

Nigerian Exchange Group Plc
Unaudited Financial Statements for the period ended 30 June 2023

**Index to the consolidated and separate unaudited financial statements
For the period ended 30 June 2023**

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Corporate information

Directors

Dr. Umaru Kwairanga	Chairman (Non-Executive Director)
Mr. Oscar N. Onyema, OON	Group Managing Director/ CEO
Dr. Okechukwu Itanyi	Independent Non-Executive Director
Mrs. Ojinika Olaghere	Independent Non-Executive Director
Mr. Oluwole Adeosun	Non-Executive Director
Mr. Chidi Agbapu	Non-Executive Director
Mr. Patrick Ajayi	Non-Executive Director
Mrs. Fatimah Bintah Bello – Ismail	Non-Executive Director

Group Company Secretary:

Ms. Obehi Ikhaghe
FRC/2023/PRO/NBA/070/705720

Registered Office:

Nigerian Exchange House
2/4, Customs Street
Marina
Lagos
FRC/2013/0000000000621

Independent Auditor:

Ernst and Young
13th Floor UBA House
57 Marina
Lagos
Nigeria
www.ey.com

RC Number

RC 2321

Tax Identification Number (TIN)

00884470-0001

1 General information

The Nigerian Exchange Group Plc ("NGX Group") formerly known as the Nigerian Stock Exchange, was incorporated in Nigeria as a private Exchange Limited by shares on 15 September 1960 as Lagos Stock Exchange and its name was changed to The Nigerian Stock Exchange on 15 December 1977. The Exchange was re-incorporated as a Exchange Limited by Guarantee on 18 December 1990. In 2021, the Nigerian Stock Exchange was fully demutualised changing from a member-owned not-for-profit entity into a shareholder-owned, profit making entity. This gave rise to a new structure - Nigerian Exchange Group Plc (NGX Group) with subsidiaries - Nigerian Exchange Limited (NGX Exchange), NGX Regulation Limited (NGX REGCO), NGX Real Estate Limited (NGX RELCO) and several investee companies in its ecosystem. The address of the NGX Group's registered office is Nigerian Exchange Group House, 2/4 Customs Street, Lagos.

The NGX Group is also listed on the main board of NGX Exchange.

The principal activities of Nigerian Exchange Group Plc ("NGX Group") include investments in the capital market value chain and through its wholly owned subsidiaries; listing and trading securities, licensing, market data solutions, ancillary technology, regulation, real estate.

2 Basis of accounting

i Statement of compliance

These interim financial statements for the six months ended 30 June 2023 have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the annual financial statements as at and for the year ended 31 December 2022 ('Last annual financial statements'). They do not include all of the information required of a complete set of financial statements prepared in accordance with International Financial Reporting Standards (IFRS).

ii Basis of preparation

These interim financial statements have been prepared on an accrual basis and under historical cost convention except for the following items, which are measured on an alternative basis on each reporting date:

- (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 interim financial statements are presented in naira, which is the NGX Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated. These interim financial statements were authorised for issue by the NGX Group's board of directors on 25th July, 2023.

3 Use of judgments and estimates

In preparing the Interim Financial Statements, management have made a number of judgements, estimates and assumptions about recognition and measurement of assets, liabilities, income and expenses. The actual results may differ from the judgements, estimates and assumptions made by management, and will seldom equal the estimated results.

The judgements, estimates and assumptions applied in the Interim Financial Statements, including the key sources of estimation uncertainty, were the same as those applied in the Group's last annual financial statements for the year ended 31 December 2022.

statement of profit or loss and other comprehensive income
For the six months ended 30 June 2023

	Note	Group	Group	Group	Group	Company	Company	Company	Company
		Q2 2023	Q2 2022	June 2023 Ytd	June 2022 Ytd	Q2 2023	Q2 2022	June 2023 Ytd	June 2022 Ytd
<i>In thousands of naira</i>									
Revenue	4	1,867,907	2,146,707	3,200,059	3,823,254	3,104,523	1,907,199	3,471,687	2,420,268
Revenue		1,867,907	2,146,707	3,200,059	3,823,254	3,104,523	1,907,199	3,471,687	2,420,268
Other income	5	256,824	244,493	490,251	392,481	34,522	67,901	68,804	67,901
Other income		256,824	244,493	490,251	392,481	34,522	67,901	68,804	67,901
Total income		2,124,731	2,391,199	3,690,310	4,215,735	3,139,045	1,975,100	3,540,491	2,488,169
Personnel expense	6	(780,457)	(658,545)	(1,409,416)	(1,354,529)	(148,202)	(135,783)	(283,525)	(272,543)
Operating expenses	7	(632,578)	(662,989)	(1,028,256)	(991,160)	(170,635)	(214,545)	(292,264)	(296,233)
Depreciation and Amortisation	17	(86,927)	(123,376)	(176,604)	(256,937)	(12,811)	(13,457)	(27,766)	(26,955)
Total operating expenses		(1,499,962)	(1,444,910)	(2,614,276)	(2,602,626)	(331,647)	(363,785)	(603,556)	(595,731)
Operating profit/(Loss)		624,769	946,289	1,076,034	1,613,109	2,807,398	1,611,315	2,936,935	1,892,439
Finance cost		(641,632)	(653,425)	(1,207,300)	(1,339,906)	(641,632)	(653,425)	(1,207,300)	(1,339,906)
Profit/(Loss) before investee income		(16,863)	292,864	(131,266)	273,203	2,165,766	957,890	1,729,635	552,533
Share of profit-equity accounted investees		335,548	574,160	857,246	949,967	-	-	-	-
Profit/(Loss) before income tax		318,685	867,024	725,981	1,223,170	2,165,766	957,890	1,729,635	552,533
Income tax expense		(93,966)	(212,087)	(281,897)	(403,003)	-	-	-	-
Profit/(Loss) for the year		224,719	654,937	444,083	820,167	2,165,766	957,890	1,729,635	552,533

