



**BURSA MALAYSIA BERHAD**  
Registration No. 197601004668 (30632-P)  
(Incorporated in Malaysia)

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2022**

28 July 2022

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2022**

|                               | Note | Quarter Ended |               |               | Year-To-Date Ended |                |               |
|-------------------------------|------|---------------|---------------|---------------|--------------------|----------------|---------------|
|                               |      | 30.06.2022    | 30.06.2021    | Changes       | 30.06.2022         | 30.06.2021     | Changes       |
|                               |      | RM'000        | RM'000        | %             | RM'000             | RM'000         | %             |
|                               |      | (Reviewed)    | (Reviewed)    |               | (Reviewed)         | (Reviewed)     |               |
| Operating revenue             | 8    | 148,383       | 192,158       | (22.8)        | 309,425            | 420,163        | (26.4)        |
| Other income                  | 9    | 3,504         | 3,940         | (11.1)        | 7,760              | 8,210          | (5.5)         |
|                               |      | 151,887       | 196,098       | (22.5)        | 317,185            | 428,373        | (26.0)        |
| Staff costs                   |      | (38,719)      | (42,869)      | (9.7)         | (78,007)           | (81,986)       | (4.9)         |
| Depreciation and amortisation |      | (6,309)       | (5,321)       | 18.6          | (12,676)           | (10,498)       | 20.7          |
| Other operating expenses      | 10   | (25,663)      | (28,493)      | (9.9)         | (52,539)           | (53,568)       | (1.9)         |
| Profit from operations        |      | 81,196        | 119,415       | (32.0)        | 173,963            | 282,321        | (38.4)        |
| Finance costs                 |      | (134)         | (134)         | -             | (267)              | (267)          | -             |
| Profit before tax and zakat   |      | 81,062        | 119,281       | (32.0)        | 173,696            | 282,054        | (38.4)        |
| Income tax expense and zakat  | 26   | (21,591)      | (30,312)      | (28.8)        | (46,259)           | (71,693)       | (35.5)        |
| <b>Profit for the period</b>  |      | <b>59,471</b> | <b>88,969</b> | <b>(33.2)</b> | <b>127,437</b>     | <b>210,361</b> | <b>(39.4)</b> |

|  | Note | Quarter Ended |               | Year-To-Date Ended |               |
|--|------|---------------|---------------|--------------------|---------------|
|  |      | 30.06.2022    | 30.06.2021    | 30.06.2022         | 30.06.2021    |
|  |      | Sen per share | Sen per share | Sen per share      | Sen per share |
|  |      | (Reviewed)    | (Reviewed)    | (Reviewed)         | (Reviewed)    |
| Basic earnings per share attributable to owners of the Company | 32   | 7.3           | 11.0          | 15.7               | 26.0          |

*The above condensed consolidated statement of profit or loss should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE QUARTER AND YEAR-TO-DATE ENDED 30 JUNE 2022**

|  | Quarter Ended        |                      |               | Year-To-Date Ended   |                      |               |
|--|----------------------|----------------------|---------------|----------------------|----------------------|---------------|
|  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  |
|  | (Reviewed)           | (Reviewed)           |               | (Reviewed)           | (Reviewed)           |               |
| Profit for the period  | 59,471               | 88,969               | (33.2)        | 127,437              | 210,361              | (39.4)        |
| <b>Other comprehensive income:</b>   |                      |                      |               |                      |                      |               |
| <b>Items that may be subsequently reclassified to profit or loss:</b>                                |                      |                      |               |                      |                      |               |
| Gain on foreign currency translation   | 163                  | -                    | 100.0         | 188                  | 105                  | 79.0          |
| Net fair value changes in unquoted bonds at fair value through other comprehensive income ("FVTOCI") | (616)                | 196                  | (414.3)       | (1,006)              | (720)                | 39.7          |
| Income tax effects relating to unquoted bonds at FVTOCI  | 47                   | 15                   | 213.3         | 97                   | 135                  | (28.1)        |
|  | (406)                | 211                  | (292.4)       | (721)                | (480)                | 50.2          |
| <b>Item that will not be subsequently reclassified to profit or loss:</b>                            |                      |                      |               |                      |                      |               |
| Net fair value changes in quoted shares at FVTOCI  | -                    | 7,732                | (100.0)       | -                    | 29,666               | (100.0)       |
|  | -                    | 7,732                | (100.0)       | -                    | 29,666               | (100.0)       |
| <b>Total other comprehensive (loss)/income, net of income tax</b>                                    | (406)                | 7,943                | (105.1)       | (721)                | 29,186               | (102.5)       |
| <b>Total comprehensive income</b>  | <b>59,065</b>        | <b>96,912</b>        | <b>(39.1)</b> | <b>126,716</b>       | <b>239,547</b>       | <b>(47.1)</b> |

*The above condensed consolidated statement of comprehensive income should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.*

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2022**

| Note   | As at<br>30.06.2022<br>RM'000<br>(Reviewed) | As at<br>31.12.2021<br>RM'000<br>(Audited) |
|--|---|--|
| <b>Assets</b>  |   |  |
|  | 181,596                                     | 173,718                                    |
| Property, plant and equipment  |   |  |
|  | 37,238                                      | 38,988                                     |
| Computer software  |   |  |
|  | 7,907                                       | 7,963                                      |
| Right-of-use assets  |   |  |
|  | 42,957                                      | 42,957                                     |
| Goodwill   |   |  |
|  | 39,172                                      | 40,049                                     |
| Investment securities  |   |  |
|  | 859   | 970  |
| Staff loans receivable   |   |  |
|  | 18,560                                      | 17,323                                     |
| Deferred tax assets  |   |  |
| <b>Non-current assets</b>  | <b>328,289</b>                              | <b>321,968</b>                             |
| Trade receivables  | 27  | 53,634                                     |
| Other receivables  |   | 16,915                                     |
| Tax recoverable  |   | 5,873                                      |
| Investment securities  |   | 14,974                                     |
| Cash for equity margins, derivatives trading margins,<br>security deposits and eDividend and eRights distributions | 13  | 4,466,819                                  |
| Cash and bank balances of Clearing Funds   | 14  | 159,325                                    |
| Cash and bank balances of the Group  | 15  | 481,291                                    |
| <b>Current assets</b>  | <b>5,198,831</b>                            | <b>4,020,074</b>                           |
| <b>Total assets</b>  | <b>5,527,120</b>                            | <b>4,342,042</b>                           |
| <b>Equity and liabilities</b>  |   |  |
|  | 435,621                                     | 435,621                                    |
| Share capital  |   |  |
|  | 30,057                                      | 30,778                                     |
| Other reserves   |   |  |
|  | 340,596                                     | 350,740                                    |
| Retained earnings  |   |  |
| <b>Total equity</b>  | <b>806,274</b>                              | <b>817,139</b>                             |
| Retirement benefit obligations   |   | 10,957                                     |
| Deferred income  |   | 4,066                                      |
| Lease liabilities  |   | 7,700                                      |
| Deferred tax liabilities   |   | 607  |
| <b>Non-current liabilities</b>   | <b>23,330</b>                               | <b>25,311</b>                              |
| Trade payables   | 13  | 4,463,797                                  |
| Participants' contributions to Clearing Funds  | 14  | 64,325                                     |
| Other payables   |   | 164,584                                    |
| Lease liabilities  |   | 523  |
| Tax payable and zakat  |   | 4,287                                      |
| <b>Current liabilities</b>   | <b>4,697,516</b>                            | <b>3,499,592</b>                           |
| <b>Total liabilities</b>   | <b>4,720,846</b>                            | <b>3,524,903</b>                           |
| <b>Total equity and liabilities</b>  | <b>5,527,120</b>                            | <b>4,342,042</b>                           |
|  | RM  | RM   |
| <b>Net assets per share attributable to owners of the Company</b>  | 33  | 1.00                                       |
|  |   | 1.01                                       |

*The above condensed consolidated statement of financial position should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.*

**BURSA MALAYSIA BERHAD**

Registration No. 197601004668 (30632-P)

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR-TO-DATE ENDED 30 JUNE 2022**

|  | Non-distributable       |  |                               |                                  | Distributable            |                             | Total equity<br>RM'000 |
|--|-------------------------|--|-------------------------------|----------------------------------|--------------------------|-----------------------------|------------------------|
|  | Share capital<br>RM'000 | Foreign currency translation reserve<br>RM'000 | Share grant reserve<br>RM'000 | Clearing fund reserves<br>RM'000 | FVTOCI reserve<br>RM'000 | Retained earnings<br>RM'000 |                        |
| <b>(Reviewed)</b>  |                         |  |                               |                                  |                          |                             |                        |
| <b>At 1 January 2022</b>   | 435,621                 | 627  | -                             | 30,000                           | 151                      | 350,740                     | 817,139                |
| Profit for the period  | -                       | -  | -                             | -                                | -                        | 127,437                     | 127,437                |
| Other comprehensive income, net of income tax                    | -                       | 188  | -                             | -                                | (909)                    | -                           | (721)                  |
| Total comprehensive income                                       | -                       | 188  | -                             | -                                | (909)                    | 127,437                     | 126,716                |
| <b>Transactions with owners:</b>                                 |                         |  |                               |                                  |                          |                             |                        |
| Dividends paid (Note 7)  | -                       | -  | -                             | -                                | -                        | (137,581)                   | (137,581)              |
| <b>At 30 June 2022</b>   | <b>435,621</b>          | <b>815</b>                                     | <b>-</b>                      | <b>30,000</b>                    | <b>(758)</b>             | <b>340,596</b>              | <b>806,274</b>         |
| <b>At 1 January 2021</b>   | 433,820                 | 504  | 1,739                         | 30,000                           | 98,625                   | 336,107                     | 900,795                |
| Profit for the period  | -                       | -  | -                             | -                                | -                        | 210,361                     | 210,361                |
| Other comprehensive income, net of income tax                    | -                       | 105  | -                             | -                                | 29,081                   | -                           | 29,186                 |
| Total comprehensive income                                       | -                       | 105  | -                             | -                                | 29,081                   | 210,361                     | 239,547                |
| <b>Transactions with owners:</b>                                 |                         |  |                               |                                  |                          |                             |                        |
| Issuance of ordinary shares pursuant to share grant plan ("SGP") | 1,801                   | -  | (1,801)                       | -                                | -                        | -                           | -                      |
| SGP expense  | -                       | -  | 62                            | -                                | -                        | -                           | 62                     |
| Dividends paid (Note 7)  | -                       | -  | -                             | -                                | -                        | (275,069)                   | (275,069)              |
| Total transactions with owners                                   | 1,801                   | -  | (1,739)                       | -                                | -                        | (275,069)                   | (275,007)              |
| Transfer of gain on disposal of quoted shares at FVTOCI          | -                       | -  | -                             | -                                | (64,077)                 | 64,077                      | -                      |
| <b>At 30 June 2021</b>   | <b>435,621</b>          | <b>609</b>                                     | <b>-</b>                      | <b>30,000</b>                    | <b>63,629</b>            | <b>335,476</b>              | <b>865,335</b>         |

