

**WEMA BANK PLC**

**UNAUDITED FINANCIAL STATEMENTS**

**FOR THE PERIOD ENDED 31 MARCH 2022**

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# Wema Bank Plc

## Consolidated and Separate Financial Statements

### Statement of Profit or loss and other Comprehensive Income

<i>In thousands of Nigerian Naira</i>	Group		Bank	
	3 Months 31-Mar-22	3 Months 31-Mar-21	3 Months 31-Mar-22	3 Months 31-Mar-21
<b>Gross Earnings</b>	<b>30,634,909</b>	<b>19,470,605</b>	<b>29,139,505</b>	<b>17,964,805</b>
Interest income	25,029,465	16,421,225	23,534,061	14,915,425
Interest expense	(14,953,228)	(7,659,059)	(13,466,665)	(6,146,001)
<b>Net interest income</b>	<b>10,076,237</b>	<b>8,762,166</b>	<b>10,067,396</b>	<b>8,769,424</b>
Net impairment loss on financial assets	(278,342)	(194,168)	(278,342)	(194,168)
<b>Net interest income after impairment charge for credit losses</b>	<b>9,797,895</b>	<b>8,567,998</b>	<b>9,789,054</b>	<b>8,575,256</b>
Net gain on FVTPL investment securities	557,330	22,627	557,330	22,627
Net fee and commission income	4,053,715	2,556,442	4,053,715	2,556,442
Net trading income	415,121	120,024	415,121	120,024
Other income	579,278	350,287	579,278	350,287
	5,605,444	3,049,380	5,605,444	3,049,380
<b>Operating income</b>	<b>15,403,339</b>	<b>11,617,378</b>	<b>15,394,498</b>	<b>11,624,636</b>
Personnel expenses	(4,398,935)	(3,924,196)	(4,398,935)	(3,924,196)
Depreciation and amortization	(957,191)	(803,291)	(957,191)	(803,291)
Other operating expenses	(6,745,197)	(5,381,791)	(6,736,355)	(5,389,055)
Profit before tax	<b>3,302,015</b>	<b>1,508,100</b>	<b>3,302,017</b>	<b>1,508,094</b>
Income tax expense	(445,772)	(203,593)	(445,772)	(203,593)
<b>Profit for the year</b>	<b>2,856,243</b>	<b>1,304,508</b>	<b>2,856,245</b>	<b>1,304,501</b>
<b><u>Other comprehensive income, net of income tax Items that will not be subsequently reclassified to profit or loss</u></b>				
Net change in fair value of investments FVTOCI	-	-	-	-
<b>Items that will be subsequently reclassified to profit or loss</b>				
Net change in fair value of investments FVOCI	-	-	-	-
Income tax relating to items that may be reclassified subsequently to profit or Loss	-	-	-	-
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total comprehensive income for the year	<b>2,856,243</b>	<b>1,304,508</b>	<b>2,856,245</b>	<b>1,304,501</b>
<b>Profit attributable to:</b>				
Equity holders of the Bank	2,856,243	1,304,508	2,856,245	1,304,501
Total comprehensive income for the year	2,856,243	1,304,508	2,856,245	1,304,501
<b>Earnings per share-basic</b>	<b>29.6</b>	<b>13.6</b>	<b>29.6</b>	<b>13.6</b>

**Wema Bank Plc**

**Consolidated and Separate Financial Statements**

**Statement of financial Position**

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<i>In thousands of Nigerian Naira</i>				
Cash and cash equivalents	99,231,807	109,726,640	99,219,815	109,714,649
Restricted Deposit with CBN	326,316,166	313,847,420	326,316,166	313,847,420
Pledged assets	17,046,885	83,723,119	17,046,885	83,723,119
Investment securities:				
Fair value through other comprehensive income	5,492,071	5,455,873	5,493,071	5,456,873
Fair Value through profit or loss	37,759,968	38,693,696	37,759,968	38,693,696
Held at amortised cost	258,302,408	129,931,955	247,341,140	118,970,687
Loans and advances to customers	433,935,065	418,864,303	433,935,065	418,864,303
Right of Use	981,791	851,249	981,791	851,249
Property and equipment	22,986,410	22,418,542	22,986,410	22,418,542
Intangible assets	3,040,619	2,170,640	3,040,619	2,170,640
Other assets	44,847,942	34,305,993	44,847,942	34,305,993
Deferred tax assets	15,500,694	15,500,694	15,500,694	15,500,694
<b>Total Assets</b>	<b>1,265,441,827</b>	<b>1,175,490,124</b>	<b>1,254,469,566</b>	<b>1,164,517,865</b>
Deposits from banks	13,008,434	40,700,000	13,008,434	40,700,000
Deposits from customers	1,009,461,718	927,471,175	1,009,461,718	927,471,175
Lease Liabilities	27,985	26,879	27,985	26,879
Current tax liabilities	1,161,893	716,120	1,161,893	716,120
Other liabilities	91,461,166	63,697,672	91,401,271	63,637,779
Other borrowed funds	77,317,769	72,731,661	66,187,677	61,601,569
<b>Total Liabilities</b>	<b>1,192,438,964</b>	<b>1,105,343,507</b>	<b>1,181,248,977</b>	<b>1,094,153,521</b>
EQUITY				
Share capital	19,287,233	19,287,233	19,287,233	19,287,233
Share premium	8,698,230	8,698,230	8,698,230	8,698,230
Regulatory risk reserve	6,089,871	6,099,876	6,089,871	6,099,876
Retained earnings	13,880,144	11,013,895	14,097,872	11,231,622
Other reserves	25,047,383	25,047,383	25,047,383	25,047,383
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK</b>	<b>73,002,861</b>	<b>70,146,617</b>	<b>73,220,589</b>	<b>70,364,344</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>1,265,441,826</b>	<b>1,175,490,124</b>	<b>1,254,469,566</b>	<b>1,164,517,865</b>
<b>CONTINGENTS</b>	<b>122,188,898</b>	<b>118,568,967</b>	<b>122,188,898</b>	<b>118,568,967</b>

The financial statements were authorized for issue by the directors on the 25th of April 2022 and signed on its behalf by: ...



