

MEDIA RELEASE

**BURSA MALAYSIA ANNOUNCES RM127.4 MILLION PROFIT AFTER TAX AND ZAKAT
FOR THE FIRST HALF OF 2022**

Declares interim dividend of 15 sen per share

Key Financial & Market Highlights (1H2022 vs 1H2021)
• Profit After Tax and Zakat at RM127.4 million, decreased by 39.4%
• Annualised Return On Equity at 31%, decreased by 17 percentage points
• Basic earnings per share at 15.7 sen, decreased by 10.3 sen
• Operating revenue at RM309.4 million, decreased by 26.4%
• Operating expenses at RM143.2 million, decreased by 1.9%
• Cost-to-income ratio at 45%, increased by 11 percentage points
• Average daily trading value for Securities Market's on-market trades at RM2.37 billion, decreased by 46.4%
• Market capitalisation as at 30 June 2022 at RM1.6 trillion, decreased by 5.4%
• Securities Market velocity at 33%, decreased by 28 percentage points
• Average daily contracts traded for Derivatives Market at 77,301 contracts, decreased by 3.4%
• Average daily trading value for BSAS at RM42.4 billion, increased by 23.1%

Kuala Lumpur, 28 July 2022 - Bursa Malaysia Berhad (“Bursa Malaysia” or the “Exchange”) recorded a Profit After Tax and Zakat (“PAT”) of RM127.4 million for the first half ended 30 June 2022 (“1H2022”), a 39.4% decrease from RM210.4 million reported in the previous corresponding half ended 30 June 2021 (“1H2021”). The decrease in PAT is due to lower operating revenue by 26.4% to RM309.4 million from RM420.2 million in 1H2021, primarily caused by a decline in securities trading revenue. Meanwhile, total operating expenses saw a 1.9% decrease to RM143.2 million in 1H2022, compared to RM146.1 million in 1H2021.

The Board of Directors approved and declared an interim dividend of 15 sen per share for financial year ending 31 December 2022, amounting to approximately RM121.4 million. This represents a payout ratio of 95.3%, higher than the payout ratio for 1H2021, which was at 92.3%.

“The weaker revenue stream has been influenced by domestic and global developments including global inflationary pressures, which resulted in a decline in profit for 1H2022 as



compared to 1H2021. Due to these factors, PAT had declined 39.4% to RM127.4 million as compared to 1H2021,” said Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia.

For 1H2022 under review, the Securities Market registered a trading revenue of RM147.2 million, a decrease by 44.7% compared to RM266.1 million in 1H2021. This is due to lower Average Daily Trading Value (“ADV”) for Securities Market’s On-Market Trades (“OMT”) and Direct Business Trades (“DBT”) in 1H2022 of RM2.46 billion against RM4.51 billion in 1H2021. Trading velocity in 1H2022 was lower by 28 percentage points to 33% compared to 61% in 1H2021. However, funds raised through Initial Public Offerings (“IPOs”) in 1H2022 totalled RM2.1 billion, which was much higher than RM0.4 billion raised in 1H2021.

Total derivatives trading revenue increased by 6.2% to RM47.7 million in 1H2022 from RM44.9 million in 1H2021, contributed by higher collateral management fees earned in 1H2022 despite recording lower Derivatives Market Average Daily Contracts (“ADC”). The ADC in 1H2022 fell 3.4%, with 77,301 contracts in 1H2022 compared to 80,061 contracts in 1H2021.

As for the Islamic Markets, higher trading activity in Bursa Suq Al-Sila’ (“BSAS”) resulted in an increase of trading revenue by 14.4% to RM7.6 million in 1H2022, from RM6.7 million in 1H2021. The Exchange will continue to actively engage with its participants and continue to develop new Shariah compliant products, such as the Digital Gold Dinar, aimed at meeting the demand of investors.

Driven by the higher number of subscribers in 1H2022, the market data business showed a 18.3% increase in revenue, closing 1H2022 with a total of RM31.2 million, compared to RM26.4 million in 1H2021.

“Taking into account the World Bank’s forecasted Malaysian economic growth of 5.5% driven by higher consumption demand, we expect the number of new listings to remain strong in the second half of 2022. We will continue to enhance the attractiveness of the existing listed issuers through our Public Listed Companies Transformation Programme,” concluded Datuk Umar.

“To generate more trading activity, we will continue to actively engage with existing and potential market participants. Further, to meet the demands of investors as well as creating a more conducive Islamic capital market ecosystem, we will continue to develop new Shariah-compliant products such as the Digital Gold Dinar and a Shariah-compliant Voluntary Carbon Market, in line with our Sustainable and Responsible Investment (“SRI”) and Environmental Social Governance (“ESG”) agenda.”

The financial results for 1H2022 are available on Bursa Malaysia's website at www.bursamalaysia.com.

Financial results	1H2022 (RM million)	1H2021 (RM million)	Percentage change (%)
Operating revenue	309.4	420.2	(26.4)
Other income	7.8	8.2	(5.5)
Total revenue	317.2	428.4	(26.0)
Staff costs	(78.0)	(82.0)	(4.9)
Depreciation and amortisation	(12.7)	(10.5)	20.7
Other operating expenses	(52.5)	(53.6)	(1.9)
Profit from operations	174.0	282.3	(38.4)
Finance costs	(0.3)	(0.3)	-
Profit before tax and zakat	173.7	282.0	(38.4)
Income tax expense	(46.3)	(71.6)	(35.5)
PAT	127.4	210.4	(39.4)

About Bursa Malaysia

Bursa Malaysia is an Exchange holding company incorporated in 1976 and listed in 2005, and has grown to be one of the largest bourses in ASEAN today. Bursa Malaysia operates and regulates a fully-integrated exchange offering a comprehensive range of exchange-related facilities, and is committed to *Creating Opportunities, Growing Value*. Learn more at www.bursamalaysia.com.

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