PNGX Announcement

21 October 2024

Request to clarify Income Tax Implications on CreditBank PNG

As reported on 5 August 2024, Credit Corporation Finance Limited trading as CreditBank PNG (CBP), a wholly owned subsidiary of Credit Corporation (PNG) Limited (CCP), was granted a full commercial banking licence by the Bank of Papua New Guinea.

CCP has been requested by the PNGX to provide clarification on the implications of the grant of the commercial banking licence, in particular, the application of the commercial banking income tax rate of 45%.

CCP reaffirms to shareholders the advice it received from the Internal Revenue Commission that the new income tax rate of 45% will apply to CBP only, effective from the date of grant of the commercial banking licence to CBP on 5 August 2024.

The Directors consider that the extent to which the new tax will impact on the overall profitability of the CCP Group as a whole will depend, in part, on the application of the new income tax rate on CBP's growth in future financial years.

CCP will continue to keep shareholders informed in accordance with its continuous disclosure obligations.

ENDS

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About Credit Corporation (PNG) Ltd:

Credit Corporation (PNG) Limited commenced business in 1978. Today the business comprises a residential and commercial property portfolio, an investment portfolio, three finance Companies located in Fiji, Solomon Islands and Vanuatu as well as CreditBank PNG in Papua New Guinea. Visit: www.creditcorporation.com.pg