**Babatunde Kasali**  
*Chairman*  
FRC/2017/ICAN/00000016973



**Ademola Adebise**  
*Managing Director*  
FRC/2013/ICAN/00000002115



**Tunde Mabawonku**  
*Chief Financial Officer*  
FRC/2013/ICAN/00000002097

**Wema Bank Plc**

**Consolidated and Separate Financial Statements  
For the period ended 31st March 2022**

**Statements of changes in equity**

**Group**

*In thousands of Nigerian naira (000s)*

	Share Capital	Share premium	Credit risk reserve	Regulatory risk reserve	Statutory reserve	SMEIES reserve	Fair value reserves	Retained earnings	Total equity
<b>2022</b>									
<b>Balance at 1 January 2022</b>	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
Dividend Payout								-	-
SMEIS Charge						-		-	-
Profit or loss	-	-	-	-	-	-		2,856,243	2,856,243
<b>Other comprehensive income</b>									
Cumulative gain/loss reclassified from reserve on disposal of FVTOCI investments									-
Fair value reserve FVTOCI financial assets	-	-	-	-	-	-	-	-	-
	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>6,089,871</b>	<b>17,654,943</b>	<b>902,759</b>	<b>5,708,069</b>	<b>13,880,144</b>	<b>73,002,860</b>
<b>Transactions with owners, recorded directly in equity</b>									
Contributions by and distributions to owners									
Regulatory risk reserve	-	-		-	-	-	-	-	-
Credit risk reserve			-					-	-
Transfer to Statutory reserve	-	-		-	-	-	-	-	-
Total contribution and distributions to owners	-	-	-	-	-	-	-	-	-
<b>Balance as at 31 March 2022</b>	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>6,089,871</b>	<b>17,654,943</b>	<b>902,759</b>	<b>5,708,069</b>	<b>13,880,144</b>	<b>73,002,860</b>
<b>2021</b>									
<b>Balance at 1 January 2021</b>	19,287,233	8,698,230	781,612	5,536,119	14,974,982	673,148	2,086,782	7,103,647	59,141,753
Dividend Payout								(1,542,978)	(1,542,978)
SMEIS Charge						229,611		(229,611)	0
Profit or loss	-	-	-	-	-	-		8,926,555	8,926,555
<b>Other comprehensive income</b>									
Cumulative gain/loss reclassified from reserve on disposal of FVTOCI investments									-
Fair value reserve FVTOCI financial assets	-	-	-	-	-	-	3,621,287	-	3,621,287
	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>5,536,119</b>	<b>14,974,982</b>	<b>902,759</b>	<b>5,708,069</b>	<b>14,257,613</b>	<b>70,146,617</b>
<b>Transactions with owners, recorded directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Regulatory risk reserve	-	-		553,752	-	-	-	(553,752)	-
Credit risk reserve			-					-	-
Transfer to Statutory reserve	-	-		-	2,679,961	-	-	(2,679,961)	-
Total contribution and distributions to owners	-	-	-	553,752	2,679,961	-	-	(3,233,713)	-
<b>Balance as at 31 December 2021</b>	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>6,089,871</b>	<b>17,654,943</b>	<b>902,759</b>	<b>5,708,069</b>	<b>11,023,900</b>	<b>70,146,617</b>

Wema Bank Plc

Consolidated and Separate Financial Statements  
For the period ended 31st March 2022

Statements of changes in equity

Bank

In thousands of Nigerian naira (000s)

	Share Capital	Share premium	Credit risk reserve	Regulatory risk reserve	Statutory reserve	AGSMEIS reserve	Fair value reserves	Retained earnings	Total equity
<b>2022</b>									
<b>Balance at 1 January 2022</b>	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
Dividend Payout									-
SMEIS Charge									-
Profit or loss	-	-	-	-	-	-		2,856,245	2,856,245
<b>Other comprehensive income</b>									
Cumulative gain/loss reclassified from reserve on disposal of FVTOCI investments									-
Fair value reserve FVTOCI financial assets	-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>6,089,871</b>	<b>17,654,943</b>	<b>902,759</b>	<b>5,708,069</b>	<b>14,097,872</b>	<b>73,220,589</b>
<b>Transactions with owners, recorded directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Regulatory risk reserve									-
Credit risk reserve									-
transfer to statutory reserves									-
<b>Total contribution and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 March 2022</b>	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>6,089,871</b>	<b>17,654,943</b>	<b>902,759</b>	<b>5,708,069</b>	<b>14,097,872</b>	<b>73,220,589</b>
<b>2021</b>									
<b>Balance at 1 January 2021</b>	19,287,233	8,698,230	781,612	5,536,119	14,974,982	673,148	2,086,782	7,314,727	59,352,833
Dividend Payout								(1,542,978)	(1,542,978)
SMEIS Charge						229,611		(229,611)	-
Profit or loss	-	-	-	-	-	-		8,933,202	8,933,202
<b>Other comprehensive income</b>									
Cumulative gain/loss reclassified from reserve on disposal of FVTOCI investments									-
Fair value reserve FVTOCI financial assets	-	-	-	-	-	-	3,621,287	-	3,621,287
<b>Total comprehensive income for the period</b>	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>5,536,119</b>	<b>14,974,982</b>	<b>902,759</b>	<b>5,708,069</b>	<b>14,475,340</b>	<b>70,364,344</b>
<b>Transactions with owners, recorded directly in equity</b>									
<b>Contributions by and distributions to owners</b>									
Regulatory risk reserve								(553,752)	-
Credit risk reserve								-	-
transfer to statutory reserves								(2,679,961)	-
<b>Total contribution and distributions to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>553,752</b>	<b>2,679,961</b>	<b>-</b>	<b>-</b>	<b>(3,233,713)</b>	<b>-</b>
<b>Balance as at 31 December 2021</b>	<b>19,287,233</b>	<b>8,698,230</b>	<b>781,612</b>	<b>6,089,871</b>	<b>17,654,943</b>	<b>902,759</b>	<b>5,708,069</b>	<b>11,241,627</b>	<b>70,364,344</b>

Wema Bank Plc

Consolidated and Separate Financial Statements  
For the period ended 31st March 2022  
Consolidated and Separate Statement of Cashflow

<i>In thousands of Nigerian Naira</i>	Notes	Group		Bank	
		31-Mar 2022	31-Dec 2021	31-Mar 2022	31-Dec 2021
Cash flows from operating activities					
Profit for the year		2,856,243	8,926,555	2,856,245	8,933,202
Adjustments for:					
Taxation expense	26	445,772	3,450,940	445,772	3,450,940
Depreciation and amortization	13b	957,191	3,399,318	957,191	3,399,318
Adjustment for transfer out of PPE now expensed		-	0	-	0
Right of Use - Payment		-	-	-	-
(Gain)/Loss on disposal of property and equipment	32(xi)	1,998	(167,030)	1,998	(167,030)
Net interest income	32(xii)	(10,076,237)	(39,876,738)	(10,067,396)	(39,874,542)
Dividend received from equity investment	10	(3,600)	(168,873)	(3,600)	(168,873)
Impairment loss on financial assets	11	278,342	2,104,393	278,342	2,104,393
Operating cashflow before movement in working capital		(5,540,290)	(22,331,436)	(5,531,448)	(22,322,593)
Change in pledged assets	32(i)	66,676,234	(56,268,457)	66,676,234	(56,268,457)
Change in loans and advances to customers	32(ii)	(15,349,104)	(60,892,616)	(15,349,104)	(60,892,616)
Change in other assets	32(iii)	(10,541,949)	(12,422,378)	(10,541,949)	(12,422,378)
Change in deposits from banks	32(iv)	(27,691,566)	40,700,000	(27,691,566)	40,700,000
Change in finance lease obligation		-	-	-	-
Change in restricted deposit with CBN	32(v)	(12,468,746)	(66,872,461)	(12,468,746)	(66,872,461)
Change in deposits from customers	32(vi)	81,990,543	122,597,783	81,990,543	122,597,783
Change in other liabilities	32(vi)	27,764,600	22,139,528	27,764,597	22,119,684
Cashflow generated by operations		104,839,722	(33,350,037)	104,848,562	(33,361,037)
Income tax paid	26.2	-	(393,914)	-	(393,914)
Interest received	32(xii)	25,029,465	74,798,291	23,534,061	73,302,888
Interest paid	32(vii)	(12,491,163)	(29,696,049)	(12,491,163)	(29,696,049)
<b>Net cash from operating activities</b>		<b>117,378,024</b>	<b>11,358,292</b>	<b>115,891,461</b>	<b>9,851,888</b>
Cash flows from investing activities					
Disposal/Acquisition of investment securities-At Amortis	32(viii)	(128,370,453)	(80,929,175)	(128,370,453)	(80,907,896)
Disposal/Acquisition of investment securities-FVTOCI	32(ix)	(36,198)	54,735,684	(36,198)	54,735,684
Change in FVTPL investments	32(x)	933,728	39,532,256	933,728	39,532,256
Dividend received from equity investment	10	3,600	168,873	3,600	168,873
Acquisition of property and equipment	20	(1,907,520)	(3,783,054)	(1,907,520)	(3,783,054)
Proceeds from the sale of property and equipment	32(xi)	52,110	337,983	52,110	337,983
Right of Use	29	(201,778)	(486,700)	(201,778)	(486,700)
Acquisition of intangible assets	21	(1,012,343)	(1,172,161)	(1,012,343)	(1,172,161)
<b>Net cash (used in) / generated by investing activities</b>		<b>(130,538,856)</b>	<b>8,403,706</b>	<b>(130,538,855)</b>	<b>8,424,986</b>
Cash flows from financing activities					
Proceed from borrowings	28b	9,254,621	3,261,495	9,254,621	3,261,495
Repayment of borrowings	28b	(4,688,512)	(4,207,506)	(4,688,512)	(4,230,502)
Effect of changes in exchange rate	28b	19,999	154,201	19,999	154,201
Right of Use - Payment during the year	29b.	-	-	-	-
Transfer To/From Reserves		-	(5,225,504)	-	(3,732,297)
Interest paid on borrowings	32(vii)	(2,462,065)	(1,542,978)	(975,502)	(1,542,978)
Dividend paid to shareholders		-	-	-	-
<b>Net cash from financing activities</b>		<b>2,124,043</b>	<b>(7,560,292)</b>	<b>3,610,606</b>	<b>(6,090,081)</b>
Net increase in cash and cash equivalents		(11,036,789)	12,201,705	(11,036,789)	12,186,792
Cash and cash equivalents at beginning of period		109,889,501	97,687,796	109,877,511	97,690,719
Effect of exchange rate changes on cash balances		(162,861)	(162,861)	(162,861)	(162,861)
<b>Cash and cash equivalents at end of year</b>	15	<b>98,689,851</b>	<b>109,726,640</b>	<b>98,677,861</b>	<b>109,714,650</b>