The above condensed consolidated statement of changes in equity should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE YEAR-TO-DATE ENDED 30 JUNE 2022**

|   | Note | Year-To-Date Ended                 |                                    |
|---|------|------------------------------------|------------------------------------|
|   |      | 30.06.2022<br>RM'000<br>(Reviewed) | 30.06.2021<br>RM'000<br>(Reviewed) |
| <b>Cash flows from operating activities</b>                             |      |                                    |                                    |
| Profit before tax and zakat   |      | 173,696                            | 282,054                            |
| Adjustments for:  |      |                                    |                                    |
| Amortisation of premium   |      | 1                                  | 1                                  |
| Depreciation and amortisation   |      | 12,676                             | 10,498                             |
| Dividend income from investment securities                              | 9    | -                                  | (797)                              |
| Equipments written off  |      | -                                  | 3                                  |
| Grant income  | 9    | (748)                              | (308)                              |
| Interest expense on lease liabilities                                   |      | 267                                | 267                                |
| Interest/profit income  | 9    | (6,933)                            | (6,419)                            |
| Net loss/(gain) on disposals of computer hardware                       | 9    | 1                                  | (122)                              |
| Net (reversal of impairment losses)/impairment losses on:               |      |                                    |                                    |
| - investment securities   | 10   | (52)                               | 52                                 |
| - trade and other receivables   | 10   | 638                                | 631                                |
| Retirement benefit obligations  |      | 228                                | 228                                |
| SGP expense   |      | -                                  | 62                                 |
| Unrealised loss on foreign exchange differences                         |      | 72                                 | 77                                 |
| Operating profit before working capital changes                         |      | 179,846                            | 286,227                            |
| (Increase)/decrease in receivables                                      |      | (8,812)                            | 22,278                             |
| (Decrease)/increase in other payables                                   |      | (754)                              | 1,043                              |
| Cash generated from operations  |      | 170,280                            | 309,548                            |
| Contributions to defined benefit retirement scheme                      |      | (2,636)                            | (2,150)                            |
| Repayment of staff loans, net of disbursements                          |      | 129                                | 229                                |
| Net tax and zakat paid  |      | (38,284)                           | (73,764)                           |
| <b>Net cash from operating activities</b>                               |      | <b>129,489</b>                     | <b>233,863</b>                     |
| <b>Cash flows from investing activities</b>                             |      |                                    |                                    |
| Dividends received  |      | -                                  | 2,291                              |
| Decrease/(increase) in deposits not for short-term funding requirements |      | 29,678                             | (20,412)                           |
| Interest/profit income received   |      | 6,676                              | 8,576                              |
| Proceeds from disposals of:   |      |                                    |                                    |
| - investment securities   |      | 19,974                             | 85,080                             |
| - computer hardware   |      | -                                  | 122                                |
| Purchases of:   |      |                                    |                                    |
| - investment securities   |      | (14,853)                           | (5,000)                            |
| - property, plant and equipment and computer software                   |      | (22,463)                           | (8,703)                            |
| <b>Net cash from investing activities</b>                               |      | <b>19,012</b>                      | <b>61,954</b>                      |
| <b>Cash flows from financing activities</b>                             |      |                                    |                                    |
| Dividends paid  | 7    | (137,581)                          | (275,069)                          |
| Grant received  |      | 700                                | -                                  |
| <b>Net cash used in financing activities</b>                            |      | <b>(136,881)</b>                   | <b>(275,069)</b>                   |
| <b>Net increase in cash and cash equivalents</b>                        |      | <b>11,620</b>                      | <b>20,748</b>                      |
| Effects of exchange rate changes  |      | 200                                | 110                                |
| Cash and cash equivalents at beginning of period                        |      | 315,681                            | 286,534                            |
| <b>Cash and cash equivalents at end of period</b>                       | 15   | <b>327,501</b>                     | <b>307,392</b>                     |

The above condensed consolidated statement of cash flows should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these interim financial statements.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**1. BASIS OF PREPARATION**

These condensed consolidated financial statements ("Condensed Report") have been prepared in accordance with the Malaysian Financial Reporting Standard ("MFRS") 134 *Interim Financial Reporting*, the International Accounting Standard ("IAS") 34 *Interim Financial Reporting* and the requirements of the Companies Act 2016 in Malaysia, where applicable. This Condensed Report, other than for financial instruments and retirement benefit obligations, has been prepared under the historical cost convention. Certain financial instruments are carried at fair value in accordance with MFRS 9 *Financial Instruments* and the retirement benefit obligations, including actuarial gains and losses are recognised in accordance with MFRS 119 *Employee Benefits*.

This Condensed Report has also been prepared in accordance with paragraph 9.22 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad.

This Condensed Report should be read in conjunction with the Group's audited financial statements for the financial year ended 31 December 2021. The explanatory notes attached to this Condensed Report provide explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.1 Adoption of Amendments to Standards**

The accounting standards adopted in the preparation of the Condensed Report are consistent with those adopted in the preparation of the Group's audited financial statements for the financial year ended 31 December 2021, except for the following which were adopted at the beginning of the current financial year. These pronouncements are either not relevant or do not have any material impact on the Group's financial statements for the current financial year.

Amendment to MFRS 16 Leases - *Covid-19 - Related Rent Concessions beyond 30 June 2021*

Amendments to MFRS 3 Business Combinations - *Reference to the Conceptual Framework*

Amendments to MFRS 116 Property, Plant and Equipment - *Proceeds before Intended Use*

Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets - *Onerous Contracts - Cost of Fulfilling a Contract*

Annual Improvements to MFRS Standards 2018 - 2020:

- Amendment to MFRS 1 First-time Adoption of Malaysian Financial Reporting Standards
- Amendment to MFRS 9 Financial Instruments
- Amendment to MFRS 141 Agriculture

**2.2 Standards issued but not yet effective**

As at the date of authorisation of this Condensed Report, the following Standards and amendments to Standards have been issued by the Malaysian Accounting Standards Board ("MASB"), but are not yet effective to the Group's current financial period.

**Effective for financial periods beginning on or after 1 January 2023**

MFRS 17 Insurance Contracts ("MFRS 17") and Amendments to MFRS 17

Amendments to MFRS 101 Presentation of Financial Statements - *Classification of Liabilities as Current or Non-current* and *Disclosure of Accounting Policies*

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**2. SIGNIFICANT ACCOUNTING POLICIES (CONT'D)**

**2.2 Standards issued but not yet effective (cont'd)**

**Effective for financial periods beginning on or after 1 January 2023 (cont'd.)**

Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors

- *Definition of Accounting Estimates*

Amendments to MFRS 112 Income Taxes - *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

**Effective date of these Amendments to Standards has been deferred, and yet to be announced**

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The above pronouncements are either not relevant or do not have any material impact on the Group's financial statements.

**3. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS**

The Group's performance is affected by the level of activities in the securities, derivatives and Islamic capital markets but not by any seasonal or cyclical factors.

**4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the current quarter and year-to-date ended 30 June 2022.

**5. SIGNIFICANT ESTIMATES AND CHANGES IN ESTIMATES**

There were no changes in estimates that have had any material effect during the current quarter and year-to-date ended 30 June 2022.

**6. DEBT AND EQUITY SECURITIES**

There were no issuances, repurchases and repayments of debt and equity securities during the current quarter and year-to-date ended 30 June 2022.



**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**7. DIVIDENDS PAID**

The following dividends were paid during the current and previous corresponding financial periods ended:

|   | 30.06.2022       | 30.06.2021       |
|---|------------------|------------------|
| <b>Final and special dividends</b>                          |                  |                  |
| Final dividend per share (single-tier)                      | 17.0 sen         | 26.0 sen         |
| Special dividend per share (single-tier)                    | -                | 8.0 sen          |
| For the financial year ended                                | 31 December 2021 | 31 December 2020 |
| Approved and declared on                                    | 28 January 2022  | 2 February 2021  |
| Date paid   | 25 February 2022 | 3 March 2021     |
| Number of ordinary shares on which dividend was paid ('000) | 809,299          | 809,027          |
| Net dividend paid (RM'000)                                  | 137,581          | 275,069          |

**8. OPERATING REVENUE**

|   | Quarter Ended        |                      |               | Year-To-Date Ended   |                      |               |
|---|----------------------|----------------------|---------------|----------------------|----------------------|---------------|
|   | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  |
| Trade fees                                    | 6,290                | 11,259               | (44.1)        | 14,214               | 26,494               | (46.4)        |
| Clearing fees                                 | 52,821               | 96,207               | (45.1)        | 117,445              | 223,745              | (47.5)        |
| Others  | 7,658                | 7,798                | (1.8)         | 15,546               | 15,908               | (2.3)         |
| <b>Total Securities trading revenue</b>       | <b>66,769</b>        | <b>115,264</b>       | <b>(42.1)</b> | <b>147,205</b>       | <b>266,147</b>       | <b>(44.7)</b> |
| Trade fees                                    | 12,502               | 13,688               | (8.7)         | 26,058               | 27,670               | (5.8)         |
| Clearing fees                                 | 6,369                | 6,177                | 3.1           | 12,587               | 12,492               | 0.8           |
| Others  | 5,539                | 2,516                | 120.2         | 9,091                | 4,774                | 90.4          |
| <b>Total Derivatives trading revenue</b>      | <b>24,410</b>        | <b>22,381</b>        | <b>9.1</b>    | <b>47,736</b>        | <b>44,936</b>        | <b>6.2</b>    |
| Bursa Suq Al-Sila' ("BSAS") trade fees        | 3,804                | 3,258                | 16.8          | 7,628                | 6,666                | 14.4          |
| Listing and issuer services                   | 17,186               | 18,708               | (8.1)         | 34,088               | 34,468               | (1.1)         |
| Depository services                           | 13,911               | 14,444               | (3.7)         | 28,283               | 29,955               | (5.6)         |
| Market data                                   | 16,453               | 12,296               | 33.8          | 31,205               | 26,375               | 18.3          |
| Member services and connectivity              | 5,850                | 5,807                | 0.7           | 11,738               | 11,559               | 1.5           |
| Conference fees and exhibition-related income | -                    | -                    | -             | 1,542                | 57                   | 2,605.3       |
| <b>Total other operating revenue</b>          | <b>57,204</b>        | <b>54,513</b>        | <b>4.9</b>    | <b>114,484</b>       | <b>109,080</b>       | <b>5.0</b>    |
| <b>Total operating revenue</b>                | <b>148,383</b>       | <b>192,158</b>       | <b>(22.8)</b> | <b>309,425</b>       | <b>420,163</b>       | <b>(26.4)</b> |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**8. OPERATING REVENUE (CONT'D)**

**Disaggregation of revenue**

The following tables illustrate the Group's revenue as disaggregated by major products or services and provide a reconciliation of the disaggregated revenue with the Group's four major market segments as disclosed in Note 11. The tables also include the timing of revenue recognition.

**OPERATING REVENUE FOR THE QUARTER ENDED**

|                                       | Securities Market    |                      |               | Derivatives Market   |                      |              | Exchange Holding Company |                      |              | Others               |                      |              | Total                |                      |               |
|---------------------------------------|----------------------|----------------------|---------------|----------------------|----------------------|--------------|--------------------------|----------------------|--------------|----------------------|----------------------|--------------|----------------------|----------------------|---------------|
|                                       | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000     | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  |
| <b>Major products or services:</b>    |                      |                      |               |                      |                      |              |                          |                      |              |                      |                      |              |                      |                      |               |
| Securities trading revenue            | 66,769               | 115,264              | (42.1)        | -                    | -                    | -            | -                        | -                    | -            | -                    | -                    | -            | 66,769               | 115,264              | (42.1)        |
| Derivatives trading revenue           | -                    | -                    | -             | 24,410               | 22,381               | 9.1          | -                        | -                    | -            | -                    | -                    | -            | 24,410               | 22,381               | 9.1           |
| BSAS trade fees                       | -                    | -                    | -             | -                    | -                    | -            | -                        | -                    | -            | 3,804                | 3,258                | 16.8         | 3,804                | 3,258                | 16.8          |
| Listing and issuer services           | 17,153               | 18,678               | (8.2)         | -                    | -                    | -            | -                        | -                    | -            | 33                   | 30                   | 10.0         | 17,186               | 18,708               | (8.1)         |
| Depository services                   | 13,911               | 14,444               | (3.7)         | -                    | -                    | -            | -                        | -                    | -            | -                    | -                    | -            | 13,911               | 14,444               | (3.7)         |
| Market data                           | 13,416               | 9,690                | 38.5          | 2,941                | 2,539                | 15.8         | -                        | -                    | -            | 96                   | 67                   | 43.3         | 16,453               | 12,296               | 33.8          |
| Member services and connectivity      | 3,778                | 3,814                | (0.9)         | 41                   | 36                   | 13.3         | 2,010                    | 1,937                | 3.8          | 21                   | 20                   | 5.0          | 5,850                | 5,807                | 0.7           |
|                                       | <b>115,027</b>       | <b>161,890</b>       | <b>(28.9)</b> | <b>27,392</b>        | <b>24,956</b>        | <b>9.8</b>   | <b>2,010</b>             | <b>1,937</b>         | <b>3.8</b>   | <b>3,954</b>         | <b>3,375</b>         | <b>17.2</b>  | <b>148,383</b>       | <b>192,158</b>       | <b>(22.8)</b> |
| <b>Timing of revenue recognition:</b> |                      |                      |               |                      |                      |              |                          |                      |              |                      |                      |              |                      |                      |               |
| At a point in time                    | 94,041               | 144,366              | (34.9)        | 25,536               | 23,383               | 9.2          | -                        | -                    | -            | 3,823                | 3,276                | 16.7         | 123,400              | 171,025              | (27.8)        |
| Over time                             | 20,986               | 17,524               | 19.8          | 1,856                | 1,573                | 18.0         | 2,010                    | 1,937                | 3.8          | 131                  | 99                   | 32.3         | 24,983               | 21,133               | 18.2          |
|                                       | <b>115,027</b>       | <b>161,890</b>       | <b>(28.9)</b> | <b>27,392</b>        | <b>24,956</b>        | <b>9.8</b>   | <b>2,010</b>             | <b>1,937</b>         | <b>3.8</b>   | <b>3,954</b>         | <b>3,375</b>         | <b>17.2</b>  | <b>148,383</b>       | <b>192,158</b>       | <b>(22.8)</b> |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**8. OPERATING REVENUE (CONT'D)**

