

Powering Payments. Empowering Businesses.

The Habari Pay Industry Report 2025

4 Years of Building Nigeria's Digital Payments Backbone

*A Habari Pay Publication
A Subsidiary of Guaranty Trust Holding Company Plc (GTCO)
www.squadco.com*

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Foreword

Segun Agbaje

Group Chief Executive Officer, Guaranty Trust Holding Company Plc (GTCO)



Five years ago, when we restructured Guaranty Trust Bank into a holding company, we did so with a clear conviction: the future of financial services would not be won by banks alone. It would be won by institutions willing to look beyond the branch, beyond the ledger, and beyond the comfort of traditional banking models, to build for the Africa that is emerging.

Habari Pay was born out of that conviction. In 2022, we launched it as our Payments Business Vertical with a simple but ambitious mandate: to empower businesses, especially small and medium enterprises, to accept payment in the most effective way possible. We did not enter the market to replicate what others were doing. We entered to solve problems that the market had left unsolved.

The early years taught us an important lesson. Our first product, a mobile point-of-sale solution that turned smartphones into payment terminals, was genuinely innovative, but the market was not yet ready for it. The infrastructure was not there. The devices did not support it. The data costs were prohibitive. Rather than retreat, we did what Guaranty Trust has always done when it meets a wall: we built our way through it.

We went backwards through the stack. We built our own switch. We rebuilt the rails. We learned how financial institutions actually talk to one another, and then we used that knowledge to help other institutions talk to each other better. In doing so, we discovered that our most valuable asset was not a single product. It was the payment infrastructure itself, and the ability to make it work reliably for everyone from the street trader

to the food and beverage conglomerate.

The results speak for themselves. Habari Pay is now the most profitable bank-backed fintech in Nigeria. Our flagship product, Squad, is a complete payments suite used by thousands of merchants across the country. In 2025, we processed over ₦80.9 trillion in transaction value, a 195.4 per cent year-on-year increase. In the full year 2025 alone, our profit before tax grew by 134 per cent to ₦9.7 billion.

But the numbers only tell part of the story. The real measure of our progress is found in the merchants who no longer miss a sale because of a failed transaction, in the corporate clients whose reconciliation cycles have shrunk from days to minutes, and in the young developers we have trained through the Take On Squad Hackathon who are now building the next wave of African fintech.

This inaugural industry report is our invitation to the conversation. We are sharing our data, our insights, and our perspective because we believe the payment industry in Nigeria and across Africa is at an inflection point. The decisions we make now, collectively, about infrastructure, about interoperability, and about inclusion, will shape the continent's economic trajectory for a generation.

Thank you for your continued support

Segun Agbaje.
Group Chief Executive Officer
GTCO Plc

Foreword

Eduofon Japhet

Managing Director, Habari Pay Limited



When I was asked to lead Habari Pay in June 2022, I inherited a single conviction and a blank canvas. The conviction was the Vision: that payments would be central to the next decade of financial services. The canvas was everything else.

We entered a market that looked, on the surface, saturated. The competitive landscape had been reshaped with the entrant of Fintech. A reasonable observer would have said the room was full. Our answer was to ask a different question: what has the market not yet been given?

The answer, we found, was infrastructure that was genuinely built for Africa. Not imported technology dressed in local branding, but switching rails, micro-payment engines, and developer tools designed from the ground up for the realities of Nigerian commerce, where a sachet of water costs ₦50, where network drops mid-transaction, and where a corner shop owner wants to be paid without learning a new language.

Our first instinct, SquadPOS, was right in direction but ahead of its time. It allowed a merchant to turn her NFC-enabled phone into a card terminal. Technically beautiful. Operationally, it was held hostage by variables outside our control: handset manufacturers, data reliability and consumer card behaviour. So we moved our work to where we could influence outcomes. We built our own switch. We invested in the processing engine. We became a Payment Solution Service

Provider, then a Payment Terminal Service Provider, and we secured the Value Added Services licence from the Nigerian Communications Commission. Piece by piece, we assembled the full stack.

The breakthrough was when we realised that solving our own infrastructure problem also solved it for the rest of the ecosystem. Fintechs that wanted cheaper switching came to us. Banks that wanted reliable rails came to us. Food and beverage giants that wanted high-volume, low-friction payment acceptance came to us. What started as backward integration became a wholesale business.

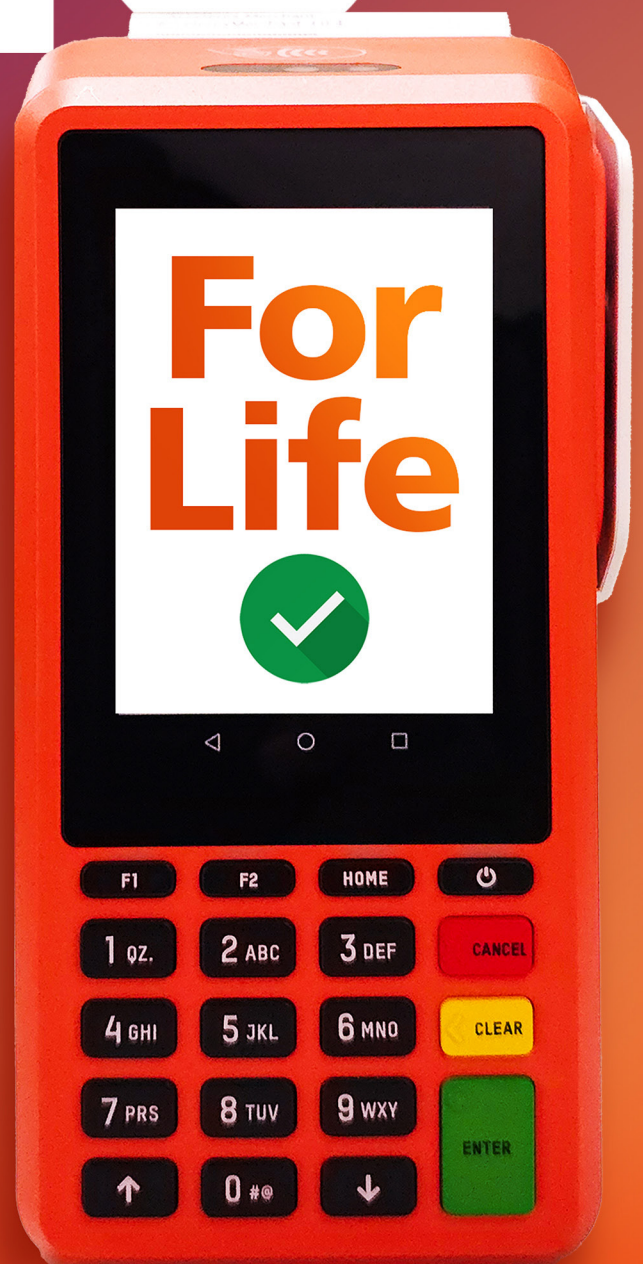
This report captures where we are in that journey. It is honest about what we have achieved, and equally honest about what remains to be done. We are still, by our own admission, a company that must scale further to match its ambition. But the direction is set, the infrastructure is live, and the next chapter is already being written. I hope you will read on.

