



# CREATING OPPORTUNITIES, GROWING VALUE

**44<sup>TH</sup> ANNUAL GENERAL MEETING**  
WEDNESDAY, 31 MARCH 2021



## AGENDA 1

To receive the Audited Financial Statements for the financial year ended 31 December 2020 and the Reports of the Directors and Auditors thereon.



# Creating Opportunities, Growing Values

## Presentation to Shareholders

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**Datuk Muhamad Umar Swift**  
Chief Executive Officer



# AGENDA

- 2020 Financial Performance
- 2020 Market Performance and Highlights
- Our Way Forward
- Q&A



# 2020 Financial Performance



# Financial Highlights For 2020

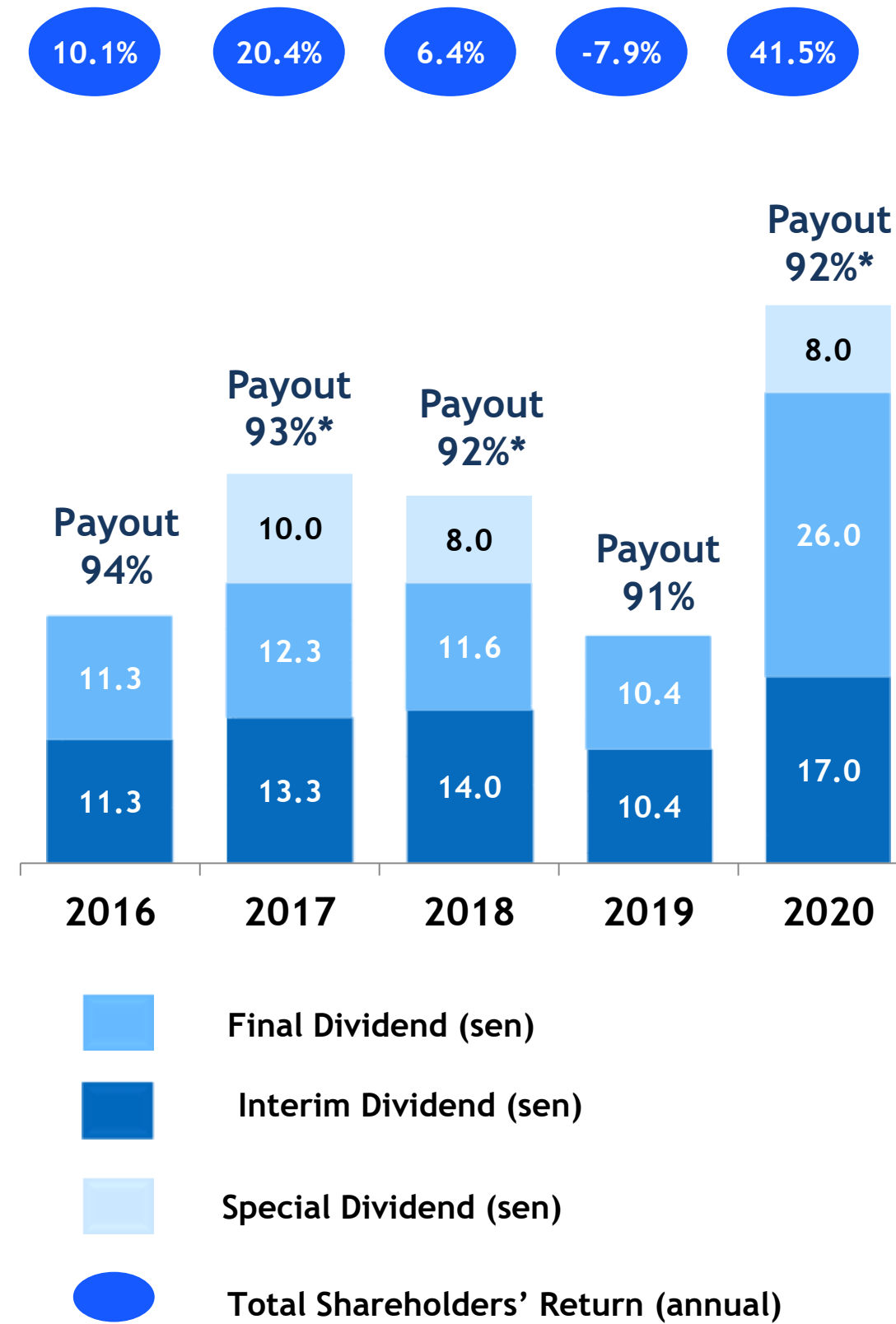
Highest Total Operating Revenue and  
PATAMI since listing in 2005