**Disaggregation of revenue (cont'd)**

**OPERATING REVENUE FOR THE YEAR-TO-DATE ENDED**

|  | Securities Market    |                      |               | Derivatives Market   |                      |              | Exchange Holding Company |                      |              | Others               |                      |              | Total                |                      |               |
|--|----------------------|----------------------|---------------|----------------------|----------------------|--------------|--------------------------|----------------------|--------------|----------------------|----------------------|--------------|----------------------|----------------------|---------------|
|  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000     | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  |
| <b>Major products or services:</b>             |                      |                      |               |                      |                      |              |                          |                      |              |                      |                      |              |                      |                      |               |
| Securities trading revenue                     | 147,205              | 266,147              | (44.7)        | -                    | -                    | -            | -                        | -                    | -            | -                    | -                    | -            | 147,205              | 266,147              | (44.7)        |
| Derivatives trading revenue                    | -                    | -                    | -             | 47,736               | 44,936               | 6.2          | -                        | -                    | -            | -                    | -                    | -            | 47,736               | 44,936               | 6.2           |
| BSAS trade fees                                | -                    | -                    | -             | -                    | -                    | -            | -                        | -                    | -            | 7,628                | 6,666                | 14.4         | 7,628                | 6,666                | 14.4          |
| Listing and issuer services                    | 34,028               | 34,412               | (1.1)         | -                    | -                    | -            | -                        | -                    | -            | 60                   | 56                   | 7.1          | 34,088               | 34,468               | (1.1)         |
| Depository services                            | 28,283               | 29,955               | (5.6)         | -                    | -                    | -            | -                        | -                    | -            | -                    | -                    | -            | 28,283               | 29,955               | (5.6)         |
| Market data                                    | 25,131               | 20,863               | 20.5          | 5,883                | 5,364                | 9.7          | -                        | -                    | -            | 191                  | 148                  | 29.1         | 31,205               | 26,375               | 18.3          |
| Member services and connectivity               | 7,673                | 7,570                | 1.4           | 76                   | 72                   | 5.3          | 3,947                    | 3,873                | 1.9          | 42                   | 44                   | (4.5)        | 11,738               | 11,559               | 1.5           |
| Conference fees and exhibition -related income | -                    | -                    | -             | 1,542                | 57                   | 2,605.3      | -                        | -                    | -            | -                    | -                    | -            | 1,542                | 57                   | 2,605.3       |
|  | <b>242,320</b>       | <b>358,947</b>       | <b>(32.5)</b> | <b>55,237</b>        | <b>50,429</b>        | <b>9.5</b>   | <b>3,947</b>             | <b>3,873</b>         | <b>1.9</b>   | <b>7,921</b>         | <b>6,914</b>         | <b>14.6</b>  | <b>309,425</b>       | <b>420,163</b>       | <b>(26.4)</b> |
| <b>Timing of revenue recognition:</b>          |                      |                      |               |                      |                      |              |                          |                      |              |                      |                      |              |                      |                      |               |
| At a point in time                             | 201,302              | 325,033              | (38.1)        | 51,610               | 47,001               | 9.8          | -                        | -                    | -            | 7,667                | 6,706                | 14.3         | 260,579              | 378,740              | (31.2)        |
| Over time                                      | 41,018               | 33,914               | 20.9          | 3,627                | 3,428                | 5.8          | 3,947                    | 3,873                | 1.9          | 254                  | 208                  | 22.1         | 48,846               | 41,423               | 17.9          |
|  | <b>242,320</b>       | <b>358,947</b>       | <b>(32.5)</b> | <b>55,237</b>        | <b>50,429</b>        | <b>9.5</b>   | <b>3,947</b>             | <b>3,873</b>         | <b>1.9</b>   | <b>7,921</b>         | <b>6,914</b>         | <b>14.6</b>  | <b>309,425</b>       | <b>420,163</b>       | <b>(26.4)</b> |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**9. OTHER INCOME**

|   | Quarter Ended        |                      |               | Year-To-Date Ended   |                      |              |
|---|----------------------|----------------------|---------------|----------------------|----------------------|--------------|
|   | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% |
| Interest/profit income from:                      |                      |                      |               |                      |                      |              |
| - deposits and investment securities              | 3,417                | 3,001                | 13.9          | 6,916                | 6,395                | 8.1          |
| - others  | 8                    | 11                   | (27.3)        | 17                   | 24                   | (29.2)       |
| Dividend income                                   | -                    | 325                  | (100.0)       | -                    | 797                  | (100.0)      |
| Grant income                                      | 33                   | 282                  | (88.3)        | 748                  | 308                  | 142.9        |
| Net (loss)/gain on disposals of computer hardware | -                    | -                    | -             | (1)                  | 122                  | (100.8)      |
| Rental income                                     | 17                   | 227                  | (92.5)        | 30                   | 454                  | (93.4)       |
| Miscellaneous income                              | 29                   | 94                   | (69.1)        | 50                   | 110                  | (54.5)       |
| <b>Total other income</b>                         | <b>3,504</b>         | <b>3,940</b>         | <b>(11.1)</b> | <b>7,760</b>         | <b>8,210</b>         | <b>(5.5)</b> |

**10. OTHER OPERATING EXPENSES**

|   | Quarter Ended        |                      |              | Year-To-Date Ended   |                      |              |
|---|----------------------|----------------------|--------------|----------------------|----------------------|--------------|
|   | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% |
| Administrative expenses                                   | 2,041                | 1,880                | 8.6          | 4,060                | 3,835                | 5.9          |
| Building management expenses                              | 2,961                | 2,664                | 11.1         | 5,611                | 5,322                | 5.4          |
| Central Depository System ("CDS") consumables             | 626                  | 1,216                | (48.5)       | 1,203                | 2,137                | (43.7)       |
| Marketing and development expenses                        | 5,793                | 1,357                | 326.9        | 8,844                | 1,892                | 367.4        |
| Professional fees   | 960                  | 666                  | 44.1         | 1,442                | 1,382                | 4.3          |
| Technology expenses:                                      |                      |                      |              |                      |                      |              |
| - information technology maintenance                      | 6,454                | 6,056                | 6.6          | 13,101               | 11,767               | 11.3         |
| - service fees  | 5,022                | 4,653                | 7.9          | 10,868               | 10,696               | 1.6          |
| Net gain on foreign exchange differences                  | (1,596)              | (432)                | 269.4        | (1,889)              | (550)                | 243.5        |
| Net (reversal of impairment losses)/impairment losses on: |                      |                      |              |                      |                      |              |
| - investment securities                                   | (26)                 | 25                   | (204.0)      | (52)                 | 52                   | (200.0)      |
| - trade and other receivables                             | 635                  | 546                  | 16.3         | 638                  | 631                  | 1.1          |
| Miscellaneous expenses                                    | 2,793                | 9,862                | (71.7)       | 8,713                | 16,404               | (46.9)       |
| <b>Total other operating expenses</b>                     | <b>25,663</b>        | <b>28,493</b>        | <b>(9.9)</b> | <b>52,539</b>        | <b>53,568</b>        | <b>(1.9)</b> |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**11. SEGMENT INFORMATION**

**RESULTS FOR THE QUARTER ENDED**

|                                    | Securities Market    |                      |               | Derivatives Market   |                      |              | Exchange Holding Company |                      |               | Others               |                      |              | Total                |                      |               |
|------------------------------------|----------------------|----------------------|---------------|----------------------|----------------------|--------------|--------------------------|----------------------|---------------|----------------------|----------------------|--------------|----------------------|----------------------|---------------|
|                                    | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000     | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  |
| Operating revenue (Note 8)         | 115,027              | 161,890              | (28.9)        | 27,392               | 24,956               | 9.8          | 2,010                    | 1,937                | 3.8           | 3,954                | 3,375                | 17.2         | 148,383              | 192,158              | (22.8)        |
| Other income                       | 1,873                | 2,473                | (24.3)        | 367                  | 279                  | 31.5         | 1,234                    | 1,170                | 5.5           | 30                   | 18                   | 66.7         | 3,504                | 3,940                | (11.1)        |
| Direct costs                       | (24,940)             | (31,643)             | (21.2)        | (11,606)             | (13,337)             | (13.0)       | (4,161)                  | (6,311)              | (34.1)        | (1,969)              | (1,920)              | 2.6          | (42,676)             | (53,211)             | (19.8)        |
| <b>Segment profit/(loss)</b>       | <b>91,960</b>        | <b>132,720</b>       | <b>(30.7)</b> | <b>16,153</b>        | <b>11,898</b>        | <b>35.8</b>  | <b>(917)</b>             | <b>(3,204)</b>       | <b>(71.4)</b> | <b>2,015</b>         | <b>1,473</b>         | <b>36.8</b>  | <b>109,211</b>       | <b>142,887</b>       | <b>(23.6)</b> |
| Overheads                          |                      |                      |               |                      |                      |              |                          |                      |               |                      |                      |              | (28,149)             | (23,606)             | 19.2          |
| <b>Profit before tax and zakat</b> |                      |                      |               |                      |                      |              |                          |                      |               |                      |                      |              | <b>81,062</b>        | <b>119,281</b>       | <b>(32.0)</b> |

