



Bursa Malaysia Berhad

1Q 2023 Financial Results

3 May 2023



Pivoting Into A Multi-Asset Exchange

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- Recent Developments
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- Our Key Priorities in 2023
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Recent Developments

- 1Q 2023 Highlights

1Q 2023 Highlights

Product / Service Expansion

1

Expand our core products



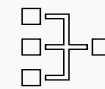
Healthy IPO pipeline - 10 new **listings** in 1Q 2023.
(2 Main, 7 ACE, 1 LEAP Market)



354 new **Structured Warrants** listed in 1Q 2023.

2

Broaden our product & service offerings



Launched **Bursa Connectivity Services** which allows global users access to Bursa Malaysia's pool of data quickly & seamlessly (16 Feb 2023).

- Provides coverage across more than 900 data centres in 32 countries, spanning across Asia, Europe and the USA.



Successfully completed Malaysia's inaugural **carbon credit auction** (16 Mar 2023).

- The auction saw encouraging participation with 15 buyers from various industries purchasing a total of 150,000 Verra-registered carbon credits.

1Q 2023 Highlights

Ecosystem Development

1

Expand partnerships towards new business opportunities



Signed an MoU with the **Department of Statistics Malaysia** (DOSM) on sharing of macroeconomic data, as part of the Exchange's data acquisition roadmap to enhance capital market datasets with micro and macroeconomic data (4 Jan 2023)

2

Embed sustainability into our marketplace



Signed an MoC with Malaysian Green Technology and Climate Change Corporation (MGTC), with the aim to identify, guide, connect, and nurture key players in the **carbon market ecosystem** (20 Feb 2023)



Signed an MoC with UMW Corporation Sdn Bhd and Malayan Banking Berhad to deploy a **Centralised Sustainability Intelligence Platform** (developed with the London Stock Exchange Group) - to facilitate harmonised ESG disclosures (22 Mar 2023)

3

Enhance rules / supportive frameworks



Enhanced the **Islamic Securities Selling and Buying – Negotiated Transaction (“ISSBNT”) Framework**, which includes an Additional Remedial Option* (9 Feb 2023)

** allows users to recall or acquire back the securities if the status of the ISSBNT Eligible Securities changes to Shariah non-compliant*



Amendments to the ACE Market Listing Requirements in relation to **transfer of listing framework from the LEAP market to ACE market**, which facilitates eligible LEAP Market listed corporations to graduate to the ACE Market (w.e.f. 1 Apr 2023)

Note: Includes the introduction of a recognised approved adviser framework



Enhanced the Main Market listing requirements to **facilitate offering of Islamic REITs and ETFs with waqf feature**. (w.e.f. 3 Apr 2023)

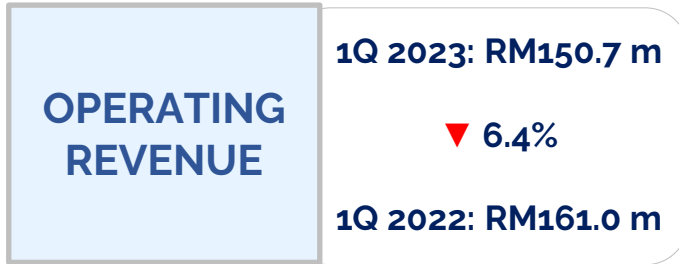
MoC = Memorandum of Collaboration

Key Financial Highlights & Market Performance

- 1Q 2023 Financial Highlights
- 1Q 2023 Financial Performance
- First Quarter Financial Trend
- Securities Market Overview
- Derivatives Market Overview
- Islamic Markets Overview

1Q 2023 Financial Highlights

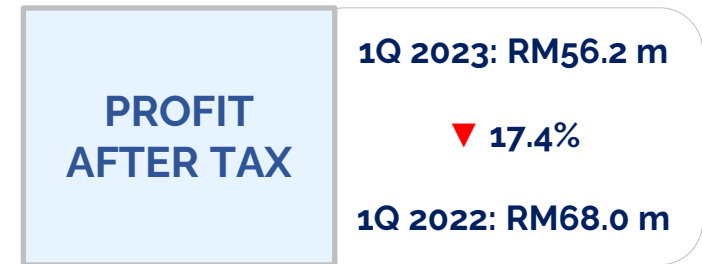
6.4% decrease in 1Q 2023 Operating Revenue to RM150.7 m



- Decrease in operating revenue mainly due to lower securities and derivatives trading revenue



- Higher operating expenses mainly due to higher staff costs as well as higher marketing and business development costs

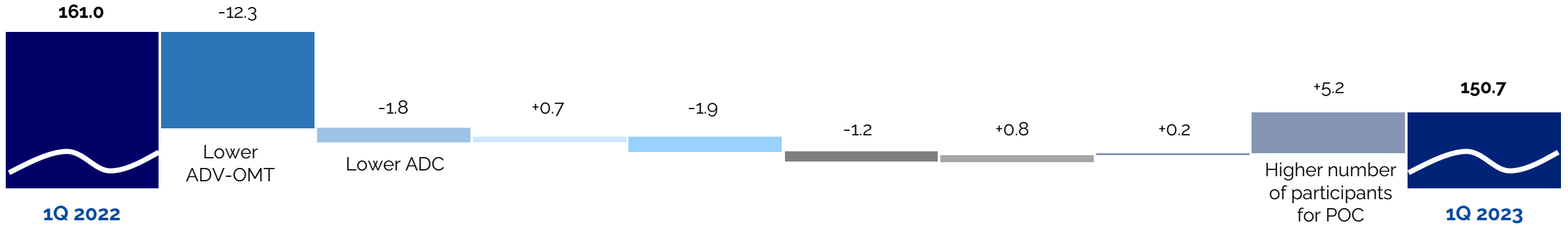


- As a result, PAT decreased by 17.4% in 1Q 2023 as compared to 1Q 2022



Operating Revenue

Lower revenue contribution from the Securities and Derivatives Markets



Revenue (RM mil)									
	Securities Trading Revenue	Derivatives Trading Revenue	BSAS Trading Revenue	Listing & Issuer Services	Depository Services	Market Data	Member Services & Connectivity	Conference Fee & Exhibition-Related Income	TOTAL
1Q 2023	68.1 (45%)	21.5 (14%)	4.5 (3%)	15.0 (10%)	13.2 (9%)	15.6 (10%)	6.1 (4%)	6.7 (5%)	150.7
1Q 2022	80.4 (50%)	23.3 (15%)	3.8 (2%)	16.9 (10%)	14.4 (9%)	14.8 (9%)	5.9 (4%)	1.5 (1%)	161.0
QoQ	▼ 15.3%	▼ 7.9%	▲ 18.5%	▼ 11.3%	▼ 8.7%	▲ 5.7%	▲ 3.9%	▲ 335.4%	▼ 6.4%

