

MEDIA RELEASE

BURSA MALAYSIA ANNOUNCES RM290.3 MILLION PROFIT AFTER TAX AND ZAKAT FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021

Key Financial & Market Highlights (9M2021 vs 9M2020)
<ul style="list-style-type: none"> Profit after tax and zakat at RM290.3 million, increased by 6.4%
<ul style="list-style-type: none"> Annualised return on equity remained stable at 47%
<ul style="list-style-type: none"> Basic earnings per share at 35.9 sen, increased by 2.2 sen
<ul style="list-style-type: none"> Operating revenue at RM590.0 million, increased by 6.5%
<ul style="list-style-type: none"> Operating expenses at RM213.2 million, increased by 6.4%
<ul style="list-style-type: none"> Cost-to-income ratio remained stable at 35%
<ul style="list-style-type: none"> Average daily trading value for Securities Market's on-market trades at RM3.89 million, decreased by 2.8%
<ul style="list-style-type: none"> Market capitalisation as at 30 September 2021 at RM1.8 billion, increased by 10.0%
<ul style="list-style-type: none"> Securities Market velocity at 54%, decreased by 8 percentage points
<ul style="list-style-type: none"> Average daily contracts traded for Derivatives Market at 76,836 contracts, increased by 3.3%
<ul style="list-style-type: none"> Average daily trading value for BSAS at RM35.1 million, increased by 8.2%

Kuala Lumpur, 29 October 2021 - Bursa Malaysia Berhad ("Bursa Malaysia" or the "Exchange") recorded a Profit After Tax and zakat ("PAT") of RM290.3 million for the nine-month financial period ended 30 September 2021 ("9M2021"), a 6.4% increase from RM272.9 million reported in the previous corresponding period ended 30 September 2020 ("9M2020"). The increase in PAT is due to higher operating revenue, which grew by 6.5% to RM590.0 million from the previous corresponding period.

Meanwhile, total operating expenses in 9M2021 increased by 6.4% to RM213.2 million from RM200.4 million in 9M2020 mainly due to higher staff costs and corporate social responsibility expenditure.

Commenting on the results, Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia said, “While key economic indicators are pointing towards an improving outlook for the Malaysian economy, the ongoing developments of the COVID-19 pandemic will continue to influence the volatility and performance of the equity market.”

For the nine-month financial period under review, Securities Market registered trading revenue of RM359.9 million in 9M2021 compared to RM349.2 million in the previous corresponding period. This marks a revenue growth of 3.1% due to a higher effective clearing fee rate earned, which increased from 2.57 basis points in 9M2020 to 2.73 basis points in 9M2021 resulting from smaller-sized trades and lower market incentives. Apart from this, the higher Institutional Settlement Service fees earned also contributed to the growth.

Non-trading revenue from listing & issuer services also recorded an increase to RM52.3 million in 9M2021 as compared to RM40.1 million in the previous corresponding period. This was underpinned by the higher perusal & processing fees, initial and additional listing fees earned, which resulted from the higher number of corporate exercises and structured warrants listed in 9M2021. Other revenue streams that contributed to the growth include depository services, market data and member services & connectivity.

In the Derivatives Market, the price of the global benchmark FCPO contract reached a new historical high of RM5,071 recently, driven by the supply squeeze in the palm oil market and the strong demand for palm oil from key foreign traders in India and China. Meanwhile, total average daily contracts (“ADC”) for the Derivatives Market increased by 3.3% to 76,836 contracts in 9M2021 compared to 74,408 contracts in 9M2020. Derivatives trading revenue however, decreased by 4.9% to RM65.8 million in 9M2021 from RM69.2 million in 9M2020, mainly due to lower collateral management fees earned subsequent to the reduction in the collateral management fee rate to 0.5% effective July 2020, and lower trade fees earned from the declining FTSE Bursa Malaysia KLCI Futures (“FKLI”) contracts traded in 9M2021.

As for the Islamic Markets, trading revenue for Bursa Suq Al-Sila’ (“BSAS”) in 9M2021 increased by 4.7% to RM10.1 million from RM9.6 million in 9M2020. Trading activity on BSAS is expected to sustain its momentum for the rest of the year supported by strong trades from both local and foreign participants.

“The Exchange will continue to enhance its platform and initiatives to support the investing community in growing their wealth and managing risks against volatilities. Our recently launched Investor Relations & Public Relations Incentive Programme is expected to sustain the retail participation and attract the institutional investors through more active investor relations engagements,” added Datuk Umar. “We have also introduced the latest addition

to the Bursa Anywhere mobile application features called the electronic General Offer (eGO), which will provide convenience to retail investors, offering significant cost and time savings.”

“Despite the challenges, we are well-positioned to continue developing the marketplace and expand our ecosystem through various product offerings such as the recent introduction of the East Malaysia Crude Palm Oil Futures (FEPO) contracts. In addition, the expected roll-out of the after-hours (T+1) trading session for the Derivatives Market Night Trading by the fourth quarter of 2021 will offer greater accessibility and enhance the attractiveness of the Malaysian derivatives market to global players,” he concluded.

The financial results for 9M2021 are available on Bursa Malaysia’s website at www.bursamalaysia.com

Financial results	9M2021 (RM million)	9M2020 (RM million)	Percentage change (%)
Operating revenue	590.0	554.0	6.5
Other income	12.4	14.3	(13.6)
Total revenue	602.4	568.3	6.0
Staff costs	(119.0)	(113.3)	5.0
Depreciation and amortisation	(15.9)	(16.2)	(2.0)
Other operating expenses	(78.3)	(70.9)	10.5
Profit from operations	389.2	367.9	5.8
Finance costs	(0.4)	(0.4)	(1.0)
Profit before tax	388.8	367.5	5.8
Income tax expense and zakat	(98.5)	(94.6)	4.1
Profit after tax and zakat	290.3	272.9	6.4



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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