

Integrated Annual Report And Accounts 2023



CHARTING THE PATHWAY TOWARDS TRANSFORMATIONAL GROWTH

CHARTING THE PATHWAY TOWARDS TRANSFORMATIONAL GROWTH

Our strategic investments in technology and reformative structures are fueling new possibilities across diverse regions. With a forward-looking vision, we are actively driving change to unlock growth potential.

Today, as anticipated, fresh energies are emerging in the African capital markets, offering fertile ground for innovation and expansion. By aligning our efforts with emerging trends, we are well-positioned to capitalize on these prospects and generate sustainable value.



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NOTICE OF THE SIXTY- THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN that the Sixty-Third Annual General Meeting of Nigerian Exchange Group Plc ('the Company') will hold at the Event Centre, 20th floor, Nigerian Exchange Group House, 2-4 Customs Street Lagos, on Monday, 29 April 2024 at 11:00 a.m. prompt to transact the following businesses:

ORDINARY BUSINESS

1. To receive the Company's Audited Financial Statements for the year ended December 31, 2023, and the Reports of the Directors, Auditor, Board Evaluation Consultants and Audit Committee thereon.
2. To declare a final Dividend.
3. To ratify the appointment of Mr. Temi Popoola who was appointed as the Group Managing Director/Chief Executive Officer by the Board after the last Annual General Meeting.
4. To re-elect the following Non-Executive directors that are retiring by rotation,
 - a. Mr. Sehinde Adenagbe;
 - b. Mr. Ademola Babarinde; and
 - c. Mr. Mohammed Garuba.
5. To authorize the Board to fix the remuneration of the external auditors.
6. To disclose the remuneration of Managers of Nigerian Exchange Group Plc.
7. To elect/re-elect members of the Statutory Audit Committee.

SPECIAL BUSINESS

8. To consider and, if thought fit, pass the following resolution as ordinary resolution:

"That the Directors Annual fees for the financial year ending December 31, 2024, and for succeeding years until reviewed by the Annual General Meeting be and are hereby fixed at N12,000,000 for Chairman, and N7,500,000 for each other Non Executive Director respectively. Such fees to be payable quarterly in arrears or at such other intervals as approved by the Board."
9. To consider and if thought fit, pass with or without modifications, the following sub joined resolutions as an ordinary resolution:
 - i. That subject to obtaining the approval of the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to raise capital of up to ₦10,000,000,000 (Ten billion naira) by way of Rights Issue, through the issuance of ordinary shares, on such terms and conditions and at such time, as the Directors may deem fit or determine.
 - ii. That the Company be and is hereby authorised to increase its share capital from ₦1,102,309,954 to ₦1,347,309,954 (or to otherwise increase its share capital to an amount sufficient to accommodate the Rights Issue).
 - iii. The Directors be and are hereby authorized to appoint such professional parties and perform all such acts as may be necessary to give effect to the above resolutions, including without limitation, complying with directives of any regulatory authority.
10. To consider and if thought fit, pass the following as a special resolution:

That Clause 6 of the Company's Memorandum of Association be amended to reflect the new share capital of ₦1,347,309,954 by the increase and addition of 490,000,000 ordinary shares of ₦0.50 each ranking pari passu with the Company's existing ordinary shares bringing the Company's total share capital to ₦1,347,309,954 made up of 2,694,619,907 issued ordinary shares of ₦0.50 each.

NOTICE OF THE SIXTY- THIRD ANNUAL GENERAL MEETING

NOTE:

1. PROXY

- a) A shareholder entitled to attend and vote at the Annual-General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself. A proxy need not be a shareholder.
- b) A blank proxy form is attached to the Notice and may also be downloaded from Nigerian Exchange Group Plc (NGX Group)'s website at www.ngxgroup.com
- c) All instruments of proxy should be duly stamped at the Stamp Duties Office and deposited at either the registered office of NGX Group's Registrars, DataMax Registrars, (2C Gbagada - Oworonshoki Expressway, Gbagada, Lagos) or via email to datamax@datamaxregistrars.com or contactcenter@ngxgroup.com at least 48 hours before the time of holding the meeting.
- d) **PAYMENT OF DIVIDEND**
If the proposed Dividend of N0.75 Kobo per every N0.50 Kobo ordinary share is approved, it will be payable on Monday, 29 April 2024 to shareholders whose names appear in the Register of Members at the close of business on Tuesday, 26 March, 2024. Shareholders who have completed the e-dividend mandate forms will receive direct credit of the dividend into their bank accounts on the payment date.
- e) **CLOSURE OF REGISTER AND TRANSFER BOOKS**
Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed from Wednesday the 27th day of March 2024 to Thursday the 28th day of March 2024 both days inclusive for the purpose of preparing an up-to date Register of Members.

2. LIVE STREAMING OF AGM

The AGM will be streamed live to enable shareholders and other stakeholders who are unable to physically attend to follow the proceedings online. The link for live streaming will be made available on NGX Group's website at www.ngxgroup.com

3. STATUTORY AUDIT COMMITTEE

The Audit Committee consists of three (3) Shareholder representatives and two (2) Directors. In accordance with Section 404 of the Companies and Allied Matters Act, 2020, any shareholder may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. Further, CAMA provides that all members of the Audit Committee shall be financially literate, and at least one member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. Consequently, a detailed resume and copies of qualification certificates should be submitted with each nomination.

4. BIOGRAPHICAL DETAILS OF DIRECTORS FOR RE-ELECTION

Biographical details of Directors submitted for re-election are contained in the Annual Report.

5. QUESTIONS FROM SHAREHOLDERS

Shareholders reserve the right to ask questions not only at the meeting but also in writing prior to the meeting on any item contained in the Annual Report and Accounts or on any matter. Please send questions, comments or observations to Investors Relations by e-mail to IR@ngxgroup.com not later than 19 April 2024. Questions and answers will be presented at the Annual General Meeting.

Dated this 28th day of March 2024

By Order of the Board



Izuchukwu Akpa
Ag. Company Secretary
NGX Group House
2-4, Customs Street
Lagos, Nigeria





EXPLANATORY NOTES TO THE PROPOSED SPECIAL RESOLUTIONS ON THE AGENDA FOR THE ANNUAL GENERAL MEETING OF NIGERIAN EXCHANGE GROUP PLC SCHEDULED FOR MONDAY, APRIL 29 2024

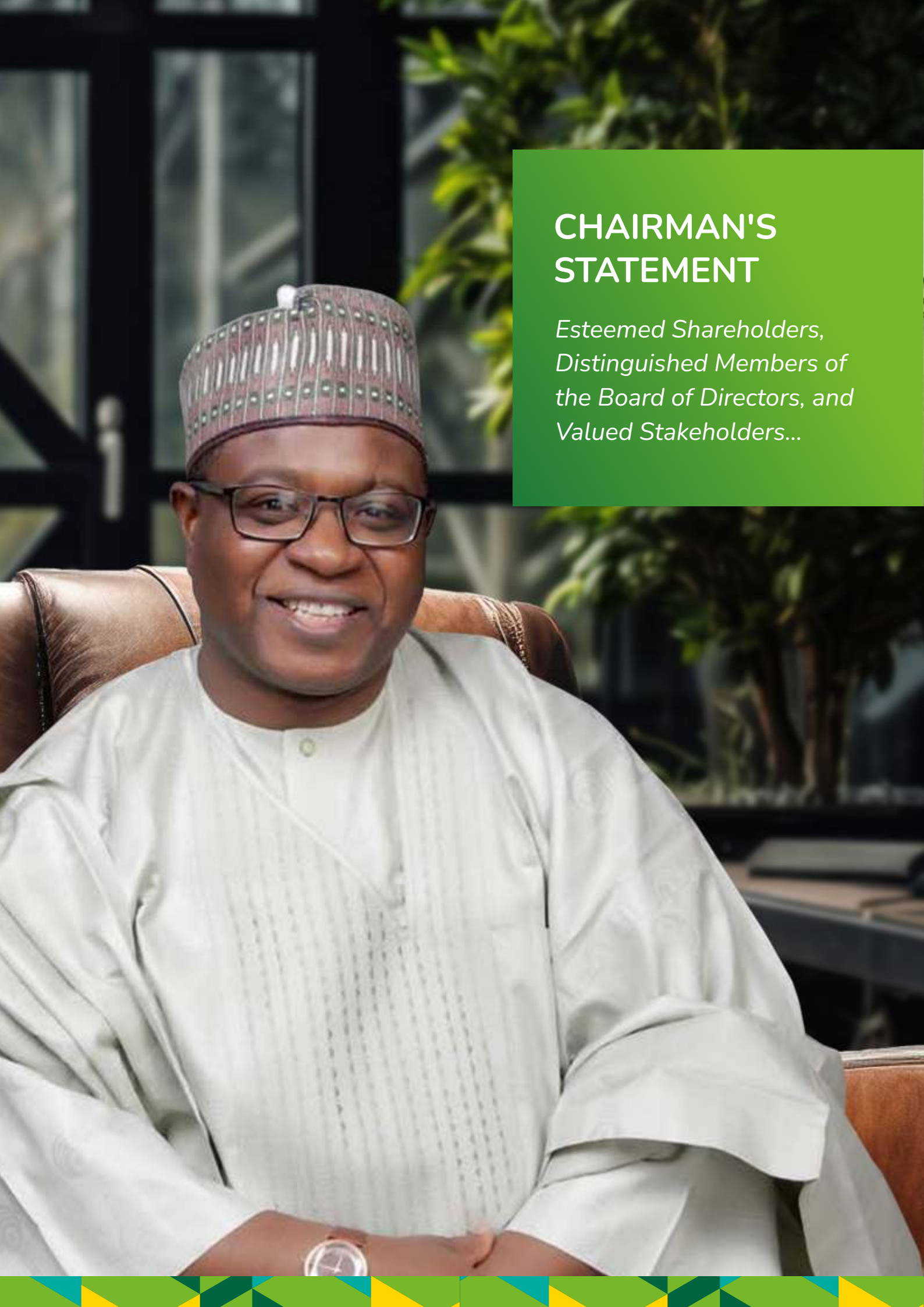
The Board of Directors considers that the proposed resolutions presented for Shareholders' consideration and voting are in the best interests of the Nigerian Exchange Group Plc (the Company), and its Shareholders. Therefore, the Board unanimously recommends that the Shareholders should vote in favour of the resolution below.

Resolution 10 - Amendment of Memorandum of Association

The company seeks the Shareholders approval to raise capital of up to ₦10,000,000,000 (Ten billion naira) by way of Rights Issue through the issuance of ordinary shares and increase its share capital from ₦1,102,309,954 to ₦1,347,309,954 (or to otherwise increase its share capital to an amount sufficient to accommodate the Rights Issue).

The approval of the Shareholders is being sought to amend the provisions of the Company's Memorandum of Association as follows:

- (i) In view of the above, and in compliance with Paragraphs 3 and 5 of the Schedule of Business Facilitation (Miscellaneous Provisions) Act 2023 ("the Act"), which amends Sections 127(1) and 149 respectively of the Companies and Allied Matters Act ("CAMA") 2020, Resolution 10 seeks to authorize the Board of Directors to increase the issued share capital of the Company and allot new shares of such amount, as it considers expedient, provided that a prior approval to do so has been obtained by the Shareholders at a General Meeting.
- (ii) Resolution 10 being a special resolution must receive, at least three-quarters of the votes of Members present and voting (in person or by proxy) at the Annual General Meeting for its adoption/passing.



CHAIRMAN'S STATEMENT

*Esteemed Shareholders,
Distinguished Members of
the Board of Directors, and
Valued Stakeholders...*



It is with a deep sense of responsibility and immense pride that I extend a warm welcome to each of you at the Annual General Meeting of NGX Group. Today, we find ourselves at a significant juncture, reflecting on a year interspersed with both notable challenges and remarkable achievements. As we convene to deliberate on the year gone by, I am privileged to present the Annual Report and Consolidated Financial Statements for the fiscal year 2023. This gathering is a testament to our collective resilience, determination, and the strategic foresight that has propelled our journey toward enduring growth and prosperity. Our steadfast dedication to fostering innovation, upholding integrity, and enhancing value for all our stakeholders has never wavered. These core principles have steadfastly directed our navigation through the dynamic complexities of the market landscape. I wish to express my sincere appreciation for your unwavering support and trust in us. Your belief in our vision and mission has been a critical pillar of our strength and progress. As we move forward, united in our commitment to transformation and excellence, I am confident in our continued journey of growth and success together. Thank you for your enduring partnership and faith in NGX Group. Together, we are poised to explore new horizons and achieve even greater milestones in the years to come.

Overview of the Macro Economy

In 2023, the Nigerian economy navigated a complex landscape marked by both growth and formidable challenges. The year kicked off with a moderate 2.51% expansion in real Gross Domestic Product (GDP) during the first half, as reported by the National Bureau of Statistics (NBS). This growth, while indicative of the economy's underlying resilience, represented a slowdown from the previous year's pace. A significant headwind came in the form of a Naira liquidity crisis in the early months, which

shaved off an estimated 80-100 basis points from the GDP's growth rate. The economic narrative of the year was further complicated by the interplay between government policy decisions and heightened electoral tensions, which significantly influenced Nigeria's socio-economic and cultural fabric.

The economic landscape in 2023 was also shaped by the Central Bank of Nigeria's (CBN) policies regarding Naira redesign and cash withdrawal limits, which precipitated widespread liquidity crises. Moreover, the electoral process reawakened political divisions reminiscent of 2011, further straining the nation's socio-economic cohesion. Despite these obstacles, the Nigerian economy demonstrated a commendable resilience, closing the year with a GDP growth of 3.46%.

Delving deeper into the sectoral performances, a nuanced picture emerges. The oil sector, while only contributing 4.70% to the total real GDP, continued its trend of contraction, albeit at a marginally slower rate of 0.9%, an improvement buoyed by a rise in domestic crude oil production from 1.2 million barrels per day to 1.55 million barrels per day. This slight recovery underscores the intricate balance between domestic production challenges and global oil price dynamics. Conversely, the non-oil sector shone as the beacon of economic resilience, achieving a robust growth rate of 3.2%. This growth was notably driven by significant expansions in the industry, services, and agriculture sectors, by 3.86%, 3.98%, and 2.10% respectively, underscoring the critical need for economic diversification.

However, the year was not without its shadows, most notably the specter of inflation, which soared to 28.92% by December. Primarily fueled by escalating domestic and imported food prices, this inflationary surge eroded

consumer purchasing power and plunged an additional 4 million Nigerians into poverty, exacerbating the plight of the roughly 133 million Nigerians already living below the poverty line. In response, the government enacted strategic reforms to mitigate fiscal risks, including the controversial termination of the gasoline subsidy, which led to a sharp 200% spike in retail gasoline prices, significantly affecting transportation, fuel, energy, and other utility costs.

The Nigerian Naira faced substantial depreciation against the US dollar, dropping to NGN 896.6 per USD by December 2023 and losing nearly 40% of its value. This depreciation was largely due to the Central Bank's decision to allow the Naira to freely fluctuate in the foreign exchange market, coupled with the abolition of the multiple exchange rate system and the suspension of the CBN's intervention in the FX markets. Such measures, while intended to address long-standing economic distortions, underscored the challenges of maintaining an astable and predictable currency environment.

In facing these multifaceted challenges, the government's approach to debt management underscored a commitment to fiscal responsibility and sustainability, focusing on transparency, prudent borrowing, and strategic investment. This approach aimed to balance development needs with fiscal health, reassuring investors and stabilizing the macroeconomic landscape.

Looking ahead to 2024, Nigeria stands at a crucial juncture, with the economy poised for pivotal developments, particularly in the oil sector and through broader economic reforms. The anticipated continuation of crude oil production gains, coupled with the commencement of operations at significant refining facilities such as the Dangote refinery and the BUA Group's refinery in Akwa Ibom, is expected to markedly enhance domestic refining capacity, setting the stage for a potentially transformative year. These developments, together with ongoing efforts towards economic diversification, inflation control, and fiscal sustainability, paint a cautiously optimistic outlook for Nigeria's economic trajectory in the year to come.

Conducting Business Responsibly

Nigerian Exchange Group Plc stands at the forefront as a premier integrated market infrastructure in Africa, dedicated to serving the continent's largest economy. Our unwavering commitment to enhancing the vibrancy and competitiveness of African economies underscores our broader vision of contributing to global economic prosperity. Positioned at the heart of Africa's financial landscape, we play a crucial role in molding the future of these markets through strategic investments in innovation and cutting-edge technology. Our mission is to elevate the standards of market infrastructure continuously, fostering a robust financial ecosystem that benefits a broad spectrum of stakeholders.

Our approach is comprehensive, focusing on diversification across the entire spectrum of the capital markets value chain, expanding capabilities, achieving scalability, and strengthening our capital structure through strategic consolidation. This multi-faceted strategy ensures that we not only meet but exceed the evolving needs of our diverse clientele, paving the way for a more inclusive and prosperous financial future.

By rigorously monitoring the performance of our business segments, we guarantee the effective and efficient execution of NGX Group's strategic initiatives. This diligent oversight is pivotal in maintaining our position as a leader in Africa's financial markets, driving innovation, and delivering exceptional value to our investors, partners, and the communities we serve. Through our concerted efforts, we are setting new benchmarks in market infrastructure, ensuring that NGX Group remains synonymous with excellence and resilience in the face of dynamic global challenges.

Executive Transition

NGX Group recently underwent a pivotal transformation in its executive leadership across its subsidiaries, a move in perfect alignment with our meticulously crafted Succession Plan. In September 2023, we marked the culmination of an era and the dawn of a new chapter with the announcement of the retirement of our esteemed Group Managing Director, Oscar Onyema OON, after years of distinguished service. This transition also saw the departure of several key NGX Board Executives, including Mr. Abubakar Mahmoud, Erelu Angela Adebayo, Mr. Kamarudeen Oladosu, Mr. Yomi Adeyemi, and Mr. Seyi Osunkeye, as well as NGX Regco Board Executives, Mrs. Catherine Echeozo and Mrs. Foluke Oyeleye, all of whom have contributed immensely to our growth and success.

I wish to express profound gratitude to Mr. Oscar N. Onyema OON and all departing board members for their monumental contributions, unwavering dedication, and the visionary leadership they have provided. Their collective efforts have steered the Group through diverse economic and political challenges, leaving an indelible mark on our evolution and fortitude. We celebrate their achievements and their pivotal role in shaping the NGX Group into a resilient and dynamic entity.

In keeping with our Succession Plan, the Board was delighted to appoint Mr. Temi Popoola, the former CEO of Nigerian Exchange Limited, as the new Group Managing Director and CEO. This strategic appointment promises a seamless transition, ensuring continuity and the sustained momentum of our strategic objectives and initiatives.



In addition, NGX welcomed new Executive and Non-Executive members to its board, including Mr. Ahonsi Unuigbo as the new Board Chairman, Mr. Jude Chiemeka as Executive Director, and Non-Executive Directors Mrs. Lilian Olubi, Mr. Azubuike Okpalaoka, Dr. Hamza Sule Wuro Bokki, Mr. Sehinde Adenagbe, and Mrs. Foluke Oyeleye. NGX Regco announced the appointment of Dr. Salamatu Suleiman as Chairman, alongside Non-Executive Directors Mr. Olufemi Akinsanya and Mrs. Amina Mohammed. Furthermore, NGX Relco appointed Ms. Ngozichukwuka Edozien as Chairman, with Mrs. Fiona Ahimie, Mr. Victor Alonge, and Mr. Abdullahi Suleiman joining as Non-Executive Directors.

These strategic leadership appointments herald a new era for NGX Group, positioning us to lead with renewed vigor as we step into the future. With the rich expertise and diverse perspectives of our new executives, we are more than equipped to explore new horizons, unlocking unparalleled potential. This transition not only promises to enhance value for our shareholders but also to catalyze growth, reinforcing our commitment to our investors and stakeholders in the ever-evolving financial landscape.

Reflection and Final Remarks

As we look back on the transformative journey of 2023 at NGX Group, it's clear that we have taken significant strides towards establishing a more robust, transparent, and investor-friendly marketplace. This year was marked by tangible growth across various sectors, an uptick in engagement from both local and international investors, and the seamless integration of cutting-edge technologies to streamline operations and enhance market efficiency. To sustain this positive trajectory and foster further growth, it's imperative that we remain agile, embracing global trends and prioritizing the diverse interests of our stakeholders.

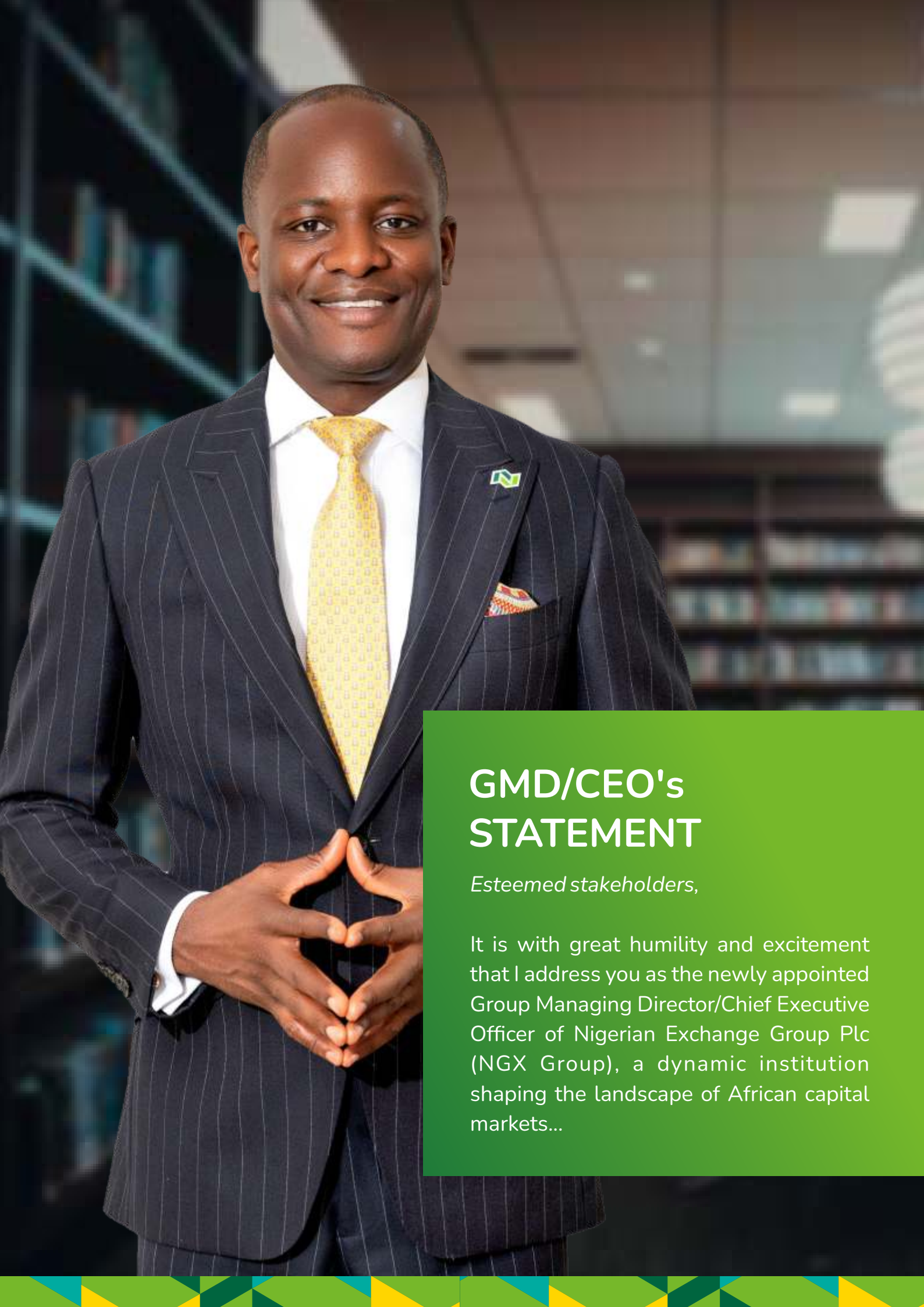
Reflecting on the year's accomplishments, the NGX Group concluded 2023 on a high note, propelled by a resurgence of investor confidence in our listed entities. This optimism sets a promising tone for 2024, with market participants eagerly anticipating a dynamic and potentially bullish primary equities market. The expected influx of manufacturers seeking to leverage the capital market for funding in 2024 underscores the vitality and expanding horizons of our market ecosystem.

I extend my deepest appreciation to my esteemed colleagues on the Board for their unwavering support, invaluable insights, and dedicated stewardship. Your collective wisdom and commitment have been instrumental in navigating NGX Group through the complexities of the financial landscape, laying the groundwork for enduring success.

Special thanks are due to our outgoing Group CEO, Mr. Oscar N. Onyema, OON, whose visionary leadership has indelibly shaped the NGX Group's trajectory. Under his stewardship, we have achieved remarkable milestones, from harnessing innovative technology solutions to broadening our market infrastructure, and nurturing a vibrant, transparent capital market. His strategic foresight has not only catalyzed the Group's growth but also galvanized our management team and staff towards pursuing excellence. Lastly, I extend my heartfelt gratitude to our esteemed shareholders, whose steadfast support and confidence have been pivotal to our journey. Your trust is the bedrock of our achievements and continued expansion. As we step forward into an exhilarating future, we commit to keeping you informed of our progress, celebrating each milestone with transparency and integrity. Together, as we venture into the promising vistas of 2024 and beyond, we remain dedicated to maximizing value for all our stakeholders, steering the NGX Group towards new heights of innovation, inclusivity, and prosperity.

Thank you.

Dr. Umaru Kwairanga
Chairman of the Board
Nigeria Exchange Group Plc



GMD/CEO's STATEMENT

Esteemed stakeholders,

It is with great humility and excitement that I address you as the newly appointed Group Managing Director/Chief Executive Officer of Nigerian Exchange Group Plc (NGX Group), a dynamic institution shaping the landscape of African capital markets...



As we gather for our annual general meeting, I am aware of the profound responsibility that comes with leading an organization of such significance and impact. I am committed to upholding the legacy of excellence and stewarding our company towards a future defined by innovation, resilience and sustainability.

First and foremost, I extend my heartfelt gratitude to the Board for their unwavering trust, and I pay tribute to the transformative leadership of my predecessor, Mr. Oscar N Onyema, OON. His stewardship has been instrumental in shaping NGX Group's trajectory.

The year 2023 marked a period of strategic advancements and significant milestones for the Group, demonstrating our commitment to diversification and value maximization across all facets of our operations. Our strength lies in our multifaceted approach to growth, encompassing our subsidiary, associate, and investee companies. This strategic diversification underscores our primary objective of enhancing stakeholder value, a guiding principle that will continue to inform our decisions and actions.

In the ever-evolving landscape of global finance, we are faced with unprecedented challenges and opportunities. From disruptive technological shifts to evolving regulatory regimes, the pace of change is relentless. Yet, through embracing innovation, fostering collaboration, and remaining steadfast in our core values, we have not only weathered these challenges but also emerged stronger than ever before.

Our achievements throughout 2023 have laid a solid foundation for the future, drawing attention and interest from a broad spectrum of investors and analysts, and signalling a readiness to broaden our horizons in 2024. As a vital platform for long-term financing and economic growth, we have facilitated noteworthy collaborations and success stories, attracting a diverse and dynamic investor community driven by various objectives, from wealth building to economic resilience.

I am particularly delighted that for the first time since our demutualization, we successfully distributed dividends to our shareholders this year – a significant milestone that reflects our robust financial health and commitment to delivering value to our shareholders.

Our vision is clear: to elevate NGX Group as Africa's leading exchange hub, empowering businesses and investors while stimulating sustainable development across the continent. Operational excellence, stakeholder engagement, and sustainable growth remain our top priorities as we explore new opportunities and shape the future of Africa's financial markets.

In pursuit of this vision, we remain committed to operational excellence, stakeholder engagement, and sustainable growth. Our future initiatives will be geared toward exploring new opportunities and charting the course for the future of Africa's financial markets, with an unwavering focus on fostering an inclusive and prosperous financial ecosystem.

As we embark on this transformative journey, I extend my deepest appreciation to our talented employees, whose dedication and expertise are the cornerstone of our success. Together, we will continue to uphold the highest standards of integrity, professionalism, and service excellence.

Group Financial Performance Review

In a year that underscored NGX Group's strategic agility and operational excellence, we witnessed an extraordinary surge in gross earnings, soaring by 57.4% to reach N11.8 billion in FY 2023, up from N7.5 billion in the preceding year. This remarkable growth stems from our dynamic revenue streams, including a significant uptick in transaction fees by 52.6%, driven by increased trading activities, alongside substantial increases in listing fees and rental income by 42.2% and 41.8%, respectively. Furthermore, our strategic investments yielded a 5.4% increase in treasury investment income.

A pivotal highlight of the year was the stellar performance in other income, which contributed 29.7% of our gross earnings, marking a 163.6% increase to N3.504 billion. This was driven by a 44.1% growth in market data income and an impressive 304.8% surge in other operating income, underscoring the effectiveness of our diverse revenue-generating strategies.



This robust operational success enabled the Board to approve a final dividend of N1.5 billion at 75 Kobo per share for the year ended December 31, 2023. Together with an interim dividend of N495.53 million at 25 Kobo per share disbursed in August 2023, the total dividend for FY 2023 stood at N1 per share.

The transformation in our financial indicators highlights a compelling success story, with operating profit transitioning from a loss to a gain of N433 million, marking a 130.2% improvement. This signifies a significant stride toward heightened operational efficiency and profitability. Our pre-tax profit soared by 639% to N5.27 billion, a testament to our robust revenue streams and strategic cost management, which also propelled a remarkable 788% increase in after-tax profit to N5.25 billion, enhancing our after-tax profit margin to 44.49%.

While total expenses rose by 27.3%, this increase reflects strategic investments in our future growth. Notably, a 31% rise in operating expenses, primarily due to foreign currency-related expenses, underscores our strategic foresight in navigating global economic fluctuations. Moreover, the careful management of a 34.8% increase in personnel expenses aligns with our commitment to enhancing employee welfare and retaining talent amidst challenging economic conditions, ensuring that our team remains motivated and well-supported.

Our balance sheet strength is more robust than ever, with a 4.9% increase in total assets, indicating solid liquidity and financial health poised for sustained expansion. A modest 0.6% increase in total liabilities was carefully managed, supporting our growth aspirations while maintaining fiscal prudence.

The FY 2023 financial results underscore NGX Group's unwavering commitment to operational excellence, strategic growth, and responsible financial management. As we forge ahead, we remain dedicated to enhancing shareholder value and securing NGX Group's position as a leader in the financial markets, well-prepared for the opportunities and challenges of the future.

Subsidiary Performance

The year 2023 was a test of resilience for the Nigerian capital market, and the entities under the NGX Group umbrella rose to the challenge with unwavering determination. Our operating exchange, NGX, emerged as a beacon of strength, weathering economic headwinds, including persistently high inflation rates, to conclude the year on a resounding high note. Our market capitalization soared to a remarkable N40.918 trillion, representing a significant uplift of N13 trillion or 46.6% from the previous year's close. This exceptional growth was driven by the outstanding performance of our leading corporations, underscoring the market's resilience and its potential as a cornerstone for Nigeria's economic recovery and sustainable growth.

Furthermore, NGX made substantial progress by securing N7.74 trillion in new listings, with FGN Bonds accounting for over 85% of this figure. The federal government alone listed 64 FGN Bonds, amassing a market value of nearly N6.98 trillion.

This figure overshadows the listings from corporate bodies and the Lagos State Government, which stood at N486.22 billion and N274.14 billion, respectively. Such dynamics reflect the strong investor confidence in Nigerian capital market, even in the face of prevailing economic challenges, including inflation, currency volatility, and security concerns. This trend not only validates the market's resilience but also emphasizes its critical role in offering viable investment opportunities that help navigate through economic uncertainties.

NGX RegCo, our self-regulatory subsidiary, plays a critical role in overseeing compliance within NGX to uphold market integrity. A notable initiative in 2023 was the introduction of the "Code of Conduct for Approved Persons of Trading License Holders" (The Code), a significant step towards ensuring high standards of professionalism and ethics in the capital market. Furthermore, in collaboration with the Financial Reporting Council (FRC) of Nigeria and the International Sustainability Standards Board (ISSB), NGX Regulation spearheaded the launch of the first two IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2 Standards), reinforcing our commitment to sustainability and ethical market practices.

Our partnership with EKEDC through our real estate company, NGX RelCo, has led to reduced diesel consumption and lower utility costs, benefiting from 20 to 22 hours of PHCN grid power supply. This efficiency, coupled with our cost-saving power plan, highlights our proactive approach to asset management and sustainability. We remain eager to explore further opportunities to expand our core real estate ventures, aligning with our strategic vision for growth and value enhancement.

Associates and Other Equity Investments

NGX Group's strategic roadmap is underpinned by a robust investment strategy that leverages equity stakes in key associates and entities operating within the capital market ecosystem. This approach not only broadens the Group's market impact but also diversifies its revenue streams, fostering sustainable growth and reinforcing its position as a leading player in the exchange landscape. A cornerstone of this strategy is the Group's 43.5% ownership in CSCS Plc, a critical player in the Nigerian capital market ecosystem, serving as the central depository, clearing, and settlement agency for all securities transactions.

Equally significant is our 27.7% stake in NG Clearing, an entity pivotal in managing clearing houses essential for the clearance and settlement of financial securities and derivatives transactions. This infrastructure plays a vital role in maintaining the market's integrity and smooth functioning. Additionally, NGX Group's diversified portfolio includes a 10.9% interest in NASD and a 6.42% stake in FMDQ, two entities that play instrumental roles in the capital market ecosystem. These strategic investments not only broaden the Group's sphere of influence but also facilitate its active participation in shaping the future of the Nigerian capital market.



At the core of NGX Group's investment philosophy lies a commitment to diversification and strategic alignment, aimed at bolstering its ability to generate sustainable revenue streams while exerting a significant influence within the capital market. By fostering synergistic relationships and positioning itself strategically, the Group not only reinforces its leadership but also creates enduring value for all stakeholders. This proactive stance, exemplified by the Group's performance in 2023, demonstrates its agility in navigating market complexities while seizing opportunities for growth and innovation, ultimately driving the evolution of the capital market ecosystem.

Corporate Governance

NGX Group's corporate governance framework epitomizes the highest ethical standards and accountability, reflecting our pivotal role within the capital market infrastructure. We are steadfastly committed to upholding the principles of excellence, integrity, and transparency across all our operations. This commitment permeates our strategic planning, daily management practices, and stakeholder interactions, ensuring our actions align with the most stringent ethical guidelines.

The Board of Directors is central to our governance structure, charged with steering NGX Group towards achieving its strategic objectives while safeguarding the interests of all stakeholders. This esteemed group plays a critical role in overseeing our strategic direction, financial targets, and the implementation of robust governance policies and frameworks. Their leadership fosters a culture of ethical management, operational efficiency, and an unwavering adherence to our core values.

The mantle of leadership is held by the Group Managing Director/Chief Executive Officer, who, alongside the Management Committee, is responsible for the day-to-day leadership and operational excellence of NGX Group. Operating under the Board's directives, this team is instrumental in ensuring the Group's strategic vision is realized and that our operations reflect our standing as a leading non-operating holding company in the capital market.

A fundamental tenet of our governance philosophy is our unwavering commitment to the principles of transparency, accountability, diversity, and inclusion. NGX Group has implemented a robust framework of policies and procedures to create an environment that emphasizes clear communication, ethical conduct, and respect for diverse perspectives. This framework ensures that every team member understands their responsibilities and the high standards of conduct expected of them.

Through these governance practices, NGX Group exemplifies leadership in corporate governance and fosters a culture of trust, responsibility, and inclusivity. Our dedication to these principles fortifies our reputation as a trusted leader in the capital market, securing the confidence of our stakeholders and driving the sustainable advancement of the financial ecosystem.

Conclusion

On behalf of NGX Group, I extend my sincere gratitude to our shareholders, customers, employees, regulators, and directors for their steadfast support. Your collaborative efforts have been instrumental in our ability to overcome challenges, seize opportunities, and achieve pivotal milestones on our path to growth and distinction. Our strategic investments, particularly through our subsidiaries, underscore our commitment to diversification, strategic positioning, revenue enhancement, and strong market presence within the capital market sector. At the core of our endeavors is an unwavering dedication to creating enduring value for all stakeholders, guiding our every decision and action.

Looking ahead, we are optimistic and well-positioned to forge a future marked by success, resilience, and prosperity. Our focus remains on driving profitability, strengthening our financial position, broadening our revenue base, and proactively pursuing innovative strategic avenues that contribute significantly to the broader capital market ecosystem. Your continued trust and partnership are invaluable. Together, we are poised to shape a bright and prosperous future for NGX Group and the industry as a whole.

Temi Popoola

*Group Managing Director/Chief Executive Officer
Nigerian Exchange Group*

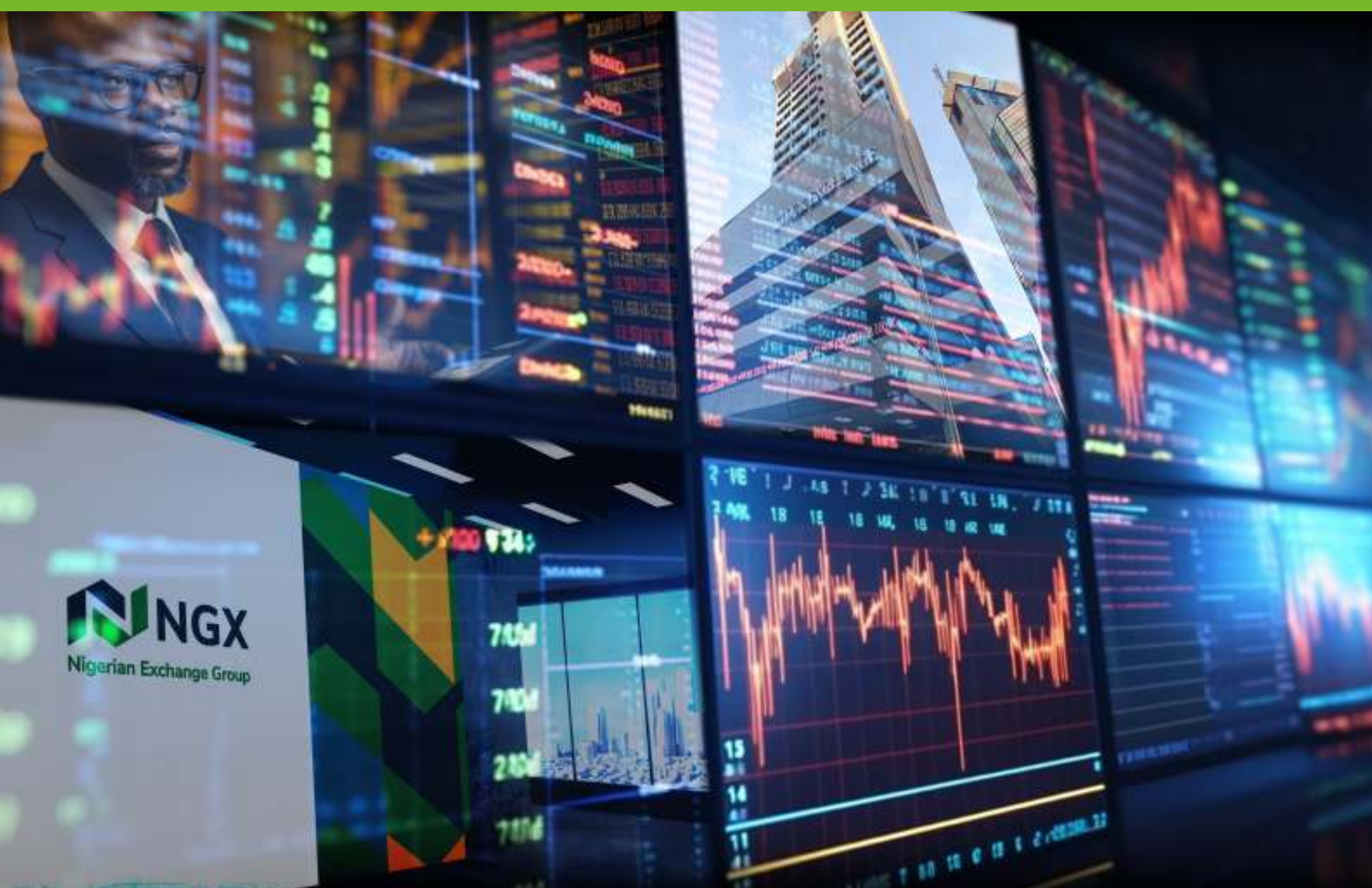


STRATEGY REPORT

2023



Nigerian Exchange Group Plc (NGX Group) is a leading integrated market infrastructure group in Africa, powering the continent's largest economy and driving the competitiveness of the African markets. As a pivotal force in shaping the future of financial markets across the continent, NGX Group champions business innovation and cutting-edge technology to facilitate market growth and evolution.





Since its inception, NGX Group has consistently led the financial market, contributing significantly to the prosperity of the Nigerian economy. Over the years, NGX Group has forged strategic partnerships with local and international organizations, particularly in the areas of listings, market data, and technology. These partnerships have not only strengthened NGX Group's position in the market but have also played a pivotal role in shaping the future of Africa's financial landscape.

NGX Group's investment in the financial infrastructure space has been extensive, with notable investments in NG Clearing, CSCS, and OTC platforms. These investments underscore NGX

Group's commitment to enhancing the efficiency and transparency of Nigeria's financial markets while also contributing to the growth and development of the broader African economy.

At the core of NGX Group's operations are its vision, mission, and core values, which serve as guiding principles for the organization. These principles are reflected in NGX Group's efforts to create an enabling work environment for its people, promote sustained relevance in the economy, and seek both organic and inorganic growth opportunities for expansion and increased global competitiveness.



VISION

To be Africa's preferred exchange hub.



MISSION

To provide investors and businesses a reliable, efficient and an adaptable exchange hub in Africa, to save and to access capital.



CORE VALUES

Ambitious | Inclusive | Fair

NGX GROUP'S COMPANY STRUCTURE

With a rich legacy spanning over 63 years of industry leadership in Nigeria, the Group has consistently upheld its foremost position in Africa's financial market following its demutualization. Through its wholly-owned subsidiaries – NGX, NGX RegCo, and NGX RelCo – the Group has continued to propel its success. By harnessing the power of technology and innovation, NGX Group offers a diverse array of services, including securities trading and listing, market data, technology solutions, regulation, and real estate. These subsidiary companies have emerged as the strong pillars supporting the Group's operations. NGX Group places a strong emphasis on customer-centric approaches to maintain its premier standing in the market.

Furthermore, NGX Group extends its offerings to encompass post-trade, clearing, unlisted stocks, money market services, and more through its investee companies: NG Clearing, CSCS, NASD, and FMDQ.



→ SUBSIDIARY COMPANY ← → ASSOCIATE COMPANY ← → OTHER INVESTEE COMPANIES ←



Nigerian Exchange Limited (NGX):

Deploys innovative capital market solutions that provide a globally competitive platform for Issuers to raise capital, and investors to meet their financial objectives across markets and geographies.



NGX Regulation Limited (NGX RegCo):

Provides regulatory services to Nigerian Exchange Limited under the terms of a Regulatory Services Agreement (RSA), and monitors activities in NGX's market.



NGX Real Estate Limited (NGX RelCo):

Aims at providing services in property management, real estate structuring, real estate investment, property development and real estate financing.

**On Monday 1st January 2024, Mr. Temi Popoola, CEO of NGX, was appointed as the GMD/CEO designate of NGX Group Plc.*



TEMI POPOOLA

Temi Popoola is the Group Managing Director/Chief Executive Officer of Nigerian Exchange Group Plc. Prior to this, he served as the CEO of Nigerian Exchange Limited, the operating exchange subsidiary of the Group, guiding it through several strategic milestones and achievements. He is a successful C-suite leader whose unique blend of business acumen, financial expertise, global market growth performance, and operational insight has earned him a reputation built on verifiable career achievements.



A wall street trained investment banker, Temi launched his career in London, working as an asset manager where he gained extensive experience researching and assessing investment opportunities across Africa's energy sector. In his next professional role, he expanded his expertise as an Equity Derivatives Trader with Bank of America Securities in New York, USA. During this time, he fine-tuned his trading and investment advisory skills, working closely with both large corporations and private clients.

After achieving success on Wall Street, Temi joined UBA as Head of Structured Products and Investments for global markets. He subsequently led the Sales & Trading business at CSL Stockbrokers, a wholly owned subsidiary of FCMB. In both roles, he facilitated the flow of capital from global investors into Nigeria, particularly those from South Africa, the UK, the US, and Nigeria.

Leveraging his expert knowledge of the Nigerian financial services industry, he became recognized as a leader in the industry and was subsequently recruited by Renaissance Capital in 2015, where he rapidly progressed into the CEO role, assuming responsibility for the West Africa operations of the firm. During his six-year tenure at Renaissance Capital, Temi provided strategic market insight and leadership. He diversified the company's revenue streams by adding fixed income, derivatives, structured products, financing, and wealth management. He oversaw a global workforce, expanded foreign investor capital opportunities into the Nigerian market, and introduced new processes, programs, and strategies to exceed corporate and client expectations.

Temi's influence extends beyond his executive roles as evidenced by his contributions to the World Federation of Exchanges and the African Securities Exchanges Association as board and Executive Committee member respectively, actively shaping the future of global finance.

In addition to his professional accomplishments, Temi is deeply committed to fostering collaborative team environments and leveraging his expertise to mentor and guide others towards surpassing organizational goals. His passion for finance and investment banking is complemented by his dedication to empowering teams and driving impactful change within the industry.

Temi graduated with a B.Sc. (First-Class Honors) in Chemical Engineering from the University of Lagos, Nigeria and holds an M.Sc. from Massachusetts Institute of Technology (MIT), USA. Additionally, he is a Chartered Financial Analyst (CFA) charter holder and has obtained FINRA's Series 7 and 63 licenses.

NIGERIAN EXCHANGE LIMITED



AFRICA'S GROWTH CHAMPION

Nigerian Exchange Limited (NGX), a wholly owned subsidiary of the Nigerian Exchange Group (NGX Group), is a leading listing and trading venue in Africa with its history dating back to 1960. It is an open, professional, and vibrant exchange, connecting Nigeria, Africa, and the world. NGX is a multi-asset exchange providing a home to the best of African enterprises listed on its Premium, Main, and Growth Boards; diverse Fixed Income Securities; Exchange Traded Products (ETPs); Derivatives, Mutual and other investment funds. In addition, NGX provides licensing services, market data solutions, ancillary technology services, and more in its quest to be Africa's preferred exchange hub. Some of the key market/business development activities in 2023 were.

- I. Execution of NGX Derivatives Market Workshop, ETFs Webinar, and Retail Investor Workshop.
- II. Hosted a Non-Deal Roadshow to improve deal flow and promote Nigeria as a destination for foreign capital.
- III. Improving liquidity and generating income for lenders by promoting Securities Lending benefits. With the intent to drive the achievement of the Sustainable Development Goals through listed products on the exchange, NGX has entered a partnership with MOBILIST to support new listings and promote equity investments from the UK government, provide extra support whether technical or research based.

SERVICES:



LISTING



TRADING



MARKET DATA



TECHNOLOGY



TRAINING



LICENSING

HIGHLIGHTS:

183 Equity Listings and REITs

68 Memorandum Listings

190 Fixed Income Listings

12 Exchange Traded Funds

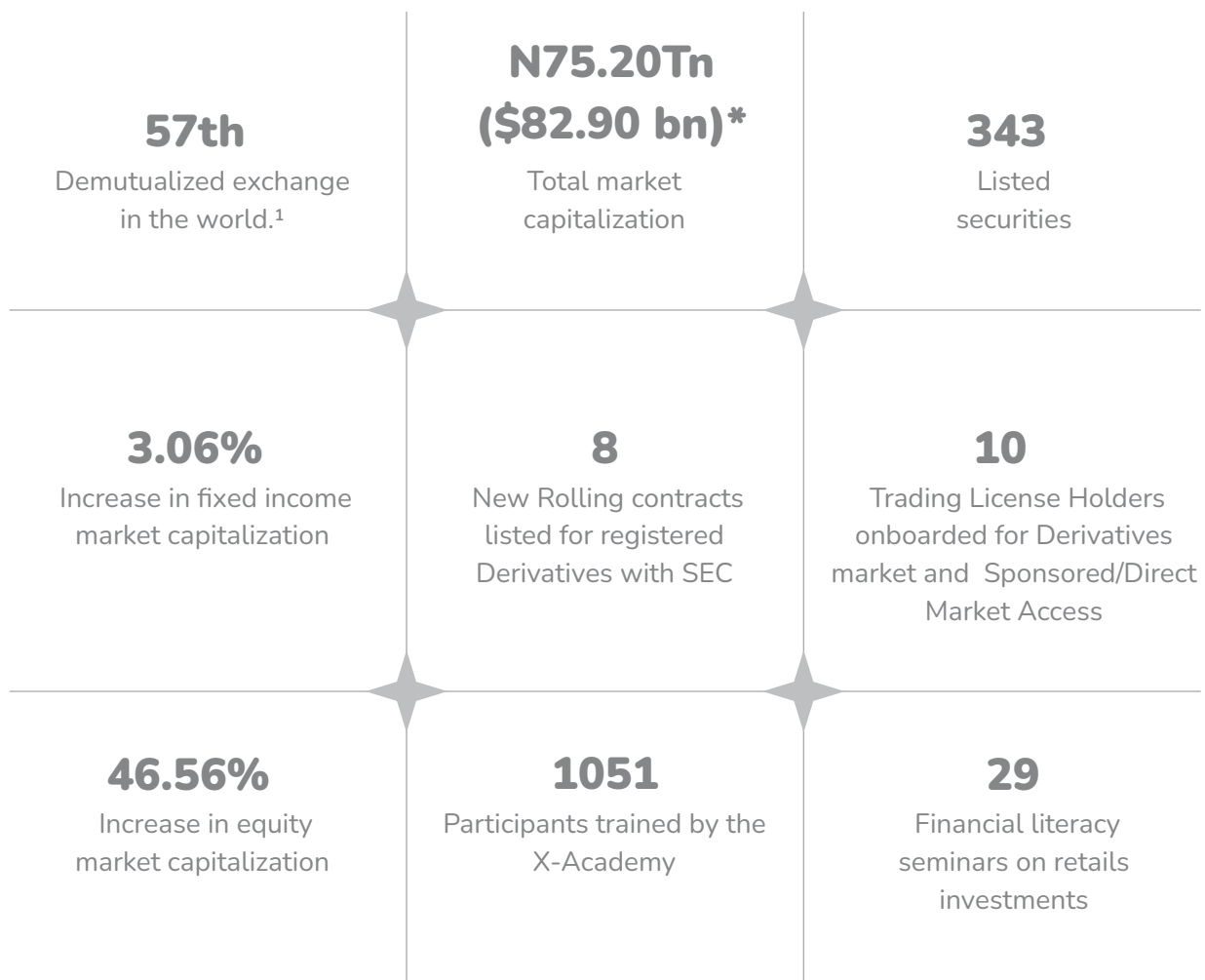


NGX 2023 PERFORMANCE

The year 2023 posed significant challenges for the Nigerian economy, marked by a series of difficulties arising from general elections, stringent monetary policies, removal of fuel subsidies, and a persistent rise in inflation rate. These issues were compounded by volatile fluctuations in the exchange rate and the devaluation of the naira, collectively creating a climate of instability in the nation's economic landscape.

