

The SGXNet logo is a horizontal bar with a blue section on the left and a yellow section on the right.

SGXNet Announcement

27 March 2019

Investment in BidFX Systems Ltd.

1. INTRODUCTION

Singapore Exchange Limited (**SGX**) wishes to announce that it has, through its wholly owned subsidiary, Asian Gateway Investments Pte. Ltd. (**AGI**), entered into a subscription agreement with TradingScreen Inc. (**TS**) and its subsidiary, BidFX Systems Ltd. (**BidFX**) (**Subscription Agreement**) pursuant to which AGI has subscribed for preferred shares in BidFX constituting 20% of the entire issued share capital of BidFX (on a fully diluted basis), coupled with an option to acquire additional shares in the issued share capital of BidFX to gain a controlling interest in BidFX, for a total cash consideration of US\$25,000,000 (**Consideration**) (**Transaction**).

2. RATIONALE FOR THE TRANSACTION

BidFX is engaged in the business of operating a global electronic trading system focused on foreign exchange products (**FX**) through which it provides automated FX trade execution, order management and other trade-related services to financial market participants (**BidFX Systems**). SGX and BidFX intend to engage in a cooperative relationship to allow BidFX customers that are also SGX customers to access and use SGX platforms via the BidFX Systems for FX trading.

In connection with the Transaction, wholly owned subsidiaries of SGX, Singapore Exchange Derivatives Clearing Limited and Singapore Exchange Derivatives Trading Limited, also entered into an alliance agreement with BidFX to develop the above functionalities.

The Consideration is arrived at on an arm's length willing-seller-willing-buyer basis after taking into account various factors such as value of the BidFX's intellectual property, past business performance and current sales pipeline, network of institutional client and potential synergies with SGX.

Based on the audited financial statements of BidFX for the financial year ended 31 December 2018, the net tangible asset value of BidFX is £0.49 million (approximately S\$0.87 million) and the book value of BidFX is £2.00 million (approximately S\$3.57 million).

3. FUNDING

SGX used its existing cash resources to fund the Transaction via capital injection into AGI.

4. FINANCIAL EFFECTS

The Transaction is not expected to have a material impact on the financial position of SGX for the current financial year.

5. DIRECTORS' INTEREST

None of the directors of SGX has any interest, direct or indirect, in the Transaction.

6. GENERAL INFORMATION

A copy of the Subscription Agreement is available for inspection during normal business hours on any business day at SGX's registered office at 2 Shenton Way, #02-02 SGX Centre 1, Singapore 068804 for a period of 3 months from the date of this Announcement.

By Order of the Board

Ding Hui Yun

Company Secretary