

WEMA BANK PLC

UNAUDITED FINANCIAL STATEMENTS

FOR THE PERIOD ENDED 30 SEPTEMBER 2023

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Wema Bank Plc

Consolidated and Separate Financial Statements
For the period ended 30 September, 2023

Statements of Profit or loss and other Comprehensive Income

<i>In thousands of Nigerian Naira</i>		Group				Bank			
		3 Months 30-Sep-23	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22	3 Months 30-Sep-23	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22
	Notes	62,060,759	151,691,687	95,354,463	133,053,047	61,806,440	150,899,037	93,859,059	131,083,309
Interest income	7	50,814,955	127,464,076	79,973,886	108,036,632	50,560,636	126,671,426	78,478,482	106,066,894
Interest expense		(27,944,487)	(71,723,053)	(41,501,254)	(53,806,696)	(27,672,025)	(70,923,252)	(40,008,047)	(51,991,333)
Net interest income	7	22,870,467	55,741,023	38,472,632	54,229,936	22,888,611	55,748,174	38,470,435	54,075,561
Net impairment loss on financial assets	11	(1,982,939)	(3,378,200)	(2,126,362)	(4,808,387)	(1,982,939)	(3,378,200)	(2,126,362)	(4,808,387)
Net interest income after impairment charge for credit losses		20,887,528	52,362,823	36,346,270	49,421,549	20,905,672	52,369,974	36,344,073	49,267,174
Net gain on FVTPL investment securities		165,083	1,147,210	1,462,883	1,531,277	165,083	1,147,210	1,462,883	1,531,277
Net fee and commission income	8	6,813,682	16,841,362	12,015,428	16,586,216	6,813,682	16,841,362	12,015,428	16,586,216
Net trading income	9	525,387	828,588	(112,588)	4,001,989	525,387	828,588	(112,588)	4,001,989
Other income	10	3,741,652	5,410,451	2,014,855	2,896,933	3,741,652	5,410,451	2,014,855	2,896,933
		11,245,804	24,227,611	15,380,577	25,016,415	11,245,804	24,227,611	15,380,577	25,016,415
Operating income		32,133,332	76,590,434	51,726,847	74,437,964	32,151,476	76,597,585	51,724,650	74,283,589
Personnel expenses	12	(7,169,176)	(19,039,937)	(15,317,886)	(21,332,578)	(7,169,176)	(19,039,937)	(15,317,886)	(21,332,578)
Depreciation and amortization	13b	(1,623,926)	(4,358,418)	(3,256,528)	(4,545,925)	(1,623,926)	(4,358,418)	(3,256,528)	(4,545,925)
Other operating expenses	13a	(13,281,439)	(31,074,682)	(23,694,953)	(33,675,500)	(13,281,439)	(31,072,182)	(23,686,109)	(33,659,078)
Profit before tax		10,058,792	22,117,397	9,457,481	14,883,962	10,076,936	22,127,048	9,464,128	14,746,009
Income tax expense	24	(1,310,001)	(2,876,516)	(1,277,657)	(3,531,981)	(1,310,001)	(2,876,516)	(1,277,657)	(3,531,981)
Profit for the year		8,748,791	19,240,881	8,179,824	11,351,981	8,766,935	19,250,532	8,186,471	11,214,028
<u>Other comprehensive income, net of income tax items that will not be subsequently reclassified to profit or loss</u>									
Net change in fair value of investments FVTOCI		-	-	-	4,130,260	-	-	-	4,130,260
		-	-	-	4,130,260	-	-	-	4,130,260
<u>Items that will be subsequently reclassified to profit or loss</u>									
Net change in fair value of debt instruments FVOCI (net of tax)		(474,637)	(367,908)	-	-	(474,637)	(367,908)	-	-
		-	-	-	-	-	-	-	-
Other comprehensive income for the year		(474,637)	(367,908)	-	4,130,260	(474,637)	(367,908)	-	4,130,260
Total comprehensive income for the year		8,274,154	18,872,973	8,179,824	15,482,241	8,292,298	18,882,624	8,186,471	15,344,288
Profit attributable to:									
Equity holders of the Bank		8,748,791	19,240,881	8,179,824	11,351,981	8,766,935	19,250,532	8,186,471	11,214,028
Total comprehensive income for the year		8,274,154	18,872,973	8,179,824	15,482,241	8,292,298	18,882,624	8,186,471	15,344,288
Earnings per share-basic	14	272.0	199.5	84.8	88.3	272.8	199.6	84.9	87.2

Wema Bank Plc

**Consolidated and Separate Financial Statements
For the period ended 30 September, 2023**

Statements of financial Position

<i>In thousands of Nigerian Naira</i>	Notes	Group		Bank	
		30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
Cash and cash equivalents	15	140,748,848	96,294,862	140,716,519	96,262,918
Restricted Deposit with CBN	15b	454,164,457	386,993,380	454,164,457	386,993,380
Pledged assets	16	96,093,138	30,616,318	96,093,138	30,616,318
Investment securities:					
Fair value through other comprehensive income	17a	15,891,722	11,056,230	15,891,722	11,056,230
Fair Value through profit or loss	17b	18,815,824	20,933,741	18,815,824	20,933,741
Held at amortised cost	17c	543,409,032	320,922,935	535,016,669	312,792,563
Wema funding SPV Plc	17d	-	-	1,000	1,000
Loans and advances to customers	18	661,303,410	521,430,696	661,303,410	521,430,696
Right of Use	27	1,151,891	997,465	1,151,891	997,465
Property and equipment	19	34,610,269	25,449,667	34,610,269	25,449,667
Intangible assets	20	2,888,316	2,859,593	2,888,316	2,859,593
Other assets	22	19,212,357	11,326,855	19,212,357	11,326,855
Deferred tax assets	21	12,983,232	12,983,232	12,983,232	12,983,232
Total Assets		2,001,272,496	1,441,864,974	1,992,848,804	1,433,703,658
Deposits from banks	23	74,493,569	19,153,500	74,493,569	19,153,500
Deposits from customers	23	1,650,752,248	1,165,934,019	1,650,752,248	1,165,934,019
Lease Liabilities	27	35,644	31,583	35,644	31,583
Current tax liabilities	24	2,876,517	1,061,974	2,876,517	1,061,975
Other liabilities	25	120,047,823	103,685,466	119,973,585	103,613,727
Other borrowed funds	26	34,508,269	69,455,531	26,069,389	61,286,178
Total Liabilities		1,882,714,069	1,359,322,073	1,874,200,951	1,351,080,981
EQUITY					
Share capital	28	6,429,078	6,429,078	6,429,078	6,429,078
Share premium	28	8,698,230	8,698,230	8,698,230	8,698,230
Regulatory risk reserve		11,801,426	11,801,425	11,801,426	11,801,426
Retained earnings	28	26,272,338	11,449,605	26,361,763	11,529,379
Other reserves	28	65,357,355	44,164,563	65,357,356	44,164,564
Equity attributable to equity holders of the bank		118,558,427	82,542,901	118,647,853	82,622,677
Total liabilities and equity		2,001,272,496	1,441,864,974	1,992,848,804	1,433,703,658
CONTINGENTS		243,258,786	152,455,290	243,258,786	152,455,290

The financial statements were authorized for issue by the directors on the 27th of October 2023 and signed on its behalf by:



Dr. (Mrs) Oluwayemisi Olorunshola
Chairman
FRC/2023/PRO/DIR/003/492710



Moruf Oseni
Managing Director
FRC/2013/NIM/00000002114



Tunde Mabawonku
Executive Director
FRC/2013/ICAN/00000002097

Wema Bank Plc

Consolidated and Separate Financial Statements
For the period ended 30 September, 2023