Eduofon Japhet
Managing Director

Zero

Charges
and
Instant
Settlement
on all
GTBank
Terminals

Terms and Conditions apply



Key Insights at a Glance

The data points below capture the shape of Habari Pay's journey and the state of the Nigerian payment industry as seen through our platform. Each number is expanded in the body of the report.

₦80.9tn

Total transaction value processed by Habari Pay in 2025, a 195.4% year-on-year increase.

134%

Year-on-year growth in Habari Pay profit before tax in FY 2025, reaching ₦9.7 billion.

#1

Most profitable Holding Company (Holdco)-affiliated fintech in Nigeria (2025)

4

Years since GTCO restructured into a holding company, creating the space for Habari Pay to emerge.

2

Switching and **Processing** license from the Central Bank of Nigeria. (four sub-licenses: Payment Solution Service Provider (PSSP), Payment Terminal Service Provider (PTSP), Super Agent, and Switching and Processing)

3

Editions of the Take On Squad Hackathon completed or in progress since January 2024.

The Habari Pay Growth Story

A full-stack payment infrastructure company in five years.



1.1 The opportunity

In June 2021, Guaranty Trust Bank completed its restructuring into Guaranty Trust Holding Company Plc (GTCO). The move was not cosmetic. It was a deliberate reshaping of what had been, for more than three decades, one of Africa's most respected banking franchises, into a platform that could compete in areas a pure commercial bank could not reach: payments, asset management, pensions, and adjacent financial services.

Within that new structure, one gap was especially visible. Small and medium enterprises, which the International Finance Corporation estimates contribute around 65 per cent of Nigeria's GDP and more than 80

per cent of its jobs, were chronically underserved by traditional payment channels. They wanted to accept card payments without applying for a dedicated POS terminal. They wanted instant reconciliation. They wanted rails that did not drop at the moment of truth. And they wanted pricing that made digital cheaper, not more expensive, than cash.

Habari Pay was created to fill that gap. It received its final Central Bank of Nigeria approval in June 2022 and formally launched as GTCO's wholly owned payment subsidiary shortly after. The name carried weight: Habari means news, or story, in Swahili. The ambition was to be the payment solution Africa relies on.



Payments are central to the development of financial services globally and represent a key growth area for the Group. With Habari Pay, we have successfully created another pathway towards enhancing the service experience for our customers and creating more value for our stakeholders.

— Segun Agbaje, Group CEO, GTCO, on the launch of Habari Pay, 2022.



1.2 The first move: Squad POS and the lessons of being early

The first product to carry the Habari Pay banner was Squad, a complete payments platform whose flagship offering at launch was SquadPOS. It was a bold technical bet: instead of shipping thousands of plastic card terminals into the market, Squad let merchants turn any NFC-enabled Android smartphone into a POS terminal. No hardware. No paper. No long queue at a bank branch applying for a device.

The award citations followed quickly. Mastercard recognised SquadPOS at the Technology Innovation Awards (TIA) 2022 for its Innovative Mobile Payment Solution, and the product earned Mastercard's Award for Accelerating Digital Acceptance in Africa. Within months of launch, more than 30,000 merchants had

onboarded to Squad.

But adoption told only half the story. The team quickly discovered that the product's success depended on three variables, none of which Habari Pay controlled. First, it required the merchant's phone to support NFC at a hardware level, a feature that was still inconsistent across Android devices in Nigeria. Second, it depended on affordable, reliable mobile data from the telcos, which was itself a moving target. Third, it depended on Nigerian consumers being ready to tap a card on a phone, a behavioural leap that would take longer than a single product cycle.



If the variables that make your product work are outside your circle of influence, you have not built a product. You have built a hope. SquadPOS taught us to move upstream.

— Eduofon Japhet, Managing Director, Habari Pay.

1.3 The pivot upstream: becoming an infrastructure company

The lesson from SquadPOS was not that the idea was wrong. It was that the infrastructure beneath the idea was not ready. Rather than wait for it to arrive, Habari Pay decided to build it. What followed was one of the most important strategic decisions in the company's short history: a deliberate pivot from being a payment application to being a payment infrastructure provider. The team went backwards through the payment stack. We built a switch capable of processing low-ticket transactions at an affordable rate, reducing the per-transaction economics that had made micro-payments uneconomic for most providers. We invested in the interconnectivity plumbing that allows one financial institution to talk to another, the part of the payments world most consumers never see but every merchant ultimately depends on.

By 2024, the switching business had become a standalone revenue line, with other fintechs and banks routing transactions through Habari Pay's rails. We now had three distinct infrastructure verticals: a payment gateway (virtual accounts, USSD, card, and bank transfer channels), a switching vertical (processing account-to-account transfers and card transactions on its own switch), and a value-added vertical (bill payments, airtime vending, and bulk SMS via NCC-licensed aggregators).

In summary: what began as an SME payment app had become a payment infrastructure company with three revenue engines running in parallel.



