

42nd Annual General Meeting

28 March 2019



**CREATING OPPORTUNITIES,
GROWING VALUE**

42ND AGM OF BURSA MALAYSIA BERHAD

Welcome Remarks
by the Chairman,
Datuk Shireen Ann
Zaharah binti Muhiudeen



42ND AGM OF BURSA MALAYSIA BERHAD

Poll Administrator : Tricor Investor & Issuing
House Services Sdn Bhd

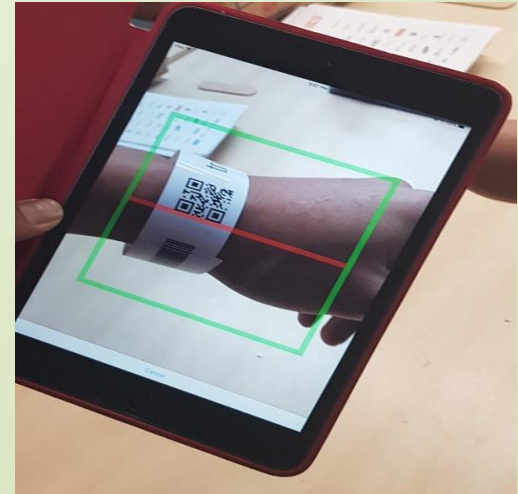
Scrutineers : Deloitte Risk Advisory
Sdn Bhd

42ND AGM OF BURSA MALAYSIA BERHAD

Briefing by Poll Administrator on e-voting:

- Tricor e-Vote App;
- Online remote voting via Tricor's TIIH Online website.

STEPS FOR VOTING VIA e-VOTE APP



1. Connect Tricolor's WIFI,
P/w-bursa1818

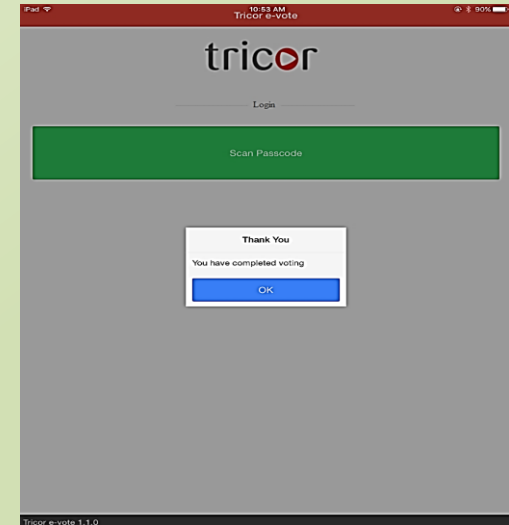
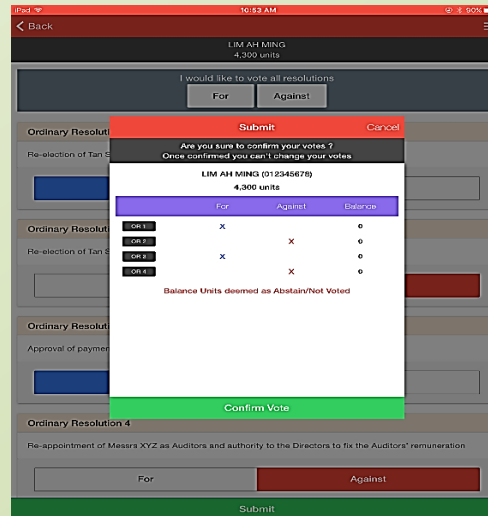
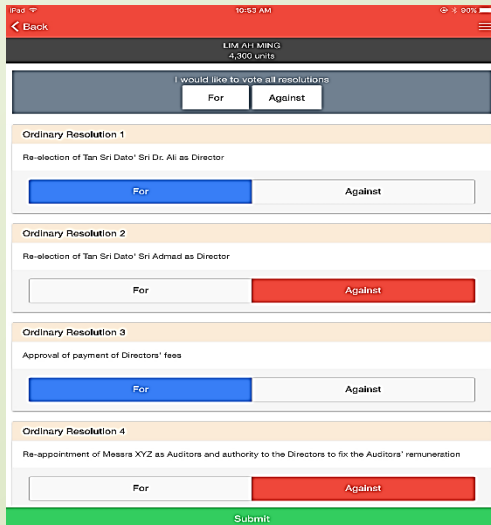
2. Open Tricolor eVote App

