



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

**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2023**

3 May 2023

**CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2023**

	Note	Quarter and Year-To-Date Ended		
		31.3.2023 RM'000 (Reviewed)	31.3.2022 RM'000 (Reviewed)	Changes %
Operating revenue from:				
- Securities Market		100,046	115,578	(13.4)
- Derivatives Market		28,253	24,903	13.5
- Islamic Market		4,533	3,824	18.5
- Data Business		15,591	14,752	5.7
- Exchange Holding Company		2,233	1,937	15.3
- Others		79	48	64.6
Operating revenue	8	150,735	161,042	(6.4)
Other income	9	5,766	4,256	35.5
		156,501	165,298	(5.3)
Staff costs		(40,689)	(39,288)	3.6
Depreciation and amortisation		(7,911)	(6,367)	24.3
Other operating expenses	10	(31,622)	(26,876)	17.7
Profit from operations		76,279	92,767	(17.8)
Finance costs		(133)	(133)	-
Profit before tax and zakat		76,146	92,634	(17.8)
Income tax expense and zakat	27	(19,973)	(24,668)	(19.0)
Profit for the period		56,173	67,966	(17.4)
Profit attributable to:				
Owners of the Company		56,173	67,966	(17.4)
Non-controlling interest		-	-	-
		56,173	67,966	(17.4)

	Note	Quarter and Year-To-Date Ended	
		31.3.2023 Sen per share (Reviewed)	31.3.2022 Sen per share (Reviewed)
Basic and diluted earnings per share attributable to owners of the Company	33	6.9	8.4

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 2022 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 31 MARCH 2023**

	Quarter and Year-To-Date Ended		
	31.3.2023 RM'000 (Reviewed)	31.3.2022 RM'000 (Reviewed)	Changes %
Profit for the period	56,173	67,966	(17.4)
Other comprehensive income/(loss):			
Items that may be subsequently reclassified to profit or loss:			
Gain on foreign currency translation	-	25	(100.0)
Net fair value changes in unquoted bonds at fair value through other comprehensive income ("FVTOCI")	516	(390)	(232.3)
Income tax effects relating to unquoted bonds at FVTOCI	(51)	50	(202.0)
	465	(315)	(247.6)
Total other comprehensive income/(loss), net of income tax	465	(315)	(247.6)
Total comprehensive income	56,638	67,651	(16.3)

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 2022 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2023**

Note	As at 31.3.2023 RM'000 (Reviewed)	As at 31.12.2022 RM'000 (Audited)
Assets		
	199,969	204,453
	40,142	40,855
	7,824	7,852
	42,957	42,957
13	2,448	-
	44,910	49,445
	582	705
	15,536	14,309
Non-current assets	354,368	360,576
28	59,792	49,533
	19,161	16,416
	1,817	2,447
	10,038	14,856
	2,843,160	3,195,071
15	162,446	158,857
16	414,233	446,727
Current assets	3,510,647	3,883,907
Total assets	3,865,015	4,244,483
Equity and liabilities		
	435,621	435,621
	30,683	30,218
	281,572	318,468
	747,876	784,307
	2,450	2,450
Total equity	750,326	786,757
	8,974	9,007
	4,813	4,942
	7,570	7,446
	808	793
Non-current liabilities	22,165	22,188
14	2,843,016	3,192,511
15	67,446	63,857
	174,725	176,420
	514	505
	6,823	2,245
Current liabilities	3,092,524	3,435,538
Total liabilities	3,114,689	3,457,726
Total equity and liabilities	3,865,015	4,244,483
	RM	RM
Net assets per share attributable to owners of the Company	0.92	0.97

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 2022 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2023**

(Reviewed)	Attributable to owners of the Company							
	Non-distributable				Distributable			
	Share capital RM'000	Foreign currency translation reserve RM'000	Clearing fund reserves RM'000	FVTOCI reserve RM'000	Retained earnings RM'000	Total RM'000	Non- controlling interest RM'000	Total equity RM'000
At 1 January 2023	435,621	825	30,000	(607)	318,468	784,307	2,450	786,757
Profit for the period	-	-	-	-	56,173	56,173	-	56,173
Other comprehensive income/(loss), net of income tax	-	-	-	465	-	465	-	465
Total comprehensive income	-	-	-	465	56,173	56,638	-	56,638
Transactions with owners:								
Dividends paid (Note 7)	-	-	-	-	(93,069)	(93,069)	-	(93,069)
At 31 March 2023	435,621	825	30,000	(142)	281,572	747,876	2,450	750,326
At 1 January 2022	435,621	627	30,000	151	350,740	817,139	-	817,139
Profit for the period	-	-	-	-	67,966	67,966	-	67,966
Other comprehensive income/(loss), net of income tax	-	25	-	(340)	-	(315)	-	(315)
Total comprehensive income	-	25	-	(340)	67,966	67,651	-	67,651
Total transactions with owners:								
Dividends paid (Note 7)	-	-	-	-	(137,581)	(137,581)	-	(137,581)
At 31 March 2022	435,621	652	30,000	(189)	281,125	747,209	-	747,209

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 2022 and the accompanying explanatory notes attached to these interim financial statements.

**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE QUARTER AND YEAR-TO-DATE ENDED 31 MARCH 2023**

	Note	Quarter and Year-To-Date Ended	
		31.3.2023 RM'000 (Reviewed)	31.3.2022 RM'000 (Reviewed)
Cash flows from operating activities			
Profit before tax and zakat		76,146	92,634
Adjustments for:			
Amortisation of premium		1	-
Depreciation and amortisation		7,911	6,367
Grant income	9	(385)	(715)
Interest expense on lease liabilities		133	133
Interest/profit income	9	(5,300)	(3,508)
Net loss on disposals of computer hardware	9	-	1
Net impairment losses/(reversal of impairment losses) on:			
- investment securities	10	31	(26)
- trade and other receivables	10	(6)	3
Retirement benefit obligations		87	114
Unrealised loss on foreign exchange differences		201	27
Operating profit before working capital changes		78,819	95,030
Increase in receivables		(14,154)	(26,580)
Increase in other liabilities		3,860	14,026
Cash generated from operations		68,525	82,476
Contributions to defined benefit retirement scheme		(120)	(2,636)
Repayment of staff loans, net of disbursements		147	67
Net tax and zakat paid		(16,028)	(18,694)
Net cash from operating activities		52,524	61,213
Cash flows from investing activities			
(Increase)/Decrease in deposits not for short-term funding requirements		(5,480)	11,417
Interest/profit income received		6,501	2,306
Proceeds from disposal of investment securities		9,837	10,000
Purchases of:			
- investment securities		-	(9,852)
- property, plant and equipment and computer software		(5,832)	(11,437)
- other intangible assets		(2,448)	-
Net cash from investing activities		2,578	2,434
Cash flows used in financing activities			
Dividends paid	7	(93,069)	(137,581)
Grant received		-	700
Net cash used in financing activities		(93,069)	(136,881)
Net decrease in cash and cash equivalents		(37,967)	(73,234)
Effects of exchange rate changes		(7)	26
Cash and cash equivalents at beginning of period		394,824	315,681
Cash and cash equivalents at end of period	16	356,850	242,473

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 2022 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 2022. 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 2022.

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 2022, 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.

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

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.

