



FACTS BEHIND THE FIGURES

2023 HALF YEAR RESULTS



more than banking





1. Overview of
Access Bank

2. Operating
Environment

3. Financial
Results

4. Strategy &
Outlook



1. Overview of Access Bank

Corporate Philosophy

Core Values

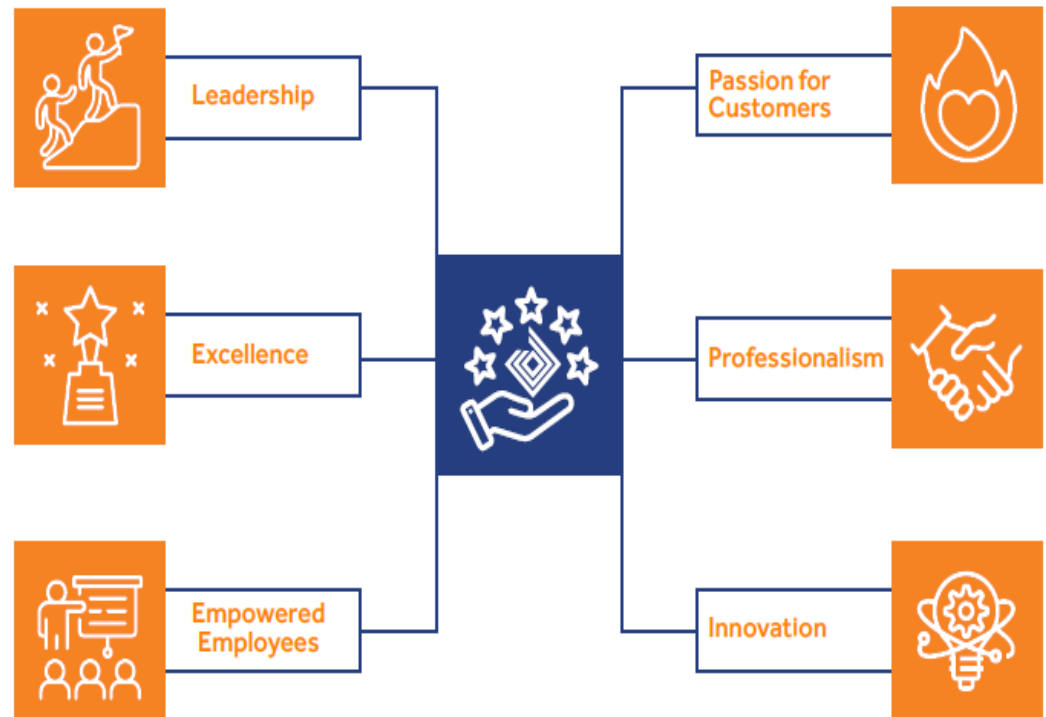


To be the World's most respected African Bank



Setting standards for sustainable business practices that unleash the talent of our employees, deliver superior value to customers and provide innovative solutions for the market and communities we serve

At Access bank, our values play a vital role in our decision-making processes. Our culture is defined by a set of values which give us a unique identity and drive us to deliver on our promise to our customers and stakeholders.



At Access Bank, we are in the business of impacting lives positively

- Present on **3 continents** (Africa, Europe & Asia).
- Across **17 countries** including UK, UAE, China, India and Lebanon.
- First Nigerian bank to acquire commercial banking license to operate in the UK



2022/23 - Cameroon; Angola; Access UK- Paris Office

We are providing services across Africa through



700+
branches
& service outlets



2883+
ATMS



180,000+
POS



180,000+
Agents

We are here for the long haul



We lead the charge for sustainable business practices



2021

- Outstanding Business Sustainability Achievement - Karlsruhe Sustainable Finance Awards
- Sustainability Award, Pan-Africa - EMEA Finance African Banking Awards
- Best CSR project (Fist Against Fistula) by Sustainability & Social Investment (SSI) Awards

2022

- Best CSR Bank - The Global Brands Magazine Awards.
- Best Corporate Social Responsibility (CSR) - Euromoney ranking
- Project of the year (Health) for the Bank's Fistula project and Best Company in Financial Inclusion & Literacy Project - Sustainability and Social Investment (SSI)

Ghana is alive not only with potential but with an unwavering faith that we should, we can, and we will succeed.

But until then, Access Bank is here to stay through thick and thin.

