CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES

INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

CONTENTS

CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES
COMPANY INFORMATION
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

City Pharmacy Limited is a registered company under the Papua New Guinea Companies Act 1997 and is incorporated and domiciled in Papua New Guinea.

Registered Office	Allotment 33, Section 38 Waigani Drive National Capital District Papua New Guinea Telephone: +675 312 0000
Directors	Stephanie Copus Campbell, Chairman (Appointed 11th May 2026) Aru Chellappan Eunice Parua Flare Namaliu Dr. Polash Adhikari (Appointed on 11th May 2026) Sir Mahesh Patel, OBE, Chairman Emeritus (Appointed on 11th May 2026) Stanley Thomas Joyce, Chairman (Retired on 11th May 2026) Sir Mahesh Patel, OBE, (Retired on 11th May 2026) Edward Hamilton Ruha (Retired on 11th May 2026) Siang Kee Lim (Retired on 11th May 2026) Mary Handen (Retired on 11th May 2026)
Secretary	Mohanraj Natarajan
Auditors	PricewaterhouseCoopers PwC Haus, Level 6, Harbour City, Konedobu, Port Moresby 121 NCD, Papua New Guinea
Bankers	Westpac Bank PNG Limited BSP Financial Group Limited Kina Bank Limited
Stock Exchange	PNGX Markets Limited (listing code: CPL)
Brokers	JMP Securities Kina Securities

CHAIRMAN'S STATEMENT

The revenue for the first six months period was K171.27m, compared to K250.41m in the prior corresponding period, a decrease of 31.6%, principally reflecting the SNS divestment.

On a normalised basis, excluding SNS revenue from the prior corresponding period, revenue from continuing operations increased by approximately 15%, from K149.50m to K171.27m

Group profit before tax for the six months period was K7.24m, up from K2.85m LY, reflecting a substantial 154% increase driven by the SNS divestment strategy, operating cost restructuring and pharmacy division revenue growth.

Our JV partners Jacks of PNG and Prouds continue to deliver impressive performance and the JVs' profit contribution for the period was K2.03m compared to K1.58m LY, growth of 28%.

We recognise that sustainable shareholder value will depend not simply on growing topline, but on converting that growth into consistent profitability and cash generation. This is now central to the Group's performance improvement agenda.

The Board is pleased to welcome Mr. Ajay Patel as Group Chief Executive Officer. I was also appointed as Board Chair in May 2026 and have since worked closely with the Board and leadership team to build on the important foundations already established. Our focus is to provide clear strategic direction, rigorous oversight of risk and performance, and strong support to management as CPL moves forward.

We remain excited by CPL's health strategy. Our medical centres are gaining momentum, and early customer uptake reinforces our view that there is substantial demand for accessible, affordable and quality primary health care in Papua New Guinea. CPL's established pharmacy network, medical capabilities and trusted brand provide a strong platform from which to build an integrated health offering over time.

We do not underestimate the work ahead. However, CPL has a clear strategic opportunity, an experienced Board, renewed executive leadership and a national platform. We are confident that the actions now underway will position the Group to deliver more sustainable performance and long term value for shareholders.

Reflecting the group financial performance, the Board is pleased to announce an interim dividend of 2 toea per share.

On behalf of the Board, I thank our customers, shareholders, management and staff for their continued support and commitment during this transformational journey of the company.

Stephanie Copus Campbell, AM GAICD
Board Chair

CPL Group

CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES
DIRECTORS' REPORT
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

The directors present their half yearly report on the affairs of City Pharmacy Limited ("Parent Company") and its subsidiaries ("Group"), including the condensed consolidated financial statements for the half year ended 30 June 2026.

Principal activities

City Pharmacy Limited operates primarily in Papua New Guinea with 67 stores and approximately 1,501 employees at period end. The principal activities of the Group during the year were:

- Wholesale and retail of goods, bakery and pharmaceutical products;
- Supply, installation, and maintenance of medical laboratory equipment; and
- Wholesale and retail of hardware products.
- Primary healthcare services

The Group also participates in Joint Ventures whose principal activities comprise of:

- Retail clothing; and
- Duty free products.

Results and review of operations

The net amount of consolidated profit for the financial period after income tax expense attributable to members of the Company and its controlled entities was K4.1m (2025: K1.1m). For the Parent Company, net profit after income tax was K6.7m (2025: K1.5m).

Independent auditor's review report

The financial statements have been reviewed by PwC (PricewaterhouseCoopers) and should be read in conjunction with the independent auditor's review report on page 25. Auditors' remuneration is disclosed in Note 3 of the financial statements.

Dividends

The Directors have declared and paid final dividend of K8.3m during the period ended 30 June 2026 (30 June 2025: K nil).

For and on behalf of the Board of Directors

Director: ______________________ Director: ______________________

Date: 14/09/2026 Date: 14/09/2026

CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE

	Notes	Consolidated		Parent Company	
		2026	2025	2026	2025
		K'000	K'000	K'000	K'000
Revenue from Contract with Customers	3(a)	171,269	250,412	97,994	180,145
Cost of sales		(113,797)	(166,356)	(56,789)	(116,435)
Gross profit		57,472	84,056	41,205	63,710
Distribution expenses	4(a)	(4,207)	(4,596)	(2,104)	(1,999)
Marketing expenses	4(b)	(1,340)	(1,410)	(746)	(922)
Administration expenses		(42,289)	(56,168)	(28,803)	(45,261)
Finance costs	3(c)	(3,156)	(5,968)	(2,078)	(4,365)
Finance income	3(c)	779	341	393	341
Depreciation expense		(11,222)	(18,832)	(7,405)	(13,734)
Other income	3(b)	10,486	3,657	7,953	1,922
Foreign exchange (loss)/gain		(1,309)	184	(928)	322
Total Expenses		(52,258)	(82,792)	(33,718)	(63,696)
Share of profit from joint ventures		2,028	1,582	2,028	1,582
Profit before income tax expense		**7,242**	**2,846**	**9,515**	**1,596**
Income tax expense	5	(3,132)	(1,752)	(2,794)	(119)
Profit for the period after income Tax		**4,110**	**1,094**	**6,721**	**1,477**
Other comprehensive income for the period:					
Exchange differences on translating foreign operation		1,222	639	-	-
Total comprehensive income for the period		**5,332**	**1,733**	**6,721**	**1,477**
Profit for the period is attributed to:					
Owners of the parent		3,707	786	6,721	1,477
Non-controlling interest		403	308	-	-
		4,110	**1,094**	**6,721**	**1,477**
Total Comprehensive income for the period is attributed to:					
Owners of the parent	3(b)	4,929	1,425	6,721	1,477
Non-controlling interest	3(b)	403	308	-	-
		5,332	**1,733**	**6,721**	**1,477**
Earnings per share - basic and diluted (toea per share)		1.99	0.53		

This statement is to be read in conjunction with the notes to and forming part of the Consolidated Financial Statements set out on pages 10 to 24.

CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT PERIOD ENDED

	Notes	Consolidated		Parent Company	
		June 2026	December 2025	June 2026	December 2025
		K'000	K'000	K'000	K'000
ASSETS					
Cash and cash equivalents	7	11,690	20,947	4,665	13,287
Trade and other receivables	8	45,255	56,775	30,564	46,958
Lease receivable		9,855	7,836	6,038	4,248
Income tax receivable		2,830	2,617	1,587	1,586
Inventories	9	93,362	95,249	49,279	49,954
Prepayments		3,997	3,710	3,973	3,613
Total Current Asset		**166,989**	**187,134**	**96,106**	**119,646**
Related party receivables		975	219	1,987	458
Lease receivable		5,112	12,439	2,682	7,963
Property, plant and equipment	10	76,038	75,807	58,997	59,179
Right of use asset		29,514	52,855	20,549	41,037
Investment in Subsidiaries	11(a)	-	-	19,901	20,590
Investment in Joint Ventures	11(b)	17,188	17,858	17,188	17,858
Deferred tax assets, net		16,672	19,105	12,635	15,429
Goodwill	12	2,714	2,714	1,320	1,320
Total Non-Current Asset		**148,213**	**180,997**	**135,259**	**163,834**
TOTAL ASSETS		**315,202**	**368,131**	**231,365**	**283,480**
LIABILITIES					
Borrowings	13(a)	-	-	-	-
Bank overdraft	13(b)	1,639	3,278	-	-
Trade and other payables	14	65,619	62,968	34,611	38,873
Lease Liabilities		17,377	58,195	9,755	54,636
Employee provisions	16	8,417	27,171	6,955	26,127
Total Current Liabilities		**93,052**	**151,612**	**51,321**	**119,636**
Borrowings	13(b) (c)	-	-	-	-
Other payables	14	610	613	54	53
Lease liabilities		45,402	38,595	34,194	18,064
Employee provisions	16	4,453	2,707	3,015	1,417
Total Non-Current Liabilities		**50,465**	**41,915**	**37,263**	**19,534**
TOTAL LIABILITES		**143,517**	**193,527**	**88,584**	**139,170**
NET ASSETS		**171,685**	**174,604**	**142,781**	**144,311**
SHAREHOLDERS' EQUITY					
Issued capital	17	70,867	70,867	70,867	70,867
Reserves		18,522	18,522	15,582	15,582
Other reserve		3,886	2,664	-	-
Retained earnings		76,165	80,709	56,332	57,862
Equity attributable to owners of the Parent		**169,440**	**172,762**	**142,781**	**144,311**
Non – controlling interest		2,245	1,842	-	-
TOTAL SHAREHOLDERS' EQUITY		**171,685**	**174,604**	**142,781**	**144,311**

This statement is to be read in conjunction with the notes to and forming part of the Consolidated Financial Statements set out on pages 10 to 24.

CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

	Share Capital K'000	Retained Earnings K'000	Revaluation Reserve K'000	Translation Reserve K'000	Attributable to owners of the parent K'000	Non-Controlling Interest K'000	Total K'000
Group							
Balance at 01 January 2025	**70,867**	**80,330**	**13,808**	**1,187**	**166,192**	**1,613**	**167,805**
Profit for the period	-	787	-	-	787	308	1,095
Other comprehensive income:							
Translation differences	-	-	-	639	639	-	639
Total comprehensive income for the year	**-**	**787**	**-**	**639**	**1,426**	**308**	**1,734**
Dividends declared	-	-	-	-	-	(151)	(151)
Balance at 30 June 2025	**70,867**	**81,117**	**13,808**	**1,826**	**167,618**	**1,770**	**169,388**
Balance at 01 January 2026	**70,867**	**80,709**	**18,522**	**2,664**	**172,762**	**1,842**	**174,604**
Profit for the Period	-	3,707	-	-	3,707	403	4,110
Other comprehensive income:							
Translation difference	-	-	-	1,222	1,222	-	1,222
Total comprehensive income for the year	**-**	**3,707**	**-**	**1,222**	**4,929**	**403**	**5,332**
Dividends declared	-	(8,251)	-	-	(8,251)	-	(8,251)
Balance at 30 June 2026	**70,867**	**76,165**	**18,522**	**3,886**	**169,440**	**2,245**	**171,685**

This statement is to be read in conjunction with the notes to and forming part of the Consolidated Financial Statements set out on pages 10 to 24.

CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

	Share Capital K'000	Retained Earnings (Note 18) K'000	Revaluation Reserve (Note 18) K'000	Total K'000
Parent				
Balance at 01 January 2025	**70,867**	**59,091**	**11,813**	**141,771**
Profit for the period	-	1,477	-	1,477
Balance at 30 June 2025	**70,867**	**60,568**	**11,813**	**143,248**
Balance at 01 January 2026	**70,867**	**57,862**	**15,582**	**144,311**
Profit for the period	-	6,721	-	6,721
Total comprehensive income for the period	**-**	**6,721**	**-**	**6,721**
Dividends paid	-	(8,251)	-	(8,251)
Balance at 30 June 2026	**70,867**	**56,332**	**15,582**	**142,781**

This statement is to be read in conjunction with the notes to and forming part of Consolidated Financial Statements set out on pages 10 to 24.

