DBN
Development
Bank of Nigeria Plc
RC. 1215724

UNAUDITED MANAGEMENT ACCOUNTS

SEPTEMBER 30, 2023

...Financing Sustainable Growth

PRESENTATION OUTLINE

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	Notes	2023 3 months (Jul-Sept) N'000	2023 9 months (Jan- Sept) N'000	2022 3 months (Jul-Sept) N'000	2022 9 months (Jan -Sept) N'000
Interest income	1	11,983,251	37,462,463	12,450,298	33,128,797
Interest expense	2	(3,406,225)	(8,805,176)	(2,785,177)	(8,306,035)
Net interest income		**8,577,026**	**28,657,286**	**9,665,122**	**24,822,762**
Impairment (charge)/write-back	3	(268,396)	(103,587)	(158,601)	(161,534)
Net Interest income after impairment		**8,308,629**	**28,553,699**	**9,506,520**	**24,661,228**
Other income/(PIU Expense)	4	229,867	452,338	235,493	64,022
Fee and commission expense	5	(617)	(1,955)	1,581	(8,393)
Operating expenses	6	(1,921,063)	(4,983,043)	(1,273,124)	(3,816,647)
Profit before tax		**6,616,816**	**24,021,039**	**8,470,471**	**20,900,210**

STATEMENT OF FINANCIAL POSITION AS AT SEPTEMBER 30, 2023

Assets	Notes	September 2023 N'000	September 2022 N'000
Cash and bank balances	7	1,312,978	453,555
Due from financial institutions	8	109,623,136	142,838,902
Loans and advances	9	396,441,400	364,178,507
Investment securities	10	9,817,177	982,058
Investment in subsidiary	11	16,393,493	11,375,000
Other assets	12	2,498,249	1,810,058
Intangible assets	13	243,892	168,275
Property, plant and equipment	14	11,523,548	2,288,095
Deferred tax	15	1,140,471	724,664
Total assets		**548,994,344**	**524,819,114**
Liabilities			
PFI Deposits for loan repayments	16	283,081	1,738,868
Long term debt	17	306,013,935	306,229,934
Income tax payable	18	6,944,213	1,739,112
Other liabilities	19	3,009,301	1,559,552
Total liabilities		**316,250,530**	**311,267,466**
Equity			
Share Capital		100,000	100,000
Share premium		99,762,570	99,762,570
Statutory reserve		33,863,738	28,003,563
Credit risk reserve		5,040,565	4,973,383
Retained earnings		93,976,940	80,712,130
Shareholders' Fund		**232,743,813**	**213,551,647**
Total liabilities and Equity		**548,994,344**	**524,819,114**

DBN Development Bank of Nigeria
...Financing Sustainable Growth

STATEMENT OF CHANGES IN EQUITY
AS AT SEPTEMBER 30, 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			24,021,039			24,021,039
Transfer between reserves:						
Transfer to regulatory risk reserve			(379,950)		379,950	-
Transfer to statutory reserve				-		-
Total comprehensive income	**-**	**-**	**20,222,654**	**-**	**379,950**	**20,602,604**
Transactions with equity holders, recorded directly in equity:						
Issued shares paid up during the year	-	-				-
Share issue cost		-				-
	-	**-**	**-**	**-**	**-**	**-**
Balance as at September 30, 2023	**100,000**	**99,762,570**	**94,014,937**	**33,863,738**	**5,040,566**	**232,781,811**

	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**	**59,879,784**	**28,003,563**	**4,905,520**	**192,651,437**
Profit after tax for the year			20,900,210			20,900,210
Re-measurement of prior year loan loss provision			-			-
Transfer between reserves:						
Transfer to regulatory risk reserve			(67,865)		67,865	-
Transfer to statutory reserve			-	-		-
Total comprehensive income	**-**	**-**	**20,832,346**	**-**	**67,865**	**20,900,210**
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**	**80,712,130**	**28,003,563**	**4,973,385**	**213,551,647**

STATEMENT OF CASH FLOWS (1/2)
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