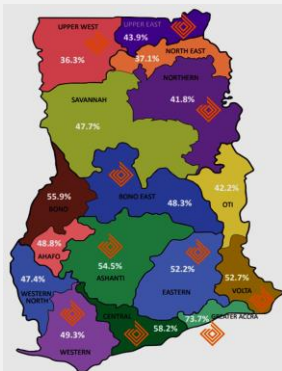
Access Bank Ghana Profile



Geographic Diversification

1.8m+
Customers

52
Branches



Digital Channels

502



POS

104



ATMs

1200+



Agents

Financial Performance

¢1.02bn

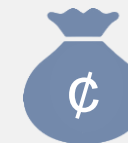


Revenue



¢514m

Profit Before Tax



¢1.3bn

Shareholders' Fund

10%

ROA

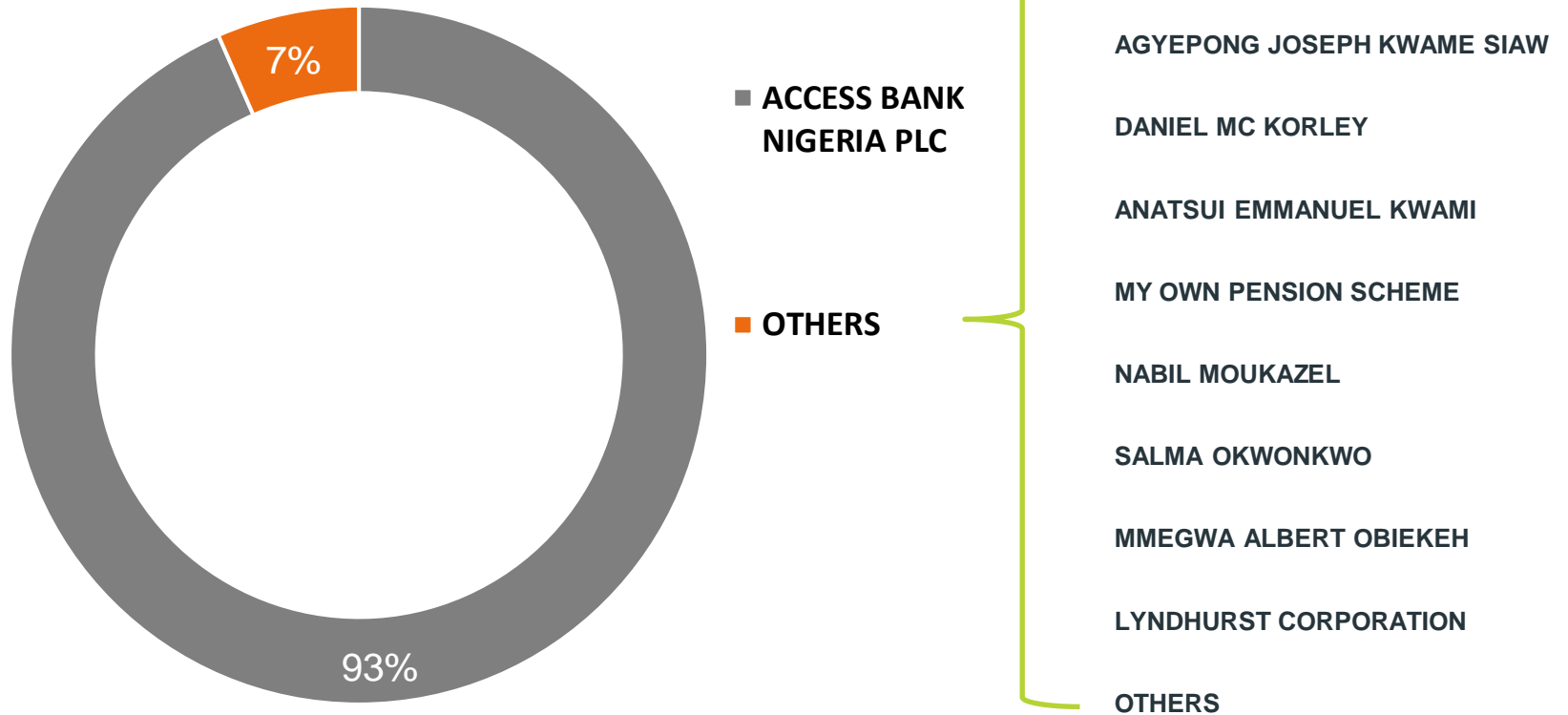


76%

ROAE



Ownership Structure



Management



Olumide Olatunji
Managing Director



Pearl Nkrumah
Executive Director



James Adentwi Bruce
Executive Director



Adesipe Ologun
Chief Operations Officer



Kafui Bimpe
Head, Business Banking



Matilda Asante-Asiedu
Head, Retail Banking



Angela Chinyere Okugo
Head, Commercial Banking



Michael Gyabaah
Chief Finance Officer

Management



Franklin Ayensu-Nyarko
Head, Treasury



Emmanuel Morka
Chief Information Officer



Nana Adu Kyeremateng
Head, Human Resources



Kenneth Abudu
Head, Internal Audit



Kwadwo Adusei Addai
Head, Risk Management



William Brew
Head, Conduct & Compliance



Andrea Dumfeh
Head, Legal



Helen DeCardi Nelson
Company Secretary



International Partners



J.P.Morgan



Volkswagen







Global Awards

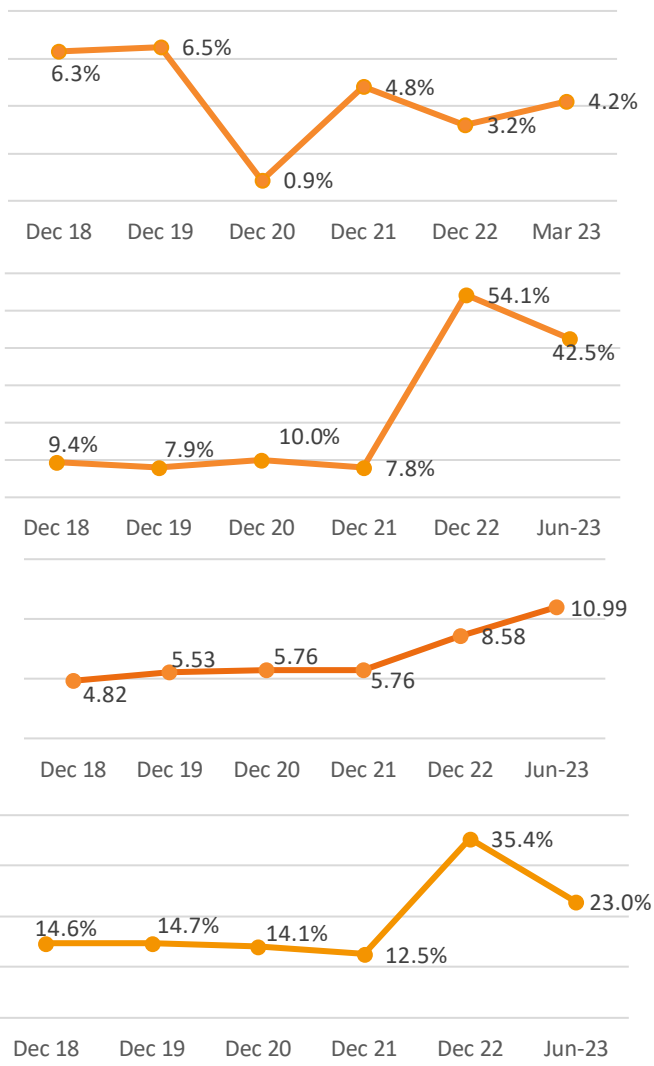
- ◆ 2023 Best Bank by Euromoney Awards
- ◆ 2023 Best Bank by Global Finance Awards
- ◆ World Economic Magazine Awards:
 - Best CSR Bank 2023
 - Best SME Bank Ghana 2023
 - Most Innovative Retail Bank Ghana 2023
 - Best Bank for Women Entrepreneurs Ghana 2023
- ◆ Global Brands Magazine:
 - Best Retail Bank Ghana
 - Best SME Banking Brand Ghana
 - Best Banking Brand Ghana
- ◆ 2023 Best CSR Retail Bank Ghana by Finance Derivative Award



2. Operating Environment

Economic Review - Ghana

- 
GDP growth rate, %
- 
Inflation rate %
- 
USD/GHS
- 
91-Days T-bills rate, %



GDP growth rate increased from 3.2% in December 2022 to 4.2% in March 2023. The economy is expected to grow by 1.5% at the end of 2023.

Year on year inflation grew from 8% in December 2021 to 54% in December 2022. The rate however declined to 42% in June 2023 as a result of a slowdown in food inflation.

The Cedi depreciated by 30% against the USD from GHS5.76 to GHS8.58 in December 2022. It has further depreciated by 22% to GHS10.99 as at June 2023.

The 91days T-bill rate increased to 35.4% in December 2022 due to government's effort to mobilize funds locally to meet its expenditure. The rate declined to 23% as at June 2023.

