



A wholly owned subsidiary of BSP Papua New Guinea

Registered Office: Level 12 Suva Central Building, Cnr of Renwick Rd & Pratt Street, Suva, Fiji Islands.
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Market Announcement to South Pacific Stock Exchange

“BSP 2021 AGM – CHAIRMAN’S ADDRESS”

About BSP Convertible Notes Limited (BSPCN):

BSP Convertible Notes Limited (BSPCN) is a wholly owned subsidiary of BSP Financial Group Limited (BSP). BSP is a Papua New Guinea based full service Bank with representation in many major Pacific economies. BSP is listed on the Port Moresby Stock Exchange (PNGX) and has a B- credit rating from Standard & Poors. BSP Convertible Notes Limited (BSPCN) is a special purpose vehicle incorporated in Fiji with limited powers under its Memorandum and Articles. It is listed in the South Pacific Stock Exchange (SPX) in Fiji as **BCN**.



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24 May 2021

“BSP 2021 AGM – CHAIRMAN’S ADDRESS”

Our Parent Company, BSP Financial Group Limited based in Port Moresby, PNG has released this market announcement on PNGX.



Haroon Ali
DIRECTOR

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BSP FINANCIAL GROUP LIMITED
2021 ANNUAL GENERAL MEETING
21/05/2021

CHAIRMAN SIR KOSTAS CONSTANTINOU

Today we are very pleased to welcome those of you participating online through our virtual meeting platform provided by our share registrar Link Market Services Limited, and those in attendance here in the BSP First Lounge.

We were guided by the COVID-19 pandemic instructions that were in force at the time and thought it prudent to take steps to discourage a physical public gathering and thank you all for your attendance online.

An overview of the Board Performance Review

In 2020, the BSP Board engaged Joshua Smith of Ashurst Board Advisory (a governance consulting business of the global law firm, Ashurst) to undertake a Board Performance Review of the BSP Board. Joshua is a deeply experienced Global Board Advisor. Ashurst Board Advisory conducted one-on-one interviews with each Director of the Board (10 in total), including Robin Fleming, Group CEO.

Interviews with Directors commenced on 24 September 2020 and were completed on 2 October 2020. The Review examined the effectiveness, processes and performance of the BSP Board (including the structure of the Board's Committees). The Review process involved interviews with Directors, review of relevant Company documentation, and independent observation. As part of the Review, the mix of skills represented on the Board, and the likely needs of the Board over the medium term, were assessed in considering issues of board succession.

Ashurst Board Advisory concluded that:

1. BSP has a balanced, effective and harmonious Board.
2. The Board possesses an appropriate mix of skill, experience and gravitas to appropriately discharge its obligations.
3. The skill and experience around the Board table is diverse and appropriate to the Company, contributing to sound Board performance.

And finally, A number of Directors are new to the Board, and are naturally still developing. All are expected to make a strong positive contribution to the Board in due course.

I now invite Robin Fleming the BSP Group CEO to make his remarks.

Group CEO's Statement

[GCEO Robin Fleming to give his remarks]

...

Robin Fleming: "I now hand the Meeting over to Chairman to proceed with the formal business of the day"

[Back to Chairman]

Introduction

Welcome to BSP Financial Group Limited's 2021 Annual General Meeting.

My name is Sir Kostas Constantinou, OBE. I am the Chairman of BSP Financial Group Limited and I will be the Chairman of this annual meeting.

Present with me today are my fellow board members:

- Group CEO Robin Fleming

- Arthur Sam
- Robert Bradshaw
- Ernie Gangloff
- Priscilla Kevin
- Frank Bouraga

Our overseas Directors - Stuart Davis, Dr Lofi and Symon Brewis -Weston have joined the audio webcast.

