

# Access Holdings Plc FY '2023 Highlights

 **Gross Revenues**

**₦2.6trn**  
**+ 87% YoY**

 **Profits Before Tax**

**₦729.0bn**  
**335% YoY**

 **Non - Performing Loans**

**2.8%**  
**0.33% YoY**

 **Cost to Income Ratio**

**44.6%**  
**13.3% YoY**

**Operating Income from Pensions business**

**₦12.3bn** +75% YoY

**AUM for Pensions business**

**₦1.109trn** +24% YoY

**Expanded Loan Portfolio**

**₦8.9trn** + 61% YoY

**Fees & Commission Income**

**₦277.5bn** + 40% YoY

**Total Assets**

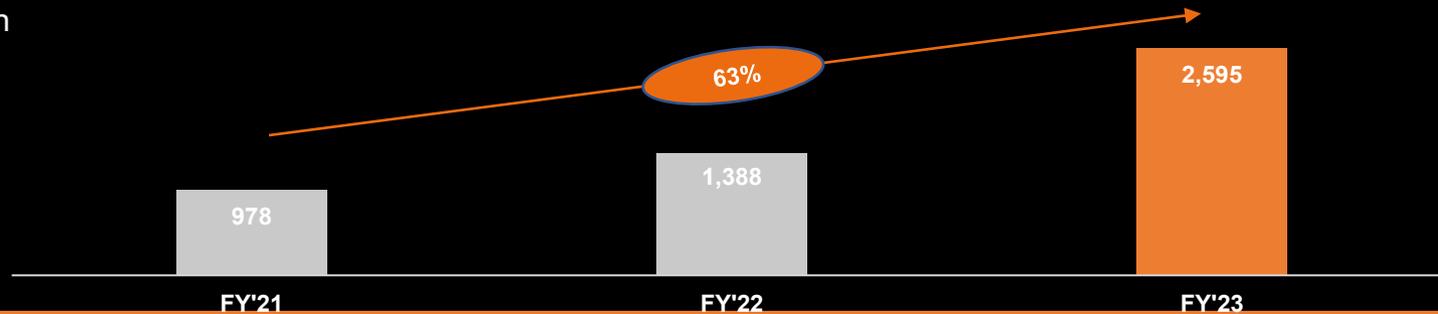
**₦26.7trn** +78% YoY

**Deposits from Customers**

**₦15.3trn** + 66% YoY

## Gross Revenues

N'bn

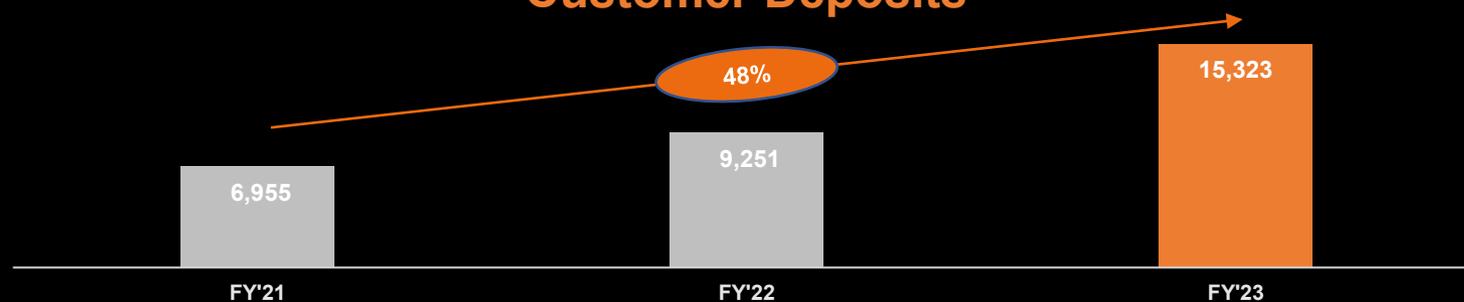


### Performance Highlights

- Access Holdings Plc (“The Group”) has released its audited Consolidated and Separate Financial Statements for the year ended December 31, 2023, to the Nigerian Exchange Group (NGX).
- **Gross Earnings** grew by **87.0%** year on year to **₦2.59 trillion** from **₦1.38 trillion** in 2022. The increase was from interest income which grew by **100%** year-on-year and non-interest income (**67.9%** year on-year growth). Growth in interest income reflects a higher yield environment, supported by a **62%** year-on-year expansion in earning assets. Improvement in non-interest income was from growth in related key income lines (**trading income, fees & commissions, E-business income**) and increased volume of transactions across our expanding retail network and digital channels.
- **Net interest income** increased by **93.5%** year on year to **₦695.4 billion** from **₦359.6 billion** in 2022. Yield on earning assets increased to **12.8%** in 2023 from **9.2%** in 2022.
- Operating expenses increased by **38.9%** year on year to **₦697.5 billion**, reflective of the operating environment as headline inflation in Nigeria **closed at 29.82% for December 2023 compared to 21.34% in December 2022**. We also saw higher levels of inflation across many countries we operate in, in 2023.