Effective for financial periods beginning on or after 1 January 2024

Amendment to MFRS 16 Leases - *Lease Liability in a Sale and Leaseback*
Amendments to MFRS 101 Presentation of Financial Statements - *Non-current Liabilities with Covenants*

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.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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 31 March 2023.

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 31 March 2023.

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 31 March 2023.

7. DIVIDENDS PAID

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

	31.3.2023	31.3.2022
Final dividend		
Final dividend per share (single-tier)	11.5 sen	17.0 sen
For the financial year ended	31 December 2022	31 December 2021
Approved and declared on	31 January 2023	28 January 2022
Date paid	1 March 2023	25 February 2022
Number of ordinary shares on which dividend was paid ('000)	809,299	809,299
Net dividend paid (RM'000)	93,069	137,581

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

8. OPERATING REVENUE

	Quarter and Year-To-Date Ended		
	31.3.2023 RM'000	31.3.2022 RM'000	Changes %
Trade fees	6,427	7,924	(18.9)
Clearing fees	54,628	64,624	(15.5)
Others	7,093	7,888	(10.1)
Securities trading revenue	68,148	80,436	(15.3)
Trade fees	12,085	13,556	(10.9)
Clearing fees	6,271	6,218	0.9
Others	3,138	3,552	(11.7)
Derivatives trading revenue	21,494	23,326	(7.9)
Bursa Suq Al-Sila' ("BSAS") trade fees	4,533	3,824	18.5
Carbon Credit trading revenue	26	-	-
Listing and issuer services	14,988	16,902	(11.3)
Depository services	13,124	14,372	(8.7)
Market data	15,591	14,752	5.7
Member services and connectivity	6,117	5,888	3.9
Conference fees and exhibition-related income	6,714	1,542	335.4
Total non-trading revenue	56,534	53,456	5.8
Total operating revenue	150,735	161,042	(6.4)

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 six major market segments as disclosed in Note 11. The tables also include the timing of revenue recognition.

OPERATING REVENUE FOR THE QUARTER AND YEAR-TO-DATE ENDED

	Securities Market			Derivatives Market			Islamic Market			Data Business			Exchange Holding Company			Others			Total			
	31.3.2023 RM'000	31.3.2022 RM'000	Changes %	31.3.2023 RM'000	31.3.2022 RM'000	Changes %	31.3.2023 RM'000	31.3.2022 RM'000	Changes %	31.3.2023 RM'000	31.3.2022 RM'000	Changes %	31.3.2023 RM'000	31.3.2022 RM'000	Changes %	31.3.2023 RM'000	31.3.2022 RM'000	Changes %	31.3.2023 RM'000	31.3.2022 RM'000	Changes %	
Major products or services:																						
Securities trading revenue	68,148	80,436	(15.3)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	68,148	80,436	(15.3)	
Derivatives trading revenue	-	-	-	21,494	23,326	(7.9)	-	-	-	-	-	-	-	-	-	-	-	-	21,494	23,326	(7.9)	
BSAS trade fees	-	-	-	-	-	-	4,533	3,824	18.5	-	-	-	-	-	-	-	-	-	4,533	3,824	18.5	
Carbon Credit trading revenue	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	26	-	-	26	-	18.5	
Listing and issuer services	14,957	16,875	(11.4)	-	-	-	-	-	-	-	-	-	-	-	31	27	14.8	14,988	16,902	(11.3)		
Depository services	13,124	14,372	(8.7)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	13,124	14,372	(8.7)		
Market data	-	-	-	-	-	-	-	-	-	15,591	14,752	5.7	-	-	-	-	-	15,591	14,752	5.7		
Member services and connectivity	3,817	3,895	(2.0)	45	35	28.6	-	-	-	-	-	-	2,233	1,937	15.3	22	21	4.8	6,117	5,888	3.9	
Conference fees and exhibition-related income	-	-	-	6,714	1,542	335.4	-	-	-	-	-	-	-	-	-	-	-	6,714	1,542	335.4		
	100,046	115,578	(13.4)	28,253	24,903	13.5	4,533	3,824	18.5	15,591	14,752	5.7	2,233	1,937	15.3	79	48	64.6	150,735	161,042	(6.4)	
Timing of revenue recognition:																						
At a point in time	87,534	102,130	(14.3)	28,221	24,896	13.4	4,533	3,824	18.5	5,840	6,329	(7.7)	-	-	-	26	-	-	126,154	137,179	(8.0)	
Over time	12,512	13,448	(7.0)	32	7	357.1	-	-	-	9,751	8,423	15.8	2,233	1,937	15.3	53	48	10.4	24,581	23,863	3.0	
	100,046	115,578	(13.4)	28,253	24,903	13.5	4,533	3,824	18.5	15,591	14,752	5.7	2,233	1,937	15.3	79	48	64.6	150,735	161,042	(6.4)	

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

9. OTHER INCOME

	Quarter and Year-To-Date Ended		
	31.3.2023 RM'000	31.3.2022 RM'000	Changes %
Interest/profit income from:			
- deposits and investment securities	5,294	3,499	51.3
- others	6	9	(33.3)
Grant income	385	715	(46.2)
Net loss on disposals of computer hardware	-	(1)	(100.0)
Rental income	26	13	100.0
Miscellaneous income	55	21	161.9
Total other income	5,766	4,256	35.5

10. OTHER OPERATING EXPENSES

	Quarter and Year-To-Date Ended		
	31.3.2023 RM'000	31.3.2022 RM'000	Changes %
Administrative expenses	2,857	2,019	41.5
Building management expenses	3,101	2,650	17.0
Central Depository System ("CDS") consumables	603	577	4.5
Marketing and development expenses	6,719	3,051	120.2
Professional fees	817	482	69.5
Technology expenses:			
- information technology maintenance	7,892	6,647	18.7
- service fees	5,178	5,846	(11.4)
Net loss/(gain) on foreign exchange differences	1,036	(293)	(453.6)
Net impairment losses/(reversal of impairment losses) on:			
- investment securities	31	(26)	(219.2)
- trade and other receivables	(6)	3	(300.0)
Miscellaneous expenses	3,394	5,920	(42.7)
Total other operating expenses	31,622	26,876	17.7

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENT INFORMATION

Effective 1 January 2023, the Group re-organised its operating segments into six (6) segments - Securities Market, Derivatives Market, Islamic Market, Data business, exchange holding and Others, to reflect the Management Committee's review of segment performance and resources allocation:

- (a) Securities Market mainly comprises the provision and operation of the listing, trading, clearing and depository services on the securities exchange.
- (b) Derivatives Market mainly comprises the provision and operation of the trading and clearing services on the derivatives exchange.
- (c) Islamic Market mainly comprises the provision of a Shariah-compliant Murabahah commodity trading platform to facilitate Islamic finance transactions and liquidity management for Islamic financial institutions.
- (d) Data business mainly comprises the provision and dissemination of information relating to equity securities and derivatives quoted on the exchange.
- (e) The exchange holding business refers to the operation of the Company which functions as an investment holding company.
- (f) Others mainly comprise the provision of a voluntary carbon market exchange, a reporting platform for bond traders and the provision of an exchange for the offshore market.

The segmental information below has been updated to reflect the changes.