	2023 9 months (Jan - Sept) N'000	2022 9 months (Jan -June) N'000
Cash flows from operating activities		
Profit for the period before tax	24,021,039	20,900,210
2023 YOA Company Income Tax paid	(4,631,243)	(5,154,353)
Prior years FIRS taxes - Stamp duties	-	(173,431)
Prior years FIRS taxes - WHT	-	(594,975)
Adjust for non-cash items		
Depreciation of plant and equipment	213,843	203,780
Amortization of Intangibles	45,537	33,907
Loss/(Profit) on disposal of PPE	(8,892)	(8,974)
Interest income on treasury bills	(117,988)	(899,325)
Impairment on financial assets	-	161,534
Interest expense accrual for the period	8,856,210	8,306,035
Changes in working capital		
Net increase/(decrease) in Accruals and other payables	437,152	182,335
Net (increase)/decrease in Other assets	(938,079)	(742,011)
Net (increase)/decrease in loans and advances	(27,270,364)	(40,882,003)
Net increase in other financial assets ECL	-	(96,563)
Net cash flows from operating activities	**607,215**	**(18,763,834)**
Investment income received on treasury bills	-	2,491,732

STATEMENT OF CASH FLOWS (2/2)

Cash flows from investing activities		
Purchase of treasury bills	(9,699,189)	(964,438)
Proceeds from matured investment in treasury bills	-	25,008,268
Investment in subsidiary - ICGL Loan	(5,000,000)	-
Acquisition of property and equipment	(9,337,333)	(338,510)
2021 FY Lease accounting ROU Assets impact	-	148,347
Proceeds on sale of assets	10,026	9736
(Purchase)/Reclass/Disposal of intangible assets	(55,780)	(89,069)
Net cash flows used in investing activities	**(24,082,276)**	**26,266,065**
Cash flows from financing activities		
2022FY Dividend payments	(2,729,485)	-
Principal loan repayments - KfW	(2,906,475)	(2,311,500)
Principal loan repayments - AfDB	(2,325,499)	(2,325,499)
Principal loan repayments - ADF	(287,245)	(287,245)
Principal loan repayments - AFD	(2,220,579)	(2,220,579)
Principal loan repayments - IBRD	(3,684,151)	(3,736,979)
Tranche 9 inflow - IBRD	-	16,812,000
Interest paid on long term borrowing - KfW	(809,555)	(832,685)
Interest paid on long term borrowing - AfDB	(1,113,181)	(1,205,946)
Interest paid on long term borrowing - ADF	(63,021)	(65,885)
Interest paid on long term borrowing - AFD	(589,609)	(668,224)
Interest paid on long term borrowing - IBRD	(2,918,799)	(2,681,084)
DBN Bond issue	23,000,000	-
Net cash flows from financing activities	**3,352,402**	**476,374**
Net increase/(decrease) in cash and cash equivalents	(20,122,660)	7,978,605
Cash and cash equivalents, beginning of year	131,058,773	135,313,852
Cash and cash equivalents, end of period	**110,936,113**	**143,292,457**

NOTES TO THE ACCOUNTS

NOTES (1/6)

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023	2023 3 months (Jul-Sept)	2023 9 months (Jan- Sept)	2022 3 months (Jul-Sept)	2022 9 months (Jan -Sept)
	N'000	N'000	N'000	N'000
1 Interest and discount income				
Placements	2,850,109	10,264,154	4,424,481	9,633,262
Placements - SDIS	1,112	3,582	1,233	2,910
Treasury bills	117,988	117,988	17,620	899,325
Loans and advances	9,029,025	27,127,773	8,029,232	22,655,145
Total interest income	**11,998,234**	**37,513,496**	**12,472,566**	**33,190,643**
Provision for IDB	14,983	51,033	22,268	61,846
Net Interest Income	**11,983,251**	**37,462,463**	**12,450,298**	**33,128,797**
2 Interest and similar expense				
Borrowed funds	3,406,225	8,805,176	2,785,177	8,306,035
Interest expense	**3,406,225**	**8,805,176**	**2,785,177**	**8,306,035**
3 Net Impairment (charge)/write back				
ECL - Loan assets	(400,605)	(164,932)	(154,044)	(64,971)
ECL - Other assets	132,209	61,346	(4,557)	(96,563)
	(268,396)	**(103,587)**	**(158,601)**	**(161,534)**
4 Other incomes				
Profit/(loss) on disposal of fixed assets	2,940	8,892	8,974	8,974
Other income	62,083	143,021	112	29,453
Recovered Shared Service Cost	7,751	53,999	37,772	37,772
Grant Income (PIU)	387,678	829,489	256,289	307,871
PIU Expense	(230,586)	(583,063)	(67,654)	(320,048)
	229,867	**452,338**	**235,493**	**64,022**
5 Fee and commission income/Expense				
Fees	(617)	(1,955)	1,581	(8,393)
	(617)	**(1,955)**	**1,581**	**(8,393)**

