

2022 Annual  
Reports &  
Financial  
Statements

# Expanding Opportunities





# CONTENTS

## OVERVIEW

Company Profile	4
Corporate Information	8
Notice of AGM	9

## BUSINESS REVIEW

Chairman's Statement	12
Managing Director's Review	14

## GOVERNANCE

Corporate Governance Report	30
Director's Report	38
The Board of Directors	44
Report of External Consultants on Board Evaluation	49
Statement of Directors Responsibilities	50
Certificate Pursuant to Section 60(2) of	
The Investments and Securities Act	51
Report of the Statutory Audit Committee	53
Statement of Corporate Responsibility	54

## FINANCIAL STATEMENTS

Independent Auditors' Report	56
Statement of Comprehensive Income	59
Statement of Financial Position	60
Statement of Changes in Equity	61
Statement of Cash Flows	62
Notes to the Financial Statements	63
Value Added Statement	93
Five-year Financial Summary	97

## OTHER INFORMATION

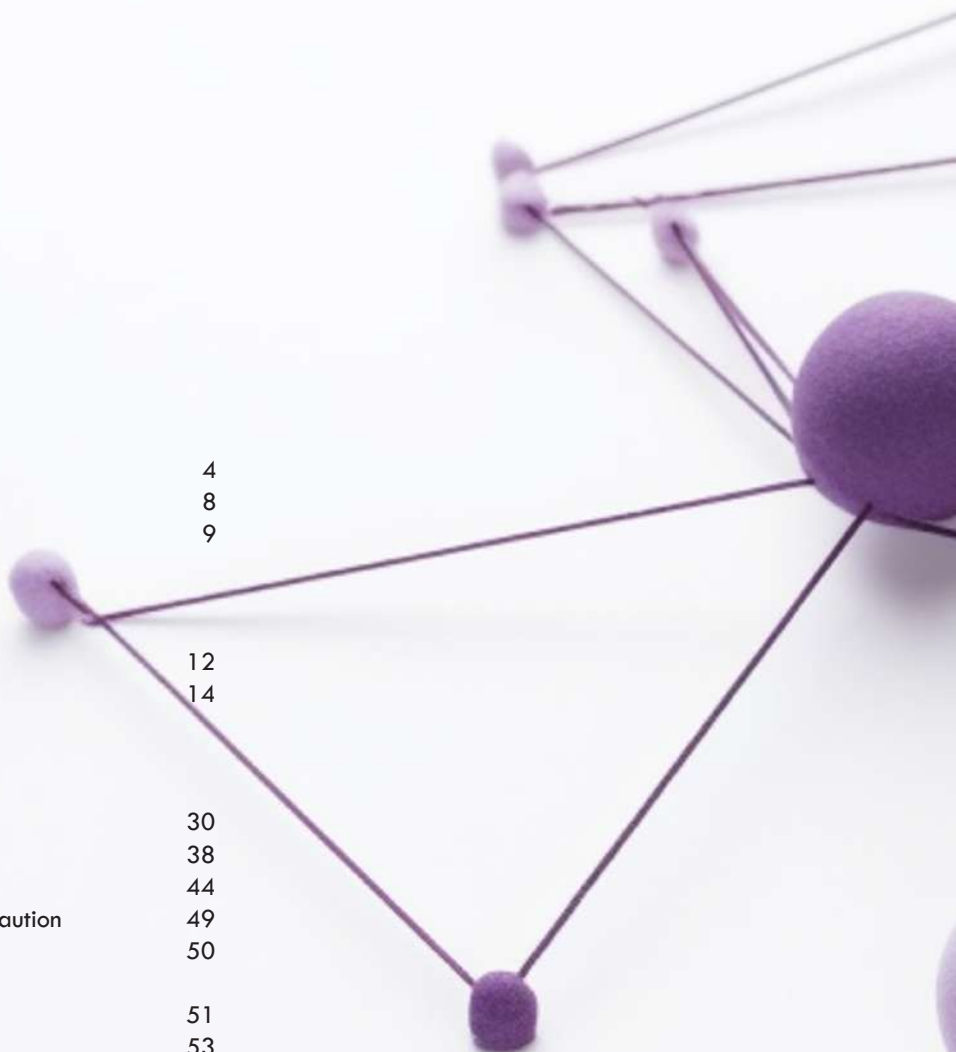
Securities Directory	96
Participating Institutions Activity By Value 2021	104
NASD Management Team	102
Events	108
2 Proxy form	109

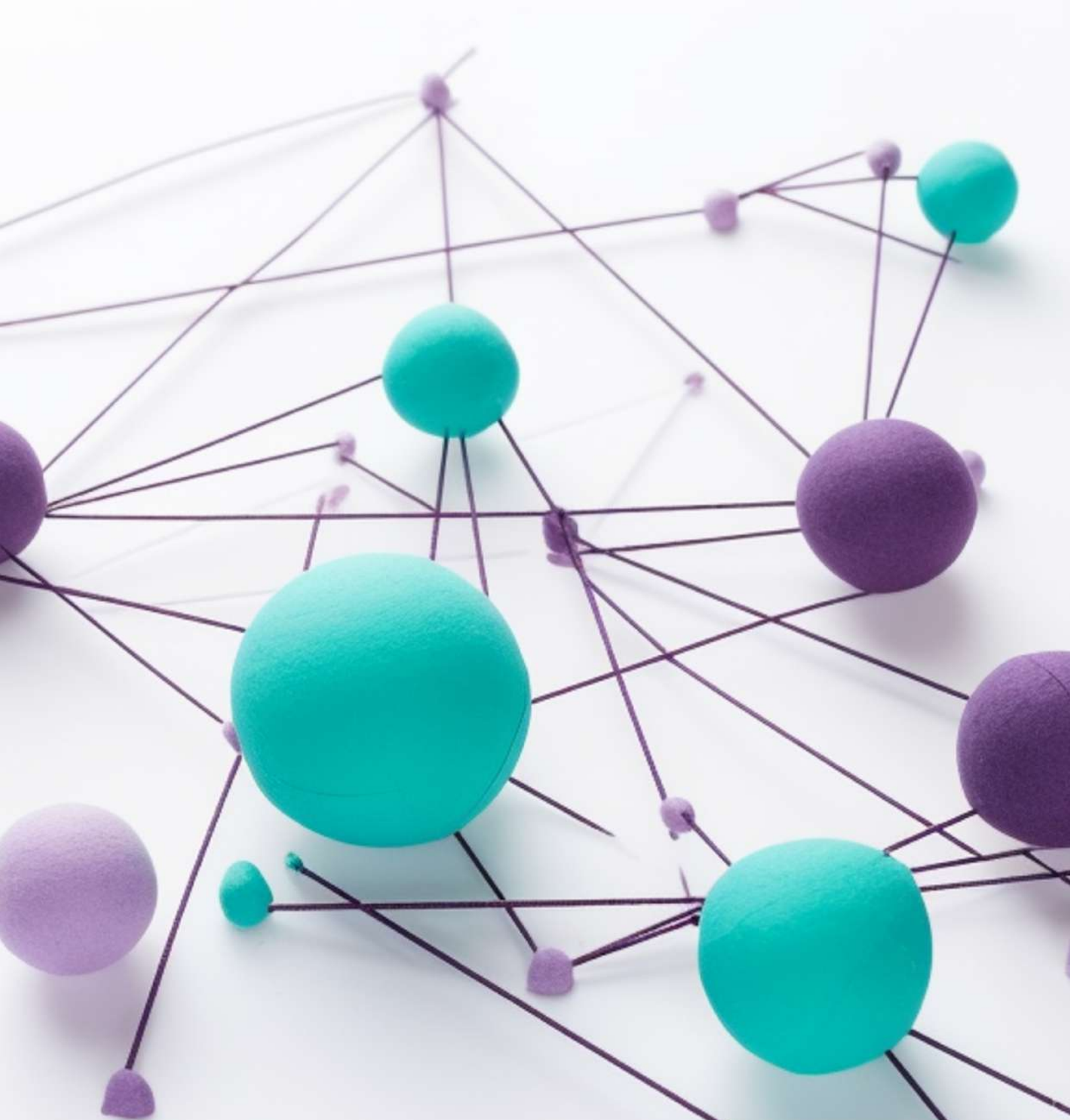
## VISION

The Most Innovative Exchange for Capital Formation

## MISSION

Enabling Economic Development Through Consistent Innovation





## OUR CORE VALUES

### TRANSPARENCY

We will provide information that is relevant, necessary and timely.

### INTEGRITY

We will honour all commitments and never compromise our ethics.

### PERFORMANCE

We will ensure that all requirements are executed to exceed stakeholders' expectations

### INNOVATION

We will push beyond boundaries to develop customer focused products – bringing ideas to life.

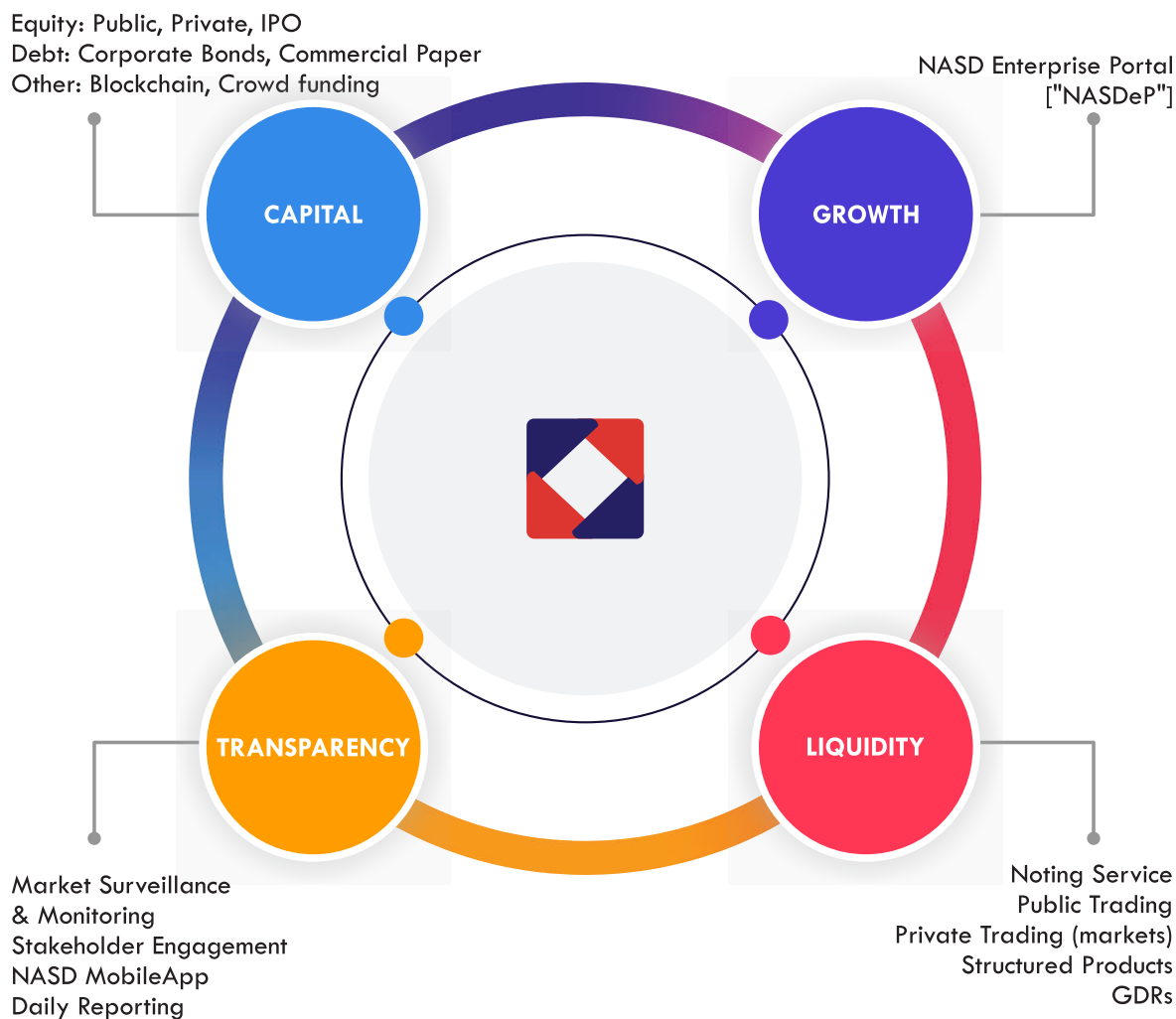
# Corporate Profile

NASD PLC ["NASD"] is a Self-Regulatory Organization ["SRO"] licensed by the Securities and Exchange Commission ["SEC"] to develop and operate a securities exchange.

## WHAT WE DO

We provide an opportunity for investors to trade their holdings transparently in a formal and orderly manner. Our service offerings are designed to deepen the Nigerian capital market, enhance investor confidence level and ease the capital raise process for organisations.

## Our value points are



Irrespective of the complexity of a transaction, NASD's structure and function as an OTC market allows us the flexibility to develop innovative solutions to meet the most unique requirements.

Our objectives are met through the following vehicles:

1. NASD OTC Securities Exchange
2. NASD Enterprise Portal ["NASDeP"]
3. NASD VentureRamp

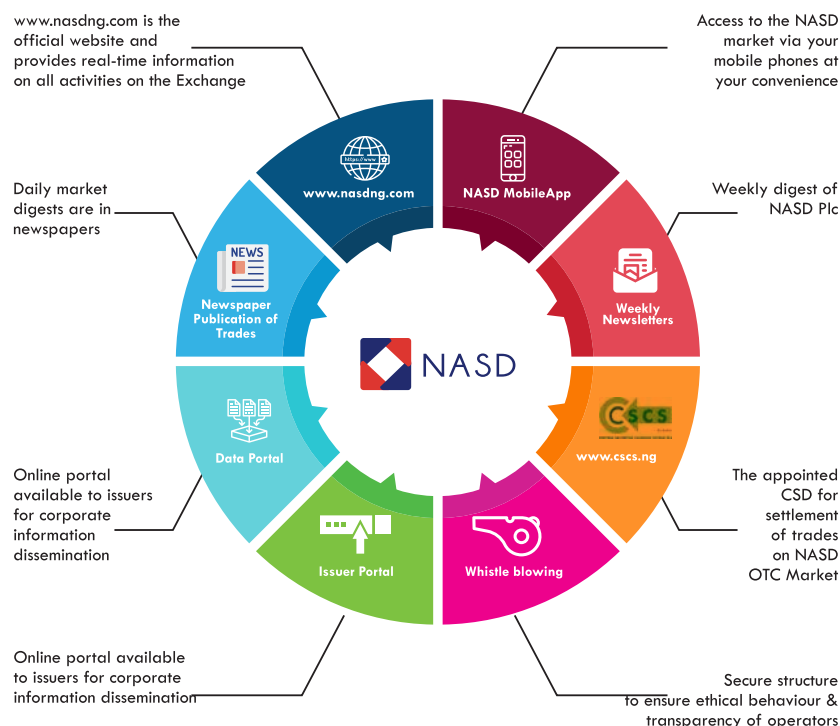
As an OTC Securities Exchange, NASD:

- Provides a cost-effective full listing platform.
- Creates public visibility for issuers and acts as a centralised data source for unlisted securities
- Provides a new exit window for Venture Capital and Private Equity investors
- Deepens the capital market by providing public access to non-quoted investment opportunities
- Creates transparency around transactions in all publicly held securities
- Provides a platform on which issuers may seek project funding.
- Supports growth in the real sector by providing a liquidity platform for investors

ADMITTED COMPANY	ADMITTED SECURITIES
Initiated by the issuer	Initiated by the investor
Requires active participation/compliance of the issuer	Does not require active participation of the issuer
Full register is dematerialised with CSCS	Partial dematerialisation of register
Issuer agrees to comply with NASD OTC Market rules	Regulation is directed at the Participating Institutions
Company will be placed in one of two bands (Blue or Pink)	Securities are placed in one of three bands (Blue, Pink, Red)

## Connecting To NASD

Issuers, Investors, Market Intermediaries and other stakeholders can obtain information about NASD, its admitted securities and companies, market metrics, corporate governance and financial performance through various media.



## NASD Enterprise Portal (NASDeP)



NASD Enterprise Portal (NASDeP) is a portal that eases the capital raising process for high growth companies. It is an online environment that brings together players in the capital market and allows for safe, efficient, transparent and appropriately priced interactions.

The portal encourages growth enterprises to release structured information about their performance operations and requirements to a select audience of Venture Capital, Private Equity and other accredited investors who are seeking investment opportunities.

### Objectives and benefits of NASDeP

NASDeP creates an efficient, accessible and transparent information exchange.

Specifically, it:

- Encourages enterprises to imbibe a culture of regular financial reporting and corporate governance - critical for next stage financing
- Eases the prolonged due diligence process that tends to be an added expense for investors
- Collates standardised information on growth enterprises – free of entrepreneur bias
- Provides registered capital market operators with information on potential clients and market depth



## NASD VentureRamp

Is a donor crowdfunding platform that is well suited to host and coordinate endowments for small-large scale projects such as giving back initiatives of old-school associations, community groups, among others.

NASD VentureRamp provides a secure and transparent platform through which donations can be aggregated via crowdfunding campaigns.



## Why VentureRamp?

VentureRamp creates an efficient, accessible, and transparent platform for both investors and enterprises. The purpose behind VentureRamp is to support creative, non-profit and humanitarian causes, by providing them with a platform to raise funding from people who would like to support creatives or people who believe in these causes.

# Corporate Information

## Board of directors

Mr. Olutola Mobolurin	(Chairman)	Nigerian
Mr. Eguarekhide Longe	(MD/CEO- Executive Director)	Nigerian
Mr. Chike Nwanze	(Non-Executive Director)	Nigerian
Mr. Oladipo Aina	(Non-Executive Director)	Nigerian
Mr. Abubakar Lawal	(Non-Executive Director)	Nigerian
Mr. Ariyo Olushekun	(Non-Executive Director)	Nigerian
Mr. Kayode Falowo	(Non-Executive Director)	Nigerian
Mrs. Olayimikah Bolo	(Non-Executive Director)	Nigerian
Ms. Kenechi Ezezika	(Non-Executive Director)	Nigerian
Mr. Ebhodaghe Ishmael	(Non-Executive Director)	Nigerian

## Company secretary

GIO Nominees Limited  
864B Bishop Aboyade Cole Street  
Victoria Island Lagos

## Business office

9th Floor, UBA House  
57 Marina  
Lagos

## Auditor

KPMG Professional Services  
KPMG Tower  
Bishop Aboyade Cole Street  
Victoria Island, Lagos  
Nigeria

## Registrar

Coronation Registrars Limited  
Plot 009 Amodu Ojikutu  
Victoria Island Lagos

## Bankers

United Bank of Africa Plc  
First Bank Nigeria Limited  
Guaranty Trust Bank Plc  
Stanbic IBTC Bank Plc

## Registration Number

RC336267

## TIN

01170128-0001



# Notice of 10th Annual General Meeting

**NOTICE IS HEREBY GIVEN that the Tenth Annual General Meeting of NASD PLC.** (The Company) will hold on **Tuesday the 3rd day, October 2023** at LaCour Hotels, 3 Femi Okunnu Road, Ikoyi, Lagos at **11.00am** to transact the following business:

## ORDINARY BUSINESS

1. To present and consider the Audited Financial Statements of the Company for the year ended 31st December 2022 together with the Reports of the Directors, Auditors and Audit Committee thereon.
2. To re-elect the following Directors who retire by rotation at this meeting and being eligible, offer themselves for re-election:
  - i. Mr. Olutola Mobolurin
  - ii. Mr. Chike Nwanze
  - iii. Mr. Oladipo Aina
3. To appoint KPMG as the Auditors of the Company and authorise the Directors to fix the remuneration of the Auditors
4. To elect/re-elect members of the Statutory Audit Committee.
5. To disclose the remuneration of Managers pursuant to Section 257 of the Companies and Allied Matters Act 2020.

## SPECIAL BUSINESS

To consider and if thought fit, pass the following ordinary resolutions:

6. "That the remuneration of Directors of the Company for the year ending December 31, 2023 be and is hereby fixed at Eight Million, Three Hundred and Twenty-Five Thousand Naira only (₦8,325,000) for Directors."

## PROXY

A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy from the proxies stated in the Notice to attend and vote in his/her/its stead. For the appointment to be valid, a completed and duly stamped proxy form must be deposited at the office of the Company's Registrars, Coronation Registrars Limited, 9 Amodu Ojikutu St, Victoria Island, Lagos, Nigeria, or sent via email to [eforms@coronationregistrars.com](mailto:eforms@coronationregistrars.com) not less than 48 hours before the time fixed for the meeting. A blank proxy form is attached to the Annual Report.

## SPECIAL NOTICE

### Appointment of Auditors

A special notice is issued regarding the appointment of KPMG as the Auditors of the Company.

### Re-election of Director aged 70 or more

In accordance with Section 282 of the Companies and Allied Matters Act, 2020 ("CAMA"), special notice is hereby given that the following directors are age 70 or more;

- Mr. Olutola Mobolurin has given notice to the Company and by doing so hereby further discloses to the members that he attained the age of 71 on October 31, 2022.

- Mr. Chike Nwanze has given notice to the Company and by doing so hereby further discloses to the members that he attained the age of 82 on November 7, 2022.

- Mr. Oladipo Aina has given notice to the Company and by doing so hereby further discloses to the members that he attained the age of 71 on May 11, 2023.

## NOTES

### 1) AUDIT COMMITTEE

In accordance with Section 404(6) of the Companies and Allied Matters Act, 2020 any shareholder may nominate another shareholder for election to the Audit Committee by giving notice in writing of such nomination to the email of the Company Secretary [likwuagwu@ikoliokagbue.com](mailto:likwuagwu@ikoliokagbue.com) or [legalcompliance@nasdng.com](mailto:legalcompliance@nasdng.com) at least 21 days before the Annual General Meeting. Nominations can also be submitted to the Company Secretary, GIO

Nominees Limited, 864B, Bishop Aboyade Cole Street, Victoria Island, Lagos.

The Code of Corporate Governance for Public Companies issued by the Securities and Exchange Commission provides that members of the Audit Committee should be financially literate and able to read financial statements. We, therefore, request that all nominations to the Audit Committee should be accompanied by the Curriculum Vitae of the Nominees.

### 2) LIVE STREAMING OF AGM

The AGM will be streamed live. This will enable shareholders and other stakeholders who will not be attending physically to follow the proceedings. The link for the AGM live streaming will be made available on the Company's website at [www.nasdng.com](http://www.nasdng.com).

### 3) CLOSURE OF REGISTER OF MEMBERS

The Register of Members will be closed from the 19th to the 22nd of September 2023 (both days inclusive) for the purpose of updating the Register of Members.

### 4) WEBSITE – ANNUAL REPORT

A copy of this Notice, the Annual Report and Accounts, and other information relating to the meeting can be accessed via the Company's website at [www.nasdng.com](http://www.nasdng.com). Shareholders who have submitted their email details to the Registrar will receive the electronic version of the Annual Report via email.

### 5) UPDATE OF SHAREHOLDERS INFORMATION

Shareholders are required to update their email addresses and other contact details with the Registrars by using this link <https://crlselfservice.coronation.ng/>

### 6) E-ANNUAL REPORT

The electronic version of the Annual report will be available at [www.nasdng.com](http://www.nasdng.com). Members who have provided their email details to the Registrars will receive the electronic version of the Annual Report via email. Additionally, Members who are interested in receiving the electronic version of the Annual Report may request it via e-mail to [legalcompliance@nasdng.com](mailto:legalcompliance@nasdng.com).

### 7) ACCREDITATION AND VOTING

Accreditation of shareholders at the meeting venue will commence by 9:00 a.m. on the AGM day. The Voting shall be done by show of hands using the Coronation Virtual platform. The Registrars would provide adequate guidance on the Accreditation and the Voting process at the meeting venue.

### 8) SHAREHOLDERS' RIGHT TO ASK QUESTIONS

The right of shareholders and other holders of the Company's securities to ask questions not only at the meeting but also in writing prior to the meeting on any item contained in the Annual Report and Accounts is recognised. Please send questions, comments, or observations to the Company, 9th Floor, UBA Building, 57, Marina, Lagos, or the email of the Company Secretary [likwuagwu@ikoliokagbue.com](mailto:likwuagwu@ikoliokagbue.com) or office of the Company Secretary, GIO Nominees Limited, 864B, Bishop Aboyade Cole Street, Victoria Island, Lagos not later than July 20, 2023. Questions will be presented at the Annual General Meeting and answered thereat.

**Dated this 5th Day of September 2023**

**By Order of the Board**



**GIO NOMINEES LIMITED**  
864B, Bishop Aboyade Cole Str,  
Victoria Island, Lagos

**L. Omolola Ikwuagwu (Mrs.)**  
**FRC/2014/NBA/0000007013**  
**GIO Nominees Limited (Company Secretary)**

# BUSINESS REVIEW

- Chairman's Statement
- Managing Director's Report







# CHAIRMAN'S STATEMENT

## Introduction

Distinguished shareholders,

It is my pleasure to welcome you to the 10th Annual General Meeting of our Company, NASD PLC (NASD or “the Company”). I hereby present to you the Annual Report and Accounts for the financial year ended 31 December 2022 as well as an overview of the major developments that influenced our operations and financial results.

## The Global Economy In 2022

As the world continues to recover from the effects of the COVID-19 pandemic, the global economy expanded by 3.4%, albeit at a slower rate than the 6.3% growth rate recorded in the previous year. At 3.9%, the growth rate in sub-Saharan Africa was stronger than the 2.7% recorded in advanced economies.

