

Annual Report 2025



Our Story

The Mutual Bank was founded by passionate locals in Maitland, regional NSW, with a clear mission: to keep financial investment local and support regional prosperity. Over our 137-year history, we've stood strong through major events including war, depression, floods, financial crises, industrial transition and pandemics. Despite these challenges, we have consistently provided security, stability and care for our Members and local communities.

As a customer-owned bank, we proudly belong to the Customer Owned Banking Association (COBA) and voluntarily subscribe to the Customer Owned Banking Code of Practice. The Code sets standards that go beyond legal requirements, reflecting our deep commitment to serving the interests of our Members and regional communities.

As an authorised deposit-taking institution (ADI), we are regulated under the *Banking Act 1959 (Cth)* and by government authorities including the Australian

Prudential Regulation Authority (APRA), the Australian Securities and Investment Commission (ASIC), and the Australian Transaction Reports and Analysis Centre (AUSTRAC).

Although much has changed over the years, our focus on serving our Members and regional communities remains steadfast. We proudly offer banking choice and convenience, combining innovative digital solutions and exceptional personal customer service. We also support our communities at a grassroots level, backing a range of local education, sporting, charitable and cultural initiatives.

Our vision is to be the bank of choice for the Hunter and regional communities. We exist to champion financial wellbeing for our Members and regional communities, helping people thrive.

Thank you for banking with us. We're honoured to serve you and proud to support regional communities for generations to come.

Our Values



Integrity

We are accountable for our actions.



Respect

Relationships are at our core.



Care

Our Members and people come first.

Make it *yours*

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The Mutual Bank acknowledges the Traditional Custodians of Country across Australia and recognises their continuous connection to lands, waters and communities. We pay our respects to Aboriginal and Torres Strait Islander cultures and to Elders past and present.

A Message from our Chair and CEO



Dear Members

It is our privilege to deliver you the results for the 2025 financial year.

Strong, Sustainable and Balanced Performance

The Mutual Bank has had a successful 2025 year characterised by strong and sustainable growth and balanced performance across the four key dimensions of Members, community, Team Members and financial performance.

Our total loan portfolio grew from **\$896m** at 30 June 2024 to **\$982m** at 30 June 2025, representing a growth rate of **9.5%**. This compares to total credit growth across the financial services industry of 6.8% meaning that The Mutual Bank grew at a multiple of **1.4** times the growth experienced by the broader financial services sector.

The strong lending growth performance is driven by three key factors:

- 1. Consistent Competitiveness:** our pricing strategy is to remain **consistently competitive** against the major banks at **all times**.
- 2. Exceptional Member Relationships:** our team's commitment to service continues to attract both new and repeat business. In the 2025 financial year, our Net Promoter Score

averaged **61** across two surveys, significantly higher than the major banks, which typically score below 10. We are incredibly proud of this result, which reflects the quality and strength of our Member relationships and supports the proposition that our Members are significantly more satisfied than the major bank customers are with them.

- 3. Digital Lending Channel:** our Digital Lending Channel enables anyone within Australia to apply for a home loan, personal loan or credit card online, offering a seamless experience that has significantly expanded our reach. This digital experience has been warmly embraced and utilised by existing Members and has also attracted new Members outside of our traditional geographical footprint.

Our strong lending growth reflects our primary role: to help more people into homes and support small business with their finance needs.

The Mutual Bank also grew its total deposits from **\$959m** at 30 June 2024 to **\$1.03b** at 30 June 2025, representing a growth rate of **7.3%**. This growth reflects consistent and competitive pricing, the features of our deposit products and continuing upgrades to our digital capabilities.

As a customer-owned bank, The Mutual Bank seeks to generate a level of profit that appropriately balances short-term financial performance with

investments in the business for the benefit of current and future Members to ensure long-term business sustainability and resilience. During the 2025 financial year, The Mutual Bank generated an after tax profit of **\$2.8m**, which balanced the financial objective of maintaining capital adequacy and balance sheet strength, while simultaneously making substantial investments into a range of business initiatives to benefit our Members.

Proud Achievements

During the 2025 financial year, The Mutual Bank focused on enhancing our proposition to Members, Team Members and the community in line with our vision of being the bank of choice for the Hunter and regional communities. Some of these key achievements were:

- We recognise that our Members wish to have **choice** in how they do their banking with The Mutual Bank. Some Members prefer to use our branch network, others choose to deal with us virtually through our locally-based Contact Centre while others choose to bank with us online. As a result, we remain **strongly committed to** and continue to invest in **all** of these channels.

While many major banks have closed branches across regional Australia, we remain firmly committed to our branch network. Since 2018, around **800** bank branches in regional Australia have closed, representing approximately 36% of the total. These closures have left many communities without access to essential banking services or in-person support. The Mutual Bank is proud to go against this trend.

In the 2025 financial year, we undertook a **major refurbishment** of our East Maitland branch with our objective to provide a contemporary banking experience for our Members and a functional work environment for our Team Members. We were delighted with the response. We

celebrated the reopening by inviting Lyn Maber, a Member who has banked with us for almost 60 years, to cut the ribbon at a branch she has banked at for 40 years. You can read more about our East Maitland Branch refurbishment later in this report.

We also continued to invest in our digital capabilities, including our Digital Lending Channel, to reduce the turnaround times on processing home loans, personal loans and credit cards. This work included streamlining loan documentation, which is now delivered to Members digitally. In addition, we continued to upgrade Internet Banking, our website and the Mutual App. One upgrade to the Mutual App was delivered earlier this year, a further upgrade was delivered in late September which included Confirmation of Payee capability - a fraud prevention service that verifies the name on a bank account matches the intended recipient before a payment is made - and a reimagined customer experience. A further upgrade is also planned for the coming months which will include digital onboarding (for a seamless online account opening process). We are also enhancing our data capabilities to better understand Member needs and deliver more personalised experiences.

- The Mutual Bank won a number of product awards, including:
 - for the third consecutive year, The Mutual Bank's Budget Home Loan won a Mozo Experts Choice Home Loan Award in the coveted Low-Cost Home Loan category in February 2025; and
 - our Business Cheque Account was recognised by Mozo in March 2025 for its exceptional value and quality, winning in the Small Business Exceptional Everyday Account category for the second year running.



Matthew Dunnill, Heather Pithers, Cherylynn Cambridge, Lyn Maber and Promise Holz in the refurbished East Maitland Branch.

Our strong growth, prudent financial management and robust governance were recognised by S&P Global, which upgraded our credit rating outlook from stable to positive in 2025. This is a significant achievement.

- The Mutual Bank takes the ever-evolving cyber-threat landscape seriously and continues to make the necessary investments to continuously enhance our information and cyber security capabilities with a dedicated Information and Cyber Security Team. This work will continue due to the ever-increasing sophistication of cyber criminals. Our commitment to Members is to ensure our information and cyber security posture remains appropriate and in line with Member and regulator expectations to remain resilient in an evolving threat landscape.
- As a regulated ADI, The Mutual Bank is **highly supportive** of the work that APRA is doing to regulate the Australian financial services industry, to ensure a strong, stable and resilient banking sector. To this end, APRA released a new Prudential Standard, which became effective on 1 July 2025, called **CPS 230 Operational Risk Management**. This Standard requires all ADIs to identify and manage their operational risks, ensure the continuity of critical operations and manage third-party service providers who support these critical operations to ensure they meet resilience expectations. During the 2025 financial year, The Mutual Bank successfully implemented the requirements of CPS 230, supported by strong Board oversight and a culture of continuous improvement within our business.
- The Mutual Bank remains committed to ensuring that its risk management capabilities continuously evolve in light of regulatory expectations and adapt to the changing economic and operating environment. Refer to Page 32 of this report for further information on the work that we have been focused on in continuing to evolve The Mutual Bank's Risk Management Framework.
- In May 2025, The Mutual Bank successfully completed its second Medium-Term Note issuance, raising **\$32 million** in funding through 1 and 3-year Floating Rate Notes. While long-term wholesale funding has a higher cost than Member deposits, Medium-Term Note issuances provide a number of important strategic benefits, including long-term funding to support our strong lending growth, further diversification of our funding sources and lengthening the maturity profile of our funding. The successful issuance highlighted the ongoing wholesale investor confidence in our business.
- Our strong growth, prudent financial management, investments into our digital and technology capabilities and robust governance were recently recognised by our external credit rating agency who uplifted our credit rating outlook from stable to positive in 2025.

- Our Team grew by **11** full-time equivalent Team Members and we celebrated **12** internal promotions. Our Employee Engagement Score averaged **75%**, with strong results in collaboration, leadership quality and wellbeing. The Mutual Bank recognises the importance of an engaged workforce to our strategic success and uses Employee Engagement Survey results and feedback to develop action plans to further enhance employee engagement.
- We contributed over **\$170,000** to local community organisations in 2025 through our sponsorship program and our Team members logged more than **254** volunteer hours. A full list of supported organisations is included later in this report.

Looking Ahead

The Board of Directors and our team remain **firmly committed to our Members** and have a strong ambition to continue to enhance the banking services that we provide. Our Members will remain at the centre of our Strategic Plan, with **all** organisational decisions and efforts focused on achieving our vision of becoming the bank of choice for the Hunter and regional communities.

We remain committed to our Channel of Choice Strategy. Our goal is to ensure Members can bank in the way that suits them best, whether through our branch network, digital platforms or our locally-based Contact Centre. This includes:

- a commitment to our branch network, and to continuously explore new geographic areas where we feel that our Member Value Proposition can make a difference; and
- ensuring that our digital capabilities and service offerings are fit-for-purpose and in line with our Members' expectations and key competitors.

The Mutual Bank is adopting Artificial Intelligence (AI) with **measured caution**. We are actively identifying ways in which AI could be leveraged within The Mutual Bank, always prioritising ethical use and robust governance. While we recognise the significant opportunities AI presents to enhance our business and deliver greater value to our Members, we are equally mindful of the inherent risks. AI cannot be ignored: it is transformative technology with the capacity to bring substantial benefits, but it requires careful and responsible assessment before any integration into our operations.

Maintaining financial strength and robust risk management and resilience remains a core focus. The Mutual Bank is financially strong, well capitalised and committed to balancing short-term performance with long-term sustainability.

We will also continue to support our local communities. Whether helping people save, move into new homes, invest in property or grow their businesses, we are committed to understanding Member needs and evolving our products and services accordingly. We also remain committed to giving back to our local communities through our sponsorship program. We recognise that by contributing to local sporting and cultural initiatives and social causes we strengthen community resilience and help our local communities thrive, which remains consistent with our values of Integrity, Respect and Care.

The Board and Executive Team are optimistic about the future growth prospects for The Mutual Bank. Maitland and its surrounding areas are experiencing strong residential and economic expansion, creating increased demand for trusted, community-focused financial services. As a proudly Member-owned institution, The Mutual Bank is uniquely positioned to meet this demand, with deep roots in the region and a reputation for personalised service. The continued trust and loyalty of our Members are at the heart of our confidence in the future, enabling us to grow sustainably while staying true to our values and purpose.

Thank you for your continued support. Together we are making a meaningful difference in the lives of our Members, our communities and our people. Our Members can be absolutely assured that we remain committed to delivering trusted financial services and will continue to adapt our business to ensure that we are able to continue to meet your banking needs.



Steve Meyn
Chair



Mark Williams
Chief Executive Officer



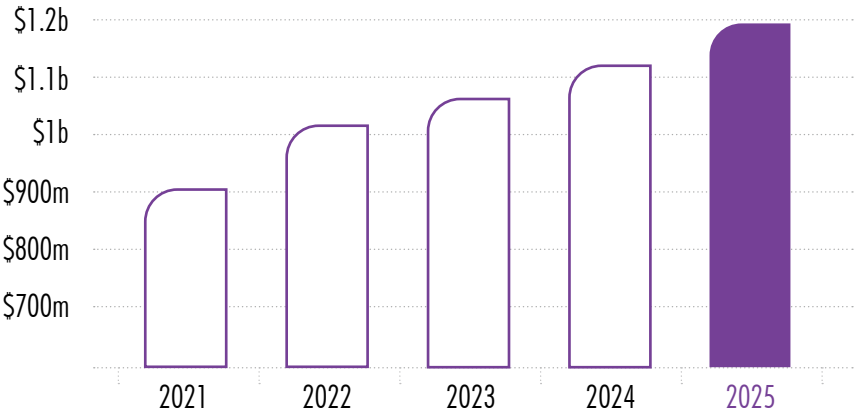
Our Performance and Key Results



↑ 7.3%

Increase in total assets to \$1.199 billion

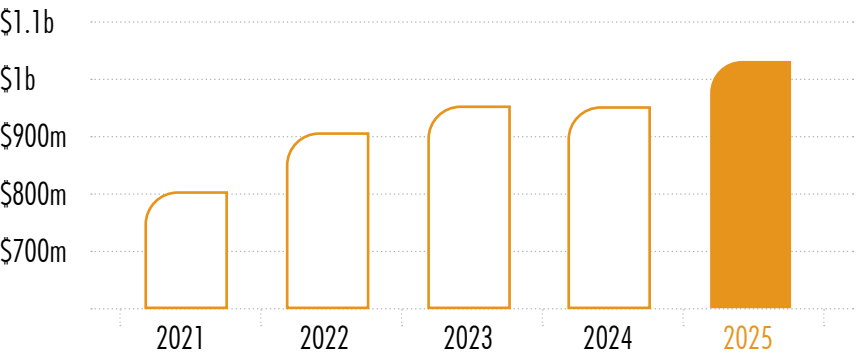
TOTAL ASSETS



↑ 7.3%

Increase in deposits to \$1.03 billion

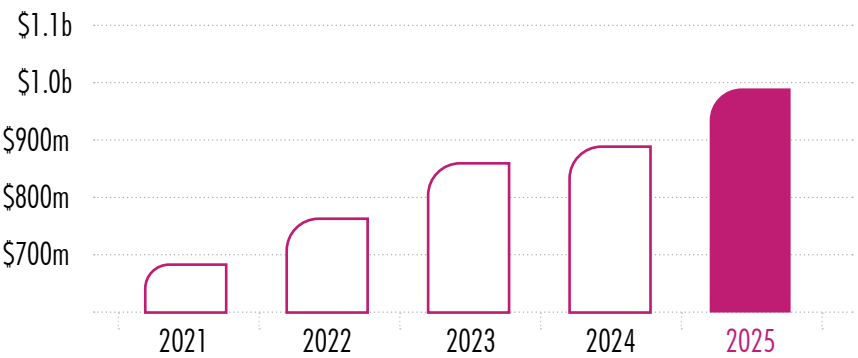
TOTAL DEPOSITS



↑ 9.5%

Increase in loans and advances to \$981.9 million

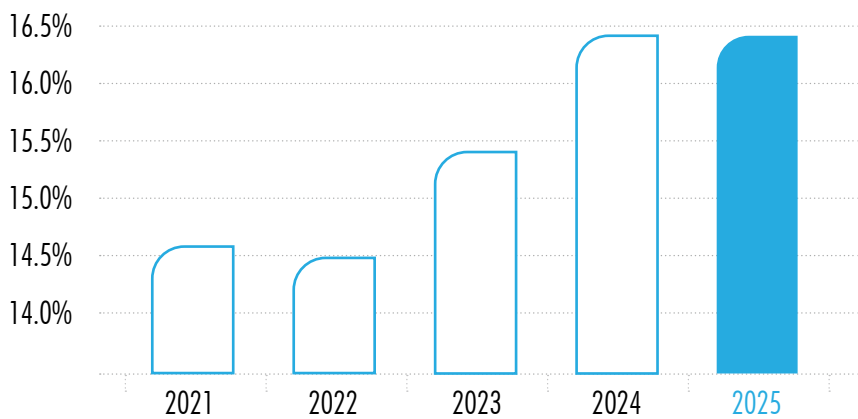
TOTAL LOANS OUTSTANDING



STRONG

capital position maintained at 16.4%

TOTAL CAPITAL ADEQUACY



Our People, Our Advantage



Our Team Members make a meaningful difference at The Mutual Bank through their passion, dedication and commitment to our values of Integrity, Respect and Care. Our culture is a point of difference, attracting exceptional people who share our values and help shape the experience we deliver to our Members.