CITY PHARMACY LIMITED AND SUBSIDIARY COMPANIES
INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE 6 MONTHS PERIOD ENDED 30 JUNE 2026

	Consolidated		Parent Company	
	June 2026	June 2025	June 2026	June 2025
	K'000	K'000	K'000	K'000
Operating Activities				
Cash receipts from customers	187,207	260,189	114,388	186,044
Cash paid to suppliers and employees	(168,035)	(246,328)	(102,465)	(172,217)
Cash receipts from lessees	3,076	1,807	1,259	713
Cash payments from low value and short-term leases	(1,821)	(189)	(844)	-
Cash generated from operations	20,427	15,479	12,338	14,540
Interest paid from borrowings	(801)	(1,487)	(461)	(1,146)
Interest paid from lease liabilities	(2,355)	(4,380)	(1,617)	(3,218)
Interest received	779	341	393	341
Income tax paid	(912)	-	-	-
Cash generated by operating activities	**17,138**	**9,953**	**10,653**	**10,517**
Investing Activities				
Dividend received	2,697	-	2,697	-
Proceeds from sale of equipment	-	-	-	-
Investment in Wellness Center	-	-	(2,000)	(1,840)
Purchase of fixed assets and cash used in construction in-progress	(3,806)	(2,069)	(2,465)	(1,018)
Cash utilised by investing activities	**(1,109)**	**(2,069)**	**(1,768)**	**(2,858)**
Financing Activities				
Payment of borrowings	(3,277)	(2,567)	-	(2,567)
Repayment of lease liabilities	(11,283)	(17,615)	(6,024)	(12,796)
Receipts/(Payment) from related parties	(4,114)	(1,065)	(3,232)	(1,523)
Dividend payment	(8,251)	(150)	(8,251)	-
Cash utilised by financing activities	**(26,925)**	**(21,397)**	**(17,507)**	**(16,886)**
Net decrease in Cash and cash equivalents	**(10,896)**	**(13,513)**	**(8,622)**	**(9,227)**
Cash and cash equivalents at beginning of the period	**20,947**	**8,612**	**13,287**	**4,930**
Cash and cash equivalents at end of the period	**10,051**	**(4,901)**	**4,665**	**(4,297)**

Composed of:

Cash and Cash Equivalents	11,690	8,221	4,665	4,835
Bank Overdraft	(1,639)	(13,122)	-	(9,132)
	10,051	**(4,901)**	**4,665**	**(4,297)**

This statement is to be read in conjunction with the notes to and forming part of the Consolidated Financial Statements set out on pages 10 to 24.

1 STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Statement of compliance

This half year report is prepared in accordance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half year financial report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report as at 31 December 2025.

(b) Basis of preparation

The condensed consolidated financial statements are denominated in Papua New Guinea Kina, which is the reporting currency of the Group. All financial information presented in Papua New Guinea Kina has been rounded to the nearest thousand Kina, unless otherwise stated.

These accounting policies are consistent with International Accounting Standards (IAS) and International Financial Reporting Standards (IFRS) as adopted by the Papua New Guinea Accounting Standards Board.

Going Concern

This financial report has been prepared on the going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The Directors at the date of signing of this report believe that the going concern basis of the preparation is appropriate.

2 APPLICATION OF NEW AND REVISED INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS)

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group’s annual consolidated financial statements for the year ended 31 December 2025, except for the adoption of new standards effective as of 1 January 2026. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Several other amendments and interpretations apply for the first time in 2026, but do not have an impact on the interim condensed consolidated financial statements of the Group.

3 PROFIT AND LOSS

(a) Revenue from Contracts with Customers

	Consolidated		Parent Company	
	June 2026	June 2025	June 2026	June 2025
	K'000	K'000	K'000	K'000
Contract with Customers	171,269	250,412	97,994	180,145

Consolidated	For the periods ended 30 June 2026			2025		
	Retail	Wholesale and Tender	Total	Retail	Wholesale and Tender	Total
	K'000	K'000	K'000	K'000	K'000	K'000
Geographical markets						
Papua New Guinea	130,681	22,978	153,659	211,678	25,644	237,322
Australia	-	3,071	3,071	-	2,638	2,638
Others	-	14,539	14,539	-	10,452	10,452
Total revenue	**130,681**	**40,588**	**171,269**	**211,678**	**38,734**	**250,412**

Parent Company	For the periods ended 30 June 2026			2025		
	Retail	Wholesale and Tender	Total	Retail	Wholesale and Tender	Total
	K'000	K'000	K'000	K'000	K'000	K'000
Geographical markets						
Papua New Guinea	80,786	16,075	96,861	161,072	17,338	178,410
Fiji	-	1,133	1,133	-	1,722	1,722
Others	-	-	-	-	13	13
Total revenue	**80,786**	**17,208**	**97,994**	**161,072**	**19,073**	**180,145**

Other income and expenses

Operating profit for the period is stated after charging/(crediting) the following items:

	Consolidated		Parent Company	
	June 2026	June 2025	June 2026	June 2025
	K'000	K'000	K'000	K'000
Other income and (expense)				
Amortisation of lease receivable	(3,849)	(1,554)	(1,652)	(1,554)
Profit on sale of asset	15	20	-	-
Rental income	6,195	1,671	3,410	963
Gain on pre-termination of SNS leases	5,087	-	5,087	
Dividends	-	-	-	385
Others	3,038	3,520	1,108	2,128
Total	**10,486**	**3,657**	**7,953**	**1,922**
Auditors' remuneration	**174**	**286**	**82**	**170**

Other income includes a pre-termination gain of K5,087 recognised on the termination of Stop N Shop lease agreements on 31 March 2026 in connection with the Stop N Shop divestment.

