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ASX/PNGX - Announcement

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

PNGX Markets
Monian Tower
Office 2, Level 1, Douglas Street
Port Moresby 121
Papua New Guinea

BY ELECTRONIC LODGEMENT

2026 AGM Chairman's Address and Managing Director & CEO's Address

In accordance with ASX Listing Rule 3.13.3 and PNGX Listing Rule 6.9.1, please see attached for release to the market, the Chairman's Address and Managing Director & CEO's Address at the Kina Securities Limited's (ASX: **KSL** | PNGX: **KSL**) 2026 Annual General Meeting (**AGM**).

The release of this announcement was authorised by the Disclosure Committee.

For further information:

Johnson Kalo

Chief Financial Officer

Email: Johnson.Kalo@kinabank.com.pg

Address | Kina Bank Harbour City, Portion 13 Section 44 Allotment 30, Granville Harbour City, PO Box 1141, Port Moresby NCD 121

Contact | +675 308 3800 | +675 308 3899 | kina@kinabank.com.pg

SWIFT | KINGPGPG

Website | kinabank.com.pg



CHAIRMAN'S ADDRESS

Good morning, ladies and gentlemen.

It is a pleasure to welcome you all to Kina Bank's Annual General Meeting.

On behalf of the Board, I would like to thank our shareholders for your continued support and confidence in Kina Bank. I also want to acknowledge our customers, our regulators, and all of our team members right across Papua New Guinea. It is because of your trust and commitment that we continue to grow – as a bank and as an institution.

Reflecting on the past year, 2025 has been another year of steady progress for Kina. We have remained disciplined in how we execute our strategy, deliberate in where we invest, and focused on delivering consistent outcomes. In a market that continues to evolve, that consistency is something we are particularly proud of.

Despite ongoing pressures in the broader economic environment – whether that is inflation, foreign exchange constraints, or currency movements – we stayed focused on what we can control. The result is a business that continues to strengthen, not just in terms of growth, but in terms of our resilience.

I am pleased to share that we delivered a net profit after tax of 115 million kina, an increase of 14 percent on the previous year. This was a

strong result in any environment, and particularly so given the conditions in which we operate.

Equally important is the quality of that result. Our underlying profit reached 120 million kina, even after taking a prudent approach to provisioning and addressing a number of older non-performing loans. This confirms that the fundamentals of the business are sound.

Our revenue grew by 12 percent to 544 million kina, with strong momentum across both our lending and non-lending businesses. Net interest income increased by 20 percent, driven by continued growth in our loan book and improved returns on government securities. At the same time, our non-interest income continued to build, supported by growth in foreign exchange activity and the increasing adoption of our digital channels.

What is particularly pleasing is that we delivered this growth while maintaining discipline in relation to our costs. Operating expenses increased by 7 percent, reflecting careful management in what has been an inflationary environment. As a result, our return on equity strengthened to 16.6 percent – a clear sign that we are using our capital more effectively and delivering improved returns.

Growth across our core business has been steady and deliberate. Our business lending portfolio grew by 17 percent, with strong engagement from customers in Port Moresby, Lae, and across regional centres. Home lending also continued to grow, albeit at a more modest pace.

Importantly, throughout this growth, we have maintained a disciplined approach to pricing and credit quality. That balance between growth and risk is something we remain very focused on.

At the same time, we have continued to invest in the future of the bank. This includes strengthening our leadership capability, improving our systems, and continuing to build out our digital platforms. These are not short-term decisions – they are investments that will position Kina Bank for the long term and enable us to better serve our customers as their needs evolve.

Our balance sheet remains strong. We closed the year with a capital adequacy ratio of 17 percent, comfortably within our target range and giving us the capacity to support further growth. As a Board, we are very deliberate about balancing growth ambitions with financial strength and prudent risk management.

In recognition of that strong performance and capital position, we were pleased to deliver improved returns to our shareholders. We have declared a final dividend of 19.3 toea per share, bringing total dividends for the year to 31.9 toea per share. This represents a meaningful increase on the previous year and reflects our ongoing commitment to delivering sustainable returns to our shareholders.

We are also mindful of the broader environment in which we operate. Papua New Guinea's grey listing has been an important focus, and we have been working closely with regulators, government, and industry partners as part of the national response. At this stage, we do not

expect this to have a material impact on the bank, but it is something we continue to monitor carefully.

Looking ahead, we are confident about where Kina Bank is positioned. We are entering the next phase of our journey with a clear strategy and a strong foundation. Our 2030 strategy will guide the next stage of our growth, and we have further strengthened our funding profile through the successful issuance of our corporate bond – a first for PNG.

There have also been some changes at Board level during the year. I would like to thank Karen Smith-Pomeroy for her contribution and the insight she brought to the Board during her tenure. We welcome Lutz Heim and Robert Nilkare, who bring valuable experience and perspective to Kina. I would also like to acknowledge Richard Kimber on his recent appointment as Deputy Chair.

Within the Executive Leadership team, Johnson Kalo will soon transition from his role as Chief Financial Officer. I would like to recognise his significant contribution and the leadership and stability he provided during his tenure – we look forward to his continued contribution as Executive General Manager, Wealth Management. I also welcome Taiwo Fowowe as our incoming Chief Financial Officer and Company Secretary, who brings strong international experience and will further strengthen our financial leadership and governance.

To our management team and all our team members – thank you. Your effort, professionalism, and commitment are what make these results

possible. Every day, you bring our strategy and our values to life, and that does not go unnoticed.

Finally, to you, our shareholders, thank you once again for your continued support. We remain focused on protecting your interests, growing the bank responsibly, and delivering long-term value.

Kina Bank is in a strong position, and we are optimistic about the future.

I will now ask Ivan to give his reflections on Kina Group's performance.