RESULTS FOR THE QUARTER AND YEAR-TO-DATE ENDED

	Securities Market			Derivatives Market			Islamic Market			Data Business			Exchange Holding Company			Others			Total		
	31.3.2023	31.3.2022	Changes	31.3.2023	31.3.2022	Changes	31.3.2023	31.3.2022	Changes	31.3.2023	31.3.2022	Changes	31.3.2023	31.3.2022	Changes	31.3.2023	31.3.2022	Changes	31.3.2023	31.3.2022	Changes
	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%	RM'000	RM'000	%
Operating revenue (Note 8)	100,046	115,578	(13.4)	28,253	24,903	13.5	4,533	3,824	18.5	15,591	14,752	5.7	2,233	1,937	15.3	79	48	64.6	150,735	161,042	(6.4)
Other income	2,585	2,476	4.4	697	344	102.6	40	16	150.0	115	64	79.7	2,293	1,351	69.7	36	5	620.0	5,766	4,256	35.5
Direct costs	(25,711)	(24,505)	4.9	(15,839)	(15,212)	4.1	(2,276)	(1,803)	26.2	(1,912)	(1,943)	(1.6)	(7,121)	(6,630)	7.4	(694)	(108)	542.6	(53,553)	(50,201)	6.7
Segment profit/(loss)	76,920	93,549	(17.8)	13,111	10,035	30.7	2,297	2,037	12.8	13,794	12,873	7.2	(2,595)	(3,342)	(22.4)	(579)	(55)	952.7	102,948	115,097	(10.6)
Overheads																			(26,802)	(22,463)	19.3
Profit before tax and zakat																			76,146	92,634	(17.8)

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

11. SEGMENT INFORMATION (CONT'D)

	Securities Market RM'000	Derivatives Market RM'000	Islamic Market RM'000	Data Business RM'000	Exchange Holding Company RM'000	Others RM'000	Total RM'000
ASSETS AND LIABILITIES AS AT 31 MARCH 2023							
Assets	326,956	145,087	19,069	29,209	312,249	9,486	842,056
Clearing Funds	104,577	57,869	-	-	-	-	162,446
Cash for equity margins, derivatives trading margins, security deposits and eDividend and eRights distributions	194,765	2,648,395	-	-	-	-	2,843,160
Segment assets	626,298	2,851,351	19,069	29,209	312,249	9,486	3,847,662
Unallocated corporate assets	-	-	-	-	-	-	17,353
Total assets	626,298	2,851,351	19,069	29,209	312,249	9,486	3,865,015
Liabilities	92,636	26,931	5,621	11,201	47,439	12,624	196,452
Participants' contributions to Clearing Funds	19,577	47,869	-	-	-	-	67,446
Equity margins, derivatives trading margins, security deposits and eDividend and eRights distributions	194,765	2,648,395	-	-	-	-	2,843,160
Segment liabilities	306,978	2,723,195	5,621	11,201	47,439	12,624	3,107,058
Unallocated corporate liabilities	-	-	-	-	-	-	7,631
Total liabilities	306,978	2,723,195	5,621	11,201	47,439	12,624	3,114,689
ASSETS AND LIABILITIES AS AT 31 DECEMBER 2022							
Assets	331,943	136,447	20,049	36,156	342,347	6,857	873,799
Clearing Funds	104,257	54,600	-	-	-	-	158,857
Cash for equity margins, derivatives trading margins, security deposits and eDividend and eRights distributions	200,817	2,994,254	-	-	-	-	3,195,071
Segment assets	637,017	3,185,301	20,049	36,156	342,347	6,857	4,227,727
Unallocated corporate assets	-	-	-	-	-	-	16,756
Total assets	637,017	3,185,301	20,049	36,156	342,347	6,857	4,244,483
Liabilities	70,549	26,906	5,468	10,037	69,827	12,973	195,760
Participants' contributions to Clearing Funds	19,257	44,600	-	-	-	-	63,857
Equity margins, derivatives trading margins, security deposits and eDividend and eRights distributions	200,817	2,994,254	-	-	-	-	3,195,071
Segment liabilities	290,623	3,065,760	5,468	10,037	69,827	12,973	3,454,688
Unallocated corporate liabilities	-	-	-	-	-	-	3,038
Total liabilities	290,623	3,065,760	5,468	10,037	69,827	12,973	3,457,726

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 31 March 2023.

13. OTHER INTANGIBLE ASSET

Other intangible asset represents Carbon Credits.

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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

	As at 31.3.2023 RM'000	As at 31.12.2022 RM'000
Equity margins	194,621	198,257
Derivatives trading margins	2,623,412	2,972,095
Security deposits from Clearing Participants ("CPs") of Bursa Malaysia Derivatives Clearing Berhad ("BMDC")	24,983	22,159
Total equity margins, derivatives trading margins and security deposits, representing trade payables	2,843,016	3,192,511
Cash received for eDividend and eRights distributions (included in other payables)	144	2,560
Total cash for equity margins, derivatives trading margins, security deposits and eDividend and eRights distributions	2,843,160	3,195,071

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 31.3.2023 RM'000	As at 31.12.2022 RM'000
Collaterals in the form of letters of credit for:		
- equity margins	11,500	11,500
- derivatives trading margins	816,219	794,675
- security deposits from CPs of BMDC	16,000	16,000
	843,719	822,175
Collaterals in the form of shares for derivatives trading margins	587	609
	844,306	822,784

15. CASH AND BANK BALANCES OF CLEARING FUNDS

	Participants' contributions RM'000	Cash set aside by the Group RM'000	Total RM'000
As at 31 March 2023			
Contributions from Trading Clearing Participants ("TCPs") of Bursa Malaysia Securities Clearing Sdn Bhd ("BMSC")	19,577	-	19,577
Contributions from BMSC	-	85,000	85,000
Clearing Guarantee Fund ("CGF") balance	19,577	85,000	104,577
Contributions from CPs of BMDC	47,869	-	47,869
Contributions from BMDC	-	10,000	10,000
Derivatives Clearing Fund ("DCF") balance	47,869	10,000	57,869
Total cash and bank balances of Clearing Funds	67,446	95,000	162,446

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

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

	Participants' contributions RM'000	Cash set aside by the Group RM'000	Total RM'000
As at 31 December 2022			
Contributions from TCPs of BMSC	19,257	-	19,257
Contributions from BMSC	-	85,000	85,000
CGF balance	19,257	85,000	104,257
Contributions from CPs of BMDC	44,600	-	44,600
Contributions from BMDC	-	10,000	10,000
DCF balance	44,600	10,000	54,600
Total cash and bank balances of Clearing Funds	63,857	95,000	158,857

16. CASH AND BANK BALANCES OF THE GROUP

	As at 31.3.2023 RM'000	As at 31.12.2022 RM'000
Cash and bank balances	7,208	2,870
Deposits for short-term funding requirements	349,642	391,954
Cash and cash equivalents	356,850	394,824
Deposits not for short-term funding requirements	57,383	51,903
Total cash and bank balances	414,233	446,727

17. 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 periods are as follows:

	As at 31.3.2023 RM'000	As at 31.12.2022 RM'000
Approved and contracted for:		
Computers and office automation	6,207	3,793
Office equipment and renovation	685	433
	6,892	4,226
Approved but not contracted for:		
Computers and office automation	6,337	14,804
Office equipment and renovation	-	18
	6,337	14,822

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

18. CONTINGENT ASSETS AND LIABILITIES

There were no contingent assets and contingent liabilities as at 31 March 2023.

