

Half Year 2023

Financial and Operating Results Presentation

September 2023

Outline

- **Macroeconomic and regulatory update**
- **Strategic update**
- **Financial and operating results**
- **Access Banking Group**
 - **Capital & Liquidity Management**
 - **Asset Quality**
 - **Subsidiaries Performance**
 - **Digital Lending**
- **Access Non-Banking Verticals**
- **2023 Guidance**



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A leading global financial institution



Our Mission

To build and sustain one global platform, open for anyone to join where people can be connected to exceptional opportunities.

Our Vision

To create a globally connected community and ecosystem; Inspired by Africa, for the World.

Our Values

- ❖ **Excellence**
“Putting in exceptional effort for exceptional results”
- ❖ **Curiosity**
“Never stop questioning”
- ❖ **Empathy**
“Standing in someone else’s shoes and seeing through their eyes”

Macroeconomic & Regulatory update

H1 2023 Global Operating Environment

Global Outlook

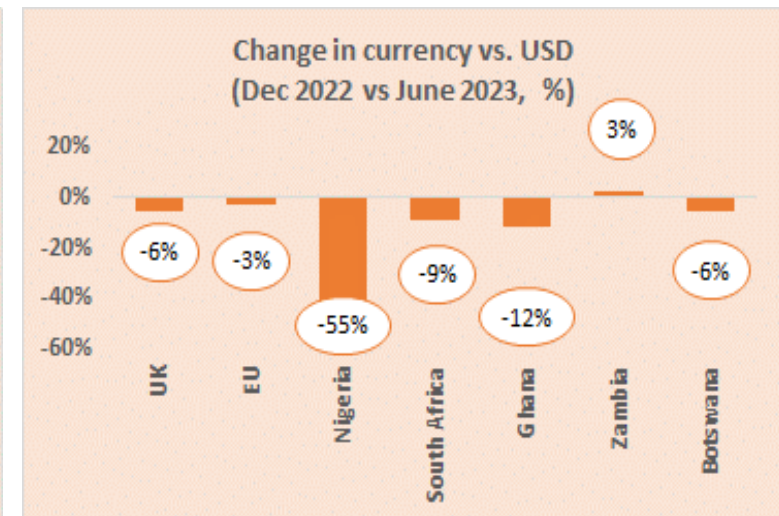
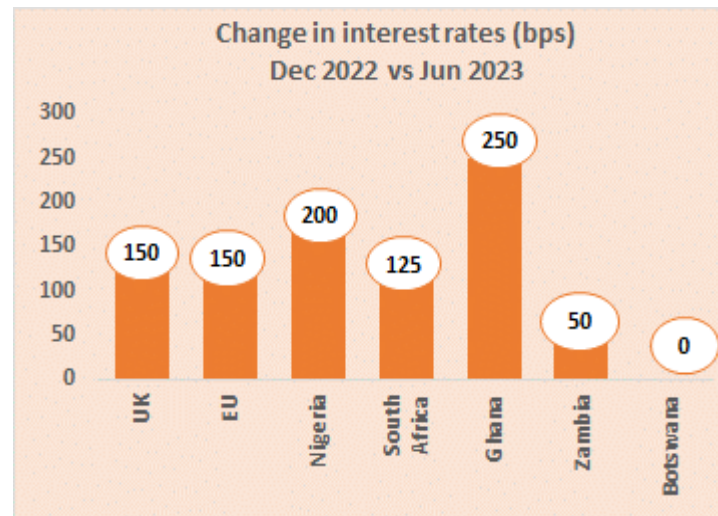
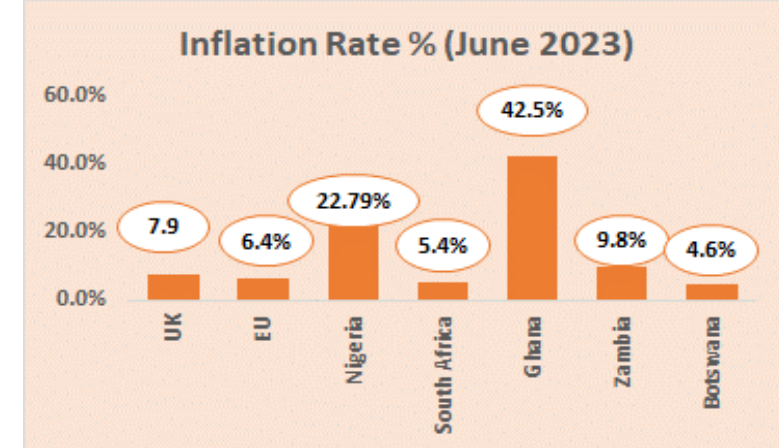
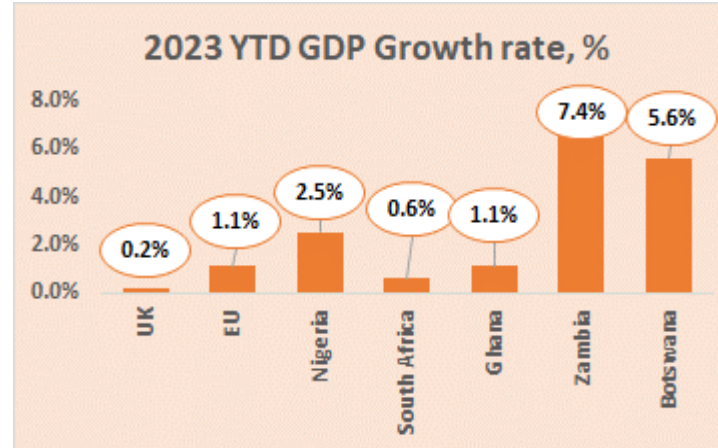
Interest Rates: Central Banks worldwide have been raising interest rates consistently over the past year, as a key strategy to effectively manage inflation. It's expected that interest rates will either remain steady or experience only slight increases during the remaining months of 2023 as inflation starts to ease.

Inflation: Global headline inflation appears to have peaked, due to unexpected reversals in food and energy prices across Europe and North America in the first half of 2023. Albeit inflation continues to exceed the targets of most central banks.

Russo-Ukrainian War: Presently in its 18th month, the ongoing war has caused significant disturbances in global supply chains. It is anticipated that this conflict will persist for an extended period, with consequences for crude oil, fertilizer, and gas prices in the foreseeable future.

The USD continues to strengthen against the world's major currencies, further worsening inflation.

Many economies in Sub-Saharan Africa experienced significant headwinds



Highlights of the Nigerian Domestic Economy in H1' 2023

Key policy expectations from the new government include policies to increase in Foreign Direct Investments and Foreign Portfolio Investments, harmonization of FGN revenue collection agencies, Nigeria's sovereign ratings upgrades, Tax Reforms, intentional initiatives to strengthen the nation's foreign reserves.

○ Nigeria Gross Domestic Product (GDP) grew by 2.51% (year-on-year) in real terms in Q2 of 2023 compared to a 2.31% (year-on-year) growth in real terms in Q1 2023.

○ Non-oil sector grew by 3.58% while oil sector declined by 13.43% year-on-year. Agriculture, Manufacturing, Construction, Trade, Information, Education, and Financial services emerged as the primary catalysts for economic growth.

○ Headline inflation increased to 22.79% in June 2023 largely driven by the removal of fuel subsidy, rising energy, food and mobility costs.

○ Foreign reserves declined by \$1.3bn to \$34.1bn in Q2 2023 from \$35.5bn in Q1 2023.

○ The market (NGX) recorded an 18.93% increase as at H1 2023 (N33.19 trillion) relative to Dec. 2022 (N27.92 trillion). The NGX also recorded an all-time high index since 2008 at 60,968 points in June 2023 – an increase of 18.96% relative to Dec. 2022. Access Holdings Plc share price appreciated by 95% to close at ₦16.60k in H1' 2023



○ The CBN hiked MPR for eight-consecutive time over the last 12 months to 18.5% as at the end of Jun 2023, in a sustained move to control accelerating inflation

○ All other MPR parameters remain unchanged. Cash Reserve Ratio (CRR) - 32.5% and Liquidity Ratio - 30%.

○ The Naira experienced an 81% year-on-year depreciation, reaching ₦769.25/USD, as a result of CBN's efforts to consolidate all segments and enable market-driven exchange rates.

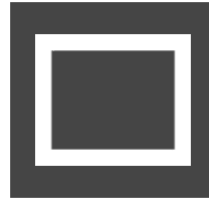
○ Nigeria's oil production averaged 1.3mb/d in H1 2023, relatively flat year-on-year.

○ Average T-bills rate closed at 3.87% at end of June 2023, compared to 4.4% at end of 2022, highlighting the downward yield curve of fixed income securities in the period.

2023 highlights of the regulatory landscape (Nigeria)

Banking

- The Central Bank of Nigeria (CBN) eliminates market segmentation in the FX market, consolidating all segments into the Investors and Exporters (I&E) Window.
- Regulatory review of the tenure of executive management and non-executive directors of deposit money banks in Nigeria.
- Banks authorized to trade foreign currencies freely at market-determined exchange rate.
- Fresh directives on the categorization of Politically Exposed Persons (PEPs) to strengthen identification and verification requirements.
- Government approval of the securitization of the N23.7 trillion ways and means longstanding overdraft facilities obtained from the CBN.
- The reduction in the Cash Reserve Ratio (CRR) for Merchant Banks, from 32.5% to 10%, is anticipated to support job creation in the real sector of the economy.



Pensions

- Draft Guidelines On The Operation Of Branches And Service Centers.
- Framework for the Establishment of Additional Benefit Schemes under the Contributory Pension Scheme.
- Exposure Draft Guidelines On Appointment Of Corporate Sales Agent (CSA) by Operators In The Implementation of the Micro-Pension Plan.
- Launch of the PENCOM Micro Pension Scheme to provide pension coverage to informal sector workers.
- Proposed amendments to the Pension Reform Act encompassing changes related to the transferability of retirement savings accounts (RSAs), the creation of a pension ombudsman role, and the oversight of pension funds administrators (PFAs).

2023 highlights of the regulatory landscape (African Subsidiaries)

Ghana:

- The Bank of Ghana held its benchmark monetary policy rate steady at a record level of 29.5% in Q2 2023, after raising it by 150 bps in Q1 2023.
- Participating banks in the domestic debt exchange program (DDE) were granted derecognition losses stemming from the exchange over 4 years, reducing CAR limit to 10% from 13%, increase in Tier II from 2% to 3%.

Kenya:

- The Central Bank of Kenya increased its benchmark interest rate to 10.5% from 9.5%, the highest increase in seven years.
- Kenya is looking at alternative local bonds in a bid to attract domestic investors amid a liquidity crunch and interest rate hikes.



South Africa:

- The South African Reserve Bank left its key repo rate unchanged at a 14-year high of 8.25% marking a pause in its tightening cycle after 10 consecutive rate hikes.
- South African real gross domestic product (GDP) expanded by 0.6% in Q2 2023. This follows a 0.4% rise in the first quarter.

Rwanda:

- The National Bank of Rwanda kept its key interest at 7% in Q2 2023 in order to maintain a downward inflation trend.
- The National Bank of Rwanda (BNR) issued Regulation No. 72/2023, which determines the administrative sanctions that can be imposed on regulated institutions for non-compliance with anti-money laundering (AML) and counter-terrorism financing (CTF) requirements.

Strategic update

Access Holdings Plc – building a globally connected community and ecosystem

Large customer base

***63 Million+**
customers



Superior service provided across 20 countries including, the UAE, UK, and 4 rep offices in China, India, Lebanon and Paris



Corporate



Commercial



Retail

Holdco verticals

- Payments
- Insurance
- Pensions
- Consumer lending

Growing users on our digital channels



2,863 ATMs



18.5mn unique mobile app and internet banking users



56,859+ POS



12.5mn + USD users



747 Branches



56k+ Agents

Listings

THE NIGERIAN STOCK EXCHANGE (Primary equity listing)	
Irish Stock Exchange	
(\$400m Tier II bond)	
(\$300m Senior bond)	
Moody's	B3
FitchRatings	B-
STANDARD & POORS	B-
Agusto & Co	AA-

Consistent financial performance

₦940.3bn

Gross Earnings (H1 '23)

₦167.6bn

Profit before tax (H1 '23)

19.3%

ROAE

18.7%

CAR

14.1%

Tier 1 ratio

Significant gender diversity

7,610

Professional Staff



53%



47%

Awards & recognitions

- 2023 The Digital Banker -Middle East & Africa Retail Banking Innovation Awards
- 2023 Global SME Banking Innovation Awards- Best SME Bank for Women Entrepreneurs in Africa
- 2023 World Economic Magazine - Best Bank in Nigeria
- 2023 Global Sustainable Finance Awards - Outstanding Leadership in ESG-Related Loans, Africa
- 2023 Global Finance Awards - Best Bank for Sustainable Finance in Nigeria 2023
- 2023 The Karlsruhe Sustainable Finance Award - Outstanding Business Sustainability Achievement



Source: Access Bank Financial Statements

*Includes customers from other business verticals

Paris branch opened in May 2023. Angola subsidiary launched in June 2023

Capital Adequacy Ratio (CAR) of 22.4% for Banking Group

Strategic updates 2023 – agile execution mindset

March
2023

Access Corporation completed the **US\$300mn Capital Investment Facility** from Afrexim Bank into Access Bank Plc.

