

Nigerian Exchange Group Plc

Unaudited Financial Statements for the period ended 30 September 2021

Table of Contents	Pages
Corporate information	1
Financial Statements	
Consolidated and separate statement of comprehensive income	2
Consolidated and separate statement of financial position	3
Consolidated and separate statement of changes in equity	4
Consolidated and separate statement of cash flows	5
<i>Notes to the consolidated and separate financial statements</i>	6

Corporate information

Board of Directors

Otunba Abimbola Ogunbanjo	----- Chairman
Mr. Oscar N. Onyema, OON	----- Group Chief Executive Officer
Mr. Apollos Ikpobe	----- Independent Non-Executive Director
Dr. Okechukwu Itanyi	----- Independent Non-Executive Director
Prof. Enase Okonedo	----- 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
Dr. Umaru Kwairanga	----- Non-Executive Director

Council Secretary: Mrs. Mojisola Adeola

FRC/2013/NBA/00000004263

Registered Office:

Stock Exchange House

2/4, Customs Street

Marina

Lagos

FRC/2013/0000000000621

Independent Auditor:

KPMG Professional Services

KPMG Tower

Bishop Aboyade Cole street

Victoria Island, Lagos

statement of comprehensive income
For the nine months ended 30 September 2021

		Group	Group	Group	Group	Company	Company	Company	Company
	Note	Q3 2021	Q3 2020	September 2021 Ytd	September 2020 Ytd	Q3 2021	Q3 2020	September 2021 Ytd	September 2020 Ytd
<i>In thousands of naira</i>									
Revenue	1	1,732,340	1,063,934	4,387,791	3,784,801	349,328	-	2,440,486	-
Revenue		1,732,340	1,063,934	4,387,791	3,784,801	349,328	-	2,440,486	-
Other income	2	398,094	134,778	471,829	240,149	574,038	-	579,038	-
Other income		398,094	134,778	471,829	240,149	574,038	-	579,038	-
Total income		2,130,434	1,198,712	4,859,620	4,024,950	923,366	-	3,019,524	-
Staff cost	3	841,302	729,995	2,403,390	2,164,906	144,829	-	351,357	-
Depreciation and Amortisation	11	155,780	146,364	420,498	427,293	47,876	-	110,408	-
Operating expenses	4	477,719	466,571	1,325,426	1,104,801	142,938	-	516,178	-
Total expenses		1,474,801	1,342,930	4,149,314	3,697,000	335,643	-	977,943	-
Operating Profit		655,634	(144,218)	710,305	327,950	587,723	-	2,041,580	-
Share of profit-equity accounted investees		318,221	321,632	1,017,287	1,037,765	-	-	-	-
Profit before tax		973,854	177,415	1,727,592	1,365,715	587,723	-	2,041,580	-
Income tax expense		-	-	217,830	-	-	-	-	-
Profit for the period		973,854	177,415	1,509,762	1,365,715	587,723	-	2,041,580	-
Total comprehensive income for the period		973,854	177,415	1,509,762	1,365,715	587,723	-	2,041,580	-
Earnings per share (kobo)		49		75		29		102	

*NGX Group "The Company" reporting period commences from 1st of March 2021 whilst Group's PBT consolidates NSE February Ytd performance of N254m.

*Operating expenses include demutualisation project costs which have impacted the group performance

Statement of financial position
As at 30 September 2021

	Notes	Group	Group	Company	Exchange
		Sep-21	Dec-20	Sep-21	Dec-20
<i>In thousands of naira</i>					
ASSETS					
Cash and cash equivalents	5	5,875,141	6,988,063	4,433,051	5,562,994
Trade, other receivables and prepayments	6	775,008	971,486	508,352	1,682,548
Capital Work in Progress	7	78,202	42,591	46,702	42,591
Other investments	8	11,868,913	8,707,760	11,868,913	8,707,760
Total current assets		18,597,264	16,709,899	16,857,018	15,995,893
Other investments	8	1,475,386	1,475,386	-	-
Investment in associates	9	11,735,202	12,425,596	3,157,340	3,157,340
Investment in subsidiaries	10	-	-	4,098,409	4,015,893
Property, plant and equipment	11	4,082,479	4,253,760	205,594	397,780
Intangible assets	11	156,812	241,932	0	-
Total non current assets		17,449,878	18,396,674	7,461,343	7,571,013
Total assets		36,047,142	35,106,573	24,318,361	23,566,906
LIABILITIES					
Trade, other payables and accruals	12	2,134,677	2,411,964	1,394,858	2,370,551
Lease Liabilities	13	34,823	133,781	33,175	191,823
Tax liabilities	14	306,924	89,095	-	-
Retirement benefit obligations	15	-	38,484	-	38,484
Total current liabilities		2,476,424	2,673,323	1,428,033	2,600,857
Retirement benefit obligations	15	172,288	544,582	172,288	544,582
Provisions	16	373,543	373,543	373,543	373,543
Deferred tax liabilities	17	238,882	238,882	-	-
Total non current liabilities		784,713	1,157,007	545,831	918,125
Total liabilities		3,261,137	3,830,330	1,973,864	3,518,982
EQUITY					
Share capital		1,002,100	-	1,002,100	-
Retained earnings		30,394,511	29,886,849	21,390,741	20,096,266
Actuarial valuation reserve		(48,103)	(48,103)	(48,342)	(48,342)
Fair value reserve		1,437,497	1,437,497	-	-
Total equity		32,786,006	31,276,243	22,344,499	20,047,924
Total equity and liabilities		36,047,142	35,106,573	24,318,361	23,566,906