Table 1 – Regional economic growth rates (%)

	2022	2023 est.
World	3.4	2.8
Advanced Economies	2.7	1.3
United States	2.1	1.6
Euro Area	3.5	0.8
Middle East & Central Asia	5.3	2.9
Sub-Saharan Africa	3.9	3.6



*Several challenges are in the horizon in the year ahead of us, not just for the domestic economy but the global economy at large. However, we are optimistic of a brighter future as we leverage technology to develop initiatives that enhance the opportunities of accessing the capital market for diverse types of capital.*



Despite the decent growth rates recorded across different regions of the world, the global economy was fraught with geo-political tensions, especially Russia's invasion of Ukraine which led to the escalation of the Russo-Ukrainian War, to which western nations responded with series of economic sanctions on Russia and major corporations and individuals of Russian origin. Also, trade tensions persisted between the top-2 largest economies in the world, the US and China.

These developments have had a significant impact, not only on international trade and investments, but also on established trade routes, and thereby the cost and terms of trade among countries. As a result, electricity and gas prices hit record levels in Europe in 2022 which was largely dependent on Russia for gas supply. Similarly, the food price index of the Food and Agriculture Organization (FAO) rose to the highest level on record as it averaged 143.7 points in 2022. These, among other factors, caused the global inflation to rise sharply to 8.8% in 2022, from 4.7% in 2021.

Although crude oil prices were volatile during the year, prices were mostly resilient as the Organisation of Petroleum Exporting Countries and its allies (OPEC+) employed coordinated measures to support prices. Consequently, the OPEC Basket Price – the weighted average of crude oil prices from the different OPEC members – increased by about 4.0% relative to the previous year while the price of the West Texas Intermediate (WTI) increased by 1.8%.

The global economy is projected to maintain an upward trajectory with growth of 2.8% in 2023, as relatively stronger growths are expected from Sub-Saharan Africa (3.6%) and Central Asia (2.9%), while global inflation has been projected to decline to 6.6% in 2023.

### **The Nigerian Economy**

According to data from the National Bureau of Statistics ("NBS"), the domestic economy expanded by 3.1% year-on-year in 2022, following nine straight quarters of growth of the Gross Domestic Product ("GDP"). The growth rate of the GDP in 2022 was however slightly slower than the 3.4% growth rate recorded in 2021.

It was a challenging year for Nigeria's primary revenue earner, the crude oil sector, which contracted by – 19.22% year-on-year largely due to large-scale crude oil theft and pipeline vandalism. As a result, the total contribution of crude oil to the Nation's GDP in 2022 shrank to 5.67%, lower than the 7.24% it contributed to the preceding year. This, however, is rather evidence of the progress being made in the Nation's quest to diversify the economy away from Crude Oil as the contribution of non-oil GDP maintained consistent improvement in all the quarters of the year. According to the NBS, the total non-oil contribution to the GDP in 2022 increased to 94.33%, from 92.76% in 2021.

The Central Bank of Nigeria (CBN) maintained its tight monetary policy stance in 2022 so as to curtail rising inflation. As such, the monetary policy rate (MPR) closed the year at 16.5%, following several increases during the year by the monetary policy committee of the CBN. However, inflationary pressure persisted in 2022 as the twelve-month average consumer price index (CPI) was 18.85% as of December 2022, higher than 16.95% recorded in December 2021, according to the NBS.

Dwindling revenues from crude oil sale also exerted pressure on the Nation's foreign exchange stability during the year and resulted in exchange

rate adjustments to ₦448.55/\$1 as of December 2022, from ₦413.17/\$1. The revenue challenges were also noticeable in Nigeria's external reserves which decreased by 8.43% to \$37.1bn in 2022.

The fiscal direction and outlook of the Nigerian economy will be significantly influenced by the economic policies and inclinations of the new government which is to be elected to office in 2023.

### Trade Activity

Trading activity at the NASD declined in 2022 when compared to the previous year as the number of trades executed on the NASD OTC Market fell by 45.7% compared to the preceding year.

Table 2 – Activity On The NASD OTC Exchange

	2022	2021	% change
No of Deals Executed	2,706	4,988	-45.7%
Volume Of Shares Traded	3,897,998,246	12,949,534,051	-69.9%
Value of Shares Traded (₦)	28,002,672,737	32,845,468,092	-14.7%
NASD Securities Index	709.66	742.85	-4.5%
NASD Market Capitalization (₦)	932.51	629.03	48.2%



The volume of shares traded during the year decreased by 69.9%, and the value traded also decreased by 14.7% compared to the previous year. As at 31 December 2022 the value of transactions executed on the market was ₦28.0 billion.

The variations in the volume and value of activity on the NASD OTC Exchange should be viewed more as the broadening and deepening of the market beyond the concentration on a few securities. In 2022, more of the admitted companies on the NASD platform recorded transactions than was the case in 2021. The value of shares traded when viewed against the volume of shares traded (2022 vs. 2021), shows a higher value of the average deal struck on the NASD platform. This would seem to signify a more detailed engagement of investors with the market seeking bargains and value in concentrated deals in the current year. This trend will be monitored in 2023 and promoted for the desirable gains in market breadth a sustainable trend like this portends for the market.



Market Capitalization however increased by 48.2% over the preceding period, which is an additional positive development in the efforts to grow the Over The Counter (OTC) market.

### Financial Performance

Distinguished shareholders, in the year under review, your Company generated Transaction Income of ₦234.9 million, representing 3.4% decrease compared to the ₦243.2 million recorded in the corresponding period of 2021. The Company's Investment Income increased by 18.5% to ₦53.1 million, compared to the ₦44.8 million recorded in 2021.

Total Expenses amounted to ₦372 million in 2022, representing an increase of 56%, compared to the ₦239 million recorded in the corresponding period of 2021. As at year end - December 31, 2022, NASD recorded a Net Loss of ₦79.2 million.

The loss recorded in 2022 is largely attributable to extraordinary expenses incurred to accommodate transitional compensation to the pioneer management of the Company. These expenses are essentially one-off expenses and will not recur in the future as due provisions will be made annually to ensure that where they become due in the future, they would have been appropriately provided for.

### Board of Directors

The Board is ultimately responsible for ensuring the Company adheres to sound corporate governance practices, the highest standards of ethics and that it operates in a fair and transparent manner.

There have been some changes on the Board since the last Annual General Meeting. During the year, the

Board appointed Ms. Kenechi Ezezika and Mr. Ishmael Ebhodaghe as Non-Executive Directors of the Company. They are both seasoned professionals in their respective rights and their appointment will deepen the corporate governance function of the Board. They will be presented to you for election during the Annual General Meeting.

In July 2022, Mr. Eguarekhide Longe was appointed as the Managing Director of NASD PLC, following the completion of the tenure of the pioneer Managing Director of NASD, Mr. Bola Ajomale. I am confident that Mr. Longe's broad-based experience that spans over three decades will prove to be an asset for the Company in her quest to expand opportunities for the issuers, investors, and the economy at large.

I am satisfied that the Board is sufficiently diverse in terms of gender, experience, expertise and thinking to address the critical contemporary and future issues facing NASD.

### Outlook

Several challenges are in the horizon in the year ahead of us, not just for the domestic economy but the global economy at large. However, we are optimistic of a brighter future as we leverage technology to develop initiatives that enhance the opportunities of accessing the capital market for diverse types of capital.

Year 2023, being an election year in Nigeria, is embedded with uncertainties as the nation elects new leadership at various levels of government. This also brings a renewed promise and energy to advance the progress of the Nigerian economy.

### Appreciation

In conclusion, I would like to thank my colleagues on the Board, as well as the Management team and Staff of the Company as a whole.

I also thank the Securities and Exchange Commission for its continued efforts at maintaining a vibrant and robust capital market.

We look forward with great expectancy to better years ahead.

Thank you.



**Olutola Mobolurin**

Chairman, Board of Directors  
NASD Plc



# MANAGING DIRECTOR'S REPORT

Dear Esteemed Shareholders,

It is a great honour for me to write this first report of my stewardship to the Company in my first year at the helm.

The succession process from my predecessor; Mr. Bola Ajomale, was appropriately organised by the Board to permit a seamless continuation of operations. NASD PLC. has continued its development journey on the firm foundation laid by the pioneer leadership.

## **APPRAISAL OF THE NASD VALUE PROPOSITION**

In 10 years of its existence the Company has established a practical and functional market for unlisted public companies. Hence the Over The Counter (OTC) Exchange continues to be the Company's flagship platform.

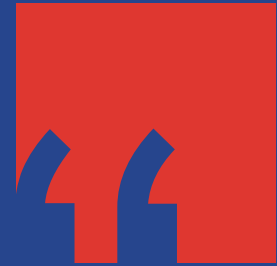
However, notice was taken early at the transition stage in the Company's new management journey, that more needed to be done to sustain the Company's position in the market infrastructure segment of the Nigerian Capital Market.

Volume and value of trading on the OTC platform, it was felt, needed to be increased quite notably to keep the Company operationally sustainable. Furthermore, market breadth needed to be broadened to improve trading activity and proffer richer investment options to the investing public, away from the dependence on the 'traditional' captive securities that have become dominant over the years on the NASD OTC Exchange.

Doing this would require significant market engagement and awareness



*The financial performance in 2022 underlies Management's quest to diversify the revenue base and redefine the strategic direction of the Company. For 2023, the thrust is to attain profitability from core operations, reverse negative reserves, and attempt to place the Company in a position to pay shareholders a cash dividend.*



The following segmentation to broaden NASD's value proposition was thus posited by Management and agreed with the Board:

SEGMENT	PRIMARY DRIVE & FOCUS
<b>The OTC Market</b>	Consolidate relationships with admitted companies. Work with Regulators (SEC & CAC) to pursue full dematerialization of unlisted Public Companies on a SEC licensed stock exchange.
<b>The Market Feeder Pipeline (NASD Enterprise Portal – NASDep)</b>	Develop an efficient private market process to incubate and scale high growth nascent companies (agric. aggregation, logistics, financial technology, entertainment & creatives, clean energy, the automotive industry)
<b>Donor Crowd Funding (VentureRamp)</b>	Endowments Self-help projects
<b>The Digital Securities Platform</b>	Introduction of Security Token Offerings to the Nigerian Capital Market

This strategic thrust is conceived to improve current market activity at NASD PLC., attract new admissions to the various market segments, project NASD distinctly as a hub for innovative capital mobilisation for businesses and a potent repository of value for investors.

Given that the above initiative would often be asset class neutral, NASD PLC. would gradually begin to shed the toga of a predominantly unlisted equities market and evolve into a solutions provider of broader alternative asset class funding.

## REVIEW OF 2022

The market performance for 2022 reflects some encouraging signs but indicates the clear need for a definition of mission for NASD PLC, as pointed out above.

## FINANCIAL PERFORMANCE

Operating income for 2022 experienced a dip of 3% with fee and commission income at N235m in 2022 from N243m 2021. Non-operating investment and ancillary income were up (collectively) by 17% from N46m in 2021 to N53m in 2022. Total income for 2022 at N288.2m was practically even with the figure of N288.7m recorded in 2021.

It should be noted that transaction income was notably boosted by the brief trading admittance of the Nigerian Exchange Group PLC. (NGX) on the NASD OTC Exchange in 2021. Thus, in a sense, fee and commission income in 2022 being nearly at par with 2021 fee and commission income implies a significant diversification in the Company's operational performance.

A loss after tax of N79.3m was, however, recorded for 2022 in comparison to a profit after tax of N23.2m in 2021. The loss recorded for the year was largely derived from one-off expenses relating to Management transition in the Company. Employee benefits, administrative and operating expenses were up 56% in 2022 at N372m as compared to N239m in 2021.

The financial performance in 2022 underlies Management's quest to diversify the revenue base and redefine the strategic direction of the Company. For 2023, the thrust is to attain profitability from core operations, reverse negative reserves, and attempt to place the Company in a position to pay shareholders a cash dividend.

## OPERATIONS

Market capitalization grew by 48.25% from N629.03bln at the end of 2021 to N932.51bln in 2022. Capitalisation was above the N1trln mark for majority of the year.

Shares traded dropped notably by 70% at 3.9bln shares as against 12.95bln traded in 2021. However, value of shares fared much better even though with a 15% decline at N28.02bln in 2022 against N32.85bln in 2021. These trades were consummated in 2,706 deals in 2022 as against 4,988 deals in 2021.

The Company admissions of Access Bank PLC. (N353bn) and Cititrust Holdings PLC. (N5.5bn) contributed to having the OTC Exchange attain the N1trln market capitalization milestone.

Likewise, the delisting of Providus Bank PLC. due to its shareholders opting to convert from a Public Limited Liability Company (PLC.) to a Private Limited Liability Company with the acquisition of 1,214,881,012 ordinary shares of minority shareholders by Clairvaux Investment Limited, occurred during the year.

The incidence of these corporate listings and delisting contributed to a spike in listing fees by 10,105%, moving from N600,000.00 2021 to N61.2m in 2022. This activity on the new company admissions segment of the business, demonstrates the direction and the potential that can be attained at NASD from a dedicated and strategic focus to expand the breadth of the business.



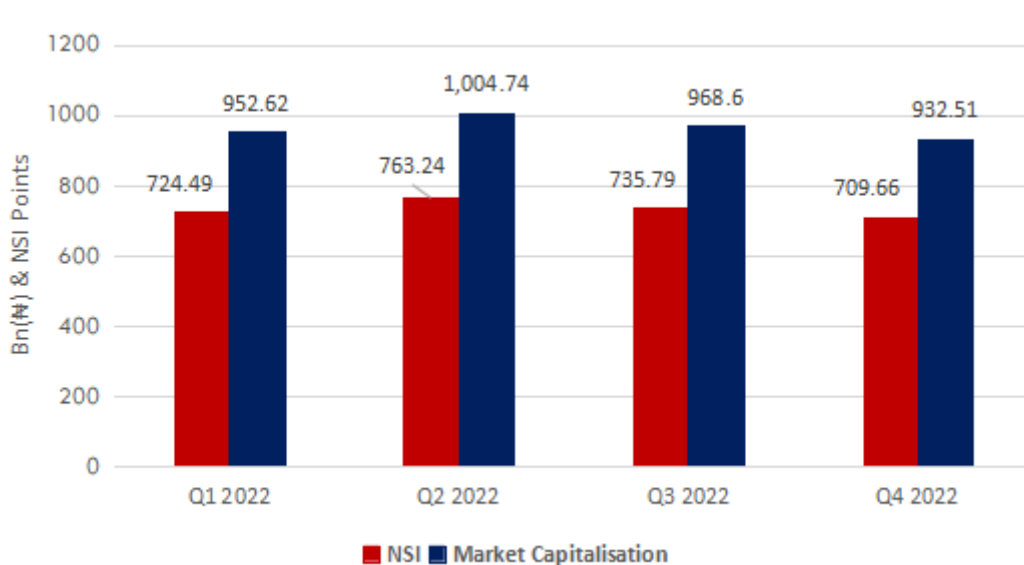
## 2022 Market Overview

Description	2022	2021	%Change
Market Capitalisation	932.51	629.03	48.25
Volume Dematerialised (Bn)	27.32	109.03	74.94
Demat %	16.07	82	-80.40
Volume (Bn)	3.897	12.949	-69.90
Value (Bn'₹)	28.002	32.845	-14.74
Deals	2,706	4,988	-45.75
NSI	709.66	742.85	-4.47

## Quarterly Market Performance Overview

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022
NSI	724.49	763.24	735.79	709.66
Market Capitalisation (Bn'₹)	952.62	1,004.74	968.6	932.51

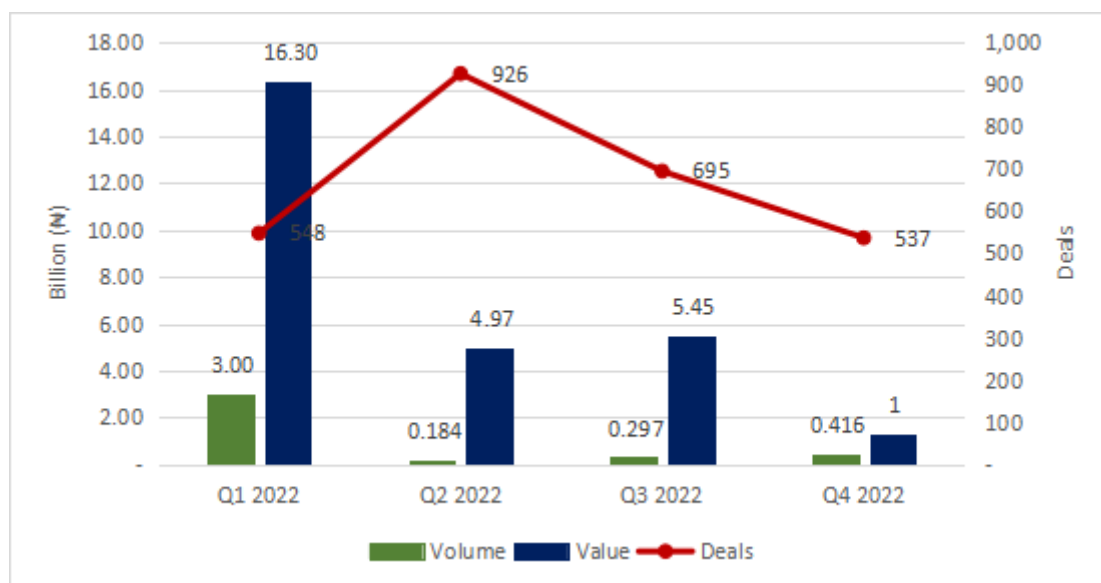
## Graphical Representation



## Quarterly Trade Breakdown

Description	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Volume (Bn)	3.001	0.183	0.296	0.416
Value (Bn'₹)	16.303	4.972	5.454	1.272
Deals	548	926	695	537

## Graphical Representation



## Top Five Traded Securities by Value

SECURITY	VALUE (Bn'₦)	Comment
CENTRAL SECURITIES CLEARING SYSTEM PLC	14.154	CSCS led Q1 2022 trading activity with ₦14.12bn.
VFD GROUP PLC	7.029	
FRIESLAND CAMPINA WAMCO NIGERIA PLC	1.730	
NIGER DELTA EXPLORATION & PRODUCTION PLC	1.570	
AG MORTGAGE BANK PLC	1.186	

## Top Five Traded Securities by Volume

SECURITY	VOLUME (Bn')	Comment
AG MORTGAGE BANK PLC	2.281	AG Mortgage Bank Plc led the market with an extraordinary deal of 2.25bn shares in Q1 2022.
CENTRAL SECURITIES CLEARING SYSTEM PLC	0.681	
LIGHTHOUSE FINANCIAL SERVICES PLC	0.224	
MIXTA REAL ESTATE PLC	0.178	
FOOD CONCEPTS PLC	0.128	

## 2022 Market Gainers

Symbol Code	Close Price	Open Price	% Growth
SDCITITRUST	13.25	5.5	140.91
SDAFRILAND	1.5	1.07	40.19
SDFOODCPT	0.9	0.81	11.11



## 2022 Market Decliners

Symbol Code	1	Open Price	% Change
SDFCWAMCO	67.38	118.43	-43.11
SDCBANCO	2.26	3.83	-40.97
SDVFDGROUP	244.00	361.82	-32.56
SDCSCSPLC	12.46	18.25	-31.73
SDUBNPROP	0.80	1.15	-30.43
SD11PLC	154.00	215	-28.37
SDNASDPLC	14.79	18.7	-20.91
SDNDEP	197.78	235.5	-16.02
SDNIPCOPLC	60.00	70	-14.29
SDAGMBANK	0.52	0.58	-10.34
SDAIRLIQ	4.95	5.5	-10.00
SDVITPROD	2.10	2.33	-9.87
SDACORN	0.14	0.15	-6.67

**Note:** SDFCWAMCO Issued a Bonus (1:1) and ₦4.23 as dividend, SDVFDGROUP Issued a Bonus (1:2) and ₦10.79 as dividend

## NASD 2022 Security Categorisation

S/N	BLUE CATEGORY
1	11 PLC
2	ACCESS BANK PLC
3	AFRILAND PROPERTIES PLC
4	AG MORTGAGE BANK PLC
5	AIR LIQUIDE PLC
6	CENTRAL SECURITIES CLEARING SYSTEM PLC
7	CITITRUST HOLDINGS PLC
8	FOOD CONCEPTS PLC
9	NASD PLC
10	NIGER DELTA EXPLORATION & PRODUCTION PLC
11	NIGERIA MORTGAGE REFINANCE COMPANY PLC
12	UBN PROPERTY PLC
13	VFD Group Plc

**Note: Companies listed here have up to date financial records, corporate disclosures.**

S/N	PINK CATEGORY
1	CAPITAL BANCORP PLC
2	CR SERVICES (CREDIT BUREAU) PLC
3	DUFIL PRIMA FOOD PLC
4	FIRSTTRUST MORTGAGE BANK PLC
5	FUMMAN AGRICULTURAL PRODUCT IND. PLC
6	LIGHTHOUSE FINANCIAL SERVICES PLC
7	MIXTA REAL ESTATE PLC
8	NEWREST ASL NIGERIA PLC
9	NIPCO PLC
10	RESOURCERY PLC
11	THE INFRASTRUCTURE BANK PLC
12	VITAL PRODUCTS PLC

**Note: Companies listed here do not have the most recent financial records, corporate disclosures.**

S/N	RED CATEGORY
1	ACORN PETROLEUM PLC
2	COSTAIN (WEST AFRICA) PLC
3	FAMAD NIGERIA PLC
4	FAN MILK PLC
5	FREE RANGE FARMS PLC
6	GEO-FLUIDS PLC
7	GOLDEN CAPTIAL PLC
8	GREAT NIGERIA INSURANCE PLC
9	INDUSTRIAL AND GENERAL INSURANCE PLC
10	INTERNATIONAL PACKAGING IND. OF NIG PLC
11	MASS TELECOM INNOVATION PLC
12	PROVIDUS BANK PLC
13	RIGGS VENTURES WEST AFRICA PLC
14	SWAP TECHNOLOGIES AND TELECOMMS PLC

**Note: Swap Technologies and Providus Bank Plc were delisted in 2022**

## PROTECTION OF INVESTORS AND TRADE ON THE NASD OTC MARKET

In previous years it was reported that in furtherance of its objective of creating confidence in the OTC Market, and pursuant to its Rules and Regulations, NASD established two Funds. One known as the 'Trade Guarantee Fund' and the other known as the "Investor Protection Fund".

### Trade Guarantee Fund

The Trade Guarantee fund is being administered by appointed members of the Board of Trustees. The Fund has the principal objective to:

- a. Protect investors interest in the event of a settlement default.
- b. Ensure timely execution and settlement of transactions on the NASD OTC Market; and
- c. Promote the development and regulation of the Market and ensure that Market equilibrium is not disturbed in the event of payment defaults by Participating Institutions.

The Board of the NASD PLC appointed GTL Trustees Limited (now Greenwich Trustees Ltd) to be the Trustee/Managers to hold and administer the Fund's assets not immediately required in permissible investments and to also perform other oversight functions relating thereto.

The fund is domiciled in Sterling Bank PLC. As at the end

of the year 2022, the Statement of Account of the GTL/ NASD Trade Guarantee Fund from Greenwich Trustees Ltd showed a balance of N14,300,000 (Fourteen Million, Three Hundred Thousand Naira). There has, thus far, not been any claim on the Fund.

### Investor Protection Fund

The NASD Investor Protection Fund is established to compensate investors who suffer pecuniary loss arising from:

- a) the insolvency or bankruptcy of a Participating Institution.
- b) defalcation committed by a Participating Institution or any of its directors, officers, employees, or representatives in relation to securities, money or any property entrusted to, or received or deemed received by the Participating Institution during its business as a capital market operator.
- c) the suspension or cancellation of registration of a Participating Institution by the Securities and Exchange Commission ("the Commission") in accordance with the provisions of Section 38 of the Act

### Membership of the Board of Trustees:

S. 199 ISA 2007 provides that the Board shall be constituted by a maximum of 9 members. In view of the recent approval of the NASD Investor Protection Fund Rules by the SEC, the Board of the Company is in the process of constituting the Board of Trustees. Set out below is the update on constitution of the Board of Trustees:

S/N	Members	Status
1	NASD	Eguarekhide Longe
2	SEC	Mfong O. Bassey
3	CSCS	Onome Kolawole
4	Association of Capital Market Registrars	Dele Ikotun
5	Registered Shareholders Association	Yet to be appointed
6	Institutional Investors	Eric Idiahi
7	Dealing Member Firms	Bunmi Ajayi
8	A legal practitioner knowledgeable in capital market matters.	Vincent Iweze
9	A person with integrity knowledgeable in capital market matters.	Hakeem Oyewale

As at the end of the year 2022, the appointment of a shareholder association representative on the Board of Trustees of the IPF had progressed appreciably. Upon the appointment of the said representative, the Board will take necessary steps towards implementation of the provisions of the IPF rules.

## PEOPLE & CORPORATE SOCIAL RESPONSIBILITY

NASD is deliberate about its CSR activities and consequently, its initiatives over the years have supported community infrastructure, quality education, climate action, among other similar initiatives, all aligned to the Government's National Development plan and contributing to UN Sustainable Development Goals (SDGs)

In 2022, NASD went back to the basis of life – BIRTH and chose to support the fight against child mortality which stands at 56 per 1000 according to Statista. Also, Nigeria's healthcare system ranks among the poorest in the world. A critical gap in Nigeria's Healthcare system is the lack of a functional and well-coordinated Emergency Medical Service (EMS), leading to preventable mortality and morbidity (WHO).

