) Limited is the Lead Manager and Underwriter
Ranking of new shares	• New Shares will rank equally with existing MyState shares and will receive any final dividend that is declared which is expected to be at least 12.5cps[2]

1. Theoretical ex-rights price (TERP) includes shares issued under the Entitlement Offer and includes shares issued under the Placement. TERP is a theoretical calculation only and the actual price at which MyState shares trade immediately following the ex-date for the Entitlement Offer may differ from TERP. The TERP has been calculated by reference to MyState's closing price of $4.85 on Friday, 21 May 2021
2. The amount of any dividend paid will be at the discretion of the Board and will depend on several factors, including (a) the recognition of profits and availability of cash for distributions; (b) the anticipated future earnings of the Company; and (c) when the forecast timeframe for capital demands of the business allows for a prudent distribution to Shareholders.

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MyStateLimited

Key details of capital raise

Event	Date
Announcement of Equity Raising	Monday, 24 May 2021
Placement and Institutional Entitlement Offer bookbuild	Monday, 24 May 2021 – Tuesday, 25 May 2021
Announcement of results of Placement and Institutional Entitlement Offer	Wednesday, 26 May 2021
Shares recommence trading on ASX on an "ex-entitlement" basis	Wednesday, 26 May 2021
Entitlement Offer record date (7.00pm Sydney time)	Wednesday, 26 May 2021
Retail Offer booklet dispatched to Eligible Retail Shareholders	Monday, 31 May 2021
Retail Entitlement Offer opens (9.00am Sydney time)	Monday, 31 May 2021
Settlement of New Shares issued under the Placement and Institutional Entitlement Offer	Tuesday, 1 June 2021
Issue and commencement of trading of New Shares under the Placement and Institutional Entitlement Offer	Wednesday, 2 June 2021
Retail Entitlement Offer closes (5.00pm Sydney time)	Monday, 21 June 2021
Announcement of results of Retail Entitlement Offer	Thursday, 24 June 2021
Settlement of New Shares under the Retail Entitlement Offer	Friday, 25 June 2021
Issue of New Shares under the Retail Entitlement Offer	Monday, 28 June 2021
Commencement of trading of New Shares issued under the Retail Entitlement Offer	Tuesday, 29 June 2021
Dispatch of holding statements in respect of New Shares issued under the Retail Entitlement Offer	Wednesday, 30 June 2021

Dates and times are indicative only and subject to change without notice. MyState reserves the right to alter the dates in this presentation at its discretion and without notice, subject to the ASX Listing Rules and Corporations Act 2001 (Cth). All times are Sydney time. Sydney time refers to Australian Eastern Daylight Time and Australian Eastern Standard Time (as applies on the relevant date).

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MyStateLimited

Key risks

This section identifies the areas that the directors of MyState Limited (ACN 133 623 962) (the Company) regard as the major risks associated with an investment in the Company, being both risks specific to the Company and risks of a general nature. Potential investors should be aware that an investment in the Company involves many risks, which may be different to the risks associated with an investment in other companies. The following summary, which is not exhaustive, represents some of the major risk factors which potential investors need to be aware of. In this 'Key Risks' section, references to "MyState Limited" mean the Company and its wholly owned subsidiaries, MyState Bank Limited (ACN 067 729 195) (**MyState Bank** or **MSB**) and TPT Wealth Ltd (ACN 009 475 629) (**TPT Wealth** or **TPT**).

Underwriting risk

The Company has entered into an agreement with the Lead Manager (Underwriting Agreement) with respect to $50 million under the Placement and the Entitlement Offer. The Lead Manager's obligation to underwrite the Placement and partially underwrite the Entitlement Offer is subject to customary terms and conditions, including termination rights for the Lead Manager in specific circumstances, which are summarised on slides 35 to 39.

If the Underwriting Agreement is terminated for any reason, then the Company may not receive the full amount of the $50 million underwritten amount, its financial position may change, and it may need to take other steps to raise capital.

Licences and approvals

As at the date of this Investor Presentation (**Presentation**), MyState Bank holds an authorised deposit-taking institution (**ADI**) licence, an Australian credit licence and an Australian financial services licence, which it requires to operate its business. The operation of the Company's business remains subject to MyState Bank continuing to hold these licences and having other appropriate regulatory approvals. Failure to maintain these licences and approvals may result in the Company ceasing to be able to operate all or some of its planned activities, which would have a material adverse effect on the Company's business and financial performance.

