



Investor Discussion Pack

For the full year ended 30 June 2025



Contents

Key messages & highlights 2

Corporate overview 8

Performance drivers 15

Capital funding & liquidity 20

Asset quality 25

Additional information 32

Progress to becoming Australia's leading mutual bank



Consistent financial performance

- Return on equity has been well managed and remains at top end of the mutual sector
- Net interest margin lower due to impact of RBA rate cuts and increasing holdings in High Quality Liquid Assets
- Above system growth in lending
- Cost increases reflecting higher wages and investments



Strength of balance sheet

- Leading mutual bank with strength of balance sheet. Capital and liquidity at top of sector
- Lending growth was predominantly funded by deposit growth. Deposit to loan ratio maintained above 100%
- Strong organic capital generation which supports growth and provides optionality for strategic investments



Delivering for members

- Outstanding customer advocacy with NPS exceeding Big Four banks with 38 awards across products and services in FY25
- Improving customer experience with Digital home loans launched for Greater Bank and DocuSign for personal lending
- Investment into hosting modernisation and simplification of banking ecosystem



Deepening community bond

- 81% employee engagement score above global benchmarks
- Multi-million dollar community investment supporting more than 50 community partnerships
- ESG framework which includes sustainability program, climate risk management and reconciliation action plan



Performance highlights

\$106.1m

Underlying profit after tax

⬆️ 2% on FY24

\$116.9m Statutory NPAT

5.5%

Return on equity

⬇️ -30bps on FY24

23.7%

Common equity tier 1 ratio

⬆️ +130bps on FY24

2.32%

Net interest margin

⬇️ -10 bps on FY24

70%

Cost to income ratio

⬆️ +1 ppt on FY24

Balanced loan & deposit growth

Loans up 7%, +\$1.2b
Deposits up 8%, +\$1.3b



Financial results

Income statement

	FY24 \$m	FY25 \$m	Change
Net interest income	493.1	513.8	4%
Non-interest income	(1.5)	2.1	
Operating expenses	(337.6)	(362.4)	7%
Impairments	(5.2)	(2.2)	
Tax	(44.5)	(45.2)	2%
Underlying profit after tax¹	104.3	106.1	2%
Fair value adjustment post tax	26.8	10.8	
Net profit after tax	131.1	116.9	-11%

Balance sheet items

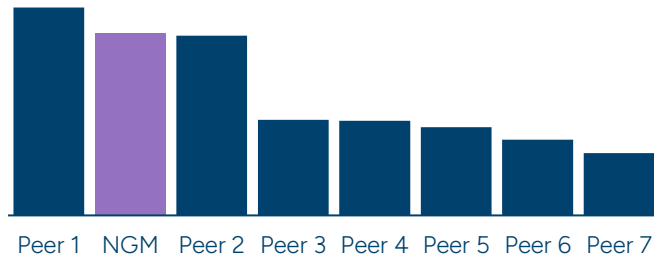
	FY24 \$m	FY25 \$m	Change
Home lending	16,774.3	18,010.3	7%
Other lending	260.7	266.3	2%
Liquid assets	3,694.0	4,293.6	16%
Deposits	17,568.5	18,886.8	8%
Wholesale funding	1,652.3	2,081.3	26%
Equity	1,851.0	1,984.6	7%

1. Underlying profit after tax excludes the impact of Fair Value adjustments relating to the business combination with Greater Bank. These Fair Value adjustments will continue to be amortised to zero over the following two years. KPIs such as Net Interest Margin, Return on Equity and Cost to Income are disclosed on an underlying basis throughout presentation unless otherwise noted. Financials presented on consolidated entity basis.

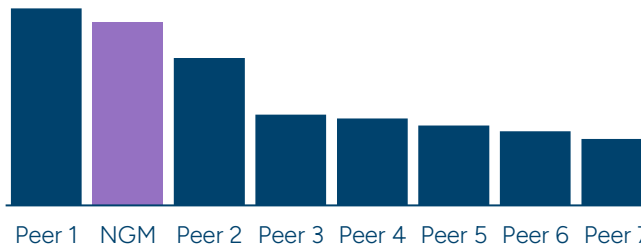


Strong market position across the Mutual banking sector

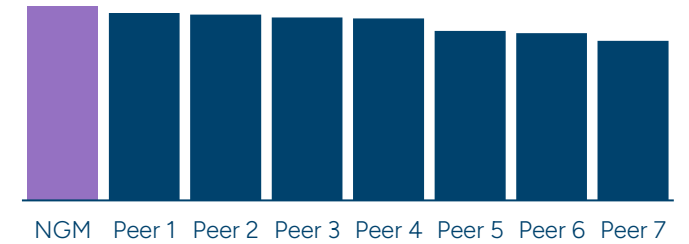
Home lending \$m



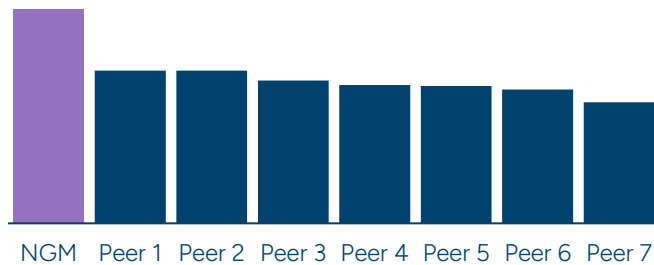
Deposits \$m



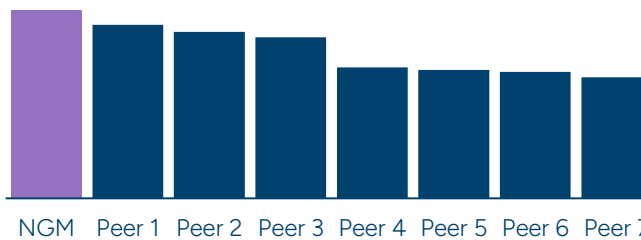
Deposit to loan ratio %



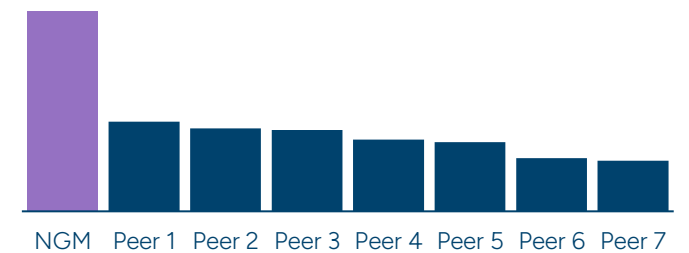
CET1 ratio %



MLH ratio %



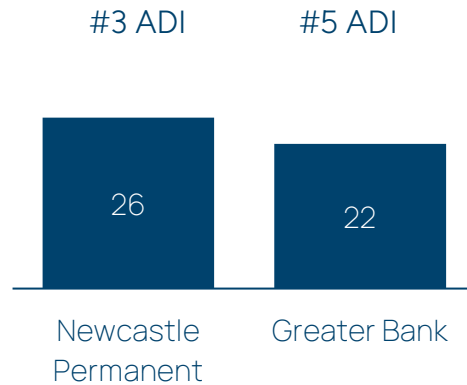
Net profit after tax \$m



Helping our customers and community thrive

Supporting our Customers

Net Promoter Score



- Removed everyday transaction fees and EFTPOS fees across all Greater Bank transactional accounts
- Offered competitive lending interest rates to customers below average market rates
- Collaboration with Hunter-founded Grocerize to help customer manage cost of living providing free access to grocery price comparison platform
- Maintained responsible lending and supported customers in hardship with almost 75% of customers ahead on repayments and 90+ day lending arrears reducing to 0.06% of portfolio
- Increasing customer safeguards such as multi factor authentication for online accounts and digital education efforts
- Digital investment into increased usability of website and mobile banking app and Digital Home Loan launched for Greater Bank

Delivering on our purpose

Giving to community \$m



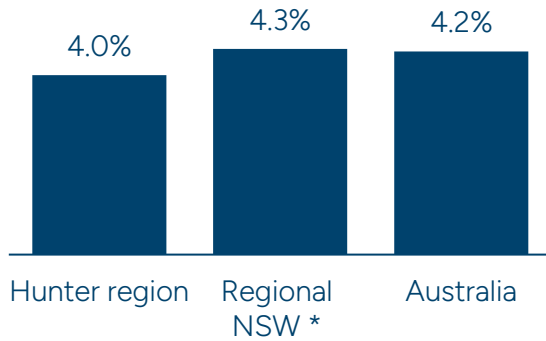
- More than 50 partnerships through Newcastle Permanent and Greater Bank Charitable Foundations with \$2.5m of new funding and grants awarded this year
- Long-standing community relationships across a range of grass roots organisations including schools and sporting organisations
- Strong employee engagement with more than 80% of employees feeling a sense of accomplishment from their work
- Regional leadership through working with local business community
- Partnered with University of Newcastle's Institute for Regional Futures to deliver a research series into financial behaviours and perceptions of everyday regional Australians



Positive economic conditions and outlook

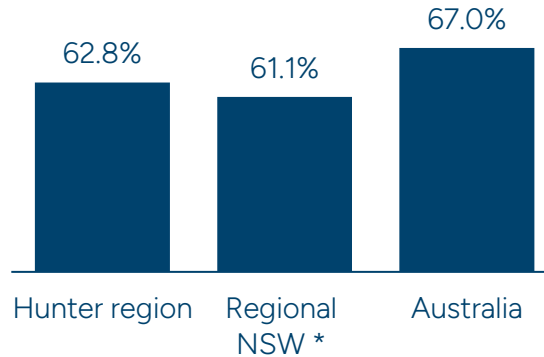
Unemployment Rate

⬇️ Below national average



Employment Participation Rate

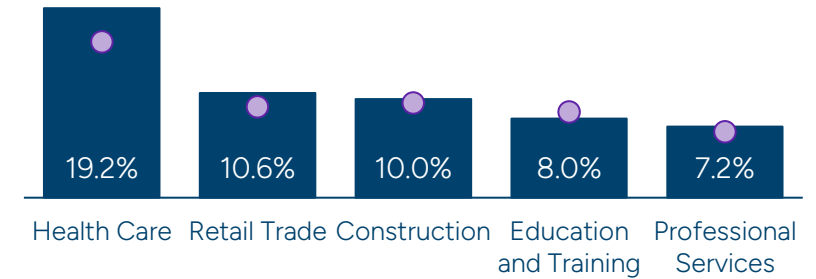
➡️ Broadly in line



Top industry of employment

Health and retail key employment drivers

■ Hunter region ● National average



Regional Infrastructure

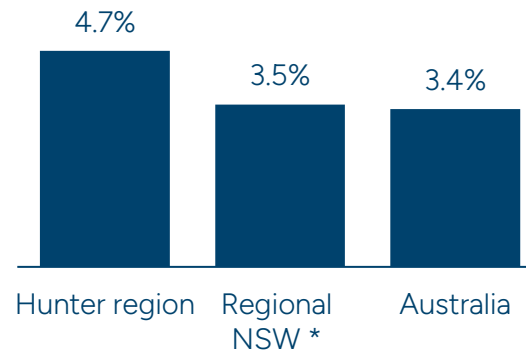
✈️ NSW's Second International Airport

⚓ Port Expansion and Diversification

🚆 Multiple Major Upgrades to Transport

House Price Growth (YoY)

⬆️ 1.3% Higher



Population Growth

⬇️ 0.7% Lower



Hunter region: includes Newcastle, Lake Macquarie and Hunter Valley regions. Regional NSW excludes the hunter region; Source: Aust Government Jobs and Skills data at May 2025. House prices as at June 2025; Source: Cotatilty monthly index and quarterly regional detail.