19. 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 31 March 2023. The commencement of the operations of BM RAM Capital Sdn. Bhd. is still subject to the company obtaining the relevant operating license from the Securities Commission Malaysia.

20. 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 31.3.2023 RM'000	As at 31.12.2022 RM'000
Not later than 1 year	76	81
Later than 1 year and not later than 5 years	91	110
Total future minimum lease receivables	167	191

21. FINANCIAL INSTRUMENTS

21.1 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 31.3.2023 RM'000	As at 31.12.2022 RM'000
Assets		
Financial assets at FVTOCI		
Investment securities - unquoted bonds	54,948	54,464
Financial assets at amortised cost		
Investment securities - commercial papers	-	9,837
Staff loans receivable	787	928
Trade receivables	59,792	49,533
Other receivables which are financial assets*	5,138	8,603
Cash for equity margins, derivatives trading margins, security deposits and eDividend and eRights distributions	2,843,160	3,195,071
Cash and bank balances of Clearing Funds	162,446	158,857
Cash and bank balances of the Group	414,233	446,727
	3,485,556	3,869,556
Total financial assets	3,540,504	3,924,020

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

21. FINANCIAL INSTRUMENTS (CONT'D)

21.1 Classification (cont'd)

	As at 31.3.2023 RM'000	As at 31.12.2022 RM'000
Liabilities		
Financial liabilities at amortised cost		
Trade payables	2,843,016	3,192,511
Participants' contributions to Clearing Funds	67,446	63,857
Other payables which are financial liabilities**	40,046	48,733
Lease liabilities	8,084	7,951
Total financial liabilities	2,958,592	3,313,052

* 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.

21.2 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 31 March 2023 and 31 December 2022.

(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..

(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 31 March 2023 and 31 December 2022.

	As at 31.3.2023 RM'000	As at 31.12.2022 RM'000
Level 2		
Financial assets at FVTOCI - unquoted bonds	54,948	54,464

PART A: EXPLANATORY NOTES PURSUANT TO MFRS 134

21. FINANCIAL INSTRUMENTS (CONT'D)

21.2 Fair value (cont'd)

(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.

22. EVENT AFTER THE REPORTING PERIOD

There was no material event subsequent to the current quarter and year-to-date ended 31 March 2023.

23. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD

There was no significant event during the current quarter and year-to-date ended 31 March 2023.

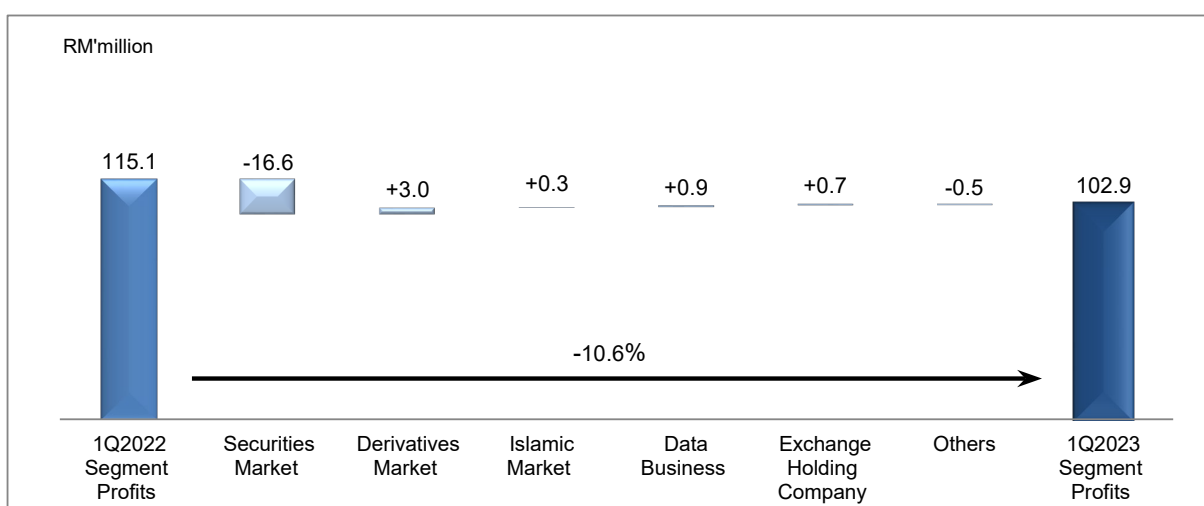
PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD

24. OPERATING SEGMENTS REVIEW

1Q2023 vs. 1Q2022

Profit before tax and zakat ("PBT") for the quarter ended 31 March 2023 ("1Q2023") was RM76.1 million, a decrease of 17.8 per cent compared to RM92.6 million in the quarter ended 31 March 2022 ("1Q2022"). PBT is made up of segment profits less overheads (as depicted in Note 11). The cost-to-income ratio in 1Q2023 was at 51%, an increase of 7 percentage points compared to 44% in 1Q2022 mainly due to lower operating revenue as well as higher operating costs in 1Q2023.

Total segment profits for 1Q2023 was RM102.9 million, a decrease of 10.6 per cent compared to RM115.1 million in 1Q2022. Movements in the segment profits are shown in the chart below:



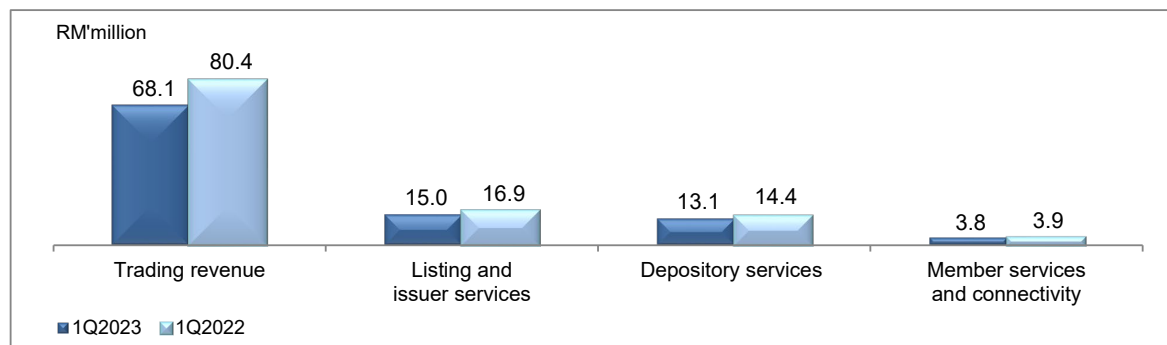
Total comprehensive income for 1Q2023 was RM56.6 million, a decrease of 16.3 per cent compared to RM67.7 million in 1Q2022 mainly due to lower profit earned in 1Q2023.

Securities Market

The Securities Market recorded a segment profit of RM76.9 million in 1Q2023, a decrease of 17.8 per cent compared to RM93.5 million in 1Q2022 mainly due to lower operating revenue in 1Q2023.