*Exchange denotes the (Defunct) NSE

These financial statements were approved by the Board of Directors on **26 October 2021** and signed on its behalf by:

Mr. Oscar N. Onyema, OON`
FRC/2013/IODN/00000001802
Group Chief Executive Officer



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



**Statement of changes in equity for the period ended
As at 30 September 2021**

Group

<i>In thousands of naira</i>	Share capital	Retained earnings	Actuarial valuation reserve	Fair value reserve	Total equity
Balance at 1 January 2020	-	28,048,220	(53,109)	431,133	28,426,244
Total comprehensive income for the year:					
Profit for the year	-	1,838,629	5,006	1,006,364	2,849,999
Total other comprehensive income	-	1,838,629	5,006	1,006,364	2,849,999
Balance at 31 December 2020	-	29,886,849	(48,103)	1,437,497	31,276,243
Balance at 1 January 2021	-	29,886,849	(48,103)	1,437,497	31,276,243
Total comprehensive income for the period:					
Profit for the period	-	1,509,762	-	-	1,509,762
Total comprehensive income	-	1,509,762	-	-	1,509,762
Transactions with equity holders	1,002,100	(1,002,100)	-	-	-
Balance at 30 September 2021	1,002,100	30,394,511	(48,103)	1,437,497	32,786,006

Company

<i>In thousands of naira</i>	Share capital	Retained earnings	Actuarial valuation reserve	Fair value reserve	Total equity
Balance at 1 January 2020	-	19,034,186	(53,109)	-	18,981,077
Total comprehensive income for the year:					
Profit for the year	-	1,062,080	4,767	-	1,066,847
Total other comprehensive income	-	1,062,080	4,767	-	1,066,847
Balance at 31 December 2020	-	20,096,266	(48,342)	-	20,047,924
Balance at 1 January 2021	-	20,096,266	(48,342)	-	20,047,924
Profit for the period	-	254,995	-	-	254,995
Balance at 28 February 2021	-	20,351,261	(48,342)	-	20,302,919
Total comprehensive income for the period:					
Profit for the period	-	2,041,580	-	-	2,041,580
Total comprehensive income	-	2,041,580	-	-	2,041,580
Transactions with equity holders	1,002,100	(1,002,100)	-	-	-
Balance at 30 September 2021	1,002,100	21,390,741	(48,342)	-	22,344,499