MD & CEO'S ADDRESS

Thank you, Chairman, and good morning, everyone.

It is a pleasure to welcome you to this year's Annual General Meeting.

2025 was a significant year for Kina Bank. As Papua New Guinea marked 50 years of independence, we also celebrated 40 years of service to the people, businesses, and communities of this country. These milestones gave us an opportunity not only to reflect on how far we have come, but also to reaffirm our role as a national institution contributing to Papua New Guinea's growth and development.

Over the past four decades, Kina Bank has evolved into Papua New Guinea's second largest bank and a leading challenger in the financial services sector.

Against that backdrop, I am pleased to report that 2025 was a year of disciplined and sustainable growth.

We delivered a 14 percent increase in statutory profit and achieved a return on equity of 16.6 percent, reflecting the resilience of our business model and the strength of our diversified financial services strategy.

This performance was underpinned by continued growth across our core businesses, including expansion in our loan portfolio, growth in non-interest income, and investments into key capabilities to support long term resilience. At the same time, we maintained a disciplined approach to risk management, ensuring that growth was both sustainable and well controlled.

These results were achieved in what remained a challenging operating environment. During the year, we navigated foreign exchange constraints, inflationary pressures, and broader economic uncertainty. Despite these challenges, the Bank continued to perform strongly, demonstrating both the resilience of our operations and the capability of our people.

A key theme throughout the year has been our continued focus on innovation and inclusion.

We made important progress in expanding access to banking services and improving the customer experience. This included the launch of Kina Pei, our contactless digital payment solution, as well as major upgrades to our personal online banking platforms. These investments

are helping to make banking more accessible, secure, and convenient—particularly for customers who have traditionally been underserved.

At the same time, we continued to strengthen our physical presence. The opening of our new office in Popondetta, delivered in partnership with MiBank, is an example of how we are extending our reach into regional communities and supporting local economic participation.

We also advanced a number of strategic partnerships during the year, including our investment in NiuPay, which plays a key role in enabling public sector digitisation across the South Pacific.

Beyond financial and strategic performance, we remain deeply committed to the communities we serve.

Through our Strongim Komuniti Grants program, we continued to deliver practical support across the country, including infrastructure for schools, access to clean water, and solar lighting for rural health facilities. These initiatives are simple but impactful, and they reinforce our belief that building stronger communities is fundamental to building a stronger nation.

This year, we launched our 2030 Strategy. At the heart of everything we do is a simple but powerful purpose that articulates our role in nation building: creating brighter futures. Our vision is also clear—to be the most trusted financial services partner for the people, communities, and markets we serve. To achieve this, we are focused on six strategic priorities: putting the customer first; building an empowered team;

driving operational excellence; pursuing growth through innovation; serving our communities; and embedding governance for sustainable growth. Underpinning this strategy are our CHANGE values, which harness the unique strengths of Papua New Guinean culture, combined with the execution standards of an international bank.

I'd like to briefly outline two examples of how our 2030 Strategy is being brought to life.

A significant milestone this year was the successful issuance of our PGK 235 million, 10-year subordinated bond, listed on PNGX on 6 May 2026—making Kina the first institution to issue a corporate bond on the PNGX market. This transaction is important for several reasons: it strengthens our capital base and diversifies our funding profile through access to long-term capital, supports the continued growth of our balance sheet, and contributes to the development of Papua New Guinea's domestic capital markets. The strong support from institutional and wholesale investors, as reflected in the bond's oversubscription, demonstrates confidence in our strategy and performance, and underscores our broader commitment to innovation—not only within our business, but across the financial system as a whole.

At a product and customer experience level, a key example of our strategy in action is Pei Beta, our new digital wallet initiative. Pei Beta represents a step forward in how we serve our retail banking customers and expand financial inclusion across Papua New Guinea. It is designed to support mass market retail payments, drive fee income

growth and scale. This is enabled through key features such as real time person-to-person transfers, QR code merchant payments, and other forms of digital engagement. This product leverages the rapid rise of smartphone adoption in our market. We successfully launched Pei Beta in the first half of 2026 for existing Kina Bank customers, with broader rollout—including eKYC or digital onboarding—planned for later this year following regulatory approvals.

Digitisation is not just an opportunity—it is a necessity, and we are committed to leading this transformation, through continued investment, both this year and into the future. Our next major release will be a new corporate online banking platform, designed to meet the evolving needs of both small and large businesses across our growing economy.

None of what we achieve as a growing organisation would have been possible without our people. I would like to acknowledge the dedication, professionalism, and resilience of our teams across the Group. Their commitment continues to drive the Bank forward every day.

We recently announced a planned transition in our Chief Financial Officer role. I would like to acknowledge and thank Johnson Kalo for his significant contribution, particularly the stability and leadership he has provided during a period of change. Johnson has played an important role in strengthening our financial foundations and supporting our growth, and I am pleased he will continue to contribute in leading our Wealth Management business. We also welcome Taiwo

Fowowe to Kina as our new CFO. He brings deep experience across finance, capital management and governance, from highly competitive and complex international banking environments. His appointment further strengthens our focus on disciplined growth, strong financial stewardship, and long-term value creation as we execute our 2030 strategy.

I also extend my thanks to our customers for their trust, our partners for their collaboration, and the Board for their continued guidance and support.

Looking ahead, we are clear about the path forward. We will continue to invest in digital capability, expand financial inclusion, and strengthen our core businesses, while maintaining the financial discipline and risk management that underpin our performance. At the same time, we will continue to play an active role in supporting national development—through partnerships, capital market initiatives, and expanded access to banking services across Papua New Guinea.

While the operating environment is likely to remain dynamic, we are confident in the strength of our foundations and our ability to deliver long-term value for all our stakeholders.

Thank you.

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