Southland Building Society

Disclosure Statement

For the six months ended 30 September 2026

Number 57 Issued November 2026

Southland Building Society
Contents

Disclosure Statement for the six months ended 30 September 2026

	Page
General Information	3
Directors' Statement	4
Interim Financial Statements	
Income Statement	5
Statement of Comprehensive Income	5
Statement of Changes in Equity	6
Statement of Financial Position	7
Statement of Cash Flows	8

Notes to the Financial Statements		Page
1	Significant Accounting Policies	9
2	Risk Management Policies	9
3	Management Judgement, Estimates and Assumptions	9
4	Financial Assets Pledged as Collateral	9
5	Advances to Customers	10
6	Asset Quality and Provisions for Credit Impairment	10
7	Contingent Liabilities and Credit Related Commitments	14
8	Related Parties	15
9	Credit Risk	15
10	Fair Value of Financial Instruments	16
11	Subsequent Events	17

Registered Bank Disclosures for the six months ended 30 September 2026

This section contains the additional disclosures required by the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014.

Section	Order reference	Page
A1 General disclosures	Schedule 3	18
A2 Additional financial disclosures	Schedule 5	19
A3 Asset quality	Schedule 7	23
A4 Capital adequacy under the standardised approach, and regulatory liquidity ratios	Schedule 9	26
A5 Concentration of credit exposures to individual counterparties	Schedule 13	29
A6 Insurance business	Schedule 16	29

Independent Review Report 30

Independent Limited Assurance Report 33

Abbreviations

The following abbreviations are used throughout the report:

AT1	Additional tier 1
BPR	Banking prudential requirements
CET1	Common equity tier 1
CVA	Credit valuation adjustment
ECL	Expected credit losses
FLP	Funding-for-lending program
FVTPL	Fair value through profit or loss
FVOCI	Fair value through other comprehensive income
ICAAP	Internal capital adequacy assessment process
LVR	Loan-to-valuation ratio
NZ GAAP	New Zealand Generally Accepted Accounting Practice
NZ IAS	New Zealand equivalents to International Accounting Standards
NZ IFRS	New Zealand equivalents to International Financial Reporting Standards
OCR	Official cash rate
RBNZ	Reserve Bank of New Zealand
REM	Reverse equity mortgage
RMBS	Residential mortgage backed security
ROU	Right-of-use

Symbols



Specific accounting policy



Accounting estimates and areas of judgement

General Information

Southland Building Society (SBS) is registered as a bank under the Reserve Bank of New Zealand Act 1989, and is required to comply with the conditions of registration as laid down by the Reserve Bank of New Zealand. Southland Building Society operates under the brand "SBS Bank".

This Disclosure Statement has been issued by Southland Building Society in accordance with the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended) (the 'Order'). In this Disclosure Statement "Banking Group" means SBS and all of its controlled entities as consolidated for financial reporting purposes.

Words and phrases defined by the Order have the same meanings when used in this Disclosure Statement.

Name and Address for Service of Registered Bank

The name of the registered bank is Southland Building Society (referred to either by its full name, as "SBS", or as the "Bank", or as the "Registered Bank") and the address for service is 51 Don Street, Invercargill.

Details of Incorporation

Southland Building Society was established in 1869 and is incorporated under the Building Societies Act 1965. SBS's registration number is 1781001.

Ownership

Southland Building Society is a mutual building society and is owned by its members by virtue of their membership interests in Southland Building Society. Membership entitlements and voting rights are set out in the Rules of Southland Building Society.

Directors' Statement

The directors of Southland Building Society (the "Bank") state that each director of the Bank believes, after due enquiry, that:

1. As at the date on which the Disclosure Statement is signed:
   (a) the Disclosure Statement contains all the information that is required by the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended); and
   (b) the Disclosure Statement is not false or misleading.
2. Each director of the Bank believes, after due enquiry, that during the six months ended 30 September 2026:
   (a) the Bank has complied in all material respects with all conditions of registration applicable during the period; and
   (b) credit exposures to connected persons were not contrary to the interests of the Banking Group; and
   (c) the Bank had systems in place to monitor and control adequately the Banking Group's material risks, including credit risk, concentration of credit risk, interest rate risk, currency risk, equity risk, liquidity risk, operational risk, and other business risks, and that those systems were being properly applied.

This disclosure statement is dated 26 November 2026 and has been signed by or on behalf of all the directors.



AJ O'Connell
(Chairperson)



LM Robertson



KJ Murphy
(Deputy Chairperson)



JR Franklin



MP O'Connor



PE Halstead



PRN Ellison

Southland Building Society

Income Statement for the six months ended 30 September 2026

All in $000's

	Note	Unaudited 6 Months 30/09/2026	Unaudited 6 Months 30/09/2025	Audited 12 Months 31/03/2026
Interest income		189,075	209,181	399,710
Interest expense		28,586	32,059	58,718
Dividends on redeemable shares		73,386	91,996	172,095
		101,972	124,055	230,813
Net interest income		**87,103**	**85,126**	**168,897**
Net fee and commission income	(A2.2)	**14,851**	**14,605**	**31,872**
Insurance service result and other income	(A2.2)	703	(76)	865
Total operating income		**102,657**	**99,655**	**201,634**
Operating expenses		67,416	63,454	126,543
Credit impairment losses	(6(d))	14,793	15,819	30,081
Underlying Operating surplus		**20,448**	**20,382**	**45,010**
Bank Modernisation expenses		8,980	2,151	9,271
Operating surplus		**11,468**	**18,231**	**35,739**
Net gain/(loss) from financial instruments at FVTPL	(A2.2)	786	962	(6)
Surplus before income tax		**12,254**	**19,193**	**35,733**
Less income tax expense		3,269	5,270	10,179
Net surplus		**8,985**	**13,923**	**25,554**
Attributable to:				
Members' interests		**8,985**	**13,923**	**25,554**

Southland Building Society

Statement of Comprehensive Income for the six months ended 30 September 2026

All in $000's

	Unaudited 6 Months 30/09/2026	Unaudited 6 Months 30/09/2025	Audited 12 Months 31/03/2026
Net surplus for the period	8,985	13,923	25,554
Items that may not be reclassified subsequently to profit or loss			
Net change in property, plant and equipment reserve, net of tax	-	-	200
Items that may be reclassified subsequently to profit or loss			
Net change in FVOCI reserve, net of tax	(138)	3,533	1,781
Net change in cash flow hedging reserve, net of tax	12,980	(4,588)	13,312
Other comprehensive income for the period, net of tax	12,842	(1,055)	15,293
Total comprehensive income for the period	**21,827**	**12,868**	**40,847**
Attributable to:			
Members' interests	**21,827**	**12,868**	**40,847**

The accounting policies and other notes form part of, and should be read in conjunction with, these financial statements.

Southland Building Society

Statement of Changes in Equity for the six months ended 30 September 2026

All in $000's

As at 30 September 2026 (Unaudited)	Retained earnings	Reserves: Property, plant and equipment	Reserves: FVOCI	Reserves: Cash flow hedging	Total equity
Balance as at 31 March 2026	566,537	5,378	2,136	(5,472)	**568,579**
Net surplus for the period	8,985	-	-	-	**8,985**
Other comprehensive income for the period					
Amortised to income statement	-	-	-	1,286	**1,286**
Revaluation/change in fair value	-	-	(193)	15,110	**14,917**
Current/deferred tax impact	-	-	55	(3,416)	**(3,361)**
Total comprehensive income for the period	8,985	-	(138)	12,980	**21,827**
Dividends paid	-	-	-	-	**-**
Balance as at 30 September 2026	**575,522**	**5,378**	**1,998**	**7,508**	**590,406**

As at 30 September 2025 (Unaudited)					
Balance as at 31 March 2025	540,983	5,178	355	(18,784)	**527,732**
Net surplus for the period	13,923	-	-	-	**13,923**
Other comprehensive income for the period					
Amortised to income statement	-	-	-	2,803	**2,803**
Revaluation/change in fair value	-	-	4,907	(7,999)	**(3,092)**
Current/deferred tax impact	-	-	(1,374)	608	**(766)**
Total comprehensive income for the period	13,923	-	3,533	(4,588)	**12,868**
Dividends paid	-	-	-	-	**-**
Balance as at 30 September 2025	554,906	5,178	3,888	(23,372)	**540,600**

As at 31 March 2026 (Audited)					
Balance as at 31 March 2025	540,983	5,178	355	(18,784)	**527,732**
Net surplus for the year	25,554	-	-	-	**25,554**
Other comprehensive income for the year					
Amortised to income statement	-	-	-	(1,686)	**(1,686)**
Revaluation/change in fair value	-	274	2,474	20,604	**23,352**
Current/deferred tax impact	-	(74)	(693)	(5,606)	**(6,373)**
Total comprehensive income for the year	25,554	200	1,781	13,312	**40,847**
Dividends paid	-	-	-	-	**-**
Balance as at 31 March 2026	566,537	5,378	2,136	(5,472)	**568,579**

The accounting policies and other notes form part of, and should be read in conjunction with, these financial statements.

