ACCESS HOLDINGS PLC

9M 2026 Earnings Call

Transcript

November 2026

Forward-Looking Statements

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1. Opening Remarks and Introductions

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:00:00]

Good day, and welcome to Access Holdings' nine-month 2026 results call. Thank you for joining us. Today, we will take you through the group's nine-month performance, the underlying quality of earnings, our progress on capital and regulatory matters, and our performance against the guidance provided for the full year. We will be clear about where we have made progress, particularly in core earnings and credit performance, and equally clear about the areas where further improvement is required, especially operating efficiency and shareholder returns. Our ambition remains unchanged, and that's to be the world's most respected African financial services group. With that, let me take you through the agenda. Agenda is captured on slide 2.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:01:05]

We'll begin with a short overview of Access Holdings, our business model, and the strategic journey from scale to value. We will then move to the nine-month financial highlights, followed by a deeper review of Access Bank, which remains the group's core earnings engine. After that, we will cover funding, risk, cost, capital, the BOFIA compliance programme, and asset quality. We will close with our position against full-year guidance before taking questions. Let me start with who we are and where we are in our journey. Access has evolved from a Nigerian bank into a diversified financial services group with a broad African and international footprint. We have built the necessary scale.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:02:14]

Our priority now is to convert that scale into stronger earnings quality, better capital productivity, and sustainable shareholder value. Access Holdings is a diversified financial services platform, and banking remains the core earnings engine. Banking generated profits before tax of ₦644 billion in the nine-month period, and accounts for approximately 96% of the group's business contribution. Our capital-light businesses extended the franchise into pensions, insurance brokerage, payments, and digital lending. The deepening of customer relationships creates additional fee pools and provides opportunities for cross-selling across the group. The banking franchise operates across Nigeria, the rest of Africa and the international markets. This geographic diversification is increasingly important to the resilience of our earnings. On slide 5, I'll take you through our business model.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:03:38]

Our business model is customer-led, product-enabled, and geographically integrated. We serve retail and SME clients, commercial and public sector clients, and corporate and investment banking customers through payments, lending, treasury, transaction banking, digital banking, and account services. We deliver these capabilities across Nigeria, the rest of Africa and international markets which we also describe as the rest of the world. The objective is to use one connected franchise to meet more of each customer's needs and capture the synergies created by our scale. On slide 6, I will take us through some of the things we already know that will remain very important in our story. The story of the bank remains a story of disciplined expansion over more than three decades.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:04:55]

We moved from a single Nigerian bank to a group operating across 24 markets, serving approximately 60 million customers, through more than 700 branches across three continents. As of September 2026, total assets stood at ₦52.6 trillion, and customer deposits at ₦36.8 trillion. A key update is the addition of Namibia, which was granted full operational licence to start business. Our focus is now less about adding footprint and more about extracting value from the platform already built. The next phase is to deliver higher quality earnings, stronger returns and more productive use of capital. On slide 7, I will recap the three phases of our journey from scale to sustained shareholder value.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:06:01]

The emphasis is that up to 2025, our focus was investment, entering strategic markets, completing our positions, and building the technology, customer, and distribution platform. We are now in the 2025 to 2026 consolidation phase. The priority is to integrate the platform, capture synergies, and improve the earnings capacity of the enlarged group. From 2027, the focus moves more decisively to optimisation. When we talk about optimisation, here we are talking about optimising the network we have built, systems integration, lower funding costs, improved treasury and liquidity management, disciplined tax management, and better capital allocation. The bridge is straightforward. Scale creates synergies, and those synergies must translate into sustained value for shareholders. From slide 8, I talk us through the financials for the nine-month period.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:07:24]

We will begin with the headline performance and then examine the drivers in more detail. Profit before tax increased by 8.3% to ₦667 billion, while profit after tax rose by 5.9% to ₦474 billion. The quality of the earnings improvement is important. Net fee and commission income grew by 12.4% to ₦535 billion, while net interest income increased by 2.7% to ₦1.29 trillion. Impairment charges declined by 73.5% to ₦93 billion, and consequently, net interest income after impairments increased by 32.1% to ₦1.2 trillion. Operating expenses increased by 11.8% to ₦1.3 trillion. We recognise that this was above the level required to deliver our target returns, and improving efficiency is therefore a management priority.

2. Management Presentation

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:08:41]

Annualised return on average equity was 14.1% and remains of course below our ambition. On slide 10, we look at gross earnings. Gross earnings increased by 2.3% to ₦3.99 trillion. Interest income grew by 6.9%, but interest expense increased by 10.1%, reflecting the cost and mix of funding. Net operating income increased by 10.6% to ₦1.9 trillion. A 73.5% reduction in impairment charges and 12.4% growth in net fee and commission income more than offset the decline in other operating income. The central message is that core and recurring income lines are improving, while non-core income volatility and the cost base are areas that require management attention.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:09:56]

On the balance sheet, that's slide 11. Total assets increased by 1.7% to ₦52.6 trillion, while customer deposits grew by 6.6% to ₦36.8 trillion, and loans and advances increased by 4.5% to ₦17.0 trillion. Shareholders' funds remained broadly stable at ₦4.49 trillion. The funding environment during the period remained competitive. As we all know, the cost of funds increased, while asset yields moderated.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:11:01]

Slide 12. I look at quality of income. So, I will cover the Bank's earnings, balance sheets, revenue quality, and geographic performance. The bank contributes about 96% of our revenue and profitability. Access Bank Plc delivered profit before tax of ₦644 billion, an increase of 9.2%, and profits after tax of ₦468 billion. That's an increase of 8.6%. Net interest income grew by 2.5% to ₦1.3 trillion, impairment charges declined by 74.1% to ₦90 billion, leaving net income after impairment up by 31.4% to ₦1.22 trillion. Net fee and commission income rose by 11% to ₦491 billion, supported by growth in customer activity and e-banking. Other operating income declined because of fair value and hedge losses.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:12:21]

Operating expenses rose by 11.0%, and the cost-to-income ratio increased to 63.1%. As I said earlier, this is not where we want to be, and it remains a priority for us. The geographic diversification of the bank remains strong. Our rest of the world and rest of Africa businesses delivered strong profit growth over the nine-month period and provided resilience against weaker profitability in Nigeria. The bank's balance sheet also grew, total assets rose by 1.9% to ₦52.2 trillion, customer deposits by 6.5% to ₦36.8 trillion, and loans by 4.4% to ₦16.9 trillion. Net interest margin eased to 4.4% from 4.8%.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:13:40]

Gross earnings grew 2% to ₦3.88 trillion, and 95.2% of that is core income, an improvement from 92.9% from last year. Interest income of ₦3.09 trillion was up by 7%, making it the anchor, and fees and commission rose 7% to ₦606 billion. Other income fell by 46% to ₦187 billion. On slide 16, we still look at the profile of our revenue, and of course we continue to emphasise the importance of the core revenue engine. So, our core income, meaning basically interest and fees, grew 6.7% to ₦3.7 trillion and is now 95.2% of gross earnings.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:15:02]

The non-core items fell 46.5% to ₦187 billion. Our revenue, therefore, is now more heavily weighted to recurring core income. We also assess the business by geography, market segment and product. So, in the next few slides, I'll take us through the breakdown or the performance of the bank through those prisms. By geography, Nigeria generated 55% of gross earnings for the period with 18% of profit before tax. That is down from 35% a year ago. The rest of the world is now our largest profit contributor.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:16:11]