NOTES TO THE MANAGEMENT ACCOUNTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

		2023 3 months (Jul-Sept) N'000	2023 9 months (Jan- Sept) N'000	2022 3 months (Jul-Sept) N'000	2022 9 months (Jan -Sept) N'000
6	**Operating expenses**				
	Staff cost (6a)	911,316	2,644,749	669,562	2,009,639
	Administration and general expenses (6b)	694,587	1,431,117	352,011	1,088,831
	Depreciation of property plant and equipment	73,622	213,843	65,656	203,780
	Amortization of intangible assets	17,103	45,537	12,704	33,907
	Auditor's remuneration	8,575	25,725	9,675	20,425
	Directors emolument	77,125	231,375	60,272	180,817
	Legal, consultancy and other professional fees	138,735	390,698	103,243	279,247
	Operating expenses	**1,921,063**	**4,983,043**	**1,273,124**	**3,816,647**
6a	**Staff Cost**				
	Salaries	488,108	1,398,730	358,581	1,078,600
	ITF Level & NSITF	7,639	20,539	5,460	16,715
	Performance bonus	250,000	750,000	227,500	682,500
	Staff training	118,750	357,037	50,389	148,745
	Recruitment expenses	3,065	11,970	1,969	1,969
	Other staff expense	43,754	106,474	25,664	81,110
	Staff cost	**911,316**	**2,644,749**	**669,562**	**2,009,639**
6b	**Administrative and General expenses**				
	Stationery	1,813	3,468	85	4,200
	Outsourcing	10,413	25,602	4,551	14,753
	Office rent and rates	14,006	60,269	25,629	65,420
	Marketing, advertising and Sponsorship	67,093	166,927	87,263	198,491
	Subscriptions, publications, and communications	12,782	45,479	12,746	41,043
	Insurance and licences	14,405	39,717	6,256	17,567
	Repairs and maintenance	12,973	31,906	7,286	25,417
	Other administration and general expenses	80,382	193,406	83,498	181,393
	Bank charges	3,475	6,867	1,524	3,752
	Travels and accommodation	94,173	187,551	25,567	71,685
	IT and Communications expenses	103,961	237,280	55,190	146,135
	Board expenses	279,110	432,645	42,415	145,546
	Stamp Duty Levy	-	-	-	173,431
	Total admin and general expense	**694,587**	**1,431,117**	**352,011**	**1,088,831**

NOTES (3/6)

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023	2023 3 months (Jul-Sept) N'000	2023 9 months (Jan- Sept) N'000	2022 3 months (Jul-Sept) N'000	2022 9 months (Jan -Sept) N'000
7 Cash and bank balances				
With Local Banks:				
- Guaranty Trust Bank	656,051	656,051	64,016	64,016
- United Bank for Africa	61,552	61,552	3,482	3,482
- First Bank of Nigeria	2,014	2,014	1,002	1,002
- Eco Bank	276	276	20,924	20,924
- Stanbic IBTC	1,363	1,363	1,363	1,363
- Access Bank	42	42	127	127
- Zenith bank	1,779	1,779	1,779	1,779
- Fidelity bank	610	610	1,390	1,390
- FCMB	14,830	14,830	5,171	5,171
- Union bank	10,216	10,216	14,049	14,049
- Wema bank	868	868	474	474
- FSDH	484	484	497	497
	750,084	**750,084**	**114,272**	**114,272**
Current account with CBN:				
- DBN-CBN Operations account	369,396	369,396	209,534	209,534
- DBN-PIU CBN Operations account - NGN	20	20	12,345	12,345
- DBN-PIU CBN Operations account - USD	189,565	189,565	113,475	113,475
- DBN-IBRD account with CBN	294	294	310	310
- 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
	562,894	**562,894**	**339,283**	**339,283**
Total Cash and Bank balances	**1,312,978**	**1,312,978**	**453,555**	**453,555**