**Statement of Cashflow for the Period Ended
As at 30 September 2021**

	Group	Group	Company	Exchange
<i>In thousands of naira</i>	Sep-21	Dec-20	Sep-21	Dec-20
Cashflow from Operating Activities				
Gross Income	6,567,300	8,022,450	3,274,518	7,116,474
Cash Payment to employees and Suppliers	(4,039,883)	(5,318,741)	(867,534)	(5,436,400)
Loss/(Gain) of Disposal of PPE	(1,246)	(4,631)	(623)	(4,631)
Operating profit before changes in assets & liabilities	2,526,171	2,699,077	2,406,360	1,675,442
(Increase)/Decrease in Trade & Other Receivables	196,478	(494,708)	1,174,196	(366,682)
(Increase)/Decrease in Capital Work in Progress	(35,611)	12,009.06	(4,111)	12,009
(Increase)/Decrease in Other Investments	(3,161,153)	1,712,223	(3,161,153)	2,541,545
Increase/(Decrease) in Other creditors	(376,245)	(60,548)	(1,134,341)	(105,474)
Increase/(Decrease) in Staff gratuity	(410,778)	67,548	(410,778)	67,548
Increase/Decrease in Tax liabilities	217,830	67,931	-	-
Cash flow from operating activities	(1,043,309)	4,003,531	(1,129,827)	3,824,389
Net cash flow from operating activities	(1,043,309)	4,003,531	(1,129,827)	3,824,389
Cash flow From Investing Activities				
Acquisition of PPE	(96,514)	(349,060)	(27,017)	(486,124)
Acquisition of Intangible Assets	-	(99,346)	-	(99,346)
Proceed from sale of fixed Assets	26,901	16,898	26,901	16,898
Investment in subsidiary /associate	-	-	-	(1,000,000)
Investment in associate	-	(1,000,000)	-	(1,000,000)
Net Cash flow From Investing Activities	(69,614)	(1,431,508)	(116)	(2,568,572)
Increase/Decrease in Cash & Cash Equivalents	(1,112,922)	2,572,023	(1,129,944)	1,255,816
Cash and Bank at the beginning of the period	6,988,063	4,416,040	5,562,994	4,307,178
Cash and Bank at the end of the period	5,875,141	6,988,063	4,433,051	5,562,994
Comprises of:				
Cash and bank	5,875,141	6,988,063	4,433,051	5,562,994

**Exchange denotes the (Defunct) NSE*

Notes to the condensed consolidated financial statements
For the nine months ended 30 September 2021

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), and NGX Real Estate Limited (NGX RELCO). The address of the NGX Group's registered office is Stock Exchange House, 2/4 Customs Street, Lagos.

The principal activities of Nigerian Exchange Group Plc ("NGX Group") and subsidiaries (the Group) include listing and trading securities, licensing, market data solutions, ancillary technology, regulation, real estate, and more through its wholly-owned subsidiaries – NGX Exchange, NGX REGCO, and NGX RELCO.

2 Basis of accounting

i Statement of compliance

These interim financial statements for the nine months ended 30 September 2021 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 2020 ('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 26 October, 2021.

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 2020.

1 Revenue

	Group	Group	Group	Group	Company	Company	Company	Company
	Q3	Q3	September	September	Q3	Q3	September	September
<i>In thousands of naira</i>	2021	2020	2021 Ytd	2020 Ytd	2021	2020	2021 Ytd	2020 Ytd
Listing:								
Listing fees	116,507	122,521	423,280	376,561	-	-	-	-
Entrance levies	11,653	23,553	106,211	101,648	-	-	-	-
	128,160	146,074	529,491	478,209	-	-	-	-
Trading:								
Transaction fees	433,089	416,907	1,794,907	1,739,841	-	-	-	-
	433,089	416,907	1,794,907	1,739,841	-	-	-	-
Data, Technology and indices:								
Market Data Income	106,755	91,058	253,849	246,149	-	-	-	-
Technology Income	39,634	42,861	97,272	106,439	-	-	-	-
Index licensing	7,316	8,537	25,962	25,198	-	-	-	-
	153,705	142,456	377,083	377,786	-	-	-	-
Investments:								
Treasury Investment income	369,000	293,219	887,057	1,010,140	349,328	-	732,805	-
Rental Income from investment property	24,182	24,182	72,546	68,602	-	-	-	-
Dividends from subsidiaries & associates	-	-	-	-	-	-	1,707,680	-
	393,182	317,401	959,603	1,078,743	349,328	-	2,440,486	-
Other revenue:								
Penalty fees	56,766	18,335	123,233	26,354	-	-	-	-
Trading membership & licensing fees	9,260	20,821	32,538	66,811	-	-	-	-
Nominal fees	558,178	-	569,693	11,261	-	-	-	-
other fees	-	1,940	1,243	5,795	-	-	-	-
	624,203	41,096	726,707	110,221	-	-	-	-
	1,732,340	1,063,934	4,387,791	3,784,801	349,328	-	2,440,486	-

- (a) Listing fees include all income earned from annual listing fees for listed companies, listed bond and delisting fee. Please see breakdown below:
(b) Entrance fees include application processing and brokerage house application fees. Please see breakdown below:
(c) Transaction fees is made up of Equity transaction fees, Exchange Traded Fund and Income from Bond trading
(d) Market Data income is a summation of income from Market Data Feed and other market data subscription services
(e) Technology Income comprises of Xnet-Connectivity subscription, ATS Maintenance fees and Hosting Service fees
(f) Rental Income represent rents earned from real estate
(g) Treasury Investment income includes income from Bonds, Treasury bills and fixed deposits
(h) Strategic investment income includes dividend income from associates and subsidiaries
(i) Other fees represent rent of trading floor