Statements of changes in equity

Group	Share Capital	Share reserve	Share premium	AT-1 Tier1 capital	Credit risk reserve	Regulatory risk reserve	Statutory reserve	SMEIES reserve	Fair value reserves	Retained earnings	Total equity
2023											
Balance at 1 January 2023	6,429,078	12,858,155	8,698,230	-	781,612	11,801,426	19,337,047	1,349,419	9,838,329	11,449,605	82,542,902
SMEIS Charge								560,701		(560,701)	-
INFLOW				21,000,000							21,000,000
Profit or loss	-		-		-	-	-	-		19,240,881	19,240,881
Other comprehensive income											
Cumulative gain/loss reclassified from reserve on disposal of FVTOCI investments											-
Fair value reserve FVTOCI financial assets	-		-		-	-	-	-	(367,908)	-	(367,908)
Transfers within equity:											
Regulatory risk reserve						-				-	
Transfer to Share reserve (see note 28)	-	-									
Credit risk reserve											
Transfer to Statutory reserve	-	-					-			-	
	6,429,078	12,858,155	8,698,230	21,000,000	781,612	11,801,426	19,337,047	1,910,120	9,470,421	30,129,785	122,415,875
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Dividend Payout										(3,857,447)	(3,857,447)
	-	-	-		-	-	-	-	-	(3,857,447)	(3,857,447)
Balance as at 30 September 2023	6,429,078	12,858,155	8,698,230	21,000,000	781,612	11,801,426	19,337,047	1,910,120	9,470,421	26,272,338	118,558,428
2022											
Balance at 1 January 2022	19,287,233	-	8,698,230	-	781,612	6,089,871	17,654,943	902,759	5,708,069	11,023,900	70,146,617
SMEIS Charge	-		-		-	-	-	-		11,351,981	11,351,981
Profit or loss											
Other comprehensive income											
Cumulative gain/loss reclassified from reserve	-		-		-	-	-	-	4,130,260	-	4,130,260
Fair value reserve FVTOCI financial assets											
Transfers within equity:											
Regulatory risk reserve	(12,858,155)	12,858,155				5,711,555				(5,711,555)	
Transfer to Share reserve (see note 28)											
Credit risk reserve							1,682,104			(1,682,104)	
Transfer to Statutory reserve											
	6,429,078	12,858,155	8,698,230	-	781,612	11,801,426	19,337,047	1,349,419	9,838,329	14,535,563	85,628,859
Contributions by and distributions to owners											
Dividend Payout										(3,085,957)	(3,085,957)
	-	-	-		-	-	-	-	-	(3,085,957)	(3,085,957)
Balance as at 31 December 2022	6,429,078	12,858,155	8,698,230	-	781,612	11,801,426	19,337,047	1,349,419	9,838,329	11,449,605	82,542,902

Wema Bank Plc

Consolidated and Separate Financial Statements
For the period ended 30 September, 2023

Statements of changes in equity

Bank

In thousands of Nigerian naira (000s)

2023	Share	Share reserve	Share premium	AT-1 Tier1 capital	Credit risk reserve	Regulatory risk reserve	Statutory reserve	AGSMEIS reserve	Fair value reserves	Retained earnings	Total equity
Balance at 1 January 2023	6,429,078	12,858,155	8,698,230	-	781,612	11,801,426	19,337,047	1,349,419	9,838,329	11,529,379	82,622,675
SMEIS Charge								560,701		(560,701)	-
INFLOW				21,000,000							21,000,000
Profit or loss	-									19,250,532	19,250,532
Other comprehensive income											
Cumulative gain/loss reclassified from reserve on disposal of FVTOCI investments											-
Fair value reserve FVTOCI financial assets	-								(367,908)		(367,908)
Transfers within equity:											
Regulatory risk reserve											
Transfer to Share reserve (see note 28)		-									
Credit risk reserve											
Transfer to Statutory reserve											
	6,429,078	12,858,155	8,698,230	21,000,000.00	781,612	11,801,426	19,337,047	1,910,121	9,470,421	30,219,210	122,505,298.83
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Dividend Payout										(3,857,447)	(3,857,447)
	-	-	-							(3,857,447)	(3,857,447)
Balance as at 30 September 2023	6,429,078	12,858,155	8,698,230	21,000,000	781,612	11,801,426	19,337,047	1,910,121	9,470,421	26,361,763	118,647,852
2022											
Balance at 1 January 2022	19,287,233	-	8,698,230	-	781,612	6,089,871	17,654,943	902,759	5,708,069	11,241,627	70,364,344
SMEIS Charge								446,660		(446,660)	-
Profit or loss	-									11,214,028	11,214,028
Other comprehensive income											
Cumulative gain/loss reclassified from reserve on disposal of FVTOCI investments											-
Fair value reserve FVTOCI financial assets	-								4,130,260		4,130,260
Transfers within equity:											
Regulatory risk reserve						5,711,555				(5,711,555)	
Transfer to Share reserve (see note 28)	(12,858,155)	12,858,155									
Credit risk reserve											
Transfer to Statutory reserve							1,682,104			(1,682,104)	
	6,429,078	12,858,155	8,698,230	-	781,612	11,801,426	19,337,047	1,349,419	9,838,329	14,615,336	85,708,633
Transactions with owners, recorded directly in equity											
Contributions by and distributions to owners											
Dividend Payout										(3,085,957)	(3,085,957)
	-	-	-							(3,085,957)	(3,085,957)
Balance as at 31 December 2022	6,429,078	12,858,155	8,698,230	-	781,612	11,801,426	19,337,047	1,349,419	9,838,329	11,529,379	82,622,675

Wema Bank Plc

Consolidated and Separate Financial Statements
For the period ended 30 September, 2023
Consolidated and Separate Statement of Cashflow

<i>In thousands of Nigerian Naira</i>	Notes	Group		Bank	
		30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
Cash flows from operating activities					
Profit for the year		19,240,881	11,351,979	19,250,532	11,214,028
Adjustments for:					
Taxation expense		2,876,516	3,531,981	2,876,516	3,531,981
Depreciation and amortization	13b	4,358,418	4,545,925	4,358,418	4,545,925
Adjustment for transfer out of PPE now expensed		(0)	22,539	(0)	22,539
Right of Use - Payment		-	-	-	-
(Gain)/Loss on disposal of property and equipment	32(xi)	(327,675)	5,290	(327,675)	5,290
Specific provision on cash	15				
Net interest income	32(xii)	(55,741,023)	(54,226,355)	(55,748,174)	(54,075,561)
Dividend received from equity investment	10	(210,262)	(200,634)	(210,262)	(200,634)
Impairment loss on financial assets	11	3,378,200	4,808,387	3,378,200	4,808,387
Operating cashflow before movement in working capital		(26,424,945)	(30,160,888)	(26,422,445)	(30,148,045)
Change in pledged assets	32(i)	(65,476,820)	53,106,801	(65,476,820)	53,106,801
Change in loans and advances to customers	32(ii)	(143,250,914)	(107,374,780)	(143,250,914)	(107,374,780)
Change in other assets	32(iii)	(7,885,502)	22,979,138	(7,885,502)	22,979,138
Change in deposits from banks	32(iv)	55,340,069	(21,546,500)	55,340,069	(21,546,500)
Change in restricted deposit with CBN	32(v)	(67,171,077)	(73,145,960)	(67,171,077)	(73,145,960)
Change in deposits from customers	32(vi)	484,818,229	238,462,844	484,818,229	238,462,844
Change in other liabilities	32(vi)	16,366,418	39,992,499	16,363,919	39,980,654
Cashflow generated by operations		246,315,457	122,313,154	246,315,458	122,314,152
Income tax paid	24.2	(1,061,974)	(668,665)	(1,061,974)	(668,665)
Interest received	32(xii)	127,464,076	108,036,632	126,671,426	106,066,894
Interest paid	32(vii)	(64,799,029)	(48,387,612)	(64,799,029)	(48,387,612)
Net cash from operating activities		307,918,530	181,293,509	307,125,881	179,324,770
Cash flows from investing activities					
Disposal/Acquisition of investment securities-At Amor	32(viii)	(222,486,097)	(190,990,982)	(222,224,106)	(193,821,876)
Disposal/Acquisition of investment securities-FVTOCI	32(ix)	(5,203,400)	(1,470,097)	(5,203,400)	(1,470,097)
Change in FVTPL investments	32(x)	2,117,917	17,759,955	2,117,917	17,759,955
Dividend received from equity investment	10	210,262	200,634	210,262	200,634
Acquisition of property and equipment	19	(12,662,587)	(6,616,377)	(12,662,587)	(6,616,377)
Proceeds from the sale of property and equipment	32(xi)	788,413	113,554	788,413	113,554
Right of Use	27	(354,235)	(431,565)	(354,235)	(431,565)
Acquisition of intangible assets	20	(1,146,085)	(1,505,658)	(1,146,085)	(1,505,658)
Net cash(used in)/generated by investing activities		(238,735,812)	(182,940,538)	(238,473,821)	(185,771,432)
Cash flows from financing activities					
Proceed from borrowings	26b	1,417,433	14,784,139	1,417,433	14,784,139
Repayment of borrowings	26b	(6,214,652)	(18,387,137)	(6,484,181)	(15,426,398)
Effect of changes in exchange rate	26b	3,621,331	326,867	3,621,331	326,867
Reclassification to CRR	27b.	(33,771,372)	-	(33,771,372)	-
Additional T-1 Capital		21,000,000	-	21,000,000	-
Interest paid on borrowings	32(vii)	(6,924,024)	(5,422,665)	(6,124,223)	(3,603,721)
Dividend paid to shareholders		(3,857,447)	(3,085,957)	(3,857,447)	(3,085,957)
Net cash from financing activities		(24,728,730)	(11,784,753)	(24,198,459)	(7,005,070)
Net increase in cash and cash equivalents		44,453,988	(13,431,781)	44,453,601	(13,451,732)
Cash and cash equivalents at beginning of period		95,036,936	109,641,357	95,004,995	109,629,366
Effect of exchange rate changes on cash balances		1,257,923	85,284	1,257,923	85,284
Cash and cash equivalents at end of year	15	140,748,848	96,294,860	140,716,519	96,262,918

