



## 2019 Interim Results Presentation

# Asia's Next Generation Capital Markets

Member Companies:

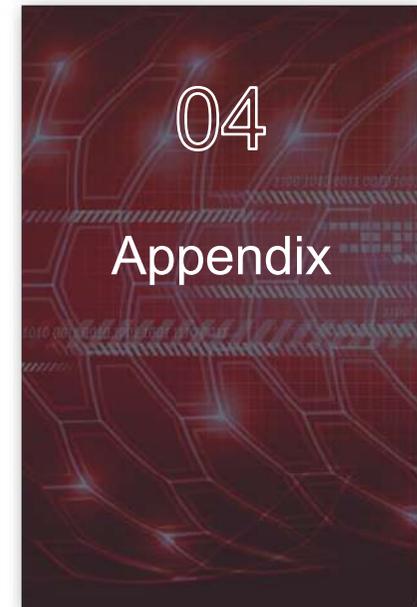
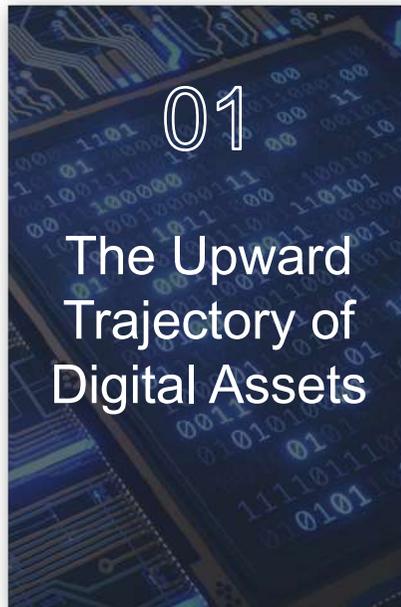
**ANXONE**  
Exchange

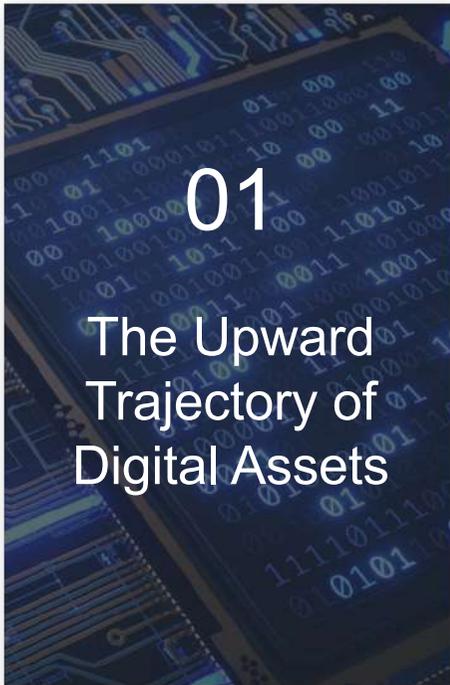
**ANXONE**  
Technology

**OSL**

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The Upward  
Trajectory of  
Digital Assets



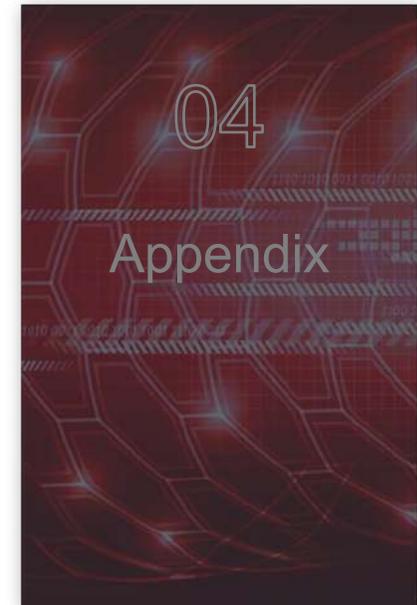
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BC Group:  
Positioned to  
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## Growing Global Acceptance, Movement to Digital Assets

- Large major financial institutions and companies have entered or have announced intention to enter the market:

facebook →  libra

 → Bakkt

J.P.Morgan → JPM Coin

 →  BitGo

- Rapid growth in digital assets market capitalization world-wide, coupled with global focus on high-profile projects will continue to encourage investment and regulation
- The introduction of FATF, AMLD5 and other regulatory guidance for virtual assets service providers will facilitate capital inflows and institutional entry