Trading Revenue
▼ 12.4%

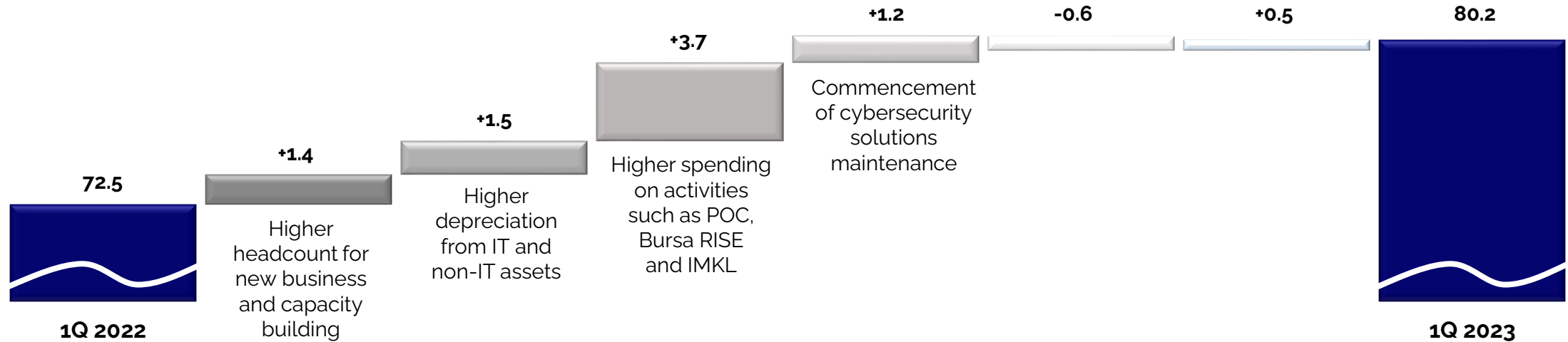
Securities Trading Revenue and Derivatives Trading Revenue experienced a 15.3% and 7.9% decline against 1Q 2022, respectively

Non-Trading Revenue
▲ 5.8%

Non-trading revenue increased by 5.8% in 1Q 2023, contributing 38% of the total operating revenue,

Operating Expenses

Increased by 10.6% to RM80.2m in 1Q 2023

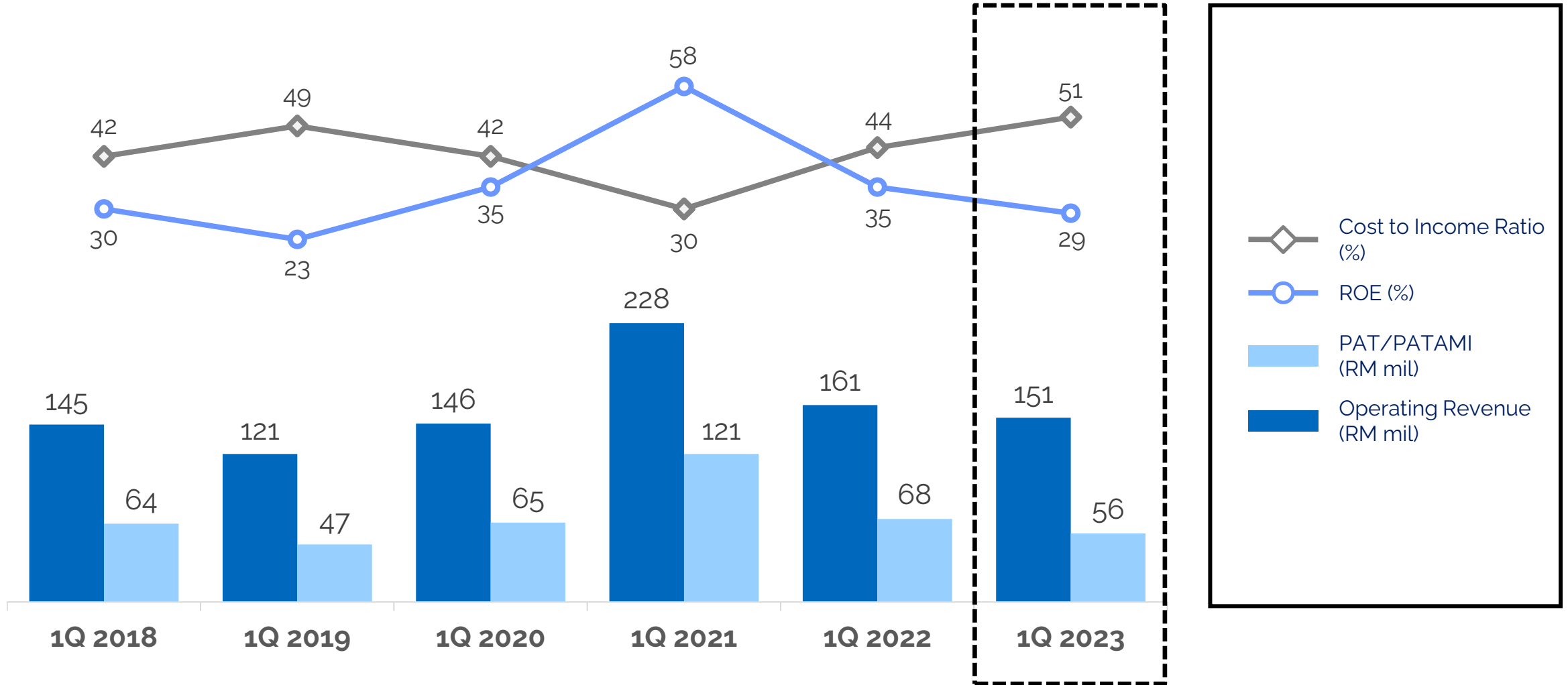


Expenses (RM mil)

	Staff Costs	Depreciation & Amortisation	Marketing & Development	IT Maintenance	Service Fees	Other Operating Expenses	TOTAL
1Q 2023	40.7 (51%)	7.9 (10%)	6.7 (8%)	7.9 (10%)	5.2 (6%)	11.8 (15%)	80.2
1Q 2022	39.3 (54%)	6.4 (9%)	3.1 (4%)	6.6 (9%)	5.8 (8%)	11.3 (16%)	72.5
QoQ	▲ 3.6%	▲ 24.3%	▲ 120.2%	▲ 18.7%	▼ 11.4%	▲ 4.4%	▲ 10.6%

First Quarter Financial Trend

Lower Operating Revenue and PAT mainly due to decline in Securities Trading Revenue and Derivatives Trading Revenue in 1Q 2023