**Wema Bank Plc**

**Consolidated and Separate Financial Statements  
For the period ended 31st March 2022  
Statement of Prudential Adjustments**

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<b>Prudential Provisions:</b>				
Loans and advances	22,398,425	22,398,425	22,398,425	22,398,425
Other financial assets	4,013,150	4,013,150	4,013,150	4,013,150
	<b>26,411,576</b>	<b>26,411,576</b>	<b>26,411,576</b>	<b>26,411,576</b>
<b>Impairment assessment under IFRS:</b>				
<b>Loans and advances</b>				
12-months ECL credit	5,616,834	5,366,908	5,616,834	5,366,908
Life-time ECL Not impaired	32,644	94,781	32,644	94,781
Life-time ECL credit impaired	11,248,056	11,225,979	11,248,056	11,225,979
	<b>16,897,534</b>	<b>16,687,668</b>	<b>16,897,534</b>	<b>16,687,668</b>
<b>Investment securities</b>				
12-months ECL	1,027,792	1,068,701	1,027,792	1,068,701
	<b>1,027,792</b>	<b>1,068,701</b>	<b>1,027,792</b>	<b>1,068,701</b>
<b>Off balance sheet exposures</b>				
12-months ECL	1,356,153	1,336,032	1,356,153	1,336,032
	<b>1,356,153</b>	<b>1,336,032</b>	<b>1,356,153</b>	<b>1,336,032</b>
<b>Other financial assets</b>				
specific allowance for impairment on other assets	-	-	-	-
12 months ECL Lifetime ECL	1,239,441	1,327,555	1,239,441	1,327,555
Other non-financial assets	-	-	-	-
	<b>1,239,441</b>	<b>1,327,555</b>	<b>1,239,441</b>	<b>1,327,555</b>
<b>Total IFRS Impairment</b>	<b>20,520,920</b>	<b>20,419,956</b>	<b>20,520,920</b>	<b>20,419,956</b>
<b>Excess of Prudential impairment over IFRS impairment transferred to regulatory reserve</b>	<b>5,890,656</b>	<b>5,991,620</b>	<b>5,890,656</b>	<b>5,991,620</b>



Wema Bank Plc

Consolidated and Separate Financial Statements  
For the period ended 31st March 2022

Notes to the Financial Statements

	Group		Bank	
	3 Months 31-Mar-22	3 Months 31-Mar-21	3 Months 31-Mar-22	3 Months 31-Mar-21
<i>In thousands of Nigerian Naira</i>				
<b>7 Interest income</b>				
Cash and cash equivalents	229,469	788,842	229,469	788,842
Loans and advances to banks and customers	18,217,093	13,059,739	18,217,093	13,059,739
Investments securities	6,582,903	2,572,644	5,087,499	1,066,844
<b>Total interest income</b>	<b>25,029,465</b>	<b>16,421,225</b>	<b>23,534,061</b>	<b>14,915,425</b>

Included in interest income on loans and advances is modification loss of N600million for group and bank. It represents the changes in gross carrying amount of the financial asset from immediately before to immediately after modification. The modifications were not as a result of credit deterioration.

<b>Interest expense</b>				
Deposits from banks	521,199	913,274	521,199	913,274
Interest expense on lease liabilities	-	-	-	0
Deposits from customers	11,969,964	4,413,082	11,969,964	4,413,082
Other borrowed funds	2,462,065	2,332,704	975,502	819,645
<b>Total interest expense</b>	<b>14,953,228</b>	<b>7,659,059</b>	<b>13,466,665</b>	<b>6,146,001</b>
<b>Net interest income</b>	<b>10,076,237</b>	<b>8,762,166</b>	<b>10,067,396</b>	<b>8,769,424</b>

<b>8 Fees and commission income</b>	Group		Bank	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Credit related fees	211,255	203,453	211,255	203,453
Account maintenance fees	634,590	438,398	634,590	438,398
Management fees	990,121	773,787	990,121	773,787
Fees on electronic products	787,909	673,639	787,909	673,639
Fees on financial guarantees	133,595	111,088	133,595	111,088
Other fees and charges	1,296,245	356,078	1,296,245	356,078
<b>Total fee and commission income</b>	<b>4,053,715</b>	<b>2,556,442</b>	<b>4,053,715</b>	<b>2,556,442</b>

<b>9 Net trading income</b>				
Fixed income securities	9,510	2,371	9,510	21,977
Treasury bills	350,931	56,576	350,931	4,697,241
Foreign exchange trading (note 9.1)	54,679	61,077	54,679	141,894
	<b>415,121</b>	<b>120,024</b>	<b>415,121</b>	<b>4,861,112</b>

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

9.1

<b>10 Other income</b>	Group		Bank	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Dividends on available-for-sale equity securities	3,600	34,136	3,600	34,136
Gains on disposal of property and equipment	(1,998)	(1,624)	(1,998)	(1,624)
Rental income	13,679	12,468	13,679	12,468
Income on contingents	12,862	16,860	12,862	16,860
Income on deposit accounts	21,391	35,563	21,391	35,563
Digital Income	172,418	1,324	172,418	1,324
FX Revaluation	309,113	200,000	309,113	200,000
Swift transactions	27,279	10,739	27,279	10,739
Service charge	9,493	17,201	9,493	17,201
Advisory fees	7,522	9,071	7,522	9,071
Others	3,919	14,549	3,919	14,549
	<b>579,278</b>	<b>350,287</b>	<b>579,278</b>	<b>350,287</b>

