

Credit Corporation (PNG) Limited

Appendix 5C

Consolidated Financial Report

For the Year Ended to 31 December 2025

1. Company details and reporting period

Credit Corporation (PNG) Limited and subsidiaries

Reporting period - 12 months ended 31 December 2025

Previous corresponding period - 12 months ended 31 December 2024

2. Results for announcement to the market

2.1 Revenue from ordinary activities

		31 December 2025	31 December 2024
Revenue from ordinary activities (PGK'000)	▲ 21.7%	248,832	204,449

2.2 Profit from ordinary activities after tax

Profit from ordinary activities (PGK'000)	▼ 8.1%	71,135	77,444
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2.3 Net profit after tax for the period

Net profit after tax for the period (PGK'000)	▼ 27.7%	190,806	263,936
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2.4 Dividend (distributions)

	Amount per Security	PGK'000
Current reporting period 2025		
Interim dividend (PGK toea per share)	12.0	36,952
Final dividend (PGK toea per share)	8.1	24,942
Special dividend (PGK toea per share)	4.9	15,089
Previous financial period 2024		
Interim dividend (PGK toea per share)	12.0	36,952
Final dividend (PGK toea per share)	7.4	22,787
Special dividend (PGK toea per share)	4.7	14,472

2.5 Record date

Date for determining entitlements to the dividend.

	Ex date	Record date	Payment date
Current reporting period 2025			
Interim dividend	23 September 2025	26 September 2025	24 October 2025
Final dividend and special dividend	18 March 2026	20 March 2026	17 April 2026
Previous financial period 2024			
Interim dividend	19 September 2024	26 September 2024	24 October 2024
Final dividend and special dividend	19 March 2025	21 March 2025	11 April 2025

Credit Corporation (PNG) Ltd does not have a dividend reinvestment plan.

2.6 Earnings per security

	31 December 2025	31 December 2024
Basic EPS (Kina per share)	0.62	0.86
Diluted EPS	same as above	same as above
Weighted average number of ordinary shares outstanding during the period used in the calculation of the Basic EPS	307,931,332	307,931,332

3. Consolidated profit and loss

	Dec-25 K'000	Dec-24 K'000	vs Dec-24 %
Finance Income	120,238	84,750	41.9%
Finance cost	(24,342)	(13,895)	75.2%
Net finance income	95,896	70,855	35.3%
Dividend income	52,113	53,264	(2.2%)
Rental income from property	29,657	31,321	(5.3%)
Interest on term deposit, treasury bills and semi-government bonds	7,582	3,786	100.3%
Other operating income	39,242	31,328	25.3%
Fair value gain on financial assets	122,509	191,743	(36.1%)
Net operating income	346,999	382,297	(9.2%)
Impairment reversal on finance receivables	(12)	5,134	(100.2%)
Personnel expenses	(66,619)	(46,488)	43.3%
Depreciation expenses	(12,464)	(7,183)	73.5%
Other operating expenses*	(57,057)	(56,574)	0.9%
Results from operating activities	210,847	277,186	(23.9%)
Share of loss of equity accounted investee	(2,839)	(5,251)	(45.9%)
Profit before tax	208,008	271,935	(23.5%)
Income tax expense	(17,202)	(8,001)	115.0%
Profit attributable to equity holders of the Company	190,806	263,934	(27.7%)

*Other operating expenses consists

<i>General administrative expenses</i>	(23,922)	(24,364)	(1.8%)
<i>Software licensing and other IT costs</i>	(5,760)	(5,174)	11.3%
<i>Legal Fees</i>	(120)	(512)	(76.6%)
<i>Auditors' remuneration - audit fees</i>	(1,357)	(1,157)	17.3%
<i>Professional advisory fees</i>	(13,943)	(13,712)	1.7%
<i>Donations</i>	(679)	(327)	107.6%
<i>Direct operating expenses for investment property that generated rental income</i>	(11,276)	(11,328)	(0.5%)
	(57,057)	(56,574)	0.9%