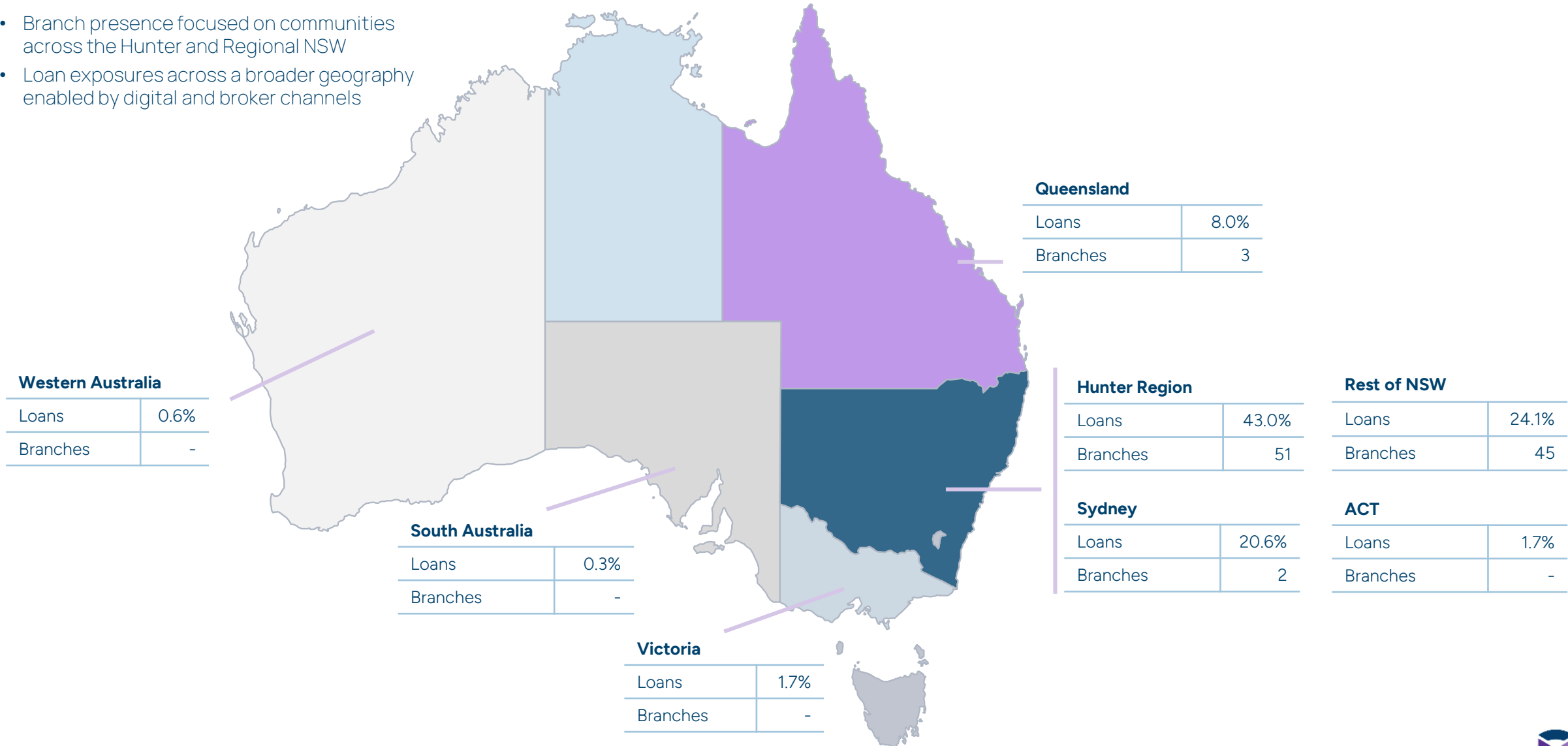
Corporate overview



Growing from a strong position, we're expanding our presence in other regions

Loan concentration and branch presence

- Branch presence focused on communities across the Hunter and Regional NSW
- Loan exposures across a broader geography enabled by digital and broker channels



Our strategy on a page

Purpose	
Helping customers and communities thrive	
Strategic Ambition	
Passionate people enabled to deliver the future of trusted banking	
Values	
 Lead with heart	 Own the action
 Embrace opportunity	 Thrive together
Strategic Differentiators	
Leading Mutual	Trust Experience (Tx)
Strength and resilience	Community connection
Strategic Outcomes	
Increased customer value and community benefits	Future-fit people capability
Sustainable growth in core business	Recognised as Leading Mutual

Strategic Priorities



Our business model

Our competitive advantage is the collective of our differentiators

Community affinity

- ✓ Strong retail deposit franchise
- ✓ Recognised as regional and mutual banking leader

Customer value and trust

- ✓ Above market growth
- ✓ Trusted main bank relationships and advocacy



Organisational strength

- ✓ Financial, operational and risk resilience
- ✓ Change capability and delivery discipline

Financial performance

- ✓ Sustainable growth and business model
- ✓ Investment capacity and strategic optionality

Our people's commitment and capability deliver these outcomes in line with our purpose – for customers, communities and the organisation



Our strategic priorities



Grow and deepen customer relationships

- Committed to building deep relationships with customers
- Grow our customer franchise
- Expand our presence



Empowered people achieving our potential

- Our people are driven by our purpose
- Empowering our people to innovate, grow and deliver exceptional outcomes for our customers



Lead on community connection

- Commitment to customer-owned banking and supporting thriving communities
- Proudly give back to our local regions via our community and sustainability programs, sponsorships and charitable foundations.



Be a stronger, safer, faster bank

- Strengthen risk, operational and financial resilience
- Sustaining our business while embracing change and enabling growth
- Moving faster with an enhanced change delivery model



People and customers enabled through technology

- Simplifying and modernising our systems
- Continue to improve security, drive innovation and deliver the great banking experiences



Our technology pathway will accelerate customer value, innovation and speed to market

2024-2025 deliverables

- Integrated business support technologies to simplify our people experience
- Reduced our technology estate and established foundations for future simplification
- Deliberate approach to focus on integration in early horizon



One bank, represented by two brands



Now



Simplify and modernise technology

Simplified banking environment enabling our multi-brand operating model that is ready for scale



Drive efficiency and improve security

Continue to enhance the resiliency and security of our technology infrastructure, networks and end-user computer capability



Innovate and deliver value to customers faster

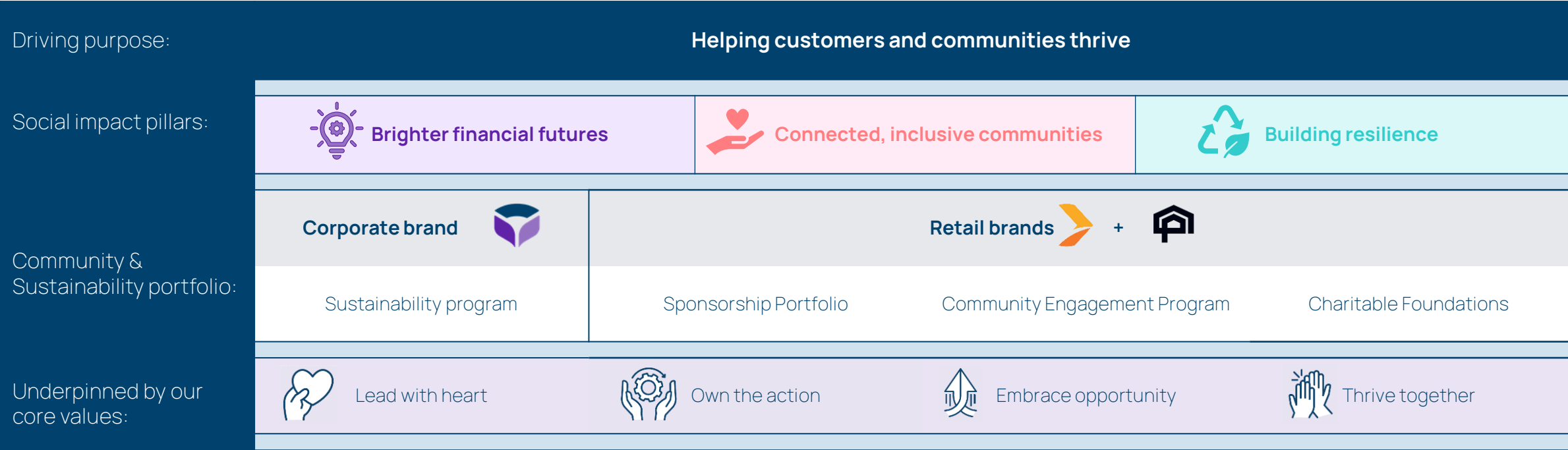
Delivering incremental value through a contemporary continuous delivery model and use of AI

Leading mutual

- **Enabled multi-brand business model**
- **Modernised technology**
- **Team and customers empowered by technology**
- **Expanded presence enabled by digital capabilities**
- **Embedded innovation accelerating value for customers**



Our community and sustainability programs are at the heart of what we do



Extending upon a proud history of supporting vibrant communities, we have stepped up our focus on innovative community partnerships and impact in recent years.