# Growth Potential for Digital Assets is Enormous

Global Value by Asset Class, US\$

----- Anticipated Growth of Digital Securities

Capturing 1% market share of the traditional asset classes over the next 5 years will translate into **41x of growth** for digital assets

**\$266B\***  
Appx size of the digital asset value today

Est. Size of the Digital Securities Market by 2024  
**\$11 Trillion+**

Equity Market  
**\$73 Trillion**

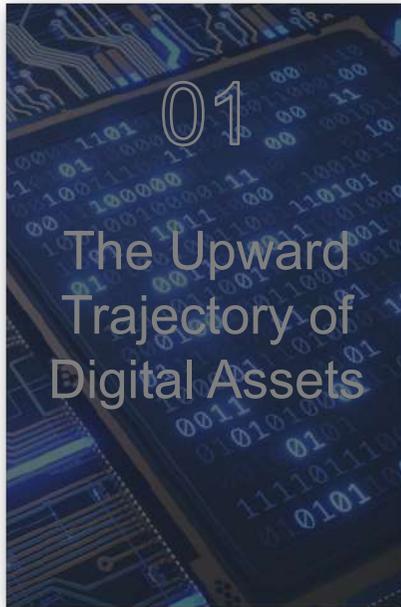
Real Estate Market  
**\$217 Trillion**

Bond Market  
**\$250 Trillion**

Derivatives Market  
**\$544 Trillion**  
in notional value

**Total: \$1,084 Trillion**

Source: Bank of International Settlement (BIS), The Institute of International Finance, CoinMarketCap as of Aug 19



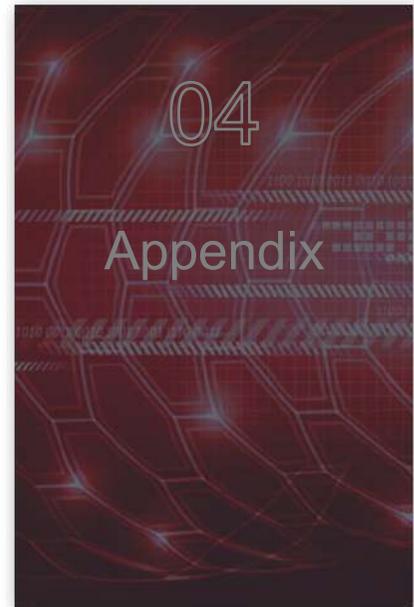
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# Asia's Leading Public Technology and Digital Asset Company

BC Group is based in Hong Kong and employs more than 175 individuals across the Asia Pacific region. It serves customers and partners in more than 50 countries.

In a world first for a listed, digital asset-focused business, BC Group is 'big-four'-audited, and fully compliant with industry leading anti-money laundering and know-your-customer standards.

## - WHO WE ARE -



175+

Staff across the Asia Pacific region



1<sup>st</sup>

Digital asset company listed on the Hong Kong Stock Exchange



Global Footprint

Customers and partners in more than 50 countries



Track Record

Senior team of digital asset ecosystem pioneers who have been in the space since 2013



Institutional Security

Tier 4 data centers, cold storage and multi-factor authentication



# Company Structure



## TRADITIONAL BUSINESSES

Advertising

Business  
park  
management  
services

## DIGITAL ASSETS PLATFORM

Trading services

SaaS  
products

# Uniquely Positioned to Capture Growth



**Asia's first publicly listed digital asset company** (HKEX: 0863) with robust compliance and risk controls

HKEx, is Asia's third-largest stock exchange by market capitalization and the fourth largest stock market in the world



**First in Asia to launch insured custody solutions** of both cold and hot wallets

Aon, ranked as the largest insurance broker in the world based on revenue, with extensive expertise in risk management



Equipped with **one of the world's fastest trading engines** and access to global pools of deep liquidity

MarketGrid, the world's leading developer of proprietary exchange technology and the team behind Nasdaq's trading engine, is one of BC Group's strategic investors



**The largest proprietary trading firm in the world** is one of BC Group's strategic investors

Provides the deepest liquidity pool and most efficient trading experience in the digital asset industry across BC Group's platforms

# Digital Asset Strategy Roadmap

## Q4 2018

### ○ Foundation Built

- Launched the digital asset business with addition of 150 staff with expertise in the blockchain industry
- Appointed PwC as auditor
- Secured a strategic investment by the largest proprietary trading firm in the world - Jump Trading
- Established corporate and technical infrastructure for SaaS offering
- Launched digital asset trading service under well-known OSL brand

