

Dear Investors:

November proved to be another period of strong growth for our business and the digital asset market as a whole. During the month, Bitcoin (BTC) price reached an all-time high [of USD19,857 on 30 November](#), against a backdrop of increased acceptance by mainstream finance, including [BlackRock CIO of Fixed Income Rick Rieder, who commented that it could replace gold](#).

Ethereum (ETH) and other digital assets performed strongly as they played catch up with Bitcoin, and institutional adoption and interest continued to soar, as digital assets further decoupled from traditional financial markets. At the same time, our OSL Exchange posted record monthly volumes.

On 3 November, Hong Kong's Securities and Futures Commission (SFC) CEO Ashley Alder, [slammed the door on unregulated market participants](#) and further cemented our potential first mover advantage, announcing at his keynote speech during OSL-sponsored HK Fintech Week that all virtual asset providers that wish to operate in Hong Kong must be regulated.

With Trump firmly on the way out, [rumors that his administration might attempt to push self-hosted digital asset wallet identification](#) caused a stir in the market, and may have contributed to a brief Bitcoin sell off last week. As previously mentioned, our house view is that the Biden administration will be slightly friendlier to digital assets than Trump's.

## Business updates

We continued to make significant strides as a business in November, as we work towards our goal of securing formal SFC licensing approval prior to year end.

Our share price performed well over the month, hitting a new intraday 52-week high on 30 November on healthy trading volume and posted a 35% gain for the month.

The BC Technology Group and OSL team continue to feature in events, media, and market commentary, and OSL completed its Diamond sponsorship of Hong Kong Fintech Week in early November:

- At Hong Kong Fintech Week:
  - OSL Head of Distribution and Prime Matt Long spoke on [Future Proofing Your Tech Stack for Digital Assets](#)
  - OSL Head of Institutional Sales Ryan Miller conducted a session on [Institutional Investment in Digital Assets - Past, Present and Future](#)
  - OSL CEO Wayne Trench participated on a panel on the [Transformation Potential of Tokenized Securities](#) (exclusive to ticket holders only)
  - BC Group Head of Capital Markets Strategy Eric Landheer presented on [Tokenized Securities and the Future of Capital Markets](#)
  - BC Group Head of Regulatory Affairs Gary Tiu held a fireside chat on [what can be expected from digital asset trading](#) (exclusive to ticket holders only)
- BC Group [CEO Hugh Madden was quoted in the South China Morning Post in response to Ashley Alder's 3 November statement](#) that licensing of digital asset service providers would soon become mandatory in Hong Kong
- I discussed my views on [Bitcoin's near three-year high on Thomson Reuters](#) and [status as a safe haven on CNBC](#) as the market trended upwards

- [OSL Brokerage Global Head of Trading Ryan Rabaglia talked to Bloomberg to explain BTC's bullish indicators](#)

## Digital asset market developments

On the corporate front, [Square \(NYSE: SQ\) reported USD1.63 billion in Bitcoin sales via its Cash App and \\$32 million in gross profit for Q3 after logging USD875 million in Bitcoin sales revenue and \\$17 million in gross profit the previous quarter](#). Q3 Bitcoin revenues were 15X the same period last year and accounted for 4% of total corporate gross profit.

Separately, [OKEx began allowing customer withdrawals almost five weeks after halting](#) during a PRC Public Security Bureau investigation. Investors have consistently moved their digital assets off platform since the resumption. Not surprisingly, [the CME reported record open interest in Bitcoin futures](#), and dethroned OKEx as the largest Bitcoin futures player.

Meanwhile, institutional investors continued to change their tune and adopt digital assets in their investment strategies:

- [Guggenheim's USD5 billion Macro Opportunities Fund filed an amendment with the SEC to invest up to 10% of its fund in the Grayscale Bitcoin Trust \(OTCBB: GBTC\)](#)
- [JP Morgan Chase analysts stated that Bitcoin could compete more intensely with gold as an 'alternative' currency over the coming years...](#)
- [Legendary value investor Bill Miller strongly recommended Bitcoin, and stated that the digital asset has been the "single best performing asset class" in the last one, five and 10-year periods](#) and that every major investment bank will eventually own Bitcoin or something like it
- [USD35 billion AUM Mariner Wealth Advisors announced that it is partnering with Eaglebrook Advisors to provide clients with access to Bitcoin](#)
- [Bloomberg's November Monthly Crypto outlook cited 'parabolic risk' for Bitcoin as it gains maturity amidst declining volatility](#)
- [Billionaire Stanley Druckenmiller said he owns Bitcoin, and sees it as an attractive store of value that could beat gold](#)

Finally, [The Financial Times reported that Facebook's \(NYSE: FB\) Libra may launch a slimmed-down dollar-backed version of the digital asset as soon as January 2021](#). Libra's launch has the potential to revolutionize online payments and drive digital asset usage due to the sheer size and geographical reach of Facebook's cross-platform user base.

Along with the introduction of Central Bank Digital Currencies (CBDCs), we strongly believe Libra will act as a catalyst for change, significantly influencing consumer behavior, and rapidly expediting global digital asset adoption.

Thank you again for your continued support. As always, the team at BC Group and OSL are available to discuss November's updates or to answer any questions you may have.

Sincerely,

Dave Chapman  
Executive Director  
BC Group (863 HK)