

Kiwibank Results

For the half year ended 31 December 2025

Important information



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Kiwibank – who we are

- We are the largest New Zealand-owned bank, with around \$43b in total assets, one million customers and 2,500 employees
- We are proud to be a B Corp certified company¹
- Full-service nationwide bank targeting personal and business customers, with the largest physical banking network in New Zealand²
- The top rated bank in Kantar's 2025 Corporate Reputation Index³
- We have supported over 415,000 students to access financial education through our partnership with Banqer since 2016⁴
- We are the first bank to achieve Pride Pledge certification, recognising our efforts to create a workplace inclusive of Rainbow peoples

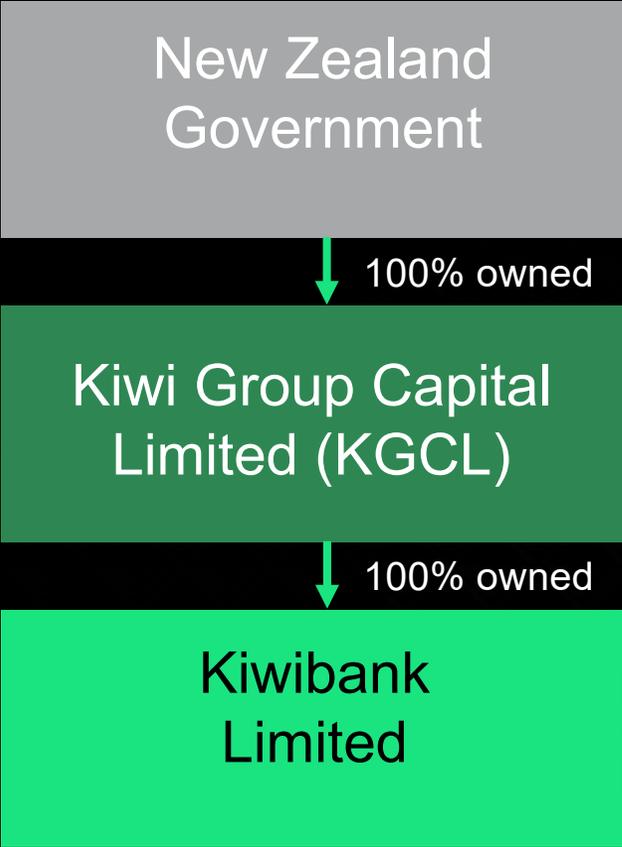
¹ Certified B Corporations are committed to considering the impact of their decisions on workers, customers, suppliers, community, and the environment. Further information available at: <https://www.bcorporation.net/en-us/find-a-b-corp/company/kiwibank-limited/>

² Consisting of 53 Kiwibank branches and over 80 Local for Kiwibank Agents

³ Kantar Corporate Reputation Index 2025: <https://www.kantarnewzealand.com/corporate-reputation-index-2025>

⁴ Due to data constraints, we are unable to identify whether our cumulative total since 2016 counts any student more than once if they used Banqer during their primary and high school years, given that our total covers both Banqer Primary and Banqer High

