

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

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

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Corporate information

Directors

Dr. Umaru Kwairanga	Group 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. Sehinde Adenagbe	Non-Executive Director
Mr. Ademola Babarinde	Non-Executive Director
Mr. Mohammed Garuba	Non-Executive Director
Mr. Nonso Okpala	Non-Executive Director
Mrs. Mosun Belo-Olusoga	Independent Non-Executive Director
Mrs. Fatima Wali-Abdurrahman	Independent 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/2013/000000000621

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 nine months ended 30 September 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 27th October, 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 nine months ended 30 September 2023

	Note	Group	Group	Group	Group	Company	Company	Company	Company
		Q3 2023	Q3 2022	September 2023 Ytd	September 2022 Ytd	Q3 2023	Q3 2022	September 2023 Ytd	September 2022 Ytd
<i>In thousands of naira</i>									
Revenue	4	2,749,045	1,151,462	5,949,104	4,974,717	464,561	462,423	3,936,247	2,882,691
Revenue		2,749,045	1,151,462	5,949,104	4,974,717	464,561	462,423	3,936,247	2,882,691
Other income	5	423,408	341,139	913,658	733,620	48,616	33,954	117,420	101,855
Other income		423,408	341,139	913,658	733,620	48,616	33,954	117,420	101,855
Total income		3,172,453	1,492,601	6,862,763	5,708,336	513,176	496,377	4,053,667	2,984,547
Personnel expense	6	(861,287)	(1,517,601)	(2,270,703)	(2,875,179)	(152,707)	(370,063)	(436,233)	(642,606)
Operating expenses	7	(818,591)	(651,284)	(1,856,602)	(1,639,395)	(222,967)	(159,272)	(515,432)	(455,504)
Depreciation and Amortisation	17	(123,322)	(138,263)	(299,926)	(395,200)	(13,913)	(15,480)	(41,679)	(42,435)
Total operating expenses		(1,803,199)	(2,307,148)	(4,427,231)	(4,909,774)	(389,588)	(544,815)	(993,344)	(1,140,546)
Operating profit/(Loss)		1,369,254	(814,547)	2,435,532	798,563	123,589	(48,438)	3,060,323	1,844,001
Finance cost		(792,952)	(349,441)	(2,000,252)	(1,689,347)	(792,952)	(349,441)	(2,000,252)	(1,689,347)
Profit/(Loss) before investee income		576,302	(1,163,988)	435,280	(890,784)	(669,363)	(397,879)	1,060,071	154,655
Share of profit-equity accounted investees		623,080	405,196	1,480,326	1,355,163	-	-	-	-
Profit/(Loss) before income tax		1,199,382	(758,791)	1,915,606	464,379	(669,363)	(397,879)	1,060,071	154,655
Income tax expense		(232,117)	(97,239)	(696,351)	(291,718)	-	(17,272)	-	(51,817)
Profit/(Loss) for the year		967,265	(856,031)	1,219,255	172,661	(669,363)	(415,151)	1,060,071	102,838

As at 30 September 2023

In thousands of naira	Notes	Group	Group	Company	Company
		Sep-23	Dec-22	Sep-23	Dec-22
ASSETS					
Cash and cash equivalents	10	5,188,459	4,749,694	1,877,158	1,560,373
Trade, other receivables	11	696,281	1,064,696	571,047	704,470
Intercompany receivables	12	-	-	1,081,417	926,009
Prepayment	13	237,617	592,461	19,215	95,745
Investment securities	14	513,966	621,570	513,966	648,871
Total current assets		6,636,323	7,028,421	4,062,802	3,935,468
Investment securities	14	16,470,533	16,330,112	10,932,306	10,998,256
Investment in associates	15	28,454,980	29,711,182	19,364,881	19,364,881
Investment in subsidiaries	16	-	-	2,856,928	2,856,928
Property, plant and equipment	17	3,698,766	3,827,404	160,967	203,929
Intangible assets	17	63,213	90,444	19,939	24,834
Right-of-use asset	19	73,939	75,501	-	-
Defined benefit plan asset	21	-	180	-	-
Total non current assets		48,761,431	50,034,822	33,335,020	33,448,828
Total assets		55,397,754	57,063,243	37,397,822	37,384,296
LIABILITIES					
Other liabilities	18	3,188,476	5,286,796	676,313	1,180,094
Term Loan	18	14,028,329	14,078,952	14,028,752	14,078,952
Lease Liabilities	19	26,800	26,021	-	-
Current tax liabilities	20	57,766	93,854	5,745	16,229
Retirement benefit obligations	21	-	-	-	1,416
Total current liabilities		17,301,371	19,485,623	14,710,810	15,276,691
Other Liabilities	18	-	-	13,347	-
Retirement benefit obligations	21	125,819	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		654,230	770,292	457,175	442,304
Total liabilities		17,955,601	20,255,915	15,167,985	15,718,995
EQUITY					
Share capital		1,102,310	1,102,310	1,102,310	1,102,310
Retained earnings		32,950,442	31,731,187	21,188,557	20,624,021
Other reserves		3,389,401	3,973,831	(61,030)	(61,030)
Total equity		37,442,153	36,807,329	22,229,837	21,665,301
Total equity and liabilities		55,397,754	57,063,243	37,397,822	37,384,296