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	Group		Bank	
	3 Months 31-Mar-22	3 Months 31-Mar-21	3 Months 31-Mar-22	3 Months 31-Mar-21
<b>11 Impairment loss on financial/non-financial instruments</b>				
Impairment loss/(write back) on financial and non-financial instruments				
<b>Impairment charge on financial instruments</b>				
Total impairment charge on loans and advances	258,180	225,779	258,180	225,779
Investment securities/Treasury bills	16,839	-	16,839	-
Cash and cash equivalent	(35,654)	-	(35,654)	-
Other non financial assets	20,143	-	20,143	-
<b>Impairment charge on non-financial instruments</b>				
Off balance sheet	20,121	-	20,121	-
Recoveries on loans	(1,287)	(31,612)	(1,287)	(31,612)
<b>Total impairment charge on financial instruments</b>	<b>278,342</b>	<b>194,167</b>	<b>278,342</b>	<b>194,168</b>

**12 Personnel expenses**

Wages and salaries	3,242,837	2,886,739	3,242,837	2,886,739
Pension Contribution	376,350	201,100	376,350	201,100
Contributions/Reversals to defined contribution plans	-	-	-	-
Other staff costs	779,749	836,357	779,749	836,357
	<b>4,398,935</b>	<b>3,924,196</b>	<b>4,398,935</b>	<b>3,924,196</b>

**13a Other operating expenses**

	Group		Bank	
	3 Months 31-Mar-22	3 Months 31-Mar-21	3 Months 31-Mar-22	3 Months 31-Mar-21
<i>In thousands of Nigerian Naira</i>				
Advertising and marketing	364,677	217,156	364,677	217,156
AMCON Levy (i)	1,585,654	1,271,500	1,585,654	1,271,500
Auditors remuneration	65,000	90,000	60,000	90,000
Business Expenses	55,350	32,891	55,350	32,891
Cash movement expenses	134,676	155,389	134,676	155,389
Diesel Expenses	259,730	127,007	259,730	127,007
Directors Expenses	12,450	6,100	12,450	6,100
Directors fees	8,019	667	8,019	667
Donations	21,605	9,300	21,605	9,300
Electricity	136,177	115,902	136,177	115,902
General administrative expenses	591,469	342,431	587,625	342,431
Legal expenses	61,133	53,620	61,133	53,620
Insurance	64,367	60,103	64,367	60,103
NDIC Premium	1,068,286	1,020,000	1,068,286	1,020,000
Other premises and equipment costs	95,052	80,404	95,052	80,404
Printing and stationery	157,663	119,615	157,663	119,615
Other Professional fees	232,442	316,708	232,442	316,708
Digital Bank Professional fees (ii)	84,080	89,560	84,080	89,560
Repairs and maintenance	656,689	516,917	656,689	516,917
Security expenses	119,324	104,622	119,324	104,622
Service charge	396,386	152,889	396,386	152,889
SMS Expenses & Others	13,127	27,286	13,129	27,286
Statutory expenses	(0)	22,649	(0)	22,649
Technology and alternative channels	404,034	246,471	404,034	246,471
Transport & Communications	157,807	139,249	157,807	139,249
	<b>6,745,197</b>	<b>5,389,056</b>	<b>6,736,355</b>	<b>5,389,056</b>

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.

	Group		Bank	
	3 Months 31-Mar-22	3 Months 31-Mar-21	3 Months 31-Mar-22	3 Months 31-Mar-21
<i>In thousands of Nigerian Naira</i>				
<b>13b Depreciation and amortization</b>				
Property, plants and equipment	739,931	670,335	739,931	670,335
Right of use of assets	71,235	60,808	71,235	60,808
Investment property	-	232	-	232
Intangible assets	146,025	71,916	146,025	71,916
	<b>957,191</b>	<b>803,291</b>	<b>957,191</b>	<b>803,291</b>

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## Notes to the Financial Statements

## 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 31st March 2022 was based on the profit attributable to ordinary shareholders and weighted average number of ordinary shares outstanding :

<i>In thousands</i>	Group		Bank	
	3 Months 31-Mar-22	12 Months 31-Dec-21	3 Months 31-Mar-22	12 Months 31-Dec-21
Weighted average number of ordinary shares - basic;'000	38,574,466	38,574,466	38,574,466	38,574,466
<b>Profit attributable to ordinary shareholders -basic</b>				
Profit for the year attributable to equity holders of the Bank '000	2,856,243	9,593,848	2,856,245	9,600,494
Earnings per share -basic (Kobo)	29.6	24.9	29.6	24.9

## 15 Cash and cash equivalents

*In thousands of Nigerian Naira*

	Group		Bank	
	3 Months 31-Mar-22	12 Months 31-Dec-21	3 Months 31-Mar-22	12 Months 31-Dec-21
Cash and balances with banks	44,676,595	58,699,020	44,664,603	58,687,029
Unrestricted balances with central bank	21,396,348	16,246,827	21,396,348	16,246,827
Money market placements	33,197,739	34,855,322	33,197,739	34,855,322
ECL Allowance	(38,876)	(74,529)	(38,876)	(74,529)
	<b>99,231,807</b>	<b>109,726,640</b>	<b>99,219,815</b>	<b>109,714,649</b>

## 15b Restricted Deposit with CBN

Mandatory reserve deposit is reported net of N17.28 billion (December 31, 2021: N12.82 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 funds from their CRR to finance the projects.

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

	Group		Bank	
	3 Months 31-Mar-22	12 Months 31-Dec-21	3 Months 31-Mar-22	12 Months 31-Dec-21
<b>16 Pledged assets - Held at amortised cost</b>				
<i>In thousands of Nigerian Naira</i>				
Treasury bills (note 16.1)	0	57,476,435	0	57,476,435
Bonds (16.2)	17,046,885	26,246,684	17,046,885	26,246,684
	<b>17,046,885</b>	<b>83,723,119</b>	<b>17,046,885</b>	<b>83,723,119</b>

- 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.

Wema Bank Plc

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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 the Small and Medium Scale Enterprises Scheme under secured borrowing with the related liability of N11.65 billion (2021: N13.05 billion) as disclosed in note

In thousands of Nigerian Naira	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<b>17 Investment securities</b>	<b>301,554,448</b>	<b>174,081,524</b>	<b>290,594,180</b>	<b>163,121,256</b>
Current	205,915,631	152,326,804	205,915,631	152,326,804
Non-current	95,638,817	21,754,721	84,678,549	10,794,452
<b>17a Investment securities measured at FVTOCI</b>				
Treasury bills	0	0	0	0
Equity (see note (i) below)	5,524,171	5,465,878	5,525,171	5,466,878
ECL Allowance on FVTOCI Investments	(32,100)	(10,005)	(32,100)	(10,005)
	<b>5,492,071</b>	<b>5,455,873</b>	<b>5,493,071</b>	<b>5,456,873</b>
<b>17b Investment securities measured at FVTPL</b>				
Treasury Bills	<b>37,759,968</b>	<b>38,693,696</b>	<b>37,759,968</b>	<b>38,693,696</b>
<b>17c Investment securities measured at amortised cost</b>				
Treasury Bills	168,155,663	113,633,108	168,155,663	113,633,108
FGN Bonds	85,913,694	11,892,584	74,952,426	931,316
Other Bonds (see (ii) below)	5,221,967	5,400,435	5,221,967	5,400,435
ECL Allowance - Investments at Amortised Cost	(988,916)	(994,172)	(988,916)	(994,172)
	<b>258,302,408</b>	<b>129,931,955</b>	<b>247,341,140</b>	<b>118,970,687</b>
<b>(i) Equity</b>				
<b>Quoted Investments:</b>	-	-	-	-
<b>Unquoted Investments:</b>				
Unified Payment Services Limited	65,767	7,474	65,767	7,474
FMDQ	15,000	15,000	15,000	15,000
Nigeria Inter-Bank Settlement System	47,482	47,482	47,482	47,482
WEMA Funding SPV Plc (a)	-	-	1,000	1,000
Fair value gain on (FVTOCI) financial assets (b)	5,395,922	5,395,922	5,395,922	5,395,922
	<b>5,524,171</b>	<b>5,465,878</b>	<b>5,525,171</b>	<b>5,466,878</b>
	<b>5,524,171</b>	<b>5,465,878</b>	<b>5,525,171</b>	<b>5,466,878</b>

(a) Wema Funding SPV PLC was incorporated on 30 June 2016 and commenced operations on 12 October 2016. The principal activity of the company is to raise or borrow money by the issue of bond or debt instruments and invest the money raised or borrowed in securities or any other investments as the company may deem fit.

