



PRESS RELEASE

The Board and Management of the National Development Bank Limited (NDB) has identified several unauthorized social media posts circulating online, containing confidential information about NDB's operations.

The NDB unequivocally condemns these posts, particularly those disseminated by a Blogger, Kotu Akema on 4th March 2025 on Facebook. It is imperative to recognize that this blog is not a credible news source as the information is factually incorrect in its entirety. These posts are defamatory and baseless and crafted to mislead the public and create instability inside NDB.

The factually correct information is as follows:

- Darrell Seeto resigned as Chairman of NDB in Mid December 2024 to take up his role as Chairman of the new Commercial Bank, National Banking Corporation Limited (Formerly PMBL). Mr Seeto has been on the Board of PMBL since 2023 and has met all fit and proper requirements by BPNG since his appointment.
- The loan of PGK20M to Air Niugini Limited (ANL) as advertised by Kotu, has no merit. ANL is a commercial airline, and any loan is subject to meeting any banks lending and credit requirements under the policies set by the NDB Board. NDB has the right policies and frameworks in place to safeguard its funds for the people of PNG under its mandate to lend to the MSME and SME sectors.
- A lending sub committee has been set up as oversight on larger loans as part of the bank's processes and internal governance. Any loan above a limit will require full board approval.
- ANL is a commercial airline company and therefore it would borrow funds from commercial banks at commercial interest rates and be subject to the usual cashflow serviceability tests, like in any other commercial bank. ANL has no loans with NDB as a statement of fact.
- NDB is the parent bank of NBC and owns 60% with Kumul Consolidated Holdings Limited (KCH) owning 40% of NBC. There are no other shareholders of NBC at the time of the defamatory posts by Blogger Kotu Akema.
- NBC is due for an IPO in the last quarter of 2026, at which time all Papua New Guinea Citizens will be given priority to invest in its own PNG bank. The NDB Board is proud of its investment in NBC to date.
- National Development Bank Limited and National Banking Corporation Limited are two (2) separate banks and two (2) separate companies. Furthermore, NBC is regulated by the BPNG and subject to strict audits.
- Any amalgamation of NDB and NBC will be the prerogative of KCH and the government as the sole shareholder of both entities.
- NDB Board reserves the right to advertise the Chief Executive Officer position as and when it deems fit to find the most suitable and creditable candidate with proper qualified banking experience. This will be done in conjunction with KCH.
- NDB has since its inception, held all its funds with BSP and until recently, had not earned any credit interest for over 20 years. It is inherently more sensible that NDB hold its deposits at NBC and get paid some credit interest, while supporting its 60% own subsidiary bank on its way to full commercialisation.
- Acting Chairlady Keryn Hargreaves was appointed by majority by the NDB Board and her appointment remains valid under the KCH Act. Acting Chairlady has been appointed based on merit and performance. There is no Deputy Chairman role under the amended KCH Act as a matter of record. It is the NEC prerogative to name a permanent Chair of NDB.
- The NDB Board by majority has the trust and confidence that Acting Chairlady will lead with her actions and the results will follow.

NDB views the spread of misinformation is highly irresponsible and has the potential to cause unwarranted harm.

The NDB Board urges media outlets, bloggers, the public and stakeholders to verify information and ensure its sources are creditable before sharing and disseminating misinformation.

NDB is actively reviewing its legal options and will pursue all available avenues to address these violations. Any defamatory statements or misleading reports will be subject to appropriate legal action.

The NDB remains steadfast in its commitment to serving the people of Papua New Guinea.



David Munaga
Acting Chief Executive Officer

ABOUT US

The National Development Bank Limited (NDB) is the development finance institution of Papua New Guinea. It is wholly owned by Kumul Consolidated Holdings Limited and established for the people of Papua New Guinea.

The National Development Bank is the successor company to the former Rural Development Bank Limited. Founded in 1967 its primary function is to provide accessible development credit to citizens to engage in income generation to improve the quality of lives of our citizens, especially in the rural areas where 80 percent of our people live.

The NDB has branches in 19 provinces throughout PNG, offering a range of products including:

General Loans as:

- Small Business loans
- Agriculture loans
- Tourism loans
- Fisheries loans
- Credit schemes
- Commercial loans

MSME Loans as:

- Agriculture loans
- Bougainville Enterprise Loans
- Youth & Small Enterprise Loans
- Women In Business Loans

Come visit our website at www.ndb.com.pg to find out more details.