We are proud to have supported our Team Members to thrive in the 2025 financial year through the following initiatives:

- Formalised flexible work arrangements that balance personal and business needs.
- Enhanced career growth and development with the introduction of multiple levels within key roles to support career progression, and an enhanced performance review system that focuses on modelling behaviours aligned with our core values and delivering key results.
- Continued Leadership Development Program, with 15 additional leaders participating in 2025, and adopted succession planning for key roles.
- Established career pathways through organisation design projects and cross-functional collaboration to support progression between divisions.
- Rolled out structured one-on-one meetings to support role clarity and performance conversations.
- Delivered Monthly Town Halls to ensure consistent, transparent communication, and reimaged consultative committees to enhance collaboration and representation.
- Improved efficiency and collaboration by streamlining workloads by adopting new systems.
- Continued to connect Team Members with our community through volunteer leave and community engagement events.
- Introduced new employee benefits, with partnerships to deliver exclusive offers and cost savings for Team Members.
- Brought our team together to learn, collaborate and celebrate at our Annual Team Event.
- Introduced Mental Health and Wellbeing Ambassadors (pictured above) to provide peer support and promote mental health awareness. Nine ambassadors now serve as dedicated resources, offering guidance, support and advocacy across the organisation.

Reward and Recognition



We recognised some of our exceptional Team Members for the 2025 financial year at our Annual Team Event.

Community Contributors

Laura Dobing and Geoff Marshall

Values Champions

Heidi Brimble, Nasrin Lucky, Luke Bevan, Laura Dobing and John Digby, pictured above.

Outstanding Performers

Andrew Bennati, Lauren Greenley, Bronte Edwards, Kyle Primrose, Larissa Britton and Bec Wynter, pictured below.



Milestone Celebrations



We celebrated the 30-year anniversary of Kieran Quigley and the 20-year anniversary of Kate Wetini.

Workplace Gender Equality

In our second WGEA submission, we are encouraged by the progress made in closing the gender pay gap. This ongoing reporting process provides a valuable opportunity to reflect on our organisational practices, strengthen our commitment to equity, and implement targeted initiatives that foster a more inclusive and balanced workplace. We remain focused on continuous improvement through transparent reporting, flexible work arrangements, and equitable career development opportunities for all Team Members.

Meet our Board of Directors



Steve Meyn

Steve Meyn joined The Mutual Bank Board in 2018 and was appointed Chair in 2022. He is a member of the People and Culture Committee and the Risk Committee.



Deb Mirisch

Deb Mirisch joined The Mutual Bank Board in 2020. She is Chair of the Audit Committee and is a member of the People and Culture Committee and the Digital and Information Technology Committee.



Sharon Howes

Sharon Howes joined The Mutual Bank Board in 2020. She is Chair of the People and Culture Committee and is a member of the Risk Committee.



Scott King

Scott King joined The Mutual Bank Board in 2023. He is the Chair of the Digital and Information Technology Committee and a member of the Audit Committee.



Steve Martinelli

Steve Martinelli joined The Mutual Bank Board in 2023. He is Chair of the Board's Risk Committee and is a member of the Audit Committee.



Andre Pinkowski

Andre Pinkowski joined The Mutual Bank's Board in 2024. He is a member of the Digital and Information Technology Committee and the Risk Committee.

Meet our Executive Leaders



Mark Williams
Chief Executive Officer



David Vincent
Chief Financial Officer



Felicity Laczina
Chief Operations Officer



Matthew Dunnill
Chief Member Officer



Kane Jones
Chief Risk Officer



Josh Hessel
Chief Digital and Technology Officer



Merran Magill
Chief Governance Officer and Company Secretary

Honouring Legacy. Embracing Today. Shaping Tomorrow.

Inspired by our Roots

Originally established as The Maitland Permanent Building, Investment and Loan Society Limited and Savings Bank, our name may have been extensive, but our mission was always clear and rings true to this day: to invest local money back into the local community.



On 16 January 1889, The Mutual Bank approved its first loan for £120. For the first 64 years, the office of secretary was held by Frederick William Thursby and later his son, William Thomas Thursby. Together, they built the foundation of a trusted financial institution, guiding it through the Great Depression, two World Wars and decades of change.

Throughout our history, The Mutual Bank has consistently provided strength, security and stability to our Members and the local community.

By investing in local initiatives and supporting grassroots organisations, we strengthen not only our financial services but also the resilience and unity of our region.



During periods of volatility, The Mutual Bank stands as a symbol of stability and progress. We are proud to demonstrate that a regional customer-owned bank can be innovative, sustainable and deeply connected to the communities we serve.



Impact of the Mutual Model

In 2025, the United Nations declared a second International Year of Cooperatives, recognising the global impact of three million member-owned businesses.

As a mutual bank, we are proud to be part of this movement. We are one of 750 cooperatives and mutuals serving communities across New South Wales.

The merits of the customer-owned banking business model remain as relevant today as ever. Our business model ensures that profits are reinvested into better products and services for our Members and into the communities we serve.

Customer-owned banks were once again named the most trusted sector within Australia's banking industry, according to the 2025 *Roy Morgan Bank Trust and Distrust Scores Report*. Based on ongoing Risk Monitor surveys of approximately 25,000 Australians annually, this marks the sector's second consecutive year of top recognition and reflects a further improvement in its collective Net Trust Score since May 2023.

The result stands in stark contrast to the broader banking industry. Since May 2023, distrust has worsened with 3.2 million Australians (14.2% of those aged 14 and over) expressing distrust toward specific banks or the banking sector at large. The commercial banking industry ranked 24th out of 27 industries for net trust, only ahead of telecommunications, supermarkets and social media companies. In contrast, mutual banks ranked seventh.

The Mutual Bank's legacy is built on the values of Integrity, Respect and Care. Our focus is to continue championing financial wellbeing for our Members and regional communities, while supporting grassroots organisations through our sponsorship program and community partnerships.



Advocating for Regional Communities



Access to essential banking services is critical for regional, rural and remote communities. Yet since 2017, around 2,000 bank branches have closed across Australia (with 800 of them in regional and remote areas). These closures have left many communities without access to cash, in-person support or guidance on increasingly complex financial matters.

Small regional banks are increasingly being used as de facto branches for the major banks in a process known as "pass through banking" where small banks carry the costs of transactional banking but receive none of the commercial benefits from the overall banking relationship. By reducing face-to-face services, big banks hold an unfair pricing advantage against banks that maintain investment in our regional areas.

In 2025, The Mutual Bank joined an alliance of 21 regional banks to ensure that face-to-face banking continues into the future. This includes advocating for a cost sharing model to support regional bank branches that provide communities with essential services. The model should ensure that the big banks whose regional branch investment falls short of

the industry average continue to support regional communities either directly through their own regional branch network, or via the cost sharing model.

Regional branches provide much more than basic transactions. They offer face-to-face assistance with opening and closing accounts, applying for loans, managing small business finances and navigating digital banking tools. They also provide critical support for people experiencing financial hardship, those impacted by scams or fraud and individuals managing Power of Attorney or deceased estate matters. These are services that cannot be meaningfully replaced by post offices or ATMs.

In towns and suburbs like Dungog and Mayfield, where The Mutual Bank is the only remaining bank, the presence of a local branch fills a critical need for vulnerable people in the community. It ensures that residents can access secure, professional and personal banking services when they need them most.

This advocacy is about ensuring that regional communities continue to have access to the financial services, advice and support they need to thrive.

Delivering a Branch of the Future

While many regional bank branches have closed in recent years, The Mutual Bank is committed to maintaining a strong physical presence for our Members and communities.

This commitment inspired our refurbishment of our East Maitland Branch. The result is a contemporary design with state-of-the-art facilities that brings a fresh and welcoming atmosphere for both our Members and our Branch Team.



Our vision was to create a modern and functional environment that our Members would enjoy visiting and our teams would be proud to work in. With the expertise and dedication of our architects, ARCH, and our builders, Collaborative Construction Solutions, that vision became a reality through a seamless and well-executed project.

One of the most exciting new features of the branch is a dedicated community space. Local charities, sporting organisations and fundraising groups are invited to use this area during branch hours to promote their initiatives. They can display posters, set up a laptop, and engage with visitors about upcoming events. This initiative reflects our ongoing commitment to giving back and fostering a strong sense of community.

To mark the official opening in June, longtime Member Lyn Maber joined our CEO, Mark Williams, to cut the ribbon and celebrate this milestone.



Data Transformation

The Mutual Bank is delivering a bold and future-focused data transformation program that is reshaping how we serve our Members.

Through a strategic partnership, The Mutual Bank implemented Microsoft Fabric, a powerful new data platform that is progressively transforming how we manage and use information. By modernising our data infrastructure, we are eliminating silos, improving data quality and establishing a single, trusted source of truth. This enables us to unlock real-time insights that will support smarter and faster decision-making.

For our Members, this means a banking experience that will be quicker, more personalised and built around individual needs.

This transformation is more than a technology upgrade. It reflects our commitment to delivering a seamless and data-driven banking experience that evolves with our Members.

As part of our ongoing efforts to streamline processes and enhance efficiency, we have removed the use of paper deposit, withdrawal and transfer slips. This transition makes banking easier for our Members and supports our sustainability goals.

Improvements Informed by your Feedback



What our Members tell us about our products and services is invaluable to our organisation.

Based on Member feedback, we made several improvements to our digital platforms. We refreshed the look and feel of our Internet Banking channel and redesigned the Mutual App to offer a more intuitive and user-friendly experience. This includes a streamlined menu layout for easier access to key features and improved categorisation of services to help Members find what they need quickly.

Our website has also been updated with a vibrant and modern design. Navigation is now easier with an improved mega menu and enhanced search

functionality. We also introduced enhanced blog articles, a Frequently Asked Questions library, improved product comparison tools and a web chat feature.

Member feedback also led to changes in how transaction limits are managed. Members can now view and set their own daily limits for payments in both Internet Banking and the Mutual App.

We have also introduced digital receipts in branches and Internet Banking. Members can now email a receipt to themselves or a third party when a payment is made, adding convenience and flexibility to your banking experience.

Our Strategy

Vision

Bank of choice for the Hunter and regional communities.

Purpose

Champion financial wellbeing for our Members and regional communities to help people thrive.



MARKETPLACE

- ✓ Members choose how and when they bank with us.
- ✓ Ensure a culture of proactive Member service, anticipating the needs and building strong relationships to foster loyalty and advocacy.
- ✓ Tailor banking products and services to meet the specific needs and preferences of targeted Member segments.



DIGITAL, TECHNOLOGY & OPERATIONS

- ✓ Deliver Digital, Technology and Payment initiatives that support our Members to do their banking as they choose, when they choose and in a manner that protects their information.
- ✓ Transform our data capability to provide advanced analytics and intelligence via improved data quality and robust governance.



PEOPLE & CULTURE

- ✓ Foster a diverse and inclusive culture that is engaging and encourages Team Members to grow, develop and reach their full potential.
- ✓ Attract, develop and retain talent who align with our values and purpose and help us achieve our strategic goals.
- ✓ Cultivate strong leadership at all levels.



FINANCE, RISK & GOVERNANCE

- ✓ Drive sustainable growth in deposits and lending whilst maintaining appropriate financial metrics as a customer-owned bank.
- ✓ Reduce the geographic concentration of the credit portfolio.
- ✓ Strengthen our enterprise risk management framework including the uplift of operational resilience and maturation of stress testing capabilities.

Helping Regional Communities Thrive

Supporting Veterans, Families and Men's Mental Health

Almost one-third of Australian veterans return home facing severe hardship, isolation and mental health challenges. This is a confronting statistic shared by Taskforce Veteran, a Hunter-based organisation dedicated to empowering Australian Defence Force (ADF) veterans.

When Taskforce Veteran reached out for support to keep veterans connected, The Mutual Bank responded by donating 20 refurbished computers along with new equipment. These resources were provided to assist veterans directly and to support the organisation's Cessnock Houses project, which offers free crisis accommodation to veterans experiencing homelessness.

According to the Australian Institute of Health and Welfare, at least 1,600 serving and ex-serving ADF members died by suicide between 1997 and 2020.

In contrast, only 46 Australians died in combat during two decades of fighting in Afghanistan. These figures highlight the urgent need for community-led support and intervention.

Taskforce Veteran's initiatives aim to reduce isolation, restore self-worth and promote mental wellbeing among veterans. The organisation also plays a vital role in advocacy, raising public awareness about the unique challenges veterans face and their significant contributions to Australia's history.

At The Mutual Bank, we believe in giving back to the community and supporting organisations that share our values. It was deeply rewarding to see this equipment given a new purpose: helping veterans and their families reconnect, rebuild and thrive.



Brett Wild, Chairman of Taskforce Veteran with The Mutual Bank's Chief Digital and Technology Officer Josh Hessel and Information Security Specialist Luke Bevan.

Mutual Banking, Make it *yours*



The Mutual Bank holds a cherished place in the hearts of the Hunter community, and our brand campaign launched in April beautifully captures this sentiment.

More than just an advertisement, "Make it Yours" is a celebration of our community and the deep bond we share with our Members.

At its core, the campaign highlights the customer-owned banking model and the pride we take in being a mutual organisation.

When you join The Mutual Bank, you are not just a customer, you become a Member. This means you have a stake in the organisation and a voice in how it operates. You are part of something bigger, a community that values your input and cares about your personal and financial wellbeing.

The campaign also showcases the beauty of the Hunter Region and features some of our valued Members. Filming locations include the river at Morpeth, Maitland Levee, Maitland netball courts at Maitland Park, Dungog Wholefood Co-Operative and Maitland Football Club juniors with cross-code athlete Sheridan Gallagher. We also highlight two local businesses from Maitland and Cessnock.

Some of our wonderful Team Members are also featured, reflecting the genuine connection between our people and the communities we serve.

Set to an original song titled "Yours to Love," the campaign captures themes like Your Life, Your Freedom, Your Memories, Your Team and Your Passion. Whatever your goal, The Mutual Bank is here to help you make it yours.

Making a Difference with Grassroots Support

We are proud to have supported a range of educational, sporting, cultural and community organisations during the 2025 financial year.

Camp Quality
Carrie's Place
City United Cricket Club
Combined Churches of Morpeth
Dungog & District Netball Association
Dungog Early Literacy
Dungog Public School
Dungog Shire Community Centre
Dungog Show



Dungog Tea Party
East Maitland Bowling Club
Filipino-Australian Society of the Hunter Valley

Gloucester Show
Hunter Innovation Festival
Hunter Valley Airshow



Hunter Valley Region Cricket Council
Illuminate Raymond Terrace
Lifeline
Maitland & Coalfields District Orchid Society
Maitland Business Chamber
Maitland District Netball Association
Maitland Football Club
Maitland Heritage Festival
Maitland Hospital NAIDOC Day
Maitland Indoor Sports Centre
Maitland Pickers Rugby League Club



Maitland Redbacks Touch Football Association
Maitland Region Community Support
Maitland Rugby Union Club



Maitland Show
Maitland Triathlon Club
Mentor Support Network

Maitland Football Club

The Maitland Football Club's National Premier League (NPL) Women had amazing success in the 2024/25 season with the club's top three teams all being crowned Premiers. The Premier Youth League Girls Under 17, NPL Women's Reserve Grade and NPL Women's First Grade had a great season, demonstrating the strong future and depth in women's football after just three years in the NPL Women.



Raymond Terrace Illuminate

In June 2025, The Mutual Bank was proud to once again be the presenting partner of a great community event in Raymond Terrace, Illuminate. Illuminate fits perfectly with our ethos of helping communities thrive by providing this fun, free, family-friendly experience in partnership with Port Stephens Council. We have been a proud part of the Raymond Terrace community for 30 years and sponsoring this wonderful event is another important link to this community.