Source: Ghana statistical service and AFDB websites

Industry Overview

Assets	Loans and Advances	Deposits
GHS242bn The industry's total assets grew by 10% from GHS221bn at the end of 2022 to GHS242bn in H1 2023.	GHS73bn Total Loans and advances recorded a 4% increment from GHS70bn in Dec 2022 to GHS73bn as at June 2023.	GHS188bn Customer deposits grew by 19% from GHS158bn in December 2022 to GHS188bn in June 2023 .
Profit Before Tax	Capital Adequacy Ratio	NPL Ratio
GHS6.8bn PBT has seen a 48% increment from GHS4.5bn in June 2022 to GHS6.8bn in June 2023.	14.3% The industry's capital adequacy averaged 14.3% as at June 2023. This is a 14% decline from 16.6% in Dec 2022. Decline due to acc. losses from 2022	18.7% Non-performing loans stood at 18.7% of total loans as at June 2023. A 26% increment from 14.8% in December 2022



Source: Bank of Ghana monetary policy report: Summary of Economic Data



3. Financial Results

2022 FY - Summary Performance



Income Statement	Dec 2022 GHS'000	Dec 2021 GHS'000	Change%
Net Interest Income	534,892	461,115	16%
Net fee and commission	116,805	52,587	122%
Net trading income	469,680	304,553	54%
Impairment	(1,264,063)	(104,228)	1113%
Other operating income	29,402	13,580	117%
Net Operating Income	(113,284)	727,607	-116%
Personnel expenses	(143,664)	(89,356)	61%
Other Expenses	(183,652)	(137,345)	34%
Profit Before Tax	(440,600)	500,906	-188%
Profit After Tax	(338,135)	321,578	-205%

The Bank made a loss of GHS441m in 2022 from a profit before tax of GHS501m in 2021 as a result of the Government's Domestic Debt Exchange Program (DDEP).

The DDEP resulted in an impairment charge on investment securities of GHS1,217m constituting 96% of total provisions for the year. Again, the Bank saw a 11% decline in the book value of its investment securities from GHS4.7bn (Gross:GH4.7bn) in 2021 to GHS4.2bn (Gross:GHS5.3bn) in 2022.

Balance Sheet

Total Assets	10,057,221	7,455,421	35%
Loans and Advances	1,640,650	1,166,868	41%
Deposits	7,398,646	4,622,976	60%
Investment securities	4,228,166	4,757,729	-11%
Shareholders Funds	1,014,203	1,362,569	-26%

Despite the impact of the DDEP the bank recorded a strong performance with a 122% growth in Net fee and commission and a 54% increase in net trading income. Total Assets also increased by 35% from GHS7.5bn in 2021 to GHS 10bn in 2022.