Kiwibank ownership



This is Kiwi – our strategy



PURPOSE

Kiwi Making
Kiwi Better Off

GOAL

To be Customers'
1st Choice

OUR OFFER

Simple
Easy
Expert
Care

BETTER BANK

Sustainable Growth
Impact
Trusted
Empowered

This is us.
NGĀ KAUWAKA

Ka Tīmata i a Tātou
A **Place** to **Belong**

Me Māia
Rise to the **Challenge**

Tapatahi
Better Together

Ngā Kiritaki
Customer at the **Heart**

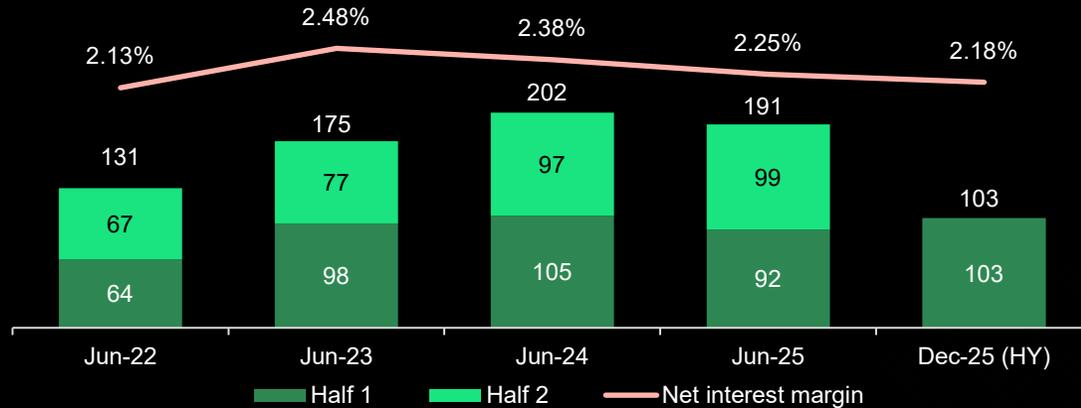


Financial Results

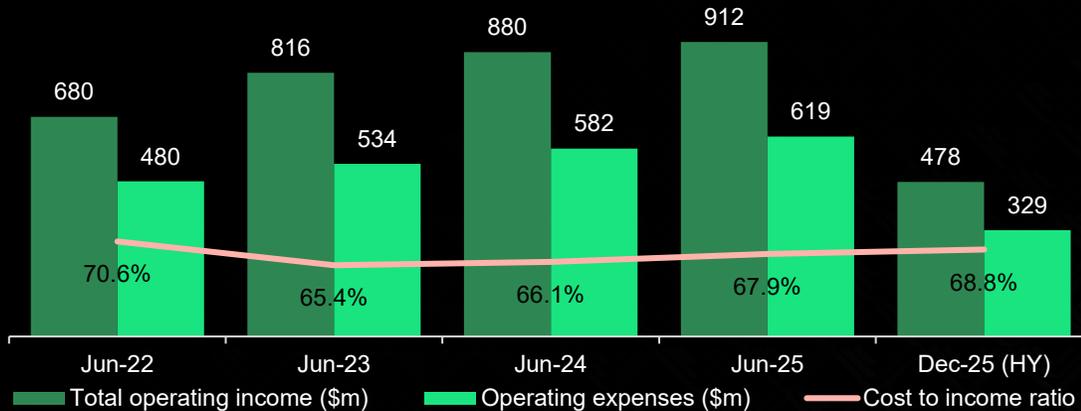
Financial performance snapshot



Profit After Tax (\$m) and Net Interest Margin¹



Cost to Income Ratio²



Financial Performance vs Prior Comparative Period³

Net interest income	\$446m	▲ 4%
Net interest margin ¹	2.18%	▼ 11 bps
Total operating income	\$478m	▲ 4%
Cost to income ratio ²	68.8%	▲ 137 bps
Credit impairment charge	\$5m	▼ 76%
Profit after tax	\$103m	▲ 12%

Sourced from Kiwibank's Disclosure Statements and management information

¹ Net interest margin = net interest income divided by daily average total interest and discount-bearing assets (annualised for half-year)

² Cost to income ratio = operating expenses divided by total operating income (including transformation programme spend)

³ Prior comparative period is the six months ended 31 December 2024

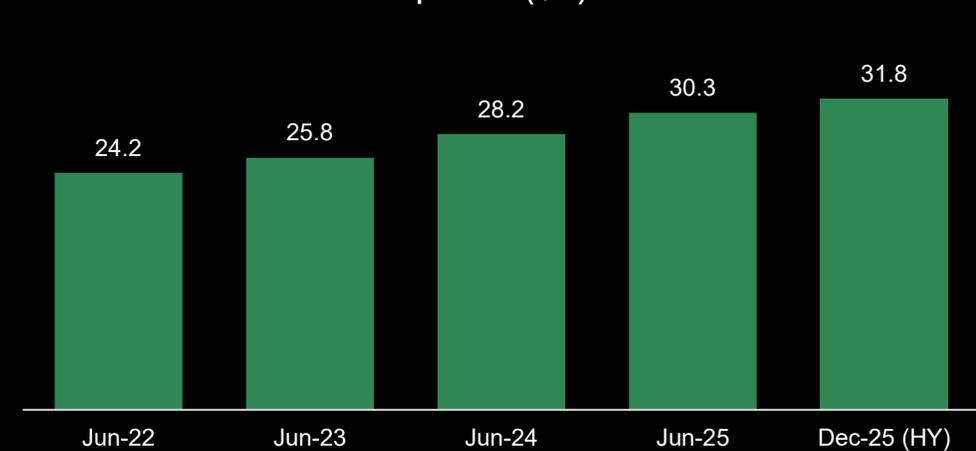
More Kiwi backing Kiwibank



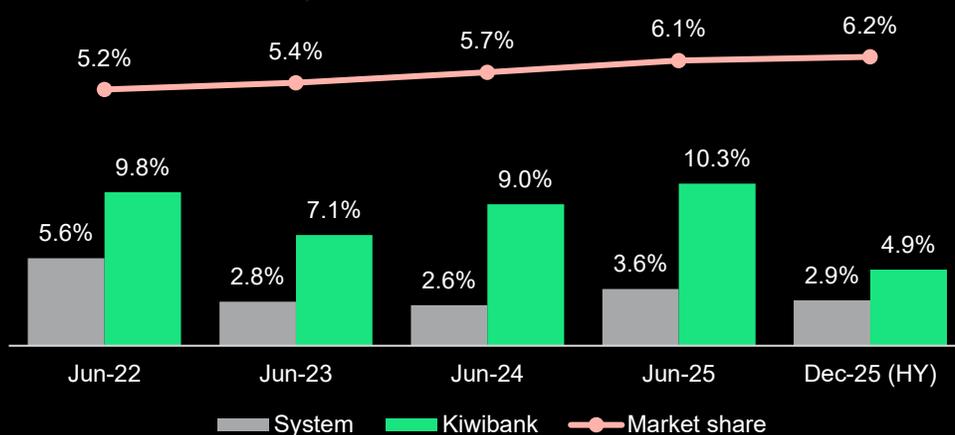
Loans and Advances (\$b)¹



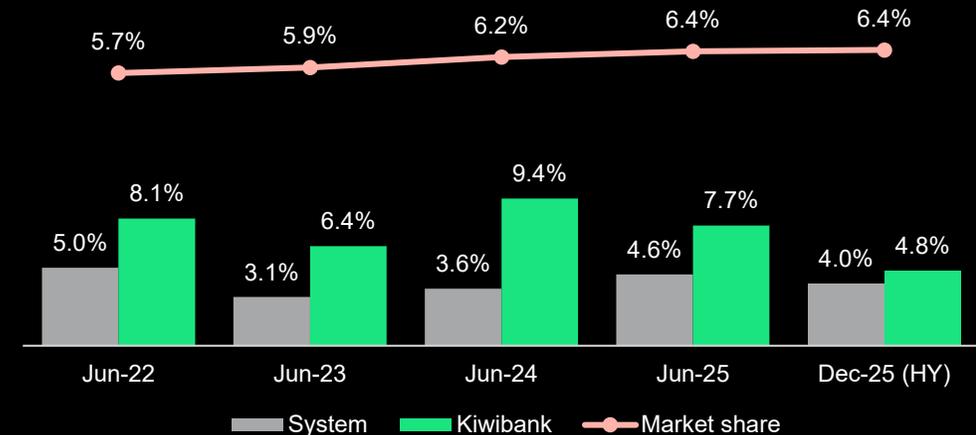
Deposits (\$b)¹



Lending Growth and Market Share^{2,3}



Deposit Growth and Market Share³



¹ Sourced from Kiwibank's Disclosure Statements

² Lending growth figures are calculated based on gross loans and advances excluding direct transaction costs, and so will differ from loans and advances per the Disclosure Statement