RM 778.8 m ▲ 62.2 %	OPERATING REVENUE	RM 291.8 m ▲ 18.5 %	OPERATING EXPENSES
RM 377.7 m ▲ 103.2 %	PATAMI	36.6 % ▼ 12.5 p.p.	COST TO INCOME RATIO
45.5 % ▲ 22.8 p.p.	ANNUALISED ROE	46.7 sen ▲ 103.1 %	EPS

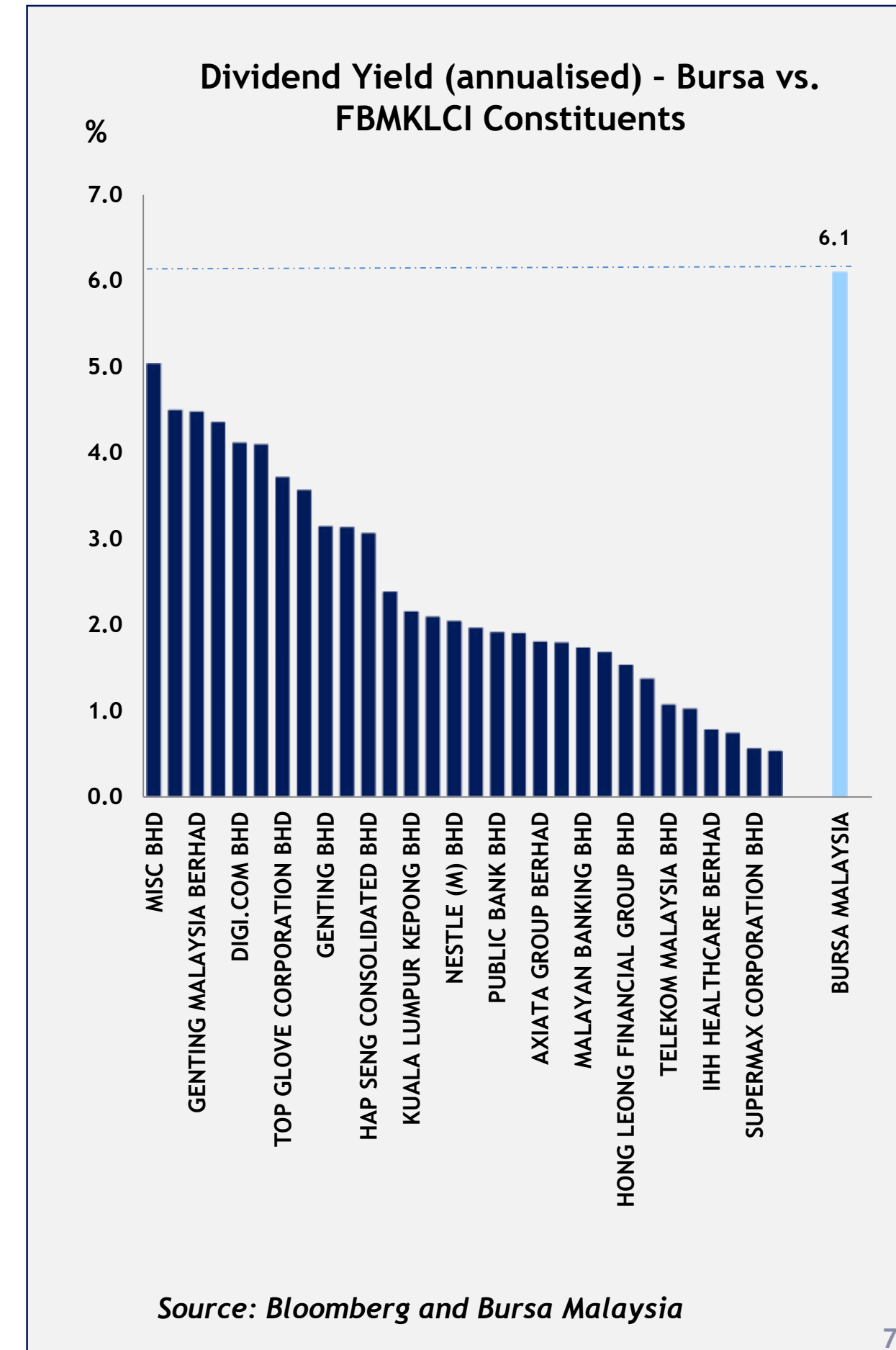