1.4 Moving into corporate switching: the Food & Beverage breakthrough

The infrastructure bet unlocked a segment that most retail-focused fintechs had overlooked: large corporate payment switching. In sectors like Food and Beverage, where a single multinational may process hundreds of thousands of daily transactions across distributors, retailers, and consumers, the bottleneck is rarely the consumer-facing payment experience. It is the back-end switching, reconciliation, and settlement.

Having already built its own switch to solve its own micro-payment problem, Habari Pay was uniquely placed to offer that same capability to corporate clients.

The proposition was simple: direct integration with a Tier-1 banking group's payment engine, institutional-grade compliance, and pricing that reflected the true cost of processing rather than legacy card-network economics.

The corporate switching business became one of the faster-growing lines in the Habari Pay portfolio through 2024 and into 2025, complementing SME-facing Squad products and opening a path to partnerships in other high-volume sectors including telcos, insurance, and transport.



We have placed ourselves in the role of an enabler. We are also enabling a lot of people building solutions. That is going to be a critical piece of what we do.

— Eduofon Japhet, Managing Director, Habari Pay.

1.5 Licensing as a strategic moat

Parallel to the product work, Habari Pay invested heavily in regulatory licensing. The company holds a Switching and Processing licence from the Central Bank of Nigeria, which is effectively an umbrella licence that contains four sub-licences: Payment Solution Service Provider (PSSP), Payment Terminal Service Provider (PTSP), Super Agent, and switching and processing itself. In addition, Habari Pay holds a Value Added Services licence from the Nigerian Communications Commission, enabling its

airtime vending and bulk SMS business.

As of 2025, the company has actively deployed two of those licence categories in revenue-generating mode, with PTSP operations beginning in 2025 to power Point-of-Sale terminal services for merchants. The remaining licence capacities represent option value: they can be activated as market conditions warrant, without a new regulatory cycle.



The Financial & Operational Scorecard

*From ₦1 billion in first-year profits to ₦9.6 billion.
The numbers behind the story.*



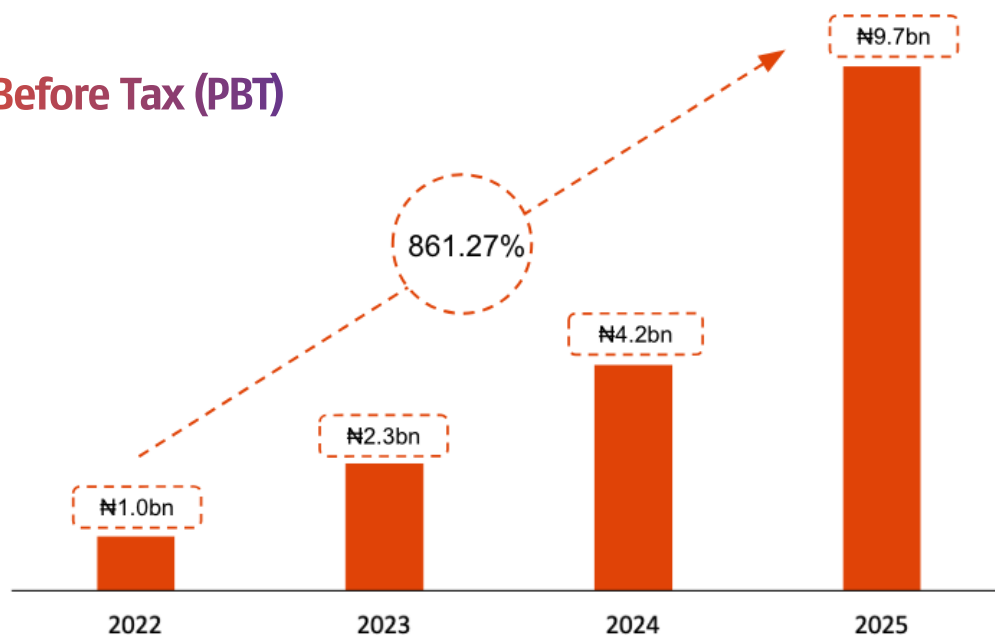
2.1 Profit trajectory: four years, four step-changes

Habari Pay has built a track record of strong profitability. As of 2025, it is the most profitable bank-backed

fintech in the country.

The profit-before-tax trajectory tells the story:

Profit Before Tax (PBT)



Full-year 2025 profit after tax represented a 133 per cent increase over 2024, driven by broad-based gains across merchant services, switching, and value-added services. The 2025 figure is particularly telling: in a single year, Habari Pay more than doubled its 2024 profit before tax.

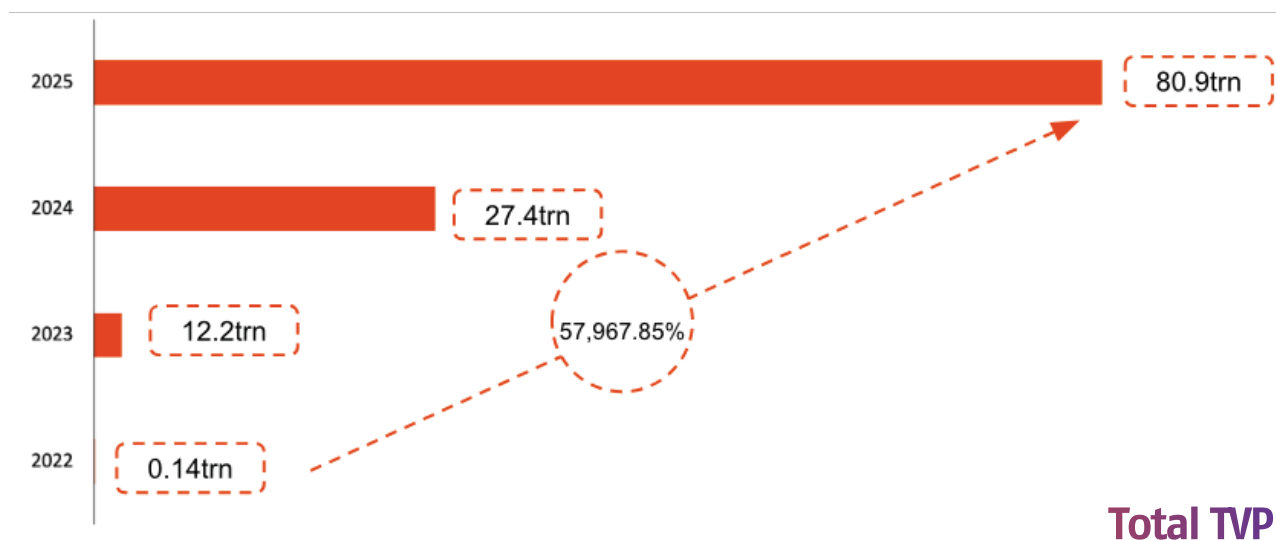
That acceleration is being driven by three factors simultaneously: a surge in transaction volume across

