

14 May 2020

KINA ANNOUNCES SHORT-FORM AMALGAMATION

- Kina Bank Limited (“KBL”) and two interceding holding companies, Kina Ventures Limited (“KVL”) and Kina Properties Limited (“KPL”) to be amalgamated into Kina Securities Limited
- The amalgamation simplifies the Group’s operating and capital structure
- No impact on regulatory compliance including banking license
- Kina Bank’s capital adequacy ratio post amalgamation of 15% remains compliant with BPNG’s capital adequacy requirements in accordance with Prudential Standard 1/2003 - Capital Adequacy
- No impact on the valuation of goodwill carried on the Company’s balance sheet

Kina Securities Limited (**ASX:KSL | PNGX:KSL**) (**Kina** or the **Company**) advises that the Boards of the Company, KBL, KVL and KPL have approved a simplification of the Group’s legal structure to be achieved by way of a Short-Form Amalgamation (**Amalgamation**), in accordance with section 235(1) of the PNG Companies Act 1997.

The Amalgamation is subject to normal regulatory approvals from the Bank of Papua New Guinea (**BPNG**) and the PNG Investment Promotion Authority (**IPA**), and it is anticipated that the Amalgamation will be effective by 30 June 2020 (**Completion**).

-ENDS-

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This Announcement was authorised for lodgement by Kina’s Board of Directors.