3. Scan Passcode

4. Cast your votes

5. Confirm your votes

6. Voting completed



STEPS FOR REMOTE VOTING



1. Login at <https://tiah.online>

4. Select CDS account

BURSA 42ND AGM (VOTING IN ABSENTIA) held at 28 Feb 2019 , 10:00 AM

Closing Date & Time 28 Feb 2019 12:00:00 PM

Corporate Event Documents

PAGE 3: SELECT CDS ACCOUNT

CDS Account No.#1	No. of Securities Held #2	No. of Securities
999-999-999999979	20,000	20,000

NOTE:
#1: Multiple CDS accounts will be consolidated. Only one CDS account representing your entire securities held is shown above.
#2: Number of securities held is based on the Record of Depositors dated: 08 Feb 2019

[← Back](#) [Vote →](#)

BURSA 42ND AGM (REMOTE VOTING)



2. Select Remote Voting

5. Cast your vote for all the resolution

BURSA 42ND AGM (VOTING IN ABSENTIA) held at 28 Feb 2019 , 10:00 AM

Closing Date & Time 28 Feb 2019 12:00:00 PM

Corporate Event Documents

No. of Securities 20,000

PAGE 4: INDICATE YOUR VOTES:

No.	Resolution(s)	For <input checked="" type="checkbox"/>	Against <input type="checkbox"/>	Abstain <input type="checkbox"/>
1	ORDINARY RESOLUTION 1	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
2	ORDINARY RESOLUTION 2	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
3	ORDINARY RESOLUTION 3	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
4	ORDINARY RESOLUTION 4	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
5	ORDINARY RESOLUTION 5	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
6	ORDINARY RESOLUTION 6	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
7	SPECIAL RESOLUTION 7	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

NOTE:
Click for the details.

Clear [← Back](#) [Next →](#)

TERMS & CONDITION AND DECLARATION

3. Read & Click Agree

6. Confirm and submit your vote

Review and Confirm

Corporate Exercise Name	BURSA 42ND AGM (VOTING IN ABSENTIA) held at 28 Feb 2019 , 10:00 AM
CDS Account No.	999-999-999999979
No. of Securities	20,000

I USER 1 (999999-99-9979) being a member of BURSA MALAYSIA BERHAD hereby submit my votes:

No.	Resolution(s)	For	Against	Abstain
1	ORDINARY RESOLUTION 1	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
2	ORDINARY RESOLUTION 2	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
3	ORDINARY RESOLUTION 3	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
4	ORDINARY RESOLUTION 4	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
5	ORDINARY RESOLUTION 5	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
6	ORDINARY RESOLUTION 6	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>
7	SPECIAL RESOLUTION 7	<input checked="" type="radio"/>	<input type="radio"/>	<input type="radio"/>

[← Back](#) [Confirm](#)

42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 1

To receive the Audited Financial Statements for the financial year ended 31 December 2018 and the Reports of the Directors and Auditors thereon.

