

ASX Release, 21 April 2021

BNK PARTNERS WITH LARGE DOMESTIC BANK AND BLACKSTONE FOR \$250M FUNDING PROGRAM

BNK Banking Corporation Limited (ASX:BBC) (“BNK” or the “Group”) is pleased to announce that it has signed definitive legal documents for a A\$250,000,000 prime residential mortgage warehouse program named the Bullion Warehouse Trust No.1 with a large domestic bank and Blackstone as key funding partners.

Key Highlights

- A\$250,000,000 facility limit
- 3 year availability period (subject to annual reviews)
- Senior funding to the warehouse program is provided by a large domestic bank
- Junior funding to the warehouse program is provided by BNK and funds managed or advised by Blackstone
- Perpetual Corporate Trust to act as Trustee, Security Trustee and Custodian

The new facility furthers a number of the Company’s objectives, including:

- Diversifying funding sources including securitisation;
- Increasing funding stability, directly supporting our lending growth aspirations; and
- Broadening our product capabilities in the mortgage sector.

The new facility is the first milestone in BNK’s securitisation program and comes at a time when funding costs in the RMBS market are extremely attractive.

Brett Morgan, CEO of BNK Bank said “The establishment of our first warehouse and securitisation program puts in place one of the key foundations to support BNK’s growth aspirations. This funding will improve loan economics and competitive positioning. It’s another key milestone for BNK following our inaugural Tier 2 Hybrid issuance in January. We look forward to working with our new partners to continue our strong growth trajectory.”

This announcement has been authorised for release to the ASX by the Board of Directors.

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Who is BNK Banking Corporation Limited?

BNK Banking Corporation Limited (BNK) is a diversified financial services company with two key operating divisions in banking and mortgage broking aggregation:

Banking

The company has operated as an APRA-regulated authorised deposit-taking institution (ADI) for over 38 years. As such our customers benefit from the Australian government deposit guarantee scheme for deposits up to \$250,000.

The bank provides simple and easy to understand deposit accounts, personal loans and mortgages under a number of brands: Goldfields Money, which is used in the Goldfields region of Western Australia, complemented by the Better Choice Home Loans brand, distributed via mortgage brokers nationally.

BNK Bank plans to offer a new range of product under the BNK brand later this financial year. The Company is continuing to develop its new digital banking platform which will enable it to deliver a broad range of banking products directly to customers, as well as through third party intermediaries across Australia.

Mortgage Aggregation

The Aggregation division, operating as Finsure, provides one of the largest distribution networks in the country as well as valuable market insights that assist BNK with product development. As at 31 December 2020 the business services 1,910 mortgage brokers and manages a loan book in excess of \$50.2bn.

This unique combination allows BNK to develop competitive products that meet its changing customer needs, leveraging its low-cost, technology-driven model. BNK is focused on becoming a challenger bank of scale through building its product portfolio, growing its diversified distribution network and pursuing API-enabled partnering opportunities.

The Company is listed on the Australian Securities Exchange (ASX:BBC).

You can read more about us at www.bnk.com.au and www.finsure.com.au.