2023: NGM Group established, launches inaugural:

- ✓ ESG Framework (FY23)
- ✓ Reflect Reconciliation Action Plan

2024: NGM Group matures and transitions to:

- ✓ Impact Report (FY24)
- ✓ Innovate Reconciliation Action Plan

2025 and beyond:

- ✓ Sustainability Report (FY25) included in the FY25 Annual Report (voluntary);
- > mandatory reporting commences FY26
- > Climate Change Action Plan



Performance drivers

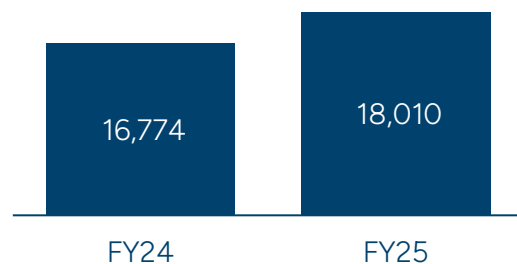


Balance sheet metrics

Good momentum across customer balances

Home lending \$m

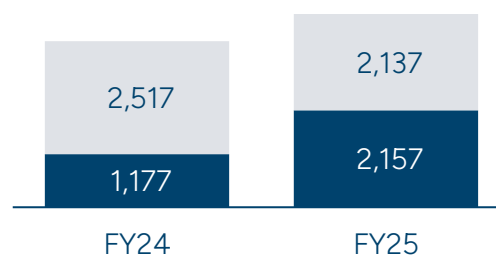
↑ 7% on FY24



