



## HALF YEAR RESULTS FOR ANNOUNCEMENT TO THE MARKET AS AT 30 JUNE 2022

The reporting period is the half year ended 30 June 2022, and the corresponding prior-period is the half-year ended 30 June 2021.

### **Highlights**

Kina Asset Management Ltd (KAML or the Company) recorded a net loss after tax of K4,742,927 for the half-year ended 30 June 2022 (1H/2021: net profit after tax of K7,342,325).

The Company's loss was driven by an investment return of -5.4% for the half-year. Share prices in most developed and emerging markets have fallen over the half-year, and the company reported capital losses on its investments of K4.3 million (1H/2021: gain K6.1 million).

There was a broad-based appreciation of the US Dollar during the half-year, resulting in a decline in the value of the Australian dollar against the PNG Kina through the operation of PNG's exchange rate fixing policies. This resulted in foreign exchange losses of K2.8 million for the half year (1H/2021: K1.3 million).

Capital and foreign exchange losses were partially offset by a strong rise in dividend and interest income flows, which totalled K3.1 million. (1H/2021: K2.9 million). Key contributors to dividend income were the Company's PNG shareholdings in BSP Financial Group (BSP), Credit Corporation (CCP), Kina Securities Ltd (KSL).

Asset allocation as at 30 June 2022 was 36% invested in domestic stocks, cash and fixed income; and 64% invested in international stocks and cash. The portfolio benchmark weights are 40% (domestic) and 60% (international) respectively.

Key portfolio holdings as a percentage of the Fund as at 30 June 2022 were: BSP at 18.3%, Vanguard at 11.8%, CSL at 6.7%, CCP at 5.2% and KSL at 5.1%. Cash holdings stood at 11.2%.

There were mixed results recorded by the Company's equity investments results against their benchmarks: Domestic equities (14%) outperformed the benchmark KSI Home Index (9%); ASX-listed equities and global equity funds generated returns of -11.6% and -20.1%, against their (PGK-adjusted) benchmark S&P/ASX200 and MSCI World ex-Australia Index returns of -14.4% and -22.5% respectively.

Net tangible asset backing per share as at 30 June 2022 was K1.49 (2021: K1.70 pre dividend).

### **Domestic Investments**

- The Company's largest individual holding, BSP Financial Group, also maintained its position as the largest contributor to investment performance, with a total return of K2.6 million, or 18.6%.
- Credit Corp also performed strongly with total return of K0.7 million, or 18.10%.

### **International Investments**

- Most of the Company's Australian equity holdings generated negative returns. In total, the Company's Australian shareholdings suffered total losses of K4.0 million, or -11.6%.
- Offsetting some of the losses were: Worley, with a total return of K0.3 million, or +30.0%; and Santos, with a return of K0.3 million (+13.9%).
- The Company's global equity funds suffered to losses of K3.1 million, or -20.1%.

### **Top 5 Holdings**

Rank	Security	Portfolio Weight	Value
1	BSP Financial Group	18.3%	K13.9m
2	Vanguard International Index Fund	11.8%	K8.9m
3	CSL Limited	6.7%	K5.1m
4	Credit Corporation	5.2%	K4.0m
5	Kina Securities Limited	5.1%	K3.9m

### **Review and Outlook**

In the prior corresponding period in 2021, the company reported that high rates of vaccination for Covid-19 had caused many countries to relax contained measures, that a back-log of manufacturing orders had meant trading in goods and services had picked up strongly, and the leading indicators of economic activity were positive for most major economies.

The emergence of more virulent strains of the Covid-19 virus and resulting disruption of global supply chains, rising commodity prices and the emergence of inflationary pressures, were risks to the outlook, which had driven global share markets higher in 2021.

As inflation risks became more broadly based, global central banks accelerated the withdrawal of the monetary stimulus that had supported economic activity throughout the pandemic. The Russian invasion of Ukraine substantially escalated global inflation risks, and geo-political tensions now also weigh heavily on the outlook for the global economy and investment markets.

In PNG, rising global energy prices improved government revenue from resource exports, and provided some relief to the instability associated with the 2022 general election. Whilst the formation of a new government and the progress made towards commencement of new resource projects are grounds for some optimism, the outlook for the company remains finely balanced, and the company will maintain a vigilant approach to assessment of new investment opportunities.

