DBN Development Bank of Nigeria Plc
RC 2125724

UNAUDITED MANAGEMENT ACCOUNTS

DECEMBER 31, 2023

...Financing Sustainable Growth

Development Bank of Nigeria Plc

RC 2125724

Index to the financial statements

For the year ended 31 December, 2023

DEVELOPMENT BANK OF NIGERIA PLC

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2023

	Notes	2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
Interest income	1	13,100,653	50,563,116	13,787,106	46,999,580
Interest expense	2	(3,330,651)	(12,135,828)	(2,822,962)	(11,215,724)
Net interest income		**9,770,002**	**38,427,288**	**10,964,144**	**35,783,856**
Impairment (charge)/write-back	3	2,950,774	2,847,187	(1,056,165)	(1,217,699)
Net Interest income after impairment		**12,720,776**	**41,274,475**	**9,907,979**	**34,566,158**
Other income/(PIU Expense)	4	490,305	942,643	66,937	130,959
Fee and commission expense	5	(4,297)	(6,252)	(809)	(9,202)
Operating expenses	6	(1,652,639)	(6,635,683)	(1,351,731)	(5,165,329)
Profit before tax		**11,554,144**	**35,575,183**	**8,622,375**	**29,522,586**

DEVELOPMENT BANK OF NIGERIA PLC			
STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2023			
Assets	**Notes**	**2023 12months (Jan - Dec) N'000**	**2022 12months (Jan - Dec) N'000**
Cash and bank balances	7	1,525,394	617,258
Due from financial institutions	8	83,834,695	130,441,499
Loans and advances	9	410,365,735	369,402,568
Investment securities	10	14,419,413	(0)
Investment in subsidiary	11	16,375,000	11,375,000
Other assets	12	679,278	1,623,938
Intangible assets	13	228,963	233,649
Property, plant and equipment	14	11,730,222	2,402,019
Deferred tax	15	1,140,471	1,140,471
Total assets		**540,299,170**	**517,236,402**
Liabilities			
PFI Deposits for loan repayments	16	75,986	504,327
Long term debt	17	292,225,645	291,139,708
Income tax payable	18	1,057,462	11,575,456
Other liabilities	19	2,638,432	1,837,705
Total liabilities		**295,997,524**	**305,057,196**
Equity			
Share Capital		100,000	100,000
Share premium		99,762,570	99,762,570
Statutory reserve		33,863,738	33,863,738
Credit risk reserve		8,062,814	4,660,615
Retained earnings		102,512,524	73,792,283
Shareholders' Fund		**244,301,646**	**212,179,206**
Total liabilities and Equity		**540,299,170**	**517,236,402**

DBN Development Bank of Nigeria Plc
RC 2125724

DEVELOPMENT BANK OF NIGERIA PLC
STATEMENT OF CHANGES IN EQUITY
AS AT DECEMBER 31, 2023

BANK	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Statutory Reserves N'000	Credit Risk Reserve N'000	Total N'000
Balance at 1 January 2023	**100,000**	**99,762,570**	**73,792,283**	**33,863,738**	**4,660,616**	**212,179,207**
Transfer to dividend payable in 2023FY			(3,418,435)			(3,418,435)
Profit before tax for the period			35,575,183			35,575,183
Transfer between reserves:						
Transfer to regulatory risk reserve			(3,402,199)		3,402,199	
Transfer to statutory reserve				-		-
Total comprehensive income	**-**	**-**	**28,754,549**	**-**	**3,402,199**	**32,156,748**
Transactions with equity holders, recorded directly in equity:						
Issued shares paid up during the year	-	-				-
Share issue cost		-				-
	-	-	-	-	-	-
Balance as at December 31, 2023	**100,000**	**99,762,570**	**102,546,832**	**33,863,738**	**8,062,815**	**244,335,954**

