

22 May 2026

## **BSP Financial Group Limited 2026 Annual General Meeting**

### **Chairman's Address**

Good morning, ladies and gentlemen. It is a pleasure to welcome you to BSP Financial Group's 2026 Annual General Meeting.

Your Directors, who include your Group Chief Executive Officer, Mark Robinson, are all here today, and they join me in welcoming you.

Your board is very pleased to be meeting with you in Port Moresby again.

This meeting is also being webcast, so those who can't be with us today can watch and listen to the meeting at their convenience. I extend my welcome to all those shareholders who have joined us online.

I would also like to welcome the five independent directors of our subsidiary company boards in PNG, Fiji, Samoa, Vanuatu and BSP PNG Life. They are seated in the front row.

Directors from our South Pacific business join our AGM each year. Their role reflects the importance of having strong local connections in the South Pacific.

Now, as a quorum is present, I formally declare this Annual General Meeting of Shareholders open.

I propose to take the Notice of Meeting as read.

I would now like to introduce your BSP directors.

To my left is our Group Chief Executive Officer, Mark Robinson.

Further to my left is Patricia Taureka-Seruvatu. Patricia chairs the Board Remuneration and Nominations Committee.



Next to Patricia is Symon Brewis-Weston. Simon also serves as Chair of BSP Financial Group in Fiji. Then we have Frank Bouraga. Frank is Chair of the Audit and Compliance Committee.

Seated next to him is Priscilla Kevin. And beside Priscilla is David Hornery.

On David's left is Ian Tarutia. Ian is Chair of the Risk Committee and is standing for re-election at today's meeting. Next to Ian is Donna Cooper.

Finally, there is Michael Makap. Michael joined the board in April this year and is standing for election at today's meeting.

In the audience, we also have Jonathan Grasso from PricewaterhouseCoopers, our external auditor.

I also want to formally acknowledge Stephen Beach, who resigned as director in March for personal reasons. On behalf of shareholders and my fellow directors, I thank Stephen for his service to BSP.

Today, in my remarks, I will speak briefly about our 2025 financial results.

I know you will have already seen our result and read the media coverage.

I will also discuss the significant role BSP plays in championing prosperity in Papua New Guinea and the South Pacific.

Turning first to our financial results, your bank delivered a strong performance in 2025, supported by balance sheet growth, resilient margins and continued investment for the future.

We are PNG's largest listed company, the South Pacific's international bank, operating in seven countries.

Our statutory net profit after tax was K1.17 billion, up 12.9%.

The final dividend of K1.38 was paid into shareholders' bank accounts on Friday, 27 March 2026. This brought the total dividend for the year to K1.88, up 13%.

Our performance in 2025 reflects a clear focus on long-term value creation for shareholders.



When we talk about profit, it's important to understand what BSP actually is.

Our profits come from the efforts of our 5,000 employees. They work hard every day to support over 2 million people in Papua New Guinea and the South Pacific, people who save for their future, own or seek to own a home or run a business.

The profits we earn benefit you, our shareholders, the majority of whom provide for the retirement incomes of everyday people in Papua New Guinea, Fiji, Cook Islands, Solomon Islands, Samoa, Tonga and Vanuatu.

In 2025, we paid K878 million in dividends to our shareholders.

Our financial performance also allows us to invest in the future.

Around the world, businesses are facing challenges to adapt to a rapidly changing environment.

Technology and AI are changing traditional business models.

Consumer expectations are also changing as a result of their experience with technologies such as smartphones and the online economy.

Our K1.2 billion multi-year investment to modernise for growth is designed to improve the experience for our retail and business customers and to support long-term returns for our shareholders. Mark will discuss this program in more detail in his address.

Papua New Guinea and the South Pacific have a young population, and they want opportunities for a better future.

We know that through financial inclusion - when people can pay, save, borrow and protect with confidence - livelihoods change and local economies strengthen. It's the key to unlocking community prosperity.