The century-year-old Massey Children's Hospital that has been putting itself to the service of mother and child, in their millions, over the years, decades and more than a century, was the recipient of life saving equipment such as oxygen concentrators which provide constant oxygen at a cost-effective level on a long-term basis to children in dire need. This has supported the Hospital with increased chances of survival for young children with severe pneumonia and

congenital heart problems. NASD also assisted the Hospital with Food and sanitary products for premature infants who are largely underserved.

### People And Culture

In 2022, the Human Resource Department had as its Vision; the transformation of people excellence into service excellence, by creating unique employee experiences and a cultural operating system where people are committed to delivering world class customer experiences.

Its touch points were Stakeholder value, Customer Experience, Sustainable Growth and Innovation and Best Practice. This led to creating initiatives that improved;

- Efficiency and Performance,
- NASD Culture awareness and adaption, and
- Talent attraction, development and retention.

There is a renewed emphasis in the belief that staff are our most critical competitive asset and a key differentiator in the marketplace. Following this direction, NASD has adopted an



integrated approach to managing talent, performance and investing in top talent while ensuring that a focus on customer experience and support for the front line is a priority with every employee.

## **TECHNOLOGY**

### **NASD Electronic Trading System (N-ETS)**

Stability continued to be maintained on the operating platforms of the Company. The OTC Exchange run on the N-ETS, supported by the Escrow Group PLC Zimbabwe, has proven to be a very cost-effective solution to NASD's technology needs.

Finally, in 2022, the on-line – real-time plug into the Central Securities Clearing System (CSCS) was achieved after two years of working at streamlining the N-ETS to the CSCS systems. The significance of this attainment is that traders can effect trades on the NASD platform with real-time updates on their securities balances enabling them to work with daily net settlement positions to aid intra-day trading activities. This provides opportunities for more dynamic trading on the NASD OTC Exchange.

Following through on this attainment was the initiation of an application programming interface (APIs) to stockbrokers to enhance the order and dealing experience enabling straight-through processing for transactions.

### **NASD Mobile App V2**

Taking this initiative forward, in keeping with its leadership in technological innovation in the market infrastructure segment of the Nigerian Capital Market, Version 2 of the NASD Mobile App was fully developed during the year for full readiness and launching in 2023. One of the objectives of the NASD Mobile App V2, is to seamlessly adapt to the need of the new investor demography that is growing in importance in the patronage of investor products locally and globally. This new investor demography, used to relating largely on and through their digital devices, will find interacting with the NASD OTC Exchange a truly convenient experience.

### **NASD's Digital Securities Platform**

Lastly, the greatly anticipated introduction of the NASD Digital Securities Platform (NDSP), received very positive resonance from the apex regulator of the Nigerian Capital Market – The Securities and Exchange Commission (SEC), with the issuance of the Rules on Issuance, Offering Platforms and Custody of Digital Assets in May 2022. In November 2022, NASD and its consortium partners; Blockstation Incorporated, USA, T.K. Tech Africa Limited and Sophus Consulting Nigeria Limited organised a training programme for a select group of SEC Staff involved with overseeing the implementation of the introduction of digital and virtual asset trading in the Nigerian Capital Market. The training programme was very successful

and opened the door to NASD being invited to implement the NDSP under the Regulatory Incubation (RI) newly introduced by SEC to implement technology innovation initiatives under a limited and controlled observatory environment.

NASD is looking to introduce Security Token Offerings to the Nigerian Capital Market in keeping with the Revised Nigerian Capital Market Masterplan (RNCMM) Theme 2 (Market Development & Innovation), Objectives 7 & 8, Initiatives 14–17.

According to the RNCMM; “blockchain technology or distributed ledgers promise to revolutionise the core processes in the capital markets, yielding richer data sets, universal data sources and records. Clearing and settlement processes also can benefit from cutting the turn around time from three days to just a few minutes. Blockchain will make capital markets more efficient, particularly transferring securities, and could eliminate the need for intermediaries that provide settlement and depository functions”.

We look forward at NASD to berth this initiative in the Nigerian Capital Market.

## **OUTLOOK FOR 2023 AND BEYOND**

Revolutions are not always the outplay of single seismic events/ experiences. Sometimes revolutions (some say disruptive transformation) are a product of a clearly articulated vision anchored on diligent execution of coordinated unitary steps, consistently pursued to a logical conclusion.

NASD PLC. set itself on this path of transformation from 2022.



## STRATEGIC THRUST



Our medium-long term vision is hinged on:

### Deepened Platforms

- Attracting new listings through our sector-focus initiative
- Introducing new investment instruments and initiatives.
- Discovering & unbundling new investor categories.

### Expanded Market Breadth

- NASDeP – primary market platform
- VentureRamp – donor crowdfunding platform
- Digital Securities
- Others in the pipe-line

### Strategic Partnerships

- Professional bodies
- Regulatory and Self-regulated organizations
- Incubator organizations & Investment firms
- Public-Private Partnerships

Powered by:

- Strengthened legal framework
- Efficient operational systems
- Innovation
- Technology

The Exchange is being repositioned as the foremost Alternative Assets Listing Exchange in Nigeria with the capacity to serve both the primary and secondary markets for different classes of financial instruments.

The repositioning is in line with our vision to provide liquidity and transparency to Investors; and to create new investment opportunities for Investors using technology, information and innovative ideas.

## SECTOR FOCUS



We intend to pursue a solutions-based approach to engaging with key focus sectors of the Nigerian economy.

Housing and Mortgage sector



Food & Agriculture value chain



Energy: Renewables, Oil & gas, etc.



Arts & Entertainment



Digital space: Fintech, Insurtech, AI, etc.



Public-Private Partnership



Image sources: Internet

### Engagement of The National Pension Commission (Pencom) & The Nigerian Pension Industry

NASD has extensively engaged Pencom to give a no-objection for Pension Fund Operators (PFOs) to invest pension funds in companies admitted to the NASD OTC Exchange. These engagements have been progressive and productive. We believe that the permission of Pencom to PFOs is imminent, which will be in keeping with the rules and guidelines for the investment



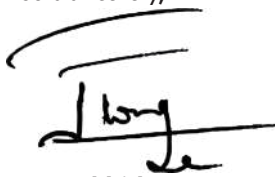
of pension funds which permit investments in SEC licensed Stock Exchanges.

In anticipation of this permission to the PFOs, NASD has initiated a Pension Index that would guide interested Pension Fund Administrators to appraise companies admitted on the NASD OTC Exchange that conform to the Pension Industry Rules and Guidelines for the Investment of Pension Funds.

## **CONCLUSION**

The Equity and Alternative Assets markets are considerably more intricate to develop in an emerging economy such as Nigeria's is. Savings mobilization is quite weak and locating patient capital to match longer gestation businesses and projects is detailed work. Sometimes it is easy to forget that NASD is just 10 years old. This is not proffered in denial of the opportunities that could have been harnessed in NASD over the years, but simply to say that the necessary work to deliver value to shareholders of the Company has been put in place and Management is and will always do its utmost to enhance shareholder value and see to it that NASD realizes its promise of being the foremost alternative assets listing market platform.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Longe', with a large, sweeping horizontal stroke above it.

**Eguarekhide Longe**

Manging Director/CEO

# CORPORATE GOVERNANCE

- Corporate Governance Report
- Director's Report
- The Board of Directors
- Report of External Consultants on Board
- Evaluation
- Statement of Directors Responsibilities
- Certificate Pursuant to Section 60(2) of
- The Investments and Securities Act
- Report of the Statutory Audit Committee





# CORPORATE GOVERNANCE

REPORT AS AT 31ST DECEMBER 2022

## INTRODUCTION

NASD PLC (“NASD” or “the Company”) is committed to promoting the highest standards of corporate governance as guided by its Corporate Governance Policy Manual, in accordance with the core principles of ethical culture, stewardship, independence, oversight of risk, accountability, transparency and continuous improvement. Other policies which further speak to our corporate governance approach include but are not limited to our Whistleblowing, Insider Dealing, Risk Management and Corporate Communications Policies. The business adopts standard accounting practices to facilitate transparency in the disclosure of information and to give assurance of the reliability of the financial statements.

Guided by our core values, we are also committed to excellent standards of integrity in all business dealings, applying the principles of transparency, accountability, and ethics to prevent corruption and bribery in all its forms.

30 In the conduct of our business, we seek to comply with all

statutory requirements, and have adopted tried and proven best practices to protect the environment and our employees and strive to enhance shareholder value in the process.

## THE COMPANY'S APPROACH TO CORPORATE GOVERNANCE

The Board of Directors is fully devoted to ensuring that the Company meets best practice corporate governance principles and adheres to topmost ethical standards, values, and behaviours. To this end, the Board has put in place relevant structures, policies and processes to ensure adherence to the Securities and Exchange Commission (SEC) Code of Corporate Governance for Public Companies (the “SEC Code of Corporate Governance”), the Nigerian Code of Corporate Governance (NCCG) issued by the Financial Reporting Council of Nigeria, relevant provisions of extant law – including the Investments and Securities Act 2007, the Companies and Allied Matters Act, 2020 – and global best practices, to deliver sustainable value for the Company's shareholders, employees and other stakeholders.

The responsibilities of the Board are detailed in the Board Charter. The Board's conduct is also governed by the Company's Memorandum and Articles of Association. All Board Committees have Terms of Reference which inform their activities.

The Company's approach to corporate governance is guided by the following core principles:

### **The Company's Ethical Culture**

Trust, integrity, and good governance are hallmarks of the Board's governance approach. In setting the tone at the top, the Board strives to nurture the strong corporate values that are well entrenched in the culture of NASD and reinforces the ethical principles on which NASD's reputation and success are founded. These values extend to every segment of the Company's operations and business activities.

### **Independence**

Independence from Management is fundamental to its role, and, in order to ensure that independence continues to inform the Board's decision-making process, the Board has put effective mechanisms in place to safeguard this independence.

### **Oversight of Strategy**

The members of the Board are the key advisers to Management, overseeing strategic direction and the formulation of plans, considering both the opportunities and risks of NASD's businesses. In carrying out this oversight role, the Board actively engages in setting the long-term strategic goals of the organisation, reviewing and approving business strategies, corporate financial objectives and financial and capital plans that are consistent with the strategic goals, and monitoring the Company's performance in executing strategies and meeting objectives.

### **Oversight of Risk**

A key priority of the Board is embedding a strong risk management culture throughout the organisation and overseeing the frameworks, policies and processes adopted to identify principal risks to the business and systems implemented to manage those risks. The Board actively monitors the organisation's risk profile relative to risk appetite and seeks to ensure that Management's plans and activities provide an appropriate balance of return for the risks assumed and are prudently focused on generating shareholder value and safeguarding the integrity of NASD.

### **Accountability and Transparency**

The Board defines the expectations and scope of duties of its committees and Management and is accountable to shareholders and other stakeholders. Transparency is

fundamental to good governance, and the Board takes seriously NASD's commitment to constructive stakeholder engagement, clear and comprehensive disclosure and financial reporting and its role as a public interest entity.

### **Continuous Improvement**

The Board is committed to the continuous improvement of NASD's corporate governance principles, policies, and practices. To ensure that these policies and practices meet or exceed evolving best practices and regulatory expectations, NASD's corporate governance system is subject to on-going review by the Board Governance and General-Purpose Committee.

## **CORPORATE GOVERNANCE COMPLIANCE STATEMENT**

During the year ended December 31, 2022, the Company complied with the provisions of the SEC Code of Corporate Governance and the NCCG. The Company applied the principles recommended in both Codes to its corporate governance structure and practices. The Board assures shareholders and stakeholders that an able internal audit function exists in the Company and that, similarly, the Company's risk management, control and compliance functions and mechanisms are operational.

## **BOARD OF DIRECTORS**

The Board is accountable to shareholders for the overall direction and control of the Company. It is committed to high standards of governance designed to protect the interests of its shareholders and all other stakeholders while promoting the highest standards of integrity, transparency, and accountability. The profiles of the Directors are contained in this Annual Report and can also be accessed via the Company's website: [www.nasdnng.com](http://www.nasdnng.com).

The Board is duly constituted to provide support for, and control of the activities of Management – led by the Managing Director/Chief Executive Officer. The Board is responsible for monitoring Management's implementation of the Company's strategic plans and initiatives for the long-term benefit of the Company and its shareholders.

### **Board Balance and Independence**

The Board is satisfied that it has the appropriate balance of skills, experience, independence, and knowledge to enable it and its committees discharge their duties and responsibilities effectively, as required by the SEC Code of Corporate Governance and NCCG.

The independence of the Board from Management is a notion that the Board takes seriously; to this end, the Board and all Board Committees are chaired by Non-Executive Directors, while the Board Audit Committee – responsible for the review of the adequacy of the audit functions and



the adequacy of internal control systems – is chaired by a Shareholder Representative.

The non-executive Directors are independent from Management and are free from any constraints which may materially affect their ability to exercise independent judgement as Directors of the Company.

#### Information Flow and Access to Advisers

All Directors have access to the advice and services of the Company Secretary; in addition, the Board solicits external opinions and counsel as and when required. The Board has a good line of communication with Management and can request the presence of any senior Management staff to provide information when required at its meetings.

Comprehensive Board papers are circulated electronically and in print to the Directors before each meeting of the Board and Board Committees. The Board papers sufficiently detail and address matters on which Management will report and areas requiring approvals and decisions of the Board.

#### Board Structure and Composition

The Board comprises 11 (eleven) Directors which include: 9 (nine) Non-Executive Directors, 1 (one) Executive Director, who is the Managing Director/Chief Executive Officer and 1 (one) Independent Director. As stipulated in the SEC Code of Corporate Governance and the NCCG, the roles of Chairman and Managing Director/Chief Executive Officer are distinct and separate with a clear division of responsibilities.

The Chairman provides leadership to the Board whilst ensuring its effectiveness in discharging its supervisory duties. The Board delegates responsibility for the day-to-day management of the business to the Managing Director/Chief Executive Officer but retains responsibility for the overall strategy and direction of the Company. The Managing Director/Chief Executive Officer then delegates authority to the appropriate Senior Executives for specific activities and transactions.

The members of the Board of Directors as at 31st December 2022 are as follows:

S/N	Director	Designation	Date Appointed
1	Mr Olutola Mobolurin	Chairman (Non-Executive Director)	5/04/2013
2	Mr. Bola Ajomale	Managing Director (Executive Director)	5/4/2013
3	Mr. Eguarekhide Longe	Chief Operating Officer (Executive Director)	28/04/2021
4	Mr. Chike Nwanze	Non-Executive Director	5/4/2013
5	Mr. Oladipo Aina	Non-Executive Director	5/4/2013
6	Mr. Ariyo Olushekun	Non-Executive Director	5/4/2013
7	Mr. Abubakar Lawal	Non-Executive Director	5/4/2013
8	Mr. Kayode Falowo	Non-Executive Director	5/4/2013
9	Mr. Aigbovbiose Aig-Imoukhuede	Non-Executive Director	12/10/2016
10	Mr. Ayodeji Adigun	Non-Executive Director	13/1/2021
11	Mr. Kyari Bukar	Independent Non-Executive Director	24/4/2020
12	Mrs. Olayimikah Bolo	Non-Executive Director	25/3/2021

#### Retirement of Directors and Appointment of New Board Members

On 25 April 2022, 30 June 2022, 3 August 2022, and 31 December 2022 respectively, Mr. Aigbovbiose Aig – Imoukhuede, Mr. Bola Ajomale, Mr. Ayodeji Adigun and Mr. Kyari Bukar resigned from the Board of NASD PLC. The Board and Management of NASD PLC. wish them the best in their current and future endeavours.

On June 30, 2022, the Board appointed Mr. Eguarekhide Longe as the Managing Director of NASD Plc. Mr. Longe was formerly the Chief Operating Officer of NASD Plc. He

has over 15 years financial services experience and had served in multiple managerial roles before his appointment.

#### Re-Election of Directors

In accordance with Section 285(1) of the Companies and Allied Matters Act 2020, the following Directors retiring by rotation being eligible are presenting themselves for re-election:

- Mr. Olutola Mobolurin
- Mr. Chike Nwanze



c. Mr. Oladipo Aina

Their profiles are contained on page 44 of this Annual Report.

### Board Appointments, Induction and Training

All Directors are appointed on the basis of certain core competencies as outlined in the Company's 'Selection and Appointment of Directors Policy' and in line with best corporate governance practice.

The Governance and General-Purpose Committee has overall responsibility for the appointment process subject to approval by the Board. The fundamental principles of the process include evaluation of the balance of skills, knowledge and experience on the Board, leadership needs of the Company and ability of the candidate to fulfill his/her duties and obligations as a director.

The Company has in place a 'Board Induction Policy' which ensures that newly appointed Directors have a broad understanding of their role, the Board's culture, and operations and that they receive adequate information and support to discharge their functions effectively.

The Company is committed to ensuring that Directors attend trainings to continually update their skills and knowledge of the Company's business, relevant operating environment, and overall economic landscape to assist them effectively discharge their duties.

### Board Meetings

The Board of Directors met five (5) times in the 2022 financial year. In compliance with Section 284 (2) of the Companies and Allied Matters Act, 2020, the record of Directors' attendance at Board Meetings is set out below:

DIRECTORS	01/02/2022	22/03/2022	27/04/2022	27/07/2022	26/10/2022	%
Mr. Olutola Mobolurin	✓	✓	✓	✓	x	80%
Mr. Chike Nwanze	✓	✓	✓	✓	✓	100%
Mr. Oladipo Aina	✓	✓	✓	✓	✓	100%
Mr. Ariyo Olushekun	✓	✓	✓	✓	✓	100%
Mr. Abubakar Lawal	✓	x	✓	✓	✓	80%
Mr. Kayode Falowo	✓	x	✓	✓	✓	80%
Mr. Aigbovbioise Aig-Imoukhuede*	✓	x	N/A	N/A	N/A	50%
Mrs. Olayimikah Bolo	✓	✓	✓	✓	✓	100%
Mr. Kyari Bukar		x	✓	✓	x	60%
Mr. Ayodeji Adigun*	N/A	N/A	N/A	N/A	N/A	–
Mr. Eguarekhide Longe	✓	✓	✓	✓	✓	100%
Mr. Bola Ajomale*	✓	✓	✓	N/A	N/A	100%

Keys: .....

\*Resigned

\*\*\*Elected June, 2022

### Board Performance and Evaluation

As required by the SEC Code of Corporate Governance, the firm of DCSL Corporate Services Limited on the approval of the Board, was engaged to conduct the 2022 Board Evaluation of NASD PLC. They engaged with relevant personnel and examined relevant documentation from 2022. They also conducted interviews with the Board Chair and Chairs of the Board Committees and administered questionnaires.

### BOARD COMMITTEES

The Board carries out its oversight function through its committees each of which has Terms of Reference that clearly defines its purpose, composition and structure, frequency of meetings, duties, tenure, and reporting lines to the Board. In line with best practice, the Chairman of the Board does not sit on any of the committees. The committees report to the Board and provide recommendations to the Board on matters reserved for Board approval.

During the period under review, the Board of Directors worked through Seven (7) committees.

### Audit and Risk Committee

The Audit and Risk Committee assists the Board in fulfilling

its corporate governance and oversight responsibilities relating to the integrity of NASD's financial reporting and the effectiveness of the Company's management framework.

The Audit and Risk Committee met four (4) times in the 2022 financial year and the following members served on the Committee during this period:

DIRECTOR	MEETING DATES				
	18/01/22	20/04/22	7/7/22	11/10/22	%
Mr. Abubakar Lawal	☑	☑	☑	☑	100%
Mr. Kyari Bukar*	x	x	x	☑	20%
Mrs. Olayimikah Bolo	☑	☑	☑	☑	100%
Mr. Aigbovbioise Aig-Imoukhuede*	☑	x	☑	n/a	80%
Mr. Ayodeji Adigun*	n/a	n/a	n/a	n/a	–

Keys: .....

\*Resigned

### Governance and General-Purpose Committee

The Committee assists the Board to discharge its responsibilities as regards corporate governance strategy and organisational structure. The Committee is responsible for compliance with and review of the Company's corporate governance policies and practices, the review and setting of the Charter and Terms of Reference for the Board and Board Committees, and ensuring that the Company's policies, including the remuneration policy, support the successful

identification, recruitment, development and retention of directors, senior executives, and managers.

The Committee is equally responsible for the development of recruitment policies, training, promotion, and all other Human Capital Management issues. The relevant members of the management team in attendance at the Committee's meetings include the Head of Legal and the Head of Human Resources.

The Committee met six (6) times during the year and the following members served on the Committee during this period:

DIRECTOR	MEETING DATES						%
	13/01/22	21/03/22	04/04/22	05/04/22	18/07/22	12/10/22	
Mr. Chike Nwanze	☑	☑	☑	☑	☑	☑	100%
Mr. Oladipo Aina	☑	☑	☑	☑	☑	☑	100%
Mr. Ariyo Olushekun	☑	☑	☑	☑	☑	☑	100%
Mr. Kayode Falowo	☑	☑	☑	☑	☑	x	83.3%
Mr. Abubakar Lawal	☑	☑	☑	☑	☑	☑	100%

### Finance and Investment Committee

The Finance and Investment Committee assists the Board in its oversight responsibilities over the Company's financial and investment strategy. The Committee ensures that clear policies are in place for treasury management, investment management, risk management and other financial processes and that these policies are periodically reviewed. The Head

of Finance and Accounts sits in attendance at the Committee's meetings to provide answers to questions that may arise in the course of the meeting.

The Finance and Investment Committee met six (6) times in the 2022 financial year and the following members served on the Committee during this period:

DIRECTOR	MEETING DATES						%
	13/01/22	20/02/22	14/04/22	16/05/22	14/07/22	13/10/22	
Mr. Ariyo Olushekun	☑	☑	☑	☑	☑	☑	100%
Mr. Bola Ajomale*	☑	☑	☑	☑	☑	☑	100%
Mr. Abubakar Lawal	☑	☑	☑	☑	☑	☑	100%

Mr. Eguarekhide Longe**	n/a	n/a	n/a	n/a	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Ayodeji Adigun*	n/a	n/a	n/a	n/a	n/a	n/a	–

Keys: .....

\*Resigned

\*\* Appointed to the Committee

#### Technical Committee

The Technical Committee assists the Board in its responsibility

to choose and maintain a reliable trading platform, assess the viability and integrity of the trading network, product development and improving IT governance and strategy. The Head of IT and Operations reports to the Technical Committee.

The Technical Committee met four (4) times in the 2022 financial year and the following members served on the Committee during this period:

DIRECTOR	MEETING DATES				
	24/01/22	13/04/2022	13/07/2022	18/10/2022	%
Mr. Ariyo Olushekun	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Kayode Falowo	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mrs. Olayimikah Bolo	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Kyari Bukar	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Aigbovbiose Aig-Imoukhuede	<input checked="" type="checkbox"/>	x	n/a	n/a	50%
Mr. Bola Ajomale**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n/a	n/a	100%
Mr. Eguarekhide Longe	n/a	n/a	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%

Keys: .....

\*Resigned

\*\* Appointed to the Committee

#### STATUTORY AUDIT COMMITTEE

The Statutory Audit Committee was established in accordance with Section 404 (2) of the Companies and Allied Matters Act, 2020. The Committee consists of five (5) members comprising Two (2) Non-Executive Directors and Three (3)

representatives of the shareholders.

The Committee meets to review the adequacy of the internal and external audit plan, receive, and deliberate on the report of the external auditors, review the adequacy of internal control systems and the degree of business compliance with laid down internal policies, laws, codes of business principles and any other relevant regulatory framework.

The Statutory Audit Committee met five (5) times in the 2022 financial year and the following members served on the Committee during this period:



DIRECTOR	MEETING DATES					%
	19/01/22	16/02/22	12/04/22	15/07/22	19/10/22	
Mr. Kashimu Garba Kurfi (Representing APT Securities and Funds Limited)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Nornah Awoh (Representing Palesa Capital Associates Limited)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mrs. Fiona Ahimie (Representing FBNQuest Securities Limited)	x	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	90%

### Rules and Membership Committee

The Rules and Membership Committee is responsible for reviewing the Rules of the NASD OTC Securities Exchange, applications for membership and participation on the Market and admitting new companies.

The Committee oversees, monitors, and ensures the effectiveness and independence of the Company's regulatory

program including trade practice and market surveillance and other regulatory responsibilities with respect to Participating Institutions registered with NASD. The Head of Legal and Compliance reports to this Committee.

The Rules and Membership Committee met four (4) times in the 2022 financial year and the following members served on the Committee during this period:

DIRECTOR	MEETING DATES				%
	20/01/22	11/04/22	14/07/22	17/10/22	
Mr. Kayode Falowo	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Oladipo Aina	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Bola Ajomale**	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n/a	n/a	100%
Mr. Chike Nwanze	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	75%
Mr. Eguarekhide Longe	n/a	n/a	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%

Keys: .....

\*Resigned

\*\* Appointed to the Committee

### Market Development Committee

The Market Development Committee assists the Board in fulfilling its responsibility relating to market awareness, business development, client retention and recommends policies that will encourage trading activities on NASD.

The Market Development Committee met four (4) times in 2022 financial year and the following members served on the Committee during this period:

DIRECTOR	MEETING DATES				%
	17/01/22	19/04/22	19/07/2022	20/10/2022	
Mr. Oladipo Aina	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Kyari Bukar*	<input checked="" type="checkbox"/>	x	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	75%
Mr. Abubakar Lawal	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Bola Ajomale*	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	n/a	n/a	100%
Mr. Olayimikah Bolo	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%
Mr. Eguarekhide Longe**	n/a	n/a	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	100%

Keys: .....

