

MEDIA RELEASE

BURSA MALAYSIA ANNOUNCES RM68.0 MILLION PROFIT AFTER TAX AND ZAKAT FOR THE FIRST QUARTER OF 2022

Key Financial & Market Highlights (1Q2022 vs 1Q2021)
• Profit After Tax and Zakat at RM68.0 million, decreased by 44.0%
• Annualised Return On Equity at 35%, decreased by 23 percentage points
• Basic earnings per share at 8.4 sen, decreased by 6.6 sen
• Operating revenue at RM161.0 million, decreased by 29.4%
• Operating expenses at RM72.5 million, increased by 4.6%
• Cost-to-income ratio at 44%, increased by 14 percentage points
• Average daily trading value for Securities Market's on-market trades at RM2.6 billion, decreased by 48.8%
• Market capitalisation as at 31 March 2022 at RM1.8 trillion, decreased by 0.8%
• Securities Market velocity at 36%, decreased by 34 percentage points
• Average daily contracts traded for Derivatives Market at 77,513 contracts, decreased by 3.5%
• Average daily trading value for BSAS at RM42.0 billion, increased by 19.3%

Kuala Lumpur, 28 April 2022 - Bursa Malaysia Berhad ("Bursa Malaysia" or the "Exchange") recorded a Profit After Tax and Zakat ("PAT") of RM68.0 million for the first quarter ended 31 March 2022 ("1Q2022"), a 44.0% decrease from RM121.4 million reported in the previous corresponding quarter ended 31 March 2021 ("1Q2021"). The decrease in PAT is due to lower operating revenue by 29.4% to RM161.0 million from RM228.0 million in 1Q2021, primarily caused by a decline in securities trading revenue.

"The average daily trading value of securities continued to normalise to pre-pandemic levels which contributed to the decline in profit for the 1Q2022 compared to 1Q2021. However, PAT is 4.6% higher than the fourth quarter ended 31 December 2021 of RM65.0 million, mainly contributed by a 2.8% higher average daily trading value registered this quarter." said Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia.

"However, with the reopening of the economy and international borders, Bank Negara Malaysia expects Malaysia's growth forecast to be between 5.3% to 6.3%. As such, better economic growth can be expected as the nation moves towards the endemic phase, and we

anticipate more trading opportunities for investors due to movements in CPO prices, interest rate policies and the FBM KLCI.”

For the current quarter under review, the Securities Market registered a trading revenue of RM80.4 million, a decrease by 46.7% compared to RM150.9 million in 1Q2021, owing to the lower Average Daily Trading Value (“ADV”) for Securities Market’s On-Market Trades (“OMT”) and Direct Business Trades (“DBT”) in the 1Q2022 of RM2.7 billion against RM5.2 billion in 1Q2021. Trading velocity in 1Q2022 was lower by 34 percentage points to 36% compared to 70% in 1Q2021. Funds raised through Initial Public Offerings (“IPOs”) in this quarter totalled RM1.5 billion, much higher than the RM0.2 billion raised in 1Q2021.

The Derivatives Market Average Daily Contracts (“ADC”) fell 3.5%, with 77,513 contracts in 1Q2022 compared to 80,338 contracts in 1Q2021. However, total derivatives trading revenue increased by 3.4% to RM23.3 million in 1Q2022 from RM22.6 million in 1Q2021, mainly due to higher collateral management fees earned in 1Q2022. Conference fees and exhibition-related income earned in 1Q2022 rose to RM1.5 million from RM0.1 million in 1Q2021, due to the resumption of the physical Palm and Lauric Oils Price Outlook Conference & Exhibition 2022 held in March.

As for the Islamic Markets, higher trading activity in Bursa Suq Al-Sila’ (“BSAS”) resulted in an increase of trading revenue by 12.2% to RM3.8 million in 1Q2022 from RM3.4 million in 1Q2021. The Exchange will continue to actively engage with its participants and develop new Shariah compliant products, such as the Digital Gold Dinar, aimed to meet the demand of the investors.

Listing and issuer services rose 7.2% to close 1Q2022 at RM16.9 million, compared to RM15.8 million in 1Q2021. The market data business also showed a 4.8% increase in revenue, closing 1Q2022 with a total of RM14.8 million, compared to RM14.1 million in 1Q2021.

Total operating expenses reported a 4.6% increase to RM72.5 million in 1Q2022, compared to RM69.4 million in 1Q2021. The was due to higher provisions for depreciation and amortisation as well as increased technology, marketing and administrative expenses.

“To ensure we sustain the interest of global investors, we will continue to enhance the attractiveness of listed issuers through initiatives such as the PLC Transformation programme launched earlier this year,” concluded Datuk Umar.

“Further, and in line with the Sustainable and Responsible Investment (“SRI”) and Environmental Social Governance (“ESG”) agendas, the Exchange will continue to deliver

new product and service offerings as well as the new voluntary carbon trading platform, which will enhance the breadth and depth of the ecosystem.”

The financial results for 1Q2022 are available on Bursa Malaysia’s website at www.bursamalaysia.com.

Financial results	1Q2022 (RM million)	1Q2021 (RM million)	Percentage change (%)
Operating revenue	161.0	228.0	(29.4)
Other income	4.3	4.3	(0.3)
Total revenue	165.3	232.3	(28.8)
Staff costs	(39.3)	(39.1)	0.4
Depreciation and amortisation	(6.3)	(5.2)	23.0
Other operating expenses	(26.9)	(25.1)	7.2
Profit from operations	92.8	162.9	(43.1)
Finance costs	(0.1)	(0.1)	-
Profit before tax and zakat	92.7	162.8	(43.1)
Income tax expense	(24.7)	(41.4)	(40.4)
PAT	68.0	121.4	(44.0)

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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.

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