Securities Market Overview

ADV declined by 17.7%, higher number of IPOs

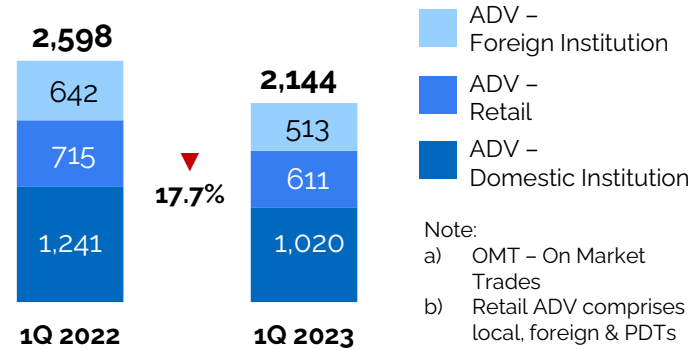
10

New IPO listings
in 1Q 2023

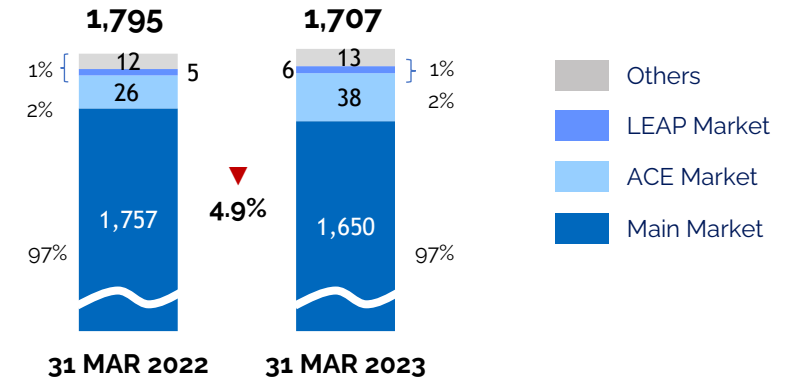
354

new structured warrants
in 1Q 2023

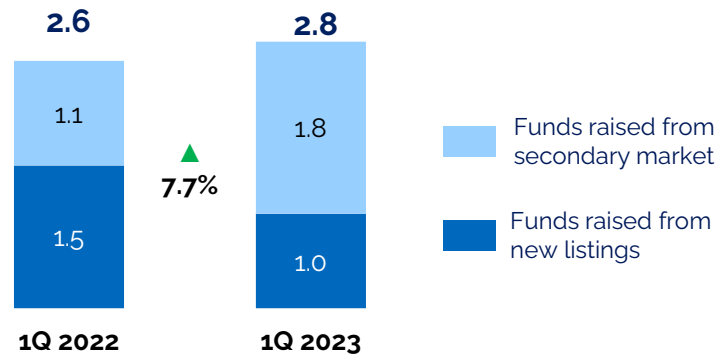
Average Daily Value (ADV) (OMT) (RM mil)



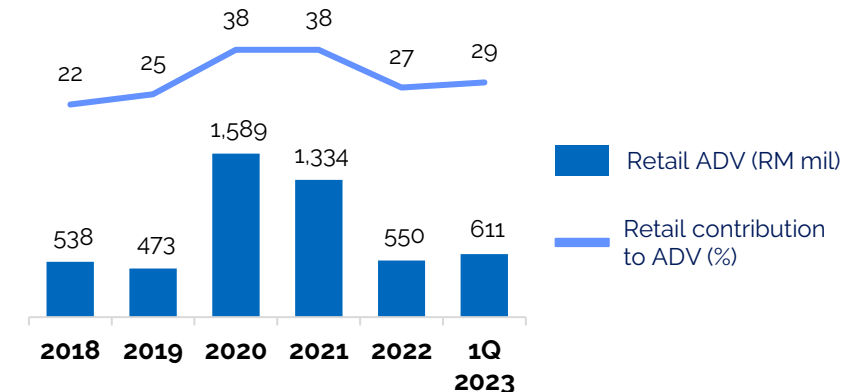
Market Capitalisation (RM bil)



Funds Raised (RM bil)



Retail trades have normalised

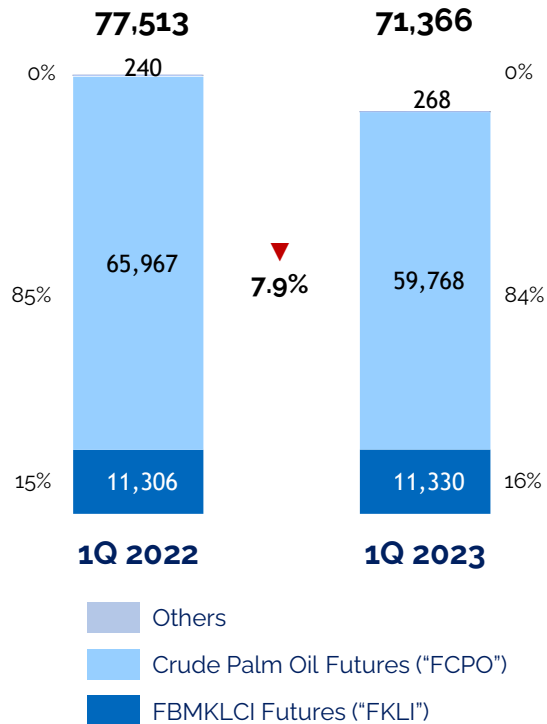


Derivatives Market Overview

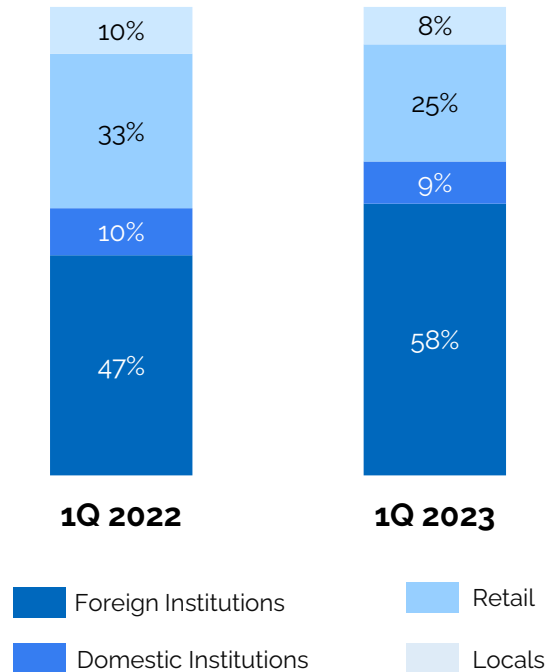
ADC decreased on the back of lower volatility of CPO Prices

Breakdown of Average Daily Contracts (ADC)

