

ASX/PNGX announcement



15 April 2021

ASX Markets Announcement Office
Exchange Centre
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Sydney NSW 2000
Australia

PNGX Markets
Harbourside West Building
Unit 1B.02, Level 1, Stanley Esplanade
Down Town, Port Moresby 121
Papua New Guinea

BY ELECTRONIC LODGEMENT

Extraordinary General Meeting Documents:

- **Chairman's Script**
- **Slide Deck**

Please find attached for release to the market, the Chairman's Script and Slide Deck in relation to Kina Securities Limited's Extraordinary General Meeting (**EGM**) to be held today as a Virtual EGM, commencing at 10:00AM (Port Moresby/AEST).

-ENDS-

For further information:

Greg Pawson
Chief Executive Officer and Managing Director
Email: greg.pawson@kinabank.com.pg

Chetan Chopra
Chief Financial Officer and Company Secretary
Email: Chetan.chopra@kinabank.com.pg

This Announcement was authorised for release by Kina Securities Limited's Board of Directors.

KINA SECURITIES LIMITED

Extraordinary General Meeting

Thursday, 15 April 2021

10:00am (Port Moresby time | AEST)

CHAIRMAN'S SCRIPT

SLIDE 1: COVER SLIDE

SLIDE 2: CHAIRMAN'S WELCOME

1. CHAIRMAN'S WELCOME

Good morning everyone. My name is Isikeli Taureka and I am Chairman of the Board of Directors of Kina Securities Limited.

Due to the ongoing impact of the COVID19 pandemic, the Board thought it prudent to take steps to discourage a physical public gathering and encourage participation online for this Meeting.

I am very pleased therefore to welcome all shareholders participating online today through Kina's virtual meeting platform.

SLIDE 3: OPENING OF MEETING

The Company Secretary has advised that there is a quorum present for the Meeting. Therefore, I formally declare open, this Extraordinary General Meeting of the shareholders of Kina Securities Limited.

Shareholders using the online platform via their personal computers and tablet devices will be able to listen to the meeting in real-time, submit votes and ask questions online during the Meeting.

With me in person today in Port Moresby is:

- our Managing Director & Chief Executive Officer, Greg Pawson; and
- Chetan Chopra, our Chief Financial Officer and Company Secretary.

SLIDE 4: DIRECTOR INTRODUCTIONS

Before I proceed with the business of the Meeting, I would like to introduce my fellow Directors who are all participating online:

- Karen Smith-Pomeroy, who is Chair of our Audit & Risk Committee and a member of the Remuneration & Nomination Committee and the Disclosure Committee;

- Jane Thomason, who is Chair of our Remuneration & Nomination Committee;
- Paul Hutchinson, who is a Member of the Audit & Risk Committee; and
- Ila Temu, who joined the Board in December 2020, and is a Member of the Remuneration & Nomination Committee.

Unfortunately, Andrew Carriline, who is a member of the Audit & Risk Committee, the Remuneration & Nomination Committee and the Disclosure Committee is not able to join us today.

SLIDE 5: PURPOSE OF MEETING

The purpose of today's Meeting is to seek shareholder:

- 1) **ratification** by ordinary resolution of:
 - a) the placement on 18 September 2020 of 13,085,821 Kina shares at A\$0.80 per share to institutional investors (**Placement**); and
 - b) the issue on 12 November 2020 of 10,586,036 Kina shares at a price of PGK1.97 per share pursuant to the retail offer conducted in Papua New Guinea (**PNG Offer**); and
- 2) **approval** by special resolution of the Company's acquisition of 89.91% of the shares in Westpac Bank-PNG-Limited from Westpac Banking Corporation, Westpac Financial Services Limited and Westpac Securities Administration Limited and the banking operations in Fiji owned and operated by the Fiji branch of Westpac Banking Corporation, for the purposes of section 110 of the PNG *Companies Act 1997*, as announced to the ASX and PNGX on Monday, 7 December 2020.

2. MEETING FORMALITIES

SLIDE 6: NOTICE OF MEETING

We now come to consideration of the formal matters before today's Meeting. The Notice of Meeting was distributed on 24 March 2021, and I propose to take the Notice of Meeting as read.

SLIDE 7: MEETING & VOTING PROCEDURES

Meeting & Voting Procedures

Before moving on to the various Resolutions to be considered today, I the Meeting and Voting Procedures for today's Meeting are set out on the slide on screen now.