**RESULTS FOR THE YEAR-TO-DATE ENDED**

|                                    | Securities Market    |                      |               | Derivatives Market   |                      |              | Exchange Holding Company |                      |               | Others               |                      |              | Total                |                      |               |
|------------------------------------|----------------------|----------------------|---------------|----------------------|----------------------|--------------|--------------------------|----------------------|---------------|----------------------|----------------------|--------------|----------------------|----------------------|---------------|
|                                    | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000     | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>% | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  |
| Operating revenue (Note 8)         | 242,320              | 358,947              | (32.5)        | 55,237               | 50,429               | 9.5          | 3,947                    | 3,873                | 1.9           | 7,921                | 6,914                | 14.6         | 309,425              | 420,163              | (26.4)        |
| Other income                       | 4,413                | 5,087                | (13.2)        | 711                  | 624                  | 13.9         | 2,585                    | 2,458                | 5.2           | 51                   | 41                   | 24.4         | 7,760                | 8,210                | (5.5)         |
| Direct costs                       | (50,868)             | (57,547)             | (11.6)        | (26,930)             | (27,625)             | (2.5)        | (11,193)                 | (13,760)             | (18.7)        | (3,886)              | (3,786)              | 2.6          | (92,877)             | (102,718)            | (9.6)         |
| <b>Segment profit/(loss)</b>       | <b>195,865</b>       | <b>306,487</b>       | <b>(36.1)</b> | <b>29,018</b>        | <b>23,428</b>        | <b>23.9</b>  | <b>(4,661)</b>           | <b>(7,429)</b>       | <b>(37.3)</b> | <b>4,086</b>         | <b>3,169</b>         | <b>28.9</b>  | <b>224,308</b>       | <b>325,655</b>       | <b>(31.1)</b> |
| Overheads                          |                      |                      |               |                      |                      |              |                          |                      |               |                      |                      |              | (50,612)             | (43,601)             | 16.1          |
| <b>Profit before tax and zakat</b> |                      |                      |               |                      |                      |              |                          |                      |               |                      |                      |              | <b>173,696</b>       | <b>282,054</b>       | <b>(38.4)</b> |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**11. SEGMENT INFORMATION (CONT'D)**

|  | Securities<br>Market<br>RM'000 | Derivatives<br>Market<br>RM'000 | Exchange<br>Holding<br>Company<br>RM'000 | Others<br>RM'000 | Total<br>RM'000  |
|--|--------------------------------|---------------------------------|--|------------------|------------------|
| <b>ASSETS AND LIABILITIES AS AT 30 JUNE 2022</b>   |                                |                                 |  |                  |                  |
| Assets   | 393,143                        | 127,527                         | 333,241                                  | 22,632           | 876,543          |
| Clearing Funds   | 104,920                        | 54,405                          | -  | -                | 159,325          |
| Cash for equity margins,<br>derivatives trading margins,<br>security deposits and eDividend<br>and eRights distributions | 213,877                        | 4,252,942                       | -  | -                | 4,466,819        |
| Segment assets   | 711,940                        | 4,434,874                       | 333,241                                  | 22,632           | 5,502,687        |
| Unallocated corporate assets   | -                              | -                               | -  | -                | 24,433           |
| <b>Total assets</b>  | <b>711,940</b>                 | <b>4,434,874</b>                | <b>333,241</b>                           | <b>22,632</b>    | <b>5,527,120</b> |
| Liabilities  | 93,260                         | 26,421                          | 48,473                                   | 16,654           | 184,808          |
| Participants' contributions to<br>Clearing Funds   | 19,920                         | 44,405                          | -  | -                | 64,325           |
| Equity margins, derivatives<br>trading margins, security<br>deposits and eDividend<br>and eRights distributions          | 213,877                        | 4,252,942                       | -  | -                | 4,466,819        |
| Segment liabilities  | 327,057                        | 4,323,768                       | 48,473                                   | 16,654           | 4,715,952        |
| Unallocated corporate liabilities  | -                              | -                               | -  | -                | 4,894            |
| <b>Total liabilities</b>   | <b>327,057</b>                 | <b>4,323,768</b>                | <b>48,473</b>                            | <b>16,654</b>    | <b>4,720,846</b> |

|  |                |                  |                |               |                  |
|--|----------------|------------------|----------------|---------------|------------------|
| <b>ASSETS AND LIABILITIES AS AT 31 DECEMBER 2021</b>   |                |                  |                |               |                  |
| Assets   | 380,870        | 114,003          | 369,377        | 21,849        | 886,099          |
| Clearing Funds   | 104,678        | 53,221           | -              | -             | 157,899          |
| Cash for equity margins,<br>derivatives trading margins,<br>security deposits and eDividend<br>and eRights distributions | 201,720        | 3,063,667        | -              | -             | 3,265,387        |
| Segment assets   | 687,268        | 3,230,891        | 369,377        | 21,849        | 4,309,385        |
| Unallocated corporate assets   | -              | -                | -              | -             | 32,657           |
| <b>Total assets</b>  | <b>687,268</b> | <b>3,230,891</b> | <b>369,377</b> | <b>21,849</b> | <b>4,342,042</b> |
| Liabilities  | 67,716         | 27,384           | 80,383         | 15,894        | 191,377          |
| Participants' contributions to<br>Clearing Funds   | 19,678         | 43,221           | -              | -             | 62,899           |
| Equity margins, derivatives<br>trading margins, security<br>deposits and eDividend<br>and eRights distributions          | 201,720        | 3,063,667        | -              | -             | 3,265,387        |
| Segment liabilities  | 289,114        | 3,134,272        | 80,383         | 15,894        | 3,519,663        |
| Unallocated corporate liabilities  | -              | -                | -              | -             | 5,240            |
| <b>Total liabilities</b>   | <b>289,114</b> | <b>3,134,272</b> | <b>80,383</b>  | <b>15,894</b> | <b>3,524,903</b> |

**12. RELATED PARTY DISCLOSURES**

All related party transactions and balances within the Group had been entered into in the normal course of business and were carried out on normal commercial terms during the current quarter and year-to-date ended 30 June 2022.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**13. CASH FOR EQUITY MARGINS, DERIVATIVES TRADING MARGINS, SECURITY DEPOSITS AND eDIVIDEND AND eRIGHTS DISTRIBUTIONS**

|  | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|--|-------------------------------|-------------------------------|
| Equity margins   | 210,855                       | 200,124                       |
| Derivatives trading margins  | 4,220,970                     | 3,035,847                     |
| Security deposits from Clearing Participants ("CPs") of Bursa Malaysia<br>Derivatives Clearing Berhad ("BMDC")                   | 31,972                        | 27,820                        |
| Total equity margins, derivatives trading margins and security deposits,<br>representing trade payables                          | 4,463,797                     | 3,263,791                     |
| Cash received for eDividend and eRights distributions (included in other payables)   | 3,022                         | 1,596                         |
| <b>Total cash for equity margins, derivatives trading margins,<br/>security deposits and eDividend and eRights distributions</b> | <b>4,466,819</b>              | <b>3,265,387</b>              |

The non-cash collaterals for equity margins, derivatives trading margins and security deposits from CPs of BMDC held by, but not belonging to the Group and which are not included in the condensed consolidated statement of financial position, comprise the following:

|   | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|---|-------------------------------|-------------------------------|
| Collaterals in the form of letters of credit for:                 |                               |                               |
| - equity margins  | 11,000                        | 11,000                        |
| - derivatives trading margins                                     | 756,496                       | 687,848                       |
| - security deposits from CPs of BMDC                              | 16,000                        | 16,000                        |
|   | 783,496                       | 714,848                       |
| Collaterals in the form of shares for derivatives trading margins | 753                           | 784                           |
|   | <b>784,249</b>                | <b>715,632</b>                |

**14. CASH AND BANK BALANCES OF CLEARING FUNDS**

|   | Participants'<br>contributions<br>RM'000 | Cash set aside<br>by the Group<br>RM'000 | Total<br>RM'000 |
|---|--|--|-----------------|
| <b>As at 30 June 2022</b>   |  |  |                 |
| Contributions from Trading Clearing Participants ("TCPs")<br>of Bursa Malaysia Securities Clearing Sdn Bhd ("BMSC") | 19,920                                   | -  | 19,920          |
| Contributions from BMSC   | -  | 85,000                                   | 85,000          |
| Clearing Guarantee Fund ("CGF") balance   | 19,920                                   | 85,000                                   | 104,920         |
| Contributions from CPs of BMDC  | 44,405                                   | -  | 44,405          |
| Contributions from BMDC   | -  | 10,000                                   | 10,000          |
| Derivatives Clearing Fund ("DCF") balance   | 44,405                                   | 10,000                                   | 54,405          |
| <b>Total cash and bank balances of Clearing Funds</b>   | <b>64,325</b>                            | <b>95,000</b>                            | <b>159,325</b>  |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**14. CASH AND BANK BALANCES OF CLEARING FUNDS (CONT'D)**

|   | Participants'<br>contributions<br>RM'000 | Cash set aside<br>by the Group<br>RM'000 | Total<br>RM'000 |
|---|--|--|-----------------|
| <b>As at 31 December 2021</b>                         |  |  |                 |
| Contributions from TCPs of BMSC                       | 19,678                                   | -  | 19,678          |
| Contributions from BMSC                               | -  | 85,000                                   | 85,000          |
| CGF balance   | 19,678                                   | 85,000                                   | 104,678         |
| Contributions from CPs of BMDC                        | 43,221                                   | -  | 43,221          |
| Contributions from BMDC                               | -  | 10,000                                   | 10,000          |
| DCF balance   | 43,221                                   | 10,000                                   | 53,221          |
| <b>Total cash and bank balances of Clearing Funds</b> | <b>62,899</b>                            | <b>95,000</b>                            | <b>157,899</b>  |

**15. CASH AND BANK BALANCES OF THE GROUP**

|  | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|--|-------------------------------|-------------------------------|
| Cash and bank balances                           | 2,695                         | 3,522                         |
| Deposits for short-term funding requirements     | 324,806                       | 312,159                       |
| Cash and cash equivalents                        | 327,501                       | 315,681                       |
| Deposits not for short-term funding requirements | 153,790                       | 183,468                       |
| <b>Total cash and bank balances</b>              | <b>481,291</b>                | <b>499,149</b>                |

**16. CAPITAL COMMITMENTS**

Capital commitments for the purchase of property, plant and equipment and computer software not provided for in the Condensed Report as at the end of the financial period are as follows:

|   | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|---|-------------------------------|-------------------------------|
| <b>Approved and contracted for:</b>     |                               |                               |
| Computers and office automation         | 15,590                        | 2,619                         |
| Office equipment and renovation         | 7,211                         | 6,785                         |
|   | <b>22,801</b>                 | <b>9,404</b>                  |
| <b>Approved but not contracted for:</b> |                               |                               |
| Computers and office automation         | 2,797                         | 2,560                         |
| Office equipment and renovation         | 17                            | 4,170                         |
|   | <b>2,814</b>                  | <b>6,730</b>                  |



**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**17. CONTINGENT ASSETS AND LIABILITIES**

There were no contingent assets and contingent liabilities as at 30 June 2022.

**18. CHANGES IN COMPOSITION OF THE GROUP**

There were no changes in the composition of the Group during the current quarter and year-to-date ended 30 June 2022.

**19. OPERATING LEASE ARRANGEMENTS**

The Group has entered into operating lease arrangements as the lessor for the lease of office space in its building. The future aggregate minimum lease payments receivable under the operating leases contracted for but not recognised in the financial statements as receivables are as follows:

|   | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|---|-------------------------------|-------------------------------|
| Not later than 1 year                         | 73                            | 72                            |
| Later than 1 year and not later than 5 years  | 92                            | 8                             |
| <b>Total future minimum lease receivables</b> | <b>165</b>                    | <b>80</b>                     |

**20. FINANCIAL INSTRUMENTS**

**20.1 Classification**

The following table analyses the financial assets and financial liabilities of the Group in the condensed consolidated statement of financial position by the classes and categories of financial instruments to which they are assigned by their measurement basis.

|  | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|--|-------------------------------|-------------------------------|
| <b>Assets</b>                          |                               |                               |
| <b>Financial assets at FVTOCI</b>      |                               |                               |
| Investment securities - unquoted bonds | 49,268                        | 60,222                        |

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**20. FINANCIAL INSTRUMENTS (CONT'D)**

**20.1 Classification (cont'd)**

|   | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|---|-------------------------------|-------------------------------|
| <b>Financial assets at amortised cost</b>   |                               |                               |
| Investment securities - commercial papers   | 4,877                         | -                             |
| Staff loans receivable  | 1,103                         | 1,232                         |
| Trade receivables   | 53,634                        | 48,098                        |
| Other receivables which are financial assets*   | 5,391                         | 5,125                         |
| Cash for equity margins, derivatives trading margins, security deposits and eDividend and eRights distributions | 4,466,819                     | 3,265,387                     |
| Cash and bank balances of Clearing Funds  | 159,325                       | 157,899                       |
| Cash and bank balances of the Group   | 481,291                       | 499,149                       |
|   | <b>5,172,440</b>              | <b>3,976,890</b>              |
| <b>Total financial assets</b>   | <b>5,221,708</b>              | <b>4,037,112</b>              |
| <b>Liabilities</b>  |                               |                               |
| <b>Financial liabilities at amortised cost</b>  |                               |                               |
| Trade payables  | 4,463,797                     | 3,263,791                     |
| Participants' contributions to Clearing Funds   | 64,325                        | 62,899                        |
| Other payables which are financial liabilities**  | 36,167                        | 34,467                        |
| Lease liabilities   | 8,223                         | 7,956                         |
| <b>Total financial liabilities</b>  | <b>4,572,512</b>              | <b>3,369,113</b>              |

\* Other receivables which are financial assets include deposits, interest/profit income and sundry receivables, net of allowance for impairment losses.