Profit before tax rose by 86% to ₦364 billion, 44% of the total, up from 29% previously. Rest of Africa grew profit by 32% to ₦320 billion, and that's 38% of the total profit pool. Therefore, together, our international franchises earn 45% of gross earnings and about 82% of profit. That shows the strength of the geographical diversification, and it is why Nigeria's reset matters for

us. Looking at the balance sheet by geography, customer deposits grew 6.5% to ₦36.8 trillion across the three regions while Nigeria grew by 8.7%, loans to customers grew 7.4% to ₦14.3 trillion, with the rest of the world growing fastest at 9.8% and Nigeria at 6.5% respectively. Total assets rose 1.9% to ₦52.2 trillion.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:17:43]

Customer deposits grew 6.5% to ₦36.8 trillion. That's adding ₦2.26 trillion since December 2025. Next, customer deposits by segment. Corporate and investment banking drove deposit growth that went up by 11.6% or ₦1.64 trillion, and that is 72% of the total increase in that nine-month period, and contributing a total of 42.6% to the total deposits pool. Commercial banking grew by 5%, while retail grew by nearly 1%. Loans and advances to customers grew 7.4% to ₦14.3 trillion, adding about ₦982 billion since December 2025.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:18:56]

The rest of the world contributed the most, growing by ₦435 billion, at about 9.8%. Nigeria grew 6.5% adding ₦367 billion. The mix shifted slightly towards the rest of the world, which now contributes 34.2% of loans, as against the previous contribution of 33.5%. Next, we look at operating expenses. Operating expenses grew by 11% to ₦1.25 trillion. A major component of that is personnel costs, which rose by 18.9%, while amortisation and depreciation increased by 23.6%. Much of this growth is as a result of full integration of some of the businesses that were acquired in previous years.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:20:05]

Of course, we know that regulatory approval sometimes takes time, and in some cases, years to obtain once you apply, and the integration that follows also takes time and carries associated costs. So, what we see here is therefore not an increase in operating expenditure that will become a trend. But what we see here is a situation whereby the increases are driven by one-off costs, which are non-recurring. Next, I will talk about the capital adequacy ratio. Capital is comfortably above the regulatory minimum.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:20:57]

The holding company's capital adequacy ratio is 17.7%, which gives a buffer of 2.7 percentage points over the 15% regulatory requirement. The Bank's ratio stands at 20.4%, which gives a buffer of 5.4 percentage points over the regulatory minimum. Next, on slide 25.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:21:33]

I will take us to what is an important discussion for every financial holding company in Nigeria. So today, contrary to the situation we were in last year, we have complied with this section, Section 7.1 of the Financial Holding Company Regulations. And that requirement is that the paid-up capital of the holding company must, at a minimum, equal or exceed the paid-up capital of the subsidiaries. Today, our holding company capital stands at ₦616 billion, against the aggregate of ₦608.5 billion for the subsidiaries, therefore giving a surplus of ₦7.5 billion. We have listed the subsidiaries there, so you can see how they stack. Next is Section 19(8)(c) of BOFIA.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:22:46]

The requirement by law is that the total capital or the total investment by any Nigerian bank offshore must not exceed 10% of the paid-up capital and shareholders' funds. And it's important

to state here that this was the reason why we were not able to pay dividends for the 2025 financial year. The bank's ratio currently is at 19.29%, with ₦446.6 billion investment in subsidiaries. We had informed the market that we are executing an integrated programme, with three pathways towards resolving this challenge. And those three pathways were: one, recalling surplus capital from subsidiaries identified through our ICAAP; two, selective minority divestments, where valuation, tax, and regulatory outcomes are attractive; and three, a global subsidiary and intermediate holding company framework to lock in the position and strengthen oversight and capital mobility. The aim is to bring the ratio within the 10% requirement while protecting each subsidiary's capital resilience and overall shareholder value. We had also communicated that along those three pathways, specifically speaking to capital recall, that from the banking group subsidiaries, we are conducting capital recall from seven subsidiaries, and one is already completed. Completed means we have shareholder approval, we have board approval, we have regulatory approval, and the capital recall has been completed, and the funds have been returned to Nigeria.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:25:13]

We are engaging regulators to secure necessary regulatory approval, so we can also bring back the surplus capital that we have identified for recall from each of those five subsidiaries. The next pathway is minority divestment, which we are also progressing, and with these two pathways, we believe will bring us within the compliance threshold or requirements within the time stipulated by the regulator and that's the Central Bank of Nigeria (CBN). To conclude, we are going to look at the guidance for the remaining part of the year. So this is the nine-month performance against our original full-year guidance.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:26:25]

It is clear from this slide that the results and margins are below guidance. ROAE is 14.1%, which is below the 20% guidance. The same applies to return on average assets, net interest margin and the cost-to-income ratio, which are also below guidance. Cost of risk is within guidance, while the NPL ratio is well within the 4.5% guidance. That concludes our presentation. I'd like to once again thank you for listening. We will now open the floor for your questions, which we will answer respectfully. Thank you again for joining us today and thank you for your continued support of Access Holdings.

3. Investor and Analyst Q&A

Conference Operator [00:27:54]

We will now begin the Q&A session. Anyone who wishes to ask a question may press star and one on their telephone. You will hear a tone to confirm that you have entered the queue. If you wish to remove yourself from the question queue, you may press star and two.

Questioners on the phone are requested to disable the loudspeaker mode and eventually turn off the volume from the webcast while asking a question. Webcast viewers may submit their questions in writing via the relevant field. Anyone who has a question may press star and one at this time. The first question comes from Nabila Mohammed from Chapel Hill Denham. Please go ahead.

Nabila Mohammed (Chapel Hill Denham) [00:28:59]

Awesome. Thank you. So, I have three broad questions. I'll take you through them. The first is on the whole capital recall programme. So, if you can, can you share which six subsidiaries are included in the capital-recall programme, and how much capital is coming back from each, which one is complete? Because I'm thinking maybe my thought is wrong that the Ghana sell-down counts. And there's also been an earlier communication this year on Access Bank Kenya. You know, the transfer of Access Bank Kenya into National Bank of Kenya (NBK). I want to know if that is part of the programme as well. And at the earlier call that was had this year, you did mention that you have been given 12 months to complete this whole bringing down the ratio within the BOFIA's regulatory threshold, which is around 10%, bringing it to the appropriate ratio. I don't know if that 12 months ends in December or sometime next year. I just need clarity around that. And still on the whole capital recall, I see that there has been an acquisition by Access Bank UK, based on the report released nine months ago. I'd like to know whether that acquisition is connected to what you are trying to achieve in bringing down the investment in subsidiaries, or whether it has nothing to do with that at all.

Nabila Mohammed (Chapel Hill Denham) [00:30:29]

Then on dividends, once we are compliant with this ratio, should we expect a final dividend for the full year 2026, or we should be looking for the release of H1 2027 results next year, and in all of this, how do you, what are your thoughts on the proposed restructuring that CBN has, you know, proposed for financial holding companies earlier in June. Just want to get your thoughts. That would be all for me for now. I'll come back on queue if I have more. Thank you.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:31:08]

All right. Can we take two more?

