



## Announcement Summary

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**Entity name**

KINA SECURITIES LIMITED

**Announcement Type**

New announcement

**Date of this announcement**

Thursday September 10, 2020

**The Proposed issue is:**

An accelerated offer

A placement or other type of issue

**Total number of +securities proposed to be issued for an accelerated offer**

ASX +security code	+Security description	Maximum Number of +securities to be issued
KSL	ORDINARY FULLY PAID	87,372,584

**Trading resumes on an ex-entitlement basis (ex date)**

Monday September 14, 2020

**+Record date**

Monday September 14, 2020

**Offer closing date for retail +security holders**

Thursday October 1, 2020

**Issue date for retail +security holders**

Thursday October 8, 2020

**Total number of +securities proposed to be issued for a placement or other type of issue**

ASX +security code	+Security description	Maximum Number of +securities to be issued
KSL	ORDINARY FULLY PAID	13,085,821

**Proposed +issue date**

Monday September 21, 2020



Refer to next page for full details of the announcement



Part 1 - Entity and announcement details

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**1.1 Name of +Entity**

KINA SECURITIES LIMITED

We (the entity named above) give ASX the following information about a proposed issue of +securities and, if ASX agrees to +quote any of the +securities (including any rights) on a +deferred settlement basis, we agree to the matters set out in Appendix 3B of the ASX Listing Rules.

**1.2 Registered Number Type**

ARBN

**Registration Number**

606168594

**1.3 ASX issuer code**

KSL

**1.4 The announcement is**

New announcement

**1.5 Date of this announcement**

Thursday September 10, 2020

**1.6 The Proposed issue is:**

An accelerated offer

A placement or other type of issue

**1.6b The proposed accelerated offer is**

Accelerated non-renounceable entitlement offer (commonly known as a JUMBO or ANREO)



Part 3 - Details of proposed entitlement offer issue

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Part 3A - Conditions

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**3A.1 - Are any of the following approvals required for the entitlement offer to be unconditional?**

- **+Security holder approval**
- **Court approval**
- **Lodgement of court order with +ASIC**
- **ACCC approval**
- **FIRB approval**
- **Another approval/condition external to the entity**

No

Part 3B - Offer details

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**Class or classes of +securities that will participate in the proposed issue and class or classes of +securities proposed to be issued**

**ASX +security code and description**

KSL : ORDINARY FULLY PAID

**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

**If the entity has quoted company options, do the terms entitle option holders to participate on exercise?**

No

Details of +securities proposed to be issued

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**ASX +security code and description**

KSL : ORDINARY FULLY PAID

**ISIN Code (if Issuer is a foreign company and +securities are non CDIs)**

PG000A143KS8

**ISIN Code for the entitlement or right to participate in the offer (if Issuer is foreign company and +securities are non CDIs)**

**Offer ratio (ratio to existing holdings at which the proposed +securities will be issued)**

**Has the offer ratio been determined?**

Yes



<b>The quantity of additional +securities to be issued</b>	<b>For a given quantity of +securities held</b>
1	2

**What will be done with fractional entitlements?**

Fractions rounded up to the next whole number

**Maximum number of +securities proposed to be issued (subject to rounding)**

87,372,584

#### Offer price details for retail security holders

**Has the offer price for the retail offer been determined?**

Yes

**In what currency will the offer be made?**

AUD - Australian Dollar

**What is the offer price per +security for the retail offer?**

AUD 0.80000

#### Offer price details for institutional security holders

**Has the offer price for the institutional offer been determined?**

Yes

**In what currency will the offer be made?**

AUD - Australian Dollar

**What is the offer price per +security for the institutional offer?**

AUD 0.80000

#### Oversubscription & Scale back details

**Will individual +security holders be permitted to apply for more than their entitlement (i.e. to over-subscribe)?**

Yes

**Describe the limits on over-subscription**

Eligible retail shareholders who subscribe for their full entitlement will be able to apply for additional shares offered under the retail component of the Entitlement Offer and not taken up or that would otherwise have been offered to ineligible shareholders if they were eligible to participate in the Entitlement Offer (Additional Shares).