## H1 2019

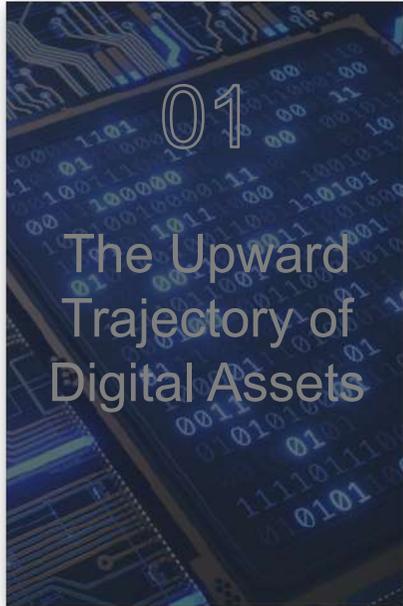
### ○ Expand Operations

- Launched ANXONE Exchange in Hong Kong
- Established offices in Singapore and launched OSL derivative business
- Launched Asia's only insured custody solution for digital assets
- Launched Asia's first Digital Custody Solution
- Generated SaaS revenues of RMB2.1 million in H1 2019
- RMB39.5 million in trading services revenue for H1 2019

## H2 2019 & beyond

### ○ Accelerate Growth

- Opened Singapore office in July
- Roll out additional products and services to increase scale of digital assets facilitation and solutions business
- Improve operating leverage and margins from increased scale



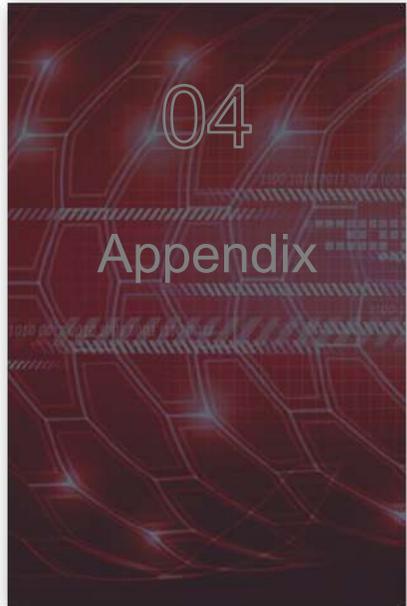
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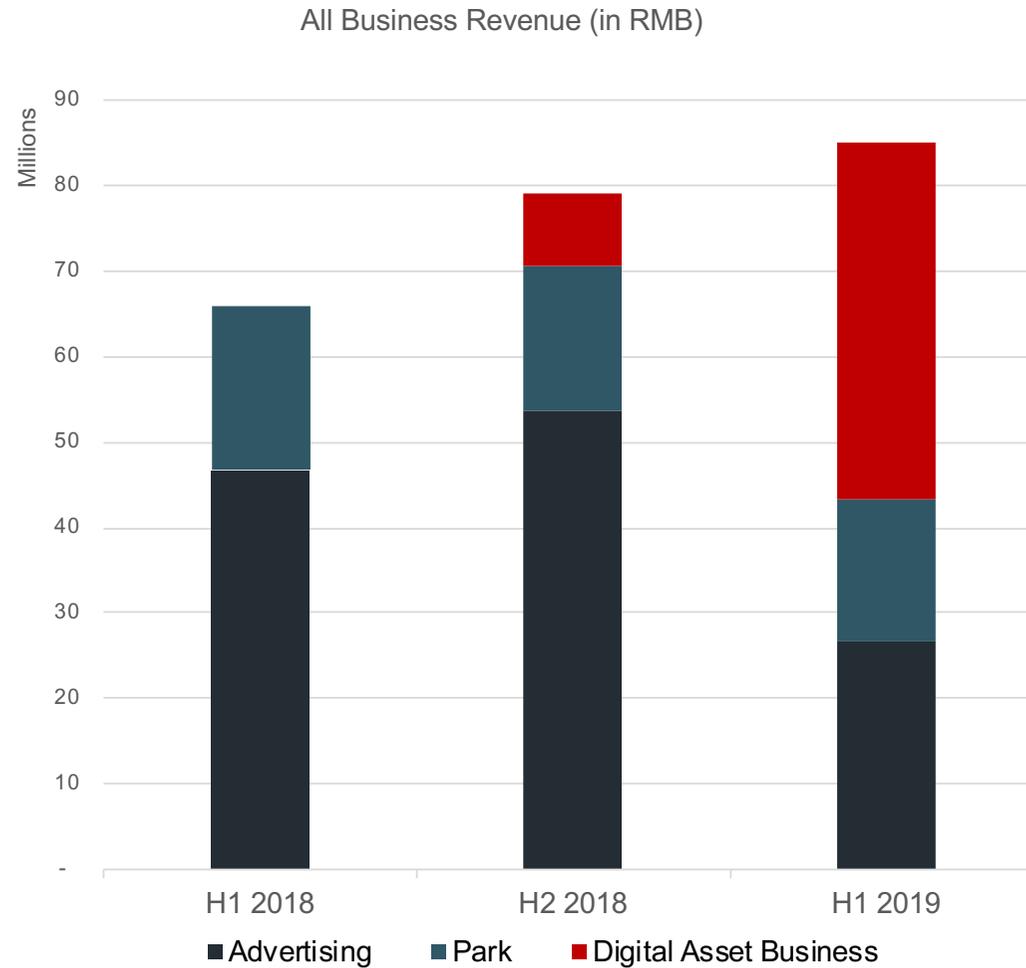


