

Financial Year ended

Bank of South Pacific Limited and Subsidiaries

Company No	Half yearly	Final	financial year ended
HUBSP0000055.		X	31-Dec-19

Extracts from this report for announcement to the market (see note 1)			K' 000
Sales (or equivalent operating) revenue (item 1.1 + 1.3)	up	0.26%	2,171,350
Abnormal after tax attributable to shareholders (item (2.5))	gain (loss) of	0.00%	0
Operating profit (loss after tax (before amortisation of goodwill)) attributable to shareholders (item 1.26)	up	5.48%	890,363
Operating profit (loss) after tax attributable to shareholders (item 1.10)	up	5.48%	890,363
Extraordinary items after tax attributable to shareholders (item 1.13)	-	0.00%	0
Operating profit(loss) and extraordinary items after tax attributable to shareholders (item 1.16)	up	5.48%	890,363
Dividend (distributions)			
Final dividend (preliminary final report only -item 15.4)		101 toea	476,389
Interim Dividend (Half yearly report only - item 15.5)			
Previous corresponding period (Preliminary final report -item 15.6 Half yearly report - item 15.7)		38 toea	177,551
Record date for determining entitlements to the dividend (In the case of a trust, distribution) (see item 15.2)			

Consolidated Profit and loss account

	Current Period K' 000	Previous Corresponding period K' 000
1.1 Sales (or equivalent operating) revenue)	1,391,784	1,380,796
1.2 Share of associates "net profit(loss) attributable to shareholders" (equal to item 16.7)	10,192	21,307
1.3 Other Revenue	769,374	763,602
1.4 Operating profit (loss) before abnormal items and tax	1,252,919	1,196,168
1.5 Abnormal items before tax (detail in item 2.4)	0	0
1.6 Operating profit (loss) before tax (items 1.4 + 1.5)	1,252,919	1,196,168
1.7 Less tax	362,556	352,096
1.8 Operating profit (loss) after tax but before outside equity interest	890,363	844,072
1.9 Less outside equity interest		
1.10 Operating profit(loss) after tax attributable to shareholders	890,363	844,072
1.11 Extraordinary items after tax (detail in item 2.6)	0	0
1.12 Less outside Equity Interest	0	0
1.13 Extraordinary items after tax attributable to shareholders	0	0
1.14 Total Operating profit(loss) and extraordinary items after tax (items 1.8 + 1.11)	890,363	844,072
1.15 Operating profit (loss) and extraordinary items after tax attributable to outside equity interest (items 1.9 +1.12)	0	0
1.16 Operating profit (loss) and extraordinary items after tax attributable to shareholders (item 1.10+1.13)	890,363	844,072
1.17 Retained profits (accumulated losses) at beginning of financial period	2,156,873	1,904,462
1.18 If change in accounting policy as set out in clause 11 of AASB 1018 Profit and loss accounts, adjustments as required by that clause (include brief description)	0	(9,903)
1.19 Aggregate of amounts transferred from / (to) reserves	1,086	15,606
1.20 Total available for appropriation (carried forward)	3,048,322	2,754,237
1.21 Dividend provided for or paid	(653,940)	(597,364)
1.22 Prior year adjustments	0	0
1.23 Retained profits (accumulated losses) at end of financial period	2,394,382	2,156,873

Profit restated to exclude amortisation of goodwill

1.24 Operating profit(loss) after tax before outside equity interests (items 1.8) and amortisation of goodwill	890,363	844,072
1.25 Less(plus) outside equity interest	0	0
1.26 Operating profit(loss) after tax (before amortisation of goodwill) attributable to shareholders	890,363	844,072

Intangible, abnormal and extra ordinary items

Consolidated- current period

	Before tax K' 000	Related tax K' 000	Related outside equity interest K' 000	Amount (after tax) attributable to shareholders K' 000
2.1 Amortisation of goodwill				
2.2 Amortisation of other intangibles	28,173	8,452	0	19,721
2.3 Total Amortisation of Intangibles	28,173	8,452	0	19,721
2.4 Abnormal items	0	0	0	0
2.5 Total abnormal items	0	0	0	0
2.6 Extraordinary items	0	0	0	0
2.7 Total extraordinary items	0	0	0	0

Comparison of half year profits

	Current year - K' 000	Previous year K' 000
3.1 Consolidated operating profit(loss) after tax attributable to shareholders reported for the 1st half year (item 1.10 in the half yearly report)	434,909	418,289
3.2 Consolidated operating profit(loss) after tax attributable to shareholders for the second half year	455,454	425,783

