



23<sup>rd</sup> October 2023

Ms. Nicola Lombardi  
ASX Limited  
Exchange Centre  
20 Bridge Street  
Sydney NSW 2000  
Australia

By Electronic Lodgment

Dear Ms. Lombardi,

**BSP Financial Group Limited – Q3/2023 Investor Presentation**

In accordance with the ASX Listing Rules, BSP Financial Group Limited (**ASX: BFL | PNGX: BSP**) provides to ASX for release to market its Q3/2023 Investor Presentation.

Sincerely,

**BSP Financial Group Limited**



Jamie-Lee Loh  
**Acting Company Secretary**

*Enclosure*

**BSP Financial Group Limited**

Incorporated in Papua New Guinea | ARBN 649 704 656

**P** +675 305 6376 **E** [JLoh@bsp.com.pg](mailto:JLoh@bsp.com.pg)

**A** Section 34 Allotments 6 & 7, Klinki Street, Waigani Drive, Port Moresby, National Capital District

**A** PO Box 78, Port Moresby, Papua New Guinea **W** [www.bsp.com.pg](http://www.bsp.com.pg)

# Investor Update

## Q3-2023

Mark T. Robinson

BSP Financial Group Limited

[ARBN: 649 704 656, Incorporated in Papua New Guinea]

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# South Pacific's #1 bank

## BSP GROUP



**16.3m** mobile & online transactions per month



**~ 3.5m** Customer accounts



**125** branches  
Largest South Pacific network



**K15.0b** [A\$6.3b]  
In net lending



**K36.1b** [A\$15.1b]  
In total assets



**K6.3b** [A\$2.4b on ASX]  
Market capitalisation <sup>1</sup>

<sup>1</sup> Market capitalisation values based on last price as at 17/10/23 on ASX (\$5.20) and PNGX (K13.50).

# Q3-23 results overview

| YTD [Km]                        | Q3-23          | Q3-22          | Q3-23 vs Q3-22 |
|---------------------------------|----------------|----------------|----------------|
| Revenue                         | 2,048.7        | 1,919.7        | +6.7%          |
| Operating expenses              | 808.4          | 723.0          | +11.8%         |
| <b>Operating profit</b>         | <b>1,240.3</b> | <b>1,196.7</b> | <b>+3.6%</b>   |
| Impairment expense <sup>1</sup> | 156.5          | -30.4          | +K186.8        |
| Tax <sup>2</sup>                | 469.4          | 555.5          | -15.5%         |
| <b>Net profit after tax</b>     | <b>614.4</b>   | <b>671.5</b>   | <b>-8.5%</b>   |

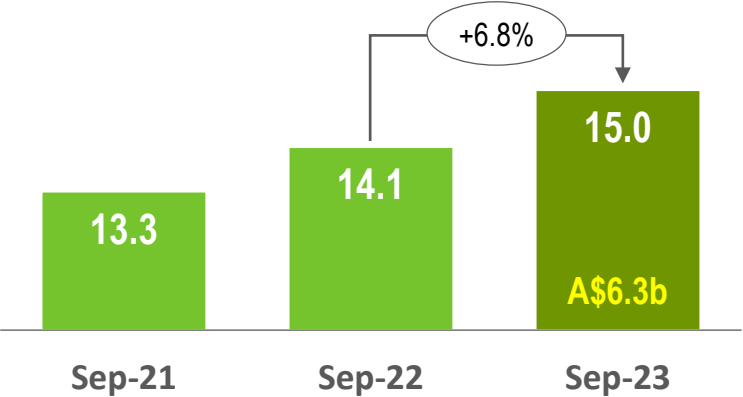
| QUARTER [Km]                | Q3-23        | Q3-22        | Q3-23 vs Q3-22 |
|-----------------------------|--------------|--------------|----------------|
| Revenue                     | 707.6        | 633.3        | +11.7%         |
| Operating expenses          | 297.5        | 252.8        | +17.7%         |
| <b>Operating profit</b>     | <b>410.1</b> | <b>380.5</b> | <b>7.8%</b>    |
| Impairment expense          | 77.8         | -10.2        | +K88.1         |
| Tax                         | 145.0        | 115.3        | +25.8%         |
| <b>Net profit after tax</b> | <b>187.3</b> | <b>275.4</b> | <b>-32.0%</b>  |

<sup>1</sup> YTD Q3-22 negative impairment expense driven by COVID-19 provision releases.