\*\* Appointed to the Committee

## Disciplinary Committee

The Disciplinary Committee was set up to investigate violations of the Rules and Regulations of NASD OTC Securities Exchange and adjudicate all disputes between Participating Institutions and their customers. The Committee meets on an ad hoc basis as the need arises.

The Disciplinary Committee did not meet in the 2022 financial year.

## CODE OF PROFESSIONAL CONDUCT

NASD PLC has a documented Code of Professional Conduct approved by the Board which sets out basic principles to guide all employees, Directors and business partners of NASD and sets the standard of professionalism and degree of integrity required for business operations. The Code covers a wide range of business practices and procedures including; compliance with the law, conflicts of interest, public activities, environmental management, diversity in the workplace, accuracy and reliability of financial reporting, related party transactions and procedure for handling breaches and instances of non-compliance.

## INVESTOR RELATIONS AND SHAREHOLDER COMMUNICATION

The Board understands the importance of effective communication with shareholders. NASD has a vibrant and dynamic website where important information is provided on a timely basis. There is also a dedicated information desk where email enquiries are responded to within 24

hours. The Annual General Meeting gives the shareholders an opportunity to communicate and interact with members of the Board.

## CONFLICT OF INTEREST

The Board has approved a Conflict-of-Interest Policy, which outlines guidelines and procedures in connection with the identification, disclosure, and management of any real, potential, or perceived conflict of interest as it relates to NASD. In addition, all new and existing Directors are required to annually disclose their memberships on other Boards and any real or potential conflict of interest situations which they are aware of.

## WHISTLEBLOWING POLICY

NASD PLC in its capacity as a self-regulatory organisation, is committed to the preservation of the integrity of the Nigerian financial markets. In line with this commitment, the Company has established a Whistle Blowing Policy which provides a secure channel of communication for all employees and stakeholders (members, regulators, investors, industry professionals, issuers, and the general public) to report issues of a sensitive nature or wrongdoing to the Board and Management of NASD while maintaining the confidentiality of the whistle-blower. The Company has a dedicated phone number and email address through which such complaints can be received.





# Directors' Report

For the year ended 31 December 2022

The Directors submit their report together with the audited financial statements for the year ended 31 December 2022.

## (a) Legal form and principal activity

The Company was promoted by the National Association of Security Dealers ("NASD") and incorporated on the 1st of June 1998 as a private limited liability company. By 2012, the Company morphed into a Self-Regulatory Organization ("SRO") licensed by the Securities and Exchange Commission ("SEC or the Commission") to develop and operate a Securities Exchange and formal Over the Counter platform for trading securities. The Company converted to a public limited liability company on 5th April 2013.

The Company has since transformed into a central infrastructure provider that ensures the flow of information and money between banks, traders, merchants, investors and service providers worldwide. The principal service offerings of NASD include securities trading, stock market transactions, transaction noting, donor crowdfunding, private market transactions, financial information/data, and an alternative market for capital raising for both private and public companies.

The shares of the Company are currently admitted to trade on the NASD OTC Exchange.

## (b) Company's subsidiaries

The company has two subsidiaries, NASD Technologies Limited, which was incorporated on 21 February, 2020, and NASD Services Limited, which was incorporated on 24 February, 2020. The holdings of NASD Plc in both subsidiaries as at 31 December 2022 were 99% each.

The two companies are yet to commence operations as at 31 December, 2022, hence no financial transactions have been recorded by them. The company (NASD Plc) has therefore decided not to prepare consolidated financial statements.

## (c) Operating results

Highlights of the Company's operating results for the year are as follows:

	Dec. 2022	Dec. 2021
	N'000	N'000
(Loss)/Profit before tax	(107,314)	26,625
Income tax expense	28,057	(3,387)
(Loss)/Profit after tax	(79,257)	23,238
(Loss)/Profit per share (kobo)	(15.85)	4.65

## (d) Dividends

The Company did not declare any dividend for the year; (2021: Nil).

## (e) Directors and their interests

The interest of directors in the issued share capital of the Company, NASD Plc, as recorded in the register of directors' shareholding and/or as notified by the Directors for the purpose of section 301 and 302 of CAMA 2020 are as follows as of 31 December 2022:

Name	Designation	Interests		Interests	
		Ordinary shares of ₦1 each		Ordinary shares of ₦1 each	
		Dec. 2022		Dec. 2021	
		Direct	Indirect	Direct	Indirect
Mr. Olutola Mobolurin	Chairman	–	23,639,342	–	21,490,311
Mr. Bola Ajomale* (Resigned July 1 2022)	M a n a g i n g Director	–	–	–	–
Mr. Eguarekhide Longe	M a n a g i n g Director	–	–	–	–
Mr. Abubakar Lawal	Non-Executive	–	17,190,179	–	15,627,436
Mr. Ariyo Olushekun	Non-Executive	–	39,217,973	–	35,652,703
Ms. Olayimikah Bolo	Non-Executive	–	32,953,418	–	29,957,653
Mr. Chike Nwanze	Non-Executive	–	3,055,550	–	2,777,773
Mr. Aigbovbiose Aig-Imokhuede* (Resigned April 25 2022)	Non-Executive	–	–	–	29,957,653
Mr. Kayode Falowo	Non-Executive	–	25,000,550	–	22,727,773
Mr. Oladipo Aina	Non-Executive	–	5,988,884	–	5,444,440
Heirs Holding	Non-Executive		41,902,666		38,093,333
Mr. Kyari Bukar* (Resigned December 31 2022)	I n d e p e n d e n t Non-Executive	–	–	–	–
Ms. Kenechi Ezezika* (Appointed December 15 2022)		–	53,111,691	–	–
Mr. Ebhodaghe Ishmael* (Appointed December 15 2022)		–	32,023,880	–	–

**(f) Shareholding**

According to the register of members at 31 December 2022, the spread of shareholding in the Company was as follows:

31 December 2022				31 December 2021		
Number of holding	Number of shareholders	Number of shares held	Percentage	Number of shareholders	Number of shares held	Percentage
1–1,000,000	107	13,232,070	3%	78	9,923,145	2%
1,000,000–10,000,000	32	90,856,953	19%	35	100,268,680	23%
Over 10,000,001	14	384,535,803	79%	13	334,012,563	75%
	153	488,624,826	100%	126	444,204,388	100%

**Substantial Interest in shares**

According to the register of members at 31 December 2022, no shareholder held more than 5% of the issued share capital of the Company except the following:

31 December 2022				31 December 2021		
	Percentage	Number of Shares held	Board Representation	Percentage	Number of Shares held	Board Representation
Greenwich Trust Limited	5.12	25,000,550	Yes	5.12	22,727,773	Yes
Trinet Technologies Limited	5.65	27,631,175	No	5.5	24,424,600	No
VFD Group Plc	6.55	32,023,880	No	6.55	29,112,619	No
Chapel Hill Advisory Partners Limited	6.74	32,953,418	Yes	6.74	29,957,653	Yes
TRW Stockbrokers Ltd FFIG NOM	7.39	36,106,364	Yes	–	–	No
Capital Assets Limited	8.03	39,217,973	Yes	8.03	35,652,703	Yes
Heirs Holdings Plc	8.58	41,902,666	Yes	8.58	38,093,333	Yes
NSE Consult Limited	10.87	53,111,691	No	10.87	48,283,356	No

**(g) Property, plant and equipment**

Information relating to changes in property, plant and equipment is given in note 19 of the financial statements

## (h) Human resources

### ***Employment of physically challenged persons***

The Company has a policy of fair consideration of job applications by disabled persons having regard to their abilities and aptitude. The Company's policy prohibits discrimination of disabled persons in the recruitment, training and career development of its employees.

### ***Employee health, safety and welfare at work***

The Company enforces strict health and safety rules and practices in the work environment, which are reviewed and tested regularly. The Company provides subsidies to all levels of employees for medical expenses and transportation.

Fire prevention and fire-fighting equipment are installed in strategic locations within the company's premises.

### ***Employee training and involvement***

The directors maintain regular communication and consultation with the employees and staff representatives on matters affecting employees and the company

Training is carried out at various levels through in-house and external courses. Incentive schemes designed to encourage the involvement of employees in the Company's performance are implemented, whenever appropriate.

### ***Diversity and Inclusion***

NASD is committed to employment policies free from discrimination against existing or potential employees on the grounds of age, race, ethnic and national origin, gender, sexual orientation, faith or disability. The Company's workforce consists of a fair proportion of the genders and is drawn from diverse tribes and cultures within and outside Nigeria. The Company continues to recognize the need for diversity and inclusion in leadership including the need to promote gender equality and equity in leadership.

As part of our commitment to promoting gender balance within the organisation, 50% of our Management staff are female and 40% of our entire work force is female.

## (i) Code of Business Conduct and Business Ethics

In order to strengthen the entrenchment of Corporate Governance within the Company, the Board has approved and implemented the following internal policies and practices which are reviewed periodically:

- **Whistle blowing Policy:** The Whistle Blowing Policy of the Company specifically mandates members of staff to timely disclose any illegal, immoral or illegitimate practices including suspicious activities that may adversely affect the Company and/

or its stakeholders. NASD provides a window for anonymous disclosures under this policy via a dedicated portal in addition to other channels through which employees may wish to make whistleblowing disclosures anonymously.

- **Employment practices** – The NASD Staff Handbook regulates the conducts and affairs of members of staff.
- **Service Delivery:** To facilitate quality service delivery to customers, the Company has in place Service Level Agreements (SLA), which regulate the contractual relationships among different units of the Company and their external vendors.
- **Board Evaluation Policy:** This policy sets out the procedure and criteria for the evaluation of the Board, Committees, Chairman and Individual Directors.
- **Board Induction Policy:** Ensures that newly appointed Directors have a broad understanding of their role, the Board's culture and operations as well as ensuring that new members are well informed and receive the required support to function as Directors.
- **Conflict of Interest Policy:** Aims to identify, reduce and address conflicts of interest within the Company.
- **Complaint Management Policy:** To ensure the delivery of consistent, high quality and accountable responses to complaints and minimize damage to the Company's reputation arising from an unattended complaint.
- **Directors' Remuneration Policy:** Sets out remuneration for Directors that is fair and appropriate and ensures that the Company maintains the mix and balance of remuneration to adequately reward, attract, motivate and retain Directors and Senior Executives.
- **Selection and Appointment of Directors Policy:** Stipulates the procedure for selection and appointment of directors.
- **Employee Trading Account Policy:** Ensures that transactions undertaken by employees in securities trading on NASD platform do not conflict with money laundering and other regulations.
- **Code of Professional Conduct:** Sets out basic principles to guide the conduct of Directors, employees and other stakeholders who have dealings with NASD.
- **Corporate Communications Policy:** Aims to ensure the dissemination of high quality internal and external information consistent with the Company's identity, positioning and strategic priorities.
- **Remote Working Policy:** In view of new realities, this policy outlines NASD's guidelines and expectations, for employees working from a location other than its physical offices, ensure business continuity during crisis and provides a framework to guide remote working to ensure efficient productivity.

## **(j) Insider Trading**

The Directors of NASD and employees who are in possession of price sensitive information are prohibited from dealing with the shares of the Company in accordance with the provisions of the Investments and Securities Act 2007. As required by law, the shares held by Directors are disclosed in the Annual Report. The Company has also adopted a Securities Trading Policy applicable and circulated to Directors, insiders, external advisers and all employees that may at any time possess any inside or material information about our Company. This Policy is also available on the website of the Company.

## **(k) Enterprise Risk Management ("ERM")**

NASD PLC is committed to the effective management of risk, which is central to the continued growth and profitability of the company. Our risk management approach ensures that both prevailing and emerging risks are proactively identified and appropriately mitigated to reduce the likelihood of occurrence. It also ensures the development of opportunities inherent in the risks in order to create value.

NASD operates a suitable enterprise risk management structure for the purpose of planning, executing, monitoring, and improving the organisation's risk management processes.

### ***The Board***

The Board is responsible for:

1. Setting risk appetite levels;
2. Overseeing ERM activities of the Company;
3. Understanding the nature and magnitude of significant risks to which the company is exposed;
4. Reviewing reports on the assessment of risk levels compared to established strategic risk targets; and
5. Annually reviewing risk management policies, including risk appetite, and strategies to ensure that risk exposures remain appropriate and prudent.

### ***The Audit and Risk Committee:***

The Audit and Risk Committee assists the Board in fulfilling its corporate governance responsibilities regarding risk management. Specifically, these include:

1. Reviewing and approving NASD's risk management policy and framework.
2. Regularly reviewing NASD's updated risk profile.
3. Reviewing at least quarterly, the implementation of the risk management policy and framework.
4. Reporting to the Board on risk exposure levels.

### ***Executive Management***

42 Executive management is responsible for periodically

reviewing the Company's risk profile, fostering a risk-aware culture and reporting to the Board on the effectiveness of the risk management framework and on the Company's management of its material business risks.

### ***Head of Risk***

The Head of Risk co-ordinates:

1. The development of the Risk Management Policy and keeping it up to date;
2. Risk management activities and appropriate risk management training; and
3. Compilation of risk information and provision of reports for the Audit and Risk Committee and Board.

### ***Internal Audit***

An independent appraisal function established to provide assurance to the Board, the Audit Committee and the Executive Management about the adequacy and effectiveness of existing internal controls vis-à-vis the associated risks.

In the context of risk management, the Internal Audit function is more specifically responsible for:

1. Developing and implementing an Annual Audit Plan having regard to NASD's material risks;
2. Reviewing the effectiveness of the Risk Management Policy and risk management processes;
3. Notifying Management and the Board of new and emerging risks identified in the course of implementing the Audit Plan and, where necessary, modifying the audit plan to take account of the impact of these new risks; and
4. Reporting to the Audit Committee quarterly on risk and compliance issues.

### ***Line Managers***

Business unit leaders are responsible for the effective identification, assessment, management, monitoring, reporting and control of risk within their areas of responsibility in accordance with the organisation's approved risk management methodology, and for developing risk management performance targets and a risk awareness culture. Among other things, they are responsible for the following:

1. Supporting the risk culture of the organization.
2. Identifying, communicating and managing risks in their area of operations.
3. Preparing risk analysis worksheet (risk registers) on risks concerning their area of operations on a semi-annual basis; and
4. Managing risks on a day-to-day basis.

### ***All managers, supervisors and employees***

All managers, supervisors and employees are responsible



for: taking all reasonable and practicable steps to perform their responsibilities delegated under the Risk Management Policy and the related systems and procedures, reporting inefficient, unnecessary or unworkable risk controls, reporting risk events and near miss incidents, and co-operate with management on incident investigations.

**NASD Cybersecurity Readiness:**

Cybersecurity readiness is the capacity to recognise and quickly respond to network intrusions, malware assaults, phishing scams, and theft of data and intellectual property from both inside and outside the network.

The company has a cybersecurity plan to safeguard its network infrastructure, as well as its financial information, from theft, unauthorised access, disclosure, and modification by threat actors operating inside or outside the network. This includes identity and access control management, network monitoring and strong security architecture, configuration and change control, and effective response to security incidents.

**(l) Donations and gifts**

The Company did not make any donation during the year; (2021: Nil).

**(m) Events after reporting period**

There are no significant events, which could have had a material effect on the state of affairs of the Company as at 31 December 2022 that have not been adequately provided for or disclosed in these financial statements.

**(n) Auditors**

The previous auditors, Messrs. Deloitte & Touche (Chartered Accountants) who audited the prior financial statements up to 31 December 2021, retired after completion of their tenure in line with Corporate Governance code and KPMG Professional Services were appointed to fill the vacancy on 5 January 2023.

Messrs. KPMG Professional Services, having satisfied the relevant corporate governance rules on their tenure in office have indicated their willingness to continue in office as auditors to the Company. In accordance with Section 401(2) of the Companies and Allied Matters Act (CAMA) 2020 of Nigeria, therefore, the auditors will be re-appointed at the next annual general meeting of the Company without any resolution being passed.

By order of the Board



**L. Omolola Ikwuagwu (Mrs)**

GIO Nominees Limited

Company Secretary

FRC/2014/NBA/00000007013

21 March 2023

## Board of Directors



**Mr. Olutola Mobolurin**

Mr. Olutola Mobolurin is the Chairman of NASD Board of directors. He is also the Chairman and pioneer Managing Director of Capital Bancorp Plc. He holds a Bachelor of Science degree in Accounting and Finance from State University of New York in Binghamton and an MBA from York University, Toronto.

Prior to joining Capital Bancorp Plc, he worked at City Securities Limited and Continental Merchant Bank Plc (formerly Chase Merchant Bank) where he was a Deputy General Manager and Head of Corporate Finance.

Mr. Mobolurin was the Vice-Chairman and Group Chief Executive of Crusader Nigeria Plc till October 2012 and the first Chairman of Crusader Sterling Pensions Limited. He is currently a Non-Executive Director of the FCMB Group Plc. He had in the past served as the Chairman, Securities and Exchange Commission's Committee on the Resuscitation of the Bond Market and was the President of the Chartered Institute of Stockbrokers from 2001 to 2003. He also served as an assessor/part-time member of the Investment and Securities Tribunal, from 2003–2006. He has over 40 years' experience of varied exposure and experience in the financial services industry and has been involved in pioneering many financing structures in the Nigerian Financial Market.



**Mr Eguarekhide Longe**

Mr. Eguarekhide Longe is a consummate professional with over 30 years' experience in financial services and business analytics. He holds a B.Sc. degree in Political Science from the University of Ibadan, Nigeria, and an MBA from IESE Business School, University of Navarra, Spain. He is a Fellow of the Chartered Institute of Stockbrokers.

He started his career at Fidelity Finance Company as an Investment Analyst and later moved to Hamilton Hammer & Co. Ltd. He then proceeded to work at Securities Transactions & Trust Co Ltd. (now Afrinvest West Africa) where he rose to the level of Vice President Sales and Business Development. Mr. Longe subsequently moved to Shell Trustees Nigeria Ltd; the pension fund Manager of Shell Petroleum Development Company, Nigeria, as the Capital Market Analyst where he advised and managed the Capital Market portfolio.

Following this, Mr Longe moved to First Funds Ltd- the Venture Capital subsidiary of First Bank of Nigeria Limited- as Head Financial Advisory where he succeeded in raising capital for clients via debt/equity through Private market placements. He joined Kakawa Asset Management Ltd. as the MD/CEO and then moved to Diamond Capital Ltd. as Head Asset Management where he handled Securities Dealing, Sales and Product Development. Mr. Longe, in his immediate last role, served as the Managing Director of ALLCO Pension Managers Ltd. from November 2011 to November 2021.

Mr. Longe is currently the Chief Operating Officer of NASD PLC, and was appointed as an Executive Director of NASD, effective 9th December 2021.



**Mr. Chike Nwanze**

Mr. Chike Nwanze is Vice Chairman/CEO of ICON Stockbrokers Limited. He holds a bachelor's degree in business administration and also an MBA in Financial Management. He has had diverse work experience in the oil and gas, banking, and stock broking sectors of the economy. Prior to his current position, he worked in Shell, Houston Texas from 1969 to 1972 before returning to Nigeria to join Shell-BP Petroleum Development Company Nigeria. In 1975, he joined the Nigerian Bank for Commerce and Industry (now Bank of Industry) and ICON Limited (Merchant Bankers) as a General Manager.

He has participated in various workshops, seminars and executive programs at The Economic Development Institute of the World Bank; Industrial projects course and Amos Tuck school of Business Administration, USA. He is a fellow of the Institute of Directors, Fellow of the Economic Development Institute (F.E.D.I) and a Fellow of the Chartered Institute of Stockbrokers. former Director of the Central Securities Clearing System Plc and former council member of The Nigerian Stock Exchange.



**Mr. Oladipo Aina**

Mr. Oladipo Aina is the Managing Director & Chief Executive Officer of Signet Investment and Securities Limited. He is an accomplished Stockbroker with over 36 years' experience in the Money and Capital markets. He is a Fellow of and served as President of the Chartered Institute of Stockbrokers between 2005 to 2007. He is also a Fellow of the Institute of Directors, London, a former Director of the Central Securities Clearing System Plc and former council member of The Nigerian Stock Exchange.

Prior to establishing Signet Investment and Securities Limited, Mr. Aina worked at NAL Merchant Bank Limited (now Sterling Bank Plc) in 1980 and then transferred to Nigerian Stockbrokers Limited, a company managed by NAL as the Managing Director. He also worked with the Bank of the North Limited in Gusau, Zamfara state.

He holds a BSc in Economics at the University of Ife (now Obafemi Awolowo University) and an MSc in Banking and Finance from the University of Ibadan. He also holds a Master of Science Degree in Corporate Governance and Finance from Liverpool John Moores University, Liverpool UK.





**Mr. Ariyo Olushekun**

Mr. Olushekun is Chief Executive Officer of Capital Assets Limited. He is a Fellow of the Institute of Chartered Accountants of Nigeria, the Chartered Institute of Stockbrokers and the Institute of Directors. He is also an Associate of the Chartered Institute of Taxation and The Nigerian Institute of Management. He is an Authorized Dealing Clerk of The Nigerian Stock Exchange and NASD Plc. He is registered by the Securities & Exchange Commission. He holds HND (Upper Credit) in Accountancy from Yaba College of Technology as well as MBA (Marketing) from the University of Lagos. He is an Alumnus of the Advance Management Program (AMP) of IESE Business School, Barcelona, Spain. Mr. Olushekun has about 30 years experience of active participation in various aspects of Investment Banking eleven out of which were spent at Centre-Point Merchant Bank Plc. He left Centre-Point in 1998 to establish and manage Capital Assets Limited, a leading Investment Banking outfit in Nigeria.

Mr. Olushekun is a Past President and Chairman of the Governing Council of the Chartered Institute of Stockbrokers. He has served on the National Council of The Nigerian Stock Exchange as well as on the Board of its subsidiary, NSE Consult Limited. He is currently serving on the Boards of Central Securities Clearing System Plc, NASD Plc - the Over-The-Counter Trading Platform of the Nigerian Capital Market, Unity Registrars Limited, Co-Link Investment Management Limited, and Applied Logic Limited, operators of BroadStreetLagos.com, a Stock market Research Portal.



**Mr. Abubakar Lawal**

Abubakar Lawal is the Chairman of the Audit & Risk Committee of NASD Plc. He is the Managing Director and Chief Executive Officer of GTI Capital Limited. His wealth of experience in Finance and Investment Banking spans over two decades having participated in various landmark capital market transactions.

He has attended various international trainings and competence development programs. He is a fellow of the Chartered Institute of Stockbrokers (CIS) of Nigeria. He currently serves on the board of Wema Bank Plc. Abubakar is a retired Council member of the Nigerian Stock Exchange and Chartered Institute of Stockbrokers of Nigeria.



**Mr. Kayode Falowo**

Mr. Kayode Falowo is the Managing Director/CEO of Greenwich Trust Limited, one of the leading Investment Banking firms in Nigeria. He is a Chartered Stockbroker with over 25 years post graduate experience and practice in Finance, Commercial and Investment Banking. He holds a B.Sc. (Hons) in Agricultural Engineering from the University of Ife (now Obafemi Awolowo University) and an MBA from the University of Benin. He is a distinguished Fellow of the Chartered Institute of Stockbrokers (2010) and Association of Investment Advisers and Portfolio Managers (2005), Council Member of the Nigerian-British Chamber of Commerce and Council Member of the Nigerian Stock Exchange.

Kayode is also a Member of the Lagos Chamber of Commerce & Industry, Institute of Directors Nigeria, Institute of Management Consultants and Nigerian Institute of Management. He serves as a Member of the Central Organising Committee of the Nigerian Economic Summit Group (NESG), and Council Member of the Lagos Business School Alumni Association. He is the Chairman of DN Meyer Plc, Chairman of GTL Registrars and Director of Skye Trustees Limited.

He has in recent past, served as the Chairman, Association of Issuing Houses of Nigeria (AIHN), Member of National Bond Steering Committee, and Standard for Service and Disclosure Subcommittee of the Capital Market Committee, Rules and Regulations Committee of the Nigerian Stock Exchange and the National Essay Committee of the Nigerian Capital Market. He is currently a member of the Technical Committee of the Bureau of Public Enterprise (BPE) and member Presidential Advisory Committee on the Nigerian Capital Market.



**Mrs. Olayimikah Bolo**

Mrs. Olayimikah Bolo is a Non-Executive Director of NASD PLC.

She is currently the Chief Risk Officer of Chapel Hill Denham and is an accomplished professional with over 25 years of experience in strategic risk management, risk governance (credit, market, operational risks), strategy & policy formulation, and corporate finance advisory.

She sits as a Non-Executive Director on the board of Unicorn Exploration & Production Nigeria Limited (UEPNL) and Siglo Risk Consultants (formerly Falkirk Risk Limited).

Prior to joining Chapel Hill Denham, Mrs. Bolo was the Acting Managing Director/Chief Operations Officer of FMDQ Clear Limited (a subsidiary of FMDQ OTC Securities Exchange Limited). Before then Mrs. Bolo was the Head of Risk Governance for Stanbic IBTC Holdings (a subsidiary of Standard Bank, South Africa in Nigeria) and her role included regional responsibility for Standard Bank in Ghana, Angola, and DRC. Over the years, she held different roles in Stanbic IBTC Bank and Kakawa Discount House Limited (now FBNQuest Merchant Bank).

Mrs Bolo holds a BSc degree in Chemical Engineering from the University of Lagos, Nigeria and an Executive Masters in Business Administration from the Lagos Business School. She is an active member of the Risk Management Association of Nigeria (RIMAN) and occupied the position of the 2nd Vice President in 2015/2016. She is also a member of the Institute of Directors.





