DBN Development Bank of Nigeria Plc
RC 2125724

UNAUDITED MANAGEMENT ACCOUNTS

MARCH 31, 2022

...Financing Sustainable Growth

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For the period ended 31 March, 2022

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DBN Development Bank of Nigeria

STATEMENT OF COMPREHENSIVE INCOME
FOR THE PERIOD ENDED MARCH 31, 2022

	Notes	2022 3 months (Jan - Mar) N'000	2021 3 months (Jan - Mar) N'000
Interest income	1	10,644,966	5,737,764
Interest expense	2	(2,777,291)	(2,834,375)
Net interest income		**7,867,674**	**2,903,389**
Impairment (charge)/write-back	3	22,927	98,567
Net Interest income after impairment		**7,890,601**	**3,001,956**
Other income	4	(131,246)	80,212
Fee and commission expense	5	(5,056)	(14,732)
Operating expenses	6	(1,265,765)	(961,368)
Profit before tax		**6,488,534**	**2,106,068**

STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2022

Assets	Notes	2022 3 months (Jan- Mar) N'000	2021 3 months (Jan - Mar) N'000
Cash and bank balances	7	3,344,492	241,093
Due from financial institutions	8	143,745,643	249,522,189
Loans and advances	9	323,281,241	218,530,173
Investment securities	10	27,251,067	14,338,673
Investment in subsidiary	11	11,375,000	11,375,000
Other assets	12	1,343,517	606,418
Intangible assets	13	144,310	110,362
Property, plant and equipment	14	2,175,994	1,664,965
Deferred tax	15	724,664	875,249
Total assets		**513,385,927**	**497,264,123**
Liabilities			
PFI Deposits for loan repayments	16	1,699,129	305,524
Long term debt	17	300,912,312	316,559,320
Income tax payable	18	6,893,466	334,889
Other liabilities	19	4,741,050	1,031,339
Total liabilities		**314,245,956**	**318,231,071**
Equity			
Share Capital		100,000	100,000
Share premium		99,762,570	99,762,570
Statutory reserve		28,003,563	23,288,071
Credit risk reserve		4,905,519	3,195,939
Retained earnings		66,368,319	52,686,472
Shareholders' Fund		**199,139,971**	**179,033,052**
Total liabilities and Equity		**513,385,927**	**497,264,123**

STATEMENT OF CHANGES IN EQUITY
AS AT MARCH 31, 2022

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 2022	**100,000**	**99,762,570**	**59,879,784**	**28,003,563**	**4,905,520**	**192,651,437**
Profit before tax for the period			6,488,534			6,488,534
Transfer between reserves:						
Transfer to regulatory risk reserve						
Transfer to statutory reserve				-		-
Total comprehensive income	**-**	**-**	**6,488,534**	**-**	**-**	**6,488,534**
Transactions with equity holders, recorded directly in equity:						
Issued shares paid up during the year	-	-				-
Share issue cost		-				-
	-	-	-	-	-	-
Balance as at March 31, 2022	**100,000**	**99,762,570**	**66,368,318**	**28,003,563**	**4,905,520**	**199,139,971**
	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 2021	**100,000**	**99,762,570**	**50,580,403**	**23,288,071**	**3,195,939**	**176,926,983**
Profit after tax for the year			15,724,454			15,724,454
Re-measurement of prior year loan loss provision			-			-
Transfer between reserves:						
Transfer to regulatory risk reserve			(1,709,581)		1,709,581	-
Transfer to statutory reserve			(4,715,492)	4,715,492		-
Total comprehensive income	**-**	**-**	**9,299,381**	**4,715,492**	**1,709,581**	**15,724,454**
Transactions with equity holders, recorded directly in equity:						
Issued shares paid up during the year						-
Share issue cost						-
	-	-	-	-	-	-
At 31 December 2021	**100,000**	**99,762,570**	**59,879,784**	**28,003,563**	**4,905,520**	**192,651,437**

STATEMENT OF CASH FLOWS
FOR THE PERIOD ENDED MARCH 31, 2022

	March 2022 N'000	March 2021 N'000
Cash flows from operating activities		
Profit for the period before tax	6,488,534	2,106,068
Adjust for non-cash items		
Depreciation of plant and equipment	73,134	70,321
Amortization of Intangibles	10,239	13,105
Loss/(Profit) on disposal of PPE	-	(70)
Interest income on treasury bills	(632,772)	(115,172)
Impairment on financial assets	(22,927)	(98,567)
Interest expense accrual for the period	2,777,291	2,834,375
Changes in working capital		
Net increase/(decrease) in Accruals and other payables	3,363,833	(145,792)
Net (increase)/decrease in Other assets	(275,470)	(95,333)
Net (increase)/decrease in loans and advances	(8,903)	(4,416,060)
Net increase in other financial assets ECL	(42,728)	164,865
Net cash flows from operating activities	**11,730,232**	**317,740**