- Newcastle Rugby League
- Northern Suburbs Cricket Club
- Port Stephens Celtic Association
- Port Stephens Family and Neighbourhood Service
- Postie Bike Dash
- Raymond Terrace Cricket Club
- Reach Homeless Service
- Rotary Clubs of Maitland
- Run Dungog
- Rutherford Technology High School
- SlashNew
- Soul Hub
- St Mary's Primary School Scone
- St Peter's Anglican Church East Maitland
- Stockton Little Athletic Club
- Stockton Sharks Rugby League Club

- Stockton Tennis Club
- Stroud Brickthrowing
- Stroud Show
- Surfest
- Susan Roskell Toy and Gift Drive
- Taskforce Veteran
- The Mutual Bank Disability Games



- Total Field Days
- Top Blokes Foundation
- Ungooroo Aboriginal Corporation
- Volunteers for Palliative Care
- Western Suburbs Cricket Club
- Youth Express Art Exhibition





\$170,845
in sponsorship
to more than 60
organisations



\$37,325
of in-kind contributions
and gifts provided to
community initiatives



254
hours volunteered
to community
events

Surfest

The Mutual Bank continued its sponsorship of the High School Teams Challenge in the lead up to Newcastle Surfest. The Teams Challenge in May 2025 at South Bar Beach drew talented young surfers from across the state. Open exclusively to NSW high schools, the competition features both boys' and girls' divisions, with teams of up to five surfers. The event provides a fantastic platform for young surfers to showcase their skills and teamwork, all at the start of the internationally renowned Surfest competition held in June. Surfest sees some of the world's best up-and-coming surfers descend on the iconic surf break of Merewether in Newcastle as they look to qualify for the 2026 Championship Tour. Newcastle hosts the first and last event of the 2025 World Surf League Challenger Series.



Governance Framework

The Mutual Bank is committed to excellence in governance practices to ensure accountability, maintain integrity and provide value to Members and our communities.

Core to our governance framework is our Constitution, Board and Committee structure, regulatory compliance systems, Risk Management Framework (RMF), and culture and assurance programs. The governance framework underpins strategic execution with clear accountability, robust oversight, and a strong risk culture. It empowers the Board and Management to proactively identify, assess and respond to emerging risks, ensuring resilience and integrity in decision making.

The governance framework is supported by policies that govern Board operations, conflicts of interest, delegations, conduct, fraud and corruption, whistleblowing and fitness and propriety requirements, among others.

Our governance framework is guided by the Business Council of Co-operatives and Mutuals and Mutual Enterprise Governance Principles (adapted from the ASX Corporate Governance Principles and Recommendations) and incorporates the Three Lines risk governance model.

As a mutual bank, we prioritise the rights and interests of our Members. We engage with our Members regularly and encourage their participation in our governance processes, including at our annual general meeting each year.

Board and Committees

The Board of Directors has ultimate responsibility for oversight of the sound and prudent management of The Mutual Bank. The Board establishes the plans, policies, desired culture, and values, and oversees the organisation’s performance and compliance activities. The Board’s roles and responsibilities are set out in a Board Charter.

The Board is supported by four Board Committees, each of which is governed by a Committee Charter. Our Board comprises six independent non-Executive Directors, bringing together a range of skills and experience that is regularly assessed against our Board Composition Matrix. The Board’s performance is formally assessed annually, as is the performance of each Director. Every three years this process is undertaken independently, with the next independent review scheduled for 2026.

Director fitness and propriety and independence are assessed annually. Directors are encouraged

to become members of the Australian Institute of Company Directors and undertake ongoing professional development and education in areas relevant to their role and the Bank’s operations.

The Board’s People and Culture Committee is responsible for orderly Board succession planning and renewal, in accordance with the Board Renewal Policy.

The Board meets regularly throughout the year, and each Committee meets at least three times a year or more typically on a quarterly basis. In addition, the Risk and Audit Committees meet jointly at least once per year to review the draft Internal Audit Plan. Information about each of our Directors, the composition of each Committee and Directors’ meeting attendance, is provided in the Directors’ Report on page 40. The Directors and their respective qualifications, experience and special responsibilities are outlined in the Directors’ Report on pages 36-39.

Relationship with Management

The Board is responsible for appointing the CEO, and delegates to the CEO the day-to-day responsibility of managing the bank’s operations. The Board formally reviews the CEO’s performance annually. The CEO sub-delegates specific functions to Executives and other Team Members through the Delegation of Authority Policy. The Executive Committee meets twice each month to manage delivery of the Strategic Plan and the business plan. All Executives are required to satisfy fitness and propriety requirements annually and sign an Accountability Statement in line with the Financial Accountability Regime.

The CEO leads the Executive Committee, which oversees three management committees: the Assets and Liabilities Committee, the Product and Pricing Committee and the Credit Committee.

Through the People and Culture Committee, the Board evaluates the performance of the CEO and Executives annually by:

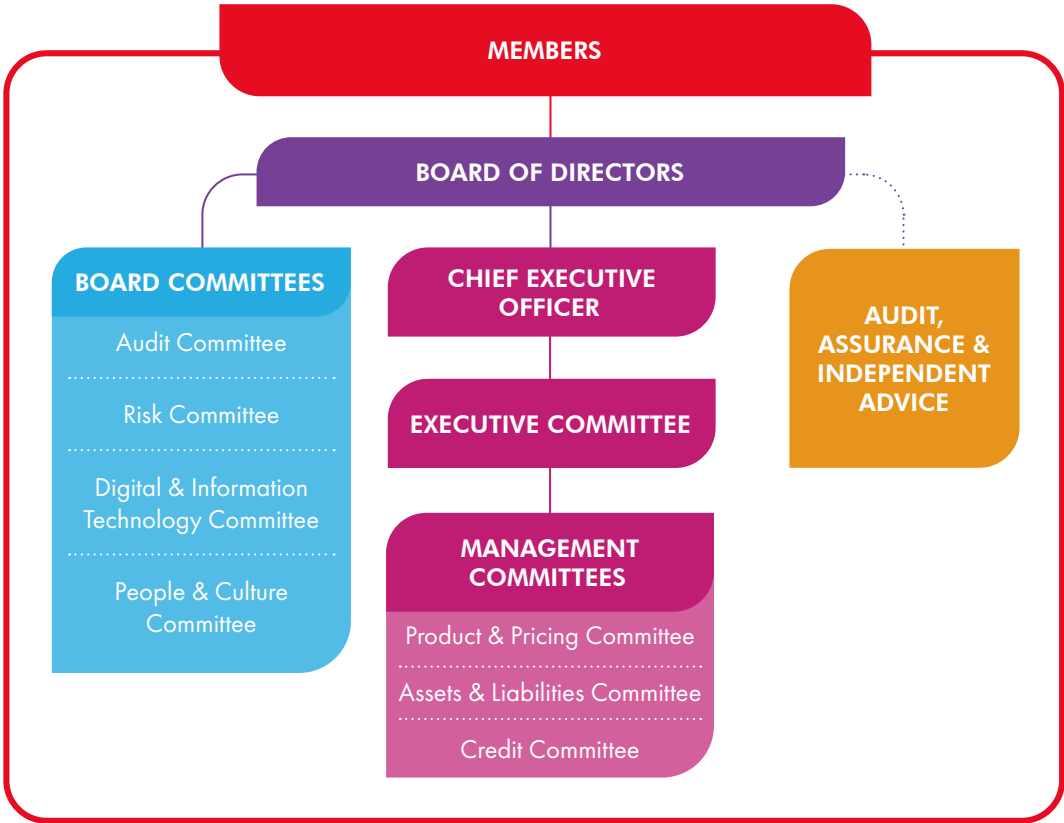
- setting performance criteria in alignment with the organisation’s Strategic Scorecard;

- considering individual performance against these criteria, including (with respect to the Executives) recommendations from the CEO and information from the Head of Internal Audit and Chief Risk Officer in relation to relevant audit and risk management outcomes; and
- approving any merit-based salary increases.

The Mutual Bank’s values and Code of Conduct anchor our culture and enhance ethical conduct by establishing clear standards and expectations for behaviour, reinforcing best practice corporate governance and ensuring that actions align with the bank’s commitment to integrity and transparency.

The organisation has a Chief Governance Officer and Company Secretary to manage and advise on corporate governance and support Board and Committee operations. This Executive has a direct and independent line of reporting to the Chair, the Board and its Committees.

Corporate Governance Framework



Risk Management and Transformation

At The Mutual Bank, risk management is not just a compliance function, it is a strategic enabler that underpins our long-term sustainability, resilience and Member trust.

In 2025, we continued to evolve our Risk Management Framework (RMF) to meet the increasing complexity of the financial services landscape and to align with our strategic goals.

Strengthening the RMF

Our RMF is designed to identify, assess, manage, and monitor material risks across the organisation. It is embedded in our governance structure and supported by a strong risk culture that encourages transparency, accountability, and proactive risk ownership at all levels.

Key components of the RMF include:

- a clearly defined Risk Appetite Statement that guides decision-making and sets tolerance thresholds;

- comprehensive financial and non-financial risk policies;
- scenario analysis and stress testing to assess resilience under adverse conditions;
- a robust fraud management framework and Internal Capital Adequacy Assessment Process (ICAAP); and
- ongoing compliance monitoring and internal audit assurance.

We continue to align our RMF with evolving regulatory expectations, including the implementation of new Prudential Standards and preparation for climate-related financial disclosures.

Risk Culture and Capability Uplift

In 2025, we placed a strong emphasis on the continued strengthening of our risk culture. This included:

- embedding risk awareness into day-to-day operations through training, leadership engagement, and performance frameworks;
- enhancing our operational risk management practices, including incident management, control testing, and root cause analysis; and
- promoting open dialogue and challenge across the three lines of defence to ensure robust risk oversight.

We also launched a Risk Transformation Program aimed at streamlining risk processes, improving data quality, and leveraging technology to enhance risk insights and reporting.

Cyber and Information Security

Cyber risk remains a key priority with a Digital and Technology Strategy that defines a clear roadmap for information and cyber security initiatives given the ever-evolving threat landscape.

We've continued to strengthen controls and security operations to protect Member data and critical systems.

We have advanced privileged access management, have continued to significantly enhance internal security, and aligned with industry standards and best practice through targeted governance and training initiatives.

Participation in national cyber programs and response to emerging threats further reinforced our resilience and ongoing commitment to safeguarding our information assets.

Internal Audit

Our Internal Audit function operates independently and provides objective assurance over the effectiveness of governance, risk management, and control processes.

The Internal Audit function is a key component of The Mutual Bank's governance framework and provides assurance to the Board, via the Audit Committee, that the Bank's financial and operational controls are designed to manage the

organisation's risks, achieve objectives and are operating in an efficient and effective manner.

The purpose of Internal Audit is to strengthen the organisation's ability to create, protect, and sustain value by providing the Board and Senior Management with independent, risk-based, and objective assurance, advice, insight, and foresight.

The annual Internal Audit Plan is risk-based and aligned with strategic priorities.

NABERS rating

The Mutual Bank's Head Office building at 6 Mitchell Drive East Maitland has a six-star Nabers rating.

The environmental benefits equate to:

- 50,697 CO2 emissions saved
- 983 equivalent trees planted



Financial Report

For the year ended 30 June 2025

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Directors' Report

Information on Directors

The Directors of Maitland Mutual Limited (The Mutual Bank) present their report, together with the financial statements of the Group (Maitland Mutual Group), being Maitland Mutual Limited and its controlled entity, for the year ended 30 June 2025.

Directors

The names of the Directors in office at any time during, or since the end of, the year are:

- S. J. Meyn
- S. C. Howes
- S. R. King
- S. P. Martinelli
- D. J. Mirisch
- A. Pinkowski

Directors have been in office since the start of the financial year to the date of this report.



Steve Meyn (Chair)

Steve joined the Board in 2018 and was appointed Chair on 1 May 2022. Steve is the Chair of PKF Australia and works within PKF's Business Advisory team. With more than 35 years of experience as an accountant and business adviser, he has developed specific expertise in the field of business and strategic planning, family business succession and IT consulting. He also works with clients across needs analysis, business system risk analysis, business analytics, corporate governance and reporting. Steve holds a Bachelor of Commerce from the University of Newcastle and is a member of Chartered Accountants Australia & New Zealand (CA ANZ). He is an Advisory Board Member to a number of businesses and local charity Harry Meyn Foundation Ltd.

Steve is a member of The Mutual Bank's Risk and People and Culture Committees. He was a member of the Digital and Information Technology Committee until 23 April 2025 and a member of the Audit Committee until 31 March 2025.



Sharon C Howes

Sharon joined the Board in 2020 and is Chair of the People and Culture Committee. Sharon is the Managing Director of Ableson Howes and Associates, a business consultancy specialising in the provision of mergers and acquisitions, human capital and culture change services to the mining services, energy and manufacturing industries. With more than 30 years of experience in management and senior executive roles across the energy and manufacturing sectors as well as management consulting roles, she specialises in culture change, leadership development, non-financial risk management, and business improvement. Sharon is Chair of Hunter Health Insurance and also Chairs its People and Culture Committee. She is an independent member of the Audit, Risk and Improvement Committee at Lake Macquarie City Council. Sharon holds a Bachelor of Science from the University of Newcastle, a Graduate Diploma of Management from Central Queensland University, is a qualified executive coach, and is a Graduate and Member of the Australian Institute of Company Directors.

Sharon is also a member of the Bank's Risk Committee.

Information on Directors (continued)



Scott R King

Scott joined the Board on 18 May 2023 and is Chair of The Mutual Bank's Digital and Information Technology Committee. He joined the Bank's Audit Committee on 1 April 2025. He has more than 25 years of experience in the banking and finance industry, including as CEO and CFO of Qudos Bank, and has extensive experience in finance, risk management, strategy, and technology.

Scott has extensive experience as a non-executive director, and currently sits on the boards of the National Affordable Housing Consortium and the Royal Australian College of General Practitioners. He holds a Bachelor of Economics from Macquarie University, is a Chartered Accountant and is a Member of the Australian Institute of Company Directors and Chartered Accountants Australia & New Zealand.



Stephen P Martinelli

Steve joined the Board on 18 May 2023 and is Chair of The Mutual Bank's Risk Committee. He is also a member of the Audit Committee. A senior banking, finance and asset management executive, Steve has more than 40 years of experience with leading financial institutions, including as CEO of a member-owned mutual bank. He has specialist expertise in consumer lending, commercial lending, distribution, strategy and operations. An experienced non-executive director, Steve now advises start-ups and established businesses on strategy, risk management, business transformation and cultural change.

Steve holds a Master of Business (Banking & Finance) from UTS, is a Graduate and Member of the Australian Institute of Company Directors and is a Fellow of FINSIA. He has also served as a representative on the Mortgage & Finance Association of Australia's National Lending and Broking Committees.



Debbie J Mirisch

Debbie joined the Board in 2020 and is Chair of The Mutual Bank's Audit Committee. She is a Director of Beam Bookkeeping, a bookkeeping firm that provides management accounting, bookkeeping, BAS Agent, and CFO / Finance Team services. With more than 25 years of experience as an accountant, she is experienced in cloud-based technology delivery, yet places a high importance on good old-fashioned communication and relationships.

Debbie holds a Bachelor of Commerce from the University of Newcastle, is a Registered BAS Agent, a member of the Institute of Certified Bookkeepers and the Maitland Business Chamber. She served three years as a Director and Honorary Secretary of local not-for-profit NDIS registered provider, The Mai-Wel Group. She is also a past Treasurer of the Maitland Black & White Committee, which raised significant funds for the vision impaired of the Hunter Region in partnership with Vision Australia. She is a Member of the Australian Institute of Company Directors.

Debbie is also a member of The Mutual Bank's Digital and Information Technology and People and Culture Committees.



Andre Pinkowski

Andre joined The Mutual Bank's Board of Directors on 20 March 2024. He is a member of The Mutual Bank's Digital and Information Technology Committee and joined the Bank's Risk Committee on 1 April 2025. An experienced founder, CEO and digitally native company Director, Andre's career has spanned enterprise software-as-a-service, IT consultancy, web, mobile, and digital entertainment. He brings a dynamic energy to the Board as an inspiring entrepreneurial leader and strategist, having founded, scaled, and sold several high growth companies, leveraging various forms of venture funding. Andre sits on the Board of Hunter Health Insurance, is an advisory Board Member of Power Control Engineers, and mentors early-stage startups and spinouts as part of UON's Integrated Innovation Network.