**Kenechi Ezezika**

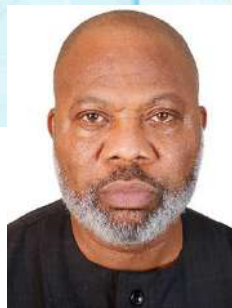
Kenechi Ezezika is a legal practitioner and the Managing Partner of OAKE Legal, a mid-sized business law firm with offices in Lagos and Abuja. Her core specialisations are Mergers and Acquisitions, Capital Markets and Private Equity. She has led several acquisition engagements (including cross border acquisitions) from preliminary deal structuring through to post-completion support.

She routinely advises on financing transactions and has worked on significant transactions ranging from corporate restructuring to divestment structuring. She has advised on loan, private equity, and other investment transactions with a value in excess of US\$5 Billion. She has also advised on the debt financing of several infrastructure development projects and supported the establishment of several private equity funds. She is recognised for her astuteness and practical approach in driving transactions to closing.

Kenechi is also a member and sits on the board of directors of ImpactHER Limited/Guarantee, a non-profit organization established to help bridge the financing gap for African women-owned small businesses, through trainings, business support and networking channels and recipient of the 2021 Google Impact Challenge Funding.

Kenechi graduated from the University of Nigeria in 2006 and was called to the Nigerian Bar in 2007.

Kenechi is a member of the Chartered Institute of Taxation of Nigeria and is recognised by IFLR1000 as a highly regarded leading lawyer in the areas of Banking and M&A.



**Ishmael Ebhodaghe**

Ishmael Ebhodaghe is the Managing Partner at Bernateva Partners, a leading commercial law firm based in Lagos.

Ishmael holds a Bachelor of Law degree (Second Class Upper Division) from Obafemi Awolowo University and a Banister at Law (B. L) (Second Class Upper) from Nigerian Law School and has significant commercial and litigation experience working in leading law firms in Nigeria such as Paul Usoro & Co and Templars where he rose to the position of Associate Partner.

His area of expertise includes Financial Regulatory compliance, Corporate Governance, Securities Law, Corporate Finance, Structured Finance, Project Finance, Mergers, Acquisition, Securitization, Commercial and Civil litigation, and Alternative Dispute Resolution.

With over 23 years' experience at the Bar, he has played key roles in providing professional legal advisory services to multinational companies spanning a variety of sectors and handle numerous civil and commercial disputes both at the High courts and Appellate courts.

He currently sits on the Board of several companies ranging from financial services sector to the oil & gas sector. He is a member of the Nigerian Bar Association (NBA) and the International Bar Association (IBA). He is happily married with children.

**DCSL Corporate Services Limited**

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22<sup>nd</sup> June 2023

**REPORT OF THE EXTERNAL CONSULTANTS ON THE PERFORMANCE OF THE BOARD OF DIRECTORS OF NASD PLC FOR THE YEAR-ENDED DECEMBER 31, 2022.**

DCSL Corporate Services Limited ("DCSL") was engaged by the Board of NASD Plc to carry out a performance evaluation of the Board of Directors for the year ended December 31, 2022, in line with the provisions of the Nigerian Code of Corporate Governance, 2018 (NCCG), the Securities and Exchange Commission (SEC) Corporate Governance Guidelines as well as global best practices on Corporate Governance.

The appraisal entailed a review of the Company's Corporate and Statutory documents, Minutes of Board and Committee meetings, Policies and other ancillary documents made available to us and the administration of questionnaires.

To ascertain the extent of compliance with relevant corporate governance principles, and appraise the performance of the Board, we benchmarked the Company's corporate governance structures, policies and processes against the above-mentioned Codes as well as global Best Practices and considered the following seven key corporate governance themes:

1. Board Structure and Composition
2. Strategy and Planning
3. Board Operations and Effectiveness
4. Measuring and Monitoring of Performance
5. Risk Management and Compliance
6. Corporate Citizenship; and
7. Transparency and Disclosure.

The Board has the responsibility of putting in place adequate corporate governance structures and practices and approving policies that will ensure the Company carries on its business in accordance with its Memorandum and Articles of Association, Policies as well as in conformity with applicable laws, codes, and regulations to guarantee sustainability. Subsequent to the conclusion of the Performance Evaluation Engagement, we confirm that the Board and Company substantially complied with the provisions of the applicable Codes and corporate governance best practice. In our opinion, the Board and individual Directors have displayed laudable commitment to enhancing the Company's growth, developing and monitoring corporate strategy to achieve sustainable growth.

The commendable attendance recorded by Directors at Board and Committee meetings held during the period is a clear indication of the dedication and genuine interest of the Board in the Company's affairs and overall success.

We have proffered recommendations to address the gaps identified during the appraisal exercise and have the Board's assurances that these would be addressed.

Yours faithfully,

**For: DCSL Corporate Services Limited**



Bisi Adeyemi  
**Managing Director**  
FRC/2013/NBA/00000002716

Directors: • Abel Ajayi (Chairman) • Obi Ogbechi • Adeniyi Obe • Dr. Anino Emuwa • Adebisi Adeyemi (Managing Director)



# Statement of Directors' Responsibilities

For the year ended 31 December 2022

## For the preparation and approval of the financial statements

The Directors of NASD Plc accept responsibility for the preparation of the financial statements that give a true and fair view of the financial position of the NASD Plc as at 31 December 2022, and the results of its operations, statement of cash flows and changes in equity for the year then ended, in compliance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Companies and Allied Matters Act, (CAMA), 2020, and the Financial Reporting Council of Nigeria Act, 2011.

In preparing the financial statements, the Directors are responsible for:

- (a) properly selecting and applying accounting policies;
- (b) presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- (c) providing additional disclosures when compliance with the specific requirements in IFRS Standards are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the company's financial position and financial performance.

The directors further accept responsibility for maintaining adequate accounting records as required by the Companies and Allied Matters Act, (CAMA)2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error.

## Going Concern:

The Directors have made assessment of the Company's ability to continue as a going concern and have no reason to believe the Company will not remain a going concern in the year ahead.



**Olutola Mobolurin**

Chairman

FRC/2014/CISN/00000003804

21 March 2023



**Eguarekhide Longe**

Managing Director/Chief Executive Officer

FRC/2013/CISN/00000002092

21 March 2023

# Certification of The Audited Financial Statements of NASD Plc

For The Year Ended 31st December 2022

Pursuant to Section 60 (2) of the Investments and Securities Act, 2007, and in respect of the Unaudited Financial Statements of NASD PLC (the Company) for the year ended 31st December 2022.

I, Eguarekhide Longe, certify that:

1. I have reviewed this audited Financial Statement for the year ended 31st December 2022 of NASD PLC (the Company).
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I:
  - a) are responsible for establishing and maintaining internal controls;
  - b) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - c) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - d) have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of the internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
6. The company's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

Name: Eguarekhide Longe

Designation: Managing Director

FRC No: **FRC/2013/CISN/00000002092**

Signature:



Date: 30/03/2023

# Certification Of The Audited Financial Statements Of NASD Plc

For The Year Ended 31st December 2022

Pursuant to Section 60 (2) of the Investments and Securities Act, 2007, and in respect of the Unaudited Financial Statements of NASD PLC (the Company) for the year ended 31st December 2022.

I, Kolawole Jiboku, certify that:

1. I have reviewed this Audited Financial Statement for the year ended 31st December 2022 of NASD PLC (the Company).
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I:
  - a) are responsible for establishing and maintaining internal controls;
  - b) have designed such internal controls and procedures, or caused such internal controls and procedures to be designed under our supervision, to ensure that material information relating to the company, and its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - c) have designed such internal control system, or caused such internal control system to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - d) have evaluated the effectiveness of the company's internal controls and procedures as of a date within 90 days prior to the report and presented in this report our conclusions about the effectiveness of the internal controls and procedures, as of the end of the period covered by this report based on such evaluation.
5. The company's other certifying officer(s) and I have disclosed, based on our most recent evaluation of the internal control system, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of the internal control system which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control system.
6. The company's other certifying officer(s) and I have identified, in the report whether or not there were significant changes in internal controls or other facts that could significantly affect internal controls subsequent to the date of their evaluation including any corrective actions with regard to significant deficiencies and material weaknesses.

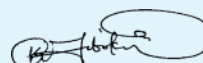
Name: Kolawole Jiboku

Designation: Head of Finance

FRC No: **FRC/2013/ICAN/00000003810**

Signature:

Date: 30/03/2023





# Report of the Statutory Audit Committee

for the Year Ended December 31, 2022 to the Members of NASD PLC (“Company”)

In accordance with the provisions of Section 404 (7) of the Companies and Allied Matters Act, 2020, we, the Members of the Statutory Audit Committee of NASD PLC report as follows:

1. We have exercised our statutory functions under Section 404 (7) of the Companies and Allied Matters Act, 2020 and we acknowledge the cooperation of Management in the conduct of these functions.
2. We are of the opinion that the accounting and reporting policies of the Company are in accordance with legal requirements and agreed ethical practices.
3. The scope and planning of both the external and internal audit programmes for the year ended 31 December 2022 were satisfactory and reinforced the Company’s internal control systems.
4. Having reviewed the External Auditors’ findings and recommendations on Management matters, and deliberated with the external auditors, who confirmed that they received Management’s cooperation in the course of their audit, we are satisfied with Management’s response to the Management Letter on the audit of the Financial Statements of the Company.



**Mr. Kasimu Garba Kurfi**

Chairman, Statutory Audit Committee

FRC/2013/ICSN/00000004053

21 March 2023

## Members of the Statutory Audit Committee

- |                                      |                              |
|--------------------------------------|------------------------------|
| 1. Mr. Kasimu Garba Kurfi            | Chairman                     |
| 2. Mr. Nornah Awoh                   | Shareholders’ Representative |
| 3. Mrs. Fiona Ahimie                 | Shareholders’ Representative |
| 4. Mr. Abubakar Lawal                | Non-Executive Director       |
| 5. Mr. Aigbovbioise Aig- Imoukhuede* | Non-Executive Director       |

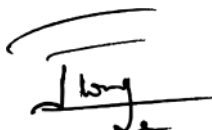
Note: Mr. Aig-Imoukhuede resigned in April 2022

# Statement of Corporate Responsibility

For the year ended 31 December 2022

Further to the provisions of section 405 of the Companies and Allied Matters Act (CAMA), 2020, we, the Managing Director/ CEO and Chief financial Officer, hereby certify the financial statements of NASD Plc for the year ended 31 Dec 2022 as follows:

- a) That we have reviewed the audited financial statements of the Company for the year ended 31 December 2022.
- b) That the audited financial statements do not contain any untrue statement of material fact or omit to state a material fact which would make the statements misleading, in the light of the circumstances under which such statement was made.
- c) That the audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operation of the Company as of and for, the year ended 31 December 2022
- d) That we are responsible for establishing and maintaining internal controls and have designed such internal controls to ensure that material information relating to the Company is made known to the officer by other officers of the companies, during the period end 31 December 2022.
- e) That we have evaluated the effectiveness of the Company's internal controls within 90 days prior to the date of audited financial statements, and certify that the Company's internal controls are effective as of that date
- f) That there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective action with regard to significant deficiencies and material weaknesses.
- g) That we have disclosed the following information to the Company's Auditors and Audit Committee:
  - (i) there are no significant deficiencies in the design or operation of internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have identified for the Company's auditors any material weaknesses in internal controls, and
  - (ii) there is no fraud that involves management or other employees who have a significant role in the Company's internal control.



**Eguarekhide Longe**  
Managing Director/Chief Executive Officer  
FRC/2013/CISN/00000002092  
21 March 2023



**Kolawole Jiboku**  
Head, Finance and Accounts  
FRC/2013/ICAN/00000003810  
21 March 2023

# FINANCIAL STATEMENTS

- Independent Auditor's Report
- Statement of Comprehensive Income
- Statement of Financial Positions
- Statement of Changes in Equity
- Statement of Cash Flows
- Notes to the Financial Statements
- Value Added Statement
- Five-year Financial Summary





**KPMG Professional Services**

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**INDEPENDENT AUDITOR'S REPORT**

To the Shareholders of NASD Plc Company

**Report on the Audit of the Financial Statements****Opinion**

We have audited the financial statements of NASD Plc Company (the Company), which comprise:

- the statement of financial position as at 31 December 2022;
- the statement of comprehensive income;
- the statement of changes in equity;
- the statement of cash flows for the year then ended; and
- the notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2022, and of its financial performance and its cash flows for the year then ended in accordance with IFRS Standards as issued by the International Accounting Standards Board (IFRS Standards) and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011.

**Basis for Opinion**

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

**Other Matter**

The Financial Statements of the Company as at and for the year ended 31 December 2021 were audited by another auditor who expressed an unmodified opinion on 31 March 2022.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to communicate in our report.

**Other Information**

The Directors are responsible for the other information. The other information comprises the Corporate information, Directors' report, Statement of Directors' responsibilities, Statement of Corporate responsibility, Report of the Statutory Audit Committee and other national disclosures which we obtained to the date of this auditor's report, but does not include the financial statements and our auditor's report thereon. Other information also include Chairman's Statement, Managing Director's report, Corporate Governance Report, Report of External Consultants on Board Evaluation, Certificate Pursuant to Section 60(2) of the Investments and Securities Act, together the "outstanding reports", which are expected to be made available to us after that date.

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

KPMG Professional Services, a partnership registered in Nigeria and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

Registered in Nigeria No BN 986925

**Partners:**

Adegoke A. Oyelami  
Adetola P. Adeyemi  
Adeyemi K. Ajayi  
Ajibola O. Olomola  
Akintola O. Alao  
Akintola J. Ashade

Bolanle S. Atolabi  
Boluwaj D. Apanja  
Chibuzor N. Anyanachi  
Chineme B. Nwigbo  
Dunni O. Okagbemi  
Eliash O. Olatunmbi

Kabir O. Okunola  
Lawrence C. Amadi  
Martina I. Aroge  
Mohammed M. Adama  
Nneka C. Eluma  
Olanrewaju I. Olanrewaju

Olufemi A. Babem  
Olumide O. Olayinka  
Olusegun A. Sowande  
Oluwayomi I. Ogunlowo  
Oluwatomi O. Awotoye  
Oluwatomi A. Olayinka

Tolulope A. Odukele  
Uzoakwu N. Obienu  
Uzodinma G. Nwankwo  
Victor U. Oyenikpa  
Williams I. Enimone



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

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

When we read the outstanding reports, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

#### ***Responsibilities of the Directors for the Financial Statements***

The Directors are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Standards and in the manner required by the Companies and Allied Matters Act (CAMA), 2020 and the Financial Reporting Council of Nigeria Act, 2011, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

#### ***Auditor's Responsibilities for the Audit of the Financial Statements***

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

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

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





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

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

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

#### **Report on Other Legal and Regulatory Requirements**

*Compliance with the requirements of Schedule 5 of the Companies and Allied Matters Act (CAMA), 2020*

- i. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- ii. In our opinion, proper books of account have been kept by the Company, so far as appears from our examination of those books.
- iii. The Company's statement of financial position and statement of comprehensive income are in agreement with the books of account.

Adegoke A Oyelami  
FRC/2012/CAN/000000004444  
For: KPMG Professional Services  
Chartered Accountants  
29 March 2023  
Lagos, Nigeria



# Statement of Comprehensive Income

For the year ended 31 December 2022

	Notes	31 December	31 December
		2022	2021
		N'000	N'000
Fees and commission income	5	234,916	243,174
Employee benefits and compensation costs	7	(170,078)	(135,109)
Depreciation	8	(23,637)	(22,978)
Other administrative and operating expenses	9	(201,794)	(103,992)
Operating loss		<b>(160,593)</b>	<b>(18,905)</b>
Write-back of impairment on financial assets	17	–	397
Interest income	10	53,109	44,835
Other Income	6	170	298
(loss)/Profit before tax		(107,314)	26,625
Minimum tax	11	(1,440)	(1,790)
Income tax	11	29,497	(1,597)
<b>(Loss)/profit for the year</b>		<b>(79,257)</b>	<b>23,238</b>
<b>Other Comprehensive income:</b>			
Items that may or may not be classified to profit or loss		–	–
<b>Total comprehensive (loss)/profit for the year</b>		<b>(79,257)</b>	<b>23,238</b>
<b>(Loss)/profit per share (kobo)–basic/adjusted</b>	14	(15.85)	4.65

The accompanying notes form an integral part of these financial statements

# Statement of Financial Position

As at 31 December 2022

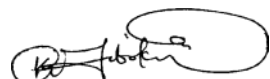
		31 December	31 December
		2022	2021
	Notes	N'000	N'000
<b>Assets</b>			
Cash and cash equivalents	15	295,525	393,355
Investment securities	16	100,402	100,432
Other assets	17	11,869	16,682
Intangible assets	18	32,062	41,742
Property and equipment	19	34,232	21,827
Deferred tax asset	12	138,442	108,945
<b>Total assets</b>		<b>612,532</b>	<b>682,983</b>
<b>Liabilities</b>			
Other liabilities	20	33,009	24,046
Current income tax	13	1,440	1,597
<b>Total liabilities</b>		<b>34,449</b>	<b>25,643</b>
<b>Equity</b>			
Share capital	14.2	500,000	444,204
Share premium	14	232,418	288,214
Accumulated losses	21	(154,335)	(75,078)
<b>Total equity</b>		<b>578,083</b>	<b>657,340</b>
<b>Total liabilities and equity</b>		<b>612,532</b>	<b>682,983</b>



**Olutola Mobolurin**

Chairman


FRC/2014/CISN/00000003804



**Kolawole Jiboku**

Head, Finance and Accounts

FRC/2013/ICAN/00000003810



**Eguarekhide Longe**

Managing Director/Chief Executive Officer

FRC/2013/CISN/00000002092

The accompanying notes form an integral part of these financial statements

# Statement of Changes in Equity

For the year ended 31 December 2022

	Share capital	Share premium	Accumulated losses	Total
	N'000	N'000	N'000	N'000
<b>As at 1 January 2021</b>	444,204	288,214	(98,316)	634,102
Profit after tax	–	–	23,238	23,238
<b>As at 31 December 2021</b>	<b>444,204</b>	<b>288,214</b>	<b>(75,078)</b>	<b>657,340</b>
<b>As at 1 January 2022</b>	444,204	288,214	(75,078)	657,340
Issue of Bonus Shares	44,421	(44,421)	–	–
Shares held in Trust for Staff Scheme	11,375	(11,375)	–	–
Loss after tax	–	–	(79,257)	(79,257)
<b>As at 31 December 2022</b>	<b>500,000</b>	<b>232,418</b>	<b>(154,335)</b>	<b>578,083</b>

The accompanying notes form an integral part of these financial statements

# Statement of Cash Flows

For the year ended 31 December 2022

		31 December	31 December
		2022	2021
	Notes	N'000	N'000
<b>Operating activities</b>			
Cash used/generated from operating activities	22	(105,446)	5,100
Tax paid	13	(1,538)	(440)
Net cash used in operating activities		(106,984)	4,660
<b>Investing activities</b>			
Proceeds from redemption of treasury bills		–	107,190
Purchase of property and equipment	19	(35,854)	(3,665)
Purchase of intangible assets	18	(3,305)	(704)
Proceeds from sale of property and equipment	6	120	–
Proceeds from insurance claims	6	50	–
Interest received	10.1	53,080	44,835
Net cash generated from investing activities		14,090	147,656
(Decrease)/Increase in cash and cash equivalents		(92,894)	152,316
Cash and cash equivalents at start of year		393,355	240,741
Foreign Exchange losses		(4,936)	298
Cash and cash equivalents at end of year	15	295,525	393,355

The accompanying notes form an integral part of these financial statements



# Notes to The Financial Statements

For the year ended 31 December 2022

## 1 The Company

NASD Plc was incorporated as a private limited liability company in 1998 and converted to a public company in May 2013. It was licensed by the Securities and Exchange Commission in December 2012 to operate an over the counter ("OTC") market for securities of unquoted companies.

### Ownership

NASD Plc is owned by a number of licensed and corporate capital market operators.

## 2.1 Basis of Preparation

### 2.1.1 Statement of compliance

The financial statements have been prepared in accordance with IFRS Standards.

The financial statements include the statement of comprehensive income, statement of financial position, statement of cash flows, statement of changes in equity and explanatory notes. The financial statements were authorised for issue by the Board of Directors on 21 March 2023.

### 2.1.2 Functional Currency

The financial statements are presented in Nigerian Naira (N), which is the Company's presentation currency, and rounded to the nearest thousand (N'000) unless otherwise indicated. Items in the statement of financial position have been presented in order of liquidity.

### 2.1.3 Basis of measurements

The financial statements have been prepared on a going concern basis using the historical cost convention.

## 2.2 Significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

## Financial instruments

### 2.2.1 Recognition and initial measurement

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

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

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Company has a legal right to offset the amounts and intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

### 2.2.2 Classification and subsequent measurement

#### Financial assets

On initial recognition, the Company's financial asset is classified as measured at amortised cost.

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

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

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

and interest on the principal amount outstanding.

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

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

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

#### **Financial assets—Business model assessment**

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

- a. the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- b. the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of assets;
- c. how the performance of the portfolio is evaluated and reported to the Company's management;
- d. the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- e. how managers of the business are compensated—

e.g. Whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and

- f. the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

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

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

#### **Financial assets—Assessment whether contractual cashflows are solely payments of principal and interest**

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

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

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

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount is substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable compensation for early termination of the contract.

Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that

substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

#### **Financial assets—Subsequent measurement and gains and losses:**

**Financial assets at amortised cost** These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

The Company classifies non-derivative financial assets as those held at amortised cost.

#### **Financial liabilities—Classification, subsequent measurement and gains and losses**

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

##### **2.2.3 Derecognition**

#### **Financial assets**

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

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

#### **Financial liabilities**

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the

modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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

##### **2.2.4 Offsetting**

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

#### **2.3 Cash and cash equivalent**

Cash and cash equivalent include notes and coins in hand, deposits held at call with banks and other short-term placements with banks and other financial institution which are used by the Company in the management of its short-term commitments, treasury bills in an active market with original maturities of three months or less.

Cash and cash equivalents as referred to in the cash flow statement comprises cash in hand, and amounts due from banks on demand or with an original maturity of three months or less.

#### **2.4 Intangible assets**

Intangible assets comprise computer software licences. Intangible assets are recognised at cost. Intangible assets with a definite useful life are amortised using the straight-line method over their estimated useful economic life, generally not exceeding 4 years.

The intangible assets of the Company have a definite useful life. At each date of the statement of financial position, intangible assets are reviewed for indications of impairment or changes in estimated future economic benefits. If such indications exist, the intangible assets are analysed to assess whether their carrying amount is fully recoverable. An impairment loss is recognised if the carrying amount exceeds the recoverable amount. The estimated useful life and amortisation method are reviewed at the end of each reporting year and are adjusted for if appropriate.

##### **2.4.1 Subsequent measurement**

After initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. The amortisation period, amortisation method and residual value is reviewed at each financial year end.

## 2.4.2 Derecognition

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Intangible assets are derecognised on disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition is included in profit or loss in the year the asset is derecognised.

## 2.5 Property and equipment

### Recognition and measurement

An asset is recognized when it is probable that economic benefits associated with the item would flow to the company, the cost of the item can be reliably measured and when it is available for use

All property and equipment are initially recognized at cost. They are subsequently stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the asset. Property and equipment items are recognised in the book of the company when they are available for use. All repairs and maintenance costs are charged to other operating expenses in the financial period in which they occur

### Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in the income statement during the financial period in which they are incurred.

### Depreciation

Depreciation on assets is calculated using the straight-line method to allocate their cost to their residual values on a systematic basis over their estimated useful lives. Depreciation begins when an asset is available for use and ceases at the earlier of the date that the asset is de-recognised or classified as held for sale in accordance with IFRS 5 Non-Current Assets Held for Sale and Discontinued operations.

The estimated useful lives for the current and comparative periods are as follows:

• Computer equipment	4 years
• Furniture and fittings	5 years
• Office equipment	5 years
• Motor vehicles	6 years

Each part of an item of office equipment, furniture and fittings with a cost that is significant in relation to the total cost of the item is depreciated separately.

The asset's residual values, useful lives and depreciation method are reviewed on an annual basis, and are adjusted if appropriate.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount

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

Gains and losses on disposals are determined by comparing proceeds with the carrying amount and are included in the income statement under other operating expenses.

## 2.6 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company uses the definition of a lease in IFRS 16. This policy is applied to contracts entered into, on or after 1 January 2019.

### 2.6.1 As a lessee

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

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

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement

date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

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

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

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

#### **Short-term leases and leases of low-value assets**

The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

### **2.7 Share capital**

#### **i. Ordinary shares**

Ordinary shares are classified as equity and are recorded at the proceeds received net of incremental external costs directly attributable to the issue.

#### **ii. Share premium**

This represents the excess of share issuance price over the nominal price of the shares.

#### **iii. Accumulated losses**

This represents the carried forward losses from previous years and the current year retained loss amount.

#### **iv. Bonus issue**

This represent the bonus shares issued to the shareholders by the company during the year. The company did a bonus issue of 44,420,438 ordinary shares at the rate of 1 for every 10 units of shares held by shareholders whose name appeared on the company's register as at 23 June 2022.

### **2.8 Employee benefits**

#### **Defined contribution (Pension)**

In line with the Pension Reform Act of 2014, the Company operates a defined contribution scheme. A defined contribution plan is a post employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. The employee and the Company contributes 8% and 10% of the employee's basic, transport and rent allowances respectively. The employee contributions are funded through payroll deductions while the Company's contributions are recognised as employee benefit expenses when they are due. The Company has no further payment obligations once the contributions have been paid, and obligations for contributions to defined contribution pension plans are recognised as an expense in the income statement when they are due in respect of service rendered before the end of the reporting period. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available while unpaid contributions are recognized as liability.

