BNK Banking Corporation Limited
Level 14, 191 St Georges Terrace
Perth WA 6000

ASX Release, 29 October 2026

BNK BANKING CORPORATION Q1 FY27 - TRADING UPDATE

BNK Banking Corporation Limited (ASX: **BBC**) ("**BNK**" or the "**Company**") today provides a trading update for the first quarter of FY27 ("**Quarter**" "**Q1 FY27"**).

HIGHLIGHTS

- Underlying (unaudited) NPAT of $315k, up 4% on Q1 FY26.
- Statutory (unaudited) NPAT Loss of $59k, compared to a Profit after tax of $75k in Q1 FY26.
- Net Interest Margin (NIM) improved to 1.92%, up from 1.83% in Q1 FY26.
- Net Interest Income increased to $6.25m, up 11% on Q1 FY26.
- Total lending book of $1.02bn, representing 2% growth in Q1 FY27.
- Commercial loan book of $284m, delivering 15% growth in Q1 FY27.
- Senior Secured lending increased to $53m.
- Total deposits of $1.08bn support a strong deposit-to-loan ratio of 106%.
- Improved 90+ days Residential arrears at 0.20% from 0.47% at June 2026.
- Improved 90+ days Commercial arrears at 0.75% from 0.87% at June 2026.
- Capital Adequacy Ratio (CAR) of 22.1% with redemption of $8.75m of Subordinated Tier 2 Notes in August 2026.
- Net Tangible Assets (unaudited) per share remains stable at $0.99.

Q1 Results Overview

During the first quarter of FY27, BNK achieved an underlying profit of $315k, delivering a 4% uplift on Q1 FY26. Statutory results, reflecting the continued investment in technology, delivered a loss after tax of ($59k), compared to a $75k profit in the prior corresponding period.

Asset growth saw loan balances surpass $1.02bn, driven by a 15% increase in Commercial lending in Q1 FY27 to $284m and further investments within BNK's Senior Secured portfolio, up 33% to $53m. Total lending represents an 8% growth on the prior corresponding period and a 2% growth during Q1 FY27.

BNK achieved a significant uplift in its NCD program to $52m across Q1 FY27, minimising a funding reliance on market sensitive Term Deposits . This coupled with the growth in BNK's lending portfolio, drove the increase in Net Interest Income to $6.25m, up 11% on Q1 FY26 and up 1.4% on Q4 FY26.

Net Interest Margin (NIM) of 1.92%, was 9bps up from 1.83% in Q1 FY26, however declined 8bps from 2.00% achieved in Q4 FY26 consistent with commentary for the full year FY26 results.

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BNK's Asset quality continued to strengthen further from reductions achieved in Q4 FY26. Residential home loan arrears (90+ days) reduced to 0.20% from 0.47% at 30 June 2026, and Commercial loan arrears (90+ days) reduced to 0.75% from 0.87%. Against a backdrop of elevated cost of living pressures, these outcomes underscore the stability of BNK's Asset portfolio and the established early intervention frameworks.

BNK maintained a strong Capital Adequacy Ratio (CAR) through Q1 FY27 whilst continuing to increase Commercial lending balances and complete the redemption of $8.75m of Tier 2 Subordinated Notes.

Commenting on the Q1 results, CEO Steve Kinsella said

"The results for the quarter represent continued improvement in the base returns on the portfolio with cautious growth in our loan book.

Market conditions remain competitive with overall suppressed volumes, particularly in residential investment property, following increased interest rates and the Federal Budget changes in May 2026.

Expectations of future rate rises also drove deposit competition and elevated rates.

Notwithstanding broader market conditions we remain focussed on the three core areas of our strategy to improve our customer experience, generate sustainable profitability and upgrade of the Core Banking technology platform.

