



PRESS RELEASE

Sygnum's digital asset trading facility (OTF) gets regulatory clearance from FINMA. Creation of Group structure to enable next growth phase

ZURICH, 1 September 2020 – Sygnum, the world's first digital asset bank, has received FINMA regulatory approval for its digital asset trading facility (OTFⁱ). This is a central element of Sygnum's end-to-end tokenization offering, a regulated solution which covers the complete life-cycle of a security – from primary issuance, settlement, custody and now, secondary trading.

- Sygnum's digital asset trading facility offers investors' access to new, untapped investment opportunities. They benefit from instant settlement, the ability to move between fiat, digital CHF (DCHF) and asset token positions in real-time, and the security of bank-grade custody – all in one regulated platform.
- In addition, following one year of successful bank operations, Sygnum is announcing the creation of a Group structure and plans to establish two new entities to enable the next phase of growth.

Using Sygnum's digital asset trading facility, investors can broaden their investment opportunities and add diversification by trading previously non-accessible securities in a tokenized form, including equity, debt, and real estate. They also benefit from instant settlement via the Sygnum-issued digital CHF (DCHF), the flexibility of moving between fiat, DCHF and asset token positions in real-time, and bank-grade custody of their digital assets - all within one integrated platform.

Sygnum is already working with issuers to tokenize their shares, raise capital in a fully digital manner as well as listing their securities on the digital asset trading facility to enable liquidity.

Asset tokenization, a market forecast to be worth USD 24 trillion by 2027ⁱⁱ, has the disruptive potential to reshape the securitisation business model in the coming years. To date, however, tokenization solutions have predominantly been unregulated and often only provide partial solutions within the securitisation life-cycle. Sygnum's regulated, end-to-end offering enables the significant benefits of asset tokenization to be realised by issuers, investors, and institutional partners.

"Our DLT-based tokenization solution streamlines the securitisation process end-to-end, delivering greater transparency and efficiency as well as reducing transaction times and costs," says Mathias Imbach, Sygnum Co-Founder. "Without regulated secondary trading venues with relevant liquidity, tokenization will not take off. Much more collaboration between digital asset specialists such as Sygnum and established exchanges and banks, as well as M&A related service providers along the value chain, is needed. We are open to these partnerships to make Future Finance a reality," he adds.

Positioning for next phase of growth

Alongside this important development, in its first year of banking operations Sygnum has also made significant progress in scaling client operations, launching innovative new banking products and expanding ecosystem partnerships. To capitalise on this momentum and to enable the next phase of growth, Sygnum is establishing a Group structure with a Group Executive Board.ⁱⁱⁱ

Sygnum is also planning to set up two new entities in Switzerland to capture strategically important high-growth opportunities. The first is a digital solutions unit, focused on leveraging Sygnum's Distributed Ledger Technology (DLT) innovations into new market segments. The second is an Asset Management unit dedicated to launching new products and services, expanding the existing products developed by Sygnum's CMS-licensed Singapore entity.



“This new structure provides clarity on responsibilities at the group and entity level. The local leadership in Singapore will be fully focused on driving the business here and positioning Sygnum for further expansion in Asia,” says Gerald Goh, Sygnum Co-Founder.

“These positive changes ensure we have the talent, capabilities and focus in place for Sygnum’s next phase of growth,” says Manuel Krieger, Sygnum Co-Founder. “We are proud to have enhanced our leadership and strengthened our governance using our current talented team^{iv},” he also comments.

About Sygnum

Sygnum is the world’s first digital asset bank, and a digital asset specialist with global reach. With Sygnum Bank AG’s Swiss banking licence, as well as Sygnum Pte Ltd’s capital markets services (CMS) licence in Singapore, Sygnum empowers institutional and private qualified investors, corporates, banks and other financial institutions to invest in the digital asset economy with complete trust. Sygnum operates an independently controlled, scalable and future-proof regulated banking platform. Our interdisciplinary team of banking, investment and Distributed Ledger Technology (DLT) experts is shaping the development of a trusted digital asset ecosystem. The company is founded on Swiss and Singapore heritage, and operates globally. To onboard digitally with Sygnum, please visit www.sygnum.com.

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ⁱ Organised Trading Facility

ⁱⁱ Finoa (<https://medium.com/finoa-banking/market-outlook-on-tokenized-assets-a-usd24trn-opportunity-9bac0c4dfefb>)

ⁱⁱⁱ Organisational changes take effect from October 1, 2020

^{iv} To be announced soon