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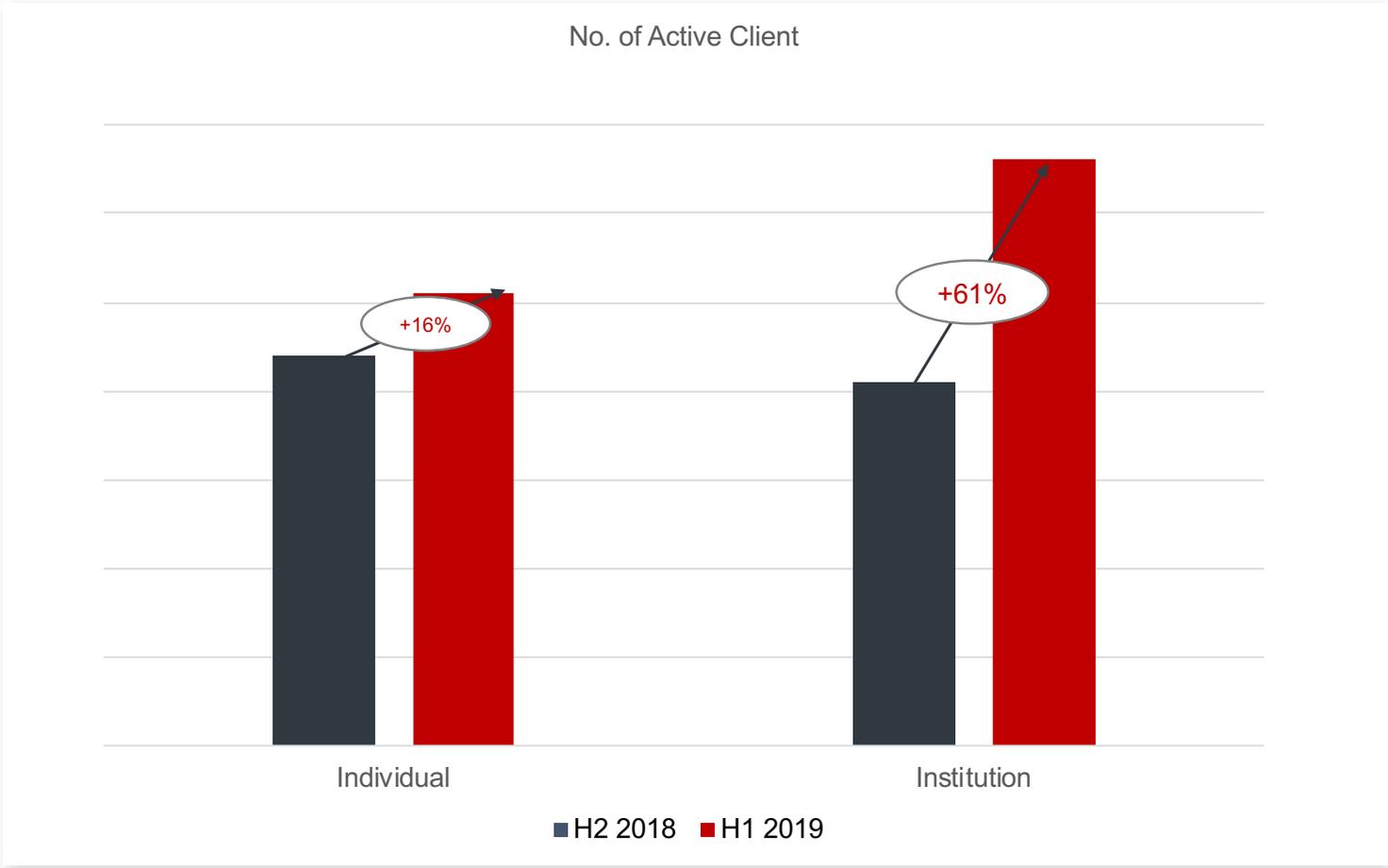
## BC Group Interim Report – Digital Assets Driving Exponential Growth

