



Korea's Pivotal Crypto Shift in 2025:

Expanding Beyond Retail Excellence

September 2025

FACTBLOCK

We extend our sincere gratitude to all participants of Korea Blockchain Week (KBW) 2025.

Korea occupies a unique and pivotal position in the global digital asset ecosystem, with a 32% market participation rate and an annual trading volume of KRW 2,500 trillion. The mature retail-centric market structure and accumulated infrastructure over the years represent competitive advantages rarely found in other countries.

This year's KBW convenes at a critical juncture as Korea's digital asset market transitions to a new growth phase. Through strengthening institutional foundations and harmonizing with global standards, the Korean market is evolving into a more mature and reliable investment environment.

This report provides KBW participants with comprehensive insights into the present state and future growth potential of the Korean market, enabling the exploration of concrete collaboration opportunities. We hope you gain deep understanding of the Korean market and achieve meaningful outcomes.

CEO Seonik Jeon



2025 marks a new turning point for Korea's digital asset market.

While the digital asset market previously focused on Web3.0 innovation and decentralization, the current mainstream theme centers on convergence with traditional finance. Bitcoin spot ETFs and KRW-based stablecoins exemplify this transformation, demonstrating the evolution of digital assets into institutional financial products.

Wavebridge operates at the forefront of these market changes, bridging institutional investors with the digital asset market. Korea's distinctive retail-centric structure, with 9.7 million investors participating, demands a differentiated approach from global standards. We will create new value by serving as a bridge between traditional finance and digital assets, leveraging Korea's unique market characteristics.

We hope this report provides practical assistance in navigating the rapidly evolving domestic digital asset market environment.

CEO Jongwook Oh

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EXECUTIVE SUMMARY

Expanding Beyond Retail Excellence

In 2025, South Korea's virtual asset market is emerging as one of the world's most attractive investment opportunities. With proven market demand built on the world's highest retail market participation rate, advanced financial product management capabilities and mature mobile payment ecosystem providing traditional finance connectivity, and clear regulatory framework aligned with global standards, market innovation through Bitcoin spot ETFs and Korean won stablecoins is becoming reality.

Strong Retail Foundation Established

Korea has built a robust retail foundation with 32% of the domestic population participating in virtual assets, generating annual trading volume of KRW 2,500 trillion—equivalent to 52% of traditional securities trading volume. The 99.9% retail investor structure has formed a unique "retail-first, institution-follow" model, distinct from major global markets that follow either "institution-first" or mixed patterns.

Institutional Market Entry Capabilities Secured

Bitcoin spot ETF introduction is being pursued based on KRW 170 trillion ETF management experience and policy support, while the KRW 3,100 trillion mobile payment ecosystem provides strong market potential for Korean won stablecoins. However, next-generation challenges remain, including completing institutional-grade custody service infrastructure and developing joint venture issuance models. Designing effective market entry strategies aligned with the regulatory environment will be key to success.

Clear Regulatory Environment Established

Among 27 domestic VASP operators forming the virtual asset ecosystem, large-scale institutional capital inflow is expected from 2026 with the full authorization of corporate trading. The legal foundation for virtual asset spot ETF launches is being established through capital market law amendments introduced in the National Assembly, while regulatory frameworks for stablecoins aligned with global standards including the GENIUS Act and MiCA are being simultaneously constructed, significantly reducing institutional uncertainty.

These changes provide Korea's unique competitive advantages. Bitcoin spot ETFs will create differentiated value through enhanced safety and convenience compared to direct investment, while Korean won stablecoins will offer low-cost, real-time settlement advantages over existing payment systems. The transformation of Korea's virtual asset market in 2025 represents more than simple product launches—it signifies a paradigm shift toward becoming a differentiated retail-centered market within the convergence of Web3.0 innovation and traditional finance.

KEY FACTOR 1: Strong Retail Foundation

1.1 Overview of Korea's Retail Digital Asset Market¹

As of January 2025, Korea's digital asset market has evolved into a large-scale retail-centric ecosystem with 9.7 million investors trading KRW 2,500 trillion annually. Operating with a 99.9% retail investor structure and 100% spot trading basis, the 12-year-developed digital asset infrastructure—including real-name account systems for retail investors and professional service ecosystems (law firms and accounting firms)—has secured global-level stability.

Korea's Digital Asset Market: Scale and Structural Characteristics

Robust Trading Volume and Market Share

Korea's 2024 annual digital asset trading volume of KRW 2,500 trillion represents 52% of the domestic securities market (KOSPI: KRW 2,675 trillion, KOSDAQ: KRW 2,100 trillion). This metric demonstrates the rapidly narrowing gap between the 70-year-old securities market and the 12-year-old digital asset market.

Exchange market share analysis reveals a duopoly structure with UPbit and Bithumb commanding approximately 95% of total trading volume. In the second half of 2024, daily average trading volumes were: UPbit KRW 4.6 trillion, Bithumb KRW 2.4 trillion, Coinone KRW 0.13 trillion, and Korbit KRW 0.02 trillion.

Spot-Only Market Structure

Korea's digital asset market uniquely operates with 100% spot trading. Current capital market regulations prohibit digital asset derivatives including futures, options, and swaps, making leveraged trading impossible.

The achievement of KRW 2,500 trillion trading volume solely through spot trading demonstrates the fundamental vitality of Korea's digital asset market. Should digital asset derivatives be permitted in the future, combined spot and futures trading volumes are expected to increase substantially.

Retail Investor-Centric Market Structure

The 2024 trading composition of 99.9% retail investors and 0.1% institutional investors represents Korea's unique characteristic. All trading volume is generated by retail investors, as corporate and institutional direct market entry has been largely restricted by past government policies and guidelines. While the Financial Services Commission announced a "Corporate Digital Asset Market Participation Roadmap" in early 2025 initiating phased corporate participation, the retail-centric structure currently persists.

¹ Wavebridge, Analysis, 2025

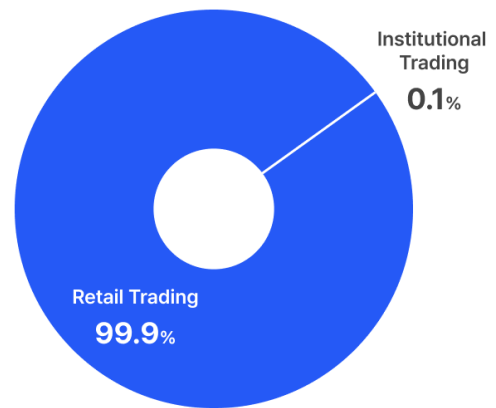
Korea Exchange (KRX), Key Equity Statistics: Trading Summary, 2025

Financial Services Commission (FSC, Korea), Results of the 2H 2024 Survey of Virtual Asset Service Providers, 2024

Coinbase: Investor Mix (Trading Volume Share)



Korea: Investor Mix (Trading Volume Share)



Source: Coinbase, Financial Services Commission (Korea), 2024

Market Maturity and Stability Indicators

Investor Segmentation and Asset Holdings

The largest demographic among domestic digital asset traders is those in their 30s. Asset holding analysis shows 6.37 million investors (66%) hold less than KRW 500,000, representing small-scale investors. Meanwhile, 1.21 million (12%) hold over KRW 10 million, with 220,000 (2.3%) large-scale holders possessing over KRW 100 million, forming a substantial high-value investor segment.

Market Stability and Trading Patterns

KRW deposits (ready-to-trade balances) by investors stood at KRW 10.7 trillion at end-2024, up 114% from KRW 5.0 trillion in June 2024. The average trading fee rate was 0.13%, down 0.02 percentage points from 1H 2024 amid intensifying competition among digital asset exchanges.

External digital asset transfers from VASPs totaled KRW 96.9 trillion in H2 2024, up 30% from KRW 74.8 trillion in H1. Travel Rule transfers between domestic registered businesses accounted for KRW 19.4 trillion (20%), while whitelist transfers (overseas businesses and personal wallets) comprised KRW 75.9 trillion (78%).

Mature Infrastructure Ecosystem and Institutional Development

Korea's digital asset infrastructure has achieved stability and reliability through 12 years of development. The real-name verification system implemented following the 2021 Act on Reporting and Using Specified Financial Transaction Information is recognized globally as a best practice for anti-money laundering and investor protection.

Major exchanges have demonstrated technical stability. UPBIT maintains transaction processing capacity of 1 million per second with over 99.9% system availability. Security measures include maintaining over 95% cold wallet ratios to minimize hacking risks.