May
2023

Access Banking Group opened a subsidiary in Paris, expanding & bringing our global footprint to **20 countries across 4 continents.**

June
2023

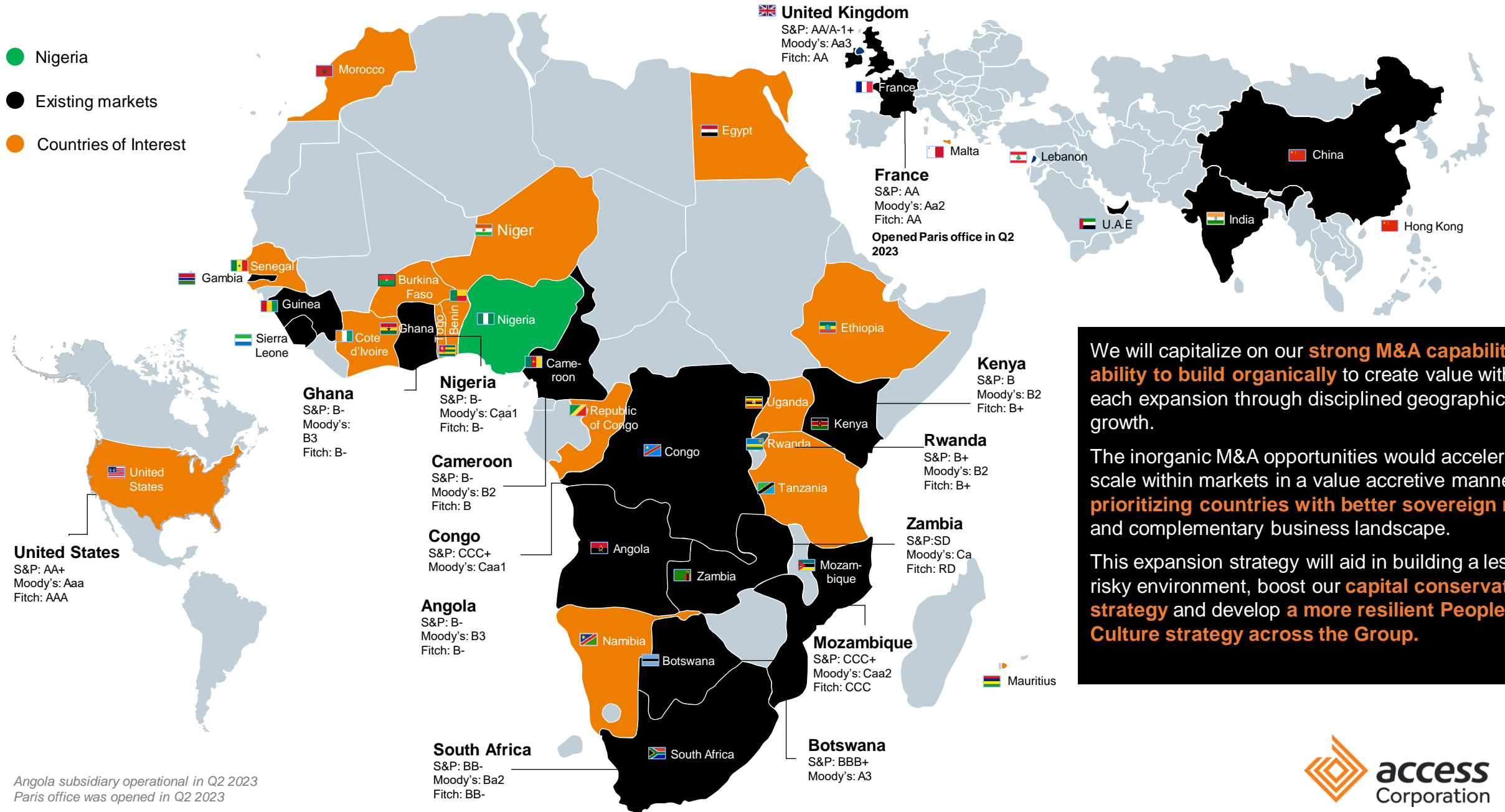
Access Bank acquired 51% shareholding in Finibanco **Angola S.A.**

June
2023

Access Pensions Limited, crossed the **N1 trillion mark in assets under management (AUM).**

Access Corporation's footprint continues to grow as planned in this strategic cycle

- Nigeria
- Existing markets
- Countries of Interest



We will capitalize on our **strong M&A capability and ability to build organically** to create value with each expansion through disciplined geographic growth.

The inorganic M&A opportunities would accelerate scale within markets in a value accretive manner, **prioritizing countries with better sovereign rating** and complementary business landscape.

This expansion strategy will aid in building a less risky environment, boost our **capital conservation strategy** and develop **a more resilient People & Culture strategy across the Group.**

Angola subsidiary operational in Q2 2023
Paris office was opened in Q2 2023

ESG performance

Sustainability Investment

Minimum 1% PBT dedicated to Sustainability



First commercial bank in Africa to become sustainability certified by Sustainability Standards and Certification Initiative



Appointed to the Advisory Council (Green, Social and Sustainability Bonds Principles)



Second pilot phase of the Taskforce on Climate-related Financial Disclosures (TCFD)



Appointed to the 2030 Core Group

Sustainable Development Finance

Issued Africa's first Climate Bonds Initiative (CBI) certified corporate green bond - 41mn

Supported the launch of the Nigerian Green Bond Development Programme and \$50mn Green Note via private placement

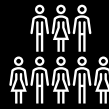
Pioneering African Bank to be recognized as qualified for the 2X Challenge, an initiative founded by the G7 DFIs

Disbursed loans worth over \$48mn to women

Green bond proceeds channeled towards sustainable projects in renewable energy, sustainable mobility and water flood defence

Attracted funding from DFIs to finance sustainability-related projects

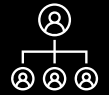
Corporate Social Investment – H1 2023



Reached **2,872,425** lives



Impacted **363** communities



Supported **38** NGOs



Invested **56,252** employee volunteering hours



Employees raised about **\$249,805** for community programs

100% employee involvement in community volunteering

Empowered Networks



100% Trainees at Access Bank School of Banking Excellence trained on Sustainability

Established Sustainability Champions Network – **peaked at 20% of staff**

Environmental Footprint



10.8% reduction in operational emissions across scope 1, 2, and 3 emissions



Environmental audit of **100%** branches across Nigeria



Recycling waste in **75** locations



Over **696** offsite locations solar-powered ATMs



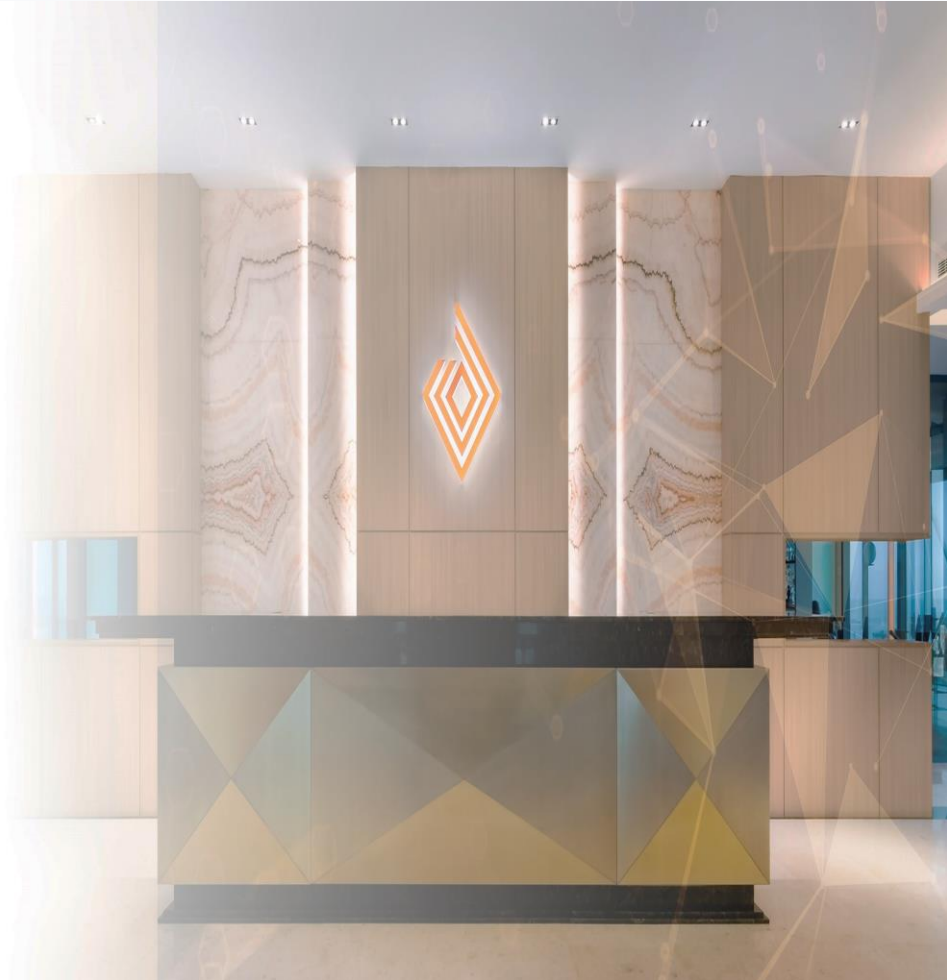
GHG emission reduction strategy for carbon abatement and offset



