

## **ADDX OTC RULES**

**Version Date: 23 November 2025**

### **1. General**

#### **1.1 Purpose and scope**

1.1.1 The OTC Rules seek to enable ADDX to exercise a principal function, which is to provide a clear framework for the admission of Securities to the ADDX Platform.

1.1.2 The OTC Rules set out the requirements and obligations which apply to Issuers and Applicants.

#### **1.2 General principles**

1.2.1 The OTC Rules seek to secure and maintain confidence in the ADDX Platform. The general principles behind the OTC Rules are that:

- (a) Issuers shall have minimum standards of quality in order to uphold the reputation and integrity of the ADDX Platform and ADDX, and to promote the confidence of Participants; and
- (b) Participants shall be given all information that they would reasonably require for the purpose of making an informed assessment of the Issuers and the rights attaching to the Securities; and
- (c) Issuers shall disclose information that a reasonable person would expect to have a material effect on the value of their Securities.

1.2.2 Compliance with the OTC Rules does not in itself guarantee an Applicant's or a Security's suitability for admission to the ADDX Platform. ADDX retains discretion to accept or reject applications and, in reaching its decision, will have regard to the general principles outlined in Rule 1.2.1.

1.2.3 In the observance of the OTC Rules and in areas or circumstances not explicitly covered by any Rule, all Issuers and Applicants shall guide themselves not only by the letter but also the spirit of the OTC Rules.

#### **1.3 Administration of rules**

1.3.1 The OTC Rules are interpreted, administered and enforced by ADDX, and the decisions and requirements of ADDX are conclusive and binding on Issuers and Applicants. Notwithstanding the above, ADDX has the right but never the obligation to apply and/or enforce the OTC Rules or any other Platform Requirements (including vis-à-vis investors and other third parties), and may grant waivers or exemptions at its sole discretion at any time without assigning or providing any reason, and without any obligation to disclose the same or requiring disclosure of the same to investors. In the event of any inconsistency between parts of the Platform Requirements, such inconsistency will be resolved by ADDX, and such resolution is conclusive and binding on Issuers and Applicants.

1.3.2 ADDX may, from time to time, issue practice notes to provide guidance on the interpretation and application of any rule, or to provide a more detailed prescription of a rule. Such practice notes shall be published on the ADDX Platform and will take effect from the date of publication, or such later date that ADDX may specify, unless and until such practice note is specified to be revoked by ADDX. The OTC Rules are to be read together with any such practice notes. It is the responsibility of Issuers and Applicants to regularly check the ADDX Platform for practice notes issued by ADDX and comply with the same.

1.3.3 ADDX may impose additional requirements on Applicants, Issuers or sales of Securities, or make any approval subject to special conditions whenever it considers it appropriate.

1.3.4 ADDX may establish committees or appoint such persons to monitor and enforce the OTC Rules, or to otherwise assist in the operation of the ADDX Platform, and may delegate any power or role that it holds under the OTC Rules to any such committee established or person appointed.

#### 1.4 Waiver of rules

1.4.1 ADDX may at its discretion and without providing any reason, waive or modify compliance with a rule either generally or to suit the circumstances of a particular case. ADDX may grant a waiver subject to such conditions at its discretion.

1.4.2 An Applicant or Issuer seeking a waiver must submit to ADDX a request for waiver which must:

- (a) be made in writing and addressed to ADDX;
- (b) be made at least 10 Business Days before the proposed waiver is sought to take effect;
- (c) contain the reasons for seeking the waiver; and
- (d) include:
  - (i) all information relevant to the request;
  - (ii) copies of all documents relevant to the request; and
  - (iii) details of any special circumstances or requirements, e.g. time period for which waiver is sought.

#### 1.5 Amendment of rules

1.5.1 The OTC Rules may be amended by ADDX from time to time at its discretion.

1.5.2 Amendments to the OTC Rules shall be published on the ADDX Platform and will take effect from the date of publication, or such later date that ADDX may specify.

1.5.3 ADDX is under no requirement or obligation to notify any person through any means other than as specified in Rule 1.5.2 before making any amendment to the OTC Rules. It is the responsibility of Issuers and Applicants to regularly check the ADDX Platform to be notified of any updates to the OTC Rules.

1.5.4 Where any part of the OTC Rules is amended or deleted, any proceedings, investigation, disciplinary or enforcement action in respect of:

- (a) a right, privilege, obligation or liability acquired, accrued or incurred under the relevant rule in force at the time it was acquired; or
- (b) a breach of, or act of misconduct under, the relevant rule in force at the time that breach or misconduct occurred,

may be instituted, continued or enforced, and any disciplinary action or penalty in respect of such breach or act of misconduct may be imposed and carried out by ADDX, as if the relevant rule had not been amended or deleted.

1.5.5 ADDX's rights to vary, amend or rescind the OTC Rules may be exercised without the consent of any other person or entity.

#### 1.6 Exclusion of liability

1.6.1 ADDX shall have no liability for (i) any warranties or representations made by an Issuer, and (ii) any notices, documents or announcements published or released on behalf of an Issuer.

1.6.2 ADDX shall not be responsible to check the accuracy of the contents of any notice, document or announcement published or released by an Issuer, and the Issuer shall indemnify ADDX for any loss and damages arising from any such notice, document or announcement.

1.6.3 ADDX shall have no liability to any Participant, Applicant, Issuer or to any other person for any act done or omitted to be done in the course of, or in connection with, the performance, discharge or purported discharge of its rights, duties, functions, responsibilities and/or obligations under the OTC Rules. Without prejudice to the generality of the foregoing, in no event will ADDX have any liability whatsoever to any Participant, Applicant or Issuer for claims for damages made against such Participant, Applicant or Issuer by third parties, regardless of the basis on which the Participant, Applicant or Issuer is entitled to claim damages, whether based on contract, tort or any other legal or equitable grounds.

1.6.4 Without prejudice to other parts of the OTC Rules, ADDX, and its related corporations and any of their directors, officers, employees, representatives, third party service providers and agents

(collectively “**Indemnitees**”) shall not be liable to any person for any losses, liabilities, damages, costs or expenses (including any direct, indirect, incidental, special, consequential or punitive damages or economic loss or any claims for loss of profits or loss of use) whatsoever or howsoever caused (regardless of the form of action) arising directly or indirectly from or in connection with the ADDX Platform (including the operation thereof), any Applicant or Issuer (including any action taken by, or any inaction of, such Applicant or Issuer), and/or any of the following:

- (a) any breach of or delay or failure to comply with the OTC Rules by any Indemnitee or any of the Applicants or Issuers, any action taken by, or any inaction of, any Indemnitee or any of the Applicants or Issuers in connection with the OTC Rules or any applicable law;
- (b) any claim made by any Applicant, Issuer or person on the basis of the OTC Rules;
- (c) any negligent act or omission or wilful default, misconduct or fraud or unlawful act of any Indemnitee, Applicant or Issuer;
- (d) any breach of any warranty or representation made by any person in any of the OTC Rules;
- (e) any suspension, interruption or closure of the ADDX Platform;
- (f) the exercise or non-exercise by an Indemnitee of any decision-making power or discretion;
- (g) any determination, decision or ruling of any Indemnitee and/or committees established or persons appointed by ADDX;
- (h) any failure, error, omission or negligence of any Indemnitee;
- (i) any Applicant or Issuer’s use, misuse or inability to use the ADDX Platform;
- (j) any technical, system, server or connection failure, error, omission, interruption, delay in transmission, computer virus or other malicious, destructive or corrupting code, agent program or macros;
- (k) any Participant or Issuer’s failure to implement reasonable measures to secure its account on the ADDX Platform or the relevant access credentials or any loss of or unauthorised use of any access credentials;
- (l) any malfunction, technical and/or system failure of the ADDX Platform, or the blockchain software upon which the ADDX Platform is designed, and/or any Securities; or
- (m) any claim by any third party against any of the Indemnitees arising from the circumstances specified in any of the sub-clauses above.

1.6.5 Notwithstanding Rule 1.6.4 and any other provision of the OTC Rules, at no time shall any Indemnitee be liable or responsible to any person for any and all pure economic loss, loss of profits, fall in the value of Securities, equitable compensation, loss of business, or any other direct, indirect or consequential losses whatsoever and howsoever caused (including whether or not resulting from any negligence, fraud or wilful default on the part of any Indemnitee) which arise out of or in connection with the OTC Rules.