4. Consolidated Balance Sheet

	Dec-25 K'000	Dec-24 K'000	vs Dec-24 %
ASSETS			
Cash and cash equivalents	192,036	237,913	(19.3%)
Cash reserve requirement with Central Bank	49,673	-	0.0%
Finance receivables	866,735	594,126	45.9%
Other receivables	14,641	12,565	16.5%
Interest bearing securities	118,439	60,897	94.5%
Other equity investments	34	34	0.0%
Investment in associate	-	9,274	(100.0%)
Other investments	659,006	630,866	4.5%
Inventories	1,104	1,127	(2.0%)
Income taxes receivable	-	5,163	(100.0%)
Property and equipment	94,375	81,767	15.4%
Investment property	236,640	225,132	5.1%
Deferred tax assets	26,969	24,137	11.7%
Total assets	<u>2,259,652</u>	<u>1,883,001</u>	20.0%
LIABILITIES			
Trade and other payables	17,335	12,062	43.7%
Employee benefits	26,565	13,604	95.3%
Customer deposits ¹	865,810	637,278	35.9%
Borrowings ¹	33,026	34,733	(4.9%)
Income taxes payable	1,956	-	0.0%
Deferred tax liabilities	10,597	8,898	19.1%
Total liabilities	<u>955,289</u>	<u>706,575</u>	35.2%
Net assets	<u>1,304,363</u>	<u>1,176,426</u>	10.9%
EQUITY			
Share capital	21,984	21,984	0.0%
Reserves	823,751	688,958	19.6%
Retained earnings	458,628	465,484	(1.5%)
Total equity	<u>1,304,363</u>	<u>1,176,426</u>	10.9%

¹ Deposits and borrowings are now disclosed separately. Comparatives have also been re-presented.

5. Consolidated statement of cash flow

	Consolidated year ended	
	31 Dec 2025 K'000	31 Dec 2024 K'000
OPERATING ACTIVITIES		
Charges received on leases and loans	120,238	84,750
Commission, fees and rents	58,107	47,433
Interest payments	(24,342)	(13,895)
Payments to suppliers and employees	(113,452)	(98,664)
Operating cash flows before changes in operating assets	40,551	19,624
Transfer of cash reserve requirement to Central Bank	(49,673)	-
Net cash advanced in respect of finance receivables	(272,621)	(96,318)
Net cash received in respect of deposits	228,533	126,225
Net cash from operating activities before income tax	(53,210)	49,531
Income taxes paid	(8,930)	(7,854)
Net cash (outflow)/inflow from operating activities	(62,140)	41,677
INVESTING ACTIVITIES		
Purchase of property and equipment	(18,779)	(32,743)
Proceeds from sale of property and equipment	96	33
Capital expenditure on investment property	(11,508)	(3,178)
Proceeds from sale of listed shares	114,438	86,599
Dividend received	51,050	54,278
Interest from funds deposited	7,532	3,787
Net cash repaid in respect of investments in term deposits and government bonds	(57,542)	(8,798)
Cash flows from investing activities	85,287	99,978
FINANCING ACTIVITIES		
Repayment of borrowings	(5,821)	(5,498)
Repayment of interest	(1,522)	(1,712)
Dividends paid	(74,118)	(77,291)
Cash flows used in financing activities	(81,461)	(84,501)
Effect of exchange rate changes on foreign subsidiaries cash and cash equivalents	12,437	4,153
Net (decrease)/increase in cash and cash equivalents	(45,877)	61,307
Cash and cash equivalents at 1 January	237,913	176,606
Cash and cash equivalents at period ended	192,036	237,913

6. Statement of changes in shareholders' equity

	Share capital K'000	Reserves K'000	Retained Earnings K'000	Total K'000
Balance at 1 January 2024	21,984	494,872	472,516	989,372
Total comprehensive income for the year	-	411	263,934	264,345
Transfer to reserves	-	193,675	(193,675)	-
	-	194,086	70,259	264,345
Transactions with owners				
Dividends to equity holders	-	-	(77,291)	(77,291)
Balance at 31 December 2024	21,984	688,958	465,484	1,176,426
Balance at 1 January 2025	21,984	688,958	465,484	1,176,426
Total comprehensive income for the year	-	11,249	190,806	202,055
Transfer to reserves	-	123,544	(123,544)	-
	-	134,793	67,262	202,055
Transactions with owners				
Dividends to equity holders	-	-	(74,118)	(74,118)
Balance at 31 December 2025	21,984	823,751	458,628	1,304,363

