

## **Arcane Crypto increases its ownership stake in Bitcoin derivatives platform LN Markets to 16%**

*Stockholm, April 16, 2021 – Arcane Crypto AS, a fully owned subsidiary of Arcane Crypto AB, (collectively “Arcane”) has entered into an Investment Agreement to increase its ownership in ITOAM (ITÖ) the owner of the Bitcoin Lightning Network based trading platform LN Markets (“LN Markets”) from current 7% to 16%, by a cash investment of EUR 1,500,000.*

### **About LN Markets**

LN Markets is a trading platform built on the Bitcoin Lightning Network and uses Bitcoin, paid and settled over the Network as collateral for derivatives trading. Currently LN Markets only provides Bitcoin derivatives but will soon be expanding their product offering.

The use of instant and almost costless transactions and Bitcoin Lightning Network technology enables LN Markets to provide highly leveraged derivatives with minimal counterparty risk for traders. Using the highly liquid 24/7/365 traded bitcoin as collateral also limits the risk exposure. LN Market’s set-up and APIs further enables almost anyone with a Bitcoin Wallet with Lightning technology rapid access to derivatives trading directly from their wallet. This provides LN Markets with the opportunity to scale the business globally and the team are already exploring potential partnerships.

With this new type of trading platform providing low cost and easy to use access to crypto derivatives trading, LN Markets are uniquely positioned to address demand in this emerging market. Despite trading on LN Markets only launching in March 2020 they have already seen impressive growth and positive user feedback. Gross trading volume (gross derivative exposure) on LN Markets was USD 6m, USD 5m, USD 30m, USD 94m in Q2 2020, Q3 2020, Q4 2020 and Q1 2021 respectively.

In addition to the founders of LN Markets, Fulgur Ventures and the bitcoin exchange Bitfinex are also shareholders in LN Markets.

For more information about LN Markets see <https://lnmarkets.com/>

*“We are excited about increasing our ownership stake in LN Markets. They share Arcane’s belief in the unique opportunities offered by the Bitcoin Lightning Network. In our view, there is no better cases study to illustrate how extremely efficient Bitcoin collateralized trading can be when using the Lightning Network, than LN Markets” says Torbjørn Bull Jensen, CEO of Arcane and continues “Their product is extremely scalable. After just one year in operation, they have shown the exponential growth to prove it. LN Markets is positioned to grow with the adoption of Lightning and potentially become one of the really big market players in the years ahead”.*

*“We are very happy to strengthen our partnership with Arcane. They are building one of the most fast-growing digital assets companies globally and they share our belief that Bitcoin is the best collateral and the best infrastructure to build the future of digital finance.” says Côme Jean Jarry, Co-Founder at LN Markets. “Arcane’s support is instrumental to scale our offering and build the leading Bitcoin derivatives trading platform.”*

*This information is information that Arcane is required to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the agency of the above contact person, for publication on April 16, 2021 at 8:44 CET.*



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**About Arcane Crypto**

Arcane Crypto develops and invests in projects, focusing on bitcoin and digital assets. Arcane operates a portfolio of businesses, spanning the value chain for digital finance. As a group we deliver services targeting payments, investment, and trading. In addition, we have a media and research leg.

Arcane has the ambition to become a leading player in the digital assets space by growing the existing businesses, invest in cutting edge projects, and through acquisitions and consolidation.

The Company is listed on Nasdaq First North Growth Market and Mangold Fondkommission is Certified Adviser, tel. +46 8 5030 1550, e-mail: [ca@mangold.se](mailto:ca@mangold.se), web: [www.mangold.se](http://www.mangold.se).

**About ITÖ**

ITÖ (<https://ito.am/>) is building on Bitcoin to offer very low latency and highly secure trading and clearing solutions. With a deep expertise in both finance and tech, and an acute understanding of the Bitcoin disruption, our team develops inventive products and services designed for financial markets professionals.