

JSE Limited  
(Incorporated in the Republic of South Africa)  
Registration number: 2005/022939/06  
Share code: JSE  
ISIN: ZAE000079711  
LEI: 213800MZ1VUQEBWRF039  
("JSE" or "the Company")

Unreviewed Interim Results  
for the six months ended 30 June 2021

R million (unless stated otherwise)	Six months ended June 2021	Six months ended June 2020	% change
Total revenue	1 242	1 324	(6%)
Personnel expenses	292	267	9%
Other operating expenses	430	413	4%
Depreciation and amortisation	132	121	9%
Earnings before interest and taxes (EBIT)	388	523	(26%)
NPAT	348	485	(28%)
EBIT margin	31%	40%	(9 pts)
EBITDA	520	644	(19%)
EBITDA margin	42%	49%	(7 pts)
EPS (cents)	420.2	569.1	(26%)
HEPS (cents)	420.1	569	(26%)
Net cash generated from operations	472	525	(10%)
Earnings cash conversion (as a % of adjusted NPAT)*	105%	94%	11%
Capital expenditure (CAPEX)	46	46	0%

\* Earnings cash conversion is calculated by dividing net cash generated from operations by adjusted NPAT. Adjusted NPAT is calculated by deducting the following tax adjusted non-cash items from NPAT: Depreciation and amortisation (note 16), effects of exchange rate fluctuations on cash held (Consolidated statement of cash flows), and expected credit loss impairments (Consolidated statement of comprehensive income).

#### Overview of results

The JSE's financial performance reflects the impact of external factors on business operations and a high revenue base for the six months ended 30 June 2020 (the comparative period). Despite the challenging environment, the Group reported strong cash generation in its core franchise and recorded progress in its strategic projects.

EBITDA decreased by 19% to R520 million (2020: R644 million). NPAT decreased by 28%. EPS and HEPS decreased by 26%, to 420.2 cents and 420.1 cents respectively.

The JSE's financial performance during the period reflects:

- lower revenue in the Equity and Bond markets compared with a high revenue base in the comparative period, which stemmed from elevated volatility and trading activity in 2020 driven by the COVID-19 outbreak;
- a stronger rand relative to the US dollar during the period, impacting Information Services revenue and other income from foreign exchange cash holdings year-on-year;
- significantly lower interest rates in South Africa and lower collateral deposit balances compared with high levels in the comparative period, which resulted in a material reduction in net finance income;
- JSE Investor Services (JIS) was consolidated during the period following the successful conclusion of the acquisition in November 2020, and as from 17 June 2021 is wholly-owned; and
- control in the JSE's normalised cost base (up 0.2% year-on-year) with operating expenses up by 6%, reflecting the annualised effect of the consolidation of JIS.

The Group reported net cash from operations of R472 million (2020: R525 million), implying 105% of adjusted earnings cash conversion (+11 basis points year-on-year). The dividend policy of the Group remains unchanged. Total CAPEX was R46 million (2020: R46 million) and focused mainly on leasehold improvements to support new ways of work as well as client services.

During this period, the JSE focused efforts on a number of priorities, leading to the following key achievements:

- Maintained operational resilience and robustness
- Continued to assess and maintain our market quality
- Strong cash generation, a key component of the business model
- Progressed operational priorities and delivered on inorganic growth objectives
- Continued to make improvements in client and employee engagement
- Announced two new inorganic transactions (minority buy-out of JIS and acquisition of Investec Share Plan Services (ISPS))
- Listed first social bond and self-labelled sustainability-linked bond on the JSE's Sustainability Segment
- Maintained a healthy balance sheet, allowing the JSE to remain well positioned for sustainable growth

The Group recognises the substantial human impact of the pandemic as well as its impact on the financial ecosystem. On 12 July, in the midst of a

third wave in COVID-19 infections we experienced a deeply unsettling and painful outbreak of violence and looting in Kwazulu-Natal and Gauteng. While political events provided the spark, we cannot ignore the deep inequality and unemployment that gave the unrest such scale. With this in mind the health and safety of employees, support for clients and the operational resilience of platforms and infrastructure remain key focal points for the Group. The JSE, within its ambit, will continue to work with government, regulators and communities for a fairer society that addresses the deep inequalities and high levels of unemployment in South Africa.

5 August 2021

For further information

This short-form announcement is the responsibility of the directors. It is only a summary of the information in the full announcement and does not contain full details. Any investment decision should be based on the full announcement, published and available at: <https://senspdf.jse.co.za/documents/2021/JSE/ISSE/JSE/05082021.pdf> and on our website at: [www.jse.co.za](http://www.jse.co.za).

The full announcement is also available at our registered offices and the offices of the sponsor for inspection at no charge during office hours. Copies of the full announcement may be requested by emailing: [ir@jse.co.za](mailto:ir@jse.co.za).

Sponsor: Rand Merchant Bank (a division of FirstRand Bank Limited)