APRA prudential and capital adequacy requirements

MyState Bank is registered as an ADI and the Company is regulated as an authorised Non-Operating Holding Company (**NOHC**). Financial arrangements between the Company as a NOHC and other members of the Company will generally be subject to arm's length requirements. The prudential and supervisory arrangements that will apply are subject to changes in legislation and requirements imposed by APRA as the regulator from time to time. Additionally, under APRA's regulatory framework MyState Limited is required to hold a certain level of regulatory capital at all times. Any changes to APRA's minimum prudential capital ratios may have a material adverse effect on MyState Limited.

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MyStateLimited

Key risks

Credit risk

The Company relies on its credit risk framework of policies, procedures and systems for controls on credit risk. A failure to comply with these processes, policies or systems may expose MyState Limited to greater than projected credit risk. While MyState Limited has a relatively low credit risk profile, if MyState Limited's customers do not pay the principal, interest and fees owing under their loans then MyState Limited may experience a decrease in projected revenue, increase in projected expenses or loan losses and a decrease in projected operating cash flows, which may have a material adverse effect on MyState Limited's business, financial performance and availability and cost of funding.

Liquidity risks

The ability of MyState Bank to meet its obligations, particularly in relation to deposit holders is a common risk for ADIs. MyState Limited has established policies and procedures and associated systems to ensure that counterparty obligations are met and access to funding and facilities supports these obligations under a stressed environment (including a system-wide stress or institution specific stress). Liquidity risks could arise from the inability of MyState Limited to anticipate and provide for unforeseen decreases or changes in funding sources which could have adverse consequences on MyState Limited's ability to meet its obligations as and when they fall due.

If MyState does not achieve growth in deposits which are sufficient to fund its loan book growth, MyState may need to raise capital to support that growth. MyState Limited's business plan is partially based upon achieving substantial growth in retail deposits and customer growth. This will involve successful implementation of the business' marketing strategy which is centred on building brand awareness, continuing to automate and digitalise operations and in turn growing its balance sheet. If the marketing costs assumed for customer acquisition and retail deposit growth materially increases or MyState Bank fails to continue to attract customers, MyState Bank may be unable to fund loan book growth. A failure to achieve targeted growth may impact the ability of MyState Limited to achieve its business strategy and may have a material adverse effect on MyState Limited's financial performance.

For TPT Wealth, liquidity risk is the risk of having insufficient realisable cash, investments and borrowing capacity to fund redemption requests net of subscriptions. TPT Wealth's assets primarily comprise realisable securities which can be readily sold in normal market conditions. However not all securities or instruments invested in by TPT Wealth may be listed or rated and consequently liquidity of such securities or instruments may be low. TPT Wealth may also encounter difficulties in disposing of assets at a fair market price due to adverse market conditions. Investments may need to be sold if insufficient cash is available to finance redemptions from investors. If the size of disposals is sufficiently large, or the market is illiquid, then there is a risk that either the investments might not be sold or the price at which they are sold may adversely affect the net asset value of a fund.

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MyStateLimited

Key risks

Dependence on key personnel

MyState Limited has a number of key executives, employees and directors who play an integral role in MyState Limited's business and its pursuit of its strategic objectives. The unexpected departure of an individual in a key role, or the failure to recruit and retain appropriately skilled and qualified persons into these roles, could have an adverse effect on MyState Limited's business, prospects, reputation, financial performance and financial condition.

Failure to comply with laws and regulations

The Company's activities are subject to laws and regulations, including the *Banking Act 1959 (Cth), Anti-Money Laundering and Counter-Terrorism Financing Act 2006, Treasury Laws Amendment (Banking Executive Accountability and Related Measures) Act 2018 (Cth)* and *Privacy Act 1988 (Cth)*. If the Company fails to comply with these and other applicable laws and regulations, it could result in fines, the payment of compensation to affected parties or other legal or regulatory sanctions which could have a material adverse effect on the Company's, financial performance and prospects.

Competition in financial services industry

Banking and lending are inherently competitive markets. In addition to its direct competitors, the Company's products also compete against other sources of finance in the market, including digital banks and non-bank lenders. The level of current and future competition in the digital banking and lending and traditional bank lending markets may have a material adverse effect on the Company's business, financial performance and prospects. In particular, the Company's ability to compete will depend on its ability to expand its current digital capabilities and keep pace with technological developments. Larger banks are able to invest significant sums on technological innovation, as they seek to develop points of competitive advantage. If the Company is unable to keep pace with technological changes in the sector it may fall behind its competitors.

Downturn in the Australian economy

The Company's financial performance could be adversely affected by a downturn in the Australian economy, whether a slowing in forecast growth rates, a recession or depression. Adverse movements in a range of macroeconomic factors including but not limited to the Reserve Bank of Australia's overnight cash rate, the property market, the unemployment rate, economic growth rate, inflation rate, bank bill swap rate and exchange rates, may impact the financial performance of the Company.

