

BEST WISHES FOR A NEW YEAR

2023



Dear Market Participants and All our Stakeholders,

As we usher in the New Year, I would like to take this opportunity to thank everyone who has contributed actively to the smooth running of the NASD OTC Exchange in a year that has indeed been quite challenging on the monetary and fiscal fronts.

2022 has indeed been a watershed year for NASD PLC. I write to you in my first annual message having taken over the helm at the Company from Mr. Bola Ajomale, the pioneer Managing Director. Mr. Ajomale who had developed NASD over last 10 years of its existence mandatorily retired from service at the end of June 2022.

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

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.

NASD's market performance for 2022 signifies the very urgent need to expand market breadth from its reliance on a few dominant securities which portend a clear concentration risk to the performance of the Exchange. Likewise, it is a central objective in 2023 to secure the participation of the local pension funds on the NASD OTC Exchange, which are tacitly, but inexplicably, barred from trading on the OTC Exchange currently.

It bears pointing out also that breadth of trades effected on the Market for 2022 demonstrates encouraging signs given that in comparison with 2021 where there was a spike in trading activity due to trades on a single security, 2022 witnessed trades from a number of previously inactive securities.

In proceeding into 2023, the mission at NASD is clear; expand market breadth and deepen market activity. This will be done diligently throughout 2023.

We look to partnering successfully with all our stakeholders in a peaceful, productive, and prosperous 2023.

Bon Chance!



EGUAREKHIDE LONGE
MANAGING DIRECTOR

