

## MEDIA RELEASE

### **BURSA MALAYSIA ANNOUNCES RM151.0 MILLION PROFIT AFTER TAX AND MINORITY INTEREST FOR THE FIRST HALF OF 2020** *HIGHEST FIRST HALF FINANCIAL PERFORMANCE SINCE LISTING IN 2005*

<b>Key Financial &amp; Market Highlights (1H2020 vs 1H2019)</b>
• Profit After Tax and Minority Interest at RM151.0 million, increased by 62.0%
• Annualised Return On Equity at 39%, increased by 18 percentage points
• Basic earnings per share at 18.7 sen, increased by 7.2 sen
• Operating revenue at RM320.7 million, increased by 33.6%
• Operating expenses at RM127.1 million, increased by 3.7%
• Cost-to-income ratio at 39%, improved by 10 percentage points
• Average daily trading value for Securities Market's on-market trades at RM3.1 billion, increased by 52.8%
• Market capitalisation as at 30 June 2020 at RM1.6 trillion, decreased by 9.9%
• Securities Market velocity at 50%, increased by 21 percentage points
• Average daily contracts traded for Derivatives Market at 76,956 contracts, increased by 55.9%
• Average daily trading value for BSAS at RM33.0 billion, increased by 2.5%

**Kuala Lumpur, 28 July 2020** - Bursa Malaysia Berhad (“Bursa Malaysia” or the “Exchange”) recorded a Profit After Tax and Minority Interest (“PATAMI”) of RM151.0 million for the first half ended 30 June 2020 (“1H2020”), a 62.0% increase from RM93.2 million reported in the previous corresponding half ended 30 June 2019 (“1H2019”). The increase in PATAMI is due to higher operating revenue, which increased by 33.6% to RM320.7 million from RM240.0 million in 1H2019. Meanwhile, total operating expenses in 1H2020 increased by 3.7% to RM127.1 million from RM122.6 million in 1H2019, mainly due to higher staff and technology costs. This is Bursa Malaysia’s highest first-half financial performance since its listing in 2005.

The Board of Directors approved an interim dividend of 17.0 sen per share for the financial year ending 31 December 2020, or a dividend payout ratio of 91.1%, which is payable on 26 August 2020.

Datuk Muhamad Umar Swift, Chief Executive Officer said, “I am pleased with our strong first half financial results. Our Annualised ROE and EPS of 39% and 18.7 sen respectively has allowed the Board to declare an interim dividend of 17.0 sen, the highest since listing in 2005.”

The elevated market volatility has resulted in higher trading activities in both the Securities and Derivatives Markets. However, listing and issuer services revenue saw a slight decline, resulting from the recognition of the 50% waiver on annual listing fees for the year 2020 to assist listed issuers overcome the challenges of the COVID-19 pandemic. Market data revenue continues to grow, increasing by 18.9% to RM22.6 million from RM19.0 million in 1H2019, driven by the expansion of market data subscriber base in 1H2020.

For 1H2020, the Securities Market registered a trading revenue of RM188.2 million compared to RM117.8 million in 1H2019, increasing by 59.7% as a result of higher Average Daily Trading Value (“ADV”) for Securities Market’s on-market trades. The broader market is supported by local investors, with higher retail participation during the period.

Derivatives Market trading revenue increased by 44.3% to RM48.0 million in 1H2020 from RM33.3 million in 1H2019, mainly due to higher number of contracts traded for Crude Palm Oil Futures (“FCPO”) and FTSE Bursa Malaysia KLCI Futures (“FKLI”). Average Daily Contracts (“ADC”) for the Derivatives Market saw an increase of 55.9%, with 76,956 contracts in 1H2020 compared to 49,351 contracts in 1H2019. Conference fees and exhibition-related income decreased in 1H2020, due to the cancellation of the Palm and Lauric Oils Price Outlook Conference & Exhibition 2020.

The Islamic Capital Market, Bursa Suq Al-Sila’ (“BSAS”) trading revenue decreased by 17.2% to RM6.3 million in 1H2020 from RM7.6 million in 1H2019, despite higher BSAS ADV. This was due to a higher proportion of volume-based pricing trades for the half year period. Nevertheless, the Exchange continued to grow its base with the onboarding of 14 new participants, five of which are foreign, and is expected to sustain its level of performance through continuous engagement with its participants.

“Malaysia has done well in containing COVID-19. Although uncertainties continue to surround its impact on the economy, we are confident that the stimulus packages will aid in Malaysia’s recovery and maintain the resilience of our markets,” commented Datuk Umar.

“Our ongoing efforts to increase market vibrancy and liquidity is having a positive impact. We are witnessing strong retail participation and have recorded the highest trading in Bursa’s history of 12.5 billion on 20 July 2020. The emergence of millennials in the marketplace is also very encouraging and has been something we have been working very

hard to achieve”. He added, “We will continue to introduce new initiatives and streamlined product offerings, such as expanding the range of trading channels and platforms to improve the seamless digital journey on Bursa Malaysia for the new generation of investors.”

The financial results for 1H2020 are available on Bursa Malaysia’s website at [www.bursamalaysia.com](http://www.bursamalaysia.com)

Financial results	1H2020 (RM million)	1H2019 (RM million)	Percentage change (%)
Operating revenue	320.7	240.0	33.6
Other income	9.8	10.5	(6.5)
Total revenue	330.5	250.5	32.0
Staff costs	(70.0)	(68.6)	2.1
Depreciation and amortisation	(10.8)	(10.2)	6.2
Other operating expenses	(46.2)	(43.8)	5.6
Profit from operations	203.5	127.9	59.0
Finance costs	(0.3)	(0.3)	-
Profit before tax	203.2	127.6	59.2
Income tax expense	(52.2)	(32.0)	63.0
Profit after tax	151.0	95.6	57.9
Minority interest	-	(2.4)	(100.0)
<b>PATAMI</b>	<b>151.0</b>	<b>93.2</b>	<b>62.0</b>

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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](http://www.bursamalaysia.com).

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