³ System figures are based on the Reserve Bank's statistical series for registered banks (loans – S31 series; deposits – S40 series). Market share is Kiwibank's total divided by System total at period end



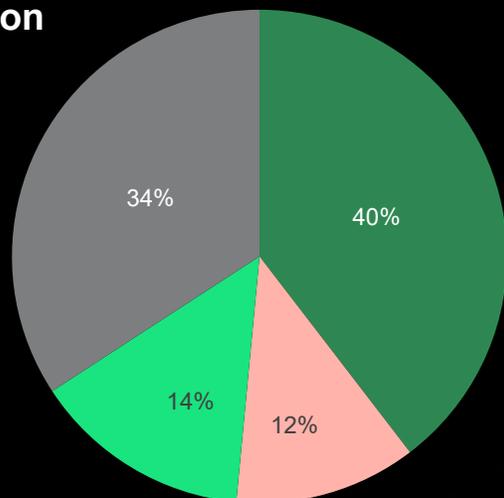
Loan Portfolio and Asset Quality

Lending portfolio



Total Loans by Region

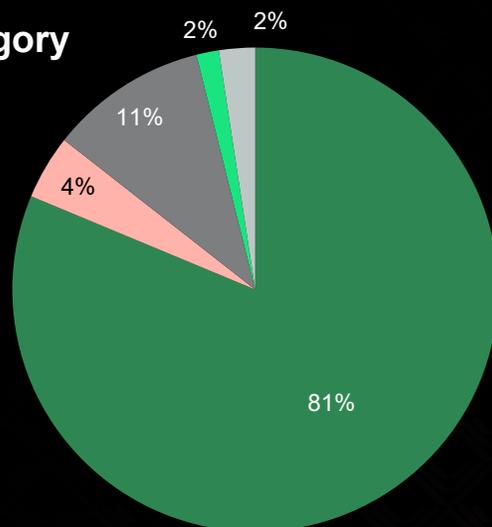
- Auckland
- Wellington
- Canterbury
- Other



- Key focus areas are the retail mortgage and business lending markets
- Business lending to SMEs, commercial and corporate clients
- Institutional and agricultural lending are not part of our core business proposition

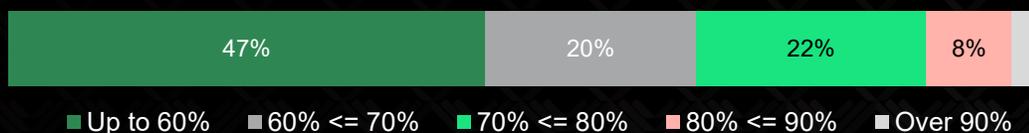
Total Loans by Category

- Term Loans - Housing
- Other Residentially Secured Term Lending
- Other Term Lending
- Credit Cards & Overdrafts
- Other Lending



Residential Mortgage Portfolio	Jun-25	Dec-25
Total residential mortgage portfolio (gross)	\$30.7b	\$32.3b
Fixed / floating	86% / 14%	88% / 12%
Average customer balance (drawn)	\$395k	\$406k
Interest only and revolving	16.4%	16.5%
LVR > 80%	8.8%	10.6%

Residential Mortgages – Regulatory LVR¹ Profile



Sourced from Kiwibank's Disclosure Statements and management information

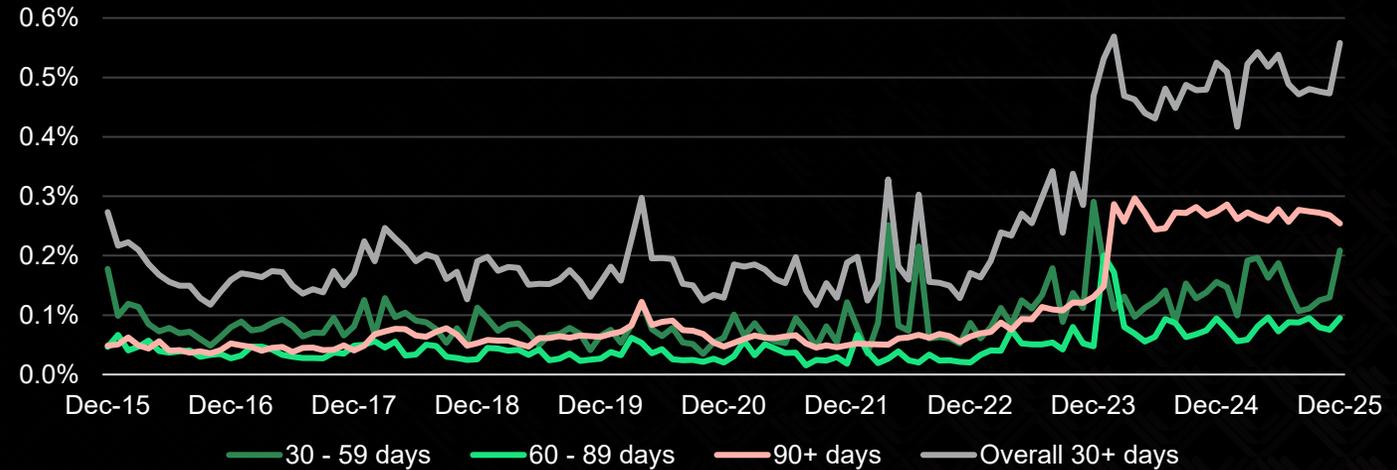
¹ Regulatory Loan-to-Valuation Ratios (LVR) are calculated in compliance with the Reserve Bank's requirements