2,200 trees planted for biodiversity conservation

Financial and operating results

H1'2023 highlights – sustained positive results across key performance indices



₦590.1b

Market Cap

63m+

Customers

7,610

Employees

20

Countries

Gross Earnings

₦940.3bn

+58.9% y/y

Total Assets

₦20.9trn

+39.0% ytd

Shareholders' Funds

₦1.7trn

+40.6% ytd

Cost to Income Ratio

60.7%

(4.9%) y/y

Deposit Growth

₦12.5trn

+35.2% y/y

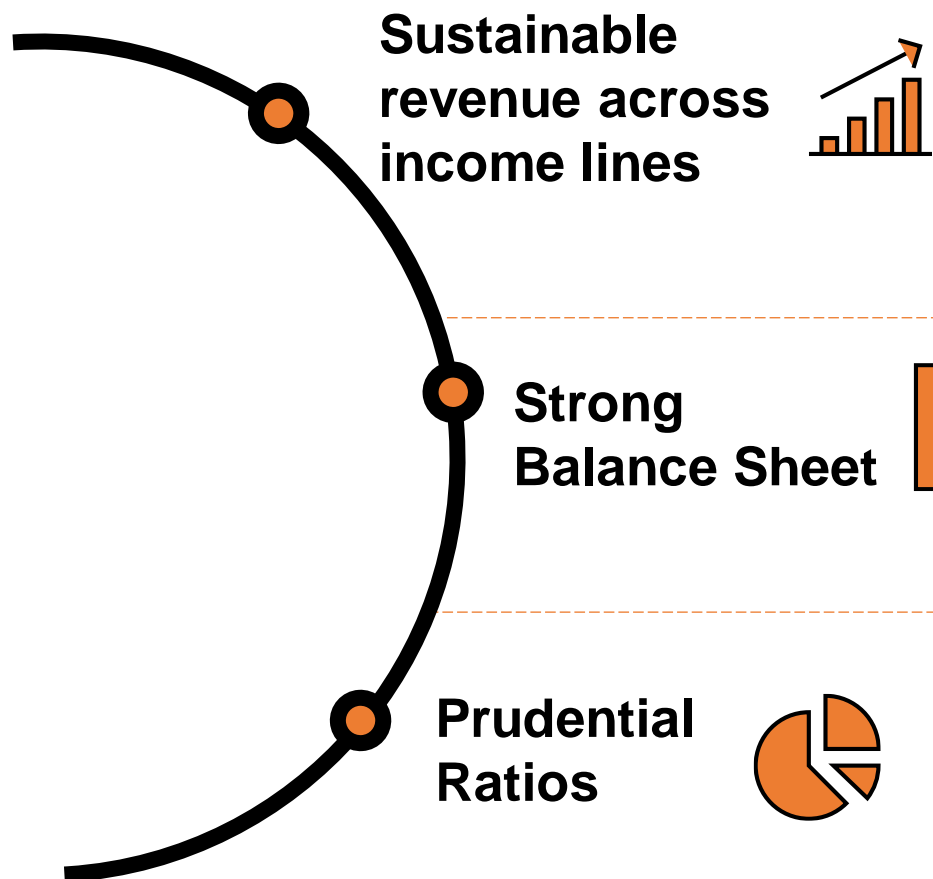
Profit Before Tax

₦167.6bn

+71.4% y/y

Market Cap calculated as at Jun'30th Share price position of ₦ 16.60

Access Corporation delivered record earnings, with a stronger balance sheet



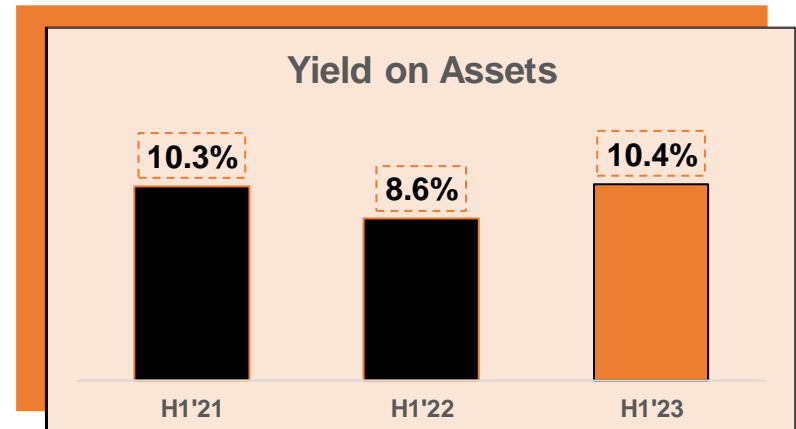
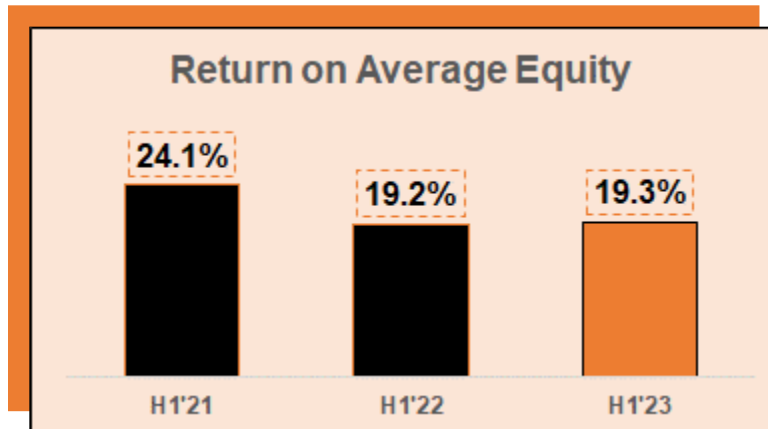
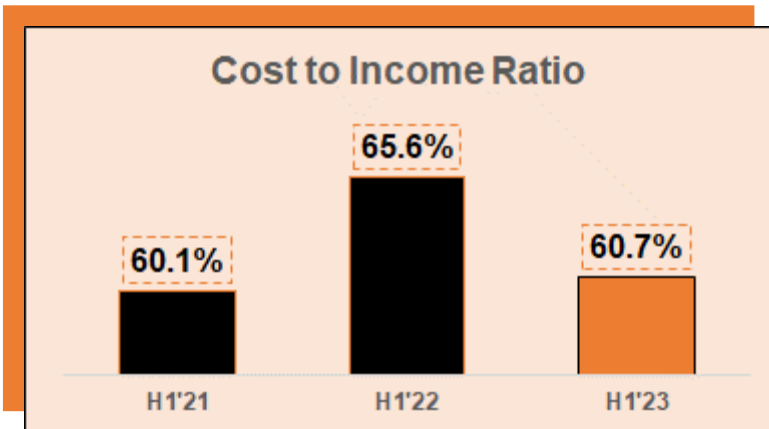
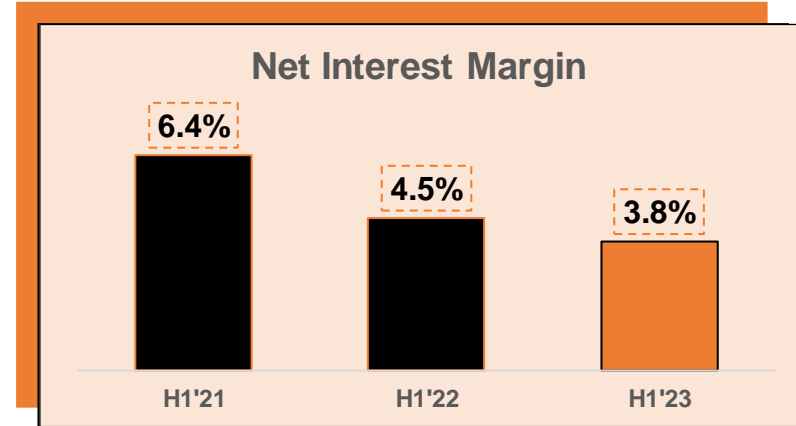
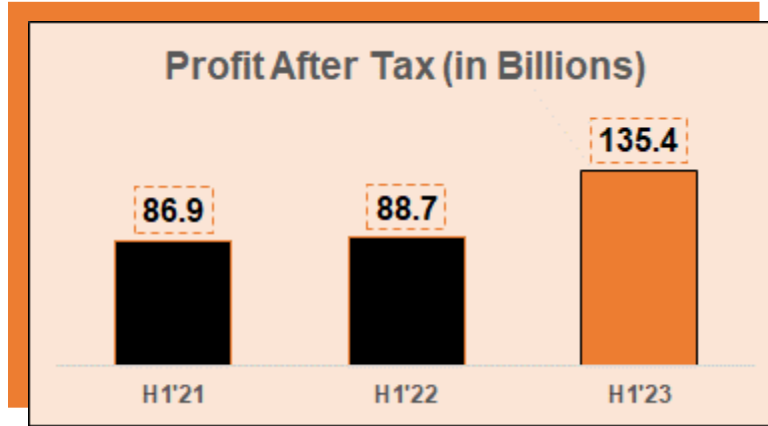
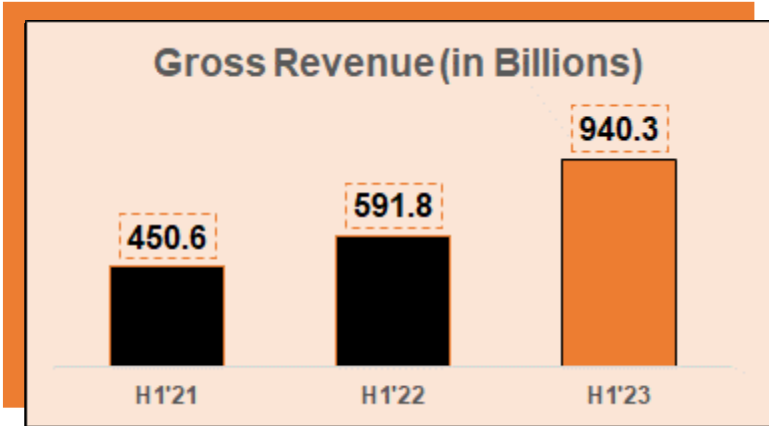
₹'million	H1 2023	H1 2022	%Δ	
Gross Earnings	940,311	591,806	58.9	↑
Net Interest Income	224,239	197,502	13.5	↑
Non-Interest Income	333,473	219,502	51.9	↑
Operating Expenses	(315,941)	(256,680)	23.1	↑
Impairment Charges	(37,175)	(36,863)	0.8	↑
Profit Before Tax	167,601	97,791	71.4	↑
Profit for the Period	135,441	88,739	52.6	↑

₹'billion	H1 2023	FY 2022	%Δ	
Loans and Advances	7,623	5,556	37.2	↑
Total Assets	20,853	14,998	39.0	↑
Customer Deposits	12,508	9,251	35.2	↑
Shareholders' Funds	1,731	1,231	40.6	↑
Assets Under Management	1,010	896	12.8	↑

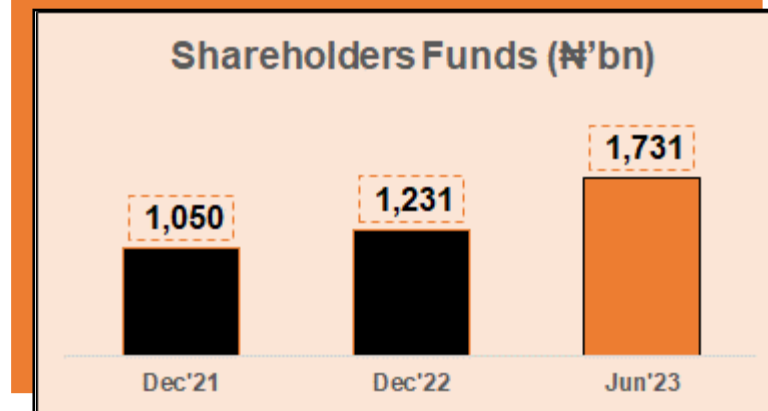
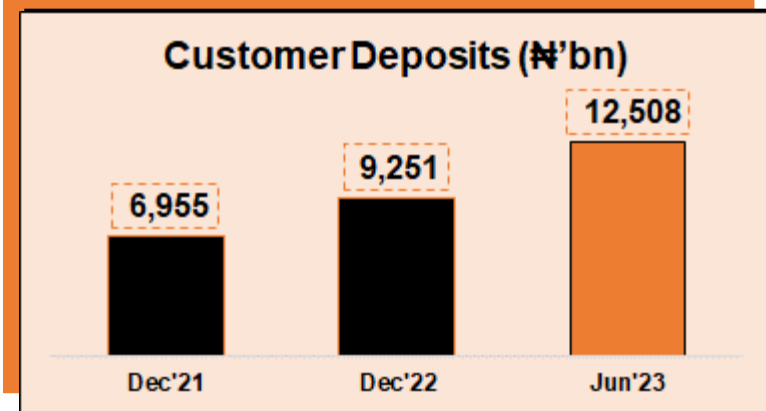
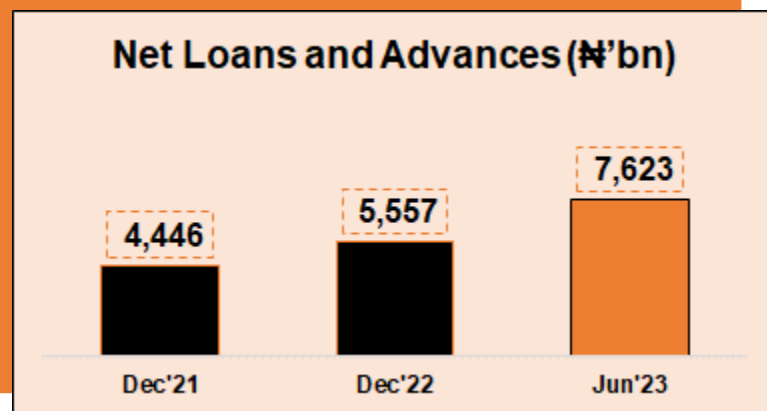
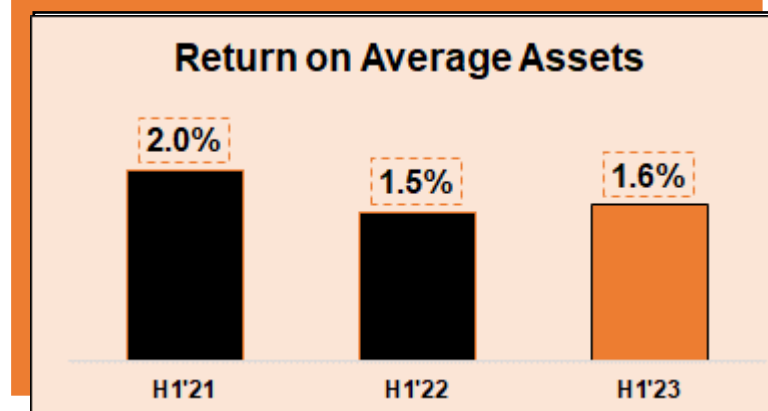
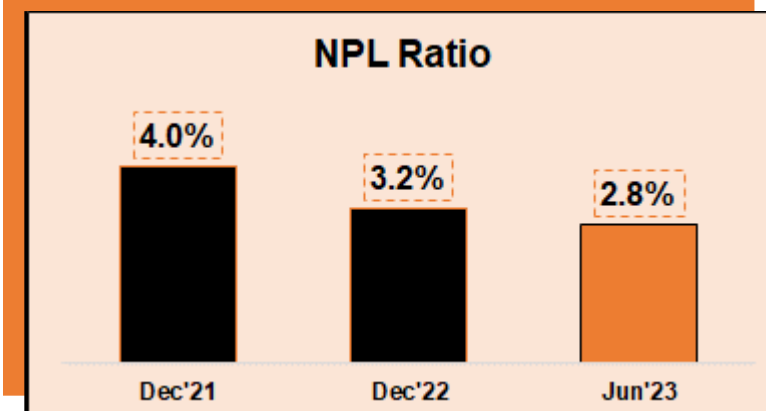
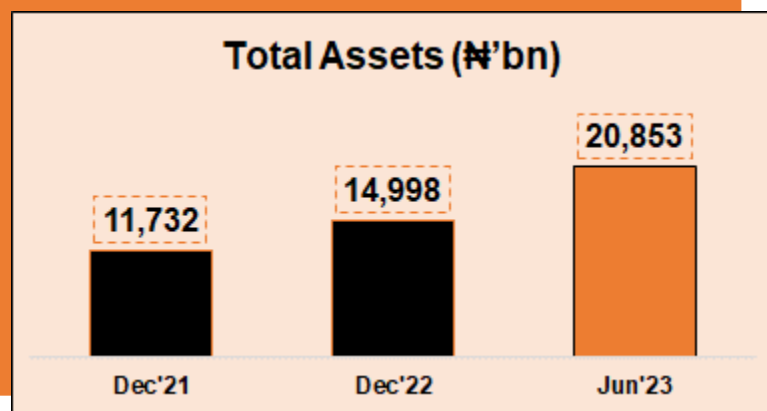
Metrics	H1 2023	H1 2022	% Δ	
After-Tax ROAE	19.3%	19.2%	0.1	↑
Cost-to-Income	60.7%	65.6%	4.9	↓
Capital Adequacy	18.7%	*24.5%	5.4	↓
Liquidity	50.0%	53.0%	3.0	↓
Loan-to-Funding	61.5%	50.8%	10.7	↑
Cost of Risk	1.0%	2.0%	1.0	↓

