

FY2023

SGX Post- results Luncheon

Loh Boon Chye, Chief Executive Officer
Ng Yao Loong, Chief Financial Officer

17 August 2023

Singapore Exchange

Commodities | Equity Derivatives | Fixed Income | FX | Indices | Securities

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FY2023

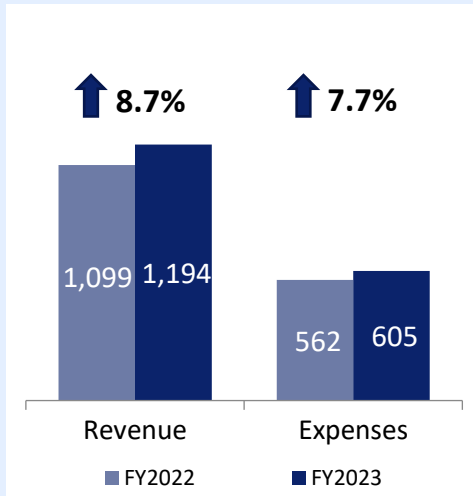
Financial Highlights and Performance

Ng Yao Loong, Chief Financial Officer

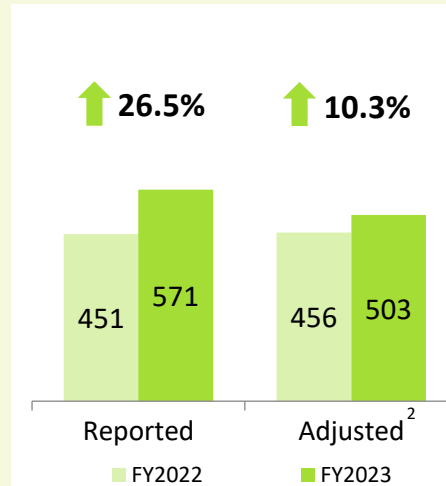
FY2023 Highlights

Resilient growth in a challenging macroeconomic environment

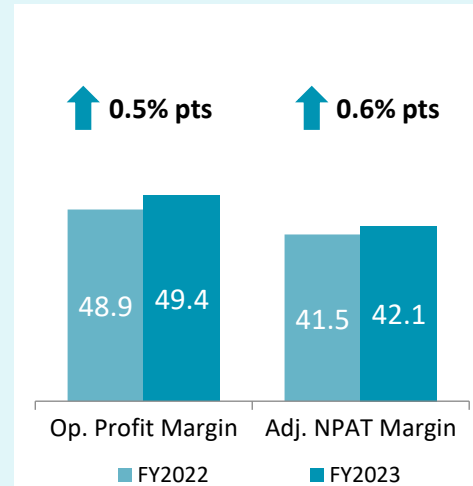
Group Revenue & Expenses



Group NPAT¹



Group Margins (%)

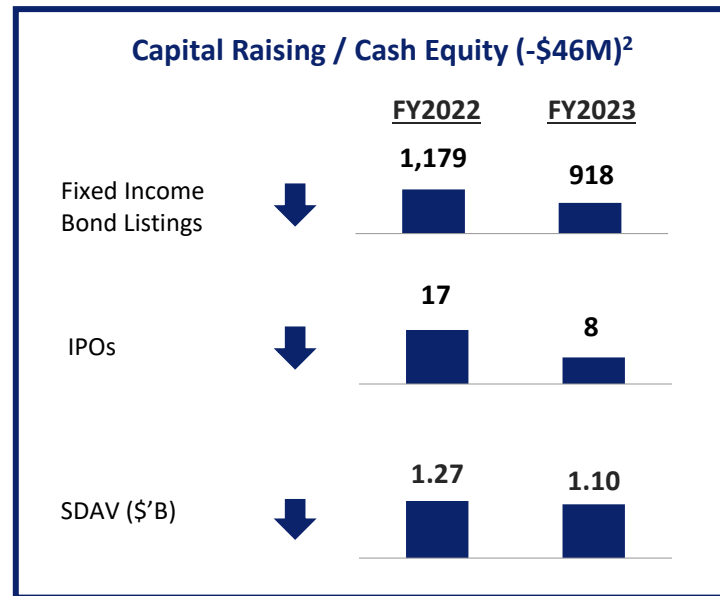
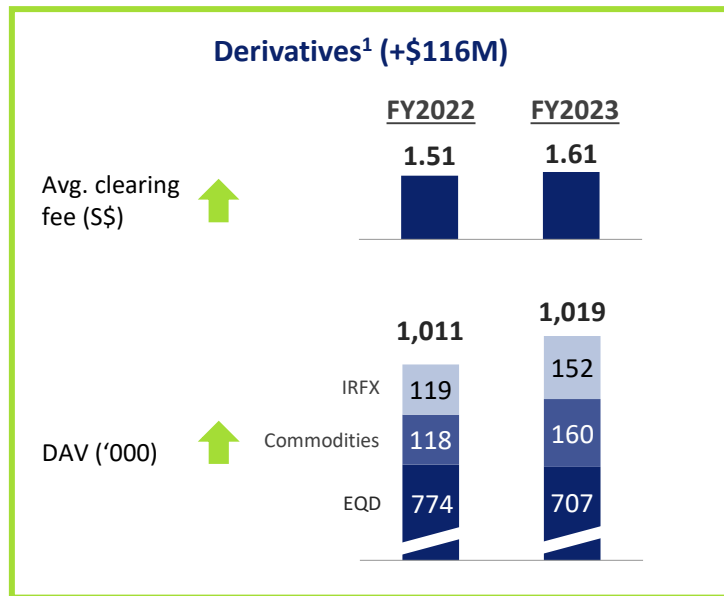


