

GROWING THE MARKETPLACE

CREATING FUTURE VALUE



41st Annual General Meeting

28 March 2018



41ST AGM OF BURSA MALAYSIA BERHAD

**Welcome Remarks
by the Chairman,
Tan Sri Amirsham A Aziz**



Demand for Poll

- **Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.**
- **Poll is demanded by the Chairman of the meeting in accordance with Article 54(a) of the Company's Constitution.**

Poll Administrator and Scrutineers

Poll Administrator : **Tricor Investor & Issuing House Services Sdn Bhd**

Scrutineers : **Deloitte Enterprise Risk Services Sdn Bhd**

AGENDA 1

To receive the Audited Financial Statements for the financial year ended 31 December 2017 and the Reports of the Directors and Auditors thereon.

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41st Annual General Meeting

Presentation to Shareholders

28 March 2018

Datuk Seri Tajuddin Atan
Chief Executive Officer



Agenda

- 2017 FINANCIAL PERFORMANCE
- 2017 MARKET PERFORMANCE
- LOOKING AHEAD

2017 FINANCIAL PERFORMANCE

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- Financial Trends
- Growing Shareholders' Value

Financial Trends

Recorded highest operating revenue since listing

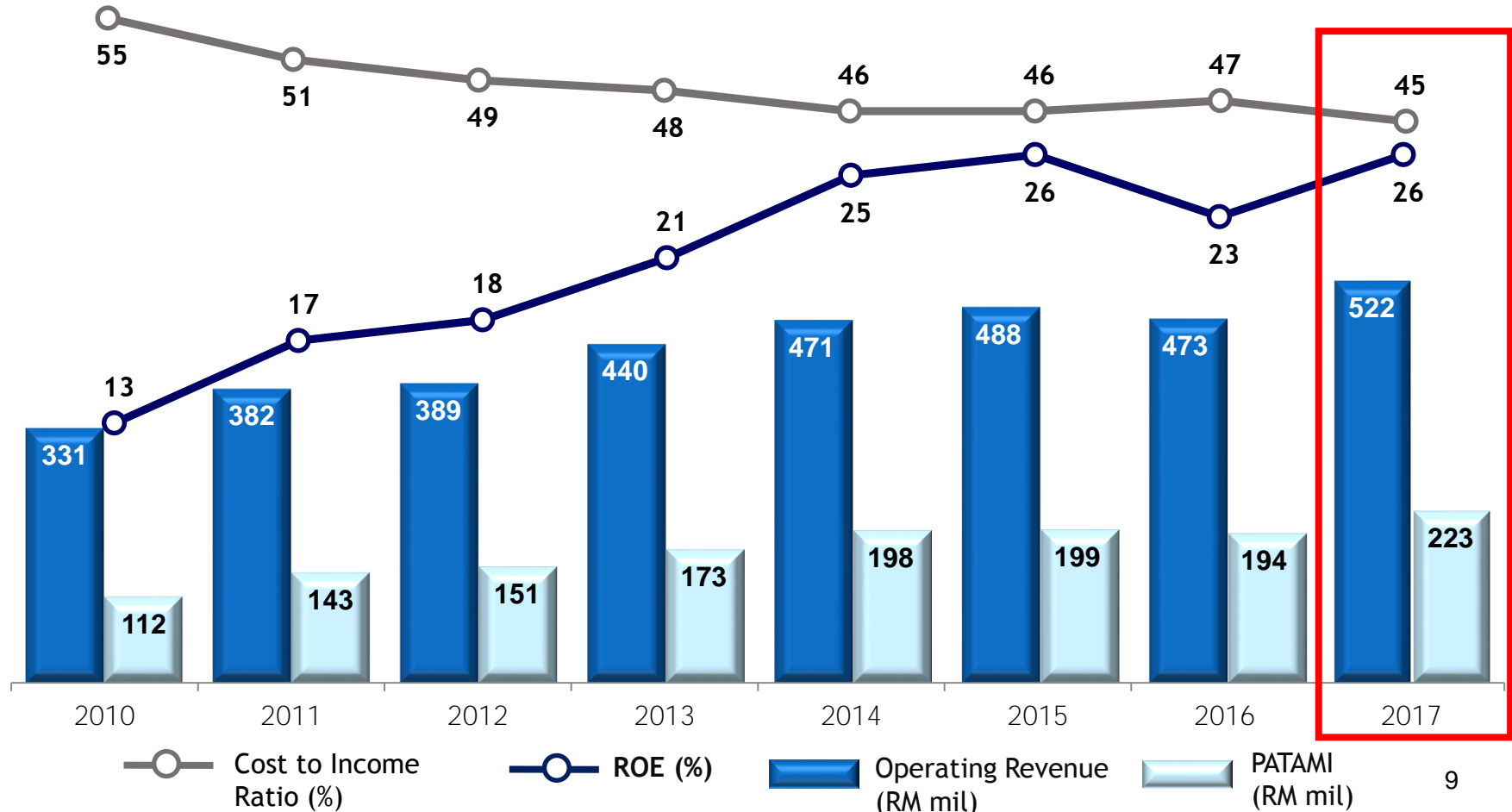
FY2017 IN BRIEF

OPERATING REVENUE
RM522m

PATAMI
RM223m

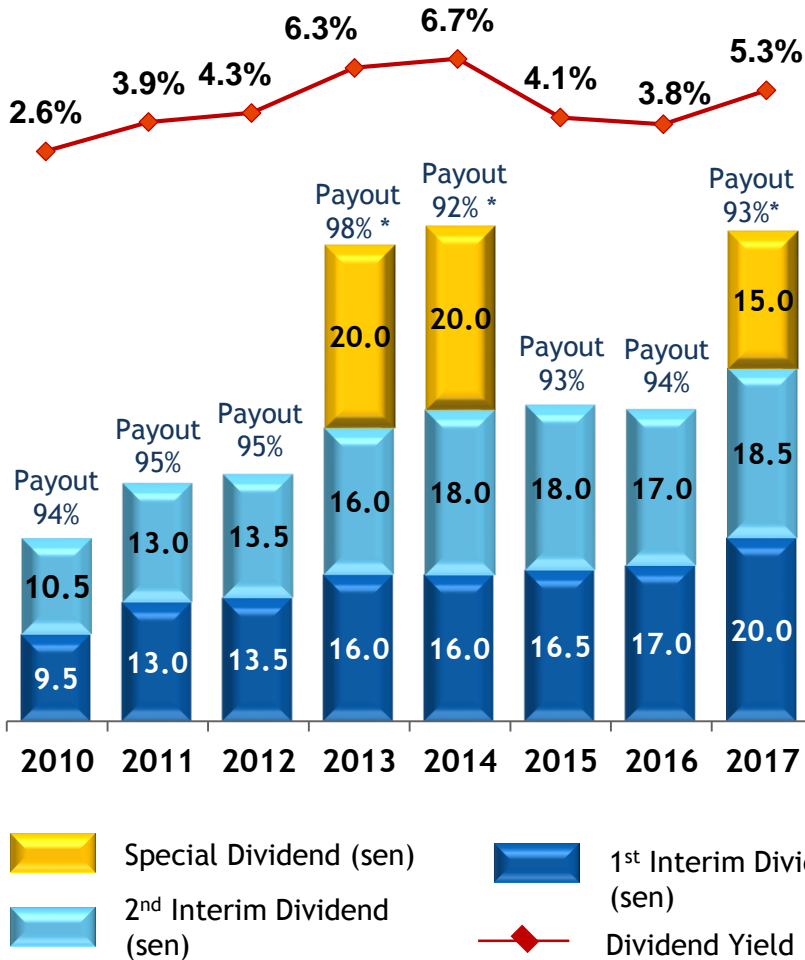
COST TO INCOME
45%

RETURN ON EQUITY
26%



Growing Shareholders' Value

Maintaining high dividend payout for our shareholders



- Bursa Malaysia's dividend payout ratio of 93% in 2017 is the highest among listed peers regionally.
- The total shareholders' return stood at 415% since its listing and 20.4% in year 2017.
- Bursa's share price has shown a steady growth from its IPO price of RM3.00.