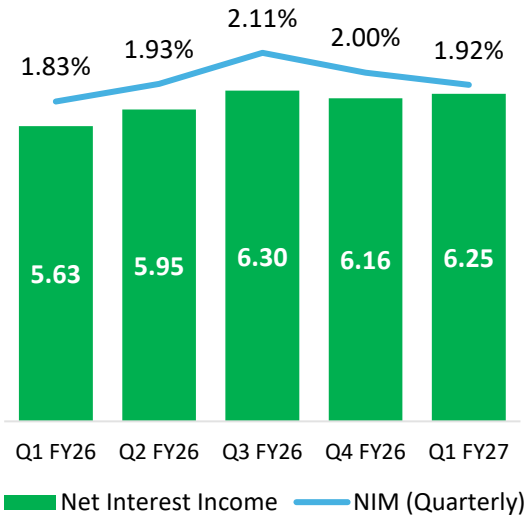
Pleasingly Phase 1 of our Core banking upgrade was successfully achieved over the weekend of 17th and 18th October 2026. This involved a migration to a fully cloud based environment with minimal impact on our customers. The team are now focussed on Phase 2 which will underpin and uplift our ability to provide a much-improved customer experience.

Our net margins are tracking in line with expectations, and we are confident that profitable growth opportunities continue to be available".

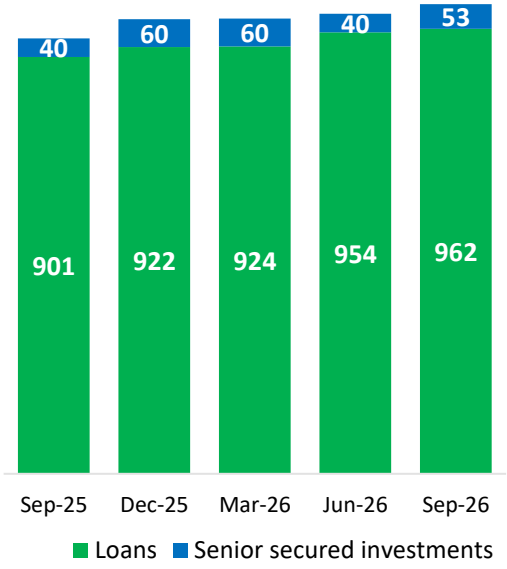
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Q1 FY27 Results

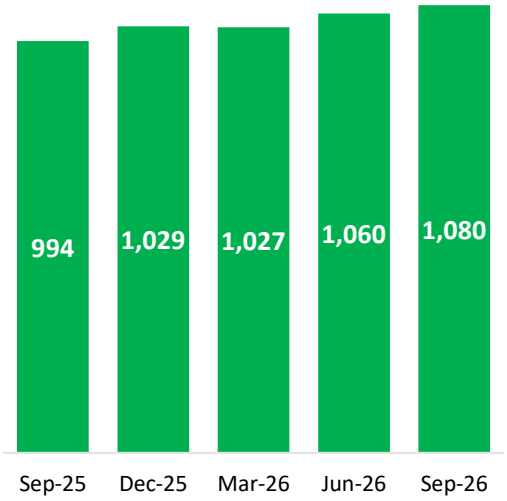
NII ($m) and NIM (%)



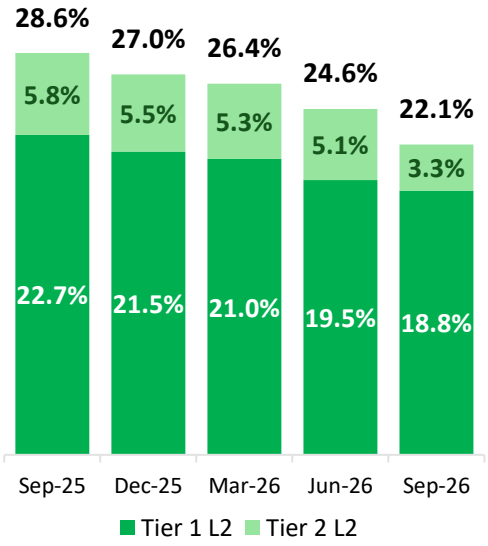
Lending ($m)



Deposits ($m)



Capital Adequacy Ratio



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

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About BNK

BNK Banking Corporation Limited (ASX: BBC) was founded in 1982 as Goldfields Credit Union. BNK is a branchless bank offering a focused range of deposit and lending products through a national broker network, key aggregator partnerships and expanding digital channels. BNK operates two brands: Goldfields Money and Better Choice Home Loans. Find out more: https://bnk.com.au/