Wait a few seconds to allow shareholders to read the slide

SLIDE 8: SHAREHOLDER QUESTIONS

Shareholder Questions

The procedures for Shareholders to ask any questions is set out on the the slide on screen now.

I am pleased to advise that we have received a number of questions from shareholders ahead of today's meeting and we will endeavor to answer all questions in the allotted time today.

I will now move to the formal business of the Meeting.

SLIDE 9: RESOLUTIONS

3. RESOLUTIONS

There are 3 resolutions in total. We will discuss and vote on each resolution in turn.

Resolutions 1 and 2 are to be considered as ordinary resolutions and, as such, must be approved by a simple majority of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution.

Resolution 3 is a special resolution and can only be passed if at least 75% of the votes cast, in person or by proxy, by members who are entitled to vote on the resolution, vote in favour.

SLIDE 10: RESOLUTION 1 - Text

RESOLUTION 1: Ratification of prior issue of Placement Shares - 18 September 2020

The first resolution of the Meeting is the Ratification of the prior issue of Placement Shares on 18 September 2020. The resolution is on the screen now.

On 14 September 2020, the Company announced that it had successfully completed a placement to existing Shareholders and new sophisticated and professional investors of 13,085,821 Shares at A\$0.80 per share under the Placement.

Listing Rules Requirements

ASX and PNGX Listing Rule 7.1 prohibit the Company (subject to certain exceptions such as pro-rotas issues) from issuing or agreeing to issue equity securities (such as Shares and Options) representing more than 15% of the Company's total issued securities, during a rolling 12-month period, without Shareholder approval. This is referred to as the **15% Threshold**.

ASX and PNGX Listing Rule 7.4 provide that where a company in general meeting ratifies the previous issue of securities made pursuant to ASX and PNGX Listing Rule 7.1 (and provided that the previous issue did not breach that Listing Rule), those securities will be treated as having been made with Shareholder approval for the purpose of ASX and PNGX Listing Rule 7.1.

The Placement was made within the 15% Threshold permitted under ASX and PNGX Listing Rule 7.1 without Shareholder approval. Accordingly, the Company is seeking approval of Resolution 1 for the purposes of ASX and PNGX Listing Rule 7.4, to enable the Company to refresh its issuing capacity under ASX and PNGX Listing Rule 7.1, thereby providing the Company with the flexibility to issue equity securities in the future up to the 15% Threshold set out in ASX and PNGX Listing Rule 7.1, without the requirement to obtain prior Shareholder approval if the need arises in the next 12 months.

The Directors unanimously recommend Shareholders vote in favour of Resolution 1.

I will now address any questions regarding Resolution 1.

Chetan to read this:

SLIDE 11: RESOLUTION 1 - Shareholder Question #1

Chairman, we have received the following questions ahead of today's meeting in relation to Resolution 1:

Q1: From Raylene and Alfred Dore

Why has the company allowed institutional investors to make very large profits in the placement when ordinary shareholders are severely disadvantaged and suffer falls in their shareholdings value? This is unethical management?

A1: The equity raising announced on 10 September 2020 at AUD 80 cents / PGK 1.97 per share, was an Accelerated Non-Renounceable Rights Offer at a ratio of 1 new share for every 2 existing shares held, and was offered to both institutional and retail shareholders on the same terms, in accordance with the ASX Listing Rules and regulations.

All existing shareholders had the ability to participate in the Rights Offer and apply for further shares in addition to their pro-rata entitlement. There was no preference given to any shareholder and a separate offer was also made to PNG registered shareholders on the same terms. No existing shareholder was disadvantaged.

The price of the issue was based on a Volume Weighted Average Price which is standard market practice. The share value is a reflection of the market at all times. The KSL share price has since recovered as expected and currently trades at AUD 1.035.

SLIDE 12: RESOLUTION 1 - Shareholder Question #2

Q2: From Michael Henry Clarke

Is the Chairman aware, of which seller drove the KSL share price under \$0.80, during the rights take up period for Australian long term holders?

If it was the underwriter themselves, who manipulated the price, to obtain the ensuing large short fall position, does the Chairman consider this reasonable ethical behaviour?