ADC Traded by Products



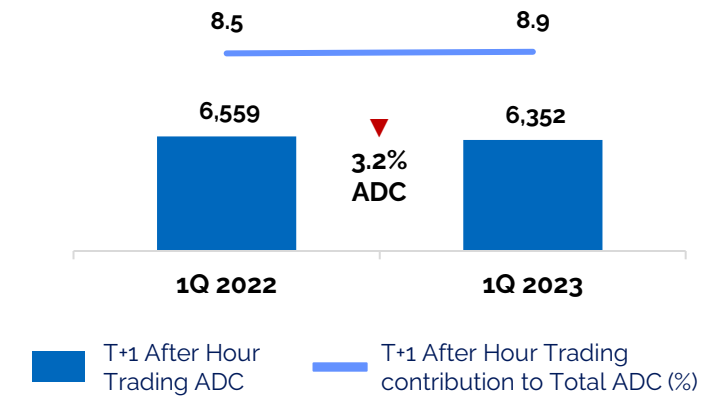
ADC Traded by Investor Types



Product Volatility

1Q 2023	27%	8%
	Volatility of CPO Prices	Volatility of FBMKLCI
1Q 2022	42%	11%

T+1 After Hour Trading



Islamic Markets Overview

Higher BSAS trades mainly contributed by local participants

1Q 2023 Highlights

84%

of Bursa Suq Al-Sila' (BSAS) trades contributed by local participants

5 new participants

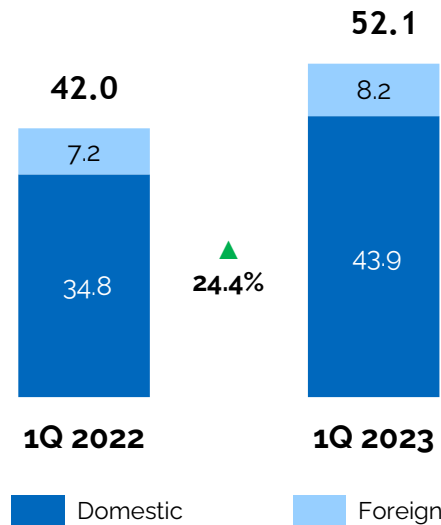
In 1Q 2023, BSAS admitted 3 Local Participants and 2 Foreign Participants

+5.3%

increase in the number of Shariah-compliant stocks

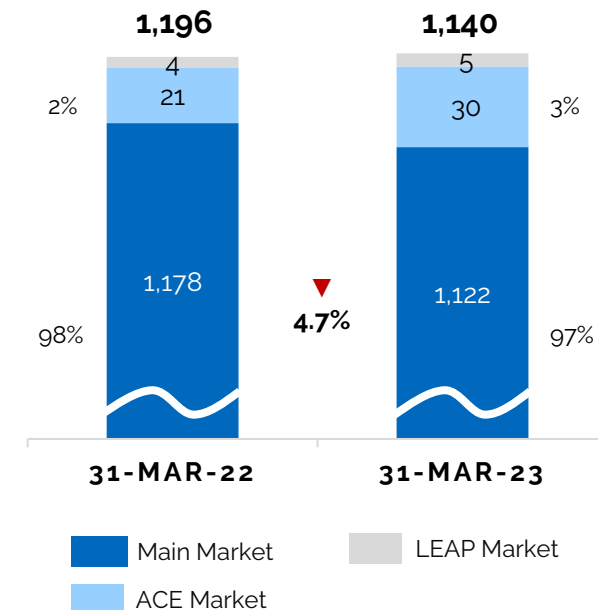
Breakdown of Islamic Market Activity

BSAS ADV (RM bil)



1Q 2023	330
No. of Trading Participants	
1Q 2022	309

Market Capitalisation of Shariah-Compliant Stocks (RM bil)



1Q 2023	81% (793)
% and no. of Shariah-Compliant Stocks	
1Q 2022	79% (753)

Our Key Priorities in 2023

We remain focused in developing our marketplace and delivering value to our stakeholders

Key Priorities in 2023



Broaden product offerings to grow market vibrancy

- Continue to strengthen our IPO pipeline.
- Launch innovative products or new asset classes. (e.g. Bursa Gold Dinar & debt fundraising platform)
- Broaden and diversify our derivatives offerings to boost market attractiveness. (e.g. mini futures contracts & foreign derivatives products)



Strengthen market ecosystem & accessibility

- Ramp up participation in PLC Transformation Programme.
- Promote market making activities to boost trading velocity and liquidity, including onboarding of liquidity providers
- Drive PLCs' ESG strength (e.g. expand coverage of FTSE4Good ESG scores to all PLCs, commencing with Main Market PLCs in 2023)
- Raise awareness of the Bursa Carbon Exchange and broaden outreach to new participants.



Leverage technology & innovation to drive growth

- Enhance the securities trading system
- Implement the revamped BSAS 2.0
- Invest in technology to deliver a more seamless Customer Experience (CX) throughout our touchpoints.
- Implement subsequent phases in modernising our Enterprise Data Platform.

Measures to drive liquidity in the market

Boosting market vibrancy is also our priority

Fortify marketing efforts to increase foreign participation

- E.g. IMKL series, including IM Away

Improve profiling and visibility of PLCs

- E.g. Bursa RISE, IR & PR Program and BDR

Drive market conversation and retail participation

- E.g. via social media, MLT and other engaging content and solutions

Intensify ecosystem development initiatives to boost trading

- E.g. Onboarding of liquidity providers

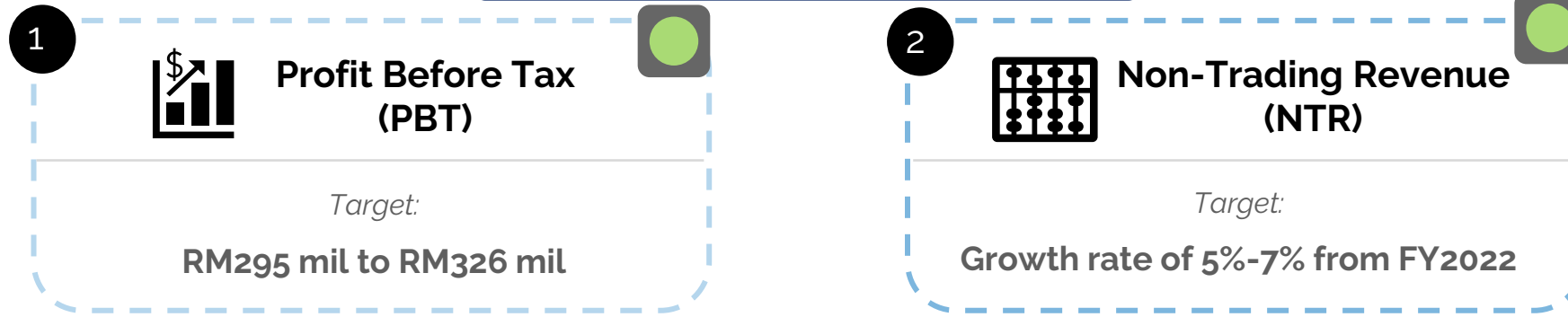
Continued strong IPO performance may help lift overall market sentiment