* H1 2022 figure relates to the Banking Group's CAR

Income statement metrics



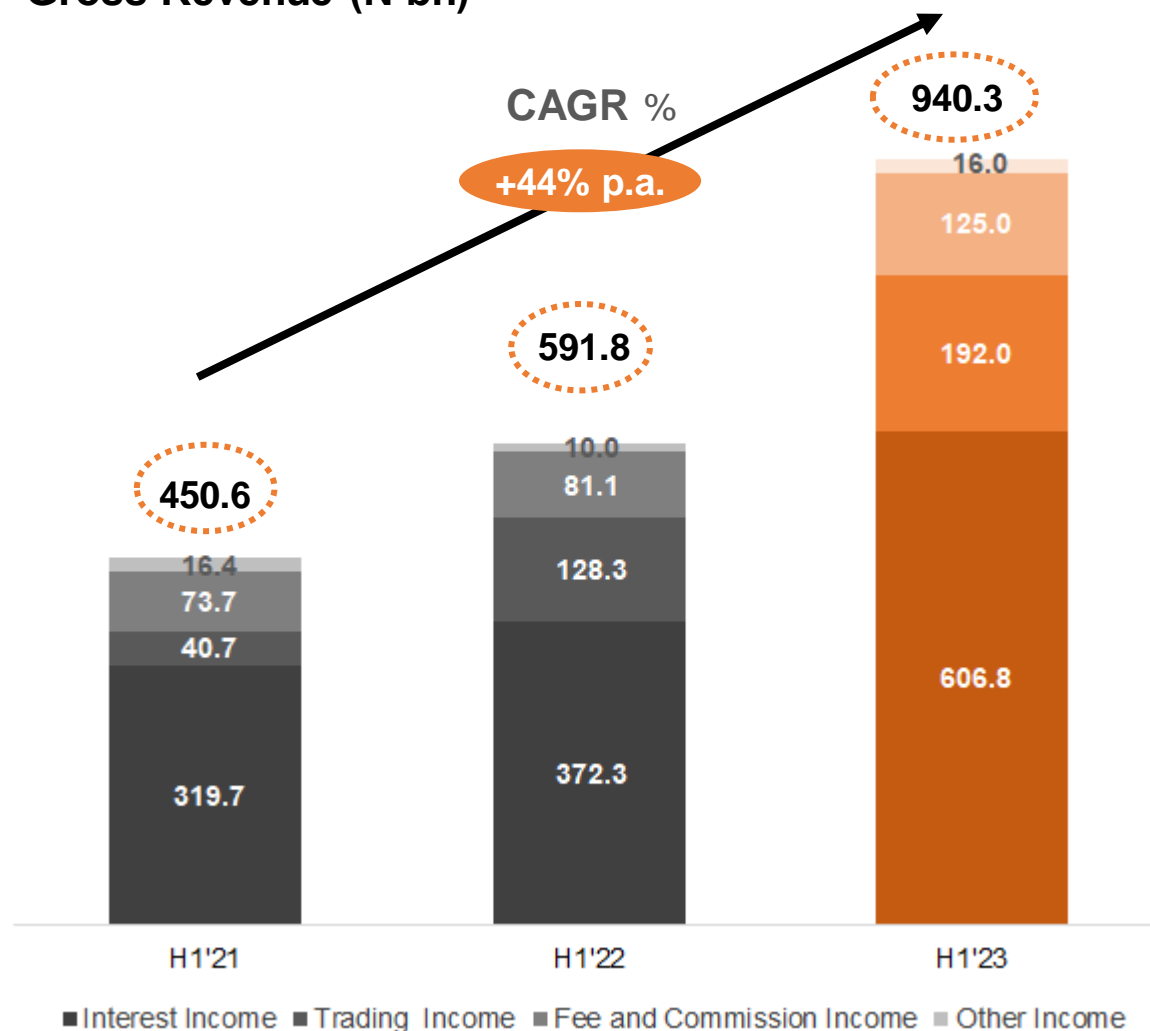
Balance sheet metrics



NPL – Non-Performing Loans

Resilient and diversified revenue growth across key income lines

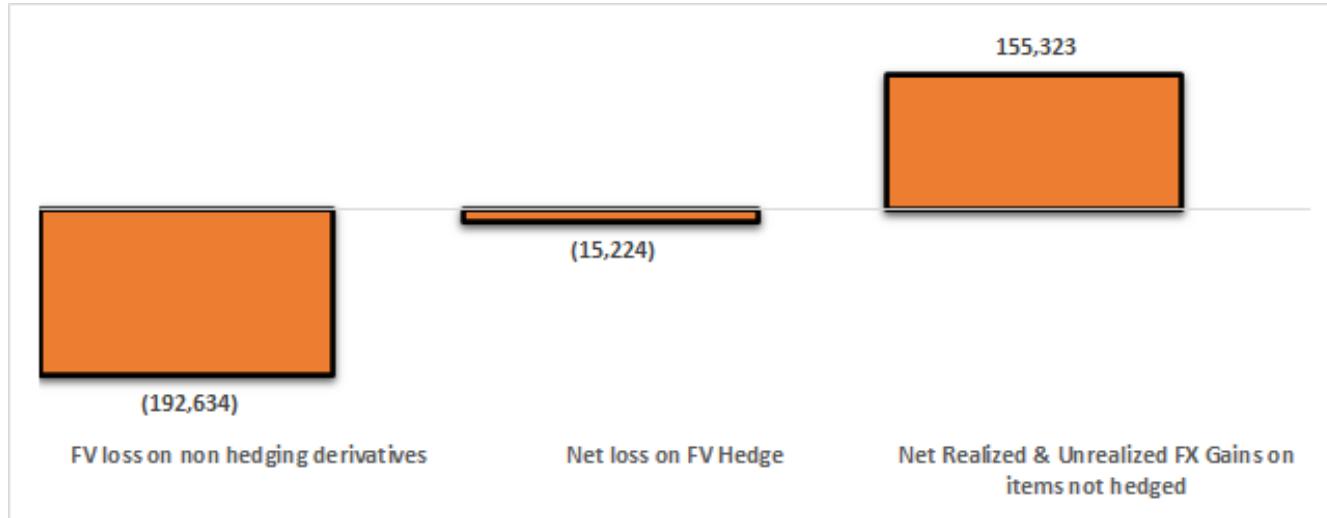
Gross Revenue (₦'bn)



*Interest Income figures calculated as an addition of Interest income on financial assets not at FVTPL/not held for trading and Interest income on financial assets at FVTPL/held for trading

- **Gross earnings** grew by **58.9% y/y** to c. **₦940.3trn** in the period (**H1'22: ₦591.8bn**), comprising **63% increase** in interest income and 52% growth in non-interest income.
- **Interest income drivers ₦606.8bn (+63% y/y, H1'22: ₦372.3bn):**
 - A **38% y/y** increase in interest on Loans and Advances to **₦340.6bn (H1'22: ₦246.2bn)** driven by new loans booked in the period, in addition to repricing in line with market realities.
 - A **114% y/y** increase in Interest Income from Investment Securities to **₦259bn (H1'22: ₦121.3bn)**.
- **Non-Interest Income drivers ₦333.5bn (+52% y/y, H1'22: ₦219.4bn):**
 - A **54% y/y** increase in Fee & Commission income to **₦125.0bn (H1'22: ₦81.1bn)**, which was largely driven by increased volume of transactions across our robust digital channels, banking services, credit related fees and E-business income.
 - A **50% y/y** growth in trading income to **₦192.0bn (₦128.3bn)** driven by investments in high-yield fixed-investment securities, revenue generated from FCY trading, with a portion allocated to derivative instruments with the Sovereign

FX Income Analysis & Impact on Capital (1)



Whilst overall total trading income increased 50% y/y by **₦63.7bn** to **₦192.0bn** (H1' 2022: ~~₦128.2bn~~), included in this figure are :

- Fair value loss on non hedging derivatives at **₦192.6bn**.
- Net loss on fair value hedge of **₦15.2bn**
- Net Realized FX Gains of **₦155.3bn** on non hedging items, with an overall Net FX loss impact of c. ~~₦52bn~~.

Given the maturity profile of our Swaps book, there is a timing difference which is expected to show material revaluation gains in Q4 2023 & Q1 2024.

❖ High Yield Investment Securities

- Leveraging high yield securities to boost trading

❖ Project and Receivables Financing

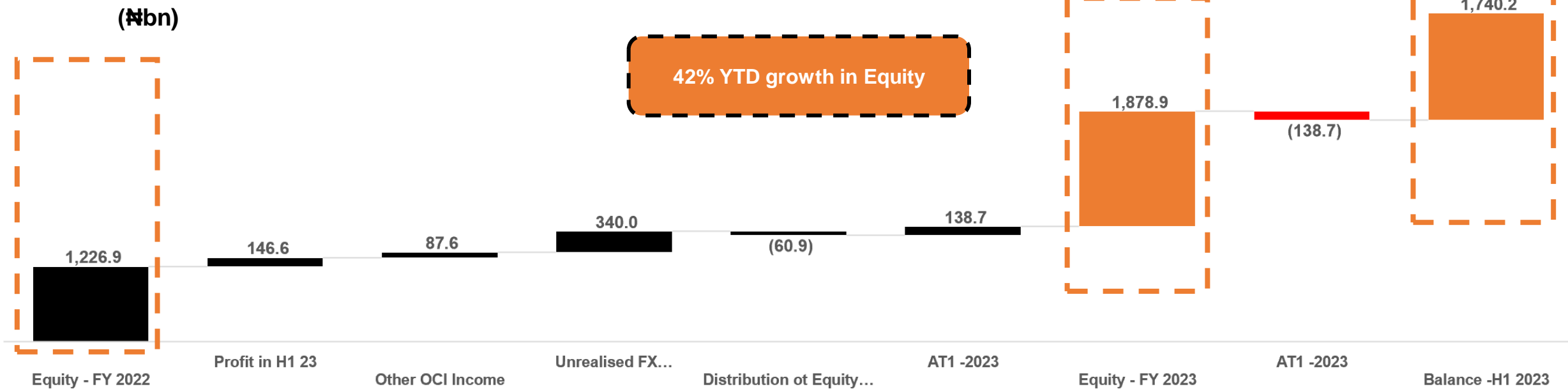
- Pioneered the financing of state projects leveraging the States' receivables

❖ Structured FX Products

- Bespoke derivatives structures at cost effective rates to provide foreign exchange liquidity to our corporate clients.

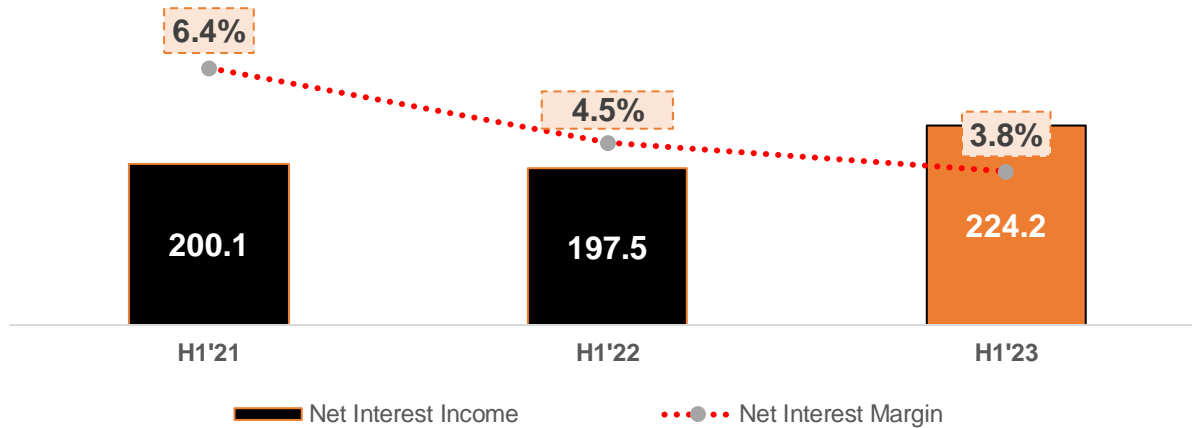
❖ Impact of currency unification is nil, due to no open position

FX Income and Impact on Capital- H1 2023 – changes in equity (2)



- Value accretion from our investments in subsidiaries, which acts as a natural hedge, creating sustainable long-term impact on the Balance sheet.
- Given the unification we saw a translation gain of N340bn which impacted the Bank's shareholders funds positively, moving total Bank's Equity from N1.23trn at the end of 2022 to N1.87trn as at HY 2023 (N0.6trn)
- 42% YTD accretion to Equity in HY 2023: creating room for expansion into new markets and business opportunities in line with our 5-year strategy plan

Overall impact of the FX rates' unification as pressure on margins grow



Key NIM & COF Drivers

Volume Growth

(+37.2%) growth y/y in credit related loans .Deposits (+59.5%) growth y/y across all regions .High growth rate in non -interest bearing assets, driven by the y/y growth in restricted deposits (CRR)