As at 30 June 2023

In thousands of naira	Notes	Group	Group	Company	Company
		Jun-23	Dec-22	Jun-23	Dec-22
ASSETS					
Cash and cash equivalents	10	5,001,694	4,749,694	3,241,500	1,560,373
Trade, other receivables	11	712,853	1,064,696	573,097	704,470
Intercompany receivables	12	-	-	1,061,523	926,009
Prepayment	13	554,349	592,461	145,498	95,745
Investment securities	14	500,404	621,570	500,404	648,871
Total current assets		6,769,300	7,028,421	5,522,023	3,935,468
Investment securities	14	16,503,246	16,330,112	11,014,521	10,998,256
Investment in associates	15	27,831,900	29,711,182	19,364,881	19,364,881
Investment in subsidiaries	16	-	-	2,856,929	2,856,928
Property, plant and equipment	17	3,688,444	3,827,405	173,247	203,929
Intangible assets	17	72,290	90,444	21,571	24,834
Right-of-use asset	19	74,460	75,501	-	-
Defined benefit plan asset	21	-	180	-	-
Total non current assets		48,170,341	50,034,823	33,431,148	33,448,828
Total assets		54,939,645	57,063,243	38,953,170	37,384,296
LIABILITIES					
Other liabilities	18	2,572,949	5,286,796	645,426	1,180,094
Term Loan	18	14,439,402	14,078,952	14,439,402	14,078,952
Lease Liabilities	19	26,540	26,021	-	-
Current tax liabilities	20	69,900	93,854	16,228	16,229
Retirement benefit obligations	21	-	-	-	1,416
Total current liabilities		17,108,792	19,485,623	15,101,057	15,276,691
Other Liabilities	18	-	-	13,347	-
Retirement benefit obligations	21	127,187	125,666	41,085	39,561
Provisions	22	405,744	405,744	402,743	402,743
Deferred tax liabilities	23	122,667	238,882	-	-
Total non current liabilities		655,598	770,292	457,176	442,304
Total liabilities		17,764,390	20,255,915	15,558,233	15,718,995
EQUITY					
Share capital		1,102,310	1,102,310	1,102,310	1,102,310
Retained earnings		32,175,270	31,731,187	22,353,656	20,624,021
Other reserves		3,897,675	3,973,831	(61,030)	(61,030)
Total equity		37,175,255	36,807,328	23,394,936	21,665,301
Total equity and liabilities		54,939,645	57,063,243	38,953,170	37,384,296

The full financial statements were approved by the Board on 25th July, 2023 and signed on its behalf by:



Mr. Oscar N. Onyema, OON
FRC/2013/ODN/00000001802
(Group Managing Director and CEO)



Mr. Cyril Eigbobo
FRC/2013/ICAN/00000001736
(Group Chief Financial Officer)

Statement of changes in equity
As at 30 June 2023

Group	Share capital	Retained earnings	Claims review shares reserve	Actuarial valuation reserve	Fair value reserve	Total equity
<i>In thousands of naira</i>						
Balance at 1 January 2022	982,058	31,143,945	-	(8,842)	1,997,192	34,114,353
Total comprehensive income for the year:						
Profit for the year	-	698,482	-	-	-	698,482
Other comprehensive income (net of income tax)					2,021,278	2,021,278
Remeasurement of defined benefit liability				41,250		41,250
Equity investment at FVOCI - net change in fair value						-
Equity accounted investee - share of OCI					(68,035)	(68,035)
Total other comprehensive income	-	698,482	-	41,250	1,953,243	2,692,975
Transaction with equity holders	120,252	(111,240)	(9,012)	-	-	(0)
Balance at 31 December 2022	1,102,310	31,731,187	(9,012)	32,408	3,950,435	36,807,328
Balance at 1 January 2023	1,102,310	31,731,187	(9,012)	32,408	3,950,435	36,807,328
Total comprehensive income for the period:						
Profit for the period		444,083	-	-	-	444,083
Total comprehensive income	-	444,083	-	-	-	-
Transactions with equity holders	-	-	-	-	-	-
Balance at 30 June 2023	1,102,310	32,175,270	(9,012)	32,408	3,874,279	37,175,255

