

Abu Dhabi Securities Exchange (ADX) partners with HSBC and FAB to launch MENA's First Digital Bond

- First DLT-based digitally native bond to be listed in the MENA region
- Issued by FAB and to be listed on ADX and made available on HSBC Orion platform
- Milestone listing reinforces ADX's leadership in digital asset innovation and financial market modernization

Abu Dhabi, United Arab Emirates, July 3, 2025: Abu Dhabi Securities Exchange (ADX), the largest exchange in the UAE and second largest exchange in the Middle East North Africa (MENA), has announced the commencement of the pricing stage as the initial step toward listing the first-ever, distributed ledger technology (DLT)-based bond in the region. Issued by First Abu Dhabi Bank (FAB) using HSBC Orion¹, a market-leading digital assets platform, the upcoming bond listing represents a landmark step in ADX's mission to lead financial innovation and support Abu Dhabi's digital transformation agenda.

The upcoming listing is the result of strategic collaboration between ADX, HSBC, and FAB, combining regional financial leadership with global expertise in digital issuance. It is powered by HSBC Orion, which is operated by the Central Moneymarkets Unit (CMU) in Hong Kong, and structured with support from leading international law firms, reflecting the high standard of governance.

Global investors can access the digital bond through accounts held with CMU, Euroclear and Clearstream, onboarding onto HSBC Orion as direct participant, or via their existing custodian who can participate through one of the above options. Introducing the digital bond into ADX's growing list of financial products supports its broader ambition to offer innovative financial instruments and signifies the Exchange's pioneering role in introducing tokenised finance. Digital bonds, fixed-income securities issued and recorded on blockchain technology, offer operational efficiencies, improved settlement cycles, reduced counterparty risk, improved security and enhanced transparency for institutional investors.

HSBC acted as the sole global coordinator, lead manager and bookrunner on the transaction, and played a central role in bringing the end-to-end blockchain-based issuance to the MENA region.

Abdulla Salem Alnuaimi, Group Chief Executive Officer of ADX, said: "The successful issuance of MENA's first blockchain-based digital bond, in close collaboration with FAB and HSBC, marks a defining moment in our journey to transform capital markets through

¹ HSBC Orion refers to the distributed ledger technology platform deployed by HSBC to CMU as the DLT Platform Operator for the purposes of, among other things, creating and settling the digitally native bonds.

innovation. ADX was central in facilitating this milestone, ensuring the bond's seamless integration with existing post-trade infrastructure and compatibility with global settlement standards."

ADX Group CEO added: "This initiative not only expands access to institutional-grade digital instruments, but also lays the foundation for a broader class of tokenized assets—including green bonds, sukuk, and real estate-linked products. It reinforces Abu Dhabi's position as a leading global financial centre. It aligns with the UAE's national agenda to build a diversified, technology-driven capital market anchored in transparency, resilience, and long-term growth."

Lars Kramer, Group Chief Financial Officer at First Abu Dhabi Bank (FAB), said: "This milestone marks a significant advancement in our innovation journey, establishing FAB as the issuer for the first blockchain-based digital bond in the MENA region. Together with ADX and HSBC, we are setting new benchmarks in efficiency, transparency, and security, while aligning with the UAE's progressive regulatory framework. By transforming traditional settlement processes into seamless digital workflows, we are not only advancing FAB's digital transformation but also supporting investors navigate the global digital assets landscape. This bond issuance accelerates the development of a robust digital capital markets ecosystem in the UAE."

Mohamed Al Marzooqi, Chief Executive Officer, UAE, HSBC Bank Middle East Limited, said: "The successful launch of MENA's first digital bond on ADX using HSBC Orion shows how we are transforming the promise of tokenisation into reality for our region. By combining our global experience with trusted local partners, ADX and FAB, we're helping bolster the region's capital markets - making them more transparent, efficient and accessible to investors. This is a significant milestone towards a future where digital assets become a mainstream part of the Middle East's financial landscape."

Designed to ensure compatibility with global settlement infrastructure, the bond integrates digital technology with existing post-trade infrastructure, bridging traditional markets with next-generation issuance models and supporting institutional access.

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About Abu Dhabi Securities Exchange (ADX)

Abu Dhabi Securities Exchange (ADX) was established on November 15, 2000, by Local Law No. (3) Of 2000, the provisions of which vest the market with a legal entity of autonomous status, independent finance and management. The Law also provides ADX with the necessary supervisory and executive powers to exercise its functions. On March 17, 2020, ADX was converted from a "Public Entity" to a "Public Joint Stock Company PJSC" pursuant to law No. (8) of 2020. ADX is part of ADQ, one of the region's largest holding companies with a broad portfolio of major enterprises spanning key sectors of Abu Dhabi's diversified economy.

ADX is a market for trading securities; including shares issued by public joint stock companies, bonds issued by governments or corporations, exchange traded funds, and any other financial instruments approved by the UAE Securities and Commodities Authority (SCA). ADX is the second largest market in the Arab region and its strategy of providing stable financial performance with diversified sources of incomes is aligned with the guiding principles of the UAE "Towards the next 50" agenda. The national plan charts out the UAE's strategic development scheme which aims to build a sustainable, diversified and high value-added economy that positively contributes to transition to a new global sustainable development paradigm.

About First Abu Dhabi Bank (FAB)

Headquartered in Abu Dhabi with a global footprint across 20 markets, FAB is the finance and trade gateway to the Middle East and North Africa region (MENA). With total assets of AED 1.31 trillion (USD 356 billion) as of March-end 2025, FAB is among the world's largest banking groups. The bank provides financial expertise to its wholesale and retail client franchise across three business units: 1) Investment Banking & Markets, 2) Wholesale Banking, and 3) Personal, Business, Wealth and Privileged Client Banking Group. FAB is listed on the Abu Dhabi Securities Exchange (ADX) and rated Aa3/AA- /AA- by Moody's, S&P, and Fitch, respectively, with a stable outlook. On sustainability, FAB holds an MSCI ESG rating of 'AA', and is also ranked among the top 6% of banks globally by Refinitiv's ESG Scores and ranked the Best diversified bank in MENA by Sustainalytics ESG Risk Rating.

HSBC in the MENAT region

HSBC is the largest and most widely represented international banking organisation in the Middle East, North Africa and Türkiye (MENAT), with a presence in nine countries across the region: Algeria, Bahrain, Egypt, Kuwait, Oman, Qatar, Saudi Arabia, Türkiye and the United Arab Emirates. In Saudi Arabia, HSBC is a 31% shareholder of Saudi Awwal Bank (SAB), and a 51% shareholder of HSBC Saudi Arabia for investment banking in the Kingdom. Across MENAT, HSBC had assets of US\$73bn as at 31 December 2024.

www.hsbc.ae

For more information, please contact:

Abdulrahman Saleh ALKhateeb
Manager of Corporate Communication
Abu Dhabi Securities Exchange (ADX)
Mobile: +971 (50) 668 9733

Email: ALKhateebA@adx.ae