Andre is a graduate and Member of the Australian Institute of Company Directors.

Directors' Report

Company Secretary

Merran Magill. BBus, LLB, Grad Dip Applied Corporate Governance (appointed 17 March 2022). Merran is the Chief Governance Officer and Company Secretary of The Mutual Bank. She joined The Mutual Bank on 24 January 2022 and has 20 years of experience in private and in-house legal practice and corporate governance.

Principal Activities

The principal activities of Maitland Mutual Group involved the provision of financial services to Members in the form of retail lending and deposit products.

No significant change in the nature of these activities occurred during the year.

Meetings of Directors

The number of meetings of The Mutual Bank’s Board of Directors and of each Board Committee held during the year ended 30 June 2025, and the number of meetings attended by each Director were:

	Full Meetings of Directors		Audit		People & Culture	
	Eligible to attend	Number attended	Eligible to attend	Number attended	Eligible to attend	Number attended
Steven J Meyn	11	11	4	4	3	3
Sharon C Howes	11	11	-	-	3	3
Scott R King	11	11	1	1	-	-
Stephen P Martinelli	11	11	5	5	-	-
Debbie J Mirisch	11	10	5	5	3	3
Andre Pinkowski	11	11	-	-	-	-

	Digital & Information Technology		Risk	
	Eligible to attend	Number attended	Eligible to attend	Number attended
Steven J Meyn	-	-	6	6
Sharon C Howes	-	-	6	6
Scott R King	4	4	-	-
Stephen P Martinelli	-	-	6	6
Debbie J Mirisch	4	4	-	-
Andre Pinkowski	4	4	2	2

There was a further joint meeting between the Audit and Risk Committees held during the year where Debbie Mirisch (Co-Chair) and Steve Martinelli (Co-Chair), Steve Meyn (Member Risk Committee), Sharon Howes (Member Risk Committee), Andre Pinkowski (Member Risk Committee) and Scott King (Member Audit Committee) were in attendance.

Member Liability

The Mutual Bank is a company limited by shares and guarantee. The Mutual Bank has not issued shares. The guarantee is provided by Members of The Mutual Bank aged 18 years or older who became Members after 24 October 2000 and is limited to \$5 per Member. The total amount that members of The Mutual Bank are liable to contribute if The Mutual Bank is wound up is \$78,340.

Review of Operations

The Mutual Bank has delivered strong and sustainable financial outcomes for the year ended 30 June 2025.

The net profit after tax attributable to Members was \$2.8 million, a 17% increase on the previous year. The growth in net profit was driven by a 10.2% increase in net interest income to \$28.2 million. The growth in net interest income allowed The Mutual Bank to continue to invest in a range of strategic initiatives for the benefit of Members and to ensure continued compliance with its regulatory obligations.

Total assets increased by 7.3% to \$1.2 billion, with total loans outstanding increasing by 9.5% to \$982 million. The growth in total loans significantly exceeded the growth rate of all loans in the Australian banking system.

Total deposits due to Members (both retail deposits and wholesale deposits) increased by 7.3% to \$1.03 billion and the growth rate was in line with the broader Australian banking system for deposits.

Further detailed information on the operating activities of The Mutual Bank is outlined in the Chair and CEO Letter within this Annual Report.

Short and Long Term Objectives

Maitland Mutual Group has established short and long term objectives as outlined in its business plan which is reviewed on an annual basis. These objectives are both financial and non-financial and are aimed towards providing exceptional financial security, value and service to its Members. These objectives are measured through both financial and non-financial key performance indicators that have been determined relevant to the industry.

Significant Changes in State of Affairs

No significant changes in Maitland Mutual Group’s financial situation occurred during the financial year.

After balance date events

No matters or circumstances have arisen since the end of the financial year which significantly affected, or may significantly affect, the operations of Maitland Mutual Group, the results of those operations, or the state of affairs of Maitland Mutual Group in future financial years.

Auditor’s Independence Declaration

A copy of the auditor’s independence declaration as required under section 307C of the Corporations Act 2001 is set out at page 43.

Future developments

Possible developments in the operations of the Maitland Mutual Group and the expected results of those operations in future financial years have not been included in this report as the inclusion of such information is commercially confidential.

Indemnification of Officers

The Mutual Bank’s Constitution provides that it may indemnify, unless and to the extent prohibited by statute, each Officer of Maitland Mutual Group against liabilities incurred by such a person in that capacity (including legal costs incurred in defending any proceedings).

The Mutual Bank has entered into deeds providing for indemnity, insurance and access to documents for each Director and Company Secretary who served during the year ended 30 June 2025. The deeds require The Mutual Bank to indemnify, to the extent permitted by law, the Directors and Company Secretaries from and against all liabilities (including costs, charges, losses, damages, expenses, penalties and liabilities of any kind) incurred in their capacity as an Officer of The Mutual Bank.

Insurance of Officers

During the financial year, The Mutual Bank paid a premium in respect of a contract insuring Directors and Officers of The Mutual Bank against liability.

The liabilities insured are legal costs that may be incurred in defending civil or criminal proceedings that may be brought against the Directors and Officers in their capacity as Directors or Officers of The Mutual Bank, and any other payments arising from liabilities incurred by the Directors or Officers in connection with such proceedings. This does not include such liabilities that arise from conduct involving a willful breach of duty by the Directors or Officers or the improper use by the Directors or Officers of their position or of information to

Directors' Report

gain advantage for themselves or someone else or to cause detriment to The Mutual Bank. It is not possible to apportion the premium between amounts relating to the insurance against legal costs and those relating to other liabilities.

In accordance with normal commercial practice, disclosure of the total amount of premium payable under, and the nature of liabilities covered by, the insurance contract is prohibited by a confidentiality clause in the contract.

Environmental Issues

Maitland Mutual Group's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a state or territory.

Proceedings on behalf of The Mutual Bank

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of The Mutual Bank. No proceedings have been brought or intervened in on behalf of The Mutual Bank with leave of the Court under section 237 of the Corporations Act 2001.



Rounding of amounts

The Mutual Bank is an entity to which ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191 applies and, accordingly, amounts in the financial statements and Directors' Report have been rounded to the nearest thousand dollars.

This report is made in accordance with a resolution of Directors:

Steven J Meyn

Debbie J Mirisch
18 September 2025



Crowe Audit Australia
ABN 13 969 921 386
Member Crowe International

Audit and Assurance Services
491 Smollett Street
Albury NSW 2640 Australia
PO Box 500
Albury NSW 2640 Australia

Tel 02 6021 1111
Fax 02 6041 1892
www.crowe.com.au

Auditor Independence Declaration under Section 307C of the Corporations Act 2001 to the Directors of Maitland Mutual Limited and its controlled entity

I declare that, to the best of my knowledge and belief, in relation to the audit for the financial year ended 30 June 2025 there have been no contraventions of:

- (1) The auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- (2) Any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Maitland Mutual Limited and its controlled entity during the financial year ended 30 June 2025.

CROWE AUDIT AUSTRALIA

BRADLEY D BOHUN
Partner

18 SEPTEMBER 2025
ALBURY

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The title 'Partner' conveys that the person is a senior member within their respective division, and is among the group of persons who hold an equity interest (shareholder) in its parent entity, Findex Group Limited. The only professional service offering which is conducted by a partnership is external audit, conducted via the Crowe Australasia external audit division and Unison SMSF Audit. All other professional services offered by Findex Group Limited are conducted by a privately owned organisation and/or its subsidiaries. Findex (Aust) Pty Ltd, trading as Crowe Australasia is a member of Crowe Global, a Swiss Verein. Each member firm of Crowe Global is a separate and independent legal entity.

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Albury NSW 2640 Australia
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Independent Auditor's Report

To the Members of Maitland Mutual Limited

Opinion

We have audited the financial report of Maitland Mutual Limited and its controlled entity ('the Group'), which comprises the consolidated statement of financial position as at 30 June 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial statements, including the material accounting policy information, the consolidated entity disclosure statement and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 30 June 2025 and of its financial performance for the year then ended; and
- (b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including the Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other matter

The financial report of Maitland Mutual Limited and its controlled entity for the year ended 30 June 2024 was audited by another auditor who expressed an unmodified audit opinion on 19 September 2024.



Other Information

The directors are responsible for the other information. The other information comprises the directors' report information contained in the Group's annual report for the year ended 30 June 2025, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Group are responsible for the preparation of

- the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001*; and
- the consolidated entity disclosure statement that is true and correct in accordance with the *Corporations Act 2001*; and

for such internal control as the directors determine is necessary to enable the preparation of:

- the financial report (other than the consolidated entity disclosure statement) that gives a true and fair view and is free from material misstatement, whether due to fraud or error; and
- the consolidated entity disclosure statement that is true and correct and is free of misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.



- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during the audit.

CROWE AUDIT AUSTRALIA

BRADLEY D BOHUN
Partner

18 SEPTEMBER 2025
ALBURY

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Directors' Declaration

In the Directors' opinion:

- The financial statements and notes, as set out on pages 48 to 87, are in accordance with the *Corporations Act 2001* and:
 - comply with Accounting standards, and
 - give a true and fair view of the financial position of the Maitland Mutual Group as at 30 June 2025 and its performance for the year ended on that date.
- There are reasonable grounds to believe that the Maitland Mutual Group will be able to pay its debts as and when they become due and payable.
- The consolidated entity disclosure statement on page 47 is true and correct.

This declaration is made in accordance with a resolution of the Board of Directors.

Steven J Meyn

Debbie J Mirisch

Dated 18 September 2025

Consolidated entity disclosure statement

As at 30 June 2025

Name of entity	Type of entity	Trustee, partner or participant in JV	% of share capital	Place of business/ country of incorporation	Australian resident or foreign resident	Foreign jurisdiction(s) of foreign residents
Maitland Mutual Limited	Body corporate	-	n/a	Australia	Australian	n/a
Hunter Trust Repo Series No.1	Trust	-	n/a	n/a	Australian	n/a

Basis of Preparation

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the *Corporations Act 2001* (s.295(3A)(a)) and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 *Consolidated Financial Statements*.

Trusts

Australian tax law generally does not contain corresponding residency tests for trusts and these entities are typically taxed on a flowthrough basis so there is no need for a general residence test.

Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2025

	Note	Parent Entity		Consolidated Entity	
		2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Interest revenue	2.1(a)	75,941	68,299	65,772	58,062
Interest expense	2.1(b)	(47,762)	(42,730)	(37,532)	(32,429)
Net interest income		28,179	25,569	28,240	25,633
Non-interest income	2.2(a)	1,957	1,859	1,957	1,859
Total income		30,136	27,429	30,197	27,492
Impairment expense on loans and advances		(75)	(602)	(75)	(602)
Employee benefits expense		(14,331)	(12,300)	(14,331)	(12,300)
Depreciation and amortisation expense	2.3(a)	(2,537)	(2,525)	(2,537)	(2,525)
Marketing expenses		(660)	(635)	(660)	(635)
Information technology expenses		(1,511)	(1,370)	(1,511)	(1,370)
Other expenses	2.3(b)	(6,877)	(6,383)	(6,938)	(6,448)
Interest expense on lease liabilities	6.4(a)	(150)	(218)	(150)	(218)
Profit before income tax		3,995	3,395	3,995	3,395
Income tax expense	2.4(a)	(1,219)	(1,018)	(1,219)	(1,018)
Profit attributable to members		2,776	2,377	2,776	2,377
Other comprehensive income		-	-	-	-
Total comprehensive income for the year		2,776	2,377	2,776	2,377

The accompanying notes form part of these financial statements

Statement of Financial Position

As at 30 June 2025

		Parent Entity		Consolidated Entity	
	Note	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
ASSETS					
Cash and cash equivalents	4.1	92,268	111,786	99,510	124,110
Financial assets	4.3	289,314	266,132	86,814	63,632
Loans and advances to members	3.1	981,874	896,386	981,874	896,386
Other receivables	6.1	3,004	3,082	1,987	1,969
Current tax assets		-	626	-	626
Intangible assets	6.2	937	826	937	826
Property, plant and equipment	6.3	25,141	25,224	25,141	25,224
Right of use assets	6.4	2,146	4,041	2,146	4,041
Net deferred tax assets	2.4(c)	234	276	234	276
TOTAL ASSETS		1,394,918	1,308,379	1,198,643	1,117,090
LIABILITIES					
Deposits due to members	4.4	1,028,944	959,163	1,028,944	959,163
Other borrowed funds	4.5	289,226	271,870	92,945	80,581
Payables and other accruals		692	1,854	698	1,854
Current tax liabilities		4	-	4	-
Provisions	6.5	1,388	1,423	1,388	1,423
Lease liabilities		2,312	4,493	2,312	4,493
TOTAL LIABILITIES		1,322,566	1,238,803	1,126,291	1,047,514
NET ASSETS		72,352	69,576	72,352	69,576
EQUITY					
Retained earnings	6.6(a)	67,624	64,848	67,624	64,848
Contributed equity	6.6(b)	4,728	4,728	4,728	4,728
TOTAL EQUITY		72,352	69,576	72,352	69,576

The accompanying notes form part of these financial statements

Statements of Changes in Equity

For the year ended 30 June 2025

	Note	Parent & Consolidated Entity		
		Retained Earnings	Contributed Equity	Total
		\$'000s	\$'000s	\$'000s
Opening balance 1 July 2024		64,848	4,728	69,576
Profit attributable to members		2,776	-	2,776
Balance at 30 June 2025	6.6(a), 6.6(b)	67,624	4,728	72,352
Opening balance 1 July 2023		62,471	4,728	67,199
Profit attributable to members		2,377	-	2,377
Balance at 30 June 2024	6.6(a), 6.6(b)	64,848	4,728	69,576

The accompanying notes form part of these financial statements

Statement of Cash Flows

For the year ended 30 June 2025

		Parent Entity		Consolidated Entity	
	Note	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
CASH FLOWS FROM OPERATING ACTIVITIES:					
Interest received		76,032	68,226	65,771	58,080
Fees and commissions received		1,643	1,674	1,643	1,674
Other cash receipts in the course of operations		140	147	140	147
Interest paid		(47,673)	(42,748)	(37,443)	(32,506)
Fees and commissions paid		(2,076)	(1,900)	(2,084)	(1,909)
Payments to suppliers and employees		(21,804)	(20,177)	(21,856)	(20,232)
Income taxes paid		(546)	(2,130)	(546)	(2,130)
Net increase in loans and advances to members		(85,467)	(39,994)	(85,467)	(39,994)
Net increase in deposits due to members		14,766	46,329	14,766	46,329
Net cash provided by / (used in) operating activities	4.2	(64,985)	9,427	(65,076)	9,459
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sale of property, plant and equipment		33	20	33	20
Payments for intangible assets		(622)	(455)	(622)	(455)
Payments for property, plant and equipment		(1,389)	(566)	(1,389)	(566)
Net movement in financial assets		(23,182)	6,762	(23,182)	6,762
Net cash provided by / (used in) investing activities		(25,160)	5,761	(25,160)	5,761
CASH FLOWS FROM FINANCING ACTIVITIES:					
Net movement in other borrowed funds		71,447	3,305	66,455	(5,070)
Repayment of leases		(819)	(823)	(819)	(823)
Net cash provided by / (used in) financing activities		70,627	2,482	65,636	(5,893)
Net increase / (decrease) in cash and cash equivalents held		(19,518)	17,670	(24,600)	9,327
Cash and cash equivalents at beginning of year		111,786	94,116	124,110	114,783
Cash and cash equivalents at end of financial year	4.1	92,268	111,786	99,510	124,110

The accompanying notes form part of these financial statements

Notes to the Financial Statements

For the year ended 30 June 2025

1 Basis of preparation

The financial report includes the consolidated financial statements and notes of Maitland Mutual Limited and its controlled entity ("Maitland Mutual Group"). Maitland Mutual Group is a for profit Group.

The consolidated financial report is a general purpose financial report that has been prepared in accordance with Accounting Standards, Australian Accounting Interpretations, other authoritative pronouncements of the Australian Accounting Standards Board (AASB), and the Corporations Act 2001.

Maitland Mutual Limited (The Mutual Bank) is a company limited by shares and guarantee, incorporated and domiciled in Australia. Whilst there were no shares on issue at balance date, The Mutual Bank does have the capacity to issue shares at a future date if the Board so determines.