3 PROFIT AND LOSS *(continued)*

(c) Finance income and cost

	Consolidated		Parent Company	
	June 2026	June 2025	June 2026	June 2025
	K'000	K'000	K'000	K'000
Finance cost				
Interest expense on loans and bank overdraft	(704)	(1,487)	(431)	(1,146)
Interest expense on amortisation of lease liability	(2,452)	(4,481)	(1,647)	(3,219)
	(3,156)	**(5,968)**	**(2,078)**	**(4,365)**
Finance income				
Interest income	5	-	-	-
Interest income on amortisation of lease receivable	774	341	393	341
Total	**779**	**341**	**393**	**341**

4 OTHER OPERATING EXPENSES

a) Distribution expenses

	Consolidated		Parent Company	
	June 2026	June 2025	June 2026	June 2025
	K'000	K'000	K'000	K'000
Freight and handling	**4,207**	**4,596**	**2,104**	**1,999**

b) Marketing expenses

	Consolidated		Parent Company	
	June 2026	June 2025	June 2026	June 2025
	K'000	K'000	K'000	K'000
Advertising and promotions	738	925	294	595
Other marketing expenses	602	485	452	327
Total	**1,340**	**1,410**	**746**	**922**

5 INCOME TAX EXPENSE

	Consolidated		Parent Company	
	June 2026	June 2025	June 2026	June 2025
	K'000	K'000	K'000	K'000
Income tax expense				
Current tax	1,174	376	1	1
Deferred tax	1,958	1,376	2,793	118
Income tax expense	**3,132**	**1,752**	2,794	**119**
The prima facie for the period is reconciled to the tax expense as follows:				
Accounting profit before tax	7,242	2,846	9,515	1,596
Tax for the period at 30%	2,173	853	2,855	479
Share of profit from joint ventures	(609)	(475)	(609)	(475)
Under provision of income tax	1,455	1,123	448	-
Adjustments in respect of current income tax of previous years	-	-	-	-
Non-deductible expenses	113	251	100	115
Income tax expense	**3,132**	**1,752**	**2,794**	**119**

6 SEGMENT INFORMATION

The following table presents assets and liabilities information for the Group's operating segments as at 30 June 2026 and 31 December 2025, respectively:

	Retail	Wholesale and Tender	Healthcare service	Total
	K'000	K'000	K'000	K'000
Assets				
30 June 2026	292,868	20,935	1,399	315,202
31 December 2025	348,605	17,222	2,304	368,131
Liabilities				
30 June 2026	138,093	5,364	60	143,517
31 December 2025	189,428	4,099	-	193,527

30 June 2026	Retail	Wholesale and Tender	Healthcare Service	Total Segment	Elimination	Consolidated
	K'000	K'000		K'000	K'000	K'000
Revenue						
External customer	129,120	40,588	1,561	171,269	-	171,269
Inter-segment	-	5,606	-	5,606	(5,606)	-
Total revenue	**129,120**	**46,194**	**1,561**	**176,875**	**(5,606)**	**171,269**
Cost of sales	(91,185)	(28,021)	(197)	(119,403)	5,606	(113,797)
Share of profit from joint ventures	1,529	481	18	2,028	-	2,028
Distribution Expense	(3,172)	(997)	(38)	(4,207)	-	(4,207)
Marketing expense	(1,314)	-	(26)	(1,340)	-	(1,340)
Finance income / (expense)	(733)	-	-	(733)	-	(733)
Depreciation and amortisation	(3,368)	(136)	(147)	(3,651)	-	(3,651)
Finance income	5,990	1,883	72	7,945	-	7,945
Other operating expense	(41,154)	(12,936)	(497)	(54,587)	-	(54,587)
Profit before income tax	(4,287)	6,468	746	2,927	-	2,927
Income tax expense	(2,243)	(892)	3	(3,132)	-	(3,132)
Segment profit before impact of IFRS 16 impact	(6,530)	5,576	749	(205)	-	(205)
IFRS 16 Impact:						
Amortisation – ROU	(7,571)	-	-	(7,571)	-	(7,571)
Interest expense	(2,356)	(66)	-	(2,422)	-	(2,422)
Rent expense	11,767	530	-	12,297	-	12,297
Interest Income	773	-	-	773	-	773
Rent Income	(3,849)	-	-	(3,849)	-	(3,849)
Other Income	5,087	-	-	5,087	-	5,087
Total Net Profit	(2,679)	6,040	749	4,110	-	4,110

30 June 2025	Retail	Wholesale and Tender	Total Segment	Elimination	Consolidated
	K'000	K'000	K'000	K'000	K'000
Revenue					
External customer	211,678	38,734	250,412	-	250,412
Inter-segment	-	5,772	5,772	(5,772)	-
Total revenue	211,678	44,506	256,184	(5,772)	250,412
Cost of sales	(147,027)	(25,101)	(172,128)	5,772	(166,356)
Total Expenses	(69,209)	(12,562)	(81,770)	-	(81,770)
	(4,558)	6,843	2,286	-	2,286
Profit before income tax					
Income tax expense	(1,257)	(495)	(1,752)	-	(1,752)

6 SEGMENT INFORMATION (*continued*)

Segment profit/(loss) before impact of IFRS 16 impact	**(5,815)**	**6,348**	**534**	**-**	**534**
IFRS 16 Impact:					
Amortisation – ROU	(12,672)	-	(12,672)	-	(12,672)
Interest expense	(4,380)	-	(4,380)	-	(4,380)
Rent expense	19,511	-	19,511	-	19,511
Interest Income	716	-	716	-	716
Rent Income	(3,208)	-	(3,208)	-	(3,208)
Other Income	593	-	593	-	593
Total Net Profit	**(5,256)**	**6,348**	**1,094**	**-**	**1,094**

7 CASH AND CASH EQUIVALENTS

	Consolidated		Parent	
	June 2026	December 2025	June 2026	December 2025
	K'000	K'000	K'000	K'000
Cash and cash equivalents	**11,690**	**20,947**	**4,665**	**13,287**

8 TRADE AND OTHER RECEIVABLES

	Consolidated		Parent	
	June 2026 K'000	December 2025 K'000	June 2026 K'000	December 2025 K'000
Current				
Trade receivables	36,092	32,038	22,787	23,758
Related party receivables	475	648	1,582	1,546
	36,567	**32,686**	**24,369**	**25,304**
Less: Expected credit losses	(3,601)	(3,619)	(1,331)	(1,331)
Total trade and related party receivables	32,966	29,067	23,038	23,973
Other receivables	12,289	27,708	7,526	22,985
Net current receivables	**45,255**	**56,775**	**30,564**	**46,958**

Breakdown of other receivables is as follows:

Insurance Claims	478	1,113	344	921
Employee loans	146	96	117	82
GST receivable	7,084	21,974	4,106	19,445
Government relief	-	-	-	-
Various deposits	2,498	2,418	2,038	1,970
Other	2,083	2,107	921	567
Total Other Receivables	**12,289**	**27,708**	**7,526**	**22,985**

The general credit period on sales of goods is 30 to 90 days for wholesale customers. No interest is charged on outstanding trade receivables.