# Solid Dividend Payout

Bursa Malaysia's dividend yield of 6.1% is higher than FBMKLCI's constituents



\* Excludes special dividend



# 2020 Market Performance

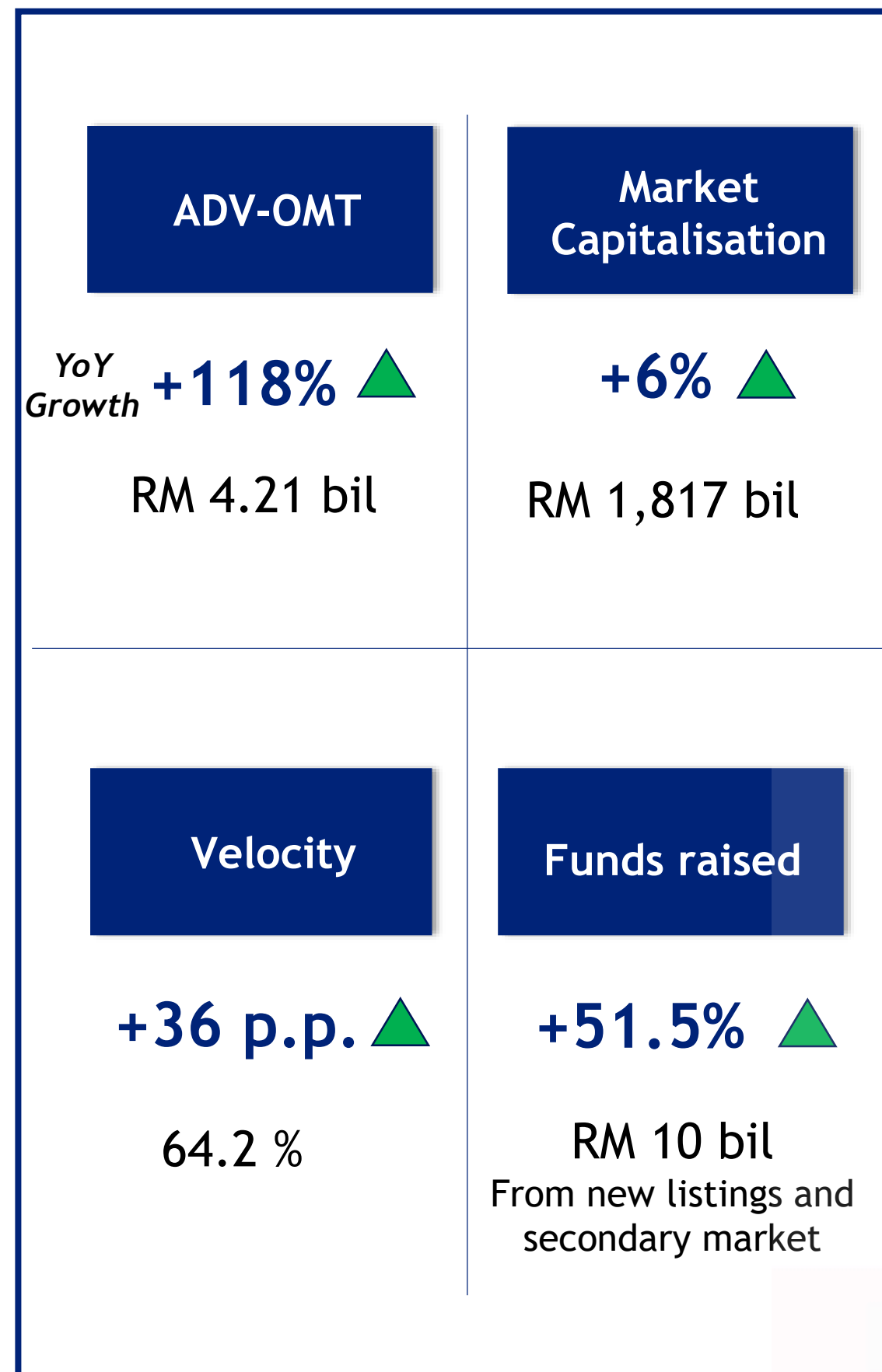
- Market Highlights
- 2020 Developments & Initiatives