Australian Accounting Standards set out accounting policies that the AASB has concluded would result in a financial report containing relevant and reliable information about transactions, events and conditions to which they apply. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board. Material accounting policies adopted in the preparation of this financial report are presented below. They have been consistently applied unless otherwise stated.

The financial report has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected assets, financial assets and financial liabilities. All amounts are expressed in Australian dollars as currency.

1.1 Basis of consolidation and RBA repurchase securitisation trust

A subsidiary is an entity controlled by The Mutual Bank. The Mutual Bank controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidation of a subsidiary is discontinued from the date that control ceases.

The Hunter Trust Repo Series No.1 ("Hunter Trust") was established by The Mutual Bank to facilitate the liquidity requirements of APRA's prudential standards. Hunter Trust has an independent Trustee. The Mutual Bank sells the rights to future cash flows of eligible residential loans into Hunter Trust and is issued notes eligible for sale to the Reserve Bank of Australia. The notes are residential mortgage-backed securities (RMBS).

The Mutual Bank has financed the loans and receives the net gains or losses from Hunter Trust after Trustee expenses. The Mutual Bank has an obligation to manage the portfolio of loans as if it were the lender, and to maintain the pool of eligible secured loans at the value equivalent to the value of the notes received. The Mutual Bank retains the credit risk for losses arising from the loan default or security decline and the interest rate risk from movements in market interest rates. Accordingly, the mortgage loans and associated financial liability due to Hunter Trust on the transfer of the loans continue to be recognised in The Mutual Bank's financial statements. Please refer to accounting policy Note 4.5(c) for further information.

Hunter Trust is a controlled entity, and the accounting policies of Hunter Trust are consistent with The Mutual Bank to ensure uniformity across Maitland Mutual Group. The residual assets, liabilities and results of Hunter Trust are fully consolidated into the financial statements of Maitland Mutual Group from the date on which control was obtained by The Mutual Bank.

Maitland Mutual Group has elected to present the financial statements on a gross presentation method, whereby The Mutual Bank represents the parent entity, and the consolidated Maitland Mutual Group incorporates The Mutual Bank and the controlled entity of Hunter Trust. The presentation of the parent entity throughout the notes has been presented on a gross presentation basis inclusive of the self-securitisation notes. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

Notes to the Financial Statements

For the year ended 30 June 2025

1 Basis of preparation (continued)

1.2 Significant changes in the current reporting period

No significant changes in the Maitland Mutual Group's state of affairs occurred during the financial year.

1.3 Material accounting estimates and judgements in applying accounting policies

The Maitland Mutual Group makes estimates and assumptions that affect the reported amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Judgement	Reference
Expected credit losses	Note 3.2
Estimation of useful lives of assets	Note 6.2 and Note 6.3
Taxation	Note 2.4
Lease term and option to extend under AASB 16	Note 6.4

2 Financial performance

2.1 Net interest income

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
a) Interest revenue				
Cash and cash equivalents	4,989	4,285	5,517	4,880
Loans and advances to members	56,964	49,712	56,964	49,712
Financial assets	13,988	14,302	3,291	3,470
	75,941	68,299	65,772	58,062
b) Interest expense				
Deposits due to members	33,032	29,518	33,032	29,519
Other borrowed funds	14,730	13,212	4,500	2,910
	47,762	42,730	37,533	32,429
Net interest income	28,179	25,569	28,239	25,633

c) Accounting policy - Recognition and measurement

Interest revenue and expense are recognised in the statement of profit or loss and other comprehensive income for all instruments measured at amortised cost using the effective interest rate method in accordance with AASB 9 *Financial Instruments*.

Notes to the Financial Statements

For the year ended 30 June 2025

2 Financial performance (continued)

2.2 Non-interest income

	Parent Entity		Consolidated Entity	
	2025	2024	2025	2024
	\$'000s	\$'000s	\$'000s	\$'000s
a) Fees, commission and other income				
Banking service fees	1,003	1,191	1,003	1,191
Transaction fees	288	180	288	180
ATM fees	262	236	262	236
Commissions	90	67	90	67
	1,643	1,674	1,643	1,674
Other income				
Other operating income	111	185	111	185
Net gain on write back of lease and disposal of assets	203	-	203	-
	314	185	314	185
Non-interest revenue	1,957	1,859	1,957	1,859

b) Accounting policy - recognition and measurement

Income earned by Maitland Mutual Group from its contracts with members primarily consists of the following categories of fee and commission income:

- Banking service fees**
Banking service fees include fees earned on a range of banking services which are recognised when the performance obligation is satisfied.
- Transaction fees**
Transaction fees include fees earned on the use of transactional solutions, such as credit and debit cards, by members which are recognised when the performance obligation is satisfied.
- ATM fees**
Maitland Mutual Group earns revenue for non member card use of its ATM network which is recognised when the performance obligation is satisfied.
- Commissions**
Maitland Mutual Group has arrangements with third party product issuers and earns revenue for selling and/or referring members which is recognised when the performance obligation is satisfied.

Notes to the Financial Statements

For the year ended 30 June 2025

2 Financial performance (continued)

2.3 Other expenses

	Parent Entity		Consolidated Entity	
	2025	2024	2025	2024
	\$'000s	\$'000s	\$'000s	\$'000s
a) Depreciation and amortisation expense				
Depreciation				
Buildings	513	508	513	508
Plant and equipment	764	700	764	700
Leasehold improvements	80	79	80	79
Total depreciation	1,357	1,287	1,357	1,287
Amortisation				
Computer software & other intangibles	496	594	496	594
Leases	684	644	684	644
Total amortisation	1,180	1,238	1,180	1,238
Total depreciation and amortisation	2,537	2,525	2,537	2,525

Refer Note 6.2 Intangible assets and Note 6.3 Property, plant and equipment for accounting policies related to depreciation and amortisation expense.

b) Other Operating Costs

Brokerage and trailing fees paid	268	244	268	244
Settlement transaction fees	1,808	1,656	1,816	1,665
Administration, consultant and audit costs	1,653	1,269	1,653	1,269
ATM expenses	356	405	356	405
Insurance	344	336	344	336
Property costs	663	733	663	733
Telephone	595	592	595	592
Other operating costs	1,190	1,148	1,243	1,204
	6,877	6,383	6,938	6,448

c) Accounting policy - recognition and measurement

Expenses incurred directly in relation to the origination of loans are deferred and recognised over the effective life of a loan. The outstanding balance of the deferred origination expenses is recognised in the balance sheet as an increase in the carrying value of loan balances outstanding. Expenses incurred directly in relation to investments and other debt instruments are expensed in the period in which they are incurred.

Notes to the Financial Statements

For the year ended 30 June 2025

2 Financial performance (continued)

2.4 Income tax expense

	Notes	Parent Entity		Consolidated Entity	
		2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
a) Income tax expense					
Current tax		1,177	1,322	1,177	1,322
Deferred tax	2.4(c)	42	(304)	42	(304)
		1,219	1,018	1,219	1,018
b) Numerical reconciliation of income tax expense to prima facie tax payable					
Profit from continuing operations before income tax expense		3,995	3,395	3,995	3,395
Tax at rate of 30% (2024 - 30%)		1,199	1,018	1,199	1,018
Under/(over) provision in previous year		10	(10)	10	(10)
Adjustment for change in tax rate		-	10	-	10
Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:					
Non-deductible expenditure		10	-	10	-
		1,219	1,018	1,219	1,018
c) Deferred tax assets					
The balance comprises temporary differences attributable to:					
Amounts recognised in profit or loss:					
Provision for impairment losses		284	271	284	271
Employee leave		411	427	411	427
Leased assets		50	136	50	136
Other provisions and accruals		39	83	39	83
		784	917	784	917
Less: Offset of deferred tax liabilities pursuant to set-off provisions	2.4(d)	(550)	(641)	(550)	(641)
Net deferred tax assets		234	276	234	276
Movements					
Opening balance at 1 July		276	(28)	276	(28)
Credited to the income statement	2.4(a)	(42)	304	(42)	304
Closing balance at 30 June		234	276	234	276

Notes to the Financial Statements

For the year ended 30 June 2025

2 Financial performance (continued)

2.4 Income tax expense (continued)

	Notes	Parent Entity		Consolidated Entity	
		2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
d) Deferred tax liabilities					
The balance comprises temporary differences attributable to:					
Amounts recognised in profit or loss:					
Loan establishment fees		105	28	105	28
Debtors and prepayments		18	86	18	86
Depreciation		427	527	427	527
		550	641	550	641
Set-off deferred tax assets pursuant to set-off provisions	2.4(c)	(550)	(641)	(550)	(641)
Net deferred tax liabilities		-	-	-	-

e) Accounting policy - recognition and measurement

(i) Income tax

Current income tax expense charged to the profit or loss is the tax payable on taxable income calculated using applicable income tax rates enacted, or substantially enacted, as at reporting date. Current tax liabilities / (assets) are therefore measured at the amounts expected to be paid to / (recovered from) the relevant taxation authority.

Current and deferred income tax expense / (benefit) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

The Mutual Bank and its wholly-owned subsidiary, the Hunter Trust have formed a tax-consolidated Group and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is The Mutual Bank. Tax expense/income, deferred tax liabilities and deferred tax assets arising from temporary differences of the members of the tax-consolidated group are recognised in the separate financial statements of the members of the tax-consolidated group using the 'separate taxpayer within the group' approach by reference to the carrying amounts in the separate financial statements of each entity and the tax values applying under tax consolidation. Current tax liabilities and assets and deferred tax assets arising from unused tax losses and relevant tax credits of the members of the tax-consolidated group are recognised by the head entity. Due to the existence of a tax funding arrangement between the entities in the tax-consolidated group, amounts are recognised as payable to or receivable by the head entity and each member of the group in relation to the tax contribution amounts paid or payable between the head entity and the other members of the tax-consolidated group in accordance with the arrangement.

(ii) Taxation

Provisions for taxation require significant judgement with respect to outcomes that are uncertain. Maitland Mutual Group has estimated its tax provisions based on expected outcomes.

Deferred tax assets are recognised for deductible temporary differences as management considers that it is probable that future taxable profits will be available to utilise those temporary differences.

Notes to the Financial Statements

For the year ended 30 June 2025

3 Loans and advances to members

3.1 Classification of Loans and advances

Notes	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Housing loans	855,208	769,712	855,208	769,712
Business and commercial loans	123,465	123,828	123,465	123,828
Personal loans and credit cards	3,737	3,654	3,737	3,654
	982,410	897,194	982,410	897,194
Add: Net deferred loan fees	412	94	412	94
Less: Provision for expected credit losses	(948)	(902)	(948)	(902)
5.2(g)	981,874	896,386	981,874	896,386
a) Loan commitments				
Loans approved but not advanced and redraw facilities	74,827	81,351	74,827	81,351

It is anticipated that the approved and unadvanced loans will be advanced within the next 12 months.
Approved credit facilities are available to members for immediate use.

b) Real estate assets possessed through the enforcement of security

Reposessed property is sold as soon as practicable, with proceeds used to reduce the outstanding balance. As at 30 June 2025, the consolidated entity was in possession of no properties (2024: no properties in possession).

c) Loans to related parties and key management personnel

Further information relating to loans to related parties and key management personnel is set out in Note 6.7(d).

d) Security

The Maitland Mutual Group accepts mortgages and other security interests over real estate, goods, deposits and other assets as security for loans and advances to members. The Maitland Mutual Group is permitted to sell the assets the subject of mortgages and security interests in the event of default.

e) Contingent Liability

(i) Guarantees

The Maitland Mutual Group has outstanding guarantees of \$1.611 million (2024: \$2.119 million) on behalf of members to government bodies and other corporate entities.

(ii) Accounting policy - recognition and measurement

Maitland Mutual Group provides guarantees in its normal course of business on behalf of its members. Guarantees written are conditional commitments issued by Maitland Mutual Group to guarantee the performance of a member to a third party. The financial guarantee contract is initially recorded at fair value, which is equal to the premium received or paid, unless there is evidence to the contrary. These contracts are subsequently measured at the higher of:

- where it is likely Maitland Mutual Group will incur a loss as a result of issuing the contract, a liability is recognised, or an asset where it is likely to receive payment as a result of purchasing the contract, for the estimated amount of the loss payable or receivable; and
- the amount initially recognised less, when appropriate, the cumulative unamortised portion of fee which is recognised over the life of the guarantee, whether this is received or paid depending on whether Maitland Mutual Group has issued or purchased the contract.

Notes to the Financial Statements

For the year ended 30 June 2025

3 Loans and advances to members (continued)

3.2 Provision for expected credit losses

Parent and Consolidated Entity	Notes	Opening Balance \$'000s	Net Movement \$'000s	Closing Balance \$'000s
30 June 2025				
Stage 1 - 12 month expected credit losses		518	56	574
Stage 2 - Lifetime expected credit losses		24	(15)	9
Stage 3 - Credit impaired facilities		360	5	365
5.2(g)		902	46	948
30 June 2024				
Stage 1 - 12 month expected credit losses		135	383	518
Stage 2 - Lifetime expected credit losses		165	(141)	24
Stage 3 - Credit impaired facilities		-	360	360
5.2(g)		300	602	902

Notes	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Opening balance	902	300	902	300
Bad debts written off	(29)	-	(29)	-
Movement in expected credit loss provision	75	602	75	602
Closing balance	5.2(g)	948	902	948

Notes to the Financial Statements

For the year ended 30 June 2025

3 Loans and advances to members (continued)

3.2 Provision for expected credit losses (continued)

a) Recognition and measurement

Expected credit losses

Maitland Mutual Group recognises a provision for the expected credit loss (ECL) attributable to financial assets measured at amortised cost.

The ECL model provides a three stage assessment of Maitland Mutual Group’s financial exposure to credit losses based on the extent of credit deterioration since origination. The calculations are outputs of credit risk models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. The ECL impairment model reflects the present value of all cash shortfalls related to default events either over the following twelve months or over the expected life of a financial asset depending on credit deterioration from inception. The provision for ECL reflects an unbiased, probability weighted outcome which considers multiple economic scenarios based on reasonable and supportable forecasts.

The policies, procedures and financial models applied to determine and monitor the ECL in the loan portfolio have been informed by historical credit losses, and profiling of credit facilities on attributes including loan products type, serviceability, nature of security held, value of security, loan mortgage insurance status and arrears history.

Stage 1: 12 month expected credit losses

Facilities where the Maitland Mutual Group has determined there has been no significant increase in credit risk (SICR) since initial recognition are allocated a provision equal to 12 months of expected credit loss. The expected credit loss is calculated using a probability of default occurring over the next 12 months.

Stage 2: Lifetime expected credit losses where there has been a significant increase in credit risk since initial recognition

Stage 2 facilities are those with SICR since origination, such as loans at 30+ days in arrears, as well as all loans not yet in 30+ days in arrears for which there are behavioural indicators of increased credit risk (including hardship deferral). A provision for lifetime expected credit losses resulting from all possible default events over the expected life of the credit facility is determined. The classification of loans as Stage 2 does not necessarily mean that they will eventuate into an actual loss for Maitland Mutual Group.

Stage 3: Credit impaired facilities

Stage 3 facilities are those where there is objective evidence of impairment, being those loans 90+ days in arrears (as the default position), or where the loan has otherwise been individually assessed as being impaired. A facility is categorised as credit impaired when Maitland Mutual Group has determined there is significant financial difficulty for the borrower such that it is unlikely that the full amounts outstanding, including interest and other payments due, will be received in a timely manner without intervention. This assessment considers the value of enforceable security, costs of enforcement and expected time period of recovery and the ability to claim on an acceptable mortgage insurance policy. Despite being classified as credit impaired, Maitland Mutual Group’s lending policies reflect an inherently low risk profile such that experience demonstrates the actual cashflows have been sufficient to avoid an actual credit loss in the vast majority of cases. These facilities are individually measured and the provision captures the lifetime expected credit losses.

Transfers between stages

Transfers from stage 1 to 2 occur where there has been SICR and from stage 2 to 3 when credit impairment is indicated as described above. Facilities in stage 2 or 3 can transfer back to stage 1 or 2 once the criteria for a SICR or impairment are no longer met.