Southland Building Society

Statement of Financial Position as at 30 September 2026

All in $000's

	Note	Unaudited 30/09/2026	Unaudited 30/09/2025	Audited 31/03/2026
Assets				
Cash on hand and at bank		69,369	57,347	62,364
Funds with financial institutions and central bank		3,047	35,401	83,344
Investment securities		761,603	753,165	749,920
Derivative financial instruments		44,708	32,028	32,876
Current tax assets		9,717	2,168	2,351
Advances to customers	(5)	5,830,845	5,655,904	5,662,409
Other assets		84,616	83,420	79,940
Property, plant and equipment		35,040	27,363	32,930
Right-of-use assets		19,667	17,227	16,835
Goodwill and intangible assets		16,221	14,437	12,576
Net deferred tax assets		4,310	17,627	9,303
		6,879,143	**6,696,087**	**6,744,848**
Liabilities				
Redeemable shares		4,420,942	4,401,046	4,454,567
Deposits from customers		31,235	39,898	34,762
Commercial paper		337,430	388,158	382,065
Due to other financial institutions		594,510	616,790	380,370
Medium term notes	(11)	697,424	463,211	693,974
Derivative financial instruments		21,362	68,274	36,862
Other liabilities		80,389	70,416	87,456
Subordinated redeemable shares		105,445	107,694	106,213
		6,288,737	**6,155,487**	**6,176,269**
Net assets		**590,406**	**540,600**	**568,579**
Equity				
Reserves		14,884	(14,306)	2,042
Retained earnings		575,522	554,906	566,537
Attributable to members of the society		**590,406**	**540,600**	**568,579**

For and on behalf of the Board of Directors:

Chairperson
AJ O'Connell

Deputy Chairperson
KJ Murphy

26 November 2026

The accounting policies and other notes form part of, and should be read in conjunction with, these financial statements.

Southland Building Society

Statement of Cash Flows for the six months ended 30 September 2026

All in $000's

	Unaudited 6 Months 30/09/2026	Unaudited 6 Months 30/09/2025	Audited 12 Months 31/03/2026
Cash flows from operating activities			
Interest and dividends received	185,877	213,470	404,150
Interest and dividends paid	(106,655)	(141,566)	(261,072)
Other cash inflows provided by operating activities	28,995	27,517	58,566
Other cash outflows used in operating activities	(110,819)	(84,383)	(143,640)
Net cash flows from operating activities before changes in operating assets and liabilities	(2,602)	15,038	58,004
Net changes in operating assets and liabilities	(12,193)	(5,290)	(220,598)
Net cash flows provided by/(used in) operating activities	**(14,795)**	**9,748**	**(162,594)**
Cash flows from investing activities			
Cash inflows provided by investing activities	76,652	55,324	136,739
Cash outflows used in investing activities	(96,804)	(71,960)	(161,605)
Net cash flows provided by/(used in) investing activities	**(20,152)**	**(16,636)**	**(24,866)**
Cash flows from financing activities			
Cash inflows provided by financing activities	634,813	611,524	1,457,769
Cash outflows used in financing activities	(673,131)	(611,230)	(1,223,905)
Net cash flows provided by/(used in) financing activities	**(38,318)**	**294**	**233,864**
Net increase/(decrease) in cash held	(73,265)	(6,594)	46,404
Add opening cash and cash equivalents	145,677	99,273	99,273
Closing cash and cash equivalents	**72,412**	**92,679**	**145,677**
Reconciliation of cash and cash equivalents			
Cash on hand and at bank	69,369	57,347	62,364
Funds with financial institutions and central bank	3,047	35,401	83,344
Interest accrued	(4)	(69)	(31)
	72,412	**92,679**	**145,677**
Reconciliation of net surplus to net operating cash flows			
Net surplus for period	8,985	13,923	25,554
Non-cash items	17,112	17,295	39,957
Deferral or accruals of past or future operating cash receipts or payments	(40,919)	(21,464)	(228,137)
Items classified as cash	27	(6)	32
Net cash flows from operating activities	**(14,795)**	**9,748**	**(162,594)**

The accounting policies and other notes form part of, and should be read in conjunction with, these financial statements.

1. Significant Accounting Policies

(a) Basis of Preparation

Southland Building Society (SBS) was established in 1869, is incorporated under the Building Societies Act 1965, and is registered as a bank under the Reserve Bank of New Zealand Act 1989. The consolidated financial statements presented here are for the reporting entity of the Banking Group comprising SBS and its subsidiaries.

These financial statements were authorised for issue by the Board of Directors on 26 November 2026.

These financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice ("NZ GAAP"), NZ IAS 34 Interim Financial Reporting, Financial Markets Conduct Act 2013 and the Registered Bank Disclosure Statement (New Zealand Incorporated Registered Banks) Order 2014 (as amended) and should be read in conjunction with the Banking Group's financial statements for the year ended 31 March 2026.

(b) Changes in Accounting Policies

There have been no changes in accounting policies and all accounting policies adopted are consistent with those used in the financial year ended 31 March 2026.

2. Risk Management Policies

There has been no material change in the Banking Group's policies for managing risk, or material exposures to any new types of risk since the authorisation date of the previous Disclosure Statement on 28 May 2026.

3. Management Judgement, Estimates and Assumptions

The Banking Group considers the collective provision on advances to customers and related commitments as an area that requires significant management judgement and estimation. Estimation uncertainty remains at a heightened level due to the impact of changing interest rates, inflationary pressures and ongoing geopolitical tensions around the world. Refer to Note 6(e) - Basis of Inputs, Key Judgements and Assumptions used in the Calculation of ECL and Note 6(f) - Sensitivity of the Collective Provision ECL for further information on impact on ECL and related sensitivity analysis on assumptions made.

4. Financial Assets Pledged as Collateral

As at 30 September 2026, no investments were encumbered through repurchase agreements (30 September 2025 $nil).

Funding for lending program
The funding for lending programme ("FLP") allowed the Bank to borrow directly from the RBNZ at the floating Official Cash Rate ("OCR") for a term of three years, secured by high quality collateral, and was open from 7 December 2020 to 6 December 2022.

The Bank's allocation made up of an initial allocation of 4% when launched and an additional incentive-based allocation of 2% based on new lending since inception.

As at 30 September 2026, the Bank had fully repaid all drawings under the Funding for lending program (30 September 2025 $82 million), with the prior period balance included in the category 'Due to other financial institutions' in the statement of financial position. As at 30 September 2026, no residential mortgage-backed securities ("RMBS") were pledged as approved collateral, as all associated lending had been repaid (30 September 2025: $111 million).

5. Advances to Customers

	Note	Unaudited 30/09/2026	Unaudited 30/09/2025	Audited 31/03/2026
Residential		4,625,692	4,432,267	4,471,568
Agricultural		-	20,283	12,945
Commercial		112,781	108,030	101,375
Consumer		1,112,566	1,125,936	1,104,018
Gross advances		**5,851,039**	**5,686,516**	**5,689,906**
Provisions for credit impairment	(6(b))	(36,706)	(41,945)	(39,789)
Deferred fee revenue and expenses		16,512	11,333	12,292
Total net advances		**5,830,845**	**5,655,904**	**5,662,409**

Included in advances to customers are $88.2 million (30 September 2025 $93.5 million, 31 March 2026 $88.7 million) of reverse equity mortgages which are valued at fair value through profit or loss rather than at amortised cost.

6. Asset Quality and Provisions for Credit Impairment

(a) Asset quality - advances to customers

As at 30 September 2026	Residential Mortgages	Retail Exposures	Corporate Exposures	Total
Neither past due or impaired	4,588,339	995,108	106,062	**5,689,509**
Individually impaired	2,176	-	-	**2,176**
Past due	59,025	113,751	3,090	**175,866**
Provision for credit impairment	(6,648)	(28,847)	(1,211)	**(36,706)**
Carrying amount	**4,642,892**	**1,080,012**	**107,941**	**5,830,845**

- **Residential mortgages** comprise advances to individuals and corporates that are secured against residential properties. The security against these loans include investments in residential property as well as owner-occupied housing.

- **Retail exposures** comprise consumer personal, consumer finance, consumer credit card and motor vehicle lending.

- **Corporate exposures** comprise primarily advances to individuals, corporates or small to medium enterprises that are secured against commercial or agricultural properties.

