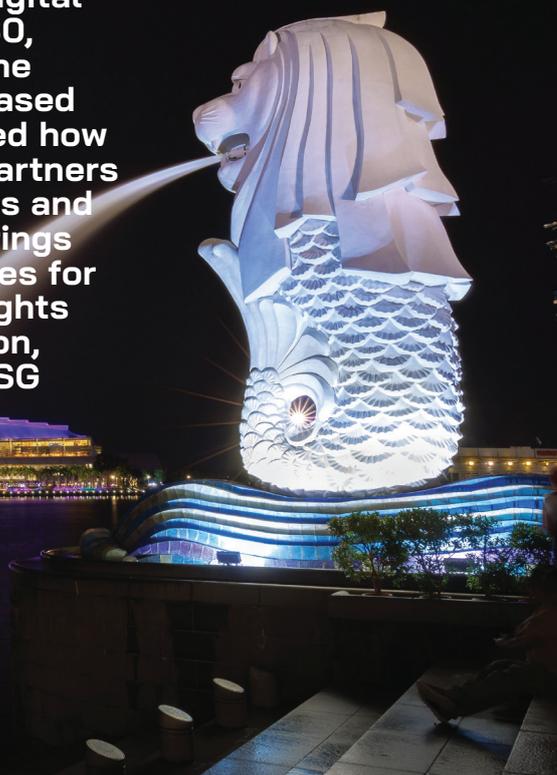


Bringing the Best Investment Offerings in the new Digital world – a View from SDAX

Raymond Poh is the Chief Executive Officer of Singapore-based SDAX. He offered delegates an insightful presentation at the Hubbis Digital Assets Forum in Singapore on November 30, during which he aimed to define some of the digital assets that investors can access based on their various risk appetites. He explained how SDAX partners with network technology partners to aggregate other international exchanges and thereby to bring the best investment offerings to investors, as well as creating possibilities for ecosystem partners. He offered some insights into how SDAX differentiates its proposition, for example in real estate expertise and ESG advisory services.



GET IN TOUCH

[View this presentation On Demand](#)

[View Raymond Poh's LinkedIn Profile](#)

[Find out more about SDAX](#)



Raymond Poh
SDAX

SDAX is a Monetary Authority of Singapore regulated investment and trading platform providing multi asset securities and fund units. The platform fractionalises and tokenises institutional-grade real assets for trading on their blockchain-powered exchange, thereby aiming to democratise access into investments such as private funds, private equity, and private credit.

Mission: connectivity

The mission is to connect investors with uniquely curated opportunities in the private markets and to drive sustainable growth for future generations. The platform has thus far raised SGD316 million in deals, and investors can start from as low as SGD1000. The platform's vision is to be a leading global digital investment ecosystem, empowering investors to access all types of financial and tangible assets that can deliver not only returns but also impactful wealth creation.

Raymond holds a Bachelor of Science in Aerospace Engineering and was previously the head of global markets corporate sales and marketing for several countries in Asia at JP Morgan. He took

on the role as CEO of SDAX in June 2022.

The open ecosystem

Armed with an excellent slide presentation, Raymond shared with delegates how in operation as a digital exchange, SDAX maintains an open ecosystem.

“That is extremely important for us because an exchange cannot function by itself, so we work with the entire ecosystem of everybody from your originators to distributors, including fund managers, asset managers, EAMs, private banks, other banks and so forth,” he reported. “And the result is we offer an increasingly wide range of investment securities, and we are expanding product diversity for an ever-broader range of investors.”

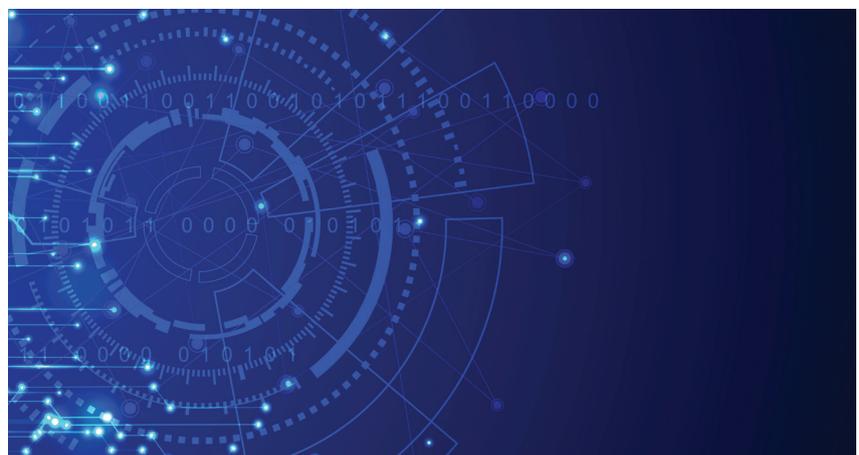
He added that the parties SDAX works with are not only based in Singapore, but increasingly across Asia, and also across the globe, with respect to other exchanges around the world.

