




ACCESS HOLDINGS PLC

Q1 2026

Earnings Report Update

**PREPARED BY:
SAVEST RESEARCH**

 +234 913 444 6070

 globaladvisory@savest-financial.com

 www.savest-financial.com

Access Holdings Plc is a leading financial services group providing retail, commercial, corporate, and investment banking solutions across Nigeria, the rest of Africa, and Europe, with a strong presence in key regional markets.

The Group operates through six core segments: Corporate and Investment Banking, Commercial Banking, Retail Banking, Pensions, Payments, and Insurance, offering a broad range of services including deposits, lending, trade finance, treasury solutions, wealth management, pension administration, digital payments, and insurance brokerage.

Founded in 1989 and headquartered in Lagos, Access Holdings leverages its diversified business model, broad client base, and integrated financial platform to deepen financial inclusion and support economic growth across its operating markets.

Segments Performance

Billion NGN	Q1 2025	Q1 2026	YOY
Corporate & Investment	408.11	455.55	11.63%
Commercial banking	390.76	446.48	14.26%
Retail Banking	279.15	432.37	54.89%
Payment Segment	2.27	2.48	9.48%
PFA Segment	10.14	12.38	22.15%
Insurance Segment	0.47	0.92	95.55%
Digital Lending Segment	2.43	3.50	43.77%
Holding Segment	16.39	21.81	33.10%

Source: Company's Q1 Financial Statement

Income Analysis

Billion NGN	Q1 2025	Q1 2026	YOY
Net interest income	220.21	338.86	53.88%
Net fee and commission income	146.22	169.24	15.74%
Profit before tax	222.78	272.21	22.19%
Profit for the period	182.75	216.54	18.49%
EPS (Kobo)	488	369	-24.39%

Source: Company's Q1 Financial Statement

Access Holdings' Q1 2026 revenue performance remained anchored on its core banking franchises. Corporate & Investment Banking represented 33.12% of total revenue, up 11.63% YoY, while Commercial Banking contributed 32.46%, rising 14.26% YoY. Retail Banking delivered the strongest growth, rising 54.89% and contributing 31.43% of total revenue, supported by stronger retail transaction volumes and customer activity.

Profitability remained led by Corporate & Investment Banking, which generated ₦123.17bn, accounting for 45.25% of Group profit before tax and growing 32.41% YoY. Commercial Banking contributed ₦98.34bn (contributing 36.13%), up 6.73% YoY, while Retail Banking delivered ₦32.05bn, representing 11.77% of profit before tax and growing 7.56% YoY. This indicates that although Retail Banking drove stronger revenue expansion, profitability efficiency remains stronger within the CIB and Commercial Banking segments.

Geographically, Nigeria remained the largest revenue contributor at ₦764.95bn, accounting for 55.61% of total revenue, despite revenue declining 23.62% YoY. In contrast, Rest of Africa revenue rose 52.50% YoY to ₦430.07bn (31.27% contribution), while International Operations increased 65.42% YoY to ₦222.90bn (16.21% contribution). Profit growth was increasingly driven outside Nigeria, as Nigeria profit before tax declined 7.61% YoY, while Rest of Africa and International Operations recorded stronger growth of 57.59% and 68.58% respectively.

Net interest income rose strongly by 53.88% YoY despite an 8.73% decline in total interest income to ₦895.03bn, largely driven by a 26.86% reduction in interest expense to ₦556.17bn as funding costs eased. Net fee and commission income also increased 15.74% YoY, supported by credit-related fees and e-business income. However, net foreign exchange gains declined 16.10% YoY to ₦176.43bn, while other operating income surged 302.76% YoY to ₦51.68bn, driven by investment income, dividend income, and bad debt recoveries.

Cost Analysis

Billion NGN	Q1 2025	Q1 2026	YOY
Interest expense	760.47	556.17	-26.86%
Impairment charge	21.77	73.81	239.04%
Operating expenses	349.10	437.53	25.33%
Taxation	40.03	49.07	22.58%

Source: Company's Q1 Financial Statement

Cost pressures remained elevated in Q1 2026 as personnel expenses increased 24.70% YoY to ₦131.64bn from ₦105.56bn in Q1 2025. The increase was primarily driven by higher wage and salary costs, which rose to ₦121.58bn from ₦100.46bn, reflecting inflation-driven compensation adjustments, business expansion across markets, and increased workforce costs.

Share-based and long-term incentive costs increased materially during the period. Restricted share performance plan expenses surged over 400% YoY to ₦4.75bn from ₦941mn, highlighting higher performance-linked compensation obligations. This reflects management's increasing use of incentive-based compensation to retain key talent and support long-term growth execution across its expanding regional operations.