6. Asset Quality and Provisions for Credit Impairment (continued)

(b) Provision for credit impairment - Statement of financial position

		Expected Credit Losses			Specific Provision	
As at 30 September 2026	**Note**	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 3**	**Total**
Residential mortgages		3,289	1,304	1,570	485	6,648
Retail exposures		14,530	6,800	7,517	-	28,847
Corporate exposures		569	202	440	-	1,211
Total advances to customers	(5)	18,388	8,306	9,527	485	36,706
Residential mortgages		95	2	-	-	97
Retail exposures		980	-	-	-	980
Corporate exposures		18	1	-	-	19
Total off-balance sheet credit related commitments		1,093	3	-	-	1,096
Funds with financial institutions		-	-	-	-	-
Investment securities		309	-	-	-	309
		19,790	**8,309**	**9,527**	**485**	**38,111**
As at 30 September 2025						
Residential mortgages		4,337	2,490	2,044	110	8,981
Retail exposures		16,708	7,639	6,525	-	30,872
Corporate exposures		941	345	806	-	2,092
Total advances to customers	(5)	21,986	10,474	9,375	110	41,945
Residential mortgages		115	-	-	-	115
Retail exposures		1,113	-	-	-	1,113
Corporate exposures		146	9	-	-	155
Total off-balance sheet credit related commitments		1,374	9	-	-	1,383
Funds with financial institutions		19	-	-	-	19
Investment securities		280	-	-	-	280
		23,659	**10,483**	**9,375**	**110**	**43,627**
As at 31 March 2026						
Residential mortgages		3,358	2,019	1,251	290	6,918
Retail exposures		16,289	8,460	7,052	-	31,801
Corporate exposures		568	194	308	-	1,070
Total advances to customers	(5)	20,215	10,673	8,611	290	39,789
Residential mortgages		90	2	-	-	92
Retail exposures		1,058	-	-	-	1,058
Corporate exposures		26	1	-	-	27
Total off-balance sheet credit related commitments		1,174	3	-	-	1,177
Funds with financial institutions		47	-	-	-	47
Investment securities		299	-	-	-	299
		21,735	**10,676**	**8,611**	**290**	**41,312**

6. Asset Quality and Provisions for Credit Impairment (continued)

(c) Provision for credit impairment - Statement of financial position movement

The following tables present the movement in the provision for credit impairment.

	Expected Credit Losses			Specific Provision	
Advances to customers	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 3**	**Total**
Balance at the beginning of the period	20,215	10,673	8,611	290	39,789
Changes to the opening balance due to transfer between stages:					
Transferred to collective provision 12-months ECL	4,851	(3,925)	(926)	-	-
Transferred to collective provision lifetime ECL not credit impaired	(742)	1,294	(552)	-	-
Transferred to collective provision lifetime ECL credit impaired	(500)	(1,498)	1,998	-	-
New provisions	2,656	5,146	5,883	195	13,880
Charge/(credit) to income statement excluding transfers	(1,051)	109	402	-	(540)
Assets derecognised and payments made	(7,040)	(3,493)	(5,890)	-	(16,423)
	18,389	**8,306**	**9,526**	**485**	**36,706**
Credit related commitments					
Balance at the beginning of the period	1,174	3	-	-	1,177
Changes to the opening balance due to transfer between stages:					
Transferred to collective provision 12-months ECL	(12)	12	-	-	-
Transferred to collective provision lifetime ECL not credit impaired	(11)	-	11	-	-
Transferred to collective provision lifetime ECL credit impaired	-	-	-	-	-
Transferred to specific provision lifetime ECL credit impaired	77	(12)	(11)	-	54
New provisions	2	-	-	-	2
Charge/(credit) to income statement excluding transfers	(5)	-	-	-	(5)
Recovery of amounts written off	(132)	-	-	-	(132)
Assets derecognised and payments made	-	-	-	-	-
	1,093	**3**	**-**	**-**	**1,096**

(d) Credit impairment income statement reconciliation

The following provides a reconciliation of the movements in provisions for credit impairment reported in the income statement:

	Unaudited 30/09/2026	Unaudited 30/09/2025	Audited 31/03/2026
Bad debts written off/recovered during the period	17,992	14,821	31,287
Individual provisions charge/(release)	195	-	290
Collective provision charge/(release)	(3,357)	990	(1,551)
Other credit provisions charge/(release)	(37)	8	55
Provision for credit impairment to income statement	**14,793**	**15,819**	**30,081**

6. Asset Quality and Provisions for Credit Impairment (continued)

(e) Basis of inputs, key judgements and assumptions used in the calculation of ECL

The following table summarises the key judgements and assumptions in relation to the model inputs, the interdependencies between those inputs and highlights significant changes during the current period. The methodology used to estimate expected credit losses is consistent with that applied in prior periods.

Judgement	Description	Changes and considerations during the period ended
Determining when a significant increase in credit risk has occurred	In the measurement of ECL, judgement is involved in setting the rules and trigger points to determine whether there has been a significant increase in risk since initial recognition of a loan, such as hardship applications or missing payments, which would result in the financial asset moving from Stage 1 to Stage 2. This is a key area of judgement since transition from Stage 1 to Stage 2 increases the ECL from an allowance based on the probability of default in the next 12 months, to an allowance for lifetime expected credit losses. Subsequent decreases in credit risk resulting in transition from Stage 2 to Stage 1 may similarly result in significant changes in the ECL allowance.	As there remains a considerable amount of uncertainty during the economic recovery, the Banking Group continues to treat watchlist and hardship loans as higher risk. The Banking Group will continue to regularly evaluate customer impacts and will make appropriate adjustment to credit evaluations as and when deemed appropriate. The application of significant increase in credit risk is consistent with prior periods.
Measuring both 12-month and lifetime credit losses	ECL is a function of the probability of default ("PD"), the loss given default ("LGD") and the exposure at default ("EAD"). These are point in time measures reflecting the relevant forward looking information determined by management. Judgement is involved in determining which forward-looking information variables are relevant for particular lending portfolios and for determining the sensitivity of the parameters to movements in these forward looking variables.	The Bank uses probability weighted scenarios to determine the expected distribution of credit loss outcomes. The scenarios were developed based on external macroeconomic forecasts from across the finance sector, the Bank's internal modelling and management judgement. The macro-economic variables used by the Bank are unemployment and GDP growth. Historical loss data is reviewed and, where necessary, updated annually to ensure alignment with current lending practices and recent loss experience.
Probability weighting of each economic scenario (base, pessimistic, optimistic)	Probability weighting of each economic scenario is determined by management considering the risk and uncertainties surrounding the base case economic scenario at each measurement date.	The Banking Group continues to use average weightings for the Bank as follows: - 50% for base scenario; - 25% pessimistic; and - 25% optimistic.
Management temporary adjustments	Management adjustments to the ECL allowances are adjustments used when it is deemed that existing inputs, assumptions and model techniques do not capture all the risk factors relevant to the lending portfolios. The use of management adjustments may impact the amount of ECL recognised.	The Banking Group continues to use a adjustment to capture all the risk factors relevant to the lending portfolio, which include GDP volatility, continued cost of living pressures and increasing interest rates which will directly affect borrowers. These risks are not captured by the normal macro-economic variables unemployment and GDP. The overlay will be reduced as management become more satisfied with the diminishing effects of the current economic and geopolitical environment on the Banking Group's loan book. Conversely, the provisions may increase if management become concerned with the potential worsening in economic conditions.

6. Asset Quality and Provisions for Credit Impairment (continued)

(f) Sensitivity of the collective provision ECL

To provide a better understanding on the sensitivity of the credit impairment calculation based on the assumptions made, the Banking Group performed sensitivity analysis on the ECL. The sensitivity primarily reflects the impact on parent ECL (mainly relating to residential and corporate exposures), while historical loss experience for retail exposures has not shown a correlation to specific individual macro-economic indicators. The impact of macro-economic uncertainty for retail exposures has been incorporated by increasing the historical loss experience rates by a total of approximately 5%.

	Base	% change	Increase	Decrease
- Unemployment	as high as 5.6%	+/- 1%	1,855	(1,907)
- GDP	as low as 2.1%	+/- 1%	(1,002)	980
- Temporary adjustment		+/- 100%	2,208	(2,345)

7. Contingent Liabilities and Credit Related Commitments

	Unaudited Contract or Notional Amt 30/09/2026	Unaudited Credit Equivalent 30/09/2026	Unaudited Contract or Notional Amt 30/09/2025	Unaudited Credit Equivalent 30/09/2025	Audited Contract or Notional Amt 31/03/2026	Audited Credit Equivalent 31/03/2026
Credit related commitments						
Commitments with uncertain drawdown	113,729	56,865	87,860	43,930	88,694	44,347
Commitments to extend credit which can be unconditionally cancelled	266,927	-	275,823	-	268,051	-
Total credit related commitments	**380,656**	**56,865**	**363,683**	**43,930**	**356,745**	**44,347**

The Banking Group may, from time to time, be subject to claims, proceedings or other matters arising in the ordinary course of business. Where relevant, appropriate advice is obtained and provisions and/or disclosures are made where considered necessary. At balance date, there were no such matters expected to have a material impact on the financial position of the Banking Group.

8. Related Parties

The Banking Group is controlled by SBS who is also the ultimate parent.

At 30 September 2026 there are no amounts due from, or due to any related entities that are outside of the Banking Group.

9. Credit Risk

The nature of SBS's activities as a financial intermediary necessitates SBS dealing in financial instruments that contain an inherent element of credit risk. Credit exposure means the amount of the maximum loss that SBS could incur as a result of the counterparty to a contract failing to discharge its obligations, without taking into account the value of collateral, guarantees, indemnities, other support arrangements and any potential recoveries. SBS's activities are conducted within the bounds of prudent and conservative banking practice.