(i) Operating Revenue

The Securities Market's operating revenue for 1Q2023 was RM100.0 million, a decrease of 13.4 per cent compared to RM115.6 million in 1Q2022. 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**

24. OPERATING SEGMENTS REVIEW (CONT'D)

1Q2023 vs. 1Q2022 (cont'd)

Securities Market (cont'd)

(i) Operating Revenue (cont'd)

- > Trading revenue decreased by 15.3 per cent to RM68.1 million in 1Q2023 from RM80.4 million in 1Q2022 mainly due to lower Average Daily Trading Value ("ADV") for On-Market Trades ("OMT") and Direct Business Trades ("DBT"), which decreased by 14.9 per cent to RM2.28 billion in 1Q2023 from RM2.68 billion in 1Q2022. Trading velocity in 1Q2023 was lower by 5 percentage points at 31% compared to 36% in 1Q2022.
- > Listing and issuer services revenue decreased by 11.4 per cent to RM15.0 million in 1Q2023 from RM16.9 million in 1Q2022 mainly due to lower processing fees and additional listing fees earned resulting from lower number of corporate exercises in 1Q2023.
- > Depository services revenue decreased by 8.7 per cent to RM13.1 million in 1Q2023 from RM14.4 million in 1Q2022 mainly due to lower transfer fees and Record of Depositors ("ROD") fees earned from lower number of corporate exercises and ROD requests respectively in 1Q2023.

Key operating drivers of the Securities Market are as follows:

Key operating drivers		1Q2023	1Q2022	Changes (%)
ADV (OMT)	(RM'billion)	2.14	2.60	(17.7)
ADV (DBT)	(RM'billion)	0.14	0.08	75.0
Total ADV (OMT and DBT)	(RM'billion)	2.28	2.68	(14.9)
Average daily trading volume (OMT)	(billion shares)	3.43	3.23	6.2
Average daily trading volume (DBT)	(billion shares)	0.26	0.11	136.4
Total average daily trading volume (OMT and DBT)	(billion shares)	3.69	3.34	10.5
FBMKLCI	(points)	1,422.59	1,587.36	(10.4)
Effective clearing fee rate	(basis points)	2.66	2.57	3.5
Velocity	(per cent)	31	36	(5.0)
Number of Initial Public Offerings ("IPOs")		10	5	100.0
Number of new structured warrants listed		354	339	4.4
Total funds raised:				
- IPOs	(RM'million)	992.46	1,516.72	(34.6)
- Secondary issues	(RM'million)	1,811.29	1,035.82	74.9
Market capitalisation as at end of period	(RM'billion)	1,707.49	1,795.08	(4.9)
Number of trading days		60	61	-1 day

(ii) Operating Expenses

Segment expenses increased by 4.9 per cent to RM25.7 million in 1Q2023 compared to RM24.5 million in 1Q2022 mainly due to higher marketing and development expenses in 1Q2023.

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

24. OPERATING SEGMENTS REVIEW (CONT'D)

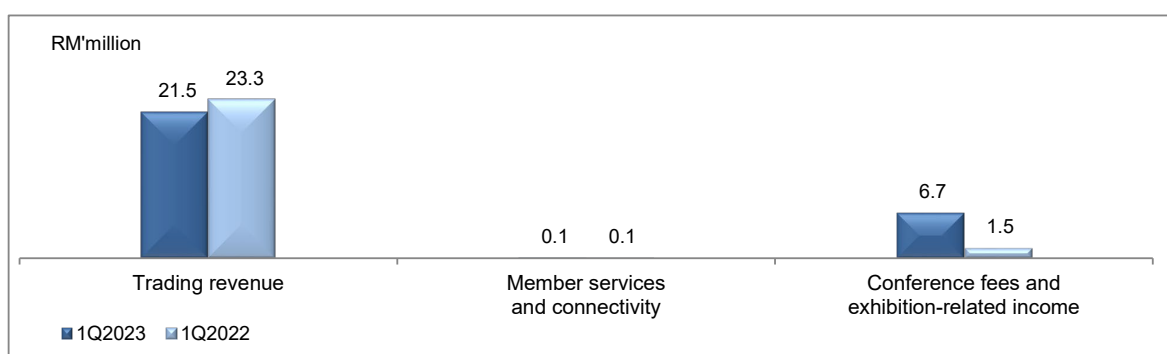
1Q2023 vs. 1Q2022 (cont'd)

Derivatives Market

The Derivatives Market recorded a segment profit of RM13.1 million in 1Q2023, an increase of 30.7 per cent from RM10.1 million in 1Q2022 mainly due to higher operating revenue in 1Q2023.

(i) Operating Revenue

The Derivatives Market's operating revenue for 1Q2023 was RM28.3 million, an increase of 13.5 per cent compared to RM24.9 million in 1Q2022. Details by revenue category are shown in the chart below:



- > Trading revenue decreased by 7.9 per cent to RM21.5 million in 1Q2023 from RM23.3 million in 1Q2022 mainly due to lower number of Crude Palm Oil Futures ("FCPO") and FTSE Bursa Malaysia KLCI Futures ("FKLI") contracts traded in 1Q2023.
- > Conference fees and exhibition-related income earned is in respect of the Palm and Lauric Oils Price Outlook Conference & Exhibition ("POC") which saw a significant increase in the number of participants in 1Q2023 compared to 1Q2022.

Key operating drivers of the Derivatives Market are as follows:

Key operating drivers	1Q2023	1Q2022	Changes (%)
FCPO contracts	3,586,067	4,023,954	(10.9)
FKLI contracts	679,790	689,664	(1.4)
Other contracts	16,107	14,646	10.0
Total contracts	4,281,964	4,728,264	(9.4)
Average daily number of contracts traded	71,366	77,513	(7.9)
Average number of open interest positions	217,932	245,289	(11.2)
Number of trading days	60	61	-1 day

(ii) Operating Expenses

Segment expenses increased by 4.1 per cent to RM15.8 million in 1Q2023 compared to RM15.2 million in 1Q2022.

Islamic Market

The Islamic Market recorded a segment profit of RM2.3 million in 1Q2023, an increase of 12.8 per cent from RM2.0 million in 1Q2022 mainly due to higher BSAS trade fees earned in 1Q2023.

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

24. OPERATING SEGMENTS REVIEW (CONT'D)

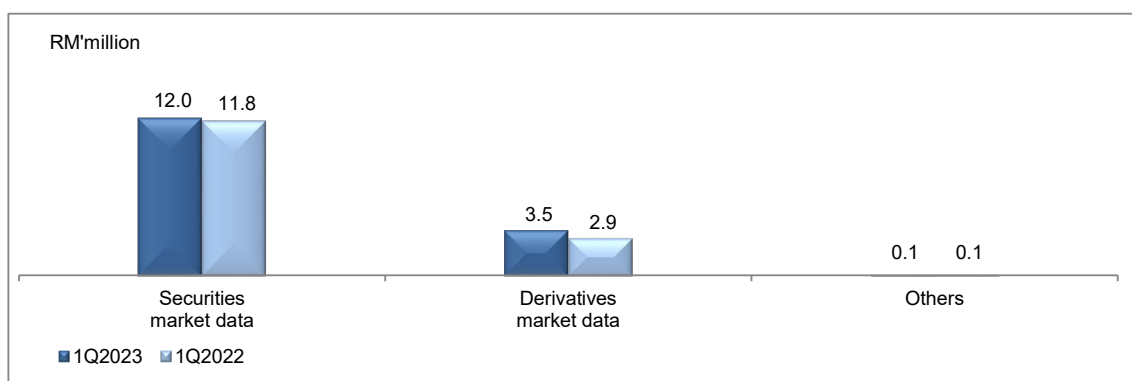
1Q2023 vs. 1Q2022 (cont'd)

Data Business

The Data Business recorded a segment profit of RM13.8 million in 1Q2023, an increase of 7.2 per cent from RM12.9 million in 1Q2022 mainly due to higher operating revenue.