The Company conducts all of its business in Australia and, consequently, the Company's performance will be influenced by the level and cyclical nature of lending in Australia. These factors are in turn impacted by both domestic and international economic conditions, natural disasters and political events.

A significant decrease in Australian housing valuations could adversely impact the Company's forecast home lending activities because borrowers with loans in excess of their property value may show a higher propensity to default and in the event of defaults, the Company may incur higher credit losses.

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MyStateLimited

Key risks

Increase in costs for labour, suppliers and contractors

There is a risk that MyState Limited may need to pay higher than expected costs to acquire or retain the necessary employees, suppliers and contractors to enable MyState Limited to continue operating its business and achieving its strategic objectives. Any material increase in labour costs or expenses associated with suppliers and contractors may have a material adverse effect on MyState Limited's financial performance.

Impact of the COVID-19 pandemic

The global COVID-19 pandemic has created significant national and global economic disruption. There is continuing uncertainty as to the ongoing impact of the COVID-19 pandemic, including in relation to the nature and timing of Federal and State government responses, temporary and permanent business closures, lockdowns, quarantines, travel restrictions and the resultant impacts on unemployment, consumer and business confidence and the broader national and global economy. Given the high degree of uncertainty surrounding the extent and duration of the COVID-19 pandemic, it is currently not possible to accurately assess the full impact of the COVID-19 pandemic on the Company's business. However the COVID-19 pandemic may negatively impact the business and financial performance of MyState Limited in the following aspects:

- a reduced demand for financial products offered by the Company;
- lower customer numbers than projected or changing customer transactional behaviours;
- exposure to a greater than usual customer default or fraud risk;
- the risk of illness amongst key personnel or the general employee population; and
- disruption in the delivery of products or services provided to the business by third parties, including the risk of those third parties becoming insolvent or otherwise being unable to supply products or services to MyState Limited at all.

These potential impacts are not intended to be exhaustive. The COVID-19 pandemic also has the potential to increase the likelihood or exacerbate the severity of other key risks detailed in this presentation.

Regulatory changes

The financial services sector has undergone a significant period of political and regulatory scrutiny and change. Future changes in laws and regulations in Australia may require changes to the Company's business plan and model and may affect the performance of MyState Limited. The Federal government and/or State governments may also implement changes to the legislation or regulations relating to or affecting taxation, interest rates or personal privacy, or otherwise take actions which could have a material adverse effect on MyState Limited's business, financial performance and prospects.

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MyStateLimited

Key risks

Operational, technology and cyber risks

The business of MyState Limited depends on the efficient and uninterrupted operation of core IT infrastructure and systems. Any material interruptions to these systems would adversely impact the Company's ability to operate its business and could result in business interruption, the loss of customers and revenue or damaged reputation and could therefore adversely affect MyState Limited's business, financial performance and prospects.

MyState Limited uses technologies which involve the collection of individual personal information. Through the ordinary course of its business, MyState Limited is potentially exposed to cyber-attacks, which have increased in prevalence globally during the COVID-19 pandemic. Cyber-attacks may lead to compromise or even breach of the technology platforms used by MyState Limited to protect confidential information. There is a risk that any data security breaches, MyState Limited's inadvertent failure to protect confidential information or a successful cyber-security attack could result in a loss of information integrity, breaches of obligations of MyState Limited under applicable laws or customer or supplier agreements, system outages and the hacking of MyState Limited's digital assets and/or systems, each of which may potentially have a material adverse impact on MyState Limited's reputation and financial performance and prospects.

Reliance on external parties

MyState Limited relies on a number of suppliers in Australia to provide services to it and its customers. Failure by these suppliers to deliver services or comply with their contractual obligations as required could disrupt services and adversely impact the Company's operations, profitability or reputation. Additionally, MyState Limited may rely on external third party providers to operate its business, for example to provide IT systems and platforms. If there is any disruption in the products or services provided by third parties, MyState Limited's business may be adversely affected.

Failure of risk management strategies

MyState Limited has implemented risk management strategies and internal controls involving processes and procedures intended to identify, assess, measure, monitor, report and mitigate the risks to which it is subject as noted above. However, there are inherent limitations with any risk management framework as there may exist, or develop in the future, risks that MyState Limited has not anticipated or identified or controls that may not operate effectively. If any of MyState Limited's risk management processes and procedures prove ineffective or inadequate or are otherwise not appropriately implemented, MyState Limited could suffer unexpected losses and reputational damage which could adversely affect MyState Limited's businesses, financial performance, capital resources, financial condition and prospects.