Despite these challenges, NGX, emerged as a symbol of resilience, finishing the year on a notably strong note. The performance of the Equity capital market was particularly impressive, with the All Share Index (ASI) appreciating by an exceptional 45.90%, from 51,251.06 points in 2022 to an impressive 74,773.77 points by the end of 2023. This achievement starkly contrasts with the 19.98% gain recorded in the previous year of 2022.

The summary below evidences our position as a sustainable exchange championing Africa's growth, reflecting a successful year in which we surpassed our objectives.



¹Among the 70 members of the World Federation of Exchanges as at April 2021.
*Exchange rate at \$907.11 Dec 2023

NGX DIGITAL TRANSFORMATION: USSD CODE LAUNCH



*5474#

BRINGING THE MARKET
CLOSER TO YOU



NGX successfully launched *5474# in November 2023, a USSD code designed to enhance retail investor participation in the Nigerian capital market. This initiative aims to boost financial inclusion and market participation by providing easy access to real-time stock prices, top gainers and losers, most traded stocks, and even facilitating the opening of trading accounts. The introduction of *5474# underscores NGX's commitment to fostering financial inclusion and innovation in Nigeria, marking a significant step towards democratizing access to the Nigerian capital market.

Some of the benefits of the initiative are:

- * Convenience
- * Accessibility
- * Real-Time Information
- * Financial Inclusion
- * Ease of Use

Navigating NGX's USSD Code

GAINERS AND LOSERS	MOST TRADED STOCKS	STOCK PRICES	GET A TRADING ACCOUNT
Investors can view the top 5 gainers and losers in real time.	Investors can view the top 5 most traded stocks by volume and value in real time.	Investors can view receive real-time updates on stock prices on any mobile device.	Investors have access to select Trading License Holders to open a stockbroking account.



KEY ACHIEVEMENTS OF NGX IN 2023 YTD – (1/2)

The Exchange showed commitment to achieving its strategic objectives during the year under review.



NGX REGULATION LIMITED



NGX Regulation Limited (NGX RegCo) is an independent subsidiary of Nigerian Exchange Group Plc. (NGX Group Plc.) and a Self Regulatory Organization (SRO) registered by the Securities and Exchange Commission (SEC) of Nigeria.

*Our regulatory activities seek to promote **just and equitable principles of trade**, encourage **free and open markets**, mitigate **systemic risks**, protect **investors and customers**, and provide value to stakeholders by facilitating **robust, developed and well-regulated markets**.*

Highlight:
Design and Launch of EquipHER

EquipHER

1. To drive female participation in the Equity Market through investor education programmes;
2. Mainstream gender financial inclusion narrative into the Nigerian Capital Market; and
3. Propose mechanisms to monitor gender impact to facilitate gender disaggregated data collection and analysis.





NGX REGCO'S KEY HIGHLIGHTS

NGX RegCo actualised steps towards enhancing its position as Africa's premier Self-Regulatory Organization (SRO).



NGX REAL ESTATE LIMITED



NGX Real Estate Limited (NGX RelCo) is a wholly owned subsidiary of Nigerian Exchange Group (NGX Group), evolving from the legacy Naira Properties. Our vision is to offer best-in-class realtor services and become the top choice for real estate in Nigeria.

Currently, in a growth phase, NGX RelCo aims to provide a comprehensive range of flexible and responsive products and services to customers. This will be achieved through efficient technology platforms and excellent customer service, guided by a well-tailored service offering outlined below:



The company is actively involved in property letting and currently manages the NGX Group House. It has strategic plans to transition towards full-scale commercial property transactions, employing a bypass strategy to explore new and untapped areas of real estate. Our management approach is tailored to minimize investors' risk and develop profitable expansion or exit/entry strategies for private and institutional investors alike.



NGX RELCO'S STRATEGIC DIRECTION

NGX RelCo aims to become a world class real estate company in Africa. We intend to use our expertise to our advantage to synergise financial and real estate sectors to generate bespoke products that grow our customer base and value offering.

To attain our strategic objectives and advance our business, we must concentrate on refining our core value proposition while also fortifying the groundwork necessary to achieve our overarching goals.

The following are the five strategic focus areas for the company:





A glass globe with a miniature forest inside, resting on moss with water droplets.

SUSTAINABILITY REPORT

*FOSTERING AN INCLUSIVE AND
SUSTAINABLE ECOSYSTEM*

2023 NGX GROUP SUSTAINABILITY REPORT

FOSTERING AN INCLUSIVE AND SUSTAINABLE ECOSYSTEM

NGX Group remains steadfast in leveraging its unique position to shape a financial ecosystem that generates long-term value for all stakeholders

- Clifford Akpolo,
Head, Marketing and
Corporate Communications, NGX.

This report showcases Nigerian Exchange Group Plc's unwavering commitment to advancing the sustainable development agenda in Nigeria through innovative financial solutions and initiatives. By mainstreaming sustainable finance instruments like green infrastructure funds and Islamic finance products, we are mobilizing vital capital towards projects that drive inclusive economic growth while prioritizing environmental stewardship and social impact.

Our efforts to enhance financial inclusion and market accessibility via digital platforms democratize investment opportunities, empowering diverse stakeholders to participate in building a more prosperous and resilient future. Through strategic partnerships and investor engagement, we continue to position the Nigerian capital markets as a catalyst for attracting sustainable investments aligned with national development priorities.

As we forge ahead, NGX Group remains steadfast in leveraging our unique position to shape a financial ecosystem that generates long-term value for our nation, people, and planet. This report is a testament to our dedication towards achieving the Sustainable Development Goals and creating a more equitable, resilient, and sustainable world for generations to come.

REPORTING APPROACH

Scope, boundary, and reporting period

The NGX Group 2023 annual sustainability report details the progress we achieved in driving our sustainability priorities, and the impact of these priorities on our vision to be Africa's preferred exchange hub. The report covers the activities and operations of NGX Group and its wholly owned subsidiary companies – NGX, NGX RegCo and NGX RelCo – over the calendar year - January 2023 to December 2023.

Reporting Standards and Frameworks

We gathered data and developed this report in accordance with guidelines and definitions of the Global Reporting Initiative (GRI Standards) Guidelines, unless stated otherwise. The GRI Content Index provides a guide on each disclosure, its scope, and its location inside the report (see page 184). In addition, we have addressed our progress on our commitments to the Sustainable Stock Exchanges Initiative (SSEI), Sustainable Development Goals (SDGs), Global Compact principles, and the Women Empowerment Principles (WEPS).













Inclusively, we made disclosures on material topics from the Sustainability Accounting Standards Board (SASB) and World Economic Forum (WEF) Stakeholder Capitalism Metrics, and we have also structured our energy and carbon reporting in line with the Streamlined Emissions and Carbon Reporting (SECR) guidelines.

CORPORATE SUSTAINABILITY AND RESPONSIBILITY STRATEGY

We have continued to implement our corporate responsible and sustainable strategy along our four pillars: Community, Marketplace, Workplace, and Environment during the reporting period. Across each pillar, we implemented our sustainability strategy with the overarching objective of enabling **sustainable growth and development by providing responsible financial and investment services, promoting sustainable business practices, and leading in community and environmental stewardship by prioritizing an inclusive culture within our business operations and leveraging our ecosystem.**

Our strategic aspirations are an emergent evolution of our four pillars which enable us to deliver the aspirations of our sustainability strategy and leverage our convening power to support efforts aimed at achieving sustainable development within our sphere of influence. To this end, we mapped our four pillars and strategic aspirations against the SDGs to help us understand where we can have the strongest impact.



STRATEGIC PILLARS	ASPIRATIONS	SDG
Marketplace Promoting a market-based approach to implementing ESG imperatives amongst all stakeholders	Lead market development for sustainable finance Promoting equity, diversity and inclusion across our marketplace Galvanize corporate action for climate change and the energy transition Promote best practice leadership in sustainability reporting	   
Workplace Fostering a qualitatively orientated work environment that values employee diversity and well-being and harnesses the talents and skills of our people	Foster a culture of inclusion and diversity	   
Communities Contributing positively to the communities where we live and work	Foster a financially literate and inclusive society Promote access to inclusive technology for financial inclusion Address Africa's most pressing sustainable development challenges Support gender equality and financial empowerment	  
Environment Reducing the environmental impact of our business operations and activities	Continue to find and maintain energy efficiencies in business operations and travel	

Materiality Assessment

The topics disclosed in this report reflect some of the most important issues to our business and stakeholders, as well as opportunities where we can have the greatest impact on regional issues relating to sustainable development and climate change. These material topics, though broadly remain unchanged since we published the 2022 annual sustainability report, have been further refined to reflect the broader economic conditions in Nigeria for the period under review.

Our material topics are derived through a desktop review of relevant industry standards and peer reviews on global and local materiality issues for the global and regional capital market. The following issues were identified as material to our business operations and activities to our investment proposition:

Material Issue	Definition	Improved Corporate Governance	Robust trading performance	Sustainable performance & approach	Pivotal Expansion & Growth	Strong Competitive Advantage	Attractive market Dynamics
Increasing access to capital for sustainable impact	Our ability as a Group to facilitate increased longer-term capital to support economic activities and projects.	✓				✓	
Improving timely access to data and information about market activities	Improving the live streaming of trade-related data (information such as price, bid/ask quotes, market volume, reports on various assets and financial instruments) distributed to traders and firms.		✓				✓
Promoting financial literacy and inclusion	Our ability to improve the set of skills and knowledge allows retail and institutional investors across our market to make informed and effective decisions with all their financial resources.				✓		
Innovative products and partnerships	Developing innovative products and services and forging impactful partnerships that deepen the market and further our aspirations as Africa's premier market hub.				✓	✓	✓
Promoting accountability and best practice corporate governance	Through NGX RegCo. implementing effective and forward-thinking rules, practices and processes for transactions across our market.	✓					
Data Security and Customer Privacy	Promoting best practices in the collection, management, utilization and protection of data across our market.		✓			✓	✓
Thought Leadership on Market Issues and Sustainability	Increasing awareness of environmental, social and governance (ESG) considerations for investment decisions across the market	✓		✓	✓	✓	
Managing Business Continuity and Technology Risks	Sustaining our resilience as an organisation capable of continuing the delivery of products or services at pre-defined acceptable levels in the event of a disruptive incident.			✓		✓	✓
Promoting Diversity and Inclusion	Our ability to leverage from a broad diversity of thought contributed by unique individuals that make up our leadership structures, business operations and activities	✓		✓			
Promoting Environmental, Social and Governance imperatives	Environmental, social, and governance (ESG) identifies and measures the impact of an organization's policies and procedures in the areas of the environment, social, and governance, which may impact their brand, revenue, company valuation, and market perception, and reduces risk.	✓		✓		✓	
Improving Customer Relations	Enhancing our relationships with customers and improving the customer experience.				✓	✓	



Stakeholder Engagement

Being accountable to our broad universe of stakeholders is paramount as we aim to provide investors, businesses and governments a reliable and adaptable exchange hub in Africa. At NGX Group, stakeholder management is crucial, and we endorse a robust engagement method with the aim of delivering sustainable value to all stakeholders. During the 2023 FY, we engaged with a varied set of stakeholders leveraging several channels of interaction.

Stakeholder	Mode of Engagement
Brokers/ Dealers/Members	<ul style="list-style-type: none"> * Bi-monthly CEO breakfast meetings * Quarterly compliance officer's forum * Quarterly investigative panel meetings
Clearing/Market Participants	<ul style="list-style-type: none"> * Regular briefings, seminars, meetings & discussions * Regular participant circulars * Ad hoc surveys; market consultation on new proposals
Employees	<ul style="list-style-type: none"> * Town hall meetings * Regular intranet & e-mail communication * Brown bag sessions based on various topics * Onboarding program for new recruits & regular in-house seminars for all employees
Government	<ul style="list-style-type: none"> * Meeting with key government officials * Responding to legislative enquiries * Meetings upon request
Listed/Potential Issuers	<ul style="list-style-type: none"> * Annual stakeholder engagement sessions * Factory visits; consultations * Printed materials * Face-to-face meetings & capacity building * Rules & guidelines * Partnerships on social causes
Local and International Investors	<ul style="list-style-type: none"> * Guided tour of NGX * Regular media interviews & events, including briefings on financial year outlook * Press releases * Daily phone & written enquiries * NGX Group website, news alerts & social media channels
Media/Analysts	<ul style="list-style-type: none"> * Media interviews and events * Regular media parley and media/analyst briefings * Daily communications on market performance, media training & workshops * Press releases & articles
NGOs/Professional bodies/Local International Affiliations	<ul style="list-style-type: none"> * Consultations on new proposals * Regular meetings and correspondence * Ad hoc written requests * Co-organization of seminars & events
Other Exchanges	<ul style="list-style-type: none"> * Regular meetings on specific projects * Delegations for courtesy & training purposes * Annual meetings of the WFE & SSEI, African ASEA Exco & WACMIC
Regulators	<ul style="list-style-type: none"> * Ad hoc liaison & working meetings * Regular reports & review of the NGX's performance in its regulation of listing matters
Suppliers/Business	<ul style="list-style-type: none"> * Meetings on a need basis
Investee companies	<ul style="list-style-type: none"> * Maintain active governance presence on the boards of investee companies: CSCS, NG Clearing and NASD.

Memberships

We will continue to explore and leverage strategic collaboration opportunities in our quest to remain a globally leading exchange group. The table below summarizes our global and domestic memberships and working committees.

NGX Group	<ul style="list-style-type: none"> * World Federation of Exchanges (WFE) * Presidential Quarterly Business Forum * Capital Market Committee (CMC) * Capital Market Master Plan Implementation Council (CAMMIC) 	
NGX	<ul style="list-style-type: none"> * African Securities Exchanges Association (ASEA) * Association of Securities Exchanges of Nigeria (ASEN) * African Private Equity and Venture Capital Association (AVCA) * Central Bank of Nigeria (CBN) * Nigerian Coalition of Services Industry (NCSI) * FinTech Association of Nigeria (FinTechNGR) * Global Compact * Risk Management Association of Nigeria (RIMAN) * Sustainable Stock Exchanges Initiative * Global Reporting Initiative (GRI) * Financial Information Exchange (FIX) * Financial Information Services Division (FISD) * Nigerian Economic Summit Group (NESG) 	
NGX RegCo	<ul style="list-style-type: none"> * Compliance Institute Nigeria (CIN) * Institute of Capital Market Registrars (ICMR) * International Organization of Securities Commissions (IOSCO) * Intermarket Surveillance Group (ISG) * Financial Services Regulation Coordination Committee (FSRCC) 	



New partnerships and collaborations

During the reporting period, we forged innovative partnerships and collaborations with global, regional and local market-leading institutions and government entities to further the achievement of our mandate as Africa's preferred exchange hub. Key partnerships established forged during the year include:

Enabling efficient cross-border payments across African capital markets	Support for optimization and access to capital for government-owned assets
<p>Nigerian Exchange Limited (NGX), our operating exchange subsidiary signed a Memorandum of Understanding with the Pan-African Payment Settlement System (PAPSS) to provide a faster, easier, and cheaper means of transferring funds in cross-border securities transactions within Africa.</p>	<p>The Exchange forged a partnership with the Ministry of Finance Incorporated toward developing a roadmap to enlist government entities in the capital market for trading.</p>
	
Channelling investments and international support for climate transition and SDGs	Enhancing the effectiveness of regulation and investor protection in the capital market
<p>Our partnership with the UK Foreign Secretary, through NGX, to implement the MOBILIST programme will help to identify eligible products in Nigeria that could benefit from direct investment and technical support offered by British Investment Partnerships (BIP).</p>	<p>NGX Regulation Limited (NGX RegCo), an Independent Self-Regulatory Organization (SRO) of NGX Group signed a MoU with the Institute of Chartered Accountants of Nigeria (ICAN) to harness capacity building and information sharing aimed at fostering a culture of competence and professionalism across the market.</p>
	

MARKETPLACE



Galvanizing corporate action for climate change and the energy transition

NGX Partners UK MOBILIST Programme

The operating exchange subsidiary of NGX Group, NGX enhanced its efforts in making the Nigerian capital market an attractive hub for investments that fosters sustainable capital formation through its partnership with UK government's Mobilising Institutional Capital Through Listed Product Structures (MOBILIST) programme. MOBILIST, a flagship UK public markets programme under the British Investment Partnerships (BIP), will channel investments and technical assistance to market investment products that support the climate transition and Sustainable Development Goals (SDGs) in Africa through products listed on the Exchange.

Under this partnership, NGX will play a critical role in facilitating proposals from capital market operators including brokers, investment banks and intermediaries of public offerings for equity capital consideration or debt securities issuers with technical assistance funding.

Providing leadership at the forefront of capital market regulation in Africa

NGX RegCo builds capacity of ESX on SRO functions

In line with its positioning as a leading Self-Regulatory Organization (SRO) in Africa, the independent regulatory subsidiary of NGX Group, NGX RegCo provided capacity development for staff of the Ethiopian Securities Exchange (ESX) on several topics with the core objective of deepening their knowledge on the operations of a securities exchange. These topics included: Market Intermediaries – Licensing, Registration/Accreditation and Supervision; Listings (Application, Analysis and Post Listings Compliance Management; Complaints Management; Corporate Governance Market Surveillance; Investigations; Disciplinary Procedures – Best Practices; Stakeholder Management; Rulemaking and Policy Development etc.

Leading market development for sustainable finance

NGX lists its first carbon mitigation fund

The Exchange marked a significant milestone in its commitment to promoting sustainable capital for the energy transition through the listing of the Africa Infra Plus Fund (AIPF 1), a 20.5bn closed-end infrastructure fund, co-managed by Africa Plus Partners Plc, and Capital trust Investments & Asset Management Limited. AIPF 1 was listed as a pool of equity and quasi-equity investments in Carbon+ infrastructure projects that promote sustainable development. This new listing on NGX demonstrates the growing interest and demand for sustainable investing in Nigeria and brings NGX closer to its plans to launch a dedicated Impact Board to further give visibility to sustainable financial instruments listed on The Exchange.

NGX lists first closed end infrastructure fund

The Nigeria Infrastructure Debt Fund (NIDF), the first local currency-denominated sustainable infrastructure investment trust in Nigeria and Sub-Saharan Africa, was listed on the Nigerian Exchange Limited. The N200 billion fund, managed by Chapel Hill Denham and backed by institutional investors, has provided long-term naira financing for private green infrastructure projects since 2017, returning 155%. Its units were listed to attract retail investors and remit quarterly dividends from investments across sustainable sectors like renewable power, clean transportation, healthcare and education. The fund integrates Environmental, Social and Governance principles into its investment strategy. By listing, NIDF aims to crowdsource further capital to drive Nigeria's sustainable infrastructure development.



Promoting best practice leadership in sustainability reporting



Building Capacity for ISSB Adoption

Nigeria announced its intention to adopt the IFRS Sustainability Disclosure Standards in 2022 through the Financial Reporting Council of Nigeria (FRCN), and NGX RegCo has since the announcement, played a critical role in mobilizing the capital market to achieve this commitment by hosting a launch event and facilitating several workshops.

In the build up to the launch of the IFRS S1 (General Requirements for Disclosure of Sustainability-related Financial Information); and IFRS S2 (Climate-related Disclosures) in Nigeria, NGX RegCo worked closely with IFRS Foundation and FRCN to organize five webinars to prepare companies for the imminent release. Considering that Nigeria is one of the first countries, globally, and the only African country to launch the standards, these engagements were critical for raising awareness across the African continent on the standards.

NGX RegCo equally played a leading role in the launch of the standards in Nigeria by hosting a 3-day virtual workshop in collaboration with IFRS Foundation and FRCN. The virtual workshop was organized to enable issuers to provide comprehensive, decision-useful sustainability and climate information to global capital markets; The sessions equally served to develop a common understanding of sustainability-related disclosures and assist investors in understanding the basic concepts of the ISSB standards to enable them to make effective capital allocation decisions. This also culminated into a Closing Gong Ceremony to commemorate the launch of the standards in Nigeria.

Promoting responsible investing and reporting practices through the GRI Standards

We continued to leverage our longstanding relationship with GRI Africa to promote sustainability reporting in the Nigerian capital market and enhance transparency in the integration of Environmental, Social and Governance (ESG) into the operations of listed companies. In 2023, we held two separate sessions with GRI targeted at issuers and investors across our market.

Focusing on investors, we leveraged our partnership with GRI to emphasize the transformative potential of using environmental and social data to implement responsible investment practices. NGX, with support from GRI, hosted an Investor Engagement Session on ESG disclosures themed “Empowering Responsible Investing- ESG Disclosure” aimed at helping investors improve their understanding of the value that could be generated from the consideration of ESG data in the investment decision-making process. Through the session, the investment community received insights on how ESG data could be sourced and used, as well as the impact of using ESG metrics to measure value across the investment value chain.

NGX RegCo and X-Academy also hosted a training and capacity-building workshop aimed at helping issuers understand the rapidly evolving landscape of sustainability disclosure and understand how to use the GRI standards to report on impacts on the environment, economy, and people. The session was themed “From Words to Impact: Communicating your Sustainability Story Effectively” and helped experienced reports understand factors to consider during storytelling for sustainability.

Promoting best practice leadership in sustainability and corporate governance

Corporate Governance Colloquium partnership with NBA-SBL and IoD

NGX built on the tripartite partnership with the Nigerian Bar Association Section on Business Law (NBA-SBL) and the Institute of Directors (IoD) to organize the inaugural edition of the Annual Corporate Governance Colloquium themed "Diversity and Inclusion: Adopting a Multi-Stakeholder approach in the promotion of good governance." The colloquium set out to advance conversations around promoting diversity, equity and inclusion in the capital market and by extension, the private sector. A key message was that companies benefit from the diversity of ideas and opinions expressed when men and women both occupy positions on the boards and management of companies.

Shareholder's Capacity Building Session

NGX RegCo organized a two-day workshop for retail shareholders in line with its aim to promote transparent and fair markets. The workshop, themed "Rights and Responsibilities of Shareholders in Driving Corporate Governance" and provided strong engagement on critical issues impacting shareholders and their participation in the capital market such as the provisions of the Investment and Securities Act (ISA) 2007, the NCCG 2018 and CAMA 2020 with respect to shareholders' rights and obligations.

Promoting diversity, equality and inclusion across our marketplace

Nigeria2Equal Programme

We continued to implement the Nigeria2Equal initiative in partnership with IFC. Through this partnership, we worked with listed companies and business leaders to close gender gaps in the Nigerian private sector by raising awareness and promoting the advancement of women in leadership, employment, and entrepreneurship.

Nigeria2Equal is an IFC-led, multi-stakeholder program that has been implemented in partnership with NGX Group since 2021 to reduce gender gaps across employment and entrepreneurship in Nigeria's private sector. With Nigeria2Equal, NGX Group through NGX, and IFC have brought leading companies together to make specific, measurable, and time-bound commitments to increase women's participation in Nigeria's private sector as leaders, employees, and entrepreneurs in the corporate value chain.

Over the past three years, we have leveraged the Nigeria2Equal program to support companies in implementing:

- * Actions that enable women to participate equally as employees and entrepreneurs.
- * Gender-smart business strategies that address barriers women face, promote gender equality and help improve business performance.

The program has been implemented around three components and have impacted over 4,000 female employees:

- * Research and thought leadership publications,
- * Establishment of a peer-learning platform of 18 companies representing diverse business sectors including banking and finance, construction, FMCG, food manufacturing, insurance, logistics, oil & gas, ride-hailing, and telecommunications,
- * Firm-level advisory support to companies.



Gender-Based Violence in Workplaces Research

In 2022, NGX and IFC kicked off a research project to develop the blueprint for Gender-Based Violence (GBV) in Nigerian workplaces. In 2023, this study which aims to address GBV in the Nigerian workplace by focusing on several key areas including but not limited to the cost of GBV to businesses and the state of GBV in the private sector was published in a virtual ceremony. The report addresses GBV in the private sector and provides evidence-based recommendations for prevention.

Investing in family-friendly workplaces

NGX and IFC published a report titled "Investing in Childcare: A Game Changer for Businesses and the Nigerian Economy." This report, the first of its kind in Nigeria, emphasizes the need to improve family-friendly workplace policies in Nigeria, including access to quality childcare for parents as a pathway to boosting private sector productivity while creating benefits for employees, children, and businesses in the country. More about the report can be found [here](#)

Nigeria2Equal Gender Leader Awards

In 2023, we worked with IFC to host the first Nigeria2Equal Gender Leader Awards as an offshoot of the Nigeria2Equal project. The Awards were designed to recognize and celebrate private sector companies that had taken concrete actions towards achieving gender balance in leadership, supporting childcare and family-friendly workplace policies, and fostering a growth environment for women within organizations and supply chains.

The award recipients and participating companies in the Nigeria2Equal program, received their recognition in the presence of private sector business leaders and were commended by the Executive Governor of Lagos state, Mr. Babajide Sanwo-Olu, who headlined the inaugural awards ceremony in Lagos.



As the 3-year Nigeria2Equal programme comes to a close, the Nigeria2Equal Gender Leader Awards helped to raise awareness for companies that have been supported under the programme to implement gender-smart policies and practices that enable the recruitment, retention and promotion of female employees, as well as gender-inclusive sourcing strategies that promote the participation of women SMEs in their corporate value chain.

Catalyzing foreign capital inflows for sustainable development

The Nigerian Exchange Limited (NGX) conducted an International Non-Deal Roadshow in the United Kingdom and United States, supported by leading financial institutions. As part of the Roadshow, NGX participated in ceremonial bell-ringing events at the NASDAQ Exchange in New York and the London Stock Exchange.



Improving access to financial services for retail and SME investors

Retail Investor's Workshop

In a bid to further equip retail investors with invaluable insights, innovative strategies, and approaches for successful participation in the Nigerian capital market, NGX Group through NGX RegCo held a retail investor's virtual workshop themed "Expanding Reach for More Impact: Deepening Financial Inclusion in the Retail Investor Ecosystem." The session featured insightful panel discussions, speeches, and presentations from leading market operators, regulators and experts within the capital market and was attended by over 1100 investors.

The Roadshow aimed to attract foreign investors to the Nigerian economy and highlight the Exchange's role in mobilizing capital for key government projects. NGX emphasized its commitment to addressing economic challenges such as capital inflows and foreign exchange illiquidity, which have declined since the COVID-19 pandemic. The Roadshow also showcased how encouraging listings on the Exchange can boost tax revenues, improve corporate governance, and create value for shareholders through greater accountability and transparency.

Deepening issuance of Islamic Finance in the capital market

NGX and the Islamic Development Bank Institute (IsDBI) collaborated to conduct a capacity building workshop aimed at deepening Nigeria's capital market through Islamic Finance instruments. Held in Lagos, the workshop educated stakeholders on contemporary Islamic finance practices and showcased case studies. Themed "Economic Growth and Business Development Opportunities Through the Islamic Capital Markets," it highlighted how Islamic finance can drive inclusive growth and sustainable business practices in Nigeria. The workshop achieved knowledge sharing on Islamic finance's potential in Nigeria, with its significant Muslim population, and its partnership and solidarity-based models focused on real economic activity.

Bringing the market closer to you

NGX launched a USSD short code platform *5474# to bring the Exchange and capital market closer to retail investors and advance financial inclusion and accessibility. The innovative platform enables the public to conveniently receive market information and commence account opening processes through mobile phones, bridging the gap for those with limited internet or smartphone access. The objective is to democratize investment opportunities and promote retail participation in the capital market via digital channels. NGX anticipates the *5474# code will significantly enhance market accessibility, contribute to financial inclusion in Nigeria, empower investors, and enrich the capital market.

WORKPLACE



Fostering a culture of inclusion and diversity

EDGE Certification: A milestone in our DEI efforts

NGX Group and its subsidiaries attained the Economic Dividends for Gender Equality (EDGE) certification after a robust process with support from IFC under the Nigeria2Equal Programme. The certification process involved employee surveys, analysis of group-wide workforce statistics, focus group discussions, and a rigorous third-party audit of all data provided by the company and its policies and practices related to diversity, equity, and inclusion. The conferment of the certification positioned NGX Group as the first exchange group globally and the first indigenous Nigerian organization to be EDGE Certified.

About the EDGE Certification

EDGE is the leading global assessment methodology and business certification standard for gender and intersectional equity. It provides a quantitative measure of an organization's performance in terms of representation, pay equity, the effectiveness of policies and practices to ensure equitable career flows as well as inclusiveness of their culture. Achieving the EDGE Certification further positions NGX Group of Companies as leaders in the gender space by:

- * Creating transparency and accountability by promoting The Group of Companies' workplace as the best place for women and men to work.
- * Demonstrating gender leadership to employees and the external market (including customers and shareholders).
- * Creating transparency and accountability and establishing clear standards of performance that could facilitate wholesale change across the organization.

Our gender performance report and areas of improvement

The EDGE certification process presents benefits associated with a 3rd party review of our gender

performance and highlights key areas of improvement across all levels of our business.

Total female representation across the boards of directors stood at 37%, an above-average performance that positions the Group at the EDGE Assess Certification level. We also had strong performances for women's participation in middle management with 37% of these roles held by women.

However, the assessment equally highlighted significant room for improvement. For example, we have come to understand that although women account for 48% of our junior management roles, at senior management levels, women representation stands at 20%. Furthermore, women's representation is minimal top management with profit and loss responsibility.



Sergio Pimenta, Vice President, Africa, IFC and Dahlia Khalifa, Regional Director, Central Africa and Anglophone West Africa, IFC presenting the NGX Group EDGE Certification to Mr Temi Popoola, GMD/CEO, NGX Group at the sidelines of the Africa CEO Forum in Abidjan, Cote D' Ivoire



COMMUNITIES

Fostering a financially literate and inclusive society



Global Money Week

We reached well over 3000 direct participants and over 6.5 million indirectly through our 2023 celebration of Global Money Week. GMW is celebrated annually as part of the Central Bank of Nigeria (CBN) and Securities and Exchange Commission (SEC) led industry financial literacy and inclusion activities aimed at fostering financial inclusion and promoting financial literacy in Nigeria and we commemorated 2023 GMW, themed “Plan your money, plant your future” with a series of events.

This year saw the return of our in-house financial engagement session where we hosted 100 students to a 2-hour training session that culminated in a Closing Gong Ceremony. Capital market stakeholders including floor-based brokers enlightened the students on financial awareness, sound investment decision-making and critical considerations to achieve financial well-being and resilience. Other partners that were part of the event include Meristem Securities, APT Securities, MinieMoney, AIESEC Lagos and Junior Achievement Nigeria (JAN).

Leveraging social media to reach a wider audience, we also organised a Twitter Spaces information session to educate attendees on money management and smart and sustainable investing. This insightful session, hosted in collaboration with Money Africa, saw over 3,000 participants tuning in with the event hashtag #NGXCelebratesGMW reaching over 6.5 million accounts globally.

World Investor Week

Return of Financial Literacy Tours (X-Tours)

More than 1200 students from 18 schools received basic in-person training and learning materials on finance, investing,

capital markets, regulation and the Sustainable Development Goals following the return of our X-Tours programme since our return to full onsite operations post-COVID. X-Tours is a bespoke financial literacy platform implemented by our operating exchange subsidiary, NGX, that provides guided tours of the exchange and its Trading Floor to school-aged children. Through X-Tours, NGX aims to develop a culture of wealth creation amongst Nigerian youths and teenagers.

Boosting retail investor participation with financial literacy (X-Lit)

Our return to full onsite operations post-COVID also saw the return of NGX's financial literacy outreach initiative, X-Lit, aimed at deepening financial inclusion in Nigeria by expanding the scope of The Exchange's financial literacy initiatives to different demographics beyond the traditional capital market audience. We reached over 2300 participants through the following interventions:

Our team of X-Lit Champions from NGX and NGX-RegCo with product and training material support from Africa Prudential Plc and Zenith Bank Plc reached over 2000 millennial and Generation Z individuals at the Nigerian Youth Service Corps (NYSC) orientation camp in Lagos. Owing to the success of this engagement, we plan to roll out this engagement across more NYSC locations across the country. We also engaged over 300 retiring army officers on personal finance, investing in the capital market and accessing the market with technology including using the recently launched NGX *5474# USSD code during a visit to Nigeria Armed Forces Resettlement Centre (NAFRC) in Lagos.



Supporting gender equality and financial literacy

We are thrilled to share with you an exciting initiative that is close to our hearts -



Empowering Women for Inclusive Growth in Nigeria's Equity Market

The phrase, EquipHER is a play on three (3) words:

Equity (which calls to mind equitable, fair, inclusive and equities (the share in a company);

Equip (which calls to mind capacity building to equip women to play within the equities market); and

Her (which is a pronoun for women)

Need we say more? In a world where diversity and inclusion are central to progress, NGX RegCo's EquipHER initiative is a dedicated effort to create pathways for women in the dynamic landscape of the Nigerian Capital Market. We believe that true economic growth can only be achieved when all segments of our society have equal access to opportunities, and EquipHER is our commitment to fostering such an environment.

EquipHER with NGX RegCo

In line with its role as a Self-Regulatory organization and commitment to advancing market development fostering a robust, sustainable equity market and deepening financial inclusion, NGX RegCo launched EquipHER in 2023 as a dedicated platform for empowering women and driving inclusive growth in Nigeria's equity market, and also in commemoration of World Investor Week.

EquipHER is a pioneering initiative of NGX RegCo focused on empowering women and promoting inclusive growth in Nigeria's vibrant equity market. EquipHER, designed with the support of Women's World Banking (a leading global NGO addressing the intersection of women and financial inclusion), is to drive substantial change by promoting enhanced participation, representation, and influence of women in the Nigerian equity market.

The initiative was launched with a capacity building and information session for female investors themed "EquipHER: Empowering Women for Inclusive Growth in Nigeria's Equity Market" with over 200 in-person guests and beneficiaries while over 600 beneficiaries attended virtually. The initiative leverages the knowledge and experience of female directors within NGX Group, female Chief Executive Officers from our Trading License Holders and NGX 30 Listed Companies, as they generously share valuable and practical tips on investing in the Equity market to current and aspiring female investors.



International Women's Day Symposium

NGX Group and its subsidiaries joined the rest of the world on Wednesday, 8 March 2023 to commemorate the year's edition of International Women's Day. This was done alongside partners from the Sustainable Stock Exchanges (SSE) Initiative, UN Women, Global Compact Network Nigeria, International Finance Corporation (IFC) and Women Executives on Boards. The hybrid session themed "Embrace Equity: Setting the Standard for a Sustainable Future," featured a virtual symposium, which culminated in a Closing Gong Ceremony. The event was graced by directors of several boards across NGX Group of Companies, Co-Chair, Women Executives on Board; Regional Director, Central Africa, Nigeria, Liberia, and Sierra Leone, IFC; Country Representative, Nigeria and ECOWAS, UN Women; Executive Director, UNGC Network Nigeria and Founder Women at Risk Foundation (WARIF) amongst other notable business leaders and capital market stakeholders.

100 Women in Finance Closing Gong Ceremony

NGX Group commemorated the official launch of 100 Women in Finance Nigeria with a Closing Gong Ceremony on the floor of NGX. This was done to further highlight the Group's commitment to aiding financial inclusion for women in Nigeria by deepening the participation of women in the financial services sector. Following the official launch of the 100 Women in Finance Nigeria, the event helped to raise awareness on the need to fair representation of women in Nigeria's finance industry.

Gender-Based Violence Partnership with WARIF

NGX Group through its subsidiary, NGX partnered with WARIF on an outreach to educate women on gender-based violence (GBV) concerning domestic situations. The Know Your Community outreach held in Lagos saw the resident women receive lectures on concepts of sexual assault; the effects of GBV/rape on the survivor; GBV and the law; financial empowerment and the prevention of GBV among

others. The session featured presentations on topics such as financial empowerment and the prevention of GBV as well as the legal implications of GBV to over 100 beneficiaries. The partnership was implemented to raise awareness and provide support for survivors of GBV in a bid to help them receive protection and assistance in their recovery needs.



ENVIRONMENT



Continue to find and maintain energy efficiencies in business operations and travel

The report follows the GHG Protocol - Corporate Accounting and Reporting Standard for calculating greenhouse gas emissions. We have applied an operational control boundary, and carbon conversion factors have been taken from UK Greenhouse gas reporting: conversion factors 2023 for diesel as our primary stationary combustion fuel and the IEA emission factors for grid electricity. Our GHG emissions are reported in tonnes of carbon dioxide equivalent (tCO₂e), for the period 1 January to 31 December 2023.

The following table demonstrates the GHG Emissions and Energy Usage Data for this financial year.

GHG Emissions and Energy Use Data	FY 23	FY 22
Energy consumption used to calculate emissions: /kWh	2,074,755.56	3,371,880.56
Emissions from the combustion of diesel tCO ₂ e (Scope 1)	496.02	813.13
Energy consumption used to calculate emissions: /kWh	1,254,925.00	850,833.33
Emissions from purchased electricity tCO ₂ e (Scope 2)	588.56	355.48
Total gross tCO ₂ e based on above	1,084.58	1,168.61

Contact

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2023 GROUP FINANCIAL HIGHLIGHTS



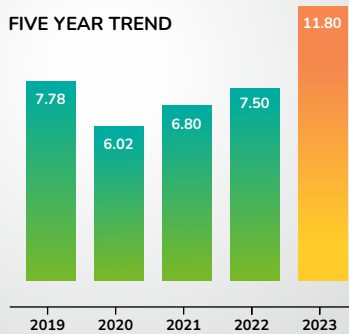
INCOME

11.80Bn

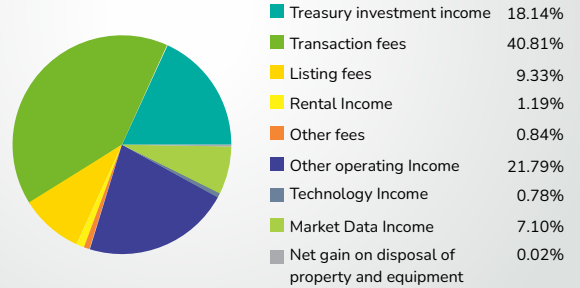
Y-O-Y

57% ↑

FIVE YEAR TREND



2023 INCOME MIX (%)



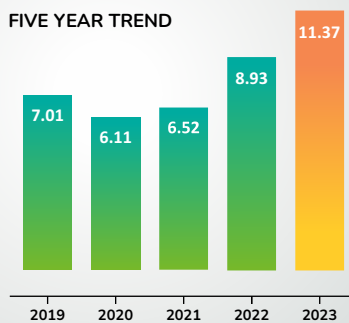
EXPENSES

11.37Bn

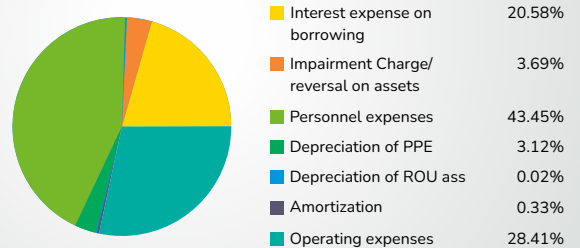
Y-O-Y

27% ↑

FIVE YEAR TREND



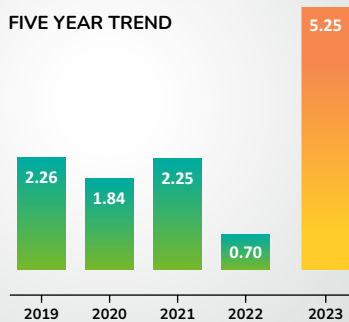
2023 EXPENSES AS A PERCENTAGE OF TOTAL



PROFIT AFTER TAX

5.25Bn

FIVE YEAR TREND



Y-O-Y Growth

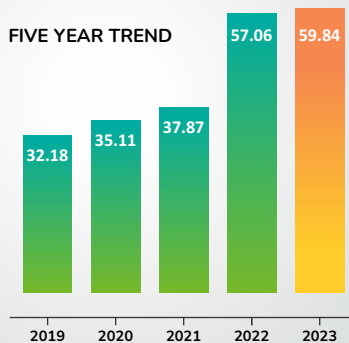
652%



TOTAL ASSETS

59.846Bn

FIVE YEAR TREND



Y-O-Y Growth

5%

Note: Profit after tax of N5.25B includes N4.8B share of profit of equity accounted investees

2023 COMPANY FINANCIAL HIGHLIGHTS



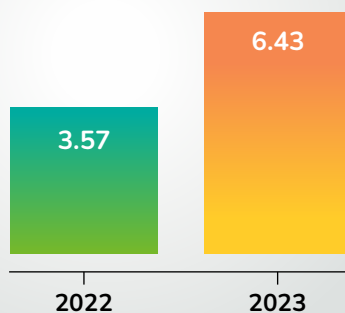
INCOME

6.43Bn

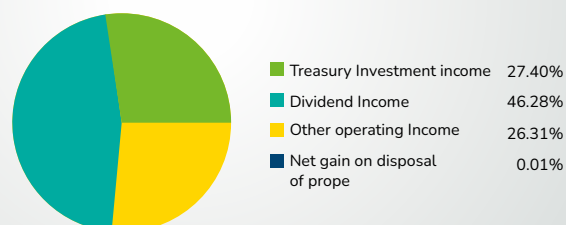
Y-O-Y

80% ↑

TWO YEAR TREND



2023 INCOME MIX (%)



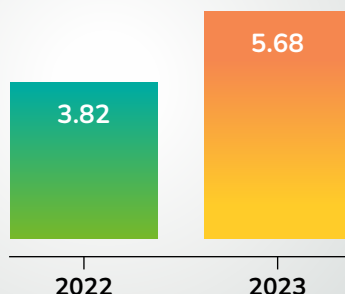
EXPENSES

5.68Bn

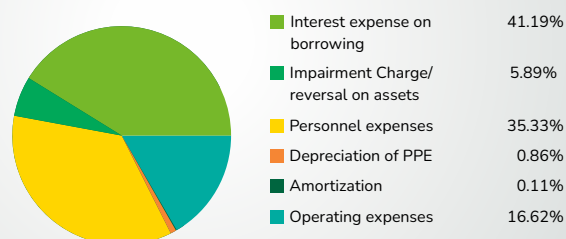
Y-O-Y

49% ↑

TWO YEAR TREND



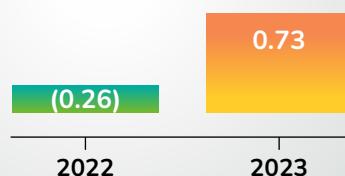
2023 EXPENSES AS A PERCENTAGE OF TOTAL



PROFIT AFTER TAX

0.73Bn

TWO YEAR TREND



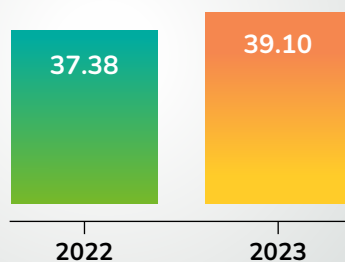
Y-O-Y Growth



TOTAL ASSETS

39.10Bn

TWO YEAR TREND



Y-O-Y Growth





ENTERPRISE RISK MANAGEMENT

ENTERPRISE RISK MANAGEMENT AT NIGERIAN EXCHANGE GROUP

In its bid to guarantee business sustainability, Nigerian Exchange Group (NGX Group) continues to embed the culture of risk management into its business processes, which are geared towards meeting our obligations to stakeholders and delivering long-term and sustainable increase in value to them. To achieve this goal, we have adopted the best practices in Enterprise Risk Management, which involves aligning our people, strategies, policies, processes, technology and business intelligence to evaluate, manage, and optimize the opportunities and threats that we are potentially exposed to in our efforts to maximize stakeholders' value. This integration of risk management practices has positively impacted our operations, leading to improvements in process uptime, value creation, enterprise resilience, operational effectiveness and efficiency.

As part of our objectives to ensure the business is a going concern, NGX Group has integrated Enterprise Risk Management into its work ethics making it a prerogative at all levels of the organization to communicate any actionable risk information to the Board and Management at all times. Thus, risk management have become a prerequisite in our decision-making process, ensuring that we make informed choices that align with our business objectives.

In line with this, NGX Group's Enterprise Risk Management (ERM) framework is hinged on global standards like the ISO 31000:2018 as well as COSO ERM 2017. This provides a comprehensive, systematic, disciplined and proactive process that is implemented to identify, assess, manage and report on the strategic business risks, and all risks related to the achievement of NGX Group's strategic objectives and transformation agenda. To this end, the Risk Management function works with the risk owners across the business periodically to ensure on-going oversight/controls to mitigate the likelihood of these risks occurring.

Risk management has evolved beyond risk assessment and reporting and as such, we continue to empower ourselves to manage risks effectively in our market. Therefore, periodic risk awareness continues to be a major focus at NGX Group to heighten the risk sensitivity of employees and to entrench a culture of risk management into NGX Group's organizational culture. This is geared towards promoting a holistic risk culture, a step at a time ensuring a sustainable business for our stakeholders and by that, position NGX Group for global competitiveness.

Risk Appetite and Risk Tolerance

In continuous pursuit of value for our shareholders, risks cannot be totally eliminated in our business. Therefore, mitigating controls are put in place to reduce them to a level deemed acceptable by the Management and Board based on the capacity of its people, processes, procedures and cost for further mitigation (following the As Low As Reasonably Possible "ALARP" principle). Our risk appetite sets a clear strategic direction that aligns NGX Group's risk tolerance with its business and objectives. Additionally, it outlines the aggregate level and types of risk on a broad-based level that NGX Group is willing to assume within its risk bearing capacity to achieve its objectives and is defined by our Risk Appetite Statement.

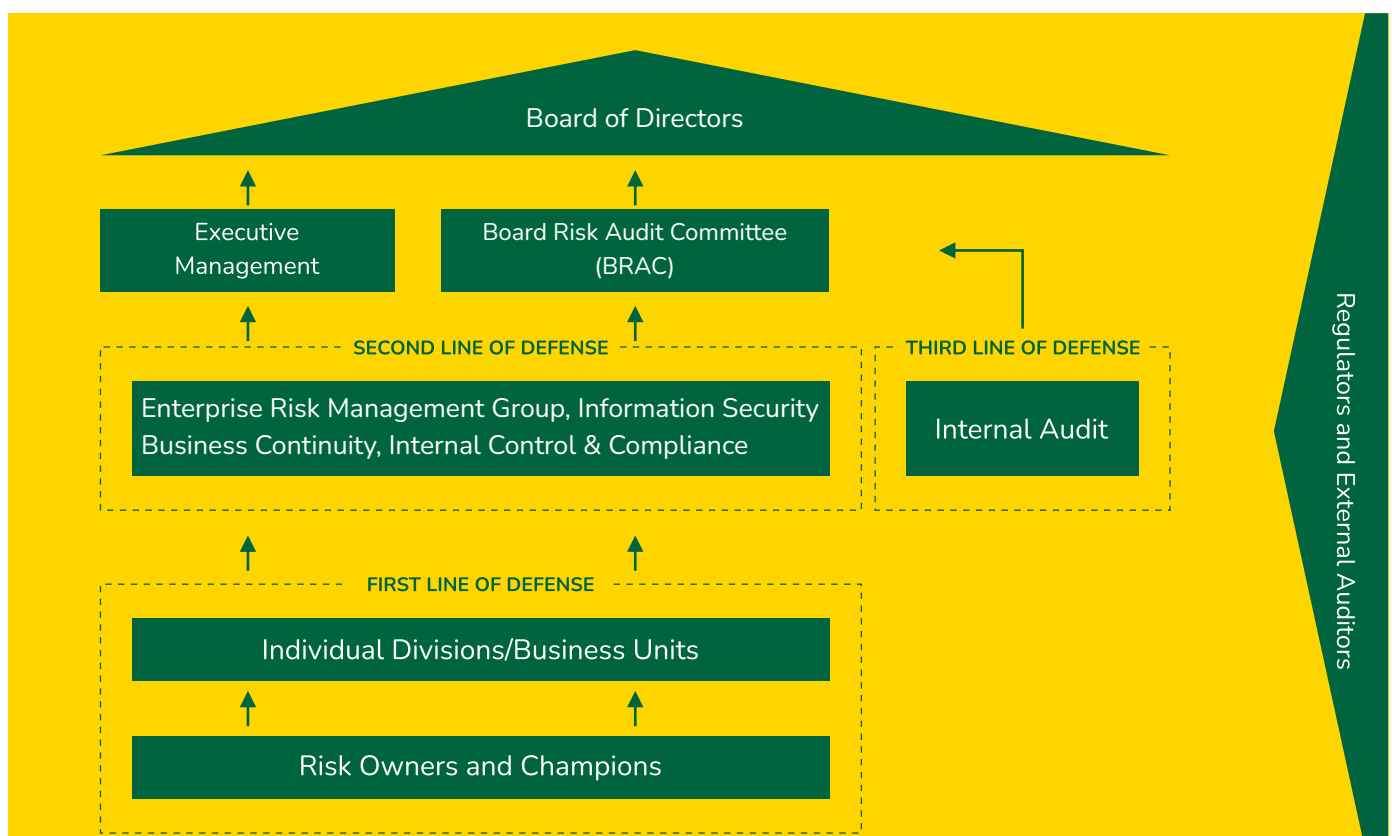
Our risk tolerance specifies the acceptable level of variation relative to the set risk appetite or achievement of specific strategic objectives. Furthermore, it outlines the level of risk, which NGX Group is willing to tolerate without incurring significant financial losses.