Company

	Share capital	Retained earnings	Claims review shares reserve	Actuarial valuation reserve	Fair value reserve	Total equity
<i>In thousands of naira</i>						
Balance at 1 January 2022	982,058	20,994,998	-	(38,801)	-	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				(13,217)		(13,217)
Total other comprehensive loss	120,252	(259,737)	(9,012)	(13,217)	-	(259,737)
Transaction with equity holders	120,252	(111,240)	(9,012)			(13,217)
Balance at 31 December 2022	1,102,310	20,624,021	(9,012)	(52,018)	-	21,665,301
Balance at 1 January 2023	1,102,310	20,624,021	(9,012)	(52,018)	-	21,665,301
Retained earnings moved to share capital						
Transaction with equity holders	-			-	-	-
Profit for the period	-	1,729,635	-	-	-	1,729,635
Balance at 30 June 2023	1,102,310	22,353,656	(9,012)	(52,018)	-	23,394,936
Total comprehensive income for the period:						
Profit for the period	-		-	-	-	-
Total comprehensive income	-	-	-	-	-	-
Transactions with equity holders						
Balance at 30 June 2023	1,102,310	22,353,656	(9,012)	(52,018)	-	23,394,936

Statement of Cashflow
As at 30 June 2023

	Group	Group	Company	Company
	Jun-23	Dec-22	Jun-23	Dec-22
<i>In thousands of naira</i>				
Cashflow from Operating Activities				
Profit for the period	444,083	823,089	1,729,635	(249,253)
Income tax expense	281,897	-	-	-
Profit before tax	725,981	823,089	1,729,635	(249,253)
Depreciation of property and equipment	158,449	417,161	24,503	48,840
Depreciation of right of use asset	1,041	2,083	-	-
Amortization of intangible assets	18,154	81,436	3,263	6,527
Gain on disposal of property and equipment	(540)	(18,668)	572	-
Write-off of property plant & equipment	-	-	-	142,453
Net foreign exchange differences	55,316	12,792	954	(719)
Impairment loss on investment securities	26,763	(68)	4	-
Impairment loss/(reversal) on cash and cash equivalent	(0)	(304)	-	-
Impairment writeback on intercompany receivables	-	-	-	(66,889)
Impairment writeback on trade and other receivables	6,916	(110,150)	(0)	(7,000)
Interest on Lease liabilities	519	886	-	-
Interest expense on borrowing	1,207,300	2,100,468	1,207,300	2,100,468
Share of profit of equity accounted investee net of tax	(857,246)	(2,150,844)	-	-
Current service charge & interest cost: long service award	-	40,682	-	1,848
Interest income	(868,503)	(2,030,704)	(747,864)	(1,876,948)
Dividend income	-	-	(2,723,823)	(1,471,262)
	474,151	(832,141)	(505,457)	(1,371,935)
Change in intercompany receivables	-	-	(135,514)	70,000
Change in trade and other receivables	344,928	703,778	132,535	425,695
Change in prepayments	38,112	(131,884)	(49,753)	172,077
Change in Term Loan	360,450	-	360,450	-
Change in liabilities	(4,965,948)	2,710,564	(754,668)	(1,067,063)
Change in retirement benefit obligations	1,521	(180)	108	1,416
Change in tax liabilities	(140,169)	-	0	-
	(3,886,955)	2,450,137	(952,298)	(1,769,810)
Income tax Paid	(305,852)	(255,477)	(1)	(19,151)
Retirement benefit obligation paid	-	(37,731)	-	-
Net cash from operating activities	(4,192,807)	2,156,929	(952,298)	(1,788,961)
Cash flow From Investing Activities:				
Interest received	868,503	1,918,348	747,864	1,764,592
Dividend received	2,723,823	1,471,262	2,723,823	1,471,262
Sale/(Purchase) of investments - financial assets	(51,969)	(457,977)	132,202	785,694
Acquisition of PPE	(20,609)	(193,368)	(0)	(99,075)
Proceed from sale of PPE	48,765	176,765	(21,838)	-
Proceeds from disposal of investment in subsidiary	-	-	-	861,183
Additional investment in associates	1,879,282	(14,349,006)	0	(14,280,971)
Proceeds from the disposal of intangible asset	-	9,995	-	-
Net Cash flow From Investing Activities	5,447,795	(11,423,981)	3,582,051	(9,497,315)
Cash flows from financing activities:				
Lease payment	-	(197,488)	-	(230,284)
Proceeds from term loan	-	25,000,000	-	25,000,000
Repayment of borrowings- principal	-	(11,815,648)	-	(11,815,648)
Interest paid	(947,673)	(1,205,868)	(947,673)	(1,205,868)
Net cash used in Financing activities	(947,673)	11,780,996	(947,673)	11,748,200
Increase/(Decrease) in Cash & Cash Equivalents	307,315	2,513,944	1,682,080	461,923
Effect of movements in exchange rates on cash held	-	-	-	-
Cash and Bank at the beginning of the period	4,749,694	2,248,237	1,560,373	1,097,730
Effect of movements in exchange rates on cash held	(55,315)	(12,487)	(953)	719
Cash and Bank at the end of the period	5,001,694	4,749,694	3,241,500	1,560,373