MyStateLimited

Key risks

Market price of ordinary shares will fluctuate

There are risks associated with any securities investment. The prices at which the securities trade may fluctuate in response to a number of factors. Furthermore, the stock market may experience extreme price and volume fluctuations that may be unrelated or disproportionate to the operating performance of the Company. These factors may materially adversely affect the market price of the shares of the Company regardless of MyState Limited's operational performance. Neither the Company nor its directors warrant the future performance of the Company, or any return of an investment in the Company.

Dividends may fluctuate

Dividends are discretionary and do not accrue. The rate of dividends may fluctuate or the Company may not pay dividends at all. There is a risk that dividends may become less attractive compared to returns on comparable securities or investments. None of the Company, the Company's directors or any other person guarantees any particular rate of return on ordinary shares.

Litigation

The Company may be exposed to legal proceedings, with or without merit over the course of its operations. To the extent that these risks are not covered in the Company's insurance policies, litigation, and the costs of responding to the threat of legal advice, could have a material adverse effect on the Company's financial performance, reputation (thus adversely affecting its share price).

MyStateLimited

Underwriting agreement - termination rights

Underwriting Agreement - Right of Termination

The Company has entered into an agreement with the Lead Manager (Underwriting Agreement) with respect to $20 million under the Placement and $30 million under the Entitlement Offer. The Lead Manager's obligation to underwrite the Placement and partially underwrite the Entitlement Offer is subject to terms and conditions, including termination rights for the Lead Manager in specific circumstances. The Underwriter may, by notice given to MyState (the Issuer) and without cost or liability, immediately terminate if any one or more of the Termination Events (summarised on the following slides) occurs or has occurred and:

(a) (Unqualified) that Termination Event is not marked with an "*"; or

(b) (Qualified) that Termination Event is marked with an "*" and, the Underwriter has reasonable and bona fide grounds to believe that the event:

(i) may give rise to a liability of the Underwriter or any of its affiliates under, or could give rise to the Underwriter or any of its affiliates contravening, or being considered to be in contravention of any applicable law;

(ii) has or may have a material adverse effect on the success, marketing, settlement or outcome of the Offer or on the ability of the Underwriter to market, promote or settle the Placement and the Entitlement Offer (together, the Offer), or the likely trading price of fully paid ordinary shares in the capital of the Issuer (the Securities); or

(iii) has resulted in, or may result in, a material change in the financial position, performance or prospects of the Issuer and its controlled entities (taken as a whole group) from that which existed at the date of this document, other than as disclosed to ASX prior to the date of this document.

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MyStateLimited

Underwriting agreement - termination rights

Schedule 3 Termination Events

(a) (market fall) the S&P/ASX 200 Index falls to a level that is 87.5% or less of the level as at the close of trading immediately prior to the date of the Underwriting Agreement:

(i) at any time before the settlement date of the Placement and institutional component of the Entitlement Offer (Institutional Settlement Date) and remains so for two consecutive Business Days; or

(ii) at close of trading on the Business Day before the Institutional Settlement Date; or

(iii) at close of trading on two consecutive Business Days before the date of settlement of the retail component of the Entitlement Offer.

(b) (misleading disclosure) a statement contained in the offer materials (including any estimate, expression of belief or intention, or statement relating to future matters) is or becomes misleading or deceptive or likely to mislead or deceive or a matter required to be included is omitted from the offer materials, or there are no reasonable grounds for the making of any statement in the offer materials relating to future matters;

(c) * (information) the Due Diligence Committee Report or any information supplied by or on behalf of the Issuer to the Underwriter for the purposes of Due Diligence Investigations, the offer materials, or the Offer, is misleading or deceptive (including by omission);

(d) (offer cleansing statement) an offer cleansing statement is defective, or a corrective statement is required to be issued under the Corporations Act which is materially adverse to an investor;

(e) * (adverse change) any adverse change, or development (including but not limited to any regulatory change) or event which is reasonably likely to give rise to an adverse change in the condition, financial or otherwise, or in the assets, liabilities, earnings, business, operations, management, profits, losses or prospects of the Issuer, any group member or their respective underlying investments occurs;

(f) (new circumstance) a new circumstance arises which is a matter materially adverse to investors in Offer Securities and which would have been required by the Corporations Act to be included in the offer materials had the new circumstance arisen before the offer materials were given to ASX;