### **KAML's Investments**





Financial Year ended 30 June 2022			
Kina Asset Management Limited and Subsidiary			
Company No	Half yearly	Final	Financial Period Ended
<b>1-61047</b>	<b>X</b>		<b>30-Jun-22</b>
Extracts from this report for announcement to the market (see note 1)			
Sales (or equivalent operating) revenue (item 1.1)			3,249,595
Abnormal after tax attributable to shareholders (item (2.5))			-
Operating profit (loss after tax (before amortisation of goodwill) attributable to shareholders (item 1.26))			(4,742,927)
Operating profit (loss) after tax attributable to shareholders (item 1.10)			(4,742,927)
Extraordinary items after tax attributable to shareholders item 1.13			-
Operating profit(loss) and extraordinary items after tax attributable to shareholders (item 1.16)			(4,742,927)
Dividend (distributions)		Amount per + security	
Final dividend (preliminary final report only -item 15.4)		n/a	n/a
Interim Dividend (Half yearly report only - item 15.6)		n/a	n/a
Previous corresponding period (Preliminary final report -item 15.5)		n/a	n/a
Half yearly report - item 15.7)		0.06	2,977,591
Record date for determining entitlements to the dividend (In the case of a trust, distribution) (see item 15.2)			NA



			Current Period K	Previous Corresponding Period K
1.1	Sales (or equivalent operating) revenue)		3,249,595	3,420,374
1.2	Share of associates "net profit(loss) attributable to shareholders" (equal to item 16.7)		-	-
1.3	Other revenue / (expense) - changes in fair value of financial assets including foreign currency movements		(7,281,647)	4,718,145
1.4	Operating profit (loss) before abnormal items and tax		(4,770,043)	7,384,183
1.5	Abnormal items before tax (detail in item 2.4)		-	-
1.6	Operating profit (loss) before tax (items 1.4 + 1.5)		(4,770,043)	7,384,183
1.7	Less tax		27,116	(41,858)
1.8	Operating profit (loss) after tax but before outside equity interest		(4,742,927)	7,342,325
1.9	Less outside equity Interest		-	-
1.10	Operating profit(loss) after tax attributable to shareholders		(4,742,927)	7,342,325
1.11	Extraordinary items after tax (detail in item 2.6)		-	-
1.12	Less outside Equity Interest		-	-
1.13	Extraordinary items after tax attributable to shareholders		-	-
1.14	Total Operating profit(loss) and extraordinary items after tax (items 1.8 + 1.11)		(4,742,927)	7,342,325
1.15	Operating profit (loss) and extraordinary items after tax attributable to outside equity interest (items 1.9 +1.12)		-	-
1.16	Operating profit (loss) and extraordinary items after tax attributable to shareholders (item 1.10+1.13)		(4,742,927)	7,342,325
1.17	Retained profits (accumulated losses) at beginning of financial period		29,848,149	28,830,673
1.18	If change in accounting policy (include brief description)			
1.19	Aggregate of amounts transferred from reserves			
1.20	Total available for appropriation (carried forward)		25,105,222	36,172,998
1.21	Dividend provided for or paid		-	(1,977,099)
1.22	Aggregate of amounts transferred to Reserves		-	-
1.23	Retained profits (accumulated losses) at end of financial period (Item 1.10 + 1.21)		25,105,222	34,195,899



	<b>Profit restated to exclude amortisation of goodwill</b>				
1.24	Operating profit(loss) after tax before outside equity interests (items 1.8) and amortisation of goodwill			(4,742,927)	7,342,325
1.25	Less(plus) outside equity interest			-	-
1.26	Operating profit(loss) after tax (before amortisation of goodwill) attributable to shareholders			(4,742,927)	7,342,325