* Exclude special dividend

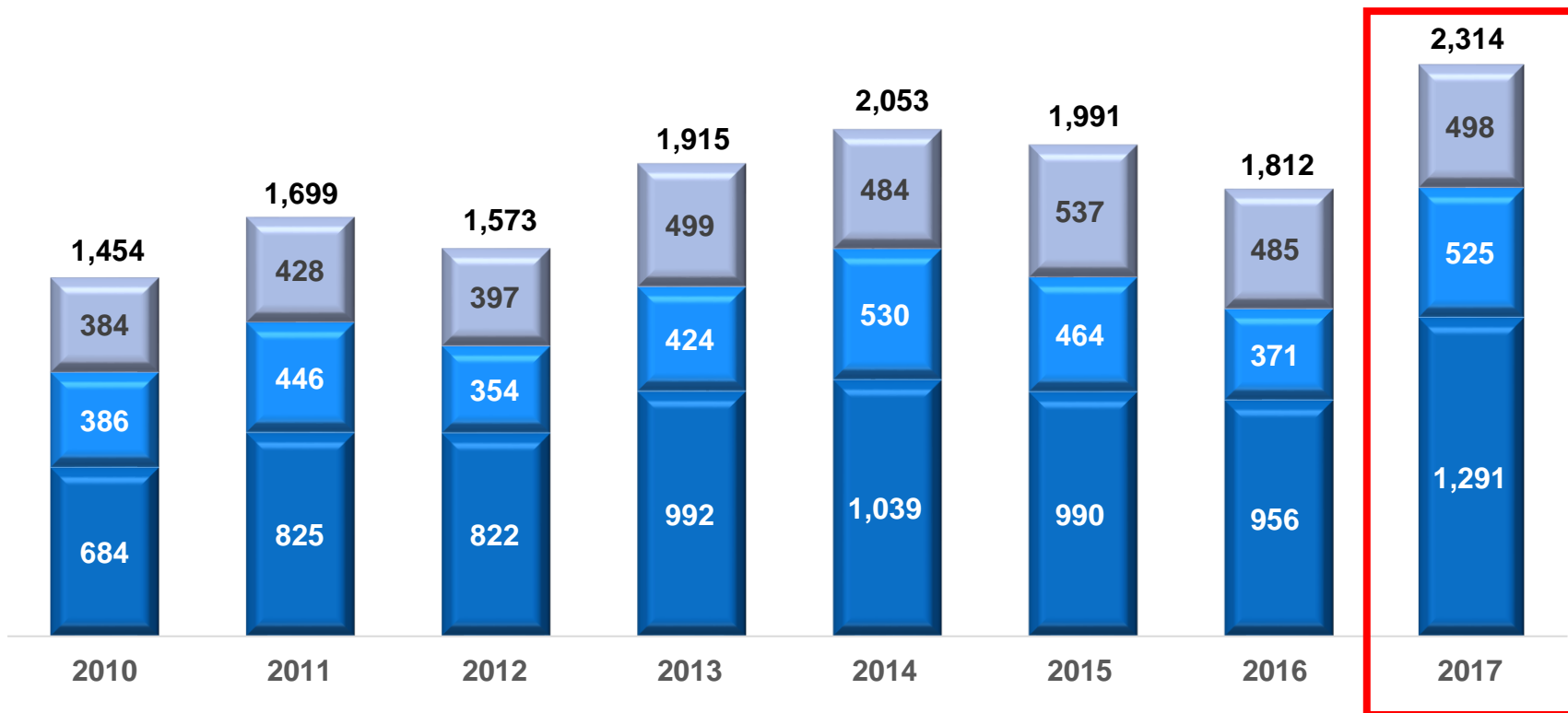
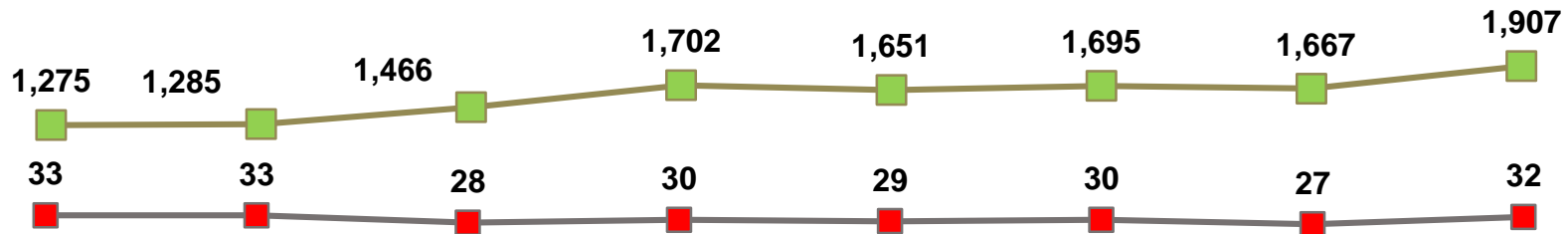
2017 Market Performance