¹ NPAT relates to 'Net profit attributable to equity holders of the Company'.

² Adjusted NPAT excludes certain non-cash and non-recurring items that have less bearing on SGX's operating performance. Hence, they better reflect the group's underlying performance. Adjusted figures are non-SFRS(I) measures. Please refer to Section 8 of our financial results for reconciliations between the adjusted and their equivalent measures.

Revenue growth driven by our Derivatives business

- Higher Derivatives revenue and associated Treasury Income
- Decline in revenue from Capital Raising and Cash Equity

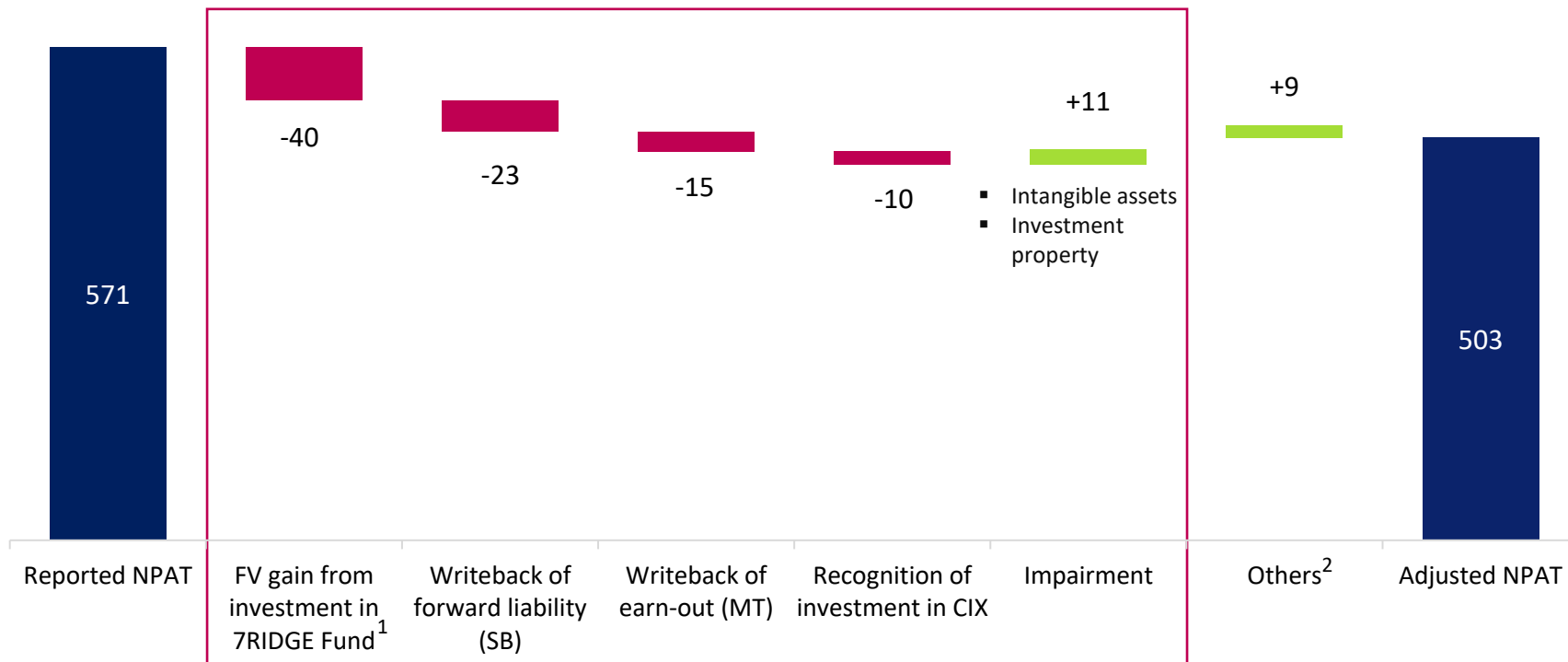