4 Revenue

	Group	Group	Group	Group	Company	Company	Company	Company
	Q2	Q2	June	June	Q2	Q2	June	June
<i>In thousands of naira</i>	2023	2022	2023 Ytd	2022 Ytd	2023	2022	2023 Ytd	2022 Ytd
Treasury investment income (see note (a) below)	453,810	496,888	868,503	1,017,361	380,700	435,937	747,864	949,006
Dividend income	-	-	-	-	2,723,823	1,471,262	2,723,823	1,471,262
Transaction fees	1,143,719	1,332,632	1,829,576	2,320,697	-	-	-	-
Listing fees	208,959	239,898	388,115	363,764	-	-	-	-
Rental Income	35,745	24,548	71,713	51,749	-	-	-	-
Other fees (see note (b) below)	25,673	52,741	42,153	69,684	-	-	-	-
	1,867,907	2,146,707	3,200,059	3,823,254	3,104,523	1,907,199	3,471,687	2,420,268

(a) Treasury investment income includes income from Bonds, Treasury bills and fixed deposits. The Group and Company earns 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) Other fees represent rent of trading floor, annual charges from brokers, dealing license and membership fees earned by the Group.

5 Other Income

	Group	Group	Group	Group	Company	Company	Company	Company
	Q2	Q2	June	June	Q2	Q2	June	June
<i>In thousands of naira</i>	2023	2022	2023 Ytd	2022 Ytd	2023	2022	2023 Ytd	2022 Ytd
Other operating income (see note (a) below)	-	2,323	66,856	149,885	122,454	33,950	67,901	68,232
Market Data income	230,705	128,545	287,977	220,936	-	-	-	-
Net gain on disposal of property and equipment	540	3,166	540	3,166	572	-	572	-
Technology Income	27,902	45,925	51,849	45,925	-	-	-	-
	256,824	244,493	490,251	392,481	34,522	67,901	68,804	67,901

(a) Other operating income is made up of transfer pricing for shared costs, sundry income, other sub-lease income and penalty fees.

6 Personnel expenses

	Group	Group	Group	Group	Company	Company	Company	Company
<i>In thousands of naira</i>	Q2 2023	Q2 2022	June 2023 Ytd	June 2022 Ytd	Q2 2023	Q2 2022	June 2023 Ytd	June 2022 Ytd
Salaries and other staff benefits	738,921	621,634	1,327,001	1,263,916	138,651	131,714	264,904	254,274
Contributions to defined contribution plans	41,536	36,911	82,414	90,614	9,550	4,070	18,621	18,269
	780,457	658,545	1,409,416	1,354,529	148,202	135,783	283,525	272,543

7 Other expenses

	Group	Group	Group	Group	Company	Company	Company	Company
<i>In thousands of naira</i>	Q2 2023	Q2 2022	June 2023 Ytd	June 2022 Ytd	Q2 2023	Q2 2022	June 2023 Ytd	June 2022 Ytd
Audit expenses	6,469	9,944	14,144	19,888	2,269	3,225	5,644	6,450
Repairs and Maintenance (see note (a) below)	255,594	188,496	447,989	331,277	24,935	29,115	47,926	29,530
Facilities Maintenance	16,147	-	16,335	-	478	-	478	-
Director Expenses(see note (b) below)	70,759	97,413	110,096	168,806	36,690	33,824	52,314	68,548
Diesel expenses	40,011	102,218	55,043	117,766	9,481	11,040	11,589	16,571
Donations and Related Expenses	3,088	-	44,566	1,200	-	-	-	-
Events, seminars & sponsorship exps (see note (c) below)	18,452	9,087	21,608	10,391	-	-	-	-
Exchange loss (unrealised)	-	242	-	242	-	215	-	215
Telephone, postages and periodicals	485	596	972	869	206	151	638	181
Bank charges	1,352	4,778	3,333	6,016	214	2,582	576	2,699
X-Academy Expense	-	5,386	-	6,356	-	-	-	-
Project expenses	3,247	16,279	5,805	16,279	-	-	-	-
Uncapitalised Assets	-	-	170	-	-	-	-	-
Exgratia/Benevolence	-	-	1,525	-	-	-	-	-
Professional fees (see note (d) below)	75,908	59,088	116,518	92,511	20,659	11,106	29,116	28,533
Rent	-	-	11,788	-	6,466	7,383	12,764	14,765
Stationery, library and factbook expenses	500	199	640	2,790	73	-	73	-
Subscriptions	3,538	761	4,207	751	765	94	859	94
Security expense	6,626	7,832	8,632	9,440	2,299	2,532	3,054	2,888
Service Charge, rates and other LG levies	12,586	9,140	19,818	14,039	4,497	4,213	8,670	8,524
Travelling expenses	39,036	16,578	46,221	41,755	7,195	435	8,787	2,740
General expenses (see note (e) below)	71,372	133,706	91,439	150,783	47,840	108,630	103,208	114,494
	632,578	662,989	1,028,256	991,160	170,635	214,545	292,264	296,233