Wema Bank Plc

**Consolidated and Separate Financial Statements
For the period ended 30 September, 2023
Statement of Prudential Adjustments**

	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
Prudential Provisions:				
Loans and advances	32,050,309	30,463,477	32,050,309	30,463,477
Other financial assets	2,859,919	2,859,919	2,859,919	2,859,919
	34,910,228	33,323,396	34,910,228	33,323,396
Impairment assessment under IFRS:				
Loans and advances				
12-months ECL credit	7,013,073	5,224,145	7,013,073	5,224,145
Life-time ECL Not impaired	340,757	116,720	340,757	116,720
Life-time ECL credit impaired	12,394,208	12,600,451	12,394,208	12,600,451
	19,748,038	17,941,317	19,748,038	17,941,317
Investment securities				
12-months ECL	1,613,846	1,384,575	1,613,846	1,384,575
	1,613,846	1,384,575	1,613,846	1,384,575
Off balance sheet exposures				
12-months ECL	855,890	713,876	855,890	713,876
	855,890	713,876	855,890	713,876
Other financial assets				
Other assets	293,073	897,836	293,073	897,836
Cash and cash equivalent	57,343	43,754	57,343	43,754
Other non-financial assets	540,613	540,613	540,613	540,613
	891,029	1,482,203	891,029	1,482,203
Total IFRS Impairment	23,108,803	21,521,971	23,108,803	21,521,971
Excess of Prudential impairment over IFRS impairment transferred to regulatory reserve	11,801,425	11,801,425	11,801,425	11,801,425

Wema Bank Plc

Consolidated and Separate Financial Statements
For the period ended 30 September, 2023

Notes to the Financial Statements

In thousands of Nigerian Naira	Key	GROUP				BANK			
		3 Months 30-Sep-23	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22	3 Months 30-Sep-23	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22
7 Interest income									
Cash and cash equivalents	7.1	1,890,096	3,815,263	1,056,837	1,363,120	1,890,096	3,815,263	1,056,837	1,363,120
Loans and advances to banks and customers	7.2	30,899,343	84,421,719	62,245,869	85,067,059	30,899,343	84,421,719	62,245,869	85,067,059
Investments securities	7.3	18,025,516	39,227,094	16,671,180	20,854,720	17,771,197	38,434,444	15,175,776	19,636,715
Total interest income		50,814,955	127,464,076	79,973,886	107,284,899	50,560,636	126,671,426	78,478,482	106,066,894
Interest expense									
Deposits from banks	7.4	1,599,975	5,062,738	2,589,560	2,822,605	1,599,975	5,062,738	2,589,560	2,822,605
Deposits from customers	7.5	22,624,365	59,736,291	34,422,462	45,565,007	22,624,365	59,736,291	34,422,462	45,565,007
Other borrowed funds	7.6	3,720,147	6,924,024	4,489,232	4,667,351	3,447,685	6,124,223	2,996,025	3,603,721
Total interest expense		27,944,487	71,723,053	41,501,254	53,054,963	27,672,025	70,923,252	40,008,047	51,991,333
Net interest income		22,870,468	55,741,023	38,472,632	54,229,936	22,888,611	55,748,174	38,470,435	54,075,561
8 Fees and commission income									
Credit related fees	8.2a	363,967	833,728	686,246	947,318	363,967	833,728	686,246	947,318
Account maintenance fees	8.1a	1,043,336	2,679,360	1,985,284	2,754,764	1,043,336	2,679,360	1,985,284	2,754,764
Management fees	8.2b	1,451,646	3,506,590	2,298,092	2,982,745	1,451,646	3,506,590	2,298,092	2,982,745
Fees on electronic products	8.1c	2,070,796	5,206,627	2,550,174	6,134,644	2,070,796	5,206,627	2,550,174	6,134,644
Fees on financial guarantees	8.1b	355,302	1,012,955	403,687	540,845	355,302	1,012,955	403,687	540,845
FX transactions	8.4	1,102,323	1,674,256		1,896,165	1,102,323	1,674,256		1,896,165
Other fees and charges	8.3	426,312	1,927,846	4,091,945	1,329,735	426,312	1,927,846	4,091,945	1,329,735
Total fee and commission income		6,813,682	16,841,362	12,015,428	16,586,216	6,813,682	16,841,362	12,015,428	16,586,216
9 Net trading income									
Fixed income securities	9.1	405,595	841,458	266,928	293,285	405,595	841,458	266,928	293,285
Treasury bills	9.2	-262,766	-424,156	(503,300)	3,466,568	(262,766)	-424,156	-503,300	3,466,568
Foreign exchange trading (note 9.1)	9.3	382,558	411,286	123,785	242,136	382,558	411,286	123,785	242,136
		525,387	828,588	-112,588	4,001,989	525,387	828,588	-112,588	4,001,989
9.1 Foreign exchange trading income is principally made up of trading income on foreign currencies, as well as gains and losses from revaluation of trading position. The amount reported above are totally from financial assets carried at fair value through profit or loss									
10 Other income									
Dividends on equities at FVOCI	10.1	100,612	210,262	143,740	200,634	100,612	210,262	143,740	200,634
Gains on disposal of property and equipment	10.2	6,725	327,675	10,175	(5,290)	6,725	327,675	10,175	(5,290)
Rental income	10.3	15,053	41,406	43,326	55,770	15,053	41,406	43,326	55,770
Income on contingents	10.6	(9,354)	14,540	38,398	38,398	(9,354)	14,540	18,040	38,398
Income on deposit accounts	10.7	56,514	98,668	77,561	77,561	56,514	98,668	56,070	77,561
Digital Income	10.8	179,011	556,265	529,619	702,356	179,011	556,265	529,619	702,356
FX Revaluation	10.9	3,327,191	3,950,212	987,103	1,591,990	3,327,191	3,950,212	987,103	1,591,990
Swift transactions	10a	46,014	130,260	77,742	103,914	46,014	130,260	77,742	103,914
Service charge		(5,979)	15,997	35,981	35,981	(5,979)	15,997	57,072	35,981
Advisory fees		(16,246)	-	27,815	27,815	(16,246)	-	28,215	27,815
Others	10.5	42,111	65,166	43,396	67,805	42,111	65,166	63,754	67,805
		3,741,652	5,410,451	2,014,855	2,896,933	3,741,652	5,410,451	2,014,855	2,896,933

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Key	GROUP				BANK				
	3 Months 30-Sep-23	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22	3 Months 30-Sep-23	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22	
11 Impairment loss on financial/non-financial instruments									
Impairment charge on financial instruments									
Total impairment charge on loans and advances	2,042,002	2,945,792	2,154,836	5,538,987	2,042,002	2,945,792	2,154,836	5,538,987	
Investment securities/treasury bills	-	229,271	-	380,398	-	229,271	-	380,398	
Cash and cash equivalent	11.1	-	13,589	-	(30,776)	-	13,589	-	
Other assets		(18,420)	145,767	-	173,038	(18,420)	145,767	-	
	11.2								
	11.3								
Impairment charge on non-financial instruments									
Off balance sheet	11.4	-	142,014	-	(622,156)	-	142,014	-	
Litigation					46,113			46,113	
Recoveries on loans	11.5	(40,643)	(98,232)	(28,474)	(677,217)	(40,643)	(98,232)	(28,474)	
	11.6								
Total Impairment charge on financial/non-financial instruments		1,982,939	3,378,200	2,126,362	4,808,387	1,982,939	3,378,200	2,126,362	4,808,387