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**Notes to the Financial Statements**

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

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<b>CORPORATE</b>				
I. 7YR: DANA Group Bond Series 1				
Opening balance	929,145	1,155,737	929,145	1,155,737
Movement in the year	-	(226,592)	-	(226,592)
Closing balance	929,145	929,145	929,145	929,145
<b>STATE BONDS</b>				
I. EKITI State Govt Bond Tranche 11				
Opening balance	861,740	1,005,360	861,740	1,005,360
Movement in the year	20,982	(143,620)	20,982	(143,620)
Closing balance	882,722	861,740	882,722	861,740
III. ONDO State Govt Bond				
Opening balance	3,609,550	4,104,234	3,609,550	4,104,234
Movement in the year	(199,450)	(494,684)	(199,450)	(494,684)
Closing balance	3,410,100	3,609,550	3,410,100	3,609,550
Total Other Bonds	<b>5,221,967</b>	<b>5,400,435</b>	<b>5,221,967</b>	<b>5,400,435</b>
ECL	(951,241)	(951,241)	(951,241)	(951,241)
	<b>4,270,726</b>	<b>4,449,194</b>	<b>4,270,726</b>	<b>4,449,194</b>

**18 Loans and advances to customers at amortised cost**

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<i>In thousands of Nigeria Naira</i>				
Overdrafts	34,485,555	37,665,992	34,485,555	37,665,992
Term Loans	410,364,815	391,517,198	410,364,815	391,517,198
Advances under finance lease	5,982,230	6,368,781	5,982,230	6,368,781
Gross loans and receivables	<b>450,832,599</b>	<b>435,551,971</b>	<b>450,832,599</b>	<b>435,551,971</b>
Less ECL allowances				
12-months ECL credit	(5,616,834)	(5,366,908)	(5,616,834)	(5,366,908)
Life-time ECL Not impaired	(32,644)	(94,781)	(32,644)	(94,781)
Life-time ECL credit impaired	(11,248,056)	(11,225,979)	(11,248,056)	(11,225,979)
	<b>(16,897,534)</b>	<b>(16,687,668)</b>	<b>(16,897,534)</b>	<b>(16,687,668)</b>
Net loans and advances to customers	<b>433,935,065</b>	<b>418,864,303</b>	<b>433,935,065</b>	<b>418,864,303</b>
<b>31-Mar-22</b>				
	<b>Term loan</b>	<b>Overdrafts</b>	<b>Finance lease</b>	<b>Total</b>
Gross loans	410,364,815	34,485,555	5,982,230	450,832,599
12 months ECL loans and advances	(4,488,155)	(849,771)	(231,993)	(5,569,919)
Lifetime ECL not credit-impaired loans and advances	(55,377)	(17,278)	-	(72,655)
Lifetime ECL credit-impaired loans and advances	(7,228,814)	(3,942,096)	(84,049)	(11,254,960)
	<b>398,592,468</b>	<b>29,676,409</b>	<b>5,666,188</b>	<b>433,935,065</b>
<b>31-Dec-21</b>				
	<b>Term loan</b>	<b>Overdrafts</b>	<b>Finance lease</b>	<b>Total</b>
Gross loans	391,517,198	37,665,992	6,368,781	435,551,971
12 months ECL loans and advances	(3,569,740)	(1,550,904)	(246,264)	(5,366,908)
Lifetime ECL not credit-impaired loans and advances	(61,825)	(32,956)	-	(94,781)
Lifetime ECL credit-impaired loans and advances	(7,937,608)	(3,233,274)	(55,097)	(11,225,979)
	<b>379,948,025</b>	<b>32,848,859</b>	<b>6,067,420</b>	<b>418,864,303</b>

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In thousands of Nigerian Naira	Overdraft	Term Loan	Advances under finance lease	Totals
<b>Balance as at 1st January 2022</b>	<b>4,817,134</b>	<b>11,569,173</b>	<b>301,361</b>	<b>16,687,668</b>
12-months ECL credit	1,550,904	3,569,740	246,264	5,366,908
Life-time ECL Not impaired	32,956	61,825	-	94,781
Life-time ECL credit impaired	3,233,274	7,937,608	55,097	11,225,979
Amortised Cost Interest				-
ECL allowance during the year	59,181	204,461	14,681	258,180
Written off in the year as uncollectible	(67,170)			(67,170)
Amounts recovered during the year	-	(1,287)	-	(1,287)
<b>Balance as at 31 March 2022</b>	<b>4,809,145</b>	<b>11,772,347</b>	<b>316,042</b>	<b>16,877,391</b>
12-months ECL credit	849,771	4,488,155	231,993	5,569,919
Life-time ECL Not impaired	17,278	55,377	-	72,655
Life-time ECL credit impaired	3,942,096	7,228,814	84,049	11,254,960

Contingent Liabilities & Commitments:

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
Guarantees and Indemnities	83,677,798	79,270,996	83,677,798	79,270,996
Bonds	10,891,460	8,846,615	10,891,460	8,846,615
Clean-Line Facilities& Irrevocable LCs	28,975,794	31,787,388	28,975,794	31,787,388
ECL	(1,356,153)	(1,336,032)	(1,356,153)	(1,336,032)
	<b>122,188,898</b>	<b>118,568,967</b>	<b>122,188,898</b>	<b>118,568,967</b>

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**20 Property and equipment**

**Group / Bank**

*In thousands of Nigerian Naira (000s)*

	Land	Buildings	Furniture & Office Equipment	Motor vehicles	Computer Equipment	Work in Progress	Total
<b>Cost</b>							
Balance at 1 January 2022	1,590,773	16,995,356	10,443,090	3,516,783	12,031,649	1,211,505	47,308,047
Additions	-	234,511	196,701	274,000	134,751	522,117	1,907,520
Adjustments	-	-	(0)	(1,075)	23	-	(1,052)
Disposals			(275,669)	(149,211)	(122,036)		(546,916)
<b>Balance as at 31 March 2022</b>	<b>1,590,773</b>	<b>17,229,867</b>	<b>10,364,122</b>	<b>3,640,496</b>	<b>12,044,386</b>	<b>1,733,621</b>	<b>46,603,266</b>
<b>Accumulated depreciation and impairment</b>							
Balance at 1 January 2022	-	5,469,556	7,307,005	2,161,991	8,432,025	-	23,370,577
Charge for the year	-	82,688	267,880	130,708	258,655	-	739,931
Adjustments				(1,075)			(1,075)
Disposals	-		(270,653)	(102,134)	(119,790)	-	(492,576)
<b>Balance as at 31 March 2022</b>	<b>-</b>	<b>5,552,244</b>	<b>7,304,232</b>	<b>2,189,490</b>	<b>8,570,890</b>	<b>-</b>	<b>23,616,857</b>
<b>Carrying amounts</b>							
Balance at 1 January 2022	1,590,773	11,578,923	2,725,120	1,529,948	3,901,898	190,660	21,517,323
<b>Balance as at 31 March 2022</b>	<b>1,590,773</b>	<b>11,677,623</b>	<b>3,059,890</b>	<b>1,451,006</b>	<b>3,473,497</b>	<b>1,733,621</b>	<b>22,986,410</b>