1.6.6 A person or entity who is not a party to these OTC Rules shall have no right under the Contracts (Rights of Third Parties) Act 2001 or other similar laws to enforce any of these OTC Rules, regardless of whether such person or entity has been identified by name, as a member of a class or as answering a particular description. ADDX’s right to vary these OTC Rules may be exercised without the consent of any person or entity who is not a party to these OTC Rules. For the avoidance of doubt, nothing in this clause shall affect the rights of any permitted assignee or transferee of these OTC Rules.

## 1.7 **Governing law**

1.7.1 The OTC Rules shall be governed by and construed in accordance with the laws of Singapore. Any dispute arising out of or in connection with the OTC Rules, including any question regarding its existence, validity or termination, shall be referred to and finally resolved by arbitration

administered by the Singapore International Arbitration Centre in accordance with the Arbitration Rules of the Singapore International Arbitration Centre for the time being in force, which rules are deemed to be incorporated by reference in this Rule 1.7.1. The seat of the arbitration shall be Singapore. The Tribunal shall consist of one (1) arbitrator. The language of the arbitration shall be English.

## 1.8 Translation

1.8.1 If the OTC Rules are translated into a language other than English, the English text shall prevail.

## 2. Definitions and interpretation

### 2.1 Definitions

2.1.1 The following terms shall have the following meanings when used in the OTC Rules unless the context otherwise requires:

**"associate"** in the case of a company,

- (a) in relation to any director, chief executive officer, substantial shareholder or controlling shareholder (being an individual) means:
  - (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
- (b) in relation to a substantial shareholder or a controlling shareholder (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more

in the case of a business trust,

- (a) in relation to any director, chief executive officer, or controlling shareholder of the trustee-manager, substantial unit-holder or shareholder of the trustee-manager, substantial unit-holder or controlling unit-holder of the business trust (being an individual) means:—
  - (i) his immediate family;
  - (ii) the trustees of any trust of which he or his immediate family is a beneficiary or, in the case of a discretionary trust, is a discretionary object; and
  - (iii) any company in which he and his immediate family together (directly or indirectly) have an interest of 30% or more; and
- (b) in relation to the controlling shareholder of the trustee-manager or substantial unit-holder or controlling unit-holder of the business trust (being a company) means any other company which is its subsidiary or holding company or is a subsidiary of such holding company or one in the equity of which it and/or such other company or companies taken together (directly or indirectly) have an interest of 30% or more.

<b>"connected person"</b>	in relation to:
	(a) company means a director, chief executive officer or substantial shareholder or controlling shareholder of the company or any of its subsidiaries or an associate of any of them; and
	(b) an Investment Fund means a director, chief executive officer or controlling shareholder of the manager or trustee-manager (as the case may be), or substantial unitholder or controlling unitholder of the Investment Fund or any of its subsidiaries or an associate of any of them.
<b>"controlling shareholder"</b>	a person who:
	(a) holds, directly or indirectly, no less than 15% of the nominal amount of all voting shares in a company (unless ADDX determines at its discretion that a person who satisfies this criterion is not to be considered a controlling shareholder); or
	(b) in fact exercises control over a company.
<b>"controlling unitholder"</b>	in the case of an Investment Fund, a person who:
	(a) holds directly or indirectly 15.0% or more of the nominal amount of all voting units in Investment Fund; or
	(b) in fact exercises control over the Investment Fund.
<b>"Debt Securities"</b>	debentures, units of debentures, and such other securities (other than equity securities) that are classified by ADDX as "Debt Securities" for the purposes of these OTC Rules.
<b>"Equities"</b>	shares or any instrument conferring or representing a legal or beneficial ownership interest in a corporation, but does not include an Investment Fund.
<b>"group"</b>	the Issuer and its subsidiaries, unless specifically defined otherwise.
<b>"Investment Fund"</b>	means a collective investment scheme and includes an investment company, a mutual fund and a business trust.
<b>"key officers"</b>	the management team (excluding directors) of an issuer or trustee manager, as the case may be, including its chief executive officer, chief financial officer, chief operating officer and any other individual, regardless of title, who (a) performs or has the capacity to perform any function or responsibility equivalent to that of the foregoing persons, or (b) is responsible for ensuring that the issuer complies with its obligations under the Platform Requirements.
<b>"major acquisition or disposal"</b>	where the Issuer has-
	(i) acquired or disposed of any asset or any entity, business or business trust (other than a common control entity, common control business or common control business trust); or
	(ii) entered into any agreement to acquire or dispose of any asset or any entity, business or business trust (whether or not that entity, business or business trust is a common control entity, common control business or common control business trust),
	during the period between the beginning of the most recently completed financial year and the date of the information memorandum and –
	(a) the net book value, or the absolute amount of the profit or loss before tax, of that asset, entity, business or business trust has or would have accounted for 10% or more of the absolute amount of the net assets or net liabilities, or the profit or loss before tax, respectively, of the relevant corporation or of the

group (after adjusting for the effects of the group restructuring, where applicable), as the case may be, in respect of the most recently completed financial year; or

- (b) total net book value, or the total absolute amount of the profit or loss before tax, of all of those assets, entities, businesses and business trusts together have or would have accounted for 20% or more of the absolute amount of the net assets or net liabilities, or the profit or loss before tax, respectively, of the relevant corporation or of the group (after adjusting for the effects of the group restructuring, where applicable), as the case may be, in respect of the most recently completed financial year.

**"Platform Rules"** the terms and conditions for use of the ADDX Platform, as may from time to time be amended, modified, supplemented or replaced.

**"substantial shareholder"** means a person who has an interest or interests in one or more voting shares and the total votes attached to such shares being not less than 5% of the total votes attached to all the voting shares.

**"substantial unitholder"** means a person who has an interest or interests in one or more voting units in an Investment Fund, the total votes attached to such unit(s) being not less than 5% of the total votes attached to all the voting units in such Investment Fund.

2.1.2 Capitalised terms not otherwise defined herein shall have the meaning ascribed to them in the Specific Terms of the Platform Rules.

## 2.2 Interpretation

2.2.1 Unless the context requires otherwise:

- (a) headings and labels are for convenience only, and do not affect interpretation;
- (b) words importing the singular include the plural and *vice versa*, and words importing the masculine include any gender;
- (c) a reference to the OTC Rules includes any document that is ancillary to the OTC Rules, or any agreement or other legally enforceable arrangement created by the OTC Rules or under the OTC Rules;
- (d) a reference to the OTC Rules includes any consolidations, amendments, re-enactments or replacements of such rules;
- (e) the meaning of general words is not limited by specific examples introduced by expressions such as, "including", "for example", "such as", or such similar expressions, and the word "includes" or "including" as used in the OTC Rules shall be construed to mean "includes without limitation" or, as the case may be, "including without limitation";
- (f) a reference to a "person" includes an individual, a body corporate, a partnership, a joint venture, an unincorporated association and an authority;
- (g) a reference to a particular person includes the person's executors, administrators, successors, substitutes (including persons taking by novation) and assigns;
- (h) a reference to "law" includes common law, principles of equity and legislation (including regulations, rules, by-laws, ordinances and proclamations) and includes any consolidations, amendments, re-enactments or replacements of any of them;
- (i) a reference to "in writing" means in legible form and capable of reproduction on paper, and includes electronic communication;
- (j) a reference to "material" includes the ability to affect the outcome of a decision or an application;
- (k) a reference to anything (including an amount) is a reference to the whole and each part of it;

- (l) unless stated otherwise, a reference to any legislation (including subsidiary legislation) shall be construed to refer to the relevant legislation in Singapore as may be amended, re-enacted, or replaced from time to time;
- (m) a period of time starting from a given day or the day of an act or event, is to be calculated exclusive of that day;
- (n) if a person must do something on or by a given day and it is done after 5.00 p.m. (Singapore time), it is taken to be done on the next Business Day;
- (o) if the day on which a person must do something is not a Business Day, the person must do it on the next Business Day; and
- (p) notwithstanding anything to the contrary, where any right of ADDX is specified to be at its "discretion", shall be construed to refer to the "sole, unfettered and absolute discretion" of ADDX; any determination to be made by ADDX or any exercise by ADDX of any rights or entitlement may be made at the sole, unfettered and absolute discretion of ADDX and, in every case, shall be conclusive and binding on the Applicants and Issuers.

2.2.2 Where the obligations and requirements imposed by the OTC Rules are stricter than the provisions of any relevant law or regulation in force, Applicants and Issuers shall be required to comply with such stricter obligations and requirements, provided that, where any provision of the OTC Rules is in conflict with the provisions of any such law or regulation, such law or regulation shall prevail.