The Banking Group's main activity is the provision of residential mortgage finance which comprises 80% (30 September 2025 78%; 31 March 2026 79%) of the Banking Group's loan portfolio and is undertaken throughout New Zealand. Consumer loans which comprise 19% (30 September 2025 20%; 31 March 2026 19%) of the Banking Group's loan portfolio are largely concentrated across Auckland and the rest of the North Island.

(a) The maximum exposures to credit risk

	Unaudited 30/09/2026	Unaudited 30/09/2025	Audited 31/03/2026
Cash on hand and at bank	69,369	57,347	62,364
Funds with financial institutions and central bank	3,047	35,401	83,344
Investment securities	761,603	753,165	749,920
Derivative financial instruments	44,708	32,028	32,876
Current tax assets	9,717	2,168	2,351
Advances to customers	5,830,845	5,655,904	5,662,409
Other assets	84,616	83,420	79,940
Total on-balance sheet credit exposures	**6,803,905**	**6,619,433**	**6,673,204**
Off balance sheet exposures - undrawn commitments	380,656	363,683	356,745
Total credit exposures	**7,184,561**	**6,983,116**	**7,029,949**

(b) Concentrations of credit risk by geographical location

	Unaudited 30/09/2026	Unaudited 30/09/2025	Audited 31/03/2026
Auckland	2,041,074	1,847,464	1,918,666
North Island other	2,198,770	2,117,348	2,137,431
Canterbury	1,156,284	1,204,417	1,172,874
Otago	702,267	709,461	707,027
Southland	686,470	703,347	695,410
South Island other	256,630	254,627	254,894
Overseas	143,066	146,452	143,647
Total concentrations of credit risk by geographical location	**7,184,561**	**6,983,116**	**7,029,949**

10. Fair Value of Financial Instruments

Carrying values and the fair values of those assets and liabilities that are not presented at fair value in the Statement of Financial Position or where carrying value is not a reasonable approximation of fair value are outlined below:

	Unaudited Carrying value 30/09/2026	Unaudited Fair value 30/09/2026	Unaudited Carrying value 30/09/2025	Unaudited Fair value 30/09/2025	Audited Carrying value 31/03/2026	Audited Fair value 31/03/2026
Financial assets						
Advances to customers	5,742,625	5,734,595	5,562,394	5,585,851	5,573,687	5,579,705
Total financial assets	**5,742,625**	**5,734,595**	**5,562,394**	**5,585,851**	**5,573,687**	**5,579,705**
Financial liabilities						
Redeemable shares	4,420,942	4,412,119	4,401,046	4,527,170	4,454,567	4,452,459
Deposits from customers	31,235	31,155	39,898	44,593	34,762	34,743
Medium term notes	697,424	716,997	463,211	472,609	693,974	711,881
Subordinated redeemable shares	105,445	109,472	107,694	111,473	106,213	111,890
Total financial liabilities	**5,255,046**	**5,269,743**	**5,011,849**	**5,155,845**	**5,289,516**	**5,310,973**

The Banking Group uses valuation techniques within the following hierarchy for determining the fair value of financial instruments:

Level 1: Fair values are determined using quoted (unadjusted) prices in active markets for identical assets and liabilities;
Level 2: Fair values are determined using other techniques where all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly; and
Level 3: Fair values are determined using techniques that use inputs which have a significant effect on the recorded fair value and are not based on observable market data.

Financial assets and liabilities that are recognised and measured at fair value on a recurring basis are categorised below:

As at 30/09/2026 (Unaudited)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Derivative financial assets	-	44,646	-	**44,646**
Investment securities	-	761,913	-	**761,913**
Advances to customers - REM	-	-	88,220	**88,220**
Total financial assets	**-**	**806,559**	**88,220**	**894,779**
Financial liabilities				
Derivative financial instruments	-	21,330	-	**21,330**
Total financial liabilities	**-**	**21,330**	**-**	**21,330**

As at 30/09/2025 (Unaudited)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Derivative financial assets	-	32,028	-	**32,028**
Investment securities	-	753,445	-	**753,445**
Advances to customers - REM	-	-	93,510	**93,510**
Total financial assets	**-**	**785,473**	**93,510**	**878,983**
Financial liabilities				
Derivative financial instruments	-	68,274	-	**68,274**
Total financial liabilities	**-**	**68,274**	**-**	**68,274**

As at 31/03/2026 (Audited)	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets				
Derivative financial assets	-	32,876	-	**32,876**
Investment securities	-	750,219	-	**750,219**
Advances to customers - REM	-	-	88,722	**88,722**
Total financial assets	**-**	**783,095**	**88,722**	**871,817**
Financial liabilities				
Derivative financial instruments	-	36,862	-	**36,862**
Total financial liabilities	**-**	**36,862**	**-**	**36,862**

Further information on valuation techniques and assumptions for specific asset classes is included in Notes 20 and 21 of the Bank's annual Disclosure Statement.

11. Subsequent Events

During November 2026, the Bank issued unsecured, senior, floating rate notes. The notes were assigned a A- credit rating from Fitch Ratings.

Issue date	9 November 2026
Issue amount	$100 million
Face value	$1
Interest frequency	Quarterly in arrears
Interest rate	3 month BKBM on the first day of each coupon period plus 0.80%
Maturity	9 November 2029

There have been no other material subsequent events after 30 September 2026.

A1. General disclosures

A1.1 Guarantee Arrangements

As at the signing date of this Disclosure Statement, the material obligations of the Registered Bank are not guaranteed.

A1.2 Directorate

All directors of the Bank reside in New Zealand. All directors can be contacted at Southland Building Society, 51 Don Street, Invercargill.

A1.3 Auditors

KPMG
Level 6, 44 Bowen Street
Wellington

A1.4 Conditions of Registration

Changes to the Bank's Conditions of Registration during the period

The following changes have been made to the Bank's conditions of registration during the period since the reporting date of the previous Disclosure Statement:

Until 31 October 2026, for the purpose of determining risk-weights under BPR131: Standardised Credit Risk RWAs, the bank may use the risk-weights specified in the 1 July 2024 version of BPR131;

From 1 November 2026 to 31 March 2027, for the purpose of determining risk-weights under BPR131: Standardised Credit Risk RWAs, the bank may use the risk-weights specified in the 1 July 2024 version of BPR131 except for the risk-weights specified for residential mortgage loans which must use the risk-weights specified in the 1 October 2026 version of BPR131.

In these conditions of registration, the version dates of the Reserve Bank of New Zealand Banking Prudential Requirements (BPR) documents that are referred to in the capital adequacy conditions 1 to 1C, or are referred to in turn by those documents or by Banking Supervision Handbook (BS) documents, are -

BPR document	Version date
BPR110: Capital definitions	1 October 2026
BPR120: Capital adequacy process requirements	1 October 2026
BPR130: Credit risk RWAs overview	1 October 2026
BPR131: Standardised credit risk RWAs	1 October 2026
BPR133: IRB credit risk RWAs	1 October 2026
BPR001: Glossary	1 October 2026

A1.5 Pending Proceedings or Arbitration

There are no pending proceedings at the date of this Disclosure Statement that may have a material adverse effect on the Registered Bank or the Banking Group.

A1.6 Credit Rating

As at 30 September 2026, the credit rating assigned to Southland Building Society is BBB+. This credit rating is applicable to long term unsecured obligations payable in New Zealand, in New Zealand dollars. The credit rating was issued by Fitch Ratings on 15 May 2026. The previous credit rating of BBB+ was issued by Fitch Ratings on 22 February 2026. The rating is not subject to any qualifications.

A1. General disclosures

A1.7 Other Material Matters

The Depositor Compensation Scheme (DCS) took effect from 1 July 2025. Transaction accounts, term deposits, savings and notice accounts are protected deposits under the depositor compensation scheme, which protects up to $100,000 per eligible depositor per deposit taker. For more information about the scheme, please refer to the Reserve Bank of New Zealand's internet site at www.rbnz.govt.nz/dcs.

The Bank's Directors are of the opinion that there are no other matters relating to the business or affairs of the Registered Bank or the Banking Group which would, if disclosed in this Disclosure Statement, materially adversely affect the decision of a person to subscribe for debt securities of which the Registered Bank or any members of the Banking Group is the issuer.