(a) Repairs and maintenance includes maintenance of equipment, official residence, office premises and software, internet and connectivity subscription

(b) Director's expenses

	Group	Company
<i>In thousand of naira</i>	June 2023 Ytd	June 2023 Ytd
Director's fees	71,025	31,650
Director's sitting allowances	24,555	11,325
Board expenses	14,516	9,339
	110,096	52,314

(c) Events, seminars & sponsorship expenses

	Group	Company
<i>In thousand of naira</i>	June 2023 Ytd	June 2023 Ytd
Events	12,443	-
Seminar & Sponsorship	9,165	-
	21,608	-

(d) Professional fees includes payments made to Renaissance security for financial advisory, payment to NGX limited for listing fees, CSCS depository fees and payment made for other consultancy services

(e) General expenses include insurance, advert and publications, cleaning materials, office provisions, newspaper/periodicals, corporate gift, Media Relations & News Mgt, protocol expenses, sundry expenses, postage expenses and shared service cost

Notes to the Financial Statements



Below is the breakdown of the General Expenses

	Group	Company
<i>In thousands of naira</i>	June Ytd 2023 Actual	June Ytd 2023 Actual
Shared service cost (see note (a) below)	-	86,301
Business continuity expense	2,514	-
Annual regulatory charges	9,703	-
Entertainment	356	19
Media relations	1,403	1,353
Advert and publication	697	697
Protocol Service	40	-
Office Provision	773	138
Insurance	9,693	4,109
Payment to NASDAQ	10,041	9,255
Interest on lease liability	519	-
Exchange Difference	55,648	1,285
Uniform	52	52
	91,439	103,208

(a) Shared cost in the group has been eliminated upon consolidation

8 Income Tax Expense

	Group	Group	Company	Company
<i>In thousands of naira</i>	June Ytd 2023 Actual	June Ytd 2022 Actual	June Ytd 2023 Actual	June Ytd 2022 Actual
Current year tax expenses:				
Companies Income Tax	252,408	72,227	-	-
Nigerian Police Trust Fund Levy	42	-	-	-
Tertiary Education Tax	21,034	-	-	-
Information Technology levy	8,414	-	-	-
	281,897	72,227	-	-

9 Finance Cost

	Group	Group	Company	Company
<i>In thousands of naira</i>	June Ytd 2023 Actual	June Ytd 2022 Actual	June Ytd 2023 Actual	June Ytd 2022 Actual
Finance Cost	1,207,300	1,339,906	1,207,300	1,339,906

10 Cash and cash equivalents

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Bank balances	2,548,239	3,360,191	1,511,354	598,459
Fixed deposits	2,453,455	1,389,807	1,730,146	961,914
Gross total	5,001,694	4,749,998	3,241,500	1,560,373
ECL allowance (see note (a) below)	(0)	(304)	-	-
Carrying amount	5,001,694	4,749,694	3,241,500	1,560,373

(a) Movement in allowance for impairment of cash and cash equivalent

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Opening balance	-	-	-	-
Remeasurement of ECL allowance	0	304	-	-
Closing balance	0	304	-	-

11 Trade, other receivables

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Trade receivables	839,967	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)	746,104	1,222,287	378,534	509,907
Gross total	2,361,551	2,706,479	1,554,013	1,685,386
ECL Allowance (See note (e) below)	(1,648,698)	(1,641,782)	(980,916)	(980,916)
Carrying amount	712,853	1,064,696	573,097	704,470
Non current	-	-	-	-
Current	712,853	1,064,696	573,097	704,470
Carrying amount	712,853	1,064,696	573,097	704,470

(a) The amount due from NSE/CSCS Multipurpose Co-operative Society relates to two payments of ₦150million and ₦114.9million 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 Exchange has fully impaired the amount subject to recovery of the receivable in future years.

(b) Deferred recovery of bonuses represents ₦2.09billion 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, and the Securities and Exchange Commission directed the Exchange to recover the money from the ex-council Members involved. Refunds amounting to ₦620.50million have been received from the ex-council members to date. The outstanding balance of ₦510.5million continues to be subject of a litigation on account of a dispute over the basis of payment. The Exchange has fully impaired the amount subject to recovery of the receivable in future years.