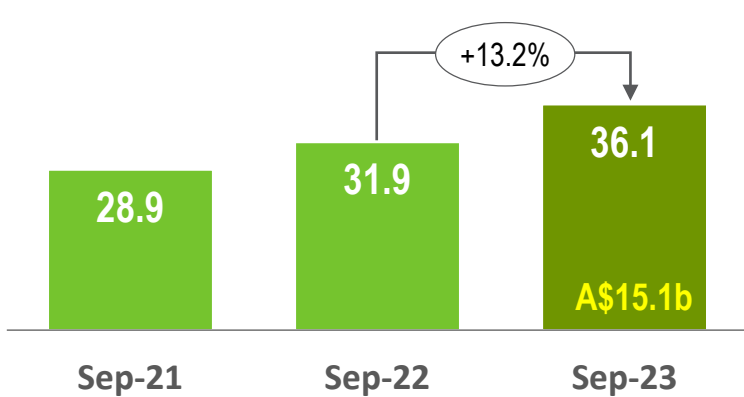
<sup>2</sup> YTD Q3-22 Tax includes K190m Additional Company Tax [ACT]. Removing ACT, YTD Q3-23 tax expense increased by 28.4%

# Strong deposit and loan growth

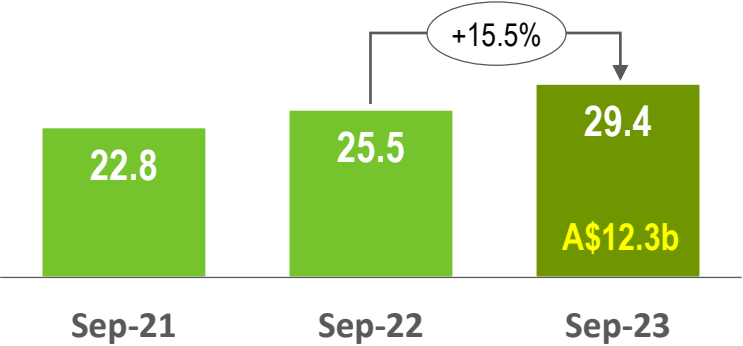
**NET LOANS**  
[Kb]



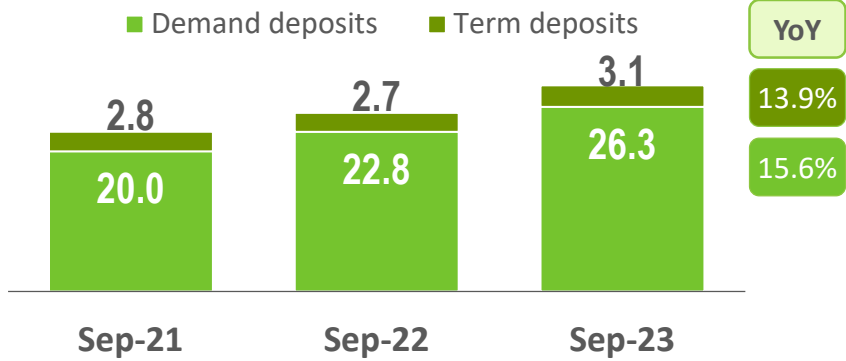
**TOTAL ASSETS**  
[Kb]



**DEPOSITS**  
[Kb]



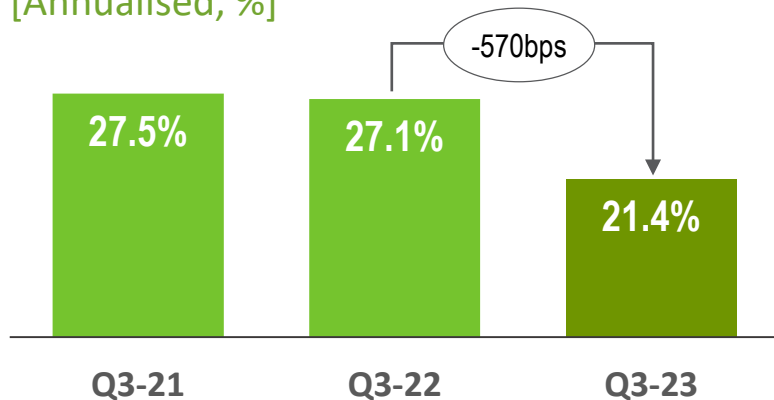
**DEPOSIT MIX**  
[Kb]



