



Earnings Update: WEMA BANK PLC (Ticker: WEMA)

THINGS WE LIKE ABOUT THE RESULT

1. Net interest income after impairment charge grew by 91.55%, from ₦81.16 billion in FY-2023 to ₦155.46 billion in FY-2024. Despite higher impairment charges, the bank's net interest income after losses increased significantly, reflecting strong overall growth in its core banking activities.
2. Net fee and commission income surged by 122.82%, from ₦24.96 billion in FY-2023 to ₦55.62 billion in FY-2024. Indicating that the bank's fee-based services, such as transaction fees and commissions, saw strong demand, contributing positively to overall revenues.
3. Net trading income increased by 318.31%, from ₦822.49 million in FY-2023 to ₦3.44 billion in FY-2024.
4. Operating income grew by 91.04%, from ₦122.43 billion in FY-2023 to ₦233.89 billion in FY-2024.
5. Profit before tax surged by 133.84%, from ₦43.66 billion in FY-2023 to ₦102.10 billion in FY-2024.
6. Profit for the year increased by 146.84%, from ₦35.99 billion in FY-2023 to ₦88.83 billion in FY-2024.
7. Total assets grew by 60.98%, from ₦2.25 trillion in FY-2023 to ₦3.62 trillion in FY-2024.
8. Deposits from customers increased by 35.96%, from ₦1.86 trillion in FY-2023 to ₦2.53 trillion in FY-2024. While deposits from banks increased by 1,139.00% to ₦258.50 billion in FY 2024 from ₦20.86 billion in FY 2023.
9. Equity attributable to equity holders grew by 87.27%, from ₦139.30 billion in FY-2023 to ₦260.86 billion in FY-2024. The strong growth in equity shows that Wema Bank has been able to build its capital base, increasing its financial stability and resilience.

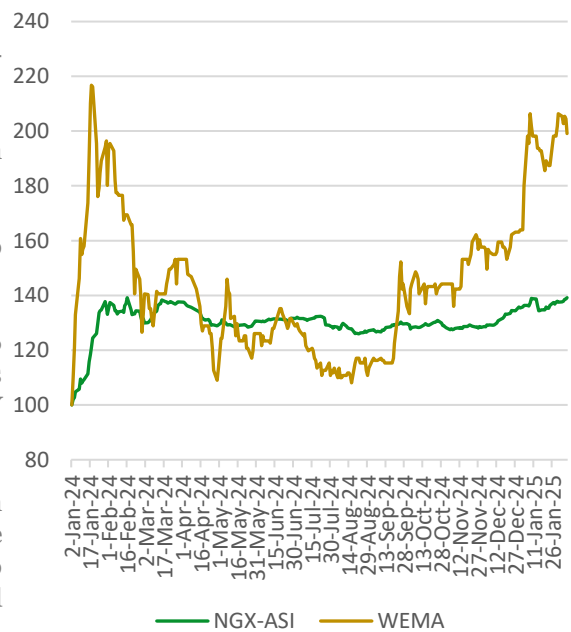
THINGS WE DID NOT LIKE ABOUT THE RESULT

1. Net impairment losses rose by 39.46%, from ₦10.56 billion in FY-2023 to ₦14.73 billion in FY-2024.
2. Total liabilities increased by 59.24%, from ₦2.11 trillion in FY-2023 to ₦3.36 trillion in FY-2024.

Key Metrics

TICKER	WEMA
Price (₦) as of 10 Feb. 2025	11.40
Shares Outstanding	21.43B
52 Weeks High (₦)	12.10
52 Weeks Low (₦)	5.65
1 Year Change (%)	24.3%
Market Cap (₦)	244.3B
Price-to-Book	0.9x
EPS - P/E	4.15 - 2.8x
Dividend Yield TTM	-