### **3. Applicant requirements for Issuers**

- 3.1 All Applicants seeking to be admitted as Issuer shall comply with the following general requirements:
  - (a) the Applicant shall be duly incorporated, established and/or registered in acceptable jurisdictions;
  - (b) the Applicant shall have its place of principal activity in acceptable jurisdictions;
  - (c) where the Applicant's Securities are admitted to or available on another platform or exchange, the Applicant shall be compliant with the rules of such platform or exchange; and
  - (d) the directors and key officers of the Applicant, shall pass all relevant checks with respect to anti-money laundering and countering the financing of terrorism, and be of sufficient competence, integrity and financial standing.
- 3.2 Each application must contain the requisite documents as set in Schedule 3 of the OTC Rules.
- 3.3 Applicants shall also comply with additional requirements applicable to the specific applicant class they are categorised into, as set out in Schedule 1 of the OTC Rules.

### **4. Admission fees and charges**

- 4.1 Applicants and Issuers must pay such fees and charges as ADDX may prescribe. ADDX may waive or vary any fee or charge.

### **5. Application for admission as issuer**

#### **5.1 Pre-admission consultation**

- 5.1.1 Prior to making an application for admission as Issuer, an Applicant shall conduct a pre-application consultation with ADDX as to whether the Applicant meets applicant requirements and the proposed Securities meet applicable requirements.
- 5.1.2 ADDX may request further information or documentation as part of the consultation.
- 5.1.3 Any guidance ADDX provides as part of the consultation does not bind ADDX in assessing an application for admission, and ADDX bears no responsibility for any such guidance provided.

## 5.2 Submitting an application for admission as issuer

- 5.2.1 An application for admission shall be made to ADDX by submitting, in final form, all supporting documents, as set out in Schedule 3 of the OTC Rules (in particular an information memorandum setting out the details required in Schedule 4), and any other documents ADDX may require.
- 5.2.2 An Applicant shall pay the application fee in respect of an application for admission, as specified by ADDX.
- 5.2.3 ADDX shall only assess applications when all requisite documents have been received and the application fee has been paid.
- 5.2.4 In assessing the application for admission, ADDX may require from the Applicant additional information, take into account any information that it considers necessary or relevant, request that any information provided by the Applicant be verified in such manner as ADDX may specify, and impose any additional conditions on the Applicant that it considers appropriate.
- 5.2.5 By making an application for admission, an Applicant authorises ADDX to request such further information, documentation or other evidence from the Applicant or any other person, as ADDX may consider in its sole discretion necessary or relevant to such application.

## 5.3 Decision

- 5.3.1 ADDX may grant or refuse the application for admission. The granting of admission may be subject to the fulfilment of certain conditions which ADDX may specify.
- 5.3.2 In order to be granted admission, ADDX must be satisfied that:
  - (a) the Applicant meets all relevant applicant requirements;
  - (b) the proposed Securities to be admitted to the ADDX Platform meets all relevant requirements; and
  - (c) the admission of the Applicant as Issuer and the proposed Securities would not be detrimental to the interests of the Participants, the integrity of the ADDX Platform, or the reputation of ADDX.
- 5.3.3 ADDX shall notify the Applicant of its decision on the application for admission.
- 5.3.4 If, at any time between the publication of an information memorandum in respect of a Securities offering and the time that the relevant Securities are issued, (i) there is a significant change affecting any matter contained in the information memorandum, the inclusion of which was required by these OTC Rules or otherwise by ADDX, or (ii) a significant new matter arises, the inclusion of information in respect of which would have been so required had it arisen when the information memorandum was published, the Issuer shall submit a supplementary information memorandum for approval by ADDX for publication and in such event:
  - (a) the Issuer shall permit a Participant who has submitted a purchase request for the Securities on the ADDX Platform to, for a period of no less than two (2) Business Days from the time the Issuer publishes such supplementary information memorandum on the page relating to the Securities offering ("**Walkaway Period**"), withdraw such purchase request. Notwithstanding any terms and conditions of the Securities issuance, the Securities offering shall not be closed by the Issuer prior to the expiration of the Walkaway Period; and
  - (b) the Issuer shall publish on the page relating to the Securities offering, and procure a notification to all such Participants by email via ADDX of, the publication of the supplementary information memorandum and the Participants' rights as referred to in Rule 5.3.4(a).
- 5.3.5 After the close of the offer, the Applicant must publish the outcome of the offer containing such information as ADDX may require.

## 5.4 Electronic submission

- 5.4.1 All requests for guidance and applications for admission shall be submitted electronically to ADDX via such channel as ADDX may specify.

## 6. Continuing issuer obligations

### 6.1 Compliance with rules

- 6.1.1 An Issuer shall, at all times, comply with the OTC Rules and cooperate with ADDX.
- 6.1.2 An Issuer shall perform its obligations under the OTC Rules promptly, and within any stipulated time for performance expressly stated.
- 6.1.3 An Issuer shall promptly inform ADDX if it does not, or may not, comply with ADDX's rules applicable to it.
- 6.1.4 **Additional information requests:** ADDX reserves the right to obtain from an Issuer, and such Issuer shall comply with such request from ADDX to provide any further information, documentation or other evidence that ADDX may require in its sole and absolute discretion to satisfy itself that such Issuer continues to meet the eligibility requirements to maintain the admission of its Securities on the ADDX Platform.

### 6.2 Compliance with laws

- 6.2.1 Where an Issuer is relying on a specific prospectus registration exemption to offer its Securities to Participants, the Issuer shall ensure that all conditions required for the invocation of the prospectus registration exemption (including all advertising restrictions) are complied with.

### 6.3 Compliance with undertakings

- 6.3.1 An Issuer shall comply with all undertakings made in its Offer Documentation and Terms.

### 6.4 Cooperation with ADDX

- 6.4.1 An Issuer must promptly provide to ADDX:
  - (a) any information that ADDX considers appropriate in order to safeguard the interests of the Participants and/or ensure the smooth and orderly operation of the ADDX Platform; and
  - (b) any other information or explanation that ADDX may reasonably require to verify whether the OTC Rules are being, or have been, complied with.

### 6.5 Notification requirements

- 6.5.1 An Issuer shall notify ADDX of any material change, proposed or otherwise, in:
  - (a) the general character or nature of the operation of its business or corporate structure;
  - (b) the general character or nature of its Securities; and
  - (c) any plans or activities relating to fundraising or Securities sales.
- 6.5.2 The Issuer shall notify ADDX of any matter of which the Issuer is aware if it may have a material adverse effect on the interests of Participants.
- 6.5.3 On receiving any information described under Rule 6.5 or where ADDX deems appropriate (including in connection with the suspension or termination of an Issuer's account on the ADDX Platform), ADDX may, at its sole discretion:
  - (a) prohibit further offers of the relevant Securities;
  - (b) remove the relevant Securities from the ADDX Platform; or
  - (c) direct the relevant Issuer to publish, such information, in such form and within such time limit as ADDX may consider appropriate.
- 6.5.4 If an Issuer fails to comply with any direction issued by ADDX under Rule 6.5.3 promptly, or otherwise within the time limit that may be stated in such direction, ADDX may itself publish the information that was the subject of the direction.

### 6.6 Disclosure requirements

- 6.6.1 An Issuer shall ensure that disclosure of material information, as set out in Schedule 2 of the OTC Rules, is made on the ADDX Platform in a timely manner.

6.6.2 An Issuer should take all reasonable measures to ensure that all material information is published or otherwise properly disseminated to the Participants in its entirety.

6.6.3 Additional disclosure requirements may apply depending on how the Securities is structured. Such additional disclosure requirements will be notified to the Issuer by ADDX prior to the point of admission.

**6.7 No false or misleading information**

6.7.1 An Issuer shall ensure that any information it publishes or provides to ADDX:

- (a) is complete, true and accurate;
- (b) is not false, misleading or deceptive; and
- (c) does not omit anything likely to affect the meaning or significance of the information.

6.7.2 An Issuer shall promptly inform ADDX and, where applicable, publish a notice of correction on the ADDX Platform if it becomes aware of any material mistake, omission or inaccuracy relating to information provided to ADDX or published on the ADDX Platform.