And it's a belief that is aligned with our investment in branch modernisation and new digital technologies.

Not only are we delivering better service as a result of these investments, in many areas of Papua New Guinea, BSP is the only commercial bank serving those communities.



For example, you saw in our opening video that we have recently completed upgrades to our branches in Minj in Jiwaka Province and Tari in Hela Province.

Another example where our investments in technology are expanding financial inclusion is the BSP Wantok Wallet.

Wantok Wallet makes everyday banking possible for people who would otherwise travel long distances to a branch or rely on cash.

Customers can access, send and save money safely and affordably, often for the first time, using a basic phone without a bank account.

In just over 12 months, we have had 250,000 people sign up for Wantok Wallet, and uptake of the product continues to grow.

Our scale and presence allow us to champion prosperity in other ways.

To celebrate PNG's 50th year of Independence in 2025, BSP launched our 50for50 – Givim Bek initiative. This initiative involves an investment of K2.5 million to support 50 community-driven projects nationwide.

As you saw, we recently completed our first project at Rabiamul Rugby Oval, where our Mt Hagen Branch proudly handed over our first completed project. This initiative saw us refurbish the home of the Hagen Eagles, supporting the local community and the development of Rugby League in the country.

These projects add to our longstanding Community Projects Program, which already delivers more than K1.2 million annually for projects in health, financial literacy and education, and community development.

Together, this work will leave a lasting legacy of education, youth empowerment, sustainable livelihoods and better health outcomes in PNG and the South Pacific.

Finally, ladies and gentlemen, before I ask Mark to speak, let me sincerely thank every member of staff who works for BSP in PNG and the South Pacific.

Our progress is the result of a clear and consistent strategy, purposeful management and the hard work and dedication of all of our people.



The Board appreciates all that our people do, and I believe our shareholders do as well.

I now invite our Group CEO, Mark Robinson, to address the meeting.

**For shareholder inquiries, please contact:**

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## **BSP Financial Group Limited 2026 Annual General Meeting**

### **Group CEO's Address**

Thank you, Bob. Good morning and welcome to our AGM.

I'm delighted to have the opportunity to talk to you today. It continues to be an enormous privilege to lead Bank South Pacific on your behalf – a bank with roots in Papua New Guinea that date back 110 years to 1916.

We have a very clear vision for BSP.

We are a bank championing prosperity for Papua New Guinea and the South Pacific. And we are a bank for business. One that is here to help small and large enterprises grow, and to enable the economy to develop and flourish.

Today, BSP is the largest bank in the South Pacific serving over two million customers. We operate the most extensive distribution network in the region spanning branches, ATMs, EFTPOS, mobile and internet banking. This includes many rural and remote communities – including 39 locations in PNG - where no other bank operates.

We are proud to be the South Pacific's international bank.

Our shareholders, many of whom are here today, are large institutions, superannuation funds and individual investors.

I want shareholders to know that our 5,000 staff go to work every day recognising the responsibility that we have to perform for you - our shareholders, for our customers and for the community.

As you heard earlier, BSP delivered another strong performance for our shareholders in 2025. Net profit after tax increased by 12.9% to K1.17 billion.



This was driven by revenue growth across all key businesses, up over 14% to K3.41 billion. This reflects our diversified revenue base, with strong contributions from lending, foreign exchange, transaction banking and life insurance.

A particular highlight was BSP's return on equity at 23.8%, up 50 basis points, continuing our 20-year track record of a ROE above 20%.

This saw us deliver a one-year total return to our shareholders of 32% in 2025, in Kina terms. Over 3 years, BSP's total return to shareholders has been 138% in Kina terms. And over 10 years, that combination of share price growth and dividends has delivered a total return to shareholders of 413% in Kina terms.

Looking ahead, we believe there are substantial opportunities to continue BSP's growth.