(g) (future matters) there are not reasonable grounds for an expression of belief, expectation or intention, or statement relating to future matters (including any forecast or prospective information or data) in any of the offer materials (taking into account ASIC Regulatory Guide 170: Prospective Financial Information);

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MyStateLimited

Underwriting agreement - termination rights

Schedule 3 Termination Events (continued)

(h) * (change of law) there is introduced or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State of Australia a new law or regulation, or the Reserve Bank of Australia, or any Commonwealth or State authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced before the date of the Underwriting Agreement);

(i) (unable to proceed) the Issuer is or will be prevented from conducting or completing the Offer (including granting the entitlements or issuing the Offer Securities) by or in accordance with the Listing Rules, ASIC, ASX, any applicable laws or an order of a court of competent jurisdiction, or otherwise are or will become unable or unwilling to do any of these things or a third party applies to a court of competent jurisdiction seeking orders to prevent, or which will have the effect of preventing any of these things;

(j) (force majeure) there is an event or occurrence, including any statute, order, rule, regulation, directive or request (including one compliance with which is in accordance with the general practice of persons to whom the directive or request is addressed) of any government agency which makes it illegal for the Underwriter to satisfy an obligation under the Underwriting Agreement, or to market, promote, or settle the Offer;

(k) (listing):

(i) ASX announces that the Issuer will be removed from official quotation, or that the Securities (or interests in them) will cease trading or be suspended from official quotation or cease to be quoted on the ASX (other than a voluntary suspension requested by the Issuer and consented to by the Underwriter to facilitate the Offer (such consent not to be unreasonably withheld or delayed));

(ii) ASX makes any official statement to any person, or indicates to the Issuer or Underwriter that it will not grant permission for the official quotation of the Securities to be issued under the Offer; or

(iii) permission for the official quotation of the Securities to be issued under the Offer is not granted before the date of issue of those Offer Securities or, if granted, the approval is subsequently withdrawn, qualified or withheld;

(l) (notifications):

(i) an application is made by ASIC or another person for an order under Part 9.5 of the Corporations Act in relation to the offer materials or the Offer;

(ii) a government agency commences, or gives notice of an intention to hold, any investigation or hearing in relation to the Offer or any of the offer materials; or

(iii) a government agency prosecutes or commences proceedings against or gives notice of an intention to prosecute or commence proceedings against the Issuer or any of its directors, officers, employees or agents;

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MyStateLimited

Underwriting agreement - termination rights

Schedule 3 Termination Events (continued)

(m) (no misleading or deceptive conduct) the Issuer engages in conduct that is misleading or deceptive or which is likely to mislead or deceive in connection with the making of the Offer;

(n) * (market disruption) either of the following occurs:

(i) a general moratorium on commercial banking activities in Australia, the United States of America, Hong Kong, Singapore, the United Kingdom or the European Union is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries; or

(ii) trading in all securities quoted or listed on ASX, the London Stock Exchange, HK Stock Exchange or the New York Stock Exchange is suspended or limited in a material respect for one full day or more on which that exchange is open for trading (Trading Day) or more, or a substantial part of one Trading Day;

(o) * (hostilities) hostilities not presently existing commence (whether war has been declared or not) or a major escalation in existing hostilities occurs (whether war has been declared or not) involving any one or more of Australia, the United States of America, New Zealand, Singapore, Hong Kong, the United Kingdom, any member of the European Union, Norway, or the People's Republic of China or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries elsewhere in the world;

(p) * (political or economic conditions) the occurrence of any adverse change or disruption to the political conditions or financial markets of Australia, the United States of America, New Zealand, Singapore, Hong Kong, the United Kingdom, any member state of the European Union, Norway, or the People's Republic of China or the international financial markets or any change or development involving a prospective change in national or international political, economic or financial conditions;

(q) * (representations and warranties) a representation or warranty contained in this document on the part of the Issuer is untrue or incorrect when given or taken to be given or becomes untrue or incorrect;

(r) (certificate) a certificate is not furnished when required, or when furnished by the Issuer under this document is untrue, incorrect or misleading;

(s) (delay) any event specified in this document (including in the Timetable) is delayed by 1 day or more prior to the Institutional Settlement or 2 days or more at any time after the Institutional Settlement Date, without the prior written consent of the Underwriter;

(t) * (breach) the Issuer fails to perform or observe any of its obligations under the Underwriting Agreement;

(u) * (change in management) a change in CEO or CFO, or a resignation of a director of MyState occurs or is announced;

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MyStateLimited

Underwriting agreement - termination rights

Schedule 3 Termination Events (continued)

(v) (prosecution) any of the following occurs:

(i) a director or proposed director of the Issuer is charged with an indictable offence;

(ii) any government agency commences any public proceedings against the Issuer or any director in their capacity as a director of the Issuer, or announces that it intends to take such action; or

(iii) any director or proposed director of the Issuer is disqualified from managing a corporation under any applicable law;

(w) (ASX Waivers and ASIC Modifications) approval for any ASX waivers or ASIC modifications is withdrawn or is varied in a way that, in the reasonable opinion of the Underwriter, would have a material adverse effect on the success of the Offer;

(x) (Insolvency) an insolvency event occurs to a group member or there is an act which has occurred or any omission made which would result in an Insolvency Event occurring in respect of any group member; and

(y) (withdrawal) the Issuer withdraws the Offer or part of it, except where the Offer is withdrawn as a direct consequence of the Underwriter breaching any of its obligations under the Underwriting Agreement.

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Appendices 07

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MyStateLimited

A trusted and respected brand...

MyState is a unique provider of banking, trustee and wealth management services to more than 150,000 customers across Australia through its retail brands – MyState Bank and TPT Wealth.

MyState listed on the ASX in 2009.

MyState currently has a market capitalisation of around $435m and has a shareholder base of 64,000.

MyState Bank

MyState Bank is a leading challenger bank with strong digital capability. Since its establishment, it has grown its assets to more than $5.5bn, offers award winning products and has market leading customer satisfaction ratings.

90%* Banking
Lending | Deposits | Transactions

TPT WEALTH

TPT Wealth, a 133 year old business, is one of the oldest providers of wealth solutions in Australia. A trusted brand, today it offers contemporary financial products including asset management and trustee services.

10%* Wealth
Funds management | Trustee services

* % of net revenue as at 31 December 2020

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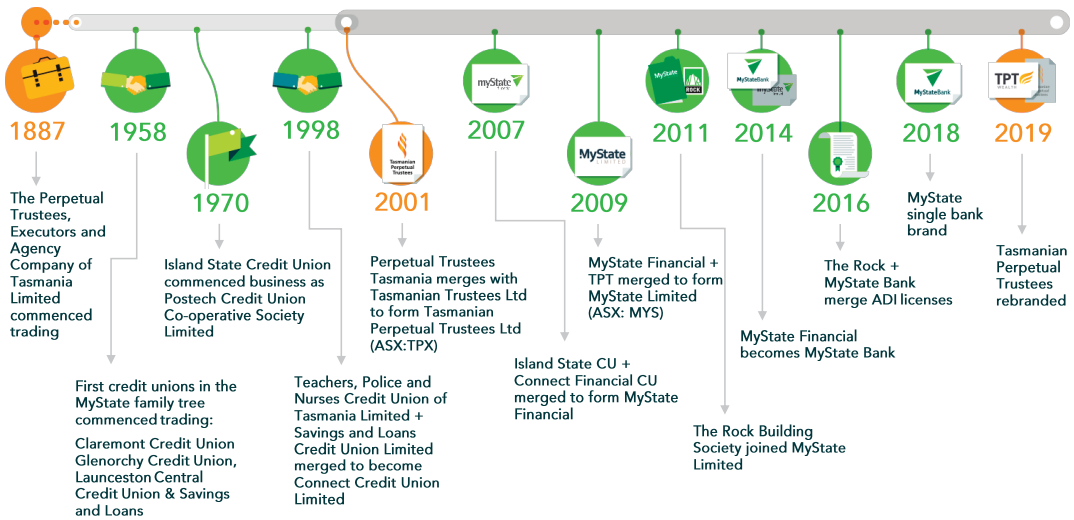
MyStateLimited

...with a long and proud history



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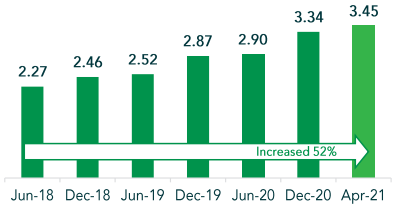
MyStateLimited

Digital transformation driving growth

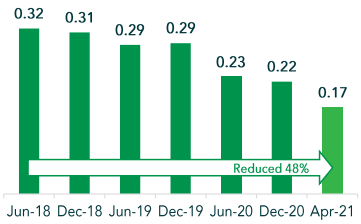
Migration to digital continues

- Best in class AI insights in MyState Bank app generating over 1.5m insights per month.
- 94% of transactions completed digitally.
- Digitisation of back office processes increasing scalability and speed.
- Customer uptake of internet and mobile banking increasing.
- Bonus Saver awarded 5 Stars by Canstar and Mozo Experts Choice Award.
- Digitisation strategy is growing our customer base with very high customer satisfaction.