- H1 2019 revenues up 29.1% YoY RMB85.0 million
- The newly launched digital asset platform business was the main driver of this growth
- Digital asset revenues up 386.2% HoH to RMB41.6 million in H1 2019
- Digital assets reached 49.0% of total revenue and became the largest revenue contributor within 12 months of launch

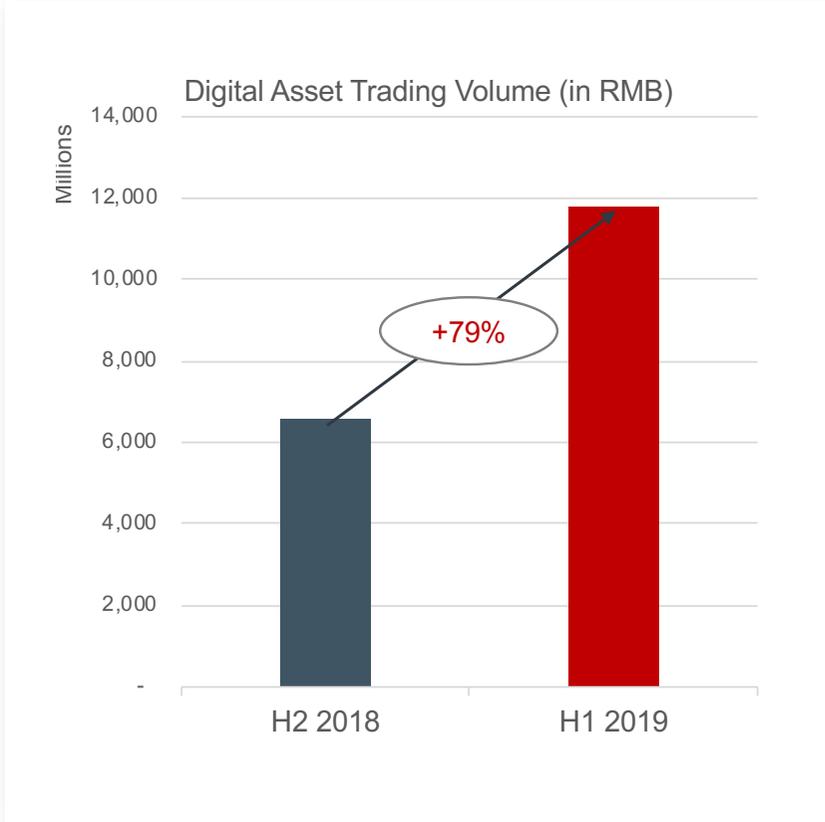
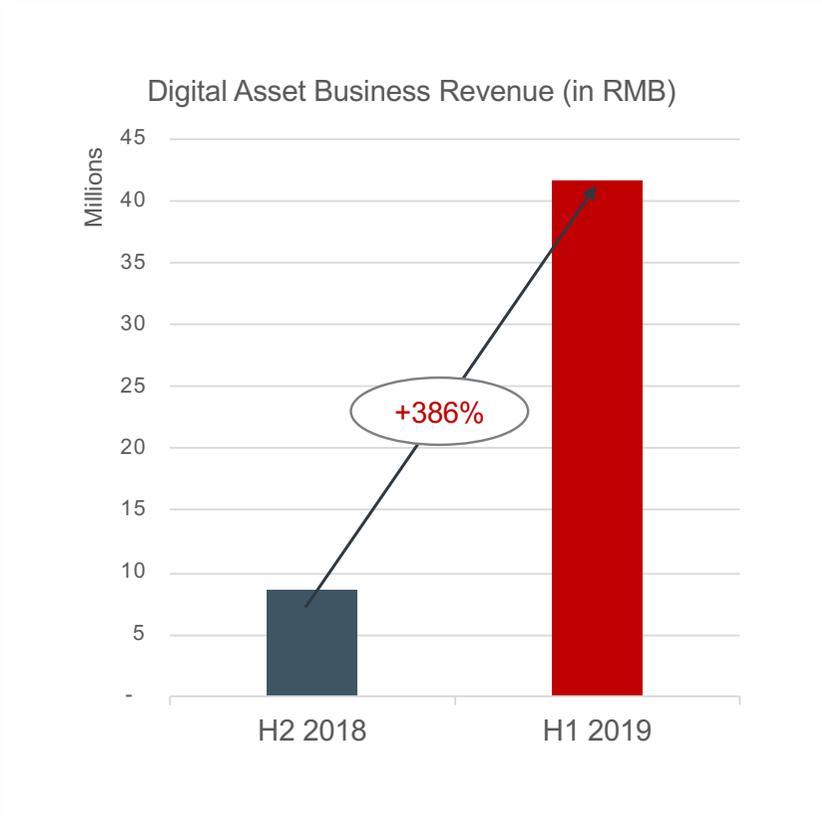
# Digital Asset Business Driving Revenue Growth