2 Other Income

	Group	Group	Group	Group	Company	Company	Company	Company
	Q3	Q3	September	September	Q3	Q3	September	September
<i>In thousands of naira</i>	2021	2020	2021 Ytd	2020 Ytd	2021	2020	2021 Ytd	2020 Ytd
Management Fee	-	-	-	-	-	-	-	-
Service charges from investment properties	10,364	10,364	31,091	31,091	-	-	-	-
X-Academy income	9,464	6,212	34,415	14,389	-	-	-	-
Regtech Income	-	-	930	-	-	-	-	-
Sundry income (See breakdown below)	378,267	118,202	405,392	194,669	574,038	-	579,038	-
	398,094	134,778	471,829	240,149	574,038	-	579,038	-

*Management fees are fees charged to the subsidiaries for services rendered

	Group	Group	Group	Group	Company	Company	Company	Company
	Q3	Q3	September	September	Q3	Q3	September	September
<i>In thousands of naira</i>	2021	2020	2021 Ytd	2020 Ytd	2021	2020	2021 Ytd	2020 Ytd
Advert Income (Factbook & Website)	423	-	7,495	-	-	-	-	-
Brokers Uniforms	17	58	120	443	-	-	-	-
Designated Adviser Fee	-	-	-	220	-	-	-	-
Impairment Reversal	0	14,000	7,165	19,529	561,000	-	566,000	-
Income From Facility Rentals	-	-	-	227	-	-	-	-
Investigation Fee	-	-	-	93	-	-	-	-
Provision no Longer Required	12,415	100,262	15,882	165,784	12,415	-	12,415	-
Sales of Factbook	102	-	186	824	-	-	-	-
Net gain/(loss) on PPE Disposal	623	3,478	1,246	4,626	623	-	623	-
Seminars & Others	6,655	-	9,864	-	-	-	-	-
Sponsorship Income	250	250	805	2,700	-	-	-	-
Miscellaneous Income	357,781	153	362,629	223	-	0	-	0
	378,267	118,202	405,392	194,669	574,038	-	579,038	-

3 Personnel expenses

	Group	Group	Group	Group	Company	Company	Company	Company	
	Q3	Q3	September	September	Q3	Q3	September	September	
<i>In thousands of naira</i>	2021	2020	2021 Ytd	2020 Ytd	Q3	2021	2020	2021 Ytd	2020 Ytd
Salaries and other staff benefits	788,619	681,408	2,246,103	2,019,285	134,674	-	-	327,204	-
Performance Incentive	-	-	-	-	-	-	-	-	-
Employer pension contribution	52,683	48,587	157,287	145,620	10,156	-	-	24,153	-
	841,302	729,995	2,403,390	2,164,906	144,829	-	-	351,357	-

4 Other expenses

	Group	Group	Group	Group	Company	Company	Company	Company	
	Q3	Q3	September	September	Q3	Q3	September	September	
<i>In thousands of naira</i>	2021	2020	2021 Ytd	2020 Ytd	Q3	2021	2020	2021 Ytd	2020 Ytd
Computer Maintenance	141,276	236,297	389,821	289,449	-	-	-	-	-
Consultancy	49,269	22,044	131,627	57,901	10,069	-	-	32,385	-
Director Expenses	73,765	37,551	111,654	84,960	29,340	-	-	56,329	-
Donations and Related Expenses	-	99,896	10,000	126,475	-	-	-	-	-
Facilities Maintenance	28,045	23,718	80,038	84,597	20,332	-	-	46,138	-
Insurance Expenses	5,564	3,103	18,329	10,218	-	-	-	-	-
Rent	-	8,880	-	8,880	-	-	-	-	-
Repairs and Maintenance	16,487	15,795	39,594	54,520	(424)	-	-	2,625	-
Stationery, library and factbook expenses	1,110	374	2,798	3,048	-	-	-	100	-
Subscriptions	12,642	3,587	28,348	51,846	1,410	-	-	10,447	-
Travelling expenses	14,695	1,641	20,253	24,136	8,380	-	-	10,426	-
Other expenses (See breakdown below)	134,866	13,687	492,964	308,771	73,830	-	-	357,727	-
	477,719	466,571	1,325,426	1,104,801	142,938	-	-	516,178	-

*Other expenses include demutualisation project costs.