#### **Short-term employee benefits**

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

### **2.9 Income Taxes**

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



recognised directly in equity or in other comprehensive income.

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

**i. Current tax**

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

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

- a. Company income tax is computed on taxable profits
- b. Tertiary education tax is computed on assessable profits
- c. Nigeria Police Trust Fund levy is computed on net profit (i.e. profit after deducting all expenses and taxes from revenue earned by the Company during the year).
- d. The National Agency for Science and Engineering Infrastructure Levy is computed on net profit

Total amount of tax payable under CITA is determined based on the higher of two components namely Company Income Tax (based on taxable income (or loss) for the year); and minimum tax. Taxes based on profit for the period are treated as income tax in line with IAS 12.

**Minimum tax**

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

In line with the Finance Act 2019, minimum tax is determined at a base rate of 0.5% of the qualifying company's gross turnover. The Finance Act defines gross turnover as the gross inflow of economic benefits (cash, revenues, receivables and other assets) arising from the operating activities of a Company, including sales of goods, supply of services, receipt of interest, rents, royalties or dividends.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the

profit or loss and the excess amount is presented above the income tax line as minimum tax.

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

**ii. Deferred tax**

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences.

If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans of the Company. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if certain criteria are met.

## **2.10 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods and services provided in the normal course of business net of VAT and other related sales taxes.

### **i. Fees and commission income**

Commission income comprises transaction fees earned on trading activities, registration/ annual fees paid by registered participating institutions and their sponsored representatives, and the annual fees paid by the banks registered to be used for the settlement activities .

### **ii . Interest income**

Interest income comprises interest income on short term deposits, treasury bills and federal government bonds.

Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount.

## **2.11 Foreign currency transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. The functional currency is the currency of the primary economic environment in which the entity operates, which is the Nigerian Naira.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end closing exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

## **2.12 Operating expenses**

Operating expenses are expenses that the company incurred through its normal business operations. The expenses include rent and service charge expenses, personnel costs, marketing expenses, insurance, and other running expenses which do not include allowances for depreciation in the value of physical property.

Operating expenses are recognized evenly through the financial or according to performance of the underlying transaction

## **2.13 Prepayments**

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

## **2.14 Investment securities**

Investment securities are initially measured at fair value plus, in case of investment securities not at fair value through profit or loss, incremental direct transaction costs and subsequently accounted for depending on their classification as amortised cost, fair value through other comprehensive income.

## **2.15 Other income**

Other income comprises of gains from asset disposals, insurance claims received, and foreign exchange difference. Other income is recognised when it is probable that future economic benefits will flow to the NASD Plc and when the amount can be measured reliably.

## **2.16 Other receivable**

Other receivables comprises of advances to staff repayable through deductions from salaries. It is amortized evenly over the approved period and recognised at net realizable value.

## **2.17 Operating profit/(Loss)**

Operating profit/(loss) is the result generated from the continuing revenue-producing activities of the Company as well as other income and expenses related to operating activities. Operating profit/(loss) excludes net finance cost and income and income taxes.

## **2.18 Earnings per share**

The Company presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the period. Where there are shares that could potentially affects the

numbers of share issued, those shares are considered in calculating the diluted earnings per share.

## 2.19 Changes in accounting policies and disclosures

### a) Other standards and amendments that were effective for the first time in 2022 that do not have significant impact on NASD

Standard	Effective Date
Amendments to IFRS 3 Business Combinations re: Reference to the Conceptual Framework.	1 January 2022
IAS 37 Onerous Contract—Cost of fulfilling a Contract.	1 January 2022
Annual Improvements to IFRS Standards 2018-2020	1 January 2022
Amendments to IAS 16—Property, Plant and Equipment: Proceeds before Intended Use	1 January 2022

### b) Standards and interpretations relevant to NASD issued/amended but not yet effective

As at 31 December 2022, a number of standards and interpretations, and amendments thereto, had been issued by the IASB which are not yet effective for these financial statements. Details are set out below.

Standard	Effective Date
Amendments of IAS 8 Accounting policies, changes in Accounting estimates and errors—definition of accounting estimates.	1 January 2023
Amendment to IAS 12—Deferred tax related to assets & liabilities arising from a single transaction.	1 January 2023
Amendments to IAS 1 and IFRS Practice Statement 2 Disclosure Initiative: Accounting Policies	1 January 2023

## 3.0 Financial risk management

### 3.1(a) Introduction and overview

NASD Plc has exposure to the following risks from financial instruments:

- credit risk
- liquidity risk
- market risk

This note presents information about the company's exposure to each of the above risks, the company's objectives, policies and processes for measuring and managing risk, and the company's management of capital.

#### (i) Risk management framework

The company maintains positions in a variety of non-derivative financial instruments in accordance with its investment management strategy. The company's investment strategy states that its investible funds shall be spread among different

financial institutions in such a way that no single financial institutions shall hold more than 20% of its invested funds. The company's investment profile comprises short term deposit in financial institution in Nigeria and the FGN Sukuk.

#### Financial assets & liabilities

Financial assets and liabilities are recognised in the statement of financial position and measured in accordance with their assigned category. The Company uses settlement date accounting for regular way contracts when recording financial asset transactions.

The Company classifies the financial instruments into classes that reflect the nature of information and take into account the characteristics of those financial instruments. The Company allocates financial assets and financial liabilities at amortized cost. Management determines the classification of its financial instruments at initial recognition. The classification made can be seen below:

<b>31 December 2022</b>			
<b>N'000</b>	<b>Financial assets at Amortized Cost</b>	<b>Financial liabilities at amortized cost</b>	<b>Carrying Amount</b>
Cash and cash equivalents	295,525	–	295,525
Investment securities	100,402	–	100,402
Other assets	4,478	–	4,478
Account payable	–	33,009	(33,009)
	<b>400,405</b>	<b>33,009</b>	<b>367,396</b>

<b>31 December 2021</b>			
<b>N'000</b>	<b>Financial assets at Amortized Cost</b>	<b>Financial liabilities at amortized cost</b>	<b>Carrying Amount</b>
Cash and cash equivalents	393,355	–	393,355
Investment securities	100,432	–	100,432
Other assets	3,886	–	3,886
Account payable	–	24,046	(24,046)
	<b>497,673</b>	<b>24,046</b>	<b>473,627</b>

### 3.1(b) Credit risk

Credit risk is the risk that a counterparty to a financial instrument will fail to discharge an obligation or commitment that it has entered into with the company, resulting in a financial loss to the company. It arises principally from debt securities held, and also from non derivative financial assets, cash and cash equivalents and balances due from brokers. For risk management reporting purposes the company considers and consolidates all elements of credit risk exposure (such as individual obligor default risk, country and sector risk).

<b>Maximum exposure to credit risk</b>	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>N'000</b>	<b>N'000</b>
Balances with banks	17,376	22,733
Money market placement	278,047	370,535
FGN Sukuk	100,402	100,432
Other assets	4,478	3,886
	<b>400,303</b>	<b>497,586</b>

The exposures set out above are based on amounts reported in the statements of financial position.

### Concentration of risks of financial assets with credit risk exposure

#### (a) Geographical Sectors:

The following table shows the Company's credit exposure at their carrying amounts as categorised by geographical region as of 31 December 2022 and 31 December 2021.

31 December 2022	FGN Sukuk	Money market placement	Balances with banks	Other receivable	Total
	N'000	N'000	N'000	N'000	N'000
Nigeria	100,402	278,047	17,376	4,478	400,303
	100,402	278,047	17,376	4,478	400,303
31 December 2021	FGN Sukuk	Money market placement	Balances with banks	Other receivable	Total
	N'000	N'000	N'000	N'000	N'000
Nigeria	100,432	370,535	22,733	3,886	497,586
	100,432	370,535	22,733	3,886	497,586

(b) Industry Sector:

The following table breaks down the Company's credit exposure at their carrying amounts as categorised by industry as of 31 December 2022 and 31 December 2021.

31 December 2022	FGN Sukuk	Money market placement	Balances with banks	Other receivable	Total
	N'000	N'000	N'000	N'000	N'000
Government	100,402	–	–	–	100,402
Financial services	–	278,047	17,376	–	295,423
Others	–	–	–	4,478	4,478
	100,402	278,047	17,376	4,478	400,303
31 December 2021	FGN Sukuk	Money market placement	Balances with banks	Other receivable	Total
	N'000	N'000	N'000	N'000	N'000
Government	100,432	–	–	–	100,432
Financial services	–	370,535	22,733	–	393,268
Others	–	–	–	3,886	3,886
	100,432	370,535	22,733	3,886	497,586

### 3.1c Credit quality of financial assets

IFRS 7 requires information about the credit quality of financial assets. This information is provided below for balances held with banks, money market placements, federal government bond and treasury bills.



<b>FGN Bonds &amp; Treasury Bills</b>		
	<b>31-Dec-22</b>	<b>31-Dec-21</b>
<b>Sovereign Ratings</b>	<b>N'000</b>	<b>N'000</b>
Nigeria (B) S&P	100,402	100,432
	<b>100,402</b>	<b>100,432</b>
<b>Balances with banks</b>		
	<b>31-Dec-22</b>	<b>31-Dec-21</b>
External credit rating (S&P)	<b>N'000</b>	<b>N'000</b>
B+ & above	17,376	22,733
	<b>17,376</b>	<b>22,733</b>
<b>Money market placement</b>		
	<b>31-Dec-22</b>	<b>31-Dec-21</b>
External credit rating (S&P)	<b>N'000</b>	<b>N'000</b>
B+ & above	278,047	370,535
	<b>278,047</b>	<b>370,535</b>
Unrated (other assets)	4,478	3,886
	<b>4,478</b>	<b>3,886</b>
<b>Rating Legend:</b>		
<b>External credit rating (S&amp;P)</b>		
B:Highly speculative credit rating		
B+:Highly speculative credit rating		
B-:Highly speculative credit rating		

(i) Management of credit risk

The Company's policy over credit risk is not to deal with counterparties with perceived higher risk of default and by dealing only with counterparties meeting the credit standards set out in the company's prospectus.

NASD Plc is not currently involved in granting credit facilities to counterparties and does not hold investment securities of any organisation. Also, NASD Plc does not collect funds directly from brokers for trades executed through its platform, rather all cash settlements for trades executed are managed by Central Securities Clearing Systems Plc (CSCS) and accredited settlement banks.

(ii) Exposure to credit risk

The Company's maximum credit risk exposure is managed by only investing idle funds in Treasury bills and financial institutions with high credit rating and at the reporting date

is represented by the respective carrying amounts of the relevant financial assets in the statement of financial position.

(iii) Cash and cash equivalents

The Company's cash and cash equivalents are held mainly with selected deposit money banks. The investment team monitors the financial position of the institutions on a monthly basis.

(iv) Settlement risk

The company's activities may give rise to risk at the time of settlement of transactions. Settlement risk is the risk of loss due to the failure of an entity to honour its obligations to deliver cash, securities or other assets as contractually agreed.

For the majority of transactions the company mitigates this risk by conducting settlements through Central Securities Clearing Systems Ltd and its accredited six (6) settlement banks which executed firm agreements with CSCS that all trades executed

by the bank's clients (that is, brokers firms) will be settled.

### 3.1(d) Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

- a) A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored by the Company.
- b) If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit-impaired. Refer below for a description of how the Company determines when a significant increase in credit risk has occurred.
- c) If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'. Refer below for a description of how the Company defines credit-impaired and default.
- d) Financial instruments in Stage 1 have their ECL

measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in Stages 2 or 3 have their ECL measured based on expected credit losses on a lifetime basis. Refer below for a description of inputs, assumptions and estimation techniques used in measuring the ECL.

- e) A pervasive concept in measuring ECL in accordance with IFRS 9 is that it should consider forward-looking information.
- f) Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their ECL is always measured on a lifetime basis (Stage 3).

Further explanation is also provided of how the Company determines appropriate groupings when ECL is measured on a collective basis.

The following diagram summarises the impairment requirements under IFRS 9 (other than purchased or originated credit-impaired financial assets):

Change in credit quality since initial recognition		
Stage 1	Stage 2	Stage 3
(initial recognition)	(Significant increase in credit risk since initial	(Credit-impaired assets)
12 month expected credit losses	Lifetime expected credit losses	Lifetime expected credit losses

#### 3.1e Significant increase in credit risk

The Company considers a financial instrument to have experienced a significant increase in credit risk when one or more of the following quantitative, qualitative or backstop criteria have been met:

The quantitative criteria is based on either absolute or relative changes in credit quality. In both cases, the Company is expected to specify the percentage change, for either 12-month or lifetime PDs in comparison to the corresponding 12-month or lifetime PDs as calculated at origination, respectively, that would indicate a significant increase in credit risk since origination.

#### 3.1f Maximum exposure to credit risk

Maximum exposure to credit risk—Financial instruments subject to ECL impairment

For ECL purposes, the company's financial asset is segmented into sub-portfolios as listed below:

- Cash and cash equivalents
- Investment securities—Debt instruments
- Other assets—Fees receivables

The following table contains an analysis of the credit risk exposure of financial instruments and at the related ECL allowance. The gross carrying amount of financial assets below also represents the Company's maximum exposure to credit risk on these assets.

Money Market and Bank Placements						
As at December 31 2022					31-Dec-21	
ECL Staging	Stage 1	Stage 2	Stage 3	Purchased credit-impaired	Total	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		₦'000	₦'000
Gross carrying amount	295,423	–	–	–	295,423	393,268
Loss allowance	–	–	–	–	–	–
<b>Carrying amount</b>	<b>295,423</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>295,423</b>	<b>393,268</b>

Investment Securities–Debt Instruments						
As at December 31 2022					31-Dec-21	
ECL Staging	Stage 1	Stage 2	Stage 3	Purchased credit-impaired	Total	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		₦'000	₦'000
Gross carrying amount	100,402	–	–	–	100,402	100,432
Loss allowance	–	–	–	–	–	–
<b>Carrying amount</b>	<b>100,402</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>100,402</b>	<b>100,432</b>

Other assets						
As at December 31 2022					31-Dec-21	
ECL Staging	Stage 1	Stage 2	Stage 3	Purchased credit-impaired	Total	Total
	12-month ECL	Lifetime ECL	Lifetime ECL		₦'000	₦'000
Gross carrying amount	11,277	–	4,478	–	15,755	20,568
Loss allowance	–	–	(3,886)	–	(3,886)	(3,886)
<b>Carrying amount</b>	<b>11,277</b>	<b>–</b>	<b>592</b>	<b>–</b>	<b>11,869</b>	<b>16,682</b>

### 3.2 Liquidity risk

Liquidity risk is the risk that the company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

#### 3.2a (i) Management of liquidity risk

The Company's policy and the investment team's approach to managing liquidity risk is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stress conditions, including estimated redemptions of short term fund placements, without incurring unacceptable losses or risking damage to the company's reputation.

The Company's liquidity risk is managed on a daily basis by the investment team in accordance with policies and procedures in place. The Company's investment team at all time are guided by the approved investment policy on how to invest the company's funds.

### 3.2b (ii) Liquidity gap analysis

The table below analyses financial liabilities and non-derivative financial assets of the company into relevant maturity groupings based on the remaining period at balance sheet date to the contractual maturity date. The table includes both principal and interest cash flows.

31 December 2022							
		Carrying amount	Gross nominal	less than 3months	3-6 months	6-12 months	1-5years
Notes		N'000	N'000	N'000	N'000	N'000	N'000
Financial liabilities							
Accounts payable	19	33,009	33,009	33,009	–	–	–
		33,009	33,009	33,009	–	–	–
Financial assets							
Cash and cash equivalents	13	295,525	295,525	295,525	–	–	–
Investment securities	14	100,402	156,031	–	5,585	5,615	144,831
Other assets	15	4,478	4,478	592	–	–	3,886
		400,405	456,034	296,117	5,585	5,615	148,717
Gap(assets-liabilities)		367,396	423,025	263,108	5,585	5,615	148,717
Cummulative liquidity gap				263,108	268,693	274,308	423,025
31 December 2021							
		Carrying amount	Gross nominal	less than 3months	3-6 months	6-12 months	1-5years
		N'000	N'000	N'000	N'000	N'000	N'000
Financial liabilities							
Accounts payable	19	24,046	24,046	24,046	–	–	–
		24,046	24,046	24,046	–	–	–
Financial assets							
Cash and cash equivalents	13	393,355	393,355	393,355	–	–	–
Investment securities	14	100,432	167,231	–	5,585	5,615	156,031
other assets	15	3,886	3,886	–	–	–	3,886
		497,673	564,472	393,355	5,585	5,615	159,917
Gap(assets-liabilities)		473,627	540,426	369,309	5,585	5,615	159,917
Cummulative liquidity gap				369,309	374,894	380,509	540,426

### **3.3 Market risk**

Market risk is the risk that changes in market prices, such as interest rates, equity prices will affect the company's income or the fair value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

#### **(i) Management of market risk**

The company's strategy for the management of market risk is driven by the company's investment objective, which focuses on long-term growth while taking into cognizance the preservation of investor capital.

The company's market risk is managed on a daily basis by the investment team in accordance with policies and procedures in place. The company's investment team may not invest more than 25% of its investible funds in any single financial institution.

#### **(ii) Currency risk**

NASD Plc has no investments that are exposed to currency risk and it does not plan to enter into such investment in the foreseeable future.

#### **(iii) Interest rate risk**

The Company's investment in fixed interest money market placements, treasury bills and Federal Government Bonds are not exposed to interest rate risks, due to the short term nature of the placements and treasury bills the fair value risk is considered insignificant.



<b>Exposure to fixed interest rate risk</b>			
<b>31 December 2022</b>			
<b>Assets</b>	<b>Fixed</b>	<b>Non-Interest bearing</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Balances with banks	–	17,376	17,376
Money market placement	278,047	–	278,047
FGN Sukuk	100,402	–	100,402
Other assets	–	4,478	4,478
	378,449	21,854	400,303
<b>Liabilities</b>			
Accounts payable	–	33,009	33,009
	–	33,009	33,009
Total Asset Pricing Gap	378,449	(11,155)	367,294
<b>31 December 2021</b>			
<b>Assets</b>	<b>Fixed</b>	<b>Non-Interest bearing</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
Balances with banks		22,733	22,733
Money market placement	370,535	–	370,535
FGN bonds	–	–	–
Other assets	–	3,886	3,886
	370,535	3,886	374,421
<b>Liabilities</b>			
Accounts payable	–	24,046	24,046
	–	24,046	24,046
Total Asset Pricing Gap	370,535	(20,160)	350,375

A reasonably possible change of 1% in interest rates of the Company's Federal Government Securities at the reporting date would increase (decrease) profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Interest from Federal Government securities in 2022 was ₦11.2 million (2021: ₦18.9 million).

	1% Increase	1% Decrease
	N'000	N'000
<b>31 December 2022</b>		
Loss before tax	112	(112)
<b>31 December 2021</b>		
Profit before tax	189	(189)

### 3.4 Fair value of financial assets and liabilities

All of NASD's assets and liabilities are measured at amortized cost. For financial assets with short term maturity the amortized cost closely approximates the fair value

The table below shows the analysis of financial instruments not measured at fair value:

<b>At 31 December 2022</b>	<b>Carrying value N'000</b>	<b>Fair value N'000</b>
<b>Financial assets</b>		
Cash and cash equivalents	295,525	295,525
Investment securities	100,402	100,402
Other assets	4,478	4,478
	<b>400,405</b>	<b>400,405</b>
<b>Financial liabilities</b>		
Accounts payable	33,009	33,009
	<b>33,009</b>	<b>33,009</b>
<b>At 31 December 2021</b>	<b>Carrying value N'000</b>	<b>Fair value N'000</b>
<b>Financial assets</b>		
Cash and cash equivalents	393,355	393,355
Investment securities	100,432	100,432
Other assets	3,886	3,886
	<b>497,673</b>	<b>497,673</b>
	<b>Carrying value N'000</b>	<b>Fair value N'000</b>
<b>Financial Liabilities</b>		
Accounts payable	24,046	24,046
	<b>24,046</b>	<b>24,046</b>

### **Fair value hierarchy for financial assets not measured at fair value**

IFRS 7 specifies a hierarchy of valuation techniques based on whether the inputs to those valuation techniques are observable or unobservable. Observable inputs reflect market data obtained from independent sources; unobservable inputs reflect the company's market assumptions. These two types of inputs have created the following fair value hierarchy:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices)

Level 3: Inputs for the asset or liability that are not based on observable market data

### **Fair valuation methods and assumptions**

For other financial assets and liabilities not measured at fair value, due to their short-term nature, the fair values are not significantly different from their carrying amounts. These financial assets and liabilities are as follows:

#### **(i) Cash and cash equivalents**

Cash and cash equivalents represent cash and short-term deposit held with various banks in Nigeria. The fair value of these balances approximates their carrying amounts.

#### **(ii) Other assets**

Other assets represent short term receivables from third parties, therefore the fair values of these balances approximates their carrying amounts.

#### **(iii) Accounts payable**

Sundry creditors represents short term payables to third parties. The carrying value approximates the value required to settle these liabilities. Hence, the fair values of these balances approximate their carrying amount.

### **4 Critical judgements and estimates**

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. The estimates and associated assumptions have been based on historical experience and other factors that management believes to be reasonable under the circumstances.

#### **(a) Recoverability of deferred tax assets**

The company has deferred tax assets amounting to ₦138.4 million (31 December 2021: ₦108.9 million). The deferred tax assets are primarily due to taxable losses of ₦354.3 million (31 December 2021: ₦286.4 million). The company has concluded that deferred tax assets will be recoverable using the estimated future taxable income based on approved profit projections of the company. The losses can be carried forward indefinitely and have no expiry date.

	31 December	31 December
<b>5 Fees and commission income</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
Trading commission	147,532	203,350
Registration fees	25,553	32,659
Listing Fees	61,231	600
Data Related Fees	100	379
Settlement Bank Fees	500	6,186
	<b>234,916</b>	<b>243,174</b>

All the revenue are point in time; the Company earn each revenue as it is being generated. There are no specific costs incurred by the Company in generating these revenue.

	31 December	31 December
<b>6 Other income</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
Insurance Claims received	50	–
Gains from asset disposal	120	–
Exchange Rate Differences	–	298
	<b>170</b>	<b>298</b>
	31 December	31 December
<b>7 Employee benefits and compensation costs</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
Salaries and wages	157,778	125,342
Pension cost	12,300	9,767
	<b>170,078</b>	<b>135,109</b>

The pension cost represents the employer's contribution of 10% of the total of employees' basic salaries, housing allowances, and the transportation allowances.

	31 December	31 December
<b>8 Depreciation</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
Intangible assets (Note 18)	12,985	14,952
Property, plant and equipment (Note 19)	10,652	8,026
	<b>23,637</b>	<b>22,978</b>
<b>9 Other operating expenses</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
Trading costs	100	160
Marketing expenses	11,036	6,942

Professional Membership Subscription	1,032	2,245
Professional and Consultancy fees	12,046	11,845
Rent	10,750	10,750
Service charge	13,500	8,173
Annual general meeting expense	3,496	3,107
Travelling expenses	1,553	1,270
Insurance expense	6,018	5,295
Training expenses	1,686	4,568
CSR Expenses	423	50
Auditor's remuneration	8,063	3,763
Conference and seminars	662	665
Printing and stationeries	1,049	1,268
Directors Sitting Allowances	17,805	14,812
Directors Fees	5,325	7,575
Exchange Rate Differences	4,936	–
General and administrative expenses (Note 9.1)	102,314	21,504
	<b>201,794</b>	<b>103,992</b>

No non-audit services was provided to the Company during the period. (2021: Nil)

	31 December	31 December
<b>9.1 General and administrative expenses</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
EDMS Expenses	3,296	2,294
Office Services	1,073	1,119
ITF Expense	1,946	1,353
Hosting Fees and Web Security	4,481	2,166
Medical Expenses	3,104	2,719
Gift expenses	2,867	3,166
Assets written-off	12,797	–
Compliance and Registration	4,076	788
Office / General Expense	2,468	1,121
Internet Subscription	2,072	1,374
Hotel & Accommodation Expense	1,577	–
Payment in lieu of Pioneer Equity	50,000	–
Other general and admin expenses	12,556	5,406
	<b>102,314</b>	<b>21,504</b>
	<b>31 December</b>	<b>31 December</b>



10	Interest income	2022	2021
		N'000	N'000
	Money market placements	41,940	25,947
	Bonds	–	7,747
	FGN Sukuk	11,169	11,141
		53,109	44,835

The interest income of ₦53.1 million (2021: ₦44.8 million) is calculated using effective interest rates.

		31 December	31 December
10.1	Reconciliation of changes in interest received to cash flow	2022	2021
		N'000	N'000
	Interest income for the year	53,109	44,835
	Prior year interest received	11,867	11,867
	Current year interest receivable	(11,896)	(11,867)
	Interest income received	53,080	44,835

11	Taxation	31 December	31 December
		2022	2021
		N'000	N'000
	Minimum tax	1,440	1,597
	Deferred tax (credit)/expense (Note 12)	(29,497)	1,790
		(28,057)	3,387

Reconciliation of effective tax rate		31 December		31 December
		2022		2021
		N'000		N'000
(Loss)/Profit before Tax		(107,314)		26,625
Income tax using the statutory tax rate	30%	(32,195)	30%	7,988
Impact of tertiary education tax	0%	–	3%	666
Non deductible expenses	-9%	9,447	7%	1,916
Non-taxable income	3%	(3,633)	-24%	(6,364)
Tax Incentives	0%	(237)	0%	(97)
Minimum tax	1%	(1,440)	-3%	(721)
Total Income tax in income statement	26%	(28,057)	13%	3,387

The Company has a 'Nil' company income tax for 2022 (2021: nil) due to its carried forward unrelieved losses situation. Minimum tax has been computed as the Company is liable to be assessed under the minimum tax law. The Company is also

liable for both the tertiary education tax and the Police trust Fund.

