

Bank Frick is acquiring a stake in the Liechtenstein fintech corporate group 21.finance, the operator of the area2Invest multi-asset investment platform

21.finance AG is gaining a new strategic partner. Bank Frick is acquiring just over 25% of the share capital following a capital increase. The 21.finance investment platform enables issuers to digitally offer financial products through public and private placements. The platform will also issue blockchain-based, tokenised financial instruments in future.

Ruggell, Balzers (LI) – 21.finance AG, which is based in Liechtenstein, is to get a new shareholder. The Liechtenstein Bank Frick & Co. AG is acquiring just over 25% of the fintech group 21.finance, whose area2Invest platform connects both investors and issuers. The strategic investment by Bank Frick is effected through a capital increase at 21.finance.

21.finance offers capital-seeking companies a wide range of financing solutions and provides access to equity, mezzanine and debt capital. Its area2Invest platform supports issues primarily in the European Economic Area (EEA) and in Switzerland.

Bringing issuers and investors together

The focus of 21.finance lies on the systematic digitalisation and automation of processes, subject to compliance with statutory and regulatory requirements. Unlisted issuers also gain easier access to capital through 21.finance.

Registered and identified issuers can present and offer interested investors their structured financing proposals on area2Invest on a public or private basis (public or private placements, respectively).

Digital, automated processes

At the same time, strict compliance with anti-money laundering and anti-terrorism financing standards is part of all digitalised processes, both for issuers and investors. The platform also offers categorisation of investors in line with MiFID II provisions.

21.finance targets all investor groups. “Thanks to intelligent processes, we can present suitable offers to interested investors”, explains Max J. Heinzle, co-founder and CEO of 21.finance AG.

Confidence through transparency and communication

“Issuers must meet specific information and communication obligations”, says Heinzle. “The increased transparency plus the possibility of interaction are key defining features for issuers and create confidence among investors. The communication and reporting obligations also apply after the financing has been concluded”, notes Heinzle. In a further phase, area2Invest also intends to offer tokenised financial instruments.

“Bank Frick is intensively involved in blockchain banking. The transparent distribution of tokenised financial products is a strong argument for us taking a stake in 21.finance”, says Raphael Haldner, Head of Funds and Issues at Bank Frick. “The issuer and investor portal is an ideal fit with our digitalisation strategy, which focuses on financial intermediaries. For those intermediaries that are our clients, we offer an attractive information and distribution channel for their financial products. Moreover, we have the option of presenting and distributing our own products there.”

“Exciting possibilities for distribution”

Raphael Haldner was elected onto the Board of Directors of 21.finance following Bank Frick’s investment: “I am impressed with the professionalism and determination shown by 21.finance in dealing with the complex challenges of creating a platform that not only meets regulatory requirements but, due to its design, also offers exciting possibilities in terms of structuring and distribution.”

In the coming months, 21.finance will be further expanding the functionality of its platform to connect issuers and investors even more efficiently.

“Our aim is to grow and establish area2Invest as the leading multi-asset investment platform in Europe. To do this, we have found exactly the right strategic partner in Bank Frick and its EEA-wide licence as a universal bank”, concludes Max J. Heinzle.

About 21.finance AG

The fintech corporate group 21.finance AG was founded by Max J. Heinzle and Udo G. Oksakowski in March 2017 as a Liechtenstein company limited by shares (Aktiengesellschaft) with its registered office in Ruggell. In April 2017, 21.finance GmbH, a wholly owned Austrian subsidiary of 21.finance AG, was set up in Feldkirch.

The corporate group provides services in the areas of financing, financial planning, investments and finance, and also acts as an intermediary for equity investments and investment advisory services.

Under the brand name area2Invest, 21.finance AG operates a digitally integrated multi-asset investment platform aimed at connecting capital-seeking companies with investors. Investors are able to participate in investment projects in different yield and risk classes, either online or offline.

The fintech group is also subject to increased information and transparency regulations and, among others, bears the Austrian seal of approval for equity crowdfunding platforms.

About Bank Frick

Bank Frick is a family-run Liechtenstein bank with headquarters in Balzers. It was founded in 1998 by Kuno Frick Sr (1938–2017), with the majority now controlled by the Kuno Frick Family Foundation. Minority shareholder Net 1 UEPS Technologies, Inc. (Net1), holds 35 per cent of Bank Frick's share capital. Net1 is a financial technology company listed on the Nasdaq stock exchange in New York.

Bank Frick focuses on providing products and services for financial intermediaries such as fiduciaries, asset managers, payment service providers and fintechs.

One of Bank Frick's unique selling points is its high level of expertise in the regulated blockchain banking sector. The Bank supports Initial Coin Offerings (ICOs), provides custody of crypto assets and dealing services in leading cryptocurrencies for Bank Frick clients, and makes crypto assets bankable.

Bank Frick develops tailor-made funds for intermediaries and acts as a custodian bank.

It is the only bank in Liechtenstein with acquiring licences from Visa and MasterCard.

Bank Frick employs around 120 members of staff and operates a branch in London, UK.

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