42nd Annual General Meeting

Presentation to Shareholders

28 March 2019

Datuk Muhamad Umar Swift
Chief Executive Officer

**CREATING OPPORTUNITIES,
GROWING VALUE**

Agenda

- 2018 FINANCIAL PERFORMANCE
- 2018 MARKET PERFORMANCE
- LOOKING AHEAD

2018 FINANCIAL PERFORMANCE



**CREATING OPPORTUNITIES,
GROWING VALUE**

- Financial Trends
- Growing Shareholders' Value

Financial Trends

Continuous improvement in key financial indicators

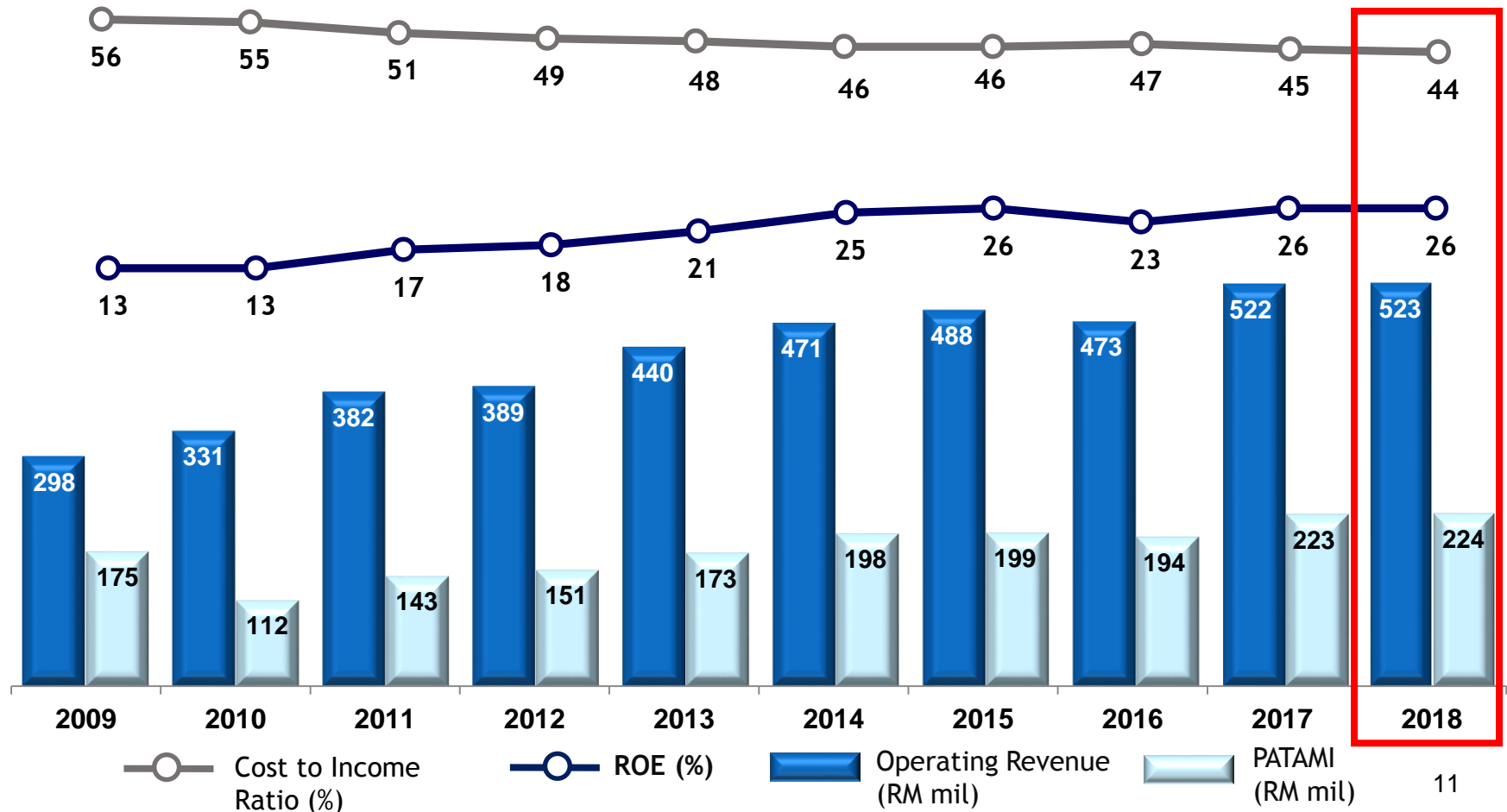
FY2018 IN BRIEF

OPERATING REVENUE