## 12 Deferred tax asset

Deferred income taxes are calculated on all temporary differences under the liability method using an effective tax rate of 30% (2021: 30%).

	31 December	31 December
	2022	2021
	N'000	N'000
At 1 January	108,945	110,735
Credited/(debited) to profit and loss account	29,497	(1,790)
At 31 December	138,442	108,945

### 12.1 Deferred tax assets

Deferred income tax assets are attributable to the following items:

	31 December	31 December
	2022	2021
	N'000	N'000
Property and equipment	32,139	23,030
Unutilised tax losses	106,303	85,915
	138,442	108,945

Deferred tax assets are recognised for tax loss carry-forwards to the extent that the realisation of the related tax benefit through future taxable profits is probable.

Deferred tax assets to be recovered after more than 12 months	138,442	(108,945)
<b>13 Current income tax</b>	<b>31 December</b>	<b>31 December</b>
	2022	2021
	N'000	N'000
At 1 January	1,597	440
Payments made during the year	(1,538)	(440)
Charge for the year (minimum tax)	1,440	1,597
Increase/(Decrease) in tax charge for the year	(59)	–
At 31 December	1,440	1,597

## 14 (Loss)/profit per share

During the year, the Company issued Bonus shares to its share shareholders (See note 2.7).

	31 December	31 December
	2022	2021
	(79,257)	23,238

Weighted average number of ordinary shares in issue (000)	500,000	500,000
(Loss)/basic earning per share (expressed in kobo per share)	(15.85)	4.65

<b>14.1 Movement in share capital</b>			
	<b>Share capital</b>	<b>Share premium</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>As at 1 January 2022</b>	444,204	288,214	732,418
Issue of Bonus Shares	44,421	(44,421)	–
Shares held in trust for staff scheme	11,375	(11,375)	–
<b>As at 31 December 2022</b>	<b>500,000</b>	<b>232,418</b>	<b>732,418</b>
<b>As at 1 January 2021</b>	444,204	288,214	732,418
<b>As at 31 December 2021</b>	<b>444,204</b>	<b>288,214</b>	<b>732,418</b>

**a. Bonus shares**

The company did a bonus issue of 44,420,438 ordinary shares at the rate of 1 for every 10 units of shares held by shareholders whose name appeared on the company's register as at 23 June 2022.

**b. Shares held in trust for Staff Scheme**

During the year, the Company approved at its 2022 Annual General Meeting to establish an employee share option scheme with a total number of 11,375,174 units of ordinary shares, payable out of the share premium account. These shares are currently held in trust by appointed Trustee (STL Trustee Limited) pending the completion of the transfer process.

<b>14.2</b>	<b>Share capital</b>	<b>31 December</b>	<b>31 December</b>
		<b>2022</b>	<b>2021</b>
	Authorized share capital		
	500,000,000 ordinary shares of ₦1 each	500,000	500,000
	Issued and fully paid		
	500,000,000 ordinary shares of ₦1 each	500,000	444,204
		<b>31 December</b>	<b>31 December</b>
<b>15</b>	<b>Cash and cash equivalents</b>	<b>2022</b>	<b>2021</b>
		<b>N'000</b>	<b>N'000</b>
	Cash	102	87
	Balances with banks	17,376	22,733
	Money market placements	278,047	370,535
	Current	<b>295,525</b>	<b>393,355</b>
		<b>31 December</b>	<b>31 December</b>
<b>16</b>	<b>Investment securities</b>	<b>2022</b>	<b>2021</b>
		<b>N'000</b>	<b>N'000</b>
	FGN Sukuk	100,402	100,432
		<b>100,402</b>	<b>100,432</b>
	Current	—	—
	Non-current	100,402	100,432
	Total current and non current	<b>100,402</b>	<b>100,432</b>
		<b>31 December</b>	<b>31 December</b>
		<b>2022</b>	<b>2021</b>
		<b>N'000</b>	<b>N'000</b>
<b>17</b>	<b>Other assets</b>		
	<b>Financial assets:</b>		
	Fee receivables	3,886	3,886
	Other receivables	592	—
		<b>4,478</b>	<b>3,886</b>
	<b>Non financial assets:</b>		
	Prepaid rent	6,583	6,583
	Prepaid insurance	374	4,425

Other prepaid expenses (Note 17.1)	4,319	5,674
	15,755	20,568
Impairment provision	(3,886)	(3,886)
	<b>11,869</b>	<b>16,682</b>
Current	11,869	16,682
	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
<b>Movement in impairment provision</b>	<b>N'000</b>	<b>N'000</b>
Balance as at 1 January	3,886	4,283
Write back for the year	–	(397)
Balance at 31 December	<b>3,886</b>	<b>3,886</b>

	<b>31 December</b>	<b>31 December</b>
<b>17.1 Other prepaid expenses</b>	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
Medical expenses	–	1,704
Web Security expenses	437	402
Hosting Fees	1,860	1,649
Advert & Publicity expenses	1,075	1,075
Consultancy Fees	57	55
Meeting Expenses	360	330
EDMS Expenses	530	459
	<b>4,319</b>	<b>5,674</b>

<b>18 Intangible assets</b>			
<b>Cost</b>	<b>Computer software</b>	<b>Trading software</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
As at 1 January 2022	370	70,511	70,881
Addition	–	3,305	3,305
As at 31 December 2022	370	73,816	74,186
<b>Accumulated amortisation</b>			
As at 1 January 2022	370	28,769	29,139
Charge for the year	–	12,985	12,985
As at 31 December 2022	370	41,754	42,124
<b>Net book value as at 31 December 2022</b>	<b>–</b>	<b>32,062</b>	<b>32,062</b>



<b>Cost</b>	<b>Computer software</b>	<b>Trading software</b>	<b>Total</b>
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
As at 1 January 2021	370	69,807	70,177
Addition	–	704	704
As at 31 December 2021	370	70,511	70,881
<b>Accumulated amortisation</b>			
As at 1 January 2021	370	13,817	14,187
Charge for the year	–	14,952	14,952
As at 31 December 2021	370	28,769	29,139
<b>Net book value as at 31 December 2021</b>	<b>–</b>	<b>41,742</b>	<b>41,742</b>

- a) There were no impairment losses on any intangible asset during the year (December 31, 2021: Nil)
- b) There were no capitalised borrowing costs related to the acquisition of intangible assets during the year (December 31, 2021: Nil).
- c) All intangible assets are non-current.
- d) None of the Company's Intangible assets were financed from borrowings, consequently no borrowing cost has been capitalized as part of asset cost.
- e) The Company had no capital commitments at the year end (2021: Nil).
- f) The Company did not use any item of intangible asset as security during the year (2021: Nil)

<b>19</b>	<b>Property and equipment</b>	<b>Motor</b>	<b>Office</b>	<b>Furniture</b>	<b>Computer</b>	
	<b>vehicles</b>	<b>equipment</b>	<b>and fittings</b>	<b>equipment</b>	<b>Total</b>	
	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	
<b>Cost</b>						
As at 1 Jan 2022	30,403	3,204	10,324	16,364	60,295	
Addition	29,025	190	1,294	5,345	35,854	
Disposal/Write-off	(30,403)	–	(331)	(583)	(31,317)	
<b>As at 31 December 2022</b>	<b>29,025</b>	<b>3,394</b>	<b>11,287</b>	<b>21,126</b>	<b>64,832</b>	
<b>Accumulated depreciation</b>						
As at 1 Jan 2022	14,981	1,792	9,833	11,862	38,468	
Charge for the year	6,606	603	244	3,199	10,652	
Disposal/Write-off	(17,958)	–	(331)	(231)	(18,520)	
<b>As at 31 December 2022</b>	<b>3,629</b>	<b>2,395</b>	<b>9,746</b>	<b>14,830</b>	<b>30,600</b>	
<b>Net book value</b>						
As at 31 December 2022	<b>25,396</b>	<b>999</b>	<b>1,541</b>	<b>6,295</b>	<b>34,232</b>	
	<b>Motor</b>	<b>Office</b>	<b>Furniture</b>	<b>Computer</b>		

	vehicles	equipment	and fittings	equipment	Total
	N'000	N'000	N'000	N'000	N'000
<b>Cost</b>					
As at 1 January 2021	30,403	2,939	9,886	13,402	56,630
Addition	–	265	438	2,962	3,665
<b>As at 31 December 2021</b>	<b>30,403</b>	<b>3,204</b>	<b>10,324</b>	<b>16,364</b>	<b>60,294</b>
<b>Accumulated depreciation</b>					
As at 1 January 2021	10,314	1,321	9,663	9,144	30,442
Charge for the year	4,667	471	170	2,718	8,026
<b>As at 31 December 2021</b>	<b>14,981</b>	<b>1,792</b>	<b>9,833</b>	<b>11,862</b>	<b>38,468</b>
<b>Net book value</b>					
<b>As at 31 December 2021</b>	<b>15,422</b>	<b>1,412</b>	<b>491</b>	<b>4,502</b>	<b>21,826</b>

- a) There were no impairment losses on any property, plant and equipment during the year (December 31, 2021: Nil)
- b) There were no capitalised borrowing costs related to the acquisition of property, plant and equipment during the year (December 31, 2021: Nil).
- c) All property, plant and equipment are non-current.
- d) None of the Company's property, plant and equipment were financed from borrowings, consequently no borrowing cost has been capitalized as part of asset cost.
- e) The Company had no capital commitments at the year end (2021: Nil).
- f) The Company did not use any item of property, plant and equipment as security during the year (2021: Nil)

	31 December	31 December
	2022	2021
20 Other Liabilities	N'000	N'000
<b>Financial liabilities:</b>		
Other payables	32,977	23,922
<b>Non-financial liabilities:</b>		
Withholding tax payable	32	124
	<b>33,009</b>	<b>24,046</b>
Current	33,009	24,046
<b>20.1 Other Payables</b>	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>N'000</b>	<b>N'000</b>
Directors' Fees	5,325	7,575
Audit Fees	8,063	3,763
Professional fees	5,190	3,965

Consultancy fees	484	1,093
ITF Levy	1,946	1,353
Taxes	735	124
Receipts in advance	3,574	5,470
SEC Annual fees	732	–
Service charge payable	4,500	–
Pensions payable	2,009	–
Others	419	579
	<b>32,977</b>	<b>23,922</b>

<b>21</b>	<b>Accumulated losses</b>	<b>31 December</b>	<b>31 December</b>
		<b>2022</b>	<b>2021</b>
		<b>N'000</b>	<b>N'000</b>
	Balance at beginning of year	(75,078)	(98,316)
	(Loss)/profit for the year	(79,257)	23,238
		<b>(154,335)</b>	<b>(75,078)</b>
<b>22</b>	<b>Cash (used in)/generated from operations</b>		
		<b>31 December</b>	<b>31 December</b>
		<b>2022</b>	<b>2021</b>
		<b>N'000</b>	<b>N'000</b>
	(Loss)/profit before income tax	(107,314)	26,625
	Adjustments for		
	–Depreciation (Note 9)	10,652	8,026
	–Amortisation (Note 9)	12,985	14,952
	–Interest income (Note 10)	(53,109)	(44,835)
	–Profit on disposal of fixed asset (Note 6)	(120)	–
	–Assets written off	12,797	–
	–Insurance Claims	(50)	
	–Foreign Exchange (gains)/loss (Note 6)	4,936	(298)
	–Provision written back (Note 15)	–	(397)
	Changes in components of working capital		
	–Increase/(decrease) in other assets	4,813	(4,351)
	–Decrease in payables	8,963	5,378

	(105,446)	5,100
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## 23 Related party transactions

The Company has related party relationships where control and/or significant influence exists with its shareholding members. The company enters into business transactions with these members who are also its customers, on an arms length basis in the normal course of business.

The income and expenses and assets and liabilities resulting from transactions with related parties are as follows:

Transactions	Type of relationship	Nature of transaction	2022	2021
<b>Income:</b>				
Registration fees	Shareholding companies	Fees from shareholding companies that are also dealers	77,558	31,028
<b>23.1</b>	<b>Key management compensation</b>		<b>31 December</b>	<b>31 December</b>
			<b>2022</b>	<b>2021</b>
			<b>N'000</b>	<b>N'000</b>
		Salaries and other short-term employee benefits	77,671	55,597
		Defined contribution	5,590	4,336
			<b>83,261</b>	<b>59,933</b>

Key management comprise of the Managing director and the Chief Operating Officer.

<b>24</b>	<b>Directors and employees</b>		
	The average number of persons employed by the Company during the year was as follows:		
		<b>31 December</b>	<b>31 December</b>
		<b>2022</b>	<b>2021</b>
	Executive director	2	2
	Management	5	4
	Non-management	13	13
		<b>20</b>	<b>19</b>
		<b>31 December</b>	<b>31 December</b>
		<b>2022</b>	<b>2021</b>
		<b>N'000</b>	<b>N'000</b>
	The total employee benefits expense in the year comprise the following:		
	Salaries and other short term benefits	157,778	125,342

Pension cost	12,300	9,767
	<b>170,078</b>	<b>135,109</b>

The number of employees of the company, other than directors, who received emoluments in the following ranges were:

	31 December 2022	31 December 2021
₦500,001 – ₦1,000,000	1	1
₦1,000,000 – ₦4,000,000	12	12
Over ₦4,000,000	7	6
	<b>20</b>	<b>19</b>

	31 December 2022	31 December 2021
<b>25 Directors' emoluments</b>	<b>N'000</b>	<b>N'000</b>
<b>Remuneration paid to the Company's directors:</b>		
Executive directors' compensation	77,671	55,597
<b>Fees and other emoluments disclosed above include amounts paid to:</b>		
Highest paid director	77,671	49,865
	<b>77,671</b>	<b>49,865</b>

## **26 Capital commitments**

There were no capital commitments to purchase any asset as at 31 December 2022 (31 December 2021: Nil).

## **27 Contingent Assets/Liabilities**

There were no contingent assets or liabilities as at 31 December 2022 (31 December 2021: Nil).

## **28 Event after reporting period**

There were no post balance sheet events after the reporting date which could have a material effect on the state of affairs of the company as at 31 December, 2022 and the loss for the year ended on that date have been adequately for or disclosed in the financial statements.

## **29 Operating Segments**

The Company operates a single segment which is market regulations. The Company also does not operation in any other geographical region except Lagos Nigeria. Therefore all revenue and expenses are allocated to this segment.



# Value added statement

For the year ended 31 December 2022

	31 December 2022		31 December 2021	
	N'000		N'000	
Gross income	288,026		288,406	
Cost of services	(145,511)		(110,468)	
<b>Value Added</b>	<b>142,515</b>	<b>100</b>	<b>177,938</b>	<b>100</b>
<b>Distribution</b>				
<b>Directors and employees</b>				
Salaries and benefits	170,078	119	135,109	76
<b>Government</b>				
Net tax credit/(expense)	28,057	20	(3,387)	(2)
<b>Retained in the Company</b>				
(Loss)/Profit	(79,257)	(56)	23,238	13
<b>The future</b>				
Asset replacement (depreciation & amortization)	23,637	17	22,978	13
	<b>142,515</b>	<b>100</b>	<b>177,938</b>	<b>100</b>

# Five-year financial summary

For the year ended 31 December 2022

	31 Dec 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018
<b>Statement of financial position</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>	<b>N'000</b>
<b>Assets</b>					
Cash and cash equivalents	295,525	393,355	240,741	70,826	96,104
Investment securities	100,402	100,432	207,225	440,829	401,707
other assets	11,869	16,682	12,331	8,825	10,500
Intangible assets	32,062	41,742	55,990	3,129	8,697
Property and equipment	34,232	21,827	26,188	32,046	6,581
Deferred tax asset	138,442	108,945	110,735	105,163	94,276
	<b>612,532</b>	<b>682,983</b>	<b>653,210</b>	<b>660,818</b>	<b>617,865</b>
<b>Liabilities</b>					
Accounts payable	33,009	24,046	18,668	18,711	18,926
Current income tax	1,440	1,597	440	1,146	3,029
	<b>34,449</b>	<b>25,643</b>	<b>19,108</b>	<b>19,857</b>	<b>21,955</b>
<b>Equity</b>					
Share capital	500,000	444,204	444,204	444,204	444,204
Share premium	232,418	288,214	288,214	288,214	288,214
Accumulated losses	(154,335)	(75,078)	(98,316)	(91,457)	(136,508)
<b>Total liabilities and equity</b>	<b>612,532</b>	<b>682,982</b>	<b>653,210</b>	<b>660,818</b>	<b>617,865</b>
	<b>12 months</b>	<b>12 months</b>	<b>12 months</b>	<b>12 months</b>	<b>12 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>31 Dec 2022</b>	<b>31 Dec 2021</b>	<b>31 Dec 2020</b>	<b>31 Dec 2019</b>	<b>31 Dec 2018</b>
<b>Statement of comprehensive income</b>					
Gross earnings	288,195	288,704	176,231	229,097	225,127
Net operating income	288,195	288,704	176,231	229,097	225,127
Employee benefits and compensation cost	(170,078)	(135,109)	(98,230)	(90,075)	(70,760)
Depreciation	(23,637)	(22,978)	(10,755)	(12,536)	(5,303)
Other operating expenses	(201,794)	(103,992)	(78,932)	(90,429)	(87,041)
(Loss)/profit before tax	(107,314)	26,625	(11,685)	36,057	62,023
Net tax credit/(expense)	28,057	(3,387)	5,132	8,994	28,331
(Loss)/profit for the year	<b>(79,257)</b>	<b>23,238</b>	<b>(6,553)</b>	<b>45,051</b>	<b>90,354</b>
Basic (loss)/earnings per share (kobo)	<b>(15.85)</b>	<b>4.65</b>	<b>(1.54)</b>	<b>10.14</b>	<b>20.34</b>



# OTHER INFORMATION

- [Securities Directory](#)
- [Participating Institutions Activity By Value 2021](#)
- [NASD Management Team](#)
- [Events](#)
- [Proxy Form](#)

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## NASD Securities Directory by Industry

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### CONSUMER GOODS:

These are products that are purchased for consumption by the average consumer. Alternatively called final goods, consumer goods are the result of production and manufacturing and are what a consumer will see on the store shelf.

Admitted Securities under Consumer Goods:

#### Food Products



Dufil prima food Plc was incorporated in 1995 and admitted to trade on NASD OTC Securities Exchange market on January 20, 2015 with security code **SDDUFIL**. The principal activities of the company are manufacturing and marketing of indomie brand of instant noodles.

It has an issued and fully paid capital of 6.75 billion Ordinary Shares of 50 kobo each.



Friesland Campina Wamco Plc was incorporated in April 1973 and admitted to trade on NASD OTC Securities Exchange market on July 25, 2013 with security code **SDFCWAMCO**. The company is principally engaged in manufacturing and marketing of evaporated milk, instant milk powder and other dairy products. It has an issued and fully paid capital of 976.33 million Ordinary Shares of 50 kobo each.



Fumman Agricultural Product Industries Plc was incorporated in 1994 and admitted to trade on NASD OTC Securities Exchange market June 8, 2015 with security code **SDFUMMAN**. The company is principally engaged in producing and marketing wholesome fruits and juices in Nigeria. It has an issued and fully paid capital of 3.6 billion Ordinary Shares of 50 kobo each.



Free Range Farms Plc was incorporated in 2009 and admitted to trade on NASD OTC Securities Exchange market on September 28, 2015 with security code **SDFARMSPLC**. The company is principally engaged in carrying out integrated poultry farming. It has an issued and fully paid capital of 519.99 million Ordinary Shares of 50 kobo each.



Vital Product Plc was incorporated in 1999 and admitted to trade on NASDOTC Securities Exchange market on January 25, 2016 with security code **SDVITPROD**. The company is principally engaged in manufacturing and distribution of fruit drinks and non-alcoholic beverages. It has an issued and fully paid capital of 1.82 billion Ordinary Shares of 50 kobo each.



Fan Milk Plc was incorporated on the 4 November 1961 and admitted to trade on NASD OTC Securities Exchange market on February 25, 2016 with security code **SDFANMILK**. The company is principally engaged in production and distribution of dairy and food products. It has an issued and fully paid capital of 1.16 million Ordinary Shares of 50 kobo each.

## CONSUMER SERVICES

A sector of the economy that consists of businesses that sell non-essential goods and services. Companies in this sector include retailers, media companies, consumer services companies, consumer durables and apparel companies and automobiles and components companies.

Admitted Securities under Consumer Services.



Food Concepts Plc commenced operations in 2001 and admitted to trade on NASD OTC Securities Exchange market on July 15, 2013 with security code **SDFOODCPT**. The company is engaged in the provision of restaurant services, bakery and confectionery products. It has an issued and fully paid capital of 5.7 billion Ordinary Shares of 50 kobo each.



This company (originally known as Bata Trading Company) was founded in 1932 and admitted to trade on NASD OTC Securities Exchange market on April 5, 2016 with security code **SDFAMADPLC**. The company is mainly into manufacturing and marketing of footwear and purchasing and sales of footwear accessories. It has an issued and fully paid capital of 185.62 million Ordinary Shares of 50 kobo each.



## FINANCIALS

This category of stocks contains firms that provides financial services to commercial and retail customers. This sector includes banks, investment funds, insurance companies and real estate.

Admitted Securities under Financials Industry

### Real Estate Services



Afriland Properties Plc was incorporated on 14 March 2007 and admitted to trade on NASD OTC Securities Exchange market on April 9, 2014 with security code **SDAFRILAND**.

The company principal line of business includes Property Development, Project Management and Property Acquisition and Sales. It has an issued and fully paid capital of 1.37 billion Ordinary Shares of 50 kobo each



Mixta Real Estate Plc (formerly ARM Properties Plc) commenced operations in February 2006 as a real estate investment fund management and admitted to trade on NASDOTC Securities Exchange market on May 11, 2015 with security code **SDMIXREAL**. The company is licensed to provide property development and investment services.

It has an issued and fully paid capital of 9.83 billion Ordinary Shares of 50 kobo each.



UBN Property Company Plc was incorporated on November 1, 2003 and admitted to trade on NASD OTC Securities Exchange market on January 25, 2018 with security code **SDUBNPROP**. The company's principal line of business includes purchase and sale of land properties, management of real estate properties and construction of estate and estatesales. It has an issued and fully paid capital of 5.6 billion Ordinary Shares of ₦1 each.



VFD Group was incorporated on July 7, 2009 and admitted to trade on NASD OTC Securities Exchange market on November 12, 2019 with security code **SDVFDGROUP**. The company's principal line of business includes providing Financial Advisory, Asset Management, Currency, Real Estate, Debt Services and Private Funds Management Services, taking deposits and providing loans at very competitive rates. It has an issued and fully paid capital of 126.68 million Ordinary Shares of 50 kobo each.

### Special Services



Great Nigeria Insurance Plc was incorporated in 1960 and admitted to trade on NASD OTC Securities Exchange market on August 27, 2019 with security code **SDGNI**. The company is licensed and regulated by the National Insurance Commission of Nigeria (NAICOM) to underwrite insurance. It has an issued and fully paid capital of 3.8 billion Ordinary Shares of 50 kobo each.



Industrial & General Insurance Plc was incorporated on 31 October 1991 and admitted to trade on NASD OTC Securities Exchange market on July 19, 2013 with security code **SDIGIPLC**. The company is licensed and regulated by the National Insurance Commission of Nigeria (NAICOM) to cover tailor-made Life and Non-Life Insurance protection. It has an issued and fully paid capital of 14.2 billion Ordinary Shares of 50 kobo each.

## Mortgage Finances



FirstTrust Mortgage Bank Plc was incorporated in 2014 and admitted to trade on NASD OTC Securities Exchange market on August 7, 2014 with security code **SDFSTTRUSTMB**. The company is licensed to provide Mortgages, Real Estate Finance and Financial Advisory services. It has an issued and fully paid capital of 4.67 billion Ordinary Shares of ₦1 each.



Trustbond Mortgage Bank Plc was incorporated in 2014 and admitted to trade on NASD OTC Securities Exchange market on August 7, 2014 with security code **SDNMRCPLC**. The company is licensed to provide and encourage financial institutions by increasing their mortgage lending and providing them with long term funding. It has an issued and fully paid capital of 212.54 million Ordinary Shares of ₦1 each.



AG Mortgage Bank Plc was incorporated on 21st July 2004 and admitted to trade on NASD OTC Securities Exchange market on June 17, 2016 with security code **SDAGMBANK**. The company is licensed to carry on business as a Primary Mortgage Institution [PMI]. It was granted a mortgage banking license by the Central Bank of Nigeria in December 2004 and commenced full operations by 31st January 2005. It has an issued and fully paid capital of 7.75 billion Ordinary Shares of 50 kobo each.

## Special Services



Central Securities Clearing System Plc was incorporated on July 29, 1992 and admitted to trade on NASD OTC Securities Exchange market on May 14, 2014 with security code **SDCSCSPLC**. The company was licensed by the Securities and Exchange Commission as an agent for Central Depository, Clearing and Settlement of transactions in the stock market. It has an issued and fully paid capital of 5 billion Ordinary Shares of ₦1 each.



NASD PLC was incorporated in June 1998 and admitted to trade on the NASD OTC Securities Exchange market on August 4, 2016 with security code **SDNASDPLC**. The company provides a Network that eases secondary market trading of all Securities of unquoted public companies. It has an issued and fully paid capital of 444.20 million Ordinary Shares of ₦1 each.