The full financial statements were approved by the Board on 27th October, 2023 and signed on its behalf by:



Mr. Oscar N. Onyema, OON
FRC/2013/IODN/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 September 2023
Group

<i>In thousands of naira</i>	Share capital	Retained earnings	Claims review shares reserve	Actuarial valuation reserve	Fair value reserve	Total equity
Balance at 1 January 2022	982,058	31,143,945	9,012	(8,841)	1,988,180	34,114,354
Total comprehensive income for the year:						
Profit for the year	-	172,661	-	-	-	172,661
Other comprehensive income (net of income tax)	-	-	-	-	-	-
Remeasurement of defined benefit liability	-	-	-	-	-	-
Equity investment at FVOCI - net change in fair value	-	-	-	-	3,141,202	3,141,202
Equity accounted investee - share of OCI	-	-	-	-	-	-
Total other comprehensive income	-	172,661	-	-	-	3,313,863
Transaction with equity holders	9,012		(9,012)	-		-
Balance at 30 September 2022	991,070	31,316,606	0	(8,841)	5,129,382	37,428,217
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		1,219,255	-	-	-	1,219,255
Equity investment at FVOCI - net change in fair value					(88,895)	(88,895)
Total comprehensive income	-	1,219,255	-	-	-	-
Transactions with shareholders	-				(495,535)	(495,535)
Balance at 30 September 2023	1,102,310	32,950,442	(9,012)	32,408	3,366,005	37,442,153

Company

<i>In thousands of naira</i>	Share capital	Retained earnings	Claims review shares reserve	Actuarial valuation reserve	Fair value reserve	Total equity
Balance at 1 January 2022	982,058	20,985,986	9,012	(38,801)	-	21,938,255
Total comprehensive income for the year:						
Profit for the year	-	102,838	-	-	-	102,838
Other comprehensive income (net of income tax)	-	-	-	-	-	-
Remeasurement of defined benefit liability	-	-	-	-	-	-
Total other comprehensive loss		102,838	(9,012)	-	-	102,838
Transaction with equity holders	9,012		(9,012)			-
Balance at 30 September 2022	991,070	21,088,824	-	(38,801)	-	22,041,093
Balance at 1 January 2023	1,102,310	20,624,021	(9,012)	(52,018)		21,665,301
Retained earnings moved to share capital		(495,535)				(495,535)
Transaction with shareholders	-					
Profit for the period	-	1,060,071	-	-	-	1,060,071
Balance at 30 September 2023	1,102,310	21,188,557	(9,012)	(52,018)	-	22,229,837
Total comprehensive income for the period:						
Profit for the period	-		-	-	-	-
Total comprehensive income	-	-	-	-	-	-
Transactions with equity holders						
Balance at 30 September 2023	1,102,310	21,188,557	(9,012)	(52,018)	-	22,229,837

