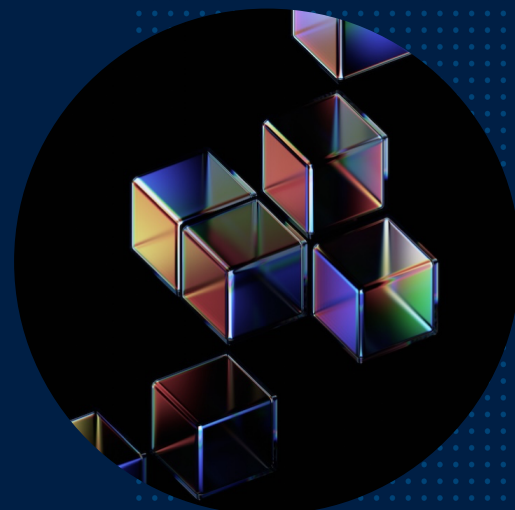


REALASSETX INNOVATION INSIGHTS | PART 1

THE REAL OPPORTUNITY IN TOKENISATION

How tokenisation could reshape access, administration and ownership across private markets

For Institutional and Professional Investors Only



- Tokenisation's value lies in improving how assets are owned, distributed and transferred.
- Private markets may offer the greatest long-term opportunity.
- Success will depend more on the operational and market infrastructure.

Tokenisation promises to open private markets to millions of new investors. But while it is often framed as a technology story, its success will depend on the infrastructure behind it.

Tokenisation does not change the economics of an investment as returns still depend on the quality of the underlying asset. What it can change is the infrastructure around that asset, making it easier to distribute, administer, finance and transfer.

That is a big leap forward, because private assets remain burdened by fragmented processes and limited access. Understanding where tokenisation can improve those frictions will determine where the next phase of adoption occurs.

Early trends look promising. The distributed real-world asset market is growing at pace. Since 2024 the market has expanded exponentially from \$1.24 billion to \$38.7 billion.¹

Publicly tradable assets, including government securities, money market funds and commodities provide the strongest early use cases because they combine clear pricing, frequent transactions and established demand.

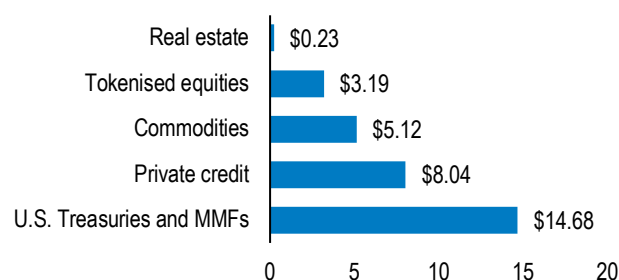
Private assets represent the next area of development as digital ownership can connect suitable products with newly regulated investor channels. Real assets are still

progressing through regulated issuance and emerging secondary-market infrastructure², while secondary market still need regulated trading venues, reliable valuations and defined processes for approving investor transfers.

SCALABLE OPPORTUNITY

By the end of Q3 2026, tokenised U.S. Treasuries and money market funds totalled approximately \$14.7 billion across 101 products, equal to about 40% of the \$38.7 billion on-chain real-world asset market, excluding stablecoins.³ The scale is meaningful, but adoption remains early. U.S. money market funds hold about \$7.9 trillion, so tokenised products represent 0.2% of that market.

Distribution of the tokenised real-world asset market by asset class in \$billion, September 30 2026¹



¹ rwa.xyz, the registry for tokenised real world assets, October

² Linh Tran, Q1 2026 Real World Asset Tokenization Market Report, April 2026

³ Investment Company Institute, October 2026.



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Managing Director, RealAssetX

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The market remains highly concentrated, with some dominant products accounting for more than half of tokenised Treasury and Money Market Fund (MMF) assets. This highlights the importance of established distribution networks in an emerging market. While a handful of products have reached meaningful scale, the broader ecosystem remains fragmented across providers, platforms and blockchains, leaving considerable room for growth.

If publicly traded assets are proving the concept, private assets could provide the scale. Preqin expects alternative assets to reach \$32 trillion by 2030, including \$4.5 trillion in private credit⁴, yet access remains concentrated among institutions and larger investors. Many core processes, from subscriptions and capital calls to reporting and transfer approvals require separate systems. By connecting them through a consistent ownership record, tokenisation could reduce operational complexity and support wider distribution where fund structures allow.

The strategic opportunity is to connect private products with public-facing, regulated distribution channels. Interval funds are garnering particular interest because they combine private assets with regular valuations and periodic repurchase offers, making them more suitable for wealth platforms than traditional closed-ended funds.

At the other end, real estate tokenisation is at a nascent stage as properties, ownership structures, valuations and transfer restrictions are not standardised. It accounts for less than 1% of the global property market but has the potential to widen investor access and lower entry barriers in markets where regulations support.⁵

EFFICIENT MARKETS

For private assets, a major benefit of tokenisation is to support a more efficient secondary market for approved transfers. By connecting eligibility checks, ownership records, manager approvals and settlement, tokenisation can reduce friction in changing ownership. However,

transferability is not equivalent to greater liquidity: valuations remain infrequent, transactions take time and redemption terms continue to govern investor exits.

Japan offers a glimpse of a development pathway for real asset tokenisation. Real estate trust-beneficiary tokens accounted for about 85% of security-token issuance last year, while public issuance has grown rapidly since the first offering in 2021.⁶ Growth has been supported by a developed retail primary market, lower minimum investment sizes and distribution via regulated banks and brokerages. Tokyo's experience offers two lessons: clear regulation is essential for growth, and realistic liquidity expectations can help tokenisation expand on a sustainable footing.

INVESTMENT IMPLICATIONS

The evidence across asset classes gives us reason to be optimistic about the progress of tokenisation, with growing usage establishing an operating model that other asset classes can build on.

The experience to date also suggests that adoption will be gradual. Tokenisation is more likely to evolve alongside existing market infrastructure than replace it, with the greatest progress occurring where digital ownership can improve access, administration and transferability without changing the underlying characteristics of the asset.

The next major opportunity lies in private credit and other private-market funds. Tokenisation could change how these products are accessed by investors and how efficiently ownership is transferred. Given the current momentum, we believe that as many as half of private-asset funds could offer tokenised share classes or digitally recorded ownership by 2030. For asset managers, the strategic question is which products could benefit from digital distribution and whether their operating models are ready to support it.

⁴ Preqin, Private Markets in 2030, October 2025

⁵ Sean Lee, Why Tokenized Real Estate Still Hasn't Taken Off, May 2026

⁶ BOOSTRY, Japan Security Token Market Report (FY2025), April 2026

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