He pointed to a recently signed a MoU with Ownera, a middleware platform that allows SDAX to connect with other exchanges and allowing a lot of the global bank brand platforms to gain access to the assets that SDAX is bringing to the market.

Democratising access to private assets

“We are focused on bringing more institutional grade private assets to retail investors, so instead of millions to invest, people can buy in for rather small sums,” he reported. “There are an estimated USD520

“There are an estimated USD520 trillion of assets worldwide, and of those, only about USD100 trillion are in the public markets. That leaves USD420 trillion of privately held assets out there, and we can offer some access to those assets with the help of tokenisation, unlocking illiquid assets and providing investors with new opportunities.”



trillion of assets worldwide, and of those, only about USD100 trillion are in the public markets. That leaves USD420 trillion of privately held assets out there, and we can offer some access to those assets with the help of tokenisation, unlocking illiquid assets and providing investors with new opportunities.”

He explained that private funds are targeting far higher IRRs than the average investor might think can be achieved, for example IRRs of 18% to 23% on high grade real estate in different countries of Asia. “I saw all of this at JP Morgan and joined SDAX with a key mission of making a lot of these high teens or even mid-teens IRRs available to the broader investor base,” he stated.

The SDAX pipeline

As to differentiation, Raymond explained that they are delivering real world deals sourced from their financial ecosystem that includes key shareholders ESR, PSA, and Straits Trading. ESR describes itself as APAC’s largest real asset manager powered by the New Economy and the third largest listed real estate investment manager globally. PSA International is a major global port group (a Temasek company), with flagship operations in Singapore and Antwerp. Straits Trading is a major Singapore and global conglomerate founded in 1887.

Hard assets, easy to digest deals

“Real estate is our first port of call as everyone understands it and is asset backed, so our investors can see it, imagine it and feel they can rely on it,” Raymond reported. Real estate has been leading the charge for digital assets tokenisation, with estimates that by 2025, 0.5% of the world’s estimated USD320 trillion of real estate will be tokenised,

which translates to deals worth USD1.7 trillion.”

He said real estate is one of the largest alternative asset classes and is ideal for blockchain and tokenisation adoption, due to its high barriers to entry, fees and poor liquidity.

Win-win for all

“Real estate tokenisation allows for more small-scale investor participation, enhanced liquidity for both issuers and investors, and allow investors to move from highly speculative cryptocurrencies without collateral to asset-backed tokens,” Raymond explained. “As the amount of functioning secondary markets for real estate tokens grows, the adoption of this type of investment will continue to grow as well, which will help the real estate market continue to thrive.”

Seeking impact

Raymond pointed to a highlight deal that emerged in late October this year with the announcement that SDAX would list CR Global UK Social Housing Fund II, a social housing fund managed by FXHB Asset Management Pte Ltd, a Registered Fund Management Company in Singapore, to help drive social impact in the UK.

The second series of the GBP200M fund will be tokenised and be made available for trading on SDAX’s platform, where the first series is being listed.

Working with SMEs

Raymond also highlighted other deals for the SGD200 million revenue privately held engineering firm in Singapore, Sigma, for which SDAX helped raise a debt facility offering investors a 7% annualised return. “This is a typical example of a high-quality SME that with our



help gained access to new funding and new investors,” he explained.

Raymond also highlighted SDAX’s commitment to promote deals that are ESG-centric and that support sustainability.

ESG, impact and sustainability

He said that by using SDAX’s ESG framework for issuers raising money through the platform, investors can be assured that they are buying into deals that pass SDAX’s rigorous review, and therefore are buying into a bona fide ESG ‘stamped’ deal. He said that to pass their ESG muster,

the company must demonstrate measurable positive impact at its current phase and future potential, while at the same time offer the right level of returns.

“ESG is gradually assuming a greater importance in the eyes of many, many investors,” Raymond added. “Before, buyers were all focused on returns, and now they increasingly realise the impact ESG has on their returns and risks. We now have our Chief Sustainability Office, and we make sure that ultimately from an investor standpoint, they are avoiding potential greenwashing and investing in something that has impact. We are committed to sup-

porting companies in their transition to net zero.”

He explained that they review ESG based on three tenets. One is intentionality, second is the return potential, and third is measurability. “Armed with the right ESG framework, we provide investors with rigour and transparency, we are aligned with international standards, and best practices,” he stated.

He closed his talk by reiterating the message that SDAX works closely with the wealth management industry. “Our doors are open,” he said, “and we are always interested in new relationships and new opportunities.” ■