2023 H1 - Financial Highlights

Profitability



	June'23 GHS'000	June'22 GHS'000	Change	
Gross Earnings	1,025,214	622,065	65%	●
Net Interest Income	262,947	272,348	-3%	●
Operating Income	710,339	434,058	64%	●
Profit Before Tax	514,200	310,837	65%	●
Profit After Tax	334,230	202,044	65%	●

Balance Sheet

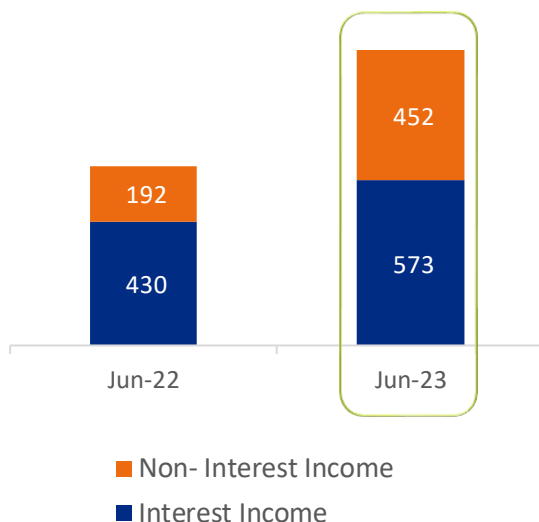


Total Assets	10,368,909	8,692,243	19%	●
Loans and Advances	2,007,924	1,565,821	28%	●
Deposits	7,340,784	4,779,591	54%	●
Total Liabilities	9,020,477	7,127,630	27%	●
Shareholders Funds	1,348,432	1,564,613	-14%	●

Revenue

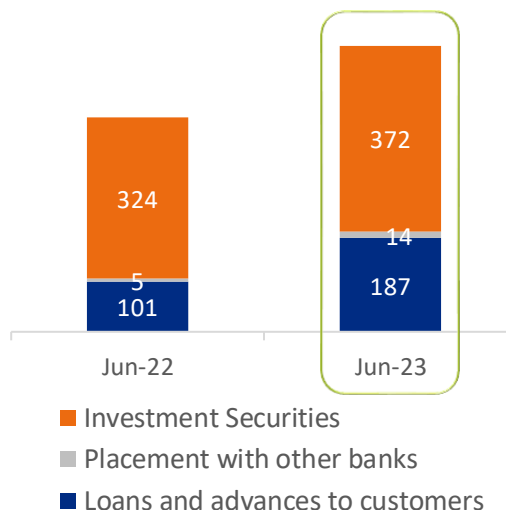


Gross Earnings (GHS'm)



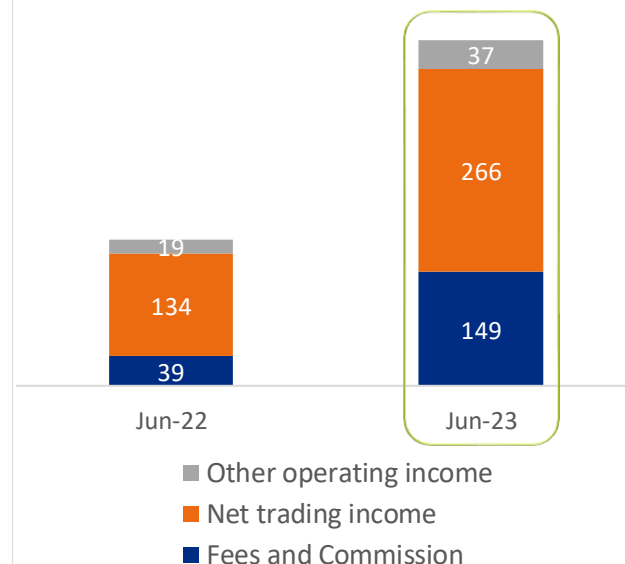
65% yoy growth in Gross earnings was a result of significant growth of non-interest income specifically fees & commission and net trading income

Interest Income (GHS'm)



Interest income grew by 33% yoy owing to growth in Loans and advances. However, this got eroded by high interest rates on deposits leading to a decline in net interest income(-3% decline, H1'22 : GHS272m, H1'23 : GHS263.)

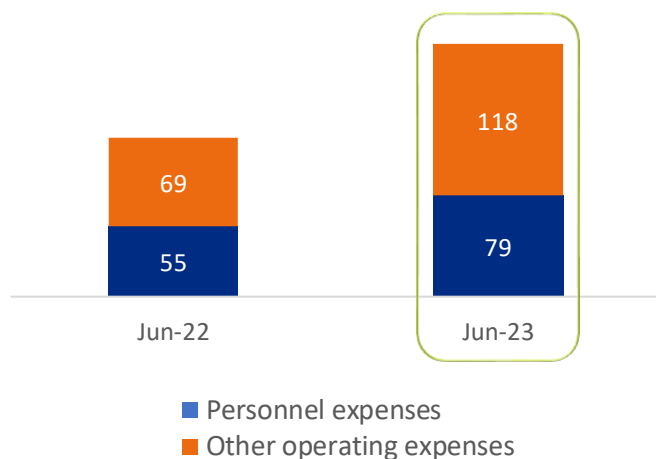
Non Interest Income (GHS'm)