The legal, accounting, and tax service ecosystem has accumulated substantial expertise. Korea operates approximately 15 specialized law firms, 12 accounting firms, and 30 tax service providers for digital assets, offering comprehensive services from exchange compliance to individual tax filing. This professional service infrastructure completeness is expected to serve as an institutional foundation for future digital asset product introductions and institutional market entry.

1.2 Korea's Global Competitive Advantages²

Korea's digital asset market participation rate of 32% ranks alongside the United States and Singapore (26%), significantly exceeding Germany and Japan. While major global markets exhibit 'mixed institutional and retail growth' patterns, Korea has formed a unique 'retail-centric' market structure. Domestic investment preferences favor altcoins like XRP over the global Bitcoin focus, with spot trading-centric regulations distinguishing Korea from derivatives-focused overseas markets. Following China's digital asset trading ban, Korea has emerged as Asia's trading hub with a massive retail base, while Singapore has established its position as a global financial hub.

Korean Market Characteristics Relative to Global Trends

Korea's Position in the Global Participation Spectrum

Approximately 9.7 million (32%) of Korea's 51 million population participate in the digital asset market, meaning one in three adults has digital asset investment experience. Singapore shows 1.5 million participants (26%) among 5.9 million population, while the United States has over 70 million participants (21%) among 330 million population, demonstrating high market participation rates.

Considering the global average digital asset ownership rate of 6.8%, Korea's 32% represents approximately 4.7 times the average, which shows Korea's leading position as a top-tier status globally.

Investment Preferences by Countries

Korea shows concentrated trading in diverse altcoins rather than Bitcoin and major digital assets, distinctly differentiating from global Bitcoin-centric patterns.

In the U.S. market, approximately 75% of holders own Bitcoin, demonstrating Bitcoin-centric investment patterns. Ethereum follows in popularity, with relatively conservative approach, preferring major coins.

Japan shows high XRP trading volume compared to other digital assets, though Bitcoin maintains dominant position in trading value terms. Germany similarly shows 85% of holders owning Bitcoin, demonstrating Bitcoin-centric patterns.

Global Comparison of Regulatory Environment and Market Structure

Korea faces structural differentiation from overseas markets with active derivatives, as only spot trading is permitted.

- United States: Bitcoin futures trading officially began on Chicago Mercantile Exchange (CME) and Chicago Board Options Exchange (CBOE) in December 2017, enabling both institutional and retail participation in regulated digital asset derivatives trading.
- European Union: Following MiFID II implementation in January 2018, countries have partially introduced management and licensing systems for digital asset derivatives. MiCA regulation fully applied from June 2024, comprehensively regulating all digital asset service providers.
- Japan adopted a proactive framework in April 2017 via amendments to the Payment Services Act,

² Wavebridge, Analysis, 2025

Korea Chamber of Commerce and Industry (KCCI), Public Perception Survey on the Digital-Asset Market, 2025

CoinGecko, State of Crypto Markets in Asia, 2024

DeSpread Research, 2024 Korea Retail Crypto Investor Trends Report, 2024

KCI-indexed paper, Characteristics and Current Status of Korea's Virtual-Asset Market, 2022

recognizing Bitcoin and other digital assets as a lawful means of payment and implementing a registration regime for exchanges. Approximately 30 registered exchanges operate, and strict new-listing rules limit the range of tradable coins compared with overseas venues.

Korea's Strategic Position Within Asia

Korea is recognized as an important digital asset economy in Asia based on high retail participation. Following China's May 2021 digital asset trading ban, regional trading volume has concentrated in Korea.

Evaluations like Henley & Partners' Crypto Adoption Index classify Korea as a top-tier country for digital asset adoption within Asia. This signifies high evaluation not only in trading volume but comprehensive aspects including infrastructure, regulatory environment, and technological innovation.

While Japan leads regulatory advancement and Singapore strengthens its global hub status, Korea has established a unique position by driving large-scale retail-centric growth through tailored regulations.

Future Market Outlook and Importance of Strengthening Institutional Foundation

Korea's continued growth potential becomes more solid based on global competitive advantages. Recent public surveys show 57.9% of respondents plan to expand digital asset investments, significantly exceeding those planning reduction (14.5%). Notably, 28.6% cited 'regulatory framework development prospects' as the primary reason for investment expansion, surpassing U.S. pro-crypto policies (22.6%) and domestic tax deferral (20.4%). Policy priorities for market development include 'Digital Asset Basic Act legislation' (26.3%), 'Digital asset spot ETF introduction' (20.9%), and 'Stablecoin regulatory framework introduction' (15.6%).

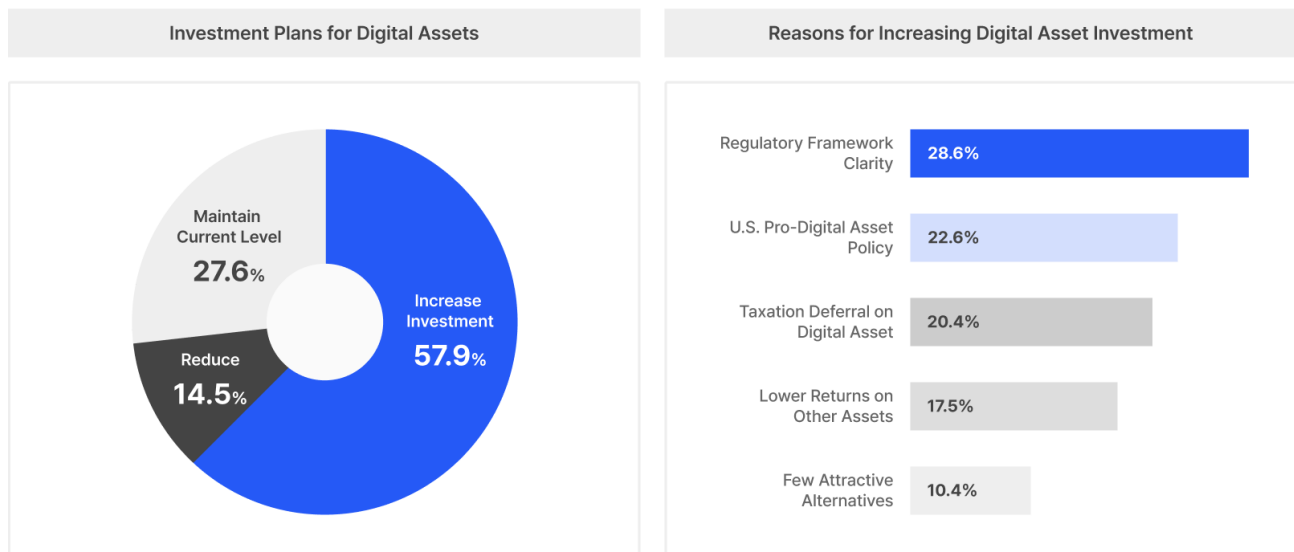
This demonstrates the market's desire for evolution toward a mature investment ecosystem based on institutional stability beyond speculative fervor. The strong retail foundation established by 9.7 million investors requires global-standard product diversification and clear regulatory frameworks for sustainable growth.

Therefore, to unlock Korea's potential in the digital asset market, a systematic analysis is needed of the key enablers—namely, the capacity to introduce regulated products such as ETFs and stablecoins, and the clarification of the supporting regulatory environment.

Sample Size: n = 2,259 (Korea)

Data Collection Period: 2025. 5. 19 ~ 5. 20

Context: With public interest in digital assets rising, the survey examined reasons for market preference, future investment plans, and policy priorities



Source: Korea Chamber of Commerce and Industry (KCCI), 2025

KEY FACTOR 2: Strategic Capabilities

2.1 Benchmarking Global Bitcoin Spot ETF Frameworks³

In January 2024, the U.S. SEC approved Bitcoin spot ETFs built on three pillars: robust market surveillance, strict operational controls, and transparent disclosure. The framework aims to match the market integrity of traditional securities while addressing digital asset specific risks. As Korea currently develops regulations for Bitcoin spot ETF introduction, the priorities are to benchmark these U.S. criteria, tailor surveillance to local market structure, and maintain alignment with global standards.