RM523m

PATAMI
RM224m

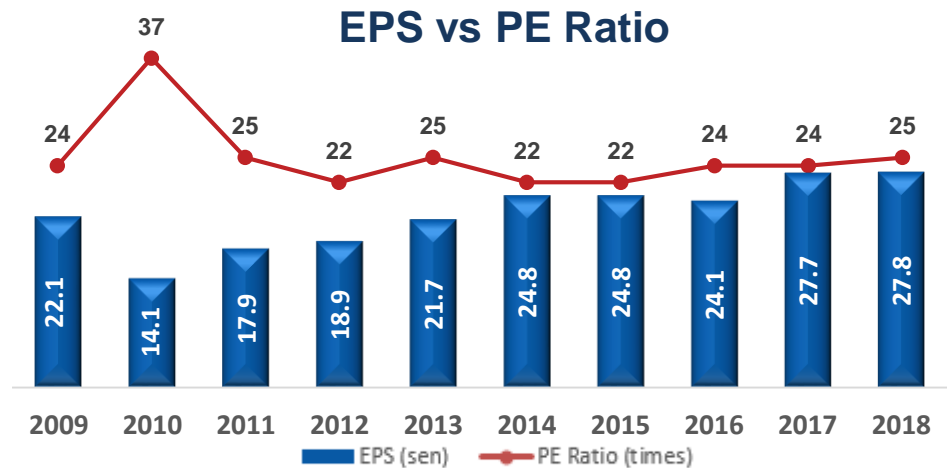
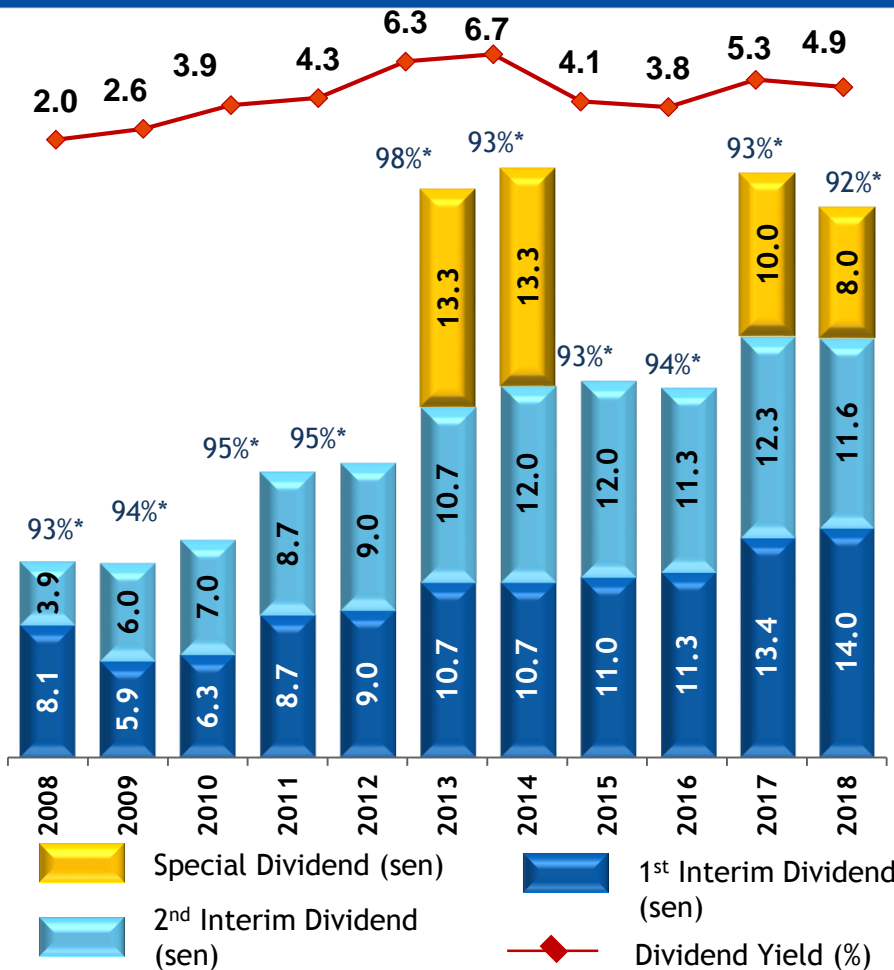
COST TO INCOME
44%

RETURN ON EQUITY
26%



Growing Shareholders' Value

Maintaining high dividend payout for our shareholders



- Bursa Malaysia's dividend payout ratio of 92% in 2018 is the highest among listed peers regionally.
- Bursa's share price has shown a steady trend throughout the years.
- Bursa's earnings per share and the price earnings ratio have also been relatively steady.

