

ASX/PNGX announcement



26 May 2021

ASX Markets Announcement Office
Exchange Centre
20 Bridge Street
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

2021 Annual General Meeting

Slide Deck

Please find attached for release to the market, the Slide Deck for Kina Securities Limited's 2021 Annual General Meeting to be held this morning 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



Annual General Meeting
26 May 2021

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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 is present, I declare open this Annual 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



Andrew Carriline
Non-Executive Director



Paul Hutchinson
Non-Executive Director



Ila Temu
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, and is standing for re-election today

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

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

Ila Temu, a Member of the Nomination & Remuneration Committee, joined the Board in December 2020, and is standing for election today.

Meeting Agenda

The agenda for today's Meeting is as follows:

- Firstly, I will present my address.
- Following that, Greg Pawson, our Managing Director & CEO, will present his review of Kina Group's activities.
- We will then proceed with the formal business of the Meeting and the seven resolutions to be put to the Meeting today

Chairman's Address



Isikeli (Keli) Taureka
Non-Executive Chairman

MD & CEO's Presentation



Greg Pawson
Managing Director & CEO

Notice of Meeting

Distributed on 23 April 2021 and taken as read

KINA SECURITIES LIMITED
NOTICE OF ANNUAL GENERAL MEETING
EXPLANATORY MEMORANDUM
AND
VOTING FORM

TO ASSIST SHAREHOLDERS IN THEIR CONSIDERATION OF RESOLUTIONS TO BE PUT AT THE
ANNUAL GENERAL MEETING MEMBERS
TO BE HELD ONLINE ON WEDNESDAY, 26 MAY 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.

General Business

Adoption of 2020 AGM Minutes

To receive, consider and accept the minutes of the previous Annual General Meeting, dated 19 May 2020, as a correct record of the Meeting.

Ordinary Business

Receipt and consideration of reports

To receive the Annual Report 2020, including Receipt the Financial Statements, Directors' Report and the Independent Auditor's Report for the Company and its subsidiaries for the financial year ended 31 December 2020.

Resolutions

- Resolution 1: Election of Director - Dr. Ila Temu
- Resolution 2: Re-election of Director - Dr. Jane Thomason
- Resolution 3: Appointment of Auditor
- Resolution 4: Grant of Performance Rights to MD & CEO for FY2020
- Resolution 5: Grant of Performance Rights to MD & CEO for FY2021
- Resolution 6: Issue of Performance Rights under the Kina Performance Rights Plan
- Resolution 7: Remuneration Report

Resolution 1

Election of Director - Dr. Ila Temu

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

“That Ila Temu, who retires in accordance with Article 70.5 of the Constitution and being eligible, hereby offers himself for election, is elected as a Director of the Company.”

Resolution 1

Shareholder Questions

The Company did not receive any questions from Shareholders ahead of today's meeting in relation to Resolution 1.

Resolution 1

Proxy Results

FOR	77,233,152	96.55%
OPEN	2,709,631	3.39%
AGAINST	50,921	0.06%
ABSTAIN	1,064,167	

Resolution 2

Re-election of Director - Dr. Jane Thomason

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

“That Jane Thomason, who retires in accordance with Article 70.6 of the Constitution and being eligible, hereby offers herself for re-election, is re-elected as a Director of the Company.”

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	77,161,952	96.45%
OPEN	2,704,631	3.38%
AGAINST	132,121	0.17%
ABSTAIN	1,059,167	

Resolution 3

Appointment of Auditor

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

*“That, in accordance with Section 190 of the Papua New Guinea Companies Act 1997 (**Companies Act**) and for all other purposes, Deloitte Touche Tohmatsu (**Deloitte**) be appointed as the Auditor of the Company commencing at the end of this Meeting until the next Annual General Meeting of the Company, and being eligible to do so, offer themselves for reappointment and that, in accordance with Section 191 of the Companies Act, the Directors be authorised to fix the remuneration and expenses of the Auditor.”*

Resolution 3

Shareholder Questions

The Company did not receive any questions from Shareholders ahead of today's meeting in relation to Resolution 3.

Resolution 3

Proxy Results

FOR	77,070,548	96.57%
OPEN	2,709,631	3.40%
AGAINST	24,025	0.03%
ABSTAIN	1,253,667	

Resolution 4

Grant of Performance Rights to MD & CEO for FY2020

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of 350,041 Performance Rights under the Kina Performance Rights Plan - Short Term Incentive Award and 333,373 Performance Rights under the Kina Performance Rights Plan - Long Term Incentive Award to the Managing Director and Chief Executive Officer, Mr Gregory Pawson, for the financial year ended 31 December 2020, in accordance with the rules of the Kina Performance Rights Plan and on the terms described in the Explanatory Notes which forms part of this Notice of Meeting, is approved.”

