

## MEDIA RELEASE

### BURSA MALAYSIA ANNOUNCES RM272.9 MILLION PROFIT AFTER TAX AND MINORITY INTEREST FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020

<b>Key Financial &amp; Market Highlights (9M2020 vs 9M2019)</b>
<ul style="list-style-type: none"> <li>• PATAMI at RM272.9 million, increased by 94.5%</li> </ul>
<ul style="list-style-type: none"> <li>• Annualised Return on Equity at 47%, increased by 24 percentage points</li> </ul>
<ul style="list-style-type: none"> <li>• Basic earnings per share at 33.7 sen, increased by 16.3 sen</li> </ul>
<ul style="list-style-type: none"> <li>• Operating revenue at RM554.0 million, increased by 55.0%</li> </ul>
<ul style="list-style-type: none"> <li>• Operating expenses at RM200.4 million, increased by 11.1%</li> </ul>
<ul style="list-style-type: none"> <li>• Cost-to-income ratio at 35%, decreased by 13 percentage points</li> </ul>
<ul style="list-style-type: none"> <li>• Average daily trading value for Securities Market's on-market trades at RM4.0 billion, increased by 101.8%</li> </ul>
<ul style="list-style-type: none"> <li>• Market capitalisation as at 30 September 2020 at RM1.6 trillion, decreased by 2.1%</li> </ul>
<ul style="list-style-type: none"> <li>• Securities Market velocity at 62%, increased by 34 percentage points</li> </ul>
<ul style="list-style-type: none"> <li>• Average daily contracts traded for Derivatives Market at 74,408 contracts, increased by 41.3%</li> </ul>
<ul style="list-style-type: none"> <li>• Average daily trading value for BSAS at RM32.5 billion, increased by 3.0%</li> </ul>

**Kuala Lumpur, 27 October 2020** - Bursa Malaysia Berhad ("Bursa Malaysia" or the "Exchange") recorded a Profit After Tax and Minority Interest ("PATAMI") of RM272.9 million for the nine-month financial period ended 30 September 2020 ("9M2020"), a 94.5% increase from RM140.3 million reported in the previous corresponding period ended 30 September 2019 ("9M2019"). The increase in PATAMI is due to higher operating revenue, which increased by 55.0% to RM554.0 million from the previous corresponding period.

Meanwhile, total operating expenses in 9M2020 increased by 11.1% to RM200.4 million from RM180.3 million in 9M2019 due to higher staff costs, professional fees and information technology maintenance cost.

“Against the backdrop of unprecedented circumstances, the Exchange delivered an exceptional 9M2020 financial performance, recording the highest ever nine-month PATAMI since listing in 2005,” said Datuk Muhamad Umar Swift, Chief Executive Officer of Bursa Malaysia. “The on-going developments with regards to COVID-19, low-interest-rate environment, the Malaysian government’s stimulus packages and the gradual re-opening of the economy continue to support investor participation across segments led by domestic institutions and retail. The continuous operations of our markets have been critical in making available the necessary liquidity and risk management tools for investors to respond in a higher volatility environment and invest in new opportunities.”

Investor participation in the Securities Market continued to increase, with average daily trading value (“ADV”) growing by 101.8% to RM4.0 billion in 9M2020 compared to RM2.0 billion in 9M2019. As a result, Securities trading revenue increased by 101.1% to RM349.2 million in 9M2020 from RM173.6 million in 9M2019. The additional number of trading days and the higher effective clearing fee in 9M2020 also contributed to the increase in trading revenue. Trading velocity increased by 34 percentage points to 62% compared to 9M2019.

Non-trading revenue increased by 7.0% to RM110.9 million from RM103.6 million in the previous corresponding period. This was contributed by higher market data revenue which increased by 20.4% to RM26.7 million in 9M2020 from RM22.2 million in 9M2019, underpinned by the rise in the number of new subscribers. Depository services revenue also increased by 9.3% to RM34.4 million in 9M2020 from RM31.5 million in 9M2019 due to higher Record of Depositors fees and account opening fees earned. The Exchange will continue to build on its data-related offerings to improve non-trading revenue and ensure the long-term resilience of earnings in all market conditions.

Derivatives Market trading revenue increased by 33.8% to RM69.2 million in 9M2020 from RM51.7 million in 9M2019, mainly due to higher number of contracts traded for Crude Palm Oil Futures (“FCPO”) and FTSE Bursa Malaysia KLCI Futures (“FKLI”). Total average daily contracts (“ADC”) for the Derivatives Market increased by 41.3% to 74,408 contracts in 9M2020 compared to 52,644 contracts in 9M2019.

As for the Islamic Capital Market, trading revenue for Bursa Suq Al-Sila’ (“BSAS”) in 9M2020 decreased by 13.5% to RM9.6 million from RM11.1 million in 9M2019 despite the growth in ADV by 3.0% to RM32.5 billion in 9M2020. This was mainly due to higher trades under the volume-based pricing scheme that attracts a lower fee. Trading on BSAS is expected to sustain for the rest of the year supported by the increase in foreign participation.

“While key economic indicators are pointing towards an improving outlook for the Malaysian economy, the on-going developments of the COVID-19 pandemic will continue to influence the volatility and performance of the Securities and Derivatives markets. We have been working closely with other regulators to ensure market efficiency and improved market accessibility and liquidity to support participants during this period,” commented Datuk Umar.

“Despite the challenges, we are well-positioned to continue developing the marketplace and make further progress on our strategic plans. We have seen promising results after successfully conducting five listing ceremonies and holding our flagship events, namely, Invest Malaysia Conference and Palm and Lauric Oils Price Outlook Conference & Exhibition fully virtual. Each of these initiatives is important towards ensuring our offerings remain relevant to our diverse range of investors,” Datuk Umar concluded.

The financial results for 9M2020 are available on Bursa Malaysia’s website at [www.bursamalaysia.com](http://www.bursamalaysia.com)

Financial results	9M2020 (RM million)	9M2019 (RM million)	Percentage change (%)
Operating revenue	554.0	357.5	55.0
Other income	14.3	15.7	(9.0)
Total revenue	568.3	373.2	52.3
Staff costs	(113.3)	(101.4)	11.7
Depreciation and amortisation	(16.2)	(15.4)	5.4
Other operating expenses	(70.9)	(63.5)	11.6
Profit from operations	367.9	192.9	90.7
Finance costs	(0.4)	(0.4)	0.7
Profit before tax	367.5	192.5	90.9
Income tax expense	(94.6)	(48.5)	95.2
Profit after tax	272.9	144.0	89.5
Minority interest	-	(3.7)	(100.0)
<b>PATAMI</b>	<b>272.9</b>	<b>140.3</b>	<b>94.5</b>



## **About Bursa Malaysia**

Bursa Malaysia is an Exchange holding company incorporated in 1976 and listed in 2005, and has grown to be one of the largest bourses in ASEAN today. Bursa Malaysia operates and regulates a fully-integrated exchange offering a comprehensive range of exchange-related facilities, and is committed to *Creating Opportunities, Growing Value*. Learn more at [www.bursamalaysia.com](http://www.bursamalaysia.com).

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