Note: Comparative figures have been adjusted to reflect the bonus issue exercise completed on 13 April 2018

* Payout Ratio (Exclude special dividend)

2018 Market Performance



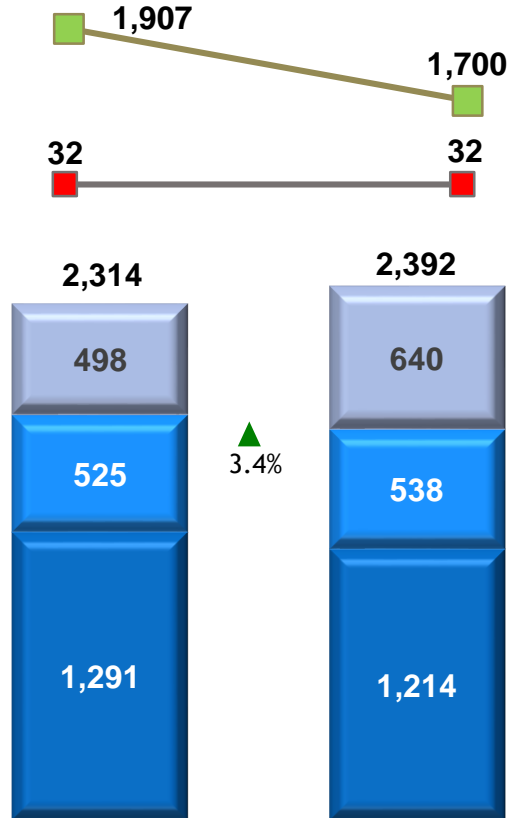
**CREATING OPPORTUNITIES,
GROWING VALUE**

- Market Trend
- 2018 Initiatives

Market Trend

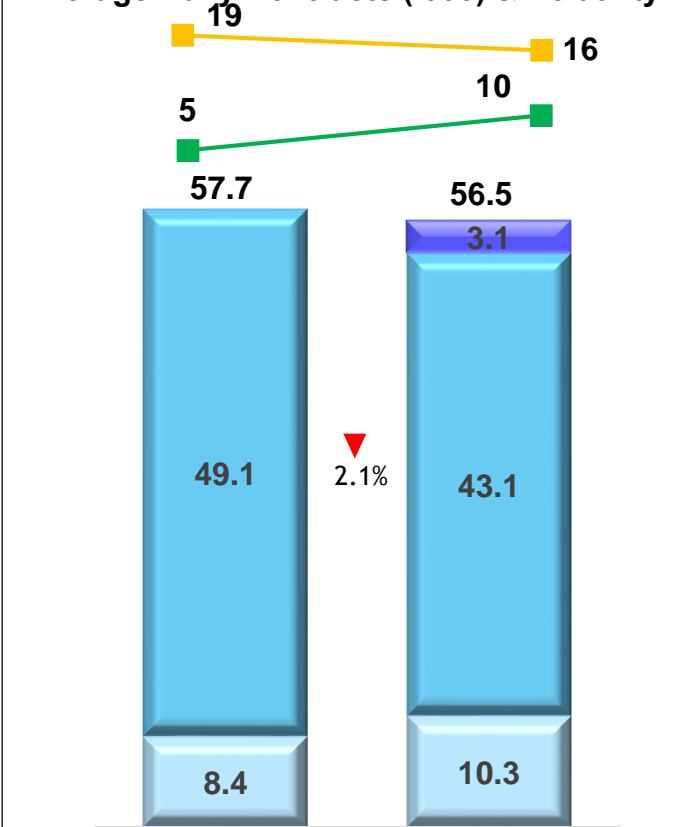
Securities Market Trend

Average Daily Value (OMT) (RM mil)