	<b>Intangible, abnormal and extra ordinary items</b>	<b>Consolidated- current period</b>			
		Before tax K	Related tax K	Related outside equity interest K	Amount (after tax)attributable to shareholders K
2.1	Amortisation of goodwill				
2.2	Amortisation of other intangibles	-	-	-	-
2.3	Total Amortisation of Intangibles	-	-	-	-
2.4	Abnormal items	-	-	-	-
2.5	Total abnormal items	-	-	-	-
2.6	Extraordinary items	-	-	-	-
2.7	Total extraordinary items	-	-	-	-
				Current year - K' 000	Previous year K' 000
3.1	Consolidated operating profit(loss) after tax attributable to shareholders reported for the 1st half year (item 1.10 in the half yearly report)			(4,742,927)	7,342,325
3.2	Consolidated operating profit(loss) after tax attributable to shareholders for the second half year			-	(1,370,157)



	At end of current period K	As shown in last annual report K	As shown in last half yearly report K
<b>Current Assets</b>			
4.1 Cash	8,343,537	5,828,494	6,879,807
4.2 Receivables	1,078,768	646,973	1,435,779
4.3 Investments	64,591,650	71,866,067	73,994,713
4.4 Inventories	-	-	-
4.5 Other (provide details if material)	-	-	-
<b>4.6 Total Current assets</b>	<b>74,013,955</b>	<b>78,341,534</b>	<b>82,310,299</b>
<b>Non Current Assets</b>			
4.7 Deferred Tax Asset	104,166	35,180	86,286
4.8 Investment in associates			-
4.9 Investments	1,870,238	1,859,133	1,848,813
4.10 Inventories	-	-	-
4.11 Exploration and evaluation expenditure capitalised	-	-	-
4.12 Development properties (mining entities)	-	-	-
4.13 Other property, plant and equipment (net)	-	-	-
4.14 Intangibles (net)	-	-	-
4.15 Other (provide details if material)	-	-	-
<b>4.16 Total Non current Assets</b>	<b>1,974,404</b>	<b>1,894,313</b>	<b>1,935,099</b>
<b>4.17 Total Assets</b>	<b>75,988,359</b>	<b>80,235,847</b>	<b>84,245,398</b>
<b>Current Liabilities</b>			
4.18 Accounts payables	654,881	147,630	221,532
4.19 Borrowings	-	-	-
4.20 Current Tax Liability	-	-	-
4.21 Other (dividend payable)	-	-	-
<b>4.22 Total current liabilities</b>	<b>654,881</b>	<b>147,630</b>	<b>221,532</b>



	<b>Non Current Liabilities</b>			
4.23	Deferred Tax Liabilities	-	11,812	43,585
4.24	Borrowings	-	-	-
4.25	Provisions	-	-	-
4.26	Other (provide details if material)			
4.27	<b>Total non- current liabilities</b>	-	11,812	43,585
4.28	<b>Total Liabilities</b>	654,881	159,442	265,117
4.29	<b>Net Assets</b>	75,333,478	80,076,405	83,980,281
		At end of current period K	As shown in last annual report K	As in last half yearly report K
	<b>Equity</b>			
4.30	Capital	50,228,256	50,228,256	49,784,382
4.31	Reserves	-	-	-
4.32	Retained Profits (accumulated losses)	25,105,222	29,848,149	34,195,899
4.33	Equity attributable to shareholders of the parent entity	75,333,478	80,076,405	83,980,281
4.34	Outside equity to shareholders of the parent entity	-	-	-
4.35	<b>Total equity</b>	75,333,478	80,076,405	83,980,281
4.36	Preference Capital included as part of 4.33	-	-	-



<b>Exploration and evaluation expenditure capitalised</b>			
<i>To be completed only by entities with mining interest if amounts are material. Include all expenditure incurred regardless of whether written off directly against profit</i>			
		Current Period K	Previous Corresponding period K
5.10	Opening Balance	-	-
5.2	Expenditure incurred during current period	-	-
5.3	Expenditure written off during current period	-	-
5.4	Acquisition, disposals, revaluation, increments, etc	-	-
5.5	Expenditure transferred to development properties	-	-
5.6	<b>Closing balance as shown in the consolidated balance sheet (item 4.11)</b>	-	-
	<b>Development properties</b>		
<i>To be completed only by entities with mining interest if amounts are material</i>			
		Current Period K	Previous Corresponding period K
6.1	Opening Balance	n/a	n/a
6.2	Expenditure incurred during current period	n/a	n/a
6.3	Expenditure transferred from exploration and evaluation	n/a	n/a
6.4	Expenditure written off during current period	n/a	n/a
6.5	Acquisition, disposals, revaluation, increments, etc	n/a	n/a
6.6	Expenditure transferred to mine properties	n/a	n/a
6.7	<b>Closing balance as shown in the consolidated balance sheet (item 4.12)</b>	n/a	n/a