Risk Governance

To ensure that the tone for risk is set correctly, risk governance at NGX Group takes into account; roles, responsibilities and accountabilities of the Board, Executive Management, Risk Owners and the Risk Management function, to guide and direct the NGX Group risk program. Therefore, risk governance is achieved through the collaborative efforts of the Board through the Board Risk and Audit Committee (BRAC) to the Executive Management, Divisions/Business Units, Risk Management Department and Internal Audit for independent assurance.

The risk governance structure of NGX Group is as shown below:



To ensure the effectiveness of the ERM framework at NGX Group, the Board and Executive Management rely on line functions – including monitoring and assurance functions – within the organization. A model that dimensions the interrelationship between functional lines and provides the essence of their roles and responsibilities is the “Three Lines of Defense Model”. NGX Group has adopted this model to articulate the line functions and integrate the organizational governance structure with the ERM framework in order to deliver a robust framework for the management of risk. The Three Lines of Defense Model serve as a primary means to demonstrate and structure the roles, responsibilities, communication and accountabilities for decision-making and controls towards achieving effective governance risk management and assurance.

The first line of defense are the business units handling the day to day activities of the business, adopting strategies to identify departmental risks opportunities and implementing risk mitigation actions that align with NGX Group's risk appetite. They have the responsibility of front-line monitoring of these risks.

The second line of defense is made up of the Risk Management, Internal Control, Compliance, Information Security and Business Continuity functions, which own aspects of the risk management process and monitors the implementation of effective risk management practices. They provide oversight and integration guidance on risk assessment, quantification, measurement and controls, and supports Executive Management by bringing expertise and monitoring of the first line to ensure that risk and controls are properly managed. These functions provide second-line defense and plays a supporting role to the first-line defense functions. For effectiveness, they work with and collaborate with the business towards achieving the organization's objectives.

The third line of defense provides assurance to Executive Management and the Board that the first and second lines' efforts are consistent with expectations. This is an assurance function performed by Internal Audit to provide assurance on the effectiveness of governance, risk management, compliance and internal controls, including how the first and second lines of defense achieve risk management and control objectives.

Our governance model provides guidance for the implemented structure and the assigned roles and responsibilities of parties to increase the effective management of risk. Some of the roles of these stakeholders include:

Board of Directors: Oversees the establishment of a risk management framework that defines NGX Group's risk policy and related processes, risk appetite and risk tolerances, and is responsible for satisfying itself that the ERM framework and processes in place are sound and effective.

Board Risk and Audit Committee (BRAC): Responsible for assisting the Board in setting business risk strategy and policies in liaison with management and, in the discharge of its duties relating to corporate accountability and associated risk in terms of management assurance and reporting.

Executive Committee: Provides a forum for peer review and challenges the key risks facing the organisation. They approve the ERM strategy and champion an ERM culture throughout the organisation, coordinating ERM priorities and decision-making.

Enterprise Risk Management and Control Department: Responsible for developing, and continually improving the implementation of the ERM framework, supporting the integration of risk management into strategic planning and business processes, and developing the risk appetite.

Divisions/Business Units: Accountable for the identification, assessment, management of and reporting on the key risks in their divisions, and provide the necessary resources and ensure alignment with the ERM framework and process.

Risk Champions: Point of contact for the Risk Management team in various departments across NGX Group and responsible for the quarterly risk reporting to the department. Identifies and evaluates risks in their specific departments that may hinder the achievement of NGX Group's strategic objectives.

The Three Lines of Defense Model articulates who does what and distinguishes among three groups (or lines) involved in the control of an effective enterprise risk management process and categorized thus;





RISK GOVERNANCE	Heads of Departments			Governance Functions		Audit	
	1st Line {Divisions/Business Units (BU)}			2nd Line {Standard Setters}		3rd Line (Assurance)	
	CEO's Office	Regulations	Listing Business	Enterprise Risk Management, Information Security, Business Continuity, Internal Control & Compliance		Internal Audit	External Audit
	Shared Services		Trading Business				
RISK FRAMEWORK	<ul style="list-style-type: none"> * Day to day risk management and control, within the policies set by the 2nd line of defense. * HODs adopt strategies to identify departmental risks/opportunities and optimize return on capital. 			<ul style="list-style-type: none"> * Established Risk Management, Internal Control, Compliance and Cyber security framework guideline and ensures Business Units have an effective risk management process that operates within the guidelines. * Ownership, development, review and deployment of corporate policies, including Enterprise Risk Management Framework. * Support interpretation of corporate policies within Business Units. 		Independent assurance over the risk and control framework.	
RISK IDENTIFICATION & MANAGEMENT	<ul style="list-style-type: none"> * HODs' own BU Function risk identification process: <ul style="list-style-type: none"> - Document process - Identify risks - Measure and prioritize risks and implement risk mitigation actions aligned with BU risk appetite 			<ul style="list-style-type: none"> * Conduct periodic/ongoing reviews of risks, e.g. conduct risk assessments, info security reviews, ERM assessments and quality reviews. * Support senior management in strategy setting by providing relevant risk analysis. * Ensure that Bus assign appropriate accountability for risk management (prevention/detection or remediation). 		Identify business risks for internal audit. Develop plan for IA/External audit testing.	
MONITORING, TESTING & VERIFICATION	<ul style="list-style-type: none"> * Responsibility for self-assessment of risks/testing of controls and "frontline" monitoring. 			<ul style="list-style-type: none"> * Conduct periodic review of ongoing BU monitoring program. * Disseminate results to respective risk and control groups. * Review progress on mitigation status of critical risks within the BU. 		Conduct independent testing on design and operating effectiveness of controls.	
RISK REPORTING	<ul style="list-style-type: none"> * Responsible for on-going departmental updates/reports of existing and potentials risks, management of risk register, ensuring effectiveness of controls. 			<ul style="list-style-type: none"> * Management Committee Reports. * BRA Committee Reports. * Board level risk reports. 		Assurance on controls and control framework elements.	

Risk Profile

NGX Group in the course of its operations identifies and differentiates the following types of risks:

Risk	Risk Description	Mitigation Strategies
Strategic Risk	These are risks that arise as a result of the decision of Management and Board of Directors regarding the strategic vision of NGX Group and can affect the development and implementation of the organization's strategic objectives	<ul style="list-style-type: none"> * NGX Group continuously keep abreast of changes in the business environment, policies, regulations and technology. * Risk assessment of Enterprise's strategic objectives
Operational Risk	These are risks that can cause a failure of the organization's internal processes and a cessation of major business systems that can lead to a delay in service delivery	<ul style="list-style-type: none"> * Upgrade of all the technological systems * Quarterly review of Business Continuity, and Disaster Recovery Plans * Implementation of Information Security Management Systems and cyber security strategies
Compliance Risk	The risk of facing regulatory sanctions and legal penalties, which may also result in financial loss and reputational damage, as a result of breach of contractual agreement and failing to adhere or act in accordance to the rules and code of conduct as instituted by regulatory authorities	<ul style="list-style-type: none"> * Continuous engagement with the regulators * Monitoring changes in the regulatory and legal landscape * Regularly monitor the adherence to all the reporting deadlines and report findings to Management and Board of Directors
Business Risk	The risk that the competitive landscape may hinder NGX Group from meeting its financial goals.	<ul style="list-style-type: none"> * Survey of The organization's competitive landscape and review of its business processes * Risk assessment of NGX Group's projects
Financial Risk	The risk of financial loss that may be as a result of a revenue shortfall, expenses over-run or fines from regulators.	<ul style="list-style-type: none"> * Strategically invest NGX Group's surplus in predictable growing stream of income * Ensure strict adherence to budgetary provisions * Zero tolerance to regulatory infractions

Risk	Risk Description	Mitigation Strategies
External Risks	These are risks that affect NGX Group from its external environment and may be out of the control of Management and the Board. However, measures are put in place to prepare for them and cushion the impact if they occur. These risks include political risks, natural disasters, changes in industry fundamentals and the macro-economic environment.	<ul style="list-style-type: none"> * Functional Government Relations Department to increase government advocacy / engagement with policy makers * Conduct periodic business continuity and disaster recovery tests * Implementation of occupational health and safety practices
Reputational Risk	The potential for negative publicity, public perception or uncontrollable events that can have an adverse effect on NGX Group's reputation, thereby resulting in brand damage and financial loss	<ul style="list-style-type: none"> * Continuously manage the relationship with media to control the narrative around the information being published * Tracking positive and negative publications in the media for immediate response and action * Shape public perception by releasing information about NGX Group's activities * Carry out advocacies (e.g. closing gong) and Corporate Social Responsibilities to improve the perception of the brand both with our stakeholders and the society at large

Risk Monitoring

The Enterprise Risk and Control Department continues to monitor all identified risks to ensure that they are actively managed, while controls in place are tested and verified periodically to confirm they are working effectively and that the organization's risk exposure across the enterprise is managed to an acceptable margin within the approved risk appetite. The effectiveness of these controls and the implementation of new controls are monitored through the real-time reporting and documentation of the risks in departmental risk registers by the Risk Champions in all Business Units/departments.

Furthermore, external and emerging risks are identified and assessed. Where feasible, mitigation strategies are proposed to reduce the probability and/ or the impact of these risks and to better position NGX Group to take advantage of these projected situations should they occur. The Enterprise Risk and Control Department juxtaposes these risks with the risk appetite of the organization and reports on the significant risks through the Business and Risk Report to the Executive Management and Board Risk and Audit Committee of the Board quarterly. This provides a basis for the Committee to understand and assess the adequacy of decisions made by the Management on the key risks faced by NGX Group and on emerging risks arising from new products, services or strategic initiatives.

2023 in review

In the 2023 fiscal year under review, all efforts were geared towards achieving a better understanding of risk across multiple functions and departments as well as creating a link between Enterprise Risk Management and other departments within NGX Group to effectively manage and monitor risk. Hence, we continuously tracked the risk-taking activities of the organization and closely monitored them to be within the approved risk appetite. This was tracked through the departmental risk registers where all information on the risk management process was captured. In addition, we updated the loss events & near misses register for NGX Group, which was done quarterly to keep the risk management team actively involved in the happenings of every department and to use the information contained therein as input in the identification of risks. Also, to effectively manage risks, Key Risk Indicators were leveraged to track, monitor and provide early signals of increasing or decreasing risk exposures in various areas of the enterprise.

As NGX Group assumes more risks in its business operations, risk identification techniques were enhanced to ensure that the risks faced across the entities within the NGX Group were effectively identified, monitored, managed and reported. NGX Group continued to adopt the Three Lines of Defense Model, where the primary responsibility for risk resides with the first line, which are the business units/departments. Moreover, Risk Champions continued to provide the needed support to the Risk Management team by ensuring that departmental risk registers (a tool in risk management



that includes all information about each identified risk, such as the nature of that risk, level of risk, risk owner and mitigation measures in place to respond to it) were used to document risks inherent in their individual business units and processes. These registers are a repository for all the risks inherent in the business units and they are updated quarterly. Also, the documented risks are reassessed periodically as risks are dynamic in nature, while the adequacy of controls are equally tested to ensure that there are no surprises.

The Risk Management team made significant impact in ensuring that all entities within the Group act proactively in the face of a changing macro-economic environment by instituting ad-hoc risk assessments into consideration for all projects and initiatives.

Moreover, in deepening the culture of Risk Management at NGX Group, the annual risk management training session was held across all the entities within the Group, with active employee participation recorded. The training focused on reiterating to staff, their responsibilities in risk management, the changes to the risk management process landscape and its impact on business operations. Also, to continually remind employees of their roles and commitments to effective risk management, risk tips are shared via the intranet on a bi-weekly basis. Feedbacks from staff indicated that they found these initiatives deployed to deepen the risk culture as effective and enriching.

Outlook for 2024

The Nigerian Government, some of which are considered overdue, introduced critical economic reforms. These are geared towards reinvigorating the economy and making it a private sector driven. Foreign exchange reforms were introduced to ensure naira attained its true value in relation to other currencies. This particular reform has elicited the interest of foreign investors and they are currently staging a come back to Nigeria. In addition, the impact of these reforms can be seen on the Nigerian Exchange platform where volume and value of transactions have increased considerably coupled with the index reaching new heights. These economic reforms are primed to continue in 2024 as Government double down on its plan to reengineer the fiscal and monetary landscape of the Nigerian economy.

With the restructuring of the economy being the main thrust of the Nigerian Government going into 2024, NGX Group and its flagship entity, The Nigerian Exchange are well positioned to benefit from the drive to make capital market a major economic enabler. Therefore, NGX Group will continue to align its objectives to benefit from the improved operating environment, while striving to meet its strategic objectives. Also, NGX Group will continue to effectively manage and monitor the risks that can affect the achievement of its objectives. The Risk Management function will continue to work closely with the business units across the enterprise handling the day to day activities of the business to proactively identify and manage risks to be within the approved risk appetite. Moreover, to effectively manage risks, Key Risk Indicators will be leveraged to track, monitor and provide early signals of increasing or decreasing risk exposures in various areas of the enterprise.

To further embed the culture of risk management across our business operations, the Risk Management team will deepen its engagements with the first line; the division/business units, by ensuring that all of the business processes, initiatives, projects, collaborations and review of the rulebook of the exchange were subjected to the risk management process. Also, we will reinvigorate our mitigation strategies in line with the TARA (Transfer, Avoid, Reduce and Accept) framework to ensure that all identified risks are effectively managed within the approved risk appetite.

Training and awareness is one of the cardinal focus of an effective ERM framework. Therefore, the Risk Management team will continue to place strong emphasis on this through the annual risk awareness programme, designed to continually educate members of staff on recent developments and findings in risk management and its likely impact on NGX Group and our business landscape. In addition, employees will be engaged on risk management issues through periodic issuance of risk tips/bulletins, to create enhanced employee awareness on risk issues. This we believe will help maintain a robust culture of risk management across NGX Group.

THE 2023 NGX GROUP INTERNAL CONTROL REPORT

1. The Internal Control System of NGX Group.

At Nigerian Exchange Group (NGX Group), we recognize the critical importance of a robust Internal Control System in ensuring the long-term success and value delivery to our stakeholders. Our control system is deeply integrated into the operating structure of the NGX Group, supported by a strong culture that prioritizes sound internal control procedures and practices in all decision-making and management processes of entities within the Group, including Nigerian Exchange Group Plc, Nigerian Exchange Limited, NGX Regulations Limited and NGX Real Estate Limited. The scope of our internal control system encompasses policies, plans, procedures, processes, systems, activities, projects, initiatives, and endeavors across every entity, division, operation, and functional level of the NGX Group. This integration significantly enhances the quality of our strategic decisions and the day-to-day conduct of our business operations, while ensuring that any material errors or inconsistencies in the financial statements are promptly identified and corrected.

The Board, which is independent of Executive Management, holds the oversight responsibility for the Internal Control System at NGX Group, ensuring proactive identification, assessment, and effective management of internal control risks across NGX Group's business. The Board Risk and Audit Committee (BRAC) provide support to the Board in fulfilling its internal control oversight obligations. Through BRAC, the Board oversees the monitoring of internal control risks, policies and procedures in support of the achievement of the NGX Group's objectives in three categories - effectiveness and efficiency of operations; reliability of financial reporting; and compliance with applicable laws and regulations.

In line with its dedication to driving forward Africa's financial markets, the Nigerian Exchange Group implements a tailored Internal Control Framework to identify, assess, monitor, and report internal control risks linked to its strategic and operational goals and objectives. This framework draws upon the best practices outlined in the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) Internal Control-Integrated Framework, guaranteeing a structured system and processes that facilitate the efficient realization of NGX Group objectives. COSO defines internal control as "a process effected by an entity's Board of Directors, Management and other personnel, to provide reasonable assurance regarding the achievement of objectives" in three categories-effectiveness and efficiency of operations; reliability of financial reporting; and compliance with applicable laws and regulations. The utilization of a robust Control Framework ensures that procedures and activities are harmonized with the attainment of the NGX Group's strategic and business objectives.

2. NGX Group Internal Control Function

NGX Group has an established Internal Control function, which is situated within Enterprise Risk and Control department, and provides support to all business units across the NGX Group as a second line of the Institute of Internal Auditors best practice, Three Lines Model. Led by the Head of Enterprise Risk and Control, this function is tasked with consistently implementing and monitoring approved internal control policies and procedures, as well as identifying and quantifying significant control risks with necessary actions taken to mitigate them. This proactive stance ensures the prompt detection and rectification of any material errors or inconsistencies in operations, financial reporting, and compliance with relevant laws and regulations.

The Internal Control function collaborates with the Board in managing internal control risks through the operationalization of the Board-approved Internal Control Framework. The Internal Control Team plays an active role in ensuring the proper management of internal control risks and safeguarding the organization's assets. In 2023, we revamped our Internal Control Framework to adapt to shifts in our operational and regulatory landscape, showcasing the efficacy of our Internal Control program.





3. Financial Reporting Controls at NGX Group.

At NGX Group, we have meticulously crafted our internal control over financial reporting (ICFR) to offer stakeholders reasonable assurance regarding the reliability of our consolidated financial statements. Our annual financial control program includes internal control reviews, internal audits, and external audits to bolster our internal control over financial reporting. We have instilled a steadfast commitment to a robust system of internal control over financial reporting through thorough Executive Management and Board reviews, documented policies and procedures, meticulous selection and training of key personnel, and the implementation of NGX Group's Code of Conduct and Employee Handbook. Additionally, the Board ensures adherence to a Code of Conduct by all members.

We are pleased to confirm our full compliance with Sections 61 to 63 of the amended Investment and Securities Act (ISA) 2007 concerning Internal Control Over Financial Reporting. In accordance with Section 61(2) of the Investments and Securities Act (ISA) 2007, management has evaluated the effectiveness of our ICFR in providing reasonable assurance regarding the reliability of our financial reports. This evaluation has been attested to by the Group's auditor in accordance with section 63 of the ISA.

4. Implementing the Internal Control Framework at NGX Group.

At NGX Group, our approach to designing and implementing policies, procedures, processes, and systems across all organizational levels reflects our commitment to supporting our reporting, compliance, and operational objective. We have modeled our approach after the COSO best practice Internal Control Framework, incorporating its five (5) components, as outlined below.

CONTROL ENVIRONMENT	<p>The Nigerian Exchange Group demonstrates its dedication to fostering a robust control environment through the following initiatives:</p> <ul style="list-style-type: none"> * Annual employee disclosures on conflict of interest, external business engagements, and adherence to the Board-approved code of conduct and employee handbook are mandatory for all NGX Group staff. In 2023, this annual certification process allowed employees to reaffirm their commitment to upholding NGX Group's core values. * The Board and its Committees maintain independence from Executive Management, providing oversight on the design and implementation of the Internal Control System. * The organizational structure of the NGX Group, supported by the IIA's three lines model, clearly delineates authority and responsibility levels. * As part of our ongoing efforts to enhance our control environment, the internal control team conducted mandatory awareness trainings for all employees in 2023. Additionally, bi-weekly control snippets and communications were circulated to further reinforce our control practices throughout the organization.
RISK ASSESSMENT	<p>Risk management plays a pivotal role in governance at NGX Group, and we adhere to a structured approach in line with our framework. This involves:</p> <ul style="list-style-type: none"> * The Board of the NGX Group, along with Executive Management, meticulously defines the organization's long, medium, and short-term objectives. This clarity supports the identification and assessment of potential risk exposures hindering the achievement of these objectives. * Regular meetings among the Board Risk and Audit Committee, Group Board, and Executive Management are held to evaluate the reporting, compliance, and operational risks faced by NGX Group. These sessions also consider the need for implementing new controls to maintain risks within acceptable limits. * Quarterly, business units across the organization review and update their risk registers. The Enterprise Risk and Control department conducts regular evaluations of the risks and controls documented in departmental risk registers. Subsequently, necessary actions are taken to bolster controls as needed, ensuring robust risk management practices throughout the organization.

CONTROL ACTIVITIES	<p>Below are the highlights of our control activities at NGX Group:</p> <ul style="list-style-type: none"> * Our controls at NGX Group are enforced through comprehensive policies and procedure manuals. In 2023, we conducted a thorough review and update of our standard operating procedure manuals and processes to ensure they remain effective and efficient. * To safeguard against monetary losses and prevent wastage, all payment requests undergo independent verification by the internal control team before disbursement. Furthermore, we meticulously reconcile all revenue streams to mitigate the risk of leakages. * Approval, Authorization, and Reviews: NGX operates under a Board-approved manual of authority policy, delineating transaction approval and authorization limits. An integral aspect of this policy is the segregation of incompatible roles and regular user access reviews. * Verification and Reconciliation: We rigorously proof and reconcile all general ledgers in the organization's charts of accounts on a monthly basis to ensure accuracy. * Logical and Physical Access Controls: Access to NGX Group's information is strictly granted on a need-to-know basis, reducing the risk of unauthorized access to sensitive. * Robust continuity plan and guidelines for information and IT security
INFORMATION AND COMMUNICATION	<p>Our approach at NGX Group to Information and Communication of Internal Control includes:</p> <ul style="list-style-type: none"> * Policies and Procedures Communication: NGX Group ensures accessibility to policies and procedure manuals for employees through a centralized repository, available 24/7 to employees regardless of their work-mode. In addition, email notifications and interactive brown bag sessions are conducted. This ensures that essential information for the operation of our control system is readily available to our internal stakeholders. * Executive Management and Board Reports: The second (Internal Control, Risk, and Compliance) and third line (Internal Audit) functions of the NGX Group provide quarterly reports to the Board Risk and Audit Committee and Executive Management, detailing the status of internal control within the organization. * External Communication: NGX Group communicates with external stakeholders regarding the functioning of its internal control system through its corporate website, Annual General Meeting, and Financial Reports.
MONITORING ACTIVITIES	<p>At NGX Group, we maintain vigilant oversight of our control system to ensure its ongoing effectiveness in addressing emerging risks. Here's a snapshot of our control monitoring activities:</p> <ul style="list-style-type: none"> * The Enterprise Risk and Control function, along with Internal Audit, conducts continuous evaluations and reporting on the status of controls across the NGX Group. * Quarterly meetings of the Board Risk and Audit Committee and Executive Management are held to review and deliberate on the risk and control reports. * External auditors of NGX Group provide external stakeholders and executive management with reasonable assurance regarding the functionality of controls within NGX Group.

5. A Look Ahead to 2024

NGX Group has demonstrated a steadfast commitment to maintaining a robust internal control environment throughout the reporting period. By aligning our practices with industry best standards, such as the COSO framework, we have fortified our control mechanisms to effectively manage risks and safeguard organizational assets. Through diligent monitoring, evaluation, and reporting, we have ensured the ongoing effectiveness of our control system in addressing emerging risks and supporting our strategic objectives. We remain dedicated to continuously enhancing our internal control framework to adapt to evolving business dynamics and regulatory requirements. We will remain proactive in identifying and mitigating risks, while fostering a culture of compliance and accountability across all levels of the organization. By leveraging technology, training, and collaboration, we aim to further strengthen our control environment and uphold the highest standards of governance and integrity.

As we look ahead to an exciting 2024 financial year, we are confident that our relentless focus on internal controls will enable NGX Group to navigate challenges effectively, drive sustainable growth, and deliver long-term value to our stakeholders.



COMPLIANCE & ETHICS REPORT



2023 ANNUAL COMPLIANCE AND ETHICS REPORT

The NGX Group's Compliance and Ethics Program

At Nigerian Exchange Group Plc ("NGX Group" or "The Group"), our approach to compliance is built on the principles of total adherence to relevant regulatory and statutory obligations, operating with utmost integrity, upholding high ethical standards, and ensuring compliance with social, environmental, health, and safety standards. Our commitment further extends to embracing best practices and adherence to internal policies, aimed at managing our compliance obligations effectively. Our dedication emphasizes the integration of compliance obligations as a culture into our day-to-day operations and processes. This approach influences the behavior and attitude of employees, ensuring sustainable compliance practices.

Recognizing the pivotal role of compliance, integrity, and adherence to ethics in achieving our vision as Africa's Preferred Exchange Hub, NGX Group maintains a zero-tolerance policy for any violations of regulatory and statutory obligations. Our comprehensive compliance and ethical procedures are explicitly designed to align with this policy, underscoring our commitment to maintaining the highest standards. Our culture prioritizes compliance, integrity, transparency, fairness, and professionalism in all processes and services geared towards delivering value for stakeholders and achieving our long-term goals.

The Board of Directors sets the tone of NGX Group's Compliance and Ethics Program by providing leadership and supervision to ensure proactive identification, assessment, and effective management of all compliance risks associated with the Group's business. The Board Risk and Audit Committee (BRAC) supports the Board in fulfilling this oversight role, reviewing the company's compliance with relevant laws and regulatory requirements during its quarterly meetings.

The Compliance Function

The Compliance function at NGX Group is well-established, providing support to all business units across NGX Group of Companies, ensuring continuous adherence to applicable regulatory and statutory requirements, codes of ethics, standards, and internal policies. The goal of the compliance function is to operate at the highest level of social, ethical, environmental, and health and safety standards.

Each subsidiary of NGX Group has a Compliance Officer who reports to both the Subsidiary Board and the Group Head of Compliance.

Despite the challenges and the demanding operating environment in 2023, we successfully concluded the fiscal year without any regulatory contraventions. This achievement resulted in no fines or penalties, emphasizing the effectiveness of the implemented compliance monitoring program.

Compliance Activities in 2023

Throughout the fiscal year under review, we upheld our commitment to improving effective Compliance and Ethics programs. This was achieved through a series of monitoring initiatives aimed at enhancing our compliance processes. Key compliance activities undertaken during this period includes the following:

- * Annual Compliance Training conducted for all employees to educate them about our compliance processes. The objective of the training was to deepen employees' knowledge on their individual and collective compliance obligations within the organization. It is aimed at ensuring adherence to relevant laws, regulations and guidelines, code of ethics, data protection and other policies. The training sessions reinforced our existing framework and strived towards achieving our goal of zero tolerance for compliance breaches.
- * Conducted the Annual Compliance Survey aimed at evaluating employees understanding of NGX Group of Companies compliance program, identifying areas of weaknesses and gaps for improvements, measuring effectiveness of specific processes & practices, and testing employees' understanding of their obligations under specific policy areas within the Compliance Framework.
- * Monitored and ensured adherence to our regulatory and statutory reporting obligations. Throughout the fiscal year under review, we submitted a total of 455 reports and remittances to both the Securities and Exchange Commission and other government agencies.
- * Renewed our subscription to an independent external whistleblowing channel (KPMG Ethics Line), reaffirming our commitment to maintaining a diverse reporting platform for our stakeholders to report any concerns, complaints, or instances of misconduct.



- * The Annual Conflict of Interest Disclosure and Attestation for all staff was deployed to actively monitor potential and actual conflicts of interest.
- * Annual Disclosures for Directors was deployed to ensure their compliance with the NGX Groups Securities Trading Policy.
- * Published weekly compliance nuggets and communication guidelines to deepen employees' knowledge of our Compliance Programs, Code of Ethics, and the management of Internal Policies within the NGX Group of companies.
- * Monitored Compliance with the regulatory requirements regarding insider dealings and filed the appropriate reports to the market as required by the Nigerian Exchange Rules.
- * Redesigned the centralized repository (X-Policy) for managing internal policies for the NGX Group of Companies.
- * We continue to monitor adherence to our Securities Trading Policy to ensure all trades conforms to all regulatory requirements as captured in the policy , which is hosted on the company's website and can be accessed via this link; <https://ngxgroup.com/ngx-download/ngx-group-plc-securities-trading-policy/>
- * We continue to ensure we receive and manage stakeholders complaints in line with our Complaints Management Policy, which is hosted on the company's website and can be accessed through this link; <https://ngxgroup.com/ngx-download/ngx-group-complaint-management-procedure-2021/>

HIGHLIGHTS OF NGX GROUP'S CSR ACTIVITIES IN 2023

In alignment with its Corporate Sustainability and Responsibility (CSR) strategy, NGX Group continues to prioritize the creation of positive impacts for stakeholders and sustainability across its operations and business endeavours. Despite facing notable socio and macroeconomic challenges in the past year, the Group has unwaveringly adhered to its initiatives, grounded in four key pillars: community, marketplace, workplace, and environment. These endeavours are fortified by strategic partnerships. Here are noteworthy highlights from our 2023 CSR initiatives:

Sustainable finance and sustainability reporting

- * NGX Group through NGX Regulation Limited as part of the Adoption Readiness Working Group (ARWG) introduced the International Sustainability Standards Board's IFRS S1 and S2 Sustainability Disclosure Guidelines to the Nigerian Capital Market, as Nigeria became part of the first set of countries to adopt the standards.
- * Conducted another training themed “From Words to Impact: Communicating your Sustainability Story Effectively” on sustainability for Issuers in partnership with Global Reporting Initiative in line with its aim to promote sustainability reporting in the Capital Market. The seminar had more than 30 representatives from listed companies in attendance.
- * To promote responsible investing, NGX Group through Nigerian Exchange Limited (NGX) organized an engagement session for investors themed “Empowering Responsible Investing- Environmental, social, and corporate governance (ESG) Disclosure.” This session did a deep dive into the intricacies between ESG and integration of sustainability reporting data into investment decisions. We recorded attendance from 28 representatives of buy and sell side firms.

Social responsibility

- * NGX and International Finance Corporation organized the Gender Leader Awards to spotlight companies under the Nigeria2Equal Initiative who had positioned themselves as gender champions by prioritizing internal actions like childcare and family-friendly workplace policies towards achieving diversity, equity and inclusion.
- * NGX Group achieved the EDGE Certification, a leading global standard for measuring performance in diversity, equity and inclusion following employee surveys, analysis of group-wide workforce statistics, focus group discussions, and a rigorous third-party audit of all data provided by the company and its policies and practices.
- * Our International Women's Day celebration in 2023 with the theme “Embrace Equity: Setting the Standard for a Sustainable Future,” featured a virtual symposium, which culminated in a Closing Gong Ceremony on the floor of NGX.

- * NGX Group profiled 100 Women in Finance as they launched their Nigeria chapter with a Closing Gong Ceremony. Giving visibility to these initiatives highlight our commitment to aiding financial inclusion for women in Nigeria by deepening the participation of women in the financial services sector.
- * In a society with high rates of domestic violence, NGX Group stood out as an advocate against Gender-Based Violence (GBV) through NGX's partnership with the Women at Risk Foundation (WARIF) on the Know Your Community outreach – a community empowerment event that reached over 200 vulnerable women- and the No Tolerance March against GBV – a walk against domestic violence.
- * International Finance Corporation (IFC) and NGX published Nigeria's first Childcare in Nigeria's private sector "Investing in Childcare: A Game Changer for Businesses and the Nigerian Economy."

Financial Literacy

- * NGX Group leveraged its platform to promote financial literacy for young Nigerians through Global Money Week, partnering with the Securities and Exchange Commission and the Central Bank of Nigeria, including other civil society organizations and private sector players. We hosted over 100 students physically at the Exchange Group house to a training and closed the day with a Closing Gong Ceremony to mark the week for the year 2023.
- * Further spreading the message of personal finance and investing, we took our financial literacy campaign, NGX X-Lit to the Nigeria Armed Forces Resettlement Centre and the National Youth Service Corps orientation camp. Over 2,300 individuals were reached at both events constituting both young and older Nigerians. This is the start of a campaign aimed at increasing the participation of retail investors in the capital market. X-Lit will propagate NGX Group's financial inclusion agenda across Nigeria.
- * NGX RegCo's EquipHER, a novel initiative by NGX Group's independent regulatory subsidiary, advanced our market development and inclusivity goals with a capacity building and information session for over 200 female investors physically present at the Exchange Group house as we aim to empower women and increase their participation in the equity market. "EquipHER: Empowering Women for Inclusive Growth in Nigeria's Equity Market" stood out as a valiant effort towards expanding wealth creation for the other 50% of Nigeria's population.

Corporate Governance

- * NGX Group through NGX RegCo organized a two-day workshop for retail shareholders in line with its aim to promote transparent and fair markets. The workshop, themed "Rights and Responsibilities of Shareholders in Driving Corporate Governance" helped to deepen shareholder's knowledge of their responsibilities in holding the boards and management of listed companies accountable in line with their legal obligations.
- * Our tripartite partnership with the Nigerian Bar Association Section on Business law (NBA-SBL) and the Chartered Institute of Directors under the umbrella of the Corporate Governance Triangle held the inaugural Corporate Governance Colloquium with the theme "Diversity and Inclusion: Adopting a Multi-Stakeholder approach in the promotion of good governance." The colloquium set out to advance conversations around promoting diversity, equity and inclusion in the capital market and by extension, the private sector.

Health and Safety

- * Occupational Safety - Due to adherence to good practices on occupational health and safety, and strict compliance with the health and safety policies, the Security Unit recorded zero incidents of workplace accidents or injuries during the fiscal year.
- * Access Control – With the continued deployment and utilization of the Visitor Management System (VMS), we have control of inbound and outbound visitors at the NGX House. There was no tailgating or incident of unauthorized persons roaming the floors during the year under review and this was achieved with the VMS security tool.
- * Outbreak of Diphtheria – The Country witnessed a second wave of diphtheria outbreak after a first wave during the year under review. However, at NGX Group we have continued to administer sanitizers at entry points and strategic locations throughout the building as a precaution.

Regulatory Change and Compliance.

Being up to date with changes in the regulatory and statutory landscape is a crucial element of the comprehensive compliance program at the NGX Group.



The National Assembly of the Federal Republic of Nigeria enacted the Financial Reporting Council of Nigeria (FRCN) Amendment Act of 2023. The Act provided amendments to the FRCN Act of 2011 and amongst other things, to streamline the membership of the Governing Board and strengthen the Council to discharge effective regulatory responsibilities on Financial Reporting and Corporate Governance in Nigeria.

The Finance Act 2023 amends relevant tax, excises, and duty statutes in accordance with the macroeconomic policy reforms of the Federal Government and makes further amendments to specific laws in connection with the public financial management of the Federation and related matters.

The President of the Federal Republic of Nigeria signed the Nigeria Data Protection Act of 2023 into law. The Act provides a legal framework for the protection of personal information and establishes the Nigerian Data Protection Commission for the regulation of the processing of personal information and related matters.

The Business Facilitation (Miscellaneous Provisions) Act 2023 was signed in to law by the President. The Act provides for the ease of doing business, ensure transparency, efficiency, and productivity in Nigeria and for related matters.

The International Financial Reporting Standards (IFRS) S1 and S2 were introduced in 2023, which sets out the general requirements for a complete set of sustainability-related financial disclosures. The IFRS S1 is designed to be applied in conjunction with IFRS S2, which is a topic-based standard that specifies disclosures relating to climate.

We are committed to continuously monitoring and staying informed about changes in our regulatory and statutory framework, and we will take the necessary actions to ensure ongoing compliance.

A Look Forward to 2024

We anticipate that the Investment and Securities Bill (ISB) will be passed by the National Assembly in the new year. The bill is expected to provide the framework for regulating new products such as financial and commodity derivatives, as well as financial market infrastructure. These new features are expected to promote activity, develop the Nigerian Capital Market, and provide the apex regulator with necessary authority to protect and regulate the market effectively.

We will continue to observe the full impact of the removal of fuel subsidy and the floating of the Naira by the President on business operations in the new year.

In remaining consistent in our commitment to a zero-tolerance policy for regulatory and statutory breaches, we will continue to improve on the compliance function by updating the current Compliance Framework to capture changes in the regulatory and operational environment to ensure our compliance practices and procedures are up to date and reflect the current operational and regulatory realities.

REPORT OF EXTERNAL CONSULTANTS ON THE BOARD PERFORMANCE EVALUATION OF NGX GROUP PLC



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We have performed the evaluation of the Board of NGX Group PLC for the year ended 31st December 2023, in accordance with the guidelines of Section 15.1 of the Securities Exchange Commission (SEC) Code of Corporate Governance (CCG) 2011 for Public Companies in Nigeria. The Securities and Exchange Commission (SEC) Code of Corporate Governance 2011 mandates the Board of Public Companies to undergo an annual appraisal of its own performance, that of its Committees, the Chairman and individual Directors. Subsection 15.2 of the Code requires the appraisal system to “include the criteria and key performance indicators and targets for the Board, its Committees, the Chairman and each individual Board member” while subsection 15.6 states that the services of external consultants may be engaged to facilitate the appraisal process.

Our approach included the review of the NGX Group Plc Corporate Governance framework, and all relevant policies and procedures. We obtained written representation through online questionnaires administered to the Board members and conducted one-on-one interviews with the Directors and key personnel of the Company.

On the basis of our work, the Board of NGX Group Plc has complied with the requirements of the Securities Exchange Commission Code of Corporate Governance (SEC CCG) 2011 for Public Companies in Nigeria during the year ended 31st December 2023. The outcome of the review and our recommendations have been articulated and included in our detailed report to the Board. This report should be read in conjunction with the Corporate Governance section of the Annual Report of NGX Group Plc.

For: Ernst & Young

Abiodun Ogunoiki

Associate Partner and Financial Services Risk Management Lead, West Africa
FRC/2022/PRO/DIR/003/119476



REPORT OF EXTERNAL CONSULTANTS ON THE BOARD PERFORMANCE EVALUATION OF NGX GROUP PLC



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ey.com

We have performed the evaluation of the Board of NGX Group Plc for the year ended 31st December 2023, in accordance with the guidelines of Section 15.1 of the Nigerian Code of Corporate Governance (NCCG) 2018. The Nigerian Code of Corporate Governance (NCCG) 2018 mandates registered Companies to undergo an annual evaluation of their corporate governance practices to ensure their governance standards, practices, and processes are adequate and effective. Subsection 15.1 of the Code requires that the evaluation should be facilitated by an independent external consultant at least once in three (3) years, while subsection 15.2 states that the summary of the report of this evaluation should be included in the Company's annual report and on the investors' portal of the Company.

Our approach included the review of the NGX Group Plc Corporate Governance framework, and all relevant policies and procedures. We obtained written representation through online questionnaires administered to the Board members and conducted one-on-one interviews with the Directors and key personnel of the Company.

On the basis of our work, the Board of NGX Group Plc has complied with the requirements of the Nigerian Code of Corporate Governance (NCCG) 2018 during the year ended 31st December 2023. The outcome of the review and our recommendations have been articulated and included in our detailed report to the Board. This report should be read in conjunction with the Corporate Governance section of the Annual Report of NGX Group Plc.

For: Ernst & Young

Abiodun Ogunoiki

Associate Partner and Financial Services Risk Management Lead, West Africa
FRC/2022/PRO/DIR/003/119476

CORPORATE INFORMATION

DIRECTORS	<p>Dr. Umaru Kwairanga</p> <p>Mr. Oscar Nduka Onyema, OON</p> <p>Dr. Okechukwu Itanyi</p> <p>Mrs. Ojinika Olaghere</p> <p>Mr. Sehinde Adenagbe*</p> <p>Mr. Ademola Babarinde*</p> <p>Mr. Mohammed Garuba*</p> <p>Mr. Oluwole Adeosun**</p> <p>Mr. Nonso Okpala*</p> <p>Mr. Chidi Agbapu**</p> <p>Mr. Patrick Ajayi**</p> <p>Mrs. Fatimah Bello – Ismail**</p> <p>Mrs. Mosun Belo-Olusoga*</p> <p>Mrs. Fatima Wali-Abdurrahman*</p> <p>* - appointed 14 July 2023</p> <p>** - Resigned 14 July 2023</p>	<p>Group Chairman (Non-Executive Director)</p> <p>Group Managing Director/ GCEO</p> <p>Independent Non-Executive Director</p> <p>Independent Non-Executive Director</p> <p>Non-Executive Director</p> <p>Non-Executive Director</p> <p>Non-Executive Director</p> <p>Non-Executive Director</p> <p>Non-Executive Director</p> <p>Non-Executive Director</p> <p>Non-Executive Director</p> <p>Independent Non-Executive Director</p> <p>Independent Non-Executive Director</p>
ACTING COMPANY SECRETARY:	Mr. Izuchukwu Emmanuel Akpa FRC/2020/002/00000021979	
REGISTERED OFFICE:	Nigerian Exchange House 2/4, Customs Street Marina Lagos FRC/2013/0000000000621	
INDEPENDENT AUDITOR:	Ernst & Young 13th Floor UBA House 57 Marina, Lagos Nigeria www.ey.com	
RC NUMBER	RC 2321	
TAX IDENTIFICATION NUMBER (TIN)	00884470-0001	



DIRECTOR'S REPORT

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

The Board of Directors presents their report on the affairs of Nigerian Exchange Group Plc ("NGX Group Plc" or "the Company") and its subsidiaries (together "the Group" or "NGX Group"), together with the consolidated and separate financial statements and independent auditor's report for the year ended 31 December 2023.

a. Legal form

NGX Group Plc was incorporated in Nigeria as a private company limited by shares on 15 September 1960 as Lagos Stock Exchange and its name changed to the Nigerian Stock Exchange on 15 December 1977. The Nigerian Stock Exchange was re-registered as a Company Limited by Guarantee on 18 December 1990. On 11 January 2021, it was converted and re-registered as a Public Company Limited by shares, pursuant to the Demutualisation Act, 2018. On 10 March 2021, NGX Group obtained approval from the Securities and Exchange Commission to operate as a demutualized entity. Accordingly, it was converted and re-registered as a Public Limited Company by shares, pursuant to the Demutualization Act, 2018.

NGX Group Plc, however, retained the incorporation date of 15 September 1960 and registration certificate number RC 2321 of The Nigerian Stock Exchange (NSE) which is registered under the laws of the Federal Republic of Nigeria. The demutualization of the NSE resulted in the change of its operational structure from a mutual Company limited by guarantee to a Company limited by shares, and the breakup of the business activities of the mutualized NSE into various separate entities post demutualization. NGX Group being listed by introduction on 15 October 2021 now operates as a SEC registered Capital Market Holding Company (CMHC); with interests in Nigerian Exchange Limited, NGX Regulation Limited and NGX Real Estate.

b. Principal activities and business review

As a key player in the continent's financial markets, NGX Group Plc is focused on taking an active role in shaping the future of the markets through its investment in business innovation and technology.

NGX Group Plc has six (6) subsidiary companies namely; Nigerian Exchange Limited, NGX Regulation Limited, NGX Real Estate Limited (formerly Naira Properties Limited), Coral Properties Limited, NSE Consult Limited and NSE Nominees Limited. Some of them are in the process of being wound up being pre-demutualisation subsidiaries. NGX Group also has significant interests in Central Securities Clearing System Plc (CSCS) and NG Clearing Limited.

c. Operating results

Gross earnings of the Group recorded an increase of 65% (2022: increase of 11%) and profit before tax recorded an increase of 621% (2022: increase of 26%). Gross earnings for the Group comprises revenue, other income and share of profit of equity accounted investees. For the Company, gross earnings increased by 90% (2022: decreased by 42%) and the profit before tax increased by 656% (2022: increased by 76%). Highlights of the Group and the Company's operating results for the year under review are as follows:





DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Revenue and other income	11,803,903	7,499,603	6,425,296	3,568,089
Share of profit of equity accounted investee	4,855,936	2,150,844	-	-
Profit / (loss) before income tax expense	5,271,703	716,116	725,760	(249,253)
Income tax expense	(20,710)	(124,607)	-	(10,484)
Profit / (loss) after income tax	5,250,993	591,509	725,760	(259,737)
Appropriations:				
Other comprehensive (loss)/ income	(2,043,603)	1,994,493	11,515	(13,217)
Transfer to/(from) retained earnings	3,207,390	2,586,003	737,275	(272,954)

d. The Board members' interests in contracts

No Board member has notified NGX Group Plc, for the purpose of Section 303 of the Companies and Allied Matters Act (CAMA) 2020, of any interest in contracts with the NGX Group Plc during the year.

e. Property and Equipment

Information relating to changes in property and equipment is given in Note 22 to the consolidated and separate financial statements. In the Directors' opinion, the market value of the Group's property and equipment is not significantly different from the value shown in the financial statements.

f. Directors' Interest as at 31 December 2023

S/N		Dec-23		Dec-22	
		Direct	Indirect	Direct	Indirect
1	Dr. Umaru Kwairanga (Finmal Finance Company Limited)	3,053,924	1,420,640	3,053,924	1,420,640
2	Mr. Oscar Nduka Onyema, OON	NIL	NIL	NIL	NIL
3	Dr.Okechukwu Itanyi	NIL	NIL	NIL	NIL
4	Mrs. Ojinika Olaghere	NIL	NIL	NIL	NIL
5	Mr. Sehinde Adenagbe (Standard Union Securities Limited)	2,000	1,000,000	N/A	N/A
6	Mr. Ademola Babarinde (Reward Investment & Securities Limited)	NIL	869,881	N/A	N/A
7	Mr. Mohammed Garuba (CardinalStone Partners and CardinalStone Securities Limited)	10,000,000	103,755,866	N/A	N/A
8	Mr. Nonso Okpala (VFD Group)	NIL	106,832,501	N/A	N/A
9	Mrs. Mosun Belo-Olusoga	NIL	NIL	N/A	N/A
10	Mrs. Fatima Wali-Abdurrahman	NIL	NIL	N/A	N/A
11	Mr. Oluwole Adeosun (Chartwell Securities Limited) - as at 14 July 2023	NIL	5,632,830	NIL	5,632,830
12	Mr. Chidi Agbapu (Planet Capital Limited) - as at 14 July 2023	NIL	1,000,000	NIL	1,000,000
13	Mr. Patrick Ajayi (WCM Capital Limited) - as at 14 July 2023	NIL	2,000,000	NIL	3,000,000
14	Mrs. Fatimah Bintah Bello – Ismail as at 14 July 2023	NIL	NIL	NIL	NIL

DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

g. Substantial Interest in Shareholding

As at 31 December 2023, the Company had 2,595 shareholders. In compliance with the Securities and Exchange Commission's Demutualisation Rules, none of the shareholders currently hold up to 5% of the shareholding of the Company.

A total of 222,480,337 shares are being warehoused by Stanbic IBTC Trustees Limited for the Long Term Incentive Plan ("LTIP") (200,419,990) for employees and as balance Claims Review Shares (22,060,347). The process of operationalising the LTIP and receiving the requisite regulatory approvals is still ongoing.

h. Shareholding Analysis

Shareholding Analysis as at 31 December 2023				
Share Range	Number Of Shareholders	% of Shareholders	Number Of Holdings	% Shareholding
1- 10,000	1,538	59.27	3,538,256	0.16
10001- 50,000	398	15.34	10,451,972	0.47
50001- 100,000	150	5.78	12,106,593	0.55
100001- 500,000	158	6.09	39,944,857	1.81
500001- 1,000,000	53	2.04	42,375,241	1.92
1000001- 5,000,000	201	7.75	498,462,152	22.61
5000001- 10,000,000	76	2.93	470,336,974	21.33
10000001- 50,000,000	12	0.46	280,368,975	12.72
50000001- 100,000,000	8	0.31	624,554,550	28.33
100000001- 500,000,000	1	0.04	222,480,337	10.09
Total	2,595	100.00	2,204,619,907	100

Shareholding Analysis as at 31 December 2022				
Share Range	Number Of Shareholders	% of Shareholders	Number Of Holdings	% Shareholding
1- 10,000	1,176	56.3488	2,845,708	0.1291
10001- 50,000	314	15.0455	7,942,157	0.3603
50001- 100,000	110	5.2707	8,747,906	0.3968
100001- 500,000	113	5.4145	28,655,760	1.2998
500001- 1,000,000	44	2.1083	34,845,139	1.5806
1000001- 5,000,000	222	10.6373	555,364,334	25.1909
5000001- 10,000,000	89	4.2645	542,179,090	24.5929
10000001- 50,000,000	12	0.5750	264,764,323	12.0095
50000001- 100,000,000	5	0.2396	396,137,789	17.9685
100000001- 500,000,000	2	0.0958	363,137,701	16.4717
Total	2,087	100.0000	2,204,619,907	100.0000

i. Board members responsibilities

The Board members are responsible for the preparation of financial statements which give a true and fair view of the state of affairs and comply with Companies and Allied Matters Act (CAMA) 2020. They are obliged to ensure that:

- Proper accounting records are maintained;
- Internal control procedures are instituted which, as far as is reasonably possible, safeguard the assets, prevent and detect fraud and other irregularities;
- Applicable accounting standards are followed;
- Judgments and estimates made are reasonable and prudent;
- Suitable accounting policies are adopted and consistently applied; and
- The going concern basis is used, unless it is inappropriate to presume that the NGX Group Plc will continue in business.



