WEMA BANK PLC

H1 2026 Earnings Flash Note

Wednesday, July 29, 2026

Stock Performance	Price[1] (₦)	WtD	MtD	YtD	52-wk High (₦)	52-wk Low (₦)
WEMABANK	31.65	1.09%	23.15%	52.16%	36.00	16.45

[1] as of market close on Tuesday July 28th, 2026

Statement of Profit or Loss Extract (₦'bn)	H1 2026	H1 2025	YoYΔ
Interest Income	342.64	240.66	42.38%
Interest Expense	147.19	111.43	32.09%
Net Interest Income	195.45	129.22	51.25%
Net Fee & Commission Income	36.09	45.38	-20.48%
Profit before tax	154.56	100.60	53.64%
Profit for the year	131.37	87.52	50.11%

Statement of Financial Position Extract (₦'bn)	H1 2026	H1 2025	YoYΔ
Loans and advances to customers	2,115.59	1,426.4	48.32%
Investment securities	1,181.36	1,111.1	6.32%
Cash and bank balances	1,025.04	235.62	335.04%
Deposits from customers	3,452.76	2,600.04	32.80%
Deposits from banks	158.77	155.96	1.80%
Borrowings	110.96	133.22	-16.71%
Total Equity	700.45	323.12	116.78%
Total Liabilities	5,057.44	3,648.46	38.62%
Total Assets	5,757.89	3,971.58	44.98%

Ratios and Metrics	
Shares Outstanding (billion units)	40.12
H1 Earnings Per Share (EPS)	₦3.27
Annualised Earnings Per Share (EPS)	₦6.55
Book Value Per Share	₦17.46
P/E Ratio	9.67x
P/BV Ratio	1.81x
Net Interest Margin	6.70%
Return on Average Assets (ROAA)	2.70%
Return on Average Equity (ROAE)	25.67%
Debt-to-Asset Ratio	0.65x
Debt-to-Equity Ratio	5.31x
Cost to Income	42.13%
Cost of funds	3.95%
Current Account Savings Account (CASA) Ratio	38.39%

Commentary

- Wema Bank Plc delivered a strong H1 2026 performance, with interest income increasing by 42.38% YoY to ₦342.64bn, supported by robust growth in interest-earning assets. Net interest income rose by 51.25% YoY to ₦195.45bn, as the growth in interest income outpaced the 32.09% YoY increase in interest expense.
- Non-interest income weakened, with net fee and commission income declining by 20.48% YoY to ₦36.09bn. Despite this, profitability improved significantly, with profit before tax and profit after tax increasing by 53.64% and 50.11% YoY to ₦154.56bn and ₦131.37bn, respectively, supported by strong growth in net interest income and improved operating performance.
- Net Interest Margin (NIM) stood at 6.70%, while Return on Average Assets (ROAA) and Return on Average Equity (ROAE) were 2.70% and 25.67%, respectively, reflecting strong profitability and improved returns to shareholders. Cost efficiency remained strong, with a cost-to-income ratio of 42.13%, while cost of funds stood at 3.95%.
- On the balance sheet, total assets expanded by 44.98% YoY to ₦5.76tn, driven by significant growth in cash and bank balances (+335.04% YoY), financial assets at FVTPL (+328.57% YoY), and loans and advances to customers (+48.32% YoY). Investment securities also increased by 6.32% YoY, reflecting continued expansion in the bank's earning assets.
- Funding remained strong, with customer deposits increasing by 32.80% YoY to ₦3.45tn, while deposits from banks rose marginally by 1.80% YoY. Borrowings declined by 16.71% YoY to ₦110.96bn, indicating lower reliance on external funding. The CASA ratio of 38.39% reflects a moderate low-cost funding base, with current deposits accounting for 62% of CASA, while savings deposits contribute 38%.
- Capital position strengthened significantly, with total equity increasing by 116.78% YoY to ₦700.45bn, while total assets rose by 44.98% YoY to ₦5.76tn, reflecting a stronger balance sheet. The stock trades at 9.67x P/E and 1.81x P/BV, indicating a premium valuation supported by strong earnings growth and improved profitability.

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