Liquid assets \$m

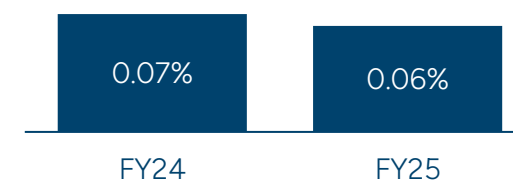
↑ Increased HQLA holdings

■ HQLA ■ Non HQLA



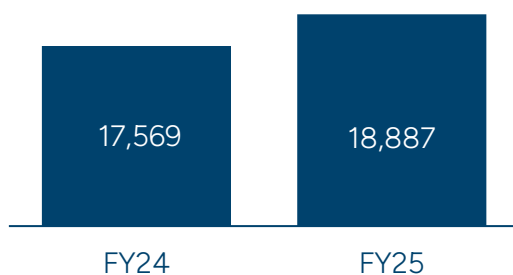
90+ day home loan arrears

→ Stable



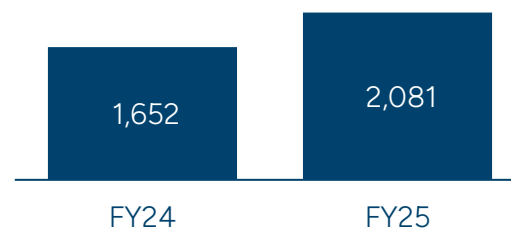
Deposits \$m

↑ 8% on FY24



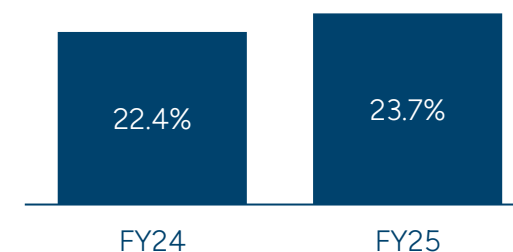
Wholesale funding \$m

↑ \$429m



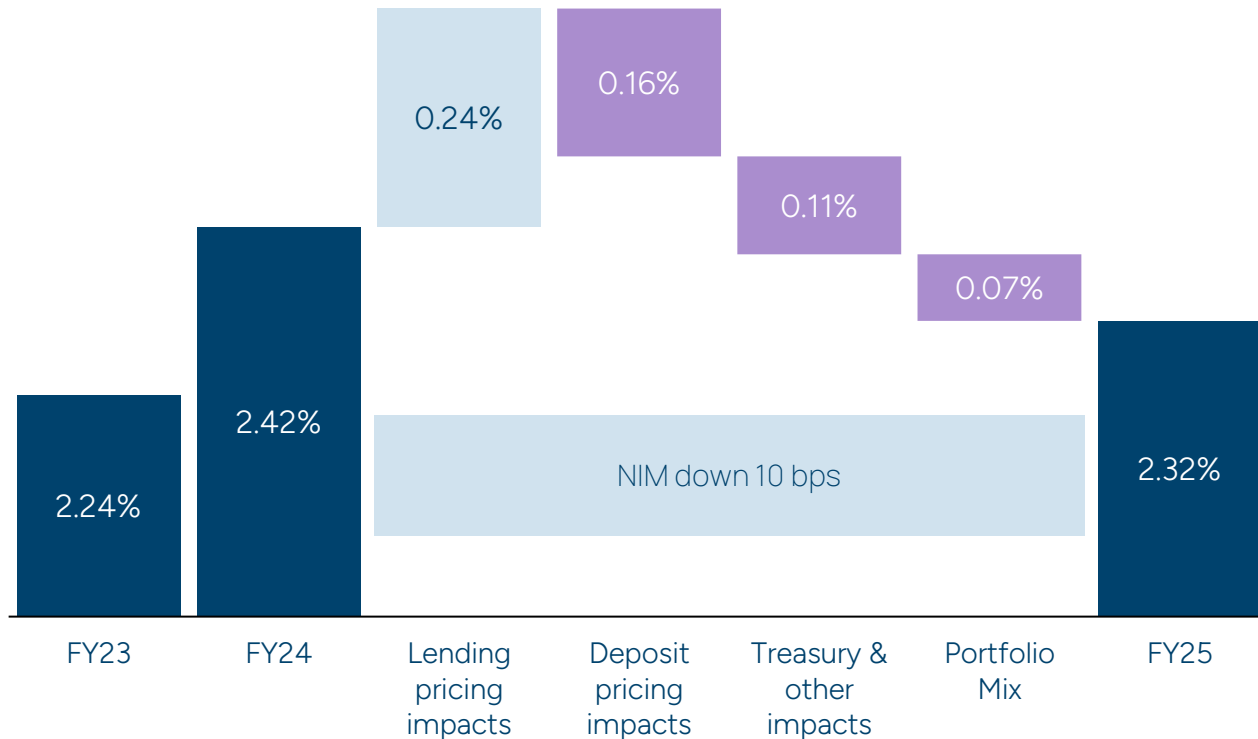
Common Equity Tier 1 Ratio

↑ +130 bps

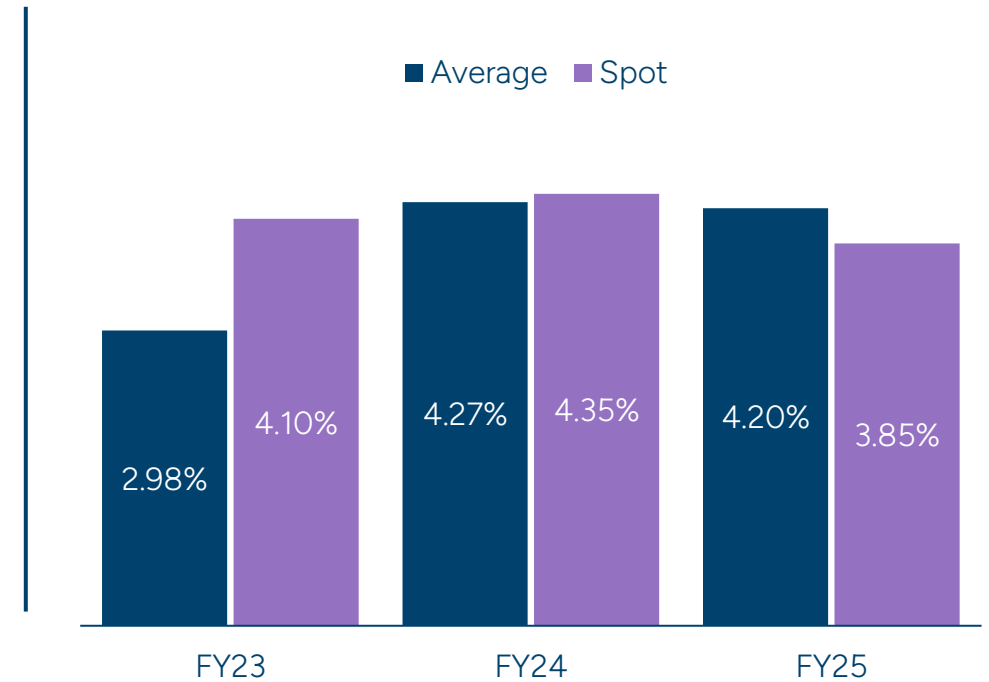


Net interest margin

Net interest margin movements %

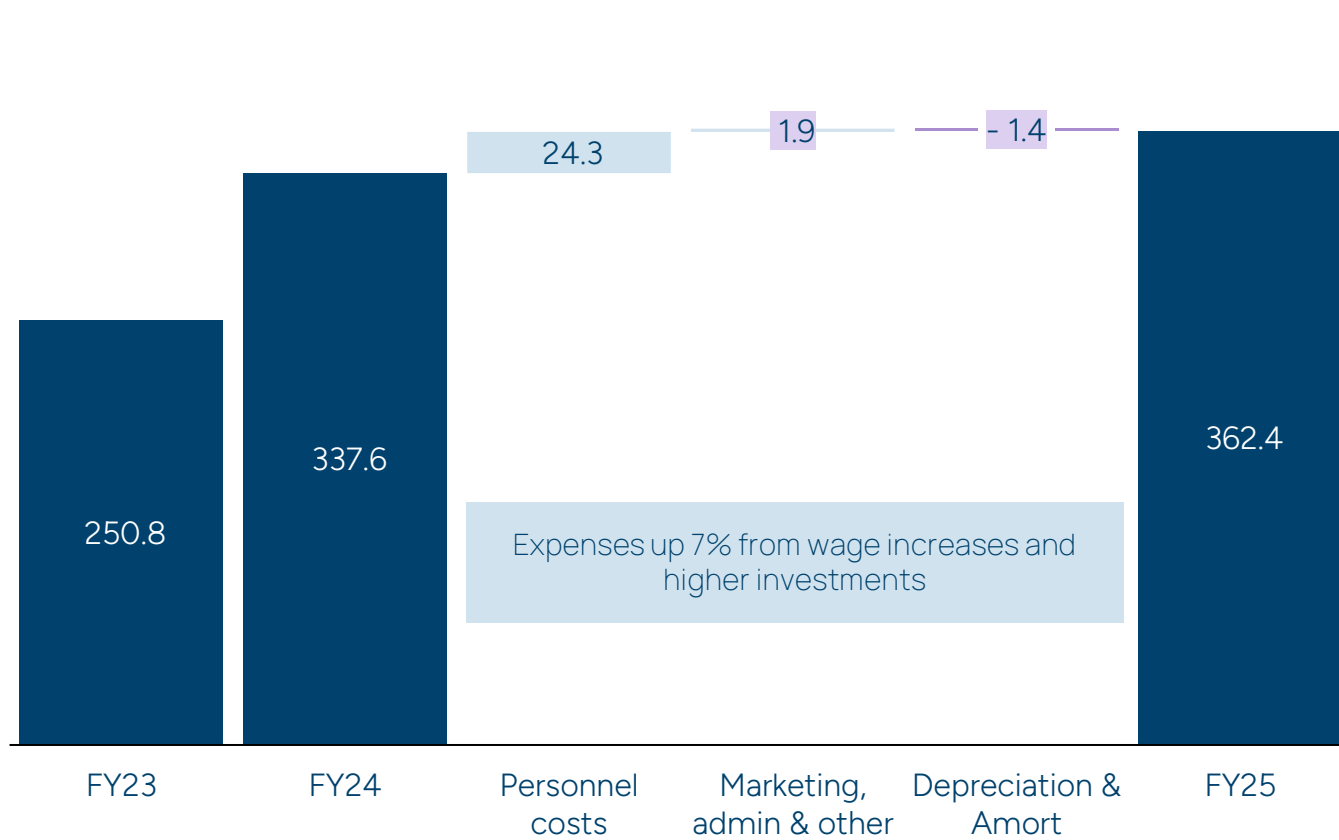


RBA Target Cash Rate %