	Share Capital N'000	Share Premium N'000	Retained Earnings N'000	Statutory Reserves N'000	Credit Risk Reserve N'000	Total N'000
Balance at 1 January 2022	**100,000**	**99,762,570**	**59,873,639**	**28,003,563**	**4,905,520**	**192,645,292**
Profit after tax for the year			19,533,915			19,533,915
Re-measurement of prior year loan loss provision			-			-
Transfer between reserves:						
Transfer to regulatory risk reserve			244,904		(244,904)	-
Transfer to statutory reserve			(5,860,175)	5,860,175		-
Total comprehensive income	**-**	**-**	**13,918,644**	**5,860,175**	**(244,904)**	**19,533,915**
Transactions with equity holders, recorded directly in equity:						
Issued shares paid up during the year						-
Share issue cost						-
	-	-	-	-	-	-
At 31 December 2022	**100,000**	**99,762,570**	**73,792,283**	**33,863,738**	**4,660,616**	**212,179,207**

DBN Development Bank of Nigeria Plc
RC 2125724

DEVELOPMENT BANK OF NIGERIA PLC
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2023

	December 2023 N'000	December 2022 N'000
Cash flows from operating activities		
Profit for the period before tax	35,575,183	29,460,686
2022 YOA Company Income Tax paid	(10,517,995)	(5,212,391)
Adjust for non-cash items		
Depreciation of plant and equipment	293,652	349,034
Amortization of Intangibles	97,648	45,947
Loss/(Profit) on disposal of PPE	(10,466)	(8,962)
Interest income on treasury bills	(481,585)	(917,267)
Provision for IDB	63,832	-
Impairment on financial assets	-	1,217,699
Unrealized exchange gain	-	(3,156)
Prior year Unrealized exchange gain	(39,430)	-
Interest expense accrual for the period	12,135,828	11,128,997
Changes in working capital		
Net increase/(decrease) in Accruals and other payables	96,362	454,947
WHT Credit notes set off against Income Tax liability	-	(510,097)
Net (increase)/decrease in Other assets	944,689	(562,433)
Net (increase)/decrease in loans and advances	(41,391,507)	(48,614,231)
Net increase in other financial assets ECL	-	5,829
Net cash flows from operating activities	**(3,233,771)**	**(13,165,397)**
Investment income received on treasury bills	-	2,527,293

Cash flows from investing activities		
Purchase of treasury bills	(13,937,828)	(964,438)
Proceeds from matured investment in treasury bills	-	25,972,707
Acquisition of property and equipment	(9,623,892)	(465,386)
2021 FY Lease accounting ROU Assets impact	-	148,347
2022 FY Lease accounting ROU Assets impact	-	(62,166)
Investment in subsidiary - ICGL Loan	(5,000,000)	-
Proceeds on sale of assets	12,039	9758
(Purchase)/Reclass/Disposal of intangible assets	(92,962)	(131,503)
Net cash flows used in investing activities	**(28,642,643)**	**27,034,610**
Cash flows from financing activities		
2022FY Dividend payments	(2,772,362)	-
Principal loan repayments - KfW	(5,812,951)	(5,812,951)
Principal loan repayments - AfDB	(4,650,998)	(4,650,998)
Principal loan repayments - ADF	(574,489)	(574,489)
Principal loan repayments - AFD	(4,441,157)	(4,441,157)
Principal loan repayments - IBRD	(7,448,393)	(8,400,990)
Tranche 9 inflow - IBRD	-	16,812,000
Interest paid on long term borrowing - KfW	(1,565,414)	(1,797,351)
Interest paid on long term borrowing - AfDB	(2,185,841)	(2,371,881)
Interest paid on long term borrowing - ADF	(124,947)	(130,692)
Interest paid on long term borrowing - AFD	(1,142,935)	(1,300,596)
Interest paid on long term borrowing - IBRD	(5,779,751)	(5,455,203)
DBN Bond issue	22,676,985	-
Net cash flows from financing activities	**(13,822,253)**	**(18,124,309)**
Net increase/(decrease) in cash and cash equivalents	(45,698,667)	(4,255,095)
Cash and cash equivalents, beginning of year	131,058,757	135,313,852
Cash and cash equivalents, end of period	**85,360,089**	**131,058,757**