# SECURITIES MARKET

- 2020 ADV is the highest ever recorded
- Our ADV and Velocity growth rates were the highest in ASEAN last year



## Key 2020 Highlights

### New trading record highs



- Equities ADV-OMT highest in history
- Retail ADV grew by 236% to RM 1.6 bil in 2020
- Retail ADV contribution of 37.7%

### Attracted new investors



- 423,261 new CDS account (increased by 166% )
- 64% of new individual accounts opened were investors aged 26 - 45 years old

### Diversified product offerings (equities and bonds)



- 19 new PLC listings
- 4 new ETFs
- 1208 new Structured Warrants
- 76 MGS/GII on Exempt Regime

# ISLAMIC CAPITAL MARKET

- *Strengthened our position in ICM*
- *Widening our reach & recognition*

## Shariah Compliant Stocks

Market Capitalisation

 **12.6%**

RM 1,257 bil

Percentage of Shariah Compliant Stocks

77%



79%

2019

2020

## Bursa Suq Al-Sila' (BSAS)

ADV

 **7.8%**

RM 32 bil

Domestic: RM 24.3 bil Foreign: RM 8.6 bil

No. of Registered Participants

222



264

2019

2020

## 2020 Key Achievements and Highlights



Recognised as 'Best Stock  
Exchange for Islamic  
Listings' by Islamic  
Finance News  
- *2<sup>nd</sup> consecutive year*



Grew Islamic brokers  
on BM-*i*  
(2020: 16;  
2019: 15)