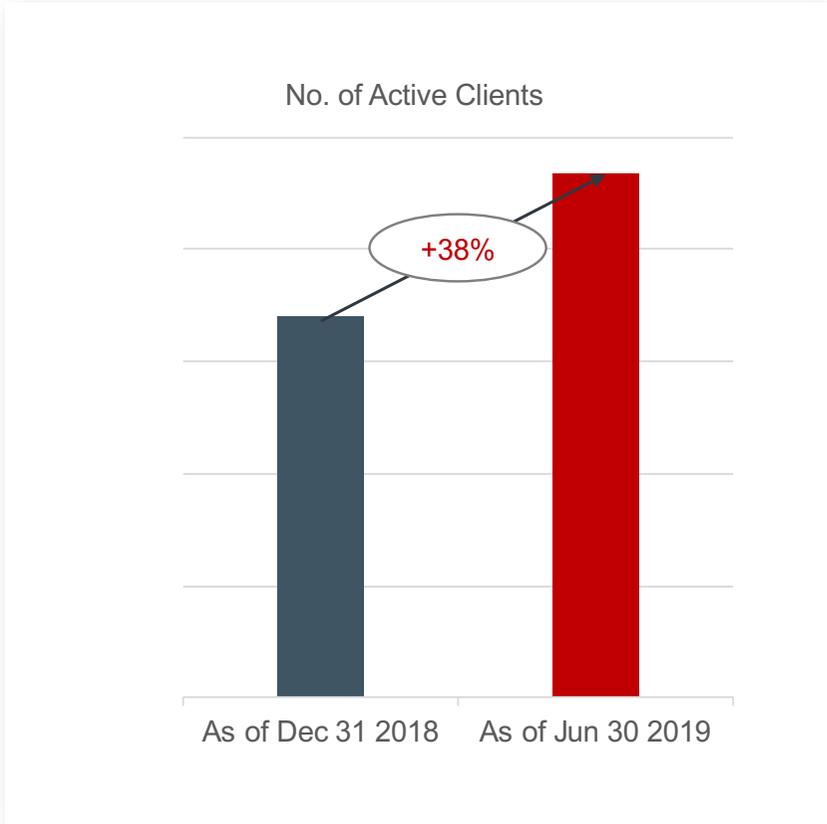
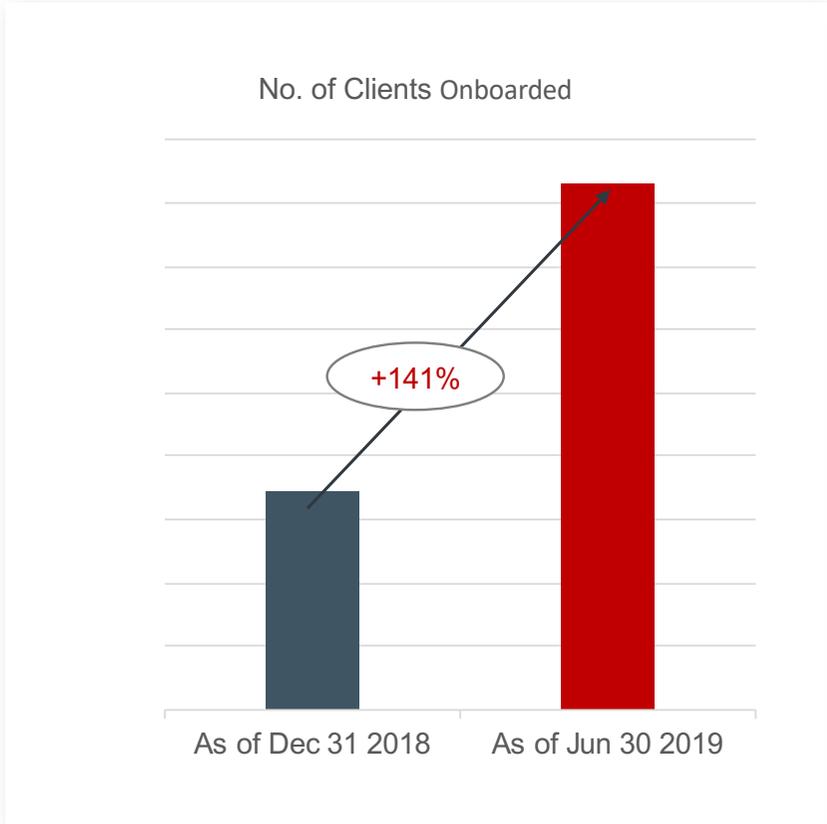
# Institutional Investors Driving Client Growth