(c) The amount represents deposit with NGX regulations for strategic investment

(d) Other receivables include investment in defunct Hallmark Bank, withholding tax receivables and other receivables. These amounts have been fully Impaired as at year end.

(e) Movement in allowance for impairment of trade and other receivables is shown below

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Trade debtors - listing fees	654,572	647,656	20,000	20,000
Trade debtors - annual charges	-	-	-	-
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
	1,648,698	1,641,782	980,916	980,916

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Opening balance	1,641,782	2,219,065	980,916	987,916
Movement during the year:	6,916	-	(0)	-
Net remeasurement of ECL allowance	-	(110,150)	-	(7,000)
Impairment derecognition	-	(467,133)	-	-
	1,648,698	1,641,782	980,916	980,916

12 Intercompany receivables

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Intercompany receivables	-	-	1,389,329	1,253,815
ECL allowance	-	-	(327,806)	(327,806)
Carrying amount	-	-	1,061,523	926,009
Current asset	-	-	1,061,523	926,009
Non current asset	-	-	-	-

Intercompany receivables have been classified as current asset as the Company expects the subsidiaries to fulfil their obligation within 12 months.

13 Prepayment

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Prepayments (See note (a) below)	554,349	592,461	145,498	95,745
Carrying amount	554,349	592,461	145,498	95,745
Current	554,349	-	145,498	50,309
Non current	-	592,461	-	45,436
	554,349	592,461	145,498	95,745

(a) Prepayments include prepaid staff cost, prepaid software licence fee, prepaid medicals as well as prepaid group life insurance

14 Investment Securities

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
At amortised cost				
Bonds	12,448,040	12,248,079	11,019,545	11,003,751
Treasury bills	72,572	-	45,809	-
Mutual funds	455,070	648,871	455,070	648,871
	12,975,682	12,896,950	11,520,424	11,652,622
Impairment allowance	(32,848)	(6,085)	(5,499)	(5,495)
Sub total	12,942,833	12,890,865	11,514,925	11,647,127
Equity securities at Fair Value through OCI	4,060,817	4,060,817	-	-
Sub total	4,060,817	4,060,817	-	-
Carrying amount	17,003,651	16,951,682	11,514,925	11,647,127

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Non-current	16,503,246	16,330,112	11,014,521	10,998,256
Current	500,404	621,570	500,404	648,871
Carrying amount	17,003,651	16,951,682	11,514,925	11,647,127

15 Investment in associates

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Investment in associate - CSCS (see note (a) below)	26,147,301	27,961,789	17,628,194	17,628,194
Investment in associate - NG Clearing (see note (b) below)	1,684,600	1,749,393	1,736,687	1,736,687
Total investment in associates	27,831,900	29,711,182	19,364,881	19,364,881
Allowance for impairment	-	-	-	-
Carrying amount	27,831,900	29,711,182	19,364,881	19,364,881

- a The Nigerian Exchange Group has ownership interest in CSCS Plc. The principal activity of the company is to act as a depository, clearing and settlement agency for all quoted and traded securities in the Nigerian capital market. The principal place of business of the company is Nigerian Exchange House, 2/4, Customs Street, Marina, Lagos
- b NG Clearing Limited is an associate company which The Nigerian Exchange Group has 27.7% ownership interest (2022: 27.7%). The Nigerian Exchange Group has 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.

16 Investment in subsidiaries

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
NSE Consult Limited	-	-	1,250	1,250
Coral Properties	-	-	72,000	72,000
NGX Real Estate	-	-	1,634,629	1,634,629
NSE Nominees	-	-	500	500
Nigerian Exchange Limited	-	-	578,617	578,617
NGX Regulation Limited	-	-	643,432	643,432
Investment in subsidiaries	-	-	2,930,429	2,930,429
Impairment	-	-	(73,500)	(73,500)
Carrying amount	-	-	2,856,929	2,856,929

- a The NGX Group Plc has a 99.8% 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 NGX Group Plc. The principal place of business of the Company is Nigeria.
- b 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.
- c 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 principal place of business.
- d 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.
- e 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.
- f 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 5.0% mark-up on its expenses.