7. Net tangible asset backing

	31 December 2025	31 December 2024
Net tangible asset backing per ordinary security	K4.24	K3.82

8. Details of entities over which control has been gained or lost during the period

There have been no changes in ownership to Group entities during the reporting period.

9. Details of aggregate share of profits (losses) of associates

Material interests in entities which are not controlled entities

The economic entity has an interest (that is material to it) in the following entities.

During the first half, Capital Insurance Group (CIG) issued a non-renounceable pro-rata rights issue to raise K60.1m at K0.43 per share. The Group did not participate in the offering, resulting in a reduction of its interests to 14.1% effective 1 July 2025. As a result of the dilution and the resulting loss of significant influence, the investment ceased to be equity accounted from that date and has been measured at Fair Value Through Profit or Loss thereafter.

10. Reports for industry and geographical segments

10.1 Information about reportable segments

At 31 December 2025	Banking & Finance	Property investment	Investment company	TOTAL
	K'000	K'000	K'000	K'000
Revenue	145,638	36,044	67,150	248,832
Inter-segment revenue	3,092	7,601	22,909	33,602
Finance costs	(24,342)	-	-	(24,342)
Fair value gain	-	-	122,509	122,509
Depreciation	(7,870)	(3,053)	(1,541)	(12,464)
Reportable segment profit before income tax	55,073	10,680	142,255	208,008
Share of loss of equity-method investee	-	-	(2,839)	(2,839)
Reportable segment assets	1,298,631	286,221	674,800	2,259,652
Reportable segment liabilities	901,299	34,809	19,181	955,289

At 31 December 2024	Banking & Finance	Property investment	Investment company	TOTAL
	K'000	K'000	K'000	K'000
Revenue	93,049	37,569	73,831	204,449
Inter-segment revenue	2,516	5,761	19,427	27,704
Finance costs	(13,895)	-	-	(13,895)
Fair value (loss)/gain	-	(5,070)	196,813	191,743
Depreciation	(3,848)	(1,816)	(1,519)	(7,183)
Reportable segment profit before income tax	29,362	10,638	231,935	271,935
Share of loss of equity-method investee	-	-	(5,251)	(5,251)
Reportable segment assets	898,441	280,301	704,259	1,883,001
Investment in associate	-	-	9,274	9,274
Reportable segment liabilities	658,429	39,796	8,350	706,575

10. Reports for industry and geographical segments (continued)

10.2 Reconciliation of reportable segment revenues, profits or loss, assets and liabilities:

	Dec-25	Dec-24
	K'000	K'000
Revenues		
Total revenue for reportable segments	404,943	423,896
Finance costs	(24,342)	(13,895)
Elimination of inter-segment revenue	(33,602)	(27,704)
Net operating income	346,999	382,297
Profit or loss		
Total profit or loss for reportable segments	232,715	295,575
Elimination of inter-segment profit	(21,868)	(18,389)
Share of loss of equity-accounted investee	(2,839)	(5,251)
Consolidated profit before tax	208,008	271,935
	Dec-25	Dec-24
	K'000	K'000
Assets		
Total assets for reportable segments	2,963,883	2,444,140
Investment in equity-accounted investee	-	9,274
Elimination of intercompany balance	(481,937)	(171,331)
Elimination of investment in subsidiaries	(222,294)	(399,082)
Consolidated total assets	2,259,652	1,883,001
Liabilities		
Total liabilities for reportable segments	1,437,228	884,163
Elimination of intercompany balances	(481,939)	(177,588)
Consolidated total liabilities	955,289	706,575

Geographical segments	Net operating income		Net assets	
	K'000	K'000	K'000	K'000
	Dec-25	Dec-24	Dec-25	Dec-24
Papua New Guinea	287,570	336,347	1,153,065	1,048,418
Fiji	41,926	32,259	100,880	85,834
Solomon Islands	6,136	4,494	17,315	14,732
Vanuatu	11,367	9,197	33,103	27,442
Total	346,999	382,297	1,304,363	1,176,426

11. Commentary on the results for the period

Gross Revenue from ordinary activities, excluding fair value movements, increased by 21.7% to K248.8 million (2024: K204.4 million), reflecting continued growth in the Group's core lending and investment operations.