## 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 2021	1,590,773	16,758,481	9,142,777	3,422,270	11,369,720	190,660	42,474,680
Additions		287,300	1,379,163	422,512	673,234	1,020,845	3,783,054
Disposals		(50,425)	(78,850)	(327,999)	(11,305)		(468,580)
<b>Balance as at 31 December 2021</b>	<b>1,590,773</b>	<b>16,995,356</b>	<b>10,443,090</b>	<b>3,516,783</b>	<b>12,031,649</b>	<b>1,211,505</b>	<b>45,789,155</b>
Accumulated depreciation and impairment							
Balance at 1 January 2021	-	5,179,558	6,417,656	1,892,322	7,467,821	-	20,957,357
Charge for the year	-	329,837	965,695	478,470	974,327	-	2,748,330
Disposals	-	(39,803)	(76,346)	(208,801)	(10,124)	-	(335,074)
<b>Balance as at 31 December 2021</b>	<b>-</b>	<b>5,469,592</b>	<b>7,307,005</b>	<b>2,161,991</b>	<b>8,432,024</b>	<b>-</b>	<b>23,370,613</b>
Carrying amounts							
Balance at 1 January 2021	1,590,773	11,578,923	2,725,120	1,529,948	3,901,898	190,660	21,517,323
<b>Balance as at 31 December 2021</b>	<b>1,590,773</b>	<b>11,525,764</b>	<b>3,136,085</b>	<b>1,354,791</b>	<b>3,599,624</b>	<b>1,211,505</b>	<b>22,418,542</b>



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<i>In thousands of Nigerian Naira</i>	<b>Group</b>		<b>Bank</b>	
	<b>31-Mar-22</b>	<b>31-Dec-21</b>	<b>31-Mar-22</b>	<b>31-Dec-21</b>
<b>21 Intangible assets</b>				
<b>Cost</b>				
Cost 1 January	6,674,382	5,502,221	6,674,382	5,502,221
Additions	1,012,343	1,172,161	1,012,343	1,172,161
Disposal	-	-	-	-
Transfer to computer equipment	-	-	-	-
<b>Closing Balance</b>	<b>7,686,724</b>	<b>6,674,382</b>	<b>7,686,724</b>	<b>6,674,382</b>
<b>Amortization and impairment losses</b>				
Cost 1 January	4,503,741	4,110,672	4,503,741	4,110,672
Amortization for the year	146,025	393,069	146,025	393,069
Disposal	(3,661)	-	(3,661)	-
<b>0</b>	<b>4,646,106</b>	<b>4,503,741</b>	<b>4,646,106</b>	<b>4,503,741</b>
<b>Carrying amounts</b>	<b>3,040,619</b>	<b>2,170,640</b>	<b>3,040,619</b>	<b>2,170,640</b>

- 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 2020 nil)
- There were no capitalised borrowing costs related to the acquisition of intangible assets during the year (31

**22 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>	<b>Group</b>		<b>Bank</b>	
	<b>31-Mar-22</b>	<b>31-Dec-21</b>	<b>31-Mar-22</b>	<b>31-Dec-21</b>
At 1 January	15,500,694	18,236,111	15,500,694	18,236,111
Write down	-	(2,735,417)	-	(2,735,417)
<b>Closing balance</b>	<b>15,500,694</b>	<b>15,500,694</b>	<b>15,500,694</b>	<b>15,500,694</b>

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*In thousands of Nigerian Naira*

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<b>23 Other assets</b>				
Accounts receivables	28,907,997	13,367,358	28,907,997	13,367,358
Prepayments	3,201,761	927,929	3,201,761	927,929
Stock	701,918	478,767	701,918	478,767
Collateralised Placement	52,917	52,917	52,917	52,917
Clearing Balance	201,656	195,335	201,656	195,335
Fraud & Burglary	780,323	670,731	780,323	670,731
CBN Special Reserve (see 23.1 below)	10,677,214	10,677,214	10,677,214	10,677,214
AGSMEIS Investment with CBN	902,759	902,759	902,759	902,759
Receivable on E-business Channels	132,542	691,482	132,542	691,482
Other Settlements	-	7,050,536	-	7,050,536
Others	33,796	15,763	33,796	15,763
	<b>45,592,882</b>	<b>35,030,791</b>	<b>45,592,882</b>	<b>35,030,791</b>
Specific impairment on other assets	(744,941)	(724,798)	(744,941)	(724,798)
	<b>44,847,942</b>	<b>34,305,993</b>	<b>44,847,942</b>	<b>34,305,993</b>
At 1 January	724,798	665,262	724,798	665,262
Allowance/write off made during the year	20,143	59,536	20,143	59,536
Transfer from investment	-	-	-	-
<b>Closing balance</b>	<b>744,941</b>	<b>724,798</b>	<b>744,941</b>	<b>724,798</b>
<b>Classified as:</b>				
Current	33,380,511	23,151,162	33,380,511	23,151,162
Non-current	12,212,371	11,879,629	12,212,371	11,879,629
	<b>45,592,882</b>	<b>35,030,791</b>	<b>45,592,882</b>	<b>35,030,791</b>

**23.1 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.

**24 Deposits from banks**

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<i>In thousands of Nigeria Naira</i>				
Money market deposits	<b>13,008,434</b>	<b>40,700,000</b>	<b>13,008,434</b>	<b>40,700,000</b>
<b>Deposits from customers</b>				
<b>Retail customers:</b>				
Term deposits	119,162,303	112,531,039	119,162,303	112,531,039
Current deposits	31,991,431	27,929,504	31,991,431	27,929,504
Savings	145,935,078	152,328,228	145,935,078	152,328,228
<b>Corporate customers:</b>				
Term deposits	422,537,935	343,571,256	422,537,935	343,571,256
Current deposits	223,722,670	214,609,899	223,722,670	214,609,899
Others	66,112,301	76,501,249	66,112,301	76,501,249
	<b>1,009,461,718</b>	<b>927,471,175</b>	<b>1,009,461,718</b>	<b>927,471,175</b>

25b The maturity profile of customers' deposit is as follows:

Under 3 months	699,827,223	642,985,826	699,827,223	642,985,826
3 - 6months	203,056,812	186,564,123	203,056,812	186,564,123
6 - 12months	70,619,992	64,884,092	70,619,992	64,884,092
Over 12months	35,957,691	33,037,134	35,957,691	33,037,134
	<b>1,009,461,718</b>	<b>927,471,175</b>	<b>1,009,461,718</b>	<b>927,471,175</b>

At 31 March 2022 N35.95billion (31 December 2021: N33.04billion) of deposits from customers are expected to be settled months after the reporting date.