Agenda

The Agendas for this Meeting are as follows:

1. Approval of the Minutes of the previous meetings
 - Annual Meeting held on 22 May 2020
and
 - The Special General Meeting of Shareholders held on 26 March 2021;
2. Adoption of the BSP Group Financial Statements for the Year ended 31 December 2020;
3. Re-election of Directors Robert Bradshaw and Arthur Sam;
4. Election of new Directors Frank Bouraga and Symon Brewis-Weston;
5. Appointment of PWC as auditors of BSP

Voting on the resolutions will be conducted by way of poll.

Shareholders attending the Meeting online, will be able to cast their vote using the electronic voting card received when online registration is validated.

Please refer to the virtual annual meeting online portal guide.

Following the voting, general business questions will be taken.

Shareholders participating online through the virtual meeting website – please click on the ‘Ask Question’ button, type your question and click ‘Submit’.

I encourage shareholders attending online, and who have questions, to send their questions through as soon as possible.

Shareholder questions received prior to the meeting will be addressed during the general business questions.

Formalities

Now in the interests of time we will move to the formal part of the Meeting.

The Notice of the meeting was duly given and the meeting has been properly convened.

We will turn to the resolutions later in the meeting.

Please note that **only BSP shareholders, or their duly appointed proxy holders** who are participating through this virtual platform will be able to ask questions and vote on the items of business.

Those of you who have joined us via the teleconference may listen in but not ask questions or vote.

We encourage shareholders to ask questions before the Meeting and we thank those who took the opportunity to do so.

There will be reasonable opportunity to discuss each item of business, however I ask that you restrict your questions and comments to the particular item of business that is before the Meeting.

Quorum

I declare that a quorum is present and declare the Meeting open.

I confirm that the total number of votes registered appointing the Chairman or another person to vote in favor of the resolutions is not less than 74.47% of the maximum number of votes able to be cast at this meeting.

In the circumstances, all resolutions must pass.

Resolutions

Ladies and Gentlemen, we now come to the formal part of the business.

The resolutions for consideration today may only be voted on by shareholders, proxy holders and shareholder company representatives.

There will be an opportunity for shareholders online through the virtual meeting website to ask questions on each matter being put to shareholders.

I ask that shareholders participating in this virtual meeting raise questions that relate directly to the matter being considered. Our Company Secretary will read out the questions and I will respond to the question or refer to the Group CEO to respond.

Now, moving to the resolutions, I propose to call an online poll on each of these resolutions.

Each resolution set out in the Notice of Meeting is to be considered as an ordinary resolution and, as such, must be approved by a simple majority of the votes cast by shareholders entitled to vote and voting on the resolution.

GENERAL BUSINESS – MINUTES OF THE PREVIOUS MEETINGS OF SHAREHOLDERS HELD ON 26 MARCH 2021 AND 22 MAY 2020

Ladies and Gentlemen, the first and only item of general business is to receive, consider and accept the minutes of the previous meeting of shareholders held on 26 March 2021 and the minutes of the Annual General Meeting held on Friday 22nd May 2020, as correct records of the respective Meetings.

- May I have a mover of the resolution please?..... [PAUSE] Thank you
- May I have a seconder please[PAUSE] Thank you.

Mary, do we have any questions?

CHAIRMAN: Thank you – now please select either “FOR”, “AGAINST” or "ABSTAIN for Resolution 1 on the voting card.

Ordinary Business

Now to the ordinary business in the Notice of Meeting.

RESOLUTION 1: ANNUAL REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2020

The Annual Report, including the Financial Statements, Director’s Report and the Auditor’s Report included in the 2020 Annual Report, for the Company and its subsidiaries for the year ended 31 December 2020 is available on the BSP website for the shareholders to read prior to this meeting.

Neither the Papua New Guinea Companies Act 1997 nor the Company’s constitution requires shareholders to vote on such Reports.

- May I have a mover of the resolution please?.....[PAUSE]... Thank you
- May I have a seconder please[PAUSE]... Thank you.

CHAIRMAN: Mary, do we have any questions?