9 INVENTORIES

	Consolidated		Parent Company	
	June 2026	December 2025	June 2026	December 2025
	K'000	K'000	K'000	K'000
Inventory for resale	102,019	101,032	50,355	51,353
Provision for inventory obsolescence	(8,657)	(5,783)	(1,076)	(1,399)
Total	**93,362**	**95,249**	**49,279**	**49,954**

9 INVENTORIES (*continued*)

These inventories are carried at lower of cost and net realisable value. Due to the nature of the business environment and operations, a provision for stock obsolescence has been made based on past experience. During 2026, K105.2m (2025: K290.5m) was recognised as an expense for inventories sold while K8.5m (2025: K3.1m) was expense carried at net realizable value. These are recognised in cost of sales. The carrying value of the inventory is below the selling price less costs necessary to sell the inventory as at 30 June 2026 and December 2025.

10 PROPERTY, PLANT AND EQUIPMENT

Group	Land at valuation K'000	Buildings at cost K'000	Motor Vehicles at cost K'000	Leasehold Improvement, Office equipment and Furniture & Fixtures at cost K'000	Total K'000
Cost or Valuation					
At 01 January 2026	26,107	43,508	17,666	51,063	138,344
Additions	-	-	1,638	3,246	4,884
Disposals	-	-	(79)	(1,160)	(1,239)
Work in progress	-	214	-	-	214
At 30 June 2026	**26,107**	**43,722**	**19,225**	**53,149**	**142,203**
Accumulated Depreciation					
At 01 January 2026	-	8,233	15,265	39,039	62,537
Charge for the period	-	1,096	683	1,926	3,705
Disposals	-	-	(56)	(21)	(77)
At 30 June 2026	**-**	**9,329**	**15,892**	**40,944**	**66,165**
Net Carrying Value					
At 01 January 2026	**26,107**	**35,274**	**2,401**	**12,025**	**75,807**
At 30 June 2026	**26,107**	**34,393**	**3,333**	**12,205**	**76,038**

Group	Land at valuation K'000	Buildings at cost K'000	Motor Vehicles at cost K'000	Leasehold Improvement, Office equipment and Furniture & Fixtures at cost K'000	Total K'000
Cost or Valuation					
At 01 January 2025	24,297	48,549	25,952	81,607	180,405
Additions	-	-	316	3,122	3,438
Disposals	(2,904)	(5,041)	(8,602)	(34,177)	(50,724)
Work in progress	-	-	-	511	511
Transfers	-	-	-	-	-
Revaluation	4,714	-	-	-	4,714
At 31 December 2025	**26,107**	**43,508**	**17,666**	**51,063**	**138,344**
Accumulated Depreciation					
At 01 January 2025	-	6,885	21,084	54,847	82,816
Charge for the period	-	2,316	1,916	5,640	9,872
Disposals	-	(967)	(7,735)	(21,449)	(30,151)
Transfers	-	-	-	-	-
At 31 December 2025	**-**	**8,234**	**15,265**	**39,038**	**62,537**
Net Carrying Value					
At 01 January 2025	**24,297**	**41,664**	**4,868**	**26,761**	**97,589**
At 31 December 2025	**26,107**	**35,274**	**2,401**	**12,025**	**75,807**

10 PROPERTY, PLANT AND EQUIPMENT (*continued*)

Parent Company	Land and at valuation K'000	Buildings at cost K'000	Motor Vehicles At cost K'000	Leasehold Improvement, Office equipment and Furniture & Fixtures at cost K'000	Total K'000
Cost or Valuation					
At 01 January 2026	13,865	43,216	9,534	35,071	101,686
Additions	-	-	1,343	1,214	2,557
Disposals	-	-	(79)	(75)	(154)
Reclassification	-	-	-	-	-
Work in progress	-	-	-	25	25
Assets held for sale	-	-	-	-	-
At 30 June 2026	**13,865**	**43,216**	**10,798**	**36,235**	**104,114**
Accumulated Depreciation					
As at 01 January 2026	-	8,061	8,031	26,415	42,507
Charge for the period	-	1,084	418	1,185	2,687
Disposals	-	-	(56)	(21)	(77)
Assets held for sale	-	-	-	-	-
At 30 June 2026	**-**	**9,145**	**8,393**	**27,579**	**45,117**
Net Carrying Value					
At 01 January 2026	**13,865**	**35,155**	**1,504**	**8,655**	**59,179**
At 30 June 2026	**13,865**	**34,071**	**2,405**	**8,656**	**58,997**

Parent Company	Land and Buildings at valuation K'000	Buildings at cost K'000	Motor Vehicles At cost K'000	Leasehold Improvement, Office equipment and Furniture & Fixtures at cost K'000	Total K'000
Cost or Valuation					
At 01 January 2025	13,000	48,257	18,051	67,799	147,107
Additions	-	-	85	2,741	2,826
Disposals	(2,904)	(5,041)	(8,602)	(35,742)	(52,289)
Work in progress	-	-	-	273	273
Revaluation	3,769	-	-	-	3,769
At 31 December 2025	**13,865**	**43,216**	**9,534**	**35,071**	**101,686**
Accumulated Depreciation					
At 01 January 2025	-	6,713	14,376	43,454	64,543
Charge for the period	-	2,316	1,408	4,388	8,112
Disposals	-	(968)	(7,754)	(21,426)	(30,148)
Reclassification	-	-	-	-	-
At 31 December 2025	**-**	**8,061**	**8,030**	**26,416**	**42,507**
Net Carrying Value					
At 01 January 2025	**13,000**	**41,544**	**3,674**	**24,345**	**82,564**
At 31 December 2025	**13,865**	**35,155**	**1,504**	**8,655**	**59,179**

10 PROPERTY, PLANT AND EQUIPMENT (*continued)*

Fair Value measurement of Land

The Group's and Parent's freehold land are stated at their revalued amounts being the fair value at the date of revaluation in June 2025. As at 30 June 2026, the Directors believe that there are no changes in the market that will significantly change the value of the land.