the Squad platform, the maturation of the switching business as a second revenue engine, and strong operating leverage; revenue scaling faster than operating expenses, a sign of a company whose fixed infrastructure investments are now earning back their cost of capital.

2.2 Transaction value processed: crossing ₦80 trillion

The flow of money through Habari Pay's infrastructure has grown at a pace that matches, and in some periods

outpaces, the broader Nigerian payment market. Selected milestones:



The context matters: Nigeria's total electronic payment value hit ₦1.07 quadrillion in 2024. Habari Pay's ₦80.9 trillion represents roughly 7.6 per cent of that national

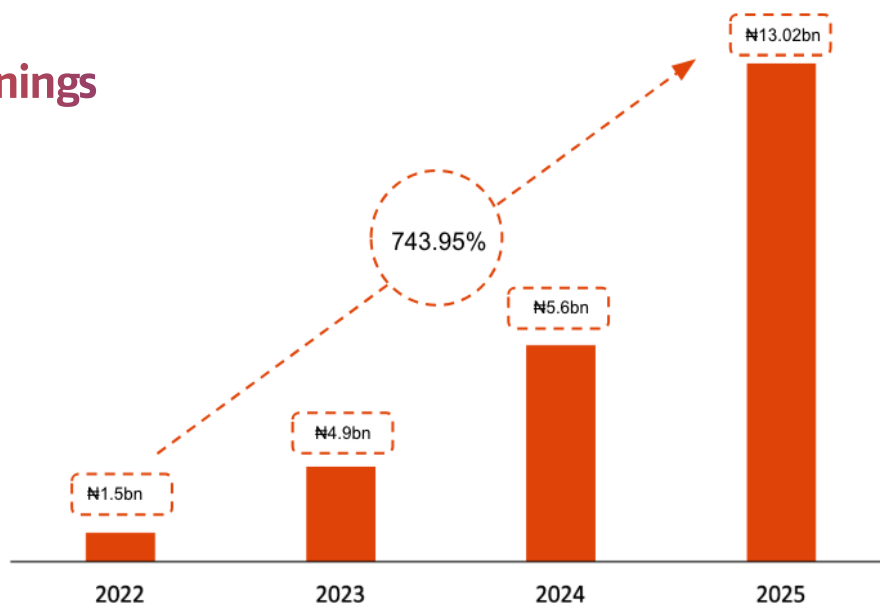
flow, a meaningful share for a company that is three years old and is anchored in a single group's ecosystem.

2.3 Revenue and operating income

Gross revenue has compounded at more than 70 per cent per year since launch. The most striking feature, however, is the mix; revenue is now genuinely diversified across three business lines, each with

different economics, regulatory exposures, and growth trajectories.

Gross Earnings



The 2025 gross revenue figure of ₦13.02 billion is particularly significant. In a single year, Habari Pay nearly doubled its full-year 2024 gross revenue growing 95.6

per cent year-on-year. That is the hallmark of a business crossing from scale-up mode into compounding mode.

Revenue composition

- The three revenue engines are now contributing in roughly balanced proportions:
Merchant service charges from Squad gateway transactions (cards, virtual accounts, USSD, transfers); the classic payment-processing revenue line.
- Switching fees earned by processing transactions for counterparty fintechs, banks, and large corporate clients ; including the growing Food & Beverage corporate book.

- Value-added services revenue from airtime vending through direct telco integrations and bulk SMS distribution through NCC-licensed aggregators.

Together, the balance across these streams reduces concentration risk and creates multiple levers for growth; each retaining meaningful headroom for further expansion.

2.4 Balance sheet health

Habari Pay's balance sheet has scaled alongside its profit-and-loss performance. Total assets grew from ₦11.0 billion at the end of 2024 to ₦18.3 billion at the end of 2025, an increase of approximately 66.8 per cent in a single year. Total liabilities remain modest at under ₦1 billion, giving the company a shareholders' equity base of around ₦17.7 billion and a very conservative leverage profile. As of 2025, the company held a cash balance of ₦4.71 billion.

This is the financial fingerprint of a subsidiary that is being grown carefully rather than aggressively. GTCO is investing in the infrastructure, the licences, and the people required to scale, but it is not leveraging the balance sheet to chase volume. The approach stands in deliberate contrast to the capital-intensive, loss-making strategies pursued by some independent fintechs in the same period.



This is the financial fingerprint of a subsidiary that is being grown carefully rather than aggressively. GTCO is investing in the infrastructure, the licences, and the people required to scale, but we will not leverage the balance sheet to chase volume. The approach stands in deliberate contrast to the capital-intensive, loss-making strategies pursued by independent fintechs in the same period.

— Segun Agbaje, GTCO Group CEO

Product & Infrastructure Portfolio

The tools, rails, and APIs that power thousands of African businesses.



3.1 The Squad brand: one platform, seven products

Squad is Habari Pay's consumer-facing product brand and the anchor of its SME and developer strategy. The platform is organised around seven distinct products, each addressing a different payment acceptance

context. A business can adopt any one in isolation or combine all seven into a single integrated payment stack.