Notes to the Financial Statements

For the year ended 30 June 2025

3 Loans and advances to members (continued)

3.2 Provision for expected credit losses (continued)

a) Expected credit losses (continued)

Definition of default and write-offs

The definition of default used in measuring expected credit losses is aligned to the definition used for internal credit risk management and regulatory purposes. Default occurs when there are indicators that a debtor is unlikely to meet contractual credit obligations, or the exposure is 90+ days past due. Loans are written-off when there is no realistic probability of recovery. Loans are written off against the related impairment allowance on completion of Maitland Mutual Group’s internal processes and when all reasonable expected recoveries have been collected. In subsequent periods, any recoveries of amounts previously written-off are credited to the income statement.

Calculation of key inputs to the expected credit losses

The probability of default (PD), exposure at default (EAD), and loss given default (LGD) inputs used to estimate expected credit losses are modelled based on macroeconomic variables that are most closely related with credit losses in the relevant portfolio. These parameters are generally derived from internal analysis, management judgements and other historical data. They are adjusted to reflect forward-looking information as described below. ECL is calculated by multiplying the EAD by the PD by the LGD. Details of these statistical parameters/ inputs are as follows:

- **Probability of default** - Point in time (PiT) PD models and forward looking PiT PD term structures have been developed for the home loan portfolio. To determine PD, the methodology estimates the likely progression of loans from their current status to 90+ days past due (being the point at which loans are defined to be in default) including the impact of a range of potential outcomes for the macroeconomic environment. In addition to this, any account that has been identified as being in hardship is also deemed to be in default. The effects of changes in macroeconomic conditions were modelled using appropriate time series based on Maitland Mutual Group’s historical data. The model then forecasts the PDs given a set of macroeconomic variables and the derived regression coefficients. In order to compute the PD term structures, the assumption that the absolute level of risk is driven by macroeconomic conditions is used. For all other portfolio segments, PD is calculated on an industry assessment of coverage ratios (the proportion of loans that are covered by an ECL) and benchmarked losses.
- **Loss given default** - is the amount of principal loss, after accounting for post-default recoveries such as security realisation. Maitland Mutual Group estimates LGD parameters based on industry benchmarking, taking into consideration the collateral of the loan and recovery costs. For loans secured by retail property, Loan to Value Ratios (LVR) are a key parameter in determining LGD.
- **Exposure at default** - represents the expected exposure in the event of a default. Maitland Mutual Group includes the amount drawn, as well as potential future amounts that may be drawn under the contract.

Where appropriate, future cash flows are discounted at the effective interest rate of the exposure.

Notes to the Financial Statements

For the year ended 30 June 2025

3 Loans and advances to members (continued)

3.2 Provision for expected credit losses (continued)

a) Expected credit losses (continued)

Forward looking information

The approach to determining ECL includes forward-looking information which primarily incorporates general macro-economic conditions and their potential impact on our members and through the PD and LGD rates applied in Maitland Mutual Group’s models. Details of these statistical parameters are as follows:

- **Forward-looking macroeconomic factors** - An extensive regression analysis between Maitland Mutual Group’s actual credit experience and changes in macroeconomic variables has been undertaken. The following key macroeconomic variables have a demonstrated (and expected) relationship to actual credit performance from a PD perspective. These variables will continue to be used in the model and are sourced from publicly available economic data published by the Australian Bureau of Statistics for Gross Domestic Product (GDP) growth, unemployment rates, and the Consumer Price Index (CPI).
- **Multiple forward-looking scenarios** - ECLs are calculated by reference to information on past events, current conditions, and forecasts of future economic conditions. Multiple economic scenarios are incorporated into ECL calculation models. These scenarios are based on external sources where available and appropriate, and internally generated assumptions in all other cases. To capture any non-linear relationship between economic assumptions and credit losses, three scenarios are used. This includes a central base scenario which reflects Maitland Mutual Group’s view of the most likely future economic conditions, together with an upside and a downside scenario representing alternative plausible views of economic conditions, weighted based on management’s view of their probability.

In applying forward looking information for estimating ECL for home loans, Maitland Mutual Group considers three probability-weighted forecast economic scenarios as follows:

- **Base case Scenario** - This scenario reflects the base case assumptions using a market consensus view of the macroeconomic environment to ensure an unbiased estimate of expected credit losses. Maitland Mutual Group has applied a weighting of 60% to the base case scenario.
- **Upside and downside scenarios** - The upside and downside scenarios are not based on the economic conditions prevailing at balance date, instead they are based on a more optimistic (in the case of the upside) and pessimistic (in the case of the downside) economic events and uncertainty over long term horizons. Maitland Mutual Group has applied a weighting of 15% to the upside scenario and 25% to the downside scenario, reflecting its views of the forward economic outlook.

For all other loan portfolios, the ECL model is simplified in the sense that no probability weighted scenario analysis outcomes are incorporated. This is a key judgement for the consolidated entity, and is made on the basis of the materiality of the portfolios.

As explained in the credit risk disclosures at note 5.2, Maitland Mutual Group accepts credit risk that may result in future losses. Recognition of the expected credit losses requires significant estimation and judgement. Whilst the policy utilised in determining the expected credit losses remains consistent with prior period, there are a number of judgements and estimates made by management in relation to underlying assumptions that were reviewed during the year, and will be revised on a periodic basis going forward, which include, but are not limited to:

- Probability of default, loss given default and exposure at default estimates;
- Forward-looking macroeconomic conditions; and
- Macroeconomic scenario weightings and management overlays.

Notes to the Financial Statements

For the year ended 30 June 2025

4 Funding and liquidity

4.1 Cash and cash equivalents

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Cash and cash equivalents	14,857	34,584	22,099	46,908
Investment securities	77,411	77,202	77,411	77,202
	92,268	111,786	99,510	124,110

a) Accounting policy - recognition and measurement

For Statement of Cash Flows presentation purposes, cash and cash equivalents comprise balances with less than three months’ maturity from the date of acquisition, including cash, deposits at call and highly liquid investments, which are subject to an insignificant risk of changes in value.

4.2 Cash flow information

Reconciliation of Cash Flow from Operations with Profit after Income Tax

Profit attributable to members	2,776	2,377	2,776	2,377
Non-cash flows in profit				
Depreciation and amortisation	2,537	2,525	2,537	2,525
Net gain on disposal of leases, plant and equipment	(203)	-	(203)	-
Interest on leases	150	218	150	218
Change in operating assets and liabilities				
(Increase)/decrease in other receivables	77	(437)	(18)	(404)
(Increase)/decrease in deferred tax assets / liabilities	43	(304)	43	(304)
Increase in loans and advances to members	(85,487)	(39,988)	(85,487)	(39,988)
Increase in deposits from members	15,690	45,388	15,690	45,388
Increase/(decrease) in payables and other accruals	(1,161)	921	(1,156)	920
Decrease in provisions	(36)	(467)	(36)	(467)
Increase/(decrease) in current tax payable	629	(807)	629	(807)
	(64,985)	9,427	(65,076)	9,459

4.3 Financial assets

Mortgage-backed securities	202,500	202,500	-	-
Floating rate notes	86,716	63,534	86,716	63,534
Unlisted investments	98	98	98	98
	289,314	266,132	86,814	63,632

a) Accounting policy - recognition and measurement

Unlisted investments assets comprise Maitland Mutual Group’s investment in a provider of settlement services to the banking industry.
Floating rate notes and mortgage-backed securities are measured at amortised cost. Mortgage-backed securities are held through the Hunter Trust. Refer to Note 4.5(c) for further detail.

Notes to the Financial Statements

For the year ended 30 June 2025

4 Funding and liquidity (continued)

4.4 Deposits due to members

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Retail at-call deposits	430,165	418,666	430,165	418,666
Retail term deposits	517,435	472,604	517,435	472,604
Wholesale term deposits	81,344	67,893	81,344	67,893
	1,028,944	959,163	1,028,944	959,163

a) Accounting policy - recognition and measurement

Deposits are initially recognised at fair value (being fair value of consideration received) and are subsequently measured at amortised cost using the effective interest method, refer to Note 2.1(c) above.

4.5 Other borrowed funds

Subordinated debt	4,310	4,310	4,310	4,310
Floating rate notes	42,289	22,180	42,289	22,180
Negotiable certificates of deposit	46,346	54,091	46,346	54,091
Loan from Hunter Trust	196,281	191,289	-	-
	289,226	271,870	92,945	80,581

The Loan from Hunter Trust represents the value of the underlying loans transferred back on-balance sheet of the parent, where the risks and rewards of ownership are retained.

a) Accounting policy - financial liabilities

(i) Classification

Maitland Mutual Group classifies its financial liabilities as those to be measured at amortised cost. The financial liabilities of Maitland Mutual Group comprise deposits from other financial institutions, deposits due to members and other borrowed funds.

Liabilities measured at amortised cost are financial liabilities where the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

(ii) Recognition and derecognition

Maitland Mutual Group measures all financial liabilities initially at fair value less transaction costs, subsequently financial liabilities are measured at amortised cost using the effective interest rate method.

Maitland Mutual Group derecognises financial liabilities when, and only when, obligations are discharged, cancelled, or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

Notes to the Financial Statements

For the year ended 30 June 2025

4 Funding and liquidity (continued)

4.5 Other borrowed funds (continued)

b) Debt issue

Debt issues are short term and long term issuances which include commercial paper, short term and medium term notes, subordinated notes and certificates of deposits. Debt issues are typically recorded at amortised cost using the effective interest method. Premiums, discounts and associated issue expenses are recognised using the effective interest method through the statement of profit or loss and other comprehensive income from the date of issue to equate the carrying value of the securities to redemption values by maturity date. Interest is charged to the statement of profit or loss and other comprehensive income using the effective interest method.

c) Internal Securitisation Program - Hunter Trust

The Mutual Bank participates in mortgage-backed securitisation programs under which mortgage loans are packaged and sold to a securitisation program. The Mutual Bank participates in internal securitisation programs initiated through a special purpose entity (SPE).

Equitably assigned loans continue to be recognised in the statement of financial position with a corresponding increase of a loan from the SPE. Interest income relating to the equitably assigned mortgage loans will be recognised in the statement of profit or loss and other comprehensive income of The Mutual Bank. Interest expense on the loan to the SPE reflects the terms and conditions of the arrangements and services between The Mutual Bank and the SPE.

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management

The Maitland Mutual Group has developed a Risk Management Strategy (RMS) which describes the strategies for managing risk and the key elements of the Risk Management Framework (RMF) that give effect to the strategy. The RMF is the totality of systems, structures, policies, procedures and controls to manage material risks and provide the Board with a comprehensive bank-wide view of risk.

The Maitland Mutual Group has established a risk governance structure to support risk-based decision making and oversight across its operations. This consists of the Board, Board Committees, Management Committees and delegations of authority for decision-making, management structures and related reporting. The Board Risk Committee has been established to focus on risk management and compliance, risk governance, control monitoring and oversight and makes recommendations to the Board as to the approval of material risk policies.

To ensure there are appropriate checks and balances to support risk management across the bank, the Three Lines risk governance model has been adopted. This includes:

- **First Line: Risk Owners** (business management, including Management Committees).

The First Line comprises the business areas who have ownership of risk and are responsible for risk management decision making involving identifying, assessing, mitigating, monitoring and managing risks within their areas, subject to overall Board risk appetite. The First Line is supported by a dedicated First Line Risk Manager who provides an operational conduit between the Second Line and First Line operational divisions. The role reports directly to the Chief Operations Officer with a dotted line to the Chief Risk Officer (CRO).

- **Second Line: Review and Challenge** (Risk Management and Compliance function).

The Second Line comprises the Risk Management and Compliance function led by the CRO. It is functionally independent of the First Line, with the CRO reporting directly to the CEO and having unfettered access to the Board and the Board Risk Committee. The Second Line is responsible for developing risk management policies, systems and processes to facilitate a consistent approach to identifying, assessing and managing risk. It provides objective review and challenge on the implementation of the RMF throughout the bank, specialist advice and training on risk and compliance matters and oversees the level of risk within the Bank and its relationship with the risk appetite.

- **Third Line: Independent assurance.**

The Third Line comprises the functions that, in accordance with CPS 220 *Risk Management*, provide the Board and its Committees with independent assurance that the RMF has been complied with and is operating effectively. The Maitland Mutual Group has an internal audit function managed by the Head of Internal Audit or through an outsourced internal audit arrangement. The Internal Audit function reports directly to the Board Audit Committee to preserve its independence.

As an authorised deposit-taking institution, the Maitland Mutual Group is exposed to material financial risks, including interest rate risk, credit risk and liquidity risk. The following sections describe the framework for managing each material risk as well as quantitative and qualitative disclosures to explain the nature and extent of risks arising from financial instruments to which the Maitland Mutual Group is exposed at the end of the reporting period.

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.1 Interest rate risk

Interest rate risk is the risk of profit or loss from a future movement in interest rates. The Maitland Mutual Group is currently exposed to interest rate risk only through interest rates, as it neither trades nor owns large volumes of foreign currency, commodities or equity securities. Exposure to interest rate risk can stem from a mismatch in the term and re-pricing characteristics of interest-bearing assets and liabilities, as well as the excess of interest-bearing assets over liabilities arising from capital investment.

The Maitland Mutual Group primarily manages interest rate risk by maintaining a balanced 'on-book' hedging strategy by ensuring that the net interest rate gaps between assets and liabilities are not excessive. Where further interest rate risk management is required, derivative financial instruments may be entered into to reduce the interest rate risk exposure so that they are managed within risk appetite. All derivative financial instruments must also represent valid hedging accounting relationships under AASB 9 *Financial Instruments*.

The Maitland Mutual Group utilises two metrics for interest rate risk measurement; Earnings at Risk (EaR) and Value at Risk (VaR), which are generated monthly. The Board, Board Risk Committee, Asset and Liability Committee (ALCO) and CEO can request more frequent reporting should there be a change in market conditions, or if the current balance sheet composition warrants additional reporting. The suitability of the metrics is reviewed annually by ALCO in conjunction with the setting of the risk appetite.

EaR is a short-term, earnings based metric used to estimate the potential negative impact of interest rate changes (+/-200bps instantaneous parallel shift) on net interest income (NII) over a 12-month time horizon. EaR reflects the sensitivity of the bank's net interest income to shifts in the yield curve.

VaR is a longer-term economic value measure used to quantify the exposure to interest rate risk, based on the last 250 days of historical interest rate data. VaR estimates the potential decline in the bank's economic value due to adverse interest rate movements within a 20 day holding period, calculated with a 99% confidence level. This means there is only a 1% chance that losses will exceed the VaR estimate under normal market conditions.

The interest rate risk metrics represent a sensitivity analysis based on the prescribed interest rate shock scenario.

As at 30 June 2025, the metrics were as follows:

- EaR based on a downwards 200bp parallel shift was \$4.9m (2024: \$3.7m); and
- VaR as a percentage of capital was 0.64% or \$0.5m (2024: 0.18% or \$0.1m).

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.2 Credit risk

- Credit risk is the risk that a counterparty will be unable to pay amounts in full when due. The Maitland Mutual Group is exposed to two primary forms of credit risk, being lending credit risk and investment credit risk.
- Lending credit risk is the risk of loss due to borrowers failing to meet their obligations in accordance with agreed terms. Exposure to lending credit risk is managed through the following policies, management controls and mitigants:
- Establishing lending policy frameworks that govern the types of borrowers and loans that the Maitland Mutual Group is prepared to fund. This includes a robust credit assessment process that is independent of the lending origination team, setting interest rate buffers for the credit assessment process, performing serviceability assessments, requiring lenders mortgage insurance for high LVR loans and obtaining appropriate collateral for loan security.
 - Monitoring of credit performance over time through arrears and hardship statistics, with follow up of problem accounts by a dedicated Credit Control function. This may include obtaining up-to-date valuations of security properties to inform the assessment of the risk of potential loss.
 - Credit hindsight reviews conducted by an operationally independent Second Line credit risk function. These reviews provide the bank with valuable insights into the effectiveness of the credit assessment process and drives continuous improvement in credit decision-making.
 - A formal delegation of authority framework for the assessment and approval of loans, including a management level Credit Committee that holds the highest level of delegated authority to approve loans and oversight the development of credit policy.