Impairment

There are no indications that the assets may be impaired as at 30 June 2026 (31 December 2025: K Nil).

11 INVESTMENTS

	Note	Consolidated		Parent Company	
		June 2026	December 2025	June 2026	December 2025
Non-Current		K'000	K'000	K'000	K'000
Investment in Subsidiaries - at cost	**11(a)**	-	-	19,901	20,590
Joint Ventures – Equity method	**11(b)**	17,188	17,858	17,188	17,858
Total		**17,188**	**17,858**	**37,089**	**38,448**

	Country	Ownership	2026	2025
			K'000	K'000
11(a) Subsidiary Companies				
Pharmacy Wholesalers Pty Limited	Australia	72%	2,105	2,105
Hardware Haus Limited	PNG	100%	15,796	15,796
Paradise Cinemas (PNG) Limited	PNG	100%	-	-
CP Medical Center Limited	PNG	100%	2,000	2,689
City Property Limited	PNG	100%	-	-
Real Rewards Limited	PNG	100%	-	-
			19,901	**20,590**
11(b) Joint Ventures				
Jacks Retail (PNG) Limited	PNG	50%	10,709	11,202
DFS (PNG) Limited	PNG	50%	6,479	6,656
			17,188	**17,858**

12 GOODWILL

	Consolidated		Parent Company	
	June 2026	December 2025	June 2026	December 2025
	K'000	K'000	K'000	K'000
Carrying value	**2,714**	**2,714**	**1,320**	**1,320**

13 INTEREST BEARING LOANS AND BORROWINGS

	Note	Consolidated		Parent	
		June 2026	December 2025	June 2026	December 2025
		K'000	K'000	K'000	K'000
Current					
Bank Loans	14(a)	-	-	-	-
Bank overdraft	14(b)	1,639	3,278	-	-
Total loans and borrowings		1,639	3,278	**-**	**-**

13 INTEREST BEARING LOANS AND BORROWINGS *(continued)*

Bank facilities and security:

a) In 2011, the Company entered into a multi - option facility with Westpac Bank (PNG) Limited that includes loans, overdraft and assistance for documentary letters of credit to finance import payments into PNG. The loan is secured by the following:
   1. Various Registered Mortgage Deeds;
   2. Fixed and floating charge over all Company assets and undertakings;
   3. Carrying value of motor vehicles as security over leases;
   4. Deed of Cross Guarantee; and
   5. Master Lease Agreement.

   Revolving overdraft facility has an interest rate of 6.45% per annum.

b) In August 2020, the City Pharmacy Facility Agreement with Westpac was amended via the Fifth Deed of Amendment and Restatement. Under the Deed, the Company entered into a K22m facility to complete the construction of the Gerehu warehouse. The facility is to be repaid within 5 years of drawdown, the first year being interest only (5.95% per annum) and the succeeding 4 years to be principal and interest. The facility is secured by the following assets:
   - Interlocking guarantee between CPL and HHL supported by:
     - First ranking fixed and floating charge over the current and future assets and undertakings of the Obligors; and
     - First ranking registered mortgages over the two (2) commercial properties plus all improvements thereon, properties being:
       1. Lot 18 Section 342 Uduka Street Hohola; and
       2. Allotment 2, Sec 163, Orion Rd, Taraka, Lae

c) In October 2024, City Pharmacy entered into a K3.5m facility to assist in the capital expenditures planned to rebuild the damaged stores and fit-out new shops. The facility is to be repaid within 5 years of the drawdown, at an interest rate of 6.45% per annum.

d) Debt covenants
   The loan agreement requires the Company to comply with certain covenants and ratios as at 31 December 2026.

   The company has fully repaid the terms loans with Westpac in September 2025.

e) At 30 June 2026, the Group had available K16.4m of undrawn committed borrowing facilities

14 TRADE AND OTHER PAYABLES

	Consolidated		Parent	
	June 2026 K'000	December 2025 K'000	June 2026 K'000	December 2025 K'000
Current				
Trade payables	38,195	39,288	17,069	23,153
Related party payables	-	-	1,444	1,399
Other payables	27,424	23,680	16,098	14,321
	65,619	**62,968**	**34,611**	**38,873**
Non-current				
Security bond	610	613	54	53
Total payables	**66,229**	**63,581**	**34,665**	**38,926**

15 LEASES

Set out below, are the carrying amounts of the Group's right-of-use assets and lease liabilities and the movements during the period:

Consolidated	Right-of-use assets - Buildings	Lease liabilities	Lease receivable
	K'000	K'000	K'000
As at 1 January 2025	75,866	123,147	20,422
Additions	11,975	11,975	-
Sub-lease	(4,059)	-	6,042
Revaluation	1,883	229	(1,197)
Depreciation	(24,884)	-	-
Lease termination	(7,926)	(8,757)	-
Interest expense	-	8,272	-
Interest income	-	-	1,472
Collections from sublessee	-	-	(6,464)
Payment of lessee	-	(38,076)	-
As at 31 December 2025	**52,855**	**96,790**	**20,275**
Additions	1,721	1,721	-
Lease termination	(17,491)	(24,810)	(2,232)
Depreciation	(7,571)	-	-
Interest expense	-	2,424	-
Interest income	-	-	773
Collections from sublessee	-	-	-
Payment of lessee	-	(13,346)	(3,849)
As at 30 June 2026	**29,514**	**62,779**	**14,967**