CHAIRMAN:

Thank you – if there are no more questions please select either “FOR”, “AGAINST” or "ABSTAIN for Resolution 1 on the voting card.

[PAUSE for voting]

The next item of business is the re-election of 2 current Directors by the Shareholders.

RESOLUTION 2: RE-ELECTION OF DIRECTORS.

Resolution 2 (a) and 2 (b) concerns the re- election of Robert Bradshaw and Arthur Sam as Directors of BSP.

Robert Bradshaw and Arthur Sam retire by rotation and being eligible, offer themselves for re-election under the Constitution.

Resolution 2(a) concerns the re-election of Robert Bradshaw as a Director

Mr. Bradshaw joined the BSP Board in September 2017 and also serves as Chairman of the Board's Remuneration & Nomination Committee. Mr. Bradshaw is a lawyer by profession and has over 20 years experience. He was formerly a Partner in the firm Blake Dawson Waldron (now Ashurst) and commenced practice in his own firm, Bradshaw Lawyers, in 2005. Mr Bradshaw has been involved in different areas of law, particularly in resource development, industrial relations, banking and finance and commercial litigation.

Mr Bradshaw is also the Chairman of Post PNG Limited and Deputy Chairman of the Jiwaka Provincial Health Authority.

Mr. Bradshaw, being eligible, retires by rotation in accordance with Section 15.3 of the Constitution and offers himself for re-election.

Could I ask that the resolution 2 (a) in the Notice of Meeting to re-elect Robert Bradshaw as a Director be moved and seconded please?

- May I have a mover please?.....[PAUSE].....Thank you
- May I have a seconder?[PAUSE].....Thank you

Mary, do we have any questions?

Thank you. Should there be no other questions – may I now please ask shareholders to select either “FOR”, “AGAINST” or “ABSTAIN” for Resolution 2 (a) on the voting card.

[PAUSE for voting]

Resolution 2(b) deals with the re-election of Arthur Sam to the Board

Mr. Sam was appointed to the BSP Board in July 2016. Mr Sam has also been a member of the BSP Board Audit & Compliance Committee and currently serves as the Chairman of the Board’s Risk Committee.

Mr Sam is a qualified and experienced accountant, registered under CPA Papua New Guinea. He is the Audit and Managing Partner of Sam Kiak Tubangliu Certified Practising Accountants. Mr Sam previously worked with global accounting firms PricewaterhouseCoopers, Deloitte and Ernst & Young in managerial roles specialising in external and internal audit and risk management.

Prior to joining the Board of BSP, he served on the NASFUND (the national superannuation fund of Papua New Guinea) Board Audit and Risk Committee and the Papua New Guinea Accountants Registration Board.

Mr. Sam, being eligible, retires by rotation in accordance with Section 15.3 of the Constitution and offers himself for re-election.

Could I ask that the resolution 2 (b) in the Notice of Meeting to re-elect Arthur Sam as a Director be moved and seconded please?

- May I have a mover please?.....[PAUSE].....Thank you
- May I have a seconder?[PAUSE].....Thank you

Mary, are there any questions for this resolution?

Thank you – now please select either “FOR”, “AGAINST” or "ABSTAIN for Resolution 2 (b) on the voting card.

[PAUSE for voting]

Thank you Ladies and Gentlemen.

RESOLUTION 3: ELECTION OF DIRECTORS

Resolutions 3 (a) and 3 (b) concerns the election of Frank Bouraga and Symon Brewis-Weston as Directors of BSP.

Both Frank Bouraga and Symon Brewis-Weston were appointed to fill casual vacancies created by the resignation of Augustine Mano in June 2020 and the retirement of Geoff Robb in April 2021 respectively.

In accordance with clause 15.3(a) of the Constitution, any Director appointed to fill a casual vacancy by the Board since the previous Annual Meeting, must stand for election at the next Annual Meeting.

Resolution 3 (a) concerns the election of Frank Bouraga as a Director

Frank Bouraga was appointed to the BSP Board in December 2020.

