

9 PAYMENT SERVICE BANK LIMITED

STATEMENT TO THE SHAREHOLDERS ON THE EXTRACT OF AUDITED FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31 DECEMBER 2023

The Board of Directors of 9 Payment Service Bank Limited is pleased to present the summary financial information of the Bank's audited result for the year ended 31 December 2023. The summary financial information disclosed were derived from the full financial statements of 9 Payment Service Bank Limited ("the Bank") for the year ended 31 December 2023 and cannot be expected to provide a full understanding of the financial performance, financial position and financing and investing activities of the Bank. The Bank's auditor issued an unmodified opinion on the full financial statements for the year ended 31 December 2023 from which this summary financial information was derived. The Bank's auditor made a report under Section 359 of the Companies and Allied Matters Act. The full financial statements from which this summary financial information was derived would be delivered to the Corporate Affairs Commission as required. An electronic copy of the full financial statements can be obtained from the Management of the Bank.

9 Payment Service Bank Limited Statement of Financial Position as at 31 December 2023

In thousands of Naira	31 Dec 2023	31 Dec 2022
ASSETS		
Cash and balances with banks	3,150,842	7,176,991
Investment Securities held at amortized cost	1,025,530	-
Assets pledged as collateral	436,692	-
Other assets	4,075,054	1,095,868
Due for majority shareholder	137,457	76,945
Property and equipment and right of use assets	1,266,935	1,659,678
Intangible assets	161,215	641,135
Total Assets	10,253,725	10,650,617
Liabilities		
Deposit from customers	2,579,832	2,341,683
Other liabilities	3,163,789	355,305
Total Liabilities	5,743,621	2,696,988
Equity		
Share capital	5,100,000	5,100,000
Share premium	13,723,618	13,723,618
Accumulated losses	(14,313,514)	(10,869,989)
Total equity	4,510,104	7,953,629
Total liabilities and equity	10,253,725	10,650,617

9 Payment Service Bank Limited Statement of Profit or Loss and Other Comprehensive Income for the year ended 31 December 2023

In thousands of Naira	2023 (12 months)	2022 (12 months)
Interest income (calculated using the effective interest method)		
Interest income (calculated using the effective interest method)	870,889	253,238
Interest expense (calculated using the effective interest method)	(1)	(43)
Net interest income	870,888	253,195
Fees and commission income		
Fees and commission income	192,701	51,418
Fees and commission expense	(43,687)	(10,819)
Net fees and commission income/(expense)	149,014	40,599
Other operating income		
Other operating income	439	2,938
Personnel expenses	(1,454,675)	(1,143,739)
Depreciation and amortization	(1,216,352)	(1,528,786)
Other operating expenses	(1,686,253)	(1,979,794)
Credit loss expense on financial assets	(106,586)	(161)
Net Operating loss	(4,463,427)	(4,649,542)
Loss before income tax expense		
Loss before income tax expense	(3,443,525)	(4,355,748)
Income tax expense	-	-
Loss for the year	(3,443,525)	(4,355,748)
Other comprehensive income for the year, net of tax		
Other comprehensive income for the year, net of tax	-	-
Total comprehensive loss for the year, net of tax	(3,443,525)	(4,355,748)

INDEPENDENT AUDITOR'S REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS



INDEPENDENT AUDITORS REPORT ON THE AUDIT OF THE SUMMARY FINANCIAL STATEMENTS

Report on the Audit of the Summary Financial Statements

Opinion

The summary financial statements of 9 Payment Service Bank Limited ("the Bank"), which comprise the summary statements of financial position as at 31 December 2023, and the summary statement of profit or loss and other comprehensive income, are derived from the audited financial statements of 9 Payment Service Bank Limited for the year 31 December 2023.

In our opinion, the accompanying summary financial statements are consistent, in all material respects, with the audited financial statements, in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, and the provisions of the Companies and Allied Matters Act 2020, the Banks and Other Financial Institutions Act (BOFIA) 2020, and circulars issued by the Central Bank of Nigeria (CBN) and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Summary Financial Statements

The summary financial statements do not contain all the disclosures required by the IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act 2020, the Banks and Other Financial Institutions Act (BOFIA) 2020, and circulars issued by the Central Bank of Nigeria (CBN) and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, applied in the preparation of the financial statements of the Bank. The summary financial statements should be read in conjunction with the audited financial statements. Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The Audited Financial Statements and Our Report Thereon

We expressed an unmodified opinion on the audited financial statements in our report dated 22 November 2024.

Directors' Responsibility for the Summary Financial Statements

The Directors are responsible for the preparation and fair presentation of these summary financial statements in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board, the provisions of the Companies and Allied Matters Act 2020, the Banks and Other Financial Institutions Act (BOFIA) 2020, and circulars issued by the Central Bank of Nigeria (CBN) and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of financial statements that are free from material misstatements whether due to fraud or error.

Auditor's Responsibility for the Summary Financial Statements

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standards on Auditing (ISA) #10 (Revised) Engagement to Report on Summary Financial Statements.



Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Bank, in so far as it appears from our examination of those books;
- The Bank's statement of financial position, statement of profit or loss and other comprehensive income are in agreement with the books of account.

In compliance with the Banks and Other Financial Institutions Act 2020, and circulars issued by Central Bank of Nigeria, we confirm that:

- Related party transactions and balances are disclosed in Note 27 to the financial statements in compliance with Central Bank of Nigeria circular 850/1/2004.
- As disclosed in Note 13.2.4 to the financial statements, the Bank paid penalties in respect of contraventions of certain sections of the Banks and Other Financial Institutions Act 2020 and certain circulars issued by the Central Bank of Nigeria.
- As disclosed in Note 31 to the financial statements, the Bank did not meet the minimum capital requirement of N5 billion as at 31 December 2023. Subsequent to year end, there was a capital injection to regularize the equity position above the minimum capital requirement.

Based on the requirement of the Financial Reporting Council of Nigeria (FRCN) (Amendment) Act, 2023, the Acting Chief Financial Officer who is one of the signatories of the financial statements, is not registered yet with FRCN, nor has obtained waiver from FRCN in this regard; and therefore, does not meet the requirements as stated in FRCN Section 41(2) of the Act.

Anthony Opata
Anthony Opata, FCA
FRC/2013/PRO/ICAN/004/0000000980
For: Ernst & Young
Lagos, Nigeria
22 November 2024



These financial statements were approved by the Board of Directors on 13th November 2024, and signed on its behalf by:

Branka Mrcajac
FRC/2021/003/1009/0023484

Branka Mrcajac
(Managing Director/Chief Executive Officer)

Charles Ileoqben
(Acting Chief Financial Officer)