NOTES (4/6)

NOTES TO THE MANAGEMENT ACCOUNTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

		2023 3 months (Jul-Sept) N'000	2023 9 months (Jan- Sept) N'000	2022 3 months (Jul-Sept) N'000	2022 9 months (Jan -Sept) N'000
8	**Due from financial institutions**				
	Fixed placements	109,262,000	109,262,000	140,777,000	140,777,000
	Call placements	-	-	1,632,000	1,632,000
	Fixed Placements - SDIS	46,781	46,781	41,593	41,593
		109,308,781	**109,308,781**	**142,450,593**	**142,450,593**
	Interest receivable - Bank placements	584,012	584,012	820,527	820,527
	Interest receivable - Call placements	(0)	(0)	268	268
	Interest receivable - SDIS Fixed placements	295	295	1,203	1,203
		584,307	**584,307**	**821,999**	**821,999**
	Other asset ECL	(269,951)	(269,951)	(433,689)	(433,689)
		109,623,136	**109,623,136**	**142,838,902**	**142,838,902**
9	**Loans and advances to customers**				
	PFI Loans	399,389,430	399,389,430	365,803,048	365,803,048
		399,389,430	**399,389,430**	**365,803,048**	**365,803,048**
	Term loan ECL	(2,948,030)	(2,948,030)	(1,624,541)	(1,624,541)
		396,441,400	**396,441,400**	**364,178,507**	**364,178,507**
10	**FGN Treasury securities**				
	Treasury bills at amortized cost	11,000,000	11,000,000	1,000,000	1,000,000
		11,000,000	**11,000,000**	**1,000,000**	**1,000,000**
	Unearned discount income - Treasury bills	(1,182,823)	(1,182,823)	(17,942)	(17,942)
		(1,182,823)	**(1,182,823)**	**(17,942)**	**(17,942)**
	Total investment securities @ amortized cost	**9,817,177**	**9,817,177**	**982,058**	**982,058**
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**
	Interest receivable - Investment in subsidiary - Loan	18,493	18,493	-	-
	Total investment in subsidary	**16,393,493**	**16,393,493**	**11,375,000**	**11,375,000**

NOTES (5/6)

DBN Development Bank of Nigeria
...Financing Sustainable Growth

NOTES TO THE MANAGEMENT ACCOUNTS
FOR THE PERIOD ENDED SEPTEMBER 30, 2023

		2023 3 months (Jul-Sept) N'000	2023 9 months (Jan- Sept) N'000	2022 3 months (Jul-Sept) N'000	2022 9 months (Jan -Sept) N'000
12	**Other assets**				
	Other receivables	356,394	356,394	229,327	229,327
	WHT Receivable	1,585,130	1,585,130	1,419,940	1,419,940
		1,941,523	**1,941,523**	**1,649,267**	**1,649,267**
	Prepayments	556,726	556,726	160,790	160,790
	Non Financial Asset	**556,726**	**556,726**	**160,790**	**160,790**
	Total other assets	**2,498,249**	**2,498,249**	**1,810,058**	**1,810,058**
13	**Intangible assets**				
	Computer software	468,158	468,158	334,964	334,964
	Amortisation-computer software	(224,266)	(224,266)	(166,689)	(166,689)
		243,892	**243,892**	**168,275**	**168,275**
14	**Property Plant and equipment**				
	Motor Vehicles	1,188,319	1,188,319	1,027,563	1,027,563
	Furniture and Fittings	91,206	91,206	89,083	89,083
	Computer Equipment	371,702	371,702	270,674	270,674
	Office Equipment	109,827	109,827	108,549	108,549
	Leasehold Improvement	106,948	106,948	105,937	105,937
	Work In Progress - PPE	5,276	5,276	1,245	1,245
	Asset Under Construction	10,686,131	10,686,131	1,542,736	1,542,736
	Book Value of PPE	**12,559,409**	**12,559,409**	**3,145,787**	**3,145,787**
	Accumulated Depreciation on PPE				
	Motor Vehicles - Depreciation	(502,440)	(502,440)	(415,598)	(415,598)
	Furniture and Fittings - Depreciation	(77,959)	(77,959)	(64,544)	(64,544)
	Computer Equipment - Depreciation	(253,368)	(253,368)	(192,060)	(192,060)
	Office Equipment - Depreciation	(96,084)	(96,084)	(82,003)	(82,003)
	Leasehold Improvement - Amortization	(106,010)	(106,010)	(103,487)	(103,487)
	Accumulated Depreciation on PPE	**(1,035,861)**	**(1,035,861)**	**(857,692)**	**(857,692)**
	Net Book Value of PPE	**11,523,548**	**11,523,548**	**2,288,095**	**2,288,095**