Other operating expenses rose 27.04% YoY to ₦271.57bn from ₦213.76bn, driven by regulatory, operational, and infrastructure-related costs. AMCON surcharge increased sharply by 103.52% YoY to ₦79.28bn and remained the single largest operating cost line. Professional fees rose 132.83% YoY to ₦23.07bn, while outsourcing costs more than doubled to ₦13.78bn, reflecting rising operational complexity and technology-related service expenses.

The most significant deterioration within the cost structure came from impairment charges. Net impairment losses surged 239.04% YoY to ₦73.81bn from ₦21.77bn, driven mainly by higher provisions on loans and advances to customers, investment securities, and other financial assets. Impairment on investment securities alone increased significantly to ₦27.50bn from ₦315mn, while impairment on other financial assets rose 183.23% YoY to ₦23.97bn. This signals rising credit-risk pressure, weaker asset-quality conditions, and a more cautious risk environment across parts of the loan and investment portfolio.

Balance Sheet and Cash Flow Summary

Billion NGN	Q1 2025	Q1 2026	YOY
Total assets	39,085.83	53,437.04	36.72%
Total liabilities	35,398.20	49,040.20	38.54%
Total equities	3,687.63	4,396.84	19.23%
Net cash from operations	3,190.23	1,142.75	-64.18%
Net cash from financing	-1,019.59	-152.38	75.06%
Net cash from investing	-3,590.32	-895.55	85.05%
Net change in cash	-1,419.68	94.82	106.68%

Source: Company's Q1 Financial Statement

Operating cash flow remained positive at ₦1.14trn, but declined materially by 64.18% YoY from ₦3.19trn in Q1 2025. The decline reflects lower interest receipts, higher tax payments, and weaker operating cash conversion compared with the prior year. While the Group still generated strong cash, the year-on-year deterioration deserves monitoring.

Investing cash flow was negative at ₦895.55bn, mainly due to net acquisition of investment securities. Financing cash flow was also negative at ₦152.38bn, driven by interest payments on borrowings, lease payments, and AT1 capital-related costs. Overall, cash and cash equivalents closed broadly flat at ₦8.89trn, supported by the Group's large liquidity base.

Total assets increased 3.65% YTD to ₦53.44trn, supported by growth in cash balances, trading assets, investment securities, and customer loans. Cash and balances with banks rose 21.64% to ₦7.58trn, while loans and advances to customers increased modestly by 1.44% to ₦13.53trn. Investment securities also rose to ₦16.81trn, reinforcing the Group's asset depth.

Customer deposits increased modestly by 1.13% YTD to ₦34.95trn, remaining the Group's dominant funding source. Total liabilities rose 3.83% to ₦49.04trn, while total equity grew only 1.64% to ₦4.40trn. This means leverage remains high, as expected for a banking group, but capital growth is slower than asset growth..

Investor Concerns

A major concern from the quarter was the sharp deterioration in impairment charges, which surged 239.04% YoY to ₦73.81bn. The increase in provisions across loans, investment securities, and other financial assets points to rising credit-risk pressure and suggests a more challenging asset-quality environment despite strong earnings growth.

Cost pressures also remained elevated, as both personnel and operating expenses expanded materially during the period. Personnel expenses rose 24.70% YoY, while other operating expenses increased 27.04% YoY, driven by higher AMCON charges, professional fees, outsourcing, and infrastructure-related costs. Sustained cost escalation could compress margins if revenue momentum moderates.

Domestic operations showed signs of weaker earnings momentum relative to the Group's international businesses. Nigeria revenue declined 23.62% YoY, while profit before tax from Nigeria fell 7.61% YoY, indicating softer domestic profitability amid changing macroeconomic and competitive conditions. This contrasts with the stronger growth recorded across Rest of Africa and International Operations.

Cash-flow conversion also weakened during the quarter. Although operating cash flow remained positive at ₦1.14trn, it declined 64.18% YoY from the exceptionally strong level recorded in Q1 2025. This suggests that the growth in accounting earnings did not translate proportionately into cash generation, partly reflecting working-capital movements and balance-sheet repositioning activities.

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Access Holdings' Q1 2026 results show a banking group benefiting from stronger net interest margins, lower funding costs, and rising contribution from Rest of Africa and International Operations. The earnings base is becoming more diversified, which is positive for long-term resilience.

However, the performance is not without pressure. Revenue was broadly flat, impairment charges rose sharply, operating expenses increased, and Nigeria's contribution weakened. From an investment perspective, Access Holdings remains structurally strong, but investors should monitor asset quality, cost discipline, Nigerian earnings recovery, and cash-flow conversion.

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INVESTMENT ADVISOR & INTER-DEALER BROKER

INDIVIDUALS

FAMILY OFFICES

INSTITUTIONS

CONTACT US



+234 913 444 6070



globaladvisory@savest-financial.com



Scan the QR Code to access our
website

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