A2: It is inappropriate to disclose specific trading activities of specific investors/shareholders. Any price movements are a reflection of the demand and supply and market trades at the times. The Board is not aware of single seller or buyer impacting the price. Further, there is no evidence to suggest that the underwriters or any affiliates of the underwriter were trading and impacting the price.

Look at monitor for on-line questions

Chetan to look at monitor and see if there are any questions submitted online in relation to Resolution 1.

If there are, Chetan to identify the name of the shareholder(s) and read out the question(s).

If there are NO questions submitted online, Chetan to read this:
Chairman, it appears there are no questions submitted online for Resolution 1.

Thank you Chetan.

SLIDE 13: RESOLUTION 1 - Proxy votes

On the screen are the details of the proxy votes for Resolution 1.

On your electronic voting card, please now select FOR, AGAINST OR ABSTAIN next to Resolution 1.

Wait a few seconds to allow shareholders to enter their votes

Thank you.

I will now move onto Resolution 2.

SLIDE 14: RESOLUTION 2 - Text

RESOLUTION 2: Ratification of prior issue of Shares under the PNG Offer on 12 November 2020

On 12 November 2020, the Company announced that it had successfully completed an offer to eligible PNG shareholders of 1 new Share for every two Shares held at an offer price of PGK1.97 per new Share and issued 10,586,036 Shares at an issue price of PGK1.97 per Share under the PNG Offer.

Similar to Resolution 1, the Company is seeking approval of Resolution 2 for the purposes of ASX and PNGX Listing Rule 7.4, to enable the Company to refresh its issuing capacity under ASX and PNGX Listing Rule 7.1, thereby providing the Company with the flexibility to issue equity securities in the future up to the 15% Threshold set out in ASX and PNGX Listing Rule 7.1, without the requirement to obtain prior Shareholder approval if the need arises in the next 12 months.

The resolution is on the screen now.

The Directors unanimously recommend Shareholders vote in favour of Resolution 2.

I will now address any questions regarding Resolution 2.

Chetan to read this:

SLIDE 15: RESOLUTION 2 - Shareholder Questions

Chairman, we have not received any questions ahead of today's meeting in relation to Resolution 2.

Look at monitor for on-line questions

Chetan to look at monitor and see if there are any questions submitted online in relation to Resolution 2.

If there are, Chetan to identify the name of the shareholder(s) and read out the question(s).

If there are NO questions submitted online, Chetan to read this:
Chairman, it appears there are no questions submitted online for Resolution 2.

Thank you Chetan.

SLIDE 16: RESOLUTION 2 - Proxy votes

On the screen are the details of the proxy votes for Resolution 2.

On your electronic voting card, please now select FOR, AGAINST OR ABSTAIN next to Resolution 2.

Wait a few seconds to allow shareholders to enter their votes

Thank you.

I will now move onto Resolution 3.

SLIDE 17: RESOLUTION 3 - Text

RESOLUTION 3: Approval of the Acquisition of Pacific Businesses

On 7 December 2020, the Company announced to the ASX and the PNGX that it had entered into sale and purchase agreements to acquire:

- 89.91% of the issued shares in Westpac Bank-PNG-Limited held by Westpac Banking Corporation, Westpac Financial Services Limited and Westpac Securities Administration Limited; and
- the banking operations and business owned and operated by the Fiji branch of Westpac Banking Corporation in Fiji, which I will refer to hereafter as the **Pacific Businesses**.

Section 110 of the PNG Companies Act provides that a company shall not enter into a 'major transaction' unless the transaction is approved by special resolution of shareholders or entry into the transaction is contingent on shareholder approval by way of a special resolution.

A 'major transaction' is defined in the PNG Companies Act as including "the acquisition of, or an agreement to acquire, whether contingent or not, assets the value of which is more than half the value of the assets of the company before the acquisition.

Accordingly, Shareholders are being asked, by special resolution, to approve the acquisition of the Pacific Businesses as a 'major transaction' under section 110 of the PNG Companies Act. The sale agreement in respect of the Fiji business to be acquired is conditional on such approval.

The resolution is on the screen now.

The Directors unanimously recommend Shareholders vote in favour of Resolution 3.

I will now address any questions regarding Resolution 3.

