

27 May 2024

## PRESS RELEASE

### Tonga Development Bank (TDB) Addresses Inquiries Regarding Interactions with National Reserve Bank of Tonga (NRBT)

The management of TDB assures our customers that the bank is on track for another year of strong profitability, as evidenced by robust financial metrics.

#### Key Financial Indicators:

**Liquidity:** Our Liquid Asset Ratio stands at 15%, three times the statutory minimum of 5%.

**Capital:** We maintain a Risk-Weighted Capital position of 23%, well above the statutory minimum of 15%.

**Shareholder Commitment:** TDB's major shareholder has committed to injecting additional capital to support our growth strategy.

**Transformation Program:** We are well advanced in our transformation program, aimed at delivering improved efficiency, a sustainable operating structure, and a robust risk environment.

#### Customers

TDB's customers can have full confidence that TDB is financially well-positioned to continue serving the Kingdom as its only locally owned bank.

We regret that confidential communications between NRBT and TDB have been deliberately leaked, causing grave misconceptions and unnecessary confusion among our customers and the public.

These matters should remain confidential and handled professionally and via the proper channels to ensure confidence in the stability of the country's financial system is maintained.

TDB Management

End