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PNGX EQUITIES • FIXED INCOME • INVESTOR EDUCATION

Turnover surges to K25.99m BSP and PLC dominate the tape

ISSUED

w/e 4 Sep 2026

COVERAGE

PNGX-listed equities

PERIOD

31 Aug – 4 September 2026

TOTAL TRADING VALUE	TOTAL VOLUME	STOCKS TRADED	MARKET YIELD (LTM)
K25.99m	**7,391,421**	**6 of 10**	**5.31%**
vs K4.55m	vs 944,983	—	−18 bps wow
×5.7 on prior week	×7.8 on prior week	BSP, KSL, STO, KAM, CPL, PLC	weighted-avg, legacy methodology

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WEEKLY TRADE COMMENTARY

PNGX EQUITY MARKET — WEEK ENDING 04 SEPTEMBER 2026

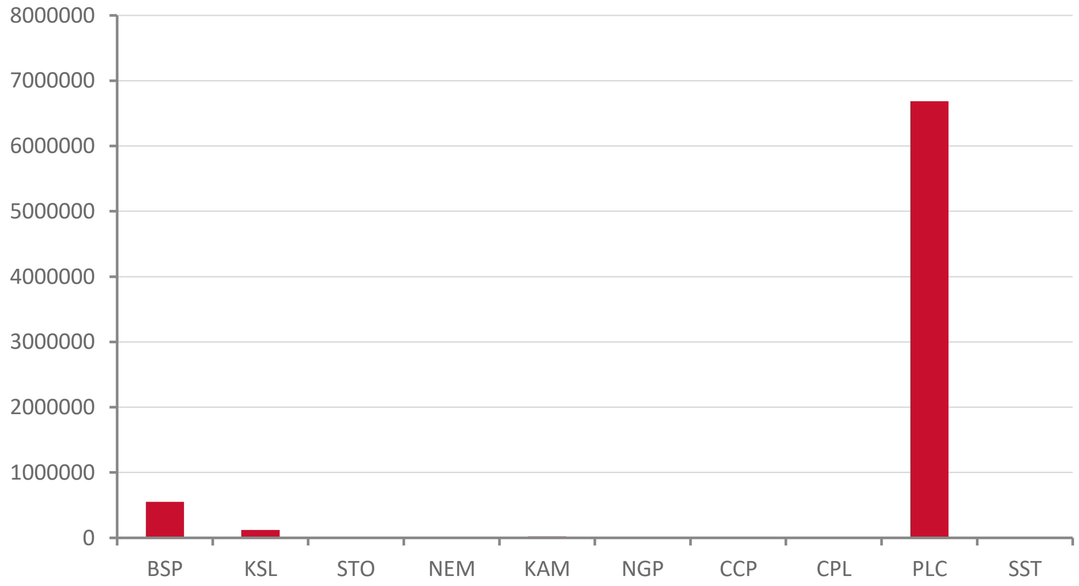
A blockbuster week — turnover surged to K25.99m on 7.39m shares, roughly 5.7× the value and 7.8× the volume of the prior week. BSP dominated on value at K15.47m, easing 5t to K27.95 on 553,611 shares, while PLC drove volume with a 6.69m-share block steady at K1.48 for K9.90m. KSL added 122,246 shares up 4t to K4.49, STO firmed 14t to K22.75 on 393 shares, and KAM traded 23,880 shares steady at K2.25. CPL added 5,000 shares. NEM, NGP, CCP and SST did not trade.

PRICE & VOLUME

STOCK	VOLUME	CLOSE (K)	VALUE (K)	CHANGE	CHANGE %
BSP	553,611	27.95	15,473,965.20	−0.05	−0.18%
KSL	122,246	4.49	548,884.54	+0.04	+0.90%
STO	393	22.75	8,940.75	+0.14	+0.62%
NEM	—	490.00	—	—	—
KAM	23,880	2.25	53,730.00	—	—
NGP	—	1.36	—	—	—
CCP	—	4.66	—	—	—
CPL	5,000	1.05	5,250.00	—	—
PLC	6,686,291	1.48	9,895,529.28	—	—
SST	—	50.00	—	—	—
TOTAL	**7,391,421**		**25,986,299.77**		**+0.48%**

Source: PNGX matched on-market trades, week ending 04 September 2026. JMP Securities analysis.

WEEKLY VOLUME



Volume by counter (shares matched). PLC dominated at 6.69m shares; BSP 554k, KSL 122k, KAM 24k, CPL 5k and STO 0.4k follow. NEM, NGP, CCP and SST did not trade this week.