Statement of Cashflow
As at 30 September 2023

	Group	Group	Company	Company
	Sep-23	Sep-22	Sep-23	Sep-22
<i>In thousands of naira</i>				
Cashflow from Operating Activities				
Profit for the period	1,219,255	172,661	1,060,071	102,838
Income tax expense	696,351	291,718	-	51,817
Profit before tax	1,915,606	464,379	1,060,071	154,655
Depreciation of property and equipment	272,694	327,093	36,783	35,578
Depreciation of right of use asset	1,562	-	-	-
Amortization of intangible assets	27,231	68,107	4,895	4,895
Gain on disposal of property and equipment	(841)	(3,166)	(583)	-
Net foreign exchange differences	(113,379)	242	(5,222)	-
Impairment loss on investment securities	32,848	26,764	4	215
Impairment writeback on trade and other receivables	(1,648,698)	(506,629)	(980,916)	-
Interest on Lease liabilities	779	664	-	-
Interest expense on borrowing	2,000,252	1,689,347	2,000,252	-
Share of profit of equity accounted investee net of tax	(1,480,326)	(1,355,163)	-	-
Interest income	(1,442,236)	(1,533,083)	(1,212,424)	(1,411,429)
Dividend income	-	-	(2,723,823)	(1,471,262)
	(434,508)	(821,446)	(1,820,963)	(2,687,349)
Change in intercompany receivables	-	-	(155,408)	(56,477)
Change in trade and other receivables	379,574	1,461,634	133,423	573,965
Change in prepayments	354,844	(45,181)	76,530	84,312
Change in Term Loan	(50,623)	13,667,831	(50,200)	13,667,831
Change in liabilities	(2,098,320)	975,592	(923,268)	(201,629)
Change in retirement benefit obligations	153	22,403	108	1,416
Change in tax liabilities	(152,303)	(7,193)	(10,484)	(19,151)
	(2,001,184)	15,253,638	(2,750,261)	11,362,918
Income tax Paid	(732,440)	(298,911)	(10,484)	(70,968)
Net cash from operating activities	(2,733,624)	14,954,727	(2,760,744)	11,291,950
Cash flow From Investing Activities:				
Interest received	1,166,955	1,533,083	937,143	1,411,429
Dividend received	2,723,823	1,471,262	2,723,823	1,471,262
Dividend paid	(495,535)	-	(495,535)	-
Sale/(Purchase) of investments - financial assets	(32,818)	(234,462)	200,855	312,296
Acquisition of PPE	(35,128)	(666,991)	(1,154)	(376)
Proceed from sale of PPE	45,808	976,704	21,271	1,962
Additional investment in associates	-	(17,639,914)	0	(14,280,971)
Proceeds from the disposal of intangible asset	-	-	-	(51,822)
Net Cash flow From Investing Activities	3,373,106	(14,560,317)	3,386,403	(11,136,220)
Cash flows from financing activities:				
Lease payment	-	(188,612)	-	-
Interest paid	(314,096)	-	(314,096)	-
Net cash used in Financing activities	(314,096)	(188,612)	(314,096)	-
Increase/(Decrease) in Cash & Cash Equivalents	325,386	205,798	311,563	155,730
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	1,097,731
Effect of movements in exchange rates on cash held	113,379	-	5,222	-
Cash and Bank at the end of the period	5,188,459	2,454,037	1,877,158	1,253,460

4 Revenue

	Group	Group	Group	Group	Company	Company	Company	Company
	Q3	Q3	September	September	Q3	Q3	September	September
<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)	573,733	515,722	1,442,236	1,533,083	464,561	462,423	1,212,424	1,411,429
Dividend income	-	-	-	-	-	-	2,723,823	1,471,262
Transaction fees	1,785,675	393,399	3,615,251	2,714,096	-	-	-	-
Listing fees	317,661	198,497	705,776	562,261	-	-	-	-
Rental Income	35,178	26,047	106,891	77,795	-	-	-	-
Other fees (see note (b) below)	36,797	17,796	78,949	87,480	-	-	-	-
	2,749,045	1,151,462	5,949,104	4,974,717	464,561	462,423	3,936,247	2,882,691

(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
	Q3	Q3	September	September	Q3	Q3	September	September
<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)	181,949	148,684	331,834	271,138	48,604	33,954	116,836	101,855
Market Data income	211,260	166,816	499,236	387,752	-	-	-	-
Net gain on disposal of property and equipment	300	-	841	3,166	12	-	583	-
Technology Income	29,899	25,639	81,748	71,564	-	-	-	-
	423,408	341,139	913,658	733,620	48,616	33,954	117,420	101,855