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In thousands of Nigerian Naira		Group		Bank	
		31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<b>26</b>	<b>Taxation</b>				
<b>26.1</b>	<b>Income tax expense</b>				
	Company income tax	445,772	405,135	445,772	405,135
	Education Tax	-	140,378	-	140,378
	NITDA Levy	-	122,237	-	122,237
	Nigerian Police Trust Fund	-	586	-	586
	Capital Gains Tax	-	16,227	-	16,227
	NASENI	-	30,960	-	30,960
	Current Income Tax expense	445,772	715,523	445,772	715,523
	Deferred tax expenses	-	2,735,417	-	2,735,417
		<b>445,772</b>	<b>3,450,940</b>	<b>445,772</b>	<b>3,450,940</b>
<b>26.2</b>	<b>Current tax liabilities</b>				
	At 1 January	716,120	394,511	716,120	394,511
	Payment during the year	-	(393,914)	-	(393,914)
	Charge for the year	445,772	715,523	445,772	715,523
	<b>Closing balance</b>	<b>1,161,893</b>	<b>716,120</b>	<b>1,161,893</b>	<b>716,120</b>

The charge for taxation is based on the provision of the Company Income Tax Act Cap C21 LFN 2004, 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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27 Other liabilities

<i>In thousands of Nigerian Naira</i>	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<b><i>Financial Liabilities</i></b>				
Creditors and accruals	2,365,612	1,364,105	2,365,612	1,364,105
Staff Deductions	484,020	36,142	484,020	36,142
Provision for Others	342,657	2,657	342,657	2,657
Other current liabilities	222,252	91,541	162,357	31,647
Insurance Claim	166,113	99,399	166,113	99,399
Swift Payables	250,495	218,537	250,495	218,537
Western Union	2,954	2,997	2,954	2,997
Salary Suspense	83,458	17,369	83,458	17,369
Accounts payable	882,492	1,088,125	882,492	1,088,125
Electronic products payable	826,419	655,457	826,419	655,457
Certified cheques	1,392,546	1,214,283	1,392,546	1,214,283
Customer deposits for letters of credit	28,852,828	20,241,971	28,852,828	20,241,971
Discounting Line	31,140,510	25,837,365	31,140,510	25,837,365
Other Settlements	6,435,022	1,936,151	6,435,022	1,936,151
Remittances	12,017,266	10,129,871	12,017,266	10,129,871
	<b>85,464,644</b>	<b>62,935,970</b>	<b>85,404,749</b>	<b>62,876,076</b>
<b><i>Non-Financial Liabilities</i></b>				
Litigation claims provision (i)	494,500	494,500	494,500	494,500
Other payables	5,502,021	267,202	5,502,021	267,202
	<b>91,461,166</b>	<b>63,697,672</b>	<b>91,401,271</b>	<b>63,637,779</b>
<b>Classified as:</b>				
Current	82,751,106	59,459,113	82,691,211	59,399,219
Non-current	8,710,060	4,238,559	8,710,060	4,238,559
	<b>91,461,166</b>	<b>63,697,672</b>	<b>91,401,271</b>	<b>63,637,779</b>

(i) Movement in litigation claims provision

Opening balance	494,500	386,244	494,500	386,244
Additions	-	108,256	-	108,256
Payment	-	-	-	-
	<b>494,500</b>	<b>494,500</b>	<b>494,500</b>	<b>494,500</b>

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	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
<i>In thousands of Nigerian Naira</i>				
<b>28 Other borrowed funds</b>				
NIG MORTGAGE REFINANCE CO	1,534,444	-	1,534,444	-
Due to BOI (see (i) below)	3,230,563	3,626,451	3,230,563	3,626,451
Osun Bailout Fund (see v below)	8,607,828	8,756,239	8,607,828	8,756,239
CBN Agric. loan (see ii below)	2,570,024	2,609,968	2,570,024	2,609,968
CBN MSMEDF (see iv below)	506,525	506,525	506,525	506,525
Wema SPV (see iv below)	24,772,410	24,758,018	13,642,318	13,627,926
Anchor Borrowers fund	2,668,805	3,137,555	2,668,805	3,137,555
National Housing Fund	56,995	59,301	56,995	59,301
Shelter Afrique (see vi below)	3,745,500	4,560,483	3,745,500	4,560,483
AFDB (see vii below)	2,497,000	3,156,092	2,497,000	3,156,092
DBN	7,265,177	9,418,708	7,265,177	9,418,708
AGSMEIS/RSSF	19,862,497	12,142,321	19,862,497	12,142,321
	<b>77,317,769</b>	<b>72,731,661</b>	<b>66,187,677</b>	<b>61,601,569</b>

- (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 N8.285.910.675.95 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.

- (iii) This represents CBN intervention funds to some of the Bank's customers in the agricultural sector. The fund is administered at a maximum interest rate of 9% per annum. The maximum tenor of the facility is 7 years. In response to COVID-19, CBN has moderated the rate to 5%.
- (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 has moderated the rate to 5%.
- (v) The Wema SPV of 2020: N24,772,410,000 (2021: 24,758,018,000) represents amortized cost of the fixed rate unsecured bond issued by Wema Funding SPV Plc. The outstanding bond of N6,295,000,000 and N17,675,000,000 (principal) were issued on 12 October 2016 and 2018 respectively for a period of 7 years at 18.5% and 16.5% per annum with interest payable semi-annually and principal payable at maturity in October
- (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 has moderated the rate
- (vii) This amount represents the bank's foreign facility from Shelter Afrique, this was granted to the Bank for a period of 7 years. It is repayable bi-annually with interest rate of L+6.5% (Libor plus 6.5%)
- (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%)

	Group		Bank	
	31-Mar-22	31-Dec-21	31-Mar-22	31-Dec-21
28b				
At 1 January	72,731,661	73,523,471	61,601,569	62,416,375
Additions	9,254,621	3,261,495	9,254,621	3,261,495
Effect of exchange rate changes [loss/(profit)]	19,999	154,201	19,999	154,201
Payments made	(4,688,512)	(4,207,506)	(4,688,512)	(4,230,502)
<b>Closing balance</b>	<b>77,317,769</b>	<b>72,731,661</b>	<b>66,187,677</b>	<b>61,601,569</b>

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**29 Right of use**

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

	<b>31-Mar-22</b>	<b>31-Dec-21</b>
<b>COST</b>	<b>N</b>	<b>N</b>
29a. At 1 January	1,543,641	1,056,941
Additions	201,778	486,700
Terminated contracts		
<b>Closing Balance</b>	<u>1,745,419</u>	<u>1,543,641</u>
 <b>DEPRECIATION CHARGE</b>		
At 1 January	692,393	435,413
Charge for the period	71,235	256,980
<b>Closing Balance</b>	<u>763,628</u>	<u>692,393</u>
 <b>CARRYING AMOUNT</b>		
As at 31 December	<u>851,249</u>	<u>621,528</u>
As at 31 March 2022	<u><u>981,791</u></u>	<u><u>851,249</u></u>

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

	<b>31-Mar-22</b>	<b>31-Dec-21</b>
<b>29b. LEASE LIABILITY</b>	<b>N</b>	<b>N</b>
At 1 January	26,879	22,875
Addition during the year	-	-
Finance charge for the year	1,106	4,004
Payment during the year		
<b>0</b>	<u>27,985</u>	<u>26,879</u>