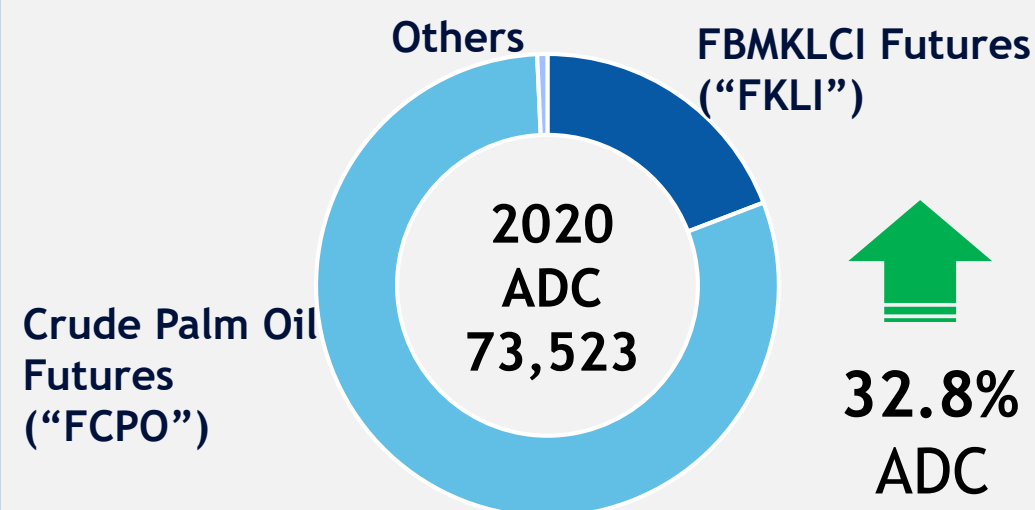


Increased BSAS ADV  
contribution from  
foreign participation  
(2020: 26.9%;  
2019: 18.5%)

# BURSA MALAYSIA DERIVATIVES

- Numerous new highs recorded in trading in 2020

## Average Daily Contracts (“ADC”)



## 2020 Highlights

- ✓ Broke 18 trading records
- ✓ Achieved historical high for total ADC
- ✓ Grew foreign participation: 45% of ADC contributed by foreign institutions in 2020 (2019: 38%)

## 2020 Key Achievements and Highlight



### Widened suite of products

- World’s First Options Contract on Palm Olein
- Re-launched Single Stock Futures
- FM70 Revamp



### Improved ecosystem and accessibility

- Physical delivery settlement for FMG5
- Entered into Temporary Recognition Regime and made formal submission of TC-CCP application to Bank of England



### International Recognition

- BMD named “Exchange of the year - Asia Pacific” at the Futures & Options World International Awards 2020

# OTHER

## Developments & Initiatives In 2020





## Various initiatives undertaken to sustain trading momentum and market vibrancy, and improve our offerings



### Pursued various approaches to grow retail base

- Enhanced digital touch points - included new features on Bursa Anywhere app and Bursa Marketplace
- Widened access & approach on Investor Education e.g. new Bursa Academy website
- Sought fresh ideas for exciting ways to attract retail participation e.g. Inaugural hackathon



### Enhanced ecosystem & forged collaborations

- Signed separate MoUs with Shenzhen Stock Exchange (SZSE) & Taiwan Futures Exchange to promote mutual flow of investments and widen products offerings
- Soft launch of the DIBots Analytics platform to expand regional data offerings (subscription-based), a collaboration with intelligent solutions provider World'Vest Base Inc
- Expanded Market-Making framework to increase market efficiency & flexibility



### Capitalised on Technology

- Implemented ISO20022 messaging standards for corporate announcements
- Completed Bonds on Blockchain POC and ESG Artificial Intelligence POC
- Hosted flagship events virtually i.e. IMKL (3 editions), Shariah Investing Virtual Conference



# OUR

## Way Forward



# Bursa Malaysia

## Vision

To be ASEAN's leading, sustainable  
and globally-connected  
marketplace

## Mission

Creating Opportunities,  
Growing Value



## 2021 - 2023 Strategic Roadmap to Enhance Bursa Malaysia's Strengths



### 3 CORE STRATEGIES

- Product Expansion
- Ecosystem Development
- Capacity & Capabilities Building



### 4 ENABLERS

- Data & Innovation
- Technology
- Ecosystem
- People & Culture



### 5 STRATEGIC PILLARS

- Strengthening Our Core Business – Securities Market
- Diversifying The Derivatives Business
- Positioning Bursa Malaysia as the Global Hub for Islamic Capital Market
- Providing New & Improved Services to the Capital Market
- Embedding Sustainability in our Organisation & Marketplace

# Core Strategy 1

## Product Expansion



### Increase Market Competitiveness

- Boost core product offerings
  - Attract quality IPOs
  - Grow ESG & ETF products
- Provide new platforms/ services for market participants
- Offer new data solutions
- Provide access to new asset classes - e.g. tokenised assets



### Exemplify Islamic Thought Leadership

- Cement our leading ICM position via innovative & impactful solutions (e.g. i-ESG ETF, Waqf products)