# Significant Growth in Trading Volume for Digital Asset Business

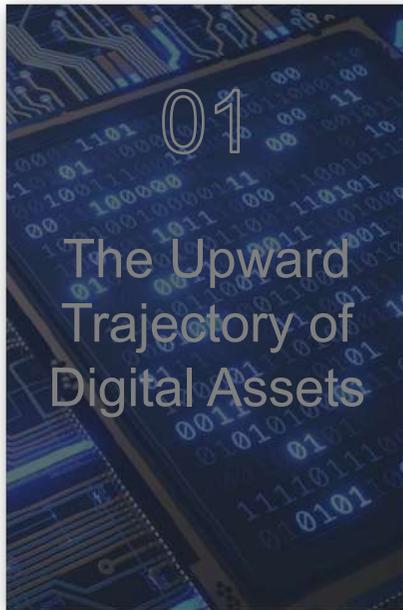


# Dramatic Increase in Clients Onboarded



## Large-Ticket Institutional Trades Increasing Rapidly





# Management Team

## Executive Team



**Mr. Ken Lo**  
Deputy Chairman

20+ years of experience as an entrepreneur and at global leading management consultancies



**Mr. Hugh Madden**  
Chief Executive Officer

18+ years experience with global financial institutions, internationally recognised as a blockchain thought leader



**Mr. Dave Chapman**  
Chief Executive Officer of ANXONE

14+ years experience managing global teams at HSBC, Credit Suisse, Barclays Capital, ABN AMRO



**Mr. Tiu Ka Chun, Gary**  
Head of Regulatory Affairs

~20 years experience in regulatory and legal affairs in leading financial institutions.

Members of the Executive Team are pioneers in the digital asset industry and have a track record of building market leading and highly successful businesses, including having launched one of the first digital asset exchanges and brokerages in Asia with annualized trading volume of over US\$25Billion and annualized revenue of over US\$100Million.

## Management Team



**Mr. Phillip Pon**  
Chief Operating Officer

20+ years at leading finance and consulting firms including KKR, McKinsey & Company, GLG and Egon Zehnder



**Mr. Steve Zhang**  
Chief Financial Officer

15+ years at leading technology and financial services firms including iTutorGroup, Kingdee International, HSBC and Macquarie



**Mr. Marek Sikora**  
Chief Risk Officer

20+ years experience in risk management in various world leading financial institutions. Previously CRO of CLSA and Head of Risk Management at Calyon Asia and Deutsche Bank Australia.



**Mr. Usman Ahmad**  
Chief Information Officer

19+ years experience in technology leadership roles at HSBC, Merrill Lynch and ExxonMobil



**Mr. Wayne Trench**  
Chief Executive Officer of OSL

20+ years experience as an entrepreneur and in senior roles at Morgan Stanley and Macquarie Bank



**Ms. Julia Pang**  
Chief Operating Officer of OSL

20+ years experience at international banks, including Standard Chartered Bank, Citibank, ANZ and Asia Pacific of Banco Santander

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