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

j. Human Resources

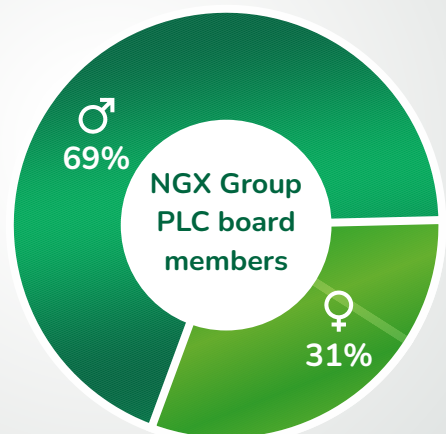
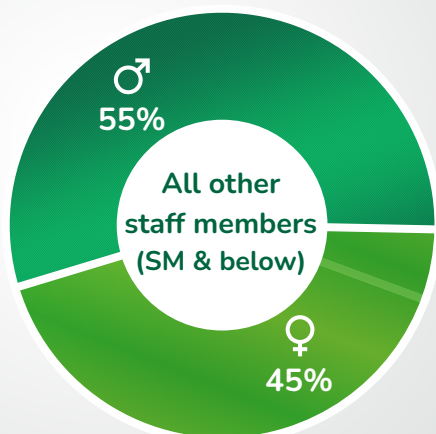
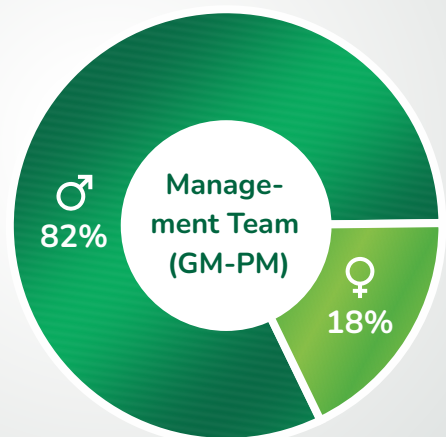
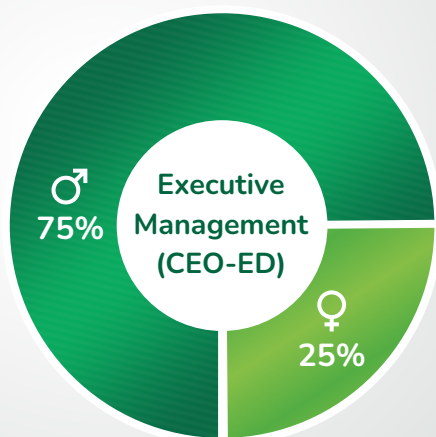
i. Report on Diversity in Employment

The Company operates a non-discriminatory policy (Work Force Diversity and Equal Opportunities Policy) in consideration of applications for employment. The Company's policy is that most qualified and experienced persons are recruited for appropriate job levels, irrespective of an applicant's state of origin, ethnicity, religion, gender or physical condition.

We believe diversity and inclusiveness are powerful drivers of competitive advantage in developing and understanding our customers' needs and creatively addressing them.

Gender Diversity Breakdown

	Male	Female
Executive Management (CEOs)	3	1
Management Team (PM-GM)	14	3
All other staff members (SM and below)	61	50
NGX Group board members	9	4



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

ii. *Employment of Disabled Persons*

The Company maintains a policy of giving full consideration to applications for employment from persons with a disability with due regard to their abilities and aptitude vis a vis requirements of the role. In event of a staff member becoming disabled, our policy is to provide continuing employment and training wherever possible.

iii. *Health, Safety and Welfare at Work*

The Company enforces strict health and safety rules and practices in the work environment, that are reviewed and tested regularly. In addition, the Company provides a top-class health insurance via Health Maintenance Organisations (HMOs) to employees.

Fire prevention and fire-fighting equipments are installed in strategic locations within the Company's premises. In line with its family-friendly focus and fitness, the Company also operates a crèche facility and Gym at its Head Office.

The Company operates both a Group Personal Accident Insurance and the Employees' Compensation Scheme for the benefit of its employees. We also comply with the extant Pension Reform Act.

iv. *Employee Training and Development*

In line with the Company's policy of continuous development, the NGX Group Plc. continues to invest in a range of initiatives to enable staff members develop required competencies, perform in their current roles and prepare them for future roles.

k. *Operational Risk*

Operational risk is the risk that the Group would suffer a loss as a result of inadequate or failed processes, people and systems (including information technology and infrastructure) or from external events. By definition, operational risk excludes business risks (strategic and management) and financial risks (market, credit, and liquidity) but include all potential events that may impact one or more operational objectives of the Group.

Operational risk can arise due to human oversight, fraudulent acts, and inappropriate behaviour of employees or system failure. These events could result in financial losses, including litigations and regulatory fines, as well as reputational damage to the Group and can manifest in any of the following forms: business process execution failures, damage to tangible and intangible assets, threat to workplace health and safety, fraud and theft, compliance failures, technology failures and damages.

The Group recognizes that operational risks are inherent within its current operations, and may emerge from implementing new business decisions or from other internal and external changes. Our approach to managing operational risk is through a comprehensive, systematic, disciplined and proactive process implemented to identify, assess, mitigate, monitor and report operational risk related to the achievement of our strategic objectives and is embodied within the Board approved Enterprise Risk Management Framework.

The Group has conducted an enterprise-wide assessment on all its activities, processes, its procedures and implemented several programmes targeted at staff development have been developed/deployed such as: The Leadership Enhancement And Development (LEAD) Programme, designed to groom and expand the capacity of staff to take on higher responsibilities. Bespoke courses organised for employees based on job requirement. Local and international courses available to staff within the training budget. All these are complemented by continuous on-the-job training, through mentorship and coaching.

l. *Director's Remuneration*

The Company ensures that remuneration paid to its Directors complies with the provisions of the Codes of Corporate Governance issued by its regulators.

In compliance with Section 34(5) of the Code of Corporate Governance for Public Companies as issued by Securities and Exchange Commission, the Company makes disclosure of the remuneration paid to its directors as follows:



DIRECTORS' REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

Type of package fixed	Description	Timing
Basic Salary	Part of gross salary package for Executive Directors only. Reflects a competitive salary package and the extent to which the Company's objectives have been met for the financial year.	Paid monthly during the financial period.
Other allowances	Part of gross salary package for Executive Directors only. Reflects a competitive salary package and the extent to which the Company's objectives have been met for the financial year.	Paid monthly during the financial period.
Performance Incentive	Paid to Executive Directors only and tied to performance of the line report. It is also a function of the extent to which the Company's objectives have been met for the financial year.	Paid annually in arrears
Director fees	Paid quarterly at the beginning of a new quarter to Non-Executive Directors only.	Paid quarterly/annually in arrears
Siting allowances	Allowances paid to Non-Executive Directors only, for attending Board and Board Committee Meetings.	Paid after each meeting

m. Share based payment scheme

Further to Members' approval at the Extra-Ordinary General Meeting of 3 March 2020 for the establishment of an Employee Share Ownership Plan for the benefit of qualifying employees of Nigerian Exchange Group Plc and its Subsidiaries and the approval at the Annual General Meeting held on 9 September 2021 that the Company be and is hereby authorised to issue and allot 200,419,990 ordinary shares of 50 kobo each out of the share capital of Nigerian Exchange Group Plc for the operation of a Long Term Incentive Plan consisting of a Deferred Bonus Plan (DBP) and an Employee Share Purchase Plan (ESPP), with effect from 1 January 2021, subject to obtaining requisite regulatory approvals, the quantum of shares has been warehoused with Stanbic Trustees, who will serve as the Trustee for the LTIP. The LTIP is however yet to be effective as at reporting date.

n. Dividend

The Directors at its meeting held on 25 July 2023 recommended an interim dividend of 25k per ordinary share of 50k per share which was paid in August 2023. The Directors on 26 February 2024 recommended a final dividend payment of 75k per ordinary share for the year ended 31st December 2023 which is subject to approval of shareholders at the next Annual General Meeting. This brings the total dividend for the 2023 financial year to N1 per ordinary share.

o. Donation

Being a good corporate citizen, the Group made a total donation of N79.5 million in 2023 geared towards the growth of the capital market. The list of the beneficiaries and the sums donated are listed below:

Beneficiary	Amount (N)
Chartered Institute of Stockbrokers (CIS)	21,000,000
Association of Securities Dealing Houses of Nigeria (ASHON)	20,000,000
6th African International Conference on Islamic Finance	10,000,000
West African Capital Market Conference (WACMAC)	10,000,000
Burial of late Chris Ogunbanjo	7,498,599
Burial of late Akintola Williams	5,000,000
Rotary foundation	2,000,000
Nigeria Higher Education Foundation	2,000,000
Lagos Motor Boat Club	2,000,000
	79,498,599

DIRECTORS' REPORT

For the year ended 31 December 2023

p. Auditor

Messrs. Ernst & Young, having satisfied the relevant corporate governance rules on their tenure in office, have indicated their willingness to continue in office as auditors to the Company in accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA) 2020. Therefore, the auditor will be re-appointed at the next Annual General Meeting of the Company without any resolution being passed.

By Order of the Board



Mr. Izuchukwu Emmanuel Akpa
Acting Company Secretary
FRC/2020/002/00000021979
1 March, 2024



BOARD OF DIRECTORS

BOARD OF DIRECTORS

Dr. Umaru Kwairanga

Chairman (Non-Executive Director)



Dr. Kwairanga has 30 years' cognate experience in the banking, pensions, investment, manufacturing, and commercial sectors. He has served previously as a Council member of the Nigerian Stock Exchange and is currently a Council member of the Institute of Directors of Nigeria; and is an active director on the boards of many quoted/listed and unquoted companies such as Jaiz Bank Plc, Tangerine Pensions Limited and Tangerine General Insurance Limited. He is currently the GMD/CEO of Finmal Finance Services Limited.

He is a Fellow of the Chartered Institute of Stockbrokers, Fellow of the Certified Pension Institute of Nigeria (2005) and Fellow of the Institute of Directors of Nigeria. He is the Chairman, Gombe State Investment and Property Development Company Limited.

Dr. Kwairanga has a B.Sc. (Hons) Business Administration (1991) from the University of Maiduguri, MBA (1995) from Ambrose Alli University, Ekpoma, Edo State and M.Sc. Finance & Governance from Liverpool J M University UK (2007).

***Mr. Oscar N. Onyema, OON**

Group Managing Director and Chief Executive Officer



Mr. Onyema is the Group Managing Director and Chief Executive Officer of Nigerian Exchange Group Plc. Prior to attaining this position, he was the CEO of The Nigerian Stock Exchange for 10 years. In his current role, he is the Chairman of the Group Executive Committee. He is also the Chairman of two affiliate companies: Central Securities Clearing System Plc (CSCS), the clearing, settlement and depository for the Nigerian capital market; and NG Clearing Limited, which is the premier Central Counter Party Clearing House (CCP) in Nigeria. He serves on several other boards domestically and internationally including Pension Commission of Nigeria (PENCOM), London Stock Exchange Group (LSEG) Africa Advisory Group (LAAG), and the World Federation of Exchanges.

He was the President of African Securities Exchanges Association (ASEA) between 2014 and 2018. He has served as a Council member of Chartered Institute of Stockbrokers (CIS); Global Agenda Council member of World Economic Forum (WEF); and Board member of FMDQ OTC Plc (now FMDQ Securities Exchange Plc). Prior to relocating to Nigeria, he served as Senior Vice President and Chief Administrative Officer at American Stock Exchange (Amex). He also ran the NYSE Amex equity business after the merger of NYSE Euronext and Amex in 2008.

Mr. Onyema is the proud awardee of the Nigerian national honour, Officer of the Order of the Niger (OON), Fellow of the Institute of Directors (IOD), Fellow of the Chartered Institute of Stockbrokers (CIS), Associate of Chartered Institute for Securities & Investment (CISI) in the UK, and Holder of FINRA Series 7, 24, and 63 in the USA. Forbes listed him as one of the ten most powerful men in Africa in 2015.

Mr. Onyema holds a B.Sc. (Computer Engineering) (1991) from Obafemi Awolowo University, MBA (Finance and Investments) (1998) from Baruch College, New York. He has also completed the Advanced Management Program (AMP) of Harvard Business School (2015).

*On Monday 1st January 2024, Mr. Temi Popoola, CEO of NGX, was appointed as the GMD/CEO designate of NGX Group Plc.



Dr. Okechukwu Itanyi

(Independent Non-Executive Director)



Dr. Itanyi has over 35 years experience in the public and private sectors. He presently directs two investment and property development companies: Valuehouse Limited and Wata Resources Limited. He is a former Executive Commissioner (Stakeholders Management) at Nigerian Communication Commission (NCC) (2010 to 2015). He was elected as the Deputy Governor of Enugu State for two consecutive terms (May 1999 to May 2007). Prior to being Deputy Governor, he represented Igbo-Etiti East Constituency in Enugu State House of Assembly (1997).

He worked for Catenation Incorporated, a financial consulting company in Green Bay, Wisconsin, USA, before returning to Nigeria in 1988. Between 1988 and 1995, he worked for International Merchant Bank, Diamond Bank and Commercial Trust Bank. He has extensive experience in Treasury and Corporate Banking. He is a member of Nigerian Institute of Management (Chartered) and Fellow of the Nigerian Institute of Public Relations.

He is a Fellow of the Nigerian Institute of Management (Chartered) and the Institute of Public Relations. Dr. Itanyi holds a Doctor of Philosophy (PhD) in Business Management (2013) and Higher Diploma in Animal Health (1982) from the University of Nigeria Nsukka. He also holds a B.Sc. in Agriculture (1984) and MBA (1987) from the Ohio State University.

Mrs. Ojinika Olaghere, FCA

(Independent Non-Executive Director)



Mrs. Olaghere is the Managing Consultant of Rickela Consulting Limited. She retired from Access Bank Nigeria Plc in June 2018 as Executive Director, Operations and Information Technology Division. Prior to her appointment as Executive Director, she served as General Manager, General Resource Management Group and General Manager, the Enterprise Support Group. Prior to joining Access Bank in 2007, Mrs. Olaghere worked with Ecobank Nigeria for 16 years, in the Operations and Consumer Banking Groups. She started her career as a translator at Tropical Farming Magazine and the Embassy of Guinea. In 1987, she joined Coopers & Lybrand (Chartered Accountants) now PriceWaterhouseCoopers (PwC).

Mrs. Olaghere currently sits as a Non-Executive Director on the Boards of Access Holdings Plc, Coronation Life Assurance Limited, First Ally Asset Management Limited, First Ally Properties Ltd and Coscharis Technologies Limited. She is a Fellow of the Institute of Chartered Accountants of Nigeria.

She holds a Diploma in French and Literature from Université de Grenoble III, FRANCE (1983); and a B.A.(French) from University of Nigeria, Nsukka (1984). She has also attended courses at Harvard Business School, INSEAD, Massachusetts Institute of Technology, London Business School and Lagos Business School.

BOARD OF DIRECTORS

Mr. Nonso Okpala
(Non-Executive Director)



Mr. Nonso Okpala is the current Group Managing Director/Chief Executive Officer of VFD Group Plc, an Industry agnostic proprietary investment company with interests in banking, entertainment, capital market, fintech, international remittance, real estate and hospitality. Mr. Okpala formerly served as the Chief Financial Officer (CFO) for Heirs Holdings Limited for five years and as a Senior Auditor for KPMG Professional Services for four years before joining VFD Group Plc.

He has a Bachelor of Science (Bsc.) in Marketing from the University of Nigeria, Enugu, where he graduated as the best graduating student in 2003. Mr. Nonso Okpala is an Associate Member of the Institute of Chartered Accountants of Nigeria (ICAN).

Mr. Mohammed Garuba
(Non-Executive Director)



Mr. Garuba is an accomplished finance and investment professional with over 25 years of cutting-edge experience across asset management, capital raising, corporate finance, macro and equity research, sales and trading, pension fund management, fintech and principal investing. He is a Co-Founder of CardinalStone Partners Limited and the Managing Director of CardinalStone Real Assets Limited. He has also worked with Renaissance Capital, Zenith Bank, Investment Banking & Trust Company Limited (now Stanbic IBTC Holdings Plc) and Intercellular Nigeria Limited.

He is the Chairman of CardinalStone Securities Limited, and an active Director on the Board of several companies such as CardinalStone Partners Limited, CS Advance Finance Limited, Zapphire Events Limited, CardinalStone Trustees Limited, and Value Payment Solutions Limited. He has served previously as a Council Member of the Chartered Institute of Stockbrokers of Nigeria and a member of the ministerial committee set up to review the Investment and Securities Act (ISA) 2007 based on international best practices regarding statutes governing the operations of the capital market.

He holds a B.Sc. (Hons) in Insurance from the University of Lagos, Nigeria, and an MBA from the London Business School. He is a Fellow of both the Chartered Institute of Stockbrokers of Nigeria and the Institute of Chartered Accountants of Nigeria. He is also an Associate of the Chartered Institute for Securities & Investment, UK, and an alumnus of Yale University and Harvard Kennedy School.

Mr. Sehinde Adenagbe
(Non-Executive Director)



Mr. Adenagbe is currently the Managing Director/Chief Executive Officer of Standard Union Securities Limited. He is vastly experienced in Capital Market Analysis, Corporate Finance/Stockbroking, Clients Advisory Services and Management. He has worked with various Capital Market institutions including Midland Capital Markets Limited, Midas Stockbrokers Limited, and Negotiable Finance Limited.

He is the 1st Vice Chairman of Association of Securities Dealing Houses of Nigeria (ASHON), a position he holds till date. He is also a member of the Certified Pension Institute of Nigeria (CPIM), the Nigerian Institute of Management (NIM), and the Chartered Institute of Stockbrokers.

Mr. Adenagbe holds a Bachelor of Arts (BA) in English from Obafemi Awolowo University, Ife (1989) and Master of Business Administration (MBA) in Financial Management (2001) from Ladoko Akintola University of Technology, Ogbomosho.



Mr. Ademola Babarinde
(Non-Executive Director)



Mr. Babarinde is the Managing Director/Chief Executive Officer of Reward Investment & Services Limited, a position he has maintained from 2015 till date. He has over 34 years working experience as an accountant and Capital Market specialist. Prior to joining Reward Investment & Services Limited, he worked with International Standard Securities Limited as a Manager and Agip Nigeria Plc as a Senior Accounting Officer.

To further demonstrate his leadership skills and astute qualities, he currently serves as a Council member of the Chartered Institute of Stockbrokers, and a Council member of the Institute of Capital Market Registrars.

Mr. Babarinde holds a Higher National Diploma (HND) Certificate in Accountancy from the Polytechnic, Ibadan (1987) and an MBA in Banking and Finance from Enugu State University of Science and Technology (1999). He is a Fellow of the Chartered Institute of Stockbrokers, Fellow of the Institute of Chartered Accountants of Nigeria, and Fellow of the Chartered Institute of Taxation of Nigeria.

Mrs. Mosun Belo – Olusoga
(Independent Non-Executive Director)



Mrs. Belo-Olusoga is the Lead Consultant/Chief Executive Officer of The KRC (Knowledge and Resource Centre) Limited, a world-class services provider with specialty focus on Credit Training. She holds a B.Sc. degree in Economics from University of Ibadan, graduating with a Second-Class Upper Degree and is a Fellow of the Institute of Chartered Accountants of Nigeria and Honorary Member of the Chartered Institute of Bankers.

She began her career as a Trainee Accountant with the then Messrs Coopers and Lybrand (Chartered Accountants) in 1980. She qualified as a Chartered Accountant in 1983 winning the ICAN First Place and the Society of Women Accountants of Nigeria (SWAN) Awards in the qualifying professional examinations. She subsequently moved to the then Continental Merchant Bank Limited towards the end of 1986 in a bid to change her career to Banking. She joined Guaranty Trust Bank Plc as a pioneer staff in 1990 where she gained robust experience having headed the major core banking groups including Investment, Corporate and Commercial Banking, Transaction Services, Risk Management and Settlement (Domestic and International Operations) Groups. She retired as Executive Director/ Head of the Bank's Southwest Division responsible for all marketing operations within the region.

Mrs. Belo – Olusoga was the first female Executive Director of Guaranty Trust Bank, the first female Director of Access Bank, first female Director of Premium Pensions Limited, first African Director, Global Alliance for Women in Banking, first female Chairman of Access Bank and first female Pro-Chancellor and Chairman of Council of Olabisi Onabanjo University. She is the immediate past Co-Chair of the Nigerian Chapter, Women Corporate Directors (WCD) and was named one of 100 Most Reputable Africans in 2018, one of 100 Globally Inspiring Women for 2021 and one of 50 Nigerian Amazons in 2021. She is a product of some of the world's prestigious Business Schools including IMD, Harvard, Kellogg, Columbia, Chicago Booth, Wharton and INSEAD. She is a past Chairman of the Equipment and Leasing Association of Nigeria, Acting MD, Trust Bank of Africa and sits on the Board of several companies. She is also a recipient of two Honorary Doctorate degrees (Honoris Causa) in Finance and Accounting.

BOARD OF DIRECTORS

Mrs. Fatima Wali-Abdurrahman (Independent Non-Executive Director)



Mrs. Wali – Abdurrahman is a Senior Adviser to the Group President, Strategic Relations and Special Projects at Dangote Industries Limited. She was the Founder/Chief Executive of Filmco Group from 1994 – 2014. She has over 30 years' experience in the Real Estate industry. She has worked with other big firms such as Alpha Properties International Limited, Cosmocorp Realty and Femi Majekodunmi & Associates.

She serves as a Director on the Board of several Companies including NASCON Plc, Nigeria Mortgage Refinance Co. and BBL Landmark Refinance Realty/Landmark 2007 Global Realty. She is the current Chairperson of FilmcoRealty Ltd and a member of the Advisory Board, Women's Investment Fund (Chapel Hill Denham). Mrs. Wali-Abdurrahman is also a Director of Isa Wali Empowerment Initiative (IWEI) and a member of the Advisory Board, CoAmana. She is a member of the Institute of Directors (IOD), Institute of Management Consultant, Women in the Boardroom and Women Corporate Directors.

Mrs. Wali – Abdurrahman has a B.A, Arch and Urban Studies University of Minnesota, U.S.A (1983), and M.Sc. Architecture from the University of London, UK.

Mr. Oluwale Adeosun Non-Executive Director

(Retired at last AGM)



Mr. Adeosun is the Managing Director/Chief Executive Officer of Chartwell Securities Limited. He was the Chief Executive Officer of Intercontinental Securities Limited (2000 to 2007).

He served as a pioneer member of the Governing Council of the Government promoted Abuja Securities Exchange (Now National Commodity Exchange) (2005 to 2007). He is an active participant in the affairs of the Association of Securities Dealing Houses of Nigeria and serve on its Market Development & Technical Committees. He serves on the Boards of Chartwell Securities Limited, Chartwell Bureau De Change Limited, Chartwell BDC (UK) Limited, Chartwell Partners (Chartered Accountants), and Chartwell HUB (UK) Limited.

He holds a B.Sc. (Hons) (Business Administration) from the University of Ilorin (1986) and MBA (Finance & Banking) from University of Lagos (1993). He qualified as a Chartered Accountant in May 1991. He attended the US Capital Markets program of the New York Institute of Finance (1999) and the Lagos Business School's Chief Executives Program (2006).

Mr. Adeosun is a Fellow of the Institute of Chartered Accountants of Nigeria, Chartered Institute of Bankers of Nigeria, Chartered Institute of Stockbrokers, Chartered Institute of Taxation of Nigeria, and the Institute of Directors. He is also a member of the Society for Corporate Governance, Nigeria.

Mr. Adeosun is currently the President and Chairman of Governing Council of The Chartered Institute of Stockbrokers.



Mr. Chidi Agbapu

Non-Executive Director

(Retired at last AGM)



Mr. Agbapu is the Managing Director of Planet Capital Limited. He was the former Managing Director of Emerging Capital Limited. He serves on the Board of General Cotton Mill Onitsha, MTI Plc and MTI Ltd (Ghana). He is a past director of Central Securities and Clearing System Plc (CSCS) and Bendel Feeds & Flour Mills Plc. He is the Chairman of the Shareholders Audit Committee of Fidelity Bank Plc.

He obtained a B.Sc. (Economics) from the University of Nigeria, Nsukka (1986) and a Masters in Banking & Finance from the University of Lagos. He completed the Advance Management Programme of the Lagos Business School.

Mr. Patrick Ajayi

Non-Executive Director

(Retired at last AGM)



Mr. Ajayi is the Managing Director/CEO of WCM Capital Limited. He qualified as a Stock Broker in 2004 and worked with Support Services Limited (a stockbroking Firm) prior to joining Woodland Capital Markets Plc. in 2013. He serves on the Boards of Ned Phillips Capital Limited, Woodland Asset Management Company Limited, WCM Capital Limited, WCM3 Investments Limited and Letshego Microfinance Bank.

Mr. Ajayi holds a B.Sc. (Physics) from Obafemi Awolowo University (1995). He is a Fellow of the Chartered Institute of Stockbrokers and an Associate member of the Institute of Chartered Accountants of Nigeria, the Institute of Directors and the Commodities Brokers Association of Nigeria.

Mrs. Fatimah Bintah Bello-Ismail

Non-Executive Director

(Retired at last AGM)



Mrs. Bello-Ismail is the Managing Partner of Universal Chambers, a firm of Barristers, Solicitors and Notary Public. She previously worked at Kehinde Sofola & Co and Continental Merchant Bank Plc. She was a former member of the Board of Directors of National Insurance Company of Nigeria. She is a Trustee of the Home of Hospitality Development Initiative (HOHDI).

She obtained her LLB from Ahmadu Bello University Zaria (1984) and was called to The Nigerian Bar in 1985. She is currently an Independent Non-Executive Director on the Board of Access Holdings Plc and also an Independent Non-Executive Director on the Board of VTT LNG.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

a. Introduction

The Board of Nigerian Exchange Group Plc (NGX Group) is pleased to present the Corporate Governance Report for the 2023 Financial Year. The report provides insight into the operations of our governance framework and Board's key activities during the reporting period. NGX Group has in place an effective governance mechanism that not only ensures proper oversight of its business by the Board and other principal organs of the Company, but also carries on its business in a manner that engenders public trust and confidence whilst meeting the expectations of all stakeholders.

In pursuit of this objective, NGX Group's processes are consistently re-appraised to ensure that they operate on the global standard of corporate governance at all times. NGX Group gained full membership status of the World Federation of Exchanges (the "WFE") on 28 October 2014.

b. Shareholding

Since the demutualization of NGX Group Plc from an entity limited by guarantee to a public entity limited by shares in 2021, the membership of the Company has evolved and is currently has 2,595 shareholders/members as at 31 December 2023.

c. The Board

The Board of NGX Group ("the Board") is the governing body of the Company. The Board directs NGX Group Plc's business and financial affairs, strategy, structures and policies; monitors the exercise of any delegated authority; and deals with challenges and issues relating to corporate governance, corporate social responsibility and corporate ethics.

d. The Role of the Board

In recognition of the importance of corporate governance as a key element in achieving its vision, NGX Group adopts best practices with respect to corporate governance and ensures these practices are infused into its activities to guarantee the highest level of business conduct in all its dealings with its stakeholders.

In light of this, the Board (which is responsible for NGX Group's performance and charged with governance at the highest level) regards corporate governance as fundamentally important to the accomplishment of NGX Group's vision and mission. Members of the Board are persons with the relevant qualification, experience in their various fields and they ensure that NGX Group is properly managed and oversee Management's performance. The Board is independent of Management and discharges its oversight functions in an objective and effective manner.

The Board retains full and effective control over NGX Group, and monitors Management's implementation of the strategic plans and financial objectives as defined by the Board. The Board also ensures that a comprehensive system of policies and procedures is in place and that appropriate governance structures exist to ensure the smooth, efficient and prudent stewardship of NGX Group.

The Board is governed by a Charter which outlines its principal roles, matters reserved for it, regulates the parameters within which it operates and ensures the application of the principles of good corporate governance across board.

The day-to-day management of NGX Group is vested in the hands of the Group Managing Director/Chief Executive Officer ("GMD/CEO"), who is assisted by the Management Committee. The Management Committee through the exercise of authority delegated by the Board, ensures that NGX Group discharges its obligations as a recognized non-operating holding company.

The Board has put in place an appropriate Risk Management Framework to mitigate financial, non-financial and regulatory risks. Where necessary, the Board engages the services of external consultants to advise it on risk and legal issues.

The Board also ensures that there is a succession planning policy for a smooth transition in key leadership positions at NGX Group.

In addition to the foregoing, members of the Board have executed and adhere to a Code of Conduct which guides their dealings and commits them to behaving ethically, with integrity and honesty, and working together to achieve the Company's objectives.





CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

In line with good practice, the Board set up Committees to assist with certain areas of its functions. The Committees are governed by Terms of References approved by Board. The Board and its Committees endeavor to meet as frequently as required by their respective charters/terms of reference. The Board members hold an annual strategy session to review matters of strategic importance.

e. Board Structure

The Board is currently made up of ten (10) Members; a Chairman, Group Managing Director/Chief Executive Officer (GMD/CEO), four (4) Independent Non-Executive Directors (INEDs) and four (4) Non-Executive Directors (NEDs). The GMD/CEO is responsible for the day to day running of NGX Group, assisted by the Management Committee.

There were significant changes to the Board composition in 2023 as highlighted in the table below:

S/N	Name	Comments
1	Mr. Oluwole Adeosun	Retired as an Non-Executive Director effective 14 July 2023 following the completion of the extended transition period.
2	Mr. Chidi Agbapu	Retired as an Non-Executive Director effective 14 July 2023 following the completion of the extended transition period.
3	Mr. Patrick Ajayi	Retired as an Non-Executive Director effective 14 July 2023 following the completion of the extended transition period.
4	Mrs. Fatimah Bello-Ismail	Retired as an Non-Executive Director effective 14 July 2023 following the completion of the extended transition period.
5	Mr. Oscar N. Onyema	Ahead of the end of the expiration of his contract with the Company on 31 March 2024, he has commenced his terminal leave effective 1 January 2024.

The Board members currently serving on the Board are as follows:

S/N	Name	Cummulative Years of Service as at January 2024
1	Dr. Umaru Kwairanga	2 Years, 10 months
2	Mr. Temi Popoola	1 month
3	Dr. Okechukwu Itanyi	2 Years, 10 months
4	Mrs. Ojinika Olaghere	2 Years, 10 months
5	Mr. Ademola Babarinde	7 months
6	Mr. Nonso Okpala	7 months
7	Mr. Mohammed Garuba	7 months
8	Mr. Sehinde Adenagbe	7 months
9	Mrs. Mosun Belo- Olusoga	7 months
10	Mrs. Fatima Wali-Abdurrahman	7 months

The Board meets at least once every quarter and such other times as it is required to meet to address urgent matters.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

f. Responsibilities of the Board

The Board is responsible for:

- (i) Approving the NGX Group's strategy and financial objectives and monitoring the implementation of those strategies and objectives;
- (ii) Reviewing and approving of annual budgets and business plans; setting performance objectives, monitoring implementation and corporate performance;
- (iii) Overseeing major capital expenditures, acquisitions and divestitures;
- (iv) Providing oversight of senior management;
- (v) Establishment of the various committees of NGX Group including the terms of reference and review of reports of such committees to address key areas of NGX Group's business;
- (vi) Ensuring the integrity of NGX Group's accounting and financial reporting systems, including the internal audit function and that appropriate systems of control and risk monitoring are in place;
- (vii) Monitoring the effectiveness of the governance practices under which NGX Group operates and making appropriate changes as necessary; and
- (viii) Oversees the establishment, implementation and monitoring of a Group-wide risk management framework to identify, assess and manage business risks facing the NGX Group. This includes, but is not limited to financial, operational, information technology, legal, strategic, reputation and compliance risks.

The Board established four (4) standing Committees to facilitate the effective discharge of its oversight responsibilities and efficient decision-making. These Committees are constituted with formal Terms of Reference, which set out each Committee's roles, duties, and authority as well as the requirements for its composition, meeting procedures, and ancillary matters. These Committees also present formal report of their activities and recommendations to the Board. These Committees are made up of individuals with relevant skills and competencies who devote sufficient time to the Committees' work.

g. Board Committees

The Committees of the Board were formed for the speedy and efficient functioning of the Board. The Committees are set up in line with statutory and regulatory requirements and consistent with global best practice.

The Committees have well defined Terms of Reference defining their scope of responsibilities in such a way as to avoid overlap of functions. Below is an overview of the remit of the Committees and their membership composition during the year under review:

i. Board Governance & Remuneration Committee

The Committee is charged with ensuring that NGX Group complies with good corporate governance policies and practices. The Committee also provides oversight functions over NGX Group's human resource policies.

The membership of the Committee as at 31 December 2023 is as follows:

1. Mrs. Ojinika Olaghere (Chartered Accountant, Banker) - Chairperson
2. Mr. Mohammed Garuba (Chartered Accountant, Stockbroker)
3. Mrs. Fatima Wali-Abdurrahman (Strategy and Management Expert)
4. Mr. Sehinde Adenagbe (Stockbroker, Financial Expert)



CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

ii. Board Risk and Audit Committee

The Committee provides supervision and advises the Board on its oversight functions in the following areas: (a) Enterprise Risk Management; (b) Regulatory Compliance; (c) Internal Audit; (d) Internal Control; (e) Financial Reporting; and (f) Sustainability. The Committee is also charged with providing reasonable assurance regarding the Board's oversight responsibilities with respect to NGX Group's financial statements, the effectiveness of its internal controls and the framework for risk identification, assessment and management.

The membership of the Committee as at 31 December 2023 is as follows:

1. Mr. Ademola Babarinde (Chartered Accountant, Stockbroker) - Chairman
2. Dr. Okechukwu Itanyi (Public Service Expert, Real Estate Consultant)
3. Mr. Mohammed Garuba (Chartered Accountant, Stockbroker)
4. Mrs. Mosun Belo-Olusoga (Chartered Accountant, Banker)

iii. Board Strategy, Finance and Investment Committee

The Committee is charged with providing oversight responsibilities in relation to: (a) Strategy Planning, Monitoring and Tracking; (b) Capital Planning, Allocation and Management; (c) Investment Planning and Management; (d) Budgetary and Performance Reporting; and (e) Finance

The membership of the Committee as at 31 December 2023 is as follows:

1. Mr. Nonso Okpala (Chartered Accountant, Investment Expert) - Chairman
2. Mr. Oscar N. Onyema OON, (GMD/CEO, NGX Group)
3. Mrs. Mosun Belo-Olusoga (Chartered Accountant, Banker)
4. Mrs. Fatima Wali-Abdurrahman (Strategy and Management Expert)
5. Mr. Sehinde Adenagbe (Stockbroker, Financial Expert)

iv. Statutory Audit Committee

The Statutory Audit Committee is established pursuant to the provisions of Section 404 (3) of CAMA 2020. It is composed of three (3) shareholder representatives and two (2) Directors.

The Committee is charged with providing oversight functions in the following areas: (a) External Audit; (b) Internal Audit; and (c) Financial Reporting.

The membership of the Committee as at 31 December 2023 is as follows:

1. Mr. Oluwadare Adejumo, (Chartered Accountant, Stockbroker) – Chairman/Shareholder's representative
2. Mr. Peter Eyanuku (Extensive Audit Committee Experience) - Shareholder's representative
3. Mr. Mike Iteboje (Stockbroker) - Shareholder's representative
4. Mrs. Ojinika Olaghere (Chartered Accountant, Banker) – Board Director
5. Dr. Okechukwu Itanyi (Chartered Accountant, Stockbroker and Banker) – Board Director

Tenure of the Statutory Audit Committee

The tenure of each Committee member is from the date of election at an AGM till the next AGM. The membership may, however, be renewed through re-election at the next AGM.

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

S/N	Committees	Number of Meetings held in 2023	Summary of Activities in 2023
1	Board Governance and Remuneration Committee	8 meetings 100% attendance	<ul style="list-style-type: none"> • Oversaw the appointment of new Directors to the Board of the Company following the expiration of the extended tenure of the Transiting Directors on the Board (Former Council Members). • Made nominations to the Boards of the Company Subsidiaries in line with the Policy on Nomination to the Boards of Subsidiaries, Investee and Representative Companies .Oversaw the evaluation and performance review of the Group Managing Director/CEO (GCEO) for the 2022 Financial Year. • Setting of the 2023 Key Performance Indicators (KPIs) of the GCEO Reviewed the Employee Share Purchase Plan (ESPP) and Employee Deferred Bonus Plan (EDBP) Schemes and recommended to the Board for approval. • Considered the 2022 Evaluation Report of the Board. • Oversaw the succession of the GCEO • Reviewed and recommended to the Board, the review of relevant governance policies such as the Board Evaluation and Onboarding Policies. Reviewed its Terms of Reference and recommended to the Board for approval.
2	Board Risk and Audit Committee	4 meetings 100% attendance	<ul style="list-style-type: none"> • Provided oversight on Enterprise Risk Management, Regulatory Compliance, Internal Audit, Internal Control, Financial Reporting, and Sustainability. • Considered the Enterprise Risk Management Reports comprising: Business and Risk Management Report; Information Security and Business Continuity Report; Internal Control Status Report; and Investment Risk Report; • Considered the Internal Audit, Compliance and Legal Risk Reports. Considered and recommended to the Board for approval the submission of the 2022 Audited Financial Statements of NGX Group to NGX Regulation Limited and the Securities and Exchange Commission, respectively. • Considered and recommended to the Board for approval the submission of the quarterly Un-audited Financial Statements of NGX Group to NGX Regulation Limited and the Securities and Exchange Commission. • Considered and recommended the 2023 Risk-Based Audit Plan to the Board for approval. • Considered and recommended to the Board the 2023 External Audit Plan. • Reviewed its Terms of Reference and recommended to the Board for approval. In line with its statutory obligations, held meetings with the Internal and External Auditors in the absence of Management
3	Statutory Audit Committee	4 meetings 100% attendance	<ul style="list-style-type: none"> • Considered and approved the 2023 external audit plan • Considered and approved the 2023 Risk Based Audit Plan • Considered the quarterly Internal Audit Report. • Considered and recommended to the Board for approval the submission of the 2022 Audited Financial Statements of NGX Group to NGX Regulation Limited and the Securities and Exchange Commission, respectively. • Considered and recommended to the Board for approval the submission of the quarterly Un-audited Financial Statements of NGX Group to NGX Regulation Limited and the Securities and Exchange Commission, respectively.
4	Board Strategy, Finance and Investment Committee	5 meetings 100% attendance	<ul style="list-style-type: none"> • Deliberated on the proposed capital raise transaction of the Company. • Considered quarterly reports on Strategy implementation Considered quarterly reports on Investments Considered and recommended to the Board for approval the updated signatories to the bank accounts of NGX Group. • Considered and recommended to the Board for approval the draft 2023 Consolidated Budget of the Group. • Oversaw the process for the commencement of the 2024 -2028 strategy formulation • Reviewed its Terms of Reference and recommended to the Board for approval.



CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

h. Record of the Board and Committee meetings held in 2023

The table below shows the frequency of meetings of the Board, Board Committees and members' attendance at these meetings during the year under review.

Board Meetings*

S/N	Board Member	2/24/2023	4/13/2023	7/4/2023	7/14/2023	10/3/2023	10/18/2023	11/30/2023	12/18/2023
1.	Dr. Umaru Kwairanga	P	P	P	P	P	P	P	P
2.	Mr. Oscar N. Onyema, OON	P	P	P	P	P	P	P	P
3.	Dr. Okechukwu Itanyi	P	P	P	P	P	P	A	P
4.	Mrs. Ojinika Olaghere	P	P	P	P	P	P	P	P
5.	Mr. Oluwale Adeosun*	P	P	P	P	RS	RS	RS	RS
6.	Mr. Chidi Agbapu*	P	P	P	P	RS	RS	RS	RS
7.	Mr. Patrick Ajayi*	P	P	P	P	RS	RS	RS	RS
8.	Mrs. Fatimah Bintah Bello-Ismail*	P	P	P	P	RS	RS	RS	RS
9.	Mr. Nonso Okpala	NM	NM	NM	NM	P	P	P	P
10.	Mr. Ademola Babarinde	NM	NM	NM	NM	P	P	P	P
11.	Mr. Mohammed Garuba	NM	NM	NM	NM	P	P	P	P
12.	Mrs. Mosun Belo-Olusoga	NM	NM	NM	NM	P	P	P	P
13.	Mrs. Fatima Wali-Abdurrahman	NM	NM	NM	NM	P	P	P	P

* Resigned effective 14 July 2023

Board Risk and Audit Committee

S/N	Committee Member	2/22/2023	4/25/2023	9/29/2023	10/25/2023
1.	Mr. Patrick Ajayi	N/M	P	RS	RS
2.	Mr. Ademola Babarinde	N/M	N/M	P	P
3.	Dr. Okechukwu Itanyi	P	P	P	P
4.	Mrs. Ojinika Olaghere	P	NM	NM	NM
5.	Mr. Oluwale Adeosun	P	P	RS	RS
6.	Mrs. Fatimah Bintah Bello-Ismail	P	P	RS	RS
7.	Mrs. Mosun Belo-Olusoga	N/M	N/M	P	P
8.	Mr. Mohammed Garuba	N/M	N/M	P	P

Statutory Audit Committee

S/N	Committee Member	2/22/2023	4/25/2023	7/25/2023	10/25/2023
1.	Mr. Oluwadare Adejumo, (Chairman)	P	P	P	P
2.	Mr. Peter Eyanuku	P	P	P	P
3.	Mr. Mike Itegboje	P	P	P	P
4.	Mrs. Ojinika Olaghere	P	P	P	P
5.	Mr. Oluwale Adeosun	P	P	RS	RS
6.	Dr. Okechukwu Itanyi	NM	NM	P	P

Board Governance and Remuneration Committee

S/N	Committee Member	3/22/2023	4/11/2023	6/12/2023	9/5/2023	10/13/2023	10/30/2023	11/17/2023	12/21/2023
1.	Mrs. Ojinika Olaghere	P	P	P	P	P	P	P	P
2.	Mr. Chidi Agbapu	P	P	P	NM	RS	RS	RS	RS
3.	Mr. Patrick Ajayi	P	P	P	P	RS	RS	RS	RS
4.	Mrs. Fatimah Bello-Ismail	P	P	P	NM	RS	RS	RS	RS
5.	Mr. Mohammed Garuba	NM	NM	NM	P	P	P	P	P
6.	Mr. Sehinde Adenagbe	NM	NM	NM	P	P	P	P	P
7.	Mrs. Fatimah Wali-Abdurrahman	NM	NM	NM	P	P	P	P	P

Board Strategy, Finance and Investment Committee

S/N	Committee Member	1/20/2023	6/7/2023	6/12/2023	8/22/2023	10/11/2023
1.	Mr. Oluwale Adeosun	P	P	P	RS	RS
2.	Mr. Nonso Okpala	NM	NM	NM	P	P
3.	Mr. Oscar N. Onyema, OON	P	P	P	P	P
4.	Mr. Patrick Ajayi	P	P	P	P	P
5.	Mr. Chidi Agbapu	NM	P	P	NM	NM
6.	Dr. Okechukwu Itanyi	NM	P	P	NM	NM
7.	Mr. Sehinde Adenagbe	NM	NM	NM	P	P
8.	Mrs. Fatima Wali-Abdurrahman	NM	NM	NM	P	P
9.	Mrs. Mosun Belo-Olusoga	NM	NM	NM	P	P

KEY

P Present A Absent

NM Not A Member

RS Resigned

CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

i. Relationship with Stakeholders

Nigerian Exchange Group maintains an effective communication with its stakeholders, which enables them understand its business, financial condition and operating performance and trends. Apart from the annual report and accounts, proxy statements, NGX Group maintains a rich website that provides information on a wide range of issues for all stakeholders.

j. Appointment of Board Members

NGX Group developed a comprehensive, clearly defined and transparent procedure for appointment to the Board. This procedure is documented in the NGX Group's Policy on Nomination/Appointment of Individuals/Institutions to the Board. The Policy:

- (i) Provides a comprehensive, clearly defined and transparent procedure for the nomination and/ or appointment of Individuals/Institutions to the Board;
- (ii) Ensures that NGX Group is managed and overseen by competent, capable and trustworthy individuals resulting in an effective Board; and
- (iii) Ensures that the Board is structured in such a way that it has an understanding of NGX Group's current and emerging issues, as well as the requisite competence and ability to oversee Management, as it addresses these emerging issues.

The Board Governance and Remuneration Committee (BGRC) is responsible for assessing and nominating potential candidates to the Board and its Committees. The BGRC is also responsible for recommending these candidates to the Board for consideration to fill a casual vacancy and or for election at NGX Group's Annual General Meeting (AGM) . Once approved by the Board, the candidates for appointment to the Board are presented to the SEC for its approval prior to their presentation for election at NGX Group's Annual General Meeting. The Board of NGX Group Plc was reconstituted following the Annual General Meeting held on 14 July 2023 after the resignation of the Transiting Directors (Former Council Members) and the appointment of new Directors.

k. Induction and Training of Board Members

Newly appointed Board members are onboarded in order to ensure that they can promptly and efficiently discharge their duties. The onboarding process is to build a solid foundation for informed oversight of NGX Group. The onboarding process is set forth as follows:

- Provision of the Board Onboarding Packet;
- A Formal induction session for Board and for each Committee;
- Familiarization meeting with NGX Group's Management team; and
- Completion of the Self-assessment Form to determine training needs.

Board members are provided with the necessary support and resources during their tenure as Board Members and are trained annually based on identified training needs to ensure effective oversight in a dynamic and changing environment.

l. Conflict of Interest Policy

The Board maintains a Conflict of Interest Policy and all Board members are required to execute same stating that they would adhere to its provisions. The Conflict of Interest Policy ensures transparency and objectivity, protects the interests of NGX Group's shareholders, stakeholders and the general investing public in the course of the activities of the Board or any of its Committees. The policy ensures that conflicts of interest, whether real or perceived, that may arise within the Board are identified, disclosed and managed appropriately.

m. Whistle Blowing Policy

NGX Group is subscribed to the KPMG Ethics Line (an external whistleblowing program) in compliance with Principle 19 of the Nigerian Corporate Governance Code 2018 which requires Public Companies to establish a whistleblowing system for reporting unethical/unlawful activities. The KPMG Ethics Line is independent of NGX Group and therefore objective as it provides a higher level of assurance that the whistle-blower would remain anonymous and all disclosures would be treated in a confidential manner.



CORPORATE GOVERNANCE REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

n. Remuneration Policy

Elements of NGX Group's Remuneration Policy

Key Principles Underlying Remuneration	
Board Members	* should not be at a level that can compromise their independence;
	* should match the levels paid to directors in comparable companies, whilst also taking into consideration Board members' required competencies, effort and the scope of the work and duties, and time commitments;
	* the remuneration paid will not include any performance related elements; and
	* there will be no pension for Board Members
Senior Management	* attract, motivate and retain required key talents.
	* competitive when benchmarked against comparable companies; and
	* In order to attract, motivate and retain the required talents, NGX Group's philosophy is to target its remuneration structure between the 25th and 50th percentile of comparable companies. The ability to meet this objective is dependent on sustainability of proposed remuneration levels, the business and the economic realities of the country.

o. Evaluation of the Board

The Board established a system to undertake a formal and rigorous annual evaluation of its performance, that of its committees, the Board Chairman and individual Board Members. The Board recognizes that Board evaluation is a critical structural tool for assessing Board effectiveness and efficiency. The process and modalities are clearly defined in the Evaluation Policy.

NGX Group engaged an external Consultant to evaluate the performance of its Board, Committees and individual board members for the year ended 31 December 2023. The assessment covers the Board's structure and composition, responsibilities, processes and relationships for the year.

p. Company Secretary

The Company Secretary possesses relevant skill, qualification and competence necessary to discharge the duties of his office effectively.

Mr. Izuchukwu Akpa was appointed as the Acting Group Company Secretary effective 21 February 2024. He holds several professional certifications with membership across diverse professional bodies and he amongst other things:

- (i) Provides the Board and its members with detailed guidance on their statutory and fiduciary duties, governance issues, and how their responsibilities should be properly discharged in NGX Group's interest;
- (ii) Manages Board communication and communication among Board inter se and between Board and Management;
- (iii) Inducts new Board members to assist them transit quickly and effectively into their new roles as Board Members, particularly, to accelerate new members' integration and enable them to make quality contributions to Board discourse and decision making;
- (iv) Renders ongoing support and assistance to the Board;
- (v) Organizes relevant professional training as required by the Board.

q. Regulatory Compliance/Fines:

There were no fines charged and recorded in the year under review.

NGX GROUP FREE FLOAT COMPUTATION

AS AT 31 DECEMBER 2023

Shareholding Structure/Free Float Status

Description	31-Dec-23	
	Unit	Percentage
Issued Share Capital	2,204,619,907	10.09%
Substantial Shareholdings (5% and above)		
Stanbic IBTC Trustees	222,480,337	10.09%
Total Substantial Shareholdings	222,480,337	
Directors' Shareholdings (direct and indirect), excluding directors with substantial interests		
Dr. Umaru Kwairanga (Indirect - Finmal Finance Company Ltd)	1,420,640	0.06%
Dr. Umaru Kwairanga (Direct)	3,053,924	0.14%
Mr. Nonso Okpala (Indirect- VFD GROUP PLC & VFD GROUP LIMITED)	106,832,501	4.85%
Mr. Mohammed Garuba (CARDINALSTONE PARTNERS LIMITED)	10,000,000	0.45%
Cardinal Stone (direct and indirect)	106,197,140	4.82%
Mr. Sehinde Adenagbe (Direct)	2,000	0.00%
Mr. Sehinde Adenagbe (Indirect- STANDARD UNION SECURITIES LIMITED)	1,000,000	0.05%
Mr. Ademola Babarinde (Indirect- REWARD INVESTMENT & SECURITIES LIMITED)	869,881	0.04%
Total Directors' Shareholdings	229,376,086	10.40%
Other Influential Shareholdings		
Niger State Development Company Ltd	2,441,274	0.11%
Yobe Investment Company Ltd	2,441,274	0.11%
Bank of Industry Ltd	2,441,274	0.11%
New Nigeria Development Company Ltd	2,441,274	0.11%
Sokoto Investment Company Ltd	2,441,274	0.11%
Gongola Investment Company Ltd	2,441,274	1.10%
Kaduna Investment Company Ltd	2,441,274	0.11%
Nigerian Investment Trust Company Ltd	2,441,274	0.11%
BAUCHI INVESTMENT CORPORATION SECURITIES LIMITED	3,371,786	0.15%
YOBE INVESTMENT & SECURITIES LIMITED	3,018,052	0.14%
JIGAWA STATE, INVEST & PROP DEV CO	2,500,000	0.11%
ADAMAWA SECURITIES LIMITED	498,194	0.02%
GOMBE SECURITIES LIMITED	7,884	0.00%
KATSINA STATE INVESTMENT & PROPERTY DEVELOPMENT COMPANY LIMITED	166,274	0.01%
Northern Nigeria Investment Ltd	2,441,274	0.11%
Northern Resources Development Ltd	2,441,274	0.11%
Plateau Investment Company Ltd	2,000,000	0.09%
Total Other Influential Shareholdings	35,974,930	2.62%
Free Float in Units and Percentage	1,716,788,554	77.87%
Free Float in Value	₦ 39,486,136,742.00	

Declaration:

(A) Nigerian Exchange Group Plc with a free float percentage of 77.87% as at 31 Dec 2023, is compliant with NGX's free float requirements for companies listed on the Main Board.

