

Press Release



TOKAI TOKYO FINANCIAL HOLDINGS, INC.

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(TSE, NSE: 8616)

November 14, 2019

Tokai Tokyo to Invest in Singapore's STO Exchange Operator ICHX

We, Tokai Tokyo Financial Holdings, Inc., are pleased to announce that Tokai Tokyo Global Investments Pte. Ltd., our Singapore subsidiary, entered into an agreement to invest in ICHX Tech Pte Ltd. (hereafter referred to as “ICHX”). ICHX operates a Security Token Offering (STO*¹) exchange in Singapore and it is headquartered in Singapore, and operated by its CEO, Mr. Danny Toe.

*¹ STO: A security token (ST) is a security that has been digitized mainly backed by stocks, bonds, real estate, etc. using blockchain technology. “STO” is an abbreviation for Security Token Offering, which is to raise funds by issuing STs and selling them to investors.

1. Background and Purpose of This Investment

Under our management plan “New Age’s Flag Bearer 5”, we are working to strengthen our management foundation to evolve into an advanced “integrated financial group”. We recognize that one of the important management issues is to expand products and services that meet customer needs by actively introducing advanced technologies such as FinTech and digitalization into our financial services.

ST transactions utilizing blockchain technology, which has evolved greatly in recent years, are expected to bring significant benefits to issuers and investors of securities such as shortened settlement period of securities transactions, increased liquidity thanks to the accessibility to the market 24 hours a day, 365 days a year, and significantly reduced costs.

Based on this investment, we, Tokai Tokyo Financial Group, will consider providing advanced services together with ICHX as an important partner in Japan. Possible services we may offer would include intermediary/brokerage services for Japanese issuers/investors in conjunction with the government authorized STO exchange, the first of its kind in Asia.

2. About ICHX

ICHX established an STO exchange platform called iSTOX in Singapore and is currently operating within a regulatory sandbox*² promoted and supervised by the Monetary Authority of Singapore (MAS). In February 2020, ICHX is supposed to acquire a Recognized Market Operator (RMO) license from MAS., and it intends to expand its business targeting the entire Asian capital market.

*² Sandbox: By limiting the duration and participants, and by creating an environment where new financial technologies can be experimented without being subject to existing regulations, fast verifications of new technologies are enabled. This system promotes regulatory reforms by making it possible to utilize information and analysis obtained through experimentations.

3. Investment Entity and Investment Amount

- Investment Entity: Tokai Tokyo Global Investments Pte. Ltd.
- Investment Amount: USD 5,000,000

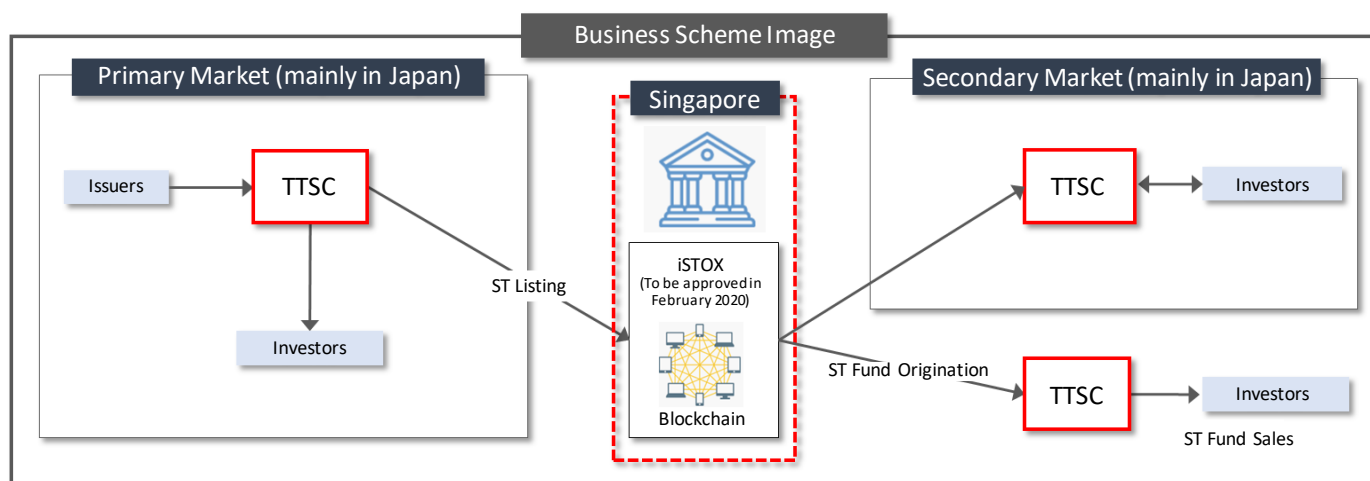
4. Profile of ICHX

Company Name	ICHX Tech Pte. Ltd.
Unique Entity Number (Singapore)	201731973M
Headquarters	150 Beach Road Gateway West #06-03/04 Singapore 189720
Establishment	November 7, 2017
Business Description	Financial services, capital market infrastructure and technology
Representative (CEO)	Danny Toe
Paid-in Capital	SGD 5,375,000
Major Shareholders	ICH Singapore Holdings Pte. Ltd. Asian Gateway Investments Pte. Ltd. (A wholly owned subsidiary of SGX) Hecolina Capital Management Pte. Ltd. (A subsidiary of Temasek Holdings Pte. Ltd., an investment company owned by the Government of Singapore, Ministry of Finance) Other

5. Schedule

Share Acquisition Date: Early February 2020 (planned)

(Reference: Business Scheme Image)



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