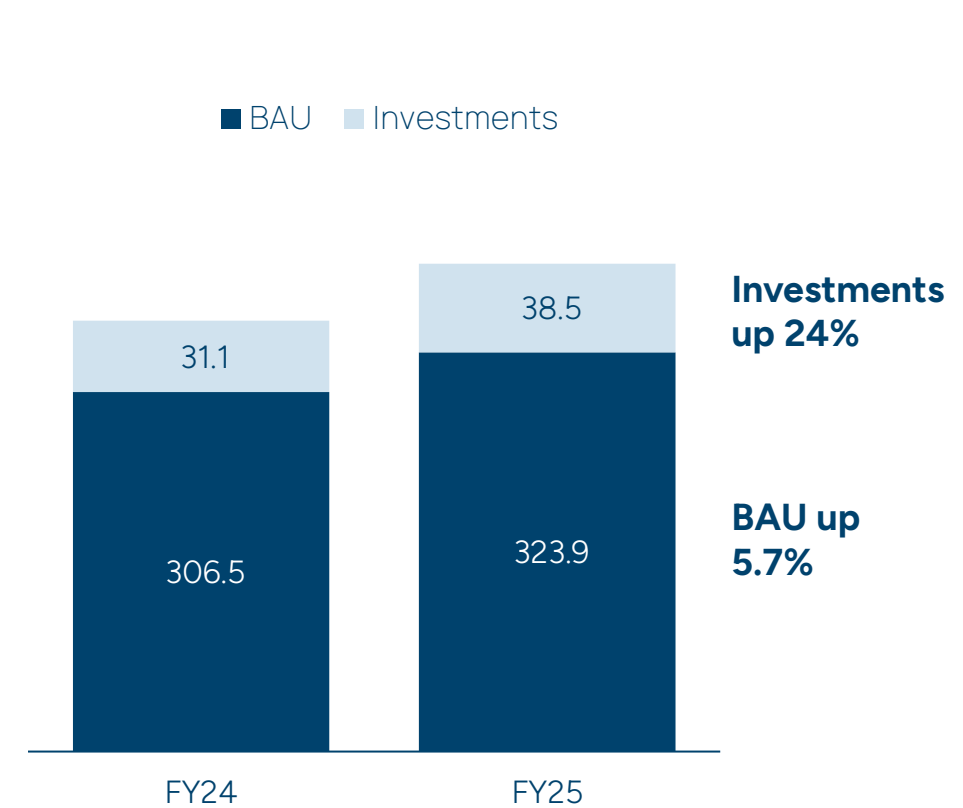


Expenses

Expense movements \$m

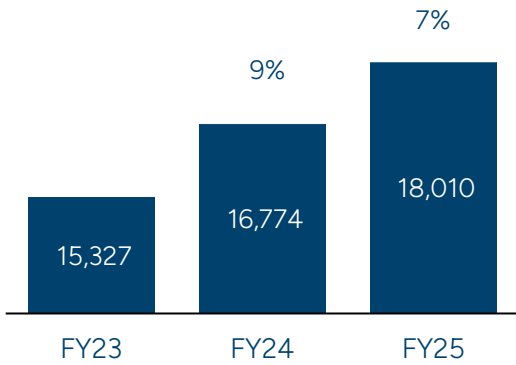


Expense composition \$m

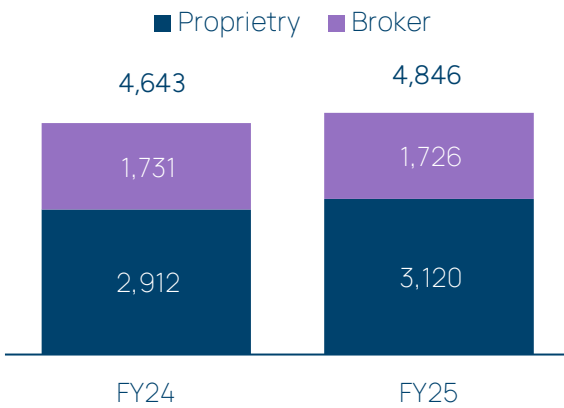


Loans & Deposits

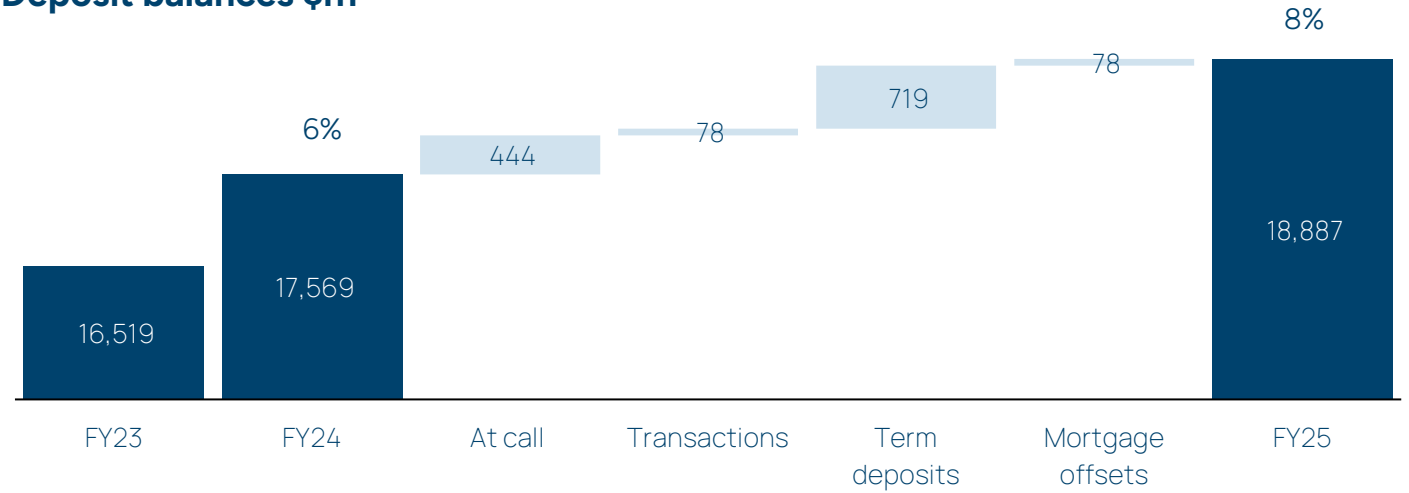
Home lending balance \$m



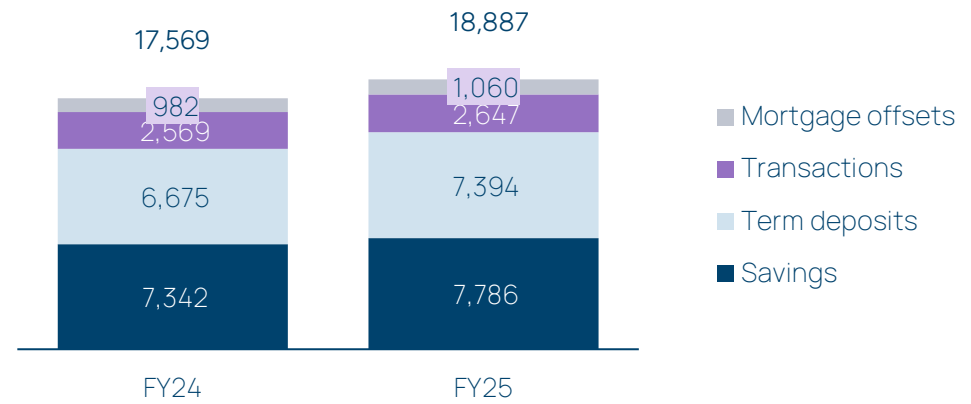
Home lending approvals \$m



Deposit balances \$m



Deposit composition \$m





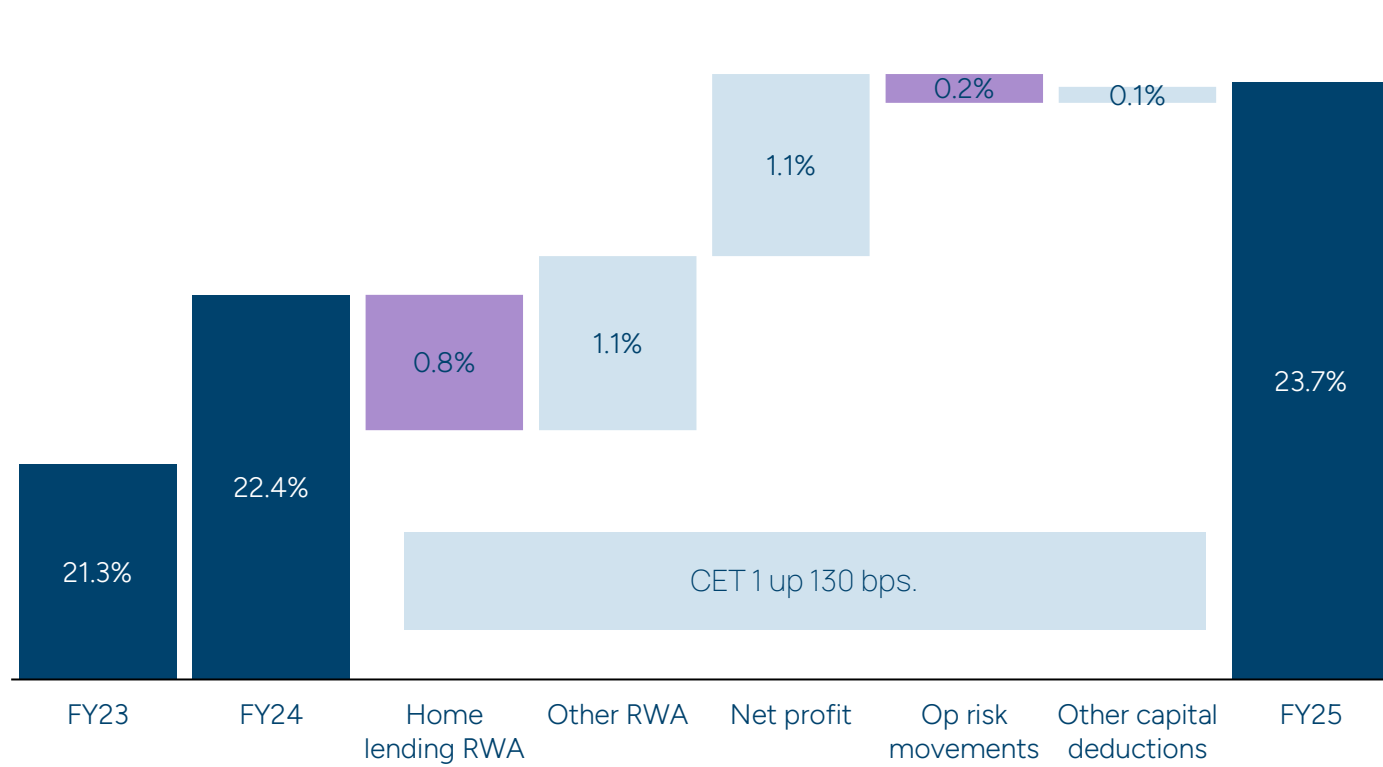
Capital, Funding & Liquidity



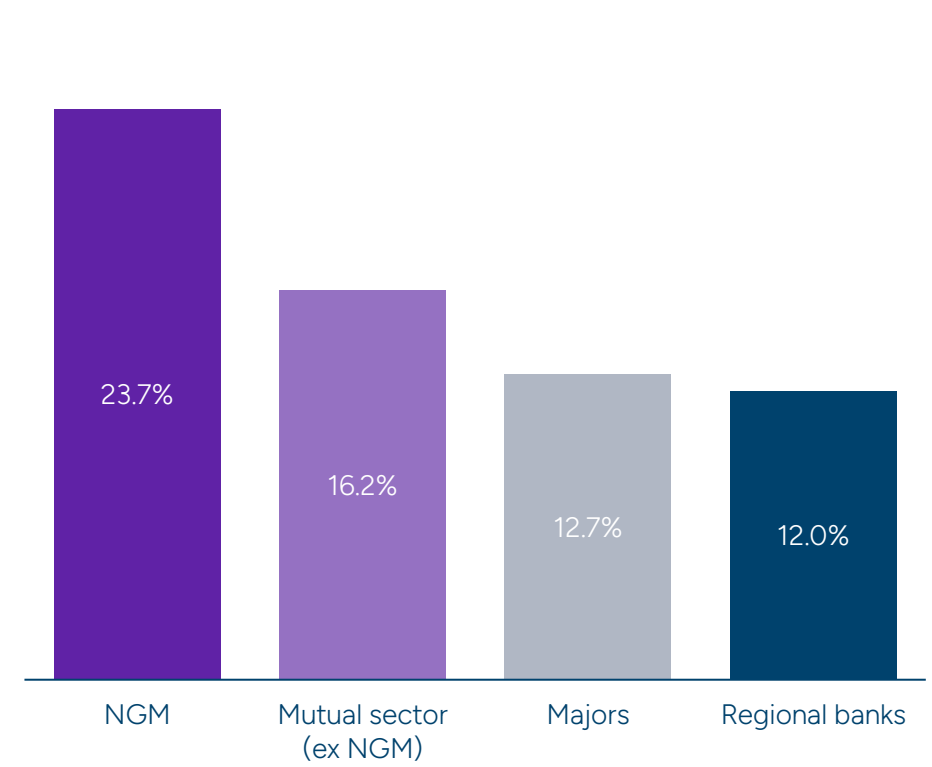
Capital

Capital at top end of Sector with strong organic capital generation supporting loan growth