Cash flows from investing activities		
Acquisition of property and equipment	(95,840)	(7,690)
2020 FY Lease accounting ROU Assets impact	-	239,339
2021 FY Lease accounting ROU Assets impact	148,347	-
Proceeds on sale of assets	-	70
(Purchase)/Reclass/Disposal of intangible assets	(6,456)	-
Net cash flows used in investing activities	**46,050**	**231,719**
Cash flows from financing activities		
Principal loan repayments - KfW	-	-
Principal loan repayments - AfDB	-	-
Principal loan repayments - ADF	-	-
Principal loan repayments - AFD	-	-
Principal loan repayments - IBRD	-	-
Interest paid on long term borrowing - KfW	-	-
Interest paid on long term borrowing - AfDB	-	-
Interest paid on long term borrowing - ADF	-	-
Interest paid on long term borrowing - AFD	-	-
Interest paid on long term borrowing - IBRD	-	-
Net cash flows from financing activities	**-**	**-**
Net increase/(decrease) in cash and cash equivalents	11,776,282	549,458
Cash and cash equivalents, beginning of year	135,313,852	249,213,824
Cash and cash equivalents, end of period	**147,090,135**	**249,763,282**

		2022 3 months (Jan - Mar) N'000	2021 3 months (Jan - Mar) N'000
	NOTES TO THE MANAGEMENT ACCOUNTS FOR THE PERIOD ENDED MARCH 31, 2022		
1	**Interest and discount income**		
	Placements	2,711,455	1,155,288
	Placements - SDIS	985	77
	Treasury bills	632,772	115,172
	Loans and advances	7,314,814	4,467,227
	Total interest income	**10,660,027**	**5,737,764**
	Provision for IDB	15,061	-
	Net Interest Income	**10,644,966**	**5,737,764**
2	**Interest and similar expense**		
	Borrowed funds	2,777,291	2,834,375
	Interest expense	**2,777,291**	**2,834,375**
3	**Net Impairment (charge)/write back**		
	ECL - Loan assets	65,655	(66,298)
	ECL - Other assets	(42,728)	164,865
		22,927	**98,567**
4	**Other incomes**		
	Profit/(loss) on disposal of fixed assets	-	70
	Other income	5,923	1
	PIU other income	-	80,141
	PIU Expense	(137,169)	-
		(131,246)	**80,212**
5	**Fee and commission income/Expense**		
	Fees	(5,056)	(14,732)
		(5,056)	**(14,732)**

FOR THE PERIOD ENDED MARCH 31, 2022		2022 3 months (Jan - Mar) N'000	2021 3 months (Jan - Mar) N'000
6	**Operating expenses**		
	Staff cost (6a)	659,851	358,732
	Administration and general expenses (6b)	358,426	411,248
	Depreciation of property plant and equipment	73,134	70,321
	Amortization of intangible assets	10,239	13,105
	Auditor's remuneration	5,375	5,241
	Directors emolument	60,272	57,647
	Legal, consultancy and other professional fees	98,468	45,074
	Operating expenses	**1,265,765**	**961,368**
6a	**Staff Cost**		
	Salaries	355,742	326,807
	ITF Level & NSITF	5,584	5,128
	Performance bonus	227,500	-
	Staff training	49,178	6,396
	Recruitment expenses	-	30
	Other staff expense	21,847	20,370
	Staff cost	**659,851**	**358,732**
6b	**Administrative and General expenses**		
	Stationery	3,107	193
	Outsourcing	4,475	10,933
	Office rent and rates	21,895	21,139
	Marketing, advertising and Sponsorship	67,322	79,814
	Subscriptions, publications, and communications	8,425	15,627
	Insurance and licences	4,268	4,774
	Repairs and maintenance	11,160	10,060
	Other administration and general expenses	40,265	22,552
	Bank charges	871	568
	Travels and accommodation	25,749	4,980
	IT and Communications expenses	50,773	35,824
	Board expenses	50,743	35,600
	Stamp Duty Levy	69,372	169,183
	Total admin and general expense	**358,426**	**411,248**

	FOR THE PERIOD ENDED MARCH 31, 2022	2022 3 months (Jan - Mar) N'000	2021 3 months (Jan - Mar) N'000
7	**Cash and bank balances**		
	With Local Banks:		
	- Guaranty Trust Bank	29,439	25,741
	- United Bank for Africa	1,238	310
	- First Bank of Nigeria	870	738
	- Eco Bank	602	25,394
	- Stanbic IBTC	1,363	1,363
	- Access Bank	224	(413)
	- Zenith bank	1,779	238
	- Fidelity bank	754	950
	- FCMB	955	825
	- Union bank	14,012	39
	- Wema bank	421	805
	- FSDH	24	-
		51,680	**55,989**
	Current account with CBN:		
	- DBN-CBN Operations account	3,136,598	97,011
	- DBN-PIU CBN Operations account - NGN	58,768	44,151
	- DBN-PIU CBN Operations account - USD	92,916	39,396
	- DBN-IBRD account with CBN	910	926
	- DBN-AFD account with CBN	643	643
	- DBN-KfW account with CBN	981	981
	- DBN-AfDB account with CBN	1,423	1,423
	- DBN-ADF account with CBN	572	572
		3,292,812	**185,105**
	Total Cash and Bank balances	**3,344,492**	**241,093**
8	**Due from financial institutions**		
	Fixed placements	143,678,000	248,607,000
	Call placements	-	1,511,500
	Fixed Placements - SDIS	40,774	37,346
		143,718,774	250,155,846
	Interest receivable - Bank placements	406,535	342,803
	Interest receivable - SDIS Fixed placements	188	47
		406,723	**342,850**
	Other asset ECL	(379,854)	(976,507)
		143,745,643	**249,522,189**