Rebased Price Performance of NGX-ASI and WEMA



Source: Investing.com, Parthian Securities Research

www.parthiansecuritiesng.com

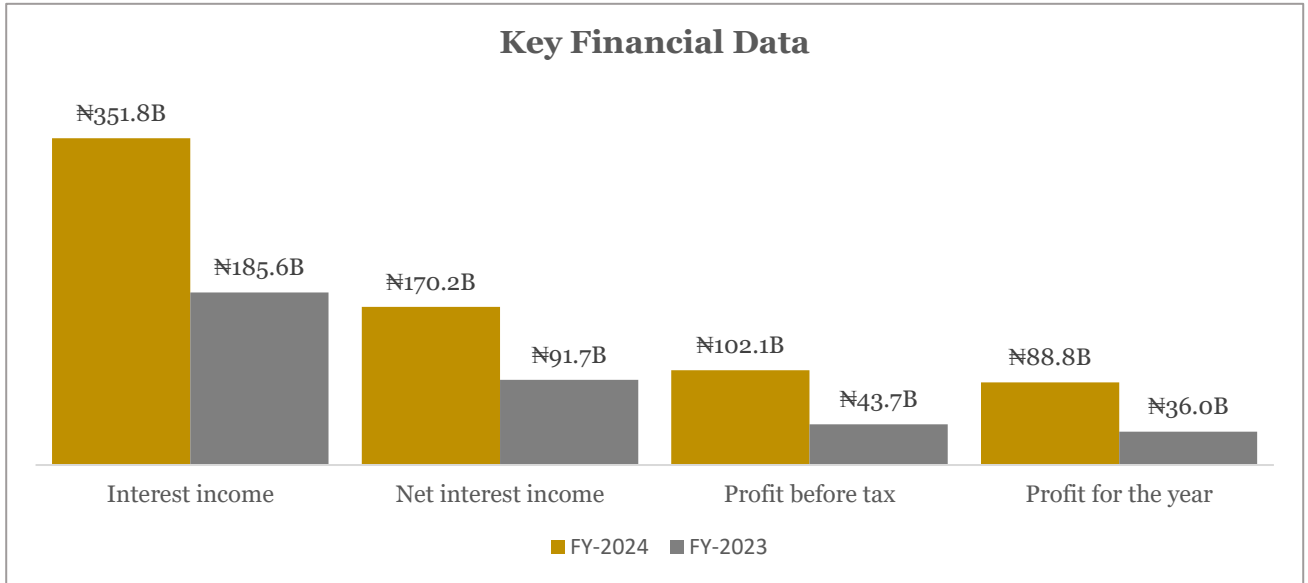
Kindly click [here](#) for the full financial statement.



INCOME STATEMENT	FY-2024 (₹'000)	FY-2023 (₹'000)	Change (%)
Interest income	351,832,014	185,643,309	89.52%
Interest expense	(181,640,403)	(93,922,252)	93.39%
Net interest income	170,191,611	91,721,057	85.55%
Net impairment loss on financial assets	(14,731,793)	(10,563,367)	39.46%
Net interest income after impairment charge for credit losses	155,459,818	81,157,690	91.55%
Net gain on FVTPL investment securities	2,497,076	229	1090326.20%
Net fee and commission income	55,620,856	24,961,757	122.82%
Net trading income	3,440,533	822,485	318.31%
Other income	16,868,327	15,486,758	8.92%
Operating income	233,886,610	122,428,919	91.04%
Personnel expenses	(45,307,909)	(26,755,149)	69.34%
Depreciation and amortization	(8,778,804)	(6,122,218)	43.39%
Other operating expenses	(77,695,108)	(45,887,623)	69.32%
Profit before tax	102,104,788	43,663,929	133.84%
Income tax expense	(13,270,578)	(6,532,002)	103.16%
Profit for the year	88,834,210	35,988,967	146.84%
STATEMENT OF FINANCIAL POSITION	FY-2024 (₹'000)	FY-2023 (₹'000)	Change (%)
Cash and cash equivalents	284,458,115	220,233,575	29.16%
Restricted Deposit with CBN	847,881,847	503,320,833	68.46%
Pledged assets	307,235,856	35,216,689	772.42%
Investment securities: Fair value through other comprehensive income	13,278,129	13,354,669	-0.57%
Investment securities: Fair Value through profit or loss	12,645,018	4,669	270729.26%
Investment securities: Held at amortised cost	876,608,387	614,892,883	42.56%
Loans and advances to customers	1,203,180,768	801,103,117	50.19%
Right of Use Assets	1,264,903	1,254,787	0.81%
Property and equipment	48,322,246	35,762,897	35.12%
Intangible assets	4,098,343	2,988,602	37.13%
Other assets	13,037,759	13,001,896	0.28%
Deferred tax assets	7,105,000	7,105,000	0.00%
Total Assets	3,619,116,372	2,248,239,617	60.98%
Deposits from banks	258,500,000	20,863,530	1139.00%
Deposits from customers	2,529,624,817	1,860,573,537	35.96%
Lease Liabilities	48,531	45,952	5.61%
Current tax liabilities	13,286,585	1,796,732	639.49%
Other liabilities	435,675,628	142,585,099	205.55%
Provisions	3,681,516	2,609,348	41.09%
Other borrowed funds	117,435,046	80,466,750	45.94%
Total Liabilities	3,358,252,123	2,108,940,948	59.24%
Equity attributable to equity holders of the bank	260,864,249	139,298,669	87.27%
Total liabilities and equity	3,619,116,372	2,248,239,617	60.98%
STATEMENT OF CASH FLOW	FY-2024 (₹'000)	FY-2023 (₹'000)	Change (%)
Net cash used in operating activities	314,164,320	357,062,570	-12.01%
Net cash used in investing activities	(296,019,961)	(287,995,679)	2.79%
Net cash used in financing activities	46,080,181	54,871,820	-16.02%



Key Financial Data



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