IMKL = Invest Malaysia
IM Away = Invest Malaysia Away
Bursa RISE = Bursa Research Incentive Scheme
IR & PR = Investor Relations & Public Relations

BDR = Bursa Digital Research
MLT = Mirror, Learn & Trade

We are committed to achieve our Headline KPIs in 2023

Financial



Non-financial

Product Expansion & Ecosystem Development



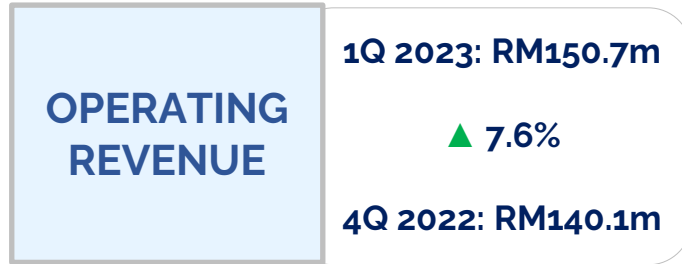
The headline KPIs are targets or aspirations set by the Company as a transparent performance management practice. These headline KPIs shall not be construed as either forecasts, projections or estimates of the Company or representations of any future performance, occurrence or matter as the headline KPIs are merely a set of targets/aspirations of future performance aligned to the Company's strategy.

Appendices

- Financial Highlights 1Q 2023
- Securities Market Trading Activity
- Securities Market Participation
- Foreign Inflow/Outflow
- Derivatives Market Activity
- BSAS Activity

1Q 2023 Financial Highlights

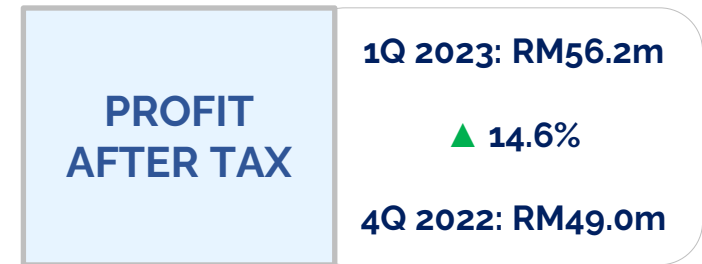
Current quarter versus previous quarter



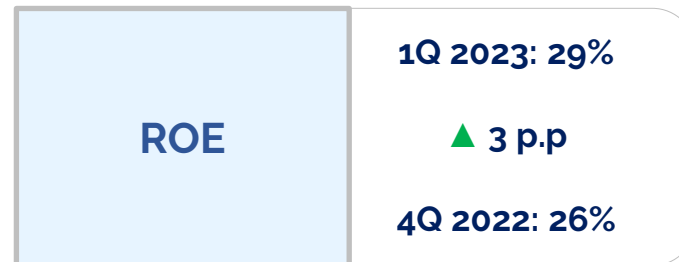
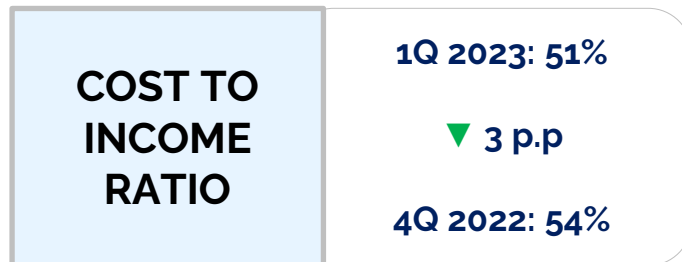
- Increase in operating revenue mainly due to higher securities trading revenue



- Operating expenses increased slightly due to higher IT costs.

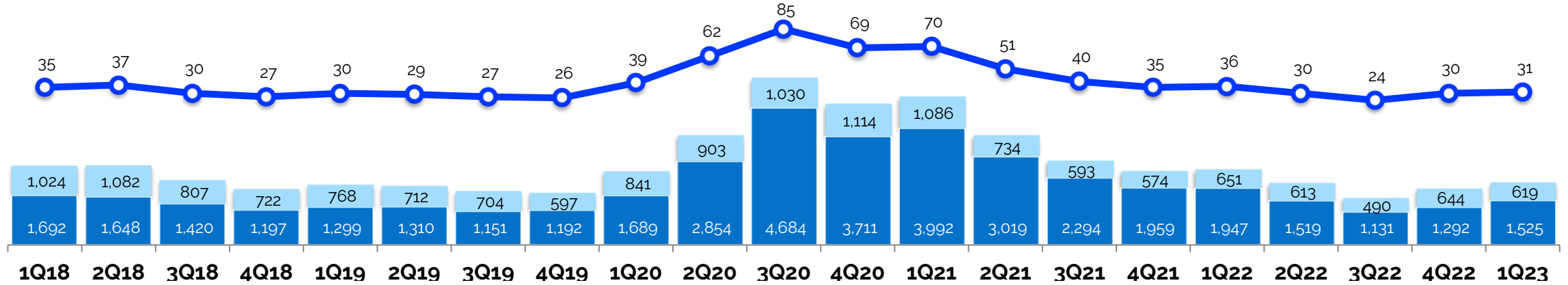


- As a result, PAT increased by 14.6% to RM56.2 million in 1Q 2023 as compared to 4Q 2022

