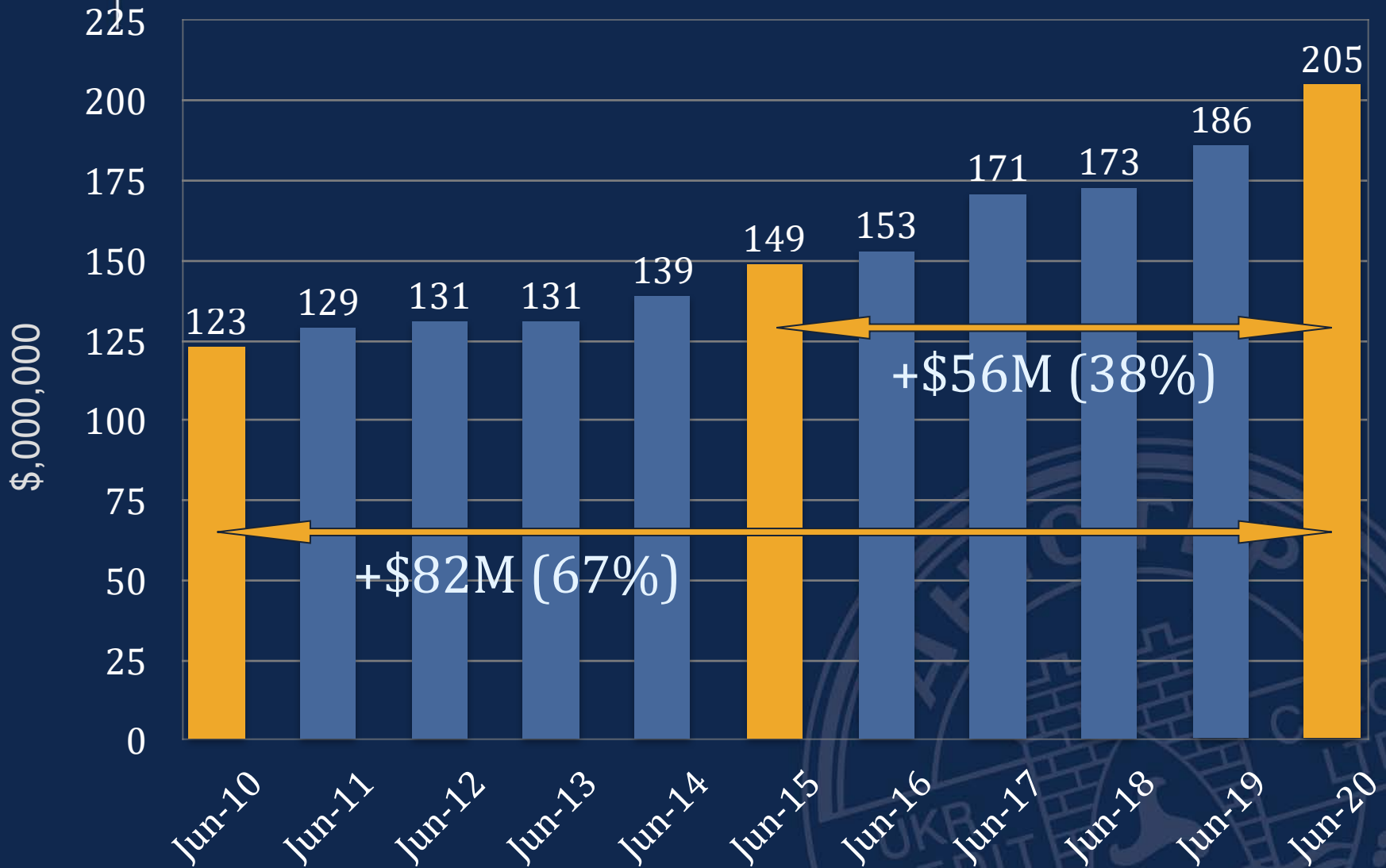


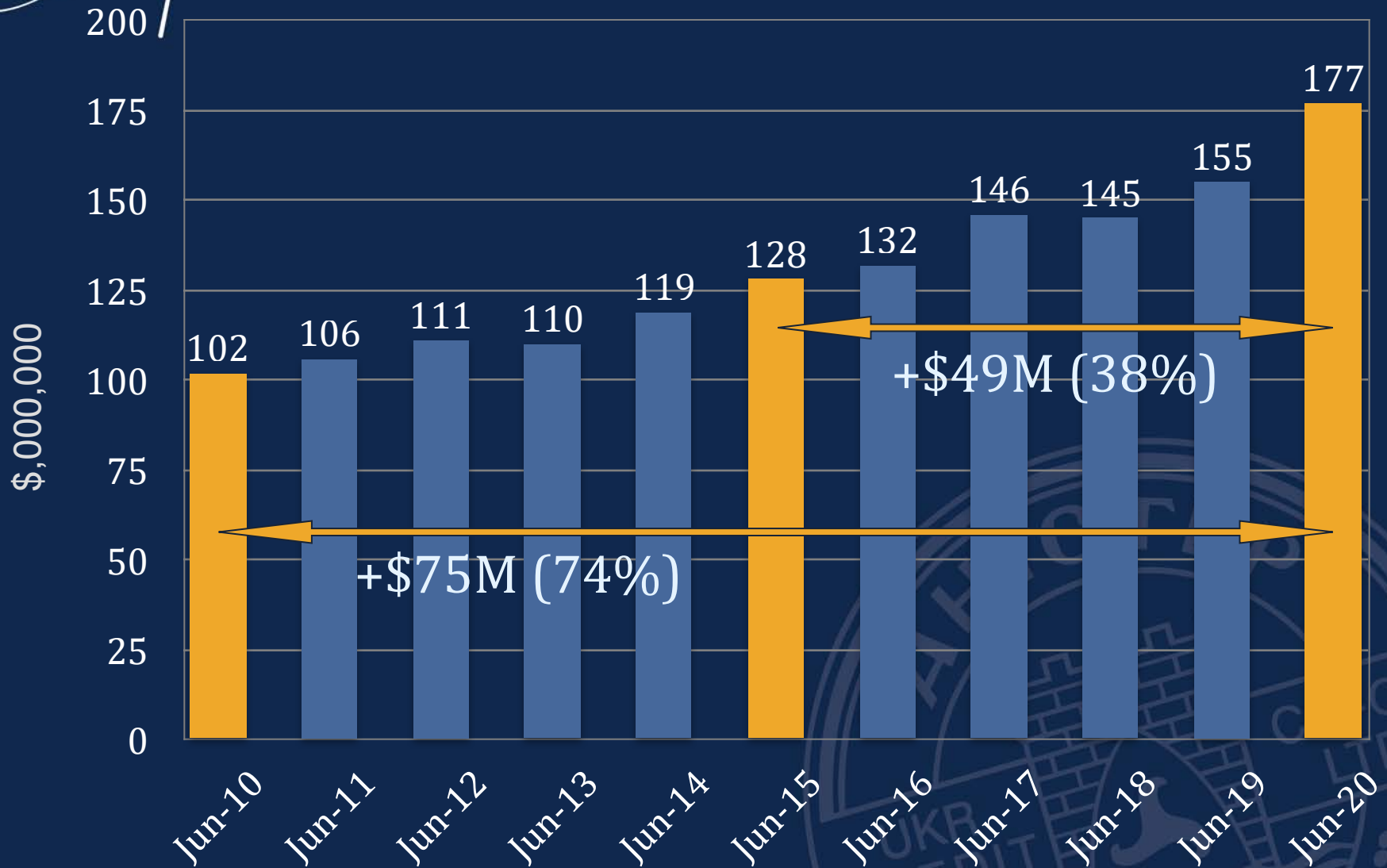
KEY POINTS TO NOTE FOR THE JUNE 2020 RESULT

- ▶ The Covid-19 Pandemic has had a stark and sudden impact on all aspects of the Australian economy and community life.
- ▶ The RBA cash rate started the financial year at a then record low of 1.25% p.a. With four interest rate reductions, by March it was at a new record low of 0.25% p.a.
- ▶ Dnister achieved a profit before tax of \$413 K.
- ▶ As of 30 June 2020, Dnister manages:
 - ▶ Assets: \$205.1 M +\$18.6 M (+10.0%)
 - ▶ Members deposits: \$177.6 M +\$22.6 M (+14.6%)
 - ▶ Loans to members: \$150.7 M +\$15.7 M (+11.6%)
 - ▶ Members Equity: \$24.6 M +\$0.3 M (+1.2%)