He holds a Bachelor of Business from Central Queensland University and is a CPA-PNG qualified Professional Accountant with over 25 years in accounting practice. Mr. Bouraga currently serves as Partner Assurance and Business Advisory with SBC Solutions.

Prior to SBC Solutions, Mr Bouraga was the Country Managing Partner for Ernst & Young PNG for 5 years as an audit and business advisory services partner. He also worked with PWC for over 7 years and has worked with Star Business Consultants between 2004 and 2011.

Mr Bouraga has been an Independent Committee Member of the BSP Board's Audit & Compliance Committee since October 2018.

The Bank of Papua New Guinea has deemed Mr. Bouraga to be a Fit & Proper person for the purpose of being a Director of the Board.

I now ask that this resolution be moved and seconded.

- May I have a mover please?.....[PAUSE].....Thank you
- May I have a seconder?[PAUSE].....Thank you

CHAIRMAN: Mary, do we have any questions?

Should there be no further questions, please select either "FOR", "AGAINST" or "ABSTAIN for Resolution 3 (a) on the voting card.

[PAUSE for voting]

Thank you.

Resolution 3 (b) deals with the election of Symon Brewis-Weston to the Board

Symon Brewis-Weston possesses extensive international experience in financial services and a deep understanding of consumer and business markets in the Asia-Pacific region.

He holds Bachelor of Economics from Murdoch University and Master of Applied Finance from Macquarie University. Mr Brewis-Weston is also a Director on the board of Money3 Corp. Ltd, StockCo Australia Pty Ltd. and Timelio Pty Ltd.

He was formerly CEO of FlexiGroup from 2016 to 2018. Prior to joining FlexiGroup, he previously held other Director roles as an Executive Director on 2 subsidiary companies of the Commonwealth Bank. Mr Brewis-Weston held various senior leadership positions at Commonwealth Bank for 15 years. He spent 6 years leading CBA's Indonesia operations and also in China developing the Company's Chinese banking strategy.

In 2015, Symon received the United Nation's Global CEO Women Empowerment Principle's Leadership Award for his contribution to the enhancement of diversity and women's empowerment in the workplace.

The Bank of Papua New Guinea has consented to the appointment of Mr Brewis-Weston as a Director of the Board.

I now ask that this resolution be moved and seconded.

- May I have a mover please?.....[PAUSE].....Thank you
- May I have a seconder?[PAUSE].....Thank you

CHAIRMAN: Mary, do we have any questions?

Should there be no further questions, please select either "FOR", "AGAINST" or "ABSTAIN for Resolution 3 (b) on the voting card.

[PAUSE for voting]

Now to the final business item of the day.

RESOLUTION 4: APPOINTMENT OF AUDITORS -
PricewaterhouseCoopers

The Board proposes that PricewaterhouseCoopers be appointed auditors of the Company from the conclusion of this meeting until the conclusion of the next annual meeting of the Company and that the Board be authorized to fix their remuneration.

Could I ask that the Resolution 4 in the Notice of Meeting to appoint PricewaterhouseCoopers as Auditors for 2021 be moved and seconded please?

- May I have a mover please?.....[PAUSE].....Thank you
- May I have a seconder?[PAUSE].....Thank you

Mary, are there any questions for this resolution?

Thank you. If there are no further questions – now please select either “FOR”, “AGAINST” or "ABSTAIN for Resolution 4 on the voting card.

[PAUSE for voting]

Before we formally close are there any items of Business from the shareholders?

CLOSING

If there is nothing further, Shareholders are reminded that they can submit their vote online until 5 minutes after the meeting closes.

Ladies and Gentlemen, that concludes the business of the meeting.

CONCLUSION

On behalf of the Board I would like to thank you for your support, and I now declare the meeting closed.

The results of the poll will be announced to the PNGX later today.

Thank you for your attendance and participation in this meeting

*******END OF MEETING*******