Consolidated Balance Sheet

	At end of current period K' 000	As shown in last annual report K' 000	As in last half yearly report K' 000
Current Assets			
4.1 Cash	2,839,033	2,107,468	1,943,906
4.2 Receivables	4,407,551	4,417,152	7,510,759
4.3 Investments	2,459,497	2,494,700	2,081,213
4.4 Inventories	0	0	0
4.5 Other (provide details if material)	366,994	205,482	368,866
4.6 Total Current assets	10,073,075	9,224,802	11,904,744
Non Current Assets			
4.7 Receivables	10,587,445	9,811,794	7,219,881
4.8 Investment in associates	202,040	175,579	179,466
4.9 other investments	2,121,071	2,555,443	2,610,889
4.10 Inventories	0	0	0
4.11 Exploration and evaluation expenditure capitalised (see para. 71 of AASB 1022)	0	0	0
4.12 Development properties (mining entities)	0	0	0
4.13 Other property, plant and equipment (net)	928,075	745,710	925,272
4.14 Intangibles (net) and deferred tax	447,052	414,230	395,075
4.15 Other (Investment Properties)	168,360	153,665	154,677
4.16 Total Non current Assets	14,454,043	13,856,421	11,485,260
4.17 Total Assets	24,527,118	23,081,223	23,390,004
Current Liabilities			
4.18 Accounts payables	16,707,604	16,111,221	16,321,035
4.19 Borrowings	0	0	0
4.20 Provisions	172,753	166,660	167,370
4.21 Other (provide details if material)	1,751,894	1,623,992	1,758,850
4.22 Total current liabilities	18,632,251	17,901,873	18,247,255
Non Current Liabilities			
4.23 Accounts payable	2,715,383	2,173,084	2,246,403
4.24 Borrowings (Promissory Notes)	0	75,525	0

Consolidated Balance Sheet (continued)]

4.25 Provisions	62,451	58,606	61,812
4.26 Other (provide details if material)			
4.27 Total non- current liabilities	2,777,834	2,307,215	2,308,215
4.28 Total Liabilities	21,410,085	20,209,088	20,555,470
4.29 Net Assets	3,117,033	2,872,135	2,834,534
Equity			
	At end of current period K' 000	As shown in last annual report K' 000	As in last half yearly report K' 000
4.30 Capital	372,310	372,364	372,327
4.31 Reserves	346,513	339,320	338,815
4.32 Retained Profits (accumulated losses)	2,394,382	2,156,873	2,119,817
4.33 Equity attributable to shareholders of the parent entity	3,113,205	2,868,557	2,830,959
4.34 Outside equity to shareholders of the parent entity	3,828	3,578	3,575
4.35 Total equity	3,117,033	2,872,135	2,834,534
4.36 Preference Capital included as part of 4.33	-	-	-

Exploration and evaluation expenditure capitalised

To be completed only by entities with mining interest if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit

	Current Period K' 000	Previous Corresponding period K' 000
5.10 Aggregate of amounts transferred from / (to) reserves	0	
5.2 Expenditure incurred during current period	0	0
5.3 Expenditure written off during current period		
5.4 Acquisition, disposals, revaluation, increments, etc Prior year adjustments	0	0
5.5 Expenditure transferred to development properties		
5.6 Closing balance as shown in the consolidated balance sheet (item 4.11)	0	0

Development properties

To be completed only by entities with mining interest if amounts are material

	Current Period K' 000	Previous Corresponding period K' 000
6.1 Opening Balance		
6.2 Expenditure incurred during current period		
6.3 Expenditure transferred from exploration and evaluation		
6.4 Expenditure written off during current period		
6.5 Acquisition, disposals, revaluation, increments, etc		
6.6 Expenditure transferred to mine properties		
6.7 Closing balance as shown in the consolidated balance sheet (item 4.12)		

Consolidated Statement of Cash Flows	Current Period K' 000	Previous Corresponding period K' 000
Cash Flows related to operating activities		
7.1 Receipts from customers	1,605,387	1,544,691
7.2 Payments to suppliers and employees	(776,812)	(722,282)
7.3 Dividends received from associates	0	0
7.4 Other Dividends received	0	0
7.5 Interest and other items of similar nature received	0	0
7.6 Interest and other finance paid	(167,913)	(183,137)
7.7 Income taxes paid	(383,287)	(420,430)
Other (due largely to movement in customer deposits, loans & 7.8 advances)	866,031	(122,325)
7.9 Net Operating cash flows	1,143,406	96,517
Cash flows related to investing activities		
7.10 Payment of purchase of property, plant and equipment	(134,888)	(111,929)
7.11 Proceeds from sale of property, plant and equipment	7,076	966
7.12 Payment for purchases of equity investments	0	0
7.13 Proceeds from other investments	0	0
7.14 Movement in share trading activities	0	0
7.15 Loans repaid by other entities	0	0
7.16 Other (Government & central Bank Securities)	429,961	695,907
7.17 Net Investing cash flows	302,149	584,944
Cash flows related to financing activities		
7.18 Share buyback	(54)	(637)
7.19 Client management trust	0	0
7.20 Repayment of borrowings	(61,153)	(102,866)
7.21 Dividend paid	(653,940)	(597,364)
7.22 Other (provide details if material)(share buy back)	(41,855)	80,273
7.23 Net financing cash flows	(757,002)	(620,594)

