

23 August 2019

## **Kina Bank takes 15% stake in Nationwide Microbank Limited**

Kina Securities Limited (**ASX:KSL | PNGX:KSL**) (**Kina Bank**; the **Bank**) is pleased to announce it has agreed to enter into a share subscription agreement with microfinance institution Nationwide Microbank Limited (**MiBank**).

Under the share subscription agreement, Kina Bank will subscribe for 2,239,148 new ordinary shares to be issued by MiBank, for a consideration of PGK 2,575,020. After issue, Kina Bank will hold a 15% stake in MiBank. The Bank of Papua New Guinea (**BPNG**) has provided regulatory approval for Kina Bank and MiBank to enter into the share subscription agreement.

Through the acquisition of the interest in MiBank, Kina Bank intends to help significantly expand financial inclusion services in PNG, assisting unbanked Papua New Guineans enter the formal financial services sector. The acquisition of the interest in MiBank will also enable Kina Bank to deliver on its mandate to contribute to the BPNG's broader Financial Inclusion Plan.

Kina Bank and MiBank will deliver the largest national footprint of all banks in Papua New Guinea with a combined network of over 1,500 customer touch points through branches, customer agents and digital channels.

Kina Bank intends to help MiBank expand its existing operations including by providing MiBank customers with access to ATMs.

Kina Bank and MiBank also intend to enter into a mutual referral agreement for SMEs. Under this agreement, Kina Bank will refer micro and small enterprises, falling outside of its customer limits, to MiBank, while MiBank will refer SMEs who have lending requirements exceeding MiBank's limits to Kina Bank.

Kina Bank's aspiration is to be the leading digital bank in PNG and it is currently involved in a major investment in new technology. As the Bank builds out capability, it will share this technology with MiBank to provide the latest digital products and services.

MiBank is the largest microfinance institution in the South Pacific and at the forefront of innovation. It was the first licensed financial institution to deploy a mobile wallet in the South Pacific. MiBank empowers women and grassroots people generally through financial literacy training and access to its products and services.

The purchase price will be satisfied by Kina Bank paying a cash amount.

### **Chetan Chopra, Company Secretary**

Kina Bank Haus,  
Level 9, Douglas Street,  
PO Box 1141,  
Port Moresby NCD 121, Papua New Guinea  
[www.kinabank.com.pg](http://www.kinabank.com.pg)