(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>	Q3 2023	Q3 2022	September 2023 Ytd	September 2022 Ytd	Q3 2023	Q3 2022	September 2023 Ytd	September 2022 Ytd
Salaries and other staff benefits	823,236	1,470,472	2,150,238	2,737,437	143,310	358,602	408,215	612,875
Contributions to defined contribution plans	38,051	47,129	120,465	137,742	9,397	11,462	28,018	29,731
	861,287	1,517,601	2,270,703	2,875,179	152,707	370,063	436,233	642,606

7 Other expenses

	Group	Group	Group	Group	Company	Company	Company	Company
<i>In thousands of naira</i>	Q3 2023	Q3 2022	September 2023 Ytd	September 2022 Ytd	Q3 2023	Q3 2022	September 2023 Ytd	September 2022 Ytd
Audit expenses	7,699	9,944	21,843	29,831	2,822	3,225	8,466	9,675
Repairs and Maintenance (see note (a) below)	355,023	247,057	803,011	578,334	26,008	15,635	73,934	45,166
Facilities Maintenance	23,653	-	39,987	-	-	-	478	-
Director Expenses(see note (b) below)	58,253	39,999	168,349	208,806	18,482	4,807	70,796	73,355
Diesel expenses	30,450	(6,389)	85,493	111,377	13,389	10,125	24,978	26,696
Donations and Related Expenses	11,393	-	55,959	1,200	6,274	-	6,274	5,000
Events, seminars & sponsorship exps (see note (c) below)	19,411	19,022	41,019	29,413	2,892	-	2,892	-
Telephone, postages and periodicals	524	520	1,496	1,389	279	299	917	480
Brand management	1,947	358	2,787	-	-	-	-	-
Annual general meeting expenses	11,588	10,842	18,157	10,842	11,588	10,842	18,157	10,842
Bank charges	3,755	7,929	7,087	13,944	2,061	5,628	2,637	8,327
Project expenses	14,452	15,992	20,257	32,271	-	1,508	-	1,508
Professional fees (see note (d) below)	125,172	88,891	241,689	181,403	35,309	15,429	64,425	43,963
Rent	-	-	21,218	-	6,298	7,383	19,062	22,148
Stationery, library and factbook expenses	1,042	190	1,682	2,980	-	-	73	-
Subscriptions	10,694	14,454	14,901	15,215	3,414	11,435	4,273	11,529
Security expense	12,773	6,962	21,405	16,402	2,289	1,700	5,342	4,588
Service Charge, rates and other LG levies	12,299	(3,426)	32,117	10,613	5,033	4,432	13,703	12,956
Travelling expenses	56,274	20,612	102,496	62,367	18,993	10,528	27,780	13,268
General expenses (see note (e) below)	62,188	174,123	153,627	322,426	67,838	56,295	171,046	165,787
	818,591	651,284	1,856,602	1,639,395	222,967	159,272	515,432	455,504

(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>	September 2023 Ytd	September 2023 Ytd
Director's fees	96,125	31,000
Director's sitting allowances	44,045	22,875
Board expenses	28,179	16,921
	168,349	70,796

(c) Events, seminars & sponsorship expenses

	Group	Company
<i>In thousand of naira</i>	September 2023 Ytd	September 2023 Ytd
Events	18,929	-
Seminar & Sponsorship	22,090	2,892
	41,019	2,892

(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

<i>In thousands of naira</i>	Group	Company
	September Ytd 2023 Actual	September Ytd 2023 Actual
Shared service cost (see note (a) below)	-	129,453
Business continuity expense	2,514	-
Annual regulatory charges	9,703	-
Entertainment	855	19
Media relations	4,663	2,537
Advert and publication	3,030	3,030
Protocol Service	826	305
Cleaning materials	136	-
Office Provision	1,003	223
Insurance	22,996	9,307
Payment to NASDAQ	10,041	9,255
Interest on lease liability	779	-
Exchange Difference	99,278	20,206
Industrial training fund	- 12,008	- 3,341
Uniform	52	52
	153,627	171,046

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

8 Income Tax Expense

<i>In thousands of naira</i>	Group	Group	Company	Company
	September Ytd 2023 Actual	September Ytd 2022 Actual	September Ytd 2023 Actual	September Ytd 2022 Actual
Current year tax expenses:				
Companies Income Tax	623,505	72,227	-	-
Nigerian Police Trust Fund Levy	104	-	-	-
Tertiary Education Tax	51,959	-	-	-
Information Technology levy	20,784	-	-	-
	696,351	72,227	-	-