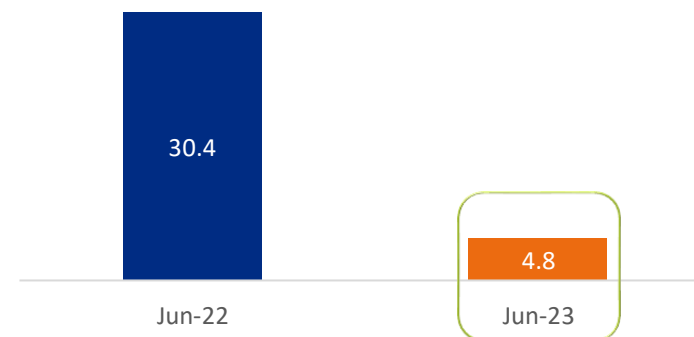
Net fees & Commission grew by 279% from GHS39m to GHS149m in June 2023. This growth can be attributed to the creation of quality risk assets. Increased treasury activities also resulted in 99% growth in trading income.

Expenses and Impairment

Expenses (GHS'm)



Net impairment loss on financial assets (GHS'm)

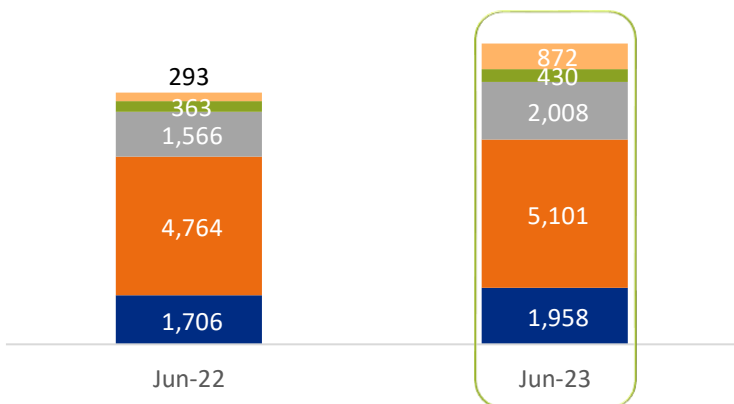


Increase in staff emolument to cushion staff against the economic hardship led to a 44% growth in personnel expenses. Again high inflation and depreciation of the cedi against major currencies (USD, GBP, Euro) resulted in 71% growth in other operating expenses

Impairment as at June'23 remains low at GHS4.8m from GHS30.4m in June'22.

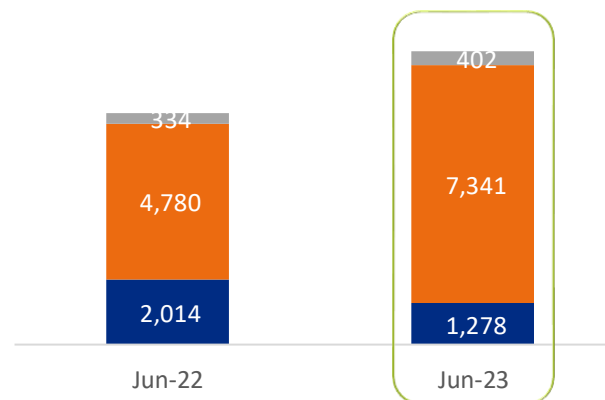
Balance Sheet

Assets Mix (GHS'm)



- Cash and cash equivalents
- Loans and advances
- Other assets
- Investment securities
- PPE & Intangibles

Liabilities (GHS'm)



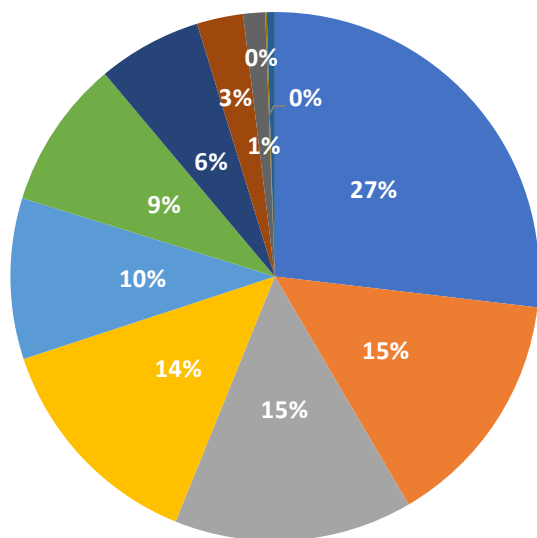
- Other liabilities
- Borrowings/takings
- Deposits from customers

As at June'23 assets totaled GHs10bn, a year on year growth of 19% from GHS8.7bn in June'22. This is mainly from a 28% growth in Loans from GHS 4.7bn in H1'22 to GHS5.1bn in H1'23

Aggressive deposit mobilization efforts led to a 54%yoy growth in customer deposits. Total liabilities grew by 27% from GHS7bn in June'22 to GHS9bn in June'23.