12 Personnel expenses

Wages and salaries	12.1	4,818,031	13,625,516	10,850,750	14,707,007	4,818,031	13,625,516	10,850,750	14,707,007
Pension Contribution	12.2	505,322	1,187,131	1,148,451	1,797,752	505,322	1,187,131	1,148,451	1,797,752
Outsourced staff cost	12.4	1,845,822	4,227,291	3,318,685	4,827,819	1,845,822	4,227,291	3,318,685	4,827,819
		7,169,176	19,039,937	15,317,886	21,332,578	7,169,176	19,039,937	15,317,886	21,332,578

13a Other operating expenses

In thousands of Nigerian Naira

		3 Months 30-Sep-22	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22	3 Months 30-Sep-23	9 Months 30-Sep-23	9 Months 30-Sep-22	12 Months 31-Dec-22
Advertising and marketing	12a	1,043,258	2,010,421	1,734,763	3,276,807	1,043,258	2,010,421	1,734,763	3,276,807
AMCON Levy (i)	12b	2,408,732	5,577,524	4,830,264	6,470,894	2,408,732	5,577,524	4,830,264	6,470,894
Auditors remuneration	12c	30,000	92,500	185,000	127,000	30,000	90,000	180,000	120,000
Business Expenses	12d	106,604	336,827	221,825	319,576	106,604	336,827	221,825	319,576
Cash movement expenses	12e	177,042	509,295	448,478	590,390	177,042	509,295	448,478	590,390
Diesel Expenses	12f	404,685	1,233,848	1,066,583	1,513,161	404,685	1,233,848	1,066,583	1,513,161
Directors Expenses	12g	10,950	35,850	37,050	52,350	10,950	35,850	37,050	52,350
Directors fees	12h	-	8,347	41,496	55,724	-	8,347	41,496	55,724
Donations	12i	131,797	176,347	86,704	147,334	131,797	176,347	86,704	147,334
Electricity	12j	227,265	608,853	453,162	641,978	227,265	608,853	453,162	641,978
General administrative expenses	12k	0.64	1,811,837	4,188,417	2,553,742	3,596,385	1,811,837	4,188,417	2,549,898
Legal expenses	12tt	83,068	227,770	240,740	433,389	83,068	227,770	240,740	433,389
Insurance	12m	151,973	378,836	292,048	414,218	151,973	378,836	292,048	414,218
NDIC Premium	12o	1,524,102	3,557,138	3,041,448	4,234,637	1,524,102	3,557,138	3,041,448	4,234,637
Other premises and equipment costs	12q	65,927	251,261	302,493	365,633	65,927	251,261	302,493	365,633
Printing and stationery	12s	119,850	374,237	506,141	651,722	119,850	374,237	506,141	651,722
Other Professional fees	12t	554,174	1,048,720	862,227	1,173,897	554,174	1,048,720	862,227	1,173,897
Digital Bank Professional fees (ii)	12cc	52,004	172,560	195,056	195,056	52,004	172,560	195,056	195,056
Repairs and maintenance	12u	865,064	2,089,882	2,127,654	2,960,852	865,064	2,089,882	2,127,654	2,960,852
Security expenses	12v	118,417	352,171	474,316	659,041	118,417	352,171	474,316	659,041
Service charge	12w	1,604,150	4,548,909	1,913,255	3,373,775	1,604,150	4,548,909	1,913,255	3,373,775
SMS Expenses & Others	12ad	9,816	51,017	34,291	34,291	9,816	51,017	34,291	34,291
Statutory expenses	12ac	109,849	167,892	110,331	159,989	109,849	167,892	110,331	159,989
Technology and alternative channels	12z	1,148,401	1,856,373	1,420,609	1,448,711	1,148,401	1,856,373	1,420,609	1,448,711
Transport & Communications	12aa	522,472	1,219,687	515,277	778,689	522,472	1,219,687	515,277	778,689
		13,281,439	31,074,682	23,694,953	33,675,500	13,281,439	31,072,182	23,686,109	33,659,078

i AMCON contributory cost relates to contribution towards the fund set up by the Central Bank of Nigeria for the bailout of the banking sector. The cost is charged at 0.5% of the preceding year's total assets and contingent exposures.

ii This represents expenses incurred by the bank on electronic and digital platforms.

		3 Months 30-Sep-23	9 Months 30-Sep-23	Group 9 Months 30-Sep-22	12 Months 31-Dec-22	3 Months 30-Sep-23	9 Months 30-Sep-23	Bank 9 Months 30-Sep-22	12 Months 31-Dec-22
13b Depreciation and amortization									
Property, plants and equipment		1,086,292	3,041,247	2,469,436	3,443,900	1,086,292	3,041,247	2,469,436	3,443,900
Right of use of assets		69,038	199,809	211,640	285,349	69,038	199,809	211,640	285,349
Intangible assets		468,596	1,117,362	575,452	816,676	468,596	1,117,362	575,452	816,676
		1,623,926	4,358,418	3,256,528	4,545,925	1,623,926	4,358,418	3,256,528	4,545,925

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14 Earnings per share

Basic and diluted earnings per share

Basic earnings per share are calculated by dividing the profit for the year attributable to shareholders by the weighted average number of ordinary shares in issue during the year.

The calculation of basic earnings per share as at 30th Sept 2023 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding:

	Group		Bank	
	9 Months 30-Sep-23	12 Months 31-Dec-22	9 Months 30-Sep-23	12 Months 31-Dec-22
Pre-share reconstruction				
Weighted average number of ordinary shares - of 50k each (2022 - 50k)	12,858,155	12,858,155	12,858,155	12,858,155
Comparative figure post share reconstruction	12,858,155	12,858,155	12,858,155	12,858,155

Profit attributable to ordinary shareholders -basic

Profit for the year attributable to equity holders of the Bank '000	19,240,881	11,351,981	19,250,532	11,214,028
Earnings per share -basic (Kobo)	199.5	88.3	199.6	87.2

	Group		Bank	
	9 Months 30-Sep-23	12 Months 31-Dec-22	9 Months 30-Sep-23	12 Months 31-Dec-22
15 Cash and cash equivalents				
<i>In thousands of Nigerian Naira</i>				
Cash and balances with banks	35,359,970	70,558,692	35,327,641	70,526,748
Unrestricted balances with central bank	8,095,057	16,353,402	8,095,057	16,353,402
Money market placements	97,351,163	9,426,521	97,351,163	9,426,521
ECL Allowance	(57,343)	(43,754)	(57,343)	(43,754)
	140,748,848	96,294,862	140,716,519	96,262,918

Classified as:

Current	132,653,791	79,941,459	132,621,461	79,909,515
Non-current	8,095,057	16,353,402	8,095,057	16,353,402
	140,748,848	96,294,862	140,716,519	96,262,918

Movement in ECL allowance

Opening balance	43,754	43,754	43,754	43,754
Charge/Write back for the year	13,589	0	13,589	-
Closing balance	57,343	43,754	57,343	43,754

15b Restricted Deposit with CBN

Mandatory reserve deposit is reported net of N37.67 billion (December 31, 2022: N19.76 billion) which relates to Differentiated Cash Reserve Requirement (DCRR) Scheme. Under the DCRR scheme, Deposit Money Banks (DMBs) interested in providing credit financing to Greenfield (New) and Brownfield (expansion) projects in the Real Sector (Agriculture and Manufacturing) may request for the release of

Restricted deposits with Central Bank are not available for use in day to day operations.

	Group		Bank	
	9 Months 30-Sep-23	12 Months 31-Dec-22	9 Months 30-Sep-23	12 Months 31-Dec-22
16 Pledged assets - Held at amortised cost				
<i>In thousands of Nigerian Naira</i>				
Treasury bills (note 16.1)	45,381,174	-	45,381,174	-
Bonds (16.2)	50,711,964	30,616,318	50,711,964	30,616,318
	96,093,138	30,616,318	96,093,138	30,616,318

- 16.1 The treasury bills are pledged for clearing activities with the clearing bank and as collection bank for government taxes and electronic card transactions with Federal Inland Revenue Service (FIRS), Nigerian Interbank Settlement System (NIBSS) and Interswitch Nigeria Limited. The bank cannot trade on these pledged assets during the period that such assets are committed as pledged.

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- 16.2 The Bonds are pledged as collateral for intervention credit granted to the Bank by the Bank of Industry and Development Bank of Nigeria for the purpose of refinancing existing loans to Small and Medium Scale Enterprises Scheme under secured borrowing with related liability of N8.01 billion (2022: N6.11 billion) as disclosed in note 28.

