

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 2023

"The JSE has produced strong results, with growth of 12.2% in headline earnings per share (HEPS) and return on equity (ROE) of 19.4% in line with long-term targets. This strong performance has enabled the Board to declare a dividend of 784 cents per share for the full year. We continue to invest in defending our core trading activity while building new services across asset classes and in private capital raising, Information Services and JSE Investor Services, which enabled non-trading income to increase to 36.8% (2022: 34.6%) of operating income in line with our long-term strategy. We delivered an excellent operating performance with system uptime of 99.89%. We launched new partnerships to enable us to rapidly innovate in data services, private markets, carbon trading and a modernisation of our broker-dealer accounting (BDA) system, which will ensure the JSE maintains its leading position among emerging market exchange operators."

- Leila Fourie, Group CEO

Overview of results

- Headline earnings per share (HEPS) increased by 12.2% YoY to 1 029.8 cents per share (2022: 917.7 cents). Net profit after tax (NPAT) increased 11.0% to R831 million (2022: R749 million).
- The Group's revenue growth was supported by the diversified business segments and asset classes across the business. Operating income grew 6.9% to R2.9 billion, supported by a 15.6% increase in revenue from Information Services and a 20.2% increase in revenue from JSE Investor Services (JIS).
- The JSE increased the proportion of its revenue derived from non-trading activity in line with our strategy (non-trading income of R954 million).
- Total operating expenditure increased by 6.7% YoY to R2.0 billion, delivering balanced operating leverage for the Group.
- Earnings before interest, tax and depreciation (EBITDA)¹ of R1.1 billion decreased by 2.3% YoY.
- Higher interest rates supported growth in net finance income, which increased 66.4% YoY to R169 million (2022: R101 million).
- Cash generated from operations of R1.1 billion grew YOY by 13.6% and has enabled the Board to declare an ordinary dividend of 784 cents per share for 2023 (2022: 769 cents) and a pay-out³ ratio of 82.4% (2022: 89.3%).
- Capital expenditure of R155 million was focused on protecting the core business and growing new business lines.
- The Group maintains a robust balance sheet and cash of R2.3 billion as at 31 December 2023 (excluding bond investments of R256 million). Ring-fenced and non-distributable cash and bonds (regulatory capital and investor protection funds) amounted to R1.47 billion. The Group calculates and holds regulatory capital which amounted to R987.7 million (2022: R965.1 million) in total for JSE Limited and JSE Clear. The Group continues to maintain its solvency and liquidity position.

¹ Margin income included in operating income.

² Includes margin income.

³ Pay-out ratio affected by non-cash items on income statement.

Rmillion (unless otherwise stated)	FY2023	FY2022	% change
Revenue	2 814	2 650	6.2%
Net margin and collateral ¹	128	102	25.8%
Operating income ²	2 942	2 752	6.9%
Other income	30	54	(45.4%)
Total income	2 972	2 806	5.9%
Personnel expenses	784	693	13.2%
Other expenses	1 048	946	10.8%
Depreciation and amortisation	207	273	(24.1%)
Total expenditure	2 039	1 912	6.7%
Earnings before interest and tax (EBIT)	933	894	4.4%
Net finance income ²	169	101	66.4%
Income tax expense	310	288	7.5%
Net profit after tax (NPAT)	831	749	11.0%
Earnings before interest tax depreciation and amortisation (EBITDA) ³	1 135	1 168	(2.8%)
EBITDA margin ³	38%	42%	(4 pts)
Profit before interest tax and incentives (PBITI)	989	939	5.3%
Earnings per share (EPS) (cents)	1 019.3	911.1	11.9%
Headline earnings per share (HEPS) (cents)	1 029.8	917.7	12.2%
Ordinary dividend per share declared (cents)	784	769	2.0%
Net cash generated from operations	1 111	978	13.6%
Capital expenditure	155	127	22.4%

¹ Income earned on margin and collateral deposits largely for JSE Clear.

² Margin income was reclassified from net finance income to operating income (2023: R128 million and 2022: R102 million), following the appointment of JSE Clear as an independent clearing house in terms of Group accounting policy. The alignment is in accordance with industry best practice.

³ Margin income included in operating income.

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 2023, as follows:

Dividend	Annual gross	withholding	Annual net
Ordinary	amount per share	tax %	amount per share
	784 cents	20%	627.20000 cents

These strong results, with HEPS increasing by 12.2%, have enabled the Board to declare an ordinary dividend of 784 cents per share (2022: 769 cents) in accordance with the JSE's dividend policy. This represents an increase of 2% in the nominal value of the ordinary dividend and a dividend payout ratio of 82.4% (2022: 89.3%). 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, 12 April 2024. 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 2023	31 December 2022
Ordinary dividend per share	784 cents	769 cents
Total rand value	R681 million	R668 million
Declaration date	Monday, 18 March 2024	wednesday, 8 March 2023
Last date to trade JSE shares cum dividend	Tuesday, 9 April 2024	Tuesday, 28 March 2023
JSE shares commence trading ex-dividend	wednesday, 10 April 2024	wednesday, 29 March 2023
Record date for purposes of determining the registered holders of JSE shares to participate in the dividend at close of business on	Friday, 12 April 2024	Friday, 31 March 2023
Dividend payment date	Monday, 15 April 2024	Monday, 3 April 2023

Share certificates may not be dematerialised or rematerialised from Wednesday, 10 April 2024 to Friday, 12 April 2024, both days inclusive. On Monday, 15 April 2024, 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, 15 April 2024. 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 results announcement is the responsibility of the directors. It is only a summary of the information contained in the consolidated annual financial statements and does not contain full details. Any investment decision should be based on the consolidated annual financial statements, published and available at: <https://senspdf.jse.co.za/documents/2024/JSE/ISSE/JSE/18032024.pdf>

The consolidated annual financial statements together with the summary consolidated annual financial statements are both available on the JSE website at: <https://group.jse.co.za/investor-relations/reporting-suite>

Ernst and Young Inc, the Group's independent auditor, has audited the consolidated annual financial statements of the JSE Limited from which this announcement has been derived, and has expressed an unmodified audit opinion on the consolidated annual financial statements.

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

Sandton
18 March 2024

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