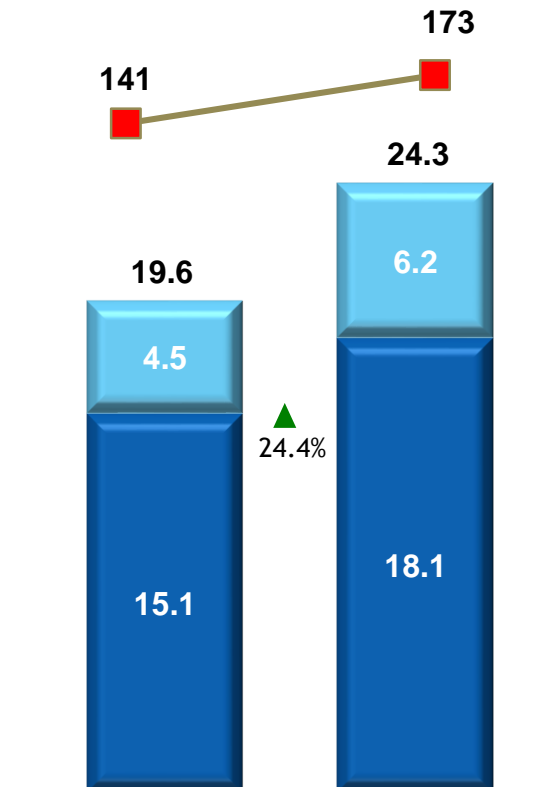
Derivatives Market Trend

Average Daily Contracts ('000) & Volatility



Islamic Capital Market Trend

Bursa Suq Al-Sila' ADV (RM bil)



2017 2018
 Velocity (%) Market Cap (RM billion)

ADV of Foreign Institutions
 ADV of Retail
 ADV of Domestic Institutions

2017 2018

Volatility of FBMKLCI Futures (%)
 Volatility of Crude Palm Oil Futures (%)
 Crude Palm Oil Futures
 FBMKLCI Futures Others

2017 2018

Domestic Foreign
 No. of Trading Participants

2018 Key Initiatives

ECOSYSTEM

21 January

- Pilot release of CDS e-Services

6 February

- Waiver on trading and clearing fees for 6 months for new individual investors
- Liberalisation of margin financing rules

1 March

- Introduction of volume-based incentive programme

16 April

- Implemented Intra Day Short Selling (IDSS) for all investor

7 December

- Enhanced ETF Framework to spur further growth and innovation in the market

2018 Key Initiatives

PRODUCTS

26 February

- Launched Revamped Crude Palm Oil Futures contract (FCPO)

24 May

- Introduced Enhanced US Dollar Denominated Palm Olein Futures Contract (FPOL)

27 August

- Launched the Mini FTSE Bursa Malaysia Mid 70 Index Futures Contract (FM70)

24 September

- Announced new sector classification and sectoral index series

SERVICES

24 April

- Launched BURSASUSTAIN, a comprehensive online portal designed as a one-stop knowledge and information hub on corporate governance and sustainability

23 November

- Expanded Green Lane incentives to reward companies for good corporate governance and disclosure practices

Conclusion



**CREATING OPPORTUNITIES,
GROWING VALUE**

> Moving Forward

Moving Forward

Strengthen the Core

Enhance the depth and breadth of the ecosystem.
Implementation of the T+2 settlement.
Implementation of a modernised post-trade infrastructure.

Regional and Global Connectivity

Position Malaysia as gateway to ASEAN.
Build regional alliances and links with Global Exchanges for cross-border activities.

Capitalise on Technology and Information

Modernise core systems that form the backbone of Bursa's business.
Structure Bursa Malaysia towards becoming a data-driven organisation that leverages on the abundance of data.