In thousands of Nigerian Naira	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
17 Investment securities	573,150,078	352,912,906	564,757,715	344,782,534
Current	115,232,220	161,429,844	115,232,220	161,429,844
Non-current	457,917,857	191,483,062	449,525,495	183,352,690
17a Investment securities measured at FVTOCI				
Treasury bills	-	-	-	-
FGN Bonds	6,287,798	1,452,306	6,287,798	1,452,306
Equity (see note (i) below)	9,603,924	9,603,924	9,603,924	9,603,924
	15,891,722	11,056,230	15,891,722	11,056,230
17b Investment securities measured at FVTPL				
FGN Bonds	4,966,500	-	4,966,500	-
Treasury Bills	13,849,324	20,933,741	13,849,324	20,933,741
	18,815,824	20,933,741	18,815,824	20,933,741
17c Investment securities measured at amortised cost				
Treasury Bills	101,382,896	140,496,103	101,382,896	140,496,103
FGN Bonds	434,217,725	172,133,164	425,825,363	164,002,792
Other Bonds (see (ii) below)	9,422,256	9,678,243	9,422,256	9,678,243
ECL Allowance - Investments at Amortised Cost	(1,613,846)	(1,384,575)	(1,613,846)	(1,384,575)
	543,409,032	320,922,935	535,016,669	312,792,563
Movement in ECL allowance				
Opening balance	1,384,575	1,004,177	1,384,575	1,004,177
Charge/write back for the year	229,271	380,398	229,271	380,398
Closing balance	1,613,846	1,384,575	1,613,846	1,384,575
(i) Equity				
Quoted Investments:	-	-	-	-
Unquoted Investments:				
Unified Payment Services Limited	65,767	65,767	65,767	65,767
FMDQ	15,000	15,000	15,000	15,000
Nigeria Inter-Bank Settlement System	47,482	47,482	47,482	47,482
Fair value gain on (FVTOCI) financial assets (b)	9,475,675	9,475,675	9,475,675	9,475,675
	9,603,924	9,603,924	9,603,924	9,603,924
(a) The breakdown of fair value on FVTOCI financial assets is as follows:				
Unified Payment Services Limited	1,475,738	1,475,738	1,475,738	1,475,738
FMDQ	1,599,982	1,599,982	1,599,982	1,599,982
Nigeria Inter-Bank Settlement System	6,528,204	6,528,204	6,528,204	6,528,204
Closing balance	9,603,924	9,603,924	9,603,924	9,603,924
Movement in fair value gain				
Opening balance	9,475,675	5,395,922	9,475,675	5,395,922
Fair value gain for the year	-	4,079,753	-	4,079,753
Closing balance	9,475,675	9,475,675	9,475,675	9,475,675

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(ii) **Other bonds** - these are held to maturity securities for state and corporate entities, stated at amortised cost as shown below:

	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
I. 7YR: DANA Group Bond Series 1				
	929,145	929,145	929,145	929,145
Movement in the year	(37,453)	(37,453)	(37,453)	(37,453)
Closing balance	891,692	891,692	891,692	891,692
STATE BONDS				
I. EKITI State Govt Bond Tranche 11				
Opening balance	718,120	861,740	718,120	861,740
Movement in the year	(55,976)	(143,620)	(55,976)	(143,620)
Closing balance	662,144	718,120	662,144	718,120
II. OGUN State Govt Bond				
Opening balance	5,000,000	-	5,000,000	-
Movement in the year	215,135	5,000,000	215,135	5,000,000
Closing balance	5,215,135	5,000,000	5,215,135	5,000,000
III. ONDO State Govt Bond				
Opening balance	3,068,431	3,609,550	3,068,431	3,609,550
Movement in the year	(415,146)	(541,119)	(415,146)	(541,119)
Closing balance	2,653,285	3,068,431	2,653,285	3,068,431
Total Other Bonds	9,422,256	14,678,243	9,422,256	14,678,243
ECL	(891,692)	(891,692)	(891,692)	(891,692)
	8,530,564	13,786,551	8,530,564	13,786,551

18 Loans and advances to customers at amortised cost

	Key	Group		Bank	
		30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
<i>In thousands of Nigeria Naira</i>					
Overdrafts	18.1	94,663,265	64,166,319	94,663,265	64,166,319
Term Loans	18.2	577,039,104	466,942,230	577,039,104	466,942,230
Advances under finance lease	18.3	9,349,079	8,263,463	9,349,079	8,263,463
Gross loans and receivables		681,051,448	539,372,013	681,051,448	539,372,013
Less ECL allowances					
Stage 1		(7,013,073)	(5,224,145)	(7,013,073)	(5,224,145)
Stage 2		(340,757)	(116,720)	(340,757)	(116,720)
Stage 3		(12,394,208)	(12,600,451)	(12,394,208)	(12,600,451)
		(19,748,038)	(17,941,317)	(19,748,038)	(17,941,317)
Net loans and advances to customers		661,303,410	521,430,696	661,303,410	521,430,696
30-Sep-23					
Gross loans		577,039,104	94,663,265	9,349,079	681,051,448
Stage 1		(5,982,774)	(894,663)	(135,637)	(7,013,073)
Stage 2		(331,947)	(6,953)	(1,857)	(340,757)
Stage 3		(9,540,284)	(2,799,803)	(54,121)	(12,394,208)
		561,184,100	90,961,845	9,157,465	661,303,410
31-Dec-22					
Gross loans		466,942,230	64,166,319	8,263,463	539,372,013
Stage 1		(4,070,492)	(1,018,668)	(134,985)	(5,224,145)
Stage 2		(111,128)	(5,593)	-	(116,721)
Stage 3		(10,479,653)	(2,086,633)	(34,165)	(12,600,451)
		452,280,957	61,055,425	8,094,313	521,430,695

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	Overdraft	Term Loan	Advances under finance lease	Totals
In thousands of Nigerian Naira				
Balance as at 31 December 2022	3,110,893	14,661,273	169,150	17,941,317
Stage 1	1,018,668	4,070,492	134,985	5,224,145
Stage 2	5,593	111,128	-	116,721
Stage 3	2,086,633	10,479,653	34,165	12,600,451
Interest on impaired facilities	551,611	1,073,903	6,977	1,632,491
ECL allowance during the year	663,689	573,764	75,848	1,313,301
Written off in the year as uncollectible	(624,774)	(355,703)	(60,361)	(1,040,838)
Amounts recovered during the year	-	(98,232)	-	(98,232)
Balance as at 30 September 2023	3,701,419	15,855,005	191,614	19,748,039
Stage 1	894,663	5,982,774	135,637	7,013,073
Stage 2	6,953	331,947	1,857	340,757
Stage 3	2,799,803	9,540,284	54,121	12,394,208
Contingent Liabilities & Commitments:				
	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
Guarantees and Indemnities	167,168,064	101,334,445	167,168,064	101,334,445
Bonds	32,806,562	12,298,209	32,806,562	12,298,209
Clean-Line Facilities& Irrevocable LCs	44,140,049	39,536,512	44,140,049	39,536,512
ECL	(855,890)	(713,876)	(855,890)	(713,876)
	243,258,786	152,455,290	243,258,786	152,455,290
Movement in ECL allowance				
Opening balance	713,876	1,401,431	713,876	1,401,431
Charge/write back for the year	142,014	(65,399)	142,014	(65,399)
Closing balance	855,890	1,336,032	855,890	1,336,032

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19 Property and equipment

Group / Bank

In thousands of Nigerian Naira (000s)

	Land	Buildings	Furniture & Office Equipment	Motor vehicles	Computer Equipment	Work in Progress	Total
Cost	1,590,773	18,579,635	11,509,776	3,905,355	13,693,613	2,157,864	51,437,015
Additions	750	1,091,384	1,358,900	3,767,133	4,248,159	2,196,260	12,662,587
Adjustments	-	0	-	(0)	0	-	0
Disposals	(5,506.20)	(247,122.50)	(9,957.19)	(795,278.32)	(6,971.72)	-	(1,064,835.93)
Balance as at 30 September 2023	1,586,017	19,423,896.78	12,858,718.78	6,877,208.82	17,934,800.10	4,354,124.76	63,034,766.01
Accumulated depreciation and impairment							
Balance at 1 January 2023	-	5,818,791.52	7,959,301.53	2,516,226.28	9,693,028.47	-	25,987,347.79
Charge for the year	-	280,054.99	953,038.33	554,386.18	1,253,767.89	-	3,041,247.40
Adjustments	-	0	-	0	0	-	0
Disposals	(949.88)	(50,060.88)	(3,985.17)	(544,443.88)	(4,658.05)	-	(604,097.87)
Balance as at 30 September 2023	(949.88)	6,048,785.63	8,908,354.69	2,526,168.58	10,942,138.31	-	28,424,497.32
Carrying amounts							
Balance at 1 January 2022	1,590,773	12,760,844	3,550,474	1,389,128	4,000,584	2,157,864	25,449,667
Balance as at 30 September 2023	1,586,967	13,375,111	3,950,364	4,351,040	6,992,662	4,354,125	34,610,269