Conference Operator [00:32:45]

We go to the next question from Chima Stephen from CardinalStone. Please go ahead.

Chima Stephen (CardinalStone) [00:33:02]

All right. So just to piggyback off what the other analyst asked. I will appreciate if you could provide some clarity on the three pathways for you know to comply with the BOFIA requirement. So, the capital recall, I would like to get a sense in more detail what this will entail, as well as the third part, the global subsidiaries and intermediate holding company framework, so I'd like to get some clarity on that. Secondly, could you also provide some clarity around why the results were delayed? That's also another question, and we're also wondering how the bank is looking to react to the 350-basis point MPR cut, you know, in terms of margin protection, especially in 2027, and for stage three loans. So, we noticed that jump about 70% as of half year and we are seeing NPL at 3.6%. We'd like to get a sense of what drove that, and you know, if we could see higher impairments in Q4 and going forward. Thank you.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:34:32]

All right. Thank you. We will take the questions from the two participants. So, questions are on capital recall, and I want to believe I had all the information here. Firstly, I'll explain the three pathways, and I'll go through them once again. We shared with the market earlier, we are considering three pathways that we are going to pursue simultaneously. Number one was to explore the possibility of capital recall, meaning after we have looked at going through the ICAAP

process for each of the locations for each of the subsidiaries, the banking group subsidiaries, and we identify that there is surplus capital that can be recalled. Second is divestment of minority interest in such a way that we protect subsidiary capital, preserve resilience of the capital for the subsidiary, and as well protect overall shareholder value for each of those entities. The third pathway is what we call the global subsidiary framework, basically looking at how we can explain within the rules or the financial holding company rules, and see how we can restructure the subsidiaries and bring ourselves within compliance. Now, of course, we have a timeline, and that was also your question. The timeline we're given by CBN is up to March next year and not December this year. So, what we did was to embark on that journey, looking at, because bearing in mind the timeline, looking at what could easily be done.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:37:03]

Working with a team of world-class professionals, consultants, lawyers, and more, and we identified that within the timeline that from the capital recall and minority interest divestment that we could meet the shortfall or the amount required to bring ourselves within compliance, and like I said, for a capital recall for six African subsidiaries identified. We got the requisite approvals, and then we wanted to do the process. First, we get shareholders and board approval for each country. We obtain regulatory approval from the central bank of the relevant country and satisfy any other applicable regulatory requirements, and then bringing back that excess capital is the final position.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:38:12]

We had shared with the market that out of these six African countries that we have completed one, and completing means to have brought back the identified capital as approved by the regulator, and I said that for the remaining five, we have shareholders and board approval, and we are processing or working on getting the requisite regulatory approval, and once those approvals are in place, the excess funds or the funds being recalled will be brought back home. And I said that we are positive given the work done so far, our experience, and the support we have received from various regulators and our partners that we will be able to complete the capital recall from the remaining five countries within the time frame given to us by the regulator, and I also said that we are also still walking along the pathways of identifying which subsidiaries where we can execute minority interest divestment. So, again, because this is market-sensitive information, we are not able to disclose it at this stage. So that's that in terms of the capital recall process, I will invite the MD of the bank, Mr. Roosevelt Ogbonna, to respond to the question about the clarification sought in respect of Kenya, and you made a comment. I'm not sure what you asked for about Zempler.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:40:35]

I think maybe you have better clarification that he will also respond to that. Now, I have from the second contributor. He made a comment about draft HoldCo guidelines and the exposure drafts from the CBN. Again, this is an industry issue. It's still within the scope of the industry regulator. At this moment, what happened is that CBN brought an exposure draft out and asked for contributions. And of course, just like any other interested party, we made our own submission. So central bank, at its own time and wisdom, when they are ready, will share with us either the feedback or the way forward. So we are not, we're not in a position to say anything beyond that.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:41:42]

But the question on delayed results, I will speak to that. Access Holdings Plc, of course, as we know, is a non-operating entity and our core business is the banking group, as I have explained during my presentation, with presence across Africa and some international markets and preparing the financials for a holding company of access standing and size has a lot of complications, particularly when you are, for the first time, managing, integrating, and consolidating the books of some of those subsidiaries, particularly the ones that were recently acquired.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:42:54]

And these books or these audit processes require working with world-class audit firms, they have to make sure that they do proper, detailed reviews, comply with extant standards, comply with local accounting rules to produce those financials that were presented to the board. So it takes more than the normal time. So, if it would take two weeks to audit an entity that doesn't have that type of scale, it might take double that to audit an entity with that kind of scale. And particularly, like I said, because we consolidated some of these entities newly, it takes a lot of time. So until that process is completed, we will not be able to submit our accounts to CBN.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:43:51]

So the process is: we have to complete audit of the banking group and the subsidiaries before we, at the holding company, will consolidate. So, in terms of what led to the delay, it is actually that process of consolidating the accounts of the banking group and all the subsidiaries before the consolidation at the HoldCo level. It is something that we do not expect that will recur in the future. I'm also happy to announce that the accounts of the bank have been completed, audited, and approved by CBN, and have been published.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:44:42]

I will now invite Roosevelt to respond to the question on Kenya, and with clarification on the comments made in respect of Zempler and also respond to the question or the comments on impact of MPR and margins, since that's a predominantly banking issue, and then the comments or the questions on NPL. Thank you very much. I hand over to Roosevelt.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:45:14]

Thank you very much, Innocent, and thank you, Nabila and Chima, for the comments and questions that you've made. I'll speak specifically to what Innocent has said, and I'll maybe add additional colour on the capital recall. On Kenya specifically, what you would have seen in the notice is the approval by the Central Bank of Kenya. As well as the national treasury and the government of Kenya for the integration of Access Bank Kenya with National Bank of Kenya. It's a two-way regulatory process. So, I think one of the steps is the approval by the Kenyan authorities, which we now have. The integration is going to be done by way of absorption.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:46:02]

So, Access Bank Kenya has been absorbed into National Bank of Kenya, and the subsisting entity or surviving entity will now be the National Bank of Kenya, a subsidiary of the Access Bank Group. As you well know, National Bank of Kenya was one of the first banks in Kenya. It was a state-owned entity, has operated for well over 50 years, and has built a brand and a network that is extremely valuable to our franchise. The next step in that process will be the approval of

CBN for that integration to go on. So, both entities are operating under the control of Access Bank Plc today, being run by the bank's board in Kenya, and I think once we have the final step, which is CBN's approval, the entity will be integrated, and of course the cost efficiency and optimisation that comes through from that will be felt, as you might have seen in the notes, in the account.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:47:21]

At some point, you look at the cash flow, the 350 basis point drop on margins overall. But I think if there's any beneficiary of the drop, it should be banks whose deposit mix helps them from a duration perspective. However, it punishes them because that cost you are going to have to carry. But that cost is now trending south, and we should get the full benefits of the change. On the capital recall, and I just wanted to add some things to the point that Innocent has made. So yes, there are seven markets. Six of them are in Africa and one is within our international franchise.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:48:03]