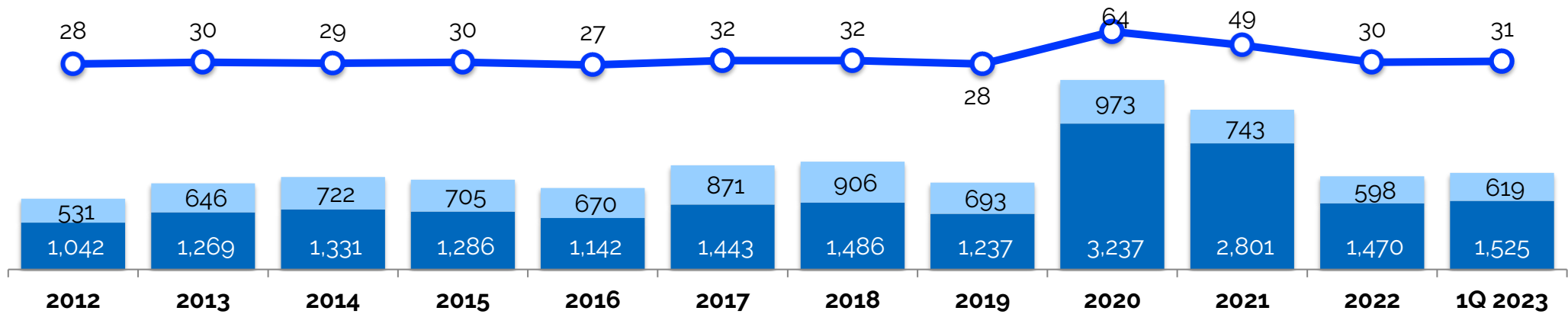


Securities Market Trading Activity

Quarterly ADV Traded (Shariah-compliant and Shariah non-compliant) & Velocity



Annual ADV Traded (Shariah-compliant and Shariah non-compliant) & Velocity



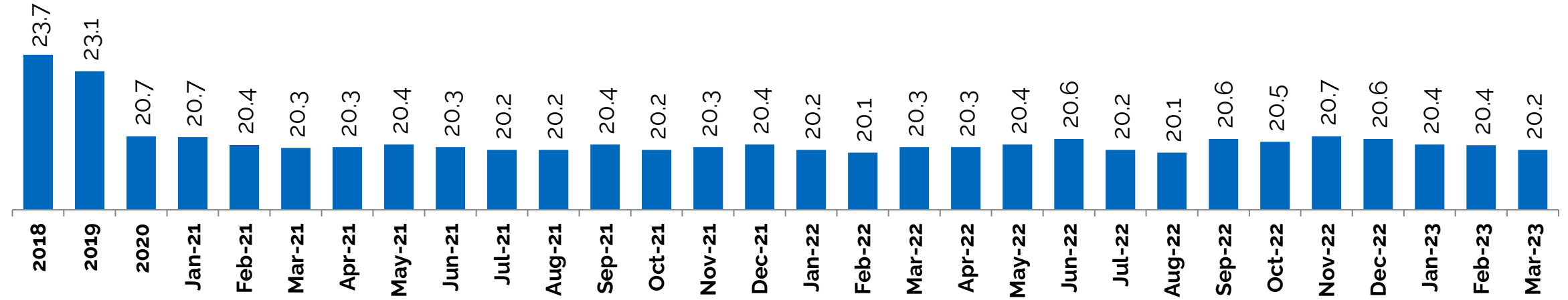
○ Velocity (%)

■ Shariah-compliant ADV (RM mil)

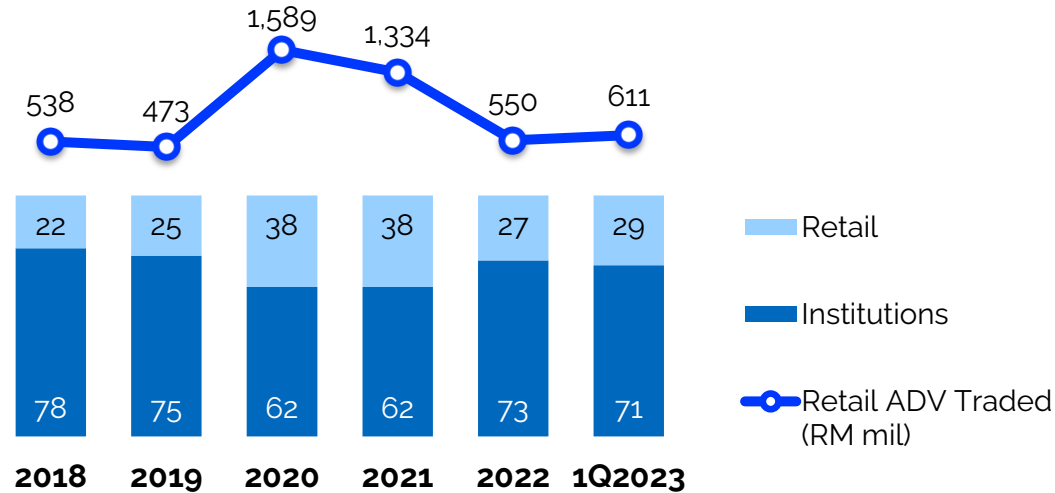
■ Shariah non-compliant ADV (RM mil)

Securities Market Participation

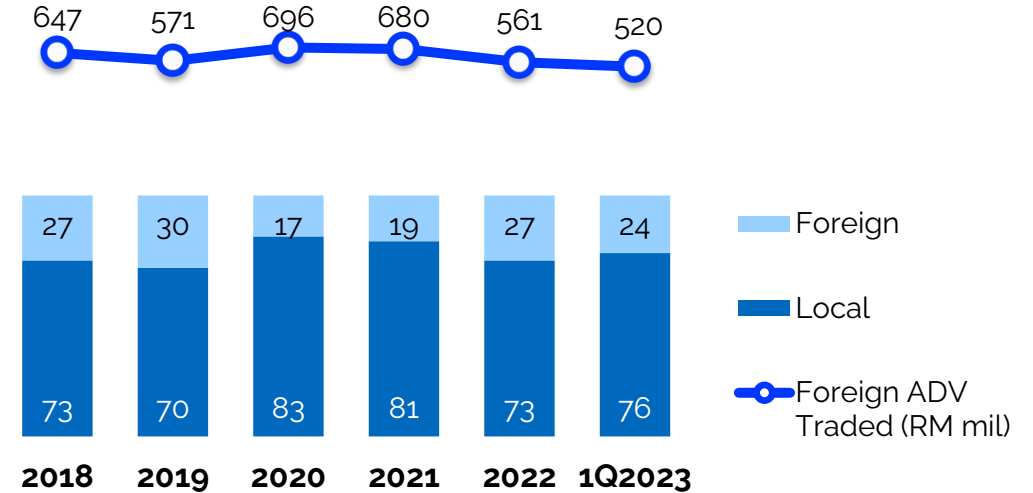
Securities Market Foreign Ownership Based on Market Capitalisation (%)



Retail vs. Institution

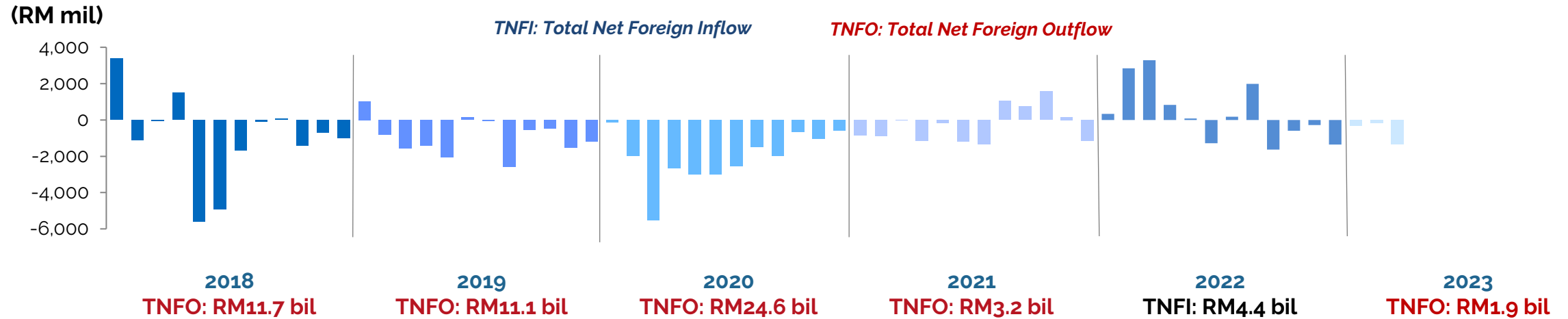


Foreign vs. Local

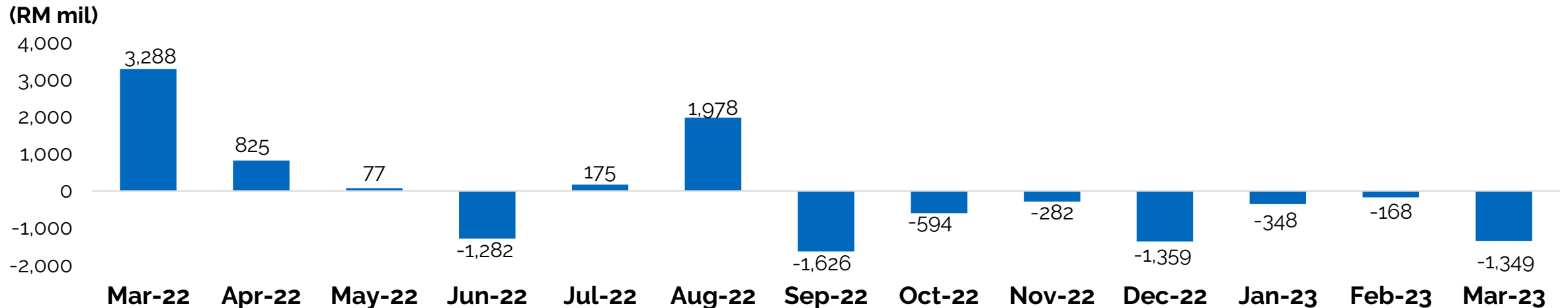


Foreign Inflow/Outflow

Monthly foreign inflow/outflow from 2018 to YTD 2023

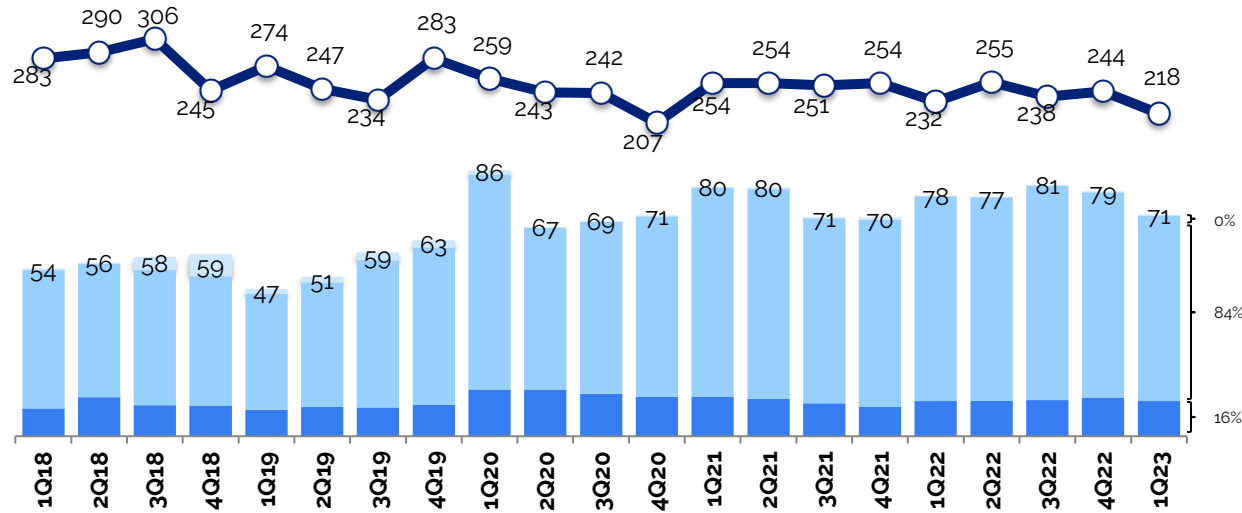


Monthly foreign inflow/outflow from Mar 2022 to Mar 2023

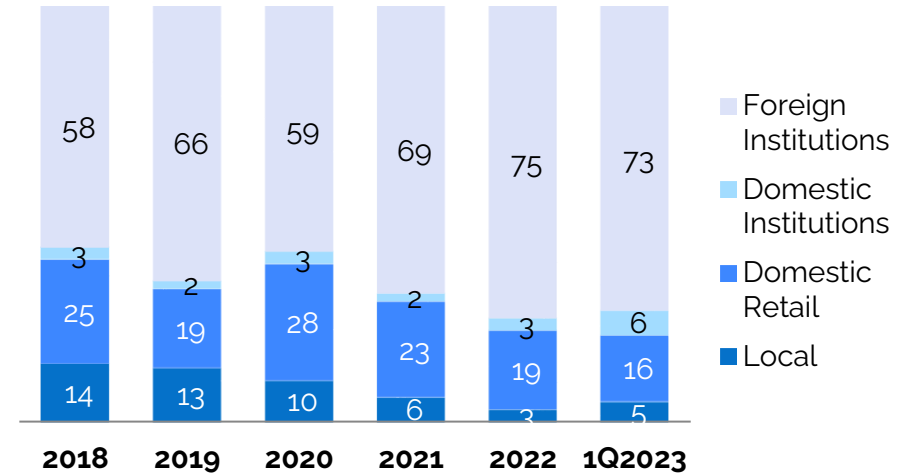


Derivatives Market Activity

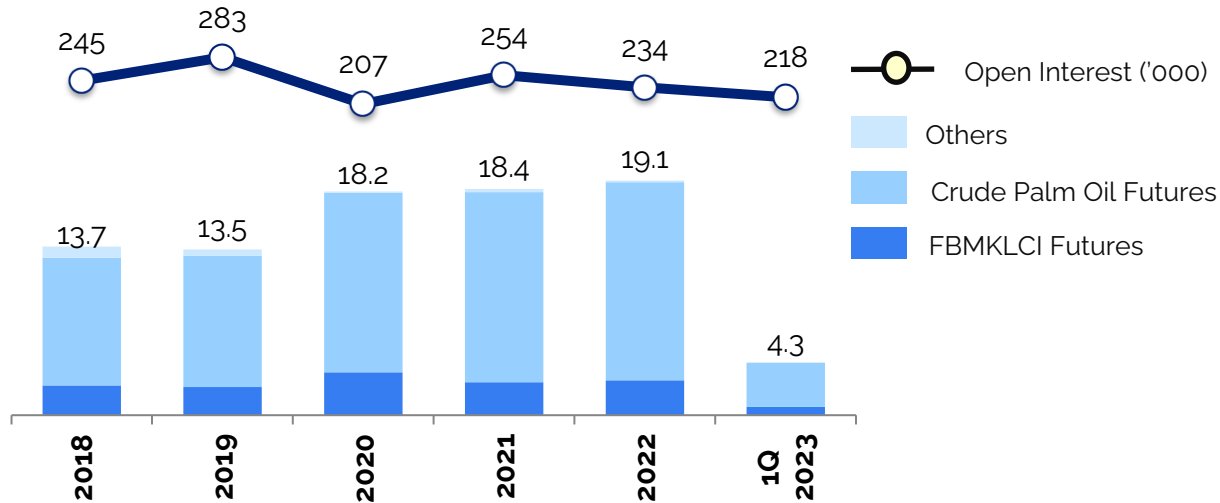
Quarterly Average Daily Contracts ('000)



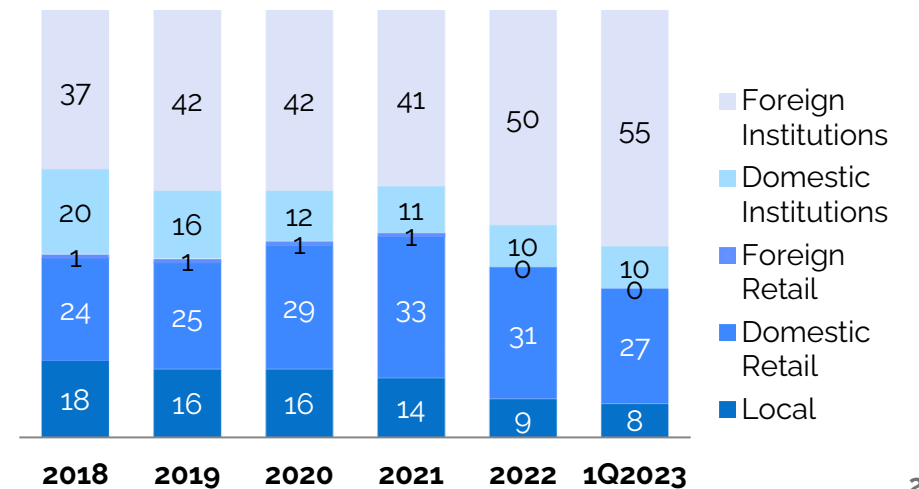
FKLI Demography (%)



Total Annual Contracts (mil)



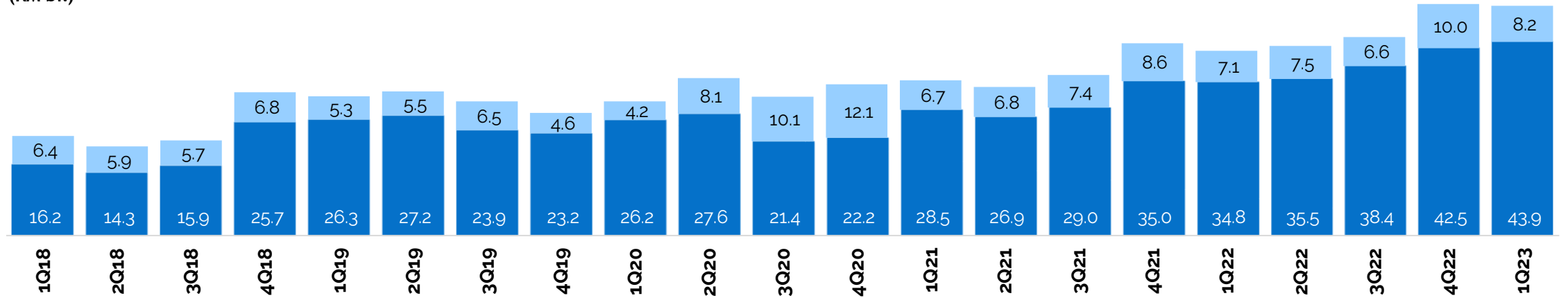
FCPO Demography (%)



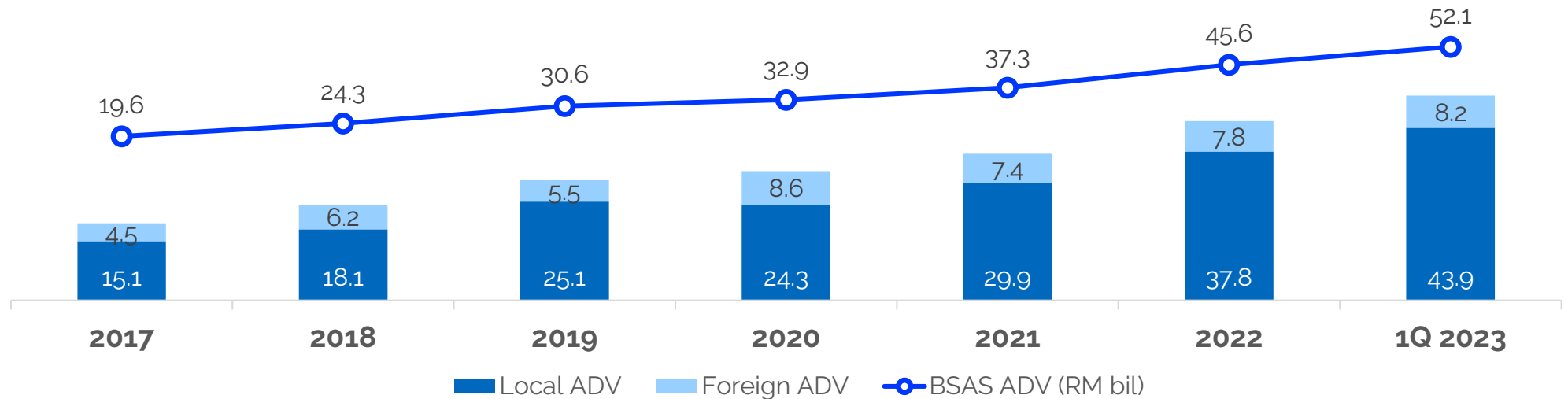
BSAS Activity

BSAS Quarterly Average Daily Value

(RM bil)



BSAS Annual Average Daily Value



Local ADV Foreign ADV BSAS ADV (RM bil)

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