Contribution to Common Equity Tier 1 Ratio %



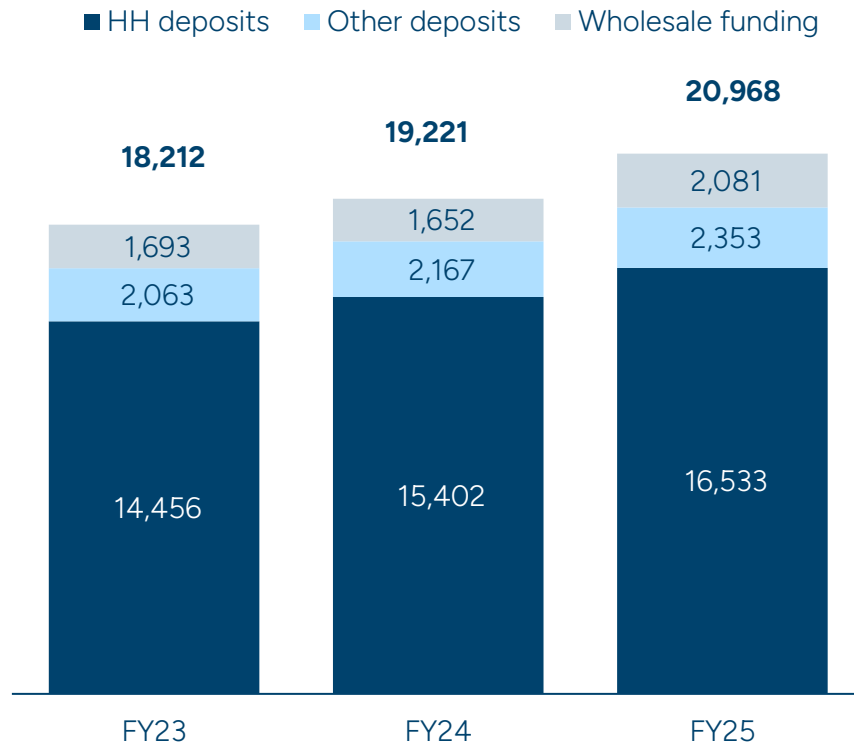
Sector CET1 ratios %



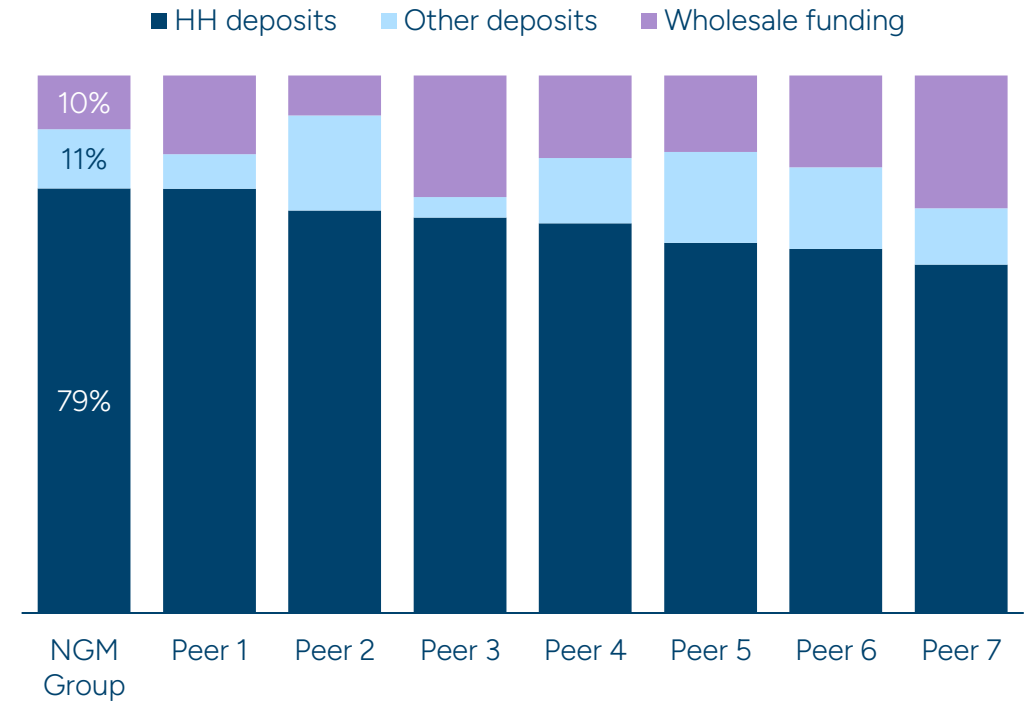
Funding composition & deposits

High quality and stable funding sources with weighting to household deposits

NGM Liabilities \$m



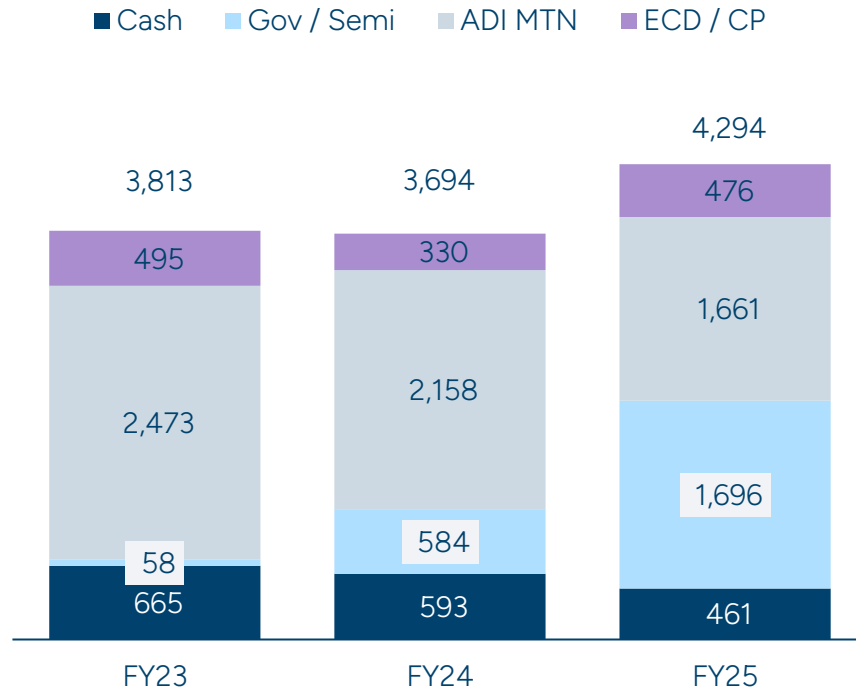
Sector funding composition %



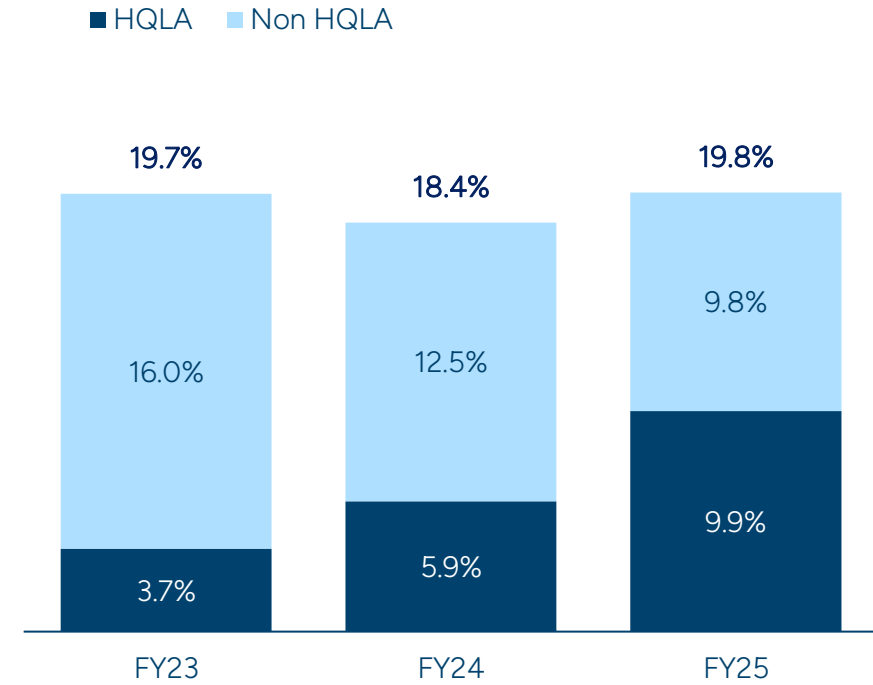
Liquidity

Liquidity above APRA minimum requirements. Increased HQLA holdings

MLH Liquid Assets \$m



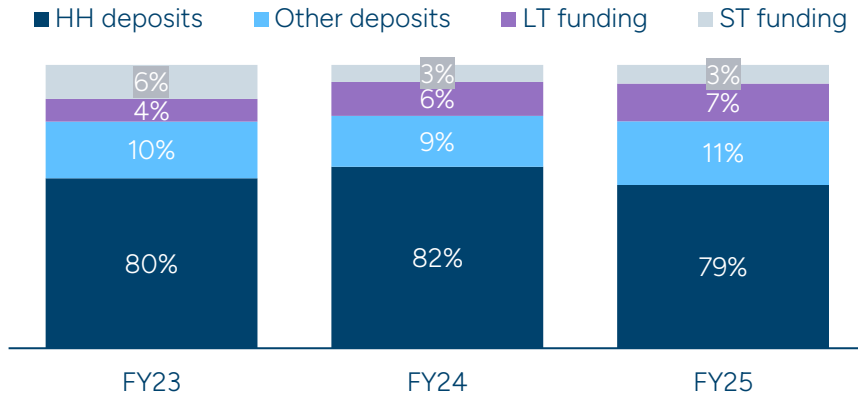
MLH Ratio %



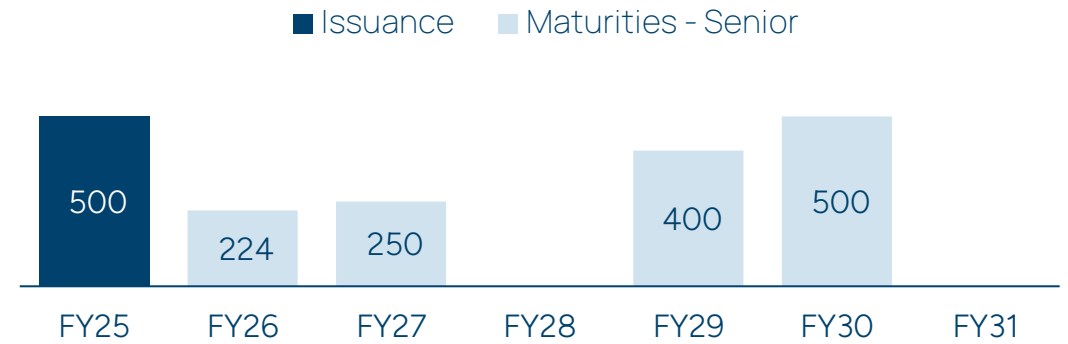
Wholesale funding

Stable funding with minimal reliance on ST wholesale funding

Funding composition \$m

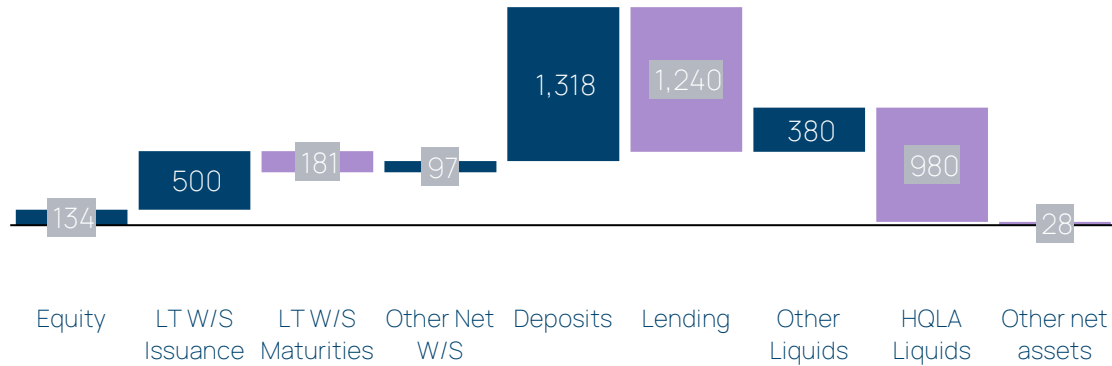


Funding profile \$m

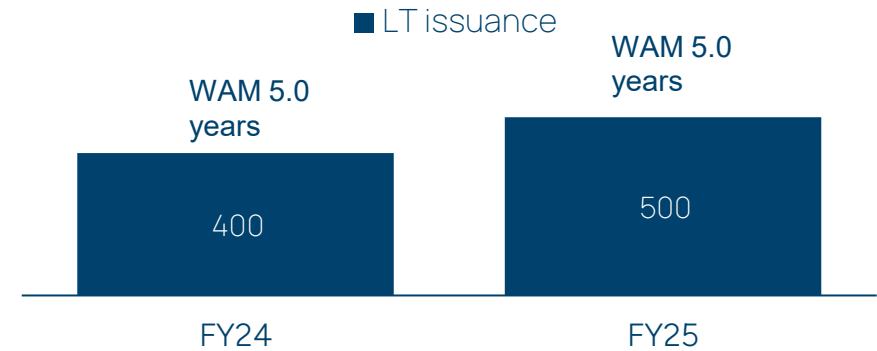


Sources and uses of funds \$m

12 months to June 2025



LT issuance \$m and weighted average maturity (years)





Asset quality



Overview and lending standards

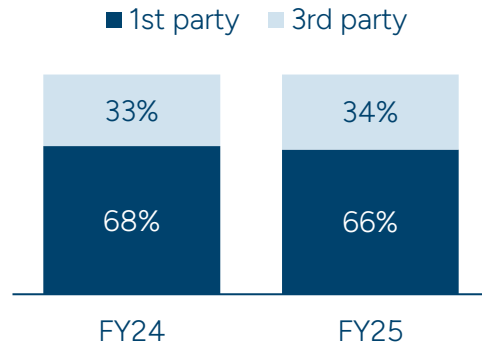
Performance and Growth	Arrears and non-performing facilities are extremely low and sector leading.
	Approximately 65% of mortgages have a dynamic LVR less than 60% (average dynamic LVR is 37%).
	Above system growth through all channels in FY25.
	Credit quality of mortgage broker loans remains comparative with other channels.
	Investment and interest-only portfolio weights remain low and stable – portfolio is heavily skewed towards owner-occupied P&I repayment.
	Hardship enquiry volumes are stable.
	Newcastle/Hunter region geographic concentration reducing because of broker and digital channels.
	Borrower repayment buffers remain stable.
	Stress test outcomes demonstrate a resilient portfolio; low losses driven by high borrower credit scores and low dynamic LVR's.
Lending Standards	HEM is updated on a quarterly basis, linked to borrowers' income and location.
	Interest rate floor is 5.50% for home loans. Interest rate buffer of 3.00%, with haircuts for uncertain incomes sources.
	LMI or Housing Australia Scheme Guarantee for >80% LVR loans.
	Loans with high debt-to-income (DTI) ratios represent a low proportion of approvals.