¹ Derivatives revenue includes Equities Derivatives, Currencies and Commodities futures and options trading and clearing revenue and associated treasury income. Derivatives contributed 45% to Group revenues in FY2023.

² Fixed Income Listing revenue and total Equities – Cash revenue

NPAT includes non-cash adjustments from investments

Non-cash adjustments



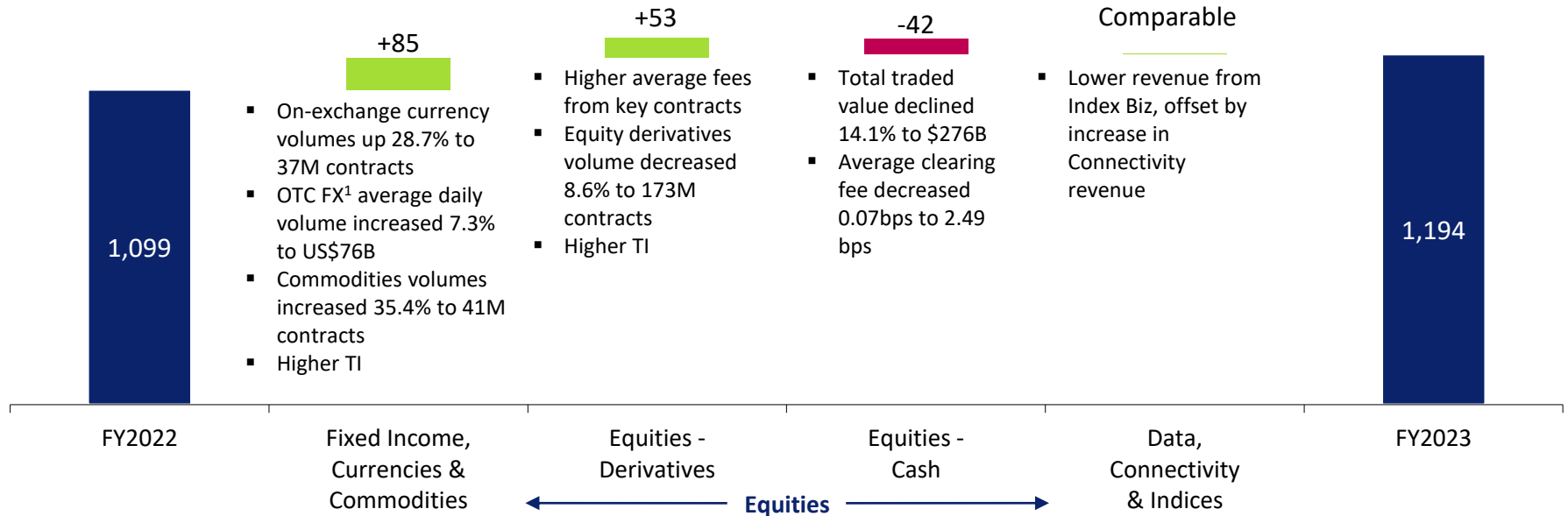
¹ Closed-end fund managed by 7RIDGE, that acquired global trading software provider Trading Technologies

² Others include amortisation of acquired intangible assets, associated income tax adjustments and other one-off items

Note: All figures in \$ millions unless otherwise stated and may be subject to rounding