NOTES (6/6)

NOTES TO THE MANAGEMENT ACCOUNTS FOR THE PERIOD ENDED SEPTEMBER 30, 2023		2023 3 months (Jul-Sept) N'000	2023 9 months (Jan- Sept) N'000	2022 3 months (Jul-Sept) N'000	2022 9 months (Jan -Sept) N'000
15	**Deferred Tax**				
	Deferred Tax Asset	1,140,471	1,140,471	724,664	724,664
		1,140,471	**1,140,471**	**724,664**	**724,664**
16	**PFI Deposits for loan repayments**				
	Deposit for loan repayments	283,081	283,081	1,738,868	1,738,868
		283,081	**283,081**	**1,738,868**	**1,738,868**
17	**Long term debt**				
	Long term debt - IBRD	145,606,582	145,606,582	153,856,031	153,856,031
	Long term debt - AFD	31,596,393	31,596,393	36,100,615	36,100,615
	Long term debt - KfW	38,165,077	38,165,077	44,036,489	44,036,489
	Long term debt - Local Bond	23,722,844	23,722,844	-	-
	Long term debt - ADF	12,409,586	12,409,586	12,986,720	12,986,720
	Long term debt - AfDB	54,513,452	54,513,452	59,250,079	59,250,079
		306,013,935	**306,013,935**	**306,229,934**	**306,229,934**
18	**Current income tax liabilities**				
	Income tax payable	5,671,904	5,671,904	1,556,416	1,556,416
	Education Tax	863,918	863,918	86,780	86,780
	Police Trust Fund Levy	3,679	3,679	3,338	3,338
	NITDA Levy	330,905	330,905	35,680	35,680
	NASENI Levy	73,806	73,806	56,900	56,900
		6,944,213	**6,944,213**	**1,739,112**	**1,739,112**
19	**Other liabilities**				
	Accrued expenses	1,756,161	1,756,161	1,178,934	1,178,934
	Other liabilities	387,711	387,711	277,005	277,005
	Dividend payable	688,950	688,950	-	-
	Provision on IDB Loans	176,478	176,478	103,613	103,613
		3,009,301	**3,009,301**	**1,559,552**	**1,559,552**

DBN Development Bank of Nigeria
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NOTES(6/6)

DEVELOPMENT BANK OF NIGERIA PLC UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 3RD QUARTER ENDED 30 SEPTEMBER 2023	2023 3 months (Jul-Sept) N'000	2023 9 months (Jan- Sept) N'000	2022 3 months (Jul-Sept) N'000	2022 9 months (Jan -Sept) N'000
Revenue	12,213,117	37,914,801	12,685,792	33,192,819
Gross profit	8,308,629	28,553,699	9,506,520	24,661,228
Profit before tax	**6,616,816**	**24,021,039.11**	**8,470,471**	**20,900,210**

DEVELOPMENT BANK OF NIGERIA PLC
REPORT CERTIFICATION
SEPTEMBER 30, 2023

We the undersigned, pursuant to section 60 subsection 2 of the Investments and Securities Act 2007, have reviewed the 3rd 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
ED, FINANCE & CORPORATE SERVICES

TONY OKPANACHI
MANAGING DIRECTOR/CHIEF EXECUTIVE OFFICER

THANK YOU