

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

Summarised consolidated annual financial results and ordinary cash dividend declaration for the year ended 31 December 2022

" The JSE's solid performance reflects the quality of our earnings and the resilience of our operating platforms within a challenging trading environment. I am pleased to report year-on-year growth of 4% in headline earnings per share, and a strong ROE of 18%, well within our long-term target range. Our strategy to diversify revenue continues to gain traction, with non-trading revenue up 13% year-on-year to 25% of total operating revenue. This performance is underpinned by robust operational processes and 99.9% uptime across our markets. The business remains strongly cash generative and this has enabled the Board to declare an ordinary dividend of 769 cents per share for 2022, resulting in a distribution to shareholders of R668 million. These results demonstrate the value of our investment strategy and provide momentum for future growth."

- Leila Fourie, Group CEO

Overview of results

Net profit after tax (NPAT) increased by 4% YoY to R749 million, with headline earnings per share (HEPS) increasing by 4% YoY to 917.7 cents per share (2021: 878.9 cents).

Earnings before interest, tax and depreciation (EBITDA) of R1.07 billion increased by 1% YoY.

The Group recorded revenue growth across its business segments. Operating revenue grew 5% to R2.7 billion, with an 11% increase in revenue from Information Services and a 28% increase in revenue from JSE Investor Services (JIS). The JSE further increased the proportion of its revenue derived from non-trading activity in line with our strategic intent (non-trading revenue grew by 13% from R590 million to R668 million in 2022).

Total operating expenditure increased by 7.5% YoY to R1.9 billion. Other operating expenditure growth includes an increase in administration fees relating to an increase in JIS revenue generating activities and an increase in electricity and building utilities (e.g., diesel). Personnel costs reflect annual salary increases and the annualised impact of headcount relating to new acquisitions.

Rising interest rates and growth in margin deposits have supported higher net finance income, which increased 40% YoY to R203 million (2021: R146 million). Continued strong cash generated from operations of R978 million has enabled the Board to declare an ordinary dividend of 769 cents per share for 2022, an increase of 2% YoY. The JSE will maintain a pay-out ratio between 67% - 100% of distributable earnings in respect of the annual ordinary dividend.

Capital expenditure of R127 million was focused on operational resilience and growth initiatives.

The Group maintains a robust balance sheet and cash of R2.2 billion at 31 December 2022. Ring fenced and non-distributable cash (regulatory capital and investor protection) amounts to R1.2 billion. Of the remaining R1 billion, R668 million will be distributed as dividends.

Overview of results

R million (unless stated otherwise)	FY2022	FY2021	% change
Operating revenue	2 650	2 517	5%
Total revenue	2 704	2 576	5%
Personnel expenses	693	650	7%
Other expenses	946	871	9%
Depreciation and amortisation	273	258	6%
Total expenditure	1 912	1 779	7.5%
Earnings before interest and tax (EBIT)	792	798	(1%)
Net finance income	203	146	40%
Net profit after tax (NPAT)	749	722	4%
EBIT margin	29%	31%	(2 pts)
Earnings before interest tax depreciation and amortisation (EBITDA)	1 066	1 055	1%
EBITDA margin	39%	41%	(2 pts)
Earnings per share (EPS) (cents)	911.1	874.1	4%
Headline earnings per share (HEPS) (cents)	917.7	878.9	4%
Ordinary dividend per share declared (cents)	769	754	2.0%
Special dividend per share declared (cents)	-	100	(100%)
Net cash generated from operations	978	917	7%
Capital expenditure	127	165	(23%)

Any forecast financial information contained herein has not been reviewed or reported on by the Group external auditors.

Declaration of ordinary cash dividend

The Board has declared an ordinary cash dividend for the year ended 31 December 2022, as follows:

Dividend	Annual gross amount per share	withholding tax %	Net amount per share
Ordinary	769 cents	20%	615.20000 cents

The JSE's practice has been to return distributable cash to shareholders after ring-fencing cash for regulatory capital requirements and investments (both capital expenditure and inorganic opportunities) as well as for working capital.

The ordinary dividend of 769 cents per share represents a 2% increase on the 754 cents per share paid in 2021. The ordinary cash dividend has been declared from retained earnings. A dividend withholding tax of 20% will be applicable to all shareholders who are not exempt.

The dividends are payable to shareholders recorded in the register of members of the JSE at close of business on Friday, 31 March 2023. In compliance with the Companies Act, 71 of 2008 (as amended) (the Companies Act), the directors confirm that the JSE will satisfy the solvency and liquidity test immediately after completion of the dividend distribution. In compliance with the requirements of Strate, the following salient dates for the payment of the ordinary cash dividends are applicable:

Dividend paid in year in respect of financial year ended	31 December 2022	31 December 2021
Ordinary dividend per share	769 cents	754 cents
Total rand value	R668 million	R741 million
Declaration date	Wednesday, 8 March 2023	Monday, 28 February 2022
Last date to trade JSE shares cum dividend	Tuesday, 28 March 2023	Tuesday, 22 March 2022
JSE shares commence trading ex-dividend	Wednesday, 29 March 2023	Wednesday, 23 March 2022
Record date for purposes of determining the registered holders of JSE shares to participate in the dividend at close of business on	Friday, 31 March 2023	Friday, 25 March 2022
Dividend payment date	Monday, 3 April 2023	Monday, 28 March 2022

Share certificates may not be dematerialised or rematerialised from Wednesday, 29 March 2023 to Friday, 31 March 2023, both days inclusive. On Monday, 3 April 2023, the dividend will be electronically transferred to the bank accounts of certificated shareholders. The accounts of those shareholders who have dematerialised their shares (which are held at their central securities depository participant or broker) will be credited on Monday, 3 April 2023. The issued share capital of the JSE as at the declaration date was 86 877 600 ordinary shares. The tax number of the JSE is 9313008840.

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/2023/JSE/ISSE/JSE/08032023.pdf> and on the JSE website at: <https://www.jse.co.za/investor-relations/results>.

Ernst and Young Inc, the Group's independent auditor, has audited the Consolidated Annual Financial Statements ("AFS") of the JSE Limited from which this announcement has been derived, and has expressed an unmodified audit opinion on the AFS. The auditor's report (with Key Audit Matters) issued on the AFS and the actual AFS can be accessed at <https://www.jse.co.za/investor-relations/results>

This announcement itself is not audited and therefore the audit report does not cover this announcement. 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

Sandton
8 March 2023

Sponsor
RAND MERCHANT BANK (A division of FirstRand Bank Limited)