Loan Analysis

Gross Loans by sector



	June' 23	June' 22
GENERAL COMMERCE	26.9%	14.4%
AGRICULTURE & Cocoa Trading	14.7%	14.8%
PUBLIC SECTOR	14.6%	9.3%
CONSTRUCTION, CONTRACTORS & REAL ESTATE	13.8%	25.6%
MANUFACTURING	9.8%	12.6%
TRANSPORTATION & COMMUNICATION	9.1%	7.9%
SERVICES	6.4%	5.2%
RETAIL	2.8%	1.4%
ENERGY, OIL & GAS	1.3%	7.7%
FINANCIAL INSTITUTION	0.1%	0.2%
OTHERS	0.5%	0.8%

Gross Loans by Currency Type

GHS'm	June' 22	%	June' 23	%
FCY	399	23%	524	25%
LCY	1,350	77%	1,556	75%
Total	1,749		2,080	

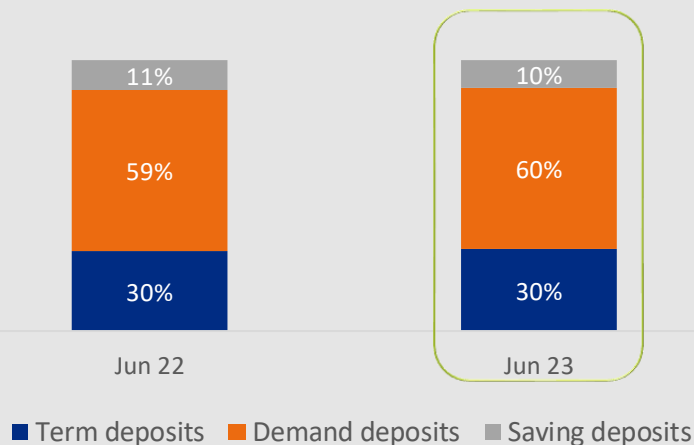
The Bank's loans are spread across various sectors in order to mitigate concentration risk.

A significant portion of 26.9% of total gross loans sits with General Commerce followed by the Agriculture & Cocoa Trading with 14.7%

The proportion of FCY loans increased from 23% in June'22 to 25% in June '23

Deposit Analysis

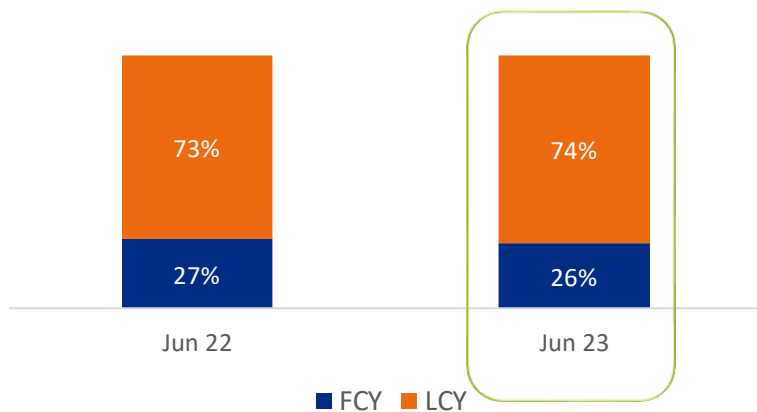
Deposits Type



The composition of the bank's deposit remained stable between June'22 and June'23.

GHS'm	June' 22	June' 23	Change
Term deposits	1,419	2,218	56%
Demand deposits	2,833	4,370	54%
Saving deposits	527	753	43%
Total	4,779	7,341	54%

Deposits Mix

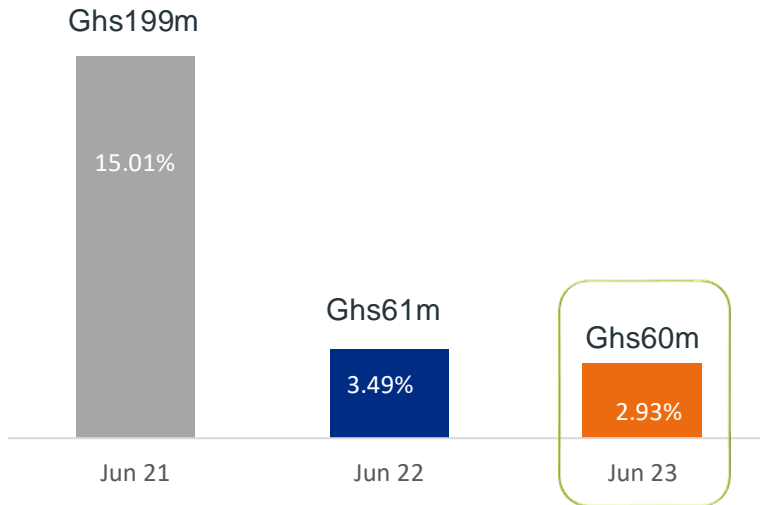


74% of the Customer deposits was local currency with 26% foreign currency in June'23.

GHS'm	June' 22	June' 23	Change
FCY	1,295	1,893	46%
LCY	3,484	5,448	56%
Total	4,779	7,341	54%

Asset Quality

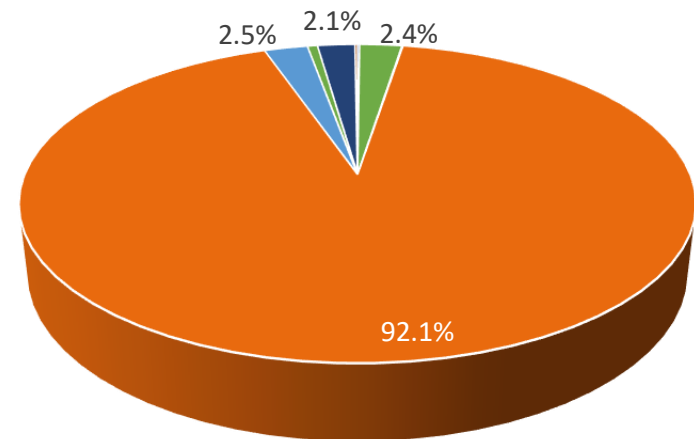
NPL Ratio



NPL remained stable yoy due to robust credit processes. This led to a marginal decline in the NPL ratio from 3.49% to 2.93% in June'23 as a result of growth in gross loans from GHS1.749m in June'22 to GHS2.080m in June'23