9 Finance Cost

<i>In thousands of naira</i>	Group	Group	Company	Company
	September Ytd 2023 Actual	September Ytd 2022 Actual	September Ytd 2023 Actual	September Ytd 2022 Actual
Finance Cost	2,000,252	1,689,347	2,000,252	1,689,347

10 Cash and cash equivalents

<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Bank balances	599,016	3,360,191	163,675	598,459
Fixed deposits	4,589,443	1,389,807	1,713,483	961,914
Gross total	5,188,459	4,749,998	1,877,158	1,560,373
ECL allowance (see note (a) below)	(0)	(304)	-	-
Carrying amount	5,188,459	4,749,694	1,877,158	1,560,373

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

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

11 Trade, other receivables

<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Trade receivables	817,437	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)	752,063	1,222,287	376,484	509,907
Gross total	2,344,979	2,706,479	1,551,963	1,685,386
ECL Allowance (See note (e) below)	(1,648,698)	(1,641,782)	(980,916)	(980,916)
Carrying amount	696,281	1,064,696	571,047	704,470
Non current	-	-	-	-
Current	696,281	1,064,696	571,047	704,470
Carrying amount	696,281	1,064,696	571,047	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 Nigerian Exchange Limited 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 Sep-23	Group Dec-22	Company Sep-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 Sep-23	Group Dec-22	Company Sep-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 Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Intercompany receivables	-	-	1,409,223	1,253,815
ECL allowance	-	-	(327,806)	(327,806)
Carrying amount	-	-	1,081,417	926,009
Current asset	-	-	1,081,417	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 Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Prepayments (See note (a) below)	237,617	592,461	19,215	95,745
Carrying amount	237,617	592,461	19,215	95,745
Current	237,617	-	19,215	50,309
Non current	-	592,461	-	45,436
	237,617	592,461	19,215	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 Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
At amortised cost				
Bonds	12,415,326	12,248,079	10,937,332	11,003,751
Treasury bills	73,529	-	46,766	-
Mutual funds	467,675	648,871	467,675	648,871
	12,956,530	12,896,950	11,451,771	11,652,622
Impairment allowance	(32,848)	(6,085)	(5,499)	(5,495)
Sub total	12,923,682	12,890,865	11,446,272	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	16,984,499	16,951,682	11,446,272	11,647,127

<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Non-current	16,470,533	16,330,112	10,932,306	10,998,256
Current	513,966	621,570	513,966	648,871
Carrying amount	16,984,499	16,951,682	11,446,272	11,647,127

15 Investment in associates

<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Investment in associate - CSCS (see note (a) below)	26,793,527	27,961,789	17,628,194	17,628,194
Investment in associate - NG Clearing (see note (b) below)	1,661,453	1,749,393	1,736,687	1,736,687
Total investment in associates	28,454,980	29,711,182	19,364,881	19,364,881
Allowance for impairment	-	-	-	-
Carrying amount	28,454,980	29,711,182	19,364,881	19,364,881

- a The Nigerian Exchange Group has 44.18% 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 Sep-23	Group Dec-22	Company Sep-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	-	-	2,930,428	2,930,429
Impairment	-	-	(73,500)	(73,500)
Carrying amount	-	-	2,856,928	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	1,830,382	1,224,690	317,222	919,024	1,347,906	7,990,303
Additions	-	10,310	1,545	21,500	-	1,774	35,128
Disposals/write off	-	-	(14,601)	(4,017)	(27,190)	-	(45,808)
As at 30 September 2023	2,351,079	1,840,692	1,284,324	334,971	856,584	1,401,653	8,069,302
Accumulated Depreciation							
As at 1 Jan 2023	693,127	437,306	1,090,867	294,200	482,570	1,253,006	4,251,075
Current charge	58,710	1,562	57,644	17,346	93,736	43,696	272,694
Disposals/write off	-	-	(14,454)	(3,957)	(27,190)	(4,798)	(45,808)
As at 30 September 2023	683,063	430,561	1,116,493	301,219	547,297	1,291,904	4,370,536
Net Book Value							
As at 30 September 2023	1,668,016	1,410,131	167,831	33,752	309,287	109,749	3,698,766
As at 1 Jan 2023	1,657,952	1,393,077	133,823	23,022	436,454	94,900	3,827,403