Resolution 5

Grant of Performance Rights to MD & CEO for FY2021

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

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, the issue of Performance Rights up to the value of A\$310,433 under the Kina Performance Rights Plan - Short Term Incentive Award and Performance Rights up to the value of A\$295,650 under the Kina Performance Rights Plan - Long Term Incentive Award to the Managing Director and Chief Executive Officer, Mr Gregory Pawson, for the financial year ending 31 December 2021, in accordance with the rules of the Kina Performance Rights Plan and on the terms described in the Explanatory Notes which forms part of this Notice of Meeting, is approved.”

Resolution 4 and Resolution 5

Shareholder Questions

The Company did not receive any questions from Shareholders ahead of today's meeting in relation to Resolutions 4 and 5.

Resolution 4

Proxy Results

FOR	75,319,952	94.94%
OPEN	2,758,081	3.48%
AGAINST	1,255,368	1.58%
ABSTAIN	1,094,667	

Resolution 5

Proxy Results

FOR	75,433,415	95.07%
OPEN	2,728,131	3.44%
AGAINST	1,181,330	1.49%
ABSTAIN	1,084,667	

Resolution 6

Issue of Performance Rights under Kina Performance Rights Plan

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

“That for the purpose of ASX Listing Rule 10.14 and all other purposes, the issue of 1,587,359 Unquoted Performance Rights to Key Management Personnel under the Kina Performance Rights Plan, on the terms described in the Explanatory Memorandum which forms part of this Notice of Meeting, is approved.”

Resolution 6

Shareholder Questions

The Company did not receive any questions from Shareholders ahead of today's meeting in relation to Resolution 6.

Resolution 6

Proxy Results

FOR	75,589,353	95.08%
OPEN	2,728,131	3.43%
AGAINST	1,180,399	1.49%
ABSTAIN	1,084,667	

Resolution 7

Remuneration Report

To consider and, if thought fit, pass the following as a non-binding ordinary resolution of the Company:

“That the Company’s Remuneration Report for the financial year ended 31 December 2020, as set out in the Directors’ Report, is adopted.”

Resolution 7

Shareholder Questions

The Company did not receive any questions from Shareholders ahead of today's meeting in relation to Resolution 7.

Resolution 7

Proxy Results

FOR	75,183,613	95.79%
OPEN	2,729,631	3.48%
AGAINST	573,936	0.73%
ABSTAIN	1,238,667	

General Questions

That completes the formal business of the Meeting.

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

Shareholder General Questions

Q1: From MICHAEL HENRY CLARK

Question:

When Nambawan Super Ltd sold its substantial shareholding in KSL in December 2019, did the Chairman consider that this sale had any political dimensions? If so, does the Chairman view further internationalization of KSL, as a remedial option?

Answer:

The sale by Nambawan Super Limited in 2019 was an internal Strategic Asset Allocation based decision for the Fund made by the Fund's Investment Committee. The Kina Board and Management are aware that the Fund needed to invest overseas and the only liquid asset in foreign currency they had at the time were the shares in Kina Securities Limited that are listed on the ASX. As far as the Kina Board and Management are aware, the decision to divest had no non-business or political dimensions.

Shareholder General Questions

Q2: From SORENSEN CARSELDINE PTY LTD

Question:

Will Kina include block chain technology in their Business as Usual and investing in Crypto currencies?

Answer:

The Kina Board and Management adopted a 5-year Strategic Plan in 2020. The Plan is underpinned through a key strategic direction of investing in contemporary digital technologies that will provide competitive advantage and increase competition and efficiency in the banking industry in Papua New Guinea. The current strategic deliberations have considered all technologies including the future potential of block chain technology based systems and processes. However, considering the current level of adoption of technology in PNG and the ability to support this locally, makes this an option for the future. In respect of investing crypto currencies, this is not under consideration, as the regulatory and prudential laws in PNG are not developed to regulate and monitor these appropriately.

Shareholder General Questions

Q3: From MICHAEL HENRY CLARK

Question:

Could the Chairman give a rough estimate of what percentage of the KSL total loan portfolio is lent to the PNG resources sector?

Answer:

Kina published its Appendix 4E in February 2021 including the 2020 Full Year results. The report on page 11 publishes details on the risk concentration in our loan portfolio by industry. As disclosed, Kina's exposure as at 31 December 2020 to the PNG Resources sector is below 2% of the Loan portfolio.

Meeting Close

- 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.
- Thank you everyone for your interest in Kina and on-line attendance today.
- I now declare this Annual General Meeting closed, subject to finalisation of the conduct of the poll.

Kina Securities Limited



Annual General Meeting
26 May 2021

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