		2022 3 months (Jan - Mar) N'000	2021 3 months (Jan - Mar) N'000
	FOR THE PERIOD ENDED MARCH 31, 2022		
9	**Loans and advances to customers**		
	PFI Loans	324,775,156	219,703,129
		324,775,156	**219,703,129**
	Term loan ECL	(1,493,915)	(1,172,956)
		323,281,241	**218,530,173**
10	**FGN Treasury securities**		
	Treasury bills at amortized cost	27,500,000	14,500,000
		27,500,000	**14,500,000**
	Unearned discount income - Treasury bills	(248,933)	(161,327)
		(248,933)	**(161,327)**
	Total investment securities @ amortized cost	**27,251,067**	**14,338,673**
11	**Investment in subsidiaries**		
	Investment in subsidiary	11,375,000	11,375,000
		11,375,000	**11,375,000**
12	**Other assets**		
	Other receivables	94,042	2,379
	WHT Receivable	1,064,798	429,965
		1,158,840	**432,344**
	Prepayments	184,677	174,073
	Non Financial Asset	**184,677**	**174,073**
	Total other assets	**1,343,517**	**606,418**
13	**Intangible assets**		
	Computer software	287,331	218,312
	Amortisation-computer software	(143,021)	(107,949)
		144,310	**110,362**

		2022 3 months (Jan - Mar) N'000	2021 3 months (Jan - Mar) N'000
	FOR THE PERIOD ENDED MARCH 31, 2022		
14	**Property Plant and equipment**		
	Motor Vehicles	861,700	702,769
	Furniture and Fittings	87,201	79,418
	Computer Equipment	258,614	212,119
	Office Equipment	107,990	98,497
	Leasehold Improvement	105,937	103,926
	Work In Progress - PPE	4	2,540
	Asset Under Construction	1,596,434	1,286,983
	Book Value of PPE	**3,017,882**	**2,486,252**
	Accumulated Depreciation on PPE		
	Motor Vehicles - Depreciation	(429,704)	(502,207)
	Furniture and Fittings - Depreciation	(56,188)	(39,190)
	Computer Equipment - Depreciation	(184,750)	(139,165)
	Office Equipment - Depreciation	(73,512)	(51,731)
	Leasehold Improvement - Amortization	(97,733)	(88,994)
	Accumulated Depreciation on PPE	**(841,888)**	**(821,286)**
	Net Book Value of PPE	**2,175,994**	**1,664,965**
15	**Deferred Tax**		
	Deferred Tax Asset	724,664	875,249
		724,664	**875,249**
16	**PFI Deposits for loan repayments**		
	Deposit for loan repayments	1,699,129	305,524
		1,699,129	**305,524**

		2022 3 months (Jan - Mar) N'000	2021 3 months (Jan - Mar) N'000
	FOR THE PERIOD ENDED MARCH 31, 2022		
17	**Long term debt**		
	Long term debt - IBRD	140,707,626	140,838,974
	Long term debt - AFD	38,350,566	42,728,487
	Long term debt - KfW	46,967,429	52,836,971
	Long term debt - ADF	13,274,925	13,850,748
	Long term debt - AfDB	61,611,767	66,304,141
		300,912,312	**316,559,320**
18	**Current income tax liabilities**		
	Income tax payable	6,090,088	83,942
	Education Tax	517,795	65,493
	Police Trust Fund Levy	3,338	2,545
	NITDA Levy	225,345	182,909
	NASENI Levy	56,900	-
		6,893,466	**334,889**
19	**Other liabilities**		
	Accrued expenses	1,410,109	824,307
	Other liabilities	3,273,470	207,032
	Provision on IDB Loans	57,471	-
		4,741,050	**1,031,339**

DEVELOPMENT BANK OF NIGERIA PLC

UNCONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE 1ST QUARTER ENDED 31 MARCH 2022

	2022 3months (Jan - Mar) N'000	2021 3months (Jan - Mar) N'000
Revenue	10,513,720	5,817,976
Gross profit	7,890,601	3,001,956
Profit before tax	6,488,534	2,106,068

DEVELOPMENT BANK OF NIGERIA PLC
REPORT CERTIFICATION
MARCH 31, 2022

We the undersigned, pursuant to section 60 subsection 2 of the Investments and Securities Act 2007, have reviewed the 1st 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