

Investor Update

Q3-2023

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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 ¹

¹ 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%
Operating profit	1,240.3	1,196.7	+3.6%
Impairment expense ¹	156.5	-30.4	+K186.8
Tax ²	469.4	555.5	-15.5%
Net profit after tax	614.4	671.5	-8.5%

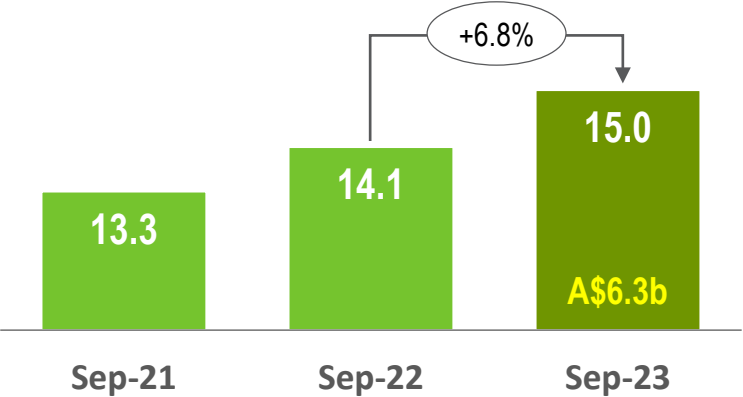
QUARTER [Km]	Q3-23	Q3-22	Q3-23 vs Q3-22
Revenue	707.6	633.3	+11.7%
Operating expenses	297.5	252.8	+17.7%
Operating profit	410.1	380.5	7.8%
Impairment expense	77.8	-10.2	+K88.1
Tax	145.0	115.3	+25.8%
Net profit after tax	187.3	275.4	-32.0%

¹ YTD Q3-22 negative impairment expense driven by COVID-19 provision releases.

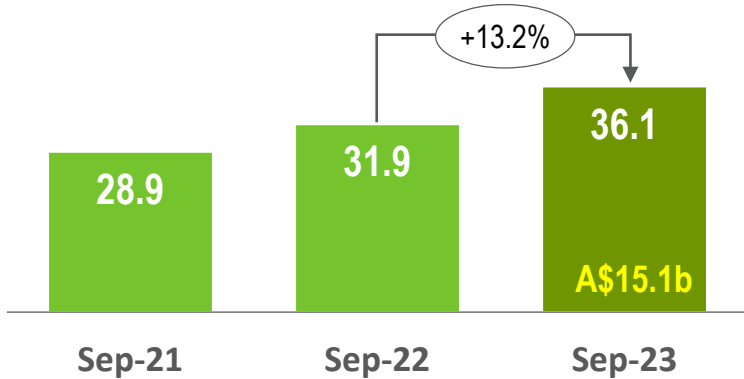
² YTD Q3-22 Tax includes K190m Additional Company Tax [ACT]. Removing ACT, YTD Q3-23 tax expense increased by 28.4%

Strong deposit and loan growth

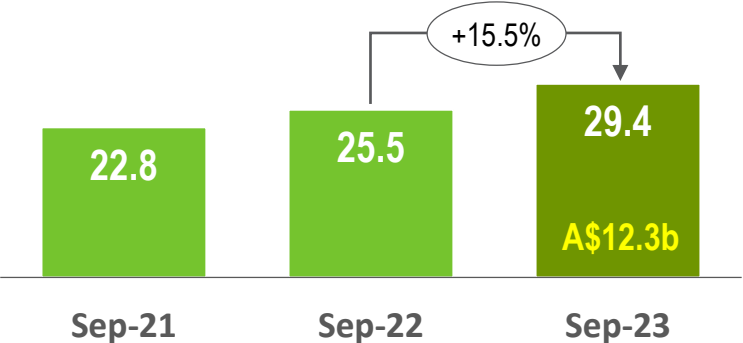
NET LOANS [Kb]