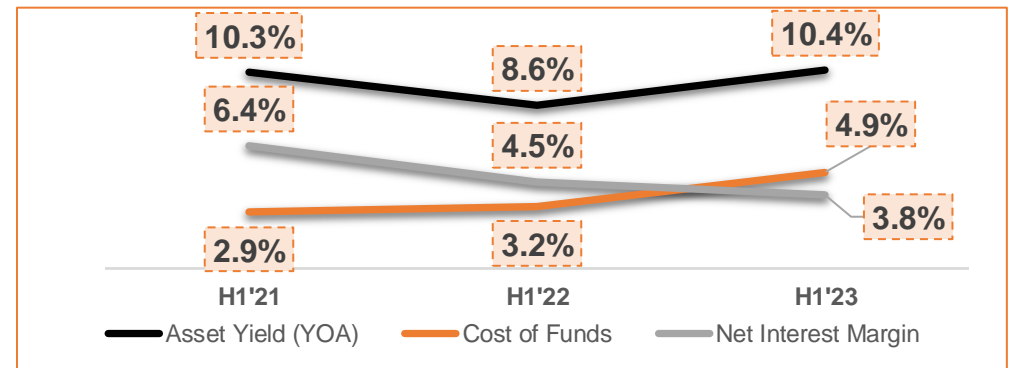
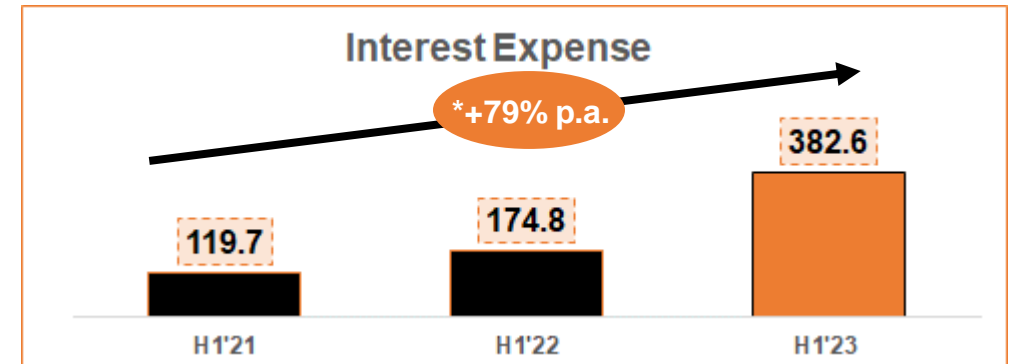
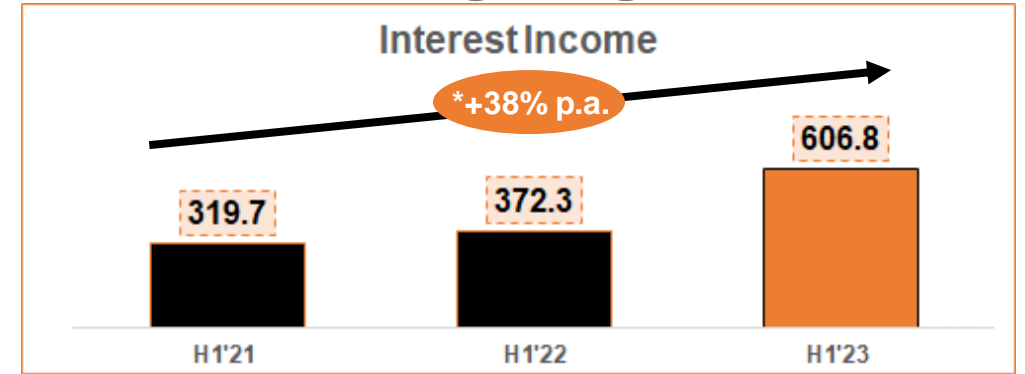
Higher Interest Rates

Minimum interest on savings deposit increased from 10% (11.5% as of May 2022) to 30% (18.75% as of Jul 2022) of MPR rate for c.2.2m savings customers, generating significantly higher interest expenses over the past year. The Fed Reserves also increased SOFR rates from <1% in 2022 to over 5% as at HY 2023.

Margin Management

The substantial increase in interest-earning assets continues to exert downward pressure on net interest margin, despite the improvement of the overall net interest income. Proactive cost of deposit management and portfolio repricing to support positive NIM growth

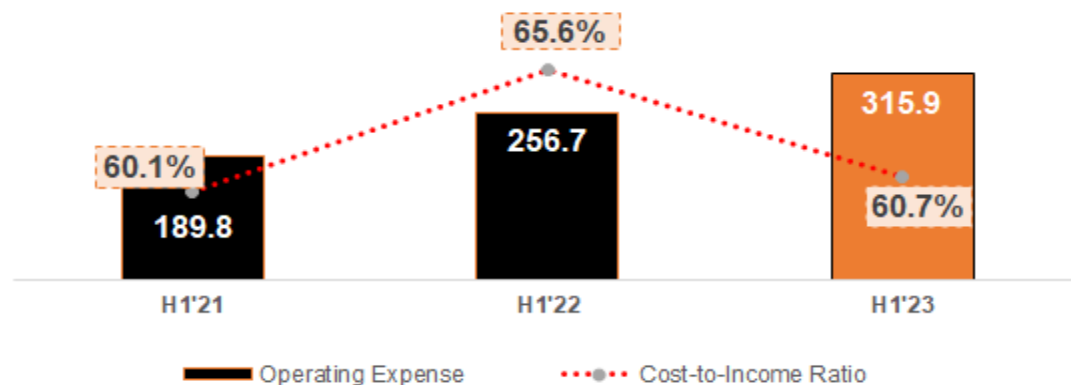
Marginal improvement in asset yields from investment securities and fixed income trading activities



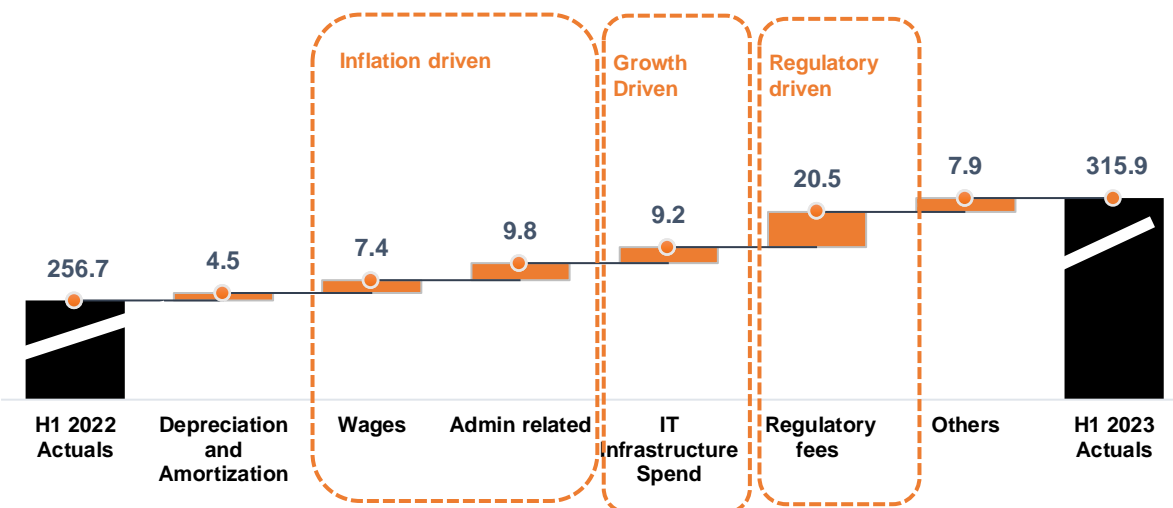
*CAGR %

Operating expenses – regulatory costs and inflation driven spend remain key drivers

Operating Expenses (₦'bn), CIR



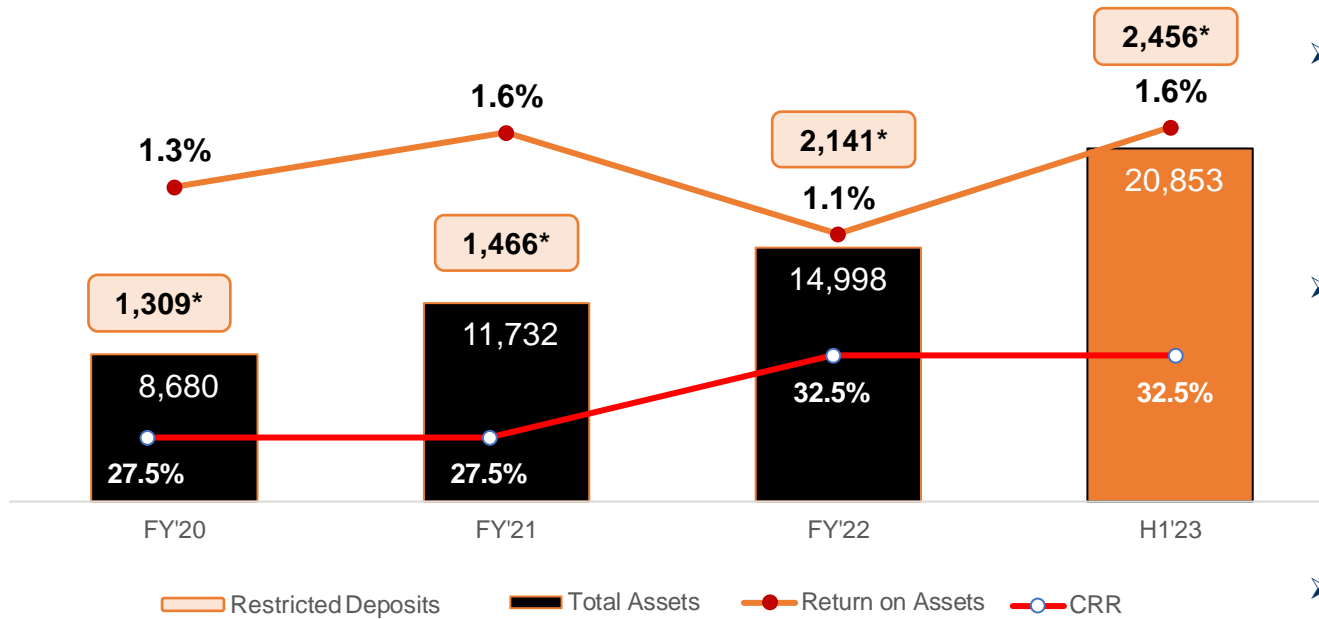
Expense breakdown (₦'bn)



Other Operating Expenses includes Premises and equipment cost, Business Travel Expenses & Prof Fees
 *IT spend Includes components of outsourcing cost.

- **Cost to income ratio (CIR) improved to 60.7% in H1' 23** from **65.6% in HY'22**. Our commitment to utilizing technology and innovation across all business verticals remains steadfast, enabling us to expand and lower the cost of serving each customer.
- Positive outcomes of sustained investments made during the previous strategic cycle are becoming evident, as we observe robust growth across all revenue streams to reduce cost.
- **Growth in operating expense by 23.1% y/y to ₦315bn (H1'22; ₦256.7bn)** - adjustments to personnel costs, cushioning the cost-of-living adjustment (COLA), spike in regulatory fees (AMCON and NDIC) and continuous technology investments to improve cost to serve and user experience.
 - Regulatory costs (NDIC and AMCON) grew by **28% y/y to ₦ 85.0bn**.
 - **Normalized regulatory fees for H1'23 will reduce CIR to 52.5%**
- IT Spend – increased by 19% y/y as we continue with investments in technology to scale business and automation of back-end processes to enhance operational efficiency and user experience

Total Assets Analysis – material growth in Restricted Deposits

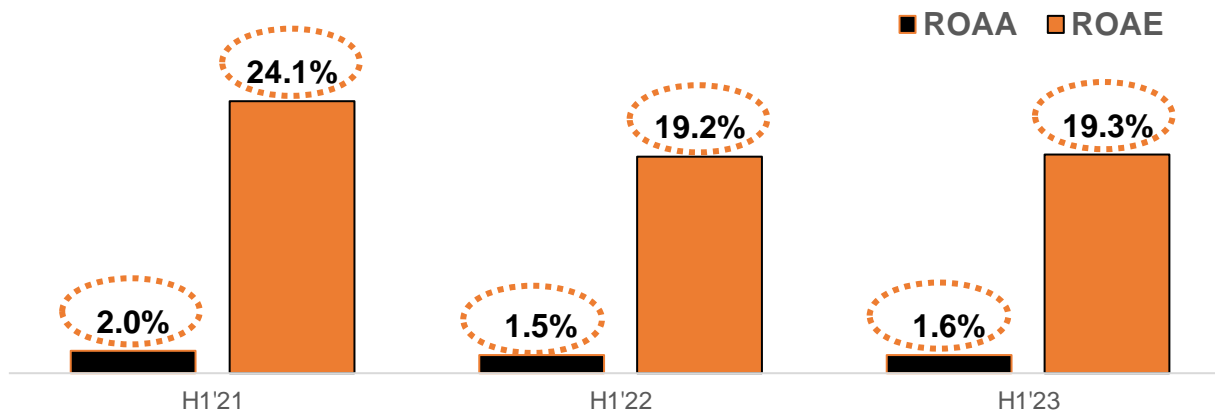


➤ Total assets increased by **39.0%** to **N20,853trn** between **FY' 22 and H1' 23 (FY'22; N14,998trn)**.

➤ Access Bank restricted deposits with the CBN has grown at a rate of **87.6%** over the past 4 years. Cumulative **CRR debit in H1'23 is N315bn**.

➤ Despite the challenging externalities, **return on average asset & return on average equity improved marginally to 1.6% and 19.3%** respectively demonstrating our ability to navigate the peculiarities of the markets which we operate in.