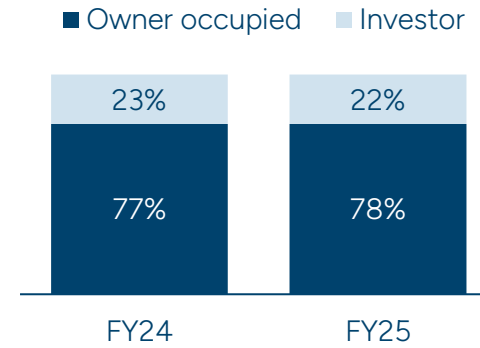
Home Lending Portfolio attributes

Stock

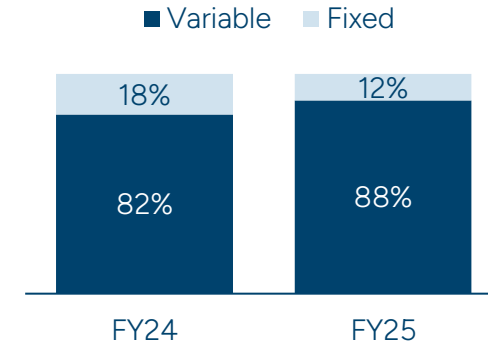
1st party vs broker channel



Owner occupied vs investor

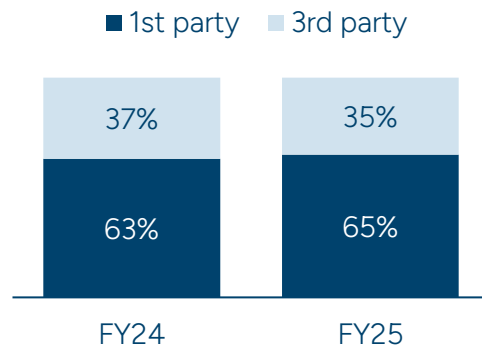


Fixed rate vs variable

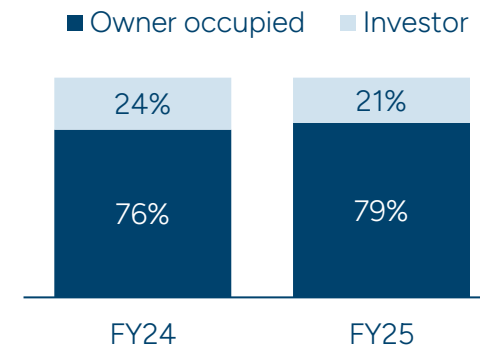


Flows

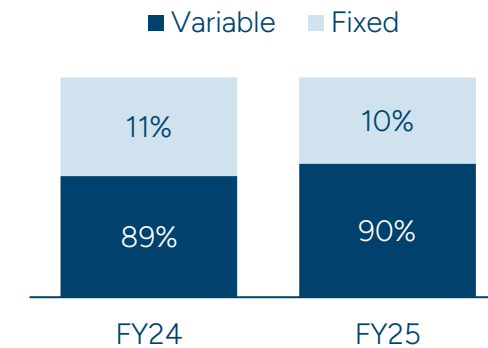
1st party vs broker channel



Owner occupied vs investor



Fixed rate vs variable



Home Lending Portfolio overview

Portfolio	FY2024	FY 2025
Outstanding Balance (\$m)	16,888	18,058
Rolling twelve month growth rate (%)	7.8%	6.9%
Mortgage Broker (%)	32.5%	34.2%
Investment (%)	22.5%	22.5%
Interest Only (%)	7.7%	7.4%
Fixed Rate (%)	18.4%	12.0%
Newcastle Hunter (%)	41.8%	41.5%
Central Coast (%)	6.5%	6.3%
Weighted average current LVR ¹ (%)	58.0%	57.9%
LVR > 80%	9.3%	8.7%
LVR > 90%	2.1%	2.3%
Repayment buffers (%) ²	11.2%	11.4%
Members in Advance (%) ³	80.3%	83.9%
Members in advance > 3 repayments (%) ⁴	49.9%	50.5%
Arrears 60+ days	0.11%	0.10%
Arrears 90+ days	0.07%	0.06%

Arrears data - industry standard - 60 or more days and 90 or more days.

New Business Flow (Originations) ⁵	FY2024	FY2025
Total Funding	4,714	5,039
Mortgage Broker (%)	36.9%	35.0%
Investment (%)	23.7%	20.7%
Interest Only (%)	10.7%	8.8%
Fixed Rate (%)	11.2%	9.8%
Newcastle Hunter (%)	36.3%	29.6%
Central Coast (%)	9.6%	9.4%
Weighted average current LVR 1 (%)	63.3%	63.3%
LVR > 80%	11.0%	10.2%
LVR > 90%	3.8%	3.9%

Notes:

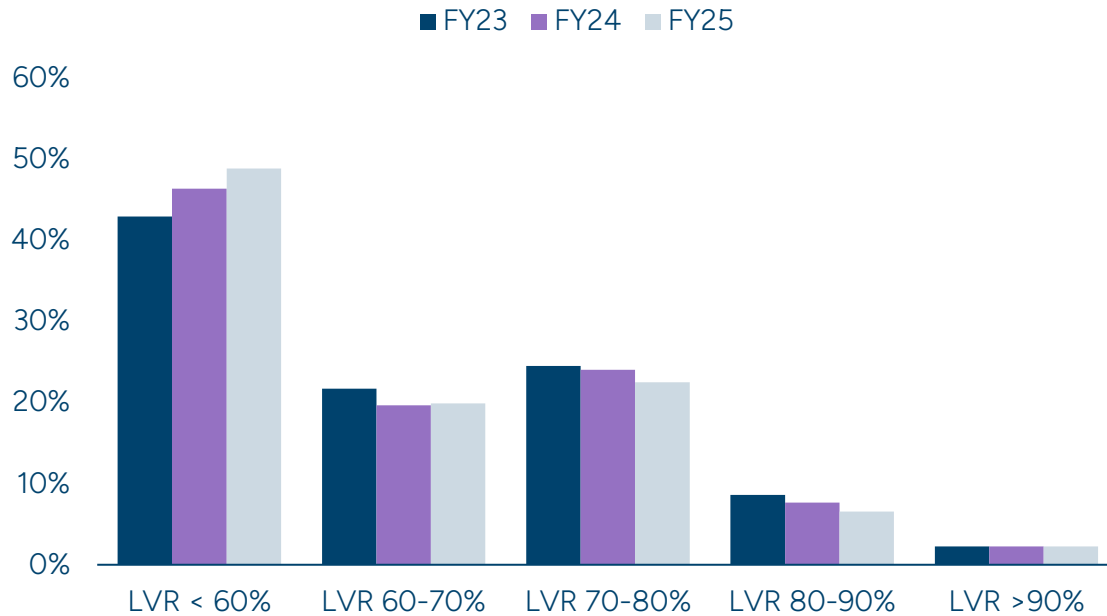
1. LVR defined as current balance / original valuation
2. Repayment buffers equal total in advance amounts as a % of total outstanding balances (data excludes offset accounts)
3. Members in advance % equals # of loan accounts with any payments in advance of minimum monthly repayment.
4. Members in advance > 3 repayments % equals # of loan accounts at least 3 monthly repayments in advance of minimum monthly repayments
5. New business metrics based on 12 month originations.



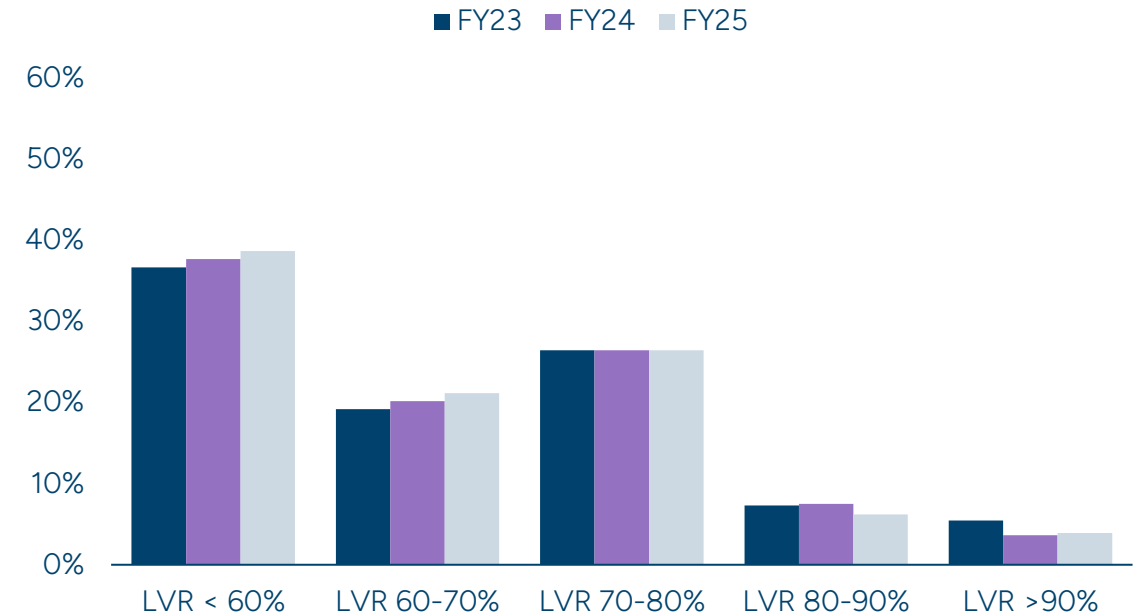
Home Lending Loan to Value Ratios

Minimal lending in high LVR categories

**Proportion of book by LVR category %
Portfolio (stock)**



**Proportion of book by LVR category %
Flow (new lending)**



Negative Equity

- Only 0.04% of portfolio > 100% dynamic LVR, which is below industry benchmark of 1%