Asset quality

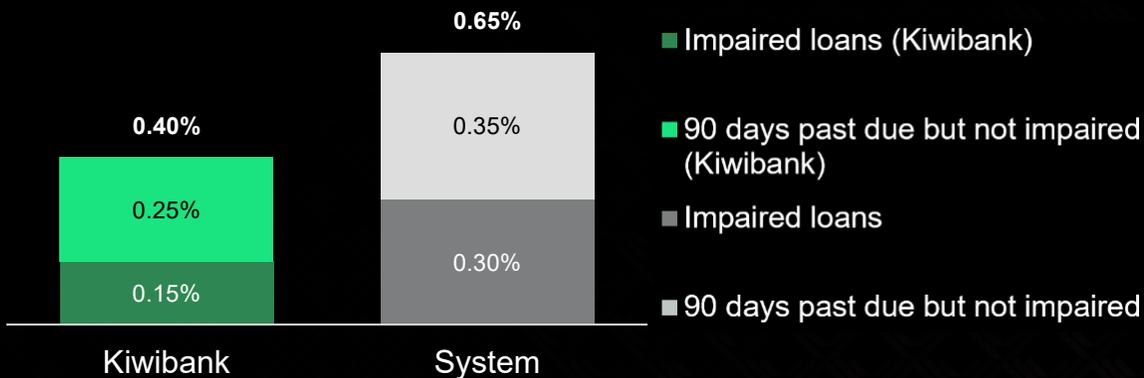


- Kiwibank arrears and impairments remain below System average¹
- Consistent with broader industry trends, some customers continue to face financial pressure

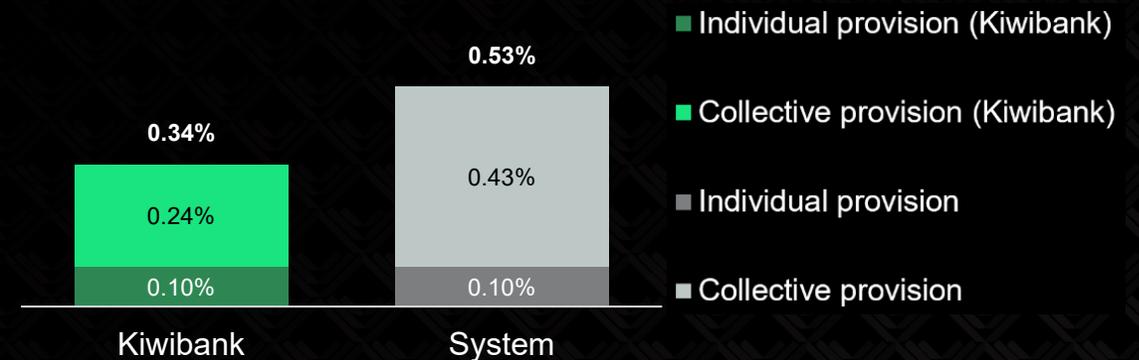
Loans Past Due but Not Impaired (% GLA)



Non-Performing Loans vs System¹ (% GLA)



Credit Impairment Provision vs System¹ (% GLA)



Sourced from Kiwibank's Disclosure Statements and management information

GLA: Gross Loans and Advances

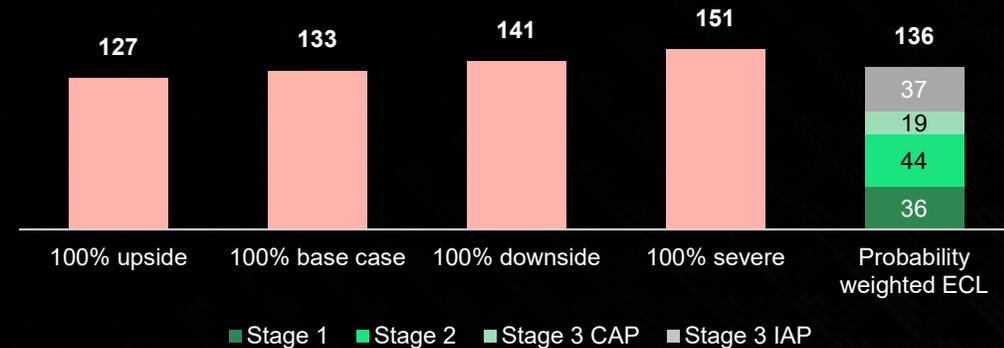
¹ System figures are based on the Reserve Bank's statistical series S50: registered banks total loans. Figures exclude credit impairment provision on undrawn commitments

Credit impairment provisions

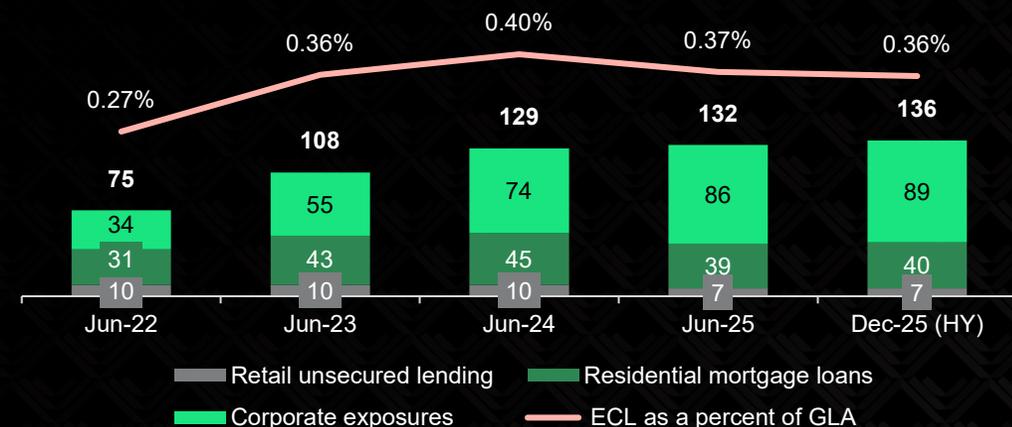
- Expected Credit Losses (**ECL**) are an estimate of forward-looking losses based on a probability weighted view of four different economic scenarios
- The severe stress scenario is based on the Reserve Bank's 2025 *Bank Solvency Stress Test*. It assumes a prolonged economic contraction, with GDP shrinking by approximately 5.5% over three years due to a severe global trade shock and geopolitical tensions. Unemployment peaks at 10.6%, significantly above historical norms and house prices fall sharply by 37%