For four of the seven, we have gotten regulatory approval, meaning we have completed a four-step process. We have obtained internal governance approval, meaning internal board, internal management approvals, and we have gotten shareholder approval for all seven. We have received regulatory approval of four out of the seven, and we have regulatory alignment across all seven, including the fifth market. We therefore expect the cash from those four to come back before the end of this month.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:48:43]

And then the other three, we're working our way through, but definitely well before the March 2027 deadline, we expect all of the capital recall to come through. So the question around what the size is, I think, without putting any number on the table, the size is sufficient and creates a buffer towards ensuring that, irrespective of where exchange rate moves, we are able to, with the capital recall as well as the divestment, meet the Section 19(8)(c) threshold that has been set by CBN. I think the last question is on stage three loans. Our guidance on stage three loans has always been 4.5% in terms of NPLs, and we're operating well within that threshold today.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:49:30]

What you will sometimes find is when we take a very conservative view around certain credits, we will impair them, but definitely work towards ensuring that recoveries are done quickly. On one of the loans that was impaired, as at yesterday, US$20 million inflow has been confirmed that will come through by Friday into our accounts. So you see, we take a conservative position, we do the impairment, we pursue the recoveries, always ensuring that we're within the threshold that we've advised the market from a cost of risk as well as an NPL perspective. Thank you very much, Innocent, and I think I've covered the questions from Nabila as well as Chima.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:50:15]

Thank you very much, Roosevelt. I might suggest that we take some of the questions on the screen. Can you hear me?

Conference Operator [00:50:29]

Yes. The next question comes from Timothy Wambu, ABSE. Please go ahead.

Timothy Wambu (ABSE) [00:50:39]

Thank you and good afternoon. Thank you for taking time to answer our questions and thank you for the presentation. My first question is on the National Bank of Kenya consolidation. It's yet to happen, yet we've seen the AfrAsia consolidation take place. What is the actual concern that CBN has with regards to the consolidation of NBK? My second question: I know you've said that you don't want to discuss this further, but just your views internally, and maybe what the banks are thinking around that HoldCo recapitalisation requirement potentially, which was the draft. Just give us your thoughts on the likely scenarios that could play out.

Timothy Wambu (ABSE) [00:51:35]

I know I'm perhaps probing too much, but currently, if you have just some views there. My third question is on your trading revenues. This has been a strong point for Access Holdings Plc. Bond trading, FX trading. Just curious to see that there were significant declines. We've seen a bit of volatility, perhaps, you know, with rates coming down. The naira hasn't strengthened. Just your thoughts on how this plays out for the remainder of the year. And then my last question is on capital. You've mentioned that you're comfortable with those buffers. I'm just curious because your interest-earning assets appeared to decelerate. Well, could this be attributed perhaps to the drop in capital levels?

Timothy Wambu (ABSE) [00:52:25]

Because year-on-year there was a significant decline in your total capital ratio. Just thoughts around that. Thank you.

Conference Operator [00:52:49]

The next question is from Konstantin Rozantsev, J.P. Morgan. Please go ahead.

Konstantin Rozantsev (J.P. Morgan) [00:53:07]

Yes, thank you. So I wanted to ask two questions. Both of these questions relate to the bank's dollar-denominated perpetual bond with a 9.125% coupon. So my first question on that is: Could you please comment about any of your plans or thinking regarding this perpetual bond? Should we expect it to be called soon or not? But even if you have just high-level thoughts or comments on this, any discussion on that would be of great value to me. So if you could please you know share this with us. The second question also on the same topic is, do you expect any changes in the banking regulations or in the accounting rules, which might be relevant for this perpetual bond? I know that, for example, AT1's contribution to the capital is capped at the moment at 0.75% of risk-weighted assets. Is this cap conditional on something? Can this cap be changed or relaxed? And in terms of accounting rules as well, so I understand this perpetual is accounted for at the moment. Within equity, is there a chance it could be a change in accounting rules so that it can be moved to liabilities, for example, or there is no such discussion at all? Thank you.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [00:54:36]

So I will have to invite Roosevelt again to respond to the questions since there are more on the banking side of our business. So, Roosevelt, can you hear me?

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:54:55]

Yes, I can. Thank you very much. So, so thank you, Timothy. I'll take the first question, which is on NBK. And I think the question you ask is, what's the CBN concern around giving the approval? I'm not sure that concern is the word. I mean, CBN has given the approval at the time we did the

acquisition. Where we are now is that we've done the acquisition. As I said, as far as the Central Bank of Kenya is concerned, we are the controller of the entity. However, both entities are running on a standalone basis, even though we control them, but we can't consolidate them until we get regulatory approval, and that takes a process.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:55:34]

I cannot say that I understand every element the CBN is reviewing within its system to determine when the final approval will be obtained. But I think the fact that the Central Bank of Kenya has approved it shows you that this is not about regulatory concerns per se. It's around the timing of when the approvals will come through. We continue to engage constructively with our regulator in Nigeria towards ensuring that we get the requisite approvals to then be able to consolidate the entities. You asked about trading revenues, where you say it's been a strong income stream for access, and that's true on the trading side as well, fixed income, and on the on the foreign currency (FCY) side, it continues to be the case.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:56:26]

I think what you find is that when there's market movements either in currency or in interest rates, it can have a short-term impact on performance, which is what you've seen. We had some hedges that were not as effective, given that they were done in the second quarter of 2025, as they roll forward into 2026, given where the currency is. I mean, the average rates last year compared to this year are significantly different. Almost 177 naira to a dollar appreciation. You've seen, so some of our positions have not played out exactly how we anticipated, and we've seen the impact that that has come through in the course of the second quarter of 2026.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:57:09]

I think what you find is that end to end over the last from 2024 December to dates we're up. But what you find is that in some quarters and in some halves, you have impact like this, as we've seen in Q2 of 2026, and that depressed performance in Q2. But overall, we are still very positive around the quality of our treasury team and the ability to be able to trade effectively, given the macro shifts that we're seeing, not just in Nigeria, but across the various markets that we operate in, as you well know, in several of our markets, take Ghana, for instance, you've seen how the policy rates have trended southwards, and you could say the same for many of the markets. I think the last we checked, 14 out of our 24 operating markets, either the policy rates have been stable or declined. Right, it's in five of them we've seen where there's been an uptick in policy rate.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:58:10]

That has an impact on our trading position, given that assumption and our market scenarios going into 2026 did not reflect this sharp change in terms of policy rates and on the back of that exchange rates across the various markets. On capital and the capital stack, I think what you find is that we have a disciplined capital process. The capital recall that is going on as well. The programme enables us to redistribute capital from markets where we have huge buffers in our capital to markets where, like Nigeria, where we need to increase the buffer given the impact of the AT1 restriction to 0.75%. So the capital-recall programme addresses several objectives.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:58:57]

The programme is intended not only to ensure compliance with Section 19(8)(c), but also to bring capital into a market that requires it, which is Nigeria, having restricted the AT1 to 0.75,

and I think the impact of that capital recall, as you find out eventually, the redistribution of capital across the various operating entities within the banking group, and then create additional buffer within the Nigerian business. Of course, we are also raising tier two capital with the DFIs, several of which we now have closed, and are just going through a regulatory process to draw down. The proposed Tier 2 capital is loss-absorbing and will support future growth.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [00:59:44]