Product	What it does	Primary user
Squad PayWithTransfer	Unique GTBank virtual account numbers for customer receipts, with instant credit confirmation and automated reconciliation.	High-volume businesses; marketplaces; subscription platforms.
Squad Payment Gateway	Seamless, secure checkout for websites and apps. Accepts card, bank transfer, and USSD on a single API.	E-commerce, SaaS platforms, developers.
Squad Transfer API	Programmatic payouts to any Nigerian bank account, plus account lookup and direct-debit mandate management.	Payroll, seller payouts, lending, marketplaces.
Squad Payment Links	Shareable URLs to request payment; no website, no app required.	Social-commerce sellers; service providers.

Product	What it does	Primary user
Squad Storefront	A free e-commerce mini-site to list products and accept payment.	Micro-merchants without a web presence.
Squad USSD	A merchant-specific short code customers dial to pay, even with no internet.	In-person commerce in low-connectivity areas.
Squad POS	Point-of-sale terminals (hardware) plus the original NFC-based SoftPOS for smartphone acceptance.	Retail, restaurants, field sales.

The design principle running through all seven products is the same: the merchant should never miss a sale. Whether a customer wants to pay by card in a queue, by bank transfer from her couch, by USSD on

a feature phone, or by tapping a link on social media, the merchant's payment acceptance capability must be equal to the customer's preferred behaviour.

3.2 The infrastructure layer customers do not see



Behind Squad's consumer-facing products sits an infrastructure stack that Habari Pay has spent the past three years building. It comprises three pillars:

Pillar 1: The switch

Habari Pay built its own payment switch to process low-ticket transactions at a cost structure traditional card rails could not match. The switch handles account-to-account transfers and card transactions, and it increasingly processes volume for third parties, including other fintechs and banking groups. This vertical converted from a cost centre (solving our own problem) to a revenue line (solving our industry's problem).

Pillar 2: The gateway and APIs

The Squad APIs are production-ready developer tools documented for the Nigerian financial ecosystem. They expose payment acceptance across cards, transfers,

and USSD; virtual-account provisioning against GTBank; payout and transfer rails to any Nigerian bank; and mandate-based recurring debits. Bearer-token authentication, sandbox environments, and transaction reconciliation endpoints are standard.

Pillar 3: The Value-Added Services stack

Airtime vending through direct integration with two major telecommunications operators generated outsized revenue growth in 2023 (149 per cent year-on-year growth in VAS income), and the category continues to deliver. Bulk SMS distribution through NCC-licensed aggregators rounds out the VAS portfolio. Together, the VAS lines give Habari Pay revenue diversification independent of pure payment transaction volumes.

3.3 Merchant segments served

The Squad platform is deliberately segmented to serve three distinct merchant categories, each with its own product configuration, pricing, and support model:

- Small businesses. Retail shops, restaurants, and service providers. Served through Squad POS (hardware), Virtual Accounts, and the Payment Gateway.
- Large businesses and corporates. High-volume merchants in sectors such as Food & Beverage, telecommunications, insurance, and transport. Served through custom switching arrangements, enterprise-grade APIs, and dedicated account management.

- Tech Stars (other fintechs). Independent fintechs and developer-first businesses that consume Squad as infrastructure. Served through the APIs, the switch, and the VAS aggregation layer.

The Tech Stars segment is the most strategically interesting. Every fintech that uses Habari Pay as infrastructure is, by definition, a channel through which Habari Pay processes volume without having to own the customer relationship. It is the same logic that has made AWS indispensable to thousands of software businesses without ever requiring AWS to operate a single consumer-facing app.

Innovation & Community: The Hackathon Journey

Three editions, one conviction — the next breakthrough will come from a young African mind.



4.1 Why a hackathon, why now

Habari Pay launched the inaugural Take On Squad Hackathon in January 2024, at the GTCO Training Complex at Tayo's Plaza in Abeokuta. The decision to host a major social coding event in only the second year of the company's existence was deliberate. For us, the most important asset Habari Pay can invest in is the next generation of African developers, because every Habari Pay API that a young developer learns today becomes

a competing advantage when that developer founds their own fintech tomorrow.

The Hackathon is a bet on a specific thesis: that the last-mile financial inclusion problem, the high-cost-of-micropayments problem, the offline-to-online reconciliation problem will be solved by developers who understand those problems because they live with them.

4.2 Hackathon 1.0 (January 2024): Where it began

The inaugural edition was held on 19th & 20th January 2024. It was a two-day social coding event targeted at Nigerian university and tertiary-institution students, organised around the theme of using Squad's APIs to solve problems in participants' immediate communities and the wider society.

Prize pool: ₦5m in total. Grand prize ₦2.5m; second place ₦1.5m; third place ₦1m.

Winners

- Team Within (1st place, ₦2.5m) — community-solving fintech solution.
- Team X (2nd place, ₦1.5m) — Federal University of Technology, Minna (FUTMinna) team that used advanced AI and machine learning to reimagine bundled payments (members: Muktar Jimoh Yusuf, Rasheed Taiwo Mudasiru, Mukhtar Abdulfatai).

- Team Storepoint (3rd place, ₦1m) — University of Lagos team (Haruna Faruk, Ladipo Samuel) that built a solution to get local shops and small businesses quick access to an online marketplace using Squad's API to streamline payments.

All three winning teams, along with other standout participants, were enrolled in the Squad Hackademy, Habari Pay's post-hackathon mentorship and employment-pipeline programme. From that first cohort, roughly 10 participants were absorbed into Habari Pay's Academy Programme as interns, gaining hands-on experience in fintech product development.

4.3 Hackathon 2.0 (March 2025): Finclusion Revolution

The second edition was held on 13th to 15th March 2025, expanded from two days to three, and expanded in ambition. The theme; 'Finclusion Revolution: Unlocking Access, Empowering Communities' focused participants on the hardest problem in Nigerian payments: why 80 per cent of transactions in the country remain cash-based, and what it would take to change that.

Prize pool: ₦10m total, doubled from the inaugural edition. Grand prize ₦5m; second place ₦3m; third place ₦2m.