(B) Nigerian Exchange Group Plc with a free float value of N39,486,136,742.00 as at 31 Dec 2023, is compliant with NGX's free float requirements for companies listed on the Main Board.



STATEMENT OF COMPLIANCE WITH NIGERIAN EXCHANGE LIMITED'S LISTING RULES ON SECURITY TRADING

Nigerian Exchange Group Plc has notified its Directors, Audit Committee members, employees and all individuals categorized as insiders to refrain from dealing in the Company's shares during the close period and also provided advisory to insiders on the regulatory requirements for trading in NGX Group Shares. The Company has developed its Security Trading Policy to reflect its new status as a listed company in line with the requirement of Rule 17.15, Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) and the Policy has been published on its website and communicated to its stakeholders.

Dr. Umaru Kwairanga
FRC/2013/CISN/0000002357
Chairman
1 March, 2024

Mr. Izuchukwu Emmanuel Akpa
FRC/2020/002/00000021979
Acting Company Secretary
1 March, 2024

STATEMENT OF DIRECTORS' RESPONSIBILITIES IN RELATION TO THE PREPARATION OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

The Companies and Allied Matters Act, 2020, requires the Directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Group at the end of the year and of its profit or loss and other comprehensive income. The responsibilities include ensuring that the Group:

- a) keeps proper accounting records that disclose, with reasonable accuracy, the financial position of the Group and the Company in compliance with the requirements of the Companies and Allied Matters Act 2020, the Investments and Securities Act 2007, the Financial Reporting Council of Nigeria Act, 2023 as amended and relevant securities and exchange commission guidelines and circulars;
- b) establishes adequate internal controls to safeguard its assets and to prevent and detect fraud and other irregularities; and
- c) prepares its consolidated and separate financial statements using appropriate accounting policies supported by reasonable and prudent judgments and estimates, and are consistently applied.

The Directors accept responsibility for the annual consolidated and separate financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with the International Financial Reporting Standards as issued by the International Accounting Standards Board, and the requirements of the Companies and Allied Matters Act, 2020, the Investments and Securities Act 2007 and the Financial Reporting Council of Nigeria Amendment Act 2023.

The Directors are of the opinion that the consolidated and separate financial statements present fairly, in all material respects, the financial position and financial performance of the Group and the Company as at year ended 31 December 2023. The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of the consolidated and separate financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the Directors to indicate that the Group and the Company will not remain a going concern for at least twelve months from the date of this statement.

SIGNED ON BEHALF OF THE BOARD OF DIRECTORS BY:



Dr. Umaru Kwairanga
FRC/2013/CISN/0000002357
Chairman
1 March, 2024



Mr. Oscar Nduka Onyema, OON
FRC/2013/IODN/0000001802
Group Managing Director/Chief Executive Officer
1 March, 2024



STATEMENT OF CORPORATE RESPONSIBILITIES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

Further to the provisions of Section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/CEO and Chief Financial Officer, hereby certify the consolidated and separate financial statements of Nigerian Exchange Group Plc ("the NGX Group" and "the Company") for the year ended 31 December 2023 as follows:

- a) That we have reviewed the audited consolidated and separate financial statements of the Group and the Company for the year ended 31 December 2023.
- b) That the audited consolidated and separate financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- c) That the audited consolidated and separate financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Group and the Company as of and for the year ended 31 December 2023.
- d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Group is made known to the officer by other officers of the companies, during the year end 31 December 2023.
- e) That we have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of audited consolidated and separate financial statements, and certify that the Company's internal controls are effective as of that date.
- f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- g) That we have disclosed the following information to the Company's Auditors and Audit Committee:
 - (i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and
 - (ii) there is no fraud that involves management or other employees who have a significant role in the Company's internal control.

Mr. Oscar Nduka Onyema, OON
FRC/2013/IODN/00000001802
Group Managing Director/Chief Executive Officer
1 March, 2024

Mr. Cyril Eighbobo
FRC/2013/ICAN/00000001736
Group Chief Financial Officer
1 March, 2024

STATUTORY AUDIT COMMITTEE'S REPORT

FOR THE YEAR ENDED 31 DECEMBER 2023

TO: THE MEMBERS OF NIGERIAN EXCHANGE GROUP PLC

In accordance with the provisions of Section 404(7) of the Companies and Allied Matters Act, 2020, we the Members of the Statutory Audit Committee of Nigerian Exchange Group Plc ("the Company") having carried out our statutory functions under the Act, hereby report that:

- a) the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices;
- b) the scope and planning of both the external and internal audit for the year ended 31 December, 2023 are satisfactory;
- c) the internal audit programs are extensive and provide a satisfactory evaluation of the efficiency of the internal control systems; and
- d) having deliberated with the Independent Auditor, who confirmed that necessary co-operation was received from Management in the course of their statutory audit and having reviewed the Independent Auditor's memorandum of recommendations on accounting procedures and internal control matters, we are satisfied with Management responses thereon.

Finally, we acknowledge the co-operation of Management and staff in the conduct of our duties.
Members of the Statutory Audit Committee are:

1. Mr. Samuel Adejumo, (Chartered Accountant, Stockbroker) – Chairman/Shareholder's representative.
2. Mr. Peter Eyanuku (Extensive Audit Committee Experience) - Shareholder's representative.
3. Mr. Mike Iteboje (Stockbroker) - Shareholder's representative.
4. Mrs. Ojinika Olaghere (Chartered Accountant, Banker) – Board Director.
5. Dr. Okechukwu Itanyi (Chartered Accountant, Stockbroker and Banker) – Board Director



Mr. Samuel Adejumo
FRC/2014/CISN/00000008649
Chairman, Statutory Audit Committee
1 March, 2024



CERTIFICATION OF MANAGEMENT'S ASSESSMENT ON INTERNAL CONTROL OVER FINANCIAL REPORTING FOR THE YEAR ENDED 31 DECEMBER 2023

To comply with the provisions of Section 1.1 of SEC Guidance of implementation of Sections 60-63 of investments and Securities Act 2007 we hereby make the following statements regarding the Internal Controls of Nigerian Exchange Group Nigeria Plc for the year ended 31 December 2023.

I, Cyril Eigbobo, certify that:

- a) I have reviewed this management assessment on Internal Control over financial reporting of Nigerian Exchange Group Plc.
- b) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- c) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
- d) The company's other certifying officer(s) and I:
 - 1) are responsible for establishing and maintaining internal controls;
 - 2) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - 3) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - 4) have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
- e) The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - 1) There were no significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - 2) There were no fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
- f) The company's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Mr. Oscar Nduka Onyema, OON
FRC/2013/IODN/00000001802
Group Managing Director/Chief Executive Officer
1 March, 2024

Mr. Cyril Eigbobo
FRC/2013/ICAN/00000001736
Group Chief Financial Officer
1 March, 2024

MANAGEMENT'S REPORT ON THE ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING AS AT 31ST DECEMBER 2023

Management of Nigeria Exchange Group Nigeria Plc ("Nigeria Exchange Group" or the "Company") is responsible for establishing and maintaining an adequate system of internal control over financial reporting, including safeguarding of assets against unauthorized acquisition, use or disposition. This system is designed to provide reasonable assurance to management and the board of directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

Nigeria Exchange Group's system of internal control over financial reporting is supported with written policies and procedures, contains self-monitoring mechanisms, and is audited by the internal audit function. Appropriate actions are taken by management to correct deficiencies as they are identified. All internal control systems have inherent limitations, including the possibility of circumvention and overriding of controls, and, therefore, can provide only reasonable assurance as to the reliability of financial statement preparation and such asset safeguarding.

Management has assessed the effectiveness of its internal control over financial reporting as of 31 December 2023. In making this assessment, management used the COSO 2013 "Internal Control – Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on this assessment, management believes that, as of 31 December 2023, the Company's internal control over financial reporting is designed and operating effectively. Additionally, based upon management's assessment, the Company determined that there were no material weaknesses in its internal control over financial reporting as of 31 December 2023.

The effectiveness of the Company's internal control over financial reporting as of 31 December 2023, has been audited by Ernst and Young, an independent registered public accounting firm, as stated in their report which appears on page 95.



Mr. Oscar Nduka Onyema, OON
FRC/2013/IODN/00000001802
Group Managing Director/Chief Executive Officer
1 March, 2024



Mr. Cyril Eigbobo
FRC/2013/ICAN/00000001736
Group Chief Financial Officer
1 March, 2024



**INDEPENDENT AUDITOR'S ATTESTATION REPORT ON MANAGEMENT'S
ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING
TO THE MEMBERS OF NIGERIAN EXCHANGE GROUP (NGX PLC)**



Ernst & Young
10th & 13th Floors
UBA House 57, Marina
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Lagos, Nigeria

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ey.com

Scope

We have been engaged by Nigerian Exchange Group Plc ('the Company') and its subsidiaries (together "the Group"), to perform a 'limited assurance engagement', based on International Standards on Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, herein referred to as the engagement, to report on Nigerian Exchange Group Plc Internal Control over Financial Reporting (ICFR) (the "Subject Matter") contained in Nigerian Exchange Group Plc Management's Assessment on Internal Control over Financial Reporting as of 31 December 2023 (the "Report").

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Criteria applied by Nigerian Exchange Group Plc

In designing, establishing and operating the Internal Control over Financial Reporting (ICFR) and preparing the Management's assessment of the Internal Control over Financial Reporting (ICFR), Nigerian Exchange Group Plc applied the requirements of Internal Control-Integrated Framework (2013) of the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting (Criteria). Such Criteria were specifically designed to enable organizations effectively and efficiently develop systems of internal control that adapt to changing business and operating environments, mitigate risks to acceptable levels, and support sound decision making and governance of the organization; As a result, the subject matter information may not be suitable for another purpose.

Nigerian Exchange Group Plc's responsibilities

Nigerian Exchange Group Plc's management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Nigerian Exchange Group Plc's management's assessment of the Internal Control over Financial reporting as of 31 December 2023 in accordance with the criteria.

INDEPENDENT AUDITOR'S ATTESTATION REPORT ON MANAGEMENT'S ASSESSMENT OF INTERNAL CONTROL OVER FINANCIAL REPORTING TO THE MEMBERS OF NIGERIAN EXCHANGE GROUP (NGX PLC)

Our responsibilities

Our responsibility is to express a conclusion on the design and operating effectiveness of the Internal Control over Financial Reporting based on our Assurance engagement.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, those standards require that we plan and perform our engagement to obtain limited assurance on the entity's internal control over financial reporting based on our assurance engagement.

Our independence and quality management

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA code) and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement, and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Description of procedures performed

The procedures we performed included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our engagement also included performing such other procedures as we considered necessary in the circumstances. We believe the procedures performed provides a basis for our report on the internal control put in place by management over financial reporting.

Conclusion

In conclusion, nothing has come to our attention to indicate that the internal control over financial reporting put in place by management is not adequate as of 31 December 2023, based on the requirements of Committee of Sponsoring Organizations of the Treadway Commission (COSO) Framework and SEC Guidance on Management Report on Internal Control Over Financial Reporting.

Other Matter

We also have audited, in accordance with the International Standards on Auditing, the financial statements of the Nigerian Exchange Group Plc for the year ended 31 December 2023, and we expressed an unmodified opinion in our report dated 1 March 2024. Our conclusion is not modified in respect of this matter.



Kanayo Ekena
FRC/2012/PRO/ICAN/004/0000000159
For Ernst & Young
Lagos, Nigeria
1 March 2024





INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF NIGERIAN EXCHANGE GROUP PLC
REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS



Ernst & Young
 10th & 13th Floors
 UBA House 57, Marina
 P.O. Box 2442, Marina
 Lagos, Nigeria

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 Email: service@ng.ey.com
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Opinion

We have audited the consolidated and separate financial statements of NGX Plc ("the Company") and its subsidiaries (together "the Group"), which comprise the consolidated and separate statements of financial position as at 31 December 2023, and the consolidated and separate statements of comprehensive income, the consolidated and separate statements of changes in equity and the consolidated and separate statements of cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the consolidated and separate financial position of the Group and the Company as at 31 December 2023, and its consolidated and separate financial performance and consolidated and separate cash flows for the year then ended in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report. We are independent of the Group and the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated and separate financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated and separate financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated and separate financial statements.

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The Key Audit Matter apply equally to the audit of the consolidated and separate financial statements.

Key Audit Matter	How the matter was addressed in the audit
<p>Expected Credit Loss (ECL) on Financial Assets</p> <p>Financial assets at amortised cost and bank balances, amount to N21.3billion (2022: N17.6 billion) and N15.5billion (2022: N13.2 billion) representing 36% (2022: 31%) and 40% (2022: 35%) of total assets for the Group and the Company, respectively. The financial assets include term deposits, federal government bonds, state government bonds, corporate bonds, and other related financial assets. The financial assets are carried at amortised cost, less allowance for impairment.</p> <p>Impairment allowance is made on expected credit losses. It is a key area of judgment due to the level of subjectivity inherent in estimating the impact of key assumptions on the recoverable amount of the balances.</p> <p>There are several significant judgments which are required in measuring the ECL under IFRS 9, this includes:</p> <ul style="list-style-type: none"> * The determination of criteria for Significant Increase in Credit Risk (SICR) for staging purpose. (At origination, financial asset is classified as stage 1, when there is significant increase in credit risk the financial asset is migrated to stage 2 and subsequently to stage 3 when there is a default). * Factoring in future economic assumptions. * Techniques used in determine the Probability of Default ('PD') and Loss Given Default ('LGD'). <p>Given the materiality of the financial assets and the level of complexity and judgement involved in the determination of the ECL, we considered the impairment of financial assets as a key audit matter. The Group's and the Company's accounting policy on impairment and related disclosures on credit risk are shown in Notes 5.4 (Impairment) and 6(ii) (Credit Risk) to the consolidated and separate financial statements, respectively.</p>	<p>Our audit procedures with respect to the audit for the year ended 31 December 2023:</p> <ul style="list-style-type: none"> • We reviewed the IFRS 9 ECL model and other documentation prepared by management for the computation of impairment on financial assets at amortised cost in line with the requirements of IFRS 9. • We evaluated the financial assets to determine whether all assets were included in the calculations, and whether they met the definition of a financial asset; • We obtained an understanding and tested the key data sources and assumptions used in the ECL models by the Group and the Company. We understood the process of choosing the data points and its relevance for the Group and the Company; • We evaluated management assumptions used, as it relates to forward looking assumptions by using publicly available information; • We reviewed- the appropriateness of the Group's and the Company's determination of SICR in accordance with the standard and the resultant basis for classification of various exposures into various stages; • For a sample of exposures, we tested the accuracy of the Group's and the Company's staging; • For a sample of exposures, we checked the appropriateness of determining the Exposure at Default and the resulting arithmetical calculations; • We recomputed the calculation of the LGD used by the Group and the Company in the ECL calculations, including assessing the appropriateness of the use of collateral and the resulting arithmetical calculations. • We involved our internal specialists in the review of the models used and to perform an independent recalculation of the impairment provision for the selected portfolios. • We reviewed the qualitative and quantitative disclosures for reasonableness and to ensure conformity with IFRS 7 Financial Instruments: Disclosures.

Other Information

The Directors are responsible for the other information. The other information comprises the information included in the document titled "Nigerian Exchange Group Plc, Audited Consolidated and Separate Financial Statements for the year ended 31 December 2023", which includes the Corporate Information, Directors' Report, Statement of Compliance with Nigerian Exchange Limited Listing Rules, Statement of Director's Responsibilities in Relation to the Preparation of the Financial Statements, Statements of Corporate Responsibility for the Financial Statements, Audit Committee's Report and Other National Disclosures. The other information does not include the consolidated and separate financial statements and our auditor's report thereon.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.



INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Consolidated and Separate Financial Statements

The Directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with International Financial Reporting Standards, the provisions of the Companies and Allied Matters Act, 2020 and in compliance with the Financial Reporting Council of Nigeria (Amendment) Act, 2023, and for such internal control as the Directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group and/or the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and/or the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements.

INDEPENDENT AUDITOR'S REPORT

REPORT ON THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements - continued

- We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

In accordance with the requirement of the Fifth Schedule of the Companies and Allied Matters Act, 2020, we confirm that:

- We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
- In our opinion, proper books of account have been kept by the Group and Company, in so far as it appears from our examination of those books;
- The consolidated and separate statements of financial position and the consolidated and separate statements of profit or loss and other comprehensive income are in agreement with the books of account; and
- In our opinion, the consolidated and separate financial statements have been prepared in accordance with the provisions of the Companies and Allied Matters Act, 2020 so as to give a true and fair view of the state of affairs and financial performance of the Company and its subsidiaries.

In accordance with the requirements of the Financial Reporting Council of Nigeria (FRC) Guidance on Assurance Engagement Report on Internal Control over Financial Reporting:

We performed a limited assurance engagement and reported on management's assessment of the Company's internal control over financial reporting as of December 31, 2023. The work performed was done in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 (Revised)') and FRC Guidance on Assurance Engagement Report on Internal Control over Financial Reporting, and we have issued an unmodified opinion in our report dated 1 March 2024. That report is included on page 96 of the financial statements.



Kanayo Echina
 FRC/2012/PRO/ICAN/004/0000000159
 For Ernst & Young
 Lagos, Nigeria
 1 March 2024





FIGURES

CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED 31 DECEMBER 2023

In thousands of naira	Note	Group 2023	Group 2022	Company 2023	Company 2022
Revenue	9	8,299,898	6,170,366	4,734,450	3,348,210
Other income	10	3,504,004	1,329,237	1,690,846	219,848
Total Income		11,803,903	7,499,603	6,425,296	3,568,088
Personnel expenses	12	(4,940,116)	(3,664,500)	(2,007,641)	(798,847)
Operating expenses	13	(3,276,961)	(2,508,190)	(944,636)	(944,848)
Interest expense on borrowings	25	(2,340,389)	(2,100,468)	(2,340,389)	(2,100,468)
Impairment (charge)/ reversal on financial assets	11	(419,187)	(110,522)	(334,466)	(73,889)
Depreciation of property and equipment	22	(355,181)	(467,133)	(48,620)	(48,840)
Amortization of intangible assets	23	(36,960)	(81,436)	(6,527)	(6,527)
Depreciation of ROU asset	27	(2,083)	(2,083)	-	-
Total expenses		(11,370,878)	(8,934,330)	(5,682,279)	(3,817,391)
Operating profit/(loss)		433,025	(1,434,728)	743,017	(249,253)
Share of profit of equity accounted investees	20(iii)	4,855,936	2,150,844	-	-
Profit / (loss) before minimum income tax		5,288,960	716,116	743,017	(249,253)
Minimum income tax	14	(17,257)	-	(17,257)	-
Profit/ (loss) before income tax expense		5,271,703	716,116	725,760	(249,253)
Income tax expense	14	(20,710)	(124,607)	-	(10,484)
Profit/ (loss) for the year		5,250,993	591,509	725,760	(259,737)
Other comprehensive income:					
Items that will never be reclassified to profit or loss					
Equity-accounted investee -share of OCI-fair value	31(d)	(55,451)	(68,035)	-	-
Remeasurement of defined benefit liabilities	28	33,125	41,250	11,515	(13,217)
Equity investment at FVOCI - net change in fair value	19(a)(iii)	(2,021,277)	2,021,278	-	-
Other comprehensive (loss)/income		(2,043,603)	1,994,493	11,515	(13,217)
Total comprehensive income / (loss) for the year		3,207,390	2,586,003	737,275	(272,954)
Earnings per share					
Basic and diluted (Naira)	36	2.43	0.35	-	-

The accompanying notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.



CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2023

In thousands of naira			Group	Group	Company	Company
	Note	31-Dec-23	31-Dec-22	31-Dec-23	31-Dec-22	
ASSETS						
Cash and cash equivalents	15	6,577,579	4,749,694	2,314,139	1,560,373	
Trade and other receivables	16	756,179	1,064,696	402,184	704,470	
Intercompany receivables	17	-	-	840,237	926,009	
Prepayments	18	320,931	592,461	7,805	95,745	
Investment securities	19	433,020	621,570	433,020	648,871	
Total current assets		8,087,709	7,028,421	3,997,385	3,935,468	
Investment securities	19	16,348,443	16,330,112	12,712,083	10,998,256	
Investment in associates	20	31,592,415	29,711,182	19,364,881	19,364,881	
Investment in subsidiaries	21	-	-	2,856,928	2,856,928	
Property and equipment	22	3,640,742	3,827,404	153,761	203,929	
Intangible assets	23	98,603	90,444	18,308	24,834	
Right-of-use asset	27	73,419	75,501	-	-	
Total non-current assets		51,753,621	50,034,822	35,105,961	33,448,828	
Total assets		59,841,330	57,063,243	39,103,346	37,384,296	
LIABILITIES						
Other liabilities	24	3,922,446	5,039,123	2,235,094	1,176,146	
Deferred income	24i	805,428	247,673	258,504	3,948	
Term borrowings	25	14,301,024	14,078,952	14,301,024	14,078,952	
Income tax payable	26	659,500	93,854	25,626	16,229	
Lease liabilities	27	27,060	26,021	-	-	
Retirement benefit obligation	28	-	-	-	1,416	
Total current liabilities		19,715,458	19,485,623	16,820,248	15,276,691	
Retirement benefit obligations	28	133,898	125,666	28,934	39,561	
Provisions	29	405,744	405,744	402,743	402,743	
Deferred tax liabilities	30	122,667	238,882	-	-	
Total non current liabilities		662,309	770,292	431,677	442,304	
Total liabilities		20,377,767	20,255,915	17,251,925	15,718,995	
EQUITY						
Share capital	31(a)	1,102,310	1,102,310	1,102,310	1,102,310	
Other reserves	31(d)	1,930,228	3,973,831	(49,515)	(61,030)	
Retained earnings		36,431,025	31,731,187	20,798,626	20,624,021	
Total equity		39,463,563	36,807,328	21,851,421	21,665,301	
Total liabilities and equity		59,841,330	57,063,243	39,103,346	37,384,296	

The consolidated and separate financial statements were approved by the Board of Directors on 1 March, 2024 and signed on its behalf by:

Dr. Umaru Kwairanga
FRC/2013/CISN/0000002357
Chairman
1 March, 2024

Mr. Oscar N. Onyema, OON
FRC/2013/IODN/00000001802
Group Managing Director and CEO
1 March, 2024

Mr. Cyril Eigbobo
FRC/2013/ICAN/00000001736
Group Chief Financial Officer
1 March, 2024

The accompanying notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.

CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2022

The Group		Other Reserves					Retained Earnings	Total equity
		Share Capital	Claims review shares reserve	Fair value reserve	Actuarial valuation reserve			
In thousands of naira		Note						
Balance at 1 January 2022			982,058	-	1,997,192	(8,842)	31,143,945	34,114,353
Total comprehensive income for the year:							-	
Profit for the year			-	-			698,482	698,482
Other comprehensive income (net of income tax)								
Equity investment at FVOCI - net change in fair value		19(a)(iii)	-	-	2,021,278	-	-	2,021,278
Equity accounted investee - share of OCI		31(d)	-	-	(68,035)	-	-	(68,035)
Remeasurement of defined benefit liability		28	-	-	-	41,250	-	41,250
Equity accounted investee - share of OCI-			-	-	-	-	-	-
Remeasurement of defined benefit liability		31(d)	-	-	1,953,243	41,250	698,482	2,692,975
Total comprehensive income for the year								
Transactions with equity holders		31	120,252	(9,012)		-	(111,240)	-
Balance at 31 December 2022			1,102,310	(9,012)	3,950,435	32,408	31,731,187	36,807,328
Balance at 1 January 2023			1,102,310	(9,012)	3,950,435	32,408	31,731,187	36,807,328
Total comprehensive income for the year:								
Profit for the year			-	-	-	-	5,250,993	5,250,993
Other comprehensive income (net of income tax)								
Equity investment at FVOCI - net change in fair value		19(a)(iii)	-	-	(2,021,277)		-	(2,021,277)
Equity accounted investee - share of OCI		31(d)	-	-	(55,451)		-	(55,451)
Remeasurement of defined benefit liability		28	-	-		33,125	-	33,125
Total comprehensive income for the year			-	-	(2,076,728)	33,125	5,250,993	3,207,390
			-	-		-	-	-
Transaction with equity holders (Dividends declaration)						-	(551,155)	(551,155)
Balance at 31 December 2023			1,102,310	(9,012)	1,873,7065	65,533	36,431,025	39,463,562

The Company		Share Capital	Other Reserves			Retained Earnings	Total equity
			Claims review shares reserve	Fair value reserve	Actuarial valuation reserve		
In thousands of naira							
Balance at 1 January 2022		982,058	-	-	(38,801)	20,994,998	21,938,255
Total comprehensive income for the year:							
Loss for the year			-	-	-	(259,737)	(259,737)
Other comprehensive income (net of income tax)							
Remeasurement of defined benefit liability	28	-	-	-	(13,217)	-	(13,217)
Total comprehensive income for the year		-	-	-	(13,217)	(259,737)	(272,954)
Transaction with equity holders	31	120,252	(9,012)	-	-	(111,240)	-
Balance as at 31 December 2022		1,102,310	(9,012)	-	(52,018)	20,624,021	21,665,301
Balance at 1 January 2023		1,102,310	(9,012)	-	(52,018)	20,624,021	21,665,301
Total comprehensive income for the year:							
Profit for the year		-	-	-	-	725,760	725,760
Other comprehensive income (net of income tax)							
Remeasurement of defined benefit liability	28	-	-	-	11,515		11,515
Transaction with equity holders (Dividends declaration)						(551,155)	(551,155)
Total comprehensive loss for the year		-	-	-	11,515	174,605	186,120
Balance at 31 December 2023		1,102,310	(9,012)	-	(40,503)	20,798,626	21,851,421

The accompanying notes to the consolidated and separate financial statements are an integral part of these consolidated and separate financial statements.



CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2023

In thousands of naira

	Note	Group 2023	Group 2022	Company 2023	Company 2022
Cash flows from operating activities:					
Profit/(loss) for the year		5,250,993	591,509	725,760	(259,737)
Adjustments for:					
Minimum tax	14	17,257	-	17,257	-
Income tax expense	14	20,710	124,607	-	-
Depreciation of property and equipment	22	355,181	417,161	48,620	48,840
Depreciation of right of use asset	27	(2,083)	2,083	-	-
Amortization of intangible assets	23	36,960	81,436	6,527	6,527
Gain on disposal of property and equipment	10	(1,809)	(18,668)	(583)	-
Write-off of property plant & equipment	22	-	-	-	142,453
Net foreign exchange differences	35(x)	(2,483,831)	12,792	(1,117,850)	(719)
Impairment loss/(reversal) on investment securities	11	419,187	(68)	334,466	-
Impairment loss/(reversal) on cash and cash equivalent	11	-	(304)	-	-
Impairment write back on intercompany receivables	11	-	-	-	(66,889)
Interest expense on borrowing	25	2,340,389	2,100,468	2,340,389	2,100,468
Impairment /writeback on trade and other receivables	11	-	(110,150)	-	(7,000)
Interest expense on lease liabilities	13	1,039	886	-	-
Share of profit of equity accounted investee	20(iii)	(4,855,936)	(2,150,844)	-	-
Provision for retirement benefit obligations	28	58,626	40,682	888	1,848
Interest income on treasury investments	9	(2,140,779)	(2,030,704)	(1,760,627)	(1,876,948)
Dividend income	9	-	-	(2,973,823)	(1,471,262)
		(984,095)	(939,114)	(2,378,976)	(1,382,419)
Changes in working capital					
Change in intercompany receivables	35(i)	-	-	85,772	70,000
Change in trade and other receivables	35(ii)	308,517	703,778	302,286	425,695
Change in prepayments	35(iii)	271,530	(131,884)	136,334	123,683
Change in term loan	25	222,072	-	222,072	-
Change in liabilities and provisions	35(iv)	(558,923)	2,710,564	1,313,504	(1,067,063)
Change in Tax Liabilities	26	449,431	-	9,397	-
Change in retirement benefit obligations	28	8,232	(180)	(12,043)	1,416
		(283,236)	2,343,164	(321,654)	(1,828,688)
Income tax paid	26	(122,300)	(255,477)	(10,484)	(19,151)
Retirement benefit obligation paid	28	(17,269)	(37,731)	-	-
Net cash flows from/(used in) operating activities		(422,805)	2,049,956	(332,138)	(1,847,839)
Cash flows from investing activities:					
Interest received	35(v)	1,667,961	1,918,348	1,287,809	1,764,592
Dividend received	35(vi)	2,974,703	1,471,262	2,973,823	1,471,262
Sale /(purchase) of investments - financial assets	35(vii)	(1,767,313)	(457,977)	(690,688)	785,694
Acquisition of property and equipment	22	(186,199)	(193,368)	(5,785)	(99,075)
Proceeds from the sale of property and equipment	35(viii)	100,132	176,765	30,864	-
Proceeds from disposal of investment in subsidiary		-	-	-	861,183
Additional investment in associates	35(ix)	(54,572)	(14,349,006)	-	(14,280,971)
Proceeds from the disposal of intangible asset		-	9,995	-	-
Acquisition of intangible assets	23	(55,113)	-	-	-
Net cash flows from/(used in) investing activities		2,679,601	(11,423,981)	3,596,023	(9,497,315)
Cash flows from financing activities:					
Lease payments	27	-	(197,488)	-	(230,284)
Proceeds from term loan	25	13,350,000	25,000,000	13,350,000	25,000,000
Repayment of borrowings- principal	27	(13,350,000)	(11,815,648)	(13,350,000)	(11,815,648)
Dividend Paid		-	-	(551,155)	-
Interest paid	25	(2,118,317)	(1,205,868)	(2,118,317)	(1,205,868)
Net cash flows (used in) /from financing activities		(2,118,317)	11,780,996	(2,669,472)	11,748,200
Net increase in cash and cash equivalents		138,479	2,406,971	594,413	403,045
Cash and cash equivalents at the beginning of the year		4,749,694	2,248,237	1,560,373	1,097,730
Effect of movements in exchange rates on cash held		1,689,407	94,486	159,352	59,598
Cash and cash equivalents at end of year	15	6,577,579	4,749,694	2,314,139	1,560,373

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

1 Reporting entity

NGX Group was incorporated in Nigeria as a private company limited by shares on 15 September 1960 as Lagos Stock Exchange and its name changed to the Nigerian Stock Exchange on 15 December 1977. The Exchange was re-registered as a Company Limited by Guarantee on 18 December 1990. On 10 March 2021, NGX Group was converted and re-registered as a public company limited by shares, pursuant to the Demutualization Act, 2018. NGX Group, however, retained the incorporation date of September 15, 1960 and registration certificate number RC 2321 of The Nigerian Stock Exchange (NSE) which is registered under the laws of the Federal Republic of Nigeria. In March 2021, it obtained its approval from the Securities and Exchange Commission to operate as a demutualized entity. The demutualization of the NSE resulted in its operational structure change from a Company limited by guarantee to a Company limited by shares. Part of the restructuring activities include the reallocation of the assets and liabilities of the NGX Group to the newly emerged entities, the Nigerian Exchange Limited and NGX Regulation Limited.

NGX Group provides a wide range of services including listing and trading securities, licensing, market data solutions, ancillary technology, regulation, real estate and more through its wholly owned subsidiaries.

The Company was listed by introduction on the floor of the Nigerian Exchange Ltd on 15 October 2021 and became a Public Listed Company. The Memorandum and Articles of Association of the re-registered Exchange was also amended to the new name, Nigerian Exchange Group. The address of the NGX Group's registered office is Nigerian Exchange House, 2/4 Customs Street, Lagos.

The consolidated and separate financial statements of the Company as at and for the year ended 31 December 2023 comprise the Company and its subsidiaries (together referred to as the "Group" "NGX Group") and the Group's interest in equity accounted investees. The principal activity of NGX Group is to carry on business as a financial holding company, investing in and holding controlling shares in, as well as managing equity investments in capital market securities.

2 Basis of accounting

i Statement of compliance

These consolidated and separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB), in the manner required by the Companies and Allied Matters Act of Nigeria (CAMA), 2020, and the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

ii Basis of preparation

These consolidated and separate financial statements have been prepared on an accrual basis and under historical cost convention except for the following items:

- (a) Investments in debt instruments measured at amortised cost.
- (b) Equity investments measured at fair value through other comprehensive income (FVOCI).
- (c) The liability for defined benefit obligations recognised as the present value of the defined benefit obligation less the fair value of the plan assets.
- (d) Trade and other receivables and other liabilities are measurement at amortised cost.

These consolidated and separate financial statements are presented in naira, which is the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated. The consolidated and separate financial statements were authorised for issue by the Board of Directors on 1 March 2024. Details of the Group's and the Company's accounting policies are included in Note 5 to the consolidated and separate financial statements.

3 Use of judgments and estimates

In preparing these consolidated and separate financial statements, the Directors have made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Judgment refers to management's judgments applied to significant accounting policies that materially impact the financial statements. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

i Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements are included in the following notes:

Note 27	Lease Term: whether the Group is reasonably certain to exercise extension options;
Note 20	Equity-accounted investees: whether the Group has significant influence over an investee; and
Note 21	Consolidation: whether the Group has de facto control over an investee.

ii Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 7(b)	FVOCI: Key assumptions underlying the determination of fair value of the investments;
Note 23(a)	Impairment test of intangible assets and goodwill: key assumptions underlying recoverable amounts, including the recoverability of development costs;
Note 21	Investment in subsidiaries: Key assumptions underlying the recoverable amount;
Note 16	Measurement of ECL allowance for trade receivables and other financial assets : key assumptions in determining the weighted-average loss rate;
Note 28	Measurement of defined benefit obligations: key actuarial assumptions;
Note 30	Recognition of deferred tax assets: availability of future taxable profit against which deductible temporary differences and tax losses carried forward can be utilised; and
Note 32	Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources.

iii Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and report directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of IFRS, including the level in the fair value hierarchy in which such valuations should be classified. Significant valuation issues are reported to the Group's Board Risk and Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- (i) Level 1 : Quoted market price (unadjusted) in an active market for an identical assets or liabilities.
- (ii) Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- (iii) Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair values is included in note 7.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

4 Changes in accounting policies

The Group and the Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 January 2023 (unless otherwise stated). The Group and the Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Standards issued and effective as at 1 January 2023 are:

IFRS 17 - Insurance Contract

In May 2017, the IASB issued IFRS 17 Insurance Contracts (IFRS 17), a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Once effective, IFRS 17 will replace IFRS 4 Insurance Contracts (IFRS 4) which was issued in 2005. IFRS 17 applies to all types of insurance contracts (i.e. life, non-life, direct insurance and re-insurance), regardless of the type of entities that issue them, as well as to certain guarantees and financial instruments with discretionary participation features. A few scope exceptions will apply.

The overall objective of IFRS 17 is to provide an accounting model for insurance contracts that is more useful and consistent for insurers. The core of IFRS 17 is the general model, supplemented by:

- (i) A specific adaptation for contracts with direct participation features (the variable fee approach)
- (ii) A simplified approach (the premium allocation approach) mainly for short-duration contracts

IFRS 17 is effective for reporting periods beginning on or after 1 January 2023, with comparative figures required. Early application is permitted, provided the entity also applies IFRS 9 and IFRS 15 on or before the date it first applies IFRS 17. This standard is not applicable to the Group and the Company.

* Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to IAS 12

In May 2021, the Board issued amendments to IAS 12, which narrow the scope of the initial recognition exception under IAS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences. The amendments should be applied to transactions that occur on or after the beginning of the earliest comparative period presented. In addition, at the beginning of the earliest comparative period presented, a deferred tax asset (provided that sufficient taxable profit is available) and a deferred tax liability should also be recognised for all deductible and taxable temporary differences associated with leases and decommissioning obligations. The Group and the Company are being impacted by this amendment. However, it is not material quantitatively to the users of the financial statements.

Definition of Accounting Estimates - Amendments to IAS 8

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of 'accounting estimates'. The amendments clarify the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. Also, they clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments are effective for annual reporting periods beginning on or after 1 January 2023 and apply to changes in accounting policies and changes in accounting estimates that occur on or after the start of that period. Earlier application is permitted as long as this fact is disclosed.

The amendments have an impact on the Group's and the Company's financial statements.

International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12

The amendments to IAS 12 have been introduced in response to the OECD's BEPS Pillar Two rules and include:

- * A mandatory temporary exception to the recognition and disclosure of deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules; and
- * Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, particularly before its effective date.

The mandatory temporary exception – the use of which is required to be disclosed – applies immediately. The remaining disclosure requirements apply for annual reporting periods beginning on or after 1 January 2023, but not for any interim periods ending on or before 31 December 2023. The Group is not impacted by the pillar two tax reform because there is no foreign operation in low tax economy and the effective tax rate in Nigeria is higher than 15%.



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

Disclosure of Accounting Policies - Amendments to IAS 1 and IFRS Practice Statement 2

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments to IAS 1 are applicable for annual periods beginning on or after 1 January 2023 with earlier application permitted. Since the amendments to the Practice Statement 2 provide non-mandatory guidance on the application of the definition of material to accounting policy information, an effective date for these amendments is not necessary.

The Group and the company is currently revisiting their accounting policy information disclosures to ensure consistency with the amended requirements. The amendment is not expected to have a material impact on the Group and company's financial statements.

Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group and company's financial statements are disclosed below. The Group and company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

*** Amendments to IAS 1: Classification of Liabilities as Current or Non-current**

In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- (i) What is meant by a right to defer settlement
- (ii) That a right to defer must exist at the end of the reporting period
- (iii) That classification is unaffected by the likelihood that an entity will exercise its deferral right
- (iv) That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

The amendments are effective for annual reporting periods beginning on or after 1 January 2024 and must be applied retrospectively. The Group and the company is currently assessing the impact the amendments will have on current practice and whether existing loan agreements may require renegotiation."

*** Sale or Contribution of Assets between an Investor and its Associate or Joint Venture - Amendments to IFRS 10 and IAS 28**

The amendments require the full gain to be recognised when assets transferred between an investor and its associate or joint venture meet the definition of a 'business' under IFRS 3 Business Combinations. Where the assets transferred do not meet the definition of a business, a partial gain to the extent of unrelated investors' interests in the associate or joint venture is recognised. The definition of a business is key to determining the extent of the gain to be recognised. When a parent loses control of a subsidiary in a transaction with an associate or joint venture (JV), there is a conflict between the existing guidance on consolidation and equity accounting. Under the consolidation standard, the parent recognises the full gain on the loss of control. But under the standard on associates and JVs, the parent recognises the gain only to the extent of unrelated investors' interests in the associate or JV. In either case, the loss is recognised in full if the underlying assets are impaired.

The IASB has decided to defer the effective date for these amendments indefinitely

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures to clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed.

The amendments are not expected to have a material impact on the Group's financial statements.

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* Lease liability in a Sale and Leaseback-Amendments to IFRS 16

In September 2022, the Board issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendments are applicable from the beginning on or after 1 January 2024. The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains. After the commencement date in a sale and leaseback transaction, the seller-lessee applies paragraphs 29 to 35 of IFRS 16 to the right-of-use asset arising from the leaseback and paragraphs 36 to 46 of IFRS 16 to the lease liability arising from the leaseback. In applying paragraphs 36 to 46, the seller-lessee determines 'lease payments' or 'revised lease payments' in such a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee. Applying these requirements does not prevent the seller-lessee from recognising, in profit or loss, any gain or loss relating to the partial or full termination of a lease, as required by paragraph 46(a) of IFRS 16.

The amendment does not prescribe specific measurement requirements for lease liabilities arising from a leaseback. The initial measurement of the lease liability arising from a leaseback may result in a seller-lessee determining 'lease payments' that are different from the general definition of lease payments in Appendix A of IFRS 16. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8. A seller-lessee applies the amendment to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted and that fact must be disclosed.

A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16.

The Group and the company is currently assessing the impact of the amendments.

In December 2015, the IASB decided to defer the effective date of the amendments until such time as it has finalised any amendments that result from its research project on the equity method. Early application of the amendments is still permitted. The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognised when a transfer to an associate or joint venture involves a business as defined in IFRS 3. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The amendments must be applied prospectively. Early application is permitted and must be disclosed.

* Lack of Exchangeability (Amendments to IAS 21)

The amendments made by the International Accounting Standards Board (IASB) to IAS 21, which sets out the exchange rate that an entity uses when it reports foreign currency transactions in the functional currency or translates the results of a foreign operation in a different currency. The amendments aim to help entities determine whether a currency is exchangeable into another currency and what exchange rate to use when it is not. These new requirements will apply from 2025, with early application permitted. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose.

The amendments include new requirements for assessing exchangeability between two currencies and determining the spot exchange rate when exchangeability is lacking.

5 Material Accounting Policy Information

The Group has consistently applied the following material accounting policies to all periods presented in these consolidated and separate financial statements except where otherwise stated.



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5.1 Basis of consolidation

(i) Business combinations

The Group accounts for business combinations using the acquisition method when the acquired set of activities and assets meets the definition of a business and control is transferred to the Group. In determining whether a particular set of activities and assets is a business, the Group assesses whether the set of assets and activities acquired includes, at a minimum, an input and substantive process and whether the acquired set has the ability to produce outputs.

The Group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in profit or loss immediately. Transaction costs are expensed as incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not remeasured and settlement is accounted for within equity. Otherwise, other contingent consideration is remeasured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

(ii) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group 'controls' an entity if it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The consolidated and separate financial statements incorporate the assets, liabilities and performance results of: NSE Consult Limited, Coral Properties Limited, NGX Real Estate Limited, Nigerian Exchange Limited, NGX Regulation Limited and NSE Nominees Limited. The financial statements of subsidiaries are included in the consolidated and separate financial statements from the date that control commences until the date that control ceases.

In the separate financial statements, investment in subsidiaries are carried at cost less impairment losses.

(iii) Loss of control

When the Group loses control over a subsidiary, the Group derecognises the assets and liabilities of the subsidiary, any non-controlling interests and the other components of equity related to the subsidiary. Any interest retained in the former subsidiary is measured at fair value when control is lost.

(iv) Investment in associates

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

The Group accounts for Interests in associates using the equity method. They are initially recognised at cost, which include transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and OCI of equity-accounted investees, until the date on which the significant influence ceases.

In the separate financial statements of the Company, investment in associates are carried at cost.

(v) Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated and separate financial statements. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

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(vi) **Non-controlling interest**

Non-controlling interest are measured at their proportionate share of the acquiree's identifiable net assets at the acquisition date. Changes in the Group's interests in subsidiary that do not result in a loss of control are accounted for as equity transaction.

(vii) **Common Control Transactions**

The Group accounts for common control transactions using the book value accounting methods when a common control transaction is effected through the acquisition of assets and liabilities constituting a business under IFRS 3 (from an entity under common control) rather than by acquiring shares in that business. A transaction is a 'common control transaction' if it is a transfer of net assets or an exchange of equity interest or between entities under the control of the same parent. In applying book value accounting, the transaction is recognized as a distribution or contribution from a transaction with shareholders. The relevant book value is the carrying amount of the investee in the separate financial statements of the transferor.

5.2 Foreign currency translations

Transactions in foreign currencies are translated into the functional currencies of the operations at the spot exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the exchange rate as at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in statement of profit or loss and presented within operating expenses. However, foreign currency differences arising from the translation of the following item are recognised in OCI.

- an investment in equity security designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);

5.3 Financial instruments

(i) **Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

(ii) **Classification and subsequent measurement**

Financial Assets

On initial recognition, a financial asset is classified as measured at: amortised cost; fair value through other comprehensive income (FVOCI) – debt investment; FVOCI – equity investment; or fair value through profit or loss (FVTPL).

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL: A financial asset

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial Assets-Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable - rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

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Financial assets - Subsequent measurement and gains and losses:

Financial assets at amortised cost	These assets are subsequently measured at amortised cost using effective interest rate method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in statement of profit or loss. Included in financial assets at amortised cost are investments in debt securities, cash and cash equivalents, intercompany receivables and trade and other receivables.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represent recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are never reclassified to profit or loss. Classified as FVOCI are the investment in equity securities.
Debt investments at FVOCI	These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Financial liabilities - Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. The principle of amortised cost is disclosed in note 5.3 (v)(b).

(iii) Derecognition of financial instruments

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expires, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position, but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

(iv) Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.



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(v) The concept of fair value measurement and amortised cost

(a) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at the date. A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non financial assets and liabilities (see Note 3 (iii))

When available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If an asset or a liability measured at fair value has a bid price or an ask price, then the Group measures the assets at a bid price and liabilities at an ask price.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to the measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

(b) Amortised cost measurement

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment.

Effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period.

5.4 Impairment

(i) Non-derivative financial assets

Financial instruments

The Group recognises loss allowances for ECLs on:

- financial assets measured at amortised cost and
- debt investments measured at FVOCI;

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:

- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables (including lease receivables) and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 365 days past due or if the obligor has been delisted from the Exchange's trading platform for trade receivables in the case of listed companies.

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The Group considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- the financial asset is more than 90 days past due.

The Group considers a debt security to have low credit risk when its credit risk rating is equivalent to the globally understood definition of 'investment grade'. The Group considers this to be between AAA and BBB per Fitch, Standard & Poor's, and Global Credit Rating.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument. 12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset. The general approach has been used by the company.

ECLs are a probability-weighted estimate of credit losses. They are measured as follows:

- financial assets that are not credit impaired at the reporting date: as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive);
- financial assets that are credit impaired at the reporting date: as the difference between the gross carrying amount and the present value of estimated future cash flows discounted at the assets original effective interest rate.

IFRS 9 ECL Impairment model uses a three-stage approach based on the extent of credit deterioration since origination:

Stage 1 – 12-month ECL applies to all financial assets that have not experienced a Significant Increase in Credit Risk (SICR) since origination and are not credit impaired. The ECL will be computed using a 12-month probability of default (PD) that represents the probability of default occurring over the next 12 months. For those assets with a remaining maturity of less than 12 months, a PD is used that corresponds to remaining maturity.

Stage 2 – When a financial asset experiences a SICR subsequent to origination but is not credit impaired, it is considered to be in Stage 2. This requires the computation of ECL based on lifetime PD that represents the probability of default occurring over the remaining estimated life of the financial asset.

Stage 3 – Financial assets that have an objective evidence of impairment will be included in this stage. Similar to Stage 2, the allowance for credit losses will continue to capture the lifetime expected credit losses. The impairment requirements of IFRS 9 are complex and require management judgments, estimates and assumptions, particularly in the areas of assessing whether the credit risk of an instrument has increased significantly since initial recognition and incorporating forwardlooking information into the measurement of ECLs.

Impairment on trade receivables - the simplified approach

Loss allowance on trade receivables or contract assets that result from transactions in the scope of IFRS 15 are measured using a simplified approach. The Group's trade receivables do not contain a significant financing components and have a short duration, typically less than 12 months which means that measuring the loss allowance as lifetime ECLs generally does not differ from measuring at 12-month ECLs. Trade receivables without a significant financing component are measured on initial recognition at the transaction price determined in accordance with IFRS 15 and do not have a contractual interest rate. This implies that the effective interest rate for these receivables is zero accordingly, the discounting of cash shortfalls to reflect the time value of money when measuring ECL is not generally required.



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Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer
- a breach of contract such as a default or being more than 365 days past due;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For corporate customers, the Group individually makes an assessment with respect to the timing and amount of write-off based on whether there is a reasonable expectation of recovery. The Group expects no significant recovery from the amount written off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Group's procedures for recovery of amounts due.

(ii) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets other than deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets grouped into cash-generating units (CGUs). A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. Impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount. Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

5.5 Property and equipment

(i) Recognition and measurement

Items of property and equipment are recognised as an asset if and only if (i.) it is probable that future economic benefits associated with the item will flow to the entity and (ii.) the cost can be reliably measured. Items of property and equipment are initially recognised at cost, which includes capitalised borrowing costs, and subsequently measured at cost less accumulated depreciation and accumulated impairment losses. Cost includes expenditures that are directly attributable to the acquisition of the asset.

Leasehold land is initially measured at cost and subsequently at fair value less any subsequent accumulated impairment losses. The Group reviewed the useful life of its leasehold land assets and discontinued depreciation on the basis that the useful life has now been reassessed as unlimited.

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If significant parts of an item of property and equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment and each component is depreciated separately. Changes to an existing item of property or equipment are added to or deducted from the cost of the related asset and depreciated prospectively over the remaining useful life of the asset.

Any gain or loss on disposal of an item of property and equipment is recognised in other income/other expenses in statement of profit or loss. Gains or losses on disposal are determined by comparing proceeds with the carrying amount of the asset.

(ii) Subsequent costs

The Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of property and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is calculated to write off the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss. Land is not depreciated.

Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is derecognised or classified as held for sale in accordance with IFRS 5. A non-current asset or disposal group is not depreciated while it is classified as held for sale.

The estimated useful lives of items of property and equipment for the current and comparative year are as follows:

Leasehold improvements	Over the shorter of the useful life of item or lease period
Leasehold land	Not depreciated
Leasehold Building	50 years
Computer equipment	5 years
Office equipment	5 years
Furniture, fixtures & fittings	5 years
Motor vehicles	5 years

The assets useful lives, residual values and depreciation rates are reviewed and adjusted if appropriate, at the end of each reporting period.

(iv) De-recognition

An item of property and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

5.6 Intangible assets

(i) Goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses. In respect of equity-accounted investments, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

(ii) Software

Purchased software is recognised if it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity; and the cost of the software can be measured reliably. Expenditure that forms part of the cost of software that meets the recognition criteria are capitalized as part of the software. The capitalized costs of internally developed software or separately acquired software include all costs directly attributable to developing and purchasing the software respectively and capitalized borrowing costs, and are amortised over its useful life.

Software is stated at capitalized cost less accumulated amortisation and impairment. Subsequent expenditure of software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.



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(iii) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful life of the software, from the date that is available for use since this most reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful life of software is five years. The amortisation methods, useful lives and residual values of intangible assets are reviewed at each financial year-end and adjusted if appropriate.