\*\* Other payables which are financial liabilities include the amount due to the Securities Commission Malaysia and sundry payables.

**20.2 Fair value**

**(a) Financial instruments that are carried at fair value**

Financial assets at FVTOCI are measured at different measurement hierarchies (i.e. Levels 1, 2 and 3). The hierarchies reflect the level of objectiveness of inputs used when measuring the fair value.

**(i) Level 1: Quoted prices (unadjusted) of identical assets in active markets**

The Group does not have any financial instruments measured at Level 1 as at 30 June 2022 and 31 December 2021.

**(ii) Level 2: Inputs other than at quoted prices included within Level 1 that are observable for the assets, either directly (prices) or indirectly (derived from prices)**

Unquoted bonds are measured at Level 2. The fair value of unquoted bonds is determined by reference to the published market bid prices based on information provided by Bond Pricing Agency Malaysia Sdn Bhd.

**PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134**

**20. FINANCIAL INSTRUMENTS (CONT'D)**

**20.2 Fair value (cont'd)**

**(a) Financial instruments that are carried at fair value (cont'd)**

**(iii) Level 3: Inputs for the assets that are not based on observable market data (unobservable inputs)**

The Group does not have any financial instruments measured at Level 3 as at 30 June 2022 and 31 December 2021.

|   | <b>As at<br/>30.06.2022<br/>RM'000</b> | <b>As at<br/>31.12.2021<br/>RM'000</b> |
|---|--|--|
| <b>Level 2</b>                              |  |  |
| Financial assets at FVTOCI - unquoted bonds | 49,268                                 | 60,222                                 |

**(b) Financial instruments that are not carried at fair value**

The carrying amounts of financial assets and financial liabilities at amortised cost are reasonable approximation of their fair values due to their short-term nature.

**21. EVENT AFTER THE REPORTING PERIOD**

There was no material event subsequent to the current quarter and year-to-date ended 30 June 2022.

**22. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD**

There was no significant event during the current quarter and year-to-date ended 30 June 2022.

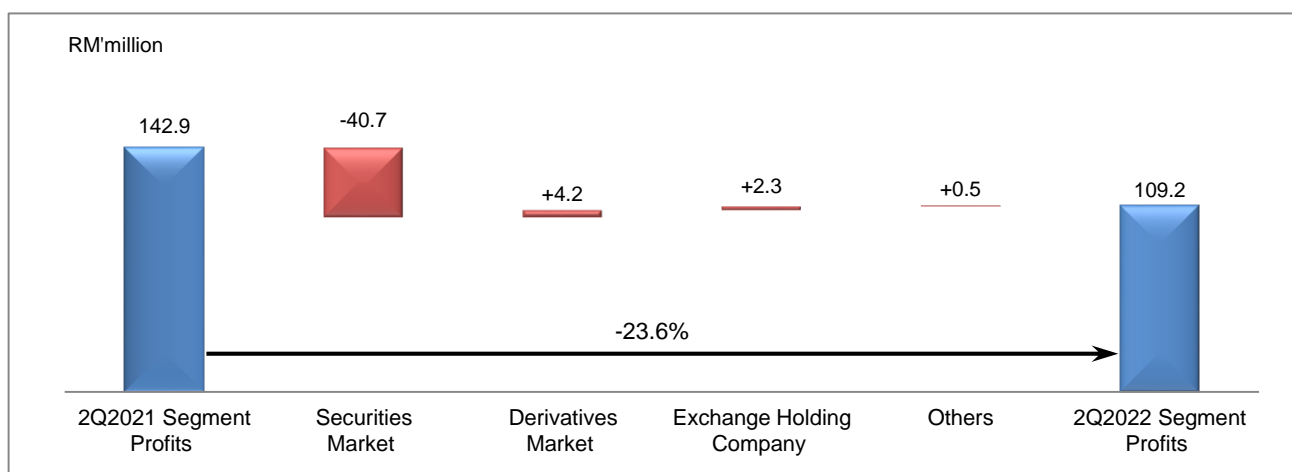
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW**

**2Q2022 vs. 2Q2021**

Profit before tax and zakat ("PBT") for the quarter ended 30 June 2022 ("2Q2022") was RM81.1 million, a decrease of 32.0 per cent compared to RM119.3 million in the quarter ended 30 June 2021 ("2Q2021"). PBT is made up of segment profits less overheads (as depicted in Note 11). The cost-to-income ratio in 2Q2022 was at 47%, an increase of 8 percentage points compared to 39% in 2Q2021 mainly due to lower operating revenue in 2Q2022.

Total segment profits for 2Q2022 was RM109.2 million, a decrease of 23.6 per cent compared to RM142.9 million in 2Q2021. Movements in the segment profits are shown in the chart below:



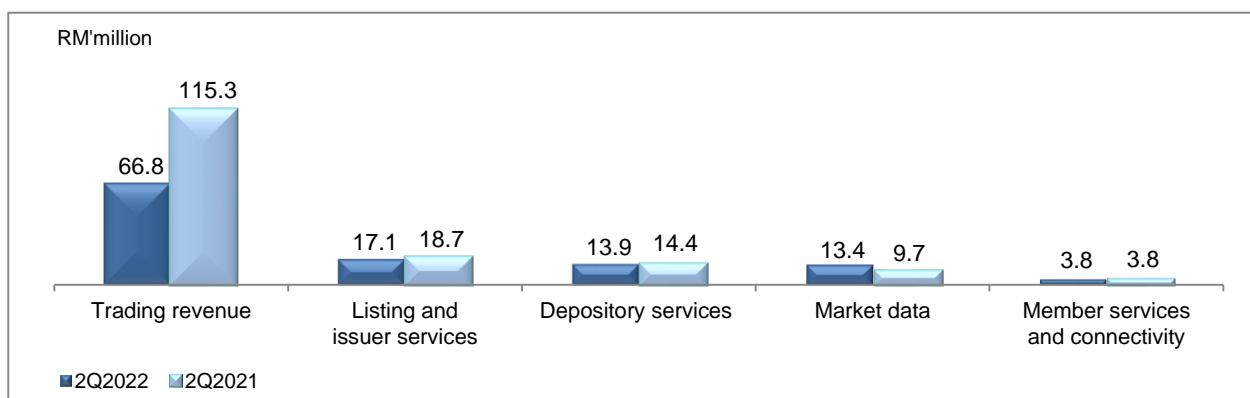
Total comprehensive income for 2Q2022 was RM59.1 million, a decrease of 39.1 per cent compared to RM96.9 million in 2Q2021 mainly due to lower profit earned in 2Q2022.

**Securities Market**

The Securities Market recorded a segment profit of RM92.0 million in 2Q2022, a decrease of 30.7 per cent compared to RM132.7 million in 2Q2021 mainly due to lower operating revenue in 2Q2022.

**(i) Operating Revenue**

The Securities Market's operating revenue for 2Q2022 was RM115.0 million, a decrease of 28.9 per cent compared to RM161.9 million in 2Q2021. Details by revenue category are shown in the chart below:



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

**2Q2022 vs. 2Q2021 (cont'd)**

**Securities Market (cont'd)**

**(i) Operating Revenue (cont'd)**

- > Trading revenue decreased by 42.1 per cent to RM66.8 million in 2Q2022 from RM115.3 million in 2Q2021 mainly due to lower Average Daily Trading Value ("ADV") for On-Market Trades ("OMT") and Direct Business Trades ("DBT"), which decreased by 42.2 per cent to RM2.23 billion in 2Q2022 compared to RM3.86 billion in 2Q2021. Trading velocity in 2Q2022 was lower by 21 percentage points at 30% compared to 51% in 2Q2021.
- > Listing and issuer services revenue decreased by 8.2 per cent to RM17.1 million in 2Q2022 from RM18.7 million in 2Q2021 mainly due to lower perusal and processing fees and additional listing fees earned from corporate exercises in 2Q2022.
- > Market data revenue increased by 38.5 per cent to RM13.4 million in 2Q2022 from RM9.7 million in 2Q2021 contributed by higher number of subscribers in 2Q2022.

Key operating drivers of the Securities Market are as follows:

| <b>Key operating drivers</b>                     |                  | <b>2Q2022</b> | <b>2Q2021</b> | <b>Changes (%)</b> |
|--|------------------|---------------|---------------|--------------------|
| ADV (OMT)  | (RM'billion)     | 2.13          | 3.75          | (43.2)             |
| ADV (DBT)  | (RM'billion)     | 0.10          | 0.11          | (9.1)              |
| Total ADV (OMT and DBT)                          | (RM'billion)     | 2.23          | 3.86          | (42.2)             |
| Average daily trading volume (OMT)               | (billion shares) | 2.94          | 6.47          | (54.6)             |
| Average daily trading volume (DBT)               | (billion shares) | 0.16          | 0.10          | 60.0               |
| Total average daily trading volume (OMT and DBT) | (billion shares) | 3.10          | 6.57          | (52.8)             |
| FBMKLCI  | (points)         | 1,444.22      | 1,532.63      | (5.8)              |
| Effective clearing fee rate                      | (basis points)   | 2.63          | 2.75          | (4.4)              |
| Velocity   | (per cent)       | 30            | 51            | (21.0)             |
| Number of Initial Public Offerings ("IPOs")      |                  | 11            | 8             | 37.5               |
| Number of new structured warrants listed         |                  | 404           | 339           | 19.2               |
| Total funds raised:                              |                  |               |               |                    |
| - IPOs   | (RM'million)     | 591.83        | 209.64        | 182.3              |
| - Secondary issues                               | (RM'million)     | 2,663.60      | 3,961.69      | (32.8)             |
| Market capitalisation as at end of period        | (RM'billion)     | 1,647.69      | 1,742.53      | (5.4)              |
| Number of trading days                           |                  | 59            | 60            | -1 day             |

**(ii) Operating Expenses**

Segment expenses decreased by 21.2 per cent to RM24.9 million in 2Q2022 compared to RM31.6 million in 2Q2021 mainly due to lower staff costs and CDS expenses in 2Q2022.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

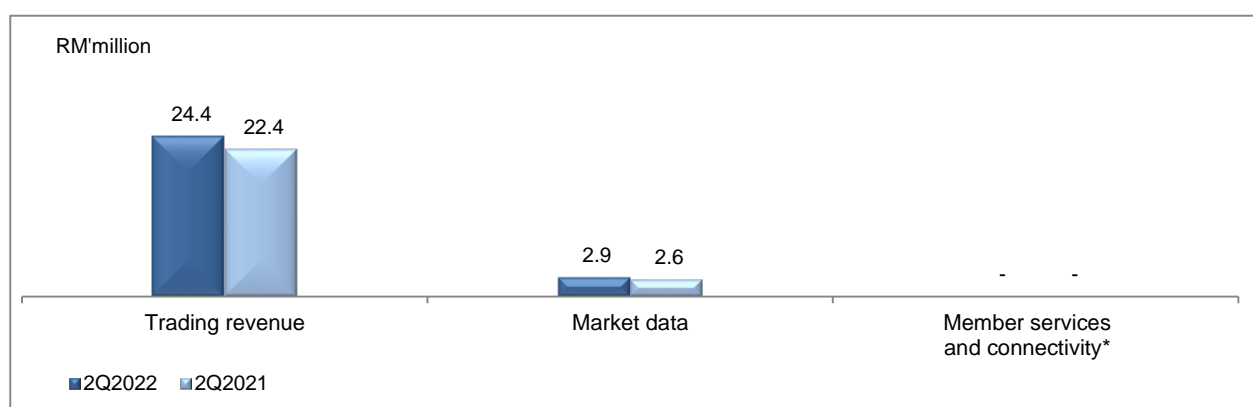
**2Q2022 vs. 2Q2021 (cont'd)**

**Derivatives Market**

The Derivatives Market recorded a segment profit of RM16.1 million in 2Q2022, an increase of 35.8 per cent from RM11.9 million in 2Q2021 mainly due to higher operating revenue in 2Q2022.