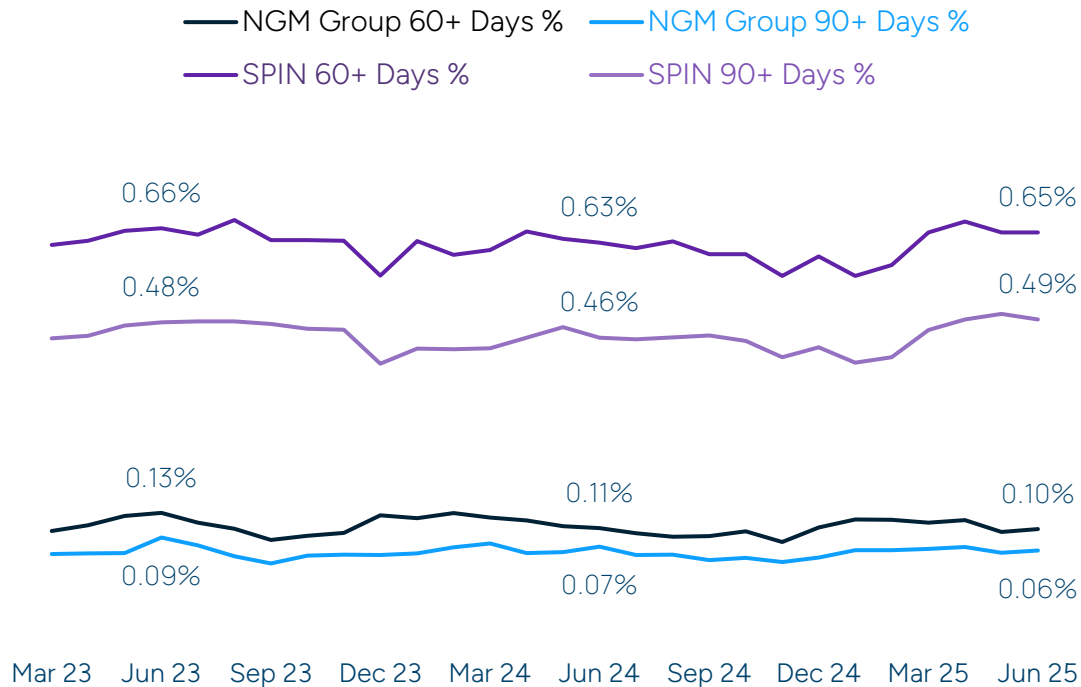


Arrears, hardship and repayments

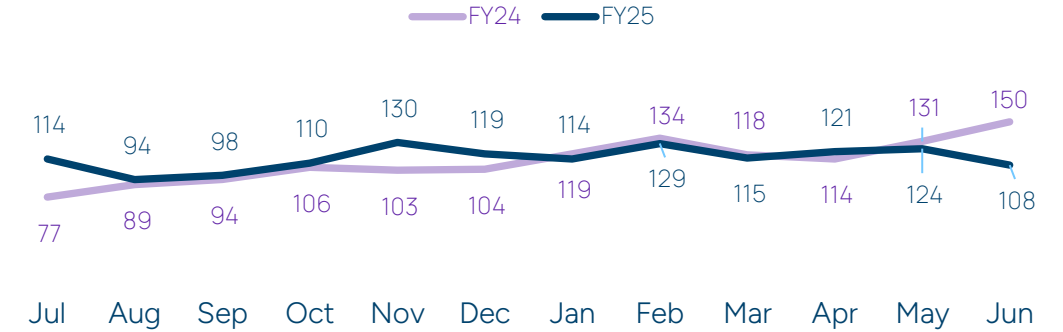
Asset quality sound and hardship in line with prior year. Most customers remain ahead on repayments

Home Lending Arrears Performance

NGM Group relative to S&P Performance Index (SPIN)*

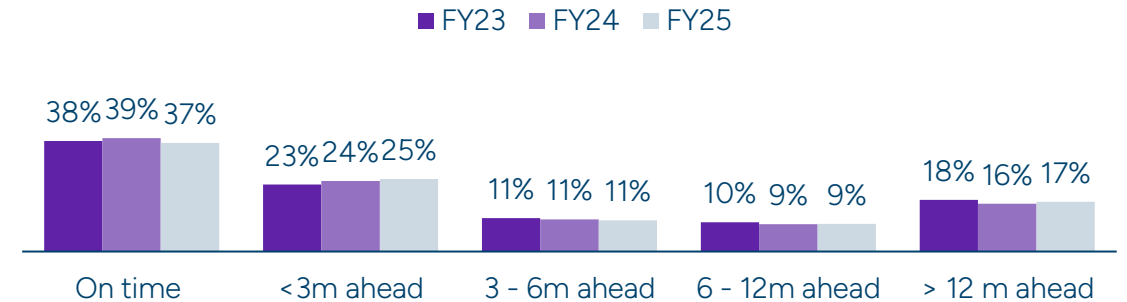


Hardship cases



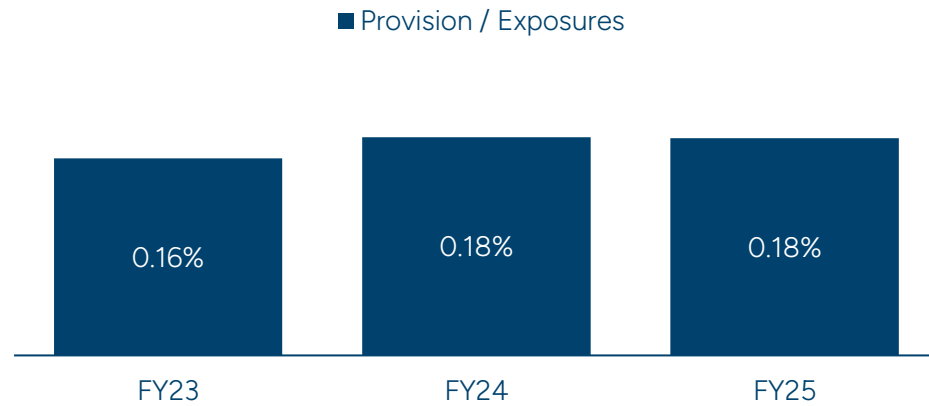
Home Lending Repayment profile

% of customers ahead or behind on home loan repayments



Credit performance

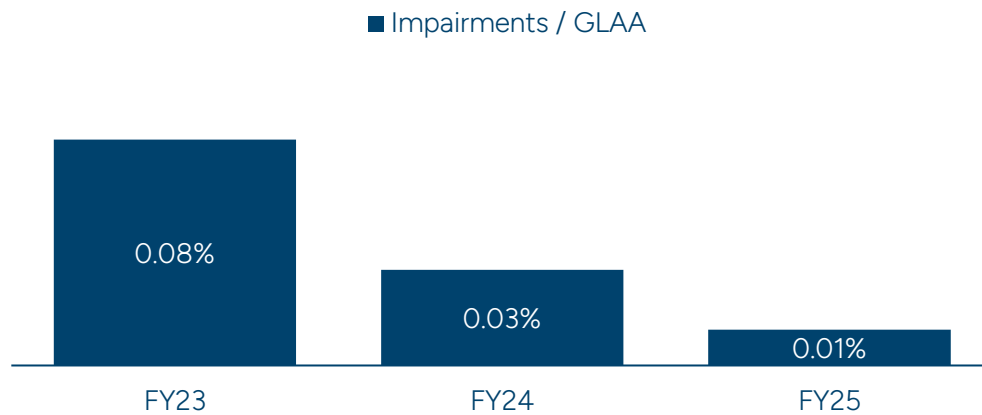
Provisions to credit exposures



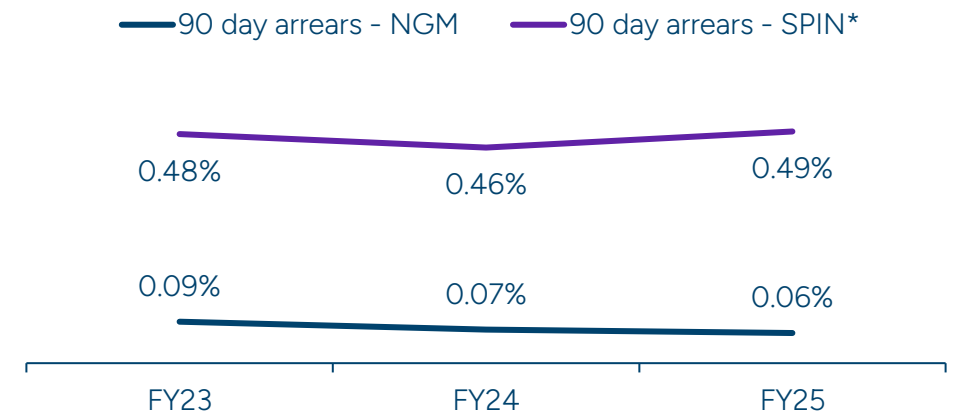
Loans and advances by expected credit loss stage

\$m	Exposures		Provisions		Prov / exposure	
	FY24	FY25	FY24	FY25	FY24	FY25
Collective - Stage 1	16,418.4	17,637.0	14.4	14.4	0.1%	0.1%
Collective - Stage 2	549.7	564.3	12.3	13.7	2.2%	2.4%
Collective - Stage 3	66.4	74.7	3.5	4.2	5.3%	5.6%
Individual - Stage 3	0.5	0.6	0.3	0.3	60%	50%

Impairment expense to gross loans



Home loan arrears



For more information visit our Debt Investor Centre



NGM Group Overview ▾ Careers Governance ▾ News and media



Debt Investor Centre

Wholesale funding is a key component of NGM Group's strategy, supporting balance sheet growth, funding diversification, term profile management, and cost optimisation. Our focus is on maintaining a strong and diversified funding profile, broadening the investor base, and applying prudent liquidity oversight to ensure stable, scalable access to wholesale markets. We are committed to transparent investor engagement and provide timely information on our securities, financial results, announcements, sustainability reporting, and other disclosures to support informed decision-making.



Debt Issuance Program

Access detailed information on NGM Group's Debt Issuance Program.

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Credit Ratings

View current credit ratings assigned to NGM Group by Moody's and Standard & Poor's.

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For further information please visit the NGM Debt Investor Website

<https://www.ngmgroup.com.au/governance/debt-investor-centre-disclosure/debt-investor-centre>

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