An asset's carrying amount is written down immediately to its recoverable amount if the assets carrying amount is greater than its estimated recoverable amount. The recoverable amount is the higher of the asset's fair value less costs to sell and value in use.

(iv) De-recognition

Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the year the asset is derecognised.

5.7 Provisions

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for restructuring is recognised when the Group has approved a detailed and formal restructuring plan, and the restructuring either has commenced or has been announced publicly. Future operating costs are not provided for.

A provision for onerous contracts is recognised when the expected benefits to be derived by the Group from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

5.8 Prepayments

Prepayments are stated at cost less amortised amounts. Prepayments are amortised to the statement of profit or loss by the straight-line method or according to performance of the underlying transaction.

5.9 Employee Benefits

(i) Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and has no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution plans are recognised as employee benefit expenses in profit or loss in the years in which the services are rendered by employees. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available. Contributions to a defined contribution plan that is due more than 12 months after the end of the year in which the employees render the service are discounted to their present value at the reporting date.

The Group operates a funded defined contribution retirement benefit scheme for its employees under the provisions of the Pension Reform Act of 2014. The employer contributes 10% while the employee contributes 8% of the qualifying employee's salary, housing and transport allowance. Obligations in respect of the Group's contributions to the scheme are recognised as an expense in the profit or loss account on an annual basis.

(iii) Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

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The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. In determining the appropriate discount rate, the Group considers the market yields on Government Bonds of medium duration as compiled by the Debt Management Organisation (DMO). When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

With effect from 31 March 2011, the defined benefit scheme was terminated and final entitlements due to qualified staff was subsequently fully funded by the Group.

Effective 1 January 2015, long-term incentive scheme was established for certain eligible employees. The entitlement for the qualifying employee is based on the following threshold of their gross salary per annum or annual cash pay (Total Cash Compensation (TCC)) for every year of services, depending on the term completed.

- * 15%-17.5% in the first five years of service (first term)
- * 25%-35% in the next 5 years of services (second term)

On 1 August 2017, management established a long service recognition initiative which is designed to recognize, appreciate and celebrate the contributions of long tenured employees, at the attainment of milestone years during their work lifespan with the Company. The policy became effective in 2018.

Table below presents the cash benefit attached to each milestone year.

Milestone Years	Computation of cash benefit
5 years	5% of annual gross salary
10 years	9% of annual gross salary
15 years	13% of annual gross salary
20 years	17% of annual gross salary
25 years	21% of annual gross salary
30 years	25% of annual gross salary
35 years	30% of annual gross salary

(iv) Termination benefits

Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are discounted.

5.10 Segment reporting

An operating segment is a component of the Group that engages in business activities from which it can earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components, whose operating results are reviewed regularly by the Group Executive Committee (being the chief operating decision maker) to make decisions about resources allocated to each segment and assess its performance, and for which discrete financial information is available. Information relating to segment reporting is presented in Note 8 to the financial statements.



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5.11 Contingencies

(i) Contingent asset

Contingent asset is a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity.

A contingent asset is disclosed when an inflow of economic benefit is probable. When the realization of income is virtually certain, then the related asset is not a contingent and its recognition is appropriate.

Contingent assets are assessed continually to ensure that developments are appropriately reflected in the financial statement.

(ii) Contingent liability

Contingent liability is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or a present obligation that arises from past events but is not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or the amount of the obligation cannot be measured with sufficient reliability.

Contingent liability is disclosed unless the possibility of an outflow of resources embodying economic benefit is remote. A provision for the part of the obligation for which an outflow of resources embodying economic benefits is probable is recognised, except in the extremely rare circumstances where no reliable estimate can be made.

Contingent liabilities are assessed continually to determine whether an outflow of economic benefit has become probable.

5.12 Revenue and other income

(i) Revenue

Revenue comprises treasury investment income or interest income and dividend income.

(a) Interest Income

Interest income is recognised in the statement of profit or loss using the effective interest rate method. The effective interest rate is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial asset (or, where appropriate, a shorter period) to the carrying amount of the financial asset. The effective interest rate is established on initial recognition of the financial asset and is not revised subsequently.

The calculation of the effective interest rate includes contractual fees and points paid or received, transaction costs, and discounts or premiums that are an integral part of the effective interest rate. Transaction costs include incremental costs that are directly attributable to the acquisition, issue or disposal of a financial asset or liability.

Interest income presented in the statement of profit or loss includes interest on financial assets at amortised cost on an effective interest basis. Interest income and expenses on all trading assets and liabilities are considered to be incidental to the Group's trading operations and are presented together with all other changes in the fair value of trading assets and liabilities in net trading income.

(b) Dividend income

Dividend income is recognised when the right to receive income is established. Usually this is the ex-dividend date for equity securities. Dividends are presented in net trading income or net income from other financial instruments at fair value through profit or loss based on the underlying classification of the equity investment. Dividend income from equity accounted investee is recognised as a component of other operating income.

(ii) Other income

Other income from fees and levies are recognised as the related services are performed. Included in other income are listing fees, entrance fees, transaction fees and trading levies, market data income, rental income etc.

Any upfront fees or payment for services that are rendered over a period of time are treated as unearned income and recognised over the required period. These are warehoused in deferred income account.

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Rental Income

Rental income from leasehold land is recognised as revenue on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.

5.13 Income Tax

Tax expense comprises current tax (Company Income Tax, Tertiary Education Tax, National Information Technology Development Agency levy and Nigeria Police Trust Fund levy) and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in other comprehensive income.

The Company had determined that interest and penalties relating to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore are accounted for under IAS 37 Provisions, Contingent Liabilities and Contingent Assets.

The Finance Act 2023 introduced significant changes to some sections of the Companies Income Tax Act (CIT). The Company has applied the CIT related provisions of the Finance Act in these financial statements.

(i) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year, and any adjustment to tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date and is assessed as follows:

- Company income tax is computed on taxable profits
- Tertiary education tax is computed on assessable profits
- National Information Technology Development Agency levy is computed on profit before tax
- Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the company during the year)
- Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the period are treated as income tax in line with IAS 12.

Tax expense comprises current and deferred tax. Current tax and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination, or items recognized directly in equity or in other comprehensive income.

Minimum Tax

Minimum tax which is based on a gross amount is outside the scope of IAS 12 and therefore, are not presented as part of income tax expense in the profit or loss.

The Company is subject to the Finance Act (amendments made to Companies Income Tax Act (CITA)). Minimum tax is determined based on 0.25% of the Company's gross turnover less franked investment income.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

The Company offsets the tax assets arising from withholding tax (WHT) credits and current tax liabilities if, and only if, the entity has a legally enforceable right to set off the recognised amounts, and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously. The tax asset is reviewed at each reporting date and written down to the extent that it is no longer probable that future economic benefit would be realised.



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(b) Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized for the following temporary differences:

- * The initial recognition of goodwill;
- * The initial recognition of an asset or liability in a transaction which:
 - (i) is not a business combination;
 - (ii) at the time of the transaction, affects neither accounting profit nor taxable profit (tax loss); and
 - (iii) at the time of the transaction, does not give rise to equal taxable and deductible temporary differences.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities against current tax assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized for unused tax losses only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. Such reductions are reversed when the probability of future taxable profits improves.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend is recognized.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Company expects, at the reporting date to cover or settle the carrying amount of its asset and liabilities. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

5.14 Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

(i) The Group as a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

At the commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate.

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Lease payments included in the measurement of the lease liability are made up of the following:

- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities in the statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leased office space for its branch operations. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group as a lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices. The Group also determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sub-lease separately. It assesses the lease classification of a sub-lease with reference to the right-of-use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short-term lease to which the Group applies the exemption described above, then it classifies the sub-lease as an operating lease.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract. The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'revenue'.

Generally, the Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as the 'rental income' (see Note 10).

Leases in which a significant portion of the risks and rewards of ownership are retained by another party, the lessor, are classified as operating leases. Payments, including prepayments, made under operating leases (net of any incentives received from the lessor) are charged to the statement of profit or loss on a straight-line basis over the period of the lease. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place. The operating lease only relates to rental expenses which are renewed on annual basis.



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5.15 Share capital and reserves

(i) Share issue costs

Incremental costs directly attributable to the issue of new shares or options or to the acquisition of a business are shown in equity as a deduction, net of tax, from the proceeds.

(ii) Retained earnings

Retained earnings comprise the undistributed profits from previous periods which have not been reclassified to any specified reserves.

(iii) Dividends on ordinary shares

Dividends on ordinary shares are recognised in equity in the period in which they are approved by the Group's shareholders. Dividends for the year that are declared after the date of the consolidated statement of financial position are dealt with in the subsequent events note. Dividends proposed by the Directors but not yet approved by members are disclosed in the financial statements in accordance with the requirements of the Companies and Allied Matters Act of Nigeria, (CAMA, 2020)

(iv) Other reserves

Other reserves comprises of fair value gain or loss on investments carried at FVOCI, actuarial gains or loss on retirement benefit obligation and claims review shares reserve.

Claims review shares reserve

Reserve warehouses 2% of the issued shares of Nigerian Exchange Group, which was set aside for allotment to parties who are adjudged as being entitled to shares in the demutualized Exchange, pursuant to the provisions of the Demutualization Act 2018 ("Claims Review Shares"). The apportionment of 2% as the Claims Review Shares is based on an analysis of the probable quantum of shares that would be required to settle each claim. In the event the Claims Review Shares are insufficient to satisfy successful claims, additional shares will be allotted from the demutualized Exchange's authorised share capital.

(v) Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Group by the weighted average number of ordinary shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilutive potential ordinary shares, which comprise share options granted to employees.

6 Financial risk management

The Group is exposed to the following risks arising from financial instruments:

- * Credit risk - (see 6 (ii) below)
- * Liquidity risk - (see 6 (iii) below)
- * Market risk - (see 6 (iv) below)

(i) Risk management framework

Fundamental to the business activities and growth of NGX Group is a strong risk management practice which is at the core of achieving the Group's Strategic Objectives. The Board of Directors have overall responsibility for the establishment and oversight of the Group's risk management framework. The Board has established the Audit and Risk Management Committee, which is responsible for developing and monitoring the Group's risk management policies. The Committee reports regularly to Board on its activities.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect the changes in market conditions and the Group's activities. The Group through its training and management standards and procedures, aims to develop a disciplined and risk informed environment in which all employees have a good understanding of inherent risk specific to their department.

The Group's Audit and Risk Management Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Committee is assisted in its oversight role by the Internal Audit Department, which undertakes both

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regular and ad-hoc reviews of risk management controls and procedures, the results of which are reported to the Audit and Risk Management Committee.

(ii) Credit Risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers.

The Group takes on credit risk mainly through trading (fixed income, foreign currency trading etc.) activities - the Group engages in trading activities where exchange of monetary value and transfer of ownership of purchased assets is not simultaneous. There is a counter party risk, which creates a bilateral risk of loss.

Impairment losses on financial assets and contract assets recognised in statement of comprehensive income are as follows.

<i>In thousands of naira</i>	Notes	Group 2023	Group 2022	Company 2023	Company 2022
Impairment charge on trade receivables	11(a)	-	110,150	-	7,000
Impairment charge on debt securities at amortised cost	11(a)	419,187	68	334,466	-
Impairment charge on intercompany receivable	11(a)	-	-	-	66,889
Impairment reversal on cash & cash equivalents	11(a)	-	304	-	-
		419,187	110,522	334,466	73,889

As at 31 December 2023, the exposure to credit risk for trade and other receivables by type of counterparty was as follows:

<i>In thousands of naira</i>	Notes	Group 2023	Group 2022	Company 2023	Company 2022
Trade Receivables	16	830,884	708,712	-	-
		830,884	708,712	-	-

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry and country in which customers operate.

The risk management committee has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered. The Group's review includes external ratings, if they are available, financial statements, credit agency information and industry information.

The Group limits its exposure to credit risk from trade receivables by establishing immediate payment on all contracts with customers. In addition, the Risk Management Committee reviews the memorandum of debts owed to Group by shareholders for possible recovery actions. The Group, having carefully considered the creditworthiness of its customers, had no reason to grant credit terms as a direct result of the pandemic.

The Group does not require collateral in respect of trade and other receivables. The group does not have trade receivable and contract assets for which no loss allowance is recognised because of collateral.

Expected credit loss assessment for customers as at 31 December 2023

The Group applies the simplified approach in calculating ECLs which recognises a loss allowance based on lifetime ECLs at each reporting date. The Group uses a provision matrix to calculate ECLs for trade and other receivables. The historical loss rates are based on actual credit loss experience over the past five years. These rates are multiplied by scalar factors to reflect differences between economic conditions during the period over which the historical data has been collected, current conditions and the Group's view of economic conditions over the expected lives of the receivables.

The assessment of the correlation between historical observed default rates and economic conditions is a significant estimate to determine the economic variables that affect the ability of the customers to settle the receivables. A regression model was built to explain and predict the impact of macro-economic indicators on loss rates. The model regressed historical



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loss rate on a list of candidate macro-economic indicators. These indicators are central bank base rates, inflation rates, exchange rates and foreign reserves. The most predictive variables that were selected in the regression model (the most predictive indicators) were determined. The best-estimate, optimistic and downturn scalars of predicted target variables were determined. In order to account for differences in economic conditions in the data, the scalar denominator was adjusted to incorporate forward looking information. This process results in a forward-looking best-estimate, optimistic and downturn loss rate used to estimate the ECL.

The following tables provides information about the Group and Company's exposure to credit risk and ECLs for trade and other receivables as at 31 December 2023 and 2022 respectively.

31 December 2023 In thousands of naira	Group			Company		
	Weighted- average loss rate	Gross carrying amount	ECL allowance	Weighted- average loss rate	Gross carrying amount	ECL allowance
Trade receivables	43.3%	1,606,363	695,669	0.0%	1,175,479	-
Other receivables	118.4%	839,611	994,126	472.5%	207,621	980,916
Intercompany receivables	-	-	-	28.1%	1,168,043	327,806
		2,445,974	1,689,795		2,551,143	1,308,722

Maturity Analysis- Group		Gross Carrying Amount				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2023 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	1,606,363	1,606,363	1,606,363
Other receivables	-	-	-	839,611	839,611	839,611
Intercompany receivables	-	-	-	-	-	-
Total	-	-	-	2,445,974	2,445,974	2,445,974

Maturity Analysis- Company		Gross Carrying Amount				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2023 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	1,175,479	1,175,479	1,175,479
Other receivables	-	-	-	207,621	207,621	207,621
Intercompany receivables	-	-	-	1,168,043	1,168,043	1,168,043
Total	-	-	-	2,551,143	2,551,143	2,551,143

Maturity Analysis- Group		ECL				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2023 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	695,669	695,669	695,669
Other receivables	-	-	-	994,126	994,126	994,126
Intercompany receivables	-	-	-	-	-	-
Total	-	-	-	1,689,795	1,689,795	1,689,795

Maturity Analysis- Company		ECL				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2023 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	-	-	-
Other receivables	-	-	-	980,916	980,916	980,916
Intercompany receivables	-	-	-	327,806	327,806	327,806
Total	-	-	-	1,308,722	1,308,722	1,308,722

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	Group			Company		
31 December 2022 In thousands of naira	Weighted- average loss rate	Gross carrying amount	ECL allowance	Weighted- average loss rate	Gross carrying amount	ECL allowance
Trade receivables	43.6%	1,484,191	647,656	0.0%	-	-
Other receivables	81.3%	1,222,287	994,126	36.4%	509,907	185,437
Intercompany receivables	-	-	-	26.1%	1,253,815	327,806
		2,706,478	1,641,782		1,763,722	513,243

Maturity Analysis- Group		Gross Carrying Amount				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2022 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	1,484,191	1,484,191	1,484,191
Other receivables	-	-	-	1,222,287	1,222,287	1,222,287
Intercompany receivables	-	-	-	-	-	-
Total	-	-	-	2,706,478	2,706,478	2,706,478

Maturity Analysis- Company		Gross Carrying Amount				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2022 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	-	-	-
Other receivables	-	-	-	509,907	509,907	509,907
Intercompany receivables	-	-	-	1,253,815	1,253,815	1,253,815
Total	-	-	-	1,763,722	1,763,722	1,763,722

Maturity Analysis- Group		ECL				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2022 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	647,656	647,656	647,656
Other receivables	-	-	-	994,126	994,126	994,126
Intercompany receivables	-	-	-	-	-	-
Total	-	-	-	1,641,782	1,641,782	1,641,782

Maturity Analysis- Company		ECL				
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2022 Total	Carrying amount
<i>Financial assets</i>						
Trade receivables	-	-	-	-	-	-
Other receivables	-	-	-	185,437	185,437	185,437
Intercompany receivables	-	-	-	327,806	327,806	327,806
Total	-	-	-	513,243	513,243	513,243

Debt securities

The Group limits its exposure to credit risk by investing in liquid debt securities with strong ratings. The Group principally invest in bonds issued by the Federal Government of Nigeria (FGN), treasury bills, commercial paper, investment grade corporate bonds, fixed deposit with banks, and mutual funds.

The Group monitors changes in credit risk by tracking published credit ratings agencies (Augusto, GCR and S&P). To determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the Group supplements this by reviewing changes in bond yields and, where available, together with available press and regulatory information about issuers.

The Group makes use of the general approach. The debt securities are classified into different risk categories based on factors such as credit ratings, historical default rates, economic conditions, and other relevant indicators. Estimate the probability of default for each category, Determine the Loss Given Default, Calculate the Exposure at Default. 12-month probabilities of default are based on historical data supplied by S&P for each credit rating. Loss given default (LGD) parameters generally reflect an assumed recovery rate of 95%. The following table presents the credit quality of the Group's exposure to credit risk for debt securities measured at amortised cost at the reporting date.



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Credit Rating- 2023	Gross Carrying Amount	Group Allowance	Carrying Amount	Company ECL allowance
In thousands of naira				
Corporate Securities				
BBB-AAA	844,299	630	844,299	630
B+ - B-	336,653	103	336,653	103
Government securities				
B+ - B-	13,530,854	402,169	11,871,096	339,232
Total	14,711,806	402,902	13,052,048	339,965

Credit Rating- 2023	Gross Carrying Amount	Group Month ECL	Stage	Lifetime ECL
In thousands of naira				
Corporate Securities				
BBB-AAA	844,299	630	1	-
B+ - B-	336,653	103	1	-
Government securities				
BBB-AAA	-	-	1	-
B+ - B-	13,530,854	402,169	1	-
Total	14,711,806	402,902		-

Credit Rating- 2023	Gross Carrying Amount	Company Month ECL	Stage	Lifetime ECL
In thousands of naira				
Corporate Securities				
BBB-AAA	844,299	630	1	-
B+ - B-	336,653	103	1	-
Government securities				
BBB-AAA	-	-	1	-
B+ - B-	11,871,096	339,232	1	-
Total	13,052,048	339,965		-

Credit Rating- 2022	Gross Carrying Amount	Group Allowance	Carrying Amount	Company ECL allowance
In thousands of naira				
Corporate Securities				
BBB-AAA	-	-	-	-
B+ - B-	1,198,265	1,477	1,198,265	1,477
Government securities				
BBB-AAA	-	-	-	-
B+ - B-	11,049,814	12,421	9,185,540	12,421
Total	12,248,079	13,898	10,383,805	13,898

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Credit Rating- 2022		Group		
In thousands of naira	Gross Carrying Amount	Month	Stage	ECL
Corporate Securities				
BBB-AAA	-	-	1	-
B+ - B-	1,198,265	1,477	1	-
Government securities				
BBB-AAA	-	-	1	-
B+ - B-	11,049,814	12,421	1	-
Total	12,248,079	13,898		-

Credit Rating- 2022		Company		
In thousands of naira	Gross Carrying Amount	Month	Stage	ECL
Corporate Securities				
BBB-AAA	-	-	1	-
B+ - B-	1,198,265	1,477	1	-
Government securities				
BBB-AAA	-	-	1	-
B+ - B-	9,185,540	12,421	1	-
Total	10,383,805	13,898		-

The Government securities rated B relates to bonds issued by the Federal Government of Nigeria in foreign currency which currently has a foreign long term issuer credit rating of B (S&P). The ECL on assets are 12-month ECL. The Group has no collateral in respect of these investments.

Cash and cash equivalents

The Group and Company held cash and cash equivalents of N6.57 billion and N2.3 billion respectively as at 31 December 2023 (2022: Group - N4.7 billion; Company- N1.6 billion). The cash and cash equivalents are held with local banks which are rated between AAA and BBB per Fitch, Standard & Poor's, and Global Credit Rating.

Impairment on cash and cash equivalents has been measured on a 12-month expected loss basis and reflects the short maturities of the exposures. The Group considers that its cash and cash equivalents have low credit risk based on the external credit ratings of the counterparties.

The Group uses a similar approach for assessment of ECLs for cash and cash equivalents to those used for debt securities.

The amount of impairment allowance at 31 December 2023 is Nil (2022: N304,000).

The following table shows the net exposure to credit risk as at year end.

The following table shows the net exposure to credit risk as at year end.

In thousands of naira	Notes	Group 2023	Group 2022	Company 2023	Company 2022
Investment in debt securities	19	14,741,924	12,890,865	13,145,103	11,647,127
Trade and other receivables	16	756,179	1,064,696	402,184	704,470
Intercompany receivables	17	-	-	840,237	926,009
Cash and cash equivalents	15	6,577,579	4,749,694	2,314,139	1,560,373
		22,075,681	18,705,254	16,701,662	14,837,978



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(iii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments. The Group also prepares weekly cash flow reports, analysing its liquidity position. The Group aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on financial liabilities and commitments.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities (other than trade payables) over the next 60 days. The Group also monitors the level of expected cash inflows on trade and other receivables together with expected cash outflows on trade and other payables. The following are the remaining contractual maturities of financial assets and liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and excludes the impact of any netting agreement.

31 December 2023

Maturity Analysis - Group

Gross Carrying Amount

<i>In thousands of Naira</i>	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2023 Total Carrying amount	
<i>Financial liabilities</i>						
<i>Other liabilities*</i>	-	-	-	768,860	768,860	768,860
<i>Term borrowings</i>	-	-	-	14,301,024	14,301,024	14,301,024
<i>Lease liabilities</i>	-	-	-	27,060	27,060	27,060
<i>Total</i>	-	-	-	15,096,944	15,096,944	15,096,944

* Excluded from other liabilities are accrued expenses, deferred income and statutory deduction such as VAT and WHT payable.

Maturity Analysis - Company

Contractual Cash Flows

<i>In thousands of Naira</i>	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2023 Total Carrying amount	
<i>Financial liabilities</i>						
<i>Other liabilities*</i>	-	-	-	331,962	331,962	331,962
<i>Term borrowings</i>	-	-	-	14,301,024	14,301,024	14,301,024
<i>Lease liabilities</i>	-	-	-	-	-	-
<i>Total</i>	-	-	-	14,632,986	14,632,986	14,632,986

* Excluded from other liabilities are accrued expenses, deferred income and statutory deduction such as VAT and WHT payable.

31 December 2022

Maturity Analysis - Group

Gross Carrying Amount

<i>In thousands of Naira</i>	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2022 Total Carrying amount	
<i>Financial liabilities</i>						
<i>Other liabilities*</i>	-	-	-	4,876,462	4,876,462	4,876,462
<i>Term borrowings</i>	-	-	-	14,078,952	14,078,952	14,078,952
<i>Lease liabilities</i>	-	-	-	26,021	26,021	26,021
<i>Total</i>	-	-	-	18,981,435	18,981,435	18,981,435

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FOR THE YEAR ENDED 31 DECEMBER 2023

Maturity Analysis - Company			Contractual Cash Flows			
In thousands of Naira	30 days or Less	31 - 60 days	61- 90 days	91 days or more	2023 Total Carrying amount	
Financial liabilities						
Other liabilities*	-	-	-	1,076,428	1,076,428	1,076,428
Term borrowings	-	-	-	14,078,952	14,078,952	14,078,952
Lease liabilities	-	-	-	-	-	-
Total	-	-	-	15,155,380	15,155,380	15,155,380

* Excluded from other liabilities are accrued expenses, deferred income and statutory deduction such as VAT and WHT payable.

iv. Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates and equity prices will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return. The Group uses a range of tools such as sensitivity analysis, to manage its exposure to market risk.

(a) Currency Risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which sales and purchases are denominated and the Group's functional currency. The functional currency of the Group is Nigerian Naira and the currency in which these transactions is primarily denominated is US Dollars.

At 31 December 2023, the Group was exposed to currency risk primarily as a result of its exposures which stood at \$20,554 in debt securities and bank balances and its other liabilities which stood at \$5,102.

The following significant exchange rates applied during the year

	Average Rate		Reporting Date Spot Rate		Amount	
	2023	2022	2023	2022	2023	2022
USD	638.70	423.40	903.93	448.55	21,289,385	7,624,487,293

Sensitivity analysis – Currency Risk

A reasonably possible strengthening (weakening) of the US Dollar against the Nigerian Naira as at 31 December 2023 would have affected the measurement of financial instruments denominated in foreign currency and affected equity and profit or loss by the amount shown below. This analysis assumed that all other variables remain constant and ignore any impact of forecast sales and purchases.

Effects in thousands of Naira	Operating Profit			
	2023		2022	
	Strengthening	Weakening	Strengthening	Weakening
USD (5%)	1,064	(1,064)	381,224	(381,224)

(b) Equity Price Risk

This risk arises from equity price changes caused by equity investment securities. At 31 December 2023, the Group was exposed to equity investment risk as a result of its exposures which stood at N2.04 billion (2022: N4.06 billion) in financial asset at fair value through other comprehensive income (FVOCI). The Group's equity investments include both quoted and unquoted securities. Please refer to Note 7 for the fair value and sensitivity analysis for equity price risk.

(c) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations. The Group manages its interest rate risk by adopting a policy of ensuring that significant percentage of investable funds are invested into fixed rate financial assets (treasury bills and federal government bonds) in line with its investment policy. Other areas the Group could be exposed to interest risk is the opportunity cost of market movement.



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Sensitivity analysis – Interest rate risk

Group

31 December 2023

In thousands of Naira

	Carrying value	Interest rate shock to Profit Before Tax			
		1%	2%	-1%	-2%
Cash and cash equivalents	6,577,579	65,776	131,552	(65,776)	(131,552)
Investment securities	14,741,924	147,419	294,838	(147,419)	(294,838)
		213,196	426,390	(213,195)	(426,390)

31 December 2023

In thousands of Naira

	Carrying value	Interest rate shock to Profit Before Tax			
		1%	2%	-1%	-2%
Cash and cash equivalents	4,749,694	47,497	94,994	(47,497)	(94,994)
Investment securities	12,890,865	128,909	257,817	(128,909)	(257,817)
		176,407	352,811	(176,406)	(352,811)

Company

31 December 2023

In thousands of Naira

	Carrying value	Interest rate shock to Profit Before Tax			
		1%	2%	-1%	-2%
Cash and cash equivalents	2,314,139	23,141	46,283	(23,141)	(46,283)
Investment securities	13,145,103	131,451	262,902	(131,451)	(262,902)
		154,593	309,185	(154,593)	(309,185)

31 December 2023

In thousands of Naira

	Carrying value	Interest rate shock to Profit Before Tax			
		1%	2%	-1%	-2%
Cash and cash equivalents	1,560,373	15,604	31,207	(15,604)	(31,207)
Investment securities	11,647,127	116,471	232,943	(116,471)	(232,943)
		132,076	264,150	(132,076)	(264,150)

7 Financial instrument - Fair value measurement

(a) Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

(i) The Group

	Financial assets measured at FVOCI	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total Carrying Amount	Fair value			
					Level 1	Level 2	Level 3	Total
31 December 2023								
In thousands of naira								

Financial assets measured at fair value

Investment in Equities	2,039,539	-	-	2,039,539	98,957	-	1,940,582	2,039,539
	2,039,539	-	-	2,039,539	98,957	-	1,940,582	2,039,539

Financial assets not measured at fair value

Treasury bills	-	-	-					
Bonds	-	14,711,806	-	14,711,806	13,530,854	1,180,952	-	14,711,806
Mutual funds	-	433,020	-	433,020		433,020	-	433,020
Trade and other receivables	-	756,179	-	756,179			756,179	756,179
Cash and cash equivalent	-	6,577,579	-	6,577,579	6,577,579	-	-	6,577,579
	-	22,478,584	-	22,478,584	20,108,433	1,613,972	756,179	22,478,584

Financial liabilities not measured at fair value

Other liabilities*	-	-	768,860	768,860		-	768,860	768,860
Term borrowings	-	-	14,301,024	14,301,024	-	14,301,024	-	14,301,024
Lease liabilities	-	-	27,060	27,060	-		27,060	27,060
	-	-	15,096,944	15,096,944	-	14,301,024	795,920	15,096,944

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FOR THE YEAR ENDED 31 DECEMBER 2023

(ii) The Company					Fair value			
	Financial assets measured at FVOCI	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total Carrying Amount	Level 1	Level 2	Level 3	Total
31 December 2023								
In thousands of naira								
Financial assets measured at fair value								
Bonds	- 13,052,048	- 13,052,048	- 13,052,048	11,871,096	1,180,952	-	-	113,052,048
Trade and other receivables	- 402,184	- 402,184	- 402,184				402,184	402,184
Cash and cash equivalent	- 2,314,139	- 2,314,139	- 2,314,139			-	2,314,139	2,314,139
Mutual fund	- 433,020	- 433,020	- 433,020			433,020	-	433,020
Intercompany receivable	- 840,237	- 840,237	- 840,237			-	840,237	840,237
	- 17,041,628	- 17,041,628	- 17,041,628	11,871,096	1,613,972	3,556,560		17,041,628
Financial liabilities not measured at fair value								
Other liabilities*	-	- 331,962	331,962		-	331,962		331,962
Term borrowings	-	- 14,301,024	14,301,024		- 14,301,024		-	14,301,024
	-	- 14,632,986	14,632,986		- 14,301,024	331,962		14,632,986
*Excluded from other liabilities are accrued expenses, deferred income and statutory deduction such as VAT and WHT payable.								
(iii) The Group					Fair value			
	Financial assets measured at FVOCI	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total Carrying Amount	Level 1	Level 2	Level 3	Total
31 December 2022								
In thousands of naira								
Financial assets measured at fair value								
Investment in Equities	4,060,817	-	- 4,060,817	1,940,582	-	2,120,235		4,060,817
	4,060,817	-	- 4,060,817	1,940,582	-	2,120,235		4,060,817
Financial assets not measured at fair value								
Bonds	- 12,248,079	- 12,248,079	- 12,248,079	11,049,814	1,198,265	-	-	12,248,079
Mutual funds	- 648,871	- 648,871	- 648,871			648,871	-	648,871
Trade and other receivables	- 1,064,696	- 1,064,696	- 1,064,696				1,064,696	1,064,696
Cash and cash equivalent	- 4,749,694	- 4,749,694	- 4,749,694	4,749,694	-	-	-	4,749,694
	- 18,711,340	- 18,711,340	- 18,711,340	15,799,508	1,847,136	1,064,696		18,711,340
Financial liabilities not measured at fair value								
Other liabilities*	-	- 4,876,462	4,876,462		-	- 4,876,462		4,876,462
Term borrowings	-	- 14,078,952	14,078,952		- 14,078,952		-	14,078,952
Lease liabilities	-	- 26,021	26,021		-		26,021	26,021
	-	- 18,981,435	18,981,435		- 14,078,952	4,876,462		18,981,435



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(iv) The Company					Fair value			
	Financial assets measured at FVOCI	Financial assets measured at amortised cost	Financial liabilities measured at amortised cost	Total Carrying Amount	Level 1	Level 2	Level 3	Total
31 December 2022								
In thousands of naira								
Financial assets measured at fair value								
Bonds	- 11,003,751	- 11,003,751	- 11,003,751	9,185,540	1,198,265	-	-	11,003,751
Trade and other receivables	- 704,470	- 704,470	- 704,470				704,470	704,470
Cash and cash equivalent	- 1,560,373	- 1,560,373	- 1,560,373		1,560,373	-	-	1,560,373
Mutual fund	- 648,871	- 648,871	- 648,871		648,871	-	-	648,871
Intercompany receivable	- 926,009	- 926,009	- 926,009		-	-	926,009	926,009
	- 13,268,594	- 13,268,594	- 13,268,594	9,185,540	3,407,509		704,470	13,268,594
Financial liabilities not measured at fair value								
Other liabilities*	-	- 1,076,428	1,076,428	-	-	1,076,428	-	1,076,428
Term borrowings	-	- 14,078,952	14,078,952	-	14,078,952	-	-	14,078,952
	-	- 15,155,380	15,155,380	-	14,078,952	1,076,428	-	15,155,380

*Excluded from other liabilities are accrued expenses, deferred income and statutory deduction such as VAT and WHT payable.

(b) Determination of fair value

The determination of fair value for each class of financial instrument was based on the particular characteristics of the instruments. The method and assumptions applied enumerated below.

(i) Cash and cash equivalents

The estimated fair value of fixed interest placement with banks is based on the discounted cashflow technique using prevailing money market interest rate.

(ii) Trade, other receivables and other liabilities

The estimated fair value of receivables and other liabilities with no stated maturity is the amount repayable or received on demand.

The carrying amount of other liabilities and other receivables do not attract interest rate and are repayable within six months, hence the impact of discounting is insignificant. Thus the amount payable or receivable on demand is a reasonable approximation of their fair values.

(iii) Bonds, Treasury bills and other investments

The Group has investments in government and corporate debt securities. FGN Bonds and Treasury bills represent debt securities of the Federal Government of Nigeria issued by the Debt Management Office (DMO) and Central Bank of Nigeria (CBN) respectively. The estimated fair value of treasury bills, commercial papers and bonds carried at amortized cost is determined with reference to quoted prices (unadjusted) in active markets for identical assets.

(iv) Quoted equity investments

The fair values of quoted equity securities are determined by reference to quoted prices (unadjusted) in active market for identical instruments. The company has quoted equity investment in NASD Plc valued at N717,007,829 (2022: N88,080,434).

(iv) Unquoted equity investments

The Group has investment in FMDQ OTC Plc of which there is no available market price as at 31 December 2023. In accordance with IFRS 13 fair value measurement, which outlines three approaches for valuing unquoted equity instruments; market approach, the income approach and the cost approach. The Group estimated the fair value of its investment in FMDQ at the end of the financial year using the market approach.

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Level 3 fair values of investments have been generally derived using the adjusted fair value comparison approach. Quoted price per earning or price per book value, enterprise value to EBITDA ratios of comparable entities in a similar industry were obtained and adjusted for key factors to reflect estimated ratios of the investment being valued. Adjusting factors used are the Illiquidity Discount which assumes a reduced earning on a private entity in comparison to a publicly quoted entity and the Haircut adjustment which assumes a reduced earning for an entity located in Nigeria contributed by lower transaction levels in comparison to an entity in a developed or emerging market.

The steps involved in estimating the fair value of the Group's investment in FMDQ are as follows:

- Step 1: Identify quoted companies with similar line of business, structure and size.
- Step 2: Obtain the EV/EBITDA or the P/B or P/E ratios of these quoted companies identified from Bloomberg or Reuters.
- Step 3: Derive the average or median of EV/EBITDA or the P/B or P/E ratios of these identified quoted companies.
- Step 4: Apply the lower of average (mean) or median of the identified quoted companies ratios on the Book Value or Earnings of the investment company to get the value of the investment company.
- Step 5: Discount the derived value of the investment company by applying an Illiquidity and control discount to obtain the Adjusted Equity Value.
- Step 6: Compare the Adjusted Equity value with the carrying value of the investment company to arrive at a net gain or loss.

The significant unobservable inputs in the valuation method include:

- Illiquidity discount
- Control discount

Generally, a change in any of the unobservable input as listed above will impact on the estimated fair values for these instruments.

Valuation Assumptions

Illiquidity discount and Control discount has been estimated at 20% and 15% respectively.

Reconciliation of Level 3 fair value

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Investment in equity

<i>In thousands of Naira</i>	2023	2022
Opening balance	2,120,235	1,629,131
Additions	-	-
Gain included in OCI		
Net change in fair value (unrealized)	(179,653)	491,104
Closing balance	1,940,582	2,120,235

Sensitivity analysis – Equity Price Risk (unquoted equity investment)

	2023		2022	
<i>In thousands of Naira</i>	Increase	Decrease	Increase	Decrease
Illiquidity discount (1% movement)	(19,406)	19,406	(21,202)	21,202
Control discount (1% movement)	(19,406)	19,406	(21,202)	21,202



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8 Operating segments

(a) Information about reportable segments

The Group has three (3) reportable segments, as described below, which are the Group's strategic business units. The strategic business units offer different products and services which is the basis for identifying the Group's reportable segments, and are managed separately. The following summary describes the operations in each of the Group's reportable segments:

- Capital Market & Post trade Services - Regulating the activities of all stock broking firms in Nigeria while providing them with the facilities for the purchase and sale of bonds, stocks and shares of any kind. This also includes the clearing and settlement of trades on the Stock Exchange.
- Strategic Investment - A vehicle for executing strategic investments on behalf of the Company and its directors.
- Property management - Providing property letting and property management services to the members of the public.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before income tax, as included in the internal management reports that are reviewed by the Group's Management Committee at least quarterly i.e. the Chief Decision Maker. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

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<i>In thousands of Naira</i>	Capital Market & Post trade Services 2023	Strategic investment 2023	Property management 2023	Elimination 2023	Consolidated 2023
External revenues	7,746,680	-	279,803	-	8,026,483
Inter-segment revenue	1,166,876	1,690,846	129,710	(1,336,253)	1,651,179
Segment revenue	8,913,557	1,690,846	409,513	(1,336,253)	9,677,663
Interest revenue	343,880	1,760,627	21,733	-	2,126,240
Dividend from Associate	-	2,973,823	-	(2,973,823)	-
Expenses					
Personnel expenses	(2,928,877)	(2,007,641)	(3,598)	-	(4,940,116)
Depreciation and amortization	(130,410)	(144,841)	(118,973)	-	(394,224)
Other expenses	(3,252,389)	(2,129,550)	(235,411)	-	(5,617,350)
Share of profit of equity accounted investee	-	-	-	4,855,936	4,855,936
Impairment (loss)/writeback on assets	-	(419,187)	-	-	(419,187)
	2,945,761	1,724,077	73,264	545,860	5,288,962
Segment Operating profit before tax	2,945,761	1,724,077	73,264	545,860	5,288,962
Income tax expense	-	-	-	(37,967)	(37,967)
Segment Operating profit after tax	2,945,761	1,724,077	73,264	507,893	5,250,994
Assets & Liabilities					
Reportable segment assets	11,956,767	39,715,604	2,887,392	5,281,567	59,841,330
Reportable segment liabilities	3,927,255	16,390,091	1,270,113	(1,209,692)	20,377,767
<i>In thousands of Naira</i>	Capital Market & Post trade Services 2022	Strategic investment 2022	Property management 2022	Elimination 2022	Consolidated 2022
External revenues	5,241,240	84,094	162,610	48,221	5,536,165
Inter-segment revenue	1,048,577	135,803	267,517	(1,451,897)	-
Segment revenue	6,289,817	219,897	430,127	(1,403,676)	5,536,165
Interest revenue	75,820	1,876,979	10,639	-	1,963,438
Dividend from Associate	-	1,471,262	-	(1,471,262)	-
Expenses					
Personnel expenses	(2,865,652)	(798,847)	-	-	(3,664,499)
Depreciation and amortization	(380,833)	(55,367)	(114,452)	-	(550,652)
Other expenses	(1,994,740)	(3,152,288)	(315,655)	747,053	(4,715,630)
Share of profit of equity accounted investee	-	-	-	2,150,844	2,150,844
Impairment loss on non financial asset	(85,688)	82,139	-	-	(3,549)
	1,038,724	(356,225)	10,659	22,959	716,117
Segment Operating profit before tax	1,038,724	(356,225)	10,659	22,959	716,117
Income tax expense	(98,352)	(10,484)	(15,771)	-	(124,607)
Segment Operating profit after tax	940,372	(366,709)	(5,112)	22,959	591,510
Assets & Liabilities					
Reportable segment assets	7,686,679	37,384,296	2,903,262	9,089,006	57,063,243
Reportable segment liabilities	4,245,098	15,718,995	1,288,280	(996,458)	20,255,915

Geographical segment

Nigeria is the Company's primary geographical segment as all the Company's income is derived in Nigeria. Accordingly, no further geographical segments information is reported.



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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9 Revenue

In thousands of naira	Revenue Recognition Timing	Group 2023	Group 2022	Company 2023	Company 2022
Treasury investment income (see note (a) below)	Over Time	2,140,779	2,030,704	1,760,627	1,876,948
Dividend income (see note (b) below)	At a point in time	-	-	2,973,823	1,471,262
Transaction fees	Over Time	4,817,538	3,156,721	-	-
Listing fees	At a point in time	1,101,485	774,709	-	-
Rental income (see note (27(b))	Over Time	140,645	99,193	-	-
Other fees (see note (c) below)	At a point in time	99,451	109,039	-	-
		8,299,898	6,170,366	4,734,450	3,348,210

- (a) Treasury investment income includes income from Bonds, Treasury bills and fixed deposits. The Group and Company earn interest income from investment in treasury bills, fixed deposits with commercial banks and bonds. The interest income is recognised using the effective interest method.
- (b) Dividend income represents dividend income received from the associate company - Central Securities Clearing System Plc. (CSCS).
- (c) Other fees represent rent of trading floor, annual charges from brokers, dealing license and membership fees earned by the Group.

10 Other income

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Other operating income (see note (a) below)	2,571,941	635,400	1,690,263	219,848
Technology income	92,428	93,727	-	-
Market data income(see note (b) below)	837,826	581,441	-	-
Net gain on disposal of property and equipment	1,809	18,668	583	-
	3,504,004	1,329,237	1,690,846	219,848

- (a) Other operating income is made up of other foreign exchange gains and penalty fees.
- (b) Market data income comes from selling trade data and other market related information.

11 Impairment charge/ reversal on assets

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Net impairment charge on trade and other receivables (see note 16(e))	-	(110,150)	-	(7,000)
Impairment charge on debt instruments at amortised cost (see note 19(a))	(419,187)	(68)	(334,466)	-
Net impairment charge on cash and cash equivalents (see note 15(a))	-	(304)	-	-
Net impairment charge on intercompany receivables (see note 17(ii))	-	-	-	(66,889)
	(419,187)	(110,522)	(334,466)	(73,889)

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12 Personnel expenses

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Salaries and allowances	4,718,567	3,442,174	1,969,387	758,797
Defined benefit cost (see note 28)	58,626	40,682	888	1,848
Contributions to defined contribution plans (see note (a) below)	162,924	181,643	37,366	38,202
	4,940,116	3,664,500	2,007,641	798,847

(a) The Group operates a funded defined contribution retirement benefit scheme for its employees under the provisions of the Pension Reform Act of 2014 (amended). The employer contributes 10% while the employee contributes 8% of the qualifying employee's salary.

(b) The average number of persons employed during the year was as follows:

	Group 2023	Group 2022	Company 2023	Company 2022
Executive Directors	4	3	1	1
Management	17	23	6	6
Non-Management	111	113	16	14
	132	139	23	21

(c) Compensation for the above persons (excluding executive directors):

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Salaries and allowances	2,978,732	2,987,256	887,040	484,790
Contributions to defined contribution plans	133,000	155,041	24,361	27,044
	3,111,732	3,142,297	911,400	511,834

(d) The remuneration paid to management staff (excluding pension and reimbursable allowances)

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Compensation to management staff	863,318	854,086	314,108	328,191
	863,318	854,086	314,108	328,191

(e) The remuneration paid to the Board members (excluding pension and reimbursable allowances):

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Sitting allowances	72,040	85,385	36,300	43,125
Non-Executive Director's fees	146,875	138,750	55,000	49,250
Executive compensation*	388,472	324,020	154,922	151,410
	607,387	548,155	246,222	243,785

*Executive compensation relates to compensation paid to Chief Executive Officer and Executive Directors other than Board members.

(f) The number of executive directors* who received fees and other emoluments (excluding pension contributions and reimbursable expenses) in the following ranges was:

	Group 2023	Group 2022	Company 2023	Company 2022
N1,000,001 - N10,000,000	-	-	-	-
N10,000,001 and above	4	3	1	1
	4	3	1	1

*Executive directors include the Chief Executive Officer and Directors who are not Board members.



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(g) The number of employees of the Group, other than executive directors, who received emoluments in the following ranges (excluding pension contributions and other benefits) were:

	Group 2023	Group 2022	Company 2023	Company 2022
N2,000,001 - N3,500,000	18	24	4	4
N3,500,001 - N5,000,000	9	9	2	1
N5,000,001 - N6,500,000	29	28	5	3
N6,500,001 - N8,000,000	12	10	2	1
N8,000,001 - N9,500,000	2	-	-	-
N9,500,001 and above	58	65	9	11
	128	136	22	20

13 Operating expenses

In thousands of naira	Group 2023	Group 2022	Company 2023	Company 2022
Annual general meeting expenses	18,157	15,059	18,157	15,059
Audit fees	27,500	40,377	9,425	12,900
Bank charges	13,520	19,946	6,877	12,028
Brand management	4,563	18,891	444	-
Corporate social responsibilities and gifts	15,627	9,425	4,274	-
Diesel expenses	155,909	140,875	44,789	43,764
Director sitting allowances and expenses	330,130	298,056	149,325	123,867
Events, seminars & sponsorship expenses	62,393	57,705	26,181	-
General expenses (see note (b) below)	210,954	377,491	288,920	367,874
Government levies and rates	59,721	27,251	21,885	19,894
Insurance	32,867	26,858	7,704	6,268
Interest on lease liabilities	1,039	886	-	-
Legal expenses	156,806	96,494	52,623	55,644
NSITF Charge	15,371	19,987	4,248	4,363
Professional fees (see note (c) below)	392,837	330,776	114,551	108,959
Project expenses (see note (a) below)	44,118	97,889	-	44,508
Rent and rates	28,291	-	25,360	26,197
Repairs and maintenance	254,058	479,925	25,231	18,353
Security expenses	30,992	24,817	8,778	6,291
Software, internet and connectivity subscription	1,114,307	250,821	72,648	42,378
Stationery, library and factbook expenses	4,880	3,821	191	110
Subscriptions	99,323	83,613	14,489	17,787
Telephone, postages and periodicals	4,008	4,922	1,636	908
Travelling expenses	199,589	81,558	46,900	16,977
	3,276,961	2,508,189	944,636	944,848

(a) Project expenses relate to investment projects, advocacy projects, and Digital assets projects.

(b) General expenses includes advert and publications, cleaning materials, office provisions.

(c) Professional expenses includes legal, tax, outsourced staff fees, migration of XDB, infosec consultancy, and VAPT exercise.

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14 Taxation

(a) Income tax expense

Income tax expense refers to current year tax charged to the profit or loss by using the tax rate enacted or substantively at the reporting date. The Group and Company's tax assessment was calculated by Pedabo Professional Services - FRC/2022/COY/861283 and FRC Number of Partner Mr. Folorunsho Albert Olaniyi - FRC/2013/ICAN/00000000908 who provides tax consultation services to the Company.

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
i. Minimum tax				
Minimum tax, 0.5% of turnover less franked investment	17,257	-	17,257	-
	17,257	-	17,257	-
ii. Current tax				
Companies Income Tax	551,854	107,794	-	10,484
Nigeria Police Trust Fund Levy	208	9	70	-
Tertiary Education Tax @3%	77,065	15,064	-	-
Naseni Levy	-	-	-	-
Information Technology levy	41,562	1,740	13,940	-
Current income tax expense	670,689	124,607	14,010	10,484
iii. Deferred tax				
Deferred tax	(649,979)	-	(673,807)	-
	20,710	124,607	(659,797)	10,484
Total income tax expense	37,967	124,607	(642,540)	10,484

(b) Reconciliation of effective tax rate

<i>In thousands of naira</i>	Group 2023	Group 2023	Group 2022	Group 2022
Profit before tax		5,939,955		823,089
Less: NIDTA levy (note 14(a))		(41,562)		(1,740)
Profit before income tax		5,898,393		821,349
Income tax using the domestic corporation tax rate	30%	1,769,518	30%	246,405
Non-deductible expenses	76%	4,487,600	48%	394,414
Tax exempt income	-72%	(4,265,634)	-28%	(232,444)
Police Trust Fund Levy	0%	208	0%	9
Effect of share of profit of equity accounted investee	-25%	(1,456,781)	-79%	(645,253)
Education tax	1.6%	94,215	1.8%	15,064
Information technology tax	0.7%	41,562	0.2%	1,740
Tax effect of losses for which no deferred tax has been recognised	0.0%		42.0%	344,673
Change in recognised deductible temporary difference	-11%	(649,979)	0%	-
Tax expense	0%	20,710	15%	124,607

<i>In thousands of naira</i>	Company 2023	Company 2023	Company 2022	Company 2022
Profit before tax		1,394,009		
Less: NIDTA levy (note 14(a))		(13,940)		
Profit before income tax		1,380,069		(249,253)
Income tax using the domestic corporation tax rate	30%	414,021	30%	(74,776)
Non-deductible expenses	207%	2,852,502	-1%	1,506
Tax exempt income	-237%	(3,266,523)	-34%	83,754
Police Trust Fund Levy	0%	70	0%	-
Education tax	0%	-	0%	-
Information technology tax	1%	13,940	0%	-
Tax effect of losses for which no deferred tax has been recognised	0%	-	0%	-
Change in recognised deductible temporary difference	-49%	(673,807)	0%	-
Tax expense		(659,797)	-4%	10,484



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15 Cash and cash equivalents

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Bank balances	1,132,238	3,360,191	206,025	598,459
Fixed deposits	5,445,341	1,389,807	2,108,114	961,914
Gross total	6,577,579	4,749,998	2,314,139	1,560,373
ECL allowance (see note (a) below)	-	(304)	-	-
Carrying amount	6,577,579	4,749,694	2,314,139	1,560,373

(a) Movement in allowance for impairment of cash and cash equivalents

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Opening balance	304	-	-	2,121
Movement during the year	(304)	304	-	(2,121)
Closing balance	-	304	-	-

16 Trade and other receivables

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Trade receivables	830,884	708,712	-	-
Due from NSE/CSCS Multipurpose Cooperative Society (see note (a) below)	264,979	264,979	264,979	264,979
Deferred recovery of bonuses (see note (b) below)	510,500	510,500	510,500	510,500
Deposit for investment (see note (c) below)	-	-	400,000	400,000
Other receivables (see note (d) below)	839,611	1,222,287	207,621	509,907
Gross total	2,445,974	2,706,478	1,383,100	1,685,386
ECL Allowance (See note (e) below)	(1,689,795)	(1,641,782)	(980,916)	(980,916)
Carrying amount	756,179	1,064,696	402,184	704,470
Current	756,179	1,064,696	402,184	704,470
Carrying amount	756,179	1,064,696	402,184	704,470

- (a) The amount due from NSE/CSCS Multipurpose Co-operative Society relates to two payments of N150.0 million and N114.9 million made in connection with the purchase of shares on behalf of the NSE/CSCS Multipurpose Cooperative Society. Efforts are being made by management to recover these disputed amounts and the matter is currently a subject of litigation. The Company has fully impaired the amount subject to recovery of the receivable in a future year.
- (b) Deferred recovery of bonuses represents N2.09billion distributed to certain ex-council members as share of surplus between 2006 and 2008. This payment was contrary to section 26(3) of the Companies and Allied Matters Act (CAMA), and the Securities and Exchange Commission directed the Company to recover the money from the ex-council Members involved. Refunds amounting to N620.50million have been received from the ex-council members to date. The outstanding balance of N510.5million continues to be subject of a litigation on account of a dispute over the basis of payment. The Company has fully impaired the amount subject to recovery of the receivable in future years.
- (c) The amount represents deposit with Greenwich Securities Ltd for strategic investments.
- (d) Other receivables include investment in defunct Hallmark Bank, withholding tax receivables. These amounts have been fully impaired as at year end.

