TRANSCORP PLC H1 2026 24 July 2026

MPR: 26.50%
Jun'26 Inflation Rate: 15.91%
FY 2025 Real GDP: 3.89%

FINANCIAL PERFORMANCE

Transnational Corporation Plc delivered a softer set of numbers for the first half ended June 30, 2026, with revenue declining 13.44% to ₦241.5 billion from ₦279.0 billion in H1 2025. The drop reflects continued headwinds in the company's operating environment.

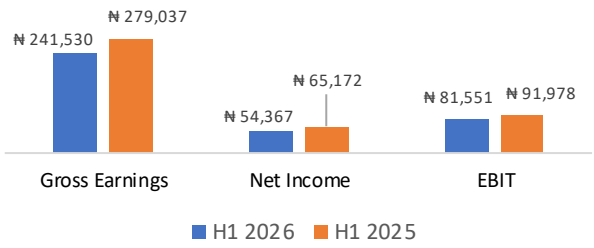
Cost of sales fell 11.41% to ₦131.8 billion leaving gross margin marginally compressed at 45.4% from 46.7%. Gross profit declined 15.76% to ₦109.7 billion. Administrative expenses were cut 12.75% to ₦30.8 billion, which showed genuine cost discipline, and an impairment writeback of ₦1.96 billion compared to a charge of ₦4.86 billion in H1 2025 provided a modest boost. Profit from operating activities came in at ₦81.6 billion, down 11.34%, though operating margin improved marginally to 33.8% from 33.0%.

Furthermore, net finance costs fell 54.73% to ₦6.4 billion, and while finance income halved to ₦2.1 billion, the overall financing burden was considerably lighter. However, a foreign exchange loss of ₦1.4 billion swung against a gain of ₦2.8 billion in H1 2025. Profit before tax declined 11.45% to ₦75.9 billion, and with income tax expense rising 4.83% to ₦21.5 billion, profit after tax fell 16.58% to ₦54.4 billion. Earnings per share dropped 20.83% to ₦3.23 from ₦4.08.

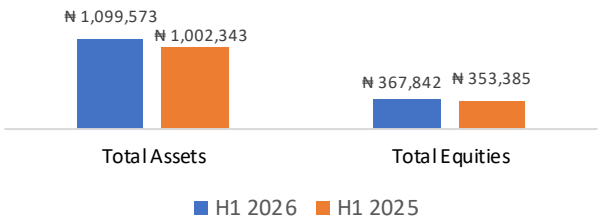
In the balance sheet, borrowings surge 54.59% to ₦116.7 billion, pushing the debt-to-equity ratio to 31.7% from 21.4%. Return on equity stood at 14.8% and return on assets at 4.9%.

At ₦40.30 per share and a P/E of 12.48x with an earnings yield of 8.01%, the stock is not over-valued. But with earnings declining and leverage rising, investors will need clearer signs of a revenue recovery before sentiment turns meaningfully positive.

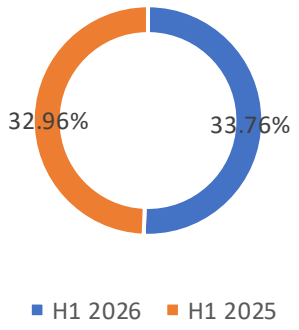
Snapshot of P & L (N'Bn)



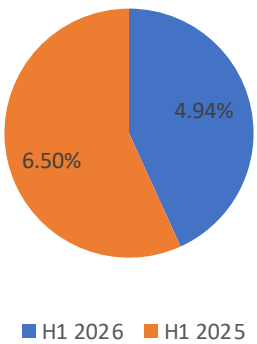
Snapshot of Balance Sheet (N'Bn)