(i) Operating Revenue

The Data Business's operating revenue for 1Q2023 was RM15.6 million, an increase of 5.7 per cent compared to RM14.8 million in 1Q2022. Details by revenue category are shown in the chart below:



(ii) Operating Expenses

Segment expenses was fairly stable at approximately RM1.9 million in 1Q2023 and 1Q2022.

Exchange Holding Company

The Exchange Holding Company recorded a lower segment loss of RM2.6 million in 1Q2023 compared to RM3.3 million in 1Q2022 mainly due to higher interest/profit income from deposits.

Others

This segment is made up of bonds, offshore exchange and carbon market businesses. This segment recorded a segmental loss of RM0.6 million in 1Q2023 compared to RM0.1 million in 1Q2022.

Overheads

Overheads increased by 19.3 per cent to RM26.8 million in 1Q2023 compared to RM22.5 million in 1Q2022 mainly due to higher staff costs, depreciation and administrative expenses in 1Q2023.

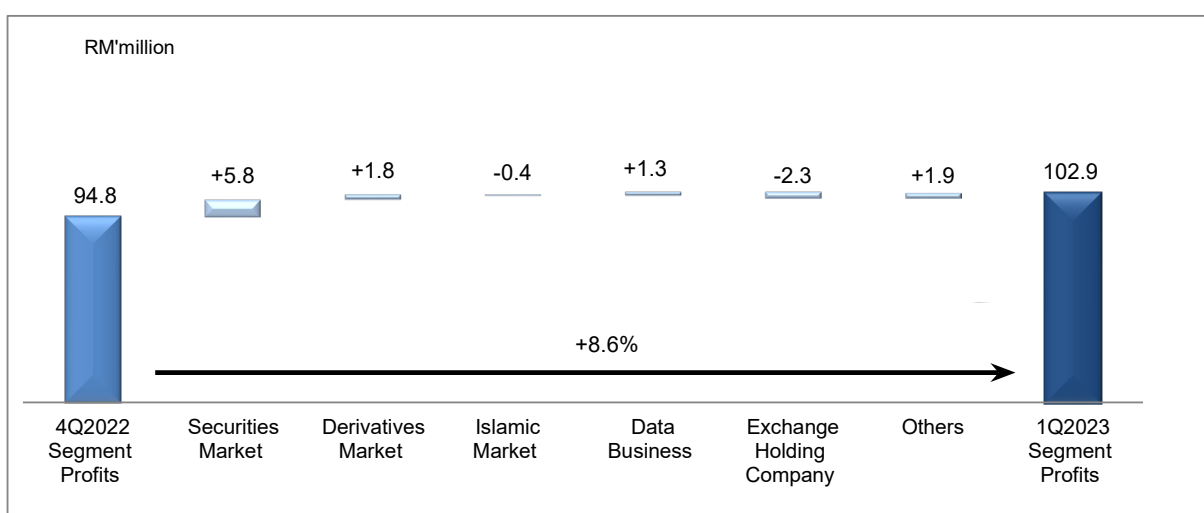
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

25. MATERIAL CHANGE IN THE PERFORMANCE OF OPERATING SEGMENTS FOR THE CURRENT QUARTER COMPARED WITH THE IMMEDIATE PRECEDING QUARTER

Financial Results	Quarter Ended		
	31.3.2023 RM'000	31.12.2022 RM'000	Changes %
Operating revenue	150,735	140,129	7.6
Other income	5,766	5,572	3.5
	156,501	145,701	7.4
Staff costs	(40,689)	(36,990)	10.0
Depreciation and amortisation	(7,911)	(7,375)	7.3
Other operating expenses	(31,622)	(33,596)	(5.9)
Profit from operations	76,279	67,740	12.6
Finance costs	(133)	(133)	-
PBT	76,146	67,607	12.6

PBT for 1Q2023 was RM76.1 million, an increase of 12.6 per cent from RM67.6 million in the quarter ended 31 December 2022 ("4Q2022"). PBT is made up of segment profits less overheads. The cost-to-income ratio in 1Q2023 was at 51%, a decrease of 3 percentage points compared to 54% in 4Q2022 mainly due to higher operating revenue in 1Q2023.

Total segment profits for 1Q2023 was RM102.9 million, an increase of 8.6 per cent from RM94.8 million in 4Q2022. 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 RM76.9 million in 1Q2023, an increase of 8.2 per cent from RM71.1 million in 4Q2022 mainly due to higher operating revenue in 1Q2023.

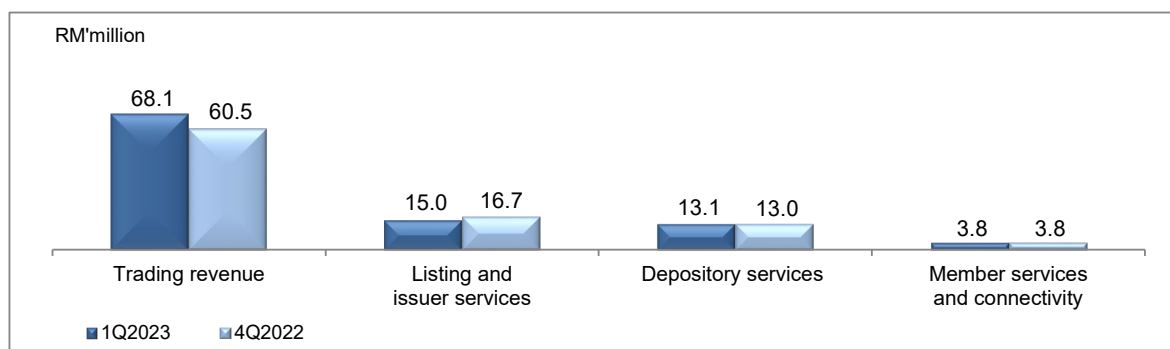
**PART B: EXPLANATORY NOTES PURSUANT TO MAIN MARKET
LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

25. MATERIAL CHANGE IN THE PERFORMANCE OF OPERATING SEGMENTS FOR THE CURRENT QUARTER COMPARED WITH THE IMMEDIATE PRECEDING QUARTER (CONT'D)

Securities Market (cont'd)

(i) Operating Revenue

The Securities Market's operating revenue for 1Q2023 was RM100.0 million, an increase of 6.5 per cent compared to RM94.0 million in 4Q2022. Details by revenue category are shown in the chart below:



- > Trading revenue increased by 12.6 per cent to RM68.1 million in 1Q2023 from RM60.5 million in 4Q2022 mainly due to higher ADV for OMT and DBT by 9.1 per cent to RM2.28 billion in 1Q2023 compared to RM2.09 billion in 4Q2022. Trading velocity in 1Q2023 was higher by 1 percentage point at 31% compared to 30% in 4Q2022.
- > Listing and issuer services revenue decreased by 10.4 per cent to RM15.0 million in 1Q2023 compared to RM16.7 million in 4Q2022 mainly due to the lower annual and additional listing fees earned from the lower number of corporate exercises in 1Q2023.