Global Bitcoin spot ETF Regulatory Framework

Key Elements of the U.S. SEC's Approval Criteria

The U.S. SEC required Bitcoin spot ETFs to maintain the same level of market integrity and investor protection as existing ETF products in January 2024. Core approval conditions included: comprehensive surveillance system establishment to prevent market manipulation, strict operational and custody standard compliance for investor protection, and information disclosure and index management system establishment for market transparency. This framework is evaluated as consistently applying traditional securities regulation principles while considering digital assets' unique characteristics and risks.

- **Surveillance Requirements for Market Manipulation Prevention:** SEC established rules to "prevent fraudulent and manipulative acts and practices" and "protect investors and public interest" as prerequisites for Bitcoin spot ETF listing, specifically mandating real-time trading data, order information, and market data sharing between exchanges, ETF issuers, and regulators through comprehensive Surveillance-Sharing Agreements.
- **Operational Standards for Investor Protection:** Codified Bitcoin spot ETF operational standards through July 2025 "Crypto Asset Exchange-Traded Products" regulations, stipulating private key storage policies and asset segregation obligations for custody security, and mandating specific methodology disclosure for NAV calculation.
- **Information Disclosure and Transparency Requirements:** SEC mandated identification of constituent exchanges used in index calculation, disclosure of market share and trading volume information, detailed explanation of exchange selection and calculation methods, and regulatory committee composition and operation disclosure for index transparency.

Implications for Korean Regulatory Environment

Characteristics of Domestic Market Structure

Unlike the United States, Korea's structure where UPbit and Bithumb command over 95% of total digital asset trading volume creates extreme market concentration. This concentration amplifies the market-wide impact of system failures or manipulation at minority exchanges, necessitating enhanced

³ U.S. Securities and Exchange Commission, Crypto Asset Exchange-Traded Products , 2025

U.S. Securities and Exchange Commission, Statement on the Approval of Spot Bitcoin Exchange-Traded Products, 2024

Sullivan & Cromwell Legal Review, SEC Issues Guidance on Crypto Asset Exchange-Traded Products, 2024

Coinbase, Monthly Outlook: Why an ETF Matters, 2024

surveillance requirements beyond U.S. standards.

Korea's retail-centric market fundamentally differs from the U.S. institution-first market. With only 100% spot trading permitted and derivatives hedging impossible, liquidity providers for digital asset spot ETFs face risk management constraints. Additionally, the "Kimchi Premium" divergence from global prices requires careful approach in Bitcoin spot ETF index composition.

Direction of Korean Regulatory Design

While the Capital Market Act amendment pending in the National Assembly would recognize digital assets as underlying assets upon passage, detailed operational standards and surveillance systems at SEC levels must be specified through subordinate legislation. Particularly crucial are cross-verification systems using global reference prices like CME CF Bitcoin Reference Rate and real-time price divergence monitoring systems given the monopoly structure of exchanges.

To provide a predictable regulatory environment, the Financial Supervisory Service (FSS) should clearly define its examination powers and procedures, as well as the sanctioning regime for violations; in parallel, market credibility and stability should be secured by establishing information-sharing arrangements with foreign regulators through an international cooperation systems analogous to a comprehensive surveillance-sharing agreement.

2.2 Assessing Korea's Readiness to Launch a Bitcoin Spot ETF⁴

Based on domestic digital asset market characteristics and government policy support, Korea's Bitcoin spot ETF launch prospects are positive, although structural challenges exist including legal and institutional gaps and infrastructure deficiencies. Leveraging rapid ETF market growth and institutional investor inflow opportunities while systematically managing financial stability risks and tax system requirements are key to successful introduction.

Foundations and Opportunities for Introducing a Bitcoin Spot ETF in Korea

Strong Market Base and Management Capabilities

Korea has a large digital-asset market base—approximately KRW 1,345 trillion, exceeding KOSPI trading value. Domestic ETF issuers also bring strong product-design and investor-convenience capabilities, grounded in experience operating an ETF market of about KRW 170 trillion. Looking ahead, customized products are feasible, such as Bitcoin–Ethereum exposures or yield-enhanced covered-call strategies. Listed ETFs in Korea also offer simplified tax filing and trade during regular trading hours, improving investor accessibility.

Policy Environment and Legislative Progress

With the current administration presenting Bitcoin spot ETF introduction as a campaign promise, the Financial Services Commission is expected to establish related policy directions in H2 2025. Additionally, the Capital Market Act amendment pending in the National Assembly includes digital assets in underlying and trust asset scope, establishing legal foundations. With global Bitcoin spot ETF

⁴ Coinbase, Institutional Monthly Review, 2024

Korea Exchange (KRX), Stock Market Key Statistics: Trading Summary, 2024

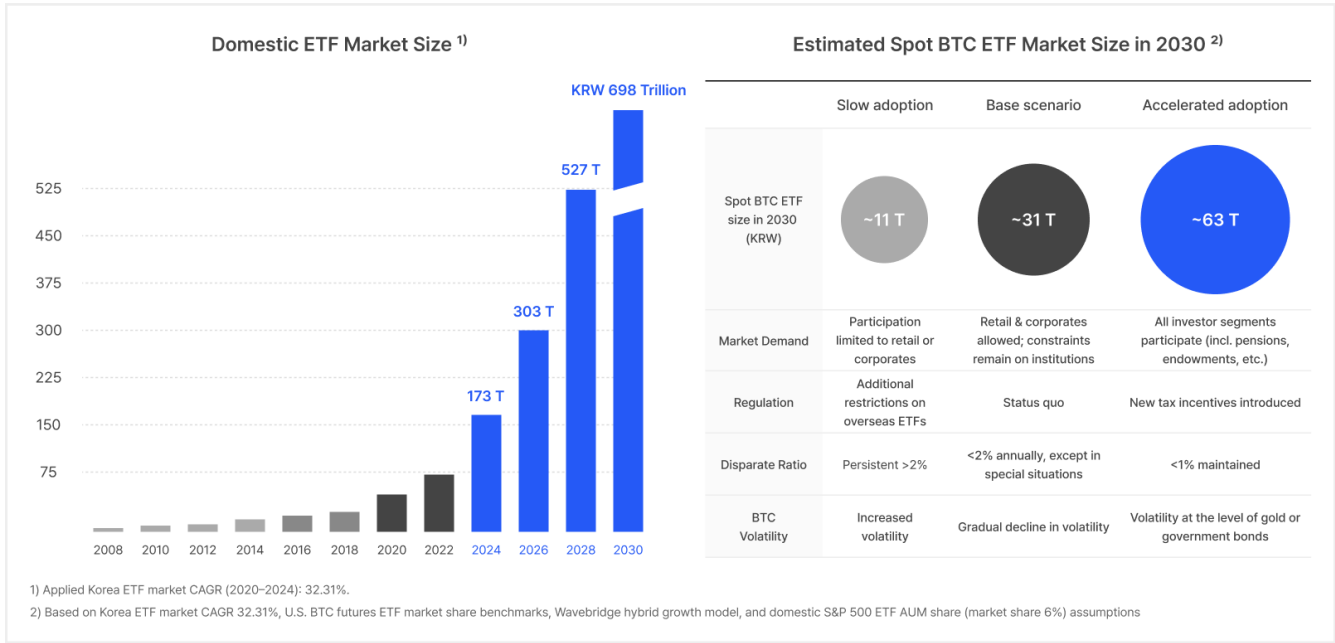
Yahoo Finance, BlackRock's Bitcoin ETF Application Takes Surveillance to the Next Level, 2023

Korea Capital Market Institute (KCMI), U.S. Moves Toward Listing Bitcoin spot ETFs, 2023

Xangle, Korea Virtual Asset Market Report: (1) Exchanges, 2022

assets reaching \$130 billion (approximately KRW 180 trillion) and major countries including Hong Kong and the UK successively approving, Korea is positioned to align swiftly with this global trend.

Market Projections for Korea's Spot Bitcoin ETF Launch



Source: KRX, Wavebridge, 2025

Opportunities to Develop Institutional-Grade Services

Increased large-scale Bitcoin custody demand provides new business opportunities for domestic financial institutions and IT conglomerates. Domestic VASP custody providers anticipate institutional rather than retail custody services as primary revenue sources, preparing for custody market expansion from Bitcoin spot ETF launches. Additionally, Bitcoin spot ETF launches are expected to catalyze domestic digital asset derivatives market creation. While currently only spot trading is permitted, the necessity for derivatives for risk management in ETF operations will likely create new opportunity areas in domestic digital asset derivatives markets.