## **7. Voluntary Securities removal**

7.1 An Issuer seeking to remove its Securities from the ADDX Platform shall request permission from ADDX to notify Participants of the intended removal from the ADDX Platform by first sending a formal notice to ADDX of its intention and providing adequate justifications for the intended removal.

7.2 On receipt of a request under Rule 7.1, ADDX may require from the Issuer additional information, take into account any information that it considers necessary or relevant, and impose any additional conditions on the Issuer that it considers appropriate.

7.3 When ADDX is satisfied with the information received from the Issuer, ADDX may grant the Issuer permission to notify Participants of the intended removal of the Securities from the ADDX Platform. The grant of permission may be subject to the fulfilment of any conditions which ADDX may specify.

7.4 In the event an Issuer wishes to voluntarily remove any class or series of Securities:

7.4.1 the proposal to remove the Securities must be approved by a majority of at least 90% of the total number of affected Securities held by voting Participants; and

7.4.2 ADDX may specify additional conditions or vary the conditions of this Rule 7.4 at its discretion in connection with the proposed removal. Such additional or varied conditions shall be notified by the Issuer to Participants on the ADDX Platform.

7.5 Where the conditions in respect of the proposed removal are satisfied such that the Securities removal takes place, on the effective date of the removal of the Securities, holders of the removed Securities will have the Securities removed from their account on the ADDX Platform. In the event that the Issuer has conducted a Securities buy-back offer in conjunction with such removal, holders who have had their Securities repurchased will receive the commensurate amount of cash balance (in accordance with the accepted Securities buy-back offer) credited to their account balance on the ADDX Platform.

7.6 For the avoidance of doubt, Securities that terminate, mature, or expire in the ordinary course and in accordance with their terms and conditions set out in the relevant Offer Documentation and Terms shall be removed from the ADDX Platform without requiring the procedures set out in this Rule 7.

## **8. Involuntary Securities removal**

### **8.1 Involuntary Securities removal due to Participant action**

8.1.1 Where the requisite percentage of Participants have, in accordance with the applicable Securities terms and conditions, exercised their discretion to cause the Securities to be removed, the affected Issuer shall forthwith send a written notice to ADDX of such an occurrence and the impending removal of the Securities.

8.1.2 On receipt of the written notice under Rule 8.1.1, ADDX may require from the Issuer additional information.

8.1.3 On the effective date of the removal of the Securities, holders of the removed Securities will have the Securities removed from their account on the ADDX Platform.

## 8.2 **Involuntary Securities removal due to ADDX sanction**

8.2.1 ADDX may require the Issuer to remove its Securities from the ADDX Platform pursuant to Rule 9.1(d). In such an event, ADDX may require the Issuer to conduct a Securities buy-back offer on such terms and conditions as ADDX may specify.

8.2.2 Where the conditions imposed by ADDX pursuant to Rule 8.2.1 are satisfied such that the Securities removal takes place, on the effective date of the removal of the Securities, holders of the removed Securities will have the Securities removed from their account on the ADDX Platform. In the event that the Issuer has conducted a Securities buy-back offer in conjunction with such removal, holders who have had their Securities repurchased will receive the commensurate amount of cash balance (in accordance with the accepted Securities buy-back offer) credited to their account balance on the ADDX Platform.

## 9. **Sanctions**

9.1 If ADDX determines that an Issuer has contravened the OTC Rules, and considers it appropriate to impose a sanction, ADDX may:

- (a) privately censure the Issuer;
- (b) publicly censure the Issuer by publishing the censure on the ADDX Platform;
- (c) suspend the further transactions in respect of the relevant Securities;
- (d) remove the Issuer's Securities from the ADDX Platform; and/or
- (e) impose any other sanction (including additional restrictions and/or fines) that it deems appropriate.

**Schedule 1: Additional requirements applicable to specific applicant classes**

**1. Additional requirements**

1.1 In addition to the general requirements set out in Rule 3.1 of the OTC Rules, an Applicant shall comply with the applicable additional requirements set out in Table 1.

Table 1 - Additional admission requirements

Type of instrument	Additional Requirements
Debt	Debt Securities must have a principal amount of at least S\$500,000.
Investment Fund	<p>(a) A minimum asset size of at least S\$5 million;</p> <p>(b) newly formed Investment Fund must not change its investment objectives and policies in the first three (3) years unless approved by a special resolution of the shareholders/unitholders in a general meeting; and</p> <p>(c) the fund management company (if there is no management company, the sponsor or trustee) must have been in operation for at least five (5) years; or the persons responsible for managing the investments of the Investment Fund must be reputable and have a track record in managing investments for at least five (5) years.</p>
Business Trust	<p>(a) A minimum asset size of at least S\$5 million;</p> <p>(b) operating revenue (actual or pro forma) in the latest completed financial year. Business trusts who do not have historical financial information may demonstrate that they will generate operating revenue after the Securities offering; and</p> <p>(c) the trustee-manager (if there is no trustee-manager, the fund management company) must have been in operation for at least five (5) years; or the persons responsible for managing the business trust must be reputable and have a track record in managing investments for at least five (5) years.</p>
Equities	<p>(a) The issuer of the underlying shares must have:</p> <p>(i) at least two (2) years of operating history and evidence of recurring revenues;</p> <p>(ii) demonstrated growth in its business; and</p>

Type of instrument	Additional Requirements
	(iii) key officers who demonstrate relevant competencies and reputation in managing its business and affairs.

**Schedule 2: Disclosure requirements applicable to Issuers**

1. The Issuer shall notify Participants via the ADDX Platform any information known to the Issuer concerning the Issuer's group which:
  - (a) would be likely to materially affect the price of its Securities when disclosed to the public; or
  - (b) may have a material effect on an investor's decision whether to invest in such Securities.
2. Paragraph 1 of this Schedule does not apply to information which:
  - (a) would be a breach of law to disclose;
  - (b) is confidential, or a trade secret;
  - (c) relates to an incomplete proposal or negotiation; or
  - (d) is generated for the internal management purposes of the Issuer.
3. Subject to Paragraphs 3(z) and 3(aa), an Issuer must immediately notify Participants of the following:

*General*

- (a) Any change of name of the Issuer.
- (b) Any change of registered or business address of the Issuer.

*Management*

- (c) Any appointment, re-designation or cessation of directors, key officers, auditors or authorised representative, with such announcement to include the following details:
  - (i) for appointments:
    - (A) date of appointment;
    - (B) name of person;
    - (C) age of person;
    - (D) country of principal residence;
    - (E) job title (including whether it is executive in nature) and roles and responsibility;
    - (F) professional qualifications;
    - (G) working experience and occupation during the past 10 years;
    - (H) any shareholding interest in the Issuer and its subsidiaries; and
    - (I) such declarations as ADDX may prescribe on the ADDX Platform from time to time;
  - (ii) for cessations:
    - (A) date of cessation;
    - (B) name of person;
    - (C) age of person;
    - (D) date of appointment to current position;
    - (E) job title (including whether it is executive in nature) and roles and responsibility;
    - (F) any unresolved differences in opinion on material matters between the person and the board of directors including matters which would have a material impact on the group or its financial reporting;

- (G) any matter in relation to the cessation that needs to be brought to the attention to the holders of Securities; and
- (H) any shareholding interest in the Issuer and its subsidiaries.
- (d) Any appointment or cessation of a person who is a relative of a director or key officer, or a substantial shareholder of the Issuer or trustee manager, as the case may be, to a managerial position in the Issuer or any of its principal subsidiaries, and such announcement must state the job title, duties and responsibilities of the appointee and other information required in Paragraph 3(c).
- (e) Any promotion of such appointee referred to in paragraph 3(d).

*Winding up or judicial management*

- (f) Any application filed with a court to wind up the Issuer or any of its subsidiaries, or to place the Issuer or any of its subsidiaries under judicial management.
- (g) The appointment or a receiver, judicial manager or liquidator of the Issuer or any of its subsidiaries.
- (h) Any breach of any loan covenants or any notice received from bankers or the trustee of any debenture holders to demand repayment of loans granted to the Issuer or any of its subsidiaries which, in the opinion of the Issuer's directors, would result in the Issuer facing a cash flow problem.