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(e) Movement in allowance for impairment of trade and other receivables is shown below

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Trade debtors - listing fees	695,669	647,656	20,000	20,000
Trade debtors - market data	17,160	17,160	-	-
Sundry debtors - NSE/CSCS Cooperative	264,979	264,979	264,979	264,979
Deferred recovery of bonuses	510,500	510,500	510,500	510,500
Other receivables	201,487	201,487	185,437	185,437
	1,689,795	1,641,782	980,916	980,916

(f) Movement in allowance for impairment of trade and other receivables is shown below

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Opening balance	1,641,782	2,219,065	980,916	987,916
Net remeasurement of ECL allowance (see note 11)	-	(110,150)	-	(7,000)
Impairment derecognition	48,013	(467,133)	-	-
Closing balance	1,689,795	1,641,782	980,916	980,916

17 Intercompany receivables

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Intercompany receivables	-	-	1,168,043	1,253,815
ECL allowance	-	-	(327,806)	(327,806)
Carrying amount	-	-	840,237	926,009
Current asset	-	-	840,237	926,009

Intercompany receivables have been classified as current asset as the Company expects the subsidiaries to fulfil their obligation within 12 months.



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(I) Movement in ECL allowance on intercompany receivables is shown below

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Opening balance	-	-	327,806	327,806
Transfer	-	-	-	-
Net remeasurement of ECL allowance (see note 11)	-	-	-	66,989
	-	-	-	(66,989)
Closing balance	-	-	327,806	327,806

ii) Intercompany receivables represent amounts receivable from the Company's subsidiaries. An analysis of intercompany receivables is shown below:

The Company

<i>In thousands of naira</i>	Gross 2023	ECL Impairment 2023	Carrying amount 2023	Gross 2022	ECL Impairment 2022	Carrying amount 2022
NSE Consult Limited	71,298	-	71,298	71,298	-	71,298
NGX Real Estate Limited	836,189	(327,806)	508,383	899,384	(327,806)	571,578
NSE Nominees Limited	(774)	-	(774)	-	-	-
NGX Regulation Limited	261,330	-	261,330	283,133	-	283,133
	1,168,043	(327,806)	840,237	1,253,815	(327,806)	926,009

18 Prepayment

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Prepayments (See note (a) below)	320,931	592,461	7,805	95,745
Gross total	320,931	592,461	7,805	95,745
Carrying amount	320,931	592,461	7,805	95,745
Current	296,252	-	5,084	-
Non current	24,679	592,461	2,721	95,745
	320,931	592,461	7,805	95,745

(a) These prepayments represents Group life insurance expenses, Medical and Staff related expenses paid in advance.

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19 Investment Securities

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
At amortised cost				
Bonds	14,711,806	12,248,079	13,052,048	11,003,751
Mutual funds	433,020	648,871	433,020	648,871
	15,144,826	12,896,950	13,485,068	11,652,622
Impairment allowance (see note (a) below)	(402,902)	(6,085)	(339,965)	(5,495)
Sub total	14,741,924	12,890,865	13,145,103	11,647,127
Equity securities at Fair Value through OCI (see note (b) below)	2,039,539	4,060,817	-	-
Sub total	2,039,539	4,060,817	-	-
Carrying amount	16,781,463	16,951,682	13,145,103	11,647,127
<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Non-current	16,348,443	16,330,112	12,712,083	10,998,256
Current	433,020	621,570	433,020	648,871
Carrying amount	16,781,463	16,951,682	13,145,103	11,647,127

(a) Movement in allowance for impairment of investment securities is shown below

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Opening balance	13,830	13,898	5,495	13,898
Remeasurement of ECL allowance (see note 11)	389,072	(68)	334,470	(8,403)
	402,902	13,830	339,965	5,495

Analysis of equity securities

i. Equity investments at FVOCI comprise the following:

<i>In thousands of naira</i>	Group 2023	Group 2022
Quoted investment		
National Association of Securities Dealers (NASD OTC PLC)	98,957	138,080
Sub total	98,957	138,080
Unquoted investment		
Financial Market Dealers Quotation (FMDQ OTC)	1,940,582	3,922,736
Sub total	1,940,582	3,922,736
Total	2,039,539	4,060,817

ii. Movement in equity investment at FVOCI

<i>In thousands of naira</i>	2023	2022
Cost - FMDQ and NASD OTC	138,080	138,080
Fair value changes (see note (b) (iii) below)	1,901,459	3,922,736
	2,039,539	4,060,817



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iii. Movement in fair value on equity securities

<i>In thousands of naira</i>	Group 2023	Group 2022
Opening balance	3,922,736	1,901,458
Fair value changes during the year (See note (b)(iv) below)	(2,021,277)	2,021,278
	1,901,459	3,922,736

iv. Fair value changes on investment securities during the year

<i>In thousands of naira</i>	2023	2022
NASD PLC	-	-
FMDQ (OTC)	(2,021,277)	2,021,278
	(2,021,277)	2,021,278

(b) The financial assets which are held at FVOCI, are equity investments in National Association of Securities Dealers (NASD OTC) amounting to N88,080,433, investments in Financial Market Dealers Quotation (FMDQ OTC) amounting to N50,000,000. The Group holds 10.87% (2022: 10.87%) of NASD' shares and 6.42% (2022: 6.42%) of FMDQ's shares. The Group designated these investments at FVOCI because these equity investments represent investments that the Group intends to hold for long term strategic purposes. None of these strategic investments were disposed of during 2023 and there were no transfers of any cumulative gain or loss within equity relating to these investments. The valuation techniques are explained in note 7.

20 Investment in associates

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Investment in Associate - CSCS ((see note (i) below)	29,760,655	27,961,789	17,628,194	17,628,194
Investment in Associate - NG Clearing ((see note (ii) below)	1,831,760	1,749,393	1,736,687	1,736,687
Carrying amount	31,592,415	29,711,182	19,364,881	19,364,881

i. Investment in Associate - CSCS

The Group has a 44.18% ownership interest in Central Securities Clearing Systems (CSCS) Plc (2022: 44.18%). The principal activity of the Company is to act as a depository, clearing and settlement agency for all quoted and trade securities in the Nigerian capital market. CSCS is domiciled in Nigeria. The net assets of the Company as at 31 December 2023 was N39,091,714,000 (2022: N34,900,546,001).

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Balance, beginning of the year	27,961,789	12,937,826	17,628,194	3,279,188
Additional Investment during the year	-	14,349,006	-	14,349,006
Share of profit	4,829,020	2,214,255	-	-
Share of OCI	(55,451)	(68,035)	-	-
Dividends paid	(2,974,703)	(1,471,262)	-	-
Total investment in associates	29,760,655	27,961,789	17,628,194	17,628,194
Carrying amount	29,760,655	27,961,789	17,628,194	17,628,194

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Summary financial information for the equity accounted investee, not adjusted for the percentage ownership held by the Group is as follows:

<i>In thousands of naira</i>	2023	2022
Percentage ownership interest	44.18%	44.18%
Non-current assets	36,055,410	24,143,550
Current assets	16,651,267	20,930,437
Non-current liabilities	(373,528)	(171,786)
Current liabilities	(13,241,435)	(10,001,656)
Net assets (100%)	39,091,714	34,900,546
Group's share of net assets (44.18%) (2022: 44.18%)	17,239,446	15,391,141
Revenue	19,022,850	11,515,320
Profit from continuing operations	10,930,330	5,011,894
Other comprehensive income	(125,512)	(153,996)
Total comprehensive income	10,804,818	4,857,898
Group's share of profit and total comprehensive income	4,773,569	2,146,219
Group's interest in net assets of investee at the beginning of the year	27,961,790	12,937,826
Total comprehensive income attributable to the Group	4,829,020	2,214,255
Additional Investment during the year	-	14,349,006
Share of OCI	(55,451)	(68,035)
Dividend received during the year	(2,974,703)	(1,471,262)
Group's interest in the net assets of investee at the end of the year	29,760,655	27,961,790

Investment in associates is currently carried at cost plus the share of the group percentage holding in net assets of the associate.

ii. Investment in associate - NG Clearing Limited

NG Clearing Limited is an associate company which the NGX Group Plc has 27.7% ownership interest (2022: 27.7%). The Nigerian Exchange Group owns 44.18% ownership interest in CSCS who is also a major shareholder in NG Clearing with a percentage holding of 24.7%. It is principally established to operate clearing house(s) for the clearance and settlement of transactions in financial securities and derivatives contracts.

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Balance, beginning of the year	1,749,393	1,812,804	1,736,687	1,736,687
Additional Investment during the year	-	-	-	-
Share of current year result (net of tax)	82,367	(63,411)	-	-
Total investment	1,831,760	1,749,393	1,736,687	1,736,687
Carrying amount	1,831,760	1,749,393	1,736,687	1,736,687



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<i>In thousands of naira</i>	2023	2022
Percentage ownership interest	27.7%	27.7%
Non-current assets	6,496,099	5,944,469
Current assets	228,880	460,198
Current liabilities	(87,081)	(55,040)
Net assets (100%)	6,637,898	6,349,627

<i>In thousands of naira</i>	2023	2022
Group's share of net assets (27.7%)	1,838,698	1,758,847
Revenue	516,986	18,565
Loss from continuing operations	297,354	(228,920)
Total comprehensive income	297,354	(228,920)
Group's share of profit and total comprehensive loss	82,367	(63,411)
Group's interest in net assets of investee at the beginning of the year	1,749,393	1,812,804
Total comprehensive income attributable to the Group	82,367	(63,411)
Additional Investment during the year	-	-
Group's interest in the net assets of investee at the end of the year	1,831,760	1,749,393

(iii) Total amount recognised in profit or loss is as follows

<i>In thousands of naira</i>	2023	2022
Share of profit from associate company: CSCS	4,773,569	2,214,255
Share of loss from associate company: NG Clearing	82,367	(63,411)
	4,855,936	2,150,844

21 Investment in subsidiaries

<i>In thousands of naira</i>	Group 2023	Group 2022	Group 2023	Company 2022
NSE Consult Limited	-	-	1,250	1,250
Coral Properties Limited	-	-	72,000	72,000
NGX Real Estate Limited	-	-	1,634,629	1,634,629
NSE Nominees Limited	-	-	500	500
Nigerian Exchange Limited	-	-	578,617	578,617
NGX Regulation Limited	-	-	643,432	643,432
Total investment in subsidiaries	-	-	2,930,428	2,930,428
Impairment (See note 21 (vii) below)	-	-	(73,500)	(73,500)
Carrying amount	-	-	2,856,928	2,856,927

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- (i) The NGX Group Plc has a 99.9% holding in NSE Consult Limited. NSE Consult Limited was incorporated in Nigeria on 19 May 2004 and commenced business on 15 April 2005. Its principal objective is to carry on business as consultants, financial advisers and analysts, and to carry on business as the strategic investment arm/subsidiary of the Nigerian Stock Exchange. The principal place of business of the Company is Nigeria.
- (ii) The NGX Group Plc has a 100% holding in Coral Properties Limited. Coral Properties Limited was incorporated in Nigeria as a private limited liability company on 20 May 1993 and became a public Company on 29 August 1995. The principal activity of the Company is real estate development and sales. The Company's place of incorporation is also the Company's place of principal place of business.
- (iii) The NGX Group Plc has a 100% holding in NGX Real Estate Limited. NGX Real Estate Limited was incorporated as a limited liability Company on 29 June 1974 as Naira Properties Limited and its name was changed to NGX Real Estate Limited on 13 October 2019. The company's main activities are property letting and investment. The NGX Group Plc acquired 40% equity interest in NGX Real Estate Limited in February 1986. The company became a wholly owned subsidiary of the NGX Group Plc in 2005 when the NGX Group Plc acquired the balance of 60% equity interest in the company, previously held by the Daily Times Nigeria. The Company's place of incorporation is also the Company's place of principal place of business.
- (iv) The NGX Group Plc has a 83.3% holding in NSE Nominees Limited. NSE Nominees Limited was incorporated on 22 May 2007 with the principal objective of opening and operating a nominee account for the purpose of buying back shares for the benefit of investors who suffered losses through an unauthorized sale of their shares within the Nigerian Capital Market.
- (v) The NGX Group Plc has a 99.9% holding in Nigerian Exchange Limited. Nigerian Exchange Limited is a Company domiciled and incorporated in Nigeria. The Company was incorporated as a limited liability Company on 22 July 2019. The principal activities are to provide facilities to the public for the purchase and sale of securities, a platform for the listing of securities and sale of securities to the public, market data and indices for sale to the public.
- (vi) The NGX Group Plc has a 99.9% holding in NGX Regulation Limited. NGX Regulation Limited is a Company domiciled and incorporated in Nigeria. The Company was incorporated as a limited liability Company on 22 July 2019. The company will focus on carrying out the regulatory functions as agreed with Nigerian Exchange Limited. NGX Regulation earns a 5.5% mark-up on its expenses.
- vii. An analysis of allowance for impairment of investment in subsidiaries is shown below:

In thousands of naira	Gross 2023	ECL Impairment 2023	Carrying amount 2023	Gross 2022	ECL Impairment 2022	Carrying amount 2022
NSE Consult Limited	1,250	(1,000)	250	1,250	(1,000)	250
Coral Properties Limited	72,000	(72,000)	-	72,000	(72,000)	-
NSE Nominees	500	(500)	-	500	(500)	-
	73,750	(73,500)	250	73,750	(73,500)	250

Movement in impairment allowance

In thousands of naira	2023	2022
Opening balance	73,500	73,500
Charge for the year	-	-
Reversal	-	-
Closing balance	73,500	73,500



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22 Property and equipment

Reconciliation of carrying amount

<i>In thousands of naira</i>	Note	Leasehold Building	Leasehold land and building	Office Equipment	Motor vehicle	Computer Equipment	Fixtures and fittings	Total
(a) The Group								
Cost								
Balance at 1 January 2022		2,590,606	1,686,747	1,204,662	1,005,944	1,352,616	334,709	8,175,284
Additions		-	143,635	20,028	28,260	-	1,445	193,368
Disposals		-	-	-	(115,180)	(4,711)	(18,932)	(138,823)
Write-offs		(239,527)	-	-	-	-	-	(239,527)
Balance at 31 December 2022		2,351,079	1,830,382	1,224,690	919,024	1,347,905	317,222	7,990,302
Balance at 1 January 2023		2,351,079	1,830,382	1,224,690	919,024	1,347,905	317,222	7,990,302
Additions		-	17,727	79,995	752	64,967	22,757	186,199
Disposals		-	-	(17,355)	(46,875)	(415)	(12,298)	(76,943)
Reclassification		-	-	-	(40,440)	-	-	(40,440)
Balance at 31 December 2023		2,351,079	1,848,109	1,287,330	832,462	1,412,458	327,681	8,059,118
Accumulated Depreciation and impairment								
Balance as at 1 January 2022		715,308	435,334	980,918	429,184	1,203,026	290,398	3,965,990
Depreciation for the year		81,950	1,972	109,949	150,981	53,842	18,467	417,161
Disposals		-	-	-	(97,595)	(3,862)	(14,665)	(220,253)
Write-Offs		(104,131)	-	-	-	-	-	(104,131)
Balance as at 31 December 2022		693,127	437,306	1,090,867	482,570	1,253,006	294,200	4,058,767
Balance as at 1 January 2023		693,127	437,306	1,090,867	482,570	1,253,006	294,200	4,058,767
Depreciation for the year		47,022	36,840	77,440	122,953	55,538	15,388	355,181
Disposals		-	-	(34,691)	(39,542)	(5,213)	(18,877)	(98,323)
Write-Offs		(41,412)	(33,804)	-	-	-	-	(75,216)
Reclassification		-	-	-	(14,341)	-	-	(14,341)
Balance as at 31 December 2023		698,737	440,342	1,133,616	551,640	1,303,331	290,711	4,418,376
Carrying amounts								
At 31 December 2022		1,657,952	1,393,076	133,823	436,454	94,899	23,022	3,827,404
At 31 December 2023		1,652,342	1,407,767	153,714	280,822	109,127	36,970	3,640,742

- (i) There were no capitalized borrowing costs related to the acquisition of property and equipment during the year.
- (ii) There were no capital commitment relating to property and equipment as at reporting data (2022: nil).
- (iii) There were no impairment loss on any of the class of property and equipment.
- (iv) Included in property and equipment is property valued at N4.7 billion (2022: N4.5 billion) which is accounted for as investment property in the separate financial statements of the subsidiary, NGX Real Estate Limited. It comprises of a commercial property that is leased to third parties and the parent company. The property was valued by Diya Fatmileyin and Co., a valuation expert duly registered with Financial Reporting Council (FRC), FRC/2013/NIESV/00000002773, and the Nigerian Institute of Estate Surveyors and Valuers (NIESV).
- (v) There were no liens or encumbrances on the assets.

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(b) The Company

<i>In thousands of naira</i>	Note	Leasehold Building and Improvement	Office Equipment	Motor vehicle	Computer Equipment	Fixtures and fittings	Total
Cost							
Balance at 1 January 2022		548,030	19,569	236,733	5,208	24,566	834,106
Additions		69,268	377	28,260	-	1,170	99,075
Write-offs		(403,768)	-	-	-	-	(403,768)
Balance at 31 December 2022		213,530	19,946	264,993	5,207	25,736	529,412
Balance at 1 January 2023		213,530	19,946	264,993	5,207	25,736	529,412
Additions		2,795	335	-	2,655	-	5,785
Disposals			(6,600)	(32,180)	-	-	(38,780)
Balance as at 31 December 2023		216,325	13,680	232,813	7,862	25,736	496,417
Accumulated Depreciation							
Balance as at 1 January 2022		405,576	16,038	89,340	3,760	23,245	537,959
Depreciation for the year		577	1,528	45,660	667	408	48,840
Write-offs		(261,316)	-	-	-	-	(261,316)
Balance as at 31 December 2022		144,837	17,566	135,000	4,427	23,653	325,483
Balance as at 1 January 2023		144,837	17,566	135,000	4,427	23,653	325,483
Depreciation for the year		1,390	905	44,990	830	505	48,620
Disposals			(6,600)	(24,847)	-	-	(31,447)
Balance as at 31 December 2023		146,227	11,871	155,143	5,257	24,158	342,656
Carrying amounts							
At 31 December 2022		68,693	2,380	129,993	780	2,083	203,929
At 31 December 2023		70,098	1,809	77,670	2,605	1,578	153,761

(i) There were no capitalized borrowing costs related to the acquisition of property and equipment during the year.

(ii) There were no capital commitment relating to property and equipment as at reporting data (2021: nil).

(iii) There were no impairment loss on any of the class of property and equipment.

(iv) There were transfer of assets which formed part of the investment in the new subsidiaries, Nigerian Exchange Limited and NGX Regulation Ltd.



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23 Intangible assets

Reconciliation of carrying amount

(a) The Group

<i>In thousands of naira</i>	Goodwill	Purchased software	Total
Cost			
Balance as at 1 January 2022	61,784	3,006,739	3,068,523
Acquisitions	-	-	-
Disposal	-	(9,995)	(9,995)
Balance at 31 December 2022	61,784	2,996,744	3,058,528
Balance as at 1 January 2023	61,784	2,996,744	3,058,528
Acquisitions	-	55,113	55,113
Balance at 31 December 2023	61,784	3,051,857	3,113,641
Accumulated Amortization and impairment			
Balance as at 1 January 2022	57,148	2,829,500	2,886,648
Amortization for the year	-	81,436	81,436
Balance at 31 December 2022	57,148	2,910,936	2,968,084
Balance as at 1 January 2023	57,148	2,910,936	2,968,084
Amortization for the year	-	36,960	36,960
Adjustment	-	5,358	5,358
Write-Off	4,636	-	4,636
Balance at 31 December 2023	61,784	2,947,896	3,015,038
Carrying amounts			
At 31 December 2023	-	103,961	98,603
At 31 December 2022	4,636	85,808	90,444

- (i) There were no capitalized borrowing costs related to the acquisition of intangible assets during the year.
- (ii) There were no capital commitment relating to intangible assets as at reporting data (2022: nil).
- (iii) There were no liens or encumbrances on the assets.
- (iv) Goodwill relate to the acquisition of Naira Properties (NGX Real Estate) in 2011 by the legacy NSE. The goodwill above is not subject to amortisation but only for impairment losses. Goodwill is tested annually for impairment, or more frequently when there are indications that impairment may have occurred. There was an impairment identified in the year ended December 2023 N4.636m (2022: nil).

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(b) The Company

<i>In thousands of naira</i>	Purchased software	Total
Cost		
Balance at 1 January 2022	32,634	32,634
Acquisitions	-	-
Balance as at 31 December 2022	32,634	32,634
Balance as at 1 January 2023	32,634	32,634
Acquisitions	-	-
Balance at 31 December 2023	32,634	32,634
Amortization and impairment losses		
Balance at 1 January 2022	1,273	1,273
Amortization for the year	6,527	6,527
Balance as at 31 December 2022	7,799	7,800
Balance as at 1 January 2023	7,799	7,799
Amortization for the year	6,527	6,527
Balance at 31 December 2023	14,326	14,326
Carrying amounts		
At 31 December 2023	18,308	18,308
At 31 December 2022	24,835	24,834

- (i) There were no capitalized borrowing costs related to the acquisition of intangible assets during the year.
- (ii) There were no capital commitment relating to intangible assets as at reporting data (2022: nil).
- (iii) There were no impairment loss on any of the class of intangible assets.
- (iv) There were no liens or encumbrances on the assets.



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24 Other liabilities

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
<i>Financial liabilities</i>				
Sundry creditors (see note (a) below)	233,343	3,057,612	18,370	144,149
Intercompany payable (see note (b) below)	-	-	13,347	219,233
Accrued expenses (see note (c) below)	2,949,469	1,410,153	1,770,160	397,654
Pledge payable (see note (d) below)	254,314	254,314	254,314	254,314
Others (see note (f) below)	281,203	97,657	45,931	13,690
	3,718,329	4,876,462	2,102,122	1,076,428
<i>Non-financial liabilities</i>				
Value Added Tax	63,889	61,757	7,450	8,040
Staff related liabilities (see note (e) below)	60,993	56,725	52,941	47,388
WHT payable	79,235	100,904	72,581	91,678
Deferred income (see note (24i) below)	805,428	247,673	258,504	3,948
	1,009,545	467,058	391,476	151,054
Total	4,727,874	5,343,521	2,493,598	1,227,482

I. Deferred Income

Set out below are the carrying amounts of deferred income and the movements during the year: (see Note 24 (I) g).

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Balance, beginning of the year	247,673	165,734	3,948	-
Additional Revenue Recognition	557,755	81,939	254,556	3,948
Balance, end of the year	805,428	247,673	258,504	3,948

- (a) Included in Sundry creditors are payments due to vendors and other obligations to third parties.
- (b) Amount represents payable due to NSE Consult Limited by the NGX Group in 2023 and amount payable to NSE Consult and NGX Limited in 2022.
- (c) Accrued expenses includes leave allowances, passage allowances, 13th month payment and long term incentives due to staff. It also includes the year end accruals for payments for implementation of ICFR review, ICFR attestation, supplementary listing of shares, advisory by various consultants etc
- (d) Pledge payable relates to the ex- council's pledge to donate proceeds of X-Alert subscriptions to the IPF upon the successful resolution of litigation
- (e) Staff related liabilities represents payable for PAYE to various state internal revenue services
- (f) Included in other liabilities are provisions for litigation claims, corporate challenge accrual, VAT on equity transaction, trade guaranty fund, tax provision etc.
- (g) Deferred income relates to advance payments made by capital market operators and income made from investment securities. This will be amortised over the payment period.

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25 Term Borrowings

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Opening balance	14,078,952	-	14,078,952	-
Addition	13,350,000	25,000,000	13,350,000	25,000,000
Interest	2,340,389	2,100,468	2,340,389	2,100,468
Interest repayment	(2,118,317)	(1,205,868)	(2,118,317)	(1,205,868)
Principal Repayment	(13,350,000)	(11,815,648)	(13,350,000)	(11,815,648)
Total	14,301,024	14,078,952	14,301,024	14,078,952
Current	-	-	-	-
Non current	14,301,024	14,078,952	14,301,024	14,078,952
Carrying amount	14,301,024	14,078,952	14,301,024	14,078,952

(a) Borrowings represent balance of loan principal (N13.35 billion) to finance strategic investment and accrued interest on the loan (N0.95 billion). The loan was taken on January 18, 2022 and the facility will run for a period of 60 months. The interest rate chargeable in respect of the Term Loan Facility shall be MPR - 1.5% per annum from the date of first drawdown. This rate is subject to upward or downward review in line with money market realities but not below a floor of 14% per annum and a cap of 28% per annum.

26 Current tax liabilities

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Balance, beginning of the year	93,854	224,724	16,229	24,896
Minimum tax	17,257	43,947	17,257	10,484
Current year tax	670,689	80,660	14,010	-
Payments made during the year	(122,300)	(255,477)	21,870	(19,151)
Balance, end of the year	659,500	93,854	25,626	16,229

27 Leases

A. Leases as lessee (IFRS 16)

The Group as a lessee, leases office space and Land. The leases for the office space typically run for a period of 1 year, with an option to renew the lease after that date. The Lease for the land runs for a period of 90 years with an utilised lease period of 45 years as at the reporting date.

Information about leases for which the Group is a lessee is presented below.

i. Right-of-use assets

The Right-of-use assets are all leased properties that do not meet the definition of investment property. The Leased properties are presented as property and equipment (see Note 22).

<i>In thousands of naira</i>	Group 2023	Group 2022	Group 2023	Company 2022
Opening balance	75,501	-	-	-
Depreciation charge for the year	(2,083)	(2,083)	-	-
Additions to right-of-use assets	1	77,584	-	-
Balance at 31 December	73,419	75,501	-	-



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ii. Lease Liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period: (see Note 22).

<i>In thousands of naira</i>	Group 2023	Group 2022	Group 2023	Company 2022
Opening balance	26,021	222,623	-	142,422
Addition	-	-	-	142,422
	26,021	222,623	-	284,844
Accretion of interest	1,039	886	-	-
Lease Payment	-	(197,488)	-	(230,284)
Derecognition of lease liabilities	-	-	-	(54,560)
Balance at 31 December	27,060	26,021	-	-
Current	27,060	26,021	-	-
Non current	-	-	-	-
Carrying amount	27,060	26,021	-	-

iii. Amounts recognised in statement of profit or loss

<i>In thousands of naira</i>	Group 2023	Group 2022	Group 2023	Company 2022
2023 - Leases under IFRS 16				
Interest on lease liabilities	1,039	886	-	-
Depreciation charge for the year	2,083	2,083	-	-

iv. Amounts recognised in statement of cash flows

<i>In thousands of naira</i>	Group 2023	Group 2022	Group 2023	Company 2022
Total cash outflow for leases	-	(197,488)	-	(230,284)

B. Leases as lessor

The Group leases out its property consisting of its owned commercial properties (see Note 22). All leases are classified as operating leases from a lessor perspective.

The Group has classified these leases as operating leases, because they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

Rental income recognised by the Group during 2023 was N140.6 million (2022: N99.1 million).

The following table sets out a maturity analysis of lease payments, showing the undiscounted lease payments to be received after the reporting date.

<i>In thousands of naira</i>	Group 2023	Company 2022
Less than one year	140,645	101,642
Total	140,645	101,642

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

28 Retirement benefit obligation

<i>In thousands of naira</i>	Group 2023	Group 2022	Group 2023	Company 2022
Recognised liability for defined contribution	134,818	(180)	29,856	1,416
Movement in cashflow statement	134,818	(180)	29,856	1,416
Recognised liability for defined benefit obligations (see note (a) below)	133,897	125,665	28,934	39,561

Movement in defined benefit obligations

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Opening balance	125,665	163,964	39,561	24,496
Changes in Modelling	16,907	-	(9,401)	-
Current service charge & interest cost: Long service award	41,719	40,682	10,289	1,848
Net actuarial (gain)/loss	(33,125)	(41,250)	(11,515)	13,217
Payments made during the year	(17,269)	(37,731)	-	-
Closing balance	133,897	125,665	28,934	39,561
Movement in cashflow statement recognized in profit or loss (Note 12)	58,626	40,682	888	1,848

The Group's actuarial valuation was calculated by KMC Consulting actuaries (FRC Number - FRC/2012/NAS/000000032392) who provides actuarial services to the Group.

(a) Defined benefit obligations

The Company operated a non-contributory, unfunded defined benefit scheme for its staff gratuity scheme until 16 March 2011 when the Council of the Nigerian Stock Exchange resolved to terminate the staff gratuity scheme with effect from 31 March 2011. Final entitlements due to members of staff that had spent a minimum of five years by 31 March 2011 was determined and payments was supervised by Gratuity Committee. However, a revised long-term incentive scheme was re-opened in 2015 for certain eligible employees. The entitlement for the qualifying employee ranges from 15% -17% of their annual total emolument in the first 5-year of service and a maximum of 25%-35% for 10-years of service.

On 1 August 2017, management established another long service recognition initiative which is designed to recognise, appreciate and celebrate the contributions of long tenured employees, at the attainment of milestone years during their work lifespan with the Company. The policy became effective in 2018. See note 5.10 (iii).

(b) Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages):

	2023	2022
Discount rate	15.6%	12.5%
Average salary increase rate	8.00%	8.00%

The rate of mortality assumed for members in the Scheme are based on A67/70 Ultimate table published by the Institute of Actuaries of United Kingdom.

For members in active service as at the valuation date, the projected unit credit method of valuation as required under the IFRS has been adopted.



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(c) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amount shown below.

	31 December 2023		31 December 2022	
	Increase	Decrease	Increase	Decrease
<i>In thousands of naira</i>				
Withdrawal rate (5% movement)	132,020	(135,770)	84,601	(186,608)
Mortality rate (20% movement)	133,092	(134,698)	123,636	(125,175)
Salary increase (10% movement)	146,883	(122,313)	142,571	(108,818)
Discount rate (3% movement)	120,238	(150,900)	104,958	(149,912)

(d) Expected maturity analysis of post-employment benefits:

<i>In thousands of naira</i>	Within 1 year	Between 2-5 years	Between 6-10 years	Over 10 years	2023 Total
Present value of the defined benefit obligations	20,156	72,703	30,594	10,443	133,897
	20,156	72,703	30,594	10,443	133,897
<i>In thousands of naira</i>	Within 1 year	Between 2-5 years	Between 6-10 years	Over 10 years	2022 Total
Present value of the defined benefit obligations	25,285	77,009	10,278	13,093	125,665
	25,285	77,009	10,278	13,093	125,665

29 Provisions

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Balance as at 1 January	405,744	405,744	402,743	402,743
Provision made during the year	-	-	-	-
Balance as at 31 December	405,744	405,744	402,743	402,743

This provision is with respect to possible claims and litigations against the Group and Company, in the event that the claims crystallise in future.

30 Deferred tax

(a) Deferred tax liability comprises of:

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
Deferred tax liability				
Balance, beginning of the year	238,882	238,882	-	-
Deferred tax liability recognised by subsidiary	(14,900)	-	-	-
Deferred tax reversal	(101,315)	-	-	-
Balance, end of the year	122,667	238,882	-	-

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

(l) Movements in temporary differences during the year

<i>In thousands of naira</i>	Opening balance	Recognised in profit or loss	Recognised in equity	Closing balance
For the year ended 31 December 2022				
Revaluation surplus	238,882	-	-	238,882
Total	238,882	-	-	238,882
<i>In thousands of naira</i>	Opening balance	Recognised in profit or loss	Recognised in equity	Closing balance
For the year ended 31 December 2023				
Revaluation surplus	238,882	-	-	238,882
Total	238,882	-	-	238,882

(b) Unrecognised deferred tax assets

- i. Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

<i>In thousands of naira</i>	Group				Company			
	31-Dec-2023		31-Dec-2022		31-Dec-2023		31-Dec-2022	
	Gross amount	Tax effect	Gross amount	Tax effect	Gross amount	Tax effect	Gross amount	Tax effect
Unrelieved tax losses	649,979	194,994	1,148,911	344,673	673,807	202,142	159,114	47,734
Balance, end of year	649,979	194,994	1,148,911	344,673	673,807	202,142	159,114	47,734

31 Capital and Reserves

<i>In thousands of naira</i>	Group		Company	
	2023	2022	2023	2022
(a) Share capital				
i. Issued and fully paid				
<i>In thousands of shares</i>				
2,204,619,907 issued and allotted ordinary shares of N50k each (2022: 2,204,619,907)	1,102,310	1,102,310	1,102,310	1,102,310
Issued but not allotted (Claims review shares) (see © below)				
22,060,347 ordinary shares of N50k each	-	-	-	-

Of the total issued and paid up share capital, 222,480,337 ordinary shares of 50kobo each, is warehoused with Stanbic IBTC Trustees Limited for claim review shares and long term incentive plan, which is yet to be effective.

(b) Retained earnings:

Retained earnings represent undistributed profits, net of statutory appropriations attributable to the ordinary shareholders.

(c) Claims review shares reserve:

The Reserve warehouses the balance of the Claim Review Shares of Nigerian Exchange Group Plc, which were set aside upon demutualization of The Nigerian Stock Exchange pursuant to the Scheme of Arrangement dated 20 January 2020, for allotment to parties who are adjudged as being entitled to shares in the demutualized Exchange, pursuant to the provisions of the Demutualization Act 2018.

The Claims Review Shares had comprised 2% of the Issued Shares of Nigerian Exchange Group Plc as at demutualization being 40,083,999 (Forty Million, Eighty-Three Thousand, Nine Hundred and Ninety-Nine) shares of 50 kobo each. A total of 18,023,652 ordinary shares of 50 kobo each, has been allotted to parties who successfully proved their rights to the demutualisation shares of the Company. The balance of the Claims Review Shares being 22,060,347 (Twenty-Two Million, Sixty Thousand, Three Hundred and Forty-Seven) ordinary shares of 50 kobo each are the subject matter of the Reserve.



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(d) Other reserves

Other reserves represent fair value gain recognised on investment at FVOCI, Equity accounted investee- share of OCI on investment at FVOCI and actuarial gains/loss on defined benefit obligations.

<i>In thousands of naira</i>	Group				Company			
	Fair value reserve	Actuarial valuation reserve	Claims review shares reserve	Total	Fair value reserve	Actuarial valuation reserve	Claims review shares reserve	Total
Balance at 1 January 2023	3,950,435	32,408	(9,012)	3,973,831	-	(52,018)	(9,012)	(61,030)
Fair value changes in investment securities (See note 19b(iii))	(2,021,277)	-	-	(2,021,277)	-	-	-	-
Share of OCI in Equity accounted Investee- CSCS (See note 20(ii))	(55,451)	-	-	(55,451)	-	-	-	-
Share of OCI in Equity accounted Investee- CSCS (See note 20(ii))	-	-	-	-	-	-	-	-
Movement in Actuarial gain/(loss)	-	33,125	-	33,125	-	11,515	-	11,515
Transaction with equity holders	-	-	-	-	-	-	-	-
Balance at 31 December 2023	1,873,706	65,533	(9,012)	1,930,228	-	(40,503)	(9,012)	(49,515)

<i>In thousands of naira</i>	Group				Company			
	Fair value reserve	Actuarial valuation reserve	Claims review shares reserve	Total	Fair value reserve	Actuarial valuation reserve	Claims review shares reserve	Total
Balance at 1 January 2022	1,997,192	(8,842)	(9,012)	1,979,338	-	(38,801)	(9,012)	(47,813)
Fair value changes in investment securities (See note 19 b (iii))	2,021,278	-	-	2,021,278	-	-	-	-
Share of OCI in Equity accounted Investee - CSCS (See note 20(ii))	(68,035)	41,250	-	(26,785)	-	-	-	-
Share of OCI in Equity accounted Investee- CSCS (See note 20(ii))	-	-	-	-	-	-	-	-
Movement in Actuarial gain	-	-	-	-	-	(13,217)	-	(13,217)
Transaction with equity holders	-	-	-	-	-	-	-	-
Balance at 31 December 2022	3,950,434	(8,842)	(9,012)	3,973,831	-	(52,018)	(9,012)	(61,030)

(e) Non-controlling interest: This is the component of shareholders equity as reported on the consolidated statement of financial position which represents the ownership interest of shareholders other than the parent of the subsidiary. The Group does not have any subsidiary that has material non-controlling interest.

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

32 Contingent liabilities and commitments

(a) Legal proceedings

The Company, in its ordinary course of business, is presently involved in 95 cases (2022: 80 cases). As at 31 December 2023, estimated contingent liabilities stood at N13,633,709,218 (2022: N13,633,709,218). Based on legal advice, management expects some of the outcome of the litigations to have minimal effect on the Group's financial position, hence a provision of N405,744,000 (2022: N405,744,000) for claims and litigations have been recognised in the financial statements. See note 29.

(b) Capital commitments

The Group had no capital commitments in respect of authorized and contracted capital projects as at 31 December 2023 (2022: Nil).

33 Related parties

Parties are considered to be related if one party has the ability to control the other party or exercise influence over the other party in making financial and operational decisions, or one other party controls both. From the Company's perspective, this definition includes key management personnel and associates. As at the reporting date, the Company had a number of transactions with related parties in the normal course of business. These include rent paid to NGX Real Estate Limited on the property occupied by the Company and payment of other expenses on behalf of the subsidiaries.

A summary of related party transactions during the year is shown below:

(a) (i) Intercompany receivables

<i>In thousands of naira</i>	Note	2023	2022
NSE Consult Limited	17	71,298	71,298
NGX Real Estate Limited	17	508,383	571,578
NSE Nominees Limited	17	(774)	-
NGX Regulation Limited	17	261,330	283,133
		840,237	926,009

(ii) Intercompany payables

<i>In thousands of naira</i>		2023	2022
NSE Consult	24	13,347	219,233
		13,347	219,233

(b) Intercompany expenses

<i>In thousands of naira</i>	Note	2023	2022
Rent and service charge paid to NGX Real Estate Limited		191,128	191,128
		191,128	191,128

(c) Transactions with associate companies

<i>In thousands of naira</i>	Note	2023	2022
Investment in CSCS	20	17,628,194	17,628,194
Dividend received from CSCS	20	2,974,703	1,471,262
Investment in NG Clearing	20	1,736,687	1,736,687



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

(e) Balance on the ECL impairment losses on the related party receivables are shown below:

Subsidiaries	2023			2022		
	ECL Impairment on Receivable	Impairment on investment	Total	Impairment on Receivable	Impairment on investment	Total
<i>In thousands of naira</i>						
NSE Consult Limited (see note 17 (a)(ii))	-	1,000	1,000	-	1,000	1,000
NGX Real Estate Limited (see note 17 (a)(ii))	327,806	-	327,806	327,806	-	327,806
Coral Properties Limited (see note 17 (a)(ii))	-	72,000	72,000	-	72,000	72,000
NG Clearing Limited (see note 17 (b) above)	-	-	-	-	-	-
NSE Nominees Limited (see note 17 (a)(ii))	-	500	500	-	500	500
	327,806	73,500	401,306	327,806	73,500	401,306

34 Group entities

Significant subsidiaries	Country of incorporation	Nature of business	Ownership Interest	Non Controlling Interest
NGX Real Estate Limited	Nigeria	Property letting and investment	99.9%	0.1%
Limited	Nigeria	Real estate development	99.9%	0.1%
NSE Consult Limited	Nigeria	Financial advisers & consultants	99.8%	0.1%
NSE Nominees Limited	Nigeria	Acts as a nominee	83.3%	16.7%
Nigerian Exchange	Nigeria	Capital Market Infrastructure services	99.9%	0.1%
NGX Regulation	Nigeria	Regulatory services	99.9%	0.1%

35 Cash flow workings

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
(i) Changes in intercompany receivables				
Opening balance	-	-	926,009	909,120
Impairment (charges)/reversal	-	-	-	66,989
Closing balance	-	-	(840,237)	(926,009)
Adjustment for non cash item:				
Reclassification from intercompany receivables	-	-	-	19,900
Change during the year	-	-	85,772	70,000
(ii) Changes in trade and other receivables				
Opening balance	1,064,696	1,658,323	704,470	1,123,164
Impairment charges	-	110,150	-	7,000
Closing balance	(756,179)	(1,064,696)	(402,184)	(704,470)
Change during the year	308,517	703,778	302,286	425,695
(iii) Changes in prepayments				
Opening balance	592,461	474,258	144,139	281,503
Closing balance	(320,931)	(592,461)	(7,805)	(144,139)
Change during the year	271,530	(131,884)	136,334	123,683
(iv) Changes in other liabilities and provisions				
Opening balance	5,692,540	2,904,392	1,582,837	2,737,762
Movement in right of use asset and lease liabilities	1	77,584	-	(87,862)
Closing balance	(5,133,618)	(5,692,540)	(2,896,341)	(1,582,837)
Change during the year	558,923	(2,710,564)	(1,313,504)	1,067,063

NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2023

<i>In thousands of naira</i>	Group 2023	Group 2022	Company 2023	Company 2022
(v) Interest received				
Interest income	2,140,779	2,030,704	1,760,627	1,876,948
Interest received on prior period highly liquid investment	18,225	16,961	18,225	16,961
Interest receivable on placements	(116,304)	(18,225)	(116,304)	(18,225)
Interest receivable on bonds	(374,739)	(111,092)	(374,739)	(111,092)
	1,667,961	1,918,348	1,287,809	1,764,592
(vi) Dividend received				
Dividend income	(2,974,703)	1,471,262	(2,973,823)	1,471,262
	(2,974,703)	1,471,262	(2,973,823)	1,471,262
(vii) Purchase of investments				
Opening balance of investments	16,951,682	14,360,003	11,647,127	12,320,465
Fair value changes	(2,021,277)	2,021,278	-	-
Interest income	2,140,779	2,030,704	1,760,627	1,876,948
Interest received	(1,667,961)	(1,918,348)	(1,287,809)	(1,764,592)
ECL impairment on treasury bills and bonds	(389,072)	68	334,470	-
Closing balance of total investments	(16,781,463)	(16,951,682)	(13,145,103)	(11,647,127)
Change during the year	(1,767,313)	(457,977)	(690,688)	785,694
(viii) Proceeds from the sale of property and equipment				
Gain on disposal of property and equipment	1,809	18,668	583	-
Accumulated depreciation eliminated on disposal	(98,323)	220,253	(31,447)	-
Proceeds from the sale of property and equipment	(100,132)	(176,765)	(30,864)	-
(ix) Additional investment in associates				
Opening balance	29,711,182	14,750,630	19,364,881	5,083,910
Closing balance	(31,592,415)	(29,711,182)	(19,364,881)	(19,364,881)
	(1,881,233)	(14,960,552)	-	(14,280,971)
Adjustment:				
Share of profit of associate	4,855,936	2,150,844	-	-
Dividend received	(2,973,823)	(1,471,262)	-	-
Share of OCI from Equity-accounted associate	(55,451)	(68,035)	-	-
Additional investment in associate	(54,572)	(14,349,005)	-	(14,280,971)
(x) Net foreign exchange differences				
Exchange gain	2,483,831	13,538	1,117,850	-
Exchange loss	-	(746)	-	(719)
Net foreign exchange differences	2,483,831	12,792	1,117,850	(719)
(ix) Term loan				
Inflow	13,350,000	25,000,000	13,350,000	25,000,000
Interest accrued	2,340,389	2,100,468	2,340,389	2,100,468
Capital repayment	(13,350,000)	(11,650,000)	(13,350,000)	(11,650,000)
Change during the year	2,340,389	15,450,468	2,340,389	15,450,468
(xii) Additions to investment property				
Opening balance	-	-	2,856,928	3,738,111
Closing balance	-	-	(2,856,928)	(2,856,928)
Disposal of investment in subsidiary	-	-	-	881,183



NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2023

36 Earnings per share

Basic earnings per share

Basic earnings per share (EPS) is calculated by dividing the net profit attributable to shareholders by the weighted average number of ordinary shares in issue during the year. Where a stock split or bonus share issue has occurred, the number of shares in issue in the prior year is adjusted to achieve comparability.

Profit/ (loss) attributable to the shareholders of NGX Group\ (N'000)	5,349,009	591,509	725,760	(259,737)
Number of shares in issue at end of the year (in thousands of shares)	2,204,619	2,204,619		
Weighted average number of ordinary shares in issue (in thousands of shares)	2,204,619	2,204,619		
Basic and diluted earnings per share (Naira)	2.43	0.27		

Basic and diluted earnings per share are the same, as NGX Group has no potentially dilutive ordinary shares

37 Events after the reporting date

There were no other events after reporting date requiring adjustment of, or disclosure in, these consolidated and separate financial statements.

38 Non Audit fees

The NGX Group engaged the services of Ernst & Young as Board evaluation consultant to evaluate the performance of individual directors, Committees and Board, while also carrying out a corporate review exercise for the year ended 31 December 2023, at a fee of N4,500,000 (2022 N4,837,500). There was also an attestation of the Internal control over financial reporting at a fee of N5,000,000. The engagement of Ernst & Young for these non-audit services do not constitute a conflict of interest and do not pose a threat to their independence as Group and Company auditor.

OTHER NATIONAL DISCLOSURES

VALUE ADDED STATEMENT

FOR THE YEAR ENDED 31 DECEMBER 2023

<i>In thousands of naira</i>	Group 2023	%	Group 2022	%
Gross earnings	16,659,838		9,650,447	
Bought in materials and services - local	(3,276,961)		(2,508,190)	
Impairment	(419,187)		(3,549)	
Value added	12,963,689	100	7,138,708	100
DISTRIBUTION				
EMPLOYEES AND DIRECTORS				
Personnel expenses	4,940,116	38	3,664,500	51
GOVERNMENT				
Income tax expense	37,967	0	124,607	2
PROVIDERS OF CAPITAL				
Interest expense	2,340,389	18	2,100,468	29
RETAINED IN THE BUSINESS				
For depreciation and amortization	394,224	3	550,652	8
To augment reserves	5,250,993	41	698,482	10
	12,963,689	100	7,138,708	100
<i>In thousands of naira</i>	Company 2023	%	Company 2022	%
Gross earnings	6,425,296		3,568,138	
Bought in materials and services - local	(944,636)		(944,848)	
Impairment	(334,466)		82,139	
	5,146,194	100	2,705,429	100
DISTRIBUTION				
EMPLOYEES AND DIRECTORS				
Personnel expenses	2,007,641	39	798,847	30
GOVERNMENT				
Tax expense	17,257	0	10,484	-
PROVIDERS OF CAPITAL				
Interest expense	2,340,389	45	2,100,468	78
RETAINED IN THE BUSINESS				
For Depreciation and Amortization	55,147	1	55,367	2
To augment reserves	725,760	14	(259,737)	(10)
	5,146,194	100	2,705,429	100

Value added represents the additional wealth which the Company has been able to create by its own and employees efforts. This statement shows the allocation of that wealth among the employees, shareholders, government and that retained for the future creation of more wealth.