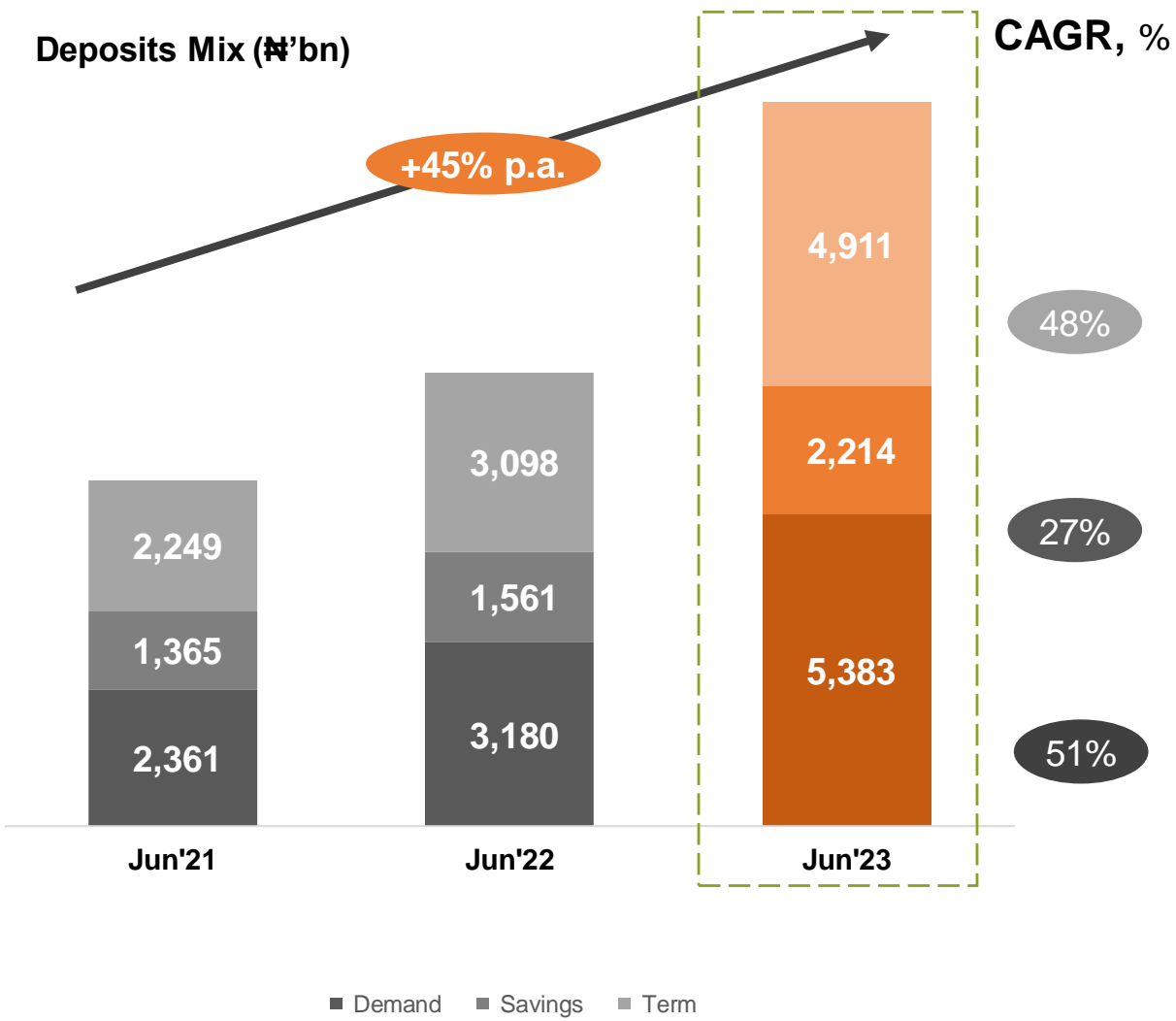
Returns on Assets and Equity



➤ **Impact of the unification of FX rates seen as Total Assets increased, causing a marginal growth in ROAA & ROAE.**

* - Refers to Restricted Deposits with Central Bank of Nigeria – non interest bearing assets

Sustained growth from increased customer activities

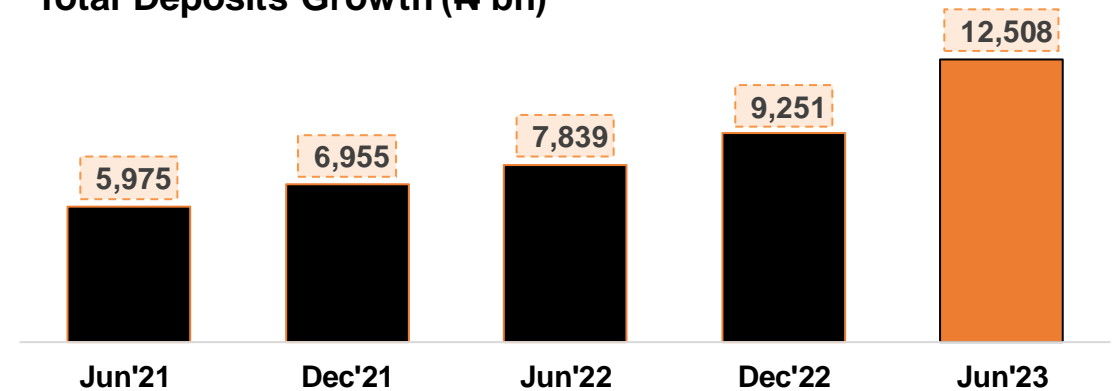


Customer deposits increased by 38.1% YTD to ₦12.51trn in the period (FY' 22: ₦9.52trn), from new deposits, incremental growth from existing customers and impact of the FX rates unification.

Term deposits grew to ₦4.91trn from ₦3.09trn with (58% y/y growth), as we proactively negotiated and locked in rates for strategic deposits to mitigate the prevailing interest rate environment.

CASA⁽¹⁾ account deposits increased by 60% y/y to ₦7.60trn (H1'22: ₦4.74trn) of total deposits. This is from new to bank customers, an increase in digital platform activities, and the expansion of our agency network for financial inclusion, which enables us to provide accessible and affordable financial services to underserved segments of the economy.

Total Deposits Growth (₦'bn)

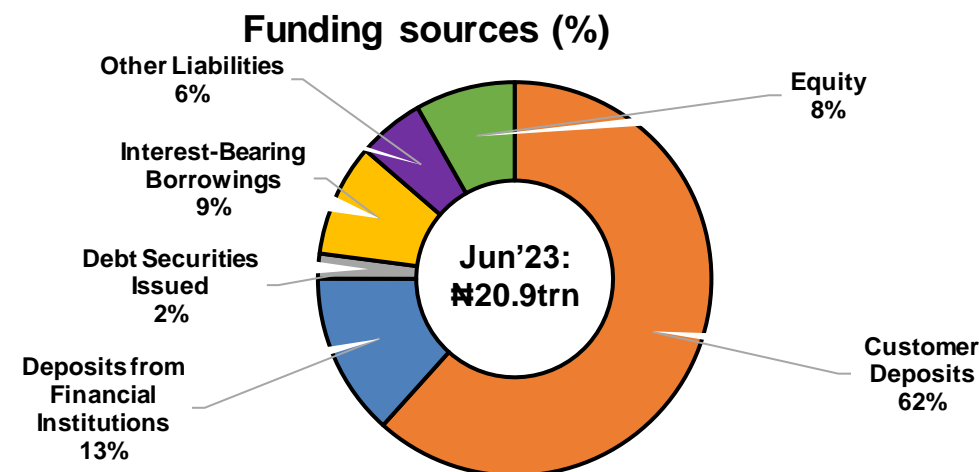
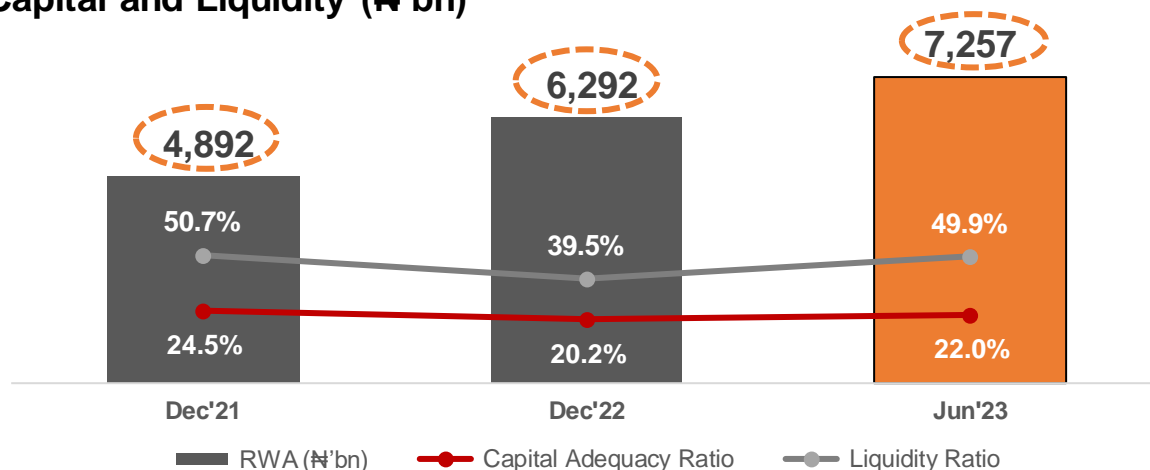


1. Current accounts and savings accounts

Access Banking Group – Capital & Liquidity Management

Capital and liquidity ratios above regulatory thresholds

Capital and Liquidity (₦'bn)



- Strong capital position with CAR at **22.0%**. This is above the regulatory threshold of **15%**.
- Tier 1 capital represents **75%** of total regulatory capital at **₦1.22trn**.
- Capital has undergone sensitivity and scenario assessments at various devaluation levels, and it is robust enough to satisfy the necessary capital requirements for the business
- Liquidity Ratio closed at **50.0%** in H1'23 from **39.5%** in FY'22. H1'23 liquidity ratio is **20.0%** above the regulatory minimum.

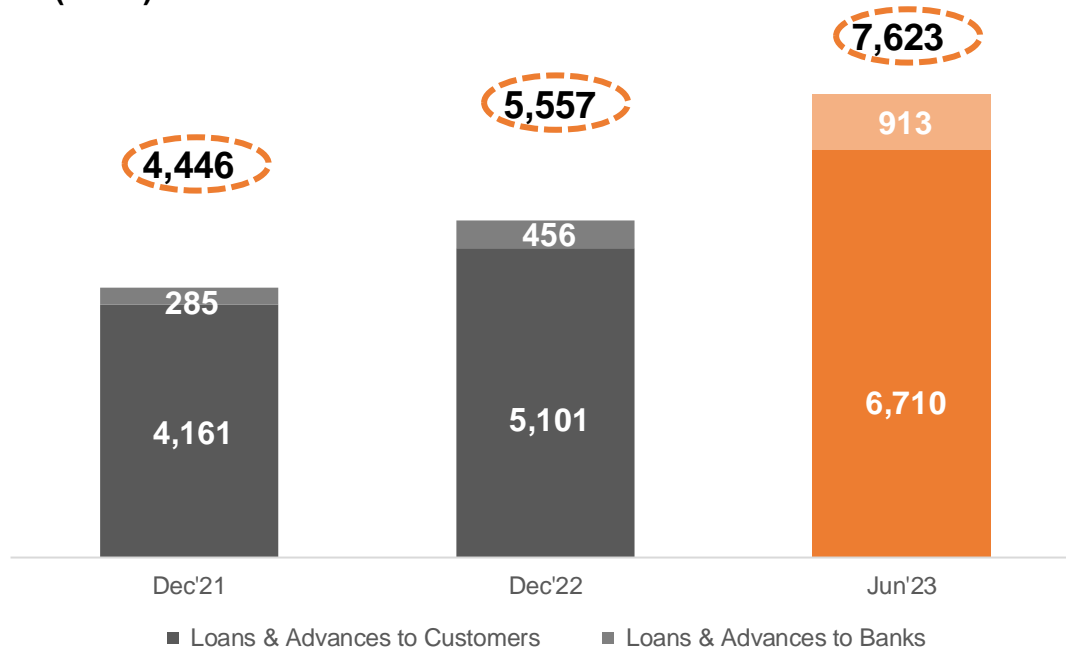
Capital Adequacy Computation - Basel II

Underlying in ₦'m	Jun-23	Dec-22	% Δ
Tier I Capital	1,219,265	955,202	27.6%
Tier II Capital	406,381	318,369	27.6%
Total Regulatory Capital	1,625,646	1,273,571	27.6%
Credit Risk	6,054,446	5,101,707	18.6%
Operational Risk	1,123,426	1,123,603	0.0%
Market Risk	60,823	60,320	-0.1%
Risk-Weighted Assets	7,238,695	6,285,630	15.2%
Capital Adequacy			
Tier I	16.5%	15.2%	1.3%
Tier II	5.5%	5.0%	0.5%
Total	22.0%	20.2%	1.8%

Access Banking Group – Asset Quality

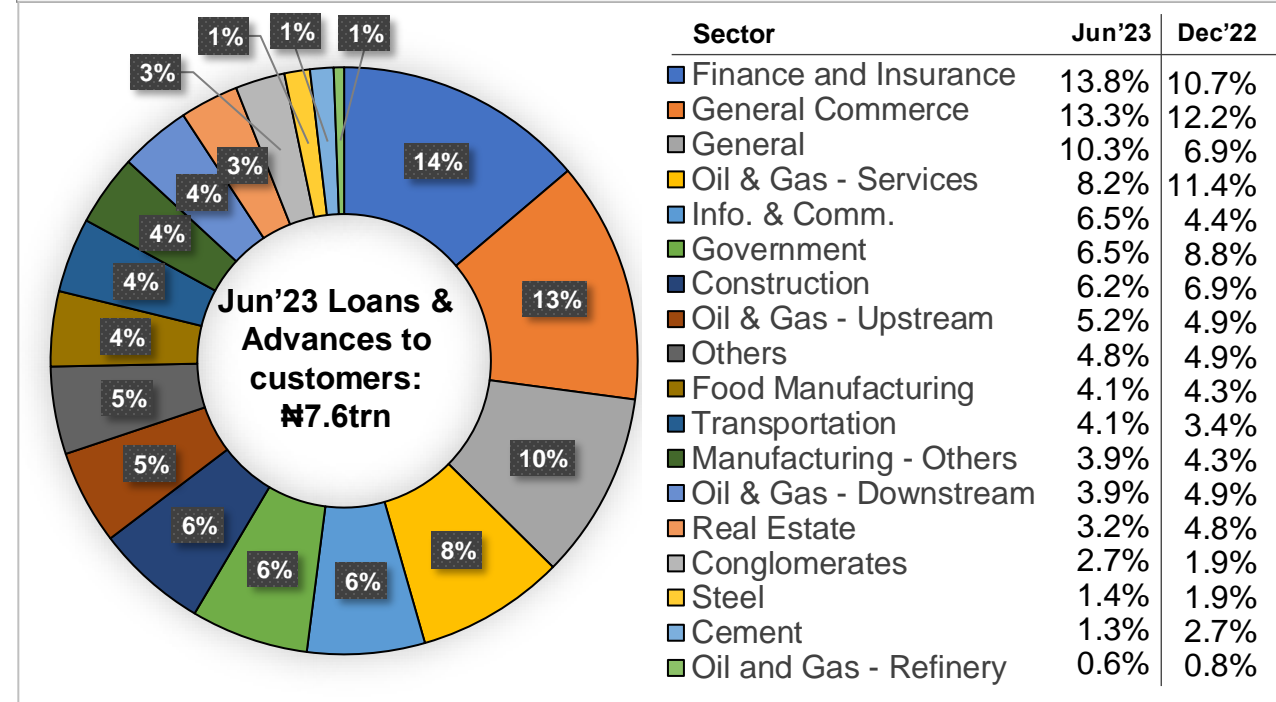
Diversified loan book growth bolstered by effective risk management practices