*Financial statements*

- (i) The Issuer's unaudited consolidated financial statements for the full financial year immediately after such statements are available.
- (j) The Issuer's unaudited consolidated financial statements for the first half of its financial year immediately after such statements are available and no later than 90 days after the relevant financial period.
- (k) The Issuer must present the statements in Paragraphs 3(i) and 3(j) of this Schedule in the form presented in their most recently audited annual financial statement, which must include:
  - (i) an income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, together with a comparative statement for the corresponding period of the immediately preceding financial year;
  - (ii) a statement of financial position (for the Issuer and group), together with a comparative statement as at the end of the immediately preceding financial year;
  - (iii) a statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year; and
  - (iv) a statement (for the Issuer and group) showing all changes in equity, together with a comparative statement for the corresponding period of the immediately preceding financial year.
- (l) The independent auditor's report and annual audited financial statements for the full financial year immediately after such report and statements are available and no later than six (6) months after the relevant financial period, and in any event no later than the period within which the Issuer is required to provide such report and financial statements to its shareholders in compliance with the Issuer's obligations under all applicable laws and regulations.
- (m) Any qualifications or emphasis of a matter by the auditors on the financial statements of the Issuer or any of its subsidiaries or associated companies.
- (n) If an Issuer has previously announced its unaudited full-year results, any material adjustments to its preliminary full-year results made subsequently by auditors.

- (o) Financial statements must be prepared in accordance with Singapore Financial Reporting Standards (International) ("SFRS(I)"), International Financial Reporting Standards ("IFRS") or other Financial Reporting Standards that is acceptable to ADDX.
- (p) Where the Issuer is a variable capital company, the financial statements to be disclosed under this section shall be that of the sub-fund that is available on the ADDX Platform instead of the consolidated financial statements of the variable capital company itself.

*Related Party Transactions*

- (q) Details of the aggregate value of related party transactions entered into during the financial year under review. The name of the related party and the corresponding aggregate value of the related party transactions entered into with the same related party must be disclosed.

*Redemption, cancellation and distributions*

- (r) The redemption or cancellation of any Securities.
- (s) The details of any distributions to be made.

*Record date*

- (t) Any intention to fix a date for the purpose of determining entitlements to dividends or other distributions or rights of holders of Securities ("record date"), with at least five (5) market days of notice (excluding the date of announcement and the record date) must be given for any record date.

*Disclosures particular to Investment Funds*

- (u) An Investment Fund must disclose its net tangible assets per Security and how it was calculated at the end of each quarter, but in any event no later than 20 Business Days.
- (v) An investment fund must immediately announce via ADDX of:—
  - (i) any changes in the control of the managers;
  - (ii) any proposed change in the general character or nature of the fund; and
  - (iii) any intention to renew, vary or terminate the fund.
- (w) A hedge fund must immediately announce the following information relating to its operations:
  - (i) any general suspension of calculation of net assets value;
  - (ii) any material change in net asset value or any change in the valuation policy;
  - (iii) any proposed or actual material change in the general character or nature of the operation of the fund;
  - (iv) any proposed or actual change in the investment policy and/or objective;
  - (v) any proposed or actual material change in investment, borrowing and/or leverage restrictions;
  - (vi) any material change in the organisation or arrangements of the fund, including any change in its investment manager, custodian, administrator or independent auditor; and
  - (vii) any redemption of 30% or more of the fund.
- (x) The custodian, investment manager, any of their connected persons and any director of the investment fund and investment manager, is prohibited from voting their own Securities at, or being part of a quorum for, any meeting to approve any matter in which they have a material interest.
- (y) For a fund-of-funds strategy, ADDX will consider the investment management experience of the principal responsible for the investment management activities of the admitted fund-of-funds. If the key principal of an investment manager leaves and

cannot be replaced within a period of one (1) month, the fund will be required to wind up.

*Disclosures particular to Business Trusts*

- (z) On a continuing basis, business trusts are required to comply with all disclosure requirements in Schedule 2 except for Paragraph 3(u).

*Disclosures particular to Debt Securities*

- (aa) On a continuing basis, Issuers of Debt Securities are required to comply with all disclosure requirements in Schedule 2 except for Paragraphs 3(c) to (e) and 3(q), save that Issuers of Pass-through Securities (as defined in Schedule 4 Item 1) may, with the approval of ADDX, be additionally relieved of its obligations to comply with Paragraphs 3(i) to (o) in circumstances where (A) the terms of the Pass-through Securities provide that the payment obligations to holders thereunder do not arise unless and until the relevant distributions from the underlying investment product are actually received by or on behalf of the Issuer; and (B) the Issuer is not otherwise required to comply with any other legal or regulatory requirement, arising from statute or otherwise, for the publication of the financial statements, reports or other information in question. In determining whether to grant the approval referred to in this paragraph, ADDX may have regard, *inter alia*, to the nature of the Issuer's business activities (if any) and such other statements, reports and information the Issuer intends and/or commits to prepare on a continuing basis.

*Disclosures particular to Equities*

- (bb) Any proposed and/or actual changes in substantial shareholders and controlling shareholders of the issuer of the underlying shares.
- (cc) Any proposed dividends to be declared and/or actual dividends declared by the issuer of the underlying shares.
- (dd) Any amendment in the constituent documents of the issuer of the underlying shares.
- (ee) Any proposed loan or credit facility agreements to be entered into as borrower or any debentures to be issued involving a material amount of funds by the issuer of the underlying shares.
- (ff) Any proposed issuances of new shares or securities, including securities (including details of the number, type, rank, and issue price of such shares or securities) by the issuer of the underlying shares.
- (gg) Any proposed employee share option scheme or share incentive plan, or any changes to such scheme or plan by the issuer of the underlying shares.
- (hh) Any proposed joint venture, mergers or acquisitions to be entered into by the issuer of the underlying shares.
- (ii) Any proposed material or significant disposal of assets by the issuer of the underlying shares.
- (jj) Any regulatory action, or criminal/civil investigations or proceedings filed against the issuer of the underlying shares, or its directors and key officers, in any jurisdiction.
- (kk) Any changes in the business model of the issuer of the underlying shares, including a new business line or cessation of an existing business line.
- (ll) Any matter that requires the approval from shareholders of the Issuer, whether under the OTC Rules, the Securities terms and conditions of the Equities, or applicable laws (including the Companies Act 1967 where relevant).

**Schedule 3: Requisite ADDX admission application documents**

1. In addition to the admission application form and the documents requested therein, an Applicant must submit all of the following document(s) and information as part of its admission application:
  - (a) final draft of the information memorandum containing the required disclosures as set out in Schedule 4 to the OTC Rules;
  - (b) compliance statements from the applicant demonstrating that the relevant disclosure requirements stipulated in the following have been complied with, using appropriate cross-references to the offering memorandum:
    - (i) Schedule 4 to the OTC Rules; and
    - (ii) the Sixth Schedule to the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005,

where any applicable disclosure requirement has not been met, an explanation for the non-compliance must be provided;
  - (c) information on and undertakings from directors, key officers and controlling shareholders of the Applicant, including:
    - (i) the resume and particulars of directors, key officers and controlling shareholders of the Applicant, which shall provide comprehensive information on the employment history, working experience and educational history of the relevant person;
    - (ii) where the controlling shareholder is a corporation, the resume and particulars of the directors, key officers and controlling shareholders and/or partners of the corporate controlling shareholder; and
    - (iii) in the case of Investment Funds, the resume and particulars of the persons employed by the investment manager to carry out their duties as investment manager, providing comprehensive information on the employment history, working experience and educational history of such persons;
  - (d) for business trusts, a right of first refusal agreement granted by the controlling shareholder of the trustee-manager or manager (as the case maybe) (referred herein as "controlling shareholder") to the business trust, pursuant to which the business trust is granted the first right to acquire the competing assets from the controlling shareholder, with such right of first refusal to be in effect when (a) the controlling shareholder is the controlling shareholder of the trustee-manager or manager (as the case may be) and a controlling unitholder of the business trust; and (b) the trustee-manager or manager (as the case may be) is the trustee-manager or manager (as the case maybe) of the business trust;
  - (e) relevant material contracts, including final drafts of the following agreements, where applicable:
    - (i) material contracts (other than those entered into in the ordinary course of business) entered into during the preceding 24 months or proposed to be entered into by the Applicant and its subsidiaries with any director, controlling shareholder or their associates;
    - (ii) terms and conditions of the Securities;
    - (iii) trust documents;
    - (iv) derivative documents in respect of a transfer of economic benefit; and
    - (v) security documents;
  - (f) in the case of Investment Funds, the following information:
    - (i) the annual accounts of the Investment Fund for each of the last 3 financial years, if applicable. If the Applicant has made low profits or losses in the two (2) years before the application due to specific factors which were of a temporary nature and such adverse factors have either ceased or are expected

to be rectified upon the Applicant's admission of Securities, please provide details and elaborate;

- (ii) in the event the Investment Fund is unable to provide the annual accounts for each of the last three (3) financial years, the Investment Fund is expected to provide up to two (2) years of full year profit estimates, forecasts and/or projections; and
- (iii) investment thesis and mandate and the financial track record of the investment manager; and

(g) in the case of Issuers issuing Equities, the following information and/or documents:

- (i) the constituent documents of the issuer of the underlying shares; and
- (ii) the audited financial statements of the issuer of the underlying shares (including, where relevant, its subsidiaries or associated companies) for the last two (2) financial years prepared in accordance with SFRS(I), IFRS or other Financial Reporting Standards that is acceptable to ADDX.