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023		2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
1	**Interest and discount income**				
	Placements	2,114,078	12,378,232	4,836,865	14,470,128
	Placements - SDIS	1,099	4,680	1,274	4,184
	Treasury bills	363,597	481,585	17,942	917,267
	Loans and advances	10,634,678	37,762,451	8,952,856	31,608,001
	Total interest income	**13,113,452**	**50,626,948**	**13,808,937**	**46,999,580**
	Provision for IDB	12,799	63,832	21,831	83,677
	Net Interest Income	**13,100,653**	**50,563,116**	**13,787,106**	**46,915,903**
2	**Interest and similar expense**				
	Borrowed funds	3,330,651	12,135,828	2,822,962	11,128,997
	Interest expense	**3,330,651**	**12,135,828**	**2,822,962**	**11,128,997**
3	**Net Impairment (charge)/write back**				
	ECL - Loan assets	2,796,117	2,631,184	(1,158,557)	(1,223,528)
	ECL - Other assets	154,657	216,003	102,392	5,829
		2,950,774	**2,847,187**	**(1,056,165)**	**(1,217,699)**
4	**Other incomes**				
	Profit/(loss) on disposal of fixed assets	1,574	10,466	(12)	8,962
	Other income	45,557	188,578	1,398	30,851
	FX revaluation gain/(loss)	439,620	439,620	3,156	3,156
	Recovered Shared Service Cost	-	53,999	46,248	84,020
	Grant Income (PIU)	123,183	952,672	115,715	423,585
	PIU Expense	(204,698)	(787,761)	(99,568)	(419,616)
	Non-Interest Banking -Share of profit	85,068	85,068	-	-
		490,305	**942,643**	**66,937**	**130,959**
5	**Fee and commission income/Expense**				
	Fees	(4,297)	(6,252)	(809)	(9,202)
		(4,297)	**(6,252)**	**(809)**	**(9,202)**

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023		2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
6	**Operating expenses**				
	Staff cost (6a)	613,888	3,258,637	802,687	2,812,326
	Administration and general expenses (6b)	572,505	2,003,622	250,254	1,339,085
	Depreciation of property plant and equipment	77,853	291,696	69,806	273,586
	Depreciation of Right of Use (ROU) Asset	134,040	134,040	72,399	72,399
	Lease Liability expense	1,956	1,956	3,049	3,049
	Amortization of intangible assets	52,111	97,648	12,040	45,947
	Auditor's remuneration	19,963	45,688	1,075	21,500
	Directors emolument	69,618	300,993	48,747	229,565
	Legal, consultancy and other professional fees	110,706	501,403	91,673	370,920
	Operating expenses	**1,652,639**	**6,635,683**	**1,351,731**	**5,168,378**
6a	**Staff Cost**				
	Salaries	482,381	1,881,110	353,855	1,432,455
	ITF Level & NSITF	7,556	28,095	11,694	28,409
	Performance bonus	280,019	1,030,019	249,224	931,724
	Staff training	(243,107)	113,930	70,682	219,426
	Recruitment expenses	8	11,978	32,435	34,404
	Other staff expense	87,031	193,505	84,798	165,908
	Staff cost	**613,888**	**3,258,637**	**802,687**	**2,812,326**
6b	**Administrative and General expenses**				
	Stationery	996	4,464	1,014	5,214
	Outsourcing	11,004	36,606	7,751	22,503
	Office rent and rates	(60,269)	-	(60,357)	5,063
	Marketing, advertising and Sponsorship	139,610	306,537	31,763	230,254
	Subscriptions, publications, and communications	1,331	46,809	8,222	49,264
	Insurance and licences	13,756	53,473	6,323	23,890
	Repairs and maintenance	8,434	40,340	2,886	28,303
	Other administration and general expenses	178,967	372,373	130,984	312,377
	Bank charges	6,972	13,839	2,338	6,090
	Travels and accommodation	97,719	285,271	35,855	107,540
	IT and Communications expenses	63,282	300,561	56,247	202,382
	Board expenses	110,703	543,348	27,229	172,775
	Stamp Duty Levy	-	-	-	173,431
	Total admin and general expense	**572,505**	**2,003,622**	**250,254**	**1,339,085**

