



galaxy

Galaxy, DWS and Flow Traders Announce Intention to Launch AllUnity to Issue a Regulated EUR-Denominated Stablecoin

AllUnity is expected to unlock the potential of the on-chain economy and accelerate mass adoption of tokenized assets

LONDON — December 13, 2023 – [Galaxy](#) (TSX: GLXY) has announced today the intended formation of AllUnity, as part of a new partnership between DWS, Flow Traders and Galaxy, whose mission is to revolutionize the on-chain economy by issuing a fully collateralized EUR-denominated stablecoin. AllUnity will be regulated by BaFin, Germany’s financial supervisory authority. AllUnity’s longer-term focus will be to accelerate mass market adoption of digital assets and tokenization.

AllUnity’s partners consist of three world-class firms with significant market reach and experience in developing and distributing leading financial products to investors in a regulatory-compliant manner. The partnership will combine DWS’ strong portfolio management and product structuring capabilities, Flow Traders’ leading liquidity provisioning expertise and connectivity in both traditional and digital assets globally, and Galaxy’s technical infrastructure and track record of delivering innovative digital asset solutions to investors. As a result, AllUnity will be well-positioned to deliver the leading regulated EUR-denominated stablecoin for institutional, corporate, and private user adoption. In addition, Galaxy’s wholly-owned subsidiary [GK8](#) will license its tokenization and custodial technology to support AllUnity in developing its stablecoin.

AllUnity will launch during a period of increased regulatory clarity in the digital assets space within the EU, following the newly adopted Markets in Crypto Assets Regulation (MiCAR). The introduction of MiCAR provides a harmonized legal framework for stablecoins intended to result in greater protection for all market participants. AllUnity will initiate the process of applying for an E-money license with BaFin, with the intention of launching the stablecoin in 12-18 months. The launch of AllUnity is subject to certain conditions precedent, including but not limited to the receipt of required approvals from BaFin and competition authorities.

The partners intend to appoint Alexander Höptner as Chief Executive Officer of AllUnity. They believe Alexander brings distinct experience and vision to build and successfully lead the business. His experience in developing crypto products, expertise in broader traditional market structure, and in-depth financial industry knowledge are key attributes that the partners believe will help Alexander successfully bring this business to market.

“The envisaged partnership between DWS, Flow Traders and Galaxy is unique. Their market reach and expertise will enable AllUnity to develop a go-to-market strategy for a viable EUR-denominated stablecoin in order to advance the on-chain economy. AllUnity will also be able to leverage MiCAR, which we believe will contribute to growing the stablecoin market as it provides a robust regulatory framework that enhances investor protection and market integrity,” said Alexander Höptner, designated CEO, AllUnity. “Given today’s market developments, I am personally excited about the prospects of AllUnity and honored to have been chosen as its designated CEO. In the coming period, we will focus on building a strong team of talented crypto, financial markets, technology, and regulation experts to deliver on our mission.”

“Digital currencies are the natural evolution of the world’s payment system, and Europe – a region at the forefront of the exploration of safe, secure digital money – is paving the way for this inevitable shift. We are excited to collaborate with DWS and Flow Traders, two financial trailblazers and pioneers, to introduce an open, fungible, and interoperable EUR-denominated stablecoin that will enable investors across the world to gain access to the burgeoning digital asset space,” said Mike Novogratz, CEO and Founder, Galaxy. “Further, this partnership will accelerate our growth strategy, with our wholly-owned subsidiary GK8’s novel tokenization and custodial technology supporting AllUnity as it drives mass adoption of stablecoins in a relatively nascent segment.”

“Through the future creation of AllUnity, we will bridge the gap between the traditional and digital finance ecosystems to build a core infrastructure provider that facilitates secure on-chain settlement for institutional, corporate and private use. For instance, corporates with IoT (Internet of Things) businesses could use our regulated EUR-denominated stablecoin to make payments in fractions and 24/7 securely, and at their own convenience,” said Stefan Hoops, CEO, DWS. “We look forward to the collaboration with our partners and to enhancing investor access to digital assets for the future.”