Fostering a High-Performance Organisation

Focus on building a data-driven culture, encourage a growth mindset and inculcate a sense of accountability to enable the workforce to meet current and future challenges.

Sustainability as a Way of Life

Lead by example in practising the highest levels of corporate governance and sustainability. Incorporate best international practice in reporting standards, in assessing the material impact of activities, and in encouraging sustainability-focused thinking within the organisation.

Thank You



**CREATING OPPORTUNITIES,
GROWING VALUE**

42nd Annual General Meeting

Independent Auditors' Report to the Members of Bursa Malaysia Berhad

by

Dato' Megat Iskandar Shah bin
Mohamad Nor

Partner

Messrs. Ernst & Young

**CREATING OPPORTUNITIES,
GROWING VALUE**

REPLY TO MSWG Q1

Question:

In 2018, under its surveillance activities, 4 listed companies had appointed special auditors/ legal advisers to look into the issues highlighted by Bursa (pages 14-15 Governance & Financial Reports 2018 (“GFR”)).

What are these issues, the latest status of these cases and related action taken to uphold investor protection and market integrity?

Answer:

The issues related to certain corporate exercises and director(s) conduct for which the directors of these companies had appointed independent third party (i.e. special auditors/legal advisers) to look into the issues/ concerns as raised by Bursa. To-date, of the 4 appointments, 3 had completed their undertakings, and the respective companies had communicated that the concerns raised had been addressed including enhancing weak governance processes noted from the undertaking. As for the fourth appointment, this involved a special audit exercise which is still on-going.

Depending on the type of findings, Bursa may take the necessary actions to uphold investor protection and market integrity.

REPLY TO MSWG Q2

Question:

We refer to page 30 of the Integrated Annual Report on the performance of the Leap Market since its launching in 2017 with a total of 13 companies listed on the platform as at end 2018.

Since SME growth remains a key national agenda, what measures are you taking to further spur the interest of potential SMEs issues in 2019?

Answer:

In 2019, Bursa will continue its collaboration with Ministry of Entrepreneur Development to promote listings on Bursa Malaysia, targeted at SMEs to fund their business growth. Bursa is currently working on several initiatives to further strengthen the framework. Subject to approval from the Securities Commission, the initiatives include:

- Development of framework for transfer of listing from the LEAP Market to ACE and the Main Markets;
- Further expansion of advisers pool; and
- Facilitation towards easier access by sophisticated investors as well as expansion of investors pool.

In this respect, we will continuously engage the industry for their feedbacks to remove any impediments in growing and strengthening the LEAP market.

REPLY TO MSWG Q3

Question:

On page 15 of the GFR, Bursa undertook a review of the sustainability disclosures of RM1B & more listed companies on a sampling basis in 2018. **What are the key findings arising from the review?**

In the same year, Bursa had also reviewed listed companies with market capitalization below RM1 billion and those in the ACE market. **What is the outcome from Bursa's engagement with this group this year and business strategy going forward?**

Answer:

Bursa had conducted the review of the sustainability disclosures by relevant:-

- large companies with market capitalisation of RM2 billion and above (RM2B PLCs); and
- smaller companies with market capitalisation of RM1 billion to below RM2 billion (RM1B PLCs).

Based on the review, it was generally found that these companies had:-

- An overall average compliance level of approximately 90% in the areas assessed.
- However, in terms of quality of disclosures the same listed companies had an average score of about 50%.

Continued...

REPLY TO MSWG Q3 (cont'd)

Answer (cont'd):

The listed companies with market capitalization of below RM1 billion and constituents of the ACE Market are required to issue their sustainability statements for financial year ending 2018 in 2019. In 2018, Bursa had placed its focus in preparing these companies via engagements and advocacy. The sustainability disclosure review exercise for these companies is expected to be initiated only in 2019 after issuance of their sustainability statement.