Net finance income increased by 35.3% to K95.9 million, driven by expansion of the loan book. Finance receivables increased by 45.9% to K866.7 million, demonstrating sustained demand across lending operations during the year. Interest income from term deposits and government securities increased to K7.6 million (2024: K3.8 million), reflecting improved returns on liquid assets.

Non-interest income increased by 7.4% to K128.6m supported by the introduction of new revenue streams with the transition to CreditBank PNG.

Personnel expenses increased by 43.3% to K66.6 million, reflecting upward revaluation of the executive incentive plan owing to the increase in CCP's share price since December 2024, cost of living adjustments and workforce expansion. Depreciation expense increased to K12.5 million, consistent with continued investment in systems and property assets. Other operating expenses remained broadly stable at K57.1 million.

Impairment movements were minimal, reflecting strong credit quality and prudent risk management. The prior year included a write-back of loan loss provisions due to improved recoveries and credit performance. No similar write-back was recognized this year, as provisions remain appropriately aligned with the current risk profile and no significant releases were warranted.

Excluding fair value movements in investments and fair value adjustments on executive incentive plans, the underlying performance of the Group increased by 14.0% to K97.4m.

Against the PCP, the Group's net assets increased by 10.9%.

Total assets increased by 20.0% to K2.26 billion, driven primarily by growth in finance receivables and interest-bearing securities.

Total liabilities increased by 35.2% to K955.3 million, reflecting growth in deposits supporting loan book expansion.

Net tangible asset backing per share increased to K4.24 (2024: K3.82).

Basic earnings per share was 0.62 toea, compared to 0.86 toea in 2024.

The Board has declared a final ordinary dividend of 8.1 toea per share and a special dividend of 4.9 toea, a combined dividend payout of 13.0 toea. Including the interim dividend payment of 12.0 toea per share, the total dividend payment for the year is 25.0 toea, an increase of 3.7% against the prior year.

The Group remains focused on long-term growth through continued investment in its people, systems and operations. Growth in net operating income, particularly net interest income, demonstrates the strength of the core business and its recurring revenue base. Higher costs during the period reflect targeted investment to support growth, improve efficiency and strengthen the Group's operating platform.

12. Basis of preparation

The financial information has been extracted from the consolidated financial statements which have been prepared on a going concern basis in accordance with historical cost concepts, except for financial instruments designated at fair value through profit and loss and investment property which are measured at fair value through profit or loss. Cost is based on the fair values of the consideration given in exchange for assets.

All amounts are presented in Papua New Guinea Kina and are rounded off to the nearest thousand Kina, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the consolidated financial statements are consistent with those adopted and disclosed in the Group's annual financial report for the financial year ended 31 December 2024. These accounting policies are consistent with International Financial Reporting Standards.

13. Compliance statement

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 PNGX.

The financial information extracted from the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards. The consolidated financial statements shall be read in conjunction with the Group's annual financial report as at and for the year ended 31 December 2025.

Furthermore, the Appendix 5C has been prepared in accordance with the updated PNGX listing rule 5.13.

This report is based on financial statements to which one of the following applies.

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

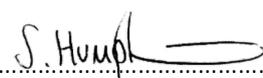
If the audit report or review by the auditor is not attached, details of any qualifications will follow immediately they are available.

The entity has a formally constituted audit committee.

Sign here: 

Chairman Lady Winifred Kamit

Date: 13 March 2026



Director Stephen Humphries

Date: 13 March 2026