Economic and market growth in the region is being driven by a young and growing population, demand for agricultural commodities and fisheries, tourism and the world-class endowment our region has in energy and mineral resources, particularly here in PNG.

We are also growing by using digital channels to bring banking to a large number of people in our region who remain under-banked. We know that through financial inclusion – bringing more people into the financial system - allowing them to pay, save and borrow with confidence - livelihoods change, and local communities strengthen.

Our history and scale mean we have a unique understanding of the region and the opportunities ahead.

Today, more than ever, we know that the key to supporting our customers, staying ahead of competition, and delivering a sustainable performance lies in the investments we make in technology and in people.

This is why we are making a K1.2 billion multi-year investment to modernise for growth. It's a program of improvement in every area of the business.

This includes:

- Delivering more convenient, digital services for our Retail and Corporate customers.



- Building a new Business Bank dedicated to supporting small to medium enterprises that are the lifeblood of the PNG and the South Pacific economies.  
Bringing greater focus to corporate and government clients by continuing to develop world-class capabilities and services in our Corporate and Institutional Bank.
- We have targeted investment to modernise branches, including premises upgrades, queue management initiatives and new deposit-taking ATMs.
- We are providing our staff with skills for the future, broader careers and new opportunities.
- We are supporting this with the introduction this year of three new cultural anchors – Service Excellence, Risk Excellence and Performance Excellence.

To help bring our Modernising for Growth program to life, I have asked three of our next-generation of leaders to share the strategic initiatives that are shaping BSP's growth journey.

First, EFTPOS or Electronic Funds Transfer at Point of Sale. We are well advanced in upgrading over 17,000 EFTPOS terminals, enabling faster, more secure payment experiences for our business clients and their customers. This work is being led by Barry Namongo, Head of Merchant Services.

Then you will hear from Michael Nacola. Michael leads BSP Life in Fiji. 2026 marked 150 years since the establishment of BSP Life in 1876.

Today, the Group's life insurance business serves over 100,000 Fijians and is a major investor in Fiji's future. BSP Life has a number of digital and product innovations in the pipeline, which will build further value for customers and expand our contribution to economic growth.

And finally, you will hear from Killie Sapu-Keari. Killie is our Manager for Operations, where we are implementing initiatives to strengthen our back-office operations.

In Centralised Operations, our focus is on tools and platforms that enable automated processes, providing a reliable, streamlined experience for customers and supporting the introduction of innovative new products and services.

Let me first invite Barry to address the meeting.



## **Barry Namongo**

Thank you, Mark. The EFTPOS Refresh project is one of the most visible expressions of our Modernising for Growth program — and I'm pleased to share this update.

Two years ago, we set out to do more than swap old terminals for new ones. We made a deliberate shift — moving BSP from a hardware-led model to a premium, technology-driven managed service.

Using Verifone terminals and Salesforce-managed services, every tap, insert and swipe across our network is now backed by smarter monitoring, faster issue resolution, and stronger security for our merchants and their customers.

The progress speaks for itself. In PNG, we've already upgraded 6,000 of 12,000 terminals — half the country, done. Across all the seven markets we serve in PNG and the South Pacific, we've completed 7,000 of 17,000 upgrades, or over 40 per cent.

And the impact on the growth of the EFTPOS business is already showing, with EFTPOS transactions growing by 10.1 per cent in the first quarter of 2026, compared to the first quarter last year.

Modernising EFTPOS isn't just about machines. It's about a small business owner in Lae, a market vendor in Apia, a hotelier in Rarotonga — being paid reliably, safely, every single time.

That's how we drive prosperity across the South Pacific. Thank you.

Let me now pass to my colleague, Michael Nacola from BSP Life.

## **Michael Nacola**

Thank you, Barry.

BSP Life is Fiji's leading life and health insurer and is a wholly owned subsidiary of the BSP Financial Group.