Headline projects

- Team Savvy (overall winners):
- Houseify. A prop-tech solution from second-

year Computer Science students at the University of Ibadan, designed to eliminate agent fees by connecting prospective tenants directly with landlords, using Squad's APIs for secure payment handling.

- Split Ease: A digital platform for securing group savings under Ajo payment system, a direct attempt to formalise one of Nigeria's oldest informal savings practices.

Outstanding participants joined the second cohort of Squad Hackademy, now structured to ship products into live use by real Squad customers, with mentorship from Habari Pay's leadership team.

4.4 Hackathon 3.0 (2026): Smart Systems, The Intelligent Economy

The third edition is currently in application with the theme 'Smart Systems: The Intelligent Economy'. Participants are challenged to design and build intelligent, data-driven solutions that transform how communities engage with money; drawing on the rise of AI-native financial products, agentic payment

assistants, and real-time decisioning models. Problem categories span financial services, healthcare, commerce, and digital inclusion. The event is again hosted at the GTCO Training Complex in Abeokuta, and remains open to developers, designers, and entrepreneurs across Nigeria.

4.5 The Squad Hackademy: from hackathon to hiring pipeline

The Hackademy is the piece that separates Take On Squad from most hackathons. Selected winners and standout participants from each edition are enrolled in a structured programme that combines mentorship, technical training, paid internships, and for a meaningful number of participants each year; full-time employment at Habari Pay.

Across the first two editions, the Hackademy has

employed participants as interns working alongside Habari Pay's engineering and product teams. The second cohort is currently shipping products that are being used by real Squad customers, closing the loop between 'built at a hackathon' and 'running in production'. Several Hackademy alumni now hold permanent roles across Habari Pay's engineering and merchant success functions.

Competitive Positioning in Nigeria's Payment Landscape

A deliberately different bet in a market that looked full.



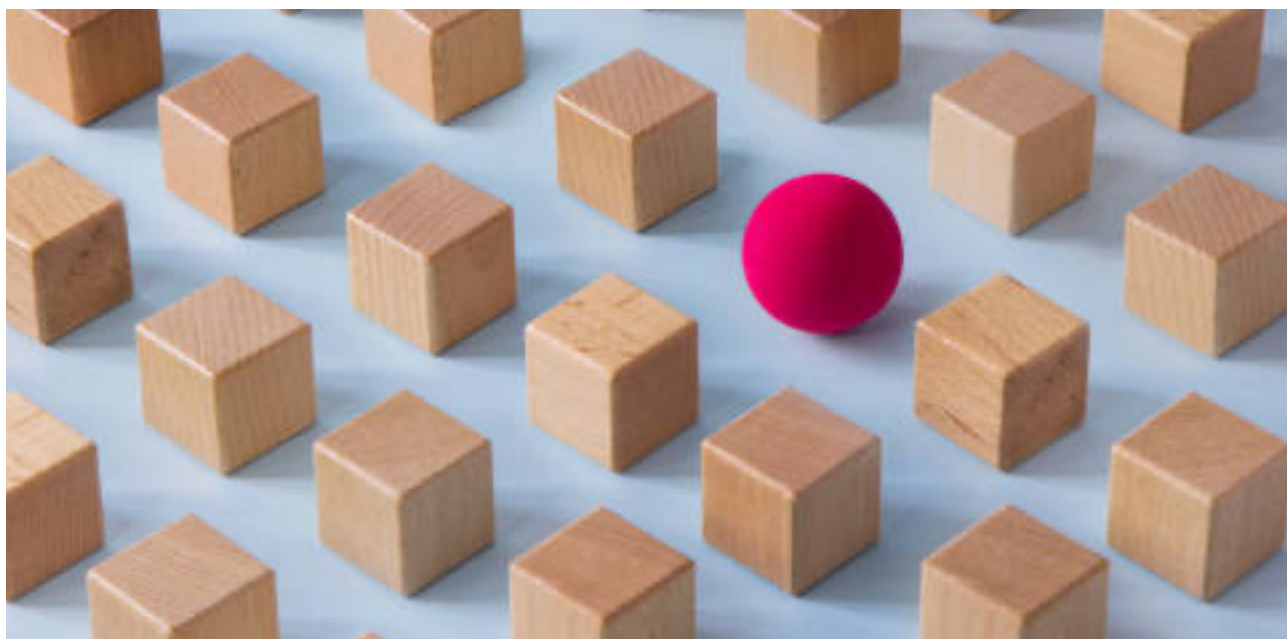
5.1 The deliberate non-copy strategy

The non-copy strategy produced four deliberate bets:

- Infrastructure over terminals. Rather than compete for the last mile with a terminal-in-every-shop strategy, Habari Pay invested in the switching and gateway layer that sat above every terminal.
- SMEs and developers over consumers. Rather than build a consumer super-app, Habari Pay focused on the tools that businesses and developers need to build their own customer experiences.
- Corporate switching over mass-market agency banking. Rather than chase agents, Habari Pay built rails for Food & Beverage, telcos, and other high-volume corporate clients.
- Profit discipline over growth-at-all-costs. Rather than raise and burn capital to subsidise user acquisition, Habari Pay has been profitable from its sixth month of operation and has grown inside GTCO's conservative capital posture.

5.2 Head-to-head: the bank-owned fintech league table

Within the specific category of bank-owned fintech subsidiaries in Nigeria, Habari Pay is currently the most profitable. FY 2025 results:



Entity (Parent)	FY 2025 Profit	Note
Habari Pay (GTCO)	₦ 9.7 billion (PBT)	+134% YoY. Most profitable bank-owned fintech in Nigeria.
Hydrogen (Access Holdings)	₦ 833 million	–42.6% YoY. Operating income up marginally; expanded to 20,000+ merchants.
Zest Payments (Stanbic IBTC)	₦ 874m revenue; losses narrowing	Revenue up 14x; cost base still a work-in-progress.