On the exposure draft, I will let Innocent speak to that in detail if there's any additional information he wants to share. But I think all that is important is that we recognise CBN's views around reflecting changes in the HoldCo framework that will be more relevant for today's times, given the changes that have happened among the banking groups that exist in Nigeria. So it's a very constructive conversation that CBN is having with the market. Exposure draft was released. They had asked banks to share their views, or other parties to share their thoughts.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:00:23]

We were one of the banks that did so, one of the parties that did so, and I think we're waiting to see what the regulator eventually comes up with. Konstantin, thank you. Yes, again, this is about capital management. On the perpetual bond, we have until 7 January to make a call. Recall that this is at the discretion. The option to make the call is at the discretion of the bank. We are looking at this very closely, understanding the capital pressures that are possible. What is 0.75% of risk-weighted asset if the bank continues to grow, is risk on the earning side, on the earning asset side, we will need as much buffer as we can get overall.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:01:09]

We're reviewing this in a lot of detail, and I think within the period that we have to make a decision as to whether we will trigger our option, we will definitely share with the market what our decision is and take it on from there. In terms of conditions on the 0.75% restriction by CBN. We're not aware that it's based on any condition, or if the accounting rules are changed, or if the equity rules are changing. If it will ever be converted to liability, that is not a conversation that the regulator has had. All we're aware of is that there's a restriction of the AT1 to just 0.75% of the risk-weighted assets at any point in time.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:01:51]

If there's any change that comes through, of course we'll reflect it in our numbers and how we account for it. But as we speak, there is no indication that any of the issues that you brought up around accounting rules, whether it's classified as equity or liability, or if there's any condition under which the restriction will be lifted. I think I've covered the questions in a sense, except you want to add anything to the exposure draft for the HoldCo framework. Thank you.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:02:21]

Thank you very much, Roosevelt. Certainly, I think we, I think I don't have anything to add to the exposure framework. Like you said, we've made our submission, and it's for the regulator to go through those submissions and then guide the markets on what the next step should be. Thank you very much.

Conference Operator [01:02:52]

The next question comes from Olumide Sole, Renaissance Capital Africa. Please go ahead.

Olumide Sole (Renaissance Capital Africa) [01:03:02]

Good afternoon. Yeah, congratulations on your results. I think I have just two questions. I'll be starting with the first, which is for synergies. I understand that the bank is in its consolidation stage, and given that 2026 is about coming to an end. I mean, since we have seen nine months results, I'm not sure if I've seen any meaningful synergies from the results we've seen. So that brings me to my question: What is the bank doing to actually actualise its synergies? And also, when should we expect to start seeing synergies in the result that is maybe from operating expenses start to decline significantly, and maybe revenue also increasing significantly, so that the margins can improve generally for the holding company.

Olumide Sole (Renaissance Capital Africa) [01:04:07]

And secondly, regarding the BOFIA regulation regarding the foreign investment being at 10%. I mean, the last time on the call, it was mentioned that the timeline is about 12 months. Given the time between then and now, I think we've only seen one divestment, which is the Ghana divestment. So the question is this still achievable? That's the 12 months. Can the 10% be achieved within the 12 months deadline that was set initially? Can it still be achieved given that we're just in only one?

Olumide Sole (Renaissance Capital Africa) [01:04:55]

And we've not seen any significant, and it's still at the rate is still at 19%, 19 point something percent, down to 10%. So it's still very far. So how achievable within that timeline is that goal? So I mean, yeah. So maybe just put more colour on that for me to understand. That would be all my question for now.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:05:26]

Can we have the next question before we answer.

Conference Operator [01:05:34]

The next question is a follow-up question from Nabila Mohammed, Chapel Hill Denham. Please go ahead.

Nabila Mohammed (Chapel Hill Denham) [01:05:43]

Okay, good afternoon again. So I just I probably maybe missed it. I asked a question on dividends. So seems like there's conviction that we are going to be in compliance with the BOFIA by March 2027. So I just want to know, are you expecting to now pay a final dividend for full year 2026, or we should just expect dividends to resume post release of H1 2027 results, and if you can also just guide for what payout ratio we should be expecting once that happens. Thank you.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:06:30]

Thank you very much, Nabila. I apologise that we did not address your earlier question fully. So I would take a question and then have to invite Roosevelt again to respond to questions on synergies and then how we are going to see the benefits of our scale to value initiatives. So, Nabila, thank you very much once again. First, is that the reason why we didn't pay dividend for half year last year, so I may start from that, was because of Section 7.1 of the Financial Holding Company Regulations, which I have demonstrated here that we have complied with.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:07:21]

At full year, we were not able to declare or pay dividends because of Section 19(8)(c) of BOFIA, of which I shared our strategy and the processes we are going through to ensure compliance. As I said before, we are given until March 2027 to comply. The reason dividends were not paid last year was not that we failed to generate distributable profits, but that we did not meet a specific regulatory requirement. Once we have met the regulatory requirements, payment would be expected, subject to the group's internal policies, board approval and shareholder approval.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:08:14]

Dividends will be paid, but we need to bear in mind that, the reason why we did not pay dividends, first of all, was not because we didn't generate distributable profit. We did. It was because of not meeting very specific regulatory requirements. Now, if we meet those requirements within the timeline, and they are subject to board approval and internal policies of the group, which guides the dividend declaration, then I want to believe and I want to say we should be able to look positively at possible dividend payments. But we need to bear in mind the following.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:08:56]

First of all, is to meet the regulatory requirements, and then that also you get board approval and internal policies of the group. So, Roosevelt, I invite you to take on the next, respond to the I think is the question on synergies and how we intend to optimise value within the banking group.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:09:22]

Thank you very much, Innocent. So, I think we were very clear from the start, Olumide, and thank you for the questions. That we're going to go through a three-phase process over the five-year period. The first was the investment phase that ended in 2025, the consolidation phase that starts from the fourth quarter of 2025 into the end of 2026, and then optimisation in 2027. So we are not changing from that narrative, and we are not changing from the strategic commitments we have made to optimisation. To answer your question directly, we will see at the end of 2027 when we look at the full year 2027 numbers. So we are maybe clear in the consolidation phase, we've acquired scale.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:10:07]

In the consolidation phase, we now need to build individual efficiencies in the market, and that the things we are going to then hold ourselves accountable to will not be how big the balance sheet is. We don't mind if the balance sheet does not grow 10% or 15% year-on-year, but we are beginning to drive efficiencies. I think one of the things that is not as obvious on the face of it of these financials. Three things, and if you permit me, I'll just run through three things. So, if you look at the work that has been done in the subsidiary business, it's not reflected here in terms of the growth that has happened. Why?

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:10:43]

Last year, the average exchange rate was ₦1,545 as at nine months. This year, the average exchange rate is ₦1,368. So you have about a 177 naira appreciation of the naira. So whilst that is good for our Nigerian business, it means that the contribution of the subsidiary, which today is about anywhere between 57-60% of our performance, is muted. So whatever growth you see

on the subsidiary business year-on-year is muted by the appreciation because we are talking cedi to USD, USD to naira, right?