The Need for a Korea-Specific Differentiation Model

Key differentiators are: (1) broad retail participation; (2) KRW-denominated ETFs that remove USD/KRW currency exposure and conversion costs; and (3) liquidity and market operations aligned to regular trading hours and distribution channels.

Unlike institution-first markets, Korea has a deep, proven retail base; the priority is channeling demand from exchange-based direct holdings into ETF-based exposure. Bitcoin spot ETFs reduce exchange-hacking risk, add systematic oversight by the Financial Supervisory Service (FSS), simplify tax reporting, and are accessible via existing securities accounts—opening a pathway for roughly 9.7 million investors to shift their exposure into regulated, institutional-grade products.

2.3 Benchmarking Global Stablecoin Regulatory Frameworks

Korea can achieve efficient market entry by analyzing stablecoin regulatory frameworks developed over extended periods by the United States and EU. Key success factors include proven management systems on reserve asset, integrated operational infrastructure from issuance to settlement, and ecosystem development. This enables establishment of KRW-based stablecoin systems suitable for the Korean market while aligning with global standards.

Global Stablecoin Regulatory Analysis

Stablecoins are digital assets pegged 1:1 to fiat currencies, with core elements being 100% reserve preservation, immediate redeemability, and transparent operations. Major stablecoin issuing countries including the United States, EU, Japan, and Singapore operate regulatory systems limiting reserves to short-term government bonds and bank deposits, mandating monthly attestations and quarterly audits, with central banks directly supervising above certain thresholds.

Commonalities and Differences Between U.S. and EU Stablecoin Regulations						
	Commonalities	Differences				
		Reserve Custody	Redemption Time	Interest Payment	Supervisory Threshold	Regulatory Structure
GENIUS Act	<ul style="list-style-type: none">Reserves restricted to safe assets (sovereign bonds, bank deposits, etc.)Monthly attestation reports and quarterly external audits mandatedCentral oversight regime for large issuers	No location requirement	Within 24 hours	No issuer-paid interest, except via staking	USD 10 Billion	Dual regime (Federal + State)
MiCA	<ul style="list-style-type: none">Customer-asset protections in case of issuer insolvency	≥30% of reserves must be held with banks in EU	Immediately (No delay)	Prohibited outright	EUR 1 Billion	Single regime (EU-Wide)

Source: Wavebridge

U.S. Stablecoin Regulatory Framework

In 2022, following the Terra-Luna incident, the necessity for stablecoin regulation gained prominence in the United States, recognizing systemic risks and initiating regulatory discussions. In July 2025, the GENIUS Act (Guiding and Establishing National Innovation for U.S. Stablecoins Act) established federal-level regulatory frameworks with core elements of reserve asset safety, user protection, and centralized supervision.

- Reserve Asset Safety (Composition Restrictions): To maintain stable stablecoin value despite market volatility, reserves restricted to cash, U.S. Treasury securities, and Federal Reserve deposits only.
- User Protection (24-hour Redemption Obligation): Ensuring bank deposit-level liquidity to build customer trust, composition restricted to stability-secured assets only (e.g., USD, Federal Reserve Notes, T-Bills, and Repos).
- Centralized Supervision (Regulatory Oversight): For integrated central management of financial

system impacts, stablecoins exceeding \$10 billion issuance directly supervised by federal Office of the Comptroller of the Currency (OCC) rather than state authorities, ensuring financial system stability.

Existing USD-based stablecoin issuers have proactively pursued transparency enhancement even before GENIUS Act enactment. Circle has published monthly Deloitte reserve attestation reports since 2018, while Paxos has received monthly audits from KPMG. These measures were implemented for institutional investor trust and preemptive regulatory preparation, ultimately enabling rapid adaptation upon regulation implementation.

EU MiCA Regulatory Framework

In December 2024, the EU implemented MiCA (Markets in Crypto-Assets) regulation, preparing stablecoin regulations to protect Euro monetary sovereignty and ensure financial stability.

MiCA distinguishes stablecoins into E-Money Tokens (EMT) pegged 1:1 to single fiat currencies and Asset-Referenced Tokens (ART) pegged to multiple assets (currency baskets, gold, real estate). Similar to the U.S. GENIUS Act, core elements include financial system stability, systemic risk prevention, and prohibition of interest payments to differentiate from bank deposits.

- 30% Mandatory Reserve Deposit - Financial System Stability: EU mandates EMT issuers deposit minimum 30% of reserves at EU-regulated banks for supervisory efficiency and crisis response, regulating storage locations unlike the U.S. which only restricts reserve types.
- Bank Deposit Demand Preservation (Complete Prohibition on Interest Payment): MiCA completely prohibits interest payments on EMT issuance and distribution to prevent weakening of traditional financial Euro deposits system.
- Systemic Risk Prevention (Large Issuer Central Supervision): Daily transaction volumes exceeding EUR 200 million or total issuance exceeding EUR 1 billion classified as 'significant EMT' with direct European Central Bank (ECB) supervision and monitoring to manage impacts on Eurozone monetary policy.

2.4 Assessing Capabilities for a KRW-based stablecoin in Korea⁵

KRW-based stablecoin market presents both the challenge of establishing new ecosystems and strategic opportunities to leverage late-mover advantages. Through combining global best-practice benchmarking with domestic unique strengths, ecosystems can be optimized for the Korean market while meeting global standards.

Potential Success Factors

Strong Market Foundation and Latent Opportunities

Korea's mobile payment ecosystem provides ideal foundations for KRW-based stablecoin introduction. Large-scale mobile payment user bases (Kakao Pay: 40 million, Naver Pay: 31 million, Toss: 30 million) enable rapid KRW-based stablecoin market penetration. More importantly, 9.7 million digital asset real-name account holders and daily average trading volumes exceeding KRW 7.3 trillion signify proven latent

⁵ Credit Finance Association (CREFIA, Korea), Merchant Discount Rates, 2025
Financial Services Commission (FSC, Korea), Results of the 2H 2024 Survey of Virtual Asset Service Providers, 2024

demand for KRW-based stablecoins.

With domestic card merchant fees around 0.4–1.5%, stablecoin payments can deliver substantial cost saving. Shortening D+2–3 settlement to near-instant settlement improves cash liquidity for small businesses. And replacing 1–3% remittance fees with low-cost on-chain rails reduces transaction costs.

Strategic Utilization of Policy Environment and Competitive Landscape

Korea's digital asset regulatory environment is gradually establishing favorable conditions for new market formation. The Financial Services Commission's comprehensive regulatory announcement by the end of the year and Bank of Korea's conservative approach will contribute to the development of systematic and stable market infrastructure. Additionally, benchmarking advanced regulatory cases like the GENIUS Act and MiCA minimizes initial regulatory risks and enables efficient, consistent regulatory responses.

Developments across Asia—both in regulation and day-to-day service operations—offer Korea more than competition; they provide actionable benchmarks for policy learning and market execution. Leveraging these precedents can reduce uncertainty and improve the robustness of Korea's stablecoin framework. Korea is especially well positioned to gain a differentiated edge, given its large retail user base and world-class mobile payments infrastructure.

Differentiation Strategy Leveraging Late-Mover Advantages

Korea uniquely possesses both active KRW digital asset trading markets and highly developed mobile payment infrastructure simultaneously. This provides optimal conditions for applying proven models from Tether or Circle. While minimizing initial entry risks, differentiated services suited to Korea's unique market characteristics can be implemented. Additionally, KRW-based stablecoins can create unique value through complementary roles in domestic-specialized payment and remittance markets rather than direct competition with USDT/USDC.

Strategic Capability Build-Out

Building infrastructure to global standards is a critical success factor. SOC 1/2 Type II reports, meaningful insurance coverage, and independent attestation reports are proven elements that can be implemented by combining the capabilities of domestic financial institutions, IT conglomerates, and VASPs.

On the issuer side, introducing a KRW 5 billion minimum capital requirement would likely attract multiple commercial banks and large fintechs, fostering healthy competition. Circle's key success factors—regulatory-first posture, transparent reserve management, and strategic partnerships with traditional financial institutions—are all readily replicable within Korea's existing financial ecosystem.

CASE STUDY: CIRCLE's Stablecoin Ecosystem Strategy

Circle Internet Group began in 2013 as a Bitcoin-based payments app and has since grown into a global stablecoin issuer, offering a practical benchmarking model for Korean firms exploring entry into the stablecoin business. Its core success factors include proactive engagement with regulators, strategic partnerships with traditional financial institutions, and transparent reserve management.

