



PNGX Announcement

25th June 2020

Credit Corporation declares 12 toea final dividend – highlights Board’s confidence in the future

Credit Corporation PNG is pleased to announce that it has declared a final dividend on ordinary shares in respect of the FY19 financial year of 12 toea per share (FY18 final dividend: 13 toea per share).

This brings the total dividend for FY19 to 19 toea per share, in line with the FY18 total dividend, delivering a yield of 11.52% on the current share price of K1.65 (as at 31 December 2019).

The payout ratio for FY19 of 55% of Core Operating Profit is lower than the FY18 ratio of 68% and reflects the Board’s prudence in ensuring an appropriate capital buffer is in place given the uncertainties created by COVID-19.

The planned processing dates for the 2019 final dividend are:

- Ex-Date: 30th June 2020
- Record Date: 8th July 2020
- Payout Date: 29 August 2020

Credit Corporation Chairman Syd Yates said Credit Corporation’s full year financial performance was robust, with NPAT from operations up 34.8% on the prior year.

“The Board’s continued confidence in the outlook for the Group is reflected in the final dividend of 12 toea.

“Directors have acted prudently in retaining the full year dividend at FY18 levels given the uncertainties of COVID-19 in the current year.

“We are proud that we have continued our strong focus on shareholder wealth creation demonstrated by an uninterrupted record of dividend payments over a 41-year period”

The full year dividend represents a total distribution of K57.76 million to shareholders. Over the past five years, shareholders have received K254.74 million in dividend payments from the Group.

“Despite the impacts of COVID-19, which has impacted all businesses in the current year, the Group’s balance sheet remains strong with access to liquidity and funding.

“During times of uncertainty, which have been presented to us by COVID-19, we will continue to be guided by our purpose and values.

“Importantly, we will continue to provide service to our customers, develop our team, work with our partners, and support the communities where we operate, in order to deliver long-term value for our shareholders,” Mr Yates said.

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For further information, interviews or images contact:

Peter Aitsi, Chief Executive Officer, (675) 7111 1429 or paitsi@creditcorporation.com.pg

About Credit Corporation (PNG) Ltd:

Credit Corporation (PNG) Limited commenced business in 1978 as a general finance company. It has grown successfully to become recognised as one of Papua New Guinea's most progressive institutions. For more information about Credit Corporation PNG visit: www.creditcorporation.com.pg