	Group	Group	Group	Group	Company	Company	Company	Company	
	Q3	Q3	September	September	Q3	Q3	September	September	
<i>In thousands of naira</i>	2021	2020	2021 Ytd	2020 Ytd	Q3	2021	2020	2021 Ytd	2020 Ytd
Adverts & Publications	-	-	-	421	-	-	-	-	-
Annual General Meeting	25,881	-	25,881	1,500	25,881	-	-	25,881	-
Anniversary Expense	5,686	-	88,064	-	5,686	-	-	88,064	-
Bank/Finance Charges	5,598	9,872	11,213	138,571	4,943	-	-	7,332	-
Business Continuity Expense	764	-	2,376	-	-	-	-	-	-
Brand Management	8,734	21,850	23,776	25,007	-	-	-	-	-
Brokers Uniform Production	-	-	-	1	-	-	-	-	-
Cleaning Materials	86	-	208	1,745	-	-	-	-	-
Corporate Gift	-	-	-	2,993	-	-	-	-	-
Employee Recognition/Reward	-	-	-	-	-	-	-	-	-
Employee Survey	-	2,688	-	2,688	-	-	-	-	-
Enterprise Innovation Hub Expense	-	10,794	3,783	13,342	-	-	-	-	-
Entertainment	133	102	870	1,327	-	-	-	-	-
Events & Sponsorship Expenses	8,154	2,241	18,518	20,061	345	-	-	345	-
Exchange Rate Difference	6,500	-	30,103	92	6,451	-	-	20,761	-
Exgratia/Benevolence	140	-	175	1,143	105	-	-	140	-
Graduate Training Programme	-	-	5,636	343	-	-	-	-	-
Interest on Lease	5,416	-	7,074	-	4,200	-	-	15,996	-
Listing Expense	8,573	-	8,573	-	8,573	-	-	8,573	-
Media Relations & News Mgt	1,042	1,000	1,092	1,532	-	-	-	-	-
Newspaper/Periodicals	107	177	321	359	53	-	-	53	-
Office Provision	225	75	430	1,529	-	-	-	-	-
Postage Exp.	200	291	252	534	-	-	-	-	-
Project	30,249	19,554	215,124	58,829	16,194	-	-	189,182	-
Protocol Services.	392	150	583	482	-	-	-	-	-
Recruitment Fees	10,515	130	10,609	130	-	-	-	-	-
Security Expenses	5,551	4,147	12,729	15,645	-	-	-	-	-
Staff Induction	-	-	-	47	-	-	-	-	-
Telephone Exp.	12,779	7,200	13,761	9,606	1,400	-	-	1,400	-
Uncapitalised Assets	323	572	353	760	-	-	-	-	-
Uniform	-	24	-	36	-	-	-	-	-
X-Academy Expense	3,390	1,361	13,901	5,221	-	-	-	-	-
	134,866	13,687	492,964	308,771	73,830	-	-	357,727	-

Notes to the condensed consolidated financial statements
For the nine months ended 30 September 2021



5 Cash and cash equivalents

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Bank balances	632,537	4,013,717	410,365	-	2,688,684
Fixed deposits	5,245,109	2,976,850	4,024,807	-	2,876,432
Allowance for impairment	(2,504)	(2,504)	(2,121)	-	(2,121)
Carrying amount	5,875,141	6,988,063	4,433,051	-	5,562,994

6 Trade, other receivables and prepayment

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Intercompany receivables	-	-	401,665	-	1,703,738
Trade receivables	652,822	698,138	-	-	683,935
Staff loans	-	299	-	-	299
Due from NSE/CSCS Multipurpose Cooperative Society (see note (a))	264,979	264,979	264,979	-	264,979
Deferred recovery of bonuses (see note (b) below)	522,500	522,500	522,500	-	522,500
Due from Gratuity Administrators	-	2,165	-	-	2,165
Other receivables (see note (c) below)	1,026,428	887,400	366,217	-	335,361
Deposit for investment	-	652,001	-	-	652,001
Prepayments (see note (d) below)	478,716	116,605	360,602	-	114,068
Gross total	2,945,445	3,144,088	1,915,963	-	4,279,046
Allowance for impairment	(2,170,438)	(2,172,602)	(1,407,611)	-	(2,596,498)
Carrying amount	775,008	971,486	508,352	-	1,682,548

- (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 a 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 ₦522.5million 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) Other receivables include investment in defunct Hallmark bank and other unsubstantiated receivables (₦630.3million). These amounts have been fully impaired as at year end.
- (d) Prepayments include advance payments to various vendors and contractors.

7 Capital Work in Progress

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Projects in Progress (see note (a) below)	78,202	42,591	46,702	-	42,591
	78,202	42,591	46,702	-	42,591

- (a) Capital Work in Progress represents the amount spent to date on the implementation of various projects in progress. Upon completion of the projects, the total project cost will be unbundled and capitalised/expensed as the case may be.