17 Group

Property and equipment

In thousands of naira

DESCRIPTION	2%	2%	20%	20%	20%	20%	TOTAL
	BUILDINGS	LEASEHOLD LAND & BUILDING	OFFICE EQUIPMENT	FURNITURE & FITTINGS	MOTOR VEHICLES	COMPUTER EQUIPMENT	
Cost	N	N	N	N	N	N	N
As at 1 Jan 2023	2,351,079	1,911,492	1,224,690	317,222	919,024	1,347,906	8,071,414
Additions	-	354	-	17,663	-	2,592	20,609
Disposals/write off	-	-	(13,170)	-	(35,595)	-	(48,765)
As at 30 June 2023	2,351,079	1,911,846	1,211,520	334,885	883,429	1,350,499	8,043,258
Accumulated Depreciation							
As at 1 Jan 2023	693,127	437,306	1,090,867	287,831	508,668	1,248,211	4,266,010
Current charge	16,930	1,041	34,253	9,486	66,868	29,871	158,449
Disposals/write off	0	(5,404)	(32,019)	(3,958)	(28,262)	(3)	(69,646)
As at 30 June 2023	710,056	432,943	1,093,101	293,359	547,274	1,278,079	4,348,108
Net Book Value							
As at 30 June 2023	1,641,023	1,478,902	118,419	41,526	336,155	72,420	3,688,444
As at 1 Jan 2023	1,657,952	1,474,186	133,823	29,391	410,356	99,695	3,827,404

Intangible assets

In thousands of naira

DESCRIPTION	GOODWILL	20%	TOTAL
		PURCHASED SOFTWARE	
Cost	N	N	N
As at 1 Jan 2023	61,784	2,996,744	3,058,528
Additions	-	0	0
Disposals/write off	-	-	-
As at 30 June 2023	61,784	3,006,739	3,058,528
Accumulated Amortisation			
As at 1 Jan 2023	57,148	2,910,936	2,968,084
Current charge/Impairment Losses	-	18,154	18,154
As at 30 June 2023	57,148	2,934,448	2,986,238
Net Book Value			
As at 30 June 2023	-	72,290	72,290
As at 1 Jan 2023	4,636	85,808	90,444

a Included in property and equipment is leasehold land and building which has been accounted for in line with IFRS 16 Lease.

b There were no capitalized borrowing costs related to the acquisition of property and equipment during the period.

Company

Property and equipment

In thousands of naira

DESCRIPTION	2%	20%	20%	20%	20%	TOTAL
	BUILDING	OFFICE EQUIPMENT	FURNITURE & FITTINGS	MOTOR VEHICLES	COMPUTER EQUIPMENT	
Cost	N	N	N	N	N	N
As at 1 Jan 2023	213,530	19,946	25,734	264,993	5,207	529,410
Additions	-	-	0	-	-	0
Disposals/write off	(144,262)	(6,266)	-	(22,000)	820	(171,708)
As at 30 June 2023	69,268	13,680	25,734	242,993	6,027	357,702
Accumulated Depreciation						
As at 1 Jan 2023	144,837	17,566	23,652	135,000	4,427	325,482
Current charge/Impairment Losses	693	443	254	22,749	364	24,503
Disposals/write off	(144,260)	(6,601)	0	(14,667)	(4)	(165,530)
As at 30 June 2023	1,270	11,408	23,906	143,082	4,787	184,455
Net Book Value						
As at 1 Jan 2023	68,693	2,379	2,082	129,994	780	203,929
As at 30 June 2023	67,998	2,271	1,828	99,910	1,240	173,247

Intangible assets

In thousands of naira

DESCRIPTION	20%
	PURCHASED SOFTWARE
Cost	N
As at 1 Jan 2023	32,634
Additions	0
Disposals/write off	-
As at 30 June 2023	32,634
Accumulated Amortisation	
As at 1 Jan 2023	7,800
Current charge	3,263
As at 30 June 2023	11,063
Net Book Value	
As at 1 Jan 2023	24,834
As at 30 June 2023	21,571

18 Other liabilities

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
<i>Financial liabilities</i>				
Sundry creditors (see note (a) below)	337,309	3,057,612	121,966	144,149
Intercompany payable (see note (b) below)	-	-	13,347	219,233
Accrued expenses (see note (c) below)	849,343	1,410,153	105,383	397,654
Donations Payable	254,314	254,314	254,314	254,314
Staff related liabilities (see note (d) below)	29,648	56,725	47,820	47,388
Borrowings (see note (f) below)	14,439,402	14,078,952	14,439,402	14,078,952
Others (see note (e) below)	708,710	97,657	23,400	13,690
	16,618,726	18,955,414	15,005,632	15,155,380
<i>Non-financial liabilities</i>				
Value Added Tax	-	87,151	61,757	7,450
WHT payable*	87,209	100,904	81,146	91,678
Deffered Income	393,567	247,673	3,948	3,948
	393,625	410,334	92,544	103,666
Total	17,012,352	19,365,748	15,098,176	15,259,046
	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
<i>In thousands of naira</i>				
Non-current	-	14,078,952	13,347	14,078,952
Current	17,012,352	5,286,796	15,084,829	1,180,094
Carrying amount	17,012,352	19,365,748	15,098,176	15,259,046

- (a) Included in Sundry creditors are payments due to vendors and other obligations to third parties.
- (b) Amount represents payable due to NGX Exchange Limited by the NGX Group.
- (c) Accrued expenses includes leave allowances, passage allowances and 13th month payment due to staff.
- (d) Staff related liabilities represents payable for PAYE to various state internal revenue services
- (e) Included in other liabilities are provisions for litigation claims, corporate challenge accrual, etc.
- (f) Borrowings represent balance of loan principal (N13.5 b) to finance strategic investment and accrued interest on the loan (N0.75b)
- * WHT applicable is on interest earned on fixed deposit

19 Lease Liabilities

Set out below are the carrying amounts of lease liabilities and the movements during the period based on IFRS 16. The Group leases office space and Land. Previously, these leases were classified as operating leases under IAS 17.