DIVIDEND YIELD

P N G X - L I S T E D   E Q U I T I E S — T R A I L I N G - T W E L V E - M O N T H   Y I E L D S

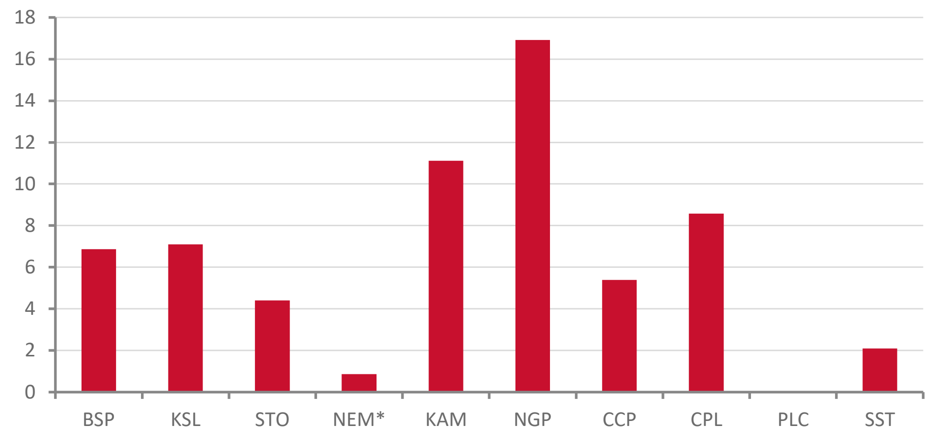
Market-wide LTM dividend yield eased to 4.73% this week (weighted by market cap, legacy methodology), down about 2 bps as BSP, KSL and STO firmed in price. On the report tables BSP carries a 6.87% LTM yield, KSL 7.10% and STO 4.40%. NGP (16.91%) still leads, with KAM (11.11%) and CPL (8.57%) next; CCP (5.39%) and STO (4.40%) follow, and SST sits at 2.10%. KSL, STO and SST each declared 2026 interim dividends this week. PLC remains pre-dividend.

DIVIDEND TABLE (PGK)

STOCK	ISSUED SHARES	MKT CAP (K)	INT 24	FIN 24	INT 25	FIN 25	YIELD %
BSP	467,317,665	13,061,528,737	0.450	1.210	0.500	1.380	6.87%
KSL	294,332,296	1,321,552,009	0.106	0.155	0.126	0.193	7.10%
STO	3,261,616,703	74,201,779,993	0.506	0.414	0.559	0.443	4.40%
NEM*	1,097,000,000	537,530,000,000	—	2.110	2.110	USD $0.520	0.86%
KAM	53,259,588	119,834,073	0.200	—	0.250	—	11.11%
NGP	45,890,700	62,411,352	0.040	0.120	0.040	0.190	16.91%
CCP	307,931,332	1,434,960,007	0.120	0.121	0.121	0.130	5.39%
CPL	206,277,911	216,591,807	—	—	0.050	0.040	8.57%
PLC	860,718,662	1,273,863,620	—	—	—	—	—
SST	31,008,237	1,550,411,850	0.400	0.300	0.400	0.650	2.10%
TOTAL / WEIGHTED-AVG							5.31%

LTM = Last twelve months. Yields use most recently declared interim and final dividends. NEM dividends in USD until PGK rate announced; NEM excluded from market-wide yield. PLC now added.

YIELD % (LTM)



THE DIVIDEND YIELD FORMULA

*Dividend Yield = **Annual Dividends per Share ÷ Current Share Price × 100***

Calculated by dividing a company's annual dividends per share by its current share price, expressed as a percentage.

KEY MARKET ANNOUNCEMENTS

P N G X - L I S T E D C O M P A N I E S — W E E K E N D I N G 0 4 S E P T E M B E R 2 0 2 6

A busy filings week dominated by dividends and STO. STO reported a significant milestone at its Pikka oil project — ramp-up to plateau production — alongside a dividend-distribution update and a Form 4 lifting its Papua LNG interest. KSL lodged (and amended) its Appendix 3A.1 dividend notice, SST notified a 2026 interim dividend, BSP filed Appendix 10B director and CEO interest changes, and NEM lodged a batch of Form 4/144 substantial-shareholding filings.

ANNOUNCEMENTS

STOCK	ANNOUNCEMENT	SOURCE
STO	Pikka oil project — significant milestone, ramp-up to plateau production	*pngx.com.pg/.../2026-09-03-STO-Pikka-oil-project-milestone.pdf*
STO	Update — dividend distribution; Form 4, increased Papua LNG interest	*pngx.com.pg/.../2026-09-01-STO-Update-Dividend-Distribution.pdf*
KSL	Appendix 3A.1 — dividend distribution (amended, new record date)	*pngx.com.pg/.../2026-09-01-KSL-Appendix-3A.1-new-record-date.pdf*
SST	Notification of 2026 interim dividend distribution	*pngx.com.pg/.../2026-08-31-SST-Notification-of-Dividend-Distribution-Interim-2026.pdf*
BSP	Appendix 10B — change in director's & CEO's interest (Cooper, Robinson)	*pngx.com.pg/.../BSP-Appendix-10B-Director-and-CEO-Interest.pdf*
NEM	Form 4 / Form 144 — substantial shareholding & director filings	*pngx.com.pg/.../NEM-31.08.2026-Form-4-and-144-filings.pdf*

Source: PNGX market announcements, 31 August – 04 September 2026.

