

# H1 '2024

## HIGHLIGHTS





# Access Holdings Plc

## H1 '2024 Highlights

### Gross Revenue

**N2.2trn**  
+133.5% YoY

### Profit Before Tax

**N349bn**  
+108.2% YoY

### Non-Performing Loans

**2.7%**  
0.1% YoY

### Cost to Income Ratio

**60.4%**  
0.3% YoY

### Total Assets

**N36.6trn** +37.1% YoY

### AUM for Pensions business

**\*N2.9trn** +162% YoY

### Customer Deposits

**N20.1trn** +31.3% YoY

### Total Payment Volume (Hydrogen Payments)

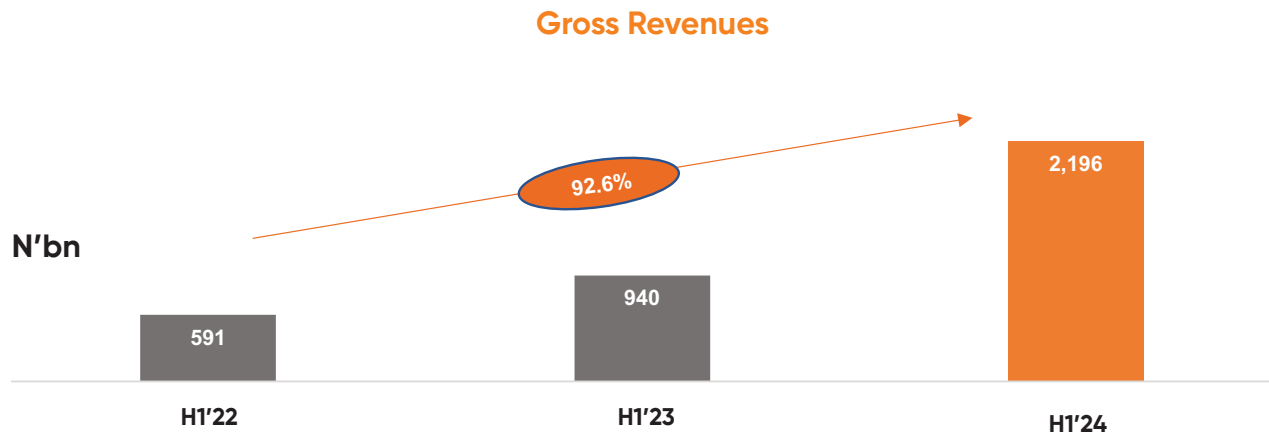
**N13.8trn** +306% YoY

### Loans and Advances

**N12.2trn** +37.6% YoY

### Gross Written Premium (Access Insurance)

**N5.9trn** +157% YoY



## PERFORMANCE HIGHLIGHTS

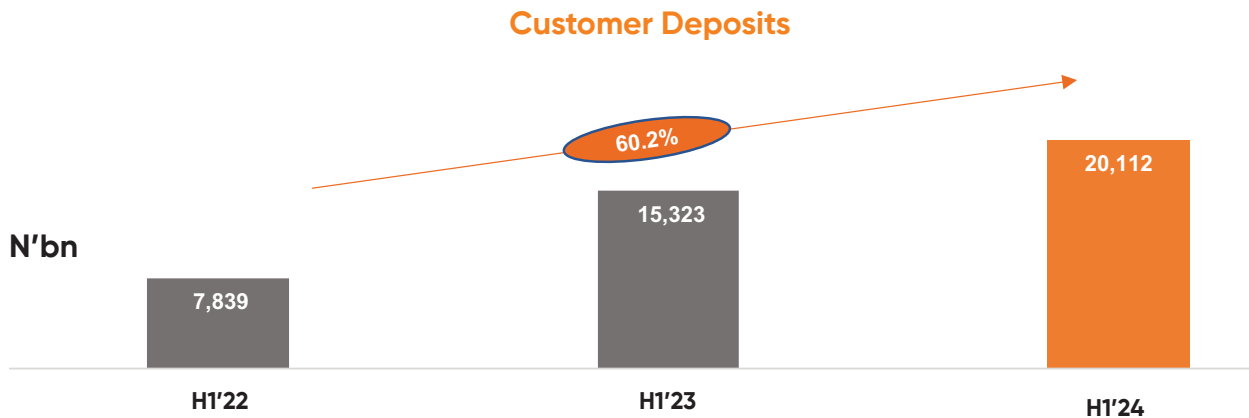
Access Holdings Plc (Bloomberg: ACCESSCO), a leading global financial institution, announced its half-year audited financial results for the period ended 30 June 2024. The results underscore the company's continued resilience, focus on delivering sustainable performance and commitment to creating long-term value for shareholders.