“To truly democratize global financial markets, transparency, efficiency and accessibility needs to be fostered and embraced by all market participants. The tokenization of financial assets will play a significant role and contribute to improving financial markets as well as bringing a new level of maturity to the digital asset space. We are therefore thrilled to be launching AllUnity and the subsequent issuance of a EUR-denominated stablecoin in collaboration with DWS and Galaxy,” said Mike Kuehnel, CEO, Flow Traders. “This partnership will introduce an unmatched proposition in the marketplace by leveraging the vast opportunities presented with the improved regulatory landscape in Europe. AllUnity will also expand Flow Traders’ strategy to accelerate financial market innovation and the diversification of our core trading capabilities as well as continuing to bring value to our stakeholders and the broader digital asset ecosystem.”

Notes to editors

- The creation of AllUnity is subject to certain conditions precedent, including but not limited to the receipt of required approvals from BaFin and competition authorities.
- AllUnity will be incorporated in Q1, 2024 and headquartered in Frankfurt, Germany.
- It is envisaged that Alexander Höptner will formally become AllUnity’s CEO once incorporation of AllUnity has been completed.

About AllUnity

AllUnity will be a financial infrastructure provider, with the mission to launch the leading regulated EUR-denominated stablecoin to unlock greater institutional adoption of tokenized assets. AllUnity also seeks to bridge the Decentralized Finance and Traditional Finance ecosystems and enable market participants to access the developing on-chain economy. AllUnity is backed by a set of industry-leading partners, DWS, Flow Traders and Galaxy, who will leverage their unique combination of expertise, market reach and infrastructure to bring to market a EUR-denominated stablecoin and drive the accelerated mass market adoption of tokenization.

About Designated CEO Alexander Höptner

It is envisaged that Alexander Höptner will become the CEO of AllUnity. He will lead the development of AllUnity, including obtaining the regulatory approvals to launch a EUR-denominated stablecoin. Prior to this role, Alexander served as Group CEO at 100x Group, the holding structure for the BitMEX platform. Before that, Alexander was with Börse Stuttgart GmbH and Euwax AG, where he served as CEO. The Börse Stuttgart exchange became a pioneer of digital asset trading under Alex’s leadership as the European Union’s first traditional exchange operator to offer crypto markets. He previously held executive committee roles for Deutsche Börse AG, operator of the Frankfurt Stock Exchange, where he worked for

15 years before leaving to establish two start-ups for the trading of virtual assets on blockchain in the gaming industry.

About Galaxy

Galaxy (TSX: GLXY) is a digital asset and blockchain leader providing access to the growing digital economy. We serve a diversified client base, including institutions, startups, and qualified individuals. Since 2018, Galaxy has been building a holistic financial platform spanning three complementary operating businesses: Global Markets, Asset Management, and Digital Infrastructure Solutions. Our offerings include, amongst others, trading, lending, strategic advisory services, institutional-grade investment solutions, proprietary bitcoin mining and hosting services, network validator services, and the development of enterprise custodial technology. The company is headquartered in New York City, with offices across North America, Europe, and Asia.

Additional information about the Company's businesses and products is available on www.galaxy.com.

About DWS Group

DWS Group (DWS) with EUR 860 billion of assets under management (as of September 30, 2023) aspires to be one of the world's leading asset managers. Building on more than 60 years of experience, it has a reputation for excellence in Germany, Europe, the Americas, and Asia. DWS is recognized by clients globally as a trusted source for integrated investment solutions, stability, and innovation across a full spectrum of investment disciplines.

We offer individuals and institutions access to our strong investment capabilities across all major liquid and illiquid asset classes as well as solutions aligned to growth trends. Our diverse expertise in Active, Passive and Alternatives asset management complements each other when creating targeted solutions for our clients. Our expertise and on-the-ground knowledge of our economists, research analysts and investment professionals are brought together in one consistent global CIO View, giving strategic guidance to our investment approach.