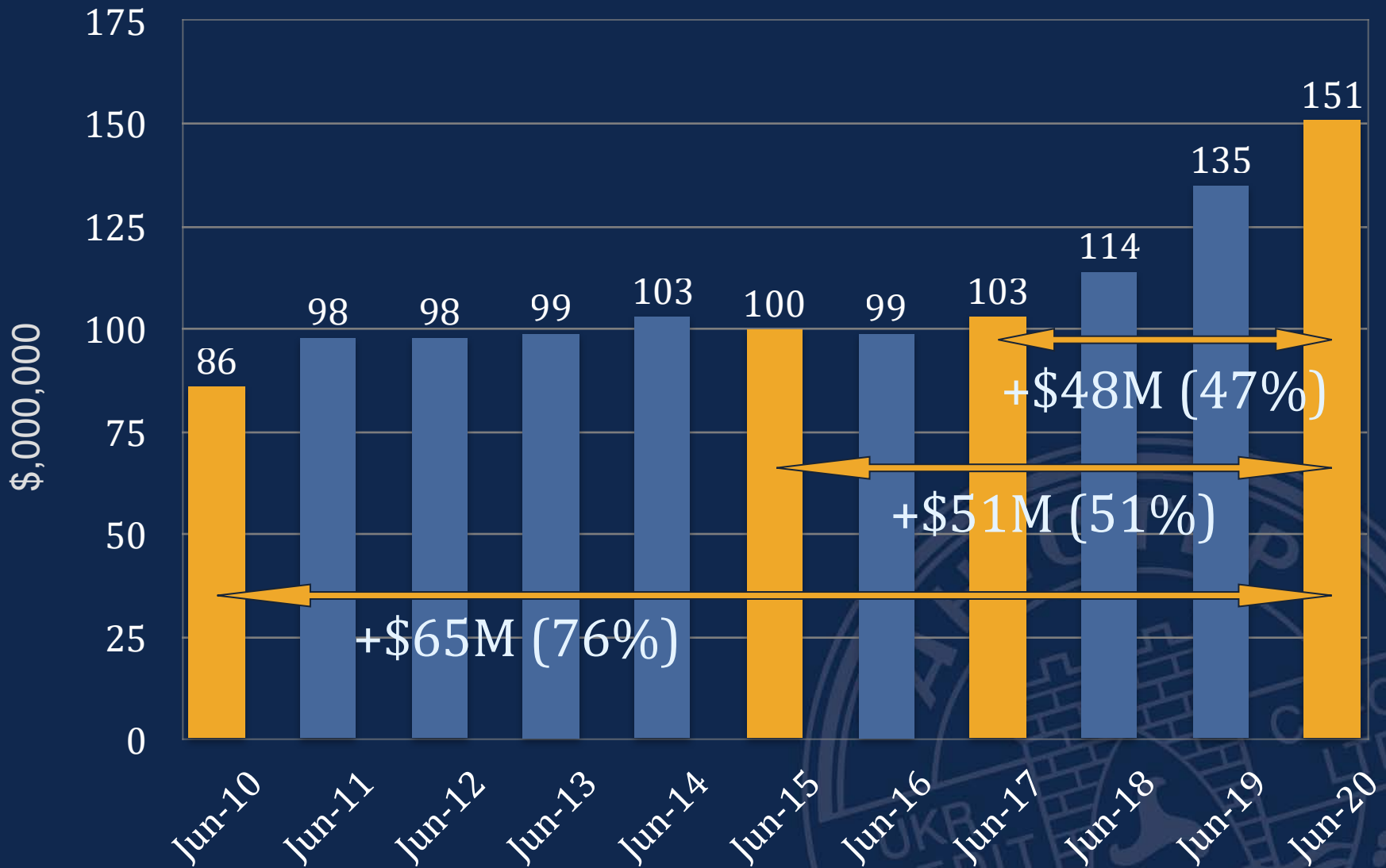
Assets



Deposits



Loans



Regulation and Compliance

KEY POINTS TO NOTE

- Dnister continues to satisfy all its regulatory and compliance obligations and requirements
- Covid-19 and the various programs put in place by governments and regulators has increased both the scope of regulatory oversight and the frequency of reporting.
- Considerable staff time and effort has been put into supporting members who have requested deferrals of their loan repayments under the loan hardship scheme put in place by the regulators. This will continue until the assistance program's scheduled end date of 31 March 2021.

Regulation and Compliance

KEY POINTS TO NOTE

- Dnister is a Member-owned Authorised Deposit-taking Institution (ADI)
- Federal Government deposit guarantee applies to Dnister members to the same extent and under the same conditions as for all other ADIs (\$250K per member)
- The Board's primary responsibility is to protect the interests of Members
- Legislation and regulation of ADIs (by APRA) is designed to minimise loan losses so as to protect the deposits used to fund those loans, not to protect the borrower.

