

Azimut successfully tokenizes units of a Luxembourg Investment Fund in collaboration with BNP Paribas and Allfunds Blockchain

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Azimut Group, through Azimut Investments S.A., Allfunds Blockchain and BNP Paribas's Securities Services business have finalised the first phase of a joint blockchain initiative, through the tokenisation of units in AZ RAIF I - Absolute Non-Performing Assets domiciled in Luxembourg, one of the Group's private debt strategies. Specifically, this fund is focused on a diversified portfolio of asset-backed securities (ABS) with underlying assets represented by various kind of Non-Performing Exposures, spanning from banks-originated NPLs to receivables from insolvency procedures and to unpaid utilities bills.

This is a further step into the world of decentralised finance for the Azimut Group, which was the first asset manager to launch a security token linked to a portfolio in loans to SMEs in 2021.

The objective of this new initiative has been to evaluate the distributed ledger technology (DLT) efficiency in processing major dealing operations. The model aims to facilitate the processing of transfer orders between investors in Azimut Funds on a blockchain ecosystem offered by Allfunds Blockchain.

Adopting Allfunds Blockchain's know-how and network enables parties to trace all connected operations in real time, increasing transparency and effectiveness.

BNP Paribas's Securities Services business, acting as service provider, has integrated Allfunds Blockchain with its legacy system. The smart contracts on Allfunds Blockchain's platform cover every stage of a tokenized Fund, and its interface layer has made it possible for participants' legacy systems to be seamlessly integrated.

Giorgio Medda, Azimut Group CEO, Global Head of Asset Management and Fintech said: *"Azimut is once again a pioneer in the market realizing one of the very first tokenisations of units of a fund at a European level. We are excited to have completed this transaction as it adds latitude to our asset management model which is now incorporating a full range of private markets strategies for the benefit of our investors' diversification. The tokenization paves the way for a greater inclusion in clients' asset allocation as the technology enhances the liquidity profile of investments in private markets. The revolutionary scope of this initiative will also strengthen the development of our neoLending project, aiming to provide an alternative financing channel for Italian SMEs funded by our private debt solutions with the power of fintech, already complementing origination and risk management in our strategies. Our next step will be the launch of a fund with native tokenized units which will allow us to fully leverage the operational benefits of the blockchain technology along the whole value chain of our industry"*.

Rubén Nieto, Managing Director of Allfunds Blockchain, commented: *"We are extremely proud to provide our technology to two major players at the forefront of innovation in the fund industry. This achievement illustrates our vision for blockchain: collaborating with all key players in the value chain to maximise the potential of this technology and bring about tangible advantages across a range of application cases. With our two partners, we look forward to advancing the sector even farther into the future"*.

Paul Daly, Head of Distribution Products and Solutions, Securities Services at BNP Paribas, added: *"BNP Paribas has been looking into the DLT space for fund distribution for several years and we consider the technology to have the potential to improve efficiency and transparency in the fund industry. We are excited to help lay the foundations in this exciting initiative and explore future phases in the sector as the market evolves"*.

Azimut is an independent, global group in the asset management, wealth management, investment banking and fintech space, serving private and corporate clients. A public company listed on the Milan Stock Exchange (AZIM.IVM), the group is a leader in Italy and active in 18 countries around the world, with a focus on emerging markets. The shareholder structure includes over 1,900 managers, employees and financial advisors bound by a shareholders' agreement that controls ca. 21% 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, Australia, Brazil, Chile, China (Hong Kong and Shanghai), Egypt, Ireland, Luxembourg, Mexico, Monaco, Portugal, Singapore, Switzerland, Taiwan, Turkey, UAE and USA. 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 distributes Group and third-party products in Italy via a network of financial advisors while Azimut Libera Impresa focuses on the alternatives business. The main foreign companies are Azimut Investments SA (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.

Allfunds

Allfunds Blockchain is a standalone company within the Allfunds Group. Allfunds Blockchain develops a revolutionary technology with features that have not been available on the market to date, which generate a unique environment of security, privacy and data governance among financial institutions and enables new capabilities for programming and automating processes through smart contracts.

Allfunds (AMS:ALLFG) is one of the leading B2B WealthTech platforms for the funds industry, offering fully integrated solutions for both Fund Houses and Distributors. Allfunds, founded in 2000, has built and continues to evolve an ecosystem that covers the entire fund distribution value chain and investment cycle. It remains the sole fully integrated one-stop-shop in the industry. As of 31.12.2022 its assets under administration were of nearly €1.3 trillion.

Securities Services at BNP Paribas (securities.cib.bnpparibas)

BNP Paribas's Securities Services business is a leading global custodian providing multi-asset post-trade and asset servicing solutions to buy-side and sell-side market participants, corporates and issuers. With a global reach covering 90+ markets, its custody network is one of the most extensive in the industry, enabling clients to maximise their investment opportunities worldwide

Contatti - Azimut Holding S.p.A.

www.azimut-group.com

Media Relations

Maria Laura Sisti (Esclapon & Co.)

Tel. +39 347 42 82 170

Email: marialaura.sisti@esclapon.it

Viviana Merotto

Tel. +39 338 74 96 248

Email: viviana.merotto@azimut.it