Investment credit risk is the potential financial loss if a counterparty fails to meet its contractual obligations, therefore affecting the bank’s financial stability and capital adequacy. Exposure to investment credit risk is managed through the following policies, management controls and mitigants:

- An investment credit risk policy which determines the approved investment counterparties and products that the bank can invest in, as well as portfolio limits to mitigate against concentration risk.
- A formal counterparty credit limit framework oversighted by ALCO which sets scaled operating limits for each investment counterparty based on a detailed methodology to assess credit worthiness. Monthly reporting of actual counterparty exposures against the scaled operating limits is reviewed by ALCO. Annual counterparty reviews are conducted by the Treasury function.

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.2 Credit risk (continued)

a) Exposure

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Financial assets				
Cash and cash equivalents	92,268	111,786	99,510	124,110
Loans and advances to members	981,874	896,386	981,874	896,386
Other receivables	3,004	3,082	1,987	1,969
Other financial assets	289,314	266,132	86,814	63,632
Total	1,366,460	1,277,386	1,170,185	1,086,097

The maximum exposure to credit risk at the end of the reporting period is the carrying amount of each class of asset mentioned above.

b) Financial asset exposures by external credit rating

The credit quality of cash and cash equivalents, and other financial assets that are neither past due nor impaired can be assessed by reference to Standard and Poor’s rating agency (“S&P”) equivalents:

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Credit Grading				
Investment grade (AAA to BBB-)	161,220	146,556	168,461	158,880
Non-investment (BB+ to C)	-	-	-	-
Unrated	220,362	231,264	17,863	28,764
Total	381,582	377,820	186,324	187,644

c) Lending exposures profile

Further analysis of credit risk for loans and advances being the Maitland Mutual Group’s most material credit exposure is analysed below:

	2025 %	2024 %
Parent and consolidated entity		
Loans secured by cash or cash equivalent	0.13	0.12
Mortgage loans secured by residential property - mortgage insured	7.58	9.28
Mortgage loans secured by residential property - not mortgage insured	84.68	83.03
Loans secured by non-residential property	6.96	7.00
Secured and unsecured personal loans (including credit cards)	0.65	0.57
Total	100.00	100.00

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.2 Credit risk (continued)

d) **LVR profile**

The LVRs of the Maitland Mutual Group’s residential mortgage loans is analysed below:

Parent and consolidated entity	2025 %	2024 %
Loan to value ratio of loans secured by residential property		
0%-60%	53.32	51.88
60.01%-80%	36.96	36.35
80.01% to 90%	7.01	8.39
Greater than 90%	2.71	3.38
Total	100.00	100.00

e) **Past due and arrears profile**

The ageing of the Maitland Mutual Group’s lending exposures that are past due but not impaired is analysed below:

Parent and consolidated entity	2025 \$'000s	2024 \$'000s
1 to 30 days past due	17,166	19,645
31 to 60 days past due	1,854	8,566
Greater than 60 days past due	4,381	2,078
Total	23,401	30,289

f) **Impaired loans**

The Maitland Mutual Group’s impaired gross lending exposure is analysed below:

Parent and consolidated entity	2025 \$'000s	2024 \$'000s
Loans secured by cash or cash equivalent	-	-
Mortgage loans secured by residential property - mortgage insured	-	-
Mortgage loans secured by residential property - not mortgage insured	602	34
Loans secured by non-residential property	2,926	834
Secured and unsecured personal loans (including credit cards)	-	172
Total	3,528	1,040
Estimated fair value of security held against impaired loans	5,590	3,524

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.2 Credit risk (continued)

g) **Provision for expected credit loss (ECL)**

The ECL staging of the Maitland Mutual Group’s lending exposures is analysed below:

Parent and consolidated entity	Loan Balances \$'000s	Provision for ECL \$'000s	Net Loan Balances \$'000s
2025			
Stage 1 - 12 month expected credit losses	965,410	(574)	964,836
Stage 2 - Lifetime expected credit losses	2,728	(9)	2,719
Stage 3 - Credit impaired facilities	14,272	(365)	13,907
	982,410	(948)	981,462
Add capitalised loan and origination fees	412	-	412
	982,822	(948)	981,874
2024			
Stage 1 - 12 month expected credit losses	876,006	(518)	875,488
Stage 2 - Lifetime expected credit losses	8,444	(24)	8,420
Stage 3 - Credit impaired facilities	12,744	(360)	12,384
	897,194	(902)	896,292
Add capitalised loan and origination fees	94	-	94
	897,288	(902)	896,386

h) **Loan security geographic profile**

The geographic concentration of the Maitland Mutual Group’s loan portfolio by security location is analysed below:

Parent and consolidated entity	2025 %	2024 %
Hunter Region	78	83
Other NSW	12	10
Outside NSW	10	7
Total	100	100

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.3 Liquidity risk

Liquidity Risk is the risk of being unable to meet cash flow obligations as and when they fall due. The two main sources of the bank’s cash outflows are withdrawals by depositors and the draw down of loans by borrowers. APRA has determined that the Maitland Mutual Group is subject to the Minimum Liquidity Holdings (MLH) regime as defined in APS 210 Liquidity.

As an authorised deposit-taking institution, the Maitland Mutual Group is exposed to liquidity risk through daily calls on its available cash resources from at-call accounts, maturing term deposits, loan advances and additional draw downs. The bank does not maintain cash resources to meet all these needs, but rather a prudential limit is maintained in high quality liquid assets that are readily convertible to cash within two business days. The Maitland Mutual Group maintains a policy of managing its liquid assets well above the minimum prudential requirement to ensure it can readily meet its cash flow obligations.

Exposure to liquidity risk is managed through the following policies, management controls and mitigants:

- Daily monitoring of the liquidity and funding position against risk tolerance.
- Cash flow projections to determine near term cash requirements.
- Diversification of the liquid asset portfolio to ensure that there is confidence that assets can be liquidated in times of stress with limited erosion of value.
- Development of a three-year Funding Strategy that outlines how the bank will fund its balance sheet growth ambitions, and the available sources of liquidity over that time horizon.
- Maintaining a Contingency Funding Plan that articulates available contingency funding sources, early warning indicators and a clear escalation pathway that must be followed in the event of a deterioration in the liquidity position. The Contingency Funding Plan includes the bank’s Retail Run Plan which addresses the response plan in the event of a run on retail deposits (either a bank-specific or industry-wide run).
- A routine testing program for key elements of the liquidity management framework, including the operational capacity to liquidate MLH assets within required timeframes.

In addition to the above, the Maitland Mutual Group has established the following sources of contingent liquidity:

- An internal securitisation facility has been established which enables funding to be obtained from the Reserve Bank of Australia (at their sole discretion). At 30 June 2025, the Maitland Mutual Group held \$187.5 million (2024: \$187.5 million) of repo-eligible securities that can be used to obtain funding to meet liquidity requirements.
- The Maitland Mutual Group is a member of the Credit Union Financial Support Scheme Limited (CUFSS), a company limited by guarantee established to provide financial support to member Australian mutual ADIs in the event of a liquidity need. As a member of CUFSS, Maitland Mutual Group is required to maintain a balance of deposits in an approved form as determined below.
- Under the terms of the CUFSS Industry Support Contract (ISC), the maximum call for each participating mutual ADI is 3.0% of total assets, capped at a maximum of \$100 million. The amount represents the participating ADIs irrevocable commitment under the ISC. At the reporting date there were no loans issued under this arrangement.
- In the event that the Maitland Mutual Group required liquidity support from CUFSS, an application would be considered and approved within the same business day, with the maximum loan size being determined by the available liquidity pool across all members of the scheme.

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.3 Liquidity risk (continued)

a) Liquidity risk - contractual maturity

The table below sets out the contractual maturity of the Parent’s financial assets and liabilities.

Parent Entity 2025	At Call \$'000s	0 - 3 mths \$'000s	3 - 12 mths \$'000s	1 - 5 yrs \$'000s	Over 5 yrs \$'000s	No specified maturity \$'000s	Total \$'000s
Financial assets							
Cash and cash equivalents	27,857	61,441	2,970	-	-	-	92,268
Floating rate notes	-	9,922	10,502	66,292	202,500	-	289,216
Loans and advances to members	17,103	1,406	5,932	9,497	947,936	-	981,874
Unlisted investments	-	-	-	-	-	98	98
	44,960	72,769	19,404	75,789	1,150,436	98	1,363,456
Financial liabilities							
Deposits due to members	436,048	246,321	303,577	42,997	-	-	1,028,944
Other borrowed funds	3,000	43,681	14,050	32,213	196,281	-	289,226
Loans approved but not advanced	10,726	-	-	-	-	-	10,726
	449,774	290,002	317,628	75,211	196,281	-	1,328,896
Net financial assets / (liabilities)	(404,814)	(217,233)	(298,224)	578	954,155	98	34,560
2024							
Financial assets							
Cash and cash equivalents	34,584	77,202	-	-	-	-	111,786
Floating rate notes	-	9,001	13,011	37,522	206,500	-	266,034
Loans and advances to members	16,711	31,157	15,246	14,605	818,667	-	896,386
Unlisted investments	-	-	-	-	-	98	98
	51,295	117,360	28,257	52,127	1,025,167	98	1,274,304
Financial liabilities							
Deposits due to members	419,960	234,522	271,215	33,465	-	-	959,163
Other borrowed funds	-	58,401	12,095	10,085	191,289	-	271,870
Loans approved but not advanced	18,017	-	-	-	-	-	18,017
	437,977	292,923	283,309	43,551	191,289	-	1,249,050
Net financial assets / (liabilities)	(386,682)	(175,563)	(255,052)	8,576	833,878	98	25,254

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.3 Liquidity risk (continued)

a) Liquidity risk - contractual maturity (continued)

The table below sets out the contractual maturity of the Consolidated Group’s financial assets and liabilities.

Consolidated 2025	At Call \$'000s	0 - 3 mths \$'000s	3 - 12 mths \$'000s	1 - 5 yrs \$'000s	Over 5 yrs \$'000s	No specified maturity \$'000s	Total \$'000s
Financial assets							
Cash and cash equivalents	35,099	61,441	2,970	-	-	-	99,510
Floating rate notes	-	9,922	10,502	66,292	-	-	86,716
Loans and advances to members	17,103	1,406	5,932	9,497	947,936	-	981,874
Unlisted investments	-	-	-	-	-	98	98
	52,202	72,769	19,404	75,789	947,936	98	1,168,198
Financial liabilities							
Deposits due to members	436,048	246,321	303,577	42,997	-	-	1,028,944
Other borrowed funds	3,000	43,681	14,050	32,213	-	-	92,945
Loans approved but not advanced	10,726	-	-	-	-	-	10,726
	449,774	290,002	317,628	75,211	-	-	1,132,615
Net financial assets / (liabilities)	(397,572)	(217,233)	(298,224)	578	947,936	98	35,583
2024							
Financial assets							
Cash and cash equivalents	46,908	77,202	-	-	-	-	124,110
Floating rate notes	-	9,001	13,011	37,522	4,000	-	63,534
Loans and advances to members	16,711	31,157	15,246	14,605	818,667	-	896,386
Unlisted investments	-	-	-	-	-	98	98
	63,619	117,360	28,257	52,127	822,667	98	1,084,128
Financial liabilities							
Deposits due to members	419,959	234,523	271,215	33,466	-	-	959,163
Other borrowed funds	-	58,401	12,095	10,085	-	-	80,581
Loans approved but not advanced	18,017	-	-	-	-	-	18,017
	437,976	292,924	283,309	43,551	-	-	1,057,761
Net financial assets / (liabilities)	(374,356)	(175,564)	(255,053)	8,575	822,667	98	26,367

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.3 Liquidity risk (continued)

b) Lessor commitments

Lease receivable

1 year or less
1 - 2 years
2 - 3 years
3 - 4 years
4 - 5 years
Over 5 years

Parent and Consolidated Entity	
2025 \$'000s	2024 \$'000s
102	99
105	102
108	105
111	108
115	111
97	212
638	737

Lessor commitments above are derived from buildings disclosed in Note 6.3 Property, Plant and Equipment. A 10 year lease commenced on 1 May 2021 for the ground floor space at 6 Mitchell Drive, East Maitland, with an initial 5 month rent free period.

5.4 Fair values

The following table summarises the carrying amount and fair values of those financial assets and liabilities not presented on the Group’s balance sheet at their fair value.

			2025	2024		
Consolidated Entity	Ref	Fair Value Hierarchy Level	Carrying amount \$'000s	Net fair value \$'000s	Carrying amount \$'000s	Net fair value \$'000s
Financial Assets						
Cash and cash equivalents	(a)	2	99,510	99,565	124,110	124,180
Loans and advances to members	(b)	2	981,874	987,931	896,386	903,302
Unlisted investments	(c)	3	98	98	98	98
Other financial assets	(d)	2	86,716	88,843	63,534	64,561
			1,168,198	1,176,438	1,084,128	1,092,141
Financial Liabilities						
Deposits due to members	(e)	2	1,028,944	1,031,894	959,163	958,926
Other borrowed funds	(e)	2	92,945	94,814	80,581	81,233
			1,121,889	1,126,708	1,039,744	1,040,160
Net financial assets/(liabilities)			46,309	49,730	44,384	51,981

AASB 13 Fair Value Measurement requires all assets and liabilities measured at fair value to be assigned to a level in the fair value hierarchy as follows:

- Level 1 - Measurements based on unadjusted quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date.
- Level 2 - Measurements based on inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Measurements based on unobservable inputs for the asset or liability.

The table above shows the assigned level for each asset and liability not measured at fair value in the financial statements.

Notes to the Financial Statements

For the year ended 30 June 2025

5 Financial risk management (continued)

5.4 Fair values

a) Cash and cash equivalents

Cash and cash equivalents are short term instruments whose carrying amounts generally are equivalent to their fair values.

b) Loans and advances to members

Loans and advances are net of provisions for impairment. The estimated fair value of loans and advances represents the discounted amount of estimated future cash flows expected to be received. Expected cash flows are discounted at current market rates to determine fair value.

c) Unlisted investments

There is no active market for these securities held, hence fair value is determined as being equivalent to the carrying value at the balance sheet date.

d) Other financial assets

The estimated fair value of other financial assets is based on discounted cash flows prevailing money market interest rates for debts with similar credit risk and remaining maturity.

e) Deposits and borrowings

The estimated fair value of deposits with no stated maturity, which includes non interest bearing deposits, is the amount repayable on demand.

The estimated fair value of fixed interest bearing deposits and other borrowings without market price is based on discounted cash flows using interest rates for new debts with similar remaining maturity.

5.5 Capital management

The Maitland Mutual Group is a standardised, non-significant financial institution for the purposes of determining its regulatory capital adequacy requirements under APRA's prudential standards. APRA has determined the minimum regulatory capital adequacy ratios required for the Maitland Mutual Group. The prudential standards require that these minimum regulatory capital adequacy ratios are exceeded at all times.

The Board of the Maitland Mutual Group is responsible for ensuring that an appropriate level and quality of capital is held commensurate with the type, amount and concentration of risks to which it is exposed from its activities. To achieve this objective, the Maitland Mutual Group has an Internal Capital Adequacy Assessment Process (ICAAP) that includes the following:

- Policies, procedures, systems, controls and personnel to identify, measure, monitor and manage the risks arising from its activities on a continuous basis, and the capital held against such risks.
- A strategy for ensuring adequate capital is maintained over time, including specific capital targets in the context of its risk profile, risk appetite and regulatory capital requirements.
- Actions for monitoring compliance with regulatory capital requirements and capital targets, including triggers to alert management to, and specified actions to avert and rectify, potential breaches of these requirements.
- Stress testing and scenario analysis relating to potential risk exposures and available capital resources.

The Maitland Mutual Group managed its regulatory capital adequacy ratio well above minimum APRA requirements throughout the financial year. Disclosure of the regulatory capital adequacy ratio is made by APRA via the quarterly ADI centralised publication which contains key capital data and liquidity ratios at an entity level.

