



16 March 2026

PNGX/ASX – Announcement

BY ELECTRONIC LODGEMENT

Launch of inaugural Bond Issue in Papua New Guinea

Kina Securities Limited (PNGX:KSL; ASX:KSL) (Kina or the Company) announces a proposal to issue unsecured subordinated debt securities pursuant to an information memorandum (Bonds) in Papua New Guinea, for which application is to be made for listing on the PNGX Debt Market operated by PNGX Markets Limited (Bond Issue or Issue).

KSL intends that the Bonds constitute Tier 2 Capital as described in the Prudential Standards on Capital Adequacy (1/2003) issued by the Bank of Papua New Guinea ("BPNG") which apply to KSL. The proceeds of the capital raising would be used for general corporate purposes.

The Offer will only be open to the following Eligible Investors in Papua New Guinea, upon invitation by Kina, and as defined under the Capital Market Act 2015 and the Securities Commission (Wholesale Corporate Bonds excluded issues and offers) Order 2022 ("Order"):

1. a holder of a capital market licence who carries on the business of dealing in securities or funds management;
2. licensed financial institutions, insurance companies, superannuation funds, unit trust/ managed investment schemes in PNG;
3. a person who acquires securities pursuant to an offer, as principal, if the aggregate consideration for the acquisition is not less than K250,000 for each transaction, whether such amount is paid for in cash or otherwise;
4. an individual whose total net personal assets exceed K3 million;
5. a corporation with total net assets exceeding K10 million;
6. entities incorporated by legislation, including churches or land groups incorporated under the Land Groups Incorporation Act 1974; and
7. fund managers who hold a capital market license and engage in the business of fund management.

KSL has received approval from the Securities Commission of Papua New Guinea in respect of the Bond complying with the terms of the Order.

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The Bonds will be unsecured, subordinated debt securities of KSL to be issued pursuant to a Bond Deed Poll. The proposed key terms of the Bond Issue are as follows:

Term	Details
Amount of Bond Issue	PGK 235,000,000.00 with the minimum amount subject to KSL's sole discretion
Maturity Date	The date falling on the 10 th anniversary of the date the Bonds are approved for trading on the PNGX Debt Market
Coupon	7.55% fixed per annum, payable semi-annually
Ranking	The Bonds are subordinated debt obligations of KSL. The Bonds will rank: (a) after the claims of secured creditors of KSL (if any), and creditors of KSL who are preferred by law; (b) after the claims of all unsecured, unsubordinated creditors of KSL; and (c) equally with each other and to the claims of unsecured, subordinated creditors of KSL.
Face value	PGK 50,000.00
Minimum Purchase	PGK 250,000.00 (primary issuance and secondary trading)
Early redemption	Not before the fifth anniversary of the issue date of the Bonds
Early redemption events	An event of default occurs (as defined in the terms and conditions of the Issue) Events of default include non-payment for 14 days or more and the occurrence of certain insolvency related events in relation to KSL. A Change of Control occurs, which includes takeover offers being made in respect of the shares in KSL. A Regulatory Event occurs, as a result of: (a) a change in, or amendment to, applicable law, or any change in their application or official or judicial interpretation; or (b) additional requirements which KSL determines in its absolute discretion to be unacceptable are imposed in respect of the Bonds or that the Bonds cease to be treated as Tier 2 Capital.

Term**Details**

Optional early redemption by KSL - KSL has the right to redeem all or some of the Kina Bonds prior to the Maturity Date by giving noteholders no less than 5 Business Days' notice. KSL may only exercise this right if:

(a) the notice of early redemption is given at a time prior to the day falling 25 Business Days before the Maturity Date; and

(b) a minimum of five years has passed since the Issue Date of the Bonds.

Each of these early redemption events is subject to the approval of BPNG.

Bondholders have no right to request early redemption.

The timetable for the Offer is as follows:

Event	Date
Announcement of the offer	16 March 2026
Information Memorandum to be made available to Eligible Investors only	16 March 2026
Application to PNGX for admission of the Bonds to be listed for quotation	24 March 2026
Subscriptions close	29 April 2026
Issue date and commencement of trading on PNGX	5 May 2026 – 8 May 2026
First Record Date	28 October 2026 – 2 November 2026
First interest payment date	5 November 2026 – 10 November 2026
Redemption date	10th anniversary of the date the Bonds are approved for trading on the PNGX Debt Market

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

For further information:

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