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- Securities Market Trend
- Derivatives & Islamic Capital Markets Trend
- Initiatives
- Awards & Accolades

Securities Market Trend

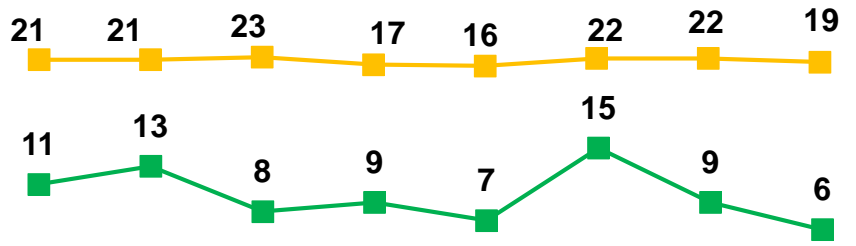
Average Daily Value (OMT) (RM mil)



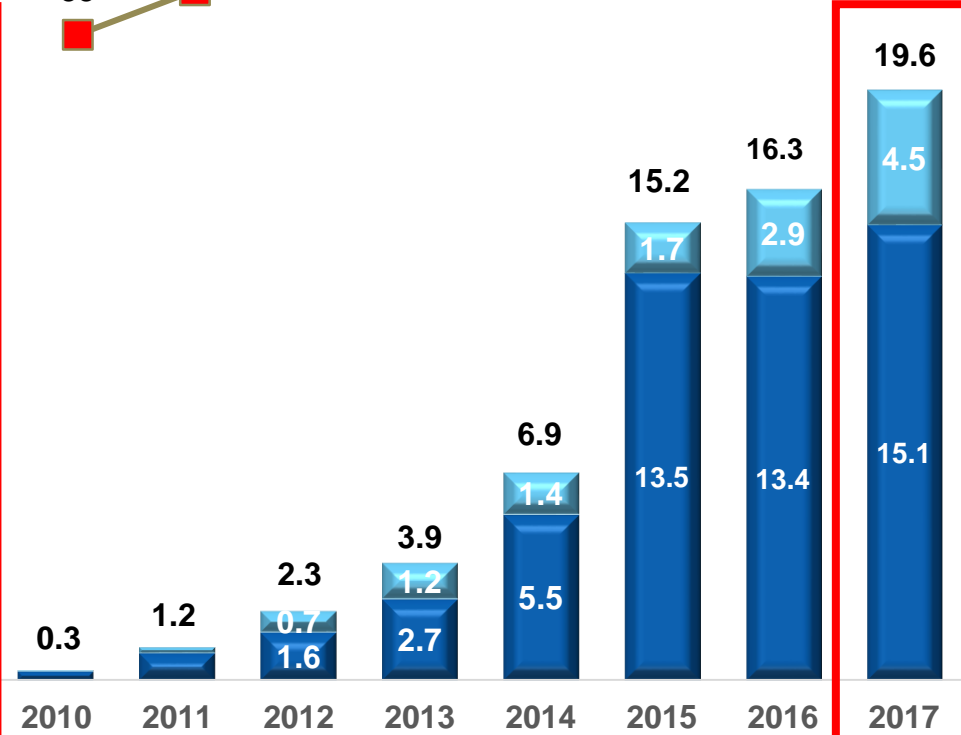
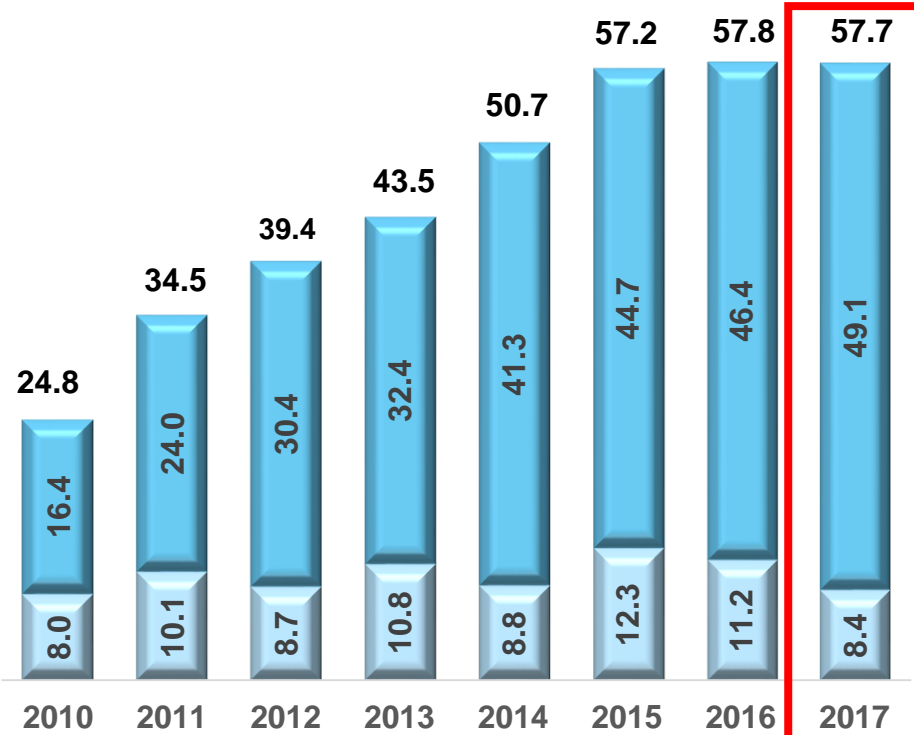
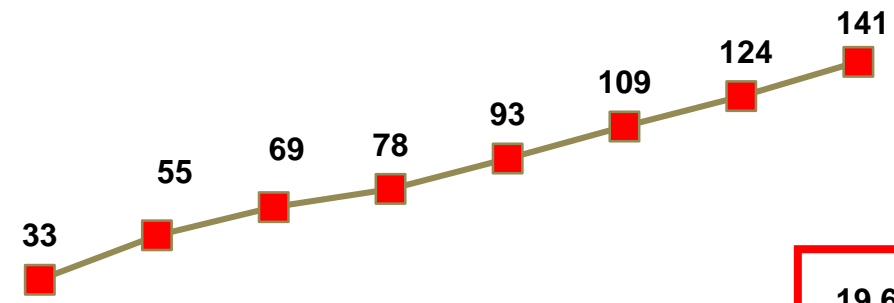
■ Velocity (%)
 ■ Market Cap (RM billion)
 ■ ADV of Foreign Institutions
 ■ ADV of Retail
 ■ ADV of Domestic Institutions

Derivatives & Islamic Capital Markets Trend

Average Daily Contracts ('000) & Volatility



Bursa Suq Al-Sila' ADV (RM bil)



■ FBMKLCI Futures ■ Crude Palm Oil Futures ■ Domestic ■ Foreign
■ Volatility of FBMKLCI Futures (%) ■ Volatility of Crude Palm Oil Futures (%) ■ No. of Trading Participants

2017 Initiatives

ECOSYSTEM

27 February

- Revised Tick Rule on Regulated Short Selling (RSS) and the Securities Borrowing and Lending - Negotiated Transactions (SBL-NT) Failed Trade Proposal Framework

23 June

- Revamped participanship structure for Bursa Malaysia Derivatives Clearing Berhad (BMDC)

24 July

- Implement settlements via RENTAS for BMDC.