# Key ratios remain strong

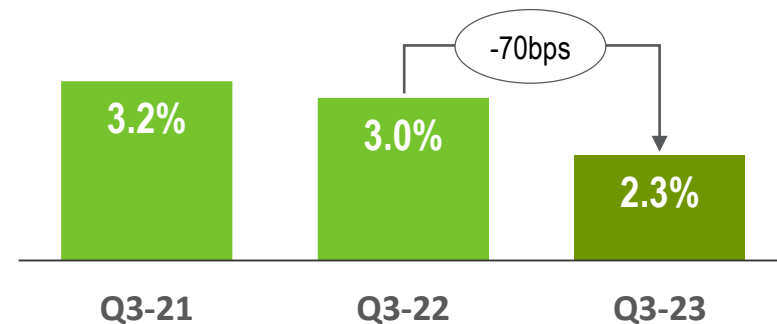
## RETURN ON AVERAGE EQUITY

[Annualised, %]



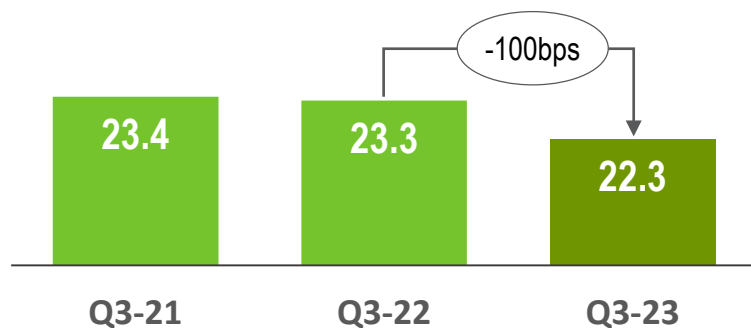
## RETURN ON AVERAGE ASSETS

[Annualised, %]



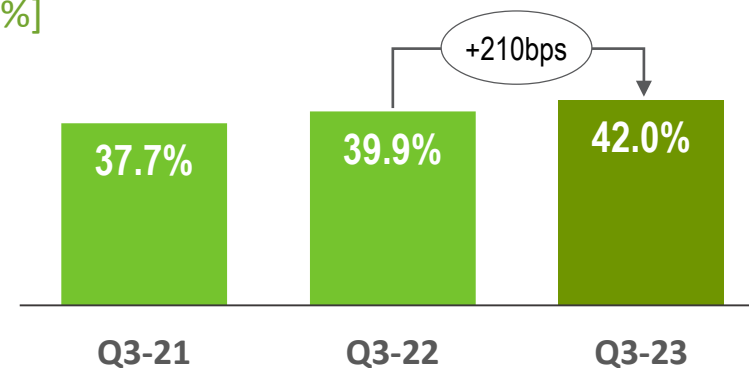
## CAPITAL ADEQUACY<sup>1</sup>

[%]