BPNG TREASURY BILL AUCTION

DOMESTIC MARKETS DEPARTMENT — MONEY MARKETS OPERATIONS UNIT

AUCTION *02-SEP-26 / GOI / Government Treasury Bill*

SETTLEMENT *04-SEP-26*

AMOUNT ON OFFER

K270.0m

UNDER-SUBSCRIBED BY K12.48M

TERMS	ISSUE / 63	ISSUE / 91	ISSUE / 182	ISSUE / 273	ISSUE / 364	TOTAL
Weighted Avg Yield	—	—	4.62%	4.99%	5.02%	
Amount on Offer (K'm)	—	—	20.00	50.00	200.00	**270.00**
Bids Received (K'm)	—	—	6.00	9.00	242.52	**257.52**
Successful Bids (K'm)	—	—	6.00	9.00	207.52	**222.52**
Over / (Under) Subscribed (K'm)	**—**	**—**	**−14.00**	**−41.00**	**+42.52**	**−12.48**

Source: Bank of Papua New Guinea — Domestic Markets Department, T-Bill auction 02 September 2026 (settlement 04 September 2026).

BPNG GOVERNMENT BOND AUCTION

JMP|SECURITIES

NO NEW ISSUANCE — WEEK ENDING 04 SEPTEMBER 2026

AUCTION *18-AUG-26 / GOB / Government Bond*

SETTLEMENT *21-AUG-26*

AMOUNT ON OFFER

K480.0m

NET SUBSCRIPTION K83.00M

SERIES	AMOUNT ON OFFER (K'm)	BIDS RECEIVED (K'm)	SUCCESSFUL BIDS (K'm)	SUCCESSFUL YIELD	WEIGHTED AVG RATE	COUPON RATE	NET SUBSCRIPTION (K'm)
Issue ID 2026/5057 — 3 yr	50.00	60.00	50.00	6.10–6.27%	6.26%	6.30%	+10.00
Issue ID 2026/5058 — 5 yr	100.00	118.00	100.00	6.43–6.70%	6.61%	6.70%	+18.00
Issue ID 2026/5059 — 7 yr	80.00	85.00	80.00	6.73–6.80%	6.76%	6.80%	+5.00
Issue ID 2026/5060 — 10 yr	150.00	180.00	150.00	6.73–6.90%	6.84%	6.90%	+30.00
Issue ID 2026/5061 — 15 yr	100.00	120.00	50.00	7.13–7.30%	7.26%	7.30%	+20.00
TOTAL	480.00	563.00	480.00				+83.00

Source: Bank of Papua New Guinea — Domestic Markets Department, GOB auction 18 August 2026 (settlement 21 August 2026).

INVESTOR EDUCATION

TOPIC OF THE WEEK — FINANCIAL MODELING

WHAT IS FINANCIAL MODELING?

A financial model is a structured, numbers-based representation of a real business, asset or transaction — used to forecast performance, test decisions and support judgment before capital is committed. In short, it is a spreadsheet that turns assumptions into forecasts, and forecasts into decisions: raw business drivers flow through the model's logic into a forecast that decision-makers can act on.

Models drive the big decisions across finance. In valuation they estimate what a company, asset or deal is worth; in forecasting they project revenue, costs and cash flow under stated assumptions; in capital raising and M&A they structure financings, IPOs and mergers; and in budgeting they set targets and allocate capital. They show up in equity research, corporate finance, M&A and credit analysis alike.

Most models share an anatomy: assumptions (growth, margins, macro inputs, pricing and volume) drive the three financial statements — income statement, balance sheet and cash flow — which feed the outputs decision-makers actually use: valuation, scenarios and summary charts. Common builds include the 3-statement model, DCF valuation, M&A and LBO models, budget/forecast models and comparable-company analysis. Good practice separates inputs, calculations and outputs, colour-codes them, and stress-tests with scenarios rather than a single case.

WHERE MODELS DRIVE DECISIONS

01 Valuation

Estimate what a company, asset or deal is worth today — via DCF, comparable companies or precedent transactions.

02 Forecasting

Project future revenue, costs and cash flow under a clear, documented set of assumptions.

03 Capital raising & M&A

Structure financings, IPOs, mergers and buyouts, and test deal accretion or dilution before it is committed.