Consolidated Statement of Cash Flows (continued)

7.24 Net Increase (decrease) in cash held	688,553	60,867
7.25 Cash at beginning of period (see reconciliation of cash)	2,055,929	1,994,010
7.26 Exchange rate adjustment to item 7.25	10,620	1,052
7.27 Cash at end of period(see reconciliation of cash)	2,755,102	2,055,929

Non-cash financing and investing activities

Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows. If an amount is qualified, show comparative amount.

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Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current Period K' 000	Previous Corresponding period K' 000
8.1 Cash on hand and at Bank	1,816,564	1,253,449
8.2 Deposits at call- From other Banks	1,022,469	854,019
8.3 Bank Overdraft		
8.4 Other (provide details) - Due to other banks	(83,931)	(51,539)
8.5 Total cash at end of period(items 7.27)	2,755,102	2,055,929
Ratios	Current Period	Previous Corresponding period K' 000
Profit before abnormal and tax sales		
9.1 Consolidated operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue(item 1.1 & 1.3)	57.97%	55.78%
9.2 Consolidated operating profit (loss) after tax attributable to shareholders (item 1.10) as a percentage of equity (similarly attributable) at the end of period(item 4.33)	28.60%	29.42%

Earnings per share (EPS)	Current Period	Previous Corresponding period K' 000
10.1 Calculation of the following in accordance with AASB 1027: <i>Earnings per share</i>		
(a) Basic EPS (expressed toea)	190.6	180.6
(b) Diluted EPS (if material differently from (a))	n/a	n/a
(c) Weighted average number of ordinary shares ('000) outstanding during the period used in the calculated of the basic EPS	467,242	467,279
NTA backing (see note 7)		
11.1 Net tangible asset backing per ordinary security	6.67	6.15

Details of specific receipts/outlays, revenues/expenses

	Current Period K' 000	Previous Corresponding period K' 000
12.1 Interest revenue included in determining item 1.4(from 1.1)	1,391,784	1,380,796
12.2 Interest revenue included in item 12.1 but not yet received (if material)	5,170	99,785
12.3 Interest expense included in item 1.4(include all forms of interest,lease finance charges, etc)	193,989	180,895
12.4 Interest costs excluded from item 12.3 and capitalised in asset values (if material)	17,981,756	175,221
12.5 Outlays(except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	0	0
12.6 Depreciation and amortisation	163,026	108,399

Control gained over entities having material effect

see note 8

13.1 Name of entity (or group entities)	nil
13.2 Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) since the date in the current period on which control was acquired	nil
13.3 Date from which such profit was calculated	
13.4 Operating profit(loss) and extraordinary items after tax of the entity (or group of entities) for the whole of the corresponding period	nil

Loss of control of entities having material effect

14.1 Name of Entity (or group of entity)	nil
14.2 Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) for the current period to the date of loss of control	nil
14.3 Date to which the profit(loss) in item 14.2 has been calculated	
14.4 Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) while controlled during the whole of the previous corresponding period	nil
14.5 contribution to consolidated operating profit(loss) and extraordinary items from sale of interest leading to loss of control	nil

Reports for industry and geographical segments

The Bank of South Pacific Limited and its subsidiaries operates in the following segments - provision of banking services, asset financing, stock broking services, fund management and insurance business throughout the Pacific region.

<u>Operating Revenue</u>		
Sales to customers outside the economic entity	2,171,350	2,165,705
Inter-segment sales	0	0
Unallocated revenue	0	0
Total Revenue	2,171,350	2,165,705
Segment result (including abnormal items where applicable)	1,252,919	1,196,168
Unallocated expenses	0	0
Consolidated operating profit before tax (equal to item 4.17)	1,252,919	1,196,168
Segment assets	24,527,118	23,081,223
Unallocated assets	0	0
Total assets (equal to item 4.17)	24,527,118	23,081,223

Dividends (in the case of a trust, distribution)

- 15.1 Date the dividend(distribution) is payable
- 15.2 Record date to determine entitlements to the dividends (distribution) (ie, on the basis of registrable transfers received up to 5.00 pm)
- 15.3 If it is a final dividend, has it been declared? preliminary report only - Special dividend

Amount per security

		Amount per security	Amount
	(Preliminary final report)		
15.4	Final Dividend: Current year:	101 toea	476,389
15.5	Previous year	91 toea	428,023
Half yearly and preliminary final reports			
15.6	Interim Dividend: Current year	38 toea	177,551
15.7	Previous year	36 toea	169,341