**Will a scale back be applied if the offer is over-subscribed?**

Yes

**Describe the scale back arrangements**

If there are excess oversubscription applications, KSL reserves the right to scale back applications for Additional Shares in its absolute discretion. In the event of a scale back, the difference between the application monies received, and the number of Additional Shares allocated to an eligible retail shareholder multiplied by the offer price will be refunded following allotment. No interest will be paid on any application monies received and returned.

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes



Part 3D - Timetable

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**3D.1a First day of trading halt**

Thursday September 10, 2020

**3D.1b Announcement date of accelerated offer**

Thursday September 10, 2020

**3D.2 Trading resumes on an ex-entitlement basis (ex date)**

Monday September 14, 2020

**3D.5 Date offer will be made to eligible institutional +security holders**

Thursday September 10, 2020

**3D.6 Application closing date for institutional +security holders**

Friday September 11, 2020

**3D.8 Announcement of results of institutional offer**

**(The announcement should be made before the resumption of trading following the trading halt)**

Monday September 14, 2020

**3D.9 +Record date**

Monday September 14, 2020

**3D.10a Settlement date of new +securities issued under institutional entitlement offer**

Friday September 18, 2020

**3D.10b +Issue date for institutional +security holders**

Monday September 21, 2020

**3D.10c Normal trading of new +securities issued under institutional entitlement offer**

Tuesday September 22, 2020

**3D.11 Date on which offer documents will be sent to retail +security holders entitled to participate in the +pro rata issue**

Thursday September 17, 2020

**3D.12 Offer closing date for retail +security holders**

Thursday October 1, 2020

**3D.13 Last day to extend retail offer close date**

Monday September 28, 2020



**3D.16 Entity announces results of retail offer, including the number and percentage of +securities taken up by existing retail +security holders.**

Tuesday October 6, 2020

**3D.19 +Issue date for retail +security holders**

Thursday October 8, 2020

Part 3E - Fees and expenses

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**3E.1 Will there be a lead manager or broker to the proposed offer?**

Yes

**3E.1a Who is the lead manager/broker?**

Morgans Corporate Limited

**3E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

3.5%

**3E.2 Is the proposed offer to be underwritten?**

Yes

**3E.2a Who are the underwriter(s)?**

Morgans Corporate Limited

**3E.2b What is the extent of the underwriting (ie the amount or proportion of the offer that is underwritten)?**

Fully underwritten

**3E.2c What fees, commissions or other consideration are payable to them for acting as underwriter(s)?**

3.5%

**3E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated**

See "Entitlement Offer and Placement may not be fully underwritten and may not complete" starting on page 23 of KSL's investor presentation dated Thursday, 10 September 2020 for a summary of the underwriting agreement and the summary of significant events that could lead to the underwriting agreement being terminated.

**3E.2e Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed offer?**

No

**3E.3 Will brokers who lodge acceptances or renunciations on behalf of eligible +security holders be paid a handling fee or commission?**

No

**3E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed offer**

Standard share registry, external advisers and ASX administrative fees.



Part 3F - Further Information

**3F.1 The purpose(s) for which the entity intends to use the cash raised by the proposed issue**

The proceeds of the raise (Equity Raising) will be used to expand the capital base of the bank, enabling it to further pursue growth opportunities in the SME sector, & fund additional strategic projects which will enhance Kina's digital leadership in PNG

**3F.2 Will holdings on different registers or subregisters be aggregated for the purposes of determining entitlements to the issue?**

No

**3F.3 Will the entity be changing its dividend/distribution policy if the proposed issue is successful?**

No

**3F.4 Countries in which the entity has +security holders who will not be eligible to participate in the proposed issue**

Retail s/h, all countries other than Aust & NZ. Institutional s/h, all countries other than Aust, HK, PNG and SNG. KSL will notify all ineligible s/h on 17/9/20 2020 that they are not eligible to participate in the Entitlement Offer.

**3F.5 Will the offer be made to eligible beneficiaries on whose behalf eligible nominees or custodians hold existing +securities**

Yes

**3F.5a Please provide further details of the offer to eligible beneficiaries**

The retail component of the Entitlement Offer will be made available to nominees with a registered address in Australia or New Zealand who were registered as the holder of KSL fully paid ordinary shares at 7.00pm on 14 September 2020 and who held those shares on behalf of underlying beneficial holders (wherever they reside), except to the extent that those underlying beneficial holders are not an eligible retail shareholder. The retail component of the Entitlement Offer is not available to shareholders that are in the United States or who are, or are acting for the account or benefit of, persons in the United States.