We commenced operations in 1876 under the Colonial Mutual Life brand. This year, we celebrate our 150th anniversary. Since BSP acquired the business in 2009, we have experienced significant growth. Some highlights include:



- Annual premium income of K100 million growing 180% to K280 million.
- An investment portfolio of K650 million growing four-fold to K2.6 billion.
- Annual customer payouts of K82 million increasing to K209 million.
- And importantly for BSP shareholders, a profit of K10 million growing to K31 million, allowing us to disburse K200 million in dividends to the BSP Group over the past 15 years.

In Fiji, our banking and life insurance businesses are market leaders, and we play a pivotal role in economic and community development.

BSP Life is the second-largest investor in the country, after the Fiji National Provident Fund, playing a significant role in driving investment and creating employment. For example, currently we are supporting three hotel projects in partnership with Fiji Airways, worth K700 million, that will all open for business this year.

In summary, BSP Life is well-positioned to continue the legacy of the past 150 years and to champion prosperity for the South Pacific.

Let me now pass to my colleague Killie Sapu-Keari.

### **Killie Sapu-Keari**

Thank you, Michael.

Operations is one of the lesser-known areas of the bank, but we are effectively BSP's engine-room. We are responsible for the behind-the-scenes execution, settlement, and administration of transactions.

As part of our Modernising for Growth program, we established the Centralised Operations Processing Support hub or COPS, in March 2025.

The COPS hub supports the transformation of our legacy, segmented banking model toward more personalised, one-to-one customer experiences, driving greater efficiency and improved customer outcomes.

Importantly, centralisation has enabled us to create standardised procedures, resulting in more consistent service quality, reduced errors, improved regulatory compliance, and stronger data integrity standards.

The benefits of COPS to our customers include:



- Increased customer satisfaction.
- More personalised customer interaction.
- Reduced waiting time.

Established in March 2025, COPS successfully processed over 450,000 transactions last year. This year, COPS processed over 174,000 transactions in the first quarter alone and over 96% of applications were processed on the same day.

It provides BSP with a better operations engine that helps optimise resources and unlock new growth opportunities for the bank.

Thank you. And let me now pass back to Mark.

**Mark T. Robinson, Group CEO (cont.)**

Thank you, Barry, Michael and Killie.

We are very proud of the work that you and your teams are leading and the outcomes you are delivering for our customers.

Ladies and gentlemen, please join me in a round of applause for them and for all our staff who are working hard to deliver for customers and shareholders. Thank you.

In summary, 2025 saw BSP deliver a strong financial performance, supported by a revenue base that is diversified by product, customer segment and geography, and continued investment based on a clear strategy.

I am pleased to report that we have continued that momentum in 2026.

Last month, we announced an unaudited net profit after tax of K278 million for the first quarter of the 2026 financial year, up 14.6% on the first quarter of last year.

Our capital position remained strong, with a capital adequacy ratio of 23.9%, well above regulatory requirements.

Nevertheless, the global environment has become more uncertain, with ongoing conflict in the Middle East contributing to higher energy prices and potential supply chain disruptions.



This raises the risk of elevated inflation and softer economic growth globally and across our region.

BSP is not immune to these uncertainties.

In this context, we are continuing to take a prudent and disciplined approach to risk management.

Although asset quality remains sound, and portfolio performance is in line with expectations, we are actively monitoring emerging risks across our lending book and assessing whether any additional provisioning may be required.

Ladies and gentlemen, in a fast-changing and highly competitive environment, BSP continues to produce results that reflect our track record of delivering growth in profitability and attractive shareholder returns.

Our continued investment to Modernise for Growth is also positioning us for the future. With our skilled people, the modernisation of our infrastructure and deep local relationships, BSP looks forward to continuing to play a leading role in helping our region to prosper and grow.

I would like to add my thanks to our staff across the region for their hard work, professionalism and passion for BSP and our customers. And finally, thank you to our shareholders for your continued support.

Let me now pass back to our Chairman for the business of the meeting.

**For shareholder inquiries please contact:**

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