8 Other investments

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Bonds	6,431,803	7,160,789	6,431,803	-	7,160,789
Treasury bills	4,186,359	794,023	4,186,359	-	794,023
Commercial papers	-	754,197	-	-	754,197
Mutual funds	1,252,001	-	1,252,001	-	-
Investment in unquoted equities (FMDQ OTC and NASD OTC)	1,475,386	1,475,386	-	-	-
Allowance for impairment	(1,249)	(1,249)	(1,249)	-	(1,249)
Carrying amount	13,344,299	10,183,145	11,868,913	-	8,707,760
Non-current	1,475,386	1,475,386	-	-	-
Current	11,868,913	8,707,760	11,868,913	-	8,707,760
Carrying amount	13,344,299	10,183,145	11,868,913	-	8,707,760

9 Investment in associates

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Investment in associate - CSCS (see note (a) below)	9,884,277	10,574,670	1,420,653	-	1,420,653
Investment in associate - NG Clearing (see note (b) below)	1,850,926	1,850,926	1,736,687	-	1,736,687
Total investment in associates	11,735,202	12,425,596	3,157,340	-	3,157,340
Allowance for impairment	-	-	-	-	-
Carrying amount	11,735,202	12,425,596	3,157,340	-	3,157,340

a The Nigerian Exchange Group has a 29.19% ownership interest in CSCS Limited (2020: 29.19%). 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.

b NG Clearing Limited is an associate company which The Nigerian Exchange Group has 27.7% ownership interest (2020: 22.6%). It is principally established to operate as a clearing house(s) for the clearance and settlement of transactions in financial securities and derivatives contracts.

10 Investment in subsidiaries

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
NSE Consult Limited	-	-	1,250	-	1,250
Coral Properties	-	-	72,000	-	72,000
NGX Real Estate	-	-	945,700	-	945,700
NSE Nominees	-	-	500	-	500
Nigerian Exchange Limited	-	-	2,509,027	-	2,416,961
NGX Regulation Limited	-	-	643,432	-	652,982
Investment in subsidiaries	-	-	4,171,909	-	4,089,393
Impairment	-	-	(73,500)	-	(73,500)
Carrying amount	-	-	4,098,409	-	4,015,893

a The Nigerian Exchange 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 arm of the group. The parent company, as part of its demutualisation plan, intends to wind up the company in the foreseeable future. The existing assets would be transferred to the parent company, Nigerian Exchange Group Plc.

b The Nigerian Exchange 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. The parent company, as part of its demutualisation plan, intends to wind up the company in the foreseeable future.

c The Nigerian Exchange Group Plc has a 100% holding in NGX Real Estate Limited. NGX Real Estate Limited was incorporated on 29 June 1974 as a limited liability Company. The company became a wholly owned subsidiary of the Exchange in 2005 when the Exchange acquired the 60% equity interest in the company, previously held by the Daily Times Nigeria. The company's main activities are property letting and investment.

d The Nigerian Exchange 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. The parent company intends to wind up the company upon transfer of assets under its custody to affected investors.

e The Nigerian Exchange 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 Nigerian Exchange 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's main activity is to provide regulatory services for securities exchange business.

11 Group

Property and equipment

In thousands of naira

DESCRIPTION	2%	2%	20%	20%	20%	20%	TOTAL
	BUILDING IMPROVEMENT	LEASEHOLD LAND & BUILDING	OFFICE EQUIPMENT	FURNITURE & FITTINGS	MOTOR VEHICLES	COMPUTER EQUIPMENT	
Cost	N	N	N	N	N	N	N
As at 1 Jan 2021	1,626,447	2,640,116	1,185,458	329,273	743,057	1,352,616	7,876,966
Additions	-	-	6,973	22,534	66,150	858	96,514
Disposals/write off	-	(17,792)	-	-	-	-	(17,792)
As at 30 Sept 2021	1,626,447	2,622,324	1,192,431	351,807	809,207	1,353,473	7,955,689
Accumulated Depreciation							
As at 1 Jan 2021	334,718	654,978	850,711	271,066	364,066	1,147,668	3,623,206
Current charge	37,596	57,846	97,274	15,282	83,869	43,511	335,378
Disposals/write off	(0)	(17,791)	(0)	(1,788)	(63,412)	(2,383)	(85,374)
As at 30 Sept 2021	372,314	695,033	947,985	284,560	384,523	1,188,796	3,873,210
Net Book Value							
As at 30 Sept 2021	1,254,134	1,927,291	244,446	67,247	424,683	164,677	4,082,479
As at 1 Jan 2021	1,291,729	1,985,138	334,747	58,207	378,991	204,948	4,253,760