Parent	Right-of-use assets – Buildings	Lease liabilities	Lease receivable
	K'000	K'000	K'000
As at 1 January 2025	**55,784**	**90,335**	**11,720**
Additions	11,674	11,674	-
Sublease	(1,921)	-	3,029
Revaluation	(36)	(596)	-
Depreciation	(16,538)	-	-
Lease termination (SNS Shops)	(7,926)	(9,702)	-
Interest expense	-	5,963	-
Interest income	-	-	739
Payment of lessee/sublessee	-	(24,974)	(3,277)
As at 31 December 2025	**41,037**	**72,700**	**12,211**
Additions	1,721	1,721	-
Sublease	(17,491)	(24,810)	(2,232)
Depreciation	(4,718)	-	-
Interest expense	-	1,618	-
Interest income	-	-	394
Payment of lessee/sublessee	-	(7,280)	(1,653)
As at 30 June 2026	**20,549**	**43,949**	**8,720**

The following are amounts recognised in profit or loss:

Consolidated	June 2026	December 2025
	K'000	K'000
Depreciation expense of right-of-use assets	(7,571)	(24,885)
Interest expense on lease liabilities	(2,424)	(8,272)
Interest income on lease receivables	773	1,472
Gain from lease termination	5,087	-
Gain or Loss from subleases	-	(1,495)
Expense relating to leases of low-value assets	(2,275)	(242)
Total amount recognised in profit or loss	**(6,410)**	**(33,422)**

15 LEASES *(continued)*

Parent	June 2026	December 2025
	K'000	K'000
Depreciation expense of right-of-use assets	(4,719)	(16,538)
Interest expense on lease liabilities	(1,618)	(5,963)
Interest income on lease receivables	626	739
Gain from lease termination	5,087	-
Gain or Loss from subleases	-	(1,668)
Expense relating to leases of low-value assets	(844)	-
Total amount recognised in profit or loss	**(1,468)**	**(23,430)**

The Group has accounted for its sub-lease arrangements as finance leases.

Refer to Note 6 for a reconciliation demonstrating the impact of IFRS 16 between Segment profit and Net profit.

(a) Classification of lease receivable and liability

	Consolidated		Parent	
	June 2026	December 2025	June 2026	December 2025
	K'000	K'000	K'000	K'000
Lease receivables				
Current	9,855	7,836	6,038	4,248
Non-current	5,112	12,439	2,682	7,963
Total lease receivables	**14,967**	**20,275**	**8,720**	**12,211**
Lease liabilities				
Current	17,377	58,195	9,755	54,636
Non-current	45,402	38,595	34,194	18,064
Total lease liabilities	**62,779**	**96,790**	**43,949**	**72,700**

16 PROVISIONS

	Consolidated		Parent	
	June 2026	December 2025	June 2026	December 2025
	K'000	K'000	K'000	K'000
Provision*	4,786	22,481	4,786	22,481
Employee provisions				
Current				
Wages payable	458	409	227	430
Annual leave	2,435	2,225	1,645	1,516
Employee bonus	738	526	297	170
Long service leave	-	1,530	-	1,530
	8,417	**27,171**	**6,955**	**26,127**
Non-current				
Long service leave	**4,453**	**2,707**	**3,015**	**1,418**

*In October 2025, the Company entered into a settlement agreement with the Internal Revenue Commission (IRC) in respect of its Goods and Services Tax (GST) obligations. Under the terms of the agreement, a total GST liability of K17.7 million was agreed, of which K13.2 million will be settled through verified GST input tax credits. The remaining balance of K4.5 million as at 30 June 2026 is expected to be offset against future GST input tax credits as they become available.

17 EQUITY

Share capital
In accordance with the provisions of the Companies Act 1997, the share capital does not have a par value. The Board of Directors of the Group, in line with the provisions of the constitution, may issue shares at its discretion.

The total number of shares issued as at 30 June 2026 is 206,277,911 (2025: 206,277,911).

Earnings per Share
Basic EPS is calculated by dividing the profit/(loss) for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year.

The following table reflects the income and share data used in the basic EPS calculations:

	Consolidated	
	2026	**2025**
	K'000	**K'000**
Profit (loss) attributable for basic and diluted earnings	4,110	1,094
Weighted average number of shares for basic and diluted EPS	206,278	206,278
Earnings (loss) per share - basic and diluted (toea per share)	**1.99**	**0.53**

There have been no other transactions involving ordinary shares or potential ordinary shares between the reporting date and the date of authorisation of these financial statements.

The Group and Parent Company's revaluation reserve has increased to K18.52m for year-ended 31 December 2025 with valuation undertaken as disclosed in Note 11. The property revaluation reserve arises on the revaluation of land and buildings. When the revalued land and buildings are sold, the portion of the property revaluation reserve that relates to that asset is transferred directly to retained earnings. Items of other comprehensive income included in the property revaluation reserve will not be reclassified subsequently to profit or loss.

Foreign currency translation reserve

	Consolidated	
	2026	**2025**
	K'000	**K'000**
Balance at beginning of year	2,664	1,187
Exchange differences arising on translating the foreign operations	1,222	1,477
Balance at end of year	**3,886**	**2,664**

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (PNG Kina) are recognised directly in other comprehensive income and accumulated in the foreign currency translation reserve. Exchange differences previously accumulated in the foreign currency translation reserve (in respect of translating both the net assets of foreign operations) are reclassified upon disposal of foreign operations.

17 EQUITY *(continued)*

Retained earnings and dividend on equity instruments

	Consolidated		Parent	
	2026 K'000	2025 K'000	2026 K'000	2025 K'000
Retained earnings	76,165	80,709	56,332	57,862
	-	-		-
Balance at beginning of year	80,709	80,330	57,862	59,091
Profit attributable to the owners of the Company	3,707	10,694	6,721	9,086
Special Dividends declared and paid	(8,251)	(10,315)	(8,251)	(10,315)
Balance at end of year	**76,165**	**80,709**	**56,332**	**57,862**

Dividends declared and paid
There was a final dividend of 4 toea per share amounting to K8.3m paid on 03 Jun 2026 and a special dividend of 5 toea per share amounting to K10.3m paid on 05 Jan 2026 in relation to FY25.

Dividends declared and paid through subsidiary
There was dividends declared and paid to Non-Controlling interest from Pharmacy Wholesaler Limited, subsidiary, amounting to PGK Nil (2025: K223k).