- **Laying the payments foundation (2013–2017):** From the outset, Circle pursued a regulation-first approach to build market trust. In 2015, it secured investment from Goldman Sachs and obtained New York's first BitLicense, establishing both banking-sector partnerships and a robust compliance framework.
- **Transition to stablecoin issuance (2018–2020):** In 2018, Circle formed the CENTRE consortium with Coinbase and launched USDC, pivoting from a B2C app to a stablecoin issuer. USDC in circulation grew from ~\$500 million in early 2020 to tens of billions of dollars, supported by the expansion of the DeFi market.
- **Scaling into a financial infrastructure provider (2021–present):** Through active partnerships, Circle has evolved into a blockchain financial-infrastructure provider. Its continued emphasis on transparency and regulatory alignment has accelerated USDC adoption by traditional financial institutions, and with the launch of the Circle Payment Network (CPN), Circle is directly improving remittance and payments infrastructure.

USDC Ecosystem: Function-Specific Participation Structure

USDC's operation—from issuance to end-use—can be divided into four core functions, each served by specialized participants.

- **Stablecoin Issuance:** Circle holds the exclusive authority to mint and burn USDC. Upon USD deposits, USDC is issued at a 1:1 ratio. Smart contracts support transparency in circulating supply (e.g., proof-of-reserves reporting).
- **Reserve Asset Management:** BlackRock manages the Circle Reserve Fund, maintaining stability through a portfolio concentrated in short-term U.S. Treasuries. Custodian banks fully segregate reserves from Circle's corporate assets, and Grant Thornton provides monthly attestation reports to enhance transparency.
- **Distribution and Trading:** Digital asset exchanges list USDC to serve retail users. Circle Mint handles large-scale issuance and redemption (\geq USD 1 million) directly, meeting institutional demand for deep and reliable liquidity.
- **Use Cases:** USDC-based payments and cross-border remittances deliver faster settlement and lower fees versus legacy rails, establishing a clear cost-and-speed advantage.

Circle's Core Service		
Business Domain	Service/Product	Service Scope
Payments Network	Circle Payments Network (CPN)	Connects global banks, fintechs, and VASPs to enable real-time settlement using USDC/EURC and other stablecoin rails
Stablecoin Issuance	USDC, EURC	Circle-issued stablecoins used for payments and financial services across major blockchains
Customer Wallet Management	Circle Wallet	API-based wallet service for B2C and B2B asset management and payments
Cross-Chain Transfers	Circle CCTP	Protocol for secure movement of value across blockchain networks (Cross-Chain Transfer Protocol)
Blockchain Infrastructure	Circle Arc	Layer-1 blockchain tailored for payments, FX, and capital-markets use cases
Gas Fee Supporting Solution	Circle Paymaster	Enables payment of network fees (gas) in USDC
Smart-Contract Templates	Circle Contracts	Provides smart-contract templates and modules
Regulatory/Compliance	Compliance Engine	Framework for AML/KYC and broader regulatory controls

Source: Circle, 2025

KEY FACTOR 3: Regulatory Clarity

3.1 Regulatory Landscape for Virtual Asset Service Providers (VASPs)⁶

Korea’s VASP filing regime—implemented through the Act on Reporting and Using Specified Financial Transaction Information and the Virtual Asset User Protection Act—has established a robust AML and user-protection framework. Currently, 27 firms operate domestically by filing combinations of the five reportable business categories, offering a wide range of virtual-asset services. With the Financial Services Commission’s phased authorization of corporate trading effective January 2025, full market participation by all corporates is expected by 2026.

Classification & Combinations of VASP Registration Items and Required Services			
Business Area	Required Service Scope	Business Area	Required Service Scope
Virtual-Asset Exchange with real-name KRW bank accounts	<ul style="list-style-type: none">• (A) Sale/Purchase of virtual assets• (C,D) Transfer and Custody/Administration• (E) Brokerage, intermediation, or agency for the acts in (A) or (B)	Prime Broker	<ul style="list-style-type: none">• (B) Exchange of one virtual asset for another• (C,D) Transfer and Custody/Administration• (E) Brokerage, intermediation, or agency for the acts in (A) or (B)
Virtual-Asset Exchange without real-name KRW bank accounts	<ul style="list-style-type: none">• (C,D) Transfer and Safekeeping/Administration• (E) Brokerage, intermediation, or agency for the acts in (A) or (B)	Custody	<ul style="list-style-type: none">• (C,D) Transfer and Custody/Administration

Source: Wavebridge, KoFIU, 2025

Status of VASP Legislation

Registration and Approval

Korea’s VASP regulation began in earnest with the March 25, 2021 amendment to the Act on Reporting and Using Specified Financial Transaction Information. This system focuses on AML and CTF, requiring all operators to complete registration with the Korea Financial Intelligence Unit (KoFIU) based on Information Security Management System (ISMS) certification and AML obligation fulfillment.

The current system adopts a combinatory registration method for five business types. Operators can selectively combine necessary businesses according to their business models, enabling specialized service provision beyond single exchange models. Through this combinatory approach, 27 companies currently hold VASP registrations providing services to domestic customers.

Virtual Asset User Protection Act Implementation

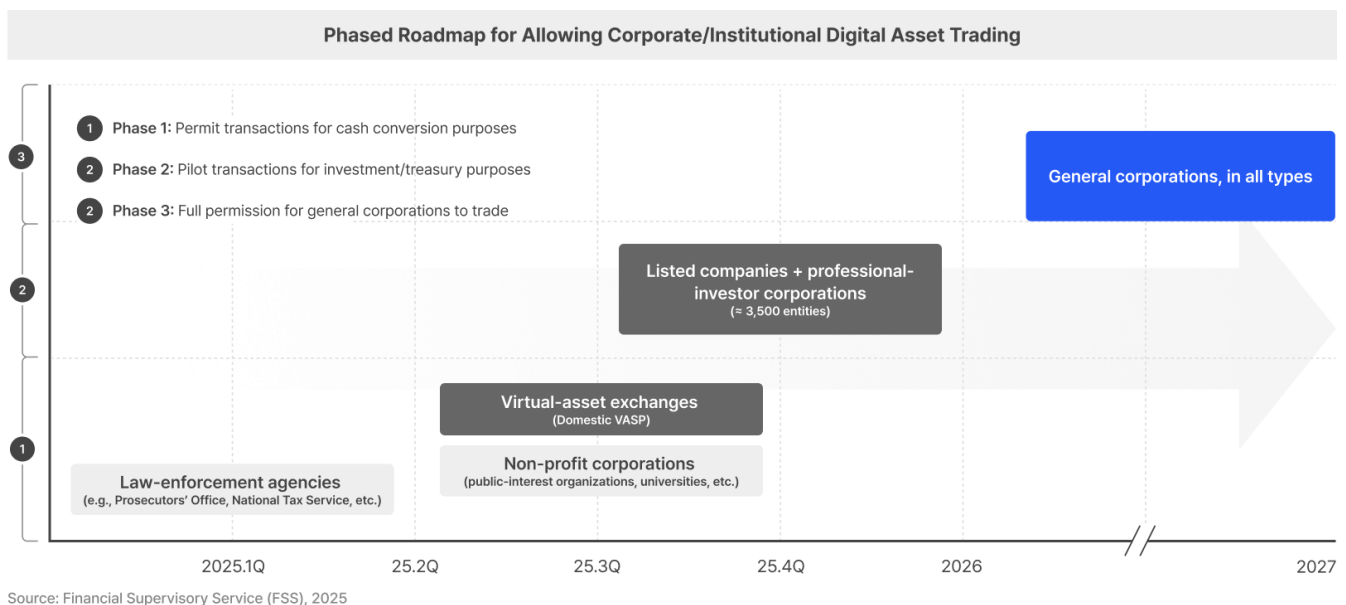
In July 2024, Korea enacted the Virtual Asset User Protection Act, which—unlike the AML-focused Act on Reporting and Using Specified Financial Transaction Information—established a user-protection—

⁶ Digital Asset eXchange Alliance (DAXA), Guidelines on VASP Proprietary Sales and Guidelines, 2025
Korea Financial Intelligence Unit (KoFIU), Public Disclosure on VASP Registration, 2025
Korea Financial Intelligence Unit (KoFIU), the Act on Reporting and Using Specified Financial Transaction Information, 2021

centric framework. The law significantly strengthens VASPs' duties to safeguard client assets and requires that customer fiat deposits be held and managed by banks as trusted custodians.

