

RESERVE BANK OF FIJI

PRESS RELEASE



Press Release No. : 13/2021

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Date : 29 July 2021

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RESERVE BANK OF FIJI PROVIDES CONDITIONAL APPROVAL TO KINA SECURITIES LIMITED

The Westpac Group had announced on 07 December 2020, its intention to sell the Westpac Pacific Business (Westpac Fiji and Westpac's 89.91% stake in Westpac Bank PNG Limited) to Kina Securities Limited (KSL), subject to regulatory approvals in Fiji and PNG, and KSL shareholder approval. To effect the acquisition of Westpac Fiji, KSL had submitted its application for a licence to conduct business in Fiji as a commercial bank through its wholly owned subsidiary, Kina Securities (Fiji) Pte Limited (KSF), on 19 February 2021.

The application went through a comprehensive assessment as required under the Banking Act 1995. The Reserve Bank Board deliberated on the assessment at its meeting on 29 July 2021, and resolved that a conditional approval be granted on KSL's application.

Reserve Bank Governor and Chairman of the Board, Mr Ariff Ali in announcing the decision of the Board stated that "the receipt of KSL's application for a commercial banking licence in Fiji, resulting from its interest to acquire the Westpac Fiji operations, has been viewed as bold particularly at a time of economic recession in Fiji and globally, due to the COVID-19 pandemic. The proposal by KSL is therefore acknowledged as a commitment by a Pacific based financial institution to expand aggressively in a region still trying to recover from the downside effects of the pandemic."

Governor Ali added that while the decision on KSL's application to acquire Westpac PNG remains pending at this time due to the likelihood of lessening competition in Papua New Guinea's banking sector, the acquisition of Westpac Fiji will not affect domestic competition as six banks will continue to operate in Fiji.

Nevertheless, the Reserve Bank of Fiji will continue to monitor developments relating to KSL's proposed acquisition of Westpac PNG, and any impact it may have on the Westpac Fiji acquisition.

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