Intangible assets

In thousands of naira

DESCRIPTION	GOODWILL	20%	TOTAL
		PURCHASED SOFTWARE	
Cost	N	N	N
As at 1 Jan 2021	61,784	2,967,440	3,029,224
Additions	-	-	-
Disposals/write off	-	-	-
As at 30 Sept 2021	61,784	2,967,440	3,029,224
Accumulated Amortisation			
As at 1 Jan 2021	57,148	2,730,144	2,787,292
Current charge/Impairment Losses	-	85,120	85,120
As at 30 Sept 2021	57,148	2,815,264	2,872,412
Net Book Value			
As at 30 Sept 2021	4,636	152,176	156,812
As at 1 Jan 2021	4,636	237,296	241,932

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 IMPROVEMENT	OFFICE EQUIPMENT	FURNITURE & FITTINGS	MOTOR VEHICLES	COMPUTER EQUIPMENT	
Cost	N	N	N	N	N	N
As at 1 Jan 2021	518,690	18,915	50,962	296,082	65,658	950,307
Additions	-	4,435	21,724	-	858	27,017
Disposals/write off	(113,082)	-	(27,917)	(97,232)	(60,451)	(298,681)
As at 30 Sept 2021	405,608	23,350	44,770	198,850	6,065	678,643
Accumulated Depreciation						
As at 1 Jan 2021	313,683	13,965	34,488	155,358	35,032	552,527
Current charge/Impairment Losses	90,245	1,236	315	18,143	470	110,409
Disposals/write off	(24,712)	342	(11,423)	(122,186)	(31,909)	(189,887)
As at 30 Sept 2021	379,216	15,543	23,380	51,316	3,594	473,049
Net Book Value						
As at 1 Jan 2021	205,007	4,950	16,474	140,724	30,626	397,780
As at 30 Sept 2021	26,393	7,807	21,390	147,534	2,471	205,594

h) Condensed results of consolidated entities

	Group Balance	Elimination entries	NGX Group Plc (Company)	NGX Exchange Ltd	NGX Regulation Ltd	NGX Real Estate Ltd	NSE Consult Ltd	Coral Property Ltd	NSE Nominees Ltd
<i>In thousands of naira</i>	Sept 2021 Ytd	Sept 2021 Ytd	Sept 2021 Ytd	Sept 2021 Ytd	Sept 2021 Ytd	Sept 2021 Ytd	Sept 2021 Ytd	Sept 2021 Ytd	Sept 2021 Ytd
Financial performance									
Revenue	4,859,620	(1,963,407)	3,019,524	2,577,173	592,260	284,070	350,000	-	-
Expenses	(4,149,314)	(48,586)	(977,943)	(2,565,244)	(446,445)	(110,458)	(638)	0	-
Operating profit	710,305	(2,011,993)	2,041,580	11,929	145,814	173,612	349,362	-	-
Share of Profit of Equity Accounted Investees (net of taxes)	1,017,287	1,017,287	-	-	-	-	-	-	-
Total Profit	1,727,592	(994,706)	2,041,580	11,929	145,814	173,612	349,362	-	-
Tax	(217,830)	-	-	(3,817)	(46,661)	(55,556)	(111,796)	-	-
PAT	1,509,762	(994,706)	2,041,580	8,112	99,154	118,056	237,566	-	-

	Group Balance	Elimination entries	NGX Group Plc (Company)	NGX Exchange Ltd	NGX Regulation Ltd	NGX Real Estate Ltd	NSE Consult Ltd	Coral Property Ltd	NSE Nominees Ltd
<i>In thousands of naira</i>	Sep-21	Sep-21	Sep-21	Sep-21	Sep-21	Sep-21	Sep-21	Sep-21	Sep-21
Financial position									
Current Assets	18,597,264	(1,374,437)	16,857,018	1,831,383	986,695	235,764	60,451	-	390
Non-current assets	17,449,878	4,457,696	7,461,343	1,857,030	101,824	2,096,599	1,475,386	-	-
Total assets	36,047,142	3,083,261	24,318,361	3,688,413	1,088,519	2,332,363	1,535,837	-	390
Total equity	32,786,006	4,900,977	22,344,498	2,516,638	742,586	976,150	1,330,069	(21,144)	(3,769)
Total non current liabilities	784,713	-	545,831	-	-	238,882	-	-	-
Total current liabilities	2,476,424	(1,817,717)	1,428,033	1,171,774	345,933	1,117,331	205,767	21,144	4,159
Total liabilities	3,261,137	(1,817,717)	1,973,864	1,171,774	345,933	1,356,213	205,767	21,144	4,159
Total equity and liabilities	36,047,142	3,083,261	24,318,361	3,688,413	1,088,519	2,332,363	1,535,837	-	390