To date, we have achieved material progress in this area vis a vis our listed companies as evidenced from, amongst others, the increase in number of PLCs in our FTSE4Good Bursa Malaysia Index which has grown to 56 from 24 in 2014. Notwithstanding, we aim to further elevate the sustainability/ESG practices as well as disclosures of our listed companies and will continue exploring and implement various strategies and initiatives including through our BURSASUSTAIN as well as engagements, collaborations and education on our own or with external parties/key influencers.

REPLY TO MSWG Q4

Question:

On your Sustainability Report 2018, page 2, we note that the Report has not been externally assured. Do you intend to have your Report externally assured and if so, by when?

Answer:

We have adopted a phased implementation of integrated reporting (<IR>). This year we have produced our first Integrated Annual Report. Our Sustainability Report 2018 (SR2018) is only the 2nd report that we have prepared in accordance with the GRI Standards: Core option. We will be assessing the overall reporting process and refining the same to enhance the quality of disclosure in terms of readability and usefulness to our stakeholders. We will also be looking at the external validation aspect during the course of the year.

REPLY TO MSWG Q5

Question:

On Enforcement actions, we note that Bursa has taken actions against 15 listed companies and 22 directors (of 5 listed companies and 1 other person) for various breaches of the Listing Requirements. A total of 138 management actions was also taken mainly relating to dealings by directors and principal officers, disclosures on sustainability on Annual Report et (page 16, GFR).

Has any firm action been taken to restrict or bar “errant” directors from sitting on Boards of listed companies, especially the repeat offenders?

Continued...

REPLY TO MSWG Q5 (cont'd)

Answer:

In instances where we have concern as the fitness of an individual being a director of the listed company including arising from enforcement action, we will engage the listed company and its board of directors on the retention of the director vis-a-vis compliance of paragraph 2.20A of the LR.

In the event Bursa detects possible breaches/offences under the law, referral will be made to the relevant authority(ies) (e.g. Companies Commission of Malaysia, Securities Commission, Royal Police of Malaysia) for their action.

Bursa does not have any power under the LR to restrict or bar errant directors from sitting on the board(s) of listed company(ies). Whilst we can apply to the courts of law for such an order under Section 360 of the Capital Market & Services Act, 2007, we have not done so to date as such court application must be exercised only in serious instances supported by very strong and cogent grounds and evidence.

42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 1

To receive the Audited Financial Statements for the financial year ended 31 December 2018 and the Reports of the Directors and Auditors thereon.

42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 2 (Resolution 1)

Withdrawn.

42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 3 (Resolutions 2 and 3)

To re-elect the following Directors who retire in accordance with Article 18.11 of the Company's Constitution and who being eligible offer themselves for re-election:

- (1) Ms. Chong Chye Neo;
- (2) Datuk Muhamad Umar Swift.

42ND AGM OF BURSA MALAYSIA BERHAD

Re-election of

Ms. Chong Chye Neo



42ND AGM OF BURSA MALAYSIA BERHAD

Re-election of

Datuk Muhamad Umar
Swift



42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 4 (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 2018.

42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 5 (Resolution 5)

To approve the payment of benefits payable to the Non-Executive Chairperson and Non-Executive Directors up to an amount of RM2,200,000 from 29 March 2019 until the next AGM of the Company.

42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 6 (Resolution 6)

To appoint Messrs. Ernst & Young as Auditors of the Company for the financial year ending 31 December 2019 and to authorise the Board of Directors to determine their remuneration.

42ND AGM OF BURSA MALAYSIA BERHAD

AGENDA 7

ANY OTHER BUSINESS

42ND AGM OF BURSA MALAYSIA BERHAD

VOTING SESSION

42ND AGM OF BURSA MALAYSIA BERHAD

VERIFICATION OF POLL RESULTS BY SCRUTINEERS - IN PROGRESS

42ND AGM OF BURSA MALAYSIA BERHAD

ANNOUNCEMENT OF POLL RESULTS

NOTE OF APPRECIATION FOR RETIRING DIRECTORS

Datuk Chay Wai Leong & En. Ghazali Haji Darman



42ND AGM OF BURSA MALAYSIA BERHAD

CONCLUSION