

## **Azimut launches the world's first Security Token in the asset management sector and accelerates on the Synthetic Bank project in the Digital Asset Economy**

**Milan, 23<sup>rd</sup> March 2021**

Azimut, one of the largest independent asset managers in Europe, with 70 billion euro in assets under management, promotes as **the first asset management company in the world, Azimut Token**. The Token, issued through a Security Token Offering (“STO”) with **ID identification AZIM**, is the **digital securitization of a financial asset available to invest in alternative credit**.

Security tokens are financial instruments represented digitally and the Azimut token, issued in cooperation with **Sygnum Bank (“Sygnum”)-the first digital asset bank in the world**, authorized by the supervisory bodies of Switzerland and Singapore- is the digital representation of a portfolio of 5 million euro of loans to Italian SMEs - originated on the **Borsa del Credito** platform and guaranteed by the Mediocredito Centrale Guarantee Fund.

**Azimut Token** opens a new frontier in the investments in real economy and it offers new scenarios for asset management where, **through a tokenization process, even illiquid investments, such as those of private markets, can become liquid and immediately transferable thanks to the blockchain technology**. This new process, that Azimut is pioneering in Europe with loans to SMEs, will also bring direct benefits on the diversification of portfolio as well as on capital markets, making them more fair and efficient. Furthermore, the possibility of **splitting up the ownership of a financial asset** (or real asset such as Art or Real estate) **and at the same time ensuring its immediate transferability to investors thanks to the activation of a distributed ledger technology (DLT)**, allows to **overcome the typical limits and costs of intermediation**.

**Besides the reduction in costs and transaction execution**, other important **advantages** of using tokens are the **increase in transparency, the "democratization" of investments** that are not dividable or whose value is often off limits to individual private investors and the **reduction of transaction risks** for investors and asset managers.

AZIM will be used within the creation of portfolios of the Group's private clients in Italy through separated accounts and in alternative credit funds based in Luxembourg for the Group’s professional clients. **The Azimut token will then be exchanged within the totally digital platform** managed by Sygnum.

Token offerings are becoming alternative tools to raise capital for companies. In the three year period 2017-2019, **the number of digital asset offers was 2,064 (compared to 4,233 transactions to raise equity capital on listed markets through IPOs)**, for an amount of **over 25 billion dollars in fundraising**. Certain estimates foresee that Security Tokens and digital securitizations of real and financial assets, will evolve on a large scale and with high growth rates, representing around 70 billion dollars in deposits by 2026 starting from the 3 billion dollars in 2020.

The issuance of Azimut Token is part of the broader **project on digital assets** that the Group is carrying out with its Global Team, and that expects in the coming months **the launch of:**

- **Digital Asset Opportunity SCSp**, a **venture capital fund** reserved for professional clients and **focused on Series A fintech investments in Southeast Asia and Europe, co-managed with SBI**, a Japanese asset manager with over 34.5 billion dollars under management and \$ 4.7 billion invested in global private equity, **and Sygnum**, the world's first digital bank.

- **Digital Asset RAIF**, the first Italian fund and second in Europe that **invests in cryptocurrencies, digital assets and equity of fintech or blockchain-driven companies**, already announced last January, and reserved for professional clients.

The revolutionary scope of the **Azimut Token** will also **strengthen the development of the Synthetic Bank project**, through which Azimut intends **to provide loans to Italian SMEs for 1.2 billion euro in the period 2021-2025**: companies will in fact be able to access loans faster and at competitive rates.

In 2021, the loan volume targets of the Synthetic Bank will also be supported by the funding provided by three Alternative Credit funds<sup>\*\*\*</sup> dedicated to Italian retail customers, and a wide range of strategies dedicated to professional performing and non-performing customers assets. To date, Azimut's Synthetic Bank project can also benefit from the Group's fintech investments; Azimut Capital Tech, in cooperation with **Borsa del Credito**, and Azimut Direct, in partnership with **Epic**, allows an efficient and rapid lending process and management of the underlying risk.

All these projects were developed during 2020, a **record year** for the Azimut Group, with a **net profit of 382 million euro**, a **net weighted average performance to clients of + 14%** in ca. two years, and **total assets** reaching the highest result ever at **70 billion euro**. The latest developments in the real economy have helped to reach total AUM of **2.2 billion euro** in the private markets segment, exceeding the 2 billion target set for the end of 2020 thanks to growth both in Italy and in the United States. Furthermore, today the Group announced a **strategic investment in HighPost Capital, a private equity manager specialized in the consumer sector Bezos and Moross families**. David Moross, HighPost Managing Partner and CEO, has known and worked with Mark Bezos and his family for many years. Together, they formed HighPost Capital in 2019, **combining David's extensive experience in the consumer private equity sector, with the Bezos family's experience and network in the global consumer sector and knowledge of consumer behavior**.

Giorgio Medda, Co-CEO and Global Head of Asset Management, comments: *"We believe that the scope of the innovation presented today is similar to the one introduced in the 1980s with the first mutual funds. We are exploring new territories that in the not too distant future will revolutionize the asset management industry. Illiquid assets, sought after for their positive performance, can become liquid and transferable, allowing us to achieve a real and democratic portfolio diversification accessible to all investors. Today, Azimut's clients and financial advisors are the first in Italy to access the new frontier of asset management with constant and fintech-driven product evolution"*.

Gabriele Blei, CEO of Azimut Group, comments: *"Today's announcement confirms our commitment to grow in the real economy, using the dynamism and innovation that always distinguished the Group in Italy and abroad. The record results of 2020, with a net profit of 382 million euros and a net weighted average performance to clients of + 14% in ca. 2 years, allow us to continue investing in the evolution of products and services for our customers, confirming Azimut is at the forefront of the Fintech segment, which will become more and more important within our Company. The history of Azimut and its growth in international and especially emerging markets, as well as in the private markets, confirm our desire to innovate and find investment solutions that are able to generate positive performance in the medium and long term. "*

<sup>\*\*\*</sup>(i) ELTIF PIR Capital Solutions, (ii) ELTIF PIR Digital Lending, (iii) FIA Private Debt Multi Strategy

**Azimut** is Italy's leading independent asset manager (active since 1989). The parent company Azimut Holding was listed on the Italian stock exchange on 7 July 2004 (AZM.MI) and, among others, is a member of the main Italian index FTSE MIB. The shareholder structure includes over 2,200 managers, employees and financial advisors bound by a shareholders' agreement that controls ca. 21.8% of the company. The remaining is free float. The Group comprises various companies active in the sale, management and distribution of financial and insurance products, with Registered Offices mainly in Italy, Luxembourg, Ireland, China (Hong Kong and Shanghai), Monaco, Switzerland, Taiwan, Brazil, Egypt, Singapore, Mexico, Australia, Chile, USA, UAE and Turkey. In Italy, Azimut Capital Management SGR sells and manages Italian mutual funds, Italian alternative investment funds, as well as being active in the discretionary management of individual investment portfolios. Furthermore, Azimut Capital Management SGR, following the demerger by incorporation of Azimut Consulenza SIM, distributes Group and third-party products in Italy via a network of financial advisors while Azimut Libera Impresa focuses on the Alternatives business. Overseas main operations are Azimut Investments (formerly AZ Fund Management, founded in Luxembourg in 1999), which manages the multi strategy funds AZ Fund 1 and AZ Multi Asset and the Irish Azimut Life DAC, which offers life insurance products.

**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 learn more about Sygnum, please visit [www.sygnum.com](http://www.sygnum.com)

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