

Downward adjustment to projected profit for FY2025

The directors of Ku-ring-gai Financial Services Limited (**KFSL**) have resolved to invest \$1.48 million with the Community Enterprise Foundation to fund community development and support in future years. While this decision will reduce our projected profit for FY2025, we firmly believe it represents a strategic investment in the long-term interests of both our company and the communities we serve.

As a Community Bank company, supporting local initiatives, organisations and causes is fundamental to the social and economic fabric of KFSL's operating environment. These grants and sponsorships are not simply charitable contributions—they are investments in trust, resilience and shared prosperity.

Here's why this decision makes long-term business sense:

- 1 Stronger community relationships:** By directly supporting initiatives that matter to our stakeholders, we reinforce our role as a responsible corporate citizen. This builds goodwill, brand loyalty and community support—critical assets that contribute to long-term sustainability and license to operate.
- 2 Reputation and brand value:** Companies that demonstrate a genuine commitment to social impact consistently outperform in brand perception and stakeholder trust. A strong, positive brand attracts customers, investors, partners and talent.
- 3 Resilience and risk management:** Healthy, vibrant communities are essential for long-term business stability. Our support helps address social challenges that, if left unmet, could pose indirect risks to our operations or reputation.
- 4 Future growth opportunities:** Community engagement often leads to strategic partnerships, innovation and access to new markets or audiences. Sponsorships can also offer direct marketing and visibility benefits, enhancing our reach and influence.

We are confident that this decision will ultimately deliver greater value—economic, social and reputational—for our shareholders over time. We thank you for your continued support and shared commitment to building a stronger, more inclusive future.

David A Langdon
Chair
Ku-ring-gai Financial Services Limited
2 June 2025