OTHER NATIONAL DISCLOSURES
FIVE YEAR FINANCIAL SUMMARY (GROUP)
FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF FINANCIAL POSITION

<i>In thousands of naira</i>	Group 31 Dec 2023	Group 31 Dec 2022	Group 31 Dec 2021	Group 31 Dec 2020	Group 31 Dec 2019
ASSETS					
Cash and cash equivalents	6,577,579	4,749,694	2,248,237	6,988,063	4,416,040
Trade and other receivables	756,179	1,064,696	1,658,323	862,045	229,550
Prepayments	320,931	592,461	460,577	152,032	301,827
Investment securities	433,020	621,570	3,986,512	2,768,959	7,133,863
Total current assets	8,087,709	7,028,421	8,353,649	10,771,099	12,081,280
Investment securities	16,348,443	16,330,112	10,373,491	7,414,186	4,761,505
Right-of-use asset	73,419	75,501	-	-	-
Investment in associates	31,592,415	29,711,182	14,750,630	12,425,595	10,689,986
Property and equipment	3,640,742	3,827,404	4,209,295	4,253,760	4,391,352
Intangible assets	98,603	90,444	181,875	241,932	257,155
Total non-current assets	51,753,622	50,034,822	29,515,290	24,335,473	20,099,998
Total assets	59,841,330	57,063,243	37,868,940	35,106,573	32,181,278
LIABILITIES					
Other liabilities	3,922,446	5,039,123	2,498,648	2,411,964	2,661,043
Deferred Income	805,428	247,673	-	-	-
Term loan	14,301,024	14,078,952	-	-	-
Income tax payable	659,500	93,854	224,725	89,095	46,286
Lease liabilities	27,060	26,021	222,623	133,780	-
Total current liabilities	19,715,458	19,485,623	2,945,996	2,673,323	2,707,329
Retirement benefit obligations	133,898	125,666	163,964	544,582	477,034
Provisions	405,744	405,744	405,744	373,543	357,276
Deferred tax liabilities	122,667	238,882	238,882	238,882	213,761
Total non current liabilities	662,309	770,292	808,590	1,157,006	1,048,071
Total liabilities	20,377,767	20,255,915	3,754,586	3,830,330	3,755,400
EQUITY					
Share capital	1,102,310	1,102,310	982,058	-	-
Other reserves	1,930,228	3,973,831	1,988,351	1,389,394	-
Retained earnings	36,431,025	31,731,187	31,143,945	29,886,849	28,425,878
Total equity	39,463,563	36,807,328	34,114,354	31,276,243	28,425,878
Total liabilities and equity	59,841,330	57,063,243	37,868,940	35,106,573	32,181,278

OTHER NATIONAL DISCLOSURES
FIVE YEAR FINANCIAL SUMMARY (GROUP)
FOR THE YEAR ENDED 31 DECEMBER 2023

INCOME STATEMENT

<i>In thousands of naira</i>	Group 31 Dec 2023	Group 31 Dec 2022	Group 31 Dec 2021	Group 31 Dec 2020	Group 31 Dec 2019
Revenue	8,299,898	6,170,366	5,777,055	5,027,740	4,954,435
Other income	3,504,004	1,329,237	1,021,704	991,494	2,828,923
Operating expenses	(3,276,961)	(2,508,190)	(2,712,829)	(2,223,441)	(2,778,345)
Personnel Expenses	(4,940,116)	(3,664,500)	(3,239,711)	(3,240,384)	(3,694,465)
Interest expense on borrowings	(2,340,389)	(2,100,468)	-	-	-
Net operating expenses	(11,370,878)	(4,847,001)	(5,001,125)	(4,532,740)	(3,707,877)
Operating (loss)/profit	433,025	(1,434,728)	281,841	(93,956)	768,225
Share of profit of equity accounted investees					
(net of income tax)	4,855,936	2,150,844	2,119,361	2,003,217	1,531,589
Profit before income tax expense	5,288,960	716,116	2,394,221	1,909,261	2,299,814
Income tax expense	(37,967)	(124,607)	(146,055)	(70,266)	(41,766)
Profit for the year	5,250,993	591,509	2,248,166	1,838,995	2,258,048

*The comparative information is restated on account of correction of prior year amount. See Note 36



OTHER NATIONAL DISCLOSURES
FIVE YEAR FINANCIAL SUMMARY (COMPANY)
FOR THE YEAR ENDED 31 DECEMBER 2023

STATEMENT OF FINANCIAL POSITION

In thousands of naira	Company 31 Dec 2023	Company 31 Dec 2022	Company 31 Dec 2021	Company 31 Dec 2020	Company 31 Dec 2019
ASSETS					
Cash and cash equivalents	2,314,139	1,560,373	1,097,730	5,562,994	4,307,178
Trade and other receivables	402,184	704,470	1,123,164	847,600	200,383
Intercompany receivables	840,237	926,009	909,120	728,434	868,671
Prepayments	7,805	95,745	267,822	149,495	301,802
Investment securities	433,020	648,871	1,946,974	2,768,959	6,943,867
Total current assets	3,997,385	3,935,468	5,344,810	10,057,482	12,621,901
Investment securities	12,712,083	10,931,832	10,373,491	5,938,801	4,305,438
Investment in associates	19,364,881	19,364,881	5,083,910	3,157,340	2,157,340
Investment in subsidiaries	2,856,928	2,856,928	3,738,111	4,015,893	945,950
Property and equipment	153,761	203,929	296,147	397,780	2,255,227
Intangible assets	18,308	24,834	31,362	-	252,520
Total non-current assets	35,105,961	33,448,828	19,523,022	13,509,814	9,916,475
Total assets	39,103,346	37,384,296	24,867,831	23,567,296	22,538,376
Other liabilities	2,493,598	1,176,146	2,335,019	2,370,941	2,722,988
Term loan	14,301,024	14,078,952			
Income tax payable	25,626	16,229	-	-	-
Lease liabilities	-	-	142,422	191,823.00	-
Defined-contribution pension	-	-	-	38,483	-
Total current liabilities	16,820,248	14,738,751	2,477,441	2,601,247	2,722,988
LIABILITIES					
Retirement benefit obligations	28,934	39,561	24,496	544,582	477,034
Provisions	402,743	402,743	402,743	373,543	357,276
Total non current liabilities	431,677	442,304	427,239	918,125	834,310
Total liabilities	17,251,925	15,718,995	2,904,680	3,519,372	3,557,298
EQUITY					
Share capital	1,102,310	1,102,310	982,058	-	-
Other reserves	(49,515)	(61,030)	(29,789)	(48,342)	-
Retained earnings	20,798,626	20,624,021	20,985,986	20,096,266	18,981,079
Total equity	21,851,421	21,665,301	21,938,255	20,047,924	18,981,079
Total liabilities and equity	39,103,346	37,384,296	24,867,831	23,567,296	22,538,376

OTHER NATIONAL DISCLOSURES
FIVE YEAR FINANCIAL SUMMARY (COMPANY)
FOR THE YEAR ENDED 31 DECEMBER 2023

INCOME STATEMENT

<i>In thousands of naira</i>	Company 31 Dec 2023	Company 31 Dec 2022	Company 31 Dec 2021	Company 31 Dec 2020	Company 31 Dec 2019
Revenue	4,734,450	3,348,241	3,734,541	6,167,400	4,863,461
Other income	1,690,846	219,897	385,734	949,074	3,728,576
Impairment writeback/(loss) on assets	(334,466)	82,139	324,791	(34,443)	(82,821)
Interest expense on borrowings	(2,340,389)	(2,100,468)	-	-	-
Operating Expenses	(944,636)	(944,848)	(1,369,338)	(2,166,340)	(2,760,945)
Net operating expenses	(5,682,279)	(1,441,659)	(1,642,153)	(4,492,094)	(2,809,656)
Operating profit/(loss)	743,017	1,906,582	2,092,388	1,675,306	2,053,806
Profit before income tax expense	743,017	(249,253)	1,899,655	1,062,078	1,523,852
Income tax expense	(17,257)	(10,484)	(18,865)	-	-
Profit for the year	725,760	(259,737)	1,880,790	1,062,078	1,523,852



MOMENTS





L – R shows Mr. Julius Owotuga, Deputy Chief Executive Officer, Geregu Power Plc; Mr. Haruna Jalo-Waziri, Managing Director/CEO, Central Securities and Clearing System (CSCS) Plc; Mr. Faruk Umar, Director, Nigerian Exchange Limited (NGX); Mr. Jude Chiemeka, Ag. Chief Executive Officer, NGX; Mr. Akin Akinfemiwa, Chief Executive Officer, Geregu Power Plc; Erelu Angela Adebayo, former Director, NGX; Dr. Olufemi Oyenuka, former Chief Digital Officer, NGX; Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Mr. Femi Otedola, CON, Group Chairman, Geregu Power Plc; Alhaji (Dr.) Umaru Kwairanga, Group Chairman, Nigerian Exchange Group Plc; Mr. Anil Dua, Director, Geregu Power Plc; Mr. Doron Grupper, Geregu Power Plc; Mr. John Lee, Geregu Power Plc; Mr. Paul Gbededo, Geregu Power Plc; Ms. Olawunmi Otedola, Director, Geregu Power Plc and Mr. Chris Adeyemi, Director, Geregu Power Plc, during a Closing Gong ceremony commemorating its first Annual General Meeting as a listed company on NGX in Lagos.



L- R shows Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Mr. Oluwale Adeosun, President, Chartered Institute of Stockbrokers (CIS); Mr. Yomi Adeyemi, former Director, NGX; and Alhaji (Dr) Umaru Kwairanga, Group Chairman, NGX Group during a physical Closing Gong Ceremony to commemorate the return to full physical trading and honour Chartered Institute of Stockbrokers (CIS) for their sustained contribution to the capital market on Tuesday, 02 May 2023 in Lagos



L – R shows Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Mr. Oluwale Adeosun, President, Chartered Institute of Stockbrokers (CIS) and Mr. Henry Olayemi, Past President, CIS during the induction Ceremony of the Group Chief Executive Officer of Nigerian Exchange Group (NGX Group) as a Fellow of the Institute in Lagos.



L – R shows Mr. Garuba Kurif, Council Member, Chartered Institute of Stockbrokers (CIS); Mr. Josiah Akerewusi, Registrar & Chief Executive, CIS; Mrs. Fiona Ahimie, 2nd Vice President, CIS; Mrs. Elizabeth Ebi, Council Member, CIS; Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Mr. Oluwale Adeosun, President, Chartered Institute of Stockbrokers (CIS); Mr. Oluropo Dada, 1st Vice President, CIS; Oluwaseyi Abe, Past President, CIS and Mr. Jude Chiemeka, Ag. CEO, NGX and CIS Council Member during the induction Ceremony of the Group Chief Executive Officer of Nigerian Exchange Group (NGX Group) as a Fellow of the Institute in Lagos.



L – R shows Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Mr. Kamarudeen Oladosun, former Director, NGX; Mr. Sam Onukwue, Chairman, Association of Securities Dealing Houses of Nigerian (ASHON) and Alhaji (Dr.) Umaru Kwairanga, Group Chairman, NGX Group during a Closing Gong Ceremony to commemorate the return to full physical trading and to recognize the remarkable contribution of the Association to a dynamic, responsive and vibrant capital market and the return to physical trading on Monday, 08 May 2023 in Lagos



L – R shows Ms. Ifeyinwa Ejezie, 2nd Vice Chairman, Association of Securities Dealing Houses of Nigerian (ASHON); Mr. Sehinde Adenagbe, 1st Vice Chairman, ASHON; Mr. Kamarudeen Oladosun, former Director, Nigerian Exchange Limited (NGX); Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Mr. Olufemi Shobanjo, Chief Executive Officer, NGX Regulation; Mr. Sam Onukwue, Chairman, ASHON; Alhaji (Dr.) Umaru Kwairanga, Group Chairman, NGX Group; Mrs. Fiona Ahimie, 2nd Vice President, Chartered Institute of Stockbroker (CIS); Mr. Oluwale Adeosun, President, CIS and Mr. Garba Kurfi, Trustee, ASHON, during a Closing Gong Ceremony to recognize the remarkable contribution of the Association to a dynamic, responsive and vibrant capital market and the return to physical trading on Monday, 08 May 2023 in Lagos.



Tumi Onamade, Manager, Participant Engagement and Programmes, United Nations Global Compact; Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Esther Akinnukawe, Chief Human Resources Officer, MTN Nigeria; Mr. Karl Toriola, Chief Executive Officer, MTN Nigeria, and Tosin Akibu, Programme Specialist, Joint EU-UN Women Spotlight Initiative, during MTN Nigeria signing of the United Nations Women's Empowerment Principles (WEP), which is part of MTN's fulfilment of the Nigeria2equal commitment, jointly championed by NGX and IFC at MTN Plaza, Ikoyi on Friday May 26, 2023.



L – R shows Mr. Babatunde Savage, Chairman, International Chamber of Commerce, Nigeria (ICC Nigeria); Mr. Oscar N. Onyema, OON, former Group Chief Executive Officer, Nigerian Exchange Group; Mr. John W.H. Denton, Secretary General, International Chamber of Commerce (ICC); Ms. Tinuade Awe, former Chief Executive Officer, NGX Regulation Limited; and Mr. Jude Chiemeka, Ag. CEO, Nigerian Exchange Limited (NGX) during a courtesy visit to the former GCEO, NGX Group on Thursday, June 1, 2023 in Lagos.



L – R shows John W.H. Denton, Secretary General, International Chamber of Commerce (ICC); Dorothy Udemé Ufot, SAN, Chairman, ICCN Commission on Arbitration and ADR; Tony Elumelu, CFR, Chairman of Heirs Holding and Founder of Elumelu Foundation; Claudia Solomon, President, ICC International Court of Arbitration, Paris; Oscar N. Onyema, OON, former Group Chief Executive Officer, Nigerian Exchange Group; Omolara Akanji, Council Member, ICC Nigeria and Babatunde Savage, Chairman, ICC Nigeria during the 7th ICC Africa Conference on International Arbitration on Thursday, June 1, 2023 at Eko Hotel, Lagos



L – R shows Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Mrs. Omobola Olubusola Johnson, former Minister of Communication Technology; His Excellency Babajide Olusola Sanwo-Olu, Executive Governor of Lagos State; Alhaji (Dr) Umaru Kwairanga, Group Chairman, Nigerian Exchange Group; Adaorie Udechukwu, Senior Gender Solutions Advisor IFC Nigeria and Program Lead, Nigeria2Equal, and Christian Mulamula, Principal Investment Officer, IFC Nigeria during the maiden IFC and NGX Gender Leader Awards recognizing and celebrating private sector companies leading the way in Gender Equality Performance on Thursday, June 15, 2023 at Eko Hotel, Lagos.



L – R shows Mr. Roosevelt Ogbonna, Managing Director/Chief Executive Director, Access Bank; Mrs. Bukky Rufai, Director, Securities and Exchange Commission (SEC); Mrs. Ojinika Nkechinyelu Olaghere, Director, Nigerian Exchange Group; Mr. Oluwole Adeosun, President, Chartered Institute of Stockbrokers (CIS); Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Mr. Aigboje Aig-Imoukhuede, CON, FCS; Mrs. Ofovwé Aigboje Aig-Imoukhuede; Mr. Ohiozoje Aigboje Aig-Imoukhuede; Alhaji (Dr.) Umaru Kwairanga, Group Chairman, Nigerian Exchange Group; Mr. Jude Chiemeka, Ag. CEO, NGX; Mrs. Evenly Oputu, Non-Executive Director, Coronation Merchant Bank; Mr. Ahonsi Unuigbo, Chairman, NGX; Mr. Ernest Ebi, Non-Executive Director, Coronation Group and Mr. Aigbovbioise Aig-Imoukhuede, CEO, Coronation Asset Management during the Closing Gong Ceremony for the Investiture of Mr. Aigboje Aig-Imoukhuede as an Honorary Fellow of the Institute on Wednesday, June 21, 2023 in Lagos.



L – R shows Mrs. Dianora Aria De Marco, International Sustainability Standards Board (ISSB); Mrs. Lebogang Senne, Technical Director, Pan Africa Federation of Accountants (PAFA); Dr. Salisu Dahiru, Director General, National Council on Climate Change; Mrs. Catherine Echeozo, former Chair, NGX Regulation Limited; Dr. Ndidin Nnoli-Edozien, Board Member, International Sustainability Standards Board (ISSB); Dayo Obisan, Executive Commissioner, Securities and Exchange Commission (SEC); Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Amb. Shuaibu Adamu Ahmed, Executive Secretary/CEO - Financing Reporting Council of Nigeria (FRCN); Ms. Tinuade Awe, former Chief Executive Officer, NGX Regulation Limited; Dr. Iheanyi Anyahara, Director, Directorate of Accounting Standards (Public Sector) – Financial Reporting Council, Nigeria; Jane Ohadike, Regional Leader & Head, Public Affairs, Africa, Association of Certified Chartered Accountant of Nigeria; Ms. Sena Dake, President - Institute of Chartered Accountants, Ghana; and Mr. Admire Ndurunduru, Secretary, Public Accountants and Auditors Board (PAAB), Zimbabwe during the Closing Gong Ceremony in Commemorating the ISSB Standards Launch on Monday, June 26, 2023 in Lagos



L – R (Pix B) Shows Mrs. Catherine Echeozo, former Chair, NGX Regulation Limited; Ms. Tinuade Awe, former Chief Executive Officer, NGX Regulation Limited; Amb. Shuaibu Adamu Ahmed, Executive Secretary/CEO - Financing Reporting Council of Nigeria (FRCN); Dr. Ndidi Nnoli-Edozien, Board Member, International Sustainability Standards Board (ISSB); Dayo Obisan, Executive Commissioner, Securities and Exchange Commission (SEC); Mr. Oscar N. Onyema, OON, former Group Chief Executive Officer, NGX Group and Dr. Iheanyi Anyahara, Director, Directorate of Accounting Standards (Public Sector) – Financial Reporting Council of Nigeria (FRCN) during the launch of the first two IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2 Standards).



L – R shows Mr. Oscar N. Onyema, OON, former Group Chief Executive Officer, Nigerian Exchange Group Plc; Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Mr. Ladi Balogun, (Son); Jide Balogun (Son); Bolaji Bolagun, (Son); Gboyega Balogun (Son); Mrs. Gboyega Balogun; Alhaji (Dr.) Umaru Kwarrainga, Group Chairman, NGX Group; Mr. Oluwale Adeosun, President, Chartered Institute of Stockbroker (CIS); Mr. Jude Chiemeka, Ag. CEO, NGX; Mrs. Elizabeth Ebi, Chairman, Futureview Securities and Mr. Olutola Mobolorin, Chairman, Bancorp Securities; during the Closing Gong Ceremony in Honour of Late Otunba Olasubomi Balogun at the Exchange in Lagos.



L – R shows Mr. Tonyi Adenugba, Head, Rule and Adjudications, NGX Regulation Limited; Ms. Irene Robinson-Ayanwale, Divisional Head, Business Support Service and General Counsel, Nigerian Exchange Limited (NGX); Oludare Semore; Ms. Aisha Rimi, Vice Chairman, NBA-SBL; Mr. Jude Chiemeka, Ag. CEO, NGX; Dr. Adeoye Adefulu, Chairman, NBA-SBL; Tinuade Awe, former Chief Executive Officer, NGX Regulation; Mr. Adeleke Alex-Adedipe, Assistant Secretary, NBA-SBL; Mrs. Ayoyinka Olajide-Awosedo, Treasurer & Chair, Conference Planning Committee, NBA-SBL and Ms. Efeomo Olotu, Council Member, NBA-SBL during a Closing Gong Ceremony in commemoration of its 17th Annual Business Law Conference themed "The Nigerian Business Landscape: Priorities for Law, Policy & Regulation at the Exchange on Tuesday, July 4, 2023 in Lagos.



L – R shows Mr. Abimbola Babalola, Head, Market Surveillance, NGX Regulation Limited (NGX RegCo); Ms. Ugochi Eke, Company Secretary, NGX RegCo; Ms. Tinuade Awe, former Chief Executive Officer, NGX RegCo; Dr. Innocent Okwuosa, President, Institute of Chartered Accountants of Nigeria (ICAN); Chief Davidson Chizuoke Stephen Alaribe, Vice President, ICAN; Hajia Queensley Sofuratu Seghosime, 2nd Deputy Vice President, ICAN during an Memorandum of Understanding (MoU) between NGX RegCo and ICAN on Monday, July 10, 2023 in Lagos.



L – R shows Mr. Gbenga Fapothunda, Group Chief Finance Officer, Dangote Cement Plc; Mr. Tony Ibeziako, Ag. Divisional Head, Capital Markets, Nigerian Exchange Limited (NGX); Mr. Edward Imoedemhe, Company Secretary, Dangote Cement Plc; Mr. Rabiu Umar, Group Sales & Marketing Director, Dangote Cement Plc; Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Mr. Arvind Pathak, Group Managing Director, Dangote Cement Plc; Mr. Ernest Ebi, Non-Executive Director, Dangote Cement Plc; Mr. Phillip Mathew, Deputy Group Managing Director, Dangote Cement Plc; Mr. Jude Chiemeka, Ag. CEO, NGX and Ms. Temilade Aduroja, Head, Investor Relations, Dangote Cement Plc during the Closing Gong Ceremony to introduce the GMD to the capital market community at the Exchange on 12-07-2023 in Lagos



L – R show Chim Chalemera, Country Director, Department for Business and Trade (DIT), British High Commission; Sally Woolhouse, Charge d'affaires (Head of Economic Development, Climate and Energy); Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Rt. Hon. James Cleverly, MP, Secretary of State for Foreign, Commonwealth and Development Affairs; Alhaji (Dr.) Umaru Kwairanga, Group Chairman, Nigerian Exchange Group; Richard Montgomery CMG, British High Commissioner to Nigeria; Jude Chiemeka, Ag. CEO, NGX; Morayo Adekunle, Deputy Country Director and Investment Officer Department for Business and Trade (DIT) British High Commission



L – R show Richard Montgomery CMG, British High Commissioner to Nigeria; Alhaji (Dr) Umaru Kwairanga, Group Chairman, Nigerian Exchange Group; Rt. Hon. James Cleverly, MP, Secretary of State for Foreign, Commonwealth and Development Affairs and Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group) during Physical Closing Gong Ceremony in Honour of Rt. Hon. James Cleverly, UK Secretary of State for Foreign, Commonwealth and Development to Exchange in Lagos



L – R shows Ndidi Nnoli-Edozien, Board Member, International Sustainability Standards Board ISSB; Dr. Irene Robison-Ayanwale, Divisional Head, Business Support Services and Legal Counsel, Nigerian Exchange Limited (NGX); Marilyn Obaisa – Osula, Associate Director, ESG/ Sustainability KPMG Nigeria and Ms Tinuade Awe, former Chief Executive Officer, NGX Regulation Limited (NGX RegCo) during the Africa Social Impact Summit (ASIS) 2023 at Eko Hotel in Lagos



L – R shows Iko Bulus, Head Investment Operations, Ministry of Finance Incorporated (MOFI); Sani Yakubu, Executive Director, Investments, MOFI; Ike Chioke, Group Chief Executive Officer, Afrinvest (West Africa); Tinuade Awe, former Chief Executive Officer, NGX Regulation Limited (NGX RegCo); Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Dr. Armstrong Takang, Managing Director/CEO, MOFI; Oluwakemi Babalogbon, Executive Director, Risk, MOFI; Sani Yakubu, Executive Director, Investment, MOFI; Oluwale Adeosun, President, Chartered Institute of Stockbrokers (CIS); Eric Olo, Executive Director, Portfolio, MOFI; Sam Onukwue, Chairman, Association of Securities Dealing Houses of Nigeria (ASHON) and Irene Robinson-Ayanwale, Divisional Head, Business Support Services and General Counsel, NGX; during a Closing Gong Ceremony at the Exchange in Lagos.



L – R shows Sam Onukwue, Chairman, Association of Securities Dealing Houses of Nigeria (ASHON); Oluwale Adeosun, President, Chartered Institute of Stockbrokers (CIS); Tinuade Awe, former Chief Executive Officer, NGX Regulation Limited (NGX RegCo); Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Dr. Armstrong Takang, Managing Director/CEO, MOFI and Oluwakemi Babalogbon, Executive Director, Risk, MOFI during a Closing Gong Ceremony at the Exchange in Lagos.



L – R shows Mr. Pedro Omontuemhen, Partner, PWC; Mrs Nike Akande, CON – Past President, Lagos Chamber of Commerce and Industry, (LCCI); Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Ms. Ify Ejezie, Vice Chairman, Association of Dealing Houses of Nigeria (ASHON); Dr Michael Olawale-Cole, CON, President, LCCI; Mr. Gabriel Idahosa, Deputy President, LCCI; Chief John Odeyemi, MFR, Past President and Chairman of the Board of Trustees, LCCI; Mr. Goodie Ibru, OON, Past President LCCI and former President of Council, The Nigerian Stock Exchange (NSE); and Irene Robinson-Ayanwale, Divisional Head, Business Support Services, during a Closing Gong Ceremony in commemoration of the 135th year anniversary of the Lagos Chamber of Commerce and Industry (LCCI) at NGX.



L – R shows Oscar N. Onyema, OON, former Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Dr. Mrs. Ije Jidenma, FloD, former President, Chartered Institute of Directors Nigerian (IOD); Alhaji Tijjani M. Borodo, FloD, President and Chairman of Council, IOD; Chief (Dr) Olusegun Osunkeye, CON, OFR, FloD and Hon. Mouktar Lugga, MON, Chief of Staff, Zamfara State Government during Investiture Ceremony of the 18th President and Chairman of Council of Iod Nigeria at Eko Hotel, Lagos



The President, Federal Republic of Nigeria, H.E. Bola Ahmed Tinubu, GCFR (Middle), flanked by the Chairman, Nigerian Exchange Group, Alhaji (Dr) Umaru Kwairanga (R); President, U.S. Africa Business Center, Sr. Vice President, U.S. Chamber of Commerce, Mr. Scott Eisner; Group Chief Executive Officer, Nigerian Exchange Group (L), Mr. Temi Popoola during the Closing Bell Ceremony at NASDAQ Headquarters, New York.



L – R shows Mr. Demola Sogunle, Group Chief Executive, Stanbic IBTC Holdings; Sanyade Okoli; Erelu Angela Adebayo, former Director, Nigerian Exchange Limited (NGX); Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Mele Kyari; Group Managing Director, NNPC Plc; Mr. Wale Edu, Hon. Minister of Finance and Coordinating Minister of the Economy, Federal Republic of Nigeria; Charlie Walker, Deputy Chief Executive Officer, London Stock Exchange (LSE); Ms. Patience Oniha, Director-General, Debt Management Office Nigeria (DMO); Mr. Abi Ajayi, Head of Middle East & Africa, Primary Markets at London Stock Exchange (LSE) and Mr. Jude Chiemeka, Ag. CEO, NGX during the opening Bell Ringing Ceremony at London Stock Exchange on 25 September 2023.



L – R shows Umesh Gajria, Global Head of Index-Linked Products, Bloomberg; Emil Framnes, Global Head of Equity Trading and Transition, Norges Bank Investment Management; Jim McCaughan, Asset Manager & Board Director/Principal-Credit Suisse; and Oscar N. Onyema, OON, former Group Chief Executive Officer, Nigerian Exchange Group at a panel session during the 62nd General Assembly and Annual Meeting of the World Federation of Exchanges (WFE), in Bermuda.



L – R shows Mr. Jude Chiemeka, Ag. CEO, NGX; Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Mr. Bolaji Balogun, Chief Investment Officer, Nigeria Infrastructure Debt Fund (NIDF); Phil Southwell, Chairman, NIDF and Anshul Rai, Chief Executive Officer, NIDF during the Listing presentation of Nigeria Infrastructure Debt Fund (NIDF) at NGX on Thursday, October 5, 2023 in Lagos.



L – R shows Mr. Bolaji Balogun, Chief Investment Officer, Nigeria Infrastructure Debt Fund (NIDF); Mr. Temi Popoola, Group Chief Executive Officer, NGX Group; Phil Southwell, NIDF and Anshul Rai, Chief Executive Officer, NIDF during the Listing presentation of Nigeria Infrastructure Debt Fund (NIDF) at NGX on Thursday, October 5, 2023 in Lagos.



Left - Right shows Jude Chiemeka, Ag. Chief Executive Officer, Nigerian Exchange Limited (NGX); Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Alhaji (Dr). Umaru Kwairanga, Group Chairman, NGX Group; Olatunde Busari, SAN; Chairman VFD Group Plc; Nonso Okpala, Group Managing Director/CEO, VFD Group and John Okonkwo, Executive Director, VFD Group during the Facts Behind the Figures presentation at NGX on Friday, October 6, 2023 in Lagos.



Left – Right shows Sam Chidoka, Managing Director/CEO, Kairos Capital; Adeniyi Adenubi, Executive Director, VFD Group; John Okonkwo, Executive Director, VFD Group; Nonso Okpala, Group Managing Director/CEO; Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Olatunde Busari, SAN; Chairman VFD Group; Alhaji (Dr.) Umaru Kwairanga, Group Chairman, NGX Group; Jude Chiemeka, Ag. Chief Executive Officer, NGX; Ojinika Nkechinyelo Olaghere, Director, NGX Group; Folajimi Adeleye, Executive Director, VFD Group; Irene Robinson-Ayanwale, Divisional Head, Business Support Service/General Counsel, NGX; Omolola Bolusire, Non Executive Director, VFD Group during the Facts Behind the Figures presentation at NGX on Friday, October 6, 2023 in Lagos



L – R shows Bolaji Balogun, Chief Executive Officer, Chapel Hill Denham; Natalie Alm, Communications Advisor, USAID INVEST; Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX); Alhaji (Dr.) Umaru Kwairanga, Group Chairman, Nigerian Exchange Group; Cameron Khosrowshashi, Senior Investment Advisor, Prosper Africa; Nora Brown, Chief of Party, USAID INVEST; Phil Southwell, Partner, Chapel Hill Denham and Jude Chiemeka, Chief Executive Officer, NGX during a US Investor Delegation to Nigeria Closing Gong Ceremony on Wednesday 11 October 2023 at NGX in Lagos.



L – R shows Mrs. Catherine Echeozo, former Chairperson, NGX Regulation Limited; Mrs. Ojinika Nkechinyelo Olaghere, Director, Nigerian Exchange Group; Mr. Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Erelu Angela Adebayo, former Chairperson, NGX Real Estate; Late Bamofin Abimbola Ogunbajo, former Group Chairman, NGX Group; Alahji Aliko Dangote, GCON, former President, Nigerian Stock Exchange (NSE); Dr. Oba Otundeko, CFR, former President, NSE; Alhaji (Dr.) Umaru Kwairanga, Group Chairman, Nigerian Exchange Group; Senator Tokunbo Ogunbanjo and Mr. Oscar N. Onyema, OON, former GCEO, NGX Group during a condolence visit by Nigerian Exchange Group to Ogunbajo's family in Lagos.



L - R shows Ag. Chief Executive Officer, Nigerian Exchange Limited (NGX), Mr. Jude Chiemeka; National House of Representative, Hon. Alhaji Muktar; Group Chief Executive Officer, NGX Group, Mr. Temi Popoola; Director General, Securities and Exchange Commission (SEC), Mr. Lamido Yuguda; Chairman, House Committee on Capital Market, Mr. Solomon Bob and Group Managing Director, Afrinvest, Mr. Ike Chioke during the 3rd West Africa Capital Market Conference at Eko Hotel in Lagos.



L- R shows Ibrahim D. Boyi, Executive Commissioner Corporate Services, Securities and Exchange Commission (SEC); Lamido Yuguda, Director General, SEC; Hon Ibrahim Babagida, former Chairman, House Committee on Capital Market and Oscar N. Onyema, OON, former Group Chief Executive Officer, Nigerian Exchange Group during Oscar recognition by the West African Securities Regulators Association (WASRA) for his contribution and support in shaping the integration of capital markets in the region yesterday 26 October 2023 at Eko Hotel in Lagos.



L – R show Ex-Officio, Association of Dealing Houses of Nigeria (ASHON), Chief. Patrick Ezeagu; Executive Secretary, ASHON, Attan; Group Chief Executive Officer, Nigerian Exchange Group, Mr. Oscar N. Onyema, OON; former Group Chairman, NGX Group, Alhaji (Dr.) Umaru Kwairanga; Chairman, ASHON, Mr. Sam Onukwue; Second Vice Chairman, Ms. Ify Rita Ejezie and Treasurer, ASHON, Oluwadare Adejumo during a partnership meeting between the leadership of NGX Group and ASHON on the Capital Market Development at NGX in Lagos.



L – R shows Oluwatoyin Adenugba, Head, Rules and Adjudication, NGX Regulation; Jude Chiemeka, Ag. Chief Executive Officer, Nigerian Exchange Limited (NGX); Temi Popoola, Group Chief Executive Officer, NGX Group; Samir Udani, Chairman, Mecure Industries Plc; Felix Anaje, Executive Director, Sales and Marketing, Mecure Industries Plc; Dukor Anderline - Co-CEO, Mecure Industries Plc; Ifedamola Oluwasegun – Chief Finance Officer, Mecure Industries Plc; Tony Ibeziako, Ag. Divisional Head, Capital Markets, NGX; Ayo Owoigbe, Director, Mecure Industries Plc; Femi Ademola, Cordros Securities; Benson Ogundej, Executive Director, Greenwich Capital during the Listing by Introduction of Mecure Industries Plc on the Growth Board of NGX in Lagos.



L – R shows Temi Popoola, Group Chief Executive Officer, Nigerian Exchange Group (NGX Group); Mr. Oluwale Adeosun, President, Chartered Institute of Stockbrokers (CIS); His Excellency, Dapo Abiodun, Executive Governor, Ogun State, and Bolaji Balogun, Chief Executive Officer, Chapel Hill Denham Group during 2023 CIS Conference at Abeokuta, Ogun State



L – R shows Emezino Daniel Afiegbe, Zino Lead Business Development and Relationship Management in Africa for Women's World Banking; Tinuade Awe, former Chief Executive Officer, NGX Regulation Limited (NGX RegCo); Ojinika Nkechinyelu Olaghere, Director, NGX Group; Elizabeth Ebi, Group Managing Director/CEO, Futureview Financial Services Ltd and Martha Ibrahim, Team Lead, Regulatory Development and Approvals, NGX RegCo during Investor Education Program themed "EquipHER: Financial Literacy and Inclusion for Women's Economic Growth in Lagos.



The picture feature, Temi Popoola, Group Chief Executive Officer, NGX Group; Dr. Goodie Ibru, Former President, The Nigerian Stock Exchange (NSE); Alhaji (Dr.) Umaru Kwairanga, Group Chairman, NGX Group; Oscar N. Onyema, OON former Group Chief Executive Officer, (NGX Group) and late Bamofin Abimbola Ogunbanjo, former Group Chairman, Nigerian Exchange Group (NGX Group), with his family; during the Closing Gong Ceremony in honour of the foremost Nigerian corporate lawyer, industrialist, and Honorary Fellow of the Institute, Late Chief Christopher Oladipo Ogunbanjo, CON, HFCS at NGX in Lagos.



L- R shows Managing Director/CEO, Central Securities Clearing System (CSCS) Plc, Haruna Jalo-Waziri; Chief Executive Officer, VFD Group Plc, Nonso Okpala; Group Chief Executive Officer, Nigerian Exchange Group (NGX Group), Temi Popoola; Ag. Chief Executive Officer, NGX, Jude Chiemeka; Chief Executive Officer, CardinalStone Securities Limited, Elile Olutimayin; Debt Management Office (DMO), Nigeria, Chima Edomobi, Chief Finance Officer, MTN Nigeria, Modupe Kadri; Managing Director, Pilot Securities Limited, Oluseyi Osunkeye; and Group Managing Director, Cordros Capital Limited, Wale Agbeyangi during the 2023 NGX Made of Africa Awards at the Exchange in Lagos.



L – R shows Divisional Head, Business Support Services, Nigerian Exchange Limited (NGX), Dr. Irene Robinson-Ayanwale; Group Chief Executive Officer, NGX Group, Temi Popoola; Nichole Yembra; CEO RMD Productions, Mr Richard Mofe Damijo (RMD); Tega Mofe-Damijo; Ag. Chief Executive Officer, NGX, Mr. Jude Chiemeka; Executive Director, CSCS Plc, Mr. Adeyinka Shonekan and Head, Market Surveillance and Investigation, NGX Regulation Limited, Mr. Abimbola Babalola during the Closing Gong Ceremony to commemorate the final trading day of 2023 at the Exchange in Lagos



GROUP EXECUTIVE COMMITTEE



OSCAR N. ONYEMA OON
(FORMER) GMD/CEO, NGX GROUP



TEMI POPOOLA
GMD/CEO, NGX GROUP



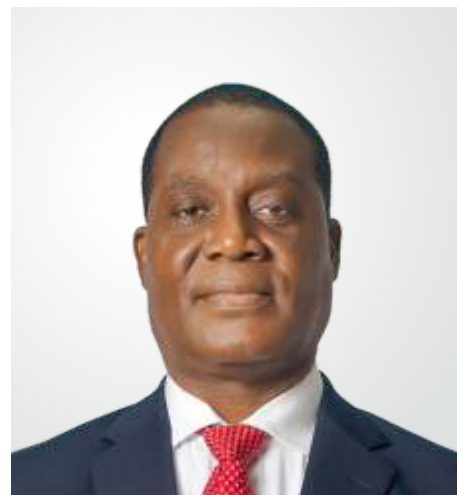
JUDE CHIEMEKA
ACTING CEO, NGX



TINUADE AWE
(FORMER) CEO, NGX REGCO



OLUFEMI SHOBANJO
CEO, NGX REGCO



GABRIEL IGBEKA
ACTING CEO, NGX RELCO



MANAGEMENT TEAM



OSCAR N. ONYEMA OON
(FORMER) GMD/CEO, NGX GROUP



TEMI POPOOLA
GMD/CEO, NGX GROUP



CYRIL-EIGBO
GROUP CHIEF FINANCIAL OFFICER



BERNARD AHANAONU
GROUP INTERNAL AUDITOR



TONY IDUGBOE
GROUP CHIEF INVESTMENT OFFICER



KOLADE ADEBAYO
GROUP COMPLIANCE MANAGER



PROXY FORM

FOR THE 63RD ANNUAL GENERAL MEETING

The Sixty-Third Annual General Meeting of Nigerian Exchange Group Plc (NGX Group) will hold at the Event Centre, 20th Floor, Nigerian Exchange Group House, 2-4 Customs Street, Lagos, on Monday, 29 April 2024 at 11:00 a.m.

Name of Shareholder:

Address:

hereby appoint
 as my proxy to act and vote on my behalf at the Annual General Meeting of Nigerian Exchange Group Plc. scheduled for Monday, 29 April 2024 at 11:00 a.m.

Dated this 28 day of March 2024

Affix
Passport
of Proxy

.....
Member's Signature/Seal

.....
Member's Name

S/N	AGENDA	FOR	AGAINST	ABSTAIN
i)	ORDINARY BUSINESS			
	1. To receive the Company's Audited Financial Statements for the year ended December 31, 2023, and the Reports of the Directors, Auditor, Board Evaluation Consultants and Audit Committee thereon.			
	2. To declare a final Dividend.			
	3. To ratify the appointment of Mr. Temi Popoola who was appointed as the Group Managing Director/Chief Executive Officer by the Board after the last Annual General Meeting.			
	4. To re-elect the following Non-Executive directors that are retiring by rotation; a. Mr. Sehinde Adenagbe; b. Mr. Ademola Babarinde; and c. Mr. Mohammed Garuba.			
	5. To authorize the Board to fix the remuneration of the external auditors.			
	6. To disclose the remuneration of Managers of Nigerian Exchange Group Plc.			
	7. To elect/re-elect members of the Statutory Audit Committee.			

PROXY FORM

FOR THE 63RD ANNUAL GENERAL MEETING

S/N	AGENDA	FOR	AGAINST	ABSTAIN
(ii)	SPECIAL BUSINESSES 8. To consider and, if thought fit, pass the following resolution as ordinary resolution: “That the Directors Annual fees for the financial year ending December 31, 2024, and for succeeding years until reviewed by the Annual General Meeting be and are hereby fixed at N12,000,000 for Chairman, and N7,500,000 for each other Non Executive Director respectively. Such fees to be payable quarterly in arrears or at such other intervals as approved by the Board.”			
	9. To consider and if thought fit, pass with or without modifications, the following sub joined resolutions as an ordinary resolution: i. That subject to obtaining the approval of the relevant regulatory authorities, the Directors of the Company be and are hereby authorised to raise capital of up to ₦10,000,000,000 (Ten billion naira) by way of Rights Issue, through the issuance of ordinary shares, on such terms and conditions and at such time, as the Directors may deem fit or determine. ii. That the Company be and is hereby authorised to increase its share capital from ₦1,102,309,954 to ₦1,347,309,954 (or to otherwise increase its share capital to an amount sufficient to accommodate the Rights Issue). iii. The Directors be and are hereby authorized to appoint such professional parties and perform all such acts as may be necessary to give effect to the above resolutions, including without limitation, complying with directives of any regulatory authority.			
	10. To consider and if thought fit, pass the following as a special resolution: That Clause 6 of the Company's Memorandum of Association be amended to reflect the new share capital of ₦1,347,309,954 by the increase and addition of 490,000,000 ordinary shares of ₦0.50 each ranking pari passu with the Company's existing ordinary shares bringing the Company's total share capital to ₦1,347,309,954 made up of 2,694,619,907 issued ordinary shares of ₦0.50 each.			



PROXY FORM

FOR THE 63RD ANNUAL GENERAL MEETING

NOTE:

1. PROXY

- a) A shareholder entitled to attend and vote at the Annual-General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself. A proxy need not be a shareholder.
- b) A blank proxy form is attached to the Notice and may also be downloaded from Nigerian Exchange Group Plc (NGX Group)'s website at www.ngxgroup.com
- c) All instruments of proxy should be duly stamped at the Stamp Duties Office and deposited at either the registered office of NGX Group's Registrars, DataMax Registrars, (2C Gbagada - Oworonshoki Expressway, Gbagada, Lagos) or via email to datamax@datamaxregistrars.com or contactcenter@ngxgroup.com at least 48 hours before the time of holding the meeting.
- d) **PAYMENT OF DIVIDEND**
If the proposed Dividend of N0.75 Kobo per every N0.50 Kobo ordinary share is approved, it will be payable on Monday, 29 April 2024 to shareholders whose names appear in the Register of Members at the close of business on Tuesday, 26 March, 2024. Shareholders who have completed the e-dividend mandate forms will receive direct credit of the dividend into their bank accounts on the payment date.
- e) **CLOSURE OF REGISTER AND TRANSFER BOOKS**
Notice is hereby given that the Register of Members and Transfer Books of the Company will be closed from Wednesday the 27th day of March 2024 to Thursday the 28th day of March 2024 both days inclusive for the purpose of preparing an up-to date Register of Members.

2. LIVE STREAMING OF AGM

The AGM will be streamed live to enable shareholders and other stakeholders who are unable to physically attend to follow the proceedings online. The link for live streaming will be made available on NGX Group's website at www.ngxgroup.com

3. STATUTORY AUDIT COMMITTEE

The Audit Committee consists of three (3) Shareholder representatives and two (2) Directors. In accordance with Section 404 of the Companies and Allied Matters Act, 2020, any shareholder may nominate a shareholder for election as a member of the Audit Committee by giving notice in writing of such nomination to the Company Secretary at least 21 days before the Annual General Meeting. Further, CAMA provides that all members of the Audit Committee shall be financially literate, and at least one member shall be a member of a professional accounting body in Nigeria established by an Act of the National Assembly. Consequently, a detailed resume and copies of qualification certificates should be submitted with each nomination.

4. BIOGRAPHICAL DETAILS OF DIRECTORS FOR RE-ELECTION

Biographical details of Directors submitted for re-election are contained in the Annual Report.

5. QUESTIONS FROM SHAREHOLDERS

Shareholders reserve the right to ask questions not only at the meeting but also in writing prior to the meeting on any item contained in the Annual Report and Accounts or on any matter. Please send questions, comments or observations to Investors Relations by e-mail to IR@ngxgroup.com not later than 19 April 2024. Questions and answers will be presented at the Annual General Meeting.

Dated this 28th day of March 2024

By Order of the Board

Izuchukwu Akpa
Ag. Company Secretary
NGX Group House
2-4, Customs Street
Lagos, Nigeria

ADMISSION CARD

The 63rd (Sixty-Third) Annual General Meeting of Nigerian Exchange Group Plc will hold at the Event Centre, 20th Floor, Nigerian Exchange Group House, 2-4 Customs Street, Lagos on **Monday, 29 April 2024 at 11:00 a.m.**

NAME OF SHAREHOLDER:

ADDRESS:

GRI INDEX

This index relates to our 2023 sustainability report and provides a guide on where information can be found aligned to GRI Standards reporting requirements

GRI Standard Number	GRI Standard Title	Disclosure Number	Disclosure Title Individual disclosure items ('a', 'b', 'c', etc.) are not listed here	Section Topic	Page
GRI 102	General Disclosures	102-14	Statement from Senior Decision-Maker	Group MD/CEO's Letter to Stakeholders	See Page 10
GRI 102	General Disclosures	102-15	Key Impacts, Risks, and Opportunities	Risk Management Approach	See page 47
GRI 102	General Disclosures	102-1	Name of the Organisation	About NGX Group	See page 16
GRI 102	General Disclosures	102-2	Activities, Brands, Products, and Services	Connecting Africa to the World	See page 20
GRI 102	General Disclosures	102-3	Location of Headquarters	Corporate Information	
GRI 102	General Disclosures	102-4	Location of Operations	About NGX Group	
GRI 102	General Disclosures	102-5	Nature of Ownership of The Organisation	About NGX Group	See page 67
GRI 102	General Disclosures	102-6	Markets Served	Markets Served	
GRI 102	General Disclosures	102-7	Scale of the Organisation		
GRI 102	General Disclosures	102-8	Information on Employees and Other Workers		
GRI 102	General Disclosures	102-13	Membership of Associations	Associations and Memberships	See page 34
GRI 102	General Disclosures	102-46	Defining Report Content and Topic Boundaries	Our 2023 Sustainability Report	
GRI 102	General Disclosures	102-47	List of Material Topics	Material Topics at NGX Group	See page 31
GRI 103	Management Approach	103-1	Explanation of the Material Topic and its Boundary	Material Topics at NGX Group	See page 32
GRI 102	General Disclosures	102-40	List of Stakeholder Groups	Stakeholder Engagement	See page 33
GRI 102	General Disclosures	102-42	Identifying and Selecting Stakeholders	Stakeholder Engagement	See page 33
GRI 102	General Disclosures	102-43	Approach to Stakeholder Engagement	Stakeholder Engagement	See page 33
GRI 102	General Disclosures	102-44	Key Topics and Concerns Raised	Stakeholder Engagement	See page 33
GRI 102	General Disclosures	102-50	Reporting Period	Our 2023 Sustainability Report	See page 31
GRI 102	General Disclosures	102-51	Date of Most Recent Report	Our 2023 Sustainability Report	See page 30
GRI 102	General Disclosures	102-52	Reporting Cycle	Our 2023 Sustainability Report	See page 30
GRI 102	General Disclosures	102-53	Contact Point for Questions Regarding the Report	Our 2023 Sustainability Report	See page 44
GRI 102	General Disclosures	102-54	Claims of Reporting in Accordance with the GRI Standards	Our 2023 Sustainability Report	See page 30
GRI 102	General Disclosures	102-55	GRI Content Index	GRI Content Index	See page 184
GRI 102	General Disclosures	102-18	Governance Structure	Corporate Governance, Leadership and Responsibility	See page 80
GRI 102	General Disclosures	102-16	Values, Principles, Standards, And Norms of Behaviour	About NGX Group	See page 86
GRI 102	General Disclosures	102-17	Mechanisms for Advice and Concerns About Ethics		See page 57
GRI 103	Management Approach	103-2	The Management Approach and its Components	Sustainability Management, Leadership and Responsibility	
GRI 205	Anti-corruption	205-2	Communication and Training About Anti-Corruption Policies and Procedures	Strengthening Anti-corruption at NGX Group	
GRI 302	Environmental	302-1	Energy Consumption within the Organisation	Environment	See page 44
GRI 302	Environment	302-4	Reduction of Energy Consumption	Environment	See page 44
GRI 403	Occupational Health and Safety	403-4	Health and safety topics covered in formal agreements with trade unions		
GRI 404	Training and Education	404-1	Average hours of training per year per employee	Workplace	
GRI 404	Training and Education	404-2	Programs for upgrading employee skills and transition assistance programs	Training and Education	
GRI 405	Diversity and Equal Opportunity	405-1	Diversity of Governance Bodies and Employees	Workplace	
GRI 412	Human Rights Assessment	412-3	Significant Investment Agreements and Contracts that Include Human Rights Clauses or that Underwent Human Rights Screening	Human Rights Due Diligence	
GRI 412	Human Rights Assessment	412-2	Employee Training on Human Rights Policies or Procedures	Human Rights Due Diligence	



ASEA	-	African Securities Exchanges Association
ASeM	-	Alternative Securities Market
ASL	-	Afrinvest Securities Limited
CEO	-	Chief Executive Officer
CFA	-	Climate Finance Accelerator
CMC	-	Capital Markets Committee
COP	-	Communication of Progress (United Nations Global Compact)
CSR	-	Corporate Social Responsibility
DMO	-	Debt Management Office
DG	-	Director General
ESG	-	Environmental, Social, and Governance
ETFs	-	Exchange Traded Funds
EV	-	Employee Volunteering
FISD-SIIA	-	Financial and Information Services Division of the Software and Information Industry Association
FIX	-	Financial Information Exchange (FIX)
FISD	-	Financial and Information Services Division
FL	-	Financial Literacy
FLSCW	-	Financial Literacy Steering Committee and Working Group
FSRC	-	Financial Services Regulation Commission
FGN	-	Federal Government of Nigeria
FSS	-	Financial Systems Strategy
GARC	-	Governance and Remuneration Committee
GB	-	Green Bonds
GBL	-	Green Bonds Listing
GBMD	-	Green Bond Market Development
GMW	-	Global Money Week
GRI	-	Global Reporting Initiative
GCBN	-	Groups of the Central Bank of Nigeria (GCBN)
HCD	-	Human Capital Development
HR	-	Human Resources
ISG	-	Intermarket Surveillance Group
IDP	-	Internally Displaced Persons
IFC	-	International Finance Corporation
IOSCO	-	International Organisations of Securities Commissions
ISA	-	Investment and Securities Act
ISG	-	Intermarket Surveillance
LuxSE	-	Luxembourg Stock Exchange
MoU	-	Memorandum of Understanding
NDC	-	Nationally Determined Contribution
NEC	-	National Executive Council
NGO	-	Non-Government Organisation
NSE	-	Nigeria Stock Exchange
NSE-SDG	-	Nigerian Stock Exchange Sustainability Disclosure Guidelines
PM	-	Premium Board
REITS	-	Real Estate Investment Trusts
RMF	-	Risk Management Framework
SDGs	-	Sustainable Development Goals
SE	-	Stakeholder Engagement
SEC	-	Securities and Exchange Commission
SIIA	-	Software and Information Industry Association
SMEs	-	Small and Medium Enterprises
SRO	-	Self Regulatory Organisation
SSEI	-	Sustainable Stock Exchange Initiative
TIA	-	Traders, Investors and Analysts
UNGC	-	United Nations Global Compact
WACMIC	-	West African Capital Markets Integration Council
WED	-	World Environment Day
WEPS	-	UNGC Women Empowerment Principles
WIW	-	World Investor Week
WFE	-	World Federation of Exchanges



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