13 December

- Launched the Islamic Securities Selling and Buying Negotiated Transaction (ISSBNT) framework

15 December

- Introduced new trading features to enhance flexibility in trading strategies

2017 Initiatives

PRODUCTS

26 October

- Launched Real Estate Investment Trust (REIT) Index

6 December

- Launched TradePlus Shariah Gold Tracker ETF

SERVICES

25 May

- Launched the Mid and Small Cap (MidS) Research Scheme

25 July

- Launched the Leading Entrepreneur Accelerator Platform (LEAP) for SMEs and sophisticated investors

29 August

- Launched Green Lane Policy incentive to top 30 listed companies

2017 Awards & Accolades

Bursa Malaysia ranked by:



Best Commodity Trading Platform Asia

Best Islamic Exchange Asia

Most Innovative Global End-to-End Shariah-Compliant Investing Platform Asia



Silver Award in the Finance Sector Below RM10b Market Capitalisation Category



Gold Medal Award Recipient for the "Most Innovative Non-Food & Services"



Excellence Award for Overall CG Performance

Excellence Award for Long-Term Value Creation

Excellence Award for CG Disclosure

Merit Award for Best AGM CEO of the Year



Best Islamic Exchange



Brand Excellence Islamic Securities Trading Platform Malaysia 2017: Bursa Malaysia-i - World's First End-to-End Shariah Compliant Investing Platform

Brand Excellence Islamic Commodity Trading Facilitation Platform Malaysia



Best Senior Management Investor Relations Support

Strongest Adherence to Corporate Governance

Best Annual Report in Malaysia



First End-to-End Shariah-Compliant Investment Platform

Conclusion

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➤ Looking Ahead

Looking Ahead

Strengthen the Core

Aim to provide more ASEAN-centric products.
Implementation of the T+2 settlement cycle.
Implementation of an Enterprise Data Analytics (EDA) Platform

Build Regional and Global Connectivity

Forge ties with other leading exchanges whilst positioning Malaysia as the HUB of ASEAN.
Develop strategic partnerships with exchanges and market players.

Capitalise on Technology and Information

Create 'zero distance' between investors and market participants by capitalising on new technology and digitalisation.
Focused on delivering enhanced and more cohesive end-to-end experience.

Foster a High-Performance Organisation

Recognise and continually encourage the upskilling of our human capital.
Seek to drive higher productivity, efficiency and effectiveness.

Embrace Sustainability as a Way of Life

Focused on inspiring quality sustainability practices and disclosures among PLCs.
Greater integration of sustainability across the organisation and support the Sustainable Development Goals.

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Thank you

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41st Annual General Meeting

Auditors' Report by Messrs. Ernst & Young

Dato' Megat Iskandar Shah



Questions Raised by MSWG

First Letter from MSWG dated 21 March 2018

Question 1

What is Bursa Malaysia's stand on the introduction of dual-class shares especially since your nearest competitors, Hong Kong and Singapore are introducing them?

Will the non-introduction of dual-class shares affect your attractiveness in terms of diversity of product offerings and competitiveness?

Question 2

Given the ongoing debate on the potential for conflict of Interest between your business functions and your regulatory role, are there plans to mitigate this potential for conflict of interest? What are the existing structures and processes to mitigate the risk of such conflict?

Question 3

What are the process and structures in place to ensure that shareholders complaints are resolved in a timely manner?