FY2023 Revenue up 8.7% to \$1,194M

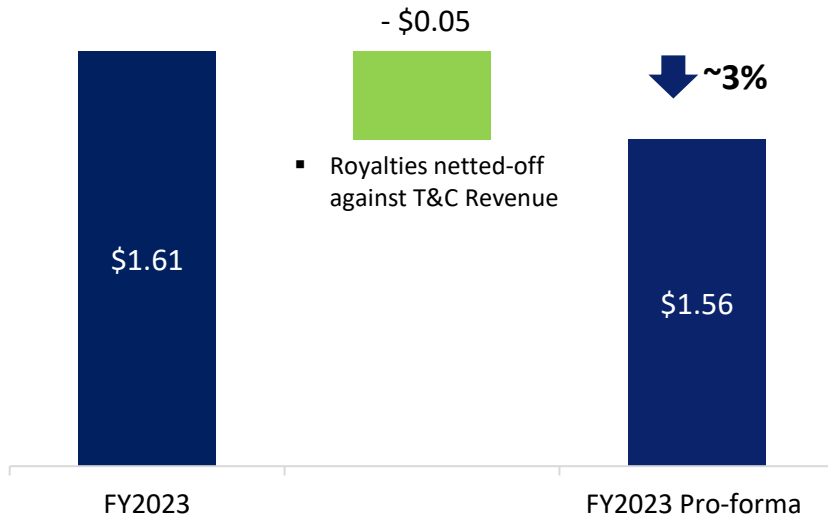
- FICC revenue, accounting for 28.3% of total revenue, up 33.8% from growth in Currencies & Commodities
 - Excluding MaxxTrader, FICC revenue up 30.6%
- Average fee per contract for Equity, Currency and Commodity derivatives increased 6.4% from \$1.51 to \$1.61



¹ OTC FX comprise BidFX, MaxxTrader and SGX CurrencyNode in 2H FY2022 and FY2023, but only BidFX and SGX CurrencyNode for 1H FY2022 as MaxxTrader was acquired in January 2022.

Impact to SGX derivatives average clearing fees from GIFT Connect

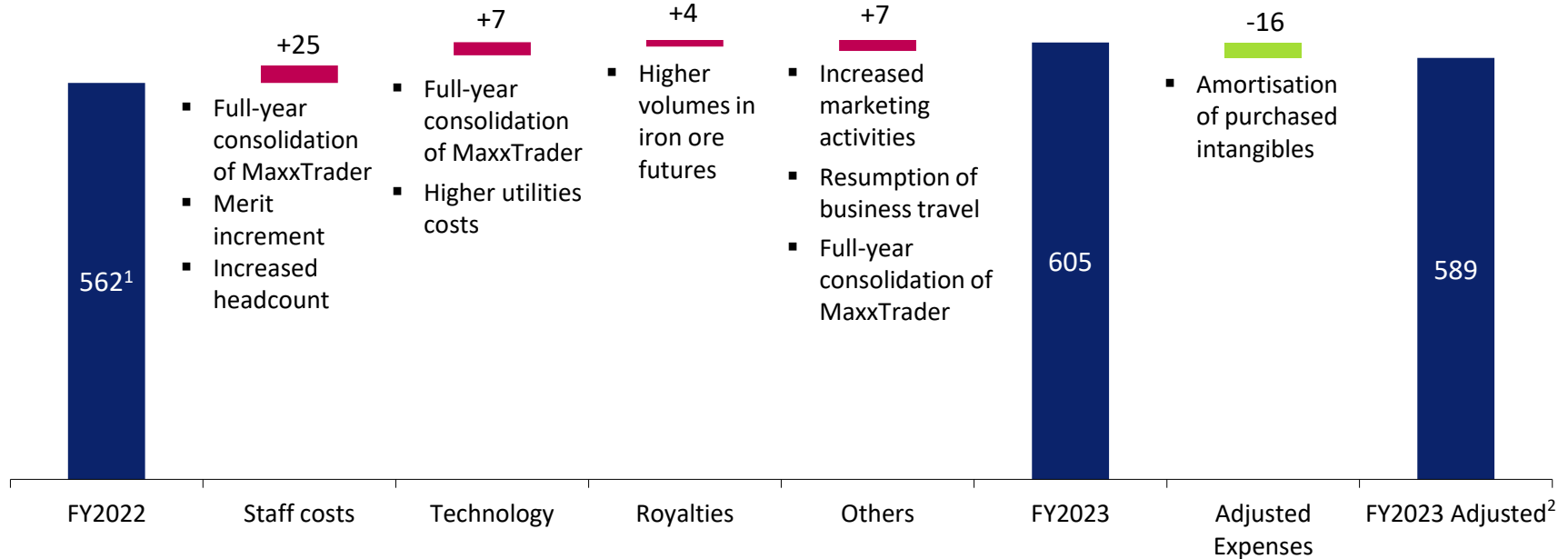
- Beginning FY2024, royalties expense for GIFT Nifty will no longer be applicable
- Revenue share with NSE will be netted-off against Trading & Clearing revenue
 - FY2023 Pro-forma Derivatives average clearing fee will be **~3%** lower if Nifty royalties (licensing) expense was netted-off against Trading & Clearing revenue