DWS wants to innovate and shape the future of investing. We understand that, both as a firm as well as a trusted advisor to our clients, we have an important role in helping navigate the transition to a more sustainable future. With approximately 3,800 employees in offices all over the world, we are local while being one global team. We are committed to acting on behalf of our clients and investing with their best interests at heart so that they can reach their financial goals, no matter what the future holds. With our entrepreneurial, collaborative spirit, we work every day to deliver outstanding investment results, in both good and challenging times to build the best foundation for our clients' financial future.

About Flow Traders

Flow Traders (Euronext: FLOW) is a global trading firm providing liquidity in multiple asset classes, covering all major exchanges and trading venues. Founded in 2004, Flow Traders is one of the leading ETP market makers and has leveraged its expertise to expand into fixed income, commodities, FX and digital assets. Flow Traders' role in financial markets is to ensure the continuous availability of liquidity and enabling investors to continue to buy or sell financial instruments under all market circumstances, thereby ensuring markets remain resilient and continue to function in an orderly manner. In addition to its core trading and market making activities, Flow Traders has established a strategic investment unit focused on fostering innovation in global financial markets, aligned with the firm's mission to bring greater transparency and efficiency to the financial ecosystem. With nearly two decades of experience, Flow Traders built a dedicated team of over 600 talented professionals, located globally in all major financial hubs, contributing to the firm's entrepreneurial culture, and delivering the company's mission for financial markets.

Disclaimers

The TSX has neither approved nor disapproved the contents of this press release.

CAUTION ABOUT FORWARD-LOOKING STATEMENTS

This release contains certain forward-looking information and forward-looking statements, as defined in applicable securities laws (collectively referred to herein as "forward-looking statements"). These forward-looking statements relate to the AllUnity's launch, mission, focus and ability to deliver a leading regulated EUR-denominated stablecoin and acceleration of the Company's growth strategy. All statements other than statements of historical fact are forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects", "budget", "scheduled", "estimates", "continues", "forecasts", "projects", "predicts", "intends", "anticipates" or "believes", "seeks" or variations of, or the negatives of, such words and phrases, or state that certain actions, events or results "may", "could", "would", "should", "might" or "will" be taken, occur or be achieved. The forward-looking statements contained in this release are based on our current expectations and beliefs concerning future developments and their potential effects on us taking into account information currently available to us. There can be no assurance that future developments affecting us will be those that we have anticipated. Forward-looking statements involve known and unknown risks uncertainties and other factors that may cause actual results to differ materially from those anticipated in such forward-looking statements. Inherent in forward-looking statements are risks, uncertainties and other factors beyond the Company's ability to predict or control. The forward-looking statements are subject to the risk that AllUnity does not achieve the necessary regulatory approvals to launch or has other unanticipated challenges impacting its launch, incorporation and its ability to achieve its mission and focus, including therefore, that the project does not impact the Company's growth. They are also subject to the risks described in the Risk Factors section of the Annual Information Form ("AIF") dated March 28, 2023 of Galaxy Digital Holdings Ltd. Factors that could cause outcomes to differ materially from those described in such forward-looking statements include, but are not limited to, global regulatory developments, particularly those that related to Euro-denominated stablecoins, the E-money license and BaFin; a decline in the digital asset market or general economic conditions; a delay or failure in the ability to launch or incorporate AllUnity and hire the necessary team to achieve the launch; and changes in applicable law or regulation. Readers are cautioned that such risk factors, uncertainties and other factors are not exhaustive. Actual results and developments are likely to differ, and may differ materially, from those expressed or implied by the forward-looking statements in this release. The forward-looking statements in this release are applicable only as of the date of this release or as of the date specified in the relevant forward-looking statement and the Company does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by applicable securities laws. Investors are cautioned that forward-looking statements are not guarantees of future performance and are inherently uncertain. Accordingly, investors are cautioned not to put undue reliance on forward-looking statements.

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