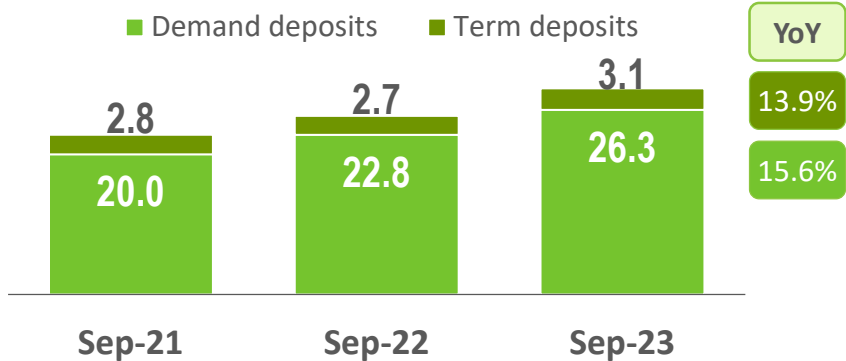
TOTAL ASSETS [Kb]



DEPOSITS [Kb]



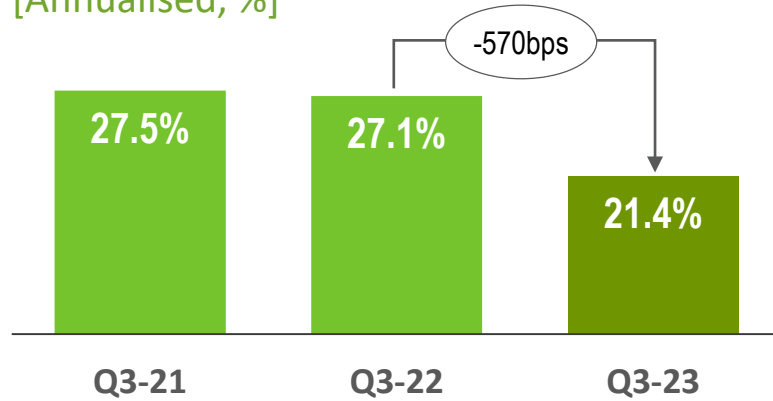
DEPOSIT MIX [Kb]



Key ratios remain strong

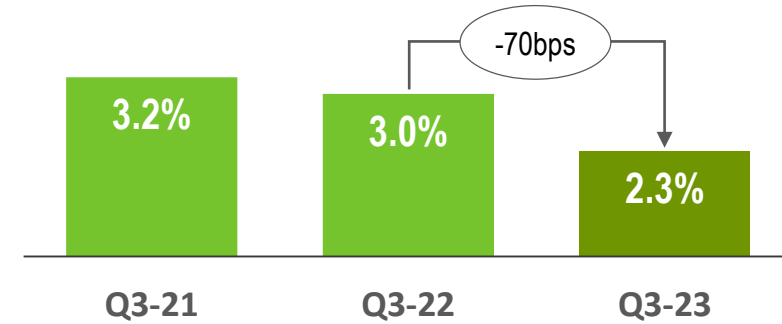
RETURN ON AVERAGE EQUITY

[Annualised, %]



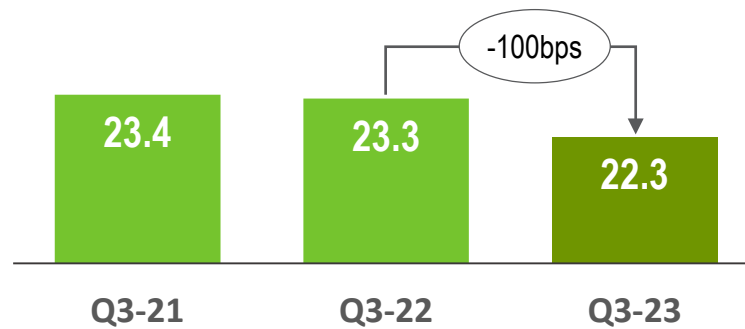
RETURN ON AVERAGE ASSETS

[Annualised, %]



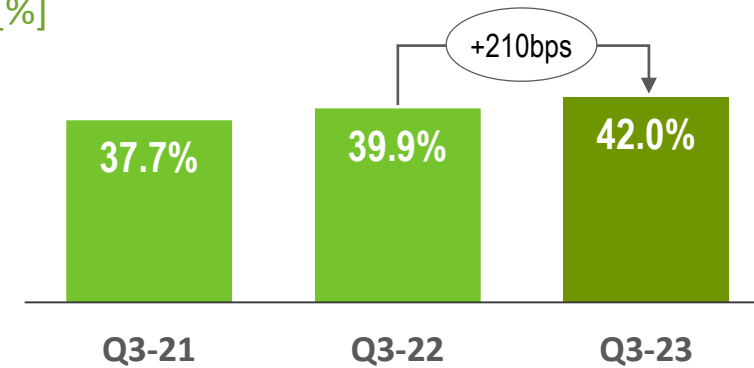
CAPITAL ADEQUACY¹

[%]