| FY2023 | Actual | Pro-forma |
|--------|--------|-----------|
| 1Q | \$1.62 | \$1.55 |
| 2Q | \$1.55 | \$1.50 |
| 3Q | \$1.65 | \$1.59 |
| 4Q | \$1.62 | \$1.58 |

FY2023 Total Expenses up 7.7% to \$605M

- Additional 6 months of expenses from the full-year consolidation of MaxxTrader in FY2023 contributed 2.2% points to the expense increase

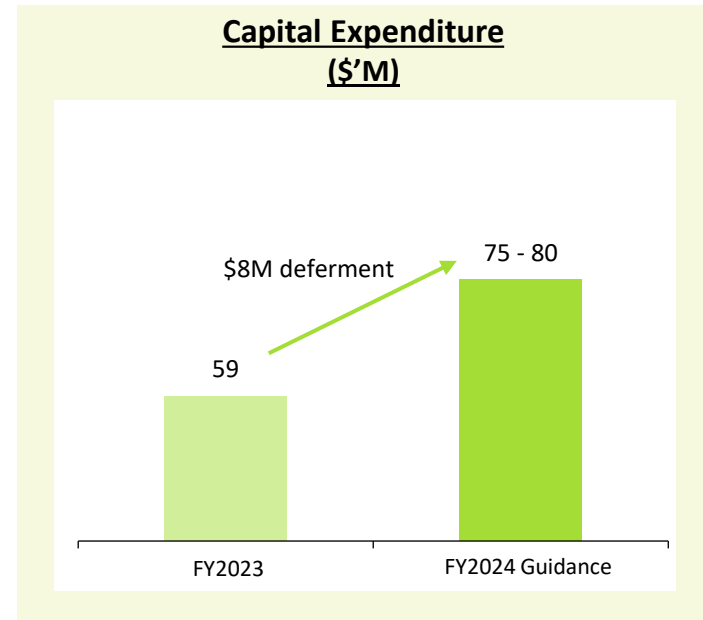
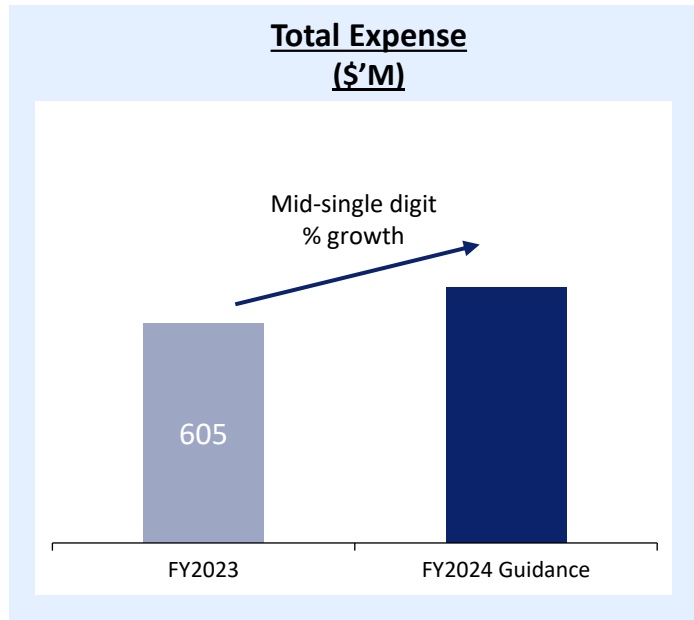


¹ Adjusted FY2022 total expenses was \$544M.