## Customer Deposits

N'bn



### Performance Highlights

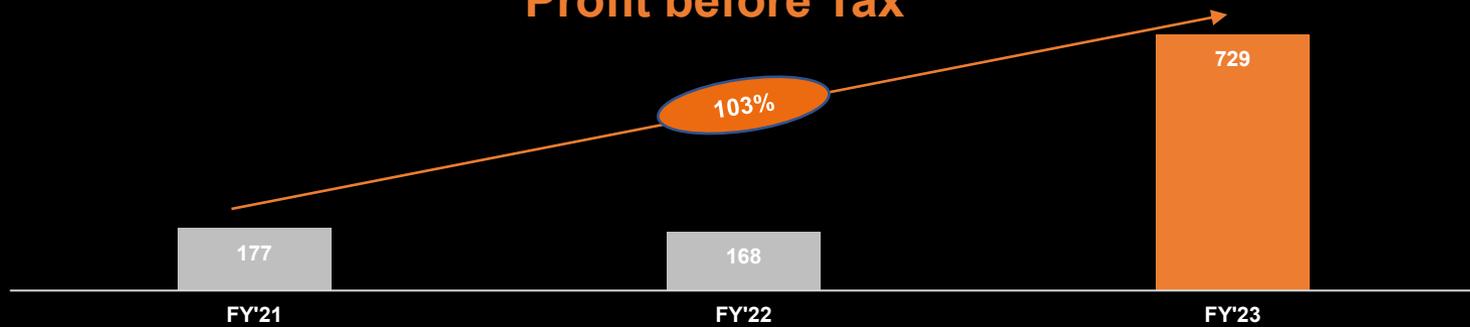
- Staff Cost (cost of living adjustment), Regulatory Charges (NDIC and AMCON), IT and Infrastructure spend (to replace legacy systems) were the key drivers responsible for growth in operating expenses in 2023. However, cost-to-income ratio improved to **44.6%**, compared to **57.9%** in 2022 from growth in revenue, in addition to various cost optimization initiatives implemented across the Group.
- Customer Deposits increased by **65.6%** year on year to **₦15.3 trillion** from **₦9.3 trillion** in 2022, driven by a combined growth of **75% in demand deposits** and **47% in savings accounts**. Tenored deposits also grew year on year as we proactively locked in rates.
- Loans & Advances increased by **60.5%** year on year to **₦8.9 trillion** from **₦5.6 trillion** in 2022. Non-performing loan ratio (NPL) improved to **2.8%** from **3.2%** in 2022.
- Shareholder funds closed at **₦2.18 trillion** in 2023, which was a **77.5%** growth from FY 2022 position of **₦1.23 trillion**.

### Regulatory Ratios

- Regulatory ratios improved year on year and are above their minimum regulatory thresholds with Capital Adequacy Ratios for the Access Holdings and Access Bank at **19.01%** and **21.09%** respectively.
- Liquidity Ratio: **51.8%** with sufficient buffers above the regulatory threshold.

## Profit before Tax

N'bn



### Strategic Updates for Banking Group Subsidiaries (Africa and International)

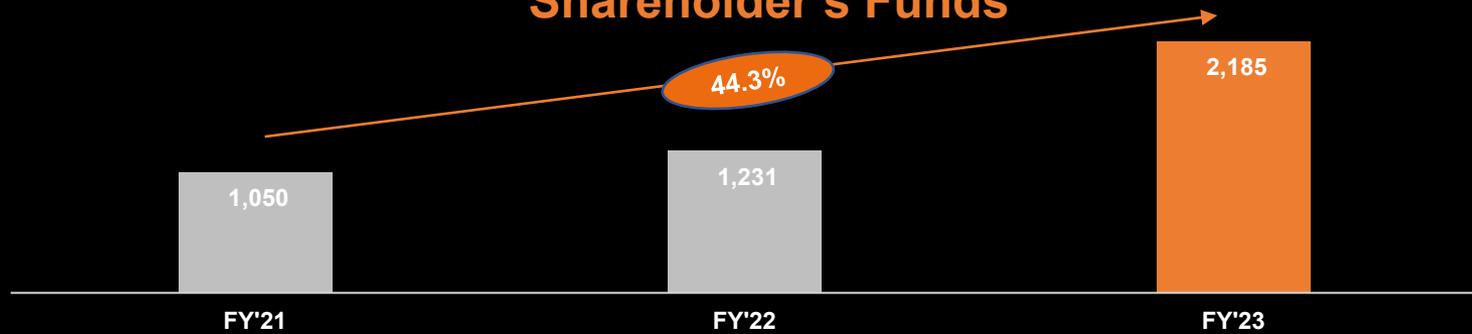
- **The Banking Group** sustained good performance across most key growth metrics. Net interest income increased by 99.7% to ₦716.6 billion from ₦358.8 billion in 2022.
- Net fee and commission income grew to ₦194.7 billion in 2023, a 36% improvement from the 2022 FY position of ₦143.6 billion.
- **The Banking Group subsidiaries (Africa and International)** contributed 27% to the overall Group Profit before Tax (PBT). Banking Group subsidiaries contributed operating income of ₦417 billion to the Banking Group which is a 109% increase from 2022 position of ₦199.2 billion.