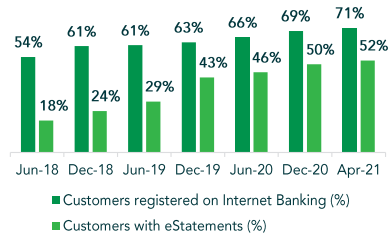
Digital transactions (#m)[1]



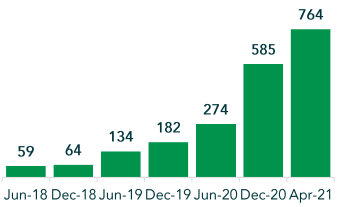
Branch transactions (#m)[1]



Customers registered with IB & eStatements



Online digital deposits ($m)

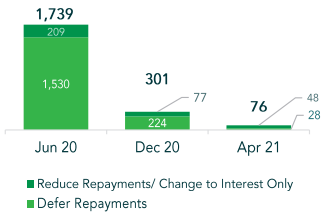


1. rolling 6 months

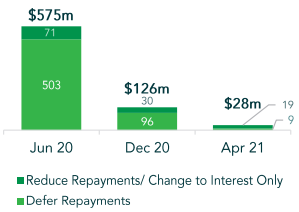
MyStateLimited

Mortgage deferral assistance

Total loans with assistance (facilities, no.)



Total loans with assistance (balances, $m)

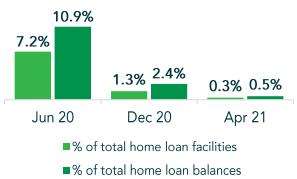


Financial assistance

- A very small number of accounts remained in deferral in April (76 customers; 73 home loans and 3 personal loans).
- 99.8% of customers who received assistance are making some sort of payments.
- Just 0.5% of the mortgage portfolio is receiving some form of assistance, with only 0.2% on payment deferrals.

Home lending assistance profile

% of total home loan assistance balances



MyStateLimited

December 2020 pro forma balance sheet

- Pro forma balance sheet illustrates the impact of the Offer on the 31 December 2020 MyState Limited balance sheet. The following adjustments have been made:

a. The impact of the interim dividend paid in March 2021, net of the Dividend Reinvestment Plan.

b. The impact of the Offer (underwritten component only), net of equity raising costs.

A$m	Actual	Interim Dividend	Equity raise proceeds	Transaction costs	Pro forma
Assets					
Cash and liquid assets	113.6	(10.1)	50.0	(2.3)	151.2
Due from other financial institutions	21.4				21.4
Other assets	5.4				5.4
Financial instruments	598.0				598.0
Loans and advances	5,378.9				5,378.9
PPE and ROU asset	16.9				16.9
Deferred tax assets	5.5			0.7	6.2
Intangibles and goodwill	83.6				83.6
Total assets	6,223.3	(10.1)	50.0	(1.6)	6,261.6
Liabilities					
Due to other financial institutions	(16.5)				(16.5)
Deposits and other borrowings	(5,830.1)				(5,830.1)
Employee benefit provisions	(5.1)				(5.1)
Other liabilities	(19.5)				(19.5)
Tax liabilities	(0.6)				(0.6)
Total liabilities	(5,871.8)	-	-	-	(5,871.8)
Net assets	351.5	(10.1)	50.0	(1.6)	389.8
Equity					
Total equity	351.5	(10.1)	50.0	(1.6)	389.8

1H: First half of financial year
2H: Second half of financial year
ADI: Authorised deposit-taking institution
APRA: Australian Prudential Regulation Authority
Avg: Average
ASX: Australian Securities Exchange
BBSW: Bank Bill Swap Rate
BDD: Bad & Doubtful Debt Expense
bps: basis points
CAGR: Compounded annual growth rate
CET1: Common Equity Tier 1
cps: Cents per share
CTI: Cost-to-income ratio
DRP: Dividend reinvestment plan
EPS: Earnings per share
FUM: Funds under management
FY: Financial year
FYTD: Financial year to date
HY: Half year
IO: Interest only
IRB: Internal ratings-based
JAWS: relationship between income and expense growth
LVR: Loan to valuation ratio
MYS: MyState Limited
MSB: MyState Bank Limited
NII: Net Interest Income
NIM: Net Interest Margin
NPAT: Net Profit after Tax
NPBT: Net Profit before Tax
PCP: Previous Corresponding Period
RBA: Reserve Bank of Australia
RMBS: Residential mortgage-backed security
ROE: Return on equity
SPIN: Standard and Poor's Performance Index
S&P: Standard and Poor's
TD: Term deposit
TPT: TPT Wealth Limited

Glossary

Investor update & capital raising

This Presentation has been prepared by MyState Limited (ACN 133 623 962) ("**MyState**" or "**Company**") in relation to a pro rata accelerated non-renounceable entitlement offer of new shares ("**New Shares**") to eligible institutional investors and eligible retail investors ("**Entitlement Offer**") and placement to eligible institutional investors (together, the "**Offer**").