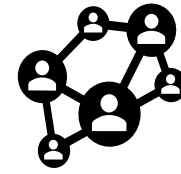
### Widen Derivatives Offerings

- Strengthen our suite of palm oil complex products e.g. East Malaysia crude palm oil futures contract
- Other new financial/equity, and commodity derivatives



# Core Strategy 2

## Ecosystem Development



### Grow Market Vibrancy And Liquidity

- Implement various programs to boost market vibrancy &/ increase trading - e.g. Inactive Stock Scheme
- Facilitate retail investors' participation - e.g. via funds access and digestible information



### Promote Stickiness & Internationalisation

- Deliver enhancements across the value chain to increase efficiencies of participating in the market e.g. e-NLT for derivatives
- Expand our global reach e.g. T+1 night trading for BMD



### Embed Sustainability In Our Marketplace

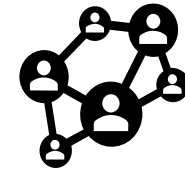
- Implement initiatives to drive sustainability practices among listed issuers, e.g. Corporate Sustainability Practitioners Competency Framework
- Spur better, sustainable performance among PLCs





# Core Strategy 3

## Capacity & Capabilities Building



### Leverage technology for multi-pronged benefits

- Invest in technology upgrades and resilience of core infrastructure systems and applications
- Employ cloud based and robotic process automation solutions to drive cost efficiencies
- Reinvent technology delivery to stakeholders



### Innovation via proof of concepts (PoCs)

- Leapfrog our fintech capabilities via completion of PoCs - towards innovative solutions that enhance our agility & efficiency



### Grow Organisational Performance

- Implement identified programs to strengthen our talent pool
- Develop our enterprise data management capabilities



# 5

## Strategic Pillars

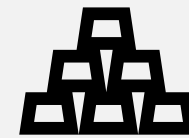
- |          |  |   |
|----------|--|---|
| <b>1</b> | <b>Strengthening our Core Business - Securities Market</b>                     | <i>Focus on ecosystem development and product expansion to cater to growth segments (e.g. SMEs, IR4.0)</i>  |
| <b>2</b> | <b>Diversifying the Derivatives Business</b>                                   | <i>Bursa to be the leading Commodities Exchange in ASEAN by internationalisation of our market &amp; expansion of products</i>  |
| <b>3</b> | <b>Positioning Bursa Malaysia as the Global Hub for Islamic Capital Market</b> | <i>Be the global leading exchange (for Islamic fund raising, hedging and investments), with reach in all regions by enlarging the types of Shariah-compliant products</i> |
| <b>4</b> | <b>Providing New &amp; Improved Services to the Capital Market</b>             | <i>Offer new solutions via platforms &amp; tools that support the markets' needs (e.g. data solutions, digital assets and SMEs fundraising)</i>                           |
| <b>5</b> | <b>Embedding Sustainability in our Organisation &amp; Marketplace</b>          | <i>Be the preferred marketplace for sustainable and responsible investment, with high standards of sustainability practices and disclosure</i>                            |
- 

# Our Priorities ...

We shall focus on building our capabilities and agility,  
positioning the Exchange for sustained growth



**Strategic investments in technology** to ensure robustness, and to future proof the exchange



**Holistically serve the needs of our stakeholders** through product & services diversification and expansion



**Proactive in strategic partnerships** to tap into new opportunities and expand reach

Our Strategic Roadmap outlines exciting new opportunities for charting our growth trajectory and to ensure a fair, orderly, and VIBRANT marketplace.

**Thank You For Being Our  
Shareholders...**



# **Independent Auditors' Report to the Members of Bursa Malaysia Berhad**

by

**Dato' Megat Iskandar Shah bin Mohamad Nor**  
**Partner, Ernst & Young PLT**



## AGENDA 2

To re-elect the following Directors who retire by rotation in accordance with Article 18.4 of the Company's Constitution and who being eligible offer themselves for re-election:

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

## Resolution 1

Re-election of

**Datuk Muhamad Umar  
Swift**



## Resolution 2

Re-election of

**Ms. Chong Chye Neo**



## AGENDA 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) Datuk Bazlan bin Osman; and
- 2) Encik Syed Ari Azhar bin Syed Mohamed Adlan.