**(i) Operating Revenue**

The Derivatives Market's operating revenue for 2Q2022 was RM27.4 million, an increase of 9.8 per cent compared to RM25.0 million in 2Q2021. Details by revenue category are shown in the chart below:



\* Member services and connectivity fees income are below RM0.1 million for 2Q2022 and 2Q2021.

- > Trading revenue increased by 9.1 per cent to RM24.4 million in 2Q2022 from RM22.4 million in 2Q2021 mainly due to higher collateral management fees earned in 2Q2022.

Key operating drivers of the Derivatives Market are as follows:

| Key operating drivers                               | 2Q2022           | 2Q2021           | Changes (%)  |
|---|------------------|------------------|--------------|
| Crude Palm Oil Futures ("FCPO") contracts           | 3,866,393        | 4,078,786        | (5.2)        |
| FTSE Bursa Malaysia KLCI Futures ("FKLI") contracts | 674,318          | 675,771          | (0.2)        |
| Other contracts                                     | 7,144            | 32,466           | (78.0)       |
| <b>Total contracts</b>                              | <b>4,547,855</b> | <b>4,787,023</b> | <b>(5.0)</b> |
| Average daily number of contracts traded            | 77,082           | 79,784           | (3.4)        |
| Average number of open interest positions           | 250,418          | 256,060          | (2.2)        |
| Number of trading days                              | 59               | 60               | -1 day       |

**(ii) Operating Expenses**

Segment expenses decreased by 13.0 per cent to RM11.6 million in 2Q2022 compared to RM13.3 million in 2Q2021 mainly due lower staff costs in 2Q2022.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

**2Q2022 vs. 2Q2021 (cont'd)**

**Exchange Holding Company**

The Exchange Holding Company recorded a lower segment loss of RM0.9 million in 2Q2022 compared to RM3.2 million in 2Q2021 due to lower staff costs in 2Q2022.

**Others**

This segment is made up of BSAS, bonds and offshore exchange businesses. The segment profit increased by 36.8 per cent to RM2.0 million in 2Q2022 compared to RM1.5 million in 2Q2021.

**Overheads**

Overheads increased by 19.2 per cent to RM28.1 million in 2Q2022 compared to RM23.6 million in 2Q2021 mainly due to higher consultancy fees and depreciation and amortisation expenses in 2Q2022.

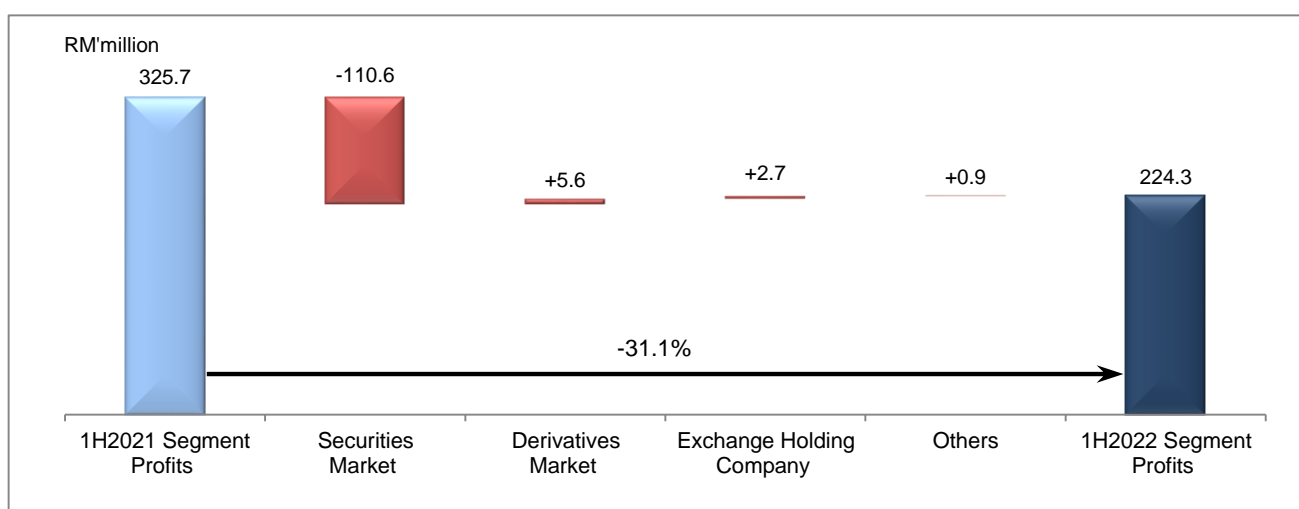
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

**1H2022 vs. 1H2021**

PBT for the year-to-date ended 30 June 2022 ("1H2022") was RM173.7 million, a decrease of 38.4 per cent compared to RM282.1 million in the year-to-date ended 30 June 2021 ("1H2021"). PBT is made up of segment profits less overheads (as depicted in Note 11). The cost-to-income ratio in 1H2022 was at 45%, an increase of 11 percentage points compared to 34% in 1H2021.

Total segment profits for 1H2022 was RM224.3 million, a decrease of 31.1 per cent compared to RM325.7 million in 1H2021. Movements in the segment profits are shown in the chart below:



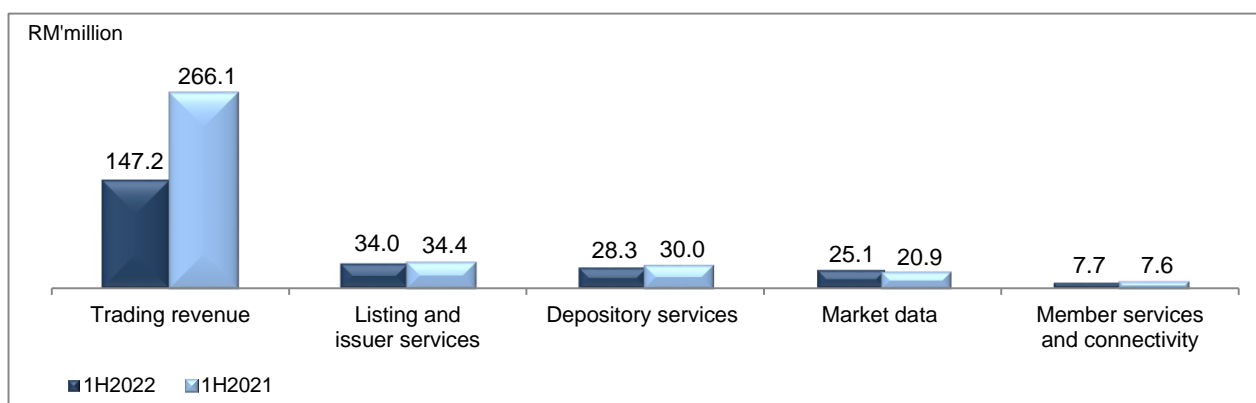
Total comprehensive income for 1H2022 was RM126.7 million, a decrease of 47.1 per cent compared to RM239.5 million in 1H2021 mainly due to lower profit earned in 1H2022.

**Securities Market**

The Securities Market recorded a segment profit of RM195.9 million in 1H2022, a decrease of 36.1 per cent compared to RM306.5 million in 1H2021 mainly due to lower operating revenue in 1H2022.

**(i) Operating Revenue**

The Securities Market's operating revenue for 1H2022 was RM242.3 million, a decrease of 32.5 per cent compared to RM359.0 million in 1H2021. Details by revenue category are shown in the chart below:





**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

**1H2022 vs. 1H2021 (cont'd)**

**Securities Market (cont'd)**

**(i) Operating Revenue (cont'd)**

- > Trading revenue decreased by 44.7 per cent to RM147.2 million in 1H2022 from RM266.1 million in 1H2021 mainly due to lower ADV for OMT and DBT, which decreased by 45.5 per cent to RM2.46 billion in 1H2022 compared to RM4.51 billion in 1H2021. Trading velocity in 1H2022 was lower by 28 percentage points at 33% compared to 61% in 1H2021.
- > Depository services revenue decreased by 5.6 per cent to RM28.3 million in 1H2022 from RM30.0 million in 1H2021 mainly due to lower Record of Depositors ("ROD") fees, additional issue fees and account opening fees in 1H2022.
- > Market data revenue increased by 20.5 per cent to RM25.1 million in 1H2022 from RM20.9 million in 1H2021 contributed by higher number of subscribers in 1H2022.

Key operating drivers of the Securities Market are as follows:

| <b>Key operating drivers</b>                     |                  | <b>1H2022</b> | <b>1H2021</b> | <b>Changes (%)</b> |
|--|------------------|---------------|---------------|--------------------|
| ADV (OMT)  | (RM'billion)     | 2.37          | 4.42          | (46.4)             |
| ADV (DBT)  | (RM'billion)     | 0.09          | 0.09          | -                  |
| Total ADV (OMT and DBT)                          | (RM'billion)     | 2.46          | 4.51          | (45.5)             |
| Average daily trading volume (OMT)               | (billion shares) | 3.08          | 7.46          | (58.7)             |
| Average daily trading volume (DBT)               | (billion shares) | 0.14          | 0.13          | 7.7                |
| Total average daily trading volume (OMT and DBT) | (billion shares) | 3.22          | 7.59          | (57.6)             |
| FBMKLCI  | (points)         | 1,444.22      | 1,532.63      | (5.8)              |
| Effective clearing fee rate                      | (basis points)   | 2.60          | 2.72          | (4.4)              |
| Velocity   | (per cent)       | 33            | 61            | (28.0)             |
| Number of IPOs                                   |                  | 16            | 14            | 14.3               |
| Number of new structured warrants listed         |                  | 743           | 692           | 7.4                |
| Total funds raised:                              |                  |               |               |                    |
| - IPOs   | (RM'million)     | 2,108.55      | 388.71        | 442.4              |
| - Secondary issues                               | (RM'million)     | 3,699.42      | 7,380.34      | (49.9)             |
| Market capitalisation as at end of period        | (RM'billion)     | 1,647.69      | 1,742.53      | (5.4)              |
| Number of trading days                           |                  | 120           | 120           | -                  |

**(ii) Operating Expenses**

Segment expenses decreased by 11.6 per cent to RM50.9 million in 1H2022 compared to RM57.6 million in 1H2022 mainly due to lower staff costs and CDS expenses in 1H2022.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

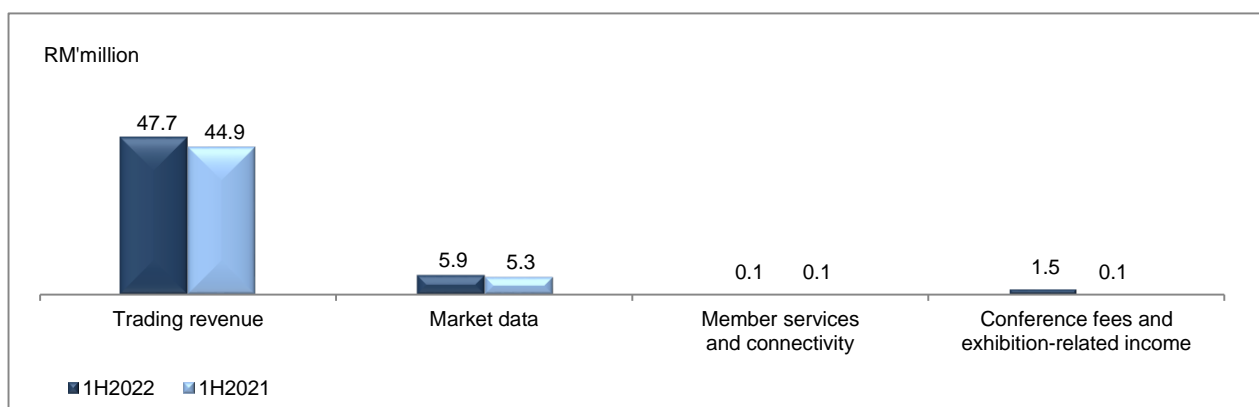
**1H2022 vs. 1H2021 (cont'd)**

**Derivatives Market**

The Derivatives Market recorded a segment profit of RM29.0 million in 1H2022, an increase of 23.9 per cent from RM23.4 million in 1H2021 mainly due to higher operating revenue in 1H2022.