- The authorised and contracted capital commitments as at the balance sheet date was nil (31 December 2022 nil)
- There were no capitalised borrowing costs related to the acquisition of intangible assets during the year (31 December 2022: nil)
- All intangible assets are non-current

Property and equipment

Group / Bank

In thousands of Nigerian Naira (000s)

	Land	Buildings	Furniture & Office Equipment	Motor vehicles	Computer Equipment	Work in Progress	Total
Cost							
Balance at 1 January 2022	1,590,773	16,995,356	10,443,090	3,516,783	12,031,649	1,211,505	45,789,155
Additions	-	1,584,279	1,622,536	668,914	1,794,289	946,360	6,616,377
Disposals			(555,850)	(280,342)	(132,325)		(968,518)
Balance as at 31 December 2022	1,590,773	18,579,635	11,509,776	3,905,355	13,693,612	2,157,864	51,437,015
Accumulated depreciation and impairment							
Balance at 1 January 2022	-	5,469,592	7,307,005	2,161,991	8,432,025	-	23,370,613
Charge for the year	-	349,235	1,164,425	541,315	1,388,925	-	3,443,900
Disposals	-		(511,742)	(187,079)	(127,518)	-	(826,340)
Balance as at 31 December 2022	-	5,818,791	7,959,302	2,516,226	9,693,028	-	25,987,348
Carrying amounts							
Balance at 1 January 2022	1,590,773	11,525,764	3,136,085	1,354,791	3,599,624	1,211,505	22,418,542
Balance as at 31 December 2022	1,590,773	12,760,844	3,550,474	1,389,128	4,000,584	2,157,864	25,449,667

- The authorised and contracted capital commitments as at the balance sheet date was nil (31 December 2022 nil)
- There were no capitalised borrowing costs related to the acquisition of intangible assets during the year (31 December 2022: nil)
- All intangible assets are non-current

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<i>In thousands of Nigerian Naira</i>	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
20 Intangible assets				
Cost				
Cost 1 January	8,174,107	6,674,382	8,174,107	6,674,382
Additions	1,146,085	1,505,658	1,146,085	1,505,658
Disposal	-	(5,933)	-	(5,933)
Closing Balance	9,320,192	8,174,107	9,320,192	8,174,107
Amortization and impairment losses				
Cost 1 January	5,314,514	4,503,741	5,314,514	4,503,741
Amortization for the year	1,117,362	816,676	1,117,362	816,676
Disposal	-	(5,903)	-	(5,903)
Closing Balance	6,431,876	5,314,514	6,431,876	5,314,514
Carrying amounts	2,888,316	2,048,820	2,888,316	2,048,820

- The intangible assets have got finite lives and are amortised over the higher of 5 years or the contractual licensing period. No impairment losses were recognised against intangible assets.
- The authorised and contracted capital commitments as at the balance sheet date was nil (31 December 2022 nil)
- There were no capitalised borrowing costs related to the acquisition of intangible assets during the year (31 December 2022: nil)
- All intangible assetes are non-current

21 Deferred tax assets and liabilities

- Recognised deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

<i>In thousands of Nigerian Naira</i>	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
At 1 January	12,983,232	15,500,694	12,983,232	15,500,694
Write down	-	(2,517,462)	-	(2,517,462)
Closing balance	12,983,232	12,983,232	12,983,232	12,983,232

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	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
<i>In thousands of Nigerian Naira</i>				
22 Other assets				
Financial Assets				
Accounts receivables	5,104,047	658,000	5,104,047	658,000
Other Settlements	-	6,047,964	-	6,047,964
Collateralised Placement	53,260	52,917	53,260	52,917
Clearing Balance	223,277	245,690	223,277	245,690
Fraud & Burglary	239,920	880,154	239,920	880,154
AGSMEIS Investment with CBN	1,910,121	1,349,419	1,910,121	1,349,419
Receivable on E-business Channels	758,474	758,449	758,474	758,449
FBN Settlement	5,375	-	5,375	-
Non-Financial Assets				
Prepayments	8,591,987	864,907	8,591,987	864,907
Stock	2,594,037	1,350,116	2,594,037	1,350,116
Others	24,932	17,074	24,932	17,074
	19,505,430	12,224,691	19,505,430	12,224,691
Specific impairment on other assets	(293,073)	(897,836)	(293,073)	(897,836)
	19,212,357	11,326,855	19,212,357	11,326,855
At 1 January	897,836	724,798	897,836	724,798
Allowance made during the year	145,767	173,038	145,767	173,038
Write off made during the year	(750,530)	-	(750,530)	-
Closing balance	293,073	897,836	293,073	897,836
Classified as:				
Current	19,212,250	11,291,619	16,618,213	9,941,503
Non-current	293,180	933,071	2,887,217	2,283,188
	19,505,430	12,224,691	19,505,430	12,224,691

22.1 CBN Special Reserve

The balance represents amount debited to the bank's current account with CBN as eligibility contribution to the Special Intervention Reserve for the Real Sector Support Facility (RSSF). The RSSF will be used to support start-ups and expansion financing needs of priority sectors of the economy to expand the industrial base and consequently diversify the economy. Draw down will be subject to banks contribution to the Special Intervention Reserve (SIR) with the CBN.

23 Deposits from banks

	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
<i>In thousands of Nigeria Naira</i>				
Money market deposits	74,493,569	19,153,500	74,493,569	19,153,500
Deposits from customers				
Retail customers:				
Term deposits	178,299,023	131,427,858	178,299,023	131,427,858
Current deposits	40,166,625	28,217,726	40,166,625	28,217,726
Savings	228,824,169	188,368,590	228,824,169	188,368,590
Corporate customers:				
Term deposits	456,637,956	407,977,519	456,637,956	407,977,519
Current deposits	535,158,103	313,636,405	535,158,103	313,636,405
Others	211,666,371	96,305,921	211,666,371	96,305,921
	1,650,752,248	1,165,934,019	1,650,752,248	1,165,934,019

23b The maturity profile of customers' deposit is as follows:

Under 3 months	1,144,413,246	808,304,418	1,144,413,246	808,304,418
3 - 6months	332,054,681	234,531,772	332,054,681	234,531,772
6 - 12months	116,905,464	81,566,492	116,905,464	81,566,492
Over 12months	57,378,856	41,531,337	57,378,856	41,531,337
	1,650,752,248	1,165,934,019	1,650,752,248	1,165,934,019

As at 30 Sept 2023 N57.38billion (31 December 2022: N41.53billion) of deposits from customers are expected to be settled more than 12 months after the reporting date.