SLIDE 18: RESOLUTION 3 - Shareholder Question #1

Chetan to read this: Chairman, we have received **2 questions** from John William De Ravin ahead of today's Meeting in relation to Resolution 3:

1) *When the acquisition of the shares in Westpac PNG was announced, it was suggested by KSL that the acquisition would be EPS-accretive. Is that still expected to be the case, and are you in a position to elaborate on that prediction?*

A: Consistent with the announcement made by the Company on 7 December 2020, Kina continues to believe that based on pro forma 30 June 2020 consolidated financials, the acquisition of Westpac's Pacific Businesses is expected to be accretive and will restore Kina's earnings per share ("EPS") to levels above those prior to the recent capital raising in October 2020. The EPS restoration will be reflected in the first full year of consolidated results in December 2022.

Also, as advised, the acquisition is subject to regulatory approval in both PNG and Fiji. Under the terms of the Sale and Purchase Agreements for the Pacific Businesses, we will continue to monitor the financial performance of the acquired businesses and the condition precedent that requires the businesses are to be managed as a going concern by Westpac.

SLIDE 19: RESOLUTION 3 - Shareholder Question #2

2) *Can you please comment on the risk that there may be a material loss of former customers of Westpac after the purchase by KSL of the shares in Westpac PNG is finalised? What steps is KSL considering to mitigate this risk?*

A: Customer retention is a key priority and a condition precedent within the terms of the Sale and Purchase Agreements with Westpac, who therefore have a vested incentive to ensure we retain customers in both PNG and Fiji. As soon as Kina obtains the required regulatory approvals, we will engage directly with Westpac's customers.

A key benefit of this transaction is there will be no disruptions of the services that Westpac's customers are accustomed to. It should be noted that Kina achieved 100% customer retention with the acquisition of ANZ's retail, SME and Commercial customers in PNG. That was also a far more complex program of customer migration, which won't be required for the Westpac transaction, as we are acquiring both of their businesses in PNG and Fiji as a 'going concern'.

Look at monitor for on-line questions

Chetan to look at monitor and see if there are any questions submitted online in relation to Resolution 3.

If there are, Chetan to identify the name of the shareholder(s) and read out the question(s).

If there are NO questions submitted online, Chetan to read this:
Chairman, it appears there are no questions submitted online for Resolution 3.

Thank you Chetan.

SLIDE 20: RESOLUTION 3 - Proxy votes

On the screen are the details of the proxy votes for Resolution 3.

On your electronic voting card, please now select FOR, AGAINST OR ABSTAIN next to Resolution 3.

Wait a few seconds to allow shareholders to enter their votes

Thank you.

SLIDE 21: GENERAL QUESTIONS

That completes the formal business of the Meeting, and I will now address any general questions that we have received.

SLIDE 22: Shareholder General Questions

Chetan to read this: Chairman, Richard David Hughes has asked the following general question ahead of today's Meeting:

Q: PNG women have a huge number of unwanted pregnancies, especially in the more remote provinces. Does Kina Bank fund family planning programs at present? And what plans to you have to increase funding and effectiveness?

A: PNG as an emerging nation faces many health related issues and constraints. Kina has a comprehensive societal impact program which is summarised in detail in our 2020 Results Investor Presentation available on our website. This program has four key areas of focus:

1. Promoting enterprise and financial inclusion
2. Helping to create the workforce of the future
3. Demonstrated thought leadership for SME sector, and
4. e-Commerce PNG targeted at the Public Sector

Our view is that these programs are where Kina can create the most value for the country as a good corporate citizen. There are many active donor organisations and PNG Government programs directed at solving for the issue you have raised and any many more.

Look at monitor for on-line questions

Chetan to look at monitor and see if there are any General Questions submitted online.

If there are, Chetan to identify the name of the shareholder(s) and read out the question(s).

If there are NO General Questions submitted online, Chetan to read this: Chairman, it appears there are no General Questions submitted online.

Thank you Chetan.

As there are no further questions, then that concludes the business of the meeting.

Please ensure that your online votes have now been submitted. Voting will close in ten minutes. The results of this meeting will be announced to the ASX and PNGX as soon as possible after the completion of the Meeting.

SLIDE 23: CLOSING SLIDE

Thank you everyone for your interest in Kina and on-line attendance today.

I now declare this Extraordinary General Meeting closed, subject to finalisation of the conduct of the poll.