Key additions include: prohibitions on unfair trading (e.g., market manipulation), and new supervisory, inspection, and sanctioning powers for financial authorities. VASPs must provide investors with risk disclosures and keep at least 80% of users' virtual assets offline (cold wallet custody), segregated from internet-connected systems.

The Financial Supervisory Service examines VASPs for compliance with user-protection obligations, and the Financial Services Commission may, based on examination results, issue corrective orders, suspend all or part of a business, and impose administrative fines. Consequently, capital, facility, and staffing requirements for VASP operations have been tightened.



Status of Phased Corporate/Institutional Digital Asset Trading Authorization

In February 2025, the Financial Services Commission announced phased relaxation of corporate digital asset trading restrictions maintained since 2017. This measure considers global regulatory alignment as major countries including the United States, European Union, Japan, Hong Kong, and Singapore permit corporate digital asset trading. Previously, non-profit and university corporations could receive digital asset donations but couldn't monetize them; now they can sell and monetize held digital assets. Listed corporations and professional investor-registered corporations will be permitted digital asset trading for investment and financial purposes from H2 2025, enabling digital asset investment as part of listed companies' portfolio diversification strategies.

3.2 Regulatory Landscape for Launching a Bitcoin spot ETF

Korea's spot Bitcoin ETF faces two legal hurdles: (1) the Financial Investment Services and Capital Markets Act (FSCMA) does not yet recognize digital assets as eligible ETF underlyings; and (2) trust companies are not permitted to custody digital assets. The amendment currently pending in the National Assembly proposes recognizing digital assets as underlying assets and allowing trust companies to delegate digital asset custody obligations to VASPs, simultaneously resolving both legal constraints. Upon passage, Bitcoin spot ETF issuance becomes legally possible, with additional product diversification including digital asset index development and derivative ETFs expected to proceed.

Definition Constraints on Virtual Assets

Structural Limitations of the Capital Markets Act

Current Capital Market Act restrictively defines ETF underlying assets as financial investment products, currencies, general commodities, and credit risks, explicitly excluding digital assets. This fundamentally prevents Bitcoin spot ETF issuance and operation.

Following U.S. Bitcoin spot ETF approval in January 2024, the Financial Services Commission stated, "digital assets do not qualify as ETF underlying assets under the Capital Market Act," restricting domestic securities firms' product intermediation. This constrains global digital asset spot ETF market participation opportunities while limiting domestic investors' investment choices.

Expected Changes Once Virtual Assets Are Recognized as Eligible Underlying Assets

If digital assets are recognized as underlying assets through the pending amendment, fundamental legal barriers to Bitcoin spot ETF issuance are resolved.

- **Digital Asset Index:** Development of digital asset indices meeting Financial Services Commission requirements for trading in designated markets, price publication, and fair price formation becomes possible. However, given UPbit and Bithumb's 95% trading volume monopoly, risk diversification through global standard indices like CME CF Bitcoin Reference Rate requires consideration.
- **Digital Asset Derivatives:** From the current 100% spot-only trading restriction, underlying asset recognition enables various derivative ETFs including Bitcoin futures ETFs, inverse ETFs, and leveraged ETFs.

Constraints on Trust Companies' Custody of Digital Assets

Structural Issues in Current Trust Property Limits

Under the current Capital Markets Act, property that a trust company may hold in trust is limited to money, securities, monetary claims, movables, real estate, and rights related to real estate. Virtual assets fit none of these categories, making it impossible for trust companies to take custody of virtual assets directly at present.

This is a fundamental constraint on operating a spot-Bitcoin ETF. Bitcoin spot ETFs require custody of the underlying bitcoin; if trust companies cannot hold virtual assets, the product cannot be operated. It also exposes a core limitation of the trust regime in the virtual-asset domain—difficulty implementing investor protection and asset segregation through true custodial trust.

Hybrid Model via Outsourcing

To resolve this issue, the pending amendment adds digital assets to trustable property while establishing special provisions allowing trust companies to delegate digital asset custody and management to VASPs.

Specifically, a trust company must verify that the VASP meets requirements—such as professional competence and financial soundness—set forth by Presidential Decree and report its findings to the Financial Services Commission. The trustee must also conduct periodic reviews of the proper management of trust property and, upon discovering any material breach, report it to the FSC and take corrective action, including remediation of the breach or termination of the outsourcing agreement.

Comparative Table — Capital Markets Act, for Launching Spot Digital Asset ETFs

Current Law	Proposed Amendments
<p>Capital Markets Act (Act No. 20531; enforced Apr 23, 2025)</p> <p>Article 4 (Securities) ㉠ ~ ㉡ (Omitted)</p> <p>㉠ In this Act, “underlying asset” means any of the following:</p> <p>1. ~ 4. (Omitted)</p> <p>5. (Omitted)</p> <p>Article 103 (Restrictions on Trust Property, etc.)</p> <p>㉠ A trustee may not accept any property as trust property other than the following:</p> <p>1. ~ 7. (Omitted) [New]</p> <p>㉡ ~ ㉢ (Omitted) [New]</p> <p>Article 446 (Penal Provisions) A person falling under any of the following shall be punished by imprisonment for not more than one year or a fine not exceeding KRW 30 million.</p> <p>1. ~ 19. (Omitted) [New]</p>	<p>Partial Amendment to the Capital Markets Act (Proposed Jun 27, 2025)</p> <p>Article 4 (Securities) ㉠ ~ ㉡ (Omitted)</p> <p>㉠----- -----</p> <p>1 ~ 4. (Same as Current Law)</p> <p>5. Virtual assets (as defined in Article 2(1) of the Act on the Protection of Users of Virtual Assets, as specified and publicly notified by the Financial Services Commission; same hereafter).</p> <p>Article 103 (Restrictions on Trust Property, etc.)</p> <p>㉠----- -----</p> <p>1. ~ 7. (Same as current law)</p> <p>8. Virtual assets under Article 4 subparagraph 5.</p> <p>㉡ ~ ㉢ (Same as current law)</p> <p>Article 109-2 (Special Cases for Outsourcing by Trustees) ㉠ Notwithstanding Article 42(4), a trustee may outsource to a virtual-asset service provider (a “VASP” as defined in Article 2(2) of the Act on the Protection of Users of Virtual Assets; hereinafter, “VASP”) the custody, administration, and other related services of virtual assets held as trust property, provided that the following requirements are met. Prior to outsourcing, obtain consent from the settlor of the trust (or, after execution of the trust agreement, from the beneficiary)</p> <p>The trustee shall verify that the VASP to be engaged satisfies the requirements prescribed by Presidential Decree—including professional competence and financial soundness—and include in the outsourcing agreement provisions requiring the VASP to maintain such requirements</p> <p>㉡ The trustee shall not outsource the investment/operation of trust property under Article 103(1)1; provided, however, that exceptions may be permitted by Presidential Decree where necessary for the beneficiary's interest</p> <p>㉢ Where a trustee outsources pursuant to paragraph (1), the trustee shall submit, together with the report to the Financial Services Commission under Article 42(2), the results of the verification required under paragraph (1) subparagraph 2</p> <p>㉣ If, as a result of the inspection under paragraph (3), the trustee discovers that the engaged VASP has committed a material breach of this Act or of the outsourcing agreement, the trustee shall report such breach to the Financial Services Commission without delay and shall take necessary measures, including requiring the VASP to cure the violation or terminating the outsourcing agreement</p> <p>㉤ A VASP engaged to perform the trustee's outsourced services under paragraph (1) shall not sub-delegate such services to any third party</p> <p>㉥ Matters necessary for beneficiary protection and the maintenance of sound trading order with respect to the standards, methods, and procedures for outsourcing, other than those provided in paragraphs (1) through (5), shall be prescribed by Presidential Decree</p> <p>Article 166-2 (OTC Transactions in Derivatives Related to Virtual Assets) — Notwithstanding Article 166, derivatives for which virtual assets are the underlying may be traded by competitive bidding or by such other methods as prescribed by Presidential Decree.</p> <p>Article 446 (Penal Provisions)----- ----- -----</p> <p>1. ~ 19. (Same as current law)</p> <p>19-2. A person who outsources custody/administration of virtual assets in violation of Article 109-2(1)</p> <p>19-3. A person who fails to take required measures under Article 109-2(3)</p> <p>19-4. A person who sub-delegates work to a third party in violation of Article 109-2(5)</p> <p>19-5 to 19-11: Same as the current Items 19-2 through 19-8</p>

Source: National Assembly of Korea (primary sponsor: Rep. Byoung-Dug Min), 2025

If this amendment is enacted, a hybrid model will be formalized under which existing financial institutions can retain their trustee status while leveraging specialized virtual-asset infrastructure. This would allow trustees to utilize the technology and operating know-how of qualified VASPs without having to build virtual-asset infrastructure themselves.

