

2 December 2024

ASX/PNGX | Announcement

ASX Markets Announcement Office
Exchange Centre
20 Bridge Street
Sydney NSW 2000
Australia

PNGX Markets Limited
Office 2 Level 1, Monian Tower
Douglas Street, Down Town
P.O Box 1531, Port Moresby 121, National Capital District
Papua New Guinea

BY ELECTRONIC LODGEMENT

Draft Budget Corporate Tax rate for Commercial Banks in PNG

Kina Securities Limited (ASX:KSL|PNGX:KSL) (**Kina** or the **Company**) is reviewing the proposed 2025 National Budget that was tabled before Parliament on 29 November 2024. The National Budget includes a proposed reduction of the Corporate Tax Rate (CIT) for Commercial Banks from 45% to 40% commencing 1 January 2025, and to 35% from 1 January 2026. The changes apply to Banks with annual earnings up to K300 million.

For banks earning more than K300 million annually, the tax rate reduces from 45% to 44% for 2025, and then by a further 1% in each successive financial year until the rate is 35%.

Kina, in consultation with the Industry, PNG Treasury and other Government Bodies is continuing to evaluate the details of the draft budget recommendations. There is no impact on the Full Year 2024 profit outcomes for Kina.

Kina's Managing Director and Chief Executive Officer, Greg Pawson said: "We are encouraged that the Government is working to revise the increased 45% tax rate that was introduced on 1 Jan 2023. Kina has played a leading role in lobbying for positive changes to the tax rate, and this outcome will ensure greater competition amongst banks in PNG, enabling banks to allocate more capital for investment and business growth".

For further information:

Johnson Kalo
CFO and Company Secretary
Email: Johnson.Kalo@kinabank.com.pg

This Announcement was authorised for release by the CFO and Company Secretary of Kina Securities Limited on behalf of the Board.