ANNEXURE A - IF ONLINE PLATFORM DOES NOT WORK

- If the on-line platform fails to work, the Company Secretary will notify the Chair of the Meeting.
- In this event, the Chair of the Meeting may choose to call a short recess, to address the issue.
- This decision should be made having regard to how many shareholders have logged on and how many votes they hold:
 - If a small number of shareholders are logged on, representing a small % of issued capital, an interruption to the meeting may not be justified.
 - However, if there are a large number of shareholders impacted, it will be necessary to hold a short recess.

CHAIR'S SCRIPT - TO ALLOW A BRIEF RECESS

My apologies but I have just been notified that we appear to be currently experiencing some technology issues that are impacting the online meeting.

In the interests of holding an inclusive meeting and to ensure that all shareholders have the ability to participate in the meeting, I now call a short recess of the Meeting at this time, to allow the issues to be addressed. We will resume as soon as possible.

CHAIR'S SCRIPT - TO RECOMMENCE

Thank you for your patience.

I will recommence the Meeting now.

CHAIR'S SCRIPT - TO ADJOURN THE MEETING ONLY TO BE FOLLOWED IF SHORT RECESS DOES NOT ADDRESS THE ISSUES

We are currently experiencing some technology issues that are impacting the online meeting.

To ensure that all shareholders have the ability to participate in the meeting, in accordance with Article 54 of the Constitution, I now adjourn the Meeting.

The meeting will recommence at **[insert.]**

Extraordinary
General Meeting
15 April 2021



Chairman's Welcome

- My name is Isikeli Taureka and I am Chairman of the Board of Directors of Kina Securities Limited
- Due to the ongoing impact of the COVID19 pandemic, the Board thought it prudent to take steps to discourage a physical public gathering and encourage participation online for this Meeting
- I am very pleased therefore to welcome all shareholders participating online today through Kina's virtual meeting platform



Isikeli (Keli) Taureka
Non-Executive Chairman

Opening of Meeting

- As a quorum present, I declare open this Extraordinary General Meeting of the shareholders of Kina Securities Limited
- With me in person today in Port Moresby is:
 - Greg Pawson, our Managing Director & CEO; and
 - Chetan Chopra, our CFO and Company Secretary



Greg Pawson
Managing Director & CEO



Chetan Chopra
CFO & Company Secretary

Director Introductions



Karen Smith-Pomeroy
Non-Executive Director



Jane Thomason
Non-Executive Director



Paul Hutchinson
Non-Executive Director



Ila Temu
Non-Executive Director



Andrew Carriline
Non-Executive Director

Karen Smith-Pomeroy, Chair of the Audit & Risk Committee and a member of the Nomination & Remuneration Committee and the Disclosure Committee

Jane Thomason, Chair of the Nomination & Remuneration Committee

Paul Hutchinson, a Member of the Audit & Risk Committee, and

Ila Temu, a Member of the Nomination & Remuneration Committee

Andrew Carriline, a member of the Audit & Risk Committee, the Nomination & Remuneration Committee and the Disclosure Committee

Purpose of Meeting

The purpose of today's Meeting is to seek shareholder:

- **ratification** of the placement of 13,085,821 shares on 18 September 2020 and the issue on 12 November 2020 of 10,586,036 Kina shares pursuant to the retail offer conducted in Papua New Guinea (**PNG Offer**).
- **approval** of the acquisition of 89.91% of the shares in Westpac Bank-PNG-Limited from Westpac Banking Corporation, Westpac Financial Services Limited and Westpac Securities Administration Limited and the banking operations in Fiji (together, the **Pacific Businesses**) owned and operated by the Fiji branch of Westpac Banking Corporation

Notice of Meeting

Distributed on 24 March 2021 and taken as read



KINA SECURITIES LIMITED
NOTICE OF EXTRAORDINARY GENERAL MEETING
EXPLANATORY MEMORANDUM
AND
PROXY FORM

TO ASSIST SHAREHOLDERS IN THEIR CONSIDERATION OF RESOLUTIONS TO BE PUT AT THE
EXTRAORDINARY GENERAL MEETING OF MEMBERS
TO BE HELD ONLINE ON THURSDAY, 15 APRIL 2021
AT 10:00AM (PORT MORESBY TIME | AEST).

THIS DOCUMENT IS IMPORTANT

This Notice of Meeting and Explanatory Memorandum should be read in their entirety. If you do not understand these documents or are in any doubt as to how to deal with them, you should consult your stockbroker, solicitor, accountant or other professional adviser immediately.