<b>Consolidated Statement of Cash Flows</b>		<b>Current Period K</b>	<b>Previous Corresponding period K</b>
<b>Cash Flows related to operating activities</b>			
7.1	Receipts from customers	2,627,384	2,551,730
7.2	Payments to suppliers and employees	(257,475)	(494,580)
7.3	Dividends received from associates	-	-
7.4	Other Dividends received	-	-
7.5	Payment for purchases of equity investments	(2,267,501)	(3,529,569)
7.6	Proceeds from sale of equity investments	2,641,030	2,528,564
7.7	Interest and other items of similar nature received	-	-
7.8	Interest and other finance paid	-	-
7.9	Income taxes paid	-	-
7.10	Other	-	-
7.11	<b>Net Operating cash flows</b>	<b>2,743,438</b>	<b>1,056,145</b>
<b>Cash flows related to investing activities</b>			
7.12	Payment of purchase of property, plant and equipment	-	-
7.13	Proceeds from sale of property, plant and equipment	-	-
7.14	Loans to other entities	-	-
7.15	Loans repaid by other entities	-	-
7.16	Other (investment in shares)	-	-
7.17	<b>Net Investing cash flows</b>	<b>-</b>	<b>-</b>
<b>Cash flows related to financing activities</b>			
7.18	Proceeds from issues of securities (shares, options, etc)	-	316,522
7.19	Proceeds from borrowings	-	-
7.20	Repayment of borrowings	-	-
7.21	Dividend paid (net of reinvestment of K348,359)	-	(1,977,099)
7.22	Other (provide details if material)		
7.23	<b>Net financing cash flows</b>	<b>-</b>	<b>(1,660,577)</b>



7.24	Net Increase (decrease) in cash held	2,743,438	(604,432)
7.25	Cash at beginning of period (see reconciliation of cash)	5,828,494	7,575,720
7.26	Exchange rate adjustment to item 7.25 Adjustment to be	-	-
7.27	Effect of foreign exchange rate changes	(228,395)	(91,481)
7.28	<b>Cash at end of period(see reconciliation of cash)</b>	<b>8,343,537</b>	<b>6,879,807</b>
<b>Non-cash financing and investing activities</b>			
<i>Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows. If an amount is qualified, show comparative amount.</i>			
	n/a		
<b>Reconciliation of cash</b>			
	Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current Period K	Previous Corresponding period K
8.1	Cash on hand and at Bank	8,343,537	6,879,807
8.2	Deposits at call	-	-
8.3	Bank Overdraft	-	-
8.4	Other (provide details)	-	-
8.5	<b>Total cash at end of period(items 7.27)</b>	<b>8,343,537</b>	<b>6,879,807</b>

<b>Ratios</b>			
<b>Profit before abnormal and tax sales</b>			
9.1	Consolidated operating profit (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue(item 1.1)	(146.79%)	215.89%
9.2	Consolidated operating profit (loss) after tax attributable to shareholders (item 1.10) as a percentage of equity (similarly attributable) at the end of period(item 4.33)	(6.30%)	8.74%
<b>Earnings per share (EPS)</b>			
	10.1 Calculation of the following in accordance with IAS 33: <i>Earnings per share</i>	Current Period K	Previous Corresponding period K
	(a) Basic EPS	(0.10)	14.82
	(b) Diluted EPS (if material differently from (a))	n/a	n/a
	© Weighted average number of ordinary shares (K'000) outstanding during the period used in the calculated of the basic EPS	49,891,306	49,531,412