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	31-Mar-22		31-Mar-21	
	Unit	Percentage	Unit	Percentage
<b>30 Share capital and Reserves</b>				
(a) <b>The share capital comprises:</b>				
(i) Authorised - 40,000,000 Ordinary shares (2019 - 40,000,000,000) Ordinary shares of 50k each (2019- 50k)	40,000,000,000	100%	40,000,000,000	100%
(ii) Issued and fully paid - 38,574,466,000 Ordinary shares (2019-38,574,466,000) shares of 50k each (2019 - 50k)	38,574,466,000	100%	38,574,466,000	100%
(iii) <b>Shareholding Structure / Free float Status</b>				
<b>Shareholders</b>	<b>No of Ordinary Shares</b>	<b>% Holdings</b>	<b>No of Ordinary Shares</b>	<b>% Holdings</b>
Strategic Shareholding	6,625,734,602	51.53	19,877,203,810	51.53
Directors Direct Shareholding	729,693,978	5.67	2,329,221,650	6.04
Government Shareholding	1,020,214,376	7.93	2,524,520,608	6.54
Staff Schemes	-	0.00	-	0.00
Free Float	4,482,512,404	34.86	13,843,520,013	35.89
<b>Total</b>	<b>12,858,155,360</b>	<b>100</b>	<b>38,574,466,081</b>	<b>100</b>
<b>Strategic Shareholding</b>				
<b>Name</b>				
SW8 Invest Coy	1,915,272,289	14.90	5,745,816,867	14.90
Petrotrab Limited	1,098,626,666	8.54	3,295,880,000	8.54
Neemtree Limited	3,611,835,647	28.09	10,835,506,943	28.09
	<b>6,625,734,602</b>	<b>51.53</b>	<b>19,877,203,810</b>	<b>51.53</b>
	<b>31-Mar-22</b>		<b>31-Mar-21</b>	
<b>Directors Shareholding</b>				
Mr. Babatunde Kasali	-	0.00	-	0.00
Mr. Ademola Adebise (Direct & Indirect)	705,168	0.01	2,253,473	0.01
Mr. Adebode Adefioye (Direct)	-	0.00	6,988	0.00
Mrs. Ekong Ibiye Asime	-	0.00	-	0.00
Mr. Moruf Oseni	-	0.00	-	0.00
Mr Ajimisinmi Oluwole Albert (Direct)	2,056,998	0.02	6,170,996	0.02
Mr. Abubakar Lawal (Direct & Indirect)	142,972,380	1.11	568,917,143	1.48
Mrs. Abolanle Matel-Okoh (Direct)	583,333,333	4.53	1,750,000,000	4.54
Mr. Samuel Durojaiye	-	0.00	-	-
Mrs. Omobosola Ojo	-	0.00	-	-
Mr. Akinleye Oluwole Stephen (Direct)	547,266	0.00	1,641,800	0.00
Mr. Emeka Obiagwu ( Direct)	77,083	0.00	231,250	0.00
Adesegun Olusegun Oluremi	-	0.00	-	-
Adefarakan Adeyemi Obalolu	-	0.00	-	-
Olorunshola Oluwayemisi .C (Direct)	1,750	0.00	-	-
Okunowo Zubiedat Bolarin .F	-	0.00	-	-
	<b>729,693,978</b>	<b>5.67</b>	<b>2,329,221,650</b>	<b>6.04</b>
<b>Government Shareholding</b>				
Oyo State	138,000	0.00	414,000	0.00
Ogun State	222,223,333	1.73	666,670,000	1.73
Osun State	222,223,333	1.73	666,670,000	1.73
Odua Invest Coy	396,922,202	3.09	1,190,766,608	3.09
Ekiti State	-	0.00	-	0.00
Fountain	178,707,508	1.39	-	0.00
	<b>1,020,214,376</b>	<b>7.93</b>	<b>2,524,520,608</b>	<b>6.54</b>
<b>Declaration:</b>				
b Wema Bank Plc with a free float of 34.86% as at 31st March 2022, is compliant with The Nigerian Stock Exchange's free float requirements				
<b>Share Premium</b>				
At 1 January	8,698,230	8,698,230	8,698,230	8,698,230
Capital Reduction (Note 30i)	-	-	-	-
<b>Closing balance</b>	<b>8,698,230</b>	<b>8,698,230</b>	<b>8,698,230</b>	<b>8,698,230</b>

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 capital.

**(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 reserves are non-distributable.

**(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>	<b>Group</b>		<b>Bank</b>	
	<b>31-Mar-22</b>	<b>31-Dec-21</b>	<b>31-Mar-22</b>	<b>31-Dec-21</b>
At 1 January	7,103,647	3,254,018	7,314,728	3,450,263
Profit or loss	2,856,243	4,577,381	2,856,245	4,592,217
Transfer from Regulatory risk reserve	-	2,041,579	-	2,041,579
Transfer to Statutory Reserve	-	(1,377,665)	-	(1,377,665)
Dividend Paid to Shareholders	-	(1,542,979)	-	(1,542,979)
Transfer to Credit Risk Reserve	-	-	-	-
Regulatory charge to SMEIS	-	151,313	-	151,313
<b>Closing balance</b>	<b>9,959,890</b>	<b>7,103,647</b>	<b>10,170,973</b>	<b>7,314,728</b>

**(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>	<b>Group</b>		<b>Bank</b>	
	<b>31-Mar-22</b>	<b>31-Dec-21</b>	<b>31-Mar-22</b>	<b>31-Dec-21</b>
Credit Risk reserve	781,612	781,612	781,612	781,612
Statutory Reserve	17,654,943	17,654,943	17,654,943	17,654,943
AGSMEIS Reserve	902,759	902,759	902,759	902,759
Fair Value Reserves	5,708,069	5,708,069	5,708,069	5,708,069
	<b>25,047,383</b>	<b>25,047,383</b>	<b>25,047,383</b>	<b>25,047,383</b>



**Consolidated and Separate Financial Statements  
For the period ended 31st March 2022**

**31 Contingencies**

**(i) Litigation and claims**

There are litigation claims against the Bank as at 31 March 2022 amounting to N7,192,315,919.00 (31 December 2021: N7,192,315,919.00). 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 statements.

**(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

	Group		Bank	
	Group 31-Mar-22	Group 31-Dec-21	Bank 31-Mar-22	Bank 31-Dec-21
In thousands of Nigerian naira				
Contingent liabilities:				
Guarantees and indemnities	83,677,798	79,270,996	83,677,798	79,270,996
Bonds	10,891,460	8,846,615	10,891,460	8,846,615
Clean-line facilities & irrevocable letters of credit	28,975,794	31,787,388	28,975,794	31,787,388
ECL	(1,356,153)	(1,336,032)	(1,356,153)	(1,336,032)
<b>Closing balance</b>	<b>122,188,898</b>	<b>118,568,967</b>	<b>122,188,898</b>	<b>118,568,967</b>

The following tables show reconciliations from the opening to the closing balance of the loss allowance on off balance sheet exposures.

	GROUP AND BANK - March 2022			
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
In thousands of Nigerian naira				
Off Balance sheet exposures				
Balance at 1 January 2022	1,336,032	-	-	<b>1,336,032</b>
Net re-measurement of loan loss allowance (see note 11)	20,121	-	-	<b>20,121</b>
<b>Closing Balance</b>	<b>1,356,153</b>	-	-	<b>1,356,153</b>
<b>Gross Amount</b>	<b>123,545,051</b>	-	-	<b>123,545,051</b>

	GROUP AND BANK - December 2021			
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
In thousands of Nigerian naira				
Off Balance sheet exposures				
Balance at 1 January 2021	768,381	-	-	<b>768,381</b>
Net re-measurement of loan loss allowance (see note 11)	567,651	-	-	<b>567,651</b>
<b>Closing Balance</b>	<b>1,336,032</b>	-	-	<b>1,336,032</b>
<b>Gross Amount</b>	<b>119,904,998</b>	-	-	<b>119,904,998</b>

**(v) Disclosure**

We confirm that in line with Rule 17.15 of the NSE Rulebook, 2015, Wema Bank Plc. has a Securities Trading Policy which guides its directors, employees and all individuals categorized as insiders in their dealings in the companies' shares. The Company has made specific inquiries of all the directors and other insiders and is not aware of any infringement of the policy.