2. ADDX may require from an Applicant additional information or documents, and/or take into account any information that it considers necessary or relevant, request that any information provided by the Applicant be verified in such manner as ADDX may specify, and impose any additional conditions on an Applicant that it considers appropriate, including:

- (a) legal opinion(s) from a reputable law firm or lawyer that is acceptable to ADDX stating that the proposed offering of Securities is in compliance with all applicable laws and regulations, including the SFA and that the terms and conditions of the Securities and any material contracts stated in 1(e) above are legal, valid and enforceable;
- (b) legal due diligence reports on the companies in the Applicant's group, the scope of which should be sufficient to verify information, where practicable, in the information memorandum;
- (c) declarations by directors, key officers and controlling shareholders of the Applicant, in form prescribed by ADDX;
- (d) applicant's management to demonstrate the ability of the Applicant to meet obligations (in particular, payment obligations) to holders of the Securities which the Applicant intends to issue over the relevant timeframe; and
- (e) if there is an underlying asset(s) that the Applicant or its business is materially dependent on, ADDX may request for a valuation report to be submitted or disclosed in the information memorandum. Where such report is submitted, ADDX expects that the report shall be prepared by a valuer that is a member of the Singapore Institute of Surveyors and Valuers or the Institute of Valuers and Appraisers of Singapore or an institute of similar standing.

**Schedule 4: Disclosure requirements for the information memorandum of a Securities issuance**

1. An information memorandum for a Securities issuance must include all information that Participants would reasonably require for the purpose of making an informed assessment of the Issuers and the rights attaching to the Securities.

An issuer may incorporate information by reference into the information memorandum.

2. ADDX may require additional information to be disclosed in any particular case.
3. An information memorandum may take the following forms:
  - (a) a stand-alone document; or
  - (b) in the case of Debt Securities, a document ("Base Memorandum") for an issuance programme ("Issuance Programme") together with a final terms or pricing supplement document containing the definitive terms for each individual issuance made under the Issuance Programme ("Pricing Supplement").
4. The information memorandum for offerings that are not structured as collective investment schemes shall include the following information, where applicable:

A.	<b>Disclaimers</b>	<p>The following statements on the cover page:</p> <p>(a) "ADDX Pte. Ltd. assumes no responsibility for the correctness or completeness of any of the statements or opinions made or reports contained in this document. Admission of the Securities to the ADDX Platform is not to be taken as an indication of the merits or suitability of the Issuer or of the Securities as an investment."</p> <p>(b) "This document is important. Before making any investment in the Securities being offered, you should consider the information provided in this document carefully, and consider whether you understand what is described in this document. You should also consider whether an investment in the Securities being offered is suitable for you, taking into account your investment objectives and risk appetite. If you are in any doubt as to the action you should take, you should consult your legal, financial, tax or other professional adviser. You are responsible for your own investment choices."</p> <p>(c) (for offerings of Debt Securities with a derivative element and/or underlying instrument) "The Securities are complex products. Investors should exercise caution in relation to them and should not invest in the Securities if they do not understand the risks or are not willing to assume the risks. Investors are warned that the price of the Securities may fall in value rapidly [, and holders of Securities may sustain a total loss of their investment]<sup>1</sup>. Even where a Security is structured to be capital protected and principal guaranteed, investors are reminded that as with any other instrument, all Securities remain exposed to the credit risk of the Issuer."</p>
B.	<b>Directors and key officers</b>	<p>The following information on each director and key officer of the Issuer:</p> <p>(a) the names, addresses and occupations; and</p> <p>(b) the details of educational and professional qualifications, if any, and areas of expertise or responsibility in the Issuer or group.</p>

<sup>1</sup> To include where relevant, e.g. for non-capital protected and principal guaranteed products.

C.	<b>Advisers</b>	The names and addresses of the manager, legal advisers, underwriters, and independent valuers, if any.
D.	<b>Auditors</b>	The names, addresses and professional qualifications (including membership in any professional body) of the Issuer's auditors. The name of the partner-in-charge of the Issuer's auditors.
E.	<b>Representative for holders of Securities</b>	The names and addresses of the trustee or any other representative for holders of Securities, and the main terms of the document governing such trusteeship or representation, including provisions concerning the functions, rights and obligations of the trustee or representative.
F.	<b>Details of Issuer</b>	<p>(a) Date of incorporation or constitution, and where the constituent documents of the Issuer provides a limit as to the duration for which the Issuer is to exist, such duration; and</p> <p>(b) Legal form of the Issuer, the legislation under which it operates, the address and telephone number of its registered office and principal place of business (if different from registered office), and the email address and website address of the Issuer or a representative of the Issuer.</p>
G.	<b>Business overview</b>	<p>(a) Nature of the operations and principal activities;</p> <p>(b) Main categories of products sold or to be sold and services performed or to be performed;</p> <p>(c) Principal markets in which the Issuer operates; and</p> <p>(d) Summary on whether the business or profitability of the Issuer is materially dependent on any patent, licence, industrial, commercial or financial contract (including a contract with any customer or supplier) or new manufacturing or development process.</p>
H.	<b>Principal terms and conditions</b>	<p>(a) A description of the type and class of the Securities being offered;</p> <p>(b) The yield and how it is calculated;</p> <p>(c) The issuance and redemption prices;</p> <p>(d) The nominal interest rate (and if it is floating, how the rate is calculated);</p> <p>(e) The date from which interest accrues, and the interest payment dates;</p> <p>(f) The final repayment date, and where there is any option for early repayment, either at the election of the holders of Securities or the Issuer, and the early repayment date;</p> <p>(g) The nature and scope of any guarantee intended to ensure that the issue will be duly serviced with regard to both the principal sum and any interest that accrues;</p> <p>(h) Definition of events of defaults and the effect of a default (if any) on the acceleration of the maturity of the Securities;</p> <p>(i) The relative seniority of the Securities in the Issuer's capital structure in the event of the Issuer's insolvency, including, where applicable, information on the level of subordination of the Securities (compared to debts that have been incurred or to be incurred) and the potential impact on the investment in the event of default;</p>

		(j) A description of any rights attached to the Securities, including any limitations of those rights, and the procedure for the exercise of those rights.
I.	<b>Relevant assets or reference assets</b>	Where applicable, for debt offerings which are structured as asset backed securities or structured notes (both as defined under the SFA) provide such information of any relevant asset or reference asset respectively which investors would customarily expect to see in an information memorandum for an offering of a similar nature.  For Securities which are structured as Debt Securities with terms that pass through distributions from an underlying investment product (including an Investment Fund or other security) to the holders of the Securities (" <b>Pass-through Securities</b> "), the Issuer shall additionally comply with the OTC Rules which would be applicable were an offering made directly of such underlying investment product.
J.	<b>Offer statistics</b>	(a) The amount, or the range of the amount, of subscriptions sought;  (b) The number, or the range of the number, of Securities being offered;  (c) The nature and denominations of the Securities offered;  (d) The face value of the Securities being offered; and  (e) The currency of the issuance.
K.	<b>Offer procedure</b>	Information on the offer procedure, including:  (a) the time and date on, and period during, which the offer will be kept open;  (b) the circumstances and duration under which the offer may be extended or shortened;  (c) the method and time limit for paying up for the Securities;  (d) the methods of evidencing title to the Securities; and  (e) the manner for refunding any excess paid by investors (including whether interest will be paid); and  (f) the manner in which unsold Securities will be treated.
L.	<b>Financial information</b>	(a) Annual financial statements or consolidated financial statements of the Issuer for the past two (2) completed financial years or, if the Issuer has been in existence for less than two (2) completed financial years, each of the financial years for which it has been in existence;  (b) Where the information memorandum is circulated more than:  (i) 6 months but less than 9 months after the end of the completed financial year for which the audited financial statements have been prepared, interim financial statements for the first 3 months of the current financial year;  (ii) 9 months but less than 12 months after the end of the completed financial year for which the audited financial statements have been prepared, interim financial statements for the first 6 months of the current financial year; and  (iii) 12 months but less than 15 months after the end of the completed financial year for which the audited financial statements have been prepared, interim