18 RELATED PARTY TRANSACTIONS

Related parties are considered to be enterprises or individuals with whom the Company and the Group is especially related because either they or the Company are in a position to significantly influence the outcome of transactions entered into with the Company and the Group, by virtue of being able to control, dominate or participate in a fiduciary capacity in decision making functions or processes. A number of transactions are entered into with these related parties in the normal course of business. These transactions are carried out on commercial terms and market rates.

a) Transactions with Subsidiaries and Joint Ventures

- The Company provides administration assistance to Hardware Haus Limited (HHL), a wholly owned subsidiary. Management fees billed to HHL for the period is K400k (2025: K600k). The Company also has commercial transactions with HHL. The Company's total sales to HHL as at June 2026 is K57k (June 2025: K51k) while purchases is K179k (June 2025: K324k). As at 30 June 2026, the Company has a net receivable from HHL of k1.4m (December 2025: K1.1m).

- The Company has transactions with Pharmacy Wholesalers Pty. Ltd. 'PWL', a subsidiary, based on commercial arrangements. The Company's purchases from PWL as at June 2025 is K6.34m (June 2025: K7.17m). As at June 2026, The Company has a payable to Pharmacy Wholesalers of K1.36m (December 2025: K105k).

- The Company provides administration assistance to Paradise Cinema (PNG) Limited, a wholly owned subsidiary. As at 30 June 2026, the Company has a receivable from Paradise Cinema of K238k (December 2025: K739k).

- The Company provides administration assistance to Jack's of PNG Limited, a joint venture. Management fees billed to Jack's as of June 2026 is K50k (June 2025: K50k). There are also commercial transactions between the Company and Jack's. The Company's purchases from Jack's as at June 2026 is K242k (June 2024: K567k). As at 30 June 2026, the Company has a net receivable from Jack's of K123k (December 2025: receivable K169k).

18 RELATED PARTY TRANSACTIONS (continued)

- The Company provides administration assistance to DFS (PNG) Limited, a joint venture. There are also commercial transactions between the Company and DFS. The Company's total sales to DFS as at 30 June 2026 is K6k (June 2025: K36k), while purchases from DFS is K 332k (June 2025: K 271k). As at 30 June 2026, CPL has a net payable to DFS of K68k (December 2025 receivable: K147k).

b) Remuneration of the Directors and key management officers

The total remuneration paid to Directors and key management as of June 2026 is K0.9m (June 2025: K3.7m) and consisted of fixed directors' fees, salaries and fees and non-monetary benefits (i.e. accommodation and motor vehicle).

In the current year, the Company does not have post-employment benefits, other long-term benefits and termination benefits for its directors and employee.

19 FINANCIAL INFORMATION

The Group's activities expose it to a variety of financial risks, including the effects of changes in market prices and interest rates. The Group monitors these financial risks and seeks to minimize the potential adverse effects on the financial performance of the Group. The Group does not use any derivative financial instruments to hedge these exposures.

a) Fair Value

The face values for financial assets and liabilities approximate their fair values.

b) Credit risk

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit. The maximum exposure to credit risk is represented by the gross amount before ECL of each financial asset in the balance sheet.

The counterparties to these assets have not been assessed with a credit risk rating in Papua New Guinea.

c) Foreign exchange risk

The Group's foreign currency risk arises on account of transactions with suppliers. Due to current BPNG regulations, management is unable to fully mitigate against foreign exchange fluctuations, and foreign currency is only available upon providing the appropriate documents to the bank.

d) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulties in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Group regularly reviews its short, medium- and long-term funding requirements. The policy requires that sufficient committed funds are available to meet medium term requirements, with flexibility and headroom in the event a strategic opportunity should arise.

19 FINANCIAL INFORMATION (continued)

e) Interest risk

The Group monitors the interest rate exposure on a regular basis. However, the Group is restricted in its ability to mitigate the risks associated with interest rate movements.

f) Sensitivity analysis

In managing interest rate and currency risks, the Group aims to reduce the impact of short-term fluctuations on the Group's earnings. Over the long term, however, permanent changes in foreign exchange and interest rates would have an impact on consolidated earnings.

As at 30 June 2026, a general increase of one percentage point in interest rates or one percentage point in the value of the Kina against other foreign currencies would not have a significant impact on the Group's profit.

20 COMMITMENTS AND CONTINGENCIES

Commitments

Future financial charges is K Nil (2025: K110k) in relation to the bank loan from the Westpac Bank PNG Limited.

Contingencies

a) The Company has a credit facility of K19,750k (2025: K19,750k) for Multi - Option Facilities which includes documentary letters of credit from Westpac Bank PNG Limited.

b) The Company has guaranteed the Hardware Haus Limited multi-option and fully drawn loan facilities from Westpac Bank PNG Limited. The guarantee is supported by a mortgage of the Company property.

21 SUBSEQUENT EVENTS

The Directors have declared an interim dividend of 2 toea per share amounting K4.1m for the six months period end. The Directors are of the opinion that there are no other significant events or conditions occurred after 30 June 2026 which requires adjustment or disclosure in the financial statements.

Report on review of the condensed interim consolidated financial statements

To the Directors of City Pharmacy Limited

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of City Pharmacy Limited (the Company) and its subsidiaries (together the Group) as at 30 June 2026 and the related interim condensed consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended and notes, comprising material accounting policy information and other explanatory notes. The Directors are responsible for the preparation and presentation of this consolidated interim condensed financial information in accordance with International Accounting Standard 34, 'Interim Financial Reporting'. Our responsibility is to express a conclusion on this condensed interim consolidated financial information based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements 2410, 'Review of interim financial information performed by the independent auditor of the entity'. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim consolidated financial report is not prepared, in all material respects, in accordance with International Accounting Standard 34, ‘Interim Financial Reporting’.

Restriction on distribution or use

This report is made solely to the Directors of the Company, as a body. Our review work has been undertaken so that we might state to the Directors those matters which we are required to state to them in our review report and for no other purpose. We do not accept or assume responsibility to anyone other than the Directors of the Company, as a body, for our review work, for this report or for the conclusion we have formed.

PricewaterhouseCoopers

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Jonathan Seeto
Partner
Registered under the Accountants Act 1996

Port Moresby
14 September 2026

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