3.3 Regulatory Landscape for a KRW-based stablecoin

KRW-based stablecoin regulation proceeds simultaneously with legislative initiatives centered on National Assembly proposals and policy coordination among financial authorities. Multiple amendments currently propose core regulatory frameworks including separation of stablecoin issuance-distribution, capital requirements of KRW 5 billion, and 100% reserve holdings. However, coordination between Bank of Korea's monetary policy concerns regarding stablecoins and Financial Services Commission's market development direction is expected to be a key variable in future regulatory finalization.

Current Legislative Progress

Key Points of Pending Amendments to National Assembly

Multiple stablecoin-related amendments are currently pending in the National Assembly, likely to be discussed during the second phase of Virtual Asset User Protection Act legislation.

- Minimum Capital Requirements for the Issuers: Increased from initial KRW 500 million to KRW 5 billion, with clear separation of issuance and distribution—issuers focus on stablecoin issuance and reserve collateral while distribution handled by separate VASPs.
- Strict Reserve Management: Based on strict internal controls and AML/CTF compliance by both issuers and trading operators, reserve composition restricted to safe assets only including cash, demand deposits, and government/local bonds with maturity under one year.
- Inter-authority Information Sharing System: Bank of Korea and Ministry of Strategy and Finance can directly verify issuers' transaction records and reserve status when necessary for rapid crisis response.

Key Legislative Issues

Policy Directions to Market Development and Financial Stability

The fundamental issue for KRW-based stablecoins is the policy direction difference between the Financial Services Commission's market development-oriented approach and Bank of Korea's financial stability-centered approach.

The Financial Services Commission emphasizes market expansion through KRW-based stablecoin introduction considering domestic digital asset market maturity and global competitiveness. Particularly, if KRW-based stablecoins expand into payment and remittance areas within Korea's active digital asset ecosystem, new fintech innovation and economic value creation become possible.

Conversely, Bank of Korea raises core concerns about KRW-based stablecoin introduction's impact on central bank monetary policy transmission mechanisms. Analysis suggests large-scale KRW-based stablecoin circulation could form new monetary flows bypassing existing bank deposit systems, limiting interest rate policy effectiveness. Additionally, increased complexity in capital flow management and financial stability risks are presented as important considerations.

Bank of Korea's CBDC Progress

Bank of Korea tentatively suspended "Project Hangang," the CBDC pilot program initiated in 2021, in 2024 to carefully examine overlapping utilization issues with stablecoins.

Concerns exist about potential confusion and efficiency degradation from two digital KRW coexisting if KRW-based stablecoins perform nearly identical functions to central bank digital currencies. Particularly, differences exist in monetary sovereignty and financial policy effectiveness as CBDCs are directly issued and controlled by central banks while stablecoins are privately issued with indirect supervision of central bank.

Challenges on Developing Inter-Authority Cooperation System

Systematic information sharing and cooperation systems among Bank of Korea, Financial Services Commission, and Ministry of Strategy and Finance emerge as key challenges for coordinating policy direction differences.

Inter-authority information sharing systems are urgent for effective stablecoin systemic risk management. Systems enabling Bank of Korea, Financial Services Commission, and Ministry of Strategy and Finance to monitor and share real-time major risks including transaction volume fluctuations, reserve management status, or mass redemption demands are necessary.

Global regulatory trend harmonization requires important consideration. With the U.S. GENIUS Act fully applying from January 2027 and EU MiCA regulation already in full effect, Korea's stablecoin regulatory system must secure international alignment. However, differentiated approaches reflecting Korea's large-scale retail-centric digital asset market and high mobile payment activation are necessary.

KEY CONSIDERATION: Market Entry

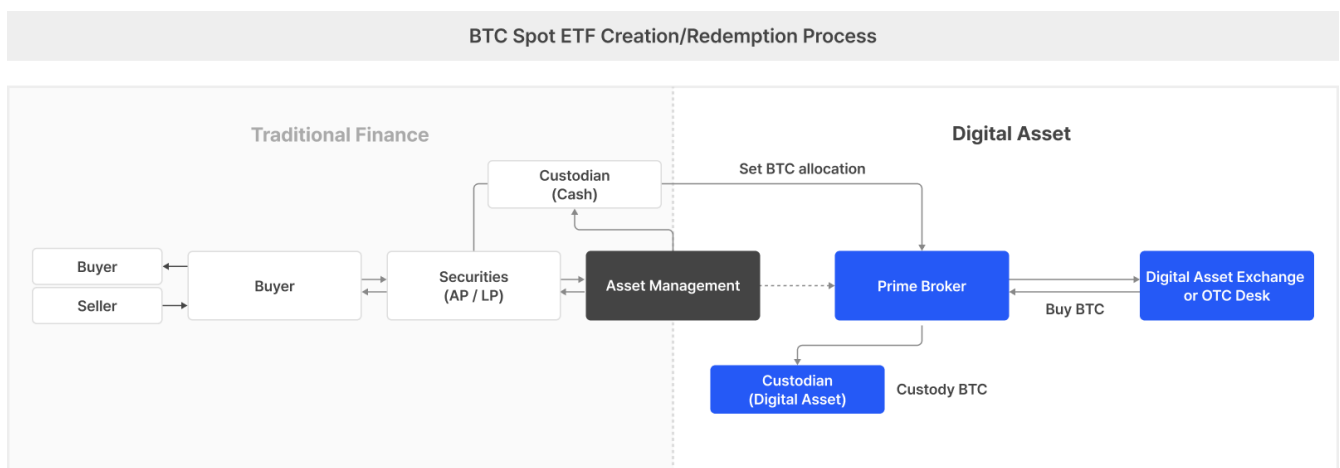
Pathways to Enter the Korean Digital Asset Market (VASP License vs. Partnership)

A phased approach—entering the market initially through partnerships, validating market response and business performance, and, as needed, pursuing an independent VASP (Virtual Asset Service Provider) license—is a prudent strategy that minimizes risk while capturing upside. In a rapidly evolving digital-asset market, this path is viewed as essential to secure competitive advantage without missing near-term opportunities.

Practical Constraints of Domestic Market Entry: New VASP registration offers advantages of independent business operations, comprehensive service control, and unique brand building, but substantial practical constraints exist. Domestic VASP acceptance conditions are detailed, with over one year typically required from corporate establishment to actual registration completion. Major barriers include domestic personnel and management composition, separate system development for Korean regulations, complex bank approval procedures for real-name verification accounts, and AML/CFT risk assessments. Initial investment costs to meet all requirements are estimated at over KRW 5 billion based on a two-year runway.

Necessity of Partnership-Centric Strategy: Strategic partnerships with existing VASPs enable immediate market entry, utilization of proven infrastructure, and regulatory risk distribution. While inter-company agreement conditions require resolution, this represents the most efficient practical approach considering new VASP acquisition uncertainty and extended timeframes.

VASP's Role in Bitcoin spot ETF Participation



Source: Wavebridge

Successful Bitcoin spot ETF operation requires balanced integration between traditional financial and digital asset infrastructure. While Korea possesses existing ETF product infrastructure including ETF issuers (asset managers), APs/LPs (securities firms), exchanges (Stock Exchange), and trust companies (major banks), regulatory business definitions and responsibility divisions for VASP core roles (physical Bitcoin procurement and sale during ETF creation/redemption, large-scale Bitcoin custody and security management, institutional-grade liquidity provision) remain unclear, necessitating institutional arrangements.