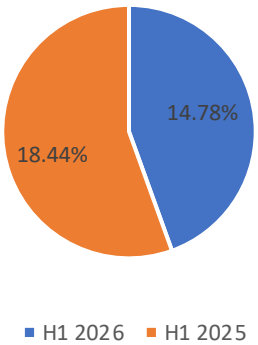
Operating Margins



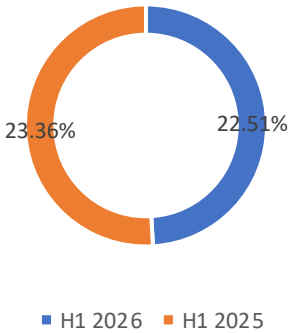
Return on Asset



Return on Equity



Net Income Margins



IMPORTANT DISCLOSURES: This report is produced by the Research Desk, Cowry Asset Management Limited (COWRY) as a guideline for Clients that intend to invest in securities on the basis of their own investment decision without relying completely on the information contained herein. The opinion contained herein is for information purposes only and does not constitute any offer or solicitation to enter into any trading transaction. While care has been taken in preparing this document, no responsibility or liability whatsoever is accepted by any member of COWRY for errors, omission of facts, and any direct or consequential loss arising from the use of this report or its contents.

TRANSCORP PLC H1 2026 24 July 2026

MPR: 26.50%
Jun'26 Inflation Rate: 15.91%
FY 2025 Real GDP: 3.89%

Transnational Corporation Plc Statement of Profit or Loss	H1 2026 (N'M)	H1 2025 (N'M)	% Change
Revenue	241,530	279,037	13.44%
Cost of Sales	(131,787)	(148,758)	11.41%
Gross Profit	**109,743**	**130,279**	15.76%
Administrative Expenses	(30,812)	(35,317)	12.75%
Impairment (loss) on Financial Assets	1,962	(4,862)	140.35%
Other Operating Income	658	1,878	64.97%
Profit/Loss from operating activities	**81,551**	**91,978**	11.34%
Finance Income	2,108	5,113	58.77%
Finance Cost	(6,411)	(14,163)	54.73%
FX loss/gain on financing activities	(1,364)	2,768	149.27%
Loss/Profit before tax	**75,884**	**85,697**	11.45%
Income tax	(21,517)	(20,525)	4.83%
Loss/Profit after tax	**54,367**	**65,172**	16.58%
Basic EPS (Naira)	3.23	4.08	20.83%
Balance Sheet as of June 30, 2026	**30-Jun-2026**	**31-Dec-2025**	
Cash and cash equivalents	20,763	21,885	5.13%
Intangible Assets	16,082	11,715	37.28%
Trade and other receivables	636,566	542,099	17.43%
Investment in financial assets	51,154	46,172	10.79%
Inventories	7,801	5,809	34.28%
Property Plant and Equipment	312,088	312,763	0.22%
Total Assets	**1,099,573**	**1,002,343**	**9.70%**
Trade and other payables	392,269	368,571	6.43%
Deferred tax Liabilities	22,368	24,491	8.67%
Current tax liabilities	111,365	91,960	21.10%
Borrowings	116,658	75,463	54.59%
Total Liabilities	**731,731**	**648,957**	**12.75%**
Total shareholders' equity	**367,842**	**353,385**	**4.09%**

Key Ratio	H1 2026	H1 2025
COGS Margin	54.6%	53.3%
Gross Margin	45.4%	46.7%
Operating Margin	33.8%	33.0%
Net Profit Margin	22.5%	23.4%
Debt/Equity Ratio	31.7%	21.4%
Asset Turnover	0.22x	0.28x

Financial Statistics	
Current Share price	₦40.30
52 Week High/Low	N55.05/37.5
Shares Outs. (Mn)	10,162.0
Market Cap (Bn)	409.5
P/E Ratio	12.48x
Earnings Yield	8.01%
P/B Ratio	1.11x
Return on Assets	4.9%
Return on Equity	14.8%

Corporate Actions	
Interim Dividend	N/A
Bonus	Nil
Qualification Date	N/A
Closure Date	N/A
Payment Date	N/A
AGM Date	N/A

Source: Company Financials, Cowry Research

IMPORTANT DISCLOSURES: This report is produced by the Research Desk, Cowry Asset Management Limited (COWRY) as a guideline for Clients that intend to invest in securities on the basis of their own investment decision without relying completely on the information contained herein. The opinion contained herein is for information purposes only and does not constitute any offer or solicitation to enter into any trading transaction. While care has been taken in preparing this document, no responsibility or liability whatsoever is accepted by any member of COWRY for errors, omission of facts, and any direct or consequential loss arising from the use of this report or its contents.