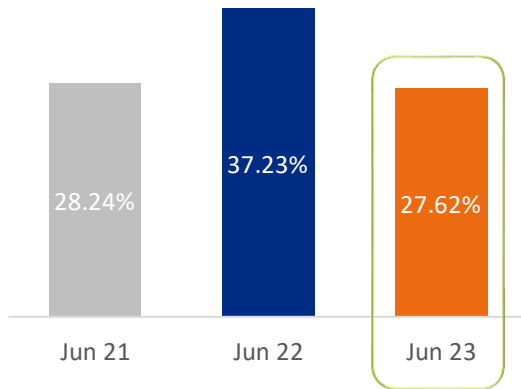
NPL by Sector

	June' 22	June' 23
AGRICULTURE	1%	0.1%
COCOA TRADING	-	2.4%
CONSTRUCTION & REAL ESTATE	-	0.1%
GENERAL COMMERCE	30%	92.1%
RETAIL	-	2.5%
SERVICES	-	0.6%
TRANSPORTATION	-	2.1%
MANUFACTURING	45%	-
ENERGY, OIL AND GAS	23%	-
OTHERS	0.03%	0.1%



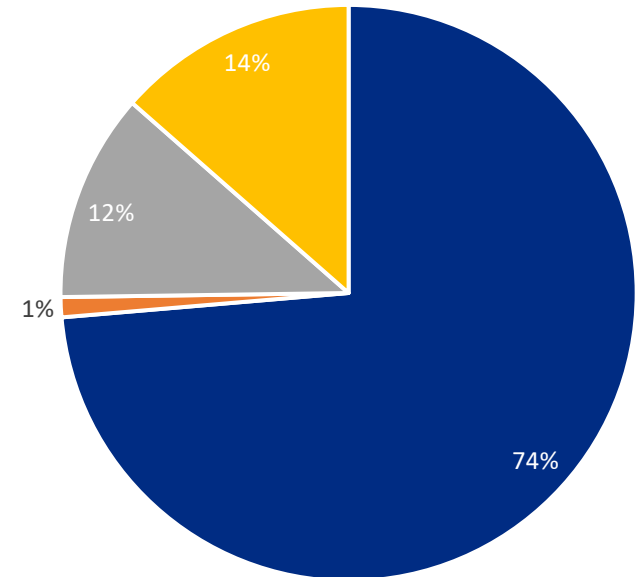
Capital and Liquidity

Capital Adequacy Ratio



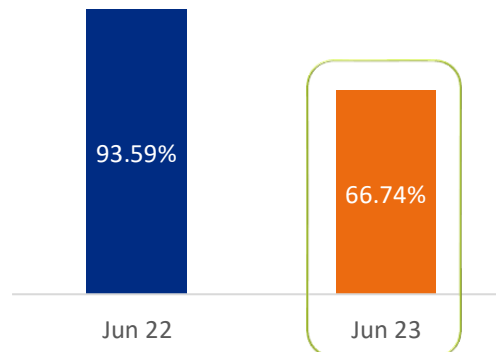
Year on Year, Capital adequacy ratio declined to 27.62% in June'23 from 37.23% in June' 22 as a result of the loss made in FY 2022. However, the ratio remains above the regulatory minimum of 10%.

Funding Mix



Liquidity ratio declined by 40% to 66.74% in June'23. Decline in the bank's liquidity ratio has been as a result of the change in maturities of government bonds affected by the DDEP.

Liquidity Ratio



GHS'm	June' 22	June' 23
Customer Deposits	4,780	7,341
Deposits from banks	909	112
Borrowings	1,106	1,166
Equity	1,565	1,348



4. Strategy and Outlook

Our Retail Strategy



01

DIGITAL TO THE CORE

Re-imaging and transforming customer experience by

- ✓ Enabling an omni channel approach to all customer journey points
- ✓ This helps reduce the cost to serve and enhance revenue lines

02

CUSTOMER EXPERIENCE/RETENTION

- ✓ Increase customer product holding (3 per customer)
- ✓ Segment Focus activities/propositions
- ✓ Establishing a recency frequency model to enhance RO-customer engagements

03

SCALE & GROWTH

- ✓ Grow our HNI and Affluent segment to contribute 60% of PBT
- ✓ Grow our Mass Retail and Financial Inclusion

