



<b>Company</b>	MyState Limited
<b>Code</b>	MYS
<b>Meeting</b>	AGM
<b>Date</b>	17 October 2019
<b>Venue</b>	Hobart
Proxy collector	Ian Day

<b>Number attendees at meeting</b>	50+
<b>Number of holdings represented by ASA</b>	76
<b>Value of proxies</b>	\$5.3m
<b>Number of shares represented by ASA</b>	1.150m
<b>Market capitalisation</b>	\$428m
<b>Were proxies voted?</b>	Yes, on a poll
<b>Pre AGM Meeting?</b>	No

### Solid performance in trying year

The Chair – Miles Hampton – made the following remark on the 2019 Annual Report – “Slightly disappointing but in context of our digital journey and the overall circumstances of the banking sector, it was a solid performance.” Net Profit After Tax fell 1.5% to \$31 million – being impacted by discontinued operations, decline in net interest margin (due to first half pressure in adverse movements in the Bank Bill Swap Rate) and increased depreciation expense relating to the significant increase in technology investment over the past five years.

In 2019 MyState Limited recorded a 10.7% increase in their loan book – surpassing \$5 billion for the first time – well above industry peers. Whilst the group capital position fell, slightly from 13.5% to 12.9% it was still recognised as being very strong. The Board maintained the full year dividend at 28.75 cents per share. In June 2019 MYS made an informed decision to sell its small financial planning business – whilst realising a small gain on its sale, it was recognised by the Board that it had limited growth potential in the future.

MYS recently finalised plans to significantly invest and streamline the TPT funds management business. The non-bank lending sector has experienced significant growth over the recent period, with the funds management business believed to enable them to be a serious competitor in that sector. The decision to change the name from TPT to TPT Wealth reflects the Boards wish for the business to develop a national profile.

The Chair mentioned that in recent times there had been much commentary criticising banks for failing to pass on “in full” RBA interest rate reductions, with such criticism failing to recognise the need to balance a range of competing interests i.e. lowest possible rates for borrowers; highest possible rates on deposits

whilst recognising that shareholders' had the right to expect a reasonable return for their willingness to provide capital. Shareholders have endorsed MYS balancing of competing interests with a relatively stable share price and strong participation in their Dividend Reinvestment Plan (DRP) being achieved.

The Managing Director – Melos Sulicich – mentioned that it had been necessary to close some branches in both Central Queensland and Tasmania, providing options for customers to do business with MYS by the internet, telephone and via every Australia Post outlet in Australia. It was noted that the banking industry has seen the diminution of branch transactions and ATM usage in recent years.

All three Director resolutions voted on saw a percentage vote in favour ranging from 87.7% to 87.49%; the remuneration report receiving 82.30% support and resolutions pertaining to ELTIP approval being between 81.58% to 81.41%.