Economic Scenario Weightings Applied	Jun-25	Dec-25
Central / base case	50%	50%
Upside	10%	10%
Downside	30%	30%
Severe stress	10%	10%

ECL by Stage & Economic Scenario (\$m)



ECL by Exposure Type (\$m)



Sourced from Kiwibank's Disclosure Statements

ECL: Expected Credit Losses. Includes credit impairment provision on undrawn commitments

GLA: Gross Loans and Advances

Stage 1 exposures: performing; **Stage 2** exposures: credit quality deteriorated; **Stage 3** exposures: credit impaired

CAP: Collectively Assessed Provisions; **IAP:** Individually Assessed Provisions

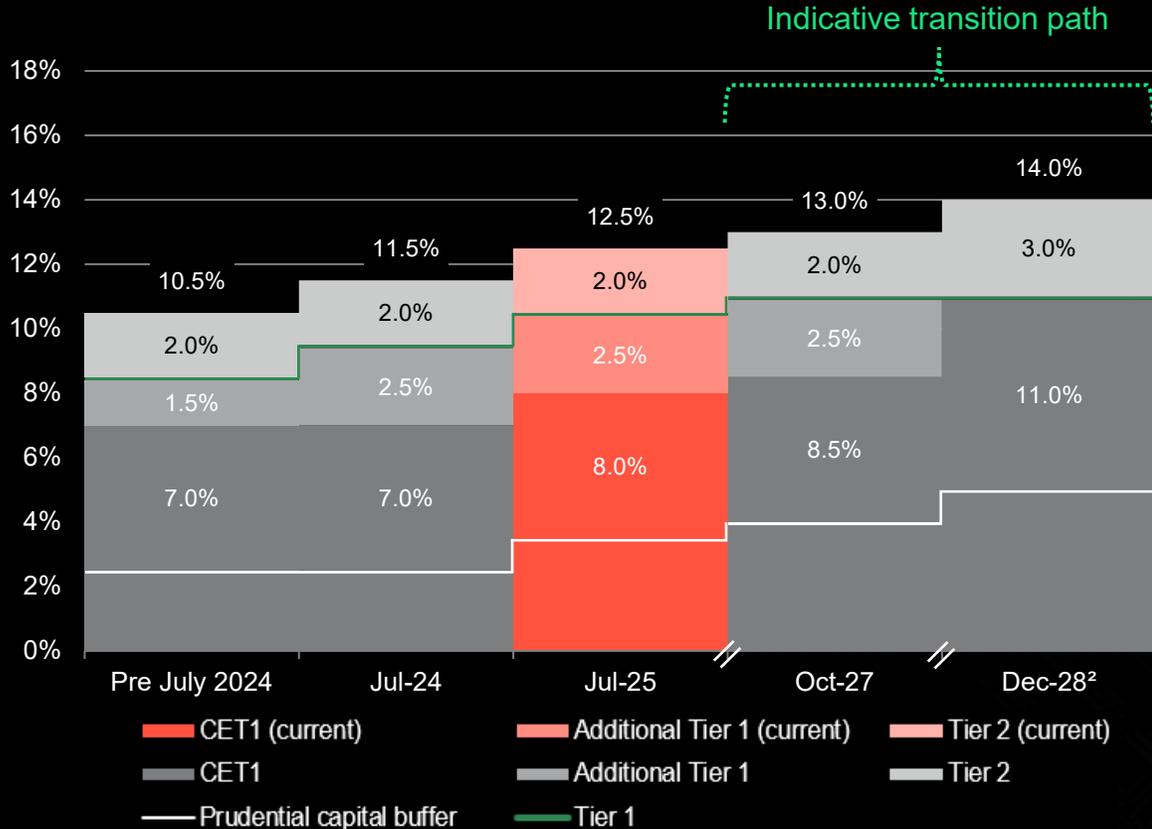


Capital, Funding and Liquidity

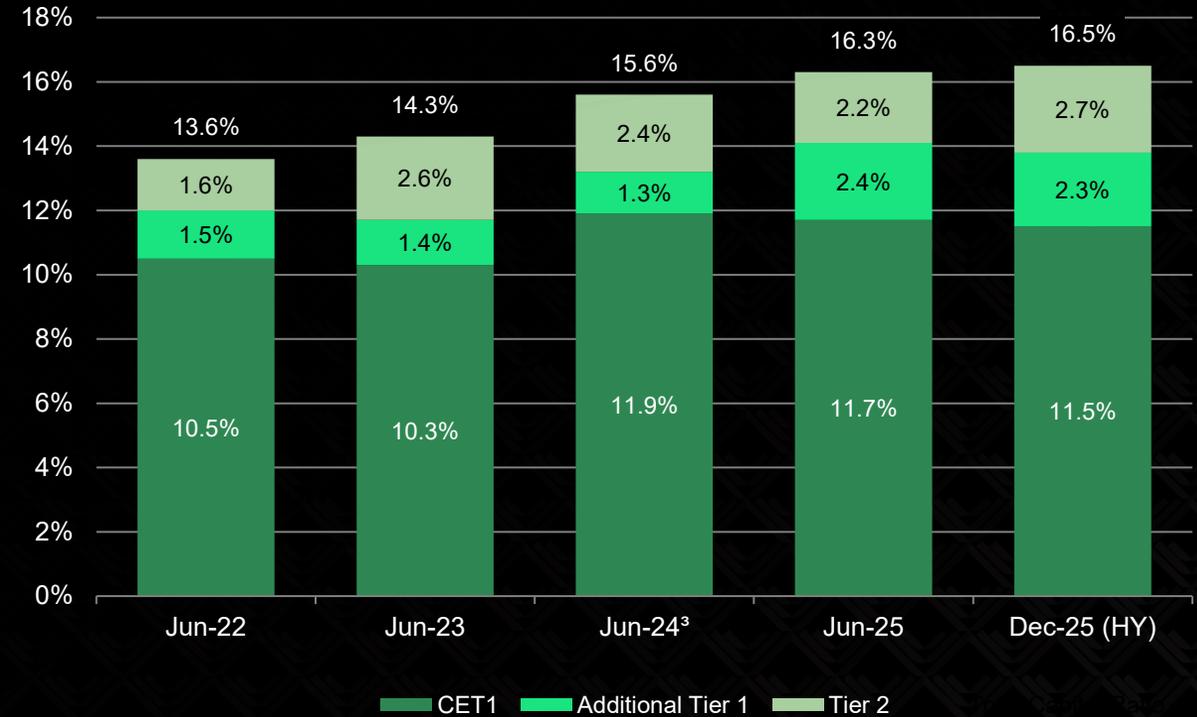
Capital profile



Reserve Bank Minimum Capital Requirements¹



Kiwibank Capital Ratios



Kiwibank capital ratios sourced from Kiwibank's Disclosure Statements

¹ Minimum capital requirements shown above are presented inclusive of the prudential capital buffer ratio and (for the pre-2026 requirements) were applicable to Kiwibank under the Reserve Bank's Banking Prudential Requirements or (for the post-2026 requirements) are based on the indicative transition path for Group 2 deposit takers (which includes Kiwibank) published in the Reserve Bank's 2025 review of key capital settings decision document (**Capital Review Decisions**)