**3F.6 URL on the entity's website where investors can download information about the proposed issue**

<https://www.kinabank.com.pg>

**3F.7 Any other information the entity wishes to provide about the proposed issue**

No

**3F.8 Will the offer of rights under the rights issue be made under a disclosure document or product disclosure statement under Chapter 6D or Part 7.9 of the Corporations Act (as applicable)?**

No





Part 7 - Details of proposed placement or other issue

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Part 7A - Conditions

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**7A.1 - Are any of the following approvals required for the placement or other type of issue?**

- +Security holder approval
- Court approval
- Lodgement of court order with +ASIC
- ACCC approval
- FIRB approval
- Another approval/condition external to the entity

No

Part 7B - Issue details

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**Is the proposed security a 'New class' (+securities in a class that is not yet quoted or recorded by ASX) or an 'Existing class' (additional securities in a class that is already quoted or recorded by ASX)?**

Existing class

**Will the proposed issue of this +security include an offer of attaching +securities?**

No

Details of +securities proposed to be issued

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**ASX +security code and description**

KSL : ORDINARY FULLY PAID

**Number of +securities proposed to be issued**

13,085,821

**Offer price details**

**Are the +securities proposed to be issued being issued for a cash consideration?**

Yes

**In what currency is the cash consideration being paid?**

AUD - Australian Dollar

**What is the issue price per +security?**

AUD 0.80000

**Will these +securities rank equally in all respects from their issue date with the existing issued +securities in that class?**

Yes



Part 7C - Timetable

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**7C.1 Proposed +issue date**

Monday September 21, 2020

Part 7D - Listing Rule requirements

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**7D.1 Has the entity obtained, or is it obtaining, +security holder approval for the entire issue under listing rule 7.1?**

No

**7D.1b Are any of the +securities proposed to be issued without +security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

Yes

**7D.1b ( i ) How many +securities are proposed to be issued without security holder approval using the entity's 15% placement capacity under listing rule 7.1?**

13,085,821

**7D.1c Are any of the +securities proposed to be issued without +security holder approval using the entity's additional 10% placement capacity under listing rule 7.1A (if applicable)?**

No

**7D.2 Is a party referred to in listing rule 10.11 participating in the proposed issue?**

No

**7D.3 Will any of the +securities to be issued be +restricted securities for the purposes of the listing rules?**

No

**7D.4 Will any of the +securities to be issued be subject to +voluntary escrow?**

No

Part 7E - Fees and expenses

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**7E.1 Will there be a lead manager or broker to the proposed issue?**

Yes

**7E.1a Who is the lead manager/broker?**

Morgans Corporate Limited

**7E.1b What fee, commission or other consideration is payable to them for acting as lead manager/broker?**

3.5%



**7E.2 Is the proposed issue to be underwritten?**

Yes

**7E.2a Who are the underwriter(s)?**

Morgans Corporate Limited

**7E.2b What is the extent of the underwriting (ie the amount or proportion of the proposed issue that is underwritten)?**

Fully

**7E.2c What fee, commission or other consideration is payable to them for acting as underwriter(s)?**

3.5%

**7E.2d Please provide a summary of the significant events that could lead to the underwriting being terminated.**

See "Entitlement Offer and Placement may not be fully underwritten and may not complete" starting on page 23 of KSL's investor presentation dated Thursday, 10 September 2020 for a summary of the underwriting agreement and the summary of significant events that could lead to the underwriting agreement being terminated.

**7E.3 Is a party referred to in listing rule 10.11 underwriting or sub-underwriting the proposed issue?**

No

**7E.4 Details of any other material fees or costs to be incurred by the entity in connection with the proposed issue**

Standard share registry, external advisers and ASX administrative fees

Part 7F - Further Information

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**7F.01 The purpose(s) for which the entity is issuing the securities**

The proceeds of the raise (Equity Raising) will be used to expand the capital base of the bank, enabling it to further pursue growth opportunities in the SME sector, & fund additional strategic projects which will enhance Kina's digital leadership in PNG

**7F.1 Will the entity be changing its dividend/distribution policy if the proposed issue proceeds?**

No

**7F.2 Any other information the entity wishes to provide about the proposed issue**

None