² Adjusted figures presented are non-SFRS(I) measures. Please refer to Section 8 of our financial results for reconciliations between the adjusted and their equivalent measures. Adjustments exclude amortisation of purchased intangibles, acquisition related expenses and other one-off costs.

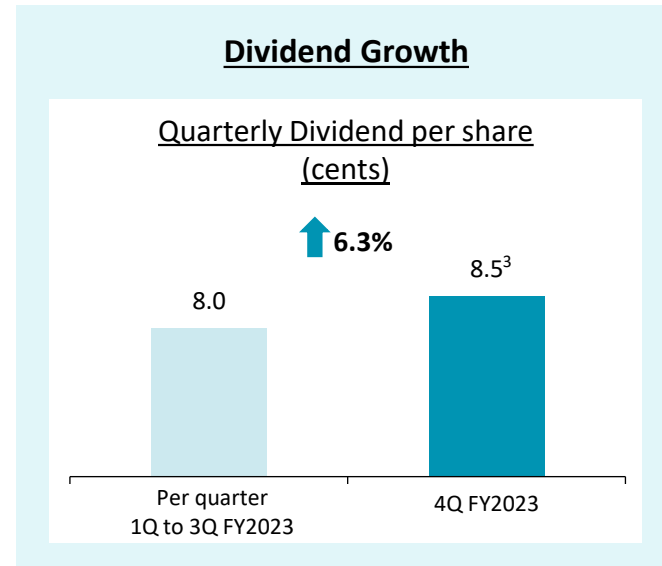
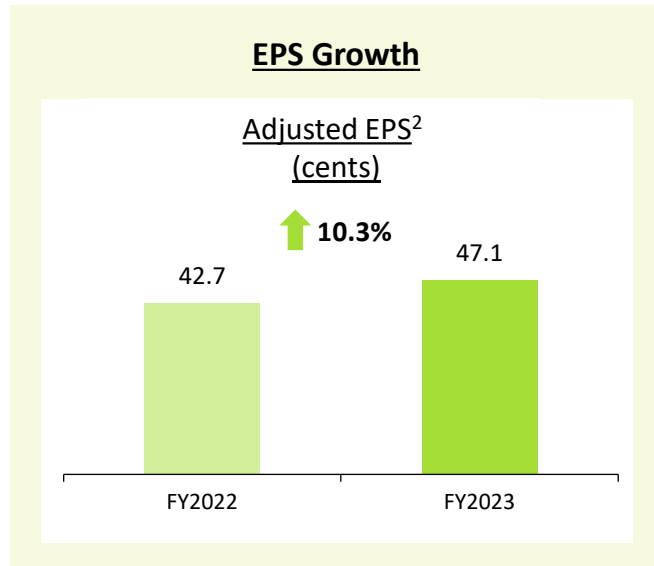
FY2024 expense and capex guidance

- Invest for growth; maintain cost discipline
- Increase in projected capital expenditure in part due to \$8M of capex deferred from FY2023



Delivering shareholder returns

- Maintain healthy leverage ratio – Gross Debt to EBITDA¹ ratio at 1.1x, down from 1.2x a year ago
- Final quarterly dividend of 8.5 cents per share, if approved at our upcoming AGM in October, would represent an annualised increase of 6.3%



¹ Gross debt includes both borrowings and lease liabilities; EBITDA is net of rental expenses and over the last 12 months

² Adjusted figures presented are non-SFRS(I) measures. Please refer to Section 8 of our financial results for reconciliations between the adjusted and their equivalent measures.

³ 4Q FY2023 dividend per share is subject to approval by shareholders at our AGM on 5 Oct 2023.