COST TO INCOME

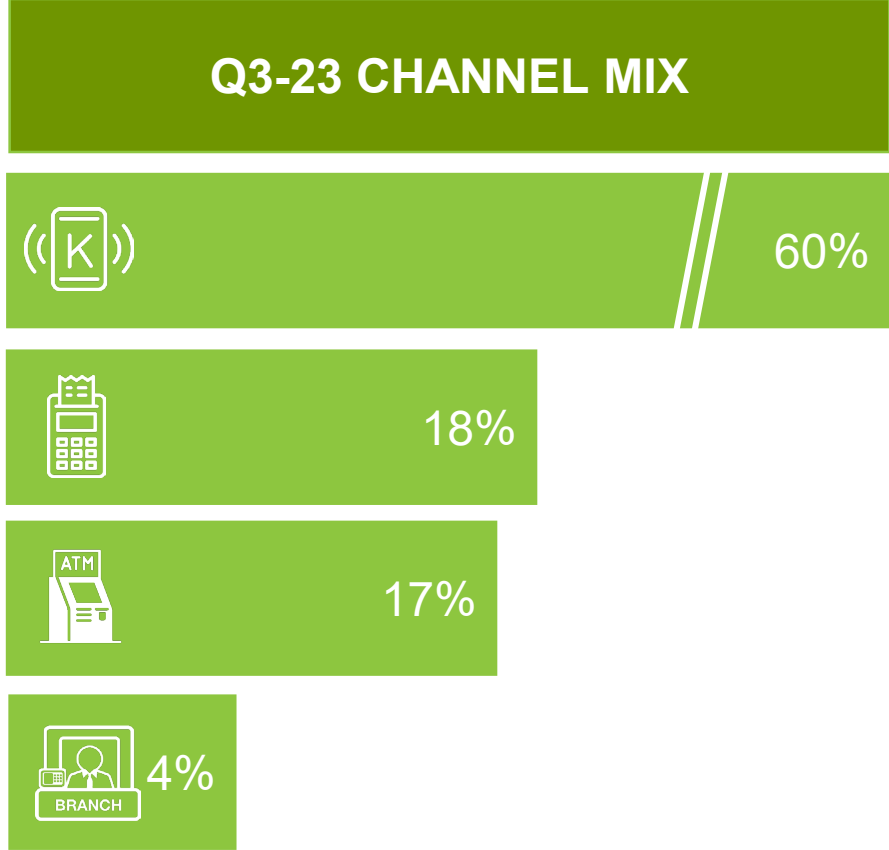
[%]



¹ Based on Bank of Papua New Guinea prudential standards

Moving customers to digital channels

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



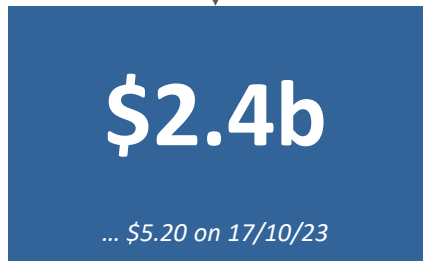
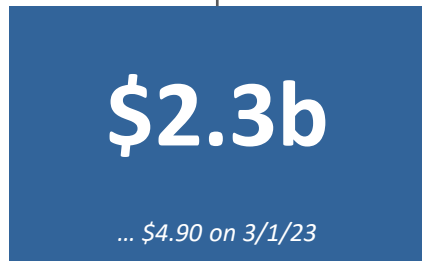
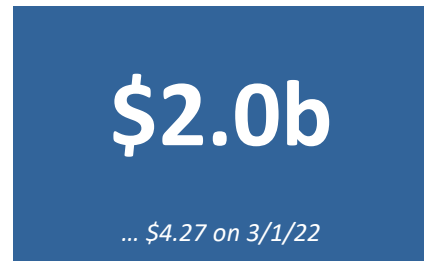
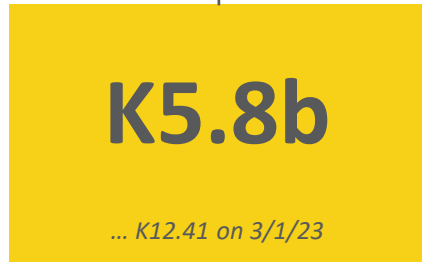
Market capitalisation



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**