	<b>NTA backing</b> (see note 7)			
11.1	Net tangible asset backing per ordinary security		1.51	1.70
	<b>Details of specific receipts/outlays,revenues/expenses</b>			
			Current Period K	Previous Corresponding period K
12.1	Interest revenue included in determining item 1.4		134,731	137,625
12.2	Interest revenue included in item 12.1 but not yet received (if material)		39,375	48,141
12.3	Interest expense included in item 1.4(include all forms of interest,lease finance charges, etc)		-	-
12.4	Interest costs excluded from item 12.3 and capitalised in asset values (if material)		-	-
12.5	Outlays(except those arising from the acquisition of an existing business) capitalised in intangibles (if material)		-	-
12.6	Depreciation and amortisation (excluding amortisation of intangibles)		-	-

<b>Control gained over entities having material effect</b>			
13.1	Name of entity		n/a
13.2	Consolidated operating profit(loss) and extraordinary items after tax of the entity since the date in the current period on which control was acquired		n/a
13.3	Date from which such profit was calculated		n/a
13.4	Operating profit(loss) and extraordinary items after tax of the entity for the whole of the corresponding period		n/a
<b>Loss of control of entities having material effect</b>			
14.1	Name of Entity (or group of entity)		n/a
14.2	Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) for the current period to the date of loss of control		n/a
14.3	Date to which the profit(loss) in item 14.2 has been calculated		
14.4	Consolidated operating profit(loss) and extraordinary items after tax of the entity(or group of entities) while controlled during the whole of the previous corresponding period		n/a
14.5	contribution to consolidated operating profit(loss) and extraordinary items from sale of interest leading to loss of control		n/a



<b>Reports for industry and geographical segments</b>			
<b>Segments</b>			
<b>Operating Revenue</b>			
Sales to customers outside the economic entity		3,249,595	n/a
Inter-segment sales		0	n/a
Unallocated revenue		0	n/a
Total Revenue		3,249,595	n/a
Segment result (including abnormal items where relevant)		(4,770,043)	n/a
Unallocated expenses		0	n/a
Consolidated operating profit before tax (equal to item 1.6)		(4,770,043)	n/a
<b>Segment assets</b>			
Segment assets		75,988,359	n/a
Unallocated assets		0	n/a
Total assets (equal to item 4.17)		75,988,359	n/a
<b>Dividends (in the case of a trust, distribution)</b>			
15.1	Date the dividend(distribution) was paid		
	2021 final dividend payment date		21/10/2021
	2022 Interim dividend payment date		n/a
15.2	Record date to determine entitlements to the dividends (distribution) (ie, on the basis of registrable transfers received up to 5.00 pm		n/a
	2022 Interim dividend record date		n/a
15.3	If it is a final dividend, has it been declared? preliminary report only - Special dividend		n/a
<b>Amount per security</b>			
	(Preliminary final report)	Amount per security	
15.4	Final Dividend: Current year:	n/a	n/a
15.5	Previous year:	n/a	n/a
Half yearly and preliminary final reports			
15.6	Interim Dividend: Current year	n/a	n/a
15.7	Previous year	0.06	2,977,591



<b>Total dividend (distribution) per security (interim plus final)</b> <i>(preliminary final report only)</i>		
	Current year	Previous year
15.8 Ordinary securities	-	0.06
15.9 Preference securities	-	-
<b>Half yearly report- interim dividend(distribution) on all securities or Preliminary final report- final dividend(distribution) on all securities</b>		
	Current year K	Previous year K
15.10 Ordinary Securities	n/a	2,977,591
15.11 Preference securities	n/a	n/a
15.12 Total	n/a	2,977,591
The dividend or distribution plans shown below are in operation		
n/a		
The last date(s) for receipt of election notices for the dividend or distribution plans		
n/a		
Any other disclosures in relation to dividends (distributions)		
<b>Details of aggregate share of profits (losses) of associates</b>		
Entity share of associates	Current period K	Previous corresponding period K
16.1 Operating profit(loss) before income tax	-	-
16.2 Income tax expense	-	-
16.3 Operating profit(loss) after income tax	-	-
16.4 Extraordinary items net of tax	-	-
16.5 Net profit(loss)	-	-
16.6 Outside equity interest	-	-
16.7 Net profit(loss) attributable to shareholders	-	-