A2. Additional financial disclosures

A2.1 Additional information on the statement of financial position

	30/09/2026
Total interest earning and discount bearing assets	6,701,570
Total interest and discount bearing liabilities	5,857,435
Total amounts due from related entities	-
Total amounts due to related entities	-
Securities sold under agreement to repurchase	-
Residential mortgage pledged as security for repurchase agreements with RBNZ	-

A2.2 Additional information on the income statement

Fee and commission income	30/09/2026
Asset management fees	7,467
Lending fees	3,397
Credit card fees	1,646
Current and funding account fees	988
Other fee and commission income	1,897
Total fee and commission income	15,395
Fee and commission expense	(545)
Net fee and commission income	**14,850**

Insurance service result and other operating income	30/09/2026
Insurance revenue	4,751
Insurance service expenses	(5,087)
Net (expenses)/revenue from reinsurance contracts held	320
Insurance service result	**(16)**
Dividends	-
Sundry income	719
Other income	**719**
	703

Net gain/(loss) from financial instruments	30/09/2026
Investment securities	438
Derivative financial instruments	(5,159)
Hedge ineffectiveness on cash flow hedges	666
Advances to customers	-
Liabilities	4,841
	786

A2. Additional financial disclosures (continued)

A2.3 Additional information on concentrations of credit risk

Composition of financial instruments that give rise to credit risk by sector are presented below:

	30/09/2026
Residential	4,159,873
Residential investing	707,655
Commercial finance	39,705
Commercial other	82,237
Commercial vehicle	9,979
Consumer vehicle	733,871
Consumer lending	301,125
Consumer credit card	177,057
Local authority	163,854
NZ registered banks	463,998
Multilateral development banks and other international institutions	76,827
Corporate investments	174,047
Other	94,333
Total concentrations of credit risk by sector	**7,184,561**

A2.4 Additional information on concentrations of funding

(a) Concentrations of funding by product	**30/09/2026**
Redeemable shares	4,420,942
Deposits from customers	31,235
Medium term note	697,424
Commercial paper	337,430
Due to other financial institutions	594,510
Subordinated redeemable shares	105,445
Total concentrations of funding by product	**6,186,986**

(b) Concentrations of funding by geographical location	**30/09/2026**
North Island other	980,689
Auckland	1,153,078
Canterbury	996,879
Otago	1,070,187
Southland	1,180,674
South Island other	418,957
Overseas	386,522
Total concentrations of funding by geographical location	**6,186,986**

A2. Additional financial disclosures (continued)

A2.5 Additional information on interest rate sensitivity

The interest rate repricing schedule below reflects financial position financial assets and liabilities and has been prepared on the basis of the next repricing date.

As at 30 September 2026 (Unaudited)	Up to 3 Months	3-6 Months	6-12 Months	12-24 Months	>24 Months	Non-Interest Bearing	Total
Assets							
Cash on hand and at bank	69,369	-	-	-	-	-	**69,369**
Funds with financial institutions and central bank	3,047	-	-	-	-	-	**3,047**
Investment securities	141,840	56,565	69,816	135,228	358,154	-	**761,603**
Derivative financial instruments	-	-	-	-	-	44,708	**44,708**
Current tax assets	-	-	-	-	-	9,717	**9,717**
Advances to customers	1,133,528	534,839	1,400,394	1,566,186	1,232,604	(36,706)	**5,830,845**
Other assets	-	-	-	-	-	159,854	**159,854**
	1,347,784	591,404	1,470,210	1,701,414	1,590,758	177,573	**6,879,143**
Liabilities and equity							
Redeemable shares	1,557,105	852,536	1,443,804	165,029	72,917	329,551	**4,420,942**
Deposits from customers	7,746	6,049	15,269	2,026	145	-	**31,235**
Medium term notes	247,306	-	150,079	-	300,039	-	**697,424**
Commercial paper	248,547	88,883	-	-	-	-	**337,430**
Due to other financial institutions	594,510	-	-	-	-	-	**594,510**
Derivative financial instruments	-	-	-	-	-	21,362	**21,362**
Other liabilities	-	-	-	-	-	80,389	**80,389**
Subordinated redeemable shares	-	-	-	-	105,445	-	**105,445**
Equity	-	-	-	-	-	590,406	**590,406**
	2,655,214	947,468	1,609,152	167,055	478,546	1,021,708	**6,879,143**
On-balance sheet interest sensitivity gap	(1,307,430)	(356,064)	(138,942)	1,534,359	1,112,212	(844,135)	**-**
Net balance of derivative financial instruments	1,687,860	335,900	(115,000)	(1,339,500)	(569,260)	-	**-**
Total interest rate sensitivity gap	**380,430**	**(20,164)**	**(253,942)**	**194,859**	**542,952**	**(844,135)**	**-**

A2. Additional financial disclosures (continued)

A2.6 Additional information on liquidity risk

Maturity analysis of financial liabilities

The maturity profiles of assets and liabilities and loan commitments show the cash flows and have been prepared on both a contractual and undiscounted maturity basis as at balance date. These have been created using a run-off scenario which assumes no further origination of assets or liabilities.

The maturity profiles reflect the remaining period to contractual maturity of liabilities as at balance date. This is not considered by the Banking Group to be in any way indicative of future cash flows. This is primarily because a significant proportion of the Banking Group's redeemable shares and deposits are renewed at maturity and therefore do not have a cash flow impact. Historical experience has shown that such balances are a stable source of funding for the Banking Group.

The maturity profiles include interest cash flows expected to maturity. Note that the resulting undiscounted financial liabilities do not reflect how the Banking Group manages its liquidity risk. As set out above, the Banking Group manages liquidity through the maintenance of a portfolio of liquid assets and committed funding lines and as such no expected maturity profile is presented.

Monetary liabilities payable as at 30 September 2026 (contractual cash flows including expected interest to maturity)

Liabilities	On demand	0-6 Months	6-12 Months	12-24 Months	24-60 Months	> 60 Months	Total
Redeemable shares	409,226	2,387,788	1,451,698	177,492	75,336	-	**4,501,540**
Deposits from customers	-	17,434	17,438	2,022	147	-	**37,041**
Medium term notes	-	17,234	164,080	28,159	565,691	-	**775,164**
Commercial paper	-	340,000	-	-	-	-	**340,000**
Due to other financial institutions	-	140,470	8,522	427,624	52,795	-	**629,411**
Derivative financial instruments							
- cash outflows	43	20,558	20,637	32,425	224,494	877	**299,034**
- cash inflows	(56)	(25,311)	(18,312)	(27,687)	(255,864)	(863)	**(328,093)**
Other liabilities	-	1,698	1,499	2,933	7,839	13,019	**26,988**
Subordinated redeemable shares	-	4,530	4,530	9,073	27,181	127,469	**172,783**
Total liabilities (inclusive of interest)	**409,213**	**2,904,401**	**1,650,093**	**652,041**	**697,619**	**140,502**	**6,453,868**
Unrecognised loan commitments	113,729	-	-	-	-	-	**113,729**

Liquidity portfolio management

To meet both expected and unexpected fluctuations in operating cash flows the Banking Group maintains a stock of core liquid assets to adequately meet day-to-day operational requirements, a potential crisis or 'funding stress' scenario.

Total liquidity includes committed but undrawn funding lines with other registered banks.

The Banking Group also has an in-house residential mortgage backed security (RMBS) facility (the SBS Oreti Trust No. 2) that issues securities which can be used as collateral for borrowing from the RBNZ under its liquidity management arrangements. Whilst not intended to be used for standard daily liquidity requirements, this facility is available as contingent funding and accordingly core liquid assets includes this RMBS. The eligible RMBS collateral is discounted for the 'haircut'[1] that applies to those securities under the RBNZ's Domestic Operations for the purposes of those operations.

Core liquid assets	**30/09/2026**
Cash on hand and at bank	69,369
Funds with central bank	-
Funds with financial institutions[2]	3,048
Investment securities	761,603
Committed and undrawn funding lines[2]	112,000
Eligible RMBS collateral (less haircut[1])[3]	209,863
Total liquidity	**1,155,883**

[1] A "haircut" is a percentage that is subtracted from the par value of the assets that are being used as collateral. The size of the haircut reflects the perceived risk associated with holding the assets.

[2] The Group also has another $37.84 million available funding, not included as core liquid assets, in two of the securitisation vehicles. This is subject to having sufficient assets available to be securitised and has therefore not been included.

[3] Refer to Note 4 - Financial Assets Pledged as Collateral for funding drawn down against eligible RMBS collateral.

A2. Additional financial disclosures (continued)

A2.7 Reconciliation of mortgage-related amounts

	30/09/2026
Gross residential mortgage loans (Note 5)	4,625,692
Other lending residentially secured	35,685
Provision for credit impairment relating to residential mortgages (Note 6(b))	(6,648)
Deferred fee revenue and expenses relating to residential mortgages	23,848
Residential mortgage loans net of provision for impairment	4,678,580
Off balance sheet exposures - undrawn commitments	224,636
Total on and off balance sheet residential mortgage loans (Note A4)	**4,903,216**

A3. Asset quality

This section should be read in conjunction with the estimates, assumptions and judgements included in Note 1 - Significant Accounting Policies, Note 6 - Asset Quality and Provisions for Credit Impairment and Note 9 - Credit Risk.