		<p>financial statements for the first 9 months of the current financial year.</p> <p>Each of the annual financial statements to be provided under this item L must be accompanied by the audited report in respect of the annual financial statements and a statement identifying the auditors who audited the annual financial statements (including the membership or memberships of each auditor in any professional body or bodies). If the audit report in respect of the annual financial statements contains any material qualification, modification or disclaimer, a statement highlighting and providing the reasons for such qualification, modification or disclaimer.</p> <p>The interim statements need only be reviewed and not audited by the auditors, save in (b)(iii) where the first three (3) months of the most recently completed financial year has to be audited, with the balance six (6) months reviewed.</p> <p>Pro forma financial statements should be prepared in respect of the most recently completed financial year (and if interim financial statements are provided, for such interim period) if there have been any:</p> <ul style="list-style-type: none"> <li>(i) major acquisition(s) or disposal(s) by; or</li> <li>(ii) changes in the capital structure of the Issuer or any entity in the Issuer's group during the period between the end of the most recently completed financial year and the circulation of the information memorandum.</li> </ul> <p>Financial statements must be prepared in accordance with SFRS(I), or IFRS or other Financial Reporting Standards that is acceptable to ADDX. Accounts that are prepared in accordance with IFRS need not be reconciled to SFRS(I)s.</p>
M.	<b>Risk factors</b>	Disclose the risk factors that are specific to the Issuer's group and its industry as well as the Securities being offered, which had materially affected or could materially affect, directly or indirectly, the Issuer's financial position and results and business operations, and investments by holders of the Securities, as the case may be, in the Issuer. Where possible, state the extent to which the Issuer's financial position or results had been or could be affected by the risk factor.
N.	<b>Use of proceeds</b>	The use of proceeds from the offering.
O.	<b>Indebtedness to directors, substantial shareholders</b>	<p>Disclose all debts owing to the group by its directors, substantial shareholders, and companies controlled by the directors and substantial shareholders have been settled.</p> <p>For the purposes of the above, reference to debt includes third party indebtedness (including contingent liabilities for guarantees and indemnities) incurred by the group for the benefit of the directors, substantial shareholders and companies controlled by the directors and substantial shareholders. This does not apply to debts owing by the subsidiaries and associated companies of the Issuer to the group.</p>
P.	<b>Capitalisation and indebtedness</b>	<p>Provide a statement of capitalisation and indebtedness (including the amount of cash and cash equivalents) as of a date no earlier than 60 days from the date of the information memorandum, showing the capitalisation and indebtedness (distinguishing between guaranteed and non-guaranteed, and secured and unsecured, indebtedness) of –</p>

		<p>(a) the Applicant; or</p> <p>(b) if the Applicant is the holding company or holding entity of a group, the group,</p> <p>as the case may be, and if applicable, adjusted to reflect the sale of new debentures or units of debentures, as the case may be, being issued and the intended application of the net proceeds from the sale. For the purposes of this paragraph, indebtedness includes indirect and contingent indebtedness. In the case of a guaranteed debenture issue, provide also such information in respect of the guarantor entity.</p> <p>Disclose any other significant contingent liabilities and the nature of such liabilities.</p>
Q.	<b>Guarantor</b>	In the case of a guaranteed issuance of Debt Securities, provide information on the guarantor of the Debt Securities where applicable, including essential information about the guarantee attached to the Debt Securities, the risk factors and financial information specific to the guarantor.
R.	<b>Calculation, paying and exercise agents</b>	Information on the calculation, paying and exercise agents.
S.	<b>Additional information</b>	<p>For Debt Securities with a derivative element and/or underlying instrument:</p> <p><u>General Information</u></p> <p>(a) general designation or description of the underlying instrument;</p> <p>(b) company name and domicile of the issuer of the underlying instrument, where applicable;</p> <p>(c) information on what source of the underlying instruments' price is used as a basis for the coupon rate or redemption price or any other price or feature of the derivative and/or Debt Security. If the underlying instruments are trading on a stock exchange, provide the name of the exchange. Provide information on where the price-setting mechanism for the underlying instrument is available to the public;</p> <p>(d) information on the price for the underlying instrument (e.g. closing price, arithmetical mean price over a specific period) which is material in establishing the coupon or redemption price or any other price or feature of the derivative and/or Debt Security;</p> <p>(e) details of where information on the past performance of the underlying instruments can be obtained;</p> <p>(f) details of where continuing disclosure on the underlying instruments can be obtained; and</p> <p>(g) if available, the ISIN of the underlying instruments or otherwise an alternative unique identifier.</p> <p>Where the underlying instrument is indices, provide:</p> <p>(a) name of the agency that calculates and publishes the index (index sponsor), as well as details of where information on the method of calculation is available to the public;</p>

		<p>(b) details of where information on the indices and any modifications to composition are available to the public (specifically where and when such adjustments are announced); and</p> <p>(c) whether the index in question is a price or performance (total return) index.</p> <p>Where the underlying instrument is a basket or baskets of underlying instruments:</p> <p>(a) initial fixing plus the percentage and, where appropriate, shares of the initial weighting of basket securities; and</p> <p>(b) if the composition of the basket is subject to predefined or discretionary modifications, then the permitted composition of the basket or baskets of underlying instruments must be defined.</p> <p>Where the underlying instrument is collective investment schemes or units thereof, information on the fund management or issuing company, and details of the composition or mandate of the collective investment scheme in question.</p>
T.	<b>Responsibility statement</b>	<p>The following statement should be included:</p> <p>The Board of Directors collectively and individually accepts full responsibility for the accuracy of the information given in this Information Memorandum and confirms after making all reasonable enquiries that, to the best of its knowledge and belief, this Information Memorandum contains all the relevant information and in sufficient detail to enable investors to make an informed assessment of the Issuer and the Securities, and the Board of Directors is not aware of any information the omission of which would make any statement in this Information Memorandum misleading, [and where the Information Memorandum contains a profit forecast, the Board of Directors is satisfied that the profit forecast has been stated after due and careful enquiry and consideration]. Where information in the Information Memorandum has been extracted from published or otherwise publicly available sources or obtained from a named source, the sole responsibility of the Board of Directors has been to ensure that such information has been accurately and correctly extracted from those sources and/or reproduced in the Information Memorandum in its proper form and context.</p>

### Debt Security Issuance Programme

5. If the Issuer establishes an Issuance Programme as described in Paragraph 3(b) above:

- the Base Memorandum must contain the information about the Issuer as stipulated in the OTC Rules and in Paragraph 4 above, where applicable and the general terms and conditions attached to the Debt Securities;
- the Pricing Supplement must contain all of the definitive terms and conditions for the issuance in question and any supplemental information that is required in order for the Base Memorandum read together with the Pricing Supplement to contain all relevant information for the purposes of the issuance in question; and
- both the Base Memorandum and the Pricing Supplement must state that the Base Memorandum and the Pricing Supplement together constitute the complete offering document for the issuance in question.

The Issuer must submit the Base Memorandum, which shall include a form of the Pricing Supplement, to ADDX for review. Any changes and additions to information disclosed in the

Base Memorandum may be submitted to ADDX in the form of a supplement to the Base Memorandum for review. Any such supplement approved by ADDX for publication forms an integral part of the Base Memorandum in question.

#### **Disclosure requirements for Collective Investment Schemes**

6. In respect of offerings which are structured as a collective investment scheme (as defined under the SFA), the information memorandum for such offerings must follow the disclosure requirements set out in the Sixth Schedule of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 and state the following: (a) all provisions and/or conditions under which the fund will be closed and all monies returned to its subscribers; and (b) the terms and conditions upon which it undertakes to repurchase Securities, and where there is no such undertaking, to state that fact.

