



PRESS RELEASE

Coinify and Galaxus enable world's first e-commerce payment using Sygnum Bank DCHF stablecoin.

ZURICH, 27 August 2020 – Sygnum Bank, Coinify and Galaxus announce the world's first e-commerce transaction using a bank-issued stablecoin. The Sygnum Digital Swiss Franc (DCHF), pegged 1:1 with the Swiss Franc, eliminates the need for card systems, reduces costs and fraud, and processes transactions in real-time. This seamless connection between the digital and traditional economies has the potential to revolutionise the USD 3.5 trillion e-commerce industry and forge direct connections between consumers and online retailers.

In a world first, Sygnum's Digital Swiss Franc (DCHF) stablecoin has been successfully used for an e-commerce payment transaction with leading Swiss online retailer, Galaxus. The transaction was enabled by the digital currency platform provider, Coinify¹.

Over USD 3.5 trillion per year², including USD 11 billion in Switzerland³, pass through a chain of payment service providers and card systems during e-commerce transactions. The multiple processes required to approve and facilitate payments provides opportunities for fraud and increase online retailers' transaction costs and chargebacks.

The value of Sygnum's DCHF is pegged 1:1 to the Swiss Franc. When used for e-commerce payments, no intermediaries are involved, and the transactions happen in real-time with stable values. This reduces costs for online retailers by eliminating card systems and protecting against fraud, as well as simplifying and speeding the customer purchase experience. This seamless connection between the digital and traditional economies has the potential to revolutionise the e-commerce industry and forge direct connections between consumers and online retailers.

"With the DCHF and other digital currencies, the future of money is going back to its roots; exchanged between two parties, instantly and simply," says Mark Højgaard, Coinify's CEO. "This speaks volumes about the potential of trusted, price-stable digital currencies in the e-commerce space", he adds.

"Galaxus strengthened its position as an e-commerce pioneer by accepting digital currencies as a means of payment in early 2019," comments Thomas Fugmann, Galaxus' CFO. "Enabling our customers in Switzerland and Liechtenstein to make payments on our online store with stable digital currencies like the DCHF further enhances their convenience," he also says.

Unlike unaudited stablecoins issuers, Sygnum is a regulated bank that holds as collateral one Swiss Franc in the Swiss National Bank for every DCHF it generates in its client accounts. DCHF also facilitates Sygnum's innovative tokenization solution that generates digital versions of assets like company shares and real-estate on the blockchain that can be securely traded, paid for, and delivered instantly.

"This transaction is a further proof-point of the value of Sygnum's DCHF and its potential to drive digital transformation in major global industries like e-commerce and payments," says Martin Burgherr, Sygnum Bank's Chief Client Officer. "We continue to innovate and foster partnerships such as this to accelerate the development of the global digital asset economy" he adds.

A video on this announcement produced by Frost and Sullivan can be viewed here: <https://www.insights.sygnum.com/post/coinify-and-galaxus-enable-world-s-first-e-commerce-payment-using-sygnum-bank-dCHF-stablecoin>

¹ In this first phase, the Galaxus DCHF payment option is only available to a select group of Swiss customers.

² <https://www.statista.com/statistics/379046/worldwide-retail-e-commerce-sales/>

³ <https://www.handelszeitung.ch/konjunktur/der-e-commerce-der-schweiz-knackt-die-10-milliarden-grenze>



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. For more information, please visit www.sygnum.com.

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About Coinify

Since 2014, Coinify has pioneered the blockchain ecosystem by enabling some of the first blockchain-based payments for traditional Payment Service Providers. Today, Coinify provides a wide range of blockchain financial services, partnering with some of the largest global operators of digital asset trading and payment operations.

Coinify is led by an experienced executive management team from the financial sector and chaired by Alfred W. Moeckli, former Group CEO of VP Bank. Coinify's compliant track record and proven technology platform enables Coinify to provide its partners with bank-grade, scalable and secure blockchain financial services.

Recent industry awards and recognitions include: Best Practices Award for 'Global Blockchain-based Platform for Financial Services Growth Excellence Leadership Award 2019' by Frost & Sullivan; 'Diversity Award 2019' by EWP; 'Emerging Star – Fintech 100' by KPMG & H2 Ventures; 'Top 100 FinTech Europe' 2017 & 2016; Nordic Startup Award for 'Best Fintech Startup Denmark 2017'; and '#22 in Top 50' Financial IT Pathfinder Ranking.

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About Galaxus

Galaxus is the largest Swiss online shop with a steadily growing range of products for almost all daily needs. Galaxus enables a comfortable and efficient shopping experience at consistently low prices. At the same time, Galaxus creates a comprehensive platform for inspiration, information and communication that invites customers to actively participate.



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