

Notice of expected material elevation in company revenues – October 25 2022

In terms of its franchise agreement with Bendigo and Adelaide Bank (BABL), Ku-ring-gai Financial Services Limited (KFSL) delivers BABL's banking and financial services to its community. The franchise agreement provides for a share of interest margin, fee and commission revenue to be earned by KFSL on the outstanding portfolio of loans, deposits and other business sourced by KFSL.

The unaudited accounts of KFSL for the first quarter of its financial year ending 30 June 2023 (FY23) indicate that the continued increase in the cash rate by the Reserve Bank of Australia has materially elevated the level of earnings for KFSL on this portfolio compared to the prior year. If this trend continues, KFSL expects its revenue from contracts with customers for FY23 to exceed the prior year by 45% to 65% with a related material uplift in profit for the year.