Loans & Advances to customers (₦'bn)

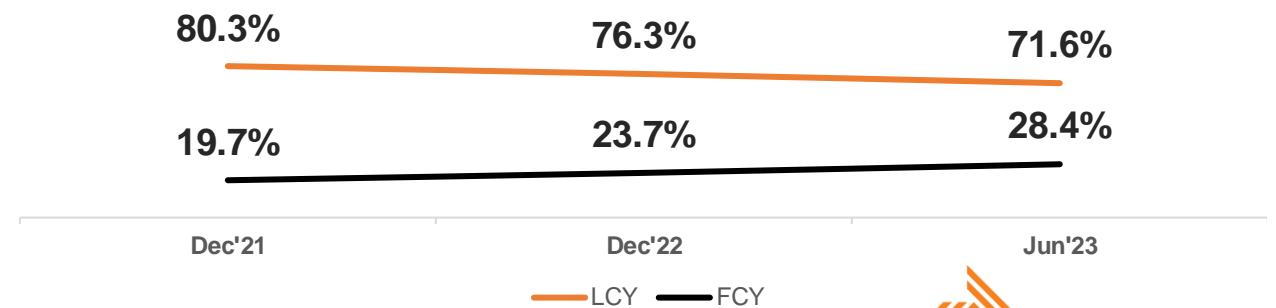


- A well-diversified lending portfolio which prioritizes the quality of assets and targets specific sectors of the economy to stimulate growth and economic recovery.
- **The loan book grew by 37% y/y to ₦7.6trn in H1' 23 (Dec'21: ₦5.6trn)**
- The FCY loans as a share of the loan book increased to 28.4% (Dec'22: 23.7%).
- **Loan-to-Funding ratio closed at 61.5% in H1' 23 (FY '22: 58.7%),** indicative of a healthy and cautious growth in the loan book.

Gross Loan Distribution by Sector



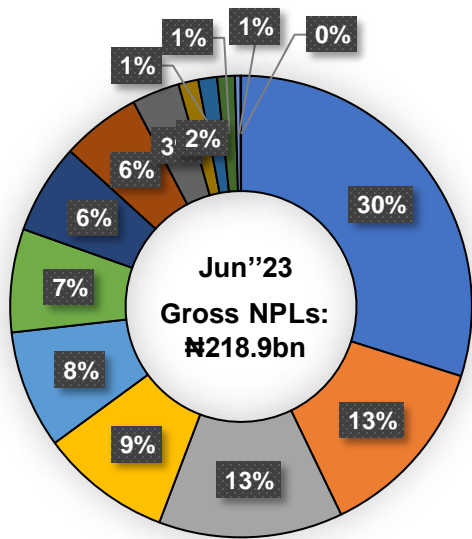
Loans by Currency



(1) The following sectors are included in "Others": Agriculture, Education, Basic Metal Products, Flourmills & Bakeries, and Power & Energy

Overall improvements to asset quality and NPL

NPL Distribution by Sector

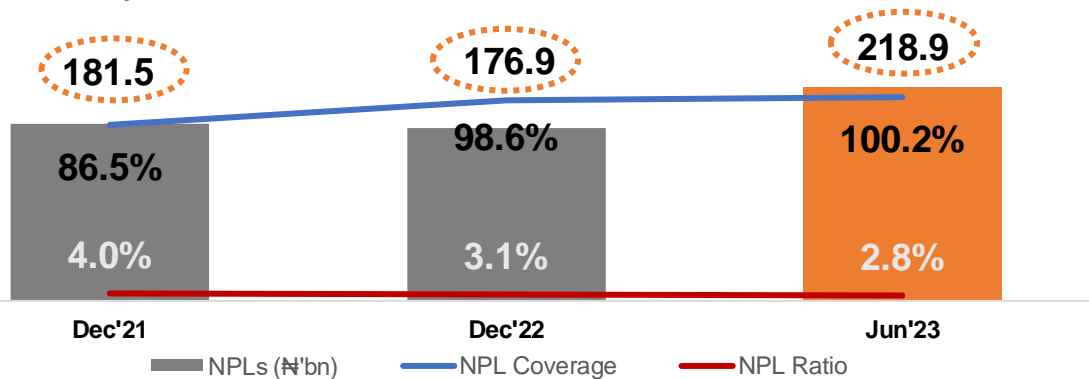


Sector	Jun'23	Dec'22
General Commerce	29.9%	16.5%
Manufacturing - Others	13.0%	13.1%
General	12.9%	12.6%
Information and Communication	9.2%	11.2%
Real Estate Activities	8.3%	8.5%
Oil and Gas - Downstream	7.2%	6.1%
Oil and Gas Services	6.3%	0.7%
Construction	5.5%	8.3%
Food Manufacturing	3.3%	6.6%
Transportation and Storage	1.4%	9.5%
Agriculture	1.3%	1.7%
Power and Energy	1.2%	1.6%
Others	0.4%	0.6%
Education	0.0%	0.1%

NPL Ratio by Sector

Sector	Jun'23	Dec'22
Manufacturing - Others	9.4%	9.6%
Real Estate Activities	7.3%	5.5%
General Commerce	6.4%	4.3%
Oil and Gas - Downstream	5.3%	3.9%
Information & Communication	4.0%	8.0%
Agriculture	3.8%	5.4%
General	3.6%	5.8%
Construction	2.6%	3.8%
Food manufacturing	2.3%	4.8%
Oil and Gas - Services	2.2%	0.2%
Transportation & Storage	1.0%	8.8%
Others	0.2%	0.3%
Steel Rolling Mills	0.0%	4.4%
Oil & Gas - Upstream	0.0%	0.0%

NPL Analysis



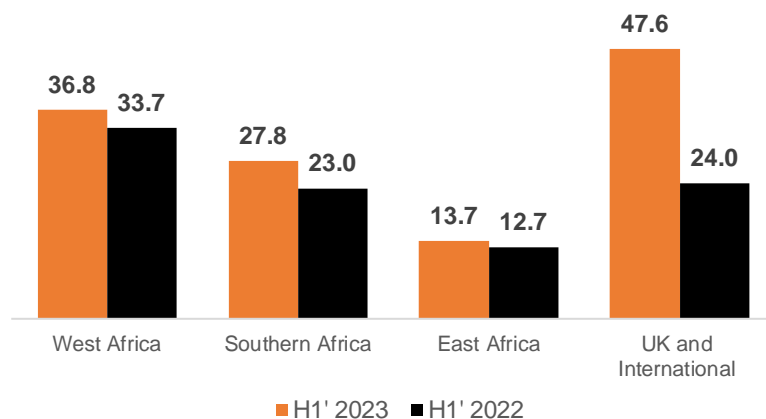
- Asset quality remains stable with an improvement in the NPL ratio to **2.8%** (FY' 22: **3.1%**) on the back of proactive monitoring and our disciplined approach to risk management.
- Sectors most impacted by the unification of FX rates include Oil & Gas and General Commerce, as disposable income shrank materially from the impact of high inflation and removal of fuel subsidy.
- Adequate coverage ratio (including the regulatory risk reserve) at 100.2% (Dec'2022: 98.6%), which is in line with our strategy of maintaining a healthy coverage for the loan book.

(1) The following sectors are included in "Others": Finance & Insurance, Government, Basic Metal Products, Cement, Conglomerates, Flourmills & Bakeries and Oil & Gas Refinery

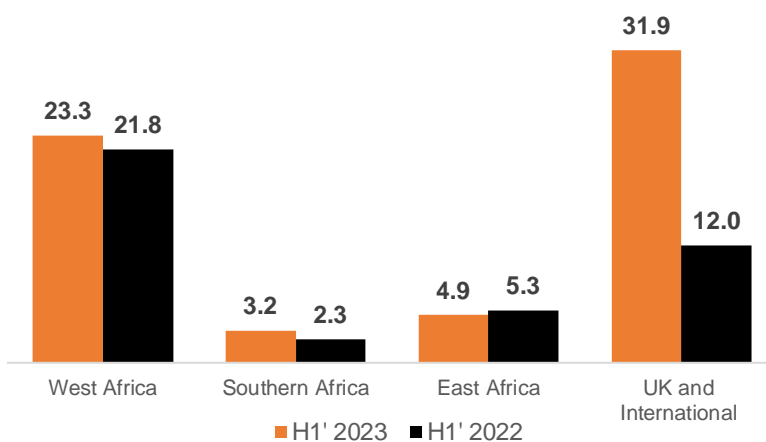
Access Banking Group – Subsidiaries performance

Africa & International subsidiaries' – strong growth hub

OPERATING INCOME



PBT



Operating Income	H1' 2023	H1' 2022	% Change
West Africa	36,815	33,661	9%
Southern Africa	27,806	23,015	21%
East Africa	13,728	12,692	8%
Total African Subsidiaries	78,349	69,367	13%
UK and International	47,608	23,962	99%
Total Subsidiaries	125,957	93,329	35%

PBT	H1' 2023	H1' 2022	% Change
West Africa	23,258	21,815	7%
Southern Africa	3,233	2,345	38%
East Africa	4,862	5,274	-8%
Total African Subsidiaries	31,353	29,433	7%
UK and International	31,937	11,974	167%
Total Subsidiaries	63,291	41,407	53%

Key takeaways

African Subsidiaries

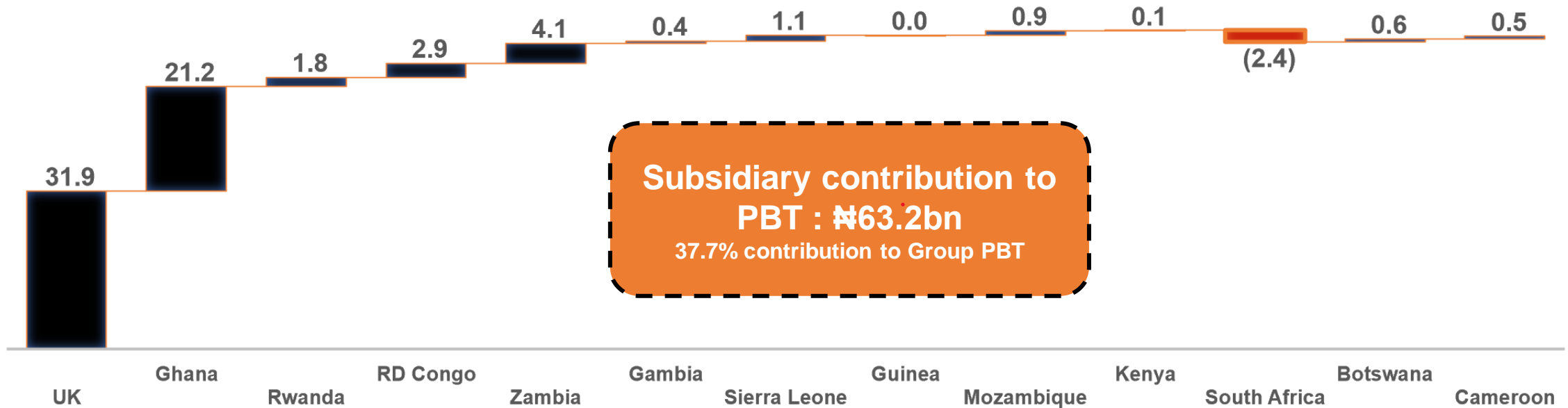
- Operating Income: **₦78.3bn** up **13%/y** (H1'22: **₦69.3bn**)
- Deposits from customers: **₦1.85trn** up **60%** (H1'22: **₦1.1trn**)
- Loans and Advances: **₦888.8bn** up **78%** (H1'22: **498.5bn**)
- Ghana recorded a PBT of **₦21.2bn** in H1 2023. All African subsidiaries (excluding South Africa) are profitable at PBT and PAT levels

UK and International Subsidiaries

- Operating Income: **₦47.6bn** up **99%/y** (H1'22: **₦23.9bn**)
- Deposits from customers: **₦1.0bn** up **90% y/y** (H1'22: **₦577bn**)
- Loans and Advances: **₦977bn** up **88%** (H1'22: **₦577bn**)
- Impairments: **₦3.6bn** improved by **12% y/y** (H1'22: **₦4.1bn**)
- The standalone **Return on Average Equity (ROAE)** for our **UK subsidiary exceeds 20%** on an annualized basis, affirming the effectiveness of our investment strategy in the region.

