

FOR IMMEDIATE RELEASE

## **ADDX launches ADDX Fixed Income Marketplace and first-of-its-kind Multi-Issuer Debt Issuance Programme for digitised commercial paper and bonds**

- **Over US\$700 million in digitised commercial paper has already been raised on the ADDX platform to date**
  - **First-of-its-kind Multi-Issuer Debt Issuance Programme saves issuers 90% or more in costs**
  - **New marketplace will provide businesses with efficient alternative access to the debt capital markets**

**SINGAPORE, 16 MAY 2024** – Private market exchange ADDX Pte. Ltd. (“**ADDX**”), regulated by the Monetary Authority of Singapore, has launched the blockchain-based ADDX Fixed Income Marketplace (“**ADDX FI**”) and pioneered a Multi-Issuer Debt Issuance Programme (the “**Programme**”) for companies to conveniently issue digitised commercial paper and bonds (“**Digitised Bonds**”). The Digitised Bonds are expected to be listed and tradeable on ADDX FI, the securities trading platform’s dedicated segment for commercial paper and bonds.

To date, over S\$1bn (US\$730 million) in new money has been raised in digitised commercial paper through ADDX’s platform. ADDX Group CEO, Danny Toe, comments: “In today’s dynamic business landscape, the need for accessible and cost-effective funding avenues has never been more pressing. ADDX’s new digitised bond programme and marketplace address the challenges of traditional funding by offering a lower-cost, lower-friction pathway for businesses to diversify their funding sources. Beyond facilitating transactions, they also serve as catalysts for establishing and building enduring relationships among issuers, investors and partners within the financial ecosystem.”

The inaugural offering in connection with the Programme closed on 2 April 2024 for S\$10 million (US\$7.4 million) 6.00% per annum 5-month unsecured commercial paper issued by LHN Limited (“**LHN**”), a real estate services company incorporated in Singapore and listed on the Singapore Exchange Securities Trading Limited (SGX:410) and the Hong Kong Stock Exchange (HKEX:1730).

With orders totalling S\$17.161 million (US\$12.61 million), demand for the issuance significantly surpassed the initial offer size of S\$5 million (US\$3.7 million), representing an oversubscription of 343%. This resulted in the issuer’s decision to upsize the issuance to S\$10 million (US\$7.4 million), the maximum amount authorised by its board. The issuance marked the issuer’s successful entry into the debt capital markets.

The innovative programme streamlines the issuance process, uniquely allowing different issuers to utilise umbrella terms to access alternative debt funding quickly, efficiently and reliably. This enables issuers, including debut issuers, to come to market in a matter of days and issue fairly-priced commercial paper and bonds on ADDX FI, without incurring the time and costs normally associated with establishing an independent medium term note or debt issuance programme. With the Programme, issuers may expect savings of up to 90% or more in issuance costs.

The Programme provides issuers with the flexibility to specify currencies, denominations, fixed or floating coupon rates, tenors and other commercial terms using an on-off, easy-fill format. Issuers and investors additionally benefit from the efficiencies of bond digitisation with ADDX's permissioned blockchain technology. Manual, time-consuming processes are reduced while enhancing security, eliminating the need for traditional intermediaries and services and giving rise to considerable cost savings for issuers and investors. Investors may generally expect to receive their investments, and issuers their subscription proceeds, on the date of closure of the subscription period.

ADDX welcomes companies of all sizes, public and private, to come on board to ADDX FI. Small-cap and mid-cap companies listed on the SGX-ST and other reputable exchanges are expected to benefit the most from using the Programme in enabling them to expand their pool of financing sources beyond shareholders and traditional bank lenders by obtaining alternative debt funding cost-effectively, without the need to prepare extensive business disclosures and offering documents.

With more issuers in the future, ADDX expects offerings on ADDX FI to meet investors' substantial appetite for yield and exposure to fresh and diversified names and sectors. On ADDX FI, accredited and institutional investors can access commercial paper and bonds, typically only available in wholesale denominations of S\$200,000 or more, in subscription amounts as low as S\$5,000 or US\$5,000.

Each issuance of Digitised Bonds by an issuer is distinctly the obligation of that issuer, and not of any other issuer under the Programme. The Programme documentation is formulated for a variety of regional and global issuers and includes a toggle for Singapore governing law or English governing law, maximising the investor outreach opportunity. Moriah Law LLC and Mishcon de Reya LLP acted for ADDX on the establishment of the Programme in respect of Singapore law and English law, respectively. Moriah Law LLC acted for ADDX in respect of the inaugural issuance.

ADDX is regulated by the Monetary Authority of Singapore and holds a Capital Markets Services Licence for dealing in capital markets products and providing custodial services. It also holds a licence as a Recognised Market Operator.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities in Singapore, Hong Kong, the United States, the United Kingdom or any other jurisdiction.

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## ABOUT ADDX

ADDX is a global private market exchange headquartered in Singapore. The company is on a mission to make investing fairer by democratising private markets. The full-service capital market platform has raised a total of US\$140 million in funding since its inception in 2017, including US\$50 million in its Series A round in January 2021 and US\$78 million in its Pre-Series B round, which began in May 2022 and was extended in November that year. Its shareholders<sup>i</sup> include Singapore Exchange (SGX), the Stock Exchange of Thailand, Temasek subsidiary Heliconia Capital, the Development Bank of Japan, UOB, Hamilton Lane, Tokai Tokyo Financial Holdings and KB Securities, a subsidiary of Korea's largest banking group KB Financial Group.

ADDX has been approved by the Monetary Authority of Singapore as a recognised market operator. It also has a capital markets services license to deal in securities and collective investment schemes as well as to provide custodial services. It currently serves individual accredited investors from 39 countries spanning Asia Pacific, Europe, Middle East and the Americas (except the US). ADDX also serves wealth managers and corporate investors through its institutional service, ADDX Advantage. For more information, visit [ADDX.co](https://addx.co) or <https://www.linkedin.com/company/addxco>.

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<sup>i</sup> Shareholders of ICHX Tech Pte Ltd, the parent company of ADDX