<b>Material interest in entities which are not controlled entities</b>				
Name of Entity	Percentage of ownership interest held at end of period or date of disposal		Contribution to operating profit(loss) and extraordinary items after tax(item 1.14)	
	Current period	Previous corresponding period	Current period K	Previous corresponding period K
17.1 Equity accounted associated entities	n/a	n/a	n/a	n/a
17.2 Total	n/a	n/a	n/a	n/a
17.3 Other material interest	n/a	n/a	n/a	n/a
17.4 Total	n/a	n/a	n/a	n/a
<b>Issued and quoted securities at end of current period</b>				
Description includes rate of interest and any redemption or conversion rights together with prices and dates.				
Category of securities		Number issued	Number quoted	Amount paid per share(toea)
18.1 Preference securities (description)		n/a	n/a	n/a
18.2 Issued during period				
18.3 Ordinary Securities		49,891,306	-	-
18.4 Issued during current period		-	-	-
Cancellation of shares		-	-	-
		-	-	-
18.5 Convertible debt securities (description and factor)		-		
18.6 Issued during current period		-		
18.7 Options (description and conversion factor)			Exercise price	Expiry date (if any)
		n/a	n/a	
		n/a	n/a	
18.8 Issued during current period		n/a	n/a	
18.9 Exercised during current period		n/a	n/a	
18.10 Expired during current period		n/a		
18.11 Debentures (total only)		n/a		
18.12 Unsecured notes (totals only)		n/a		

<b>Comments by directors</b>			
Comments on the following matters are required by POMSoX or, in relation to the yearly report, by IAS 34 Financial year accounts and consolidated Accounts. The comments do not take the place of the directors report (as required by the companies Act 1997) and may be incorporated into the directors report. For both half yearly and preliminary final reports, if there are no comments in a section state Nil. If there is insufficient space to comment attach notes to this report.			
<b>Basis of accounts preparation</b>			
If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the listing rules and IAS 34. Half-year accounts and consolidated accounts. It should be read in conjunction with the last annual report and any announcements to the market made by the entity during the period.(delete if preliminary statement			
Material factors affecting the revenues and expenses of the economic entity for the current period			
The change in fair value of financial assets reflects underlying changes in equity prices and foreign currency movements during the period. There have been no other material factors affecting the revenues and expenses of the economic entity for the current period.			
A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)			
Subsequent to 30 June 2022, the Directors have declared a dividend of 6 toea per share payable on 28 October 2022. Other than above, there were no other significant matters.			
Changes in accounting policies since the last annual report are disclosed as follows			
(Disclose changes in the yearly report in accordance with IAS 34. Financial year accounts and consolidated accounts. Disclose changes in the preliminary final report in accordance with IAS 8: Accounting Policies Disclosure)			
No changes in accounting policies			
<b>Additional disclosure for trust</b>			
19.1	Number of units held by the management company or a related party of it	n/a	
19.2	A statement of the fees and commissions payable to the management company		
	initial service charges	n/a	
	Management fees	n/a	
	other fees	n/a	
<b>Annual meeting</b> (preliminary final report only)			
The annual meeting will be held as follows:			
	Place	Port Moresby (the final venue to be confirm at a later date)	
	Date	n/a	
	Time		
	Approximate date the annual report will be available	n/a	



1 This report has been prepared under accounting policies which comply with accounting standards approved by the Accounting Standards Board pursuant to the Companies Act 1997 or other Standards acceptable to POMX (see note 13)			
Identify other standards used		International Financial Reporting Standards	
2 Report the financial statements prepared under the Companies Act 1997 (if separate), use accounting policies.			
3 This report does give a true and fair view of the matters disclosed (see note 2)			
4 This report is based on financial statements to which one of the following applies.			
<input type="checkbox"/>	The financial statements have been audited	<input checked="" type="checkbox"/>	The financial statements have been subject to review
<input type="checkbox"/>	The financial statements are in the process of being audited or subject to review	<input type="checkbox"/>	The financial statements have not yet been audited or reviewed
5 If the audit report or review by the auditor is not attached, details of any qualifications <del>are attached/</del> will follow immediately they are available (delete one)			
6 The entity has a formally constituted audit committee.			
Sign here..... Director		Date 6 September 2022.....	
Print name Sydney Yates.....			