Shareholder Enquiries:

+61 1300 554 474

Meeting and Voting Procedures

- Voting on each of the resolutions will be conducted by a poll
- The results of the poll will be released on the ASX and PNGX Market Announcements Platforms after the Meeting
- As Chairman of the Meeting, I will vote any:
 - directed proxies I hold in accordance with the directions provided by shareholders;
 - open proxies I hold in favour of all resolutions; and
 - directed proxies that are not voted at the Meeting as directed by those proxies
- Each shareholder who is entitled to participate and vote at this Meeting is entitled to a direct vote on a resolution
- You can vote between the commencement of the Poll and the closure of voting as announced during the Meeting
- If you have any questions about casting your vote on-line, please refer to the *Virtual Meeting Online Guide*, or call Link on the number set out in the Guide or on the screen in front of you
- We will display the number of proxy votes received for each resolution, as well as the terms of each proposed resolution, ahead of voting on each resolution

Shareholder Questions

- Please ensure that you registered through the webcast as a Shareholder and not as a Guest, as only shareholders, their attorneys, proxies and authorised company representatives are entitled to ask questions
- If you wish to ask a question, please submit questions by registering as a shareholder or proxy holder and selecting the “Ask a Question” tab.
- You can submit questions now or any time prior to the vote on the relevant resolution and they will be dealt with at the appropriate time
- All questions will go through to Chetan Chopra, our Company Secretary. Chetan will identify each person who asks a question, read out the question and will then pass the question on to me and I will either answer the question or pass it to the most appropriate person to answer. We reserve the right to rule out questions not relating to the Meeting or out of order.

Resolutions

- Resolution 1: Ratification of prior issue of Placement Shares - 18 September 2020
- Resolution 2: Ratification of prior issue of Shares - 12 November 2020
- Resolution 3: Approval of the Acquisition of Pacific Businesses

Resolution 1

Ratification of prior issue of Placement Shares on 18 September 2020

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That, pursuant to the Placement, the issue of 13,085,821 fully paid ordinary shares in Kina Securities Limited at an issue price of \$0.80 per share on 18 September 2020, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is approved under and for the purposes of ASX Listing Rule 7.4 and PNGX Listing Rule 7.4.”

Resolution 1

Shareholder Questions

1. From Raylene and Alfred Dore

Question

Why has the company allowed institutional investors to make very large profits in the placement when ordinary shareholders are severely disadvantaged and suffer falls in their shareholdings value? This is unethical management?

Answer

- The equity raising announced on 10 September 2020 at AUD 80 cents / PGK 1.97 per share, was an Accelerated Non-Renounceable Rights Offer at a ratio of 1 new share for every 2 existing shares held, and was offered to both institutional and retail shareholders on the same terms, in accordance with the ASX Listing Rules and regulations.
- All existing shareholders had the ability to participate in the Rights Offer and apply for further shares in addition to their pro-rata entitlement. There was no preference given to any shareholder and a separate offer was also made to PNG registered shareholders on the same terms. No existing shareholder was disadvantaged.
- The price of the issue was based on a Volume Weighted Average Price which is standard market practice. The share value is a reflection of the market at all times. The KSL share price has since recovered as expected and currently trades at AUD 1.035.

Resolution 1

Shareholder Questions

2. From Michael Henry Clarke

Question

- Is the Chairman aware, of which seller drove the KSL share price under \$0.80, during the rights take up period for Australian long term holders?
- If it was the underwriter themselves, who manipulated the price, to obtain the ensuing large short fall position, does the Chairman consider this reasonable ethical behaviour?

Answer

It is inappropriate to disclose specific trading activities of specific investors/shareholders. Any price movements are a reflection of the demand and supply and market trades at the times. The Board is not aware of single seller or buyer impacting the price. Further, there is no evidence to suggest that the underwriters or any affiliates of the underwriter were trading and impacting the price

Resolution 1

Proxy Results

FOR	79,203,183	99.38%
AGAINST	73,577	0.09%
OPEN	421,521	0.53%
ABSTAIN	3,151,689	

Resolution 2

Ratification of prior issue of Shares on 12 November 2020

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That, pursuant to the PNG Offer, the issue of 10,586,036 fully paid ordinary shares in Kina Securities Limited at an issue price of PGK1.97 per share on 12 November 2020, on the terms and conditions set out in the Explanatory Memorandum accompanying this Notice, is approved under and for the purposes of ASX Listing Rule 7.4 and PNGX Listing Rule 7.4.”