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In thousands of Nigerian Naira		Group		Bank	
		30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
24	Taxation				
24.1	Income tax expense				
	Minimum Tax	2,876,516	633,493	2,876,516	633,493
	Company income tax:				
	Education Tax	-	201,095	-	201,095
	NITDA Levy	-	143,080	-	143,080
	Nigerian Police Trust Fund	-	723	-	723
	NASENI	-	36,128	-	36,128
	Current Income Tax expense	2,876,516	1,014,519	2,876,516	1,014,519
	Deferred tax expenses	-	2,517,462	-	2,517,462
		<u>2,876,516</u>	<u>3,531,981</u>	<u>2,876,516</u>	<u>3,531,981</u>

The income tax expense for the year can be reconciled to the accounting profit as follows:

		Group		Bank	
		30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
24.2	Current tax liabilities				
	At 1 January	1,061,975	716,120	1,061,975	716,120
	Payment during the year	(1,061,974)	(668,665)	(1,061,974)	(668,665)
	Charge for the year	2,876,516	1,014,519	2,876,516	1,014,519
	Closing balance	<u>2,876,517</u>	<u>1,061,975</u>	<u>2,876,517</u>	<u>1,061,975</u>

The charge for taxation is based on the provision of the Company Income Tax Act Cap C21 LFN 2020, as amended under the Finance Act 2020. Education Tax is based on 2.5% of the assessable profit for the year in accordance with the Education Tax Act CAP E4 LFN 2004. NITDA levy is based on 1% of profit before tax in accordance with NITDA levy Act 2007

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25 Other liabilities

<i>In thousands of Nigerian Naira</i>	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
<i>Financial Liabilities</i>				
Account Payables	4,787,849.77	552,346.24	4,787,849.77	552,346
Provision for Litigation claims (i)	540,613.42	540,613.42	540,613.42	540,613
Impairment on contingents (30c)	855,889.50	713,875.88	855,889.50	713,876
Other current liabilities	6,360,497.43	2,397,953.54	6,286,258.96	2,326,214
Insurance Claim	278,961.00	230,796.00	278,961.00	230,796
Swift Payables	684,053.83	407,300.97	684,053.83	407,301
Western Union	3,203.61	2,695.96	3,203.61	2,696
Salary Suspense	34,488.00	3,753.00	34,488.00	3,753
Other payable	2,518,234.15	1,062,660.28	2,518,234.15	1,062,660
Electronic products payable	1,196,173.58	639,666.03	1,196,173.58	639,666
Certified cheques	1,885,255.27	1,994,983.26	1,885,255.27	1,994,983
Customer deposits for letters of credit	27,705,572.71	47,255,453.53	27,705,572.71	47,255,454
Discounting Line	32,023,298.04	23,778,761.68	32,023,298.04	23,778,762
AT-1 capital proceed	-	-	-	-
Other Settlements	25,498,706.95	1,370,790.03	25,498,706.95	1,370,790
Remittances	15,675,025.77	22,733,816.39	15,675,025.77	22,733,816
	120,047,823.03	103,685,466.21	119,973,584.56	103,613,727

(i) Movement in litigation claims provision

Opening balance	540,613.42	494,500.44	540,613.42	494,500
Additions	-	46,112.98	-	46,113
Closing balance	540,613.42	540,613.42	540,613.42	540,613

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	<i>In thousands of Nigerian Naira</i>			
	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
26 Other borrowed funds				
Due to BOI (see (i) below)	1,801,391	2,409,029	1,801,391	2,409,029
Osun Bailout Fund (see v below)	-	8,294,136	-	8,294,136
CBN Agric. loan (see ii below)	1,266,732	1,681,165	1,266,732	1,681,165
CBN MSMEDF (see iv below)	444,997	462,855	444,997	462,855
Wema SPV (see iv below)	19,046,204	18,262,737	10,607,323	10,093,383
Anchor Borrowers fund (see iii below)	848,230	1,968,061	848,230	1,968,061
Other Borrowings (see xi below)	1,482,177	1,508,524	1,482,177	1,508,524
Shelter Afrique (see vi below)	3,883,269	3,825,450	3,883,269	3,825,450
AFDB (see vii below)	1,132,621	1,867,185	1,132,621	1,867,185
DBN (see x below)	4,602,648	3,699,155	4,602,648	3,699,155
RSSF (see ix below)	-	25,477,236	-	25,477,236
	34,508,269	69,455,532	26,069,389	61,286,178

- (i) The amount represents an intervention credit granted to the Bank by the Bank of Industry (BOI), a company incorporated in Nigeria for the purpose of refinancing or restructuring existing loans to Small and Medium Scale Enterprises (SMEs) and manufacturing companies. The total facilities are secured by Nigerian Government Securities worth N1,634,491,422.13 and have a maximum tenor of 15 years.

A management fee of 1% deductible at source is paid by the Bank under the on-lending agreement and the Bank is under obligation to on-lend to customers at an all-in interest rate of 7% per annum. Though the facility is meant for on-lending to borrowers in specified sectors, the Bank remains the primary obligor to the BOI and therefore assumes the risk of default of customers.

- (ii) Amount represents intervention funds for the production of agro-commodities for offtake market from Central Bank of Nigeria. The fund is at the rate of 9% and for a maximum of 18 months. There is a moratorium of 12 months and 6 months for cassava and cocoa respectively. In response to COVID-19, CBN moderated the rate to 5%, however, the rate has been restored to 9% effective September 2022.
- (iii) Anchor Borrowers' fund is an initiative of the Central Bank of Nigeria broadly aimed to create economic linkages between small holder farmers and reputable anchor companies involved in the production and processing of key agricultural commodities with a view to increase agricultural output, reduce food import bills and create jobs. The tenor of the facility depends on the gestation period of the targeted commodity but not exceeding 2 years. The facility is disbursed at an all-inclusive interest rate of 9%.
- (iv) This represents CBN intervention funds to some bank's customers in Small & Medium Scale sector. The fund is administered at a maximum interest rate of 9% per annum and maximum tenor of 5 years. In response to COVID-19, CBN moderated the rate to 5%, however, the rate has been restored to 9% effective September 2022.

- (v) The Wema SPV of 2023: N19,046,203,509.73 (2022: N18,262,737,000) represents amortized cost of the fixed rate unsecured bond issued by Wema Funding SPV Plc. The outstanding bond of N17,675,000,000 (principal) was issued on 12 October 2018 for a period of 7 years at 16.5% per annum with interest payable semi-annually and principal payable at maturity in October 2025 respectively.
- (vi) Amount represents salary credit bail out facility from Central Bank of Nigeria. It has a moratorium of twenty years at bank's interest rate of 9%. The corresponding entry is in loans and advances and the bank is expected to provide Central Bank of Nigeria with periodic progress on the facility. The principal repayment is by bullet payment at the expiration of the moratorium granted. In response to COVID-19, CBN moderated the rate to 5%, however, the rate has been restored to 9% effective September 2022.
- (vii) This amount represents the bank's foreign facility from Shelter Afrique, this was granted to the Bank for a period of 4 years. It is repayable bi-annually with interest rate of L+6.5% (Libor plus 5.03%)
- (viii) This amount represents the bank's foreign facility from AFDB, this was granted to the Bank for a period of 7 years. It is repayable bi-annually with interest rate of L+5.2% (Libor plus 5.2%)
- (ix) The amount of N28,394,161,463.7 (December 2022: N25,477,234,000) represents the outstanding balance on the Real Sector Support Facility (RSSF). The Facility is given by the Central Bank of Nigeria to support large enterprises for startups and expansion financing needs. The real sector activities targeted by the facility are manufacturing, agricultural value chain and selected service sub-sectors. The Facility is administered at an all-in Interest rate/charge of 9% per annum payable on quarterly basis.
- (x) Due to DBN intervention fund is a scheme in which the Development Bank of Nigeria (DBN) availed the Company a facility to meet the financing need of entrepreneurs in the Micro, Small and Medium Enterprises sector. The facility attracts an interest rate of 9.75 per annum for 1 year tenor.
- (xi) Other borrowings include National housing fund and Nigerian Mortgage refinance company

26b	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
At 1 January	69,455,532	72,731,661	61,286,178	61,601,569
Additions	1,417,433	14,784,139	1,417,433	14,784,139
Reclassification	(33,771,372)	-	(33,771,372)	-
Effect of exchange rate changes [loss/(profit)]	3,621,331	326,868	3,621,331	326,868
Payments made	(6,214,655)	(18,387,137)	(6,484,181)	(15,426,398)
Closing balance	34,508,269	69,455,532	26,069,389	61,286,178

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27 Right of use

The Bank leases several assets which includes buildings for commercial and residential purposes. The average lease term is 5years.