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:11:25]

That movement has meant that even with the strong performance of subsidiaries in dollar terms, in actual dollar terms, the subsidiaries have done much better than is being reflected in our numbers because our reporting currency at the group level is in naira. Now the UK is the only subsidiary. I think the UK and DRC, where you can say the bulk of our earnings is in dollars. In fact, the UK everything is dollarised, so their functional and reporting currency is in dollars. In DRC, functional currency is USD, even though the reporting currency is the local currency within the market. And that's about 25% of our total earnings.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:12:07]

It means 75% of our earnings we're going to have to move from local currency into dollar, dollar into the Nigerian currency. And when the Nigerian exchange rate has appreciated the impact of that. You are not seeing in these numbers specifically. I think the other thing that you wouldn't see here is that, given the accounting rules, the acquisitions we did in 2025, we had 12 months to test them for goodwill, and that fell into 2026. In 2026, the overall goodwill amounts were determined. It was a negative goodwill. Unfortunately, the way the accounting rules work, we cannot recognise the negative goodwill as P&L in 2026. It was treated as a 2025 transaction, which was in substance. However, the accounting rules require a prior-year adjustment through equity rather than through P&L.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:12:55]

So, once the benefit of that negative goodwill has gone to equity, the amortisation of the goodwill is coming through P&L. Right, so you're also not seeing that benefit, because imagine if the negative goodwill came into the P&L, and then of course the amortisation is done, it nullifies the impact of amortisation. So, if you look at our cost, the depreciation and amortisation as a line is the largest growth that you have. The amortisation is there. The benefit is in prior year.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:13:39]

Based on what the accounting rules are and are being adjusted through equity. I think the last thing is Kenya. So certain group costs we carried at PLC for Kenya operation, but we are not consolidating them. So, the transaction fees that were paid, professional fees for the professional advisers involved in the transaction because it was PLC acquiring the entity at the time. Those costs are within PLC books, but the profit is not in PLC books, right, until the integration is done.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:14:09]

So there are some of these dislocations that, when they are corrected, either at full year or in 2027, will no longer mask the performance that you would have seen given the work that the subsidiaries have done in the first nine months of the year, and of course going into the future, so we expect to see, as I said, given the transition we have, 2023 to 2025 investment, 2026 consolidation. We always said optimisation, where value really will be created, is in 2027. And I think as we get into the second half of 2027, it will be a lot more reflective where the synergies are coming through and where they sit. On BOFIA, you wanted to understand if we're going to meet the deadline.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:14:52]

I think the mandate we have from the board, and given all the support we've gotten from board, is that it will happen. As we said, the gating factor for all of this capital recall, as a first instance, is regulatory approval. In four out of the seven markets, we have completed all the required steps. One of them, the capital has come back. We've not adjusted it in these numbers because it only came back after these numbers. It happened in October, so it's not being reflected in the numbers that you're right in saying there's no movement. It's still 19.26%. There are three others that will happen this month.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:15:33]

Where the liquidity will come into PLC, and it will close out four out of seven. We expect the other two to be completed well before the deadline. If it doesn't happen in November, possibly will happen in December and then there's one that might spill into 2027. So that's the way it's being sequenced. And I guess the international subsidiaries you don't have minimum capital rules, you just have ICAAP as the anchor, and the regulators just need to see that there's significant buffer that has been built in the business to support existing business, growth, and any other capital requirement that the regulator might have.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:16:17]

And we've done those analyses, working with our financial and accounting advisors, and we believe that the necessary regulatory approvals will be obtained and that we will meet the deadline as has been shared. Yes, you pointed out that divestment, divestment is different from the capital recall. So capital recall, we have seven countries that we're pursuing that. In divestments, we have five countries that we're pursuing divestments. And not necessarily that they are the same country. Some are different. Maybe there's one country or two countries, I think, that are being that are part of the capital recall as well as the divestment conversation.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:16:54]

Post all the divestment, we will still land at at least 80% of shareholding, so we'll still be major controller of all of those entities. So, divestment does not take away the controller status. We will still be above at least 80% in all the markets for which we are divesting our interest. It's in line with the bank's subsidiarisation strategy. We've always said that in each of our markets, we're willing to dilute up to 25% of our holding and control about 75%. So this is something that is well within the bank's own core strategy. So we've done Ghana, which is the one. Gambia, we have to do because it's a regulatory requirement.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:17:31]

The others are not necessarily regulatory, but I think it's helping us build a buffer around the capital recall programme that we are doing. I think that answers all the questions that I have on from Nabila as well as Olumide. Thank you, Innocent.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:17:49]

Thank you very much, Roosevelt. Can we have the next set of questions?

Conference Operator [01:17:57]

Our next question is a follow-up from Konstantin Rozantsev of J.P. Morgan. Please go ahead.

Konstantin Rozantsev (J.P. Morgan) [01:18:06]

Yes, thank you very much for taking these follow-up questions. Just, sorry, just coming back to this discussion about the perpetual bond dollar one that you have at the moment. So, from how you commented this, can I infer from your comments that you are considering and evaluating steps relating to this perpetual bond, but that this process may take some time? Is it a fair statement? Is it a fair kind of interpretation of how you mentioned this? And second, quick question: Could you maybe mention what is the normalised return on equity for the Nigerian unit going forward, excluding any foreign subsidiaries? this profitability has been quite volatile recently. So, I'm just looking for the normalised level going forward how you see this? Thank you.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:19:19]

All right. So, thank you very much, Roosevelt. This is a follow-up question. We just respond and after that, we'll go to the questions on the board. We have quite a number.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:19:31]

Yeah, because I think you're right in terms of your interpretation. So, we have until January 7 to make a call. We have until December, I think, 23 to make an announcement between now and then, we will consistently evaluate looking at our capital stack. We're not taking the AT1 as a single line item. It's around the bank's entire capital stack and given growth rates and any change in capital required by the regulator. I think all of that we will be keen to review and have a position before we can properly advise the market. We do know, however, that even if we don't make a call at this first instance, every payment date becomes a potential call date.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:20:23]

Within those periods, we can also make a tender offer for the AT1, so there are several options after 7 January that give us considerable flexibility. The instrument was structured with a five-year non-call period, so for the first five years we were locked in. After the first five years, we have the opportunity to call the AT1 on every interest payment date, and we will always evaluate that to ensure the capital stack makes sense and gives us the buffers we require. If we have to call, we still have the flexibility to do so. So you're right.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:21:05]

In terms of normalised ROE, I'm not sure I fully understood the question or heard the question. So did you say normalised ROE at the bank level? I see. You seem to say there's been a lot of volatility. I think what we've guided and the guidance hasn't changed is that our ROEs, the target ROEs, when we get to the value creation stage, is north of 20%. And I think we're still holding ourselves to that in 2026, we wouldn't get there as the last slide in the presentation would have shown, but we're not contradicting ourselves away from the 20% because that's the threshold that we are guided by internally, and we expect that by 2027, those are the kind of numbers we'll begin to show. Thank you.

Konstantin Rozantsev (J.P. Morgan) [01:21:53]

Yes, just to confirm, sorry, just on the ROE for the Nigerian bank, excluding foreign subsidiaries, is it 20% as well? Is it fair to assume the same level for this unit as well?