Questions Raised by MSWG

First Letter from MSWG dated 21 March 2018 (Cont'd)

Question 4

As stated on page 49 of the Annual Report, the government has announced several measures to stimulate the Malaysian Capital Market at the Fifth World Capital Markets Symposium on 6 February 2018 which includes, amongst others, liberalization of regulations relating to margin financing and the introduction of Intraday Short Selling for all investors.

Please brief on the progress made by Bursa in delivering these initiatives and the expected timeline.

Questions Raised by MSWG

Second Letter from MSWG dated 26 March 2018

For this forthcoming AGM, the Board has proposed a 100% increase in the Fees for the Non-Executive Chairman and Non-Executive Directors as well as introducing fixed allowances for the Chairman of some Board Committees.

We note that for the period 2009 to 2013, the increase in fees from the preceding period was 50% and for the period 2014 to 2016, the increase was 67%.

We also note that the fees were fixed for 5-year duration, i.e. 2004-2009 and 2009-2013 and the current fees were only fixed for a duration of 3 years (2014-2016).

We are of the opinion that the 100% increase is unjustifiable and therefore, would like to seek further clarification and justification as follows:-

Question 1

How was the 100% increase benchmarked against other stock exchanges and financial institutions??

Questions Raised by MSWG

Second Letter from MSWG dated 26 March 2018 (Cont'd)

Question 2

What was the relevance of comparing with other financial institutions since Bursa Malaysia is a monopoly when it comes to trading in shares compared to other financial institutions which have to compete with their peers?

Question 3

How has Bursa Malaysia performed compared to other stock exchanges in the region to justify the fee increases?

Question 4

Why was the period to revise the fees changed from a 5-year to a 3-year duration?

AGENDA 1

To receive the Audited Financial Statements for the financial year ended 31 December 2017 and the Reports of the Directors and Auditors thereon.

AGENDA 2 (Resolutions 1, 2 and 3)

To re-elect the following Directors who retire by rotation in accordance with Article 69 of the Company's Constitution and who being eligible offer themselves for re-election:

- 1) Datuk Karownakaran @ Karunakaran a/l Ramasamy
- 2) Mr. Pushpanathan a/l S.A. Kanagarayar
- 3) Datin Grace Yeoh Cheng Geok

Agenda 2 (Resolution 1)



**Re-election of
Datuk Karownakaran
@ Karunakaran a/l
Ramasamy**

Agenda 2 (Resolution 2)

Re-election of Mr. Pushpanathan a/ S.A. Kanagarayar



Agenda 2 (Resolution 3)



Re-election of **Datin Grace Yeoh Cheng Geok**

AGENDA 3 (Resolution 4)

To approve the payment of Directors' fees amounting to RM300,000 per annum for the Non-Executive Chairman and RM200,000 per annum for each of the Non-Executive Directors in respect of the financial year ended 31 December 2017.

AGENDA 4 (Resolution 5)

To approve the payment of benefits payable to the Non-Executive Chairman and Non-Executive Directors up to an amount of RM2,400,000, from 29 March 2018 until the next AGM of the Company.

AGENDA 5 (Resolution 6)

To appoint Messrs. Ernst & Young as Auditors of the Company for the financial year ending 31 December 2018 and to authorise the Board of Directors to determine their remuneration.

AGENDA 6 (Special Resolution 7)

Proposed Alteration or Amendment of the Constitution of the Company.

“THAT approval be and is hereby given to alter or amend the whole of the existing Constitution of the Company by the replacement thereof with a new Constitution of the Company as set out in Appendix A with immediate effect AND THAT the Board of Directors of the Company be and is hereby authorised to assent to any conditions, modifications and/or amendments as may be required by any relevant authorities, and to do all acts and things and take all such steps as may be considered necessary to give full effect to the foregoing.”

Any Other Business

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Briefing on Electronic Voting

28 March 2018



Tutorial on E-Voting System

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POLL VOTING

28 March 2018



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Adjourned 41st Annual General Meeting

POLL RESULTS

28 March 2018



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Conclusion of the 41st Annual General Meeting

Thank You

28 March 2018

