

Dear Investors,

With the turning of the seasons, BC Technology Group and OSL experienced continued growth, while the broader digital asset market also saw several notable developments in April.

During the month, BC Group's SFC-licensed subsidiary OSL Digital Securities executed several digital asset treasury transactions, including [a USD10 million purchase of Bitcoin with HK-listed company Meitu](#). OSL Singapore also experienced record prime brokerage trading volumes during the month.

In mid-April, we debuted the first-ever [OSL Tram series in Hong Kong as part of an ongoing marketing campaign for OSL Digital Securities](#). Keep an eye out for the OSL trams as they travel throughout Hong Kong Island.

On 14 April, Coinbase successfully completed its highly anticipated listing on the Nasdaq in a watershed moment in digital assets. The listing exceeded USD100 billion in market capitalization during trading hours, before closing at USD85.8 billion. It was [the seventh-biggest new US listing in history](#), and has ushered in a new phase of growth for the digital asset sector.

With Coinbase now public, the entire market will see first hand the internals of one of the most liquid companies in this space, prompting asset managers, research analysts and other professionals to look at the sector more closely than ever before. The Street will be on the hunt for comparable alternatives (such as BC Group, which was [included in the USD1.2 billion AUM Elwood Global Blockchain Industry Index](#) this month for May's allocation), and [many speculate that Coinbase's success will prompt other successful digital asset companies to follow suit](#) with listings of their own.

Digital asset prices also experienced a wild April, with Bitcoin peaking at an all time high over USD64,000 ahead of the Coinbase listing, before rapidly dropping to USD47,000 two weeks later on US capital gain tax rumours, and then recovering back to around USD54,500 by late April. Ethereum also experienced a new all time high of approximately USD2,800, but was seemingly less impacted by BTC volatility in April as compared to recent months.

## Business updates

In addition to the Meitu trade, BC Group boosted the capabilities of OSL Digital Securities by adding USDC trading to the OTC desk during the month.

In late April, [the Group released its 2020 Annual Report](#), providing additional details on the Group's annual results announcement in March, and outlining its strategic vision for 2021 and beyond.

In the report's opening letter, BC Group CEO Hugh Madden wrote:

*The Group's strategic priorities for 2021 are: (1) Continue to scale the SaaS solution through acquisition of large financial institutions as customers; (2) capture the institutional and professional segment under the OSL Digital Securities licensed entity; (3) further increase assets on platform; (4) innovate and lead in the STO space; (5) continue to grow global footprint with an increasingly aggressive approach and; (6) be the employer of choice in the digital asset sector.*

Hugh also restated in the report the Group's commitment to Environmental, Social and Governance (ESG) initiatives, and its goal of carbon neutrality.

In alignment with this mission, the Group made public two environment-related transactions in April. The first, a strategic investment in [Allninfra](#), a company that brings access and liquidity to environmental assets using blockchain technology, was completed in Q1 2021 and announced in the annual report. The second, a purchase and subsequent retirement of voluntary carbon credits in tokenized form [via the Singapore-based AirCarbon Exchange](#) to offset the Group's reported greenhouse gas emissions from 2018 to 2020, was announced via press release on Earth Day.

Furthermore, and in-line with the Group's continued organic growth and commitment to being an employer of choice, we made several key strategic hires in April, including in operations and technology.

OSL executives and BC Group senior leadership also continued to appear in well-known media and market events throughout the month:

- BC Group Executive Director Gary Tiu was a panelist on ["Bitcoin and the Digital Yuan in 2021 and Beyond"](#) organized by AmCham HK on Apr 12 and discussed the developing regulatory landscape for digital asset trading and the potential impact of CBDCs
- On 15 April OSL CEO [Wayne Trench appeared live on Singapore-based Channel News Asia to discuss the impact of the Coinbase listing on the digital asset sector](#) (at 1:18:27)
- I was quoted in on 19 April in [Bloomberg with on recent price fluctuations and future outlook for BTC and the market](#)
- Also on 19 April, mainstream Mainland China publications [The Economic Observer \(经济观察报\)](#), [First Financial \(第一财经\)](#), [China Times \(华夏时报\)](#) and [Jiemian.com \(界面新闻\)](#) featured Gary and BC Group CFO Steve Zhang speaking about the Coinbase listing, digital asset regulation and the positive attitude of Chinese Central Bank towards digital assets (Chinese only)
- OSL VP and Sales Trader [Jon Yeung featured on Radio Television Hong Kong's televised broadcast of 投資新世代](#), on 24 April to discuss digital asset regulation (Chinese only, from 53:16-1:04:58)

- BC Group's [carbon offset via AirCarbon was featured on Forkast News' The Daily Forkast](#) (at 1:19)

## Digital asset market developments

Coinbase wasn't the only significant Nasdaq-related digital asset news this month, as [the Hashdex Nasdaq Crypto Index ETF debuted in a top position on Brazil's B3 exchange on 26 April](#). The ETF tracks the Nasdaq Crypto Index, which was co-developed by Hashdex and Nasdaq to represent the institutionally investable digital asset market.

Old money continued to convert to digital assets, as [110-year-old asset management firm Baillie Gifford made a USD100 million investment into Blockchain.com](#), while [Brevan Howard's main hedge fund announced it would start buying digital assets](#). Meanwhile, JP Morgan completed its 180 degree pivot from Bitcoin bear to bull, and [announced it will soon offer an actively managed Bitcoin fund to private clients](#). Interactive Brokers Chairman [Thomas Peterffy stated in a CNBC interview that his company is "working on crypto."](#)

Following the example of parent company PayPal, [payment provider Venmo announced on 20 April it will offer digital asset trading through its smartphone app](#). On the same day, WeWork [stated that it would accept and issue digital asset payments and hold tokens on its balance sheet](#).

On 28 April, [Reuters reported that the European Investment Bank has mandated Goldman Sachs International, Santander and Societe Generale as joint-lead managers for its inaugural EUR100 million two-year digital bond](#), which was issued on the same day. The notes will be registered in the public Ethereum blockchain.

April was yet another exciting month in the digital asset space as we saw the increasing influence of the born digital generation, a trend that traditional asset managers can no longer ignore. Accordingly, we expect more excitement and growth in the months ahead.

As always, the team at BC Technology Group and OSL are available to discuss April's updates or answer any questions.

Thank you again for your continued support.

Sincerely,

Dave Chapman  
Executive Director  
BC Group (863 HK)