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:22:09]

So, the Nigerian bank would not show ROEs of 20%. 20% is the aggregate. Some subsidiaries are much stronger, the likes of Sierra Leone, Cameroon, Gambia, are showing ROEs north of 30%. So I think what you find is that 20% is the average across board. We can always disaggregate the ROEs and have that conversation with you offline. We have some subsidiaries might be small in terms of its overall contribution, but I think the ROEs in themselves mean that, despite the total contribution to P&L, from an ROE perspective, they help lift the overall average.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:22:53]

I mean, you don't expect 20% ROEs from dollar balance sheets in the UK, so we will see strong ROEs north of 18, 19%, might not cross 20% on the dollar balance sheet that we carry, but overall the guidance is that we will at 2027 start showing ROEs north of 20%. Okay, you want me to focus on questions on the board.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:23:22]

Yeah, I think yeah we should so let's take the questions on the board. We could take the first one. And while I take number two and number three yeah, I think we can just take some.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:23:38]

What you find is that we have all our subsidiaries have long positions across board, and in most markets against the dollar, there's the strengthening of African currency. If you are long a currency and that currency appreciates, you may see an FX loss depending on the underlying position. In Nigeria, we have positions that are hedged. We use dynamic hedging rather than hedging on a one-for-one basis. So you always leave a position. So the hedge effectiveness has created an FX loss given the appreciation that we've seen.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:24:13]

In our books, we also have a natural hedge in terms of the NOP at any point in time is almost square, but the duration effect, even with an almost square NOP, means that when there's a devaluation, your long and short positions do not react in the same manner. I think the ratio is approximately 1:1.4, off-balance-sheet versus on-balance-sheet. So, as time decay happens, it will get to one is to one, and any losses you see will reverse. But in the short term, you will see that impact in the first half. You see it in the second half, given that we still see that between December 2025 and December 2026, there's been an appreciation of the currency. So long overall across multiple subsidiaries, many of those markets we've seen an appreciation. Almost square in Nigeria, duration effect given the off-balance-sheet assets that we have and on-balance sheet, there's no natural hedge. So duration means that we are keeping a dynamic hedge, and that dynamic hedge will respond to movement in FX differently, and that's just the reality of the numbers that we will see in the second half of the year, and potentially you see in fourth quarter as well. The next is around disclosures of related parties. I suspect you wanted to take that, you know, Innocent. Do you want me to address it?

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:25:41]

Yes, I can take this. So, I understand people joining online are not able to read the question, so I might just have to read it out to the hearing. So the question from Olufemi, what is the thing about disclosures of directors as related parties? So this is a standard regulatory requirement. Companies are required to disclose transactions involving directors and other related parties. This is a standard regulatory requirement and is not new. This has always been a standard

regulatory requirement, and we've always reported. So, and transactions where our directors or management staff or people who have, at most, that related interest or have related parties of interest always disclose the nature of the transaction and the entities, and we have always complied with that.

That for whatever reason, it has some people and someone has picked it up. And I don't know. I mean, we may not really be able to say what the interest is, but as time, you know, goes by, maybe we'll know why it's an issue or why they focus on it. It's a normal or standard reporting requirement. We have consistently made these disclosures in our annual financial statements and in our audited accounts.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:27:18]

So, it's just and for whatever reason, someone or somebody somewhere believes, I mean, has an interest in it. So, I don't know what it is. But it's a standard requirement. We have complied with the applicable legal and regulatory requirements. And then the next is quite long, so I will read it. Has the CBN said whether it would approve a full year, full year 2026 dividend while the sell-down plan is still under or only once the bank is fully under 10%? Which subsidiaries will be sold? Or diluted, and how much do you expect to raise?

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:28:13]

I want to believe this question has been answered already. The key thing is that CBN has given us a timeframe within which we must comply, which is March next year. So our task is to make sure that we comply with the requirements for the CBN and I do not see why the CBN would withhold approval if we do. The next question: there was the ₦138.8 billion fair value hedge loss, which was a one-off. Could the remaining hedge book, of about 1.5 billion, maturing in three to six months, bring more losses in Q4, and if so, how much? Roosevelt, can you see the questions?

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:28:59]

Yes, yes, I can. I can see the questions. I think I've addressed it in my last comment to I think it was Olumide who had asked. I can't recall. But yes, I mean, is there potential for losses in Q4? Very possible. Depends on where the market rates are at any point across all our markets, and Nigeria included. I did talk about the hedge ratio and the fact that it's dynamic hedging we do and not full hedging. So of course, when there's a movement, even if you are square in your book, the impact of the movement will not be the same on the asset and the liability side of the book.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:29:37]

How much of Q3 FX gains should recur? I think that that really is the same point, and I've addressed it. Do you expect year-end gains in Q4? Hard to tell. I guess it's where the numbers are. Exchange rates decay on the book at the time we get to our full year of 2026. Interest on customer deposit rose 54.5% year-on-year, and term deposit grew. Interest on customer deposit did not go up 54%, so I'm not sure where those numbers are coming from. Yes, term deposit grew in terms of quantum. Where we are today, I think at the time in Q3, or you would have seen that the term deposit was about 62% of total deposit.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:30:23]

Today it is at about 65%, and our projection is that it will be close to 68% by the end of 2026. As I said, the 350-basis-point change is expected to have a positive impact on the Nigerian bank. But understand that Nigeria today is only about 42% of total deposits across the banking group.

In some of our markets, current account deposit is not exactly how growth happens. You're going to have many, and we're a wholesale bank in many of those markets. So smart money investors, the treasurers, are not going to leave money in current accounts while they are paying interest in the other accounts.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:31:14]

If we look at the segment reporting, you'd have seen there that about 11.6% growth happened in corporate bank. Right, so it was the largest growth, about ₦1.6 trillion over ₦2 trillion growth. So that in itself shows you that the nature of counterparties you deal with are not the retail counterparties who are leaving deposits. We do have transactional balances from the corporates, but they are not significant compared to the wholesale deposits. So I think what you find is that as in Nigeria specifically, as the rates have gone down in the last 45 days, we've priced what is about ₦1.8 to ₦2 trillion in deposits.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:31:55]

But across our other markets, it's the wholesale bank, and of course, wholesale deposits are more expensive than retail deposits. That's going to change, given what it is that we're hoping to do with the UK with Zempler that was acquired. It will be another deposit pool leveraging high speed banking that is doing SME banking. So, there will be a pool of deposits which potentially will help reduce the overall cost of funds and of course the CASA thresholds that you have there. From Simon Hayes, what is happening in net interest income? I think I just spoke to it Simon. The real pressure comes from the contribution of the offshore subsidiaries who have grown in terms of their contribution to the whole.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:32:43]

So, these are outside of Africa. The more international subsidiaries, they are more wholesale-oriented. For several of them, they were not fully embedded in 2025. So if you go back to the 2025 numbers, some of those subsidiaries only operated for two months up to September. In our 2026 numbers, they've now fully been loaded for nine months. So the impact of that wholesale deposit in those books is what you are seeing come through on the NIM, and of course, overall policy rates across all our markets dropped, right? And in several markets, as we shared in the past, our loan-to-deposit ratio was about an average of about 30%.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:33:23]

With loan-to-deposit ratio of 30%, it means that what is a good outside of cash reserve, approximately 40% is invested in government securities. And these are short-dated securities. So as the securities unwind in the year, you are now reinvesting. So essentially, you're facing reinvestment risk because you're reinvesting in lower-rate assets than you had prior. So we're having to reset the balance sheet in Nigeria specifically, but across all our subsidiaries. And are now focused on ensuring that core banking activity is driving the loan-to-deposit ratio. And I think the floor that we set for all subsidiaries is to at least get to 40%.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:34:06]