#### **Disclosure requirements for Business Trusts**

7. In respect of offerings which are structured as business trusts, the information memorandum for such offerings must follow (to the extent applicable or with the necessary alterations for business trusts) the disclosure requirements set out in the Sixth Schedule of the Securities and Futures (Offers of Investments) (Collective Investment Schemes) Regulations 2005 and state the following: (a) all provisions and/or conditions under which the trust will be closed and all monies returned to its subscribers; and (b) the terms and conditions upon which it undertakes to repurchase Securities, and where there is no such undertaking, to state that fact.
8. For a business trust, the following additional information is required:—
  - (a) name and address of the trustee who must not have any material conflict of interest with its position;
  - (b) basis of the trustee's remuneration;
  - (c) indemnities (if any) of trustees and managers;
  - (d) arrangements for removing the managers; and
  - (e) termination of the trust.

With respect to the buying and selling of units in the business trust, the business trust must disclose details of its income distribution arrangements.

#### **Disclosure requirements for Equities**

9. In respect of offerings of Equities by Issuers, the following additional information is required in the information memorandum:
  - (1) For offerings of Equities by Issuers which are structured such that the underlying shares are not held directly by the Issuers, all information that Participants would reasonably require to make an informed assessment of the following:
    - (a) A description of how the underlying shares are held, including the contractual obligations of the Issuers.
    - (b) The restrictions on the transferability of the underlying shares and its effect on the interests of the holders of the Equities.
  - (2) the following information about the issuer and/or the shares, underlying shares, or other instruments conferring or representing a legal or beneficial ownership interest in a corporation (as the case may be):
    - (a) Annual financial statements or consolidated financial statements of such issuer for the past two (2) completed financial years.
    - (b) Information on the valuation of such issuer based on the issuer's most recently completed equity fundraising exercise.
    - (c) In relation to corporate actions or transactions undertaken or to be undertaken, information on the voting rights and other rights, privileges, obligations or liabilities acquired, accrued or incurred by the holders of the Equities pursuant to such corporate actions or transactions.

- (d) Its dividend policy, or if it does not have a fixed policy, to state so.
- (e) Information regarding any securities which any person has, or has the right to be given, an option to subscribe for or purchase, including (i) the identity of that person, (ii) a description of and the amount of securities covered by the option, (iii) the purchase price of the option, if any, (iv) the exercise price, and (v) the period during which the option is exercisable, or an appropriate statement to the effect that there are no such securities. Where the option has been given, or it has been agreed that the option or right will be given to employees of the issuer of the underlying shares under an employees' share option scheme, it will be sufficient to state that fact without giving names.

**Negative statements**

10. Subject to ADDX's approval, an information memorandum may include a negative statement in respect of any of the disclosure requirements set out in this Schedule 4 or any of the continuing disclosure obligations set out in Schedule 2 that such information is and/or will not be disclosed to holders of Securities. In determining whether to grant the approval referred to in this paragraph, ADDX may have regard to, *inter alia*, the reasons given by the Issuer in question for omitting such information, and whether such reasons and related risks have been appropriately highlighted to Participants.

## ADDX OTC Rules

### **Practice Note 1.1 – Oversight of Issuers**

Details	Cross references
Issue Date: 18 March 2020	Rule 1
Effective Date: 18 March 2020	
Updated: 23 November 2025	

#### **1. Introduction**

This Practice Note discusses ADDX's role and its approach to regulating issuers.

#### **2. Disclosure-Based Regime and ADDX's Role**

2.1 ADDX operates on a disclosure-based regulatory regime. A disclosure-based regulatory regime is premised on the principle that, in general, informed investors can protect themselves and recognises that the market is better placed than regulators to decide on the merits of the transactions.

2.2 In such a regime, the principal function of ADDX is to provide a clear framework for the admission of Securities to the ADDX Platform. In this regard, ADDX considers disclosure as fundamentally important. ADDX's regulation of Issuers is aimed at promoting security and confidence in the ADDX Platform. The general principles of the OTC Rules are:

- (a) Issuers shall have minimum standards of quality in order to uphold the reputation and integrity of the ADDX Platform and ADDX, and to promote the confidence of the Participants; and
- (b) Participants shall be given all information that they would reasonably require for the purpose of making an informed assessment of the Issuers and the rights attaching to the Securities;
- (c) Issuers shall disclose information that a reasonable person would expect to have a material effect on the price or value of their Securities.

#### **3. Regulatory Objectives**

3.1 Oversight of Issuers is performed by ADDX, which monitors compliance with the OTC Rules.

3.2 In considering applications for admission, ADDX reviews the admission applications, information memorandum and other supporting documents. ADDX's review is limited to ensuring that the admission requirements are satisfied. The directors of an Issuer have the primary responsibility for the accuracy and completeness of the information disclosed in the admission application, the information memorandum and all other supporting documents. While ADDX does not independently verify the accuracy and completeness of these documents, it may ask for further information to be disclosed or investigate if it has reason to believe that there is an omission from, or false or misleading disclosures in these documents.

3.3 Where continuing disclosure obligations are concerned, ADDX aims to promote full and timely disclosure of all relevant information by the issuer to the ADDX Platform. The directors of an Issuer have primary responsibility for the timeliness, accuracy and completeness of the disclosure. While ADDX does not independently verify the information in the disclosure, it may investigate if it has reason to believe that there is an omission from, or false or misleading disclosure in, the disclosure.

#### **4. Regulatory Approach**

4.1 The responsibility for meeting the standard of disclosure rests with the Issuer.

4.2 ADDX adopts a risk-based approach to regulating Issuers, where greater regulatory attention is focused on areas that pose significant risks and where investor protection may be compromised if the risks materialise.

4.3 ADDX will undertake a Selective Review Procedure of the following documents to establish and maintain a standard of disclosure:

Function	Selective Review Procedure
Review of announcements made by the Issuer pursuant to Rule 6.6 of the OTC Rules	Selective review. Decision to review will be based on Issuer's financial condition, past-incidence of non-compliance or inadequate disclosure and whether it is a newly admitted Issuer
Review half yearly and annual financial statements announcement	Selective review. Decision to review will be based on Issuer's financial condition, past-incidence of non-compliance and whether it is a newly admitted Issuer

- 4.4 For the Selective Review Procedure, if ADDX receives a complaint that a document referred to in paragraph 4.3 above is deficient, it will review the document.
- 4.5 Action may be taken against Issuers for omissions, false or misleading disclosures, or non-compliance with the OTC Rules.
- 4.6 This approach will improve regulatory efficiency and effectiveness, and is consistent with a disclosure-based regime where the Issuers are responsible for compliance with the rules and to make full and timely disclosure.

**ADDX OTC Rules****Practice Note 3.1 – Pre-Admission Information**

Details	Cross references
Issue date: 27 November 2019	Rule 3
Effective date: 27 November 2019	
Updated: 23 November 2025	

**1. Introduction**

1.1 Schedule 4 of the OTC Rules stipulates the disclosure requirements for information memorandums. In addition to complying with these requirements, ADDX may require additional information to be disclosed, to enable ADDX to determine whether an Applicant is suitable for admission to the ADDX Platform.

1.2 This Practice Note lists some of the disclosures ADDX would consider when reviewing an application. Please note that it is not an exhaustive list.

**2. General Considerations**

2.1 An Applicant which has not been revenue generating or profitable may have to disclose the Applicant group's burn rate and expenditures and for how long it is estimated that the proceeds from the offering will support the group's operations. Detailed profit and cash flow projections for the current year and ensuing year of the Applicant and each of its group companies must be submitted and disclosed upon request by ADDX.

2.2 An Applicant will have to consider if the viability of its business depends on any governmental or regulatory approvals and whether such approvals, if not granted, would have a material adverse effect on the group. The Applicant may be required to obtain such approvals before its admission to the ADDX Platform.

2.3 If the Applicant's auditors have highlighted any inadequacy/weakness in the Applicant's internal control and accounting systems, the Applicant may be required to disclose such inadequacies/weaknesses and the steps that have been taken to rectify them.

2.4 Where a preferential offer or allotment of securities to any group of targeted investors is intended to be made, the Applicant may be required to disclose the reasons for the allocation or allotment, whether they are made or to be made at a discount to the issue price, the number of securities allocated and allotted or to be allocated and allotted and the basis of allocation and allotment.

2.5 The Applicant must appoint suitable auditors for the group and for significant foreign incorporated subsidiaries. ADDX will consider the disclosures made in relation to the auditors. Enough information (such as the names of the auditors, whether the auditor is registered with a professional body and the audit partner) must be given to allow ADDX to make assess the suitability of the auditors. A subsidiary is significant if its net tangible assets represent 20% or more of the Applicant's consolidated net tangible assets or its pre-tax profits account for 20% or more of the Applicant's consolidated pre-tax profits.