Total dividend (distribution) per security (interim plus final)
(preliminary final report only)

	Current year	Previous year
15.8 Ordinary securities	139 toea	127 toea
15.9 Preference securities		

Half yearly report- interim dividend(distribution) on all securities or

	Current year K'000	Previous year K'000
15.10 Ordinary Securities	38 toea	36 toea
15.11 Preference securities	0	0
15.12 Total	38 toea	36 toea

The dividend or distribution plans shown below are in operation

The last date(s) for receipt of election notices for the dividend or distribution plans

Any other disclosures in relation to dividends (distributions)

Details of aggregate share of profits (losses) of associates & joint ventures

Entity share of associates	Current period K'000	Previous corresponding period K'000
16.1 Operating profit(loss) before income tax	10,449	14,354
16.2 Income tax expense	0	0
16.3 Operating profit(loss) after income tax	10,449	14,354
16.4 Extraordinary items net of tax	0	0
16.5 Net profit(loss)	10,449	14,354
16.6 Outside equity interest	(257)	6,953
16.7 Net profit(loss) attributable to shareholders	10,192	21,307

Material interest in entities which are not controlled entities

The Bank of South Pacific Limited has no material interest(s) in any other entity.

Name of Entity	Percentage of ownership interest held at end		Contribution to operating profit(loss) and	
	Current period	Previous corresponding period	Current period K'000	Previous corresponding period K'000
17.1 Equity accounted associated entities				
Suva Central Limited	50.0%	50.0%	530	921
Richmond Limited	61.3%	61.3%	5,426	19,566
BSP Finance Cambodia	50.0%	50.0%	4,235	820
17.2 Total			10,191	21,307
17.3 Other material interest	0	0	0	0
17.4 Total	0%	0%	10,191	21,307

Issued and quoted securities at end of current period

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

Category of securities	Number issued	Number quoted	Amount paid per share(toea)
18.1 Preference securities (description)			
18.2 Issued during period	-	-	-
18.3 Ordinary Securities	467,239,281	467,245,179	
18.4 Issued during current period	-	-	-
	-	-	-
18.5 Convertible debt securities (description and factor)			
18.6 Issued during current period			
18.7 Options (description and conversion factor)		Exercise price	Expiry date (if any)
Executive Management Share Option Plan			
Executive Management Share Option Plan			
18.8 Issued during current period			
18.9 Exercised during current period			
18.10 Expired during current period			
18.11 Debentures (total only)			
18.12 Unsecured notes (totals only)			

Comments by directors

Comments on the following matters are required by POMS0X or, in relation to the half yearly report, by IAS 34. Half year accounts and consolidated Accounts. The comments do not take the place of the directors report (as required by the companies Act 1997) and may be incorporated into the directors report. For both half yearly and preliminary final reports, if there are no comments in a section state Nil. If there is insufficient space to comment attach notes to this report.

Basis of accounts preparation

If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and IAS 34. Half-year accounts and consolidated accounts. It should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period. (delete if preliminary statement)

Material factors affecting the revenues and expenses of the economic entity for the current period

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A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

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Changes in accounting policies since the last annual report are disclosed as follows

(Disclose changes in the half yearly report in accordance with IAS 34.
Half-year accounts and consolidated accounts. Disclose changes in the preliminary final report in accordance with IAS: Accounting Policies Disclosure)

There have been no changes in accounting policies since the last annual report
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Additional disclosure for trust

19.1 Number of units held by the management company or a related party of it

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19.2 A statement of the fees and commissions payable to the management company

initial service charges
Management fees
other fees

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Annual meeting

(preliminary final report only)

The annual meeting will be held as follows:

Place

Date

Time

Approximate date the annual report will be available

Port Moresby
22 May 2020
10.00am
22 May 2020

Compliance statement

- 1 This report has been prepared under accounting policies which comply with accounting standards approved by the Accounting Standards Board pursuant to the Companies Act 1997 or other Standards acceptable to POMSoX (see note 13)

Identify other standards used

International Financial Reporting Standards

- 2 Report the financial statements prepared under the Companies Act 1997 (if separate), use accounting policies.
- 3 This report does give a true and fair view of the matters disclosed (see note 2)
- 4 This report is based on financial statements to which one of the following applies.

<input checked="" type="checkbox"/>	The financial statements have been audited	<input type="checkbox"/>	The financial statements have been subject to review
<input type="checkbox"/>	The financial statements are in the process of being audited	<input type="checkbox"/>	The financial statements have not yet been audited or reviewed

- 5 If the audit report or review by the auditor is not attached, details of any qualifications ~~are attached/~~ will follow immediately they are available (delete one)
- 6 The entity has a formally constituted audit committee.

Date: 26th February 2020

Sign here.....
Chairman
Kostas Constantinou, OBE

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Chief Executive Officer/Managing Director
Robin Fleming, CSM

