

# Media Release

22 July 2015



## Kina Securities IPO closes with strong support from Australian and international Tier 1 institutions

### Highlights

- > IPO to raise approximately K202 million (A\$97 million) closes fully subscribed
- > IPO bookbuild heavily oversubscribed following institutional and broker roadshow
- > Strong support from Australian and international Tier 1 institutions, together with Australian and PNG retail investors
- > Experienced Board and management team committed to generating growth opportunities for the business across its wealth management and banking operations
- > Kina Securities shares expected to commence trading on ASX and POMSoX on 30 July 2015

Leading PNG financial institution, Kina Securities Limited, has announced that its initial public offering of ordinary fully paid shares (IPO) has closed fully subscribed following strong support from Australian and international Tier 1 institutional and Australian and PNG retail investors.

Kina Securities offered approximately 97 million fully paid ordinary shares at a price of K2.08 /A\$1.00 and will have a market capitalisation of approximately K341 million / A\$164 million on listing. The bookbuild for the IPO was significantly oversubscribed, with demand for shares approximately four times the target amount.

Kina Securities has applied for listing on the Australian Securities Exchange (ASX) and the Port Moresby Stock Exchange (POMSoX), with shares expected to commence trading on ASX and POMSoX on 30 July 2015.

The Offer was conducted in part to raise capital to fund the acquisition of Maybank PNG, which is PNG's fourth largest bank offering a wide range of consumer and corporate banking and finance products. Funds raised through the Offer will also be applied to future working capital requirements and funding growth initiatives, in addition to facilitating the partial sell-down of shares held by Kina Securities' major shareholder.

Kina Securities CEO, Syd Yates, said: "The strong oversubscription during the bookbuild phase, followed by the participation of predominantly Tier 1 financial institutions in the IPO, reflects investors' understanding of the quality of our business, Board and management team. Leading financial institutions from Australia, New Zealand, PNG and other countries in the Asia Pacific region have participated in the IPO."

1 The reference to Kina Group NPAT is to the Group as that will exist following completion of the acquisition of Maybank PNG (being the merged operations of the Kina Group and Maybank PNG).



“Investor interest has no doubt been attracted by Kina Securities’ strong growth potential following its acquisition of Maybank PNG. This acquisition provides the Kina Group with the opportunity to offer new financial products, grow its client base and to cross-sell products,” he said.

Following the acquisition, Kina Securities will offer a diverse suite of products and services to new and existing clients, including retail banking, deposit taking, trade financing, lending, funds management, fund administration, custodial services and stockbroking.

The agreement to acquire Maybank PNG was executed in May 2015 and is anticipated to be completed in the coming months.

“Kina Securities provides investors with broad exposure to PNG’s strongly growing economy and its key industry sectors including resources, energy and agriculture,” Mr Yates said.

Mr Yates said Kina Securities was also well positioned to capitalise on the strong growth trend for banking and financial services in PNG, particularly given the sector’s exposure to multinational corporates, the growth in small to medium enterprises, and the country’s growing middle class.

“Within PNG’s growing financial services sector, Kina Securities stands out with its track record of providing quality financial services over the past 30 years.”

This Offer is fully underwritten by Morgans Corporate Limited. PricewaterhouseCoopers Securities Limited acted as Kina’s financial adviser and Allens acted as Kina’s legal adviser.

### **Media enquiries, please contact:**

#### **Syd Yates OBE**

Chief Executive Officer, Kina Group

Telephone: PNG +675 308 3810

Mobile: PNG +675 7200 5050

Aust. +61 412 590 582

#### **Bruce Ruddy**

Rowland

Telephone: Aust. +61 7 3229 4499