

Company Name : **BURSA MALAYSIA BERHAD**

Description : **DISPOSAL OF CME GROUP INC SHARES**

1. INTRODUCTION

Further to the announcement dated 25 May 2021, the Board of Directors of Bursa Malaysia Berhad (“Bursa Malaysia”) wishes to announce that Bursa Malaysia had, on 28 May 2021, 1 June 2021 and 21 October 2021 disposed an aggregate of 65,000 ordinary shares of CME Group Inc (“CME Group”) Class A common stock (“CME Shares”) for a total gross cash sum of USD14,192,500 or RM59,040,800 (“Disposal Consideration”) in the open market on the Nasdaq Stock Market (hereinafter referred to as the “Disposal”).

[Note: Exchange rate of USD1.00 equals to RM4.16 was used for conversion]

2. DETAILS OF THE DISPOSAL

2.1 Information on CME Group

CME Group was incorporated under the laws of the State of Delaware, United States of America, on 2 August 2001 as a corporation under the name Chicago Mercantile Exchange Holdings Inc. In December 2002, Chicago Mercantile Exchange Holdings Inc completed its initial public offering of its Class A common stock, which is listed on the NASDAQ Global Select Market under the symbol “CME”. On 12 July 2007, CME Group merged with CBOT Holdings Inc and was renamed CME Group Inc.

Based on CME Group’s audited financial statements as at 31 December 2020, the net profits and the net assets were USD2,105.2 million and USD26,319.9 million, respectively.

Further information on CME Group is set out in Appendix A of this announcement.

2.2 Basis of Arriving at the Disposal Consideration

The Disposal Consideration was based on the prevailing market price in the open market on the Nasdaq Stock Market at the point of disposal.

2.3 Utilisation of Proceeds

The proceeds from the Disposal will be utilised to fund Bursa Malaysia’s initiatives to ensure continuous development to the ecosystem and infrastructure of the Exchange.

2.4 Original Cost and Date of Investment

The date and the original cost of investment for the disposed CME Group shares is as follows:

<u>Date</u>	<u>Cost of Investment (USD)</u>
30 November 2009	USD4,267,250 (equivalent to USD65.65 per share)

2.5 Details of the disposal

The details of the CME Group shares being disposed are as follows:

<u>Date</u>	<u>No. of Shares Disposed</u>
28 May 2021	15,000
1 June 2021	30,000
21 October 2021	20,000

The balance of the CME Group shares held by Bursa Malaysia after the Disposal is 75,250 shares.

3. RATIONALE

The CME shares were initially acquired by Bursa Malaysia in 2009 as a result from a prior corporate exercise between Bursa Malaysia, CME Group Inc and CME Group Strategic Investment LLC. Bursa Malaysia has maintained the CME Shares acquired as part of its investment securities to fund a put option that was exercised in 2019. Given the completion of the put option exercise on 6 December 2019, Bursa Malaysia has decided to dispose the balance of the remaining shares to capitalise on the appreciating share price of CME Group.

The proceeds from the Disposal will be used to fund Bursa Malaysia's initiatives for the capital market as described in item 2.3 above.

4. RISK FACTORS

Save for the normal business and global economic risk, the Board of Directors of Bursa Malaysia is not aware of any other risk factors which may arise as a result of the Disposal.

5. FINANCIAL EFFECTS OF THE DISPOSAL

The Disposal will not have any material effect on the earnings per share, net asset per share, share capital and the substantial shareholders' direct and/or indirect shareholdings of Bursa Malaysia for the financial year ending 31 December 2021. The Disposal will not have any material gain or loss to Bursa Malaysia as the value of the shares has been marked to market.

6. APPROVAL REQUIRED

The Disposal does not require the approval of the shareholders of Bursa Malaysia or any relevant authority.

7. DIRECTORS' AND/OR MAJOR SHAREHOLDERS' INTEREST

None of the Directors and/or major shareholders and/or any person connected to the Directors and/or major shareholders of Bursa Malaysia has any interest, either directly or indirectly in the Disposal.

8. DIRECTORS' STATEMENT

After having considered all aspects of the Disposal, the Board of Directors of Bursa Malaysia is of the opinion that the Disposal is in the best interest of Bursa Malaysia.

9. PERCENTAGE RATIO

The highest percentage ratio applicable to the Disposal pursuant to Paragraph 10.02 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements is 6.5% based on the latest audited financial statement of Bursa Malaysia as at 31 December 2020.

The aggregated percentage ratio for the total Disposal pursuant to Paragraph 10.12 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements is 11.5% based on the latest audited financial statement of Bursa Malaysia as at 31 December 2020. As such, the Disposal does not require the approval of the shareholders of Bursa Malaysia.

This announcement is dated 22 October 2021.

APPENDIX A

1. INFORMATION ON CME GROUP INC

- 1.1 CME Group Inc was incorporated under the laws of the State of Delaware, US on 2 August 2001 as a corporation under the name Chicago Mercantile Exchange Holdings Inc. In December 2002, Chicago Mercantile Exchange Holdings Inc. completed its initial public offering of its Class A common stock, which is listed on the NASDAQ Global Select Market under the symbol “CME”. On 12 July 2007, CME merged with CBOT Holdings, Inc and was renamed CME Group Inc. In connection with the merger, CME acquired the CBOT exchange. In 2008, CME Group Inc merged with NYMEX Holdings, Inc. and acquired New York Mercantile Exchange (“NYMEX”) and Commodity Exchange, Inc (“COMEX”). On 17 October 2012, CME Group Inc acquired The Board of Trade of Kansas City, Missouri, Inc. (“KCBT”) and its hard red winter wheat product line and effective from December 2013, KCBT operations were transferred to CBOT. In April 2013, CME Group purchased the non-controlling interest in CME Group Index Services from Dow Jones & Company.
- 1.2 CME Group Inc is the holding company for Chicago Mercantile Exchange Inc, CBOT, NYMEX, COMEX and their respective subsidiaries. Through its exchanges, CME Group Inc offers the widest range of global benchmark products across all major asset classes, including futures and options based on interest rates, equity indexes, foreign exchange, energy, agriculture products and metals. CME Group Inc provides electronic trading globally on its CME Globex platform. The Company also offers clearing and settlement services across asset classes for exchange-traded and over-the-counter derivatives through its clearing house, CME Clearing.
- 1.3 The Board of Directors of CME Group Inc comprises of Terrence A. Duffy, Charles P. Carey, Timothy S. Bitsberger, Dennis H. Chookaszian, Elizabeth A. Cook, Michael G. Dennis, Bryan T. Durkin, Ana Dutra, Martin J. Gepsman, Larry G. Gerdes, Daniel R. Glickman, William W. Hobert, Daniel G. Kaye, Phyllis M. Lockett, Deborah J. Lucas, Patrick W. Maloney, Patrick J. Mulchrone, Terry L. Savage, Rahael Seifu, William R. Shepard, Howard J. Siegel, Dennis A. Suskind and Robert J. Tierney Jr..
- 1.4 As at 31 December 2020, Capital World Investors is the largest shareholder of CME Group Inc holding 33,836,999 Class A Shares or approximately 9.43% of all shares outstanding in each Class A common stock of CME Group Inc.