A3.1 Movement in provisions and gross exposures

	Expected Credit Losses			Specific Provision	
As at 30 September 2026	**Stage 1**	**Stage 2**	**Stage 3**	**Stage 3**	**Total**
Residential Mortgages					
Movement in provision relating to advances to customers					
Balance at beginning of period	3,358	2,019	1,251	290	6,918
Changes to the opening balance due to transfer between stages	809	(888)	79	-	-
New provisions	172	173	402	195	942
Assets derecognised and payments made	(1,050)	-	(162)	-	(1,212)
Balance at end of period - Residential Mortgages	**3,289**	**1,304**	**1,570**	**485**	**6,648**
Movement in provision relating to undrawn commitments					
Balance at beginning of period	90	3	-	-	93
Changes to the opening balance due to transfer between stages	-	-	-	-	-
New provisions	2	-	-	-	2
Assets derecognised and payments made	2	-	-	-	2
Balance at end of period - Residential Mortgages	**94**	**3**	**-**	**-**	**97**

Movement in gross exposures on loss allowances	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Balance at beginning of period	4,592,701	25,850	15,699	4,634,250
Changes to the opening balance due to transfer between stages:				
Transferred to Stage 1	10,257	(7,818)	(2,439)	-
Transferred to Stage 2	(5,757)	8,720	(2,963)	-
Transferred to Stage 3	(7,422)	(5,745)	13,167	-
New loans	739,158	634	113	739,905
Assets derecognised and payments made	(501,723)	(2,295)	(2,186)	(506,204)
Other movements	(76,351)	(133)	34	(76,450)
Gross exposure - Residential Mortgages	**4,750,863**	**19,213**	**21,425**	**4,791,501**
Provision for credit impairment	(3,383)	(1,307)	(2,055)	(6,745)
Net exposure - Residential Mortgages	**4,747,480**	**17,906**	**19,370**	**4,784,756**

Impact of changes in gross exposures

Overall, credit impairment provisions for residential mortgages exposures decreased $0.3 million (-3.9%) for the six months ending 30 September 2026 due to movement in exposures from stage 2 to stage 1 which carries a lower loss allowance offset by overall increase in exposures by $157.3 million (3%) and an increase in stage 3 exposures.

A3. Asset quality (continued)

A3.1 Movement in provisions and gross exposures (continued)

Retail Exposures	Expected Credit Losses Stage 1	Expected Credit Losses Stage 2	Expected Credit Losses Stage 3	Specific Provision Stage 3	Total
Movement in provision relating to advances to customers					
Balance at beginning of period	16,289	8,460	7,052	-	31,801
Changes to the opening balance due to transfer between stages	2,749	(3,195)	446	-	-
New provisions	2,360	4,960	5,725	-	13,045
Assets derecognised and payments made	(6,868)	(3,425)	(5,706)	-	(15,999)
Balance at end of period - Retail Exposures	**14,530**	**6,800**	**7,517**	**-**	**28,847**
Movement in provision relating to undrawn commitments					
Balance at beginning of period	1,058	-	-	-	1,058
Changes to the opening balance due to transfer between stages	54	-	-	-	54
New provisions	-	-	-	-	-
Recovery of amounts written off	(132)	-	-	-	(132)
Assets derecognised and payments made	-	-	-	-	-
Balance at end of period - Retail Exposures	**980**	**-**	**-**	**-**	**980**

Movement in gross exposures on loss allowances	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of period	1,163,436	24,432	13,358	1,201,227
Changes to the opening balance due to transfer between stages:				
Transferred to Stage 1	9,796	(8,666)	(1,130)	-
Transferred to Stage 2	(16,797)	17,242	(445)	-
Transferred to Stage 3	(9,913)	(3,560)	13,473	-
New loans	292,424	1,888	339	294,651
Assets derecognised and payments made	(267,734)	(9,143)	(11,077)	(287,954)
Gross exposure - Retail Exposures	**1,171,212**	**22,193**	**14,518**	**1,207,924**
Provision for credit impairment	(15,510)	(6,800)	(7,517)	(29,827)
Net exposure - Retail Exposures	**1,155,702**	**15,393**	**7,001**	**1,178,097**

Impact of changes in gross exposure
Overall, credit impairment provisions for retail mortgages exposures decreased $2.9 million (-9.9%) for the six months ending 30 September 2026 due to movement in exposures from stage 2 to stage 1 which carries a lower loss allowance offset by overall increase in exposures by $6.6 million (0.6%) and an increase in stage 3 exposures.

A3. Asset quality (continued)

A3.1 Movement in provisions and gross exposures (continued)

Corporate Exposures	Expected Credit Losses Stage 1	Expected Credit Losses Stage 2	Expected Credit Losses Stage 3	Specific Provision Stage 3	Total
Movement in provision relating to advances to customers					
Balance at beginning of period	568	194	308	-	1,070
Changes to the opening balance due to transfer between stages	51	(46)	(5)	-	-
New provisions	123	122	318	-	563
Charge/(credit) to income statement excluding transfers	-	-	-	-	-
Assets derecognised and payments made	(172)	(68)	(181)	-	(421)
Balance at end of period - Corporate Exposures	**570**	**202**	**440**	**-**	**1,212**
Movement in provision relating to undrawn commitments					
Balance at beginning of period	26	1	-	-	27
Changes to the opening balance due to transfer between stages	-	-	-	-	-
New provisions	-	-	-	-	-
Assets derecognised and payments made	(8)	-	-	-	(8)
Balance at end of period - Corporate Exposures	**18**	**1**	**-**	**-**	**19**

Movement in gross exposures on loss allowances	Stage 1	Stage 2	Stage 3	Total
Balance at beginning of period	132,044	3,604	701	136,349
Changes to the opening balance due to transfer between stages:				
Transferred to Stage 1	278	(240)	(38)	-
Transferred to Stage 2	(1,973)	1,979	(6)	-
Transferred to Stage 3	(487)	(88)	575	-
New loans	20,099	47	8	20,154
Assets derecognised and payments made	(21,945)	(986)	(518)	(23,449)
Other movements	(1,766)	(133)	-	(1,899)
Gross exposure - Corporate Exposures	**126,250**	**4,183**	**722**	**131,155**
Provision for credit impairment	(588)	(203)	(440)	(1,231)
Net exposure - Corporate Exposures	**125,662**	**3,980**	**282**	**129,924**

Impact of changes in gross exposures

Overall, credit impairment provisions for corporate mortgages exposures increased $0.1 million (13.3%) for the six months ending 30 September 2026 due to increase in stage 2 and stage 3 exposures which carries a higher loss allowance offset by overall decrease in exposures by $5.2 million (-3.8%).

A3.2 Past due assets

As at 30 September 2026	Residential Mortgages	Retail Exposures	Corporate Exposures	Total
Past due 0-9 days	21,905	52,040	1,191	**75,136**
Past due 10-29 days	10,417	25,998	402	**36,817**
Past due 0-29 days	32,322	78,038	1,593	**111,953**
Past due 30-59 days	3,153	15,112	565	**18,830**
Past due 60-89 days	4,264	6,458	209	**10,931**
Past due 90+ days	19,286	14,143	723	**34,152**
Carrying amount	**59,025**	**113,751**	**3,090**	**175,866**

A3. Asset quality (continued)

A3.3 Movement in individually impaired assets

As at 30 September 2026	Residential Mortgages	Retail Exposures	Corporate Exposures	Total
Balance at beginning of the period	976	-	-	**976**
Additions to individually impaired assets	1,200	-	-	**1,200**
Reductions to individually impaired assets	-	-	-	**-**
Balance at end of the period	**2,176**	**-**	**-**	**2,176**
Specific provision at end of the period	(485)	-	-	**(485)**
Net carrying amount at end of the period	**1,691**	**-**	**-**	**1,691**

A3.4 Other asset quality information

	30/09/2026
Undrawn balances on individually impaired lending commitments	-
Other assets under administration	-

A4. Capital adequacy under the standardised approach, and regulatory liquidity ratios

A4.1 Regulatory capital ratios	Minimum ratio requirement	BANKING GROUP 30/09/2026	BANKING GROUP 30/09/2025	BANKING GROUP 31/03/2026	REGISTERED BANK 30/09/2026	REGISTERED BANK 30/09/2025	REGISTERED BANK 31/03/2026
Common equity tier 1 capital ratio	4.5%	14.7%	14.4%	15.0%	11.2%	12.0%	11.9%
Tier 1 capital ratio	7.0%	14.7%	14.4%	15.0%	11.2%	12.0%	11.9%
Total capital ratio	9.0%	17.6%	17.3%	18.0%	14.7%	15.6%	15.5%
Prudential capital buffer ratio	2.5%	7.7%	7.4%	8.0%			

A4.2 Qualifying capital

	BANKING GROUP 30/09/2026
Tier one capital	
Common equity tier 1 (CET1) capital	
Retained earnings	566,537
Current period's retained earnings	8,985
FVOCI reserve	1,998
Cash flow hedging reserve	7,508
Less deductions from CET1 capital	
Goodwill and intangible assets	(16,221)
Deferred tax assets	(4,310)
Cash flow hedging reserve	(7,508)
Investments in associates	-
Total CET1 capital	556,989
Additional tier 1 (AT1) capital	
Non-controlling interests (net of deductions and surplus AT1 capital) (Capital in nature)	-
Total AT1 capital	-
Total tier 1 capital	**556,989**
Tier 2 capital	
Revaluation reserves	5,378
Subordinated redeemable shares	104,518
Total tier 2 capital	**109,896**
Total capital	**666,885**

A4. Capital adequacy under the standardised approach, and regulatory liquidity ratios (continued)