	30-Sep-23	31-Dec-22
COST	N	N
27a. Balance at 1 January	1,975,207	1,543,641
Additions	354,235	431,565
Terminated contracts		
Closing Balance	<u>2,329,441</u>	<u>1,975,207</u>
 DEPRECIATION CHARGE		
Balance at 1 January	977,741	692,393
Charge for the period	199,809	285,349
Closing Balance	<u>1,177,550</u>	<u>977,741</u>
 CARRYING AMOUNT		
As at 31 December, 2022	997,465	997,465
Closing Balance	<u>1,151,891</u>	<u>997,465</u>
 27b. LEASE LIABILITY	30-Sep-23	31-Dec-22
	N	N
Balance at 1 January	31,583	26,879
Addition during the year	-	-
Finance charge for the year	4,061	4,704
Closing Balance	<u>35,644</u>	<u>31,583</u>

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<i>In thousands of Nigerian Naira</i>	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
28 Share capital and Reserves				
(a) The share capital comprises:				
(i) Authorised - 40,000,000 Ordinary shares (2022 - 40,000,000,000) Ordinary shares of 50k each (2022- 50k)	20,000,000	20,000,000	20,000,000	20,000,000
(ii) Issued and fully paid - 12,858,155,360 Ordinary shares (2022- 12,858,155,360) shares of 50k each (2022 - 50k)	<u>6,429,077</u>	<u>6,429,077</u>	<u>6,429,077</u>	<u>6,429,077</u>
(iii) Shareholding Structure / Free float Status				
Shareholders	No of Ordinary Shares	% Holdings		
Strategic Shareholding	6,646,581,723	51.69		
Directors Direct Shareholding	586,673,780	4.56		
Government Shareholding	1,035,953,710	8.06		
Staff Schemes	-	-		
Free Float	4,588,946,147	35.69		
Total	12,858,155,360	100.00		
Strategic Shareholding				
Name	Holding			
SW8 Invest Coy	1,915,272,289	14.90		
Petrotrab Limited	1,098,626,666	8.54		
Neemtree Limited	3,632,682,768	28.25		
	6,646,581,723	51.69		
Directors Shareholding				
Mabawonku Tunde	868,333	0.01%		
Chukwuemeka Obioha Obiagwu	77,083	0.00%		
Oluwole Albert Ajimisinmi	2,056,998	0.02%		
Morufu Abiola Oseni		0.00%		
Abolanle Matel-Okoh	583,333,333	4.54%		
Akinleye Oluwole Stephen	336,283	0.00%		
Ibiye Asime Ekong		0.00%		
Adesegun Olusegun Oluremi		0.00%		
Adefarakan Adeyemi Obalolu		0.00%		
Olorunshola Oluwayemisi Christianah	1,750	0.00%		
Okunowo Zubiedat Bolarin Folashade.	-	0.00%		
	586,673,780	4.56%		
Government Shareholding				
Oyo State	138,000	0.00		
Ogun State	222,223,333	1.73		
Osun State	222,223,333	1.73		
Ekiti State	-	0.00		
FOUNTAIN	194,446,842	1.51		
Odua Invest Coy	396,922,202	3.09		
	1,035,953,710	8.06		
b Declaration:				
Wema Bank Plc with a free float of 35.69% as at 30 Sept 2023, is complaint with The Nigerian Stock Exchange's free float requirements for companies listed on the Main Board.				
Share Premium				
At 1 January	8,698,230	8,698,230	8,698,230	8,698,230
Closing balance	<u>8,698,230</u>	<u>8,698,230</u>	<u>8,698,230</u>	<u>8,698,230</u>

Share premium is the excess paid by shareholders over the nominal value for their shares

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(c) Statutory reserves

Nigerian banking regulations require the Bank to make an annual appropriation to a statutory reserve. As stipulated by S.16(1) of the Banks and Other Financial Institution Act of Nigeria, an appropriation of 30% of profit after tax is made if the statutory reserve is less than paid-up share capital and 15% of profit after tax if the statutory reserve is greater than the paid up share

(d) Fair value reserve

The fair value reserve includes the net cumulative change in the fair value of fair value through other comprehensive income investments until the investment is derecognised or impaired.

(e) SMEIES Reserve

This reserve represents the aggregate amount of appropriations from profit after tax to finance equity investments in compliance with the directives issued by the Central Bank of Nigeria (CBN) through its circulars dated July 11, 2006 (amended) and April 7, 2017 respectively. The SMEIES reserve was maintained in compliance with the Central Bank of Nigeria's requirement that all licensed banks set aside a portion of the profit after tax in a fund to be used to finance equity investments in qualifying small and medium scale enterprises. Under the terms of the guideline issued in July 2006, the contributions were 10% of profit after tax and were expected to continue after the first 5 years after which banks' contributions were to reduce to 5% of profit after tax. In April 2017, the Central Bank of Nigeria issued guidelines to govern the operations of the Agriculture/Small and Medium Enterprises Scheme (AGSMIES), which was established to support the Federal Government's efforts at promoting agricultural businesses and Small and Medium Enterprises (SMEs) as vehicles for achieving sustainable economic development and employment generation. The small and medium scale industries equity investment scheme

(f) Retained earnings

Retained earnings are the carried forward recognised income net of expenses plus current period profit attributable to shareholders.

<i>In thousands of Nigeria Naira</i>	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
At 1 January	12,360,403	11,023,901	11,771,926	11,241,628
Profit or loss	19,240,881	11,637,330	19,250,532	11,499,377
Transfer to Regulatory risk reserve	-	(5,711,555)	-	(5,711,555)
Transfer to Statutory Reserve	-	(1,724,907)	-	(1,724,907)
Dividend Paid to Shareholders	(3,857,447)	(3,085,957)	(3,857,447)	(3,085,957)
Transfer to Credit Risk Reserve	-	-	-	-
Regulatory charge to SMEIS	(560,701)	(446,660)	(560,701)	(446,660)
Closing balance	27,183,136	12,360,403	26,604,310	11,771,926

(g) Regulatory risk reserve

The regulatory risk reserve warehouses the excess of the impairment on loans and advances computed under the Nigerian GAAP based on the Central Bank of Nigeria prudential guidelines compared with the incurred loss model used in calculating the impairment under IFRSs.

(h) Credit Risk Reserve

The credit risk reserve warehouses a special reserve in respect of Pan Ocean credit in line with Central Bank of Nigeria requirement on the facility in addition to the prudential provisions.

(i) Other Reserves

<i>In thousands of Nigeria Naira</i>	Group		Bank	
	30-Sep-23	31-Dec-22	30-Sep-23	31-Dec-22
Credit Risk reserve	781,612	781,612	781,612	781,612
Share Reserve	12,858,155	12,858,155	12,858,155	12,858,155
Statutory Reserve	19,337,047	19,379,849	19,337,047	19,379,849
AGSMEIS Reserve	1,910,120	1,349,419	1,910,121	1,349,419
Fair Value Reserves	9,470,421	9,838,329	9,470,421	9,838,329
44,357,355	44,207,365	44,357,356	44,207,365	

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29 Contingencies

(i) Litigation and claims

There are litigation claims against the Bank as at 30 Sept 2023 amounting to N8,067,720,706.31 (31 December 2022: N8,331,169,415.00). These litigations arose in the normal course of business and are being contested by the Bank. The Directors, having sought advice of professional counsel, are of the opinion that no significant additional liability will crystallise from these claims; other than as recognised in these financial

(ii) Contingent liabilities and commitments

In common with other banks, the Bank conducts business involving acceptances, performance bonds and indemnities. The majority of these facilities are offset by corresponding obligations of third parties. Contingent liabilities and commitments comprise acceptances, endorsements, guarantees and letters of credit.

(iii) Nature of instruments

An acceptance is an undertaking by a bank to pay a bill of exchange drawn on a customer. The Bank expects most acceptances to be presented, but reimbursement by the customer is normally immediate. Endorsements are residual liabilities of the Bank in respect of bills of exchange, which have been paid and subsequently rediscounted.

Guarantees and letters of credit are given as security to support the performance of a customer to third parties. As the Bank will only be required to meet these obligations in the event of the customer's default, the cash requirements of these instruments are expected to be considerably below their nominal amounts.

Other contingent liabilities include performance bonds and are, generally, short-term commitments to third parties which are not directly dependent on the customers' credit worthiness.

Commitments to lend are agreements to lend to a customer in the future, subject to certain conditions. Such commitments are either made for a fixed period, or have no specific maturity but are cancellable by the lender subject to notice requirements.

Documentary credits commit the Bank to make payments to third parties, on production of documents, which are usually reimbursed immediately by customers.

(iv) The following tables summarise the nominal principal amount of contingent liabilities and commitments with off-balance sheet risk

In thousands of Nigerian naira	Group		Bank	
	Group 30-Sep-23	Group 31-Dec-22	Bank 30-Sep-23	Bank 31-Dec-22
Contingent liabilities:				
Guarantees and indemnities	167,168,064	101,334,445	167,168,064	101,334,445
Bonds	32,806,562	12,298,209	32,806,562	12,298,209
Clean-line facilities & irrevocable letters of credit	44,140,049	39,536,512	44,140,049	39,536,512
ECL	(855,890)	(713,876)	(855,890)	(713,876)
Closing balance	243,258,786	152,455,290	243,258,786	152,455,290