04 Budgeting & planning

Set internal targets and allocate capital across the business over the planning horizon.

FEATURED READ

How much capital should a central bank hold?

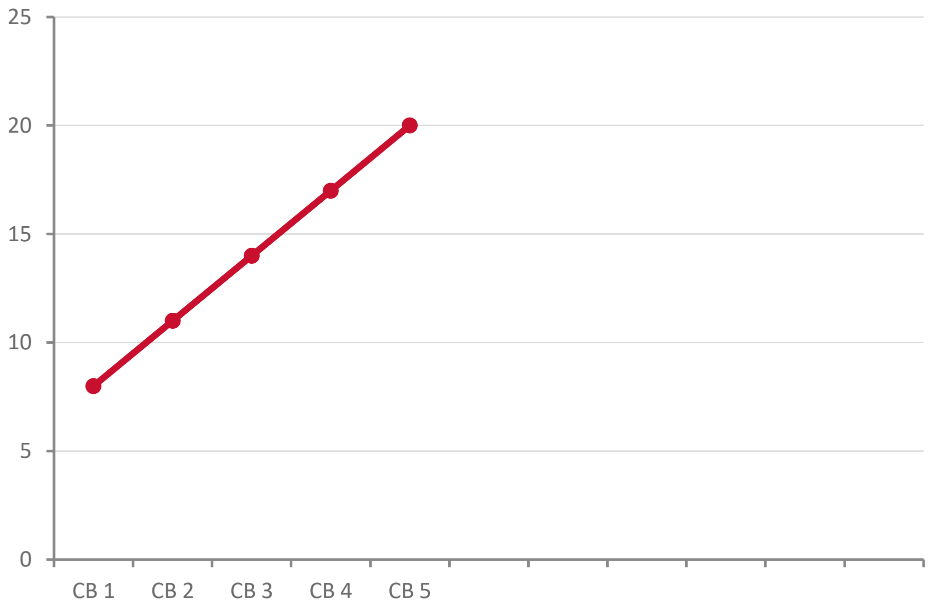
IMF Blog • Romain Veyrune

Unlike commercial banks, central banks have no universally prescribed minimum capital requirement — they cannot go bankrupt, since they can always issue their own currency to meet nominal obligations. Yet a weak capital position can erode institutional credibility and, ultimately, independence, so central banks do care about buffers. The problem is that there is little consensus on how much capital is enough: legal targets, where they exist at all, range from 8% to 20% of base money, often with little explanation.

Balance-sheet risk was a minor concern for most of central-bank history — small balance sheets, near-certain profits. That changed with large-scale asset purchases after the global financial crisis and the pandemic: buying long-dated bonds at low yields, then raising rates sharply, produced sizable losses. IMF staff propose stress-testing central banks — a quantitative model spanning interest-rate, credit and FX risk — to gauge the capital needed to absorb large but plausible shocks without dropping to levels that threaten credibility, and to guide when to retain versus distribute profits.

JMP read: For PNG the relevance is direct. The Bank of PNG runs monetary policy in a small, commodity-exposed, FX-sensitive economy — precisely the setting where balance-sheet and exchange-rate shocks bite hardest. A transparent, stress-test-based approach to central-bank capital would strengthen policy credibility and independence, reinforce confidence in the kina, and sit alongside the institutional-strengthening agenda the IMF has flagged for PNG. For markets, a credibly capitalised central bank underpins the rate and currency backdrop every PNGX issuer trades against.

FIGURE — CENTRAL-BANK CAPITAL TARGETS



Source: IMF (Veyrune); JMP illustration. Illustrative range of legal central-bank capital targets — 8–20% of base money — with a stress-test-based buffer. Values illustrative.

ALSO ON OUR DESK

- Central banks have no universal minimum capital rule — legal targets range 8–20% of base money — IMF
- Post-GFC asset purchases lifted balance-sheet risk; later rate rises produced sizable losses — IMF
- Stress-testing can size the capital a central bank needs to protect credibility and independence — IMF

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JMP SECURITIES LIMITED — EQUITIES DESK

FOR FURTHER ENQUIRIES

Speak to your equities trader for any orders, research questions or market colour.

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WHAT THIS REPORT COVERED THIS WEEK

- Weekly trade activity — 6 stocks traded, K25.99m value (×5.7 pw)
- Dividend yields — market-wide LTM 5.31% (−18 bps; KSL, STO, SST declare 2026 interims)
- Busy filings week — STO Pikka milestone, dividends, BSP & NEM director filings
- BPNG T-Bill auction — under-subscribed by K12.48m
- BPNG bond auction — most recent (no new issuance this week)
- Investor Education — Financial Modeling
- External research — IMF on central-bank capital

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