

Blockchain Security Company CoolBitX Raises USD \$16.75 Million Series B Funding Round

Investment round was led by SBI Crypto Investment Co., Ltd., with Monex Group, BitSonic, and the National Development Fund of Taiwan in participation

CoolBitX, a blockchain security company that is building the infrastructure necessary to close the gap between the mainstream market and crypto industry, announced today that it has closed USD \$16.75 million in its Series B funding round, led by Japan's financial group SBI Holdings, with participation from the National Development Fund of Taiwan, Korean crypto exchange BitSonic, and another Japanese financial group Monex. With this funding, CoolBitX lays down its strategy for 2020: Having rooted its market dominance in Asia, CoolBitX is expanding the Sygna product line's presence beyond the APAC region as the first-to-market FATF-compliant solution for virtual asset service providers (VASPs) around the world. Regarding bluetooth enabled hardware wallet CoolWallet S, CoolBitX continues to innovate its flagship product with focus on top-of-the-line security, functionality, and usability.

Michael Ou, CEO of CoolBitX, said: "We are thrilled and encouraged by the support that we have received from our wider community of investors and partners on our journey. The blockchain and cryptocurrency industry is at a critical juncture. In the global blockchain race, the rate of adoption and innovation in Asia is undeniable, witnessed by regulatory developments and investments in the past year. Jurisdictions that have passed bills defining a clear set of rules for the industry — especially those surrounding KYC and AML — have seen major players in traditional finance enter the space, providing a clear blueprint for regulators around the world. Through Sygna and CoolWallet S, we're proud to develop the tools and infrastructure necessary to bridge the gap between the mainstream market and crypto industry. This latest funding round is a testament to our vision to help the industry mature and foster the mass adoption of virtual assets."

In June 2019, the Financial Action Task Force (FATF) released its latest standards for combating money laundering and terrorist financing, requiring VASPs of FATF member countries to comply with Recommendation 16 aka the "Travel Rule." With this rule, crypto exchanges must collect and transfer customers' personally identifiable information (PII) during transactions. CoolBitX launched Sygna Bridge in October 2019, providing VASPs with the first market-ready solution so that they may be fully FATF compliant.

More than 10 exchanges have signed Memorandums of Understandings (MOUs) with CoolBitX, joining a consortium of VASPs to begin or consider implementing Sygna Bridge. Currently, the consortium, named the Sygna Alliance, includes SBI VC Trade (JP), Coincheck (JP), Bitbank (JP), DMM Bitcoin (JP), BITpoint (JP), BitSonic (KR), MaiCoin (TW), BitoPro (TW), Ace (TW), and other exchanges throughout the APAC region, some of which have begun implementing or testing Sygna Bridge within their own infrastructures. Ou continues, "Sygna's progress has been in line with the strides made in crypto

KYC/AML in various Asian jurisdictions, especially Japan. As such, CoolBitX will be establishing a Sygna entity in Japan this year as we are committed to having open dialogues with local stakeholders.”

Yoshitaka Kitao, President and CEO of SBI Holdings, Inc., says of the announcement: “As one of the early investors in CoolBitX, SBI Holdings is happy to see the breakthroughs made by the CoolBitX team to drive cryptocurrency adoption forward. As such, we are delighted to participate in our second tranche of investment in CoolBitX. The borderless nature of digital assets requires a solution that isn’t bound by geographical boundaries and we are proud to partner with CoolBitX on their journey to bring a secure and easy-to-implement system to the world.”

Oki Matsumoto, Chairman and CEO at Monex Group, states: “As the owner of cryptocurrency exchanges both in Japan and US, we see huge potential in CoolBitX as it continues to innovate in a fast-paced environment where changes happen constantly. CoolBitX has proven its ability to be nimble and work hand-in-hand with various entities to ensure proper adoption of virtual assets. The in-market solution developed by CoolBitX shall lead more exchanges to participate in the crypto business, expediting the development of and increasing the sound competition within the industry.”

“As a leading crypto exchange in South Korea, BitSonic is well-known for our ability to build a strong and loyal customer base,” says BitSonic CEO Jinwook Shin. “As a member of the Sygna Alliance, and now an investor in CoolBitX, we have seen the way Sygna Bridge performs first hand and believe in the CoolBitX’s vision. We look forward to partnering more intimately with the CoolBitX team moving forward.”

Founded and based in Taiwan in 2014, CoolBitX has been at the helm of Taiwan’s crypto and fintech revolution. As a fintech entrepreneur, Ou is immersed in the development of Taiwan’s fintech industry. Ou is also the chairman of SmartDisplayer Technology, a 20-year old family business and publicly traded company that pioneered banking security solutions.

Chen Mei-ling, Minister of the National Development Council, “CoolBitX and Michael Ou have been a steady presence in the growing Taiwanese blockchain space. The National Development Fund of Taiwan aims to accelerate innovation and promote economic transformation to support the growth of the Taiwanese economy. CoolBitX is a highlight of the Taiwanese startup community. We are proud to support a home-grown Taiwanese firm like CoolBitX as it continues to accelerate its growth onto the global stage.”

Michael Ou, CEO of CoolBitX, is available for interview.

About CoolBitX

CoolBitX Technology Ltd. (CBX) is an international blockchain security company that is building the infrastructure necessary to close the gap between the mainstream market and crypto industry. Founded in 2014 by Michael Ou and backed by SBI Holdings, CoolBitX provides solutions for a rapidly-changing blockchain industry in order to foster

the mass adoption of virtual assets through its two product lines: CoolWallet S and Sygna. CoolWallet S is a credit card-sized hardware wallet that allows for Bluetooth-enabled pairing with users' mobile phones. The Sygna line of regulatory compliance products are tailored toward Virtual Asset Service Providers (VASPs), simplifying the process for VASPs to meet the compliance standards of the traditional financial industry and improve the reputation of the virtual currency industry. For more information on CoolBitX, visit <https://coolbitx.com/>.

About Sygna Bridge

As part of CoolBitX's new line of regulatory compliant products tailored toward Virtual Asset Service Providers (VASPs), Sygna Bridge is a compliant, user friendly, and secure data exchange solution that allows VASPs to communicate regulation-ready information. For VASPs licensed or registered in any of the 200 global jurisdictions committed to FATF Recommendations, Sygna Bridge is a first-to-market solution that simplifies the complex and labor-intensive task of meeting the "travel rule" as defined in FATF Recommendation 16 and the BSA's funds transfer rule. Sygna Bridge was created to close the gap in compliance standards between the mainstream market and the crypto industry. For more information on Sygna, visit <https://sygna.io/>.