Business Update

Loh Boon Chye, Chief Executive Officer

Asia remains a bright spot in the world economy

We are playing to our strengths in the current challenging macroenvironment

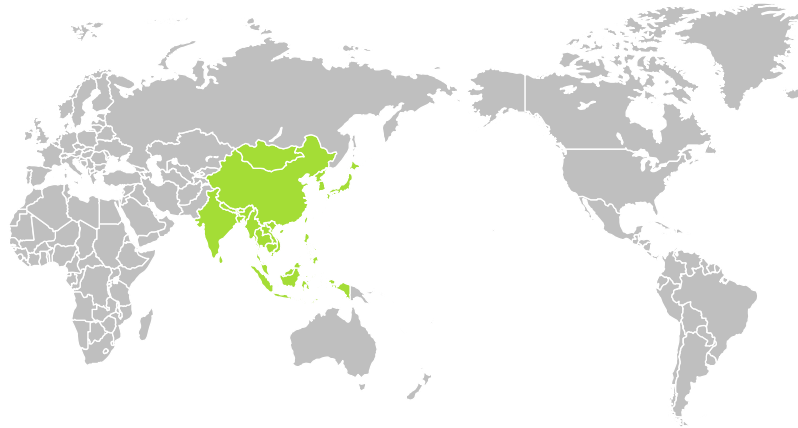
Asia's dynamic economic growth



China and India are forecast to generate about half of global growth this year¹



Southeast Asian countries are projected to remain resilient²



SGX Group as a multi-asset hub



Trusted and proven pan-Asian access market platform



Global leadership in Asian derivatives across commodities, currencies and equities

Powering ahead: Another milestone year for iron ore



**35% Growth in Commodities DAV¹
to 160k in FY2023**



Access to fast-growing Asia



**Achieved another record year in iron ore;
strong momentum in further increasing financial
participation**

Expanded client base with
more financial clients

Strong T+1 activity growth in
EU/US time zones

Total Iron Ore DAV (k)

Screen trading (%
of total futures)

Paper to physical
ratio (x)



FY2023

140

46

2.3

Record High

FY2022

99

29

1.6

FY2021

81

20

1.3



**Pole position as the #1 largest clearing venue for dry FFAs
complementing our leadership in bulk commodities**

World's largest dry
FFA venue

Enhanced FFA
product suite

66% SGX FFA FY2023
Market Share

Record performance strengthens SGX FX franchise

28.7% growth in Currency Futures Volume

7.3% growth in OTC FX¹ ADV²

Our CNH and INR contracts are among the **top 10 traded listed FX futures globally**.

Growth in broader major Asian Currency Futures, including KRW, SGD, TWD, and THB, beyond CNH and INR.

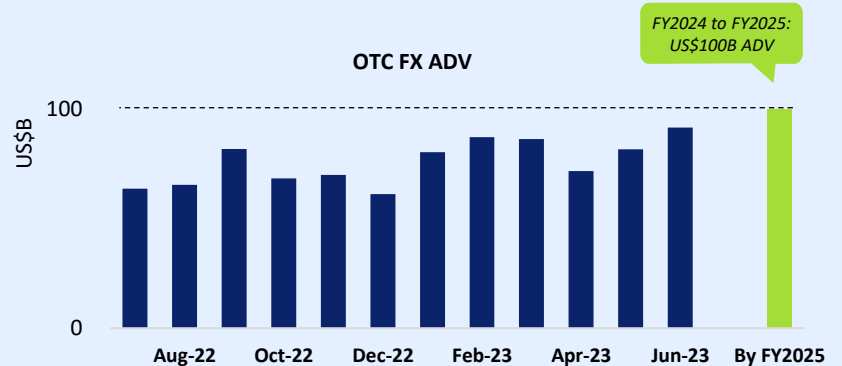


Our OTC FX franchise recorded an ADV of US\$75.8 Billion in FY2023, and will achieve **US\$100 Billion ADV by FY2025 or earlier**.

An integrated SGX FX franchise that is differentiated

Gateway to the global FX ecosystem, anchored by the world's most liquid Asian FX futures exchange, together with cutting-edge technology and workflow solutions and electronic communications network.

Fruits of integration – a unified sales strategy and increased functionalities.



Cementing our position as the preferred venue for Asian equity derivatives

Widening suite of products to meet evolving market needs

World's most liquid and actively-traded contracts covering largest Asian economies

Positive momentum and growing liquidity in other key Asian contracts

Expanding sustainable derivatives shelf to meet evolving investment mandates



Solidified international market share in SGX FTSE A50 futures



~US\$9 Billion Nifty Open Interest migrated to GIFT Connect¹

Growth in SGX FTSE Taiwan futures volume market share and OI, deepening our franchise with launch of options

Growth in SiMSCI volumes from greater volatility and increased adoption

Launched the first global shelf of futures tracking MSCI Climate Action Index

Newly-listed futures contract tracking the Nikkei 225 Climate Change 1.5°C Target Index

Rising interest in SGX FTSE Blossom Japan Index Futures

Enabling multi-asset access via data and connectivity

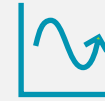
Strengthen business by fortifying index capabilities



Continued growth momentum in Data and Connectivity

Growth in Connectivity business from more value-added services and new GIFT-related co-location and network services.