Summary Information
This Presentation contains selected summary information about MyState and does not purport to be all inclusive or relevant, or to contain all of the information that may be relevant, or which a prospective investor may require in when making an investment decision. It should be read in conjunction with MyState's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at www.asx.com.au. The information in this Presentation is current as at the date of this Presentation unless otherwise specified and is subject to change without notice.

Not Financial Product Advice
This Presentation is for information purposes only and is not financial product advice or a recommendation to acquire or sell shares. It has been prepared without taking into account any investor's objectives, financial position, situation or needs. Recipients should not rely on this Presentation in considering the merits of MyState or the acquisition of shares in MyState. Before making an investment decision, the recipient should consider the appropriateness of the information in this Presentation and have regard to their own objectives, financial situation and needs, and conduct their own independent investigation and assessment of the contents of this Presentation, including obtaining investment, legal, tax, accounting and such other advice as it considers necessary or appropriate. Any references to or explanations of legislation, regulatory issues, benefits or other legal commentary (if any) is indicative only, does not summarise all of the relevant issues and are not intended to be a full explanation of a particular matter. MyState is not licensed to provide financial product advice in relation to the offer of shares. Cooling off rights do not apply to the acquisition of the New Shares.

Not an Offer
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Disclaimer
Merrill Lynch Equities (Australia) Limited ACN 006 276 795 ("**Underwriter**") is the lead manager and underwriter to the Offer. To the maximum extent permitted by law, MyState, its related bodies corporate and their respective officers, directors, employees, advisers, partners, affiliates and agents (the "**MyState Parties**"), and the Underwriter, its related bodies corporate and their respective officers, directors, employees, advisers, partners, affiliates and agents (the "**Underwriting Parties**"), make no representation or warranty, express or implied, as to the accuracy, completeness, timeliness or reliability of the contents of this Presentation. To the maximum extent permitted by law, none of the MyState Parties nor the Underwriting Parties accept any liability (without limitation, any liability arising from fault or negligence) for any loss whatsoever arising from the use of or reliance on this Presentation or its contents or otherwise arising in connection with it.

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An investment in securities in MyState is subject to investment and other known and unknown risks, some of which are beyond the control of MyState, including possible loss of income or principal invested. MyState does not guarantee any particular rate of return or the performance of MyState, nor does it guarantee any particular tax treatment. Investors should have regard to the risk factors outlined in this Presentation when making their investment decision and should make their own enquiries and investigations regarding all information in this Presentation, including the assumptions, uncertainties and contingencies which may affect future operations of MyState and the impact that different future outcomes may have on MyState.

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Canada (British Columbia, Ontario and Quebec provinces)
This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the "Provinces"), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are "accredited investors" within the meaning of National Instrument 45-106 – *Prospectus Exemptions*, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

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Hong Kong
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No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

New Zealand
This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2016.

Other than in the entitlement offer, the New Shares may only be offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

Norway
This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to "professional clients" (as defined in the Norwegian Securities Trading Act).

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Singapore
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This document has been given to you on the basis that you are (i) an "institutional investor" (as defined in the SFA) or (ii) an "accredited investor" (as defined in the SFA). If you are not an investor falling within one of these categories, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

United Kingdom
Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

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CORPORATE DIRECTORY

MyState Limited
ACN 133 623 962

Registered Office
Level 2, 137 Harrington Street
Hobart TAS 7000

Offer Information Line
1300 040 684 (within Australia)
+61 3 9415 4050 (outside Australia)

Open between 8.30am and 5.00pm (Sydney time)
Monday to Friday during the Retail Offer Period

Offer Website
www.mystateoffer.com.au

Underwriter
Merrill Lynch Equities (Australia) Limited
ACN 006 276 795
Level 34, Governor Phillip Tower
1 Farrer Place, Sydney NSW 2000

Legal Adviser
HWL Ebsworth Lawyers
Level 14
Australia Square
264-278 George Street
Sydney NSW 2000

Registry
Computershare Investor Services Pty Limited
ACN 078 279 277
Yarra Falls 452 Johnston Street
Abbotsford VIC 3067