Resolution 2

Shareholder Questions

The Company did not receive any questions from Shareholders ahead of today's meeting in relation to Resolution 2

Resolution 2

Proxy Results

FOR	80,267,759	99.29%
AGAINST	68,089	0.08%
OPEN	503,921	0.62%
ABSTAIN	3,151,689	

Resolution 3

Approval of the Acquisition of Pacific Businesses

To consider and, if thought fit, pass the following as an ordinary resolution of the Company:

“That, for all purposes, including for the purposes of section 110 of the PNG Companies Act 1997, the shareholders of the Company approve the acquisition by Kina Securities Limited of:

- 89.91% of the issued shares in Westpac Bank-PNG-Limited held by Westpac Banking Corporation, Westpac Financial Services Limited and Westpac Securities Administration Limited; and*
- the banking operations owned and operated by the Fiji branch of Westpac Banking Corporation in Fiji,*

*(together, the **Pacific Businesses**) (the **Acquisition**), on the terms and conditions described in the Explanatory Memorandum which forms part of the Notice of Meeting.”*

Resolution 3

Shareholder Questions

1. From John William De Ravin

Question

When the acquisition of the shares in Westpac PNG was announced, it was suggested by KSL that the acquisition would be EPS-accretive. Is that still expected to be the case, and are you in a position to elaborate on that prediction?

Answer

- Consistent with the announcement made by the Company on 7 December 2020, Kina continues to believe that based on pro forma 30 June 2020 consolidated financials, the acquisition of Westpac's Pacific Businesses is expected to be accretive and will restore Kina's earnings per share ("EPS") to levels above those prior to the recent capital raising in October 2020. The EPS restoration will be reflected in the first full year of consolidated results in December 2022.
- Also, as advised, the acquisition is subject to regulatory approval in both PNG and Fiji. Under the terms of the Sale and Purchase Agreements for the Pacific Businesses, we will continue to monitor the financial performance of the acquired businesses and the condition precedent that requires the businesses are to be managed as a going concern by Westpac.

Resolution 3

Shareholder Questions

2. From John William De Ravin

Question

Can you please comment on the risk that there may be a material loss of former customers of Westpac after the purchase by KSL of the shares in Westpac PNG is finalised? What steps is KSL considering to mitigate this risk?

Answer

- Customer retention is a key priority and a condition precedent within the terms of the Sale and Purchase Agreements with Westpac, who therefore have a vested incentive to ensure we retain customers in both PNG and Fiji. As soon as Kina obtains the required regulatory approvals, we will engage directly with Westpac's customers.
- A key benefit of this transaction is there will be no disruptions of the services that Westpac's customers are accustomed to. It should be noted that Kina achieved 100% customer retention with the acquisition of ANZ's retail, SME and Commercial customers in PNG. That was also a far more complex program of customer migration, which won't be required for the Westpac transaction, as we are acquiring both of their businesses in PNG and Fiji as a 'going concern'.

Resolution 3 Proxy Results

FOR	82,298,999	99.38%
AGAINST	7,325	0.01%
OPEN	503,921	0.61%
ABSTAIN	1,178,400	

General Questions

That completes the formal business of the Meeting.

I will now address any general questions that we have received.

Shareholder General Questions

1. From Richard David Hughes

Question

PNG women have a huge number of unwanted pregnancies, especially in the more remote provinces. Does Kina Bank fund family planning programs at present? And what plans do you have to increase funding and effectiveness?

Answer

- PNG as an emerging nation faces many health related issues and constraints. Kina has a comprehensive societal impact program which is summarised in detail in our 2020 Results Investor Presentation available on our website. This program has four key areas of focus:
 - Promoting enterprise and financial inclusion
 - Helping to create the workforce of the future
 - Demonstrated thought leadership for SME sector, and
 - e-Commerce PNG targeted at the Public Sector
- Our view is that these programs are where Kina can create the most value for the country as a good corporate citizen. There are many active donor organisations and PNG Government programs directed at solving for the issue you have raised and any many more.

Extraordinary
General Meeting
15 April 2021