Key operating drivers of the Securities Market are as follows:

Key operating drivers		1Q2023	4Q2022	Changes (%)
ADV (OMT)	(RM'billion)	2.14	1.94	10.3
ADV (DBT)	(RM'billion)	0.14	0.15	(6.7)
Total ADV (OMT and DBT)	(RM'billion)	2.28	2.09	9.1
Average daily trading volume (OMT)	(billion shares)	3.43	2.91	17.9
Average daily trading volume (DBT)	(billion shares)	0.26	0.22	18.2
Total average daily trading volume (OMT and DBT)	(billion shares)	3.69	3.13	17.9
FBMKLCI	(points)	1,422.59	1,495.49	(4.9)
Effective clearing fee rate	(basis points)	2.66	2.57	3.5
Velocity	(per cent)	31	30	1.0
Number of IPOs		10	7	42.9
Number of new structured warrants listed		354	290	22.1
Total funds raised:				
- IPOs	(RM'million)	992.46	642.47	54.5
- Secondary issues	(RM'million)	1,811.29	18,145.07	(90.0)
Market capitalisation as at end of period	(RM'billion)	1,707.49	1,736.12	(1.6)
Number of trading days		60	60	-

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

25. MATERIAL CHANGE IN THE PERFORMANCE OF OPERATING SEGMENTS FOR THE CURRENT QUARTER COMPARED WITH THE IMMEDIATE PRECEDING QUARTER (CONT'D)

Securities Market (cont'd)

(ii) Operating Expenses

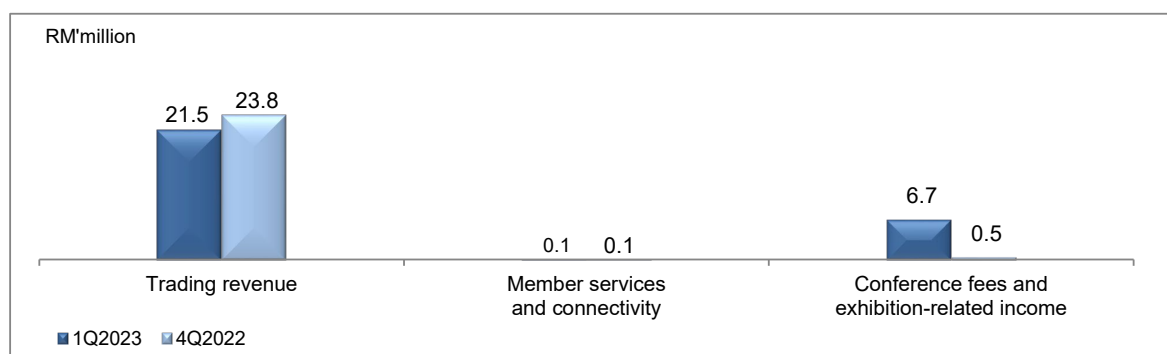
Segment expenses increased by 1.8 per cent to RM25.7 million in 1Q2023 compared to RM25.3 million in 4Q2022.

Derivatives Market

The Derivatives Market recorded a segment profit of RM13.1 million in 1Q2023, an increase of 15.4 per cent from RM11.3 million in 4Q2022 mainly due to higher operating revenue in 1Q2023.

(i) Operating Revenue

The Derivatives Market's operating revenue for 1Q2023 was RM28.3 million, an increase of 15.7 per cent from RM24.4 million in 4Q2022. Details by revenue category are shown in the chart below:



- > Trading revenue decreased by 9.6 per cent to RM21.5 million in 1Q2023 from RM23.8 million in 4Q2022 mainly due to lower number of FCPO and FKLI contracts traded, as well as lower collateral management fees earned in 1Q2023.
- > Conference fees and exhibition-related income increased to RM6.7 million in 1Q2023 from RM0.5 million in 4Q2022 due to the annual POC event which is held in the first quarter of the year as compared to the inaugural East Malaysia POC event held in 4Q2022.

Key operating drivers of the Derivatives Market are as follows:

Key operating drivers	1Q2023	4Q2022	Changes (%)
FCPO contracts	3,586,067	3,969,487	(9.7)
FKLI contracts	679,790	746,638	(9.0)
Other contracts	16,107	16,008	0.6
Total contracts	4,281,964	4,732,133	(9.5)
Average daily number of contracts traded	71,366	78,869	(9.5)
Average number of open interest positions	217,932	244,628	(10.9)
Number of trading days	60	60	-

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

25. MATERIAL CHANGE IN THE PERFORMANCE OF OPERATING SEGMENTS FOR THE CURRENT QUARTER COMPARED WITH THE IMMEDIATE PRECEDING QUARTER (CONT'D)

Derivatives Market (cont'd)

(ii) Operating Expenses

Segment expenses increased by 16.1 per cent to RM15.8 million in 1Q2023 compared to RM13.6 million in 4Q2022 mainly due to higher POC expenses incurred in 1Q2023.

Islamic Market

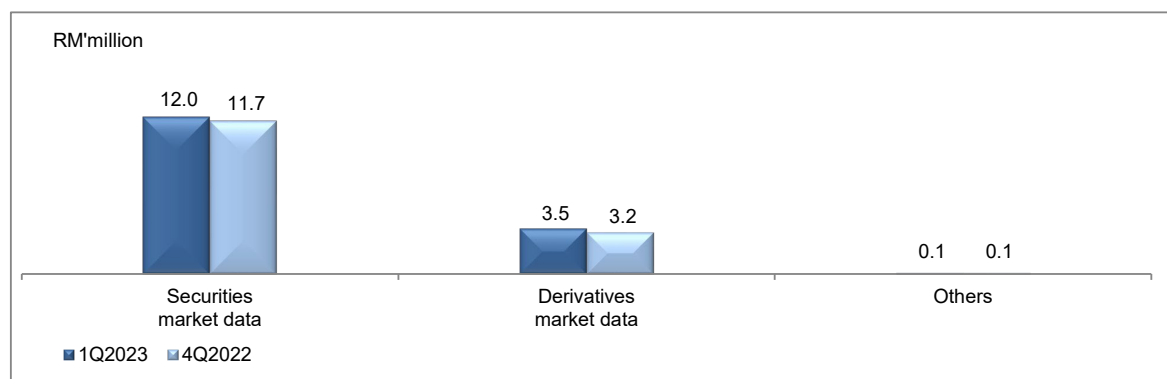
The Islamic Market recorded a segment profit of RM2.3 million in 1Q2023, a decrease of 14.3 per cent from RM2.7 million in 4Q2022 mainly due to higher staff costs in 1Q2023.

Data Business

The Data Business recorded a segment profit of RM13.8 million in 1Q2023, an increase of 10.3 per cent from RM12.5 million in 4Q2022 mainly due to lower operating expenses.

(i) Operating Revenue

The Data Business's operating revenue for 1Q2023 was RM15.6 million, an increase of 4.0 per cent compared to RM15.0 million in 4Q2022. Details by revenue category are shown in the chart below:



(ii) Operating Expenses

Segment expenses decreased by 26.5 per cent to RM1.9 million in 1Q2023 compared to RM2.6 million in 4Q2022 mainly due to lower marketing and development expenses in 1Q2023.