NOTES TO THE MANAGEMENT ACCOUNTS
FOR THE YEAR ENDED DECEMBER 31, 2023

		2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
7	**Cash and bank balances**				
	With Local Banks:				
	- Guaranty Trust Bank	1,114,531	1,114,531	102,579	102,579
	- United Bank for Africa	2,672	2,672	53,643	53,643
	- First Bank of Nigeria	5,502	5,502	1	1
	- Eco Bank	2,726	2,726	3,755	3,755
	- Stanbic IBTC	1,363	1,363	1,363	1,363
	- Access Bank	698	698	300	300
	- Zenith bank	1,779	1,779	1,779	1,779
	- Fidelity bank	406	406	203	203
	- FCMB	198,926	198,926	1,004	1,004
	- Union bank	14,460	14,460	132,250	132,250
	- Wema bank	3,835	3,835	395	395
	- FSDH	516	516	133	133
		1,347,414	**1,347,414**	**297,405**	**297,405**
	Current account with CBN:				
	- DBN-CBN Operations account	158,008	158,008	268,476	268,476
	- DBN-PIU CBN Operations account - NGN	6,489	6,489	14,613	14,613
	- DBN-PIU CBN Operations account - USD	9,570	9,570	32,850	32,850
	- DBN-IBRD account with CBN	294	294	294	294
	- DBN-AFD account with CBN	643	643	643	643
	- DBN-KfW account with CBN	981	981	981	981
	- DBN-AfDB account with CBN	1,423	1,423	1,423	1,423
	- DBN-ADF account with CBN	572	572	572	572
		177,980	**177,980**	**319,853**	**319,853**
	Total Cash and Bank balances	**1,525,394**	**1,525,394**	**617,258**	**617,258**

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023		2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
8	**Due from financial institutions**				
	Fixed placements	83,073,000	83,073,000	125,314,000	125,314,000
	Call placements	-	-	3,711,000	3,711,000
	Fixed Placements - SDIS	47,473	47,473	43,790	43,790
		83,120,473	83,120,473	129,068,790	129,068,790
	Interest receivable - Bank placements	828,892	828,892	1,702,889	1,702,889
	Interest receivable - Call placements	(0)	(0)	1,081	1,081
	Interest receivable - SDIS Fixed placements	624	624	36	36
		829,516	**829,516**	**1,704,006**	**1,704,006**
	Other asset ECL	(115,294)	(115,294)	(331,297)	(331,297)
		83,834,695	**83,834,695**	**130,441,499**	**130,441,499**
9	**Loans and advances to customers**				
	PFI Loans	410,517,648	410,517,648	372,185,667	372,185,667
		410,517,648	**410,517,648**	**372,185,667**	**372,185,667**
	Term loan ECL	(151,914)	(151,914)	(2,783,098)	(2,783,098)
		410,365,735	**410,365,735**	**369,402,568**	**369,402,568**
10	**FGN Treasury securities**				
	Treasury bills at amortized cost	16,000,000	16,000,000	(0)	(0)
		16,000,000	**16,000,000**	**(0)**	**(0)**
	Unearned discount income - Treasury bills	(1,580,587)	(1,580,587)	(0)	(0)
		(1,580,587)	**(1,580,587)**	**(0)**	**(0)**
	Total investment securities @ amortized cost	**14,419,413**	**14,419,413**	**(0)**	**(0)**
11	**Investment in subsidiaries**				
	Investment in subsidiary	11,375,000	11,375,000	11,375,000	11,375,000
	Investment in subsidiary - Loan	5,000,000	5,000,000	-	-
		16,375,000	**16,375,000**	**11,375,000**	**11,375,000**
12	**Other assets**				
	Other receivables	28,760	28,760	357,883	357,883
	WHT Receivable	584,747	584,747	1,180,226	1,180,226
		613,507	**613,507**	**1,538,109**	**1,538,109**
	Prepayments	65,771	65,771	85,829	85,829
	Non Financial Asset	**65,771**	**65,771**	**85,829**	**85,829**
	Total other assets	**679,278**	**679,278**	**1,623,938**	**1,623,938**