## Resolution 3

Re-election of

**Datuk Bazlan bin Osman**





## Resolution 4

Re-election of

**Encik Syed Ari Azhar  
bin Syed Mohamed Adlan**



## **AGENDA 4**

### **Resolution 5**

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 2020.

## **AGENDA 5**

### **Resolution 6**

To approve the payment of benefits payable to the Non- Executive Chairman and Non-Executive Directors up to an amount of RM2,000,000 from 1 April 2021 until the next AGM of the Company.

## **AGENDA 6**

### **Resolution 7**

To appoint Ernst & Young PLT as Auditors of the Company for the financial year ending 31 December 2021 and to authorise the Board of Directors to determine their remuneration.

# **Questions received from Shareholders prior to the Meeting**





## Questions received from Shareholders prior to the Meeting

- 1) Any voucher provided for this AGM?
- 2) Though this is the 2<sup>nd</sup> virtual AGM, on behalf of participating shareholders, may I request the Board to consider providing some kind of eVoucher as a token of appreciation. TQ
- 3) Mr. Chairman kindly provide e vouchers for shareholders who attend AGM like last year. Last year, shareholders were rewarded with Boost vouchers. Tqvm.

## Questions received from Shareholders prior to the Meeting

- 4) Thanks for the small gift as a token of appreciation to participate on this virtual AGM. Unlike other companies, the directors enjoy good perks while not providing door gifts. Attendance at AGMs were not encouraging and AGMs very brief.
- 5) Mr Chairman kindly provide e voucher to Shareholders who attend RPV. Tq.

## Questions received from Shareholders prior to the Meeting

- 6) I hope this year's AGM, the Board may consider rewarding virtual participants with a token of appreciation having gone through a difficult pandemic times. TQ
- 7) As shareholders are battling the pandemic by obeying SOP, hope this virtual AGM should be rewarded with a form of token of appreciation.

## Questions received from Shareholders prior to the Meeting

- 8) Mr. Chairman, kindly provide e vouchers to shareholders who attend RPV. Tqvm. We received Boost vouchers last year's. Your recent financial report show increased profits. I wish to request for 100.00 value of this voucher.
  
- 9) Dear BOD of Bursa Malaysia, we understand from the Admin Notes that there will be an e-voucher given - Since Bursa had an exceptional year last year we do hope you can give us a very good e-voucher - better than last year. Thank you in anticipation.

## Questions received from Shareholders prior to the Meeting

- 10) Good day Mr Chairman appreciate you give Us eWallet to cheer us up during the Covid storm. Thank you n God bless
- 11) Appreciate receiving vouchers. TQ.



## Questions received from Shareholders prior to the Meeting

12) I would like to extend gratitude to the Board for provided e-voucher to those participating in this virtual AGM. Bursa Malaysia plays an important role in encouraging good corporate governance and increase investor confidence towards M'sia stock market. Participation among minor shareholders is low for AGM or EGM. Would like to **suggest** Bursa advise and encourage other listed companies to provide nominal sum of voucher / door gifts to those participants in order to increase participation rate.

## Questions received from Shareholders prior to the Meeting

13) Would like to suggest future AGM be held in a location easily accessible via public transport such as Bangsar South / around Jln Sultan Ismail (most of the major listed company preferred location).

## Questions received from Shareholders prior to the Meeting

14) Thanks for the door gift. Would play my part to actively participate in this virtual AGM. Kindly relay my thankfulness message to the Board. Hopefully, Bursa will encourage all listed companies to actively listen to the shareholder request and view of point. This is part of good governance practise.

## Questions received from Shareholders prior to the Meeting

15) Thanks to the Board's generosity and looking forward to Bursa to put more effort to increase trading volume and liquidity of share price movement.