Two observations. First, bank-owned fintechs are having their strongest financial year yet as a category. Second, within that category, Habari Pay's combination of cost discipline and revenue diversification has produced a profit profile that is three to seven times that of its closest peers. The Strategic play for Habari Pay is to win in a different game. Its combination of a Tier-1 Financial

Services Group parent, its Central Bank switching licence, its PTSP and VAS licences and its now-profitable switching business for corporate defines a distinctive position. The goal is not to be the biggest fintech in Nigeria. It is to be the most indispensable piece of infrastructure



Payments are central to the development of financial services globally and represent a key growth area for the Group. Transactions volumes and values across our digital platforms have grown significantly driven by increased adoption from merchants, corporate and retail users.

— Segun Agbaje, GTCO Group CEO, 2025 interim report.

Unique Insights from the Payment Trenches

Five lessons we could only have learned by processing ₦80.9 trillion.



6.1 Transfers, not cards, are the future of African commerce

The single clearest signal from three years of processing payments across Nigeria's full economic ladder is that account-to-account bank transfers, not card payments, are the dominant form of digital transaction at both the retail and merchant level. NIBSS data confirms it at a national scale: A2A transfers via NIBSS Instant Payments (NIP) are now the leading e-commerce payment method in Nigeria, while A2A via NQR codes is the second most popular at point-of-sale, trailing only cash.

For Habari Pay, this has a direct implication. The product strategy is focused not on cards (although cards remain a core channel), but on making transfers feel like cards. That means instant confirmation, clean dispute flows, printable receipts, refundability, and chargeback mechanisms on top of rails that were originally designed for wholesale interbank settlement. It is a technically complex problem and a deeply African one. Solving it is one of Habari Pay's highest-priority engineering bets.

6.2 Financial inclusion is an economic inclusion problem



Payments are central to the development of financial services globally and represent a key growth area for the Group. Transactions volumes and values across our digital platforms have grown significantly driven by increased adoption from merchants, corporate and retail users.

— Segun Agbaje, GTCO Group CEO, 2025 interim report.

Financial inclusion cannot be solved without economic inclusion. A merchant who is not generating surplus will not adopt a new payment tool, no matter how frictionless it is. This reframes the infrastructure challenge: the goal is not only to make digital payments cheap, but to make the tools that sit on top of them economically generative for the people using them. Agency banking worked in Nigeria not primarily

because the terminals were cheap, but because the agent earned a margin on every transaction. That margin created livelihoods. Habari Pay's view of the next decade of inclusion is that similar economic models for farmers, for informal traders, for cooperatives, for women entrepreneurs must be engineered deliberately into product design.

6.3 The corporate switching opportunity is larger than most operators realise

One insight has been reshaping internal priorities: the volume and margin concentrated in a handful of corporate switching relationships is, in many cases, greater than the combined volume of thousands of SME merchants. A single Food & Beverage client processing distributor and retailer transactions can move more value through a switch in a week than a mid-sized fintech handles in a month.

The implication for Habari Pay's product roadmap is explicit. While Squad's consumer-facing products remain the brand anchor and the primary acquisition channel,

the switching business has earned its own dedicated investment in enterprise-grade integration, in industry-specific product engineering, and in the commercial motion needed to serve corporate treasuries. The 2025 expansion into PTSP terminal services is partly downstream of this insight: when you already switch a corporate's flows, extending into its physical payment acceptance is the next logical step.

6.4 Infrastructure that solves your own problem is worth more than infrastructure you build to sell

The Habari Pay switch was not built to be a commercial product. It was built because the economics of routing micro-payments through third-party rails did not work. But once it solved the company's own problem, it turned out to solve the same problem for other operators, and the commercial switching business emerged as a result. This sequence of build for yourself, then realise you

have built for the industry is one that many African fintech operators will recognise. It is also a principle worth formalising: infrastructure constructed to meet an internal pain point almost always has a product-market fit advantage over infrastructure constructed speculatively for a market.

6.5 Being inside a Tier-1 Holdco is a feature, not a bug

The conventional wisdom in African fintech has been that holding-company subsidiaries are too slow, too compliance-heavy, and too constrained by parent-company politics to compete with nimble independents. Habari Pay's numbers suggest a more nuanced story.