A4.3 Total risk weighted assets

BANKING GROUP as at 30 September 2026 **On balance sheet credit exposures**	Total exposure after credit risk mitigation	Risk weighting	Risk weighted exposure	Minimum pillar one capital requirement
Cash	-	0%	-	-
Sovereigns and central banks	-	0%	-	-
Multilateral development banks	143,067	0%	-	-
Public sector entities	96,783	20%	19,357	1,742
Banks				-
Rating grade 1	178,130	20%	35,626	3,206
Rating grade 2	285,867	50%	142,934	12,864
Corporates				-
Rating grade 1	60,348	20%	12,070	1,086
Rating grade 2	40,082	50%	20,041	1,804
Rating grade 3 - 4	15,899	100%	15,899	1,431
Residential mortgages				-
<= 80% loan to value ratio (LVR)	2,502,015	35%	875,705	78,813
80 <= 90% LVR	153,305	50%	76,653	6,899
90 <= 100% LVR	8,076	75%	6,057	545
> 100% LVR	1,674	100%	1,674	151
Impaired	1,689	100%	1,689	152
Property investment residential mortgage				-
<= 80% LVR	866,622	40%	346,649	31,198
80 <= 90% LVR	9,307	70%	6,515	586
90 <= 100% LVR	2,517	90%	2,265	204
Residential mortgages first home loans (Kainga Ora)	1,025,868	20%	205,173	18,466
Reverse residential mortgage loans				-
<= 30% LVR	26,172	40%	10,469	942
30 <= 60% LVR	58,163	50%	29,082	2,617
60 <= 80% LVR	3,659	80%	2,927	263
80 <= 100% LVR	226	100%	226	20
Past due residential mortgages	11,382	100%	11,382	1,024
Past due residential mortgages - Kainga Ora	7,904	20%	1,581	142
Equity holdings	13,844	400%	55,376	4,984
Other assets	1,301,307	100%	1,301,307	117,118
Non-risk weighted assets	65,237	0%	-	-
Total on balance sheet credit exposures	6,879,143		3,180,657	286,257

Off balance sheet credit exposures	Total exposure after credit risk mitigation	Credit conversion factor	Credit equivalent amount	Average risk weighting	Risk weighted exposure / implied risk weighted exposure	Minimum pillar one capital requirement
Commitments with uncertain drawdown	113,729	50%	56,865	65%	37,212	3,349
Commitments to extend credit which can be unconditionally cancelled	266,927	0%	-	0%	-	-
Market related contracts[1]						
Interest rate contracts	7,369,852	n/a	64,057	31%	19,914	1,792
Credit valuation adjustment (CVA)					1,208	109
Total off balance sheet credit exposures	7,750,508		120,922		58,334	5,250
Total credit risk	14,629,651		120,922		3,238,991	291,507
Operational risk	n/a				411,800	32,944
Market risk	n/a				136,957	10,957
Total risk weighted assets	14,629,651				3,787,748	335,408

[1] The credit equivalent amount for market related contracts was calculated using the current exposure method.

A4. Capital adequacy under the standardised approach, and regulatory liquidity ratios (continued)

A4.4 Additional mortgage information

	BANKING GROUP	
LVR range	**30/09/2026 On balance sheet**	**30/09/2026 Off balance sheet**
0 - 80%	3,606,490	213,090
80 - 90%	785,042	8,957
90% +	287,047	2,589
Total residential mortgages	**4,678,579**	**224,636**

First Home Loans make up 95% of the residential mortgages in the 90% + loan to valuation grouping and 79% of the 80 - 90% loan to valuation grouping. The First Home Loan product is fully insured by Kāinga Ora - Homes and Communities.

A4.5 Credit risk mitigation

The Banking Group determines whether it requires security to mitigate credit risk associated with its advances to customers and investment securities that it makes in the course of its business.

The Banking Group's dominant activity is the provision of residential mortgage finance which comprises 80% (31 March 2026 79%) of the Banking Group's loan portfolio, which are secured by first-ranking registered mortgages over residential property.

Investment security exposures are carried at fair value which reflects the credit risk. The Banking Group does not hold guarantees or credit derivatives against these investments.

The Banking Group does not currently take into consideration any credit risk mitigants within the capital adequacy calculations.

A4.6 Market risk capital charges

Market risk exposures have been calculated in accordance with the methodology detailed in the RBNZ's Banking Prudential Requirements document BPR140 - Market Risk, and Schedule 9 of the Registered Bank Disclosure Statement (New Zealand Incorporated Registered Banks) Order 2014 (as amended). Peak exposures are calculated using the Banking Group's equity at the end of the period.

	BANKING GROUP	
Interest rate exposures	**30/09/2026 End of Period**	**30/09/2026 Peak End of Day**
Implied risk weighted exposure	136,957	179,525
Aggregate capital charge	10,957	14,362

A4.7 Capital for other material risks

Basel III is intended to ensure that banks have adequate capital to support all material risks inherent in their business activities and includes the requirement on banks to have an "Internal Capital Adequacy Assessment Process (ICAAP)" for assessing their overall capital adequacy in relation to their risk profile and a strategy for maintaining adequate capital to support risk. Southland Building Society's ICAAP has identified other areas of risk and requires it to hold capital against them. These risks include but are not limited to:

i Earnings Risk - The risk due to uncertainty in future reported earnings arising from adverse changes in the business environment and from adverse business decisions.

ii Liquidity Risk - The risk that the Bank cannot meet or generate sufficient cash resources to meet its cash out goings as they fall due. Capital is not held for day to day liquidity. Instead a portfolio of cash, highly liquid instruments and committed funding lines is held. This largely mitigates the requirement to hold additional capital for liquidity risk, however capital is held to allow for excessive costs of raising suitable funds in adverse market conditions.

iii Access to Capital - The risk that the Bank may not be able to raise additional capital as required in a timely manner, particularly arising from the mutual status of SBS.

iv Reputational Risk - The potential that negative publicity regarding the banks business practices or financial position, whether true or not, will cause a decline in the customer base, costly litigation or impact future earnings and funding.

The Bank has made an internal capital allocation of $54 million to cover these identified risks (30 September 2025 $51 million; 31 March 2026 $54 million).

A4. Capital adequacy under the standardised approach, and regulatory liquidity ratios (continued)

A4.8 Regulatory liquidity ratios

The following ratios have been calculated in accordance with the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Bank) Order 2014 (as amended) Schedule 9, and reflects the average daily ratio for each of the latest two quarters.

	30/09/2026	30/06/2026
One-week mismatch ratio	9.6%	11.4%
One-month mismatch ratio	13.9%	15.3%
Core funding ratio	95.8%	95.2%

A5. Concentration of credit exposures to individual counterparties

The Banking Group's disclosure of concentrations of credit exposure to individual counterparties and groups of closely related counterparties, which equalled or exceeded 10% of the Banking Group's Common Equity Tier 1 capital, is based on actual credit exposures and calculated on a gross basis (net of specific provisions). Peak end of day credit exposures to individual counterparties are calculated since the last disclosure statement using the Banking Group's end of period Common Equity Tier 1 capital.

The individual counterparty exposures included in the following table exclude exposures to:

- connected persons;
- the central government or central bank of any country with a long-term credit rating of A- or A3 or above, or its equivalent; and
- any supranational or quasi-sovereign agency with a long-term credit rating of A- or A3 or above, or its equivalent.

	Number of bank counterparties		Number of non-bank counterparties	
	Unaudited	Unaudited	Unaudited	Unaudited
"A" Rated exposures	As at	Peak end of day over 6 months to	As at	Peak end of day over 6 months to
Percentage of common equity tier 1	30/09/2026	30/09/2026	30/09/2026	30/09/2026
10-14%	1	1	1	-
15-19%	2	1	-	1
20-24%	-	1	-	-
25-29%	-	-	-	-
30-34%	1	1	-	-
35-39%	-	-	-	-
40-44%	-	-	-	-
45-49%	-	-	-	-
50-54%	-	-	-	-

Note:

"A" Rated - those counterparties that have a long term credit rating of A- or A3 or above

"B" Rated - those counterparties that have a long term credit rating of at least BBB- or Baa3, or its equivalent, and at most BBB+ or Baa1, or its equivalent

There were no peak or balance date credit exposures to bank or non-bank counterparties with a credit rating below A- or A3, or its equivalent, which exceeded 10% of the Banking Group's equity for the six months ended 30 September 2026.

A6. Insurance business, securitisation, fund management, other fiduciary activities, and marketing and distribution of insurance products

A6.1 Insurance Business

The Banking Group markets and distributes insurance products through its subsidiary Southsure Assurance Limited, trading as SBS Insurance. The Banking Group derives premium income from the sale of insurance products.

The total assets of Southsure Assurance Limited as at 30 September 2026 are $29.2 million which is 0.4% of the total assets of the Banking Group.