## Questions received from Shareholders prior to the Meeting

16) Bursa Malaysia is promoting the ESG Agenda and encouraging all public listed companies to adopt good ESG practices in their business operations. What is our Company's annual budget in terms of percentage of total expenditure in pursuing the ESG agenda?

In the Admin Notes accompanying the Notice of AGM, it was stated that e-vouchers would be distributed to all participants of the virtual AGM. "SYABAS" to the Board for "walking the talk" in Corporate Social Responsibility (CSR) activity.



## Questions received from Shareholders prior to the Meeting

17) May I know whether Bursa intends to encourage established multinational corporation (MNC) or global recognised company to list in Malaysia? What is Bursa's future plan?

18) Will there be any bonus issue?

19) Will there be any bonus issues soon?

20) Any bonus issue.

## **Questions received from Shareholders prior to the Meeting**

21) Good morning, may I know will Bursa give bonus issue to shareholder? Thanks.

22) Will CEO, BURSA MALAYSIA consider issuing bonus shares?

23) Will there be a bonus issue anytime soon?

24) I have asked this question before in the previous Bursa physical AGM. When is Bursa able to offer the online share transfer facility to CDS account holders?

## Questions received from Shareholders prior to the Meeting

- 25) Unlike the old days of physical share script where shareholders can buy shares from broker A and sell at broker B, when can Bursa revert to this facility for investors?
- 26) Currently, the stamp duties is higher than most brokerage paid. Is SC and Bursa looking into this burden of investors?
- 27) Any plan for Zero brokerage in Bursa?

## Questions received from Shareholders prior to the Meeting

- 28) What steps does the Company take to encourage more youngsters to participate in investment?
- 29) What does Bursa intend to do with some listed company with inactive trading volume and reported with minimal revenue.
- 30) What is your post Covid 19 profit projection? TQ.

## Questions received from Shareholders prior to the Meeting

- 31) The sales of market data has become an important revenue stream for many exchanges. What about Bursa Malaysia?
- 32) Seeing that HKEX has greatly benefited from its tie up with mainland China exchanges, does Bursa has any plan to tie up with others exchanges? If yes, can you provide more details?



## Questions received from Shareholders prior to the Meeting

33) In recent years some Malaysian companies have chosen to list in foreign bourses, such as in HKEX. What are the main factors that drive them away to seek foreign listing?

How could Bursa retain their business?

## Questions received from Shareholders prior to the Meeting

34) As retail investor in the stock market, I have benefited greatly from the Bursa Marketplace and Research Repository which offer research reports into smaller companies. I hope Bursa will continue providing and even expand such research services.

But as a shareholder of Bursa, I would like to know what is the annual cost involved? What is the future plan on this?

## Questions received from Shareholders prior to the Meeting

35) Online AGM has benefited shareholders who live far away from the usual physical AGM venue. Many finally have the opportunities to attend for the first time. Post pandemic, will Bursa still encourage or even mandate listed companies in offering the option of virtual AGMs?

## Questions received from Shareholders prior to the Meeting

36) I refer to The Edge article in Mar 20 titled "New shares without new business will bring more grief than gain". Some listed companies have taken advantage of the relaxation of rules by raising capital through private placement with dubious business plans; and then went on to reward employees through share issuance schemes. Such practices hurt minority shareholders' interest and may turn them away from stock market in the future. How could Bursa strike the right balance?

## Questions received from Shareholders prior to the Meeting

37) Seems that there are a lot of additional disclosures need to be made in the Audited Accounts/Annual Report for this year in relation to the impact of COVID-19 to the companies and thus, many valuation/assessment need to be undertaken by the companies. In view thereof, will Bursa consider to give an extension of one month for the issuance of Annual Report for those companies with financial year ending 31 March 2021? Thank you.



## Questions received from Shareholders during the Meeting



## Agenda 7

Any Other Business



## Note of Appreciation For Retiring Director

**Datin Grace Yeoh  
Cheng Geok**





**END OF MEETING**