12 Other liabilities

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Accrued expenses (see note (a) below)	566,317	940,070	307,740	-	919,987
Sundry creditors (see note (b) below)	1,288,984	1,305,875	1,087,118	-	1,297,954
Deferred fee income (see note (c) below)	279,376	166,019	-	0	152,610
	2,134,677	2,411,964	1,394,858	-	2,370,551

- a Accrued expenses includes leave allowances, passage allowances and 13th month payment due to staff.
- b Included in Sundry creditors are payments due to vendors as well as provisions for legacy tax liabilities (mainly VAT and WHT) due to Federal Inland Revenue Service and relevant States inland revenue services.
- c Deferred fee income are unamortised annual fees and charges of members and listed companies.

13 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-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Opening balance	133,781	84,742	191,823	-	167,998
Addition	-	44,326	-	-	186,748
Accretion of interest	7,074	5,721	15,996	-	5,075
lease Payment	(106,032)	(1,008)	(113,808)	-	(167,998)
Derecognition of right-of-use assets	-	-	(60,835)	-	-
Closing balance	34,823	133,781	33,175	-	191,823

14 Tax liabilities

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Current tax liabilities	306,924	89,095	-	-	-
	306,924	89,095	-	-	-

15 Retirement benefit obligations

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Long Service Award Provision	172,288	194,846	172,288	-	194,846
Long-term incentive (see note (a) below)	-	349,736	-	-	349,736
Amount due to PFA	-	38,484	-	-	38,484
Carrying amount	172,288	583,066	172,288	-	583,066
Non-current	172,288	544,582	172,288	-	544,582
Current	-	38,484	-	-	38,484
Carrying amount	172,288	583,066	172,288	-	583,066

- a Long-term incentive scheme was initiated 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. Long-term incentive provision is reviewed annually by a professional actuarial valuer registered by the Financial Reporting Council of Nigeria. The Group has terminated the current scheme and is working on a new long term incentive plan.

16 Provisions

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Balance at the beginning of the period	373,543	357,276	373,543	-	357,276
Provisions made during the period	-	16,267	-	-	16,267
	<u>373,543</u>	<u>373,543</u>	<u>373,543</u>	<u>-</u>	<u>373,543</u>

The Exchange is involved in various claims and litigation. These claims, most of which arose in the normal course of business, are being contested by the Exchange. Based on advice from the Exchange's legal counsel, the defunct council members estimate that the most likely outcome is that the Exchange will be required to pay N373,543,000 to settle these claims, which includes expected legal costs.

17 Deferred tax

<i>In thousands of naira</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Deferred Tax Liabilities	238,882	238,882	-	-	-
	<u>238,882</u>	<u>238,882</u>	<u>-</u>	<u>-</u>	<u>-</u>

18 Equity

<i>In thousands of shares</i>	Group Sep-21	Group Dec-20	Company Sep-21	Company Dec-20	Exchange Dec-20
Authorized					
<u>2,500,000,000 ordinary shares of N0.50 each</u>	<u>1,250,000</u>	<u>-</u>	<u>1,250,000</u>	<u>-</u>	<u>-</u>
a Issued and fully paid					
<u>2,004,199,917 ordinary shares of N0.50 each</u>	<u>1,002,100</u>	<u>-</u>	<u>1,002,100</u>	<u>-</u>	<u>-</u>
	<u>1,002,100</u>	<u>-</u>	<u>1,002,100</u>	<u>-</u>	<u>-</u>
b Reserves and other components of equity	1,389,394	1,389,394	(48,342)	-	(48,342)
c Retained earnings from previous period	28,884,749	28,048,220	19,349,161	-	19,034,186
d Net profit for the reporting period/year	1,509,762	1,838,629	2,041,580	-	1,062,080
<u>Equity</u>	<u>32,786,006</u>	<u>31,276,243</u>	<u>22,344,499</u>	<u>-</u>	<u>20,047,924</u>

19 Securities Trading Policy

Nigerian Exchange Group Plc has notified its Directors, Audit Committee members, employees and all individuals categorised 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 Plc Shares. The company is currently updating 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).