² Under the indicative transition path, the maximum contribution of Additional Tier 1 instruments to Tier 1 ratio minimums are: 2.5% in Dec-28, 1.675% in Dec-29, 0.825% in Dec-30 and 0.0% in Dec-31

³ Kiwibank received a \$225m capital injection from KGCL on 31 July 2023 which increased CET1 by 1.3% at that time

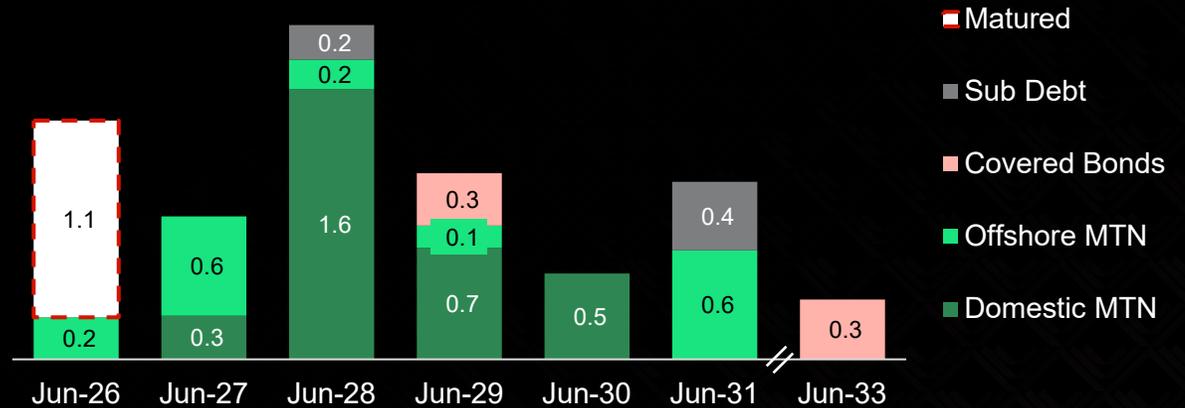
The Reserve Bank's Capital Review Decisions include a number of changes to capital requirements compared to the 2019 requirements which were being phased in through to 2028. These changes include the removal of Additional Tier 1 capital; reductions in the minimum ratio requirements for Group 2 Deposit Takers of 11.5% to 11% for CET1 and 16% to 14% for Total Capital; and the introduction of more granular standardised risk weights (expected from Oct-26). The RBNZ will release further information about the process for transitioning to the new capital settings on 27 February 2026

Capital ratios are expressed as a percentage of Risk-Weighted-Assets (RWA). CET1: Common Equity Tier 1 Capital

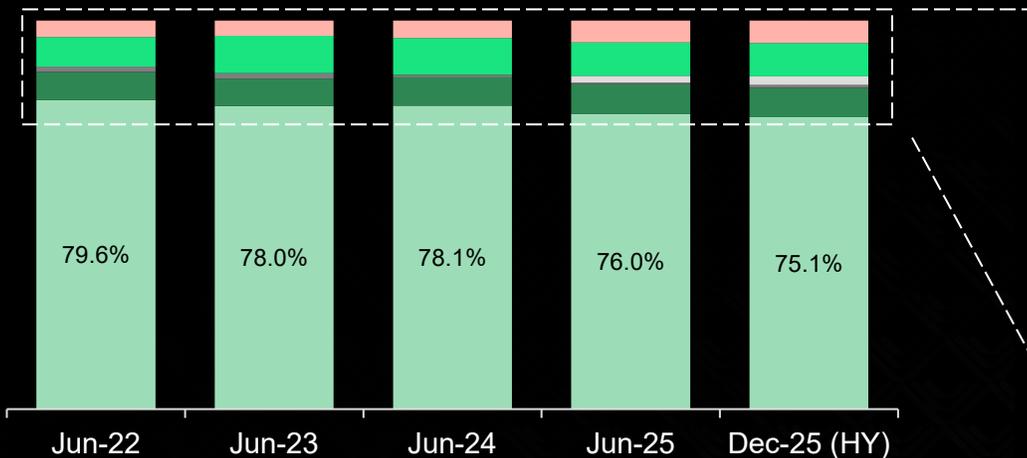
Funding profile

- Kiwibank maintains a diversified range of short and long-term wholesale funding sources
- Term funding weighted average remaining term to maturity is 3.0 years¹
- Active in the New Zealand, Australian and Swiss term funding markets
- HY26 issuance included Australian MTN (A\$550m 5y) domestic Sub Debt (\$400m 10.25y NC5.25y) and domestic MTN (\$425m 2.25y)