Access Holdings Plc demonstrated strong performance across all key balance sheet indicators and continues to maintain a well-structured, healthy, and diversified financial position. This is evident in the resilient half year results from the banking franchise operating in twenty-two markets across four continents and the non-banking subsidiaries including Access Pensions, Hydrogen Payments, and Access Insurance Brokers.

In half year 2024, total assets and shareholders' equity stood at **₦36.5 trillion** and **₦2.8 trillion**, respectively. This represents a year to date of growth of **37.1%** and **29.8%**, respectively. Customer deposits increased by **31.3%**, from **₦15.3 trillion** in December 2023 to **₦20.1 trillion** by half year 2024. Gross loans and advances also saw an increase of **37.6%**, growing from **₦8.9 trillion** in December 2023 to **₦12.3 trillion** by half year 2024, from organic loan growth and the impact of foreign currency-denominated loans.

Access Holdings reported triple-digit growth across all profitability metrics, with gross revenue rising by **133.5%** year-on-year, from **₦940 billion** in half year 2023 to **₦2.2 trillion** in half year 2024. This increase was supported by higher interest and non-interest earnings in the period. Interest income surpassed the **₦1 trillion** mark, from the expansion of risk assets and effective pricing, leading to a **142%** growth from **₦606.8 billion** in half year 2023 to **₦1.47 trillion** by half year 2024. Non-interest income also grew by **117%**, rising from **₦333.4 billion** in half year 2023 to **₦723.6 billion** in half year 2024.

Profit before tax increased by **108.2%** year-on-year, from **₦167.6 billion** in half year 2023 to **₦348.97 billion** in half year 2024, while profit after tax rose by **107.7%**, from **₦135.4 billion** to **₦281.3 billion** over the same period. This resulted in a **103%** growth in earnings per share (EPS), which increased from **₦3.74** in half year 2023 to **₦7.58** in half year 2024.



## PERFORMANCE HIGHLIGHTS

Cost-to-income ratio (CIR) remained relatively flat at 60.4% in half year 2024 despite double digit growth in inflation and devaluation in the same period. Cost to income was moderated as revenue outpaced operating expenses. The increase in operating expenses was primarily from ongoing IT upgrade and integration, double-digit growth in AMCON levy and NDIC premium which increased by 63.1% and 37%, respectively, and will normalize in the second half of the year, inflation-related cost-of-living adjustments, higher energy expenses, and the currency conversion impact of subsidiaries' operating costs.

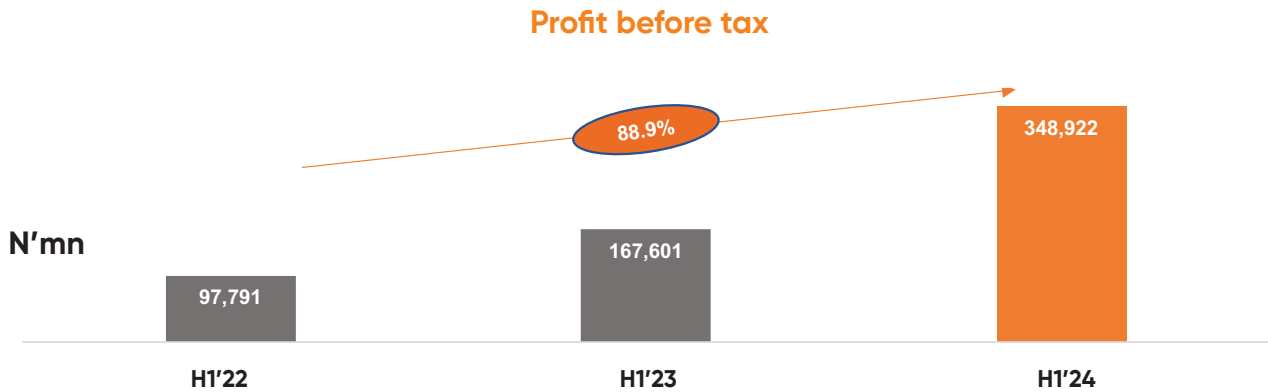
To maximize value for our shareholders, Access Holdings Plc has declared an interim dividend of 45 kobo per share (half year 2023, 30 Kobo), representing a 50% increase in dividend payout.