So if we move from what is about 33% today to 40% in terms of loan-to-deposit ratio, you will see the impact that it will have on NIM. You might not see the full impact in 2026, but I think as we go into next year, it will come through. I think the last thing to say on NIM, Simon, is that if you look at Nigeria, the growth is not as significant. I think if you look at banking group, it grew by ₦1 trillion. Nigeria was about ₦260 billion of that. What you find in the Nigerian book is that there's been a currency substitution.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:34:40]

The corporate banking NIMs as a large corporate, mostly IOCs, and those parties are not borrowing in local currency. So that significant margin that you typically see on the local currency side is no longer there, right? Well, it would have been no longer there. It has been diluted by the growth in the FCY lending book that we then have. I think the last thing to note around NIM is the cash drag that we've seen in our balance sheet. We won three significant mandates in the course of the last 12 months, and what that does for us is that overnight we now have to keep significant cash balances.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:35:18]

On some days, our cash balances can reach US$700 million to US$800 million because the mandates work. When they call on us, we can deliver. Some of the counterparties at some point can ask you for half a billion dollars to be moved from one account to another to make a third-party payment. We are paying interest on those mandates in the collection accounts where they sit. But effectively, we are, what's the word now? Not investing those deposits in any long-dated asset, and of course, it's creating its own cash drag and the impact that it has on performance. Next question: Why the huge swings in foreign and FX? I think I've spoken to this. Can you explain the underlying economic drivers of this movement? We've said it's exchange rate, it's interest rate, as well as it's time decay. Next question: What dividend-payout ratio does the board consider sustainable? I think I'll let Innocent answer this. We can come back to that, Simon, but it's noted. Next question: What is the correct status of disclosure of directors as related parties? I think as Innocent has said, it's disclosure.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:36:37]

And it is well in line with the governance code that all related parties must declare their interests, and those interests must be noted so that any third party who is reviewing the bank's or the institution's books. This has nothing to do with whether it's a bank or any corporate based on the governance code must declare the interest that their directors have. In matters that the institution has gone through, so in keeping with proper governance, disclosures have been set, showing that directors or entities related to directors had dealings with institutions in the course of the reporting period. So, well in line with governance, which is why it's disclosed. And I think any financial accounts you have, whether bank, non-bank, any institution.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:37:23]

Where directors have such a relationship, I think you will expect them to disclose, and that's what we've done. And answer to the first question, follow-up question about dividend payout ratio, please, Simon. Okay, so maybe I stop at this point, Innocent to allow you address it, or do you want me to go all through, and then we'll come back to the issue around the payout ratio?

Or I can just respond to it, to be honest. On the payout ratio, we have a two-step process for any dividend payment. The Board must recommend the dividend, and CBN must approve it.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:37:54]

I think it would be presumptuous of us to guide on the dividend payout ratio at this point until we get into a position where we are clear how CBN looks at distribution. So, the bank approving, or the board of the bank approving and recommending, is something that we've always done, including last year. Unfortunately, we didn't get CBN's approval to make that payment. What we've always guided the market, and I think the dividend policy hasn't changed, is that we have a residual dividend policy. The policy is subject to two principal considerations.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:38:29]

The first thing is that we want to ensure that we meet the capital requirements, capital adequacy requirements of the institution, in the immediate, as well as create a buffer for future growth of the entity, where there is a capital requirement that we see in the horizon. Take that capital requirement into consideration. So that's the first thing. The second thing is that we have to ensure that we cover 12 months of all the capex expenses that we expect the institution to incur. Only after the first two have been done do we then expect to declare a dividend with a minimum dividend yield. So those three things are still in play.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:39:08]

It's still a residual dividend policy, residual on all the first two, and of course the third, which I've shared. But I must point out clearly that dividend payments will follow a two-step process. The board recommends. It sends this to CBN and requires CBN approval. We will ensure that the dividend policy is such that it is predictable, and that's where we ultimately want to get to. And we understand the sentiments of the market. It's better to pay predictable dividend than seek to pay very high dividends in one year and no dividend in the other year.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:39:41]

So while it might not be a constant dividend policy that has been put in place, the residual dividend policy allows us to be able to curate and manage the dividend expectations and deliver a decent dividend yield to investors. Can we be specific as to what this optimisation comprises and what are we looking for In terms of the next steps of optimisation? We've always defined that, and I think it's in one of the slides that was contained in the presentation.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:40:08]

What we said is that you get the benefit of network effect, you see the impact on cost-to-income ratio, you see the impact on the ROEs and the numbers that are delivered, and of course you see the impact ultimately on the efficiency of our tax and capital. I think from a shareholder perspective, what we then see is that if we truly are performing and creating value, then that value has to be distributed. So it's one thing to create value; it's another thing to then ensure that the value can be distributed.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:40:37]

So, under the optimisation phase, value would have been created, and of course we have to work to ensure that we don't have any surprises that will stop us from then ultimately distributing the value that has been created. And we've learned. The value created in 2025 was value we

were unable to distribute, and that's not something we expect to repeat itself when we are in the optimisation phase. Dotun Balogun on cost to income ratio and continued OPEX, how is management addressing this? I spoke to this earlier as to the one-offs that have impacted OPEX and how we expect to see this playing out.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:41:13]

If you look at several of the OPEX lines, and I think it was contained in one of the slides, with the exception of three OPEX lines, we have seen year-on-year reductions between 2024, 2025 and 2026, and we expect that to be the trend going forward. The pressure is on depreciation and amortisation, and I explained what exactly is driving the amortisation. Increases in staff costs, given the consolidation of businesses, and of course, I think, given that some of those enterprises operated within a period, but the benefits of all the income has not been shown in the full year of 2026. I think I did explain that.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:41:56]

Will you be looking to make capital recall or divestments in the UK? Yes, the UK anchors the international subsidiaries, and that's the entity through which capital recall will happen in the international subsidiaries. Can Access reduce exposure from about 19% to ten percent while retaining control? Can we reduce from 10% you mean in terms? Yes, the answer is yes, because as I said, even following the divestments and capital recalls, we will remain the significant controller of all our subsidiaries, with ownership of at least 80% in most markets.

Roosevelt Ogbonna (MD/CEO Access Bank Plc) [01:42:33]

There's one subsidiary where we might drop to 77% and we're working that through to ensure that post the capital recall and post the divestment we still stay at about 80% and not drop to the 77%, which is what the numbers are showing in the short term. With dividend payout ratio, I think I've responded to this as well. Except Innocent has anything he wants to add. Uh, Innocent, thank you. I think we've covered all the questions that are on the screen at this time. Thank you.

Innocent C. Ike (GMD/GCEO Access Holdings Plc) [01:43:06]

Thank you very much, Roosevelt. You answered the question on the dividend payout ratio, and I also look at the time. At this point, I would like to thank all participants. If you have any further questions or require clarification, please reach out to our Investor Relations team, or directly to Roosevelt or me. We remain available and happy to provide any further clarification required. So, I would like to thank you very much for your active participation. Thank you for always supporting us and thank you. And I look forward to speaking with you again at our next investor call. Thank you very much.