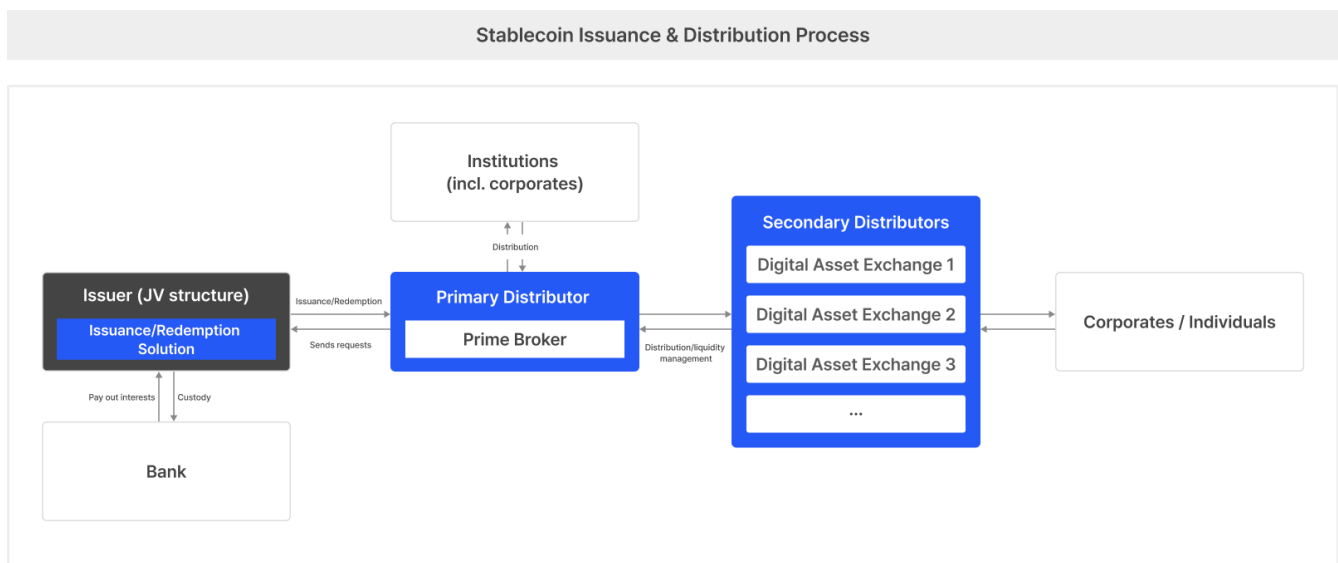
Spot Bitcoin Creation/Redemption Process: Counterparties must perform both buying and selling activities, requiring VASPs to receive registration for 'Digital asset buying and selling activities'. However, operators receiving such registration remain limited to exchanges operating markets. As exchanges primarily handle market operation and index provision, assigning them Bitcoin physical creation/redemption creates inherent conflicts of interest. Therefore, designating independent operators like prime brokers separate from exchanges and allowing them registration for 'Digital asset buying and selling activities' requires consideration.

- Related Domestic VASPs: Virtual Asset Exchanges, Prime Brokers
 - * Liquidity provision or management services may be required under Bitcoin spot ETF regulations in the future

Bitcoin Custody Process: VASPs perform central roles in secure Bitcoin storage and movement control, asset due diligence, and transparency enhancement. ETF issuers contract with trusted digital asset custody service providers who handle physical Bitcoin offline/online security management using advanced infrastructure including multi-signature wallets and cold wallets. Asset movement and holding status connects with real-time reporting systems for transparent stakeholder sharing, with external audits strengthening compliance.

- Related Domestic VASPs: Custodians

VASP's Role in KRW-based stablecoin Issuance and Distribution



Source: Wavebridge

Successful KRW-based stablecoin distribution requires role division among participants in the issuance-distribution-settlement value chain. Korea anticipates a dual structure divided between JV-form issuers and digital asset distributors. VASPs play pivotal roles connecting customers and issuers in core processes including technical solutions within issuers and wholesale/retail distribution.

Stablecoin Mint/Burn Process: In the mint/burn process, the VASP serves as the primary window for exchanging between the stablecoin and KRW. Mint: when a customer deposits KRW, the prime broker links with the issuer to mint stablecoins at a 1:1 ratio and transfers them to the customer's wallet. Burn: when a customer returns stablecoins, the prime broker collects them and pays KRW to the customer by withdrawing from the issuer's reserve assets. In this process, the custodian safely safekeeps and manages both the minted/burned stablecoins and the reserve assets, and—through real-time API

integration—verifies that the issuer’s reserve position matches the amount in circulation. In Korea, issuers are expected to take the form of bank-led joint ventures (JVs). In that case, the prime broker executes mint and burn, while the custodian handles asset safekeeping and reconciliation, thereby securing ecosystem stability.

- Related Domestic VASPs: Custodians, Prime Broker

Stablecoin Distribution and Trading Process: In the distribution and trading process, primary distributors are directly connected to the issuer and handle block trades and liquidity provision for institutional clients (typically prime brokers or large exchanges offering institutional services). Secondary distributors are general digital asset exchanges that, based on liquidity sourced from primary distributors, provide small-lot and 24/7 real-time trading for retail investors and smaller institutions. With roles and target users delineated in this way, the stablecoin ecosystem can expand across the board.

- Related Domestic VASPs: Prime Broker, Virtual Asset Exchanges

Registered Virtual Asset Service Providers in Korea (27 entities, as of Sep 2025)

No.	Service Name	Legal Entity	Primary Service	Registered Businesses*	VASP Registered Date
1	UPbit	Dunamu Co., Ltd.	Virtual-Asset Exchange with real-name KRW bank accounts	(A)–(E)	2021.10.06.
2	Korbit	Korbit Inc.	Virtual-Asset Exchange with real-name KRW bank accounts	(A)–(E)	2021.10.20.
3	Coinone	Coinone Inc.	Virtual-Asset Exchange with real-name KRW bank accounts	(A)–(E)	2021.11.25.
4	Bithumb	Bithumb Co., Ltd.	Virtual-Asset Exchange with real-name KRW bank accounts	(A)–(E)	2021.12.02.
5	Flybit	Korea Digital Exchange Co., Ltd.	Virtual-Asset Exchange	(C)–(E)	2021.12.01.
6	GOPAX	Streami Inc.	Virtual-Asset Exchange with real-name KRW bank accounts	A)–(E)	2021.12.09.
7	BTX	CoinLore, LLC	Virtual-Asset Exchange	(A)–(E)	2021.12.09.
8	FOBL	Foblgate Ltd.	Virtual-Asset Exchange	(C)–(E)	2021.12.21.
9	COREDAX	COREDAX Co.,Ltd.	Virtual-Asset Exchange	(A)–(E)	2021.12.17.
10	Beeblock	Graybridge Inc.	Virtual-Asset Exchange	(C)–(E)	2021.12.23.
11	Crypto.com	Foris DAX Korea Limited	Virtual-Asset Exchange	(A)–(E)	2021.12.30.
12	BITCMON	Golden Futures	Virtual-Asset Exchange	(C)–(E)	2021.12.30.
13	PRAVANG	PRAVANG Co.Ltd	Virtual-Asset Exchange	(C)–(E)	2021.12.30.
14	BORABIT	BANCO. Inc.	Virtual-Asset Exchange	(A)–(E)	2021.12.30.
15	KODA	Korea Digital Asset Co., Ltd	Custody Service	(C), (D)	2021.12.17.
16	KDAC	Korea Digital Asset Custody Co.,Ltd	Custody Service	(C), (D)	2021.12.17.
17	O-Hi Wallet	WalletOne Corp.	Custody Service	(C), (D)	2021.12.30.
18	Hyperithm	Hyperithm Co., Ltd	Others	(A)–(C)	2022.01.07.
19	Oasis Guardian	Guardian Holdings	Virtual-Asset Exchange	(A)–(E)	2022.02.10.
20	CUSTELLA	Mindshift Inc.	Custody Service	(C), (D)	2022.06.27.
21	Infinite Block	Infiniteblock Corp.	Custody Service	(C), (D)	2023.08.07.
22	DSRV Labs	DSRV labs	Custody Service	(C), (D)	2024.09.25.
23	BDACS	BDACS Inc.	Custody Service	(C), (D)	2024.09.25.
24	INEX	Infinity Exchange Korea Co., Ltd.	Virtual-Asset Exchange	(C)–(E)	2024.10.15.
25	Dolfin	Wavebridge, Inc.	Prime Broker	(B)–(E)	2024.12.18.
26	Bowman	Happyblock Inc.	Prime Broker	(B)–(E)	2025.01.17.
27	ROBit	Blosafe	Custody Service	(C), (D)	2025.08.29.

Source: KoFIU, 2025

(A) Sale/Purchase of virtual assets

(B) Exchange of one virtual asset for another

(C) Transfer of virtual assets

(D) Custody/administration of virtual assets

(E) Brokerage, intermediation, or agency for the acts in (A) or (B)

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