## COST TO INCOME

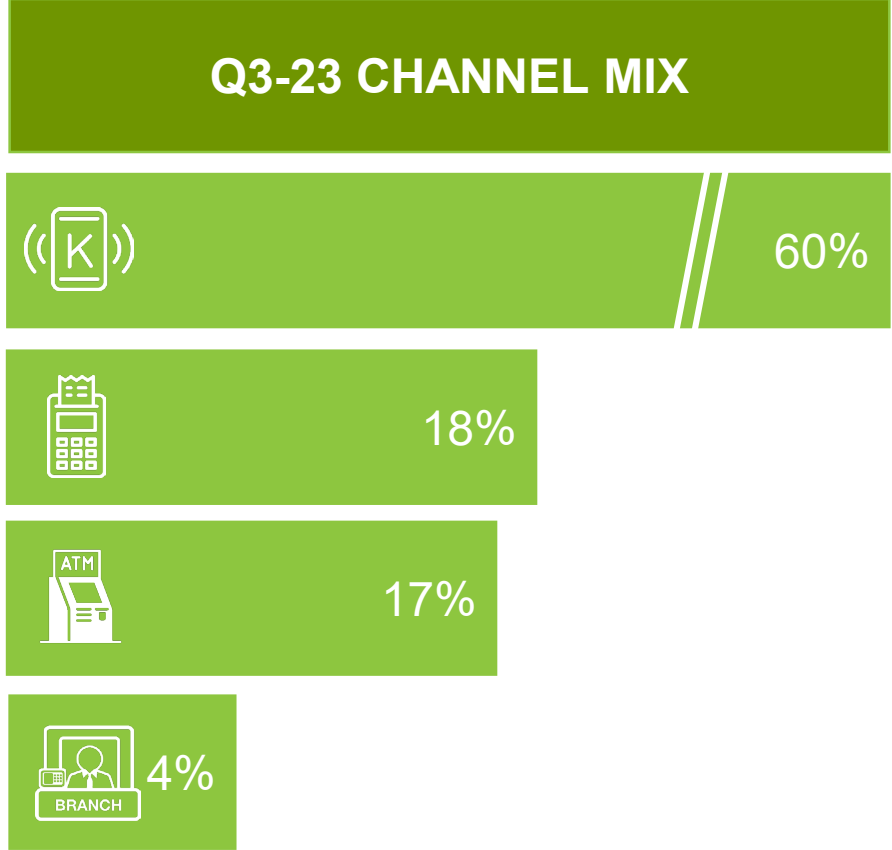
[%]



<sup>1</sup> Based on Bank of Papua New Guinea prudential standards

# Moving customers to digital channels

| Q3-23 AVERAGE MONTHLY TRANSACTIONS   |  | QoQ  |
|--|--|------|
|  <b>16.3m</b> mobile & online |  | ▲ 8% |
|  <b>4.9m</b> EFTPOS terminals |  | ▲ 7% |
|  <b>4.6m</b> ATM              |  | ▲ 3% |
|  <b>1.1m</b> Branch & agency |  | ▲ 9% |





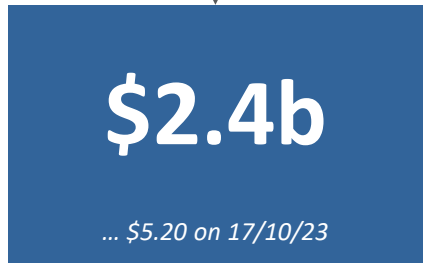
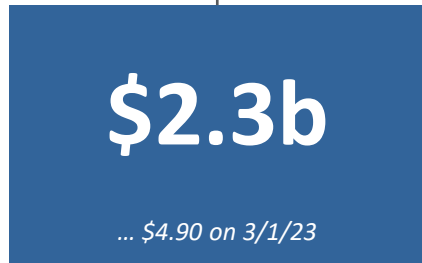
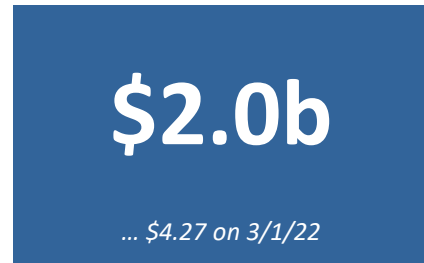
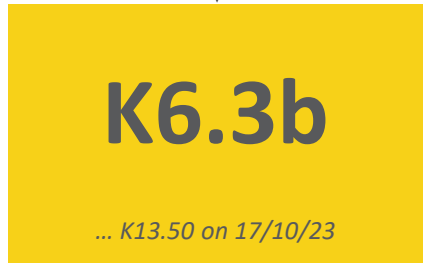
# Market capitalisation



JANUARY 2022

JANUARY 2023

OCTOBER 2023



+8.1%

+5.1%

S&P/ASX 200  
+1.6%

# Highlights



Leading South Pacific brand ... with origins dating back to 1957



Payments leader ... moving customers to digital channels



Continued strong operating income ... allows for ongoing investment



Strong balance sheet ... liquidity and capital prudently managed



**We welcome  
your questions**