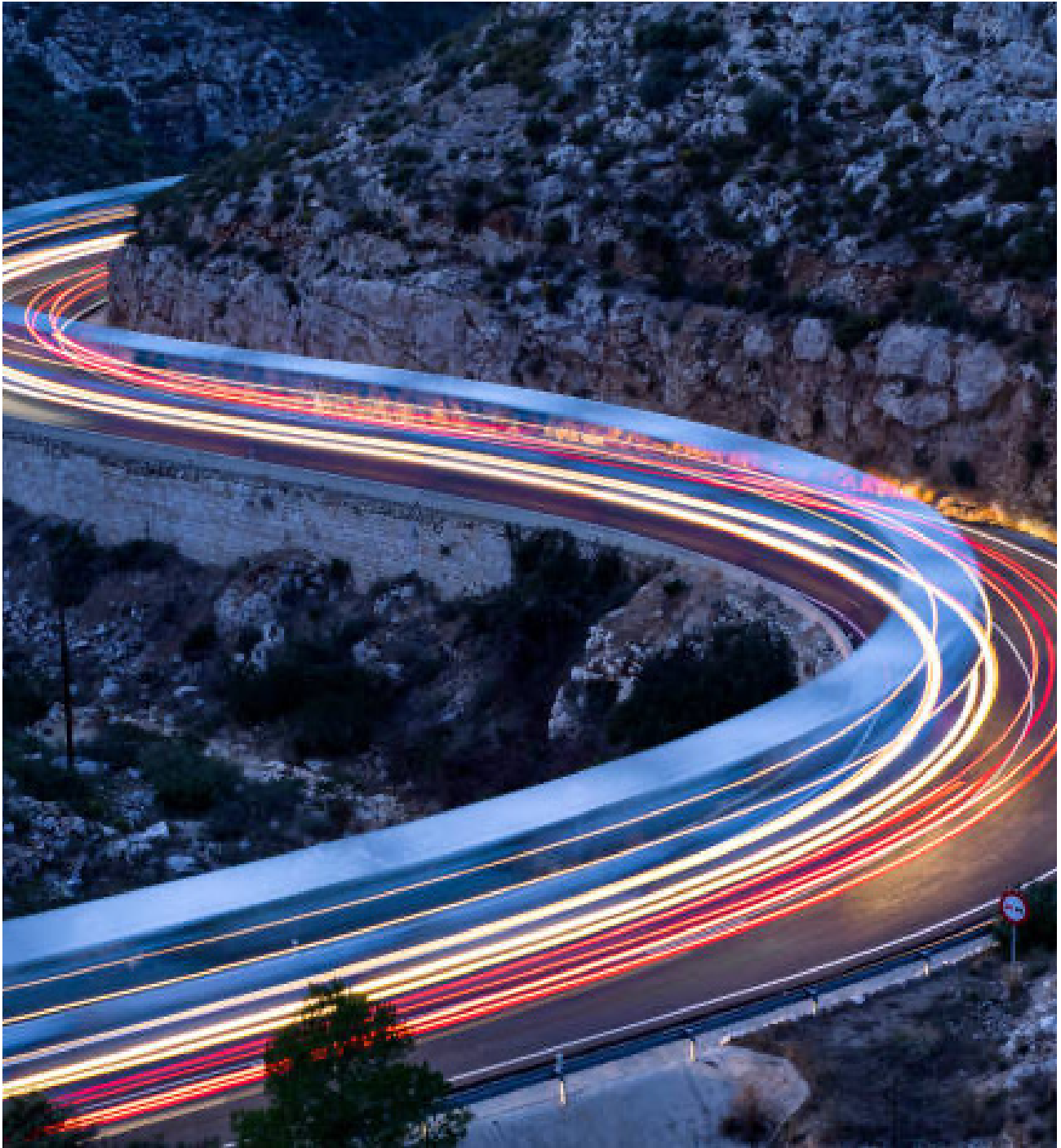
Inside a Tier-1 Holdco, a fintech subsidiary gains structural advantages that independents cannot easily replicate. First, compliance and risk discipline that is genuinely a competitive edge; particularly as regulatory requirements in Nigeria have tightened repeatedly since 2022. Rather than a constraint, this discipline shapes better product design: systems built to withstand scrutiny tend to be more robust, more trusted, and more scalable. Second, capital deployment patience; Habari Pay has been able to invest in the switch and

licences without quarterly pressure to show top-line growth. Third, talent; the engineering teams that built Guaranty Trust Bank's internet banking platform in-house in the mid-2000s provided the DNA that Habari Pay's product and engineering functions drew from. Fourth, access to an established network of merchants and corporates not as a shortcut, but as a design input that has sharpened product-market fit from the outset.

The trade-off is real: Holdco-backed fintechs must move with more process discipline than independents. But in a sector where regulatory, data-protection, and settlement risk have become more rather than less important, that discipline is increasingly the bet that compounds.

The Road Ahead: 2026 and Beyond

Four priorities shaping the next chapter.



7.1 Activating the full licence stack

Habari Pay holds four regulatory capacities under its CBN umbrella licence: Payment Solution Service Provider (PSSP), Payment Terminal Service Provider (PTSP), Super Agent, and switching and processing. Of these, only two are currently active in revenue-generating mode. Over the next 12–24 months, the company intends to activate the remaining capacities in sequence, beginning with the continued scale-up of the PTSP business launched in 2025.

The immediate priority, however, is depth over breadth; scaling transaction volumes and doubling down on sector-focused solutions across the verticals where Habari Pay already has commercial traction. The licence stack provides optionality, but the near-term execution thesis is concentrated on compounding what is already working.

7.2 Making transfers feel like cards

The engineering bet on transfer-first payments will continue to be the defining product investment of 2026. Expect to see product releases that bring real-time settlement confirmation, dispute and chargeback frameworks, and richer merchant tooling to Squad's bank-transfer channels. The commercial prize is substantial: if transfer-based acceptance can deliver

the same merchant experience as cards at a fraction of the cost, the per-transaction economics of Nigerian commerce shift in favour of any operator that has built the rails to support it.

7.3 Doubling down on POS deployments

In its April 2025 investor call, GTCO Group CEO Segun Agbaje signalled that Habari Pay would accelerate POS terminal deployments through 2025 and into 2026. This is a deliberate move to extend Squad's physical footprint without retreating from the infrastructure strategy. The terminals will be powered by Habari Pay's

own switching rails and feed the same back-end data infrastructure. Zero processing fees on GTCO's POS terminals, introduced as part of the 2025 sustainability initiatives, is designed to accelerate merchant adoption and deepen engagement with Squad's broader product stack.



Our ambition is to power the financial interactions of the future, connecting consumers and businesses across sectors in ways that are simple, intuitive, and inclusive.

— Segun Agbaje, Group CEO, GTCO.

7.4 Pan-African ambition, carefully

GTCO has banking operations across 10 African countries and the United Kingdom. That geographic footprint is a natural extension path for Habari Pay, but one the company has so far approached deliberately. The priority order is clear: win conclusively in Nigeria first, then extend to West Africa, then to the wider continent. The constraint is not ambition; it is the recognition that each new regulatory jurisdiction requires its own licensing, partnerships, and product tuning.

What to expect over the next two years is a phased approach;- selective market entry where a specific use case (corporate switching, or cross-border settlement for traders) has a clear commercial thesis, rather than a rush to plant flags.

7.5 The AI-native payment surface

The Take On Squad Hackathon 3.0 theme- 'Smart Systems: The Intelligent Economy' is a deliberate signal of where the company believes the next chapter is being written. Agentic AI, real-time decisioning, and intelligent reconciliation are moving from research papers into production fintech stacks at

pace. Habari Pay intends to meet them there. Expect to see AI-native tooling exposed through the Squad APIs, product experiences that blend conversational interfaces with payment actions, and internal use of machine learning for fraud monitoring, dispute resolution, and merchant credit decisioning.