Market Data growth attributed to increase in non-display usage licenses and distribution of Commodities data.



Fortifying Index capabilities

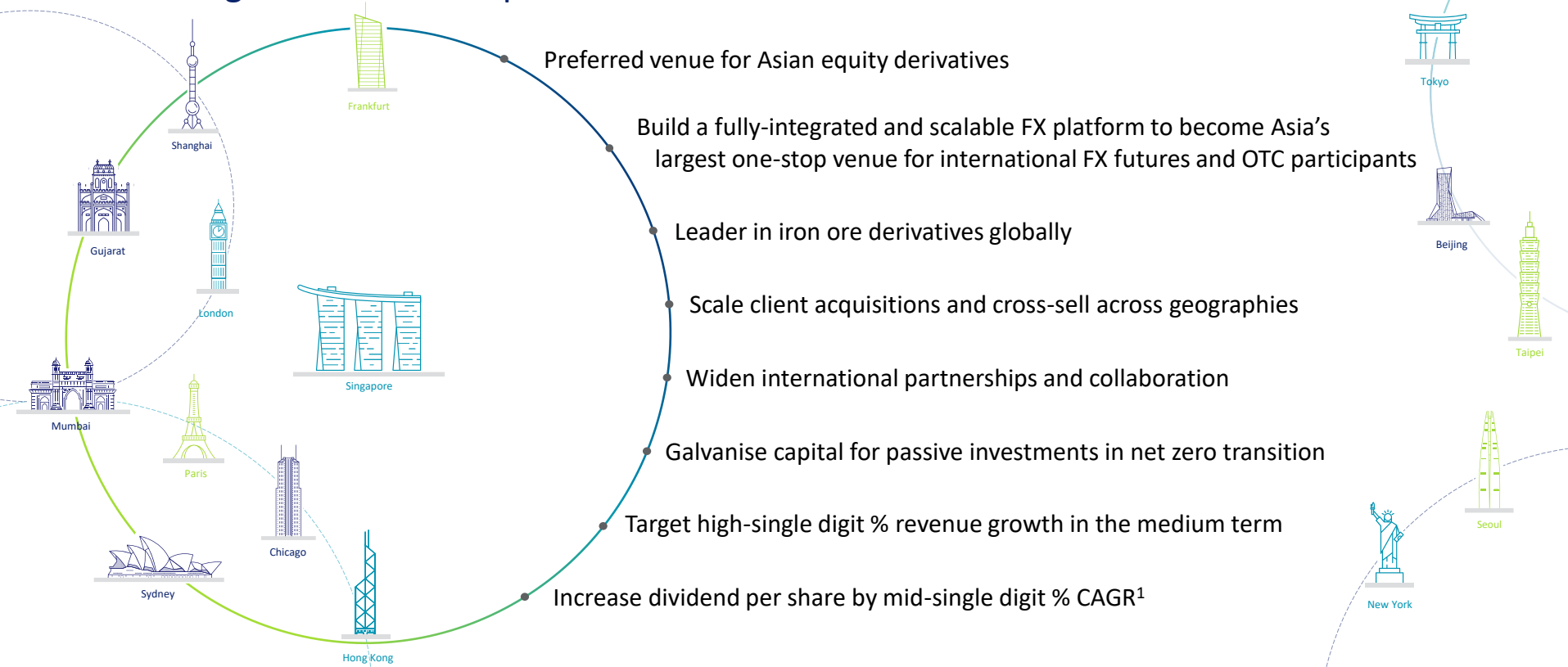
Focus on creating growth and scale through partnerships with customers, data providers, and distribution channels.

Expansion of offerings such as Scientific Beta's Climate Impact offerings and iEdge's sustainability indices.

Drive partnerships with issuers/intermediaries on expanding ETF offerings.

Multi-asset growth hub in a thriving Asia

Facilitating international capital flow in a AAA environment



Questions and Answers

Loh Boon Chye, Chief Executive Officer

Ng Yao Loong, Chief Financial Officer

Michael Syn, Head of Equities

Lee Beng Hong, Head of Fixed Income, Currencies & Commodities

Ng Kin Yee, Head of Data, Connectivity & Indices

Pol De Win, Head of Global Sales & Origination



Thank you

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