04

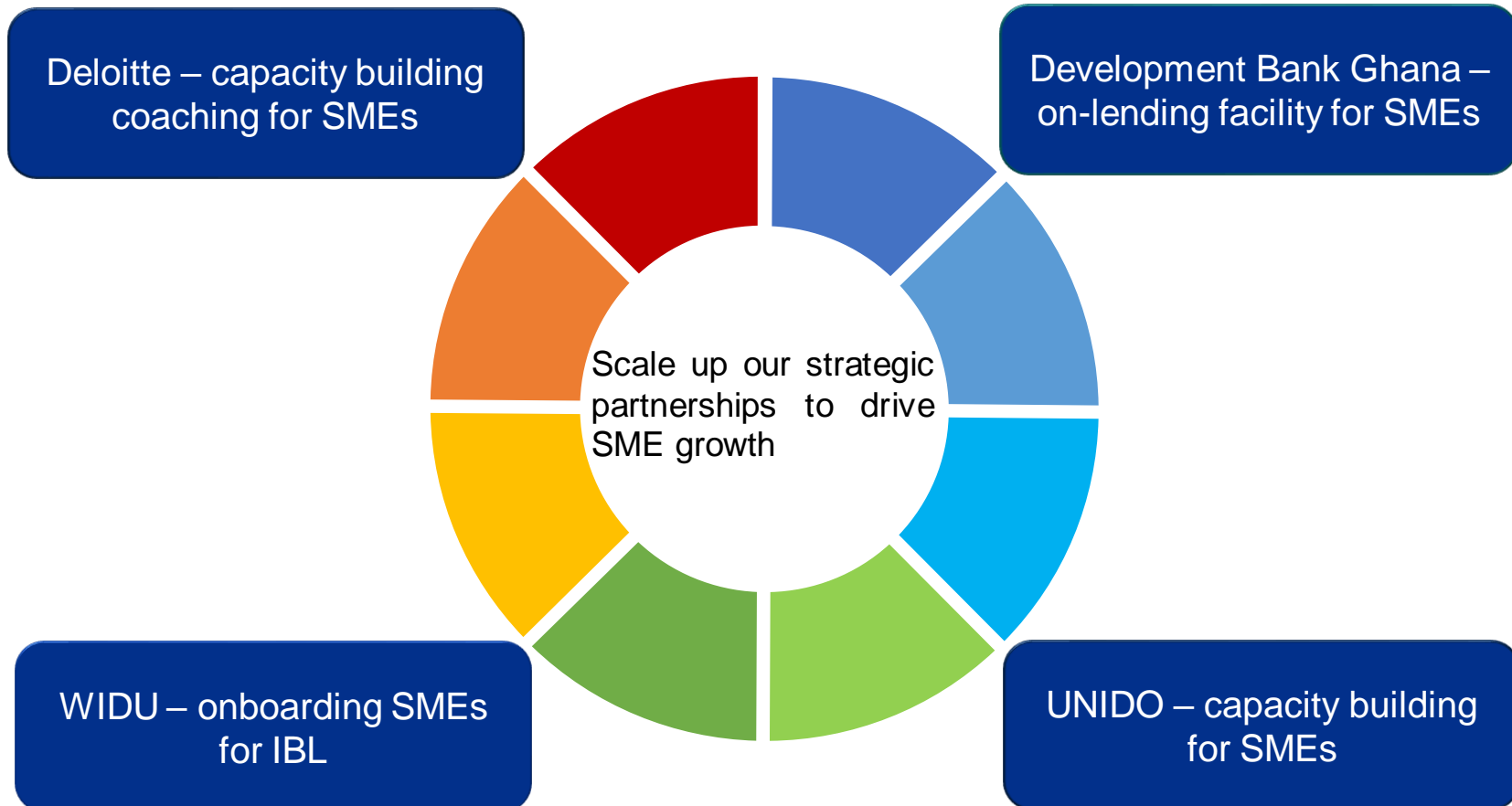
PARTNERSHIPS & PROGRAMS

- ✓ Leveraging on strategic partnerships to scale up business
- ✓ Enhance customer base retention and growth
- ✓ Our ambition to drive partnership is based on the DFV business model for profitability

Increase footprint in the SME Space...



Grow SME deposits and lending through savings, investment products, e-commerce platforms, credit programs, instant business loans and SME support activities.



Wholesale Consolidation



Leverage on trade expertise to deepen relationship with corporate clients ...

Commercialize tax & utility collection capability offerings – ghana.gov ecommerce

1

Organize Distributor Forums for Various Industries

2

Development of industry solutions for different verticals i.e. develop a seamless, efficient collection and payment tools

3

DCPs/PPs for the following

- Invoice Discounting
- Selected FMCG
- Trade Business

4



Improve Asset Quality

- Deploy proactive risk management approaches to ensure continuous improvement in asset quality position



Increase Transaction Banking Income

- Migrate our customers to alternative channels
- Create strong awareness of our flagship retail products



Retail deposit growth

- Intensify low-cost deposit drive to reduce funding costs, thereby enhancing liquidity and margins



Optimize Operational Efficiency

- Enhance productivity across our branches and staff
- Extract value from existing accounts



Cost Management

- Improve operating efficiency by aggressively executing strategic cost saving initiatives

2023 Outlook – H2

Return on Equity > **80%**
H1 2023: 76%

Return on Assets > **10%**
H1 2023: 10%

Cost to Income Ratio < **35%**
H1 2023: 29%

Net Interest Margin > **10%**
H1 2023: 7.4%

Capital Adequacy Ratio > **30%**
H1 2023: 27.6%

Liquidity Ratio > **100%**
H1 2023: 66.7%

Loan to Deposit Ratio > **40%**
H1 2023: 27%

NPL Ratio < **3%**
H1 2023: 2.9%

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Questions & Answers

Thank you



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