Independent Auditor's Review Report

To the members of Southland Building Society (**Banking Group**)

Report on the consolidated half year disclosure statement

Conclusion

Based on our review of the consolidated half year disclosure statement and supplementary information of Southland Building Society (the **Registered Bank**) and its subsidiaries (**Banking Group**) on pages 5 to 29, nothing has come to our attention that causes us to believe that:

i. the interim financial statements (excluding the supplementary information disclosed in accordance with Schedules 5, 7, 13, 16 and 18 of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended) (the **Order**)), have not been prepared, in all material respects, in accordance with New Zealand Equivalent to International Accounting Standard 34 Interim Financial Reporting (**NZ IAS 34**) issued by the New Zealand Accounting Standards Board; and

ii. the supplementary information (excluding supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements) that is required to be disclosed in accordance with Schedules 5, 7, 13, 16 and 18 of the Order and is included within notes A1 to A3 and A5 to A6 of the consolidated half year disclosure statement:

- does not present fairly, in all material respects, the matters to which it relates;
- is not disclosed, in all material respects, in accordance with those schedules; and
- has not been prepared, in all material respects, in accordance with any condition of registration relating to disclosure requirements, imposed under section 74(4)(c) of the Banking (Prudential Supervision) Act 1989.

We have completed a review of the accompanying consolidated half year disclosure statement which comprises:

- the interim financial statements formed of:
  - the consolidated statement of financial position as at 30 September 2026;
  - the consolidated income statements, statements of other comprehensive income, changes in equity and cash flows for the 6 month period then ended; and
  - notes, including material accounting policy information and other explanatory information;
- the supplementary information prescribed in Schedules 5, 7, 13, 16 and 18 of the Order.

© 2026 KPMG, a New Zealand Partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Basis for conclusion

We conducted our review of the consolidated half year disclosure statement in accordance with NZ SRE 2410 (Revised) Review of Financial Statements Performed by the Independent Auditor of the Entity (**NZ SRE 2410 (Revised)**). Our responsibilities are further described in the *Auditor's responsibilities for the review of the consolidated half year disclosure statement* section of our report.

We are independent of Southland Building Society in accordance with the relevant ethical requirements in New Zealand relating to the audit of the annual disclosure statement and we have fulfilled our other ethical responsibilities in accordance with these ethical requirements.

Our firm has provided other services to the Banking Group in relation to a limited assurance engagement of the Capital Adequacy and Regulatory Liquidity disclosures. Subject to certain restrictions, partners and employees of our firm may also deal with the Banking Group on normal terms within the ordinary course of trading activities of the business of the Banking Group. These matters have not impaired our independence as auditor of the Banking Group. The firm has no other relationship with, or interest in, the Banking Group.

Use of this Independent Auditor's Review Report

This report is made solely to the members. Our review work has been undertaken so that we might state to the members those matters we are required to state to them in the Independent Auditor's Review Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the shareholders for our review work, this report, or any of the conclusions we have formed.

Responsibilities of directors for the consolidated half year disclosure statement

The directors on behalf of the Banking Group are responsible for:

- the preparation and fair presentation of the Banking Group half year disclosure statement in accordance with NZ IAS 34 and Schedules 3, 5, 7, 13, 16 and 18 of the Order; and
- for such internal control as directors determine is necessary to enable the preparation of consolidated half year disclosure statement that is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities for the review of the consolidated half year disclosure statement

Our responsibility is to express a conclusion on the consolidated half year disclosure statement based on our review.

NZ SRE 2410 (Revised) requires us to conclude whether anything has come to our attention that causes us to believe that the:

- interim consolidated financial statements**,** taken as a whole, does not present fairly, in all material respects, the Banking Group's financial position as at 30 September 2026 and its financial performance and cash flows for the 6 month period ended on that date;
- interim consolidated financial statements, taken as a whole, does not, in all material respects, comply with NZ IAS 34; and
- the supplementary information does not fairly state, in all material respects, the matters to which it relates in accordance with Schedules 5, 7, 13, 16 and 18 of the Order.

A review of the consolidated half year disclosure statement in accordance with NZ SRE 2410 (Revised) is a limited assurance engagement. The auditor performs procedures, consisting of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

The procedures performed in a review are substantially less than those performed in an audit conducted in accordance with International Standards on Auditing (New Zealand) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the consolidated half year disclosure statement**.**

The engagement partner on the review resulting in this independent auditor's review report is Sonia Isaac.

For and on behalf of:



KPMG

Wellington

26 November 2026

Independent Limited Assurance Report to the members of Southland Building Society

Conclusion

Our limited assurance conclusion has been formed on the basis of the matters outlined in this report.

Based on our limited assurance engagement, which is not a reasonable assurance engagement or audit, nothing has come to our attention that would lead us to believe that the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements, disclosed in note A4 of the consolidated disclosure statement, is not, in all material respects disclosed in accordance with Schedule 9 of the Registered Bank Disclosure Statements (New Zealand Incorporated Registered Banks) Order 2014 (as amended) (the **Order**).

Information subject to assurance

We have reviewed the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements, as disclosed in note A4 of the consolidated disclosure statement for the period ended 30 September 2026.

Our conclusion on the Capital Adequacy and Regulatory Liquidity Requirements does not extend to any other information included, or referred to, in the consolidated disclosure statement.

Criteria

The supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements comprises the information that is required to be disclosed in accordance with Schedule 9 of the Order.

Standards we followed

We conducted our limited assurance engagement in accordance with Standard on Assurance Engagements 3100 (Revised) Compliance Engagements **(SAE 3100 (Revised))** issued by the New Zealand Auditing and Assurance Standards Board (**Standard**). We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Our responsibilities under the Standard are further described in the ‘Our responsibility’ section of our report.

How to interpret limited assurance and material misstatement and non-compliance

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

© 2026 KPMG, a New Zealand Partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Misstatements, including omissions, within the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements and non-compliance are considered material if, individually or in aggregate, they could reasonably be expected to influence the relevant decisions of the intended users taken on the basis of the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements.

Inherent limitations

Because of the inherent limitations of an assurance engagement, together with the internal control structure it is possible that fraud, error or non-compliance with compliance requirements may occur and not be detected.

A limited assurance engagement for the period ended 30 September 2026 does not provide assurance on whether compliance with Schedule 9 of the Order will continue in the future.

Use of this assurance Report

Our report is made solely for the members of Southland Building Society. Our assurance work has been undertaken so that we might state to Southland Building Society those matters we are required to state to them in the assurance report and for no other purpose.

Our report should not be regarded as suitable to be used or relied on by anyone other than the Bank and its members for any purpose or in any context. Any other person who obtains access to our report or a copy thereof and chooses to rely on our report (or any part thereof) will do so at its own risk.

To the fullest extent permitted by law, none of KPMG, any entities directly or indirectly controlled by KPMG, or any of their respective members or employees accept or assume any responsibility and deny all liability to anyone other than Southland Building Society for our work, for this independent assurance report, and/or for the opinions or conclusions we have reached.

Our conclusion is not modified in respect of this matter.

Southland Building Society's responsibility for the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements

The Directors of Southland Building Society are responsible for the compliance activities undertaken to meet their identified compliance requirements and disclosure of the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements in accordance with Schedule 9 of the Order. This responsibility includes such internal control as the Directors determine is necessary to enable the identification of risks that threaten the compliance requirements being met, designing and implementing controls which will mitigate those risks, monitor ongoing compliance and to enable the disclosure of the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements that is free from material misstatement and non-compliance whether due to fraud or error.

Our responsibility

We have responsibility for:

- planning and performing the engagement to obtain limited assurance about whether the supplementary information relating to Capital Adequacy and Regulatory Liquidity Requirements is free from material misstatement and non-compliance, whether due to fraud or error;
- forming an independent conclusion based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the members of Southland Building Society.

Summary of the work we performed as the basis for our conclusion

In a limited assurance engagement, the assurance practitioner performs procedures, primarily consisting of discussion and enquiries of management and others within the entity, as appropriate, and observation and walk-throughs, and evaluates the evidence obtained. The procedures selected depend on our judgement, including identifying areas where the risk of material misstatement and non-compliance with Schedule 9 of the Order is likely to arise.

We exercised professional judgment and maintained professional skepticism throughout the engagement. We designed and performed our procedures to obtain evidence about the compliance activities and controls implemented to meet the requirements of Schedule 9 of the Order.

In undertaking limited assurance, the procedures we primarily performed were:

- obtained an understanding of the process, data and internal controls implemented over the preparation of the information relating to the Capital Adequacy and Regulatory Liquidity Requirements;
- performed inquiry and analytical review procedures over the Capital Adequacy and Regulatory Liquidity Requirements;
- agreed the information relating to the Capital Adequacy and Regulatory Liquidity Requirements, extracted from the Bank's accounting records and other supporting documentation, to the consolidated disclosure statement.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Our independence and quality management

We have complied with the independence and other ethical requirements of Professional and Ethical Standard 1 *International Code of Ethics for Assurance Practitioners (including International Independence Standards)* (New Zealand) (**PES 1**) issued by the New Zealand Auditing and Assurance Standards Board, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The firm applies Professional and Ethical Standard 3 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* (**PES 3**), which requires the firm to design, implement and operate a system of quality control including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our firm has also provided other services to the banking group in relation to review of the banking group's half-year consolidated disclosure statement. Subject to certain restrictions, partners and employees of our firm may also deal with the banking group on normal terms within the ordinary course of trading activities of the business of the banking group. These matters have not impaired our independence as assurance providers of the banking group for this engagement. The firm has no other relationship with, or interest in, the banking group.

KPMG

Wellington

26 November 2026