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 September 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	-	27,231	27,231
As at 30 September 2023	57,148	2,943,526	2,995,316
Net Book Value			
As at 30 September 2023	-	63,213	63,213
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	-	335	0	-	820	1,154
Disposals/write off	(2)	(6,601)	-	(22,000)	-	(28,603)
As at 30 September 2023	213,528	13,680	25,734	242,993	6,027	501,961
Accumulated Depreciation						
As at 1 Jan 2023	144,837	17,566	23,652	135,000	4,427	325,482
Current charge/Impairment Losses	1,039	674	381	34,124	566	36,783
Disposals/write off	0	(6,601)	(1)	(14,667)	(4)	(21,271)
As at 30 September 2023	145,876	11,639	24,032	154,457	4,990	340,995
Net Book Value						
As at 1 Jan 2023	68,693	2,379	2,082	129,994	780	203,929
As at 30 September 2023	67,652	2,041	1,702	88,536	1,037	160,967

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 September 2023	32,634
Accumulated Amortisation	
As at 1 Jan 2023	7,800
Current charge	4,895
As at 30 September 2023	12,695
Net Book Value	
As at 1 Jan 2023	24,834
As at 30 September 2023	19,939

18 Other liabilities

<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
<i>Financial liabilities</i>				
Sundry creditors (see note (a) below)	424,960	3,057,612	90,868	144,149
Intercompany payable (see note (b) below)	-	-	13,347	219,233
Accrued expenses (see note (c) below)	922,452	1,410,153	81,121	397,654
Donations Payable	254,314	254,314	254,314	254,314
Staff related liabilities (see note (d) below)	24,809	56,725	46,113	47,388
Borrowings (see note (f) below)	14,028,329	14,078,952	14,028,752	14,078,952
Others (see note (e) below)	1,300,063	97,657	122,798	13,690
	16,954,927	18,955,414	14,637,312	15,155,380
<i>Non-financial liabilities</i>				
Value Added Tax	-	193,738	61,757	7,450
WHT payable*	74,739	100,904	69,700	91,678
Deffered Income	380,878	247,673	3,948	3,948
	261,879	410,334	81,098	103,666
Total	17,216,805	19,365,748	14,718,410	15,259,046
<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Non-current	-	14,078,952	13,347	14,078,952
Current	17,216,805	5,286,796	14,705,064	1,180,094
Carrying amount	17,216,805	19,365,748	14,718,410	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 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 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, VAT on equity transaction, trade guaranty fund, tax provision etc.

(f) Borrowings represent balance of loan principal (N13.5 b) to finance strategic investment and accrued interest on the loan (N0.016b)

* 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 Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Opening balance	75,501	-	-	-
Depreciation charge for the year	1,562	2,083	-	-
Additions to right-of-use assets	-	77,584	-	-
Balance	73,939	75,501	-	-
<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Opening balance	26,021	222,623	-	191,823
Addition	-	-	-	142,422
	26,021	222,623	-	334,245
Accretion of interest	779	886	-	29,727
Lease payment	-	(197,488)	60,835	(309,412)
Transfer	-	-	(60,835)	(54,560)
Closing balance	26,800	26,021	-	-

20 Tax liabilities

<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Current tax liabilities	57,766	93,854	5,744	16,229
	57,766	93,854	5,744	16,229

21 Retirement benefit obligations

<i>In thousands of naira</i>	Group Sep-23	Group Dec-22	Company Sep-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	156	(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 Sep-23	Group Dec-22	Company Sep-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 Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
Deferred Tax Liabilities	122,667	238,882	-	-
	122,667	238,882	-	-

24 Capital and Reserves

(a) Share Capital	Group Sep-23	Group Dec-22	Company Sep-23	Company Dec-22
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*In thousands of shares***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	3,389,401	5,120,541	(61,030)	(61,030)
c Retained earnings	31,731,187	31,143,945	20,128,486	20,985,986
d Net profit for the reporting period/year	1,219,255	172,661	1,060,071	102,838
Equity	37,442,153	37,539,457	22,229,837	22,130,104

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.