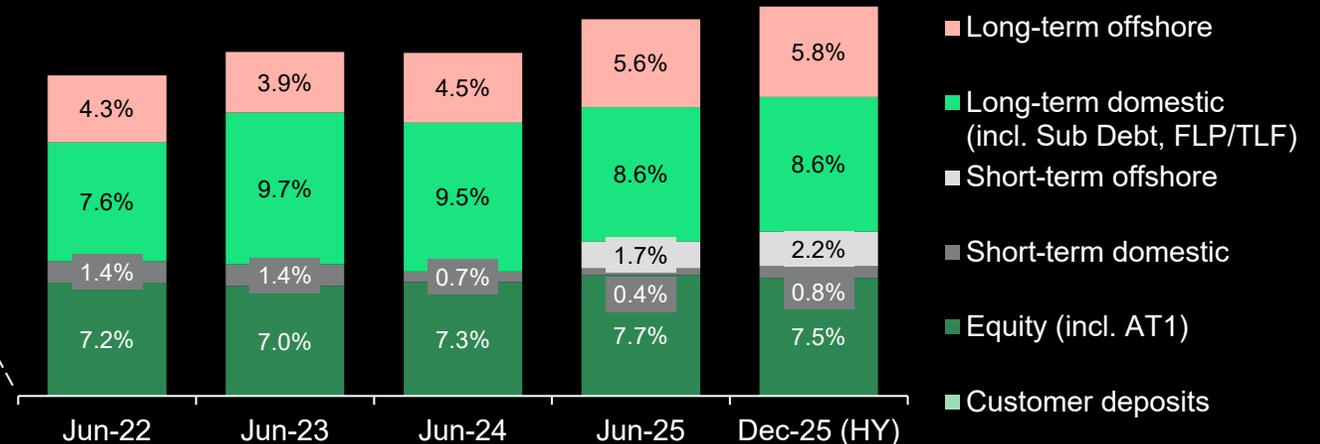
Term Funding Maturity Profile by Type¹ (\$b)



Funding Composition



Funding Composition: Non-Customer Deposits



Sourced from management information

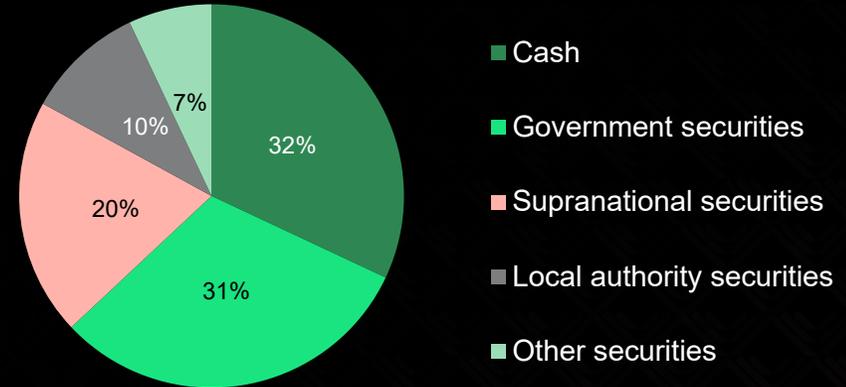
¹ Not presented in accordance with NZ GAAP. Excludes Additional Tier 1 Capital (AT1); maturity of subordinated debt is based on the first call date for these purposes, but there is no certainty that the debt will be redeemed at that time

FLP/TLF: The Reserve Bank's Funding for Lending Programme and Term Lending Facility

Liquidity

- Liquidity portfolio of \$4.6b¹
- A diversified, high-quality portfolio
- In addition, Kiwibank holds \$4b of unencumbered internal RMBS available for liquidity purposes

Liquidity Portfolio¹



Regulatory Liquidity Ratios	Reserve Bank minimum	Sep-25	Dec-25
Quarterly average 1-week mismatch ratio	0%	11.2%	10.1%
Quarterly average 1-month mismatch ratio	0%	9.8%	8.5%
Quarterly average core funding ratio	75%	90.4%	90.7%

Liquidity Portfolio (\$m)	Jun-25	Dec-25
Cash and cash equivalents	1,010	1,469
Government securities	1,235	1,434
Local authority and supranational securities	1,400	1,360
Other securities	420	344
Total liquidity portfolio	4,065	4,607
Unencumbered RMBS	3,660	4,056
Total including RMBS	7,725	8,663

