

Overbond

Digital bond issuance platform | Toronto, ON | Founded: 2015 | Employees: 40 | <https://www.overbond.com>

PHONE: 1-416-559-7107
WIKIPEDIA: <https://en.wikipedia.org/wiki/Overbond>
BLOOMBERG: <https://www.bloomberg.com/research/stocks/private/snapshot.asp?privcapid=365631944>
LINKEDIN: <https://ca.linkedin.com/company/overbond>
TWITTER: <https://twitter.com/overbond?lang=en>

COMPANY OVERVIEW

Overbond is a digital bond issuance platform based in Toronto, enabling global bond origination in an improved, efficient, and transparent manner. Aimed at connecting all bond market participants, Overbond allows issuers, investors, and dealers to interact in a centralized and secure environment. It helps streamline the entire process from bond origination to deal execution, as well as analytics and communication. The Company's artificial intelligence (AI) powered network efficiently matches supply and demand, bringing better price discovery and investor diversity. Founded in 2015, Overbond has delivered more than 3000 credit investment opportunities.

SENIOR MANAGEMENT

Vuk Magdelinic: Co-Founder and CEO (2015 – Present). Previously: Risk and Regulatory Consulting Manager, PwC. (2012-2015); Fixed Income Sales Trader, CIBC (2009-2012); Management Consultant, Deloitte (2008-2009). Education: B.A.Sc., Electrical and Computer Engineering, University of Toronto; MBA (2008), Ivey Business School.

Ken Seyon: Vice President, Engineering (2017-Present). Previously: Vice President, Engineering, Exinda Networks (2015-2017); Vice President, Research and Development, WinMagic (2014-2015); Director, Engineering, BlueCat (2010-2014). Education: BA, Chemistry, University of Rochester.

Eric Buckingham: Director of Sales (2016-Present). Previously: Senior Account Manager, Bermuda, Gateway Systems Limited (2015-2016); Senior Account Executive, Tier1CRM Inc. (2013-2015). Education: Bachelor of Science, University of Waterloo.

HISTORY

Before launching Overbond, Vuk worked on the fixed income sales trading floor at CIBC, where he met his co-founder, Han Ryoo. Vuk and Han felt the process of corporations raising money in the bond market could be streamlined in a more efficient manner. With their extensive knowledge of fixed income, they launched Overbond, the first fintech platform for digital bond issuance. The Company emerged from the MaRS fintech cluster and the Communitech technology innovation super-cluster – both globally renowned centres for technology and innovation. Overbond's team is comprised of industry professionals in the fields of fintech, capital markets, and legal compliance. In 2017, Overbond expanded its operations into the United States, bringing a new supply of bond issuance to its platform¹.

FUNDING

In 2016, Overbond raised \$7.5 million in financing through a seed round from Morrison Financial Services Ltd². The Company used the proceeds to expand their digital platform.

KEY CORPORATE DEVELOPMENTS

Press Releases: <https://www.news.overbond.com/category/press-releases/>
Nov 17, 2017: [Overbond Expansion in U.S. Multiplies Bond Issuance Opportunities](#)
Sept 12, 2017: [Overbond Expands Primary Bond Market Deal Capabilities](#)
May 8, 2017: [Swap Pricing Calculator Added To Overbond Corporate Bond Intelligence Toolkit](#)

¹ <https://www.news.overbond.com/overbond-expansion-u-s-multiplies-bond-issuance-opportunities-new-digital-channels-increase-fixed-income-market-liquidity/>

² <http://www.marketwired.com/press-release/overbond-secures-75m-in-seed-financing-2134845.htm>

BUSINESS HIGHLIGHTS

STRATEGY

Overbond's digital platform improves the ease of doing business for issuers, dealers, and bond investors. Overbond utilizes statistical forecasting methods to provide data to issuers and investors allowing them to make more informed decisions regarding debt products. Overbond created an algorithm that estimates a suitable price range a company could issue debt at in the market based on a multitude of factors, including credit ratings and precedent transactions. The tool also provides valuable information regarding forecasting when a firm may issue its subsequent new bond. Overbond's services have improved market efficiency, decreased timelines to close deals at lower costs, as well as provided greater access to market participants. This platform aims to create additional liquidity in the fixed income market. Historically, Overbond has seen 55% month-over-month growth in 2017 and aims to continue to expand its user-base to become a global platform³.

PRODUCTS / PRICING

- **Platform:** Corporate clients and institutional investors can purchase access to Overbond's platform on a subscription basis. The platform's offerings include corporate investment grade bonds, corporate high yield bonds, maple bonds, international bonds, convertible debentures, green bonds, ABS, and peer-to-peer lending portfolio. Overbond has approximately 81 out of the 200 Canadian corporations involved in issuing debt frequently as clients on the platform⁴. The platform is powered by data from Thomson Reuters and rating agencies including Moody's and S&P. Investors can utilize a basic version of Overbond's service without incurring any fees, since the company gathers data from these investors to feed into the algorithms.
- **Corporate Bond Intelligence (COBI) Swap:** The first institutional-grade swap calculator offered industry-wide to bond market participants on a non-subscription basis.

TECHNOLOGY

Overbond's proprietary machine learning and predictive analytics capabilities deliver fixed income investment opportunities via web mobile applications available for both iOS and Android devices. Overbond's machine learning algorithms are driven by neural networks, a type of AI that is able to forecast the pricing and timing of issuing new credit. The service is fully active in the Canadian market and recently became active in the American market.

DISTRIBUTION / LOGISTICS

Overbond is based in Toronto, with offices in New York as well. With a staff of 40 people, Overbond is able to service Canadian and U.S. investors and institutions through its digital platform.

MARKETING

Overbond's platform provides a network for all bond market participants who are responsible for their own client and customer relationships, thereby reducing operating costs from marketing.

COMPETITORS

As the first fintech platform for digital bond issuance, Overbond does not have any direct competitors, but instead competes with traditional bond markets offered by investment banks. While Overbond has only launched in the North American market, Europe is a fertile ground for digital bond markets because there is more competition among banks. Institutions such as [Saxo Bank](#) (Copenhagen, Denmark) are launching digital platforms aimed at molding the future of fixed income.

³ https://www.ubs.com/microsites/future-of-finance-challenge/en/regional-finalists/_jcr_content/mainpar/tabteaser/gridcontrol_1302862156/col2/teaser/linklist/link_1815113912.0106118443.file/bGluay9wYXRoPS9jb250ZW50L2RhbS91YnMvbWlicm9zaXRlcy9pbm5vdmF0ZS9pbWFnZS9vdmVYm9uZC5wZGY%3D/overbond.pdf+&cd=2&hl=en&ct=clnk&gl=ca

⁴ <https://www.economist.com/finance-and-economics/2018/05/10/a-canadian-startup-applies-machine-learning-to-corporate-bond-issuance>