CR Services (Credit Bureau) PLC was incorporated in January 2003 and admitted to trade on the NASD OTC Securities Exchange market on March 29, 2017 with security code **SDCRSBUR**. The company is licensed by the Central Bank of Nigeria as a credit bureau providing credit and risk management solutions. It has an issued and fully paid capital of 45.99 million Ordinary Shares of 50 kobo each.

## Investment Services



Golden Capital Plc was incorporated on 16 September 2008 and admitted to trade on NASD OTC Securities Exchange market on March 18, 2014 with security code **SDGOLDEN**. The Company is licensed to carry out Issuing House, financial consultancy and investment activities. It has an issued and fully paid capital of 1.2 billion Ordinary Shares of 50kobo each



Lighthouse Financial Services PLC was incorporated in January 1984 and admitted to trade on the NASDOTC Securities Exchange market on September 25, 2017 with security code **SDLIGHTFSP**. The company is registered with the Securities and Exchange Commission that provides financial advisory and fund-raising services to SMEs through its group registered subsidiaries. It has an issued and fully paid capital of 2.15 billion Ordinary Shares of 50kobo each



Newrest ASL PLC was incorporated in 1996 and admitted to trade on the NASD OTC Securities Exchange market on September 25, 2017 with security code **SDNEWREST**. The company provides catering and related services to airlines operating in Nigeria. It has an issued and fully paid capital of 634 million Ordinary Shares of 50 kobo each.



Providus Bank (formerly United Mortgage PLC) commenced operations in May 2016 as a regional commercial bank in Nigeria and admitted to trade on NASD OTC Securities Exchange market on December 7, 2018 with security code **SDPROVIDUS**. The company is licensed to provide business banking, digital banking, and institutional banking service across Nigeria. It has an issued and fully paid capital of 1.2 billion Ordinary Shares of 50 kobo each.

**Note:** Providus Bank Plc was delisted from on the NASD OTC Securities Exchange on March 21, 2022.



The Infrastructure Bank PLC (formerly known as Urban Development Bank of Nigeria Plc) was incorporated in 1992 and admitted to trade on NASD OTC Securities Exchange market on June 18, 2021 with security code **SDINFRABANK**.

The company In line with its establishing Act, the Bank has the mandate to raise and manage funds for infrastructure development projects in the country.

It has an issued and fully paid capital of 6.21 billion Ordinary Shares of 50 kobo each.



Capital Bancorp Plc. (CBP) was incorporated on June 13, 1988 and admitted to trade on NASD OTC Securities Exchange market on June 18, 2021 with security code **SDCBANCO**. The company is licensed to operate by the Securities and Exchange Commission (SEC) as an Issuing House, Investment Adviser and Portfolio Manager. It has an issued and fully paid capital of 766.34 million Ordinary Shares of 50 kobo each.



Access Bank Plc delisted from the Nigerian Exchange (NGX) on Thursday 24 March 2022 following the Scheme of Arrangement in December 2021. While the Holding company remains listed on NGX, the entire share capital of Access Bank Plc was admitted to NASD as an Admission of Company on Monday 28, March 2022 with security code SDACCESS. It has an issued and fully paid capital of 35.54 billion Ordinary Shares of 50 kobo each.



CITITRUST Holdings Plc is a financial solutions provider that covers Commercial Banking, Investment Banking, Wealth Management, Pension Management, Insurance and Alternative Investment and Securities Trading. CITITRUST Holdings Plc was admitted to trade on NASD OTC Securities Exchange market on Thursday, May 26, 2022 with security code SDCITITRUST. It has an issued and fully paid capital of 766.34 million Ordinary Shares of 50 kobo each.

## INDUSTRIALS:

These are companies that produce goods for construction and manufacturing purposes. This sector includes companies involved with aerospace and defense, industrial machinery, tools, lumber production, construction, cement and metal fabrication

## Heavy Construction



Cappa & D'Alberto Plc was incorporated in 1932 and admitted to trade on NASD OTC Securities Exchange market on January 22, 2015 with security code SDCAPDBETO. The company is principally engaged in Engineering, Procurement and Construction (EPC).

It has an issued and fully paid capital of 264.09 million Ordinary Shares of 50 kobo each.



Costain West Africa Plc was incorporated in 1948 and admitted to trade on the NASD OTC Securities Exchange market on March 10, 2017 with security code SDCOSTAIN. The Company is principally engaged in building and civil engineering projects.

It has an issued and fully paid capital of 1.08 billion Ordinary Shares of 50 kobo each.

## Industrial Supplies



Geo-Fluids Plc was incorporated in 1994 and admitted to trade on NASD OTC Securities Exchange market on August 20, 2013 with security code **SDGEOFLUID**. The Company is principally engaged in Drilling, Mud engineering services, Filtration services and product, Storage capacity and Laboratory services. It has an issued and fully paid capital of 4.25 billion Ordinary Shares of 50 kobo each.

## Container & Packaging



Riggs Ventures West Africa Plc was incorporated on the 22nd of August 1993 and admitted to trade on NASD OTC Securities Exchange market on 9 April 2014 with security code **SDRIGGS**. The Company is principally engaged in production of high-quality poly- propylene sacks. It has an issued and fully paid capital of 4.67 billion Ordinary Shares of 50 kobo each



International Packaging Industries of Nigeria Plc was incorporated 26th September 1964 and admitted to trade on the NASDOTC Securities Exchange market on June 20, 2016 with security code **SDIPIPLC**. The Company is principally engaged in manufacturing and sale of waxed sheets, paper bags, exercise books, toilet roll wrappers and other printing materials. It has an issued and fully paid capital of 40million Ordinary Shares of 50Kobo each.

## OIL & GAS

A business entity that engages in the exploration, production, refinement and distribution of oil and gas in Nigeria. Admitted Securities under Oil & Gas.



Acorn Petroleum Plc was incorporated in 1981 and admitted to trade on NASD OTC Securities Exchange market on November 14, 2014 with security code **SDACORN**. The Company is principally engaged in trading and distribution of refined petroleum products. It has an issued and fully paid capital of 2 billion Ordinary Shares of 50 kobo each.



Niger Delta Exploration & Production Plc was incorporated on 25 March 1992 (as the Midas Drilling Fund) and admitted to trade on NASD OTC Securities Exchange market on August 1, 2013 with security code **SDNDEP**. The Company is principally engaged in Exploration and production of oil and natural gas.

It has an issued and fully paid capital of 181 million Ordinary Shares of 1 kobo each.





Air Liquide Nigeria Plc, a subsidiary of Air Liquide Group was incorporated in 1992 and admitted to trade on NASDOTC Securities Exchange market on September 5, 2016 with security code **SDAIRLIQ**. The Company is principally engaged in the production and sales of industrial and medical gases in the country. It has an issued and fully paid capital of 180 million Ordinary Shares of 50 kobo each



Nipco Plc was incorporated on 8 January 2001 and admitted to trade on NASD OTC Securities Exchange market on February 16, 2017 with security code **SDNIPCOPLC**. The Company is principally engaged in the distribution of Oil products, Compressed Natural Gas (CNG) and Liquefied Petroleum Gas (LPG). It has an issued and fully paid capital of 187.67 million Ordinary Shares of 1 kobo each



11 PLC (formerly known as Mobil Oil Nigeria Plc) was incorporated on 8 January 2001 and admitted to trade on NASD OTC Securities Exchange market on June 18, 2021 with security code **SD11PLC**. 11 PLC is the sole authorized distributor of Mobil fuel and lubricant brands in Nigeria and continues to posts superior returns to its shareholders. She is committed to lead the oil industry in efficiency, brand image and safety.) It has an issued and fully paid capital of 360.59 million Ordinary Shares of 50 kobo each.

## TECHNOLOGY:

This sector contains businesses revolving around the manufacturing of electronics, creation of software, computers or products and services relating to information technology.

Admitted Securities under Technology:

## TELECOMMUNICATION EQUIPMENT



Resourcery Plc was incorporated in 1985 and admitted to trade on NASD OTC Securities Exchange market on November 25, 2013 with security code **SDRSOURCE**. The Company provides Network and Infrastructure, business voice & video and data security solutions. It has an issued and fully paid capital of 2.6 billion Ordinary Shares



Swap Technologies & Telecoms Plc was incorporated in June 1996 and admitted to trade on NASD OTC Securities Exchange market on September 30, 2013 with security code **SDSWAPPLC**. The company provides engineering & project service, networking sharing & managed service and international operation. It has an issued and fully paid Capital of 2.7 billion Ordinary Shares of 50 kobo each.



Mass Telecom Innovation Plc was incorporated in the year 2001 and admitted to trade on NASD OTC Securities Exchange market on December 14, 2017 with security code **SDMASSTCOM**. The company provides telecommunication products & services especially in the area of sales, installation and maintenance of telecommunication switching and transmission equipment. It has an issued and fully paid capital of 4.89 billion Ordinary Shares of 50 kobo each.

## Participating Institutions Activity by Value 2022

S/N	NASD REGISTERED DEALING MEMBER	No of Trades	Total Volume Traded (Buy & Sell)	Total Value Traded (N) (Buy & Sell)
1	Anchoria Investment & Securities Limited	257	76,054,541	14,359,093,072.38
4	Fidelity Securities Limited	5	4,690,381,437	6,518,029,377.00
5	Valmon Securities Limited	334	12,034,221	1,553,512,461.13
6	TRW Stockbrokers Limited	292	43,616,758	835,412,920.26
7	Pivot Capital	74	98,192,695	786,874,496.68
9	GTI Securities Limited	228	124,968,358	591,309,085.84
11	The Bridge Securities Limited	248	11,212,049	562,599,370.63
13	Capital Asset Limited	129	3,174,066	417,659,222.97
14	Dunbell Securities Limited	129	75,347,345	410,918,051.74
15	SECURITY SWAPS LIMITED	111	2,638,481	406,141,012.52
16	Arthur Steven Asset Management Limited	273	14,147,101	381,740,014.47
17	Apel Asset Limited	204	11,256,426	342,796,686.68
18	Global Asset Management Nigeria Limited	4	1,000,168	282,514,140.00
20	Stanbic IBTC Stockbrokers Limited	87	4,241,384	247,384,884.42
21	Cardinal Stone Securities Limited	27	1,199,073	215,651,620.00
22	Capital Trust Brokers Limited	137	1,859,725	168,111,597.75
23	Equity Capital Solution Limited	163	18,266,937	165,074,608.49
24	Belfry Investments & Securities Limited	4	10,300,000	157,880,000.00
25	Securities Africa Financial Limited	6	10,021,500	157,269,900.00
26	Capital Bancorp Plc	206	31,858,859	142,488,509.49
27	Compass Investment & Securities Limited	210	11,749,169	135,104,673.50
28	Bestworth Assets & Trust Limited	53	874,241	130,068,917.97
29	Lambeth Trust & Investment Company Limited	88	806,322	127,046,730.50
30	Harmony Securities Limited	119	5,962,989	116,830,456.55
31	Fortress Capital Limited	25	1,096,179	83,889,361.10
32	Nigerian International Securities Limited	59	1,099,403	77,049,624.54
33	Calyx Securities Limited	19	63,700,705	74,124,696.00
34	Wstc Financial Services Limited	24	411,770	67,472,805.02
35	Cordros Capital Limited	6	393,821	64,036,560.00
36	Regency Assets Management Limited	32	17,272,635	62,874,387.75
37	Tiddo Securities Limited	87	10,959,279	57,655,876.86
38	Reward Investments & Services Limited	54	1,537,880	55,413,561.60
39	Afrinvest Securities Ltd	129	517,075	50,326,210.11

40	CSL Stockbrokers Limited	62	576,807	49,488,303.05
41	Meristem Securities Limited	120	1,066,621	43,125,704.02
42	Magnartis Finance & Investment Limited	76	26,899,755	40,655,446.78
43	Apt Securities And Funds Limited	57	6,861,023	35,011,352.75
44	Lead Securities & Investment Limited	10	167,199	34,960,601.10
45	Tradelink Securities Limited	62	334,269	34,236,947.65
46	Rostrum Investment & Securities Limited	88	692,555	32,542,031.00
47	Edgefield Capital Management Limited	7	9,102,106	27,564,898.00
48	PIPC Securities Limited	18	1,520,000	24,318,447.05
49	Mega Equities Limited	13	481,800	22,279,242.00
50	Newdevco Investments And Securities Company Limited	59	685,363	20,157,658.00
51	Kapital Care Trust & Securities Limited	35	302,704	20,089,278.75
52	Molten Trust Limited	30	799,414	19,419,575.74
53	Solid Rock Securities & Investments Plc	27	1,311,148	19,307,555.40
54	Morgan Capital Securities Limited	34	132,265	17,655,132.50
55	Trusthouse Investments Limited	55	1,039,300	16,794,746.30
56	ATLASS PORTFOLIO LIMITED	27	1,451,171	16,386,636.00
57	ICMG Securities Limited	17	379,552	16,314,762.24
58	Woodland Capital Market Plc	18	166,135	15,654,288.00
59	Dominion Trust Limited	8	1,106,602	13,456,206.60
60	United Capital Securities Limited	42	222,991	12,991,419.65
61	Mbc Securities Limited	16	760,300	12,383,407.00
62	GROWTH AND DEVELOPMENT ASSET MGT	5	62,000	9,881,000.00
63	Nigerian Stockbrokers Limited	19	143,583	9,854,030.00
64	Portfolio Advisers Limited	20	384,289	9,729,443.30
65	Kinley Securities Limited	45	117,823	8,569,547.86
66	FIRST INTEGRATED CAPITAL MANAGEMENT LTD	21	220,300	8,160,933.50
67	Golden Securities Limited	26	102,778	7,459,047.40
68	Finmal Finance Services Limited	30	321,063	7,010,484.05
69	Pilot Securities Limited	8	45,476	6,174,392.83
70	Sigma Securities Limited	16	83,720	5,848,053.20
71	ARM Securities Limited	31	9,979,668	5,804,153.10
72	Capital Express Securities Limited	15	39,516	5,649,610.00
73	Network Capital Limited	6	38,106	5,540,035.00
74	Skyview Capital Limited	4	47,380	4,933,250.00
75	Dynamic Portfolio Limited	5	26,527	4,597,480.00
76	Integrated Trust & Investment Limited	4	22,400	4,481,500.00
77	Chapel Hill Denham Securities	9	482,290	4,238,803.30

78	SFC Securities Limited	3	47,591	3,898,521.00
79	Signet Investments & Securities Limited	27	77,100	3,683,647.00
80	FIS Securites Limited	9	16,696	3,630,735.16
81	Chartwell Securities Limited	18	70,590	3,510,671.00
82	Heartbeat Investments Limited	60	1,401,148	3,148,834.24
83	Readings Investments Limited	4	17,500	2,975,000.00
84	Cowry Securites Limited	24	29,000	2,507,690.62
85	Investment One Stockbrokers International Limited	11	116,139	2,042,369.03
86	Springboard Trust And Investment Limited	10	11,000	1,113,750.00
87	Qualinvest Capital Limited	4	4,388	1,013,704.49
88	Icon Stockbrokers Limited	2	5,000	995,000.00
89	Traders Trust And Investment Company Limited	12	13,500	905,060.50
90	FSDH Securities Limited	1	5,000	510,000.00
91	NOVA FINANCE AND SECURITIES LIMITED	1	500,000	455,500.00
92	Quantum Zenith Securities Ltd	3	14,501	444,592.40
93	AVA Securities Limited	3	25,100	80,182.00
94	Pac Securities Limited	3	265	29,860.50
95	FBN Securities Limited	1	243	298.89

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## NASD Management Team

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**Mr Eguarekhide Longe**  
Managing Director/CEO



**Chinwendu Ekeh**  
Head, Operations & IT



**Kolawole Jiboku**  
Head, Finance & Accounts



**Koha Okukulabe**  
Head, Legal & Compliance



**Oludare Fajimolu**  
Head, Strategy & Research



**Margaret Fadipe**  
Head, Human Resource &  
Administration



## Events

### Send forth for Mr Ajomale after 10 years of dedicated service



### Visit to Massey Street Childrens Hospital, as CSR for 2022



# PROXY FORM

I/We

Being member(s) of NASD PLC  
hereby

S/N	RESOLUTIONS	FOR	AGAINST
1.	To present and consider the Audited Financial Statements for the year ended December 31, 2022, and the Reports of the Directors, Auditors and Statutory Audit Committee thereon.		
2.	To re-elect the following Directors: i. Mr. Olutola Mobolurin ii. Mr. Chike Nwanze iii. Mr. Oladipo Aina		
3.	To appoint KPMG as the External Auditor of the Company and authorise the Directors to fix the remuneration of the Auditors.		
4.	To elect/re-elect members of the Statutory Audit Committee.		
5.	To disclose the remuneration of Managers pursuant to Section 257 of the Companies and Allied Matters Act 2020.		
6.	To consider and if thought fit, pass the following ordinary resolutions: "That the remuneration of Directors of the Company for the year ending December 31, 2023, be and is hereby fixed at Eight Million, Three Hundred and Twenty-Five Thousand Naira only (₦8,325,000) only for Directors."		

appoint..... as my/our proxy to act and vote on my/our behalf at the Annual General Meeting of the Company to be held on October 3, 2023, and at any adjournment thereof.

Dated this..... day of 2023

Shareholder's Signature.....

## Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote in his or her stead. All executed proxy forms should be deposited at the registered office of the Company, LaCour Hotels, 3 Femi Okunnu Rd, Ikoyi, Lagos, or the office of the Registrar, Coronation Registrars Limited, Plot 009, Amodu Ojikutu Street, Off Saka Tinubu Street, Victoria Island, Lagos, sent via email to [eforms@coronationregistrars.com](mailto:eforms@coronationregistrars.com) not less than 48 hours before the time fixed for the meeting. A proxy need not be a member of the Company.
2. It is required by the law under the Stamp Duties Act, Cap. S8 Laws of the Federation of Nigeria 2004 that any instrument of proxy to be used for the purpose of voting by any person entitled to vote at any meeting of shareholders must bear Stamp Duty at the appropriate rate, not adhesive postage stamps.
3. If the shareholder is a corporation, this form must be under its common seal.

Before posting the above slip, tear off this part and retain it.

## ADMISSION SLIP NASD PLC 10th ANNUAL GENERAL MEETING

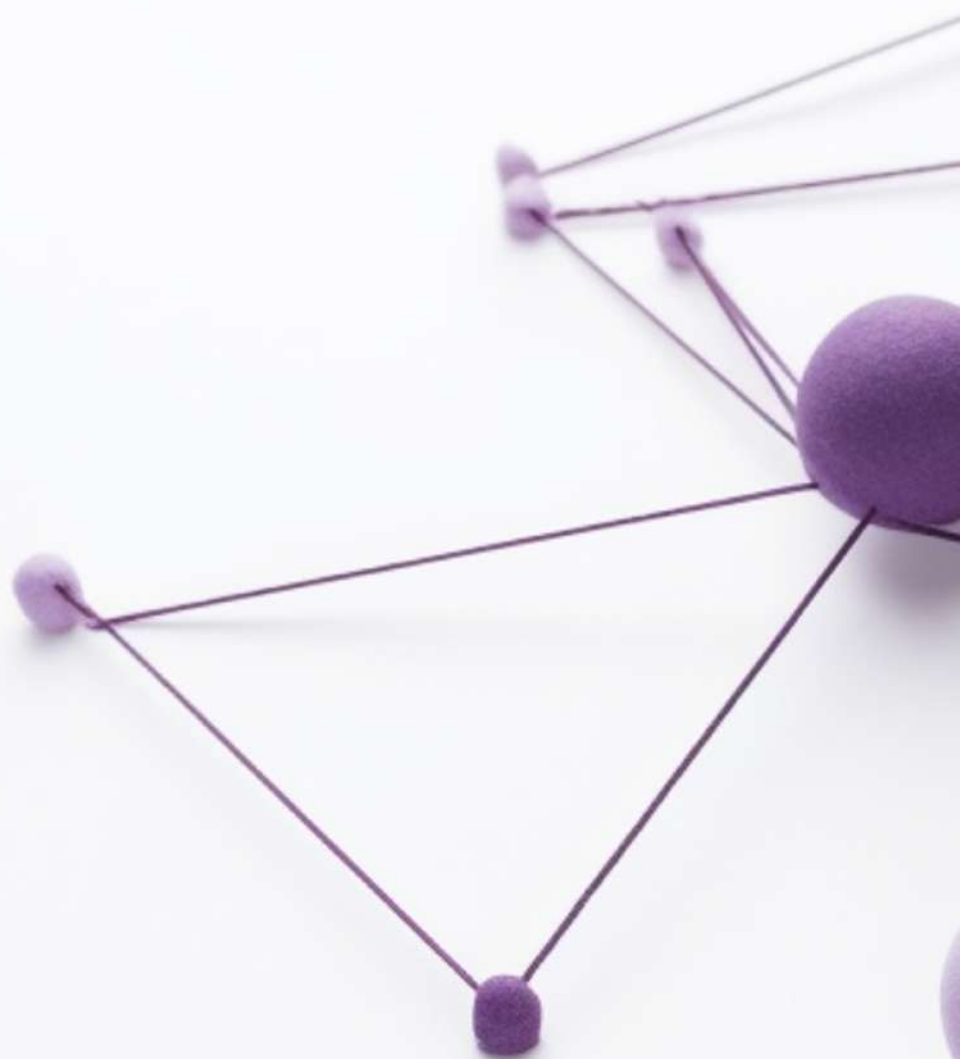
PLEASE ADMIT ONLY THE SHAREHOLDER NAMED ON THIS CARD OR HIS/HER DULY APPOINTED PROXY TO THE 10TH ANNUAL GENERAL MEETING THAT WILL BE HELD ON OCTOBER 3, 2023, AT LACOUR HOTELS, 3 FEMI OKUNNU RD, IKOYI, LAGOS at 11:00 a.m.

NAME OF SHAREHOLDER .....

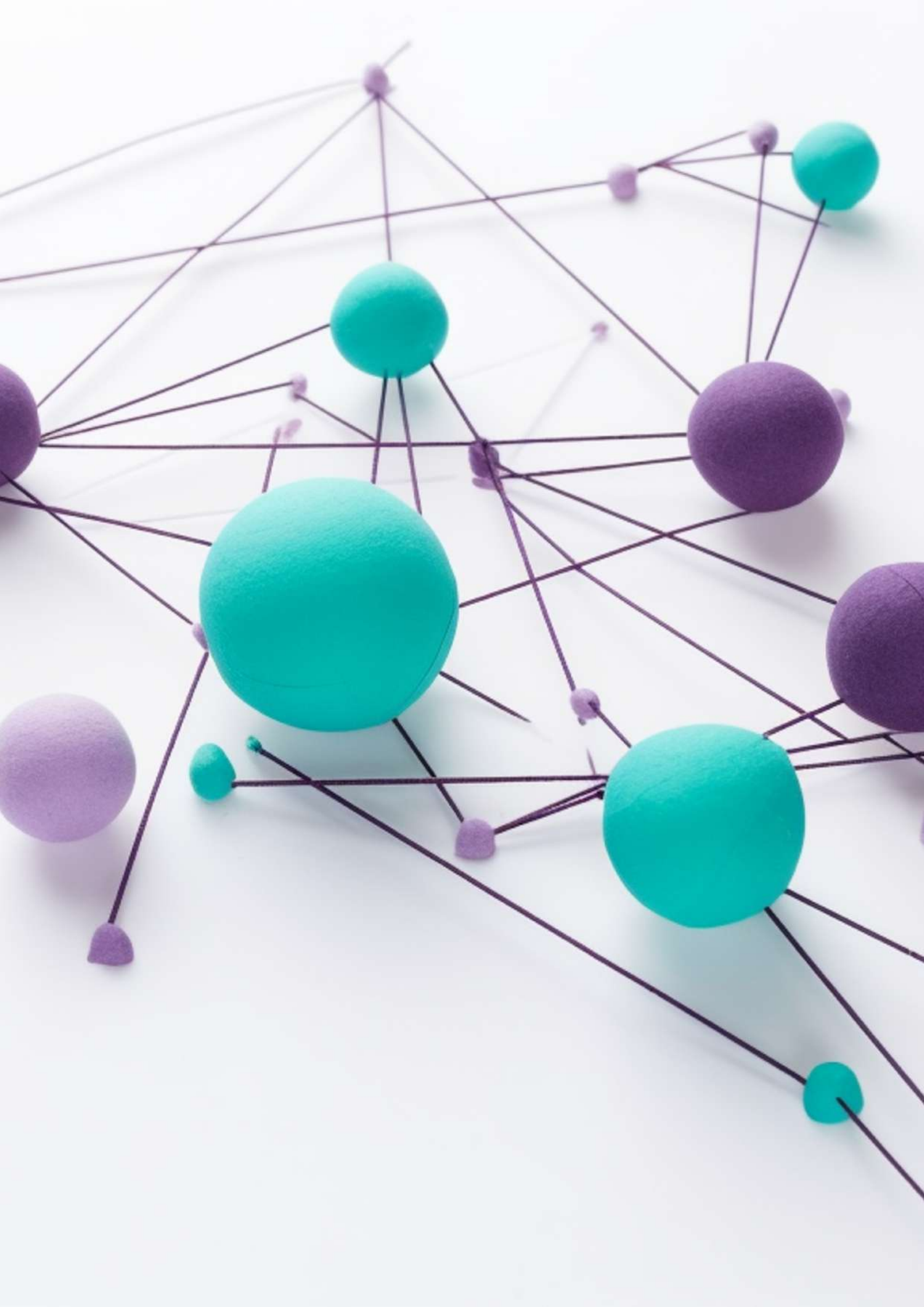
NAME OF PROXY .....

SIGNATURE.....

ADDRESS.....









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