Our Mission

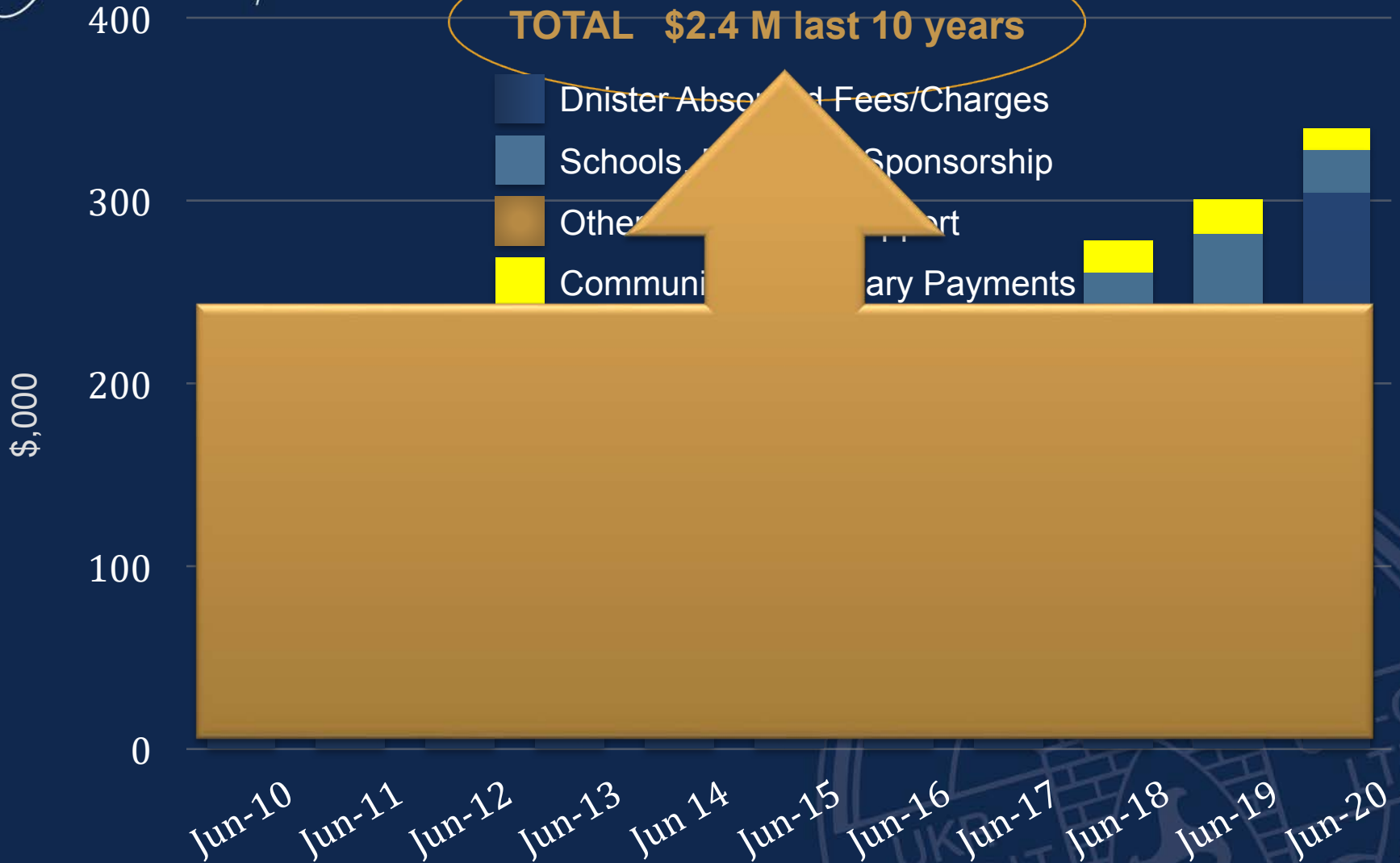
Our Mission lives

KEY POINTS TO NOTE

- Continued strong financial support of \$340K, plus indirect support, for Members and their communities:
 - Member loyalty fee rebate program \$305K
 - Schools and playgroups program \$10K
 - Support for parishes through the Parish Feast Days program \$7K
 - Sponsorship of community events \$6K
 - Beneficiary contributions by Dnister to Community Groups nominated by members with My Community Saver Accounts \$12K
- **Community Support \$340K**
- **Profit before Tax \$413K**
- **Total \$753K**

Our Mission

Our Mission lives



Outlook

KEY POINTS TO NOTE

- Covid-19 has required extensive assistance to be provided to members and has already had, and will continue to have, a negative impact on income due to:
 - absorption of much higher levels of transaction fees to assist members (since April 2020)
 - deferred loan repayments granted under the APRA regulated loan deferral scheme
 - deferred rental income through tenants in our buildings qualifying for rental deferrals under the Government mandated scheme to aid businesses affected by the pandemic

Outlook

KEY POINTS TO NOTE

- The financial services industry has changed drastically in the last ten years and the pace of that change is only increasing.
- To enable Dnister to maintain itself as a strong and viable provider of services to its members the Board, in early 2019, commissioned a detailed Organisational Review conducted by Bohdan Wojewidka. The Final Report was accepted at a Board Meeting held on October 25 2019.
- The recommendations of that report are now being used to
 - develop a strategy for improving the range of products and services offered to members
 - inform decisions on the best models for delivering those services.

Outlook

Our Co-operative

Dnister is financially strong, prudentially sound and committed to its members.

Strength in Unity!

