



SUMMARY KEY DISCLOSURE STATEMENT

For the Financial Year Ended 30 June 2023

Principal Activities

Tonga Development Bank (TDB) Group is 100% owned by Tongans. The major shareholders are Government of Tonga, National Retirement Benefit Fund Board and the Retirement Fund Board. Our Mission is to be committed to promoting Tonga's economic and social advancements by providing quality banking products and responsive professional services, while operating profitably as a financially sound banking institution.

Directors

The Directors of TDB Group during the Financial Year ending 30th June 2023 were:

Taniela Penisimani Ve'a, Tevita Lavemaau, Tevita Tonga, Lorna Aloma Johansson and Michael Anthony Bloomfield during the financial year.

Kaho 'O Vailahi 'Ofa resigned during the year and act as alternate to Michael Anthony Bloomfield.

Statement of Profit or Loss and other Comprehensive Statement	Year ended 30 June 2023		Year ended 30 June 2022		Balance Sheet	Year ended 30 June 2023		Year ended 30 June 2022	
	Consolidated	Bank	Consolidated	Bank		Consolidated	Bank	Consolidated	Bank
Interest income	10,414,213	10,409,517	7,982,583	7,980,473	Cash on hand and at Bank	27,578,473	27,578,473	96,179,997	96,179,997
Interest and other borrowing expenses	(3,080,551)	(3,080,551)	(3,234,949)	(3,234,949)	Due from other financial institutions	1,163,462	827,804	579,851	332,705
Net interest income	7,333,662	7,328,966	4,747,634	4,745,524	Investment securities	23,297,586	23,156,586	22,482,742	22,441,742
Fees and commission income	3,155,353	1,895,408	3,573,576	2,281,873	Loans and advances	130,208,318	130,208,318	87,574,747	87,574,747
Other operating income	2,727,108	2,415,464	1,945,580	2,133,936	Other assets	10,359,237	12,102,389	1,406,869	3,216,278
Fair value gains on investment property	78,565	78,565	253,358	253,358	Intra-group receivable	-	50,000	-	250,000
Net operating income	13,294,688	11,718,403	10,520,148	9,414,691	Amounts receivable from shareholder	817,408	817,408	534,379	534,379
Losses on loans and advances	(2,062,072)	(2,062,072)	(652,913)	(652,913)	Statutory reserve deposit	27,954,000	27,954,000	17,911,000	17,911,000
Bad debts written off	(13,363)	(13,363)	(7,306)	(7,306)	Property, plant and equipment	12,588,075	12,584,237	12,989,457	12,985,859
Bad debts recovered/reversed	9,854	9,854	2,792	2,792	Right of use asset	109,287	109,287	111,100	111,100
Other operating expenses	(8,952,002)	(8,106,250)	(7,315,063)	(6,582,831)	Investment in equity	-	464,501	-	299,148
Profit before income tax	2,277,105	1,546,572	2,547,658	2,174,433	Investment property	300,553	300,553	395,064	395,064
Income tax expense	(223,945)	(39,037)	(550,536)	(370,329)	Intangible assets	7,405,397	7,405,397	424,603	424,603
Profit for the year from continuing operations	2,053,160	1,507,535	1,997,122	1,804,104	Deferred tax asset	1,978,763	1,977,251	1,352,408	1,352,408
Other comprehensive income	-	-	-	-	Total Assets	243,760,559	245,536,204	241,942,217	244,009,030
Total comprehensive income for the year	2,053,160	1,507,535	\$1,997,122	\$1,804,104	LIABILITIES				
Earnings per share	\$0.55	\$0.41	\$0.54	\$0.49	Savings deposits	66,219,057	69,012,886	83,644,792	86,343,386
Profitability					Other liabilities	2,345,416	2,533,339	3,228,014	3,216,792
Net operating profit after tax	2,053,160	1,507,535	1,997,122	1,804,104	Borrowings and deposits	117,928,939	117,928,939	93,413,072	93,413,072
Return on Equity	3.85%	2.88%	3.89%	3.55%	Lease liabilities	104,685	104,685	111,180	111,180
Return on Asset	0.84%	0.61%	0.83%	0.74%	Current tax liability	1,033,086	852,141	780,833	600,626
Size as at end of financial year					Managed funds	2,688,947	2,688,947	9,336,007	9,336,007
Total Assets	243,760,559	245,536,204	241,942,217	244,009,030	Amount payable to shareholders	59,171	19,986	100,221	100,221
Capital Adequacy					Total Liabilities	190,379,301	193,140,923	190,614,119	193,121,284
Total Tier 1 Capital	45,616,919	44,630,942	43,563,759	43,123,407	SHAREHOLDERS' EQUITY				
Capital Adequacy Ratio	35.03%	34.28%	49.74%	49.24%	Share capital	37,000,000	37,000,000	37,000,000	37,000,000
					Retained earnings	8,616,919	7,630,942	6,563,759	6,123,407
					Asset Revaluation Reserve	7,764,339	7,764,339	7,764,339	7,764,339
					Total Shareholders' Equity	53,381,258	52,395,281	51,328,098	50,887,746
					Total Equity and Liabilities	243,760,559	245,536,204	241,942,217	244,009,030
					<i>Auditors: PricewaterhouseCoopers, Fiji</i>				