## BANKING GROUP PERFORMANCE

Despite the challenging operating environment and tight monetary policy stance, Access Banking Group recorded strong year-on-year growth across all performance metrics, with Interest and non-interest income contributed significantly to gross earnings. Net interest income grew by 131% from ₦232.2 billion in half year 2023 to ₦536.7 billion in half year 2024. Fees and commissions increased by 94% year on year from ₦119.8 billion to ₦232.5 billion from higher transaction volumes on our digital channels, credit related fees and card payments.

The Banking Group subsidiaries contributed 55% to the Group's Profit Before Tax (PBT), demonstrating the significant impact of their operations and growing importance in driving overall profitability. Year-on-year, their PBT performance grew by 218% from ₦63.3 billion to ₦201.7 billion.

As part of our ongoing strategic expansion beyond Nigeria, we have successfully completed the full integration of the merged entities in Zambia and Tanzania operations. These developments not only enhance our presence in key markets but also create significant value by expanding our customer base, strengthening cross-border banking capabilities, and fostering increased operational efficiency across our subsidiaries.



## REGULATORY RATIOS

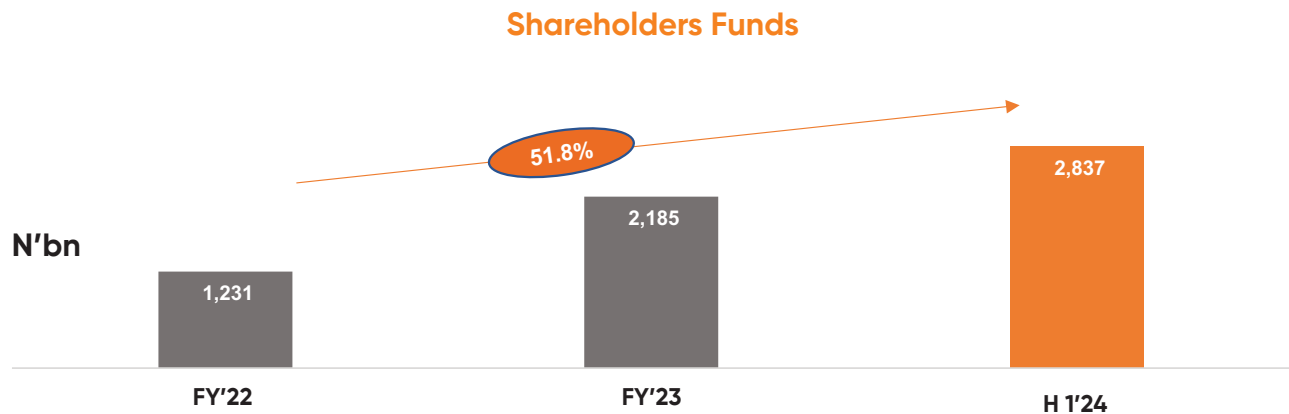
Through our proactive risk management approach, the non-performing loan (NPL) ratio closed at 2.72% in half year 2024, below the regulatory threshold of 5%. Capital Adequacy Ratio (CAR) remained strong at 19.8%. Our loan-to-funding and liquidity ratios also improved to 63.9% and 57.2%, respectively. All prudential ratios exceeded regulatory requirements, underscoring our ability to maintain a robust and liquid balance sheet.

## NON-BANKING SUBSIDIARIES

The operating performance of our non-banking subsidiaries demonstrates a consistent growth trajectory. Access Pensions has achieved a remarkable 162.1% increase in Assets Under Management (AUM), rising from N1.1 trillion in December 2023 to N2.9 trillion in the first half of 2024. This growth is driven by organic expansion in RSA accounts, new mandates, and synergies from the merger with ARM Pensions. As a result, Access Pensions has positioned itself as one of the top two largest pension fund administrators (PFAs) in Nigeria, with over 2.8 million RSA accounts.

Hydrogen Payments achieved a remarkable 1,871% growth in top-line revenue compared to H1 2023, reflecting its exceptional performance and contribution to the profitability of the holding company. The total payment volume (TPV) processed surged by 306%, reaching N13.8 trillion in H1 2024, up from N3.4 trillion in H1 2023. Notably, 90% of these transactions were processed through the Hydrogen switching platform, underscoring its reliability and dependability, particularly for small businesses across Nigeria. The platform's ability to handle large transaction volumes with minimal downtime has significantly improved operational efficiency, contributing to a stronger profit outlook for the group.

Access Insurance Brokers posted significant growth with an 157% increase in gross premiums written and a 60% rise in commission income in the first year of operations. Specifically, gross written premiums surged from N2.3 billion to N5.9 billion by half year 2024.