Exchange Holding Company

The Exchange Holding Company recorded a higher segment loss of RM2.6 million in 1Q2023 compared to RM0.3 million in 4Q2022 mainly due to higher staff costs in 1Q2023.

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

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

Others

This segment recorded a lower segment loss of RM0.6 million in 1Q2023 compared to RM2.5 million in 4Q2022 mainly due to lower marketing and development expenses in 1Q2023.

Overheads

Overheads decreased by 1.5 per cent to RM26.8 million in 1Q2023 compared to RM27.2 million in 4Q2022.

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

26. COMMENTARY ON PROSPECTS AND TARGETS

The International Monetary Fund (“IMF”), in its April 2023 World Economic Outlook report, revised its 2023 global gross domestic product (“GDP”) growth projection to 2.8% from 2.9% projected in January 2023, reflecting the tight policy stances required to curb inflation, financial sector turmoil and the ongoing impact from the Russia-Ukraine conflict. On the domestic front, Bank Negara Malaysia (“BNM”) highlighted in its Annual Report 2022 that Malaysia's economy would continue to expand in 2023 at a more moderate rate of between 4% to 5%, amid a challenging external environment. The World Bank, in its April 2023 East Asia and Pacific Economic Update report, revised Malaysia's economic growth for 2023 to 4.3% from 4.0% forecasted previously.

The trading activity in the Securities Market will continue to be influenced by the on-going local and global developments such as the monetary policy shifts in advanced economies, geopolitical conflicts, BNM's overnight policy rate and corporate earnings results. While the securities market is expected to remain volatile, the Exchange will continue with its ongoing initiatives to further enhance the vibrancy and liquidity of the marketplace.

The Derivatives Market trading and hedging activities will continue to be influenced by the volatility in the underlying commodity prices and the FBMKLCI. The recovery in the labour shortage, the new European Union deforestation-free regulation as well as BNM's monetary policy statements are expected to have an impact on the market.

As for the Islamic Markets, the Exchange continues its focus in developing new Islamic capital market investment instruments to cater to the demands of investors, which include sustainable and responsible investments and waqf-featured products, as well as creating a more facilitative trading and investing ecosystem. BSAS is expected to sustain its trading activities and growth momentum through its continuous active engagement with local and foreign participants.

The inaugural carbon credit auction carried out by the Bursa Carbon Exchange (“BCX”) on 16 March 2023, generated awareness and interest among the domestic investors, project developers and international traders who are keen to access the Malaysian carbon market. This auction was the first step towards facilitating the acceleration of Corporate Malaysia's pivot towards a green economy and meeting global demands for a sustainable supply chain. BCX will continue to expand its product offerings in the voluntary carbon market by accelerating the development of a healthy pipeline of carbon offset projects via a series of awareness and capacity building programmes drawing on the expertise of local and international voluntary carbon market practitioners.

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

26. COMMENTARY ON PROSPECTS AND TARGETS (CONT'D)

The Exchange strives to deliver the planned initiatives to further enhance the breadth and depth of the ecosystem through new product and service offerings. Barring any unforeseen circumstances, the Exchange is cautiously optimistic in meeting the following announced headline key performance indicators for the financial year ending 2023:

Financial KPIs	
Profit before tax (PBT)	PBT of RM295 million to RM326 million
Non-trading revenue (NTR)	NTR growth rate of 5% - 7% (from FY2022)
Non-financial KPIs	
No. of initial public offerings (IPOs)	39 IPOs
IPO market capitalisation	RM10.0 billion in total IPO Market Cap
No. of innovative product / service launches	2 targeted launches: (1) Launch of Bursa Gold Dinar (2) Commercialisation of new debt fundraising solution for SMEs
Reduction in organisation's carbon footprint	Reduction of at least 5% of Scope 1 & 2 emissions compared to the Exchange's FY2022 baseline

The headline KPIs are targets or aspirations set by the Company as a transparent performance management practice. These headline KPIs shall not be construed as either forecasts, projections or estimates of the Company or representations of any future performance, occurrence or matter as the headline KPIs are merely a set of targets/aspirations of future performance aligned to the Company's strategy.

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

27. INCOME TAX EXPENSE AND ZAKAT

	Quarter and Year-To-Date Ended		
	31.3.2023	31.3.2022	Changes
	RM'000	RM'000	%
Income tax	21,061	24,038	(12.4)
Deferred tax	(1,263)	510	(347.6)
Total income tax expense	19,798	24,548	(19.3)
Zakat	175	120	45.8
Total income tax expense and zakat	19,973	24,668	(19.0)

Income tax is calculated at the Malaysian statutory tax rate of 24% of the estimated assessable profit for the current period and previous corresponding period.

The effective tax rate of the Group for the current period was higher than the statutory tax rate principally due to certain expenses that were not deductible for tax purposes. For the previous corresponding period, the effective tax rate of the Group was higher than the statutory tax rate mainly due to the "Cukai Makmur" whereby companies with chargeable income above RM100 million were taxed at a rate of 33% and for income below or equal to RM100 million were taxed at the statutory tax rate.

28. TRADE RECEIVABLES

	As at 31.3.2023	As at 31.12.2022
	RM'000	RM'000
Trade receivables	61,167	50,912
Less: Allowance for impairment losses	(1,375)	(1,379)
	59,792	49,533

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

	As at 31.3.2023	As at 31.12.2022
	RM'000	RM'000
Not past due and not credit impaired	47,686	42,872
Past due and not credit impaired:		
< 30 days	3,276	1,956
31 - 60 days	7,396	3,412
61 - 90 days	785	440
91 - 180 days	604	824
> 181 days	603	595
Credit impaired	817	813
Trade receivables (gross)	61,167	50,912
Less: Allowance for impairment losses	(1,375)	(1,379)
	59,792	49,533

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**

29. CORPORATE PROPOSAL

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

30. BORROWINGS AND DEBT SECURITIES

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

31. CHANGES IN MATERIAL LITIGATION

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

32. DIVIDEND PAYABLE

There was no dividend declared in respect of the current quarter and the corresponding quarter in the previous year.

33. BASIC AND DILUTED EARNINGS PER SHARE ("EPS")

	Quarter and Year-To-Date Ended	
	31.3.2023	31.3.2022
Profit attributable to the owners of the Company (RM'000)	56,173	67,966
Weighted average number of ordinary shares in issue ('000)	809,299	809,299
Basic and diluted EPS (sen)	6.9	8.4

34. NET ASSETS PER SHARE ATTRIBUTABLE TO OWNERS OF THE COMPANY

Net assets per share as at 31 March 2023 stood at RM0.92, a decrease of 5.2% compared to RM0.97 as at 31 December 2022 mainly due to the dividends paid during the current quarter ended 31 March 2023.

35. AUDITORS' REPORT ON PRECEDING ANNUAL FINANCIAL STATEMENTS

The auditors' report on the financial statements for the financial year ended 31 December 2022 was

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

36. REVIEW BY EXTERNAL AUDITORS

The Board of Directors ("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 31 March 2023 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.

37. AUTHORISED FOR ISSUE

The Condensed Report was authorised for issue by the Board in accordance with a resolution of the Directors on 3 May 2023.