### Strategic Updates for Non-Banking Verticals

- **Access Pensions Limited** achieved a 75% growth in gross revenues (₦12.3 billion). Fee income grew by 67% to ₦10.7 billion, compared to ₦6.4 billion in 2022) and investment income closed at ₦1.6 billion in 2023 (compared to ₦636 million in 2022).
- Despite a high inflationary environment, a focused cost discipline approach contributed to a 72% expansion in pre-tax profits of N5.7 billion, with net income at NGN3.8 billion (up 71% from 2022).
- In 2023, **Hydrogen** Payment services posted an operating income of ₦2.1 billion and a PBT of ₦161 million. The payment subsidiary also increased the scope of operations to cover the 36 states in Nigeria, achieved a 540% growth in transaction value on POS terminals and crossed over ₦11 trillion in transaction value processed on the Hydrogen switching platform.

## Shareholder's Funds

N'bn



### In 2023, the Banking Group and Non-Banking Subsidiaries also expanded their footprint and franchise

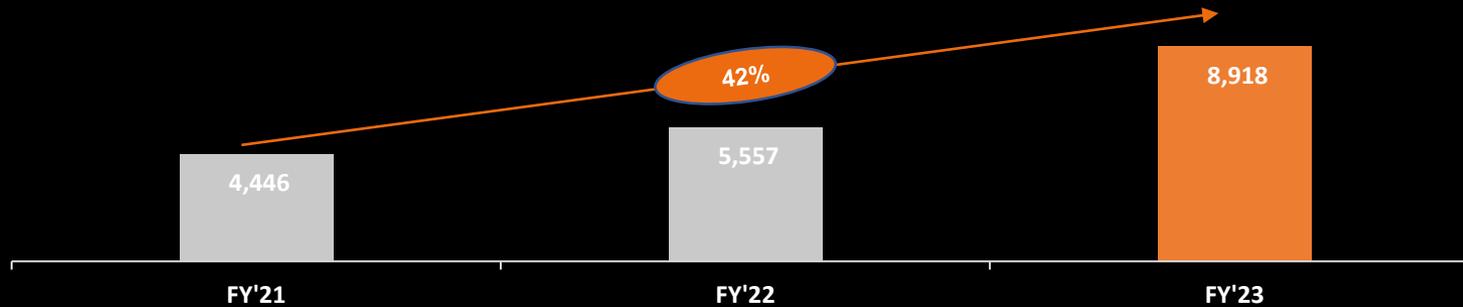
- Access Holdings Plc completed the US\$300mn Capital Investment Facility into Access Banking Group.
- Access Bank UK opened a branch in Paris and received regulatory approval to commence operations in Hong Kong.
- Access Bank acquired 99.8% shareholding in Finibanco Angola S.A.
- Access Bank signed the share purchase agreement to acquire majority shareholding in select Standard Chartered Bank in Africa. (Angola, Cameroon, The Gambia, Sierra Leone, and its Consumer, Private & Business Banking businesses in Tanzania).
- Access Holdings Plc completed the acquisition of Megatech Insurance.

The Group has proposed a final dividend of **₦1.80 kobo per share**, bringing the total dividend payment for the 2023 financial year to **₦2.10 kobo per share** with a total value of **₦74.6 billion**.

Starting in the second half of 2024, our **Africa and International expansion** strategy would, in line with the institution's five-year plan, enter the consolidation and efficiency phase towards accelerating the attainment of our 2027 strategic objectives.

# Loans and Advances

N'bn



## Financial Information – Consolidated View

Income Statement (in millions of Naira)	FY'23	FY'22	Δ
Gross Earnings	2,594,739	1,387,911	87.0%
Interest Income	1,654,348	827,265	100.0%
Net Interest Income	695,360	359,431	93.5%
Non-Interest Income	940,391	560,646	67.7%
Operating Income	1,565,146	867,712	80.4%
Operating Expenses	697,531	502,359	38.9%
Impairment Charges	(139,528)	(197,790)	29.5%
Profit Before Tax	729,001	167,680	334.8%
Balance Sheet (in billions of Naira)	Dec'23	Dec'22	Δ
Loans and Advances	8,918,258	5,556,516	60.5%
Total Assets	26,685,865	14,998,401	77.9%
Customer Deposits	15,322,753	9,251,238	65.6%
Shareholders' Fund	2,185,616	1,231,392	77.5%
Assets Under Management	1,109,000	896,000	23.8%
Key Ratios	FY'23	FY'22	Δ
Return on Average Equity (%)	36.2%	13.3%	22.9
Return on Average Assets (%)	3.0%	1.1%	1.8
Net Interest Margin (%)	5.4%	4.0%	1.4
Cost of Funds (%)	5.4%	4.1%	1.4
Yield on Assets (%)	12.8%	9.2%	3.6
Cost-to-Income Ratio (%)	44.6%	57.9%	13.3

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