**(i) Operating Revenue**

The Derivatives Market's operating revenue for 1H2022 was RM55.2 million, an increase of 9.5 per cent compared to RM50.4 million in 1H2021. Details by revenue category are shown in the chart below:



- > Trading revenue increased by 6.2 per cent to RM47.7 million in 1H2022 from RM44.9 million in 1H2021 mainly due to higher collateral management fees earned in 1H2022.
- > Conference fees and exhibition-related income earned in 1H2022 is in respect of the resumption of the physical Palm and Lauric Oils Price Outlook Conference & Exhibition ("POC") 2022 which was held in March 2022.

Key operating drivers of the Derivatives Market are as follows:

| Key operating drivers                     | 1H2022    | 1H2021    | Changes (%) |
|---|-----------|-----------|-------------|
| FCPO contracts                            | 7,890,347 | 8,113,465 | (2.7)       |
| FKLI contracts                            | 1,363,982 | 1,440,981 | (5.3)       |
| Other contracts                           | 21,790    | 52,863    | (58.8)      |
| Total contracts                           | 9,276,119 | 9,607,309 | (3.4)       |
| Average daily number of contracts traded  | 77,301    | 80,061    | (3.4)       |
| Average number of open interest positions | 247,854   | 246,399   | 0.6         |
| Number of trading days                    | 120       | 120       | -           |

**(ii) Operating Expenses**

Segment expenses decreased by 2.5 per cent to RM26.9 million in 1H2022 compared to RM27.6 million in 1H2021.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**23. OPERATING SEGMENTS REVIEW (CONT'D)**

**1H2022 vs. 1H2021 (cont'd)**

**Exchange Holding Company**

The Exchange Holding Company recorded a lower segment loss of RM4.7 million in 1H2022 compared to RM7.4 million in 1H2021 mainly due to lower staff costs incurred in 1H2022.

**Others**

The segment profit increased by 28.9 per cent to RM4.1 million in 1H2022 compared to RM3.2 million in 1H2021 mainly due to higher BSAS trade fees earned in 1H2022.

**Overheads**

Overheads increased by 16.1 per cent to RM50.6 million in 1H2022 compared to RM43.6 million in 1H2021 mainly due to higher consultancy fees and depreciation and amortisation expenses in 1H2022.

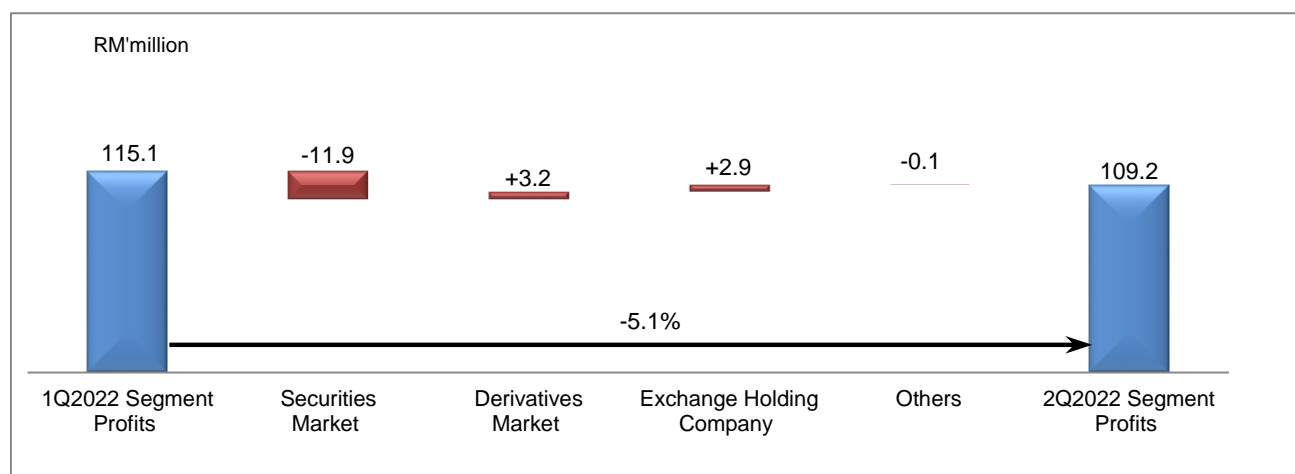
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**24. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER  
COMPARED WITH IMMEDIATE PRECEDING QUARTER**

| <b>Financial Results</b>      | <b>Quarter Ended</b> |                   | <b>Changes</b> |
|-------------------------------|----------------------|-------------------|----------------|
|                               | <b>30.06.2022</b>    | <b>31.03.2022</b> |                |
|                               | <b>RM'000</b>        | <b>RM'000</b>     | <b>%</b>       |
| Operating revenue             | 148,383              | 161,042           | (7.9)          |
| Other income                  | 3,504                | 4,256             | (17.7)         |
|                               | 151,887              | 165,298           | (8.1)          |
| Staff costs                   | (38,719)             | (39,288)          | (1.4)          |
| Depreciation and amortisation | (6,309)              | (6,367)           | (0.9)          |
| Other operating expenses      | (25,663)             | (26,876)          | (4.5)          |
| Profit from operations        | 81,196               | 92,767            | (12.5)         |
| Finance costs                 | (134)                | (133)             | 0.8            |
| <b>PBT</b>                    | <b>81,062</b>        | <b>92,634</b>     | <b>(12.5)</b>  |

PBT for 2Q2022 was RM81.1 million, a decrease of 12.5 per cent from RM92.6 million in the quarter ended 31 March 2022 ("1Q2022"). PBT is made up of segment profits less overheads. The cost-to-income ratio in 2Q2022 was at 47%, an increase of 3 percentage points compared to 44% in 1Q2022.

Total segment profits for 2Q2022 was RM109.2 million, a decrease of 5.1 per cent from RM115.1 million in 1Q2022. The quarter-on-quarter movements in the segment profits are shown in the chart below:



**Securities Market**

The Securities Market recorded a segment profit of RM92.0 million in 2Q2022, a decrease of 11.5 per cent from RM103.9 million in 1Q2022 mainly due to lower operating revenue in 2Q2022.

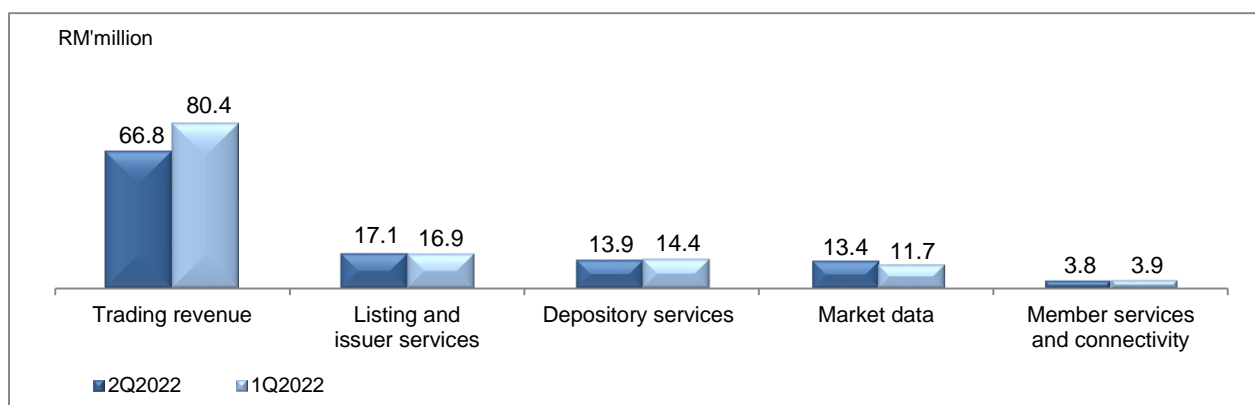
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**24. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)**

**Securities Market (cont'd)**

**(i) Operating Revenue**

The Securities Market's operating revenue for 2Q2022 was RM115.0 million, a decrease of 9.6 per cent compared to RM127.3 million in 1Q2022. Details by revenue category are shown in the chart below:



- > Trading revenue decreased by 17.0 per cent to RM66.8 million in 2Q2022 from RM80.4 million in 1Q2022 mainly due to lower ADV for OMT and DBT, which was lower by 16.8 per cent to RM2.23 billion in 2Q2022 compared to RM2.68 billion in 1Q2022. Trading velocity in 2Q2022 was lower by 6 percentage points at 30% compared to 36% in 1Q2022.
- > Market data revenue increased by 14.5 per cent to RM13.4 million in 2Q2022 from RM11.7 million in 1Q2022 driven by higher number of subscribers in 2Q2022.

Key operating drivers of the Securities Market are as follows:

| Key operating drivers                            |                  | 2Q2022   | 1Q2022   | Changes (%) |
|--|------------------|----------|----------|-------------|
| ADV (OMT)  | (RM'billion)     | 2.13     | 2.60     | (18.1)      |
| ADV (DBT)  | (RM'billion)     | 0.10     | 0.08     | 25.0        |
| Total ADV (OMT and DBT)                          | (RM'billion)     | 2.23     | 2.68     | (16.8)      |
| Average daily trading volume (OMT)               | (billion shares) | 2.94     | 3.23     | (9.0)       |
| Average daily trading volume (DBT)               | (billion shares) | 0.16     | 0.11     | 45.5        |
| Total average daily trading volume (OMT and DBT) | (billion shares) | 3.10     | 3.34     | (7.2)       |
| FBMKLCI  | (points)         | 1,444.22 | 1,587.36 | (9.0)       |
| Effective clearing fee rate                      | (basis points)   | 2.63     | 2.57     | 2.3         |
| Velocity   | (per cent)       | 30       | 36       | (6.0)       |
| Number of IPOs                                   |                  | 11       | 5        | 120.0       |
| Number of new structured warrants listed         |                  | 404      | 339      | 19.2        |
| Total funds raised:                              |                  |          |          |             |
| - IPOs   | (RM'million)     | 591.83   | 1,516.72 | (61.0)      |
| - Secondary issues                               | (RM'million)     | 2,663.60 | 1,035.82 | 157.1       |
| Market capitalisation as at end of period        | (RM'billion)     | 1,647.69 | 1,795.08 | (8.2)       |
| Number of trading days                           |                  | 59       | 61       | -2 days     |

**(ii) Operating Expenses**

Segment expenses decreased by 3.8 per cent to RM24.9 million in 2Q2022 compared to RM25.9 million in 1Q2022 mainly due to lower staff costs in 2Q2022.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

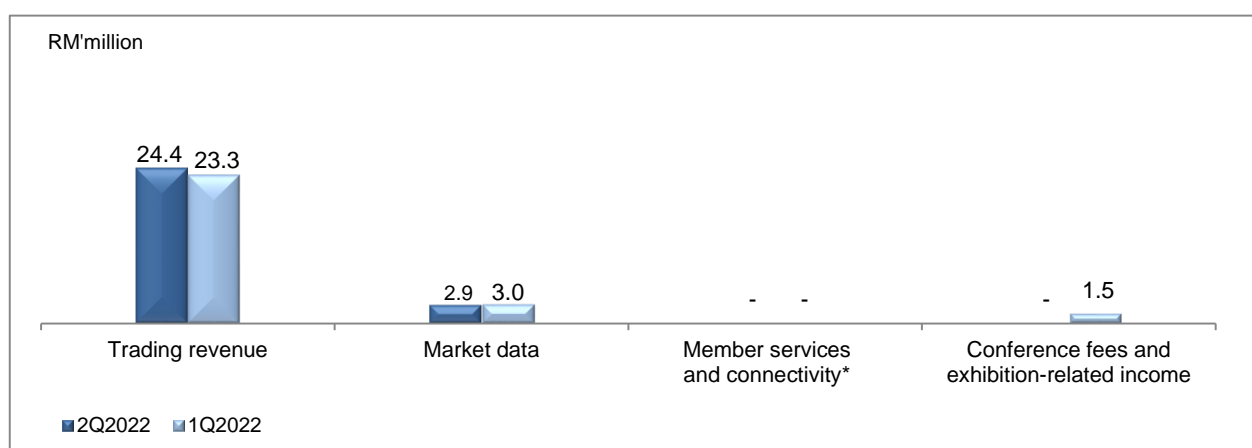
**24. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)**

**Derivatives Market**

The Derivatives Market recorded a segment profit of RM16.1 million in 2Q2022, an increase of 25.6 per cent from RM12.9 million in 1Q2022 mainly due to lower operating expenses in 2Q2022.