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other Notes

	Parent Entity		Consolidated Entity	
	2025	2024	2025	2024
	\$'000s	\$'000s	\$'000s	\$'000s
6.1 Other receivables				
Interest receivable	1,559	1,670	831	847
Other receivables	1,445	1,412	1,156	1,122
	3,004	3,082	1,987	1,969

6.2 Intangible assets

Computer software				
At cost	1,826	4,688	1,826	4,688
Works in progress	138	19	138	19
Accumulated amortisation and impairment	(1,027)	(3,881)	(1,027)	(3,881)
Total Intangibles	937	826	937	826
a) Movements in carrying amounts of intangible assets				
Opening balance 1 July	826	965	826	965
Additions	622	455	622	455
Disposals	(15)	-	(15)	-
Amortisation	(496)	(594)	(496)	(594)
Closing value at 30 June	937	826	937	826

b) Intangible assets

Acquired computer software licenses which are not an integral part of the related hardware are capitalised based on the costs incurred to acquire and bring to use the specific software. They have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight line method to allocate the cost of computer software over their estimated useful lives, which vary from 2 to 5 years.

Costs associated with maintaining computer software programs are recognised as an expense as incurred. Costs that are directly associated with the production of identifiable and unique software products controlled by the Maitland Mutual Group, and that will probably generate economic benefits exceeding costs beyond one year, are recognised as intangible assets. Direct costs include software development employee costs and an appropriate portion of relevant overheads.

Computer software development costs recognised as an asset are amortised using the straight line method over their useful lives.

c) Impairment of intangibles

An impairment assessment is conducted at least annually as to whether indicators of impairment such as technical obsolescence, exist.

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.3 Property, plant and equipment

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Land and Buildings				
Freehold land				
At cost	3,565	3,565	3,565	3,565
Buildings				
At cost	20,383	20,419	20,383	20,419
Accumulated depreciation	(2,473)	(2,047)	(2,473)	(2,047)
	17,910	18,372	17,910	18,372
Leasehold improvements				
At cost	1,241	1,241	1,241	1,241
Accumulated depreciation	(1,185)	(1,106)	(1,185)	(1,106)
	56	135	56	135
Plant and Equipment				
At cost	6,428	6,219	6,428	6,219
Accumulated depreciation	(2,838)	(3,270)	(2,838)	(3,270)
	3,590	2,949	3,590	2,949
Capital works in progress				
At cost	20	203	20	203
Total property, plant and equipment	25,141	25,224	25,141	25,224

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.3 Property, plant and equipment (continued)

a) Movements in carrying amounts

	Land \$'000s	Buildings \$'000s	Leasehold Improvements \$'000s	Plant and Equipment \$'000s	Capital Works in Progress \$'000s	Total \$'000s
Parent and Consolidated Entity						
2025						
Opening balance	3,565	18,372	136	2,949	203	25,224
Additions	-	107	-	1,262	20	1,389
Disposals	-	(56)	-	(60)	-	(115)
Transfers	-	-	-	203	(203)	-
Depreciation expense	-	(513)	(80)	(764)	-	(1,357)
Balance at 30 June 2025	3,565	17,910	56	3,590	20	25,141
2024						
Opening balance	3,565	18,788	212	3,273	126	25,964
Additions	-	92	2	269	203	566
Disposals	-	-	-	(19)	-	(19)
Transfers	-	-	-	126	(126)	-
Depreciation expense	-	(508)	(79)	(700)	-	(1,287)
Balance at 30 June 2024	3,565	18,372	135	2,949	203	25,224

b) Accounting policy - recognition and measurement

Each class of property, plant and equipment is carried at cost, less any accumulated depreciation and impairment losses.

(i) Property

Freehold land and buildings and leasehold improvements are shown at their cost value, less subsequent depreciation for buildings and leasehold improvements.

(ii) Plant and equipment

Plant and equipment are measured on the cost basis less depreciation and impairment losses.

The carrying amount of plant and equipment is reviewed annually to ensure it is not in excess of the recoverable amount from these assets. The recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have not been discounted to their present values in determining recoverable amounts.

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.3 Property, plant and equipment (continued)

b) Accounting policy - recognition and measurement (continued)
(iii) Depreciation

The depreciable amount of all fixed assets including buildings and capitalised leased assets, but excluding freehold land, is depreciated on a straight line basis over their useful lives to the Maitland Mutual Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The estimated useful lives used for each class of depreciable assets are:

Class of Fixed Asset

Buildings	40 years
Leasehold improvements	2 - 5 years
Plant and equipment	2 - 13 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each balance date.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amount. These gains and losses are included in the statement of profit or loss and other comprehensive income.

(iv) Estimation of useful lives of assets

The estimation of the useful lives of assets is based on historical experience as well as manufacturers' warranties for plant and equipment, lease terms for leased equipment, and turnover policies for motor vehicles. In addition, the condition of the assets is assessed at least once every year and considered against the remaining useful life. Adjustments to useful life are made when considered necessary. Depreciation charges are included in Note 2.3(a).

c) Capital expenditure commitments

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Capital expenditure commitments contracted for:				
Software, hardware and fixtures and fittings	60	256	60	256

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.4 Right of use assets

The Maitland Mutual Group has entered lease agreements over a range of assets including branch premises, ATM premises and office equipment. Details of the leases are described below.

Buildings

The Maitland Mutual Group leases 6 branch premises in the Hunter Valley, NSW, with lease terms remaining of between 1 year and 13 years. These leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the lease are renegotiated. All branch leases are subject to annual rent reviews during the lease terms.

ATMs

The Maitland Mutual Group leases ATM locations in the Hunter Valley, NSW, with lease terms remaining of between 2 and 5 years. All ATM leases are subject to annual rent reviews during the lease terms.

Office Equipment

The Maitland Mutual Group leases photocopiers with lease terms remaining of 5 years. The lease payments are fixed during the lease term.

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Right of use asset - buildings	4,500	6,171	4,500	6,171
Accumulated amortisation	(2,593)	(2,267)	(2,593)	(2,267)
	1,907	3,904	1,907	3,904
Right of use asset - ATMs	192	212	192	212
Accumulated amortisation	(96)	(110)	(96)	(110)
	96	102	96	102
Right of use asset - office equipment	231	332	231	332
Accumulated amortisation	(88)	(297)	(88)	(297)
	143	35	143	35
Total	2,146	4,041	2,146	4,041

Additions to the right of use assets during the 2025 financial year were \$190,000 (2024: \$41,000).

a) AASB 16 related amounts recognised in the Statement of Profit or Loss and Other Comprehensive Income

Gain on remeasurement	297	-	297	-
Amortisation charge related to right of use assets	684	642	684	642
Interest expense on lease liabilities	150	218	150	218

b) Total future lease payments at the end of the reporting period

Future lease payments are due as follows:

Within one year	719	779	719	779
Within five years	1,555	2,881	1,555	2,881
More than five years	219	1,752	219	1,752
	2,493	5,412	2,493	5,412

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.4 Right of use assets (continued)

c) Accounting policy - recognition and measurement

At the inception of a contract, Maitland Mutual Group assesses if the contract contains or is a lease. If there is a lease present, a right of use asset and a corresponding lease liability is recognised where Maitland Mutual Group is lessee. However, all contracts that are classified as short term leases (remaining lease term of 12 months or less) and leases of low value assets are recognised as an operating expense on a straight line basis over the term of the lease.

Initially the lease liability is measured at the present value of the lease payments still to be paid at commencement date. The lease payments are discounted at the interest rate implicit in the lease. If this rate cannot be readily determined, Maitland Mutual Group uses the incremental borrowing rate.

Lease payments included in the measurement of the lease liability are as follows:

- Fixed lease payments less any lease incentive;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate at the commencement date; and
- Lease payments under extension options if lessee is reasonably certain to exercise the options.

The right of use assets comprise the initial measurement of the corresponding lease liability as mentioned above, any lease payments made at or before the commencement date as well as any initial direct costs. The subsequent measurement of the right of use assets is at cost less accumulated depreciation and impairment losses.

Right of use assets are depreciated over the lease term or useful life of the underlying asset whichever is the shortest.

(i) Lease term and option to extend under AASB 16

The lease term is defined as the noncancellable period of a lease together with periods covered by an option to extend the lease if the lessee is reasonably certain to exercise that option; and also periods covered by an option to terminate the lease if the lessee is reasonably certain not to exercise that option. The options that are going to be exercised is a key management judgement that Maitland Mutual Group will make. Maitland Mutual Group determines the likelihood to exercise the options on a lease by lease basis, looking at various factors such as which assets are strategic, and which are key to the future operations of Maitland Mutual Group.

During the current financial year, the financial effect of revising lease terms to reflect the effect of a change in the likelihood of exercising options was a decrease in recognised lease liabilities of \$1,711,000 (2024: Nil), a decrease in right of use assets of \$1,415,000 (2024: Nil), and a gain on remeasurement recognised in the Statement of Profit and Loss and Other Comprehensive Income of \$297,000 (2024: Nil).

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.5 Provisions

	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
Employee benefits	1,388	1,423	1,388	1,423
Carrying amount at beginning of the year	1,423	1,674	1,423	1,674
Movement in provisions during the financial year				
Additional provisions made in the period	1,241	891	1,241	891
Amounts used during the period	(1,272)	(1,167)	(1,272)	(1,167)
Movements due to changes in discount rates	(4)	26	(4)	26
Carrying amount at end of the year	1,388	1,423	1,388	1,423

a) Accounting policies - recognition and measurement

(i) Provisions

Provisions are recognised when Maitland Mutual Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

(ii) Employee benefits

Provision is made for Maitland Mutual Group’s liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be settled within one year have been measured at their nominal value, plus related on costs. Employee benefits payable later than one year have been measured at present value, plus related on costs.

Contributions are made by Maitland Mutual Group to the superannuation fund nominated by the employees and are charged as expenses when incurred.

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.6 Reserves and retained profits

Note	Parent Entity		Consolidated Entity	
	2025 \$'000s	2024 \$'000s	2025 \$'000s	2024 \$'000s
a) Retained earnings				
Opening balance	64,848	62,471	64,848	62,471
Profit attributable to members	2,776	2,377	2,776	2,377
Balance 30 June	67,624	64,848	67,624	64,848
b) Contributed equity				
Balance 30 June	6.6(b)(i) 4,728	4,728	4,728	4,728

(i) Business combinations

The acquisition method of accounting is used to account for business combinations. For mutual entities where net assets are transferred for no consideration, the acquiree’s net assets are recognised as a direct addition to equity in the statement of financial position. The value of net assets acquired in a business combination of mutual entities is recorded as a separate line in equity, labelled “Contributed Equity”.

6.7 Related party transactions

a) Directors

The names of the Directors in office at any time during, or since the end of, the year are as they appear in the Directors Report.

b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Maitland Mutual Group, directly or indirectly during the financial year:

Name	Position	Appointed / Ceased
F Laczina	Chief Operations Officer	
M Magill	Chief Governance Officer	
M Dunnill	Chief Member Officer	
M Williams	Chief Executive Officer	
J Hessel	Chief Digital and Technology Officer	
D Vincent	Acting Chief Risk Officer	Ceased 3/9/2024
	Chief Financial Officer	Resumed 3/9/2024
K Jones	Chief Risk Officer	Appointed 3/9/2024
M Butler*	Acting Chief Financial Officer	Ceased 3/9/2024

*Employee ceased role as a key management personnel but remains employed at the balance date.

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.7 Related party transactions (continued)

c) Key management personnel compensation	Parent and Consolidated Entity	
	2025 \$	2024 \$
Short-term employee benefits	2,541,988	2,494,784
Post-employment benefits	252,982	252,788
Other long-term benefits	48,663	32,909
Termination payments	-	306,293
Total	2,843,633	3,086,774

d) Loans to key management personnel

Details of loans made to Directors and other key management personnel of the Maitland Mutual Group, including their personally related parties, are set out in aggregate below.

Balance 1 July	9,231,349	10,880,142
Loans advanced during the year	4,135,000	840,112
Interest charged	580,845	527,412
Loan repayments during the year	(6,087,723)	(1,072,383)
Amounts derecognised	-	(1,943,934)
Balance 30 June	7,859,471	9,231,349
Interest income earned	580,845	527,412

No write downs or allowances for impairment losses have been recognised in relation to any loans made to key management personnel.

The loans made to Directors and other key management personnel of the Maitland Mutual Group, including their personally related parties were made under the same terms and conditions applicable to all members.

e) Deposits received from key management personnel

Details of deposits received from Directors and other key management personnel of the Maitland Mutual Group, including their personally related parties, are set out in aggregate below.

Balance 1 July	310,096	5,012,343
Net movement in transactions	399,298	(158,349)
Amounts recognised	24,204	5,062
Amounts derecognised	-	(4,548,960)
Balance 30 June	733,598	310,096
Interest expense paid	5,785	2,500

The deposits received from Directors and other key management personnel of the Maitland Mutual Group, including their personally related parties were made under the same terms and conditions applicable to all members.

f) Other transactions with key management personnel

Transactions between related parties are on normal commercial terms and conditions no more favourable than those available to other parties unless otherwise stated.

There were no transactions with key management personnel throughout the year.

Notes to the Financial Statements

For the year ended 30 June 2025

6 Other notes (continued)

6.8 Auditors' remuneration

	Parent and Consolidated Entity	
	2025	2024
	\$	\$
During the year the following fees were paid or are payable for services provided by the auditor of the Maitland Mutual Group.		
Assurance services		
<i>Crowe Audit Australia</i>		
Audit and review of financial reports and other audit work under the Corporations Act 2001	120,753	-
Audit of regulatory returns	25,969	-
<i>Cutcher & Neale</i>		
Audit and review of financial reports and other audit work under the Corporations Act 2001	-	90,402
Audit of regulatory returns	-	42,956
Total assurance services	146,722	133,358
<i>Findex (Aust) Pty Ltd trading as Crowe Australia</i>		
Other accounting and taxation services	14,503	-
<i>Cutcher & Neale</i>		
Other accounting and taxation services	338	5,518
Total	161,563	138,876

6.9 Events occurring after the reporting date

The financial report was authorised for issue on 18 September 2025 by the Board of Directors.

Subsequent to the end of the financial year, the Maitland Mutual Group completed the sale of its shares in Australian Settlements Limited. These shares were recognised in the balance at 30 June 2025 as unlisted investments.

No matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

6.10 Operating segments

The Group operates exclusively in the retail financial services industry within Australia.

Notes to the Financial Statements

For the year ended 30 June 2025

7 Accounting policies and new accounting standards

7.1 New and amended standards adopted

There are no new accounting standards and interpretations that have been published and are mandatory for 30 June 2025 reporting that resulted in a material impact on the Maitland Mutual Group's consolidated financial statements.

7.2 New standards and interpretations not yet adopted

Certain new accounting standards and interpretations have been published that are not mandatory for the 30 June 2025 reporting period. These standards are not expected to have a material impact on the Maitland Mutual Group's future financial reporting periods and on foreseeable future transactions. Therefore, they have not been disclosed in this note.

7.3 Other material accounting policies

a) Offsetting financial instruments

Financial assets and liabilities are offset, and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

b) Impairment of non-financial assets

Non financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash generating units). Non financial assets that suffered an impairment are reviewed for possible reversal of the impairment at each balance date.

c) Goods and services tax (GST)

Where capital or expense acquisitions relate to input taxed activities, goods and services tax is generally non recoverable from taxation authorities. Accordingly, where the amount of goods and services tax incurred is not recoverable, the tax is recognised as part of the cost of acquisition of an asset or as part of an item of expense.

For the purposes of the Statements of Cash Flows, receipts and payments from operations are inclusive of goods and services tax.

d) Comparatives

When required by Accounting Standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

e) Rounding of amounts

The Maitland Mutual Group is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191, relating to the "rounding off" of amounts in the financial report. Amounts in the financial report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

7.4 Corporate details

The registered office of the company is:

Maitland Mutual Limited
6 Mitchell Drive
EAST MAITLAND NSW 2323







PO Box is 2487, Green Hills NSW 2323
6 Mitchell Drive, East Maitland NSW 2323
1300 688 825 | info@themutual.com.au
themutual.com.au