Improved Subsidiaries' performance

PBT (₦,bn)

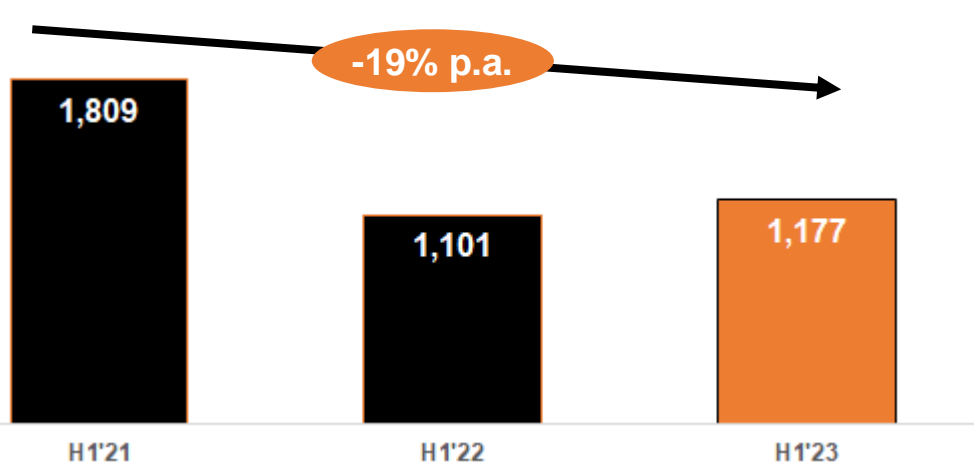


- Subsidiaries PBT performance grew by 53% in H1 2023 to ₦63.2bn (H1 2022: N41.4bn).
- Access Bank Ghana recorded a PBT of ₦21.2bn in H1 2023 driven by series of strategic and business actions executed to improve business performance, following the sovereign debt restructure.
- Total deposits from subsidiaries grew to ₦2.9trn (H1'22: 1.7trn) which represents a 70% growth y/y.

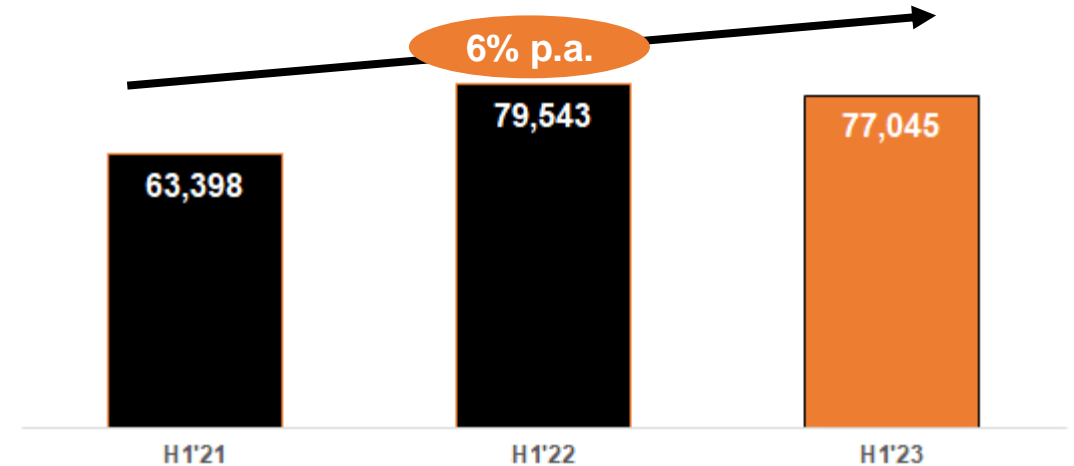
Access Banking Group: Retail Banking and Digital Lending

Increased scale and velocity of our digital lending

Digital lending count, #,Thousand



Digital lending value, ₦'million



Products:



Small Ticket Personal Loans



Pay day and Instant Business Loans



Device Financing



Salary Advance

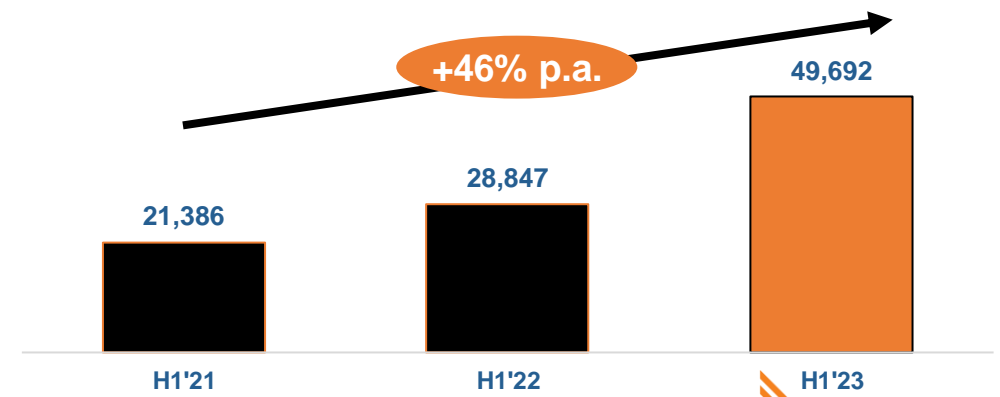
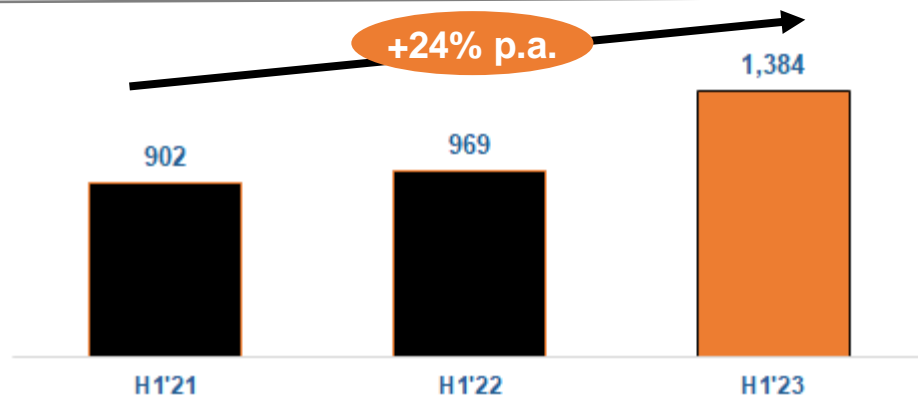
- ▶ ~**₦77.0bn disbursement**, a 3% y/y decline from ₦79.5bn in H1'22*
- ▶ ~**1,177,361 digital loans in H1 2**, a 7% y/y increase from 1,100,591 in H1'22
- ▶ ~**₦18.5bn digital lending revenue generated**, 102% y/y growth from ₦9.1bn in H1'22

Improved revenue and transaction velocity on digital channels

Channels	Count H1'21 (mn)	Count H1'22 (mn)	Count H1'23 (mn)	YoY Growth	Value H1'21 (₹'bn)	Value H1'22 (₹'bn)	Value H1'23 (₹'bn)	YoY Growth
Debit/Credit Card	210	216	221	2%	2,019	2,987	2,992	0%
POS	37	23	20	13%	829	658	615	7%
Mobile & Internet Banking	201	277	520	88%	16,336	23,015	43,944	91%
ATM	76	70	33	(54%)	1,044	1,019	401	61%
USSD	377	383	591	54%	1,158	1,167	1,740	49%
Total	902	969	1,384	43%	21,386	28,847	49,692	72%

Total channels transaction count, **₹**'million

Total channels transaction value, **₹**'billion



Marginal decline in transaction velocity due to increased downtime pre and post cash crunch period

Access Non-Banking Verticals

Access Pensions: Future Shaping (Half Year Update)



2nd

Largest PFA by number of Registered RSA Accounts

4th

Largest PFA by Asset under Management (AUM)

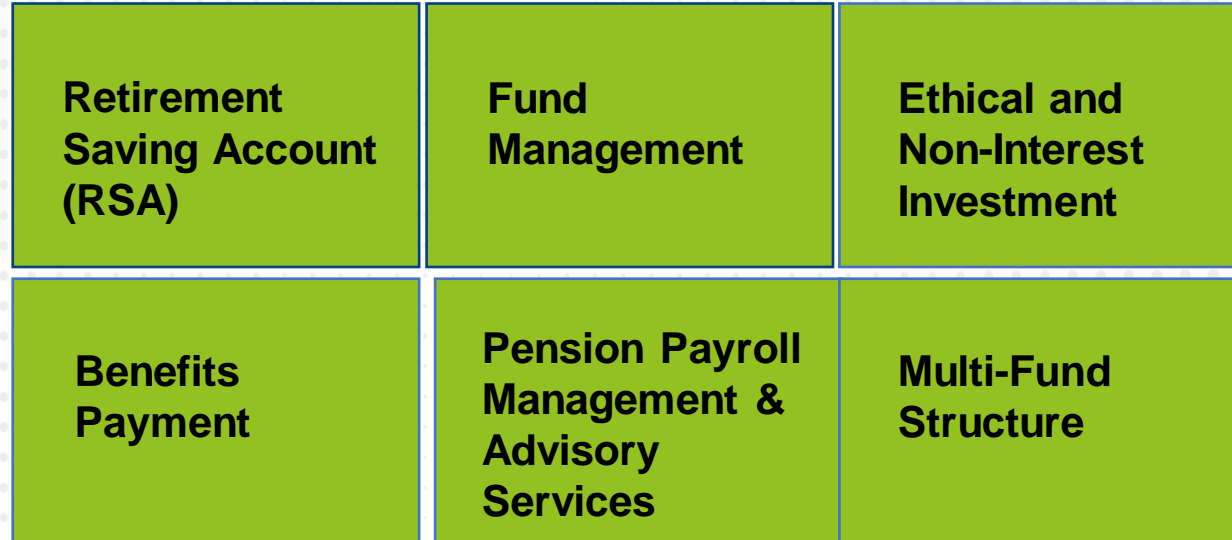
Top 5

Ranking on Return of Investment in the last 3 years

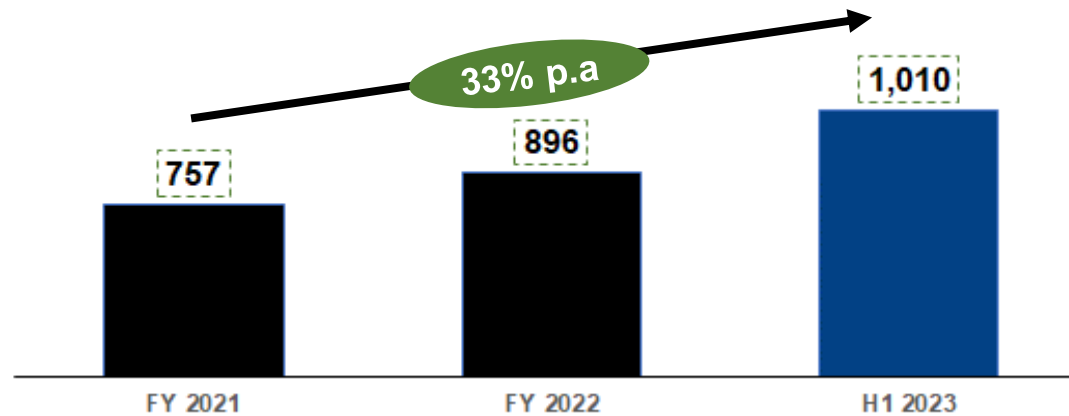
N1.0Trn (AUM at H1'23)

N10Bn Shareholders Funds

13 Institutional Clients



Total Assets Under management



AUM Analysis

- 31% Y/Y growth post merger in AUM.
- RSA Funds (Active and Retiree) accounted for 93% of the total AUM of N1.01 trillion as of June 2023. Active RSA accounted for 82% of the total AUM.

Revenue Analysis

- The fee income of N5.1 billion accounted for 90% of total revenue. Fee revenue is directly correlated to the AUM balances as well as the number of funded accounts monthly.
- Investment income earned on cash and marketable securities as well as statutory reserves and accounted for 10% of total revenue for the period under review



Access Hydrogen: Simplifying Payments (Half Year Update)

NGN **3 Tn**

Processed through our Switch

NGN **4 Bn**

In POS and Instant Pay transactions

~4000

Merchants onboarded across POS and Instant Pay

407%

MoM growth in transaction value on POS

POS



- Hydrogen achieved a total transaction value of **one hundred million** within 38 days of operations
- Surpassed **one billion** transaction value within 45 days
- Exceeded **three billion** transaction value in two months of operations

99%

System uptime for account switching

NGN **120 Mn**

Daily POS transaction volumes at end of June

45+

POS merchant onboards per day

34

States in Nigeria with transacting Hydrogen merchants

InstantPay



- Virtual account solution for easy payments and transfers
- Crossed one billion in monthly transaction processing in 2 months




2023 Guidance

Access Corporation: Financial Targets



PROFITABILITY

	H1'2023 Actual	2023 Targets	2027 Targets
Return on Average Equity	19.3%	>20%	25-30%
Return on Average Assets	1.6%	>2%	>2%
Yield on Asset	10.4%	>10%	>10%



ASSET QUALITY

Cost of Risk	1.0%	<2%	<1.5%
NPL Ratio	2.8%	<5%	~3%



EFFICIENCY

Cost-to-Income Ratio	60.7%	<60%	<55%
Net Interest Margin	3.8%	4.5%-5%	>6%



PRUDENTIAL RATIOS

Capital Adequacy Ratio	18.7%	>20%	>20%
Loan-to-Deposit Ratio	62.1%	>65%	>65%
Liquidity Ratio	50%	>50%	>60%
AUM (N'trn)	1.01	1.2	6.3

Key Takeaways

NIM is expected to be at least 6% in 2027, this growth in NIM will be driven by **increased lending within the core Bank and by the growth expected to come through the Consumer Lending business** which will typically have **higher margins on average**.

Healthy ROE expected over the next 5 year as we continue to maximise returns for shareholders. **ROE along with ROA are expected to grow**, as a result of **improvements in CIR** and an **increase in footprint across higher efficiency locations**

Access Corporation

Investor Relations

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