Our agile execution strategy and customer-centric approach position us as a market leader in Nigeria, while simultaneously enabling us to consolidate market share in existing locations beyond Nigeria and explore opportunities in new geographies under consideration for expansion.

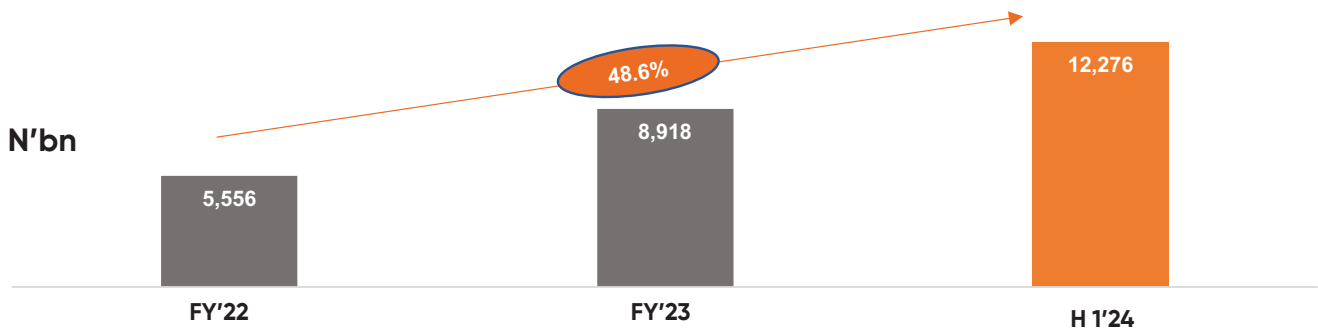
### **OUTLOOK FOR THE REST OF THE YEAR**

Access Holdings remains confident in its ability to surpass the growth momentum achieved in the first half of the year as we look ahead to the second half. Our strategic priorities will remain focused on scaling non-banking segments, expanding our digital footprint, and solidifying our presence in high-growth African and international markets. These are geared towards accelerating revenue diversification and ensuring long-term sustainable value creation for our shareholders.

Furthermore, we are fast-tracking the completion of our technology infrastructure integration and upgrades, which will significantly enhance operational efficiency across the group. This technology transformation will strengthen our digital capabilities, allowing us to deliver superior services to our customers, drive operational synergies, and optimize cost.

Our strategic focus on non-banking segments, digital expansion, and geographic diversification will continue to create lasting value for shareholders, positioning the group to capitalize on emerging opportunities and sustain growth in the long term. We recently concluded our rights issue of N351 billion, and we are awaiting the Central Bank of Nigeria (CBN) capital verification and the Securities and Exchange Commission (SEC) approval for the allotment of rights. We will keep our investors and shareholders informed as we proceed with the exercise.

### Loans and Advances



## FINANCIAL INFORMATION – CONSOLIDATED VIEW

<b>Income Statement (in millions of Naira)</b>	<b>H1'24</b>	<b>H1'23</b>	<b>Δ</b>
Gross Earnings	2,195,736	940,311	133.5%
Interest Income	1,472,123	606,838	142.6%
Net Interest Income	513,391	224,239	128.9%
Non-Interest Income	723,613	333,473	117.0%
Operating Income	1,190,280	520,335	128.8%
Operating Expenses	(719,101)	(315,941)	127.6%
Impairment Charges	(122,738)	(37,175)	230.2%
Profit Before Tax	348,922	167,601	108.2%
<b>Balance Sheet (in millions of Naira)</b>	<b>Jun'24</b>	<b>Dec'23</b>	<b>Δ</b>
Loans and Advances	12,275,727	8,918,258	37.6%
Total Assets	36,596,696	26,688,831	37.1%
Customer Deposits	20,112,294	15,322,754	31.3%
Shareholders' Fund	2,837,426	2,185,634	29.8%
Asset Under Management	2,907,595	1,109,000	162%
<b>Key Ratios</b>	<b>H1'24</b>	<b>H1'23</b>	<b>Δ</b>
Return on Average Equity (%)	24.6%	19.3%	5.3
Return on Average Assets (%)	2.0%	1.6%	0.4
Net Interest Margin (%)	5.1%	3.8%	1.2
Cost of Funds (%)	7.2%	5.0%	2.2
Yield on Assets (%)	14.5%	10.4%	4.2
Cost-to-Income Ratio (%)	60.4%	60.7%	0.3

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**INVESTOR RELATIONS TEAM**

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The Bank assumes no responsibility to update any of the forward-looking statements contained in this document.