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023		2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
13	**Intangible assets**				
	Computer software	505,340	505,340	412,378	412,378
	Amortisation-computer software	(276,377)	(276,377)	(178,729)	(178,729)
		228,963	**228,963**	**233,649**	**233,649**
14	**Property Plant and equipment**				
	Motor Vehicles	1,295,380	1,295,380	1,064,279	1,064,279
	Furniture and Fittings	91,206	91,206	89,916	89,916
	Computer Equipment	391,788	391,788	349,954	349,954
	Office Equipment	113,506	113,506	109,055	109,055
	Leasehold Improvement	106,948	106,948	105,937	105,937
	Work In Progress - PPE	6,277	6,277	5,276	5,276
	Asset Under Construction	10,686,131	10,686,131	1,542,736	1,542,736
	Right of Use (ROU) Asset	123,615	123,615	62,166	62,166
	Book Value of PPE	**12,814,851**	**12,814,851**	**3,329,319**	**3,329,319**
	Accumulated Depreciation on PPE				
	Motor Vehicles - Depreciation	(526,862)	(526,862)	(461,817)	(461,817)
	Furniture and Fittings - Depreciation	(80,372)	(80,372)	(68,314)	(68,314)
	Computer Equipment - Depreciation	(272,289)	(272,289)	(205,128)	(205,128)
	Office Equipment - Depreciation	(99,041)	(99,041)	(86,105)	(86,105)
	Leasehold Improvement - Amortization	(106,065)	(106,065)	(105,937)	(105,937)
	Accumulated Depreciation on PPE	**(1,084,629)**	**(1,084,629)**	**(927,300)**	**(927,300)**
	Net Book Value of PPE	**11,730,222**	**11,730,222**	**2,402,019**	**2,402,019**
15	**Deferred Tax**				
	Deferred Tax Asset	1,140,471	1,140,471	1,140,471	1,140,471
		1,140,471	**1,140,471**	**1,140,471**	**1,140,471**

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE YEAR ENDED DECEMBER 31, 2023		2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
16	**PFI Deposits for loan repayments**				
	Deposit for loan repayments	75,986	75,986	504,327	504,327
		75,986	**75,986**	**504,327**	**504,327**
17	**Long term debt**				
	Long term debt - IBRD	140,317,972	140,317,972	147,900,493	147,900,493
	Long term debt - AFD	29,067,026	29,067,026	33,551,972	33,551,972
	Long term debt - KfW	34,882,208	34,882,208	40,695,688	40,695,688
	Long term debt - Local Bond	24,244,335	24,244,335	-	-
	Long term debt - ADF	12,080,114	12,080,114	12,666,635	12,666,635
	Long term debt - AfDB	51,633,991	51,633,991	56,324,920	56,324,920
		292,225,645	**292,225,645**	**291,139,708**	**291,139,708**
18	**Current income tax liabilities**				
	Income tax payable	944,077	944,077	11,450,797	11,450,797
	Education Tax	74,025	74,025	86,780	86,780
	Police Trust Fund Levy	3,679	3,679	2,200	2,200
	NITDA Levy	35,680	35,680	35,680	35,680
		1,057,462	**1,057,462**	**11,575,456**	**11,575,456**
19	**Other liabilities**				
	Accrued expenses	1,625,530	1,625,530	1,323,717	1,323,717
	Other liabilities	177,552	177,552	363,615	363,615
	Provision on IDB Loans	646,073	646,073	125,445	125,445
	Lease Liabilities	189,277	189,277	24,928	24,928
		2,638,432	**2,638,432**	**1,837,705**	**1,837,705**

DEVELOPMENT BANK OF NIGERIA PLC

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE 4TH QUARTER ENDED 31 DECEMBER 2023

	Notes	2023 3months (Oct - Dec) N'000	2023 12months (Jan - Dec) N'000	2022 3months (Oct - Dec) N'000	2022 12months (Jan - Dec) N'000
Revenue	1	13,100,653	50,563,116	13,787,106	46,999,580
Gross profit		9,770,002	38,427,288	10,964,144	35,783,856
Profit before tax		**11,554,144**	**35,575,183**	**8,622,375**	**29,522,586**

DEVELOPMENT BANK OF NIGERIA PLC
REPORT CERTIFICATION
DECEMBER 31, 2023

We the undersigned, pursuant to section 60 subsection 2 of the Investments and Securities Act 2007, have reviewed the 4th quarter financial statements report to the Securities and Exchange Commission and based on our knowledge, certify that:

a. the report does not contain any untrue statement of a material fact, or

b. omit to state a material fact, which would make the statement, misleading in the light of the circumstances under which such statement was made;

c. the financial statements and other financial information included in the report fairly present in all material respects the financial condition and results of operations of the Bank as of, and for the periods presented in the report.

IJEOMA OZULUMBA
EXECUTIVE DIRECTOR, FINANCE & CORPORATE SERVICES

TONY OKPANACHI
MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER