

## MEDIA RELEASE

### BURSA MALAYSIA REPORTS FY2021 PROFIT AFTER TAX AND ZAKAT OF RM355 MILLION

Key Financial & Market Highlights
• Profit After Tax and Zakat at RM355.3 million, decreased by 6.0%
• Return On Equity at 41%, decreased by 4 percentage points
• Basic earnings per share at 43.9 sen, decreased by 2.8 sen
• Operating revenue at RM751.6 million, decreased by 3.5%
• Operating expenses at RM288.6 million, decreased by 1.1%
• Cost-to-income ratio at 38%, increased by 1 percentage point
• Average daily trading value for Securities Market's on-market trades at RM3.5 billion, decreased by 15.9%
• Market capitalisation as at 31 December 2021 at RM1.8 trillion, decreased by 1.5%
• Securities Market velocity at 49%, decreased by 15 percentage points
• Average daily contracts traded for Derivatives Market at 75,178 contracts, increased by 2.3%
• Average daily trading value for BSAS at RM37.3 billion, increased by 13.2%

**Kuala Lumpur, 28 January 2022** - Bursa Malaysia Berhad ("Bursa Malaysia" or the "Exchange") recorded a Profit After Tax and Zakat ("PAT") of RM355.3 million for the financial year ended 31 December 2021 ("FY2021"), a 6.0 percent decrease from the RM377.7 million reported in the previous financial year ended 31 December 2020 ("FY2020"). This is mainly due to lower operating revenue of RM751.6 million in FY2021 compared to RM778.8 million in FY2020, a decrease of 3.5 percent. The total operating expenses in FY2021 was lower by 1.1 percent at RM288.6 million against RM291.8 million in FY2020.

The Board of Directors approved and declared a final dividend of 17 sen per share, amounting to approximately RM137.6 million. This brings the total dividend payout for FY2021 to 41 sen per share, which includes the interim dividend of 24 sen paid out in August 2021.

“The Exchange demonstrated great resilience and performed well throughout the year, notwithstanding that FY2021 proved to be a challenging year globally” commented Tan Sri Abdul Wahid Omar, Chairman of Bursa Malaysia. “We continued to witness active trading for securities on our stock exchange, at an average daily trading value of RM3.5 billion. In addition, we recorded 30 IPOs in FY2021 compared to only 19 in FY2020, which raised a total of RM2.7 billion. These numbers are testaments that companies and investors are confident in the Malaysian capital market and the Exchange as a platform for their fundraising and investing needs.”

For FY2021, the Securities Market registered a trading revenue of RM442.9 million compared to RM498.9 million in FY2020, a decrease of 11.2 percent due to lower average daily trading value (“ADV”) for on-market transactions and direct business transactions. The 20.1 percent increase in new structured warrants listed resulted in a total of 1,451 new structured warrants, which contributed to the increase in listing and issuer services revenue by 24.3 percent to RM70.8 million while depository services revenue rose by 18.3 percent to RM58.2 million from RM49.2 million in FY2020.

Despite a record high of 18.4 million total contracts traded in 2021 surpassing the previous high of 18.2 million total contracts registered in 2020, the Derivatives Market trading revenue decreased by 4.1 percent to RM87.3 million in FY2021 from RM91.1 million in FY2020. This was attributed to the lower number of FKL1 contracts traded in 2021, which attracts higher trade fee. The lower collateral management fees earned subsequent to the reduction in the fee rate to 0.5 percent from 1.0 percent effective July 2020 also contributed to the decrease in the trading revenue. The FCPO contract continued to be actively traded, recording a strong performance of 15.6 million total contracts traded in year 2021, breaking the previous record of 14.6 million total contracts traded, an increase of 6.9 percent.

The Bursa Suq Al-Sila’s (“BSAS”) trading revenue increased by 6.7 percent to RM14.0 million in FY2021 from RM13.1 million in FY2020 as a result of the increase in the ADV by 13.2 percent to RM37.3 billion from RM32.9 billion in FY2020, contributed by the local participants. Trading activity on BSAS is expected to maintain its growth momentum in 2022 as a result from its system enhancements and continuous promotion to new customers.

Market data revenue increased by 12.2 percent to RM54.0 million in FY2021 from RM48.1 million in FY2020, contributed by higher numbers of subscribers. Member services and connectivity revenue increased by 14.8 percent to RM24.2 million in FY2021, from RM21.1 million in FY2020.

“The Securities Market continues to show long-term growth and provides compelling investment opportunities,” said Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia. “As for the Derivatives Market, we will explore new products while revamping existing ones in order to meet the evolving needs of market participants while enhancing its attractiveness to global players.”

“We will continue efforts to expand our Islamic Capital Market by developing new Shariah-compliant products and services, creating greater alignment between Shariah investing and Sustainable and Responsible Investment, while exploring product expansion across the value chain of Islamic wealth management solutions,” added Datuk Umar.

“In line with Malaysia’s goal to become a carbon neutral country as early as 2050, we will increase efforts in advocating ESG practices and climate action initiatives in 2022, as well as in building a vibrant and sustainable marketplace,” commented Tan Sri Abdul Wahid Omar. “As pledged in September of last year, the Exchange is working to achieve carbon neutrality by 2022 and net zero emissions by 2050 across its entire operations. Further, to support the country’s transition towards a low carbon economy, we are working with various industry experts on the establishment of a Voluntary Carbon Market and will soon formalise an Industry Working Group to provide insights on implementation strategies that are vital for the creation of a sustainable voluntary carbon market ecosystem.”

Significant progress was made on a number of key market development initiatives in FY2021, which included the launch of the Derivatives Market After-Hours (“T+1”) Night Trading Session and the East Malaysia Crude Palm Oil Futures (FEPO), the FTSE4Good Bursa Malaysia Shariah Index, as well as the successful completion of several proof of concepts such as the dematerialisation of structured warrants. The Exchange’s efforts were also duly recognised by numerous independent awards, among which were the Exchange of the Year and Outstanding Project Award for Bursa Anywhere by Regulation Asia Excellence Award 2021, and the Best Stock Exchange for Islamic Listings by Islamic Finance News Awards 2021.

The financial results for FY2021 are available on Bursa Malaysia's website at [www.bursamalaysia.com](http://www.bursamalaysia.com)

Financial results	FY2021 (RM million)	FY2020 (RM million)	Percentage change (%)
Operating revenue	751.6	778.8	(3.5)
Other income	15.9	20.1	(21.1)
Total revenue	767.5	798.9	(3.9)
Staff costs	(157.9)	(155.6)	1.5
Depreciation and amortisation	(22.0)	(21.4)	2.8
Other operating expenses	(108.6)	(114.8)	(5.4)
Profit from operations	479.0	507.1	(5.6)
Finance costs	(0.5)	(0.5)	(0.9)
Profit before tax	478.5	506.6	(5.6)
Income tax expense and zakat	(123.2)	(128.9)	(4.4)
<b>PAT</b>	<b>355.3</b>	<b>377.7</b>	<b>(6.0)</b>

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### 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](http://www.bursamalaysia.com).

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