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Opening balance	75,501	-	-	-
Depreciation charge for the year	1,041	2,083	-	-
Additions to right-of-use assets	-	77,584	-	-
Balance	74,460	75,501	-	-
	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
<i>In thousands of naira</i>				
Opening balance	26,021	222,623	-	191,823
Addition	-	-	-	142,422
	26,021	222,623	-	334,245
Accretion of interest	519	886	-	29,727
Lease payment	-	(197,488)	60,835	(309,412)
Transfer	-	-	(60,835)	(54,560)
Closing balance	26,540	26,021	-	-

20 Tax liabilities

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Current tax liabilities	69,900	93,854	16,228	16,229
	69,900	93,854	16,228	16,229

21 Retirement benefit obligations

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Recognised liability for defined benefit obligations (see note (a) below)	125,663	125,665	39,561	39,561
Recognised liability for defined contribution	1,524	(180)	1,524	1,416
Defined benefit obligations				

- a 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.

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

22 Provisions

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Balance at the beginning of the period	405,744	405,744	402,743	402,703
Provisions made during the period	-	-	-	-
Balance as at the end of the period	405,744	405,744	402,743	402,743

23 Deferred tax

<i>In thousands of naira</i>	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
Deferred Tax Liabilities	122,667	238,882	-	-
	122,667	238,882	-	-

24 Capital and Reserves

(a) Share Capital	Group Jun-23	Group Dec-22	Company Jun-23	Company Dec-22
<i>In thousands of shares</i>				
Issued and fully paid				
2,204,619,907 issued and allotted ordinary shares of N50k each	1,102,310	1,102,310	1,102,310	1,102,310
	1,102,310	1,102,310	1,102,310	1,102,310

(b) **Retained Earnings:** Retained earnings represent undistributed profits, net of statutory appropriations attributable to the ordinary shareholders.

(c) **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 obligation

b Reserves and other components of equity	3,897,675	3,973,831	(61,030)	(61,030)
c Retained earnings	31,731,187	31,032,705	20,624,021	20,883,758
d Net profit for the reporting period/year	444,083	698,482	1,729,635	(259,737)
Equity	37,175,256	36,807,327	23,394,936	21,665,301

25 Securities Trading Policy

In compliance with Rule 17.15 Disclosure of Dealings in Issuers' Shares, Rulebook of the Exchange 2015 (Issuers Rule) Nigerian Exchange Group Plc maintains a Security Trading Policy which guides Directors, Audit Committee members, employees and all individuals categorized as insiders as to their dealing in the Company's shares. The Policy undergoes periodic reviews by the Board and is updated accordingly. The Company has made specific inquiries of all its directors and other insiders and is not aware of any infringement of the policy during the period.

Shareholding Structure/Free Float Status

Description	30-Jun-23	
	Unit	Percentage
Issued Share Capital	2,204,619,907	100%
Substantial Shareholdings (5% and above)		
Stanbic IBTC Trustees	222,480,337	10.09%
Cardinal Stone & (Michael Nzewi direct and indirect)	112,689,746	5.11%
Total Substantial Shareholdings	335,170,083	15.20%
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. Oluwole Adeosun (Indirect - Chartwell Securities Ltd)	5,632,830	0.26%
Mr. Patrick Ajayi (Indirect - WCM Capital Ltd)	2,000,000	0.09%
Mr. Chidi Agbapu - (Indirect - Planet Capital Ltd)	1,000,000	0.05%
Mrs. Fatimah Bintah Bello – Ismail (Indirect - Katsina State Investment & Property Development Company Limited)	166,274	0.01%
Total Directors' Shareholdings	11,853,028	0.54%
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	0.73%
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	4,318,052	0.20%
JIGAWA STATE, INVEST & PROP DEV CO	2,486,274	0.11%
ADAMAWA SECURITIES LIMITED	1,207,884	0.05%
GOMBE SECURITIES LIMITED	7,884	0.00%
JIGAWA STATE, INVEST & PROP DEV CO	2,486,274	0.11%
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	40,290,894	2.45%
Free Float in Units and Percentage	1,817,305,902	82.43%
Free Float in Value	₦ 48,612,932,878.50	

Declaration:

- (A) Nigerian Exchange Group Plc with a free float percentage of 82.43% as at 30 June 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 N48,612,932,878.50 as at 30 June 2023, is compliant with NGX's free float requirements for companies listed on the Main Board.