



Credit Corporation 2023 AGM

CEO's Address

Danny Robinson
23 June 2023

Thank you Dr Mellam and good morning everyone.

It's great to be able to meet with our shareholders in person.

As the Chair mentioned, the past year has continued to provide challenges for us as a Group and also for the jurisdictions where we operate.

Supporting our customers

Over the past 12 months, we have continued to focus on supporting our customers through the economic uncertainty and natural disasters as we emerged from the COVID-19 pandemic.

The economic outlook for PNG and other South Pacific nations has become more positive given higher commodity prices and a return of tourists to Fiji, in particular.

Delivering our strategy

This year, we have continued to execute our strategy to become a niche commercial bank in PNG.

As Dr Mellam has previously mentioned, we achieved an important milestone with this strategy with our "Approval in Principle" for a banking licence from the Bank of PNG.

We have already made some significant investment decisions to set ourselves up for success, including upgrading our core banking system, introducing new products and enhancing our processes, while also recruiting new talent and upskilling our people.

We are strengthening our technological foundations by switching to a new core banking system, consequently enabling greater emphasis on digital, data and analytics.

We know there are clear future opportunities for Credit Corporation as a niche commercial bank, with increasing demand for innovative products and exceptional service, from SME, commercial and the emerging middle market customer segments.

Of particular note is the recent launch of our new executive car loan product targeting the executive market. This is a zero-equity car loan product for those executives who can afford to borrow 100 per cent of the purchase price.

There has been strong interest shown in this market-leading product, and these are the types of convenient and affordable products and services we want to provide to new banking customers in the future.

Engaging our people

I'm privileged to work alongside the dedicated people of Credit Corporation.

Learning, development, career progression and succession planning is an integral part of how we support our employees in their professional growth.

I am delighted 11 Credit Corporation employees from various departments across the business completed the company's annual leadership program during the past year.

The Accelerate Performance Program is part of the company's ongoing efforts to invest in Credit Corporation's people by developing and enhancing the leadership skills required as we transition to a commercial bank.

Our people who are critical to our success have again demonstrated their commitment to serving our customers and communities. I thank them for their hard work.

Delivering strong financial performance

Through our continued focus on our customers and disciplined execution, the Bank has delivered a strong financial and operational performance.

Our earnings per share was 28 toea per share, up from 25 toea per share in FY21. I am particularly pleased with FY22 Core Operating Profit increase of 25% to K98.8m and a 12% increase in Net Profit After Tax to K86m, compared to FY21.

Our continued balance sheet strength and strong capital position means the Group is well-positioned to continue supporting our customers, while delivering consistent and sustainable returns to our shareholders.

I would like to thank our shareholders for your ongoing confidence and support.

Looking ahead

Overall, we remain fundamentally optimistic about the future opportunities for the South Pacific countries where we operate, as well as our plans to enhance our capability to serve our customers with the financial products and services they need.

Looking ahead, we will continue to invest in the Group's core operations and to reinforce our proposition as a leading financial services company in the South Pacific.

This year marks an important milestone for our Group as we celebrate 45 years since its establishment.

And I know the strong customer engagement and deep relationships which were so critical to the company's success all those years ago will continue to underpin our ongoing positive performance.

Conclusion

As we look to the year ahead, we remain as committed as ever to delivering positive outcomes for all our stakeholders: our customers, our people, the communities in which we operate and you, our valued shareholders. We thank you for your ongoing support.