



Registered Office: Level 12, BSP Suva Central Building, Cnr of Renwick Rd & Pratt Street, Suva, Fiji Islands.
Postal Address: Private Mail Bag, Suva, Fiji Islands, Telephone (+679) 321 4412, Fax (+679) 321 4422

Market Announcement to South Pacific Stock Exchange

“BSP | 2026 HALF YEAR RESULTS MARKET ANNOUNCEMENT”

About BSP Convertible Notes Limited (BSP CN Fiji):

BSP Convertible Notes Limited (BSP CN Fiji) 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). BSP Convertible Notes Limited (BSP CN Fiji) 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**.



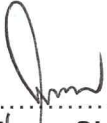
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21 August 2026

“BSP | 2026 Half Year Results Market Announcement”

“Market Announcement to South Pacific Stock Exchange”

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



.....
Rajeshwar Singh
DIRECTOR



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Alvina Ali
COMPANY SECRETARY

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21 August 2026

FIRST HALF 2026 FINANCIAL RESULTS

for the period ended 30 June 2026

Strong performance underpinned by diversified earnings while continuing to invest for growth

NET PROFIT AFTER TAX	INTERIM DIVIDEND	REVENUE	COST TO INCOME
K620m (FJD350m) ↑ 8.4% on pcg	K0.54 (FJD0.31)/share ↑ 8.0% on pcg	K1.89b (FJD1.07b) ↑ 17.7% on pcg	43.8% ↑ 130bps on pcg

RESULTS

BSP has delivered a strong start to the 2026 financial year, with Statutory Net Profit after Tax of K619.9m (FJD350.3m), up 8.4%. Revenue of K1.89b (FJD1.07b) was up 17.7% underpinned by our diversified business portfolio with strong contributions from lending, payment services and customer-driven foreign exchange earnings. Currency fluctuations meant a weaker performance in Australian Dollar terms.

We are continuing to manage costs through the investment phase of our multi-year Modernising for Growth program. The CTI ratio of 43.8% remains within our 42-45% target range, while we make disciplined investments to support growth and business resilience.

Credit quality remains sound, with delinquency rates slightly improving and the provisions to loans ratio stable in a broadly supportive economic environment. Our capital position remains strong with a capital adequacy ratio of 25.3% giving us the capacity to continue supporting lending growth and the flexibility to manage through economic uncertainties.

Recent developments include announcing that BSP will be the exclusive banking partner of the 2026 Rugby League World Cup, providing a platform to continue deepening engagement with our customers and highlighting our commitment to the South Pacific community.

We have also announced plans to develop a new purpose-built headquarters in Port Moresby, supporting our continued growth and creating a landmark commercial development for Papua New Guinea's capital.

OUTLOOK

We are currently experiencing a period of steady economic growth in PNG and the South Pacific, However, there are short term risks to the growth outlook, particularly due to El Niño, which is already impacting agricultural output and production at some major resources projects in PNG. We remain optimistic about the medium term, with a super cycle of major resources projects on the horizon.

We have a clear strategy and, together with our Modernising for Growth program, we are well placed to continue building on our position as the South Pacific's international bank, further improving the customer experience and delivering growth and performance for our shareholders.

Mark T. Robinson, Group Chief Executive Officer



PERFORMANCE OVERVIEW

NET INTEREST MARGIN (NIM)

6.3%

↓ 7bps on 1H25

Revenue of K1.89b (FJD1.07b), up 17.7%, driven primarily by net interest income up 15.4%, driven by lending and deposit growth, with net interest margins of 6.3%, down 7bps.

FOREIGN EXCHANGE INCOME

K429m (FJD242m)

↑ 33.8% on 1H25

Non-interest income has increased as a percentage of total income to 38% driven by strong FX income and a deepening of our customer relationships across the Group.

RETURN ON EQUITY (ROE)

23.9%

↓ 60bps on 1H25

Strong shareholder returns were maintained, with ROE of 23.9% reflecting the continued strength of the Group's earnings generation and disciplined capital management.

OPERATING EXPENSES

K825m (FJD466m)

↑ 21% on 1H25

Operating expenses higher as planned, up 21.1% largely due to higher employment costs and technology investments as part of BSP's Modernising for Growth investment program. CTI ratio of 43.8%, up 130bps and within 42%-45% guidance, while continuing to invest for the future.

CAPITAL ADEQUACY RATIO

25.3%

↓ 10bps on 1H25

BSP's capital adequacy ratio is comfortably above regulatory requirements, reflecting capacity to support customers and continuing growth, while maintaining prudent capital levels.

IMPAIRMENT CHARGES

K66m (FJD37m)

↑ 6.5% on 1H25

Provisions-to-loans ratio of 3.3% with higher impairment expenses reflecting lending growth, while non-accrual rates were down 20bps to 2.6%, reflecting a supportive economic environment and the quality of the loan book.

DIVIDEND TIMELINES

	Dividend ex-date	Record Date	Payment Date
ASX	26 August 2026	27 August 2026	24 September 2026
PNGX	27 August 2026	31 August 2026	24 September 2026

Note: BSP's dividend timetable differs between the ASX and PNGX because each exchange has different listing requirements. The announced dates comply with the applicable rules of both markets.



NON-FINANCIAL HIGHLIGHTS

Championing prosperity for PNG and the South Pacific



Supporting our customers

- Committed to providing better branch banking with the region's largest branch network of 124 branches¹, including many in PNG communities where BSP is the only commercial bank.
- Investing in modern financial services with the deployment of over 210 new ATMs including deposit ATMs and approximately 10,000 next generation EFTPOS terminals.
- Continued to expand financial inclusion with the BSP Wantok Wallet in use by over 278,000 customers¹.
- Improved card security for customers with the phase-out of magnetic strip cards and the issue of 718,000 next-generation chip cards¹.



Strengthening communities

- K10 million (FJD6 million) planned in 2026 for community projects across PNG and the South Pacific focused on health, education and community development.
- Continuing to invest in financial literacy with programs reaching 1,760 individual customers².
- Building capability for small businesses in partnership with Australian Business Volunteers, reaching over 730 participants in PNG and the South Pacific².
- Sponsoring the Rugby League World Cup 2026 supporting Pacific Pride and teams from five South Pacific nations.



Growing PNG and South Pacific

- K1.7 billion² (FJD1 billion) in new lending to businesses in PNG and the South Pacific to help them grow.
- Maintained our balance sheet strength to support customers and financial stability in PNG and the South Pacific.
- Announced plans to develop a new purpose-built headquarters in Port Moresby, supporting BSP's continued growth and creating a landmark development for Papua New Guinea's capital.
- Returning K252 million (FJD142 million) to shareholders², including pension funds supporting the retirement incomes of over 1.6 million people in PNG and the South Pacific.

¹ As at 30 June 2026

² For the half year ended 30 June 2026



FOR FURTHER INFORMATION



Investor Relations

Investor.Relations@bsp.com.pg



Media Relations

pr@bsp.com.pg



Investor Centre

www.bsp.com.pg/about/investors

This announcement was authorised for release by BSP's Disclosure Committee.

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