Sourced from Kiwibank's Disclosure Statements

RMBS: Residential Mortgage-Backed Securities

¹ Excludes RMBS



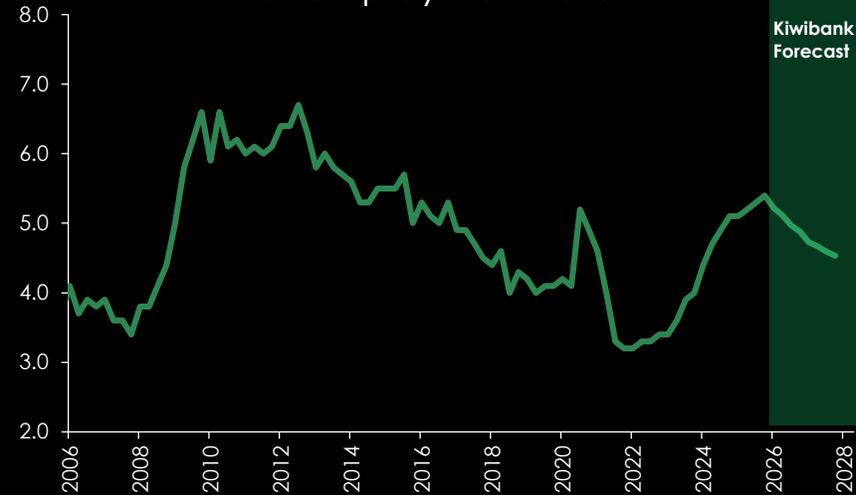


Appendix

New Zealand Economic Indicators

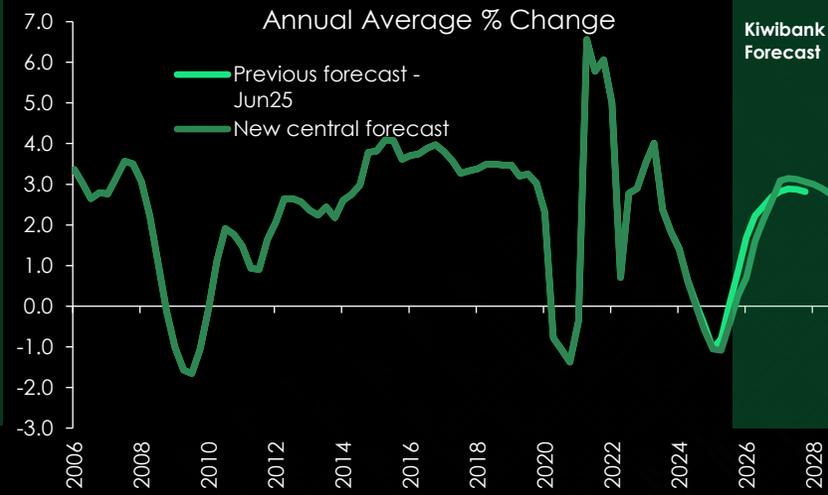


Unemployment rate



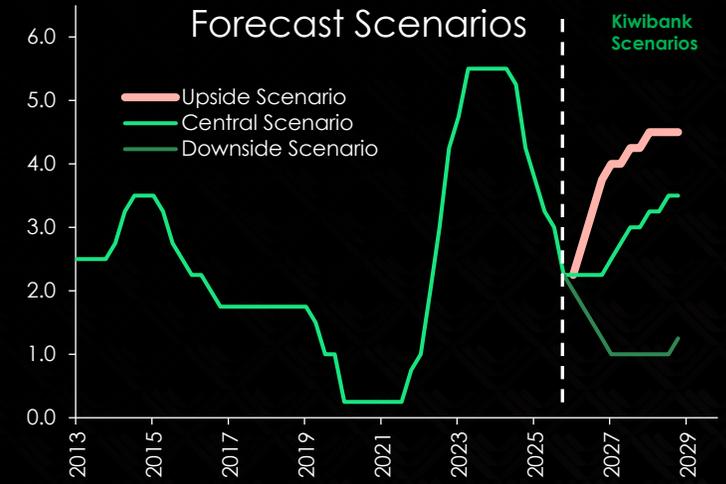
GDP Growth

Annual Average % Change



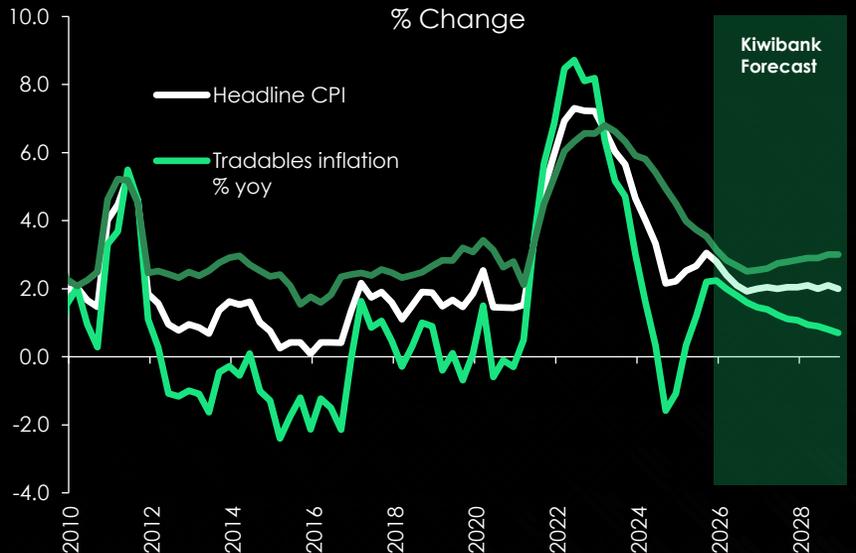
RBNZ OCR and Kiwibank

Forecast Scenarios



Annual CPI Inflation

% Change



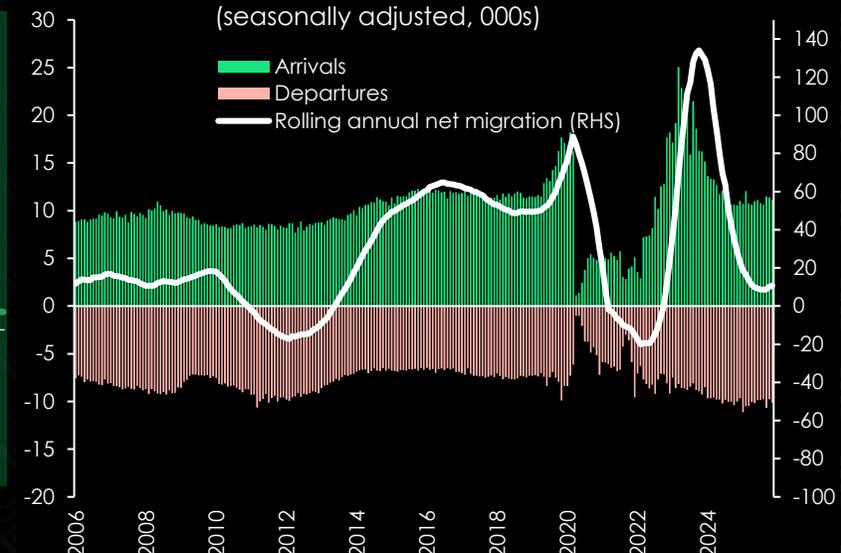
House Price Growth

Annual % Change



Migration Flows

(seasonally adjusted, 000s)



GDP, Unemployment rate, Migration flows and CPI sourced from Stats NZ
House price index sourced from REINZ



Contact

Belinda Newman

Treasurer

belinda.newman@kiwibank.co.nz

+64 9 442 6384

Geoff Martin

Head of Funding

geoff.martin@kiwibank.co.nz

+64 4 439 6932