**(i) Operating Revenue**

The Derivatives Market's operating revenue for 2Q2022 was RM27.4 million, a decrease of 1.6 per cent from RM27.8 million in 1Q2022. Details by revenue category are shown in the chart below:



\* Member services and connectivity fees income was below RM0.1 million for both 2Q2022 and 1Q2022.

- > Trading revenue increased by 4.6 per cent to RM24.4 million in 2Q2022 from RM23.3 million in 1Q2022 mainly due to higher collateral management fees earned in 2Q2022.
- > Conference fees and exhibition-related income earned in 1Q2022 is in respect of the resumption of the physical POC 2022 which was held in March 2022.

Key operating drivers of the Derivatives Market are as follows:

| Key operating drivers                     | 2Q2022    | 1Q2022    | Changes (%) |
|---|-----------|-----------|-------------|
| FCPO contracts                            | 3,866,393 | 4,023,954 | (3.9)       |
| FKLI contracts                            | 674,318   | 689,664   | (2.2)       |
| Other contracts                           | 7,144     | 14,646    | (51.2)      |
| Total contracts                           | 4,547,855 | 4,728,264 | (3.8)       |
| Average daily number of contracts traded  | 77,082    | 77,513    | (0.6)       |
| Average number of open interest positions | 250,418   | 245,289   | 2.1         |
| Number of trading days                    | 59        | 61        | -2 days     |

**(ii) Operating Expenses**

Segment expenses decreased by 24.3 per cent to RM11.6 million in 2Q2022 compared to RM15.3 million in 1Q2022 mainly due to the POC expenses incurred in 1Q2022.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**24. MATERIAL CHANGE IN PERFORMANCE OF OPERATING SEGMENTS OF CURRENT QUARTER  
COMPARED WITH IMMEDIATE PRECEDING QUARTER (CONT'D)**

**Exchange Holding Company**

The Exchange Holding Company recorded a lower segment loss of RM0.9 million in 2Q2022 compared to RM3.8 million in 1Q2022 mainly due to lower staff costs in 2Q2022.

**Others**

This segment profit decreased by 2.7 per cent to RM2.0 million in 2Q2022 compared to RM2.1 million in 1Q2022.

**Overheads**

Overheads increased by 25.3 per cent to RM28.1 million in 2Q2022 compared to RM22.5 million in 1Q2022 mainly due to higher consultancy fees incurred in 2Q2022.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD****25. COMMENTARY ON PROSPECTS AND TARGETS**

The World Bank, in its June 2022 Global Economic Prospects report, lowered its 2022 global gross domestic product (“GDP”) growth projection to 2.9% from an earlier projection of 4.1% in January 2022 following the spillovers from the Russian-Ukraine conflict and its global effects on commodity markets, supply chains, inflation and financial conditions. The International Monetary Fund, in its July 2022 World Economic Outlook report, lowered its April 2022 global and Malaysia’s growth projections for 2022 to 3.2% from 3.6% and 5.1% from 5.6%, respectively. However, the World Bank maintained Malaysia’s economic growth projection for 2022 at 5.5%, driven mainly by a robust rebound in consumption demand. In May 2022, Bank Negara Malaysia reported that the Malaysian economy grew by 5.0% in 1Q2022 as domestic activities improved while external trade remained strong. The growth outlook is expected to improve further, subject to significant downside risks such as weaker-than-expected global growth, further escalation of geopolitical conflicts, worsening supply chain disruptions, adverse developments surrounding the COVID-19 pandemic and heightened financial market volatility.

The Securities Market continues to be influenced by the ongoing domestic and global developments and is expected to remain volatile. The trading volumes in the second quarter of 2022 had normalised towards the pre-pandemic levels as the economy reopens under the endemic phase of COVID-19. The Exchange expects the number of listings to remain strong in the second half of 2022 and will continue to enhance the attractiveness of the existing listed issuers through its Public Listed Companies Transformation Programme.

In the Derivatives Market, trading activities of the FCPO and FKL1 continue to be influenced by external factors such as Indonesia’s policies on palm oils, high crude oil prices, increase in the overnight interest rate and the weakening of the Malaysian Ringgit. Nonetheless, the Exchange will continue to enhance the Malaysian derivatives market through initiatives such as the extension of the trading hours and new product offerings to maintain its attractiveness.

As for the Islamic Markets, the Exchange continues its focus on developing new Shariah-compliant products such as the Digital Gold Dinar, in line with the Sustainable and Responsible Investment (“SRI”) and Environmental Social Governance (“ESG”) agenda to meet the demands of investors as well as creating a conducive Islamic capital market ecosystem. The Exchange is developing the Shariah-compliant Voluntary Carbon Market (“VCM”), whereby an auction process will be used to launch new carbon credit products and facilitate initial price discovery for VCM. BSAS trading activity is expected to sustain its momentum through its ongoing engagements with existing and potential participants.

The Exchange is also engaging various stakeholders in developing a new fixed income product in its efforts to enhance the breadth and depth of the ecosystem. Taking into consideration the challenging and competitive environment, the Exchange expects to register a moderate performance as compared to the preceding year.



**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**26. INCOME TAX EXPENSE AND ZAKAT**

|   | Quarter Ended        |                      |               | Year-To-Date Ended   |                      |               |
|---|----------------------|----------------------|---------------|----------------------|----------------------|---------------|
|   | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  | 30.06.2022<br>RM'000 | 30.06.2021<br>RM'000 | Changes<br>%  |
| Income tax                                | 23,081               | 31,788               | (27.4)        | 47,119               | 74,919               | (37.1)        |
| Deferred tax                              | (1,600)              | (1,476)              | 8.4           | (1,090)              | (3,226)              | (66.2)        |
| <b>Total income tax expense</b>           | <b>21,481</b>        | <b>30,312</b>        | <b>(29.1)</b> | <b>46,029</b>        | <b>71,693</b>        | <b>(35.8)</b> |
| Zakat                                     | 110                  | -                    | 100.0         | 230                  | -                    | 100.0         |
| <b>Total income tax expense and zakat</b> | <b>21,591</b>        | <b>30,312</b>        | <b>(28.8)</b> | <b>46,259</b>        | <b>71,693</b>        | <b>(35.5)</b> |

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current and previous corresponding periods. A one-off special windfall tax known as "Cukai Makmur" was introduced in the Malaysian Budget 2022, whereby companies with chargeable income above RM100 million will be taxed at a rate of 33% and for income below or equal to RM100 million will be taxed at the statutory tax rate of 24% for year of assessment 2022.

The effective tax rate of the Group for the current period and previous corresponding periods were higher than the statutory tax rates of the respective periods principally due to the effects of certain expenses being not deductible for tax purposes, and the potential "Cukai Makmur" for the current period for two subsidiaries within the Group.

**27. TRADE RECEIVABLES**

|                                       | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|---------------------------------------|-------------------------------|-------------------------------|
| Trade receivables                     | 56,016                        | 49,779                        |
| Less: Allowance for impairment losses | (2,382)                       | (1,681)                       |
|                                       | <b>53,634</b>                 | <b>48,098</b>                 |

The ageing analysis of the Group's trade receivables is as follows:

|                                       | As at<br>30.06.2022<br>RM'000 | As at<br>31.12.2021<br>RM'000 |
|---------------------------------------|-------------------------------|-------------------------------|
| Not past due and not credit impaired  | 43,054                        | 41,351                        |
| Past due and not credit impaired:     |                               |                               |
| < 30 days                             | 4,463                         | 3,805                         |
| 31 - 60 days                          | 3,675                         | 1,903                         |
| 61 - 90 days                          | 516                           | 772                           |
| 91 - 180 days                         | 2,026                         | 89                            |
| > 181 days                            | 741                           | 766                           |
| Credit impaired                       | 1,541                         | 1,093                         |
| Trade receivables (gross)             | 56,016                        | 49,779                        |
| Less: Allowance for impairment losses | (2,382)                       | (1,681)                       |
|                                       | <b>53,634</b>                 | <b>48,098</b>                 |

Trade receivables that are past due and not impaired are creditworthy debtors. The Group has no significant concentration of credit risk that may arise from exposures to a single clearing participant or counterparty.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**28. CORPORATE PROPOSAL**

There was no corporate proposal announced that is not completed as at the reporting date.

**29. BORROWINGS AND DEBT SECURITIES**

As at the reporting date, there was no short-term borrowing and the Group has not issued any debt securities.

**30. CHANGES IN MATERIAL LITIGATION**

There was no material litigation against the Group as at the reporting date.

**31. DIVIDEND PAYABLE**

Details of the interim dividend approved and declared by the Board of Directors ("Board") are as follows:

|  | 30.06.2022       | 30.06.2021       |
|--|------------------|------------------|
| <b>Interim dividend</b>                  |                  |                  |
| Interim dividend per share (single-tier) | 15.0 sen         | 24.0 sen         |
| For financial year ending/ended          | 31 December 2022 | 31 December 2021 |
| Approved and declared on                 | 28 July 2022     | 28 July 2021     |
| Entitlement to dividends based on        |                  |                  |
| record of depositors as at               | 12 August 2022   | 18 August 2021   |
| Date payable                             | 26 August 2022   | 27 August 2021   |

**32. BASIC EARNINGS PER SHARE ("EPS")**

|   | Quarter Ended |             | Year-To-Date Ended |             |
|---|---------------|-------------|--------------------|-------------|
|   | 30.06.2022    | 30.06.2021  | 30.06.2022         | 30.06.2021  |
| Profit attributable to the owners<br>of the Company (RM'000)  | 59,471        | 88,969      | 127,437            | 210,361     |
| Weighted average number of ordinary shares<br>in issue ('000) | 809,299       | 809,275     | 809,299            | 809,152     |
| <b>Basic EPS (sen)</b>  | <b>7.3</b>    | <b>11.0</b> | <b>15.7</b>        | <b>26.0</b> |

**33. NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY**

Net assets per share as at 30 June 2022 stood at RM1.00, a decrease of 1.0% compared to RM1.01 as at 31 December 2021 mainly due to the distribution of final dividend for the financial year 2021 in the year-to-date ended 30 June 2022.

**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET  
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**34. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS**

The auditors' report on the financial statements for the financial year ended 31 December 2021 was unmodified.

**35. REVIEW BY EXTERNAL AUDITORS**

The Board had engaged the external auditors to review and report on the Condensed Report of Bursa Malaysia Berhad for the quarter and year-to-date ended 30 June 2022 in accordance with the International Standard on Review Engagements 2410, *“Review of Interim Financial Information Performed by the Independent Auditor of the Entity”*.

The external auditors reported to the Board that nothing had come to their attention to cause them to believe that the Condensed Report was not prepared, in all material respects, in accordance with the MFRS 134 *Interim Financial Reporting* and IAS 34 *Interim Financial Reporting*. The report was made to the Board in accordance with the terms of the engagement letter with the external auditors and for no other purpose.

**36. AUTHORISED FOR ISSUE**

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 28 July 2022.