



Dear Investors,

In the month of April, OSL and BC Group continued to grow and the broader digital asset market saw increased development. The prior months trading volumes for the OSL platform can be viewed below<sup>1</sup>:



In early-April, OSL made a splash at Bitcoin 2022 in Miami, with OSL North America Head of Institutional Sales Jeff Howard speaking on a compliance and regulatory panel and the team debuting its first ever floating promotion, the [“calling all whales” boat in the water on Miami beach](#). Jeff’s panel commentary, on regulation and the Biden executive order on crypto, was [picked up by the Wall Street Journal](#).

On April 22nd, Daiwa Securities initiated coverage of BC Technology (BCT), with a “Buy” rating and 12- month TP of HKD9. It believes BCT is a key beneficiary of the legislation of digital asset trading activities in Hong Kong in 2022, which states that digital asset trading can only be provided to professional investors by licensed platforms in Hong Kong. Starting out with a focus on providing digital asset services to institutional clients, OSL has been successful in exporting its crypto technology infrastructure to global clients with crypto ambitions, such as DBS. Furthermore, it also believes the SaaS-based technology service business could build a competitive moat for the company’s long-term development.

## Business updates

In late April, the Group released its [2021 Annual Report](#), providing additional details on the Group's annual results announcement in March, and outlining its strategic vision for 2022 and beyond.

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

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<sup>1</sup> **Disclaimer:** Total platform volume data are an estimated aggregate total of all trading activities on the OSL platform over the stated period. Such data are unaudited, based on various assumptions and methodologies that are subject to change, and may be subject to subsequent adjustments and corrections which we may later publish. Source: Cryptocompare as of 30 April 2022



*The Group has demonstrated the efficacy of its approach from 2018 by building OSL into a digital asset powerhouse uniquely equipped to handle regulated institutional capital inflows into the sector. And while OSL's performance has been exemplary over the past three years, its aims are much higher. With the Group's core SaaS technology offering rapid market access to digital assets for large regulated financial services firms, it is on the precipice of its next chapter of growth - exponential outperformance.*

In line with its strategic commitment to ESG, the Group also released on April 28th, its first long form standalone ESG report.

Hugh also penned a letter in that report, in which he stated:

*"[Moving forward] the Group will focus on additional diversity, employee well-being, corporate governance, AML, CTF, and anti-corruption initiatives as part of ongoing ESG strategic planning in 2022 and beyond...The future of blockchain and digital assets is green, and BC Group is taking the steps to be at the forefront of innovation for digital asset ESG."*

In alignment with this mission, the Group made public two environment-related transactions in 2021. The first, a strategic investment in [AllInfra](#), 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 in April 2021.

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

- [OSL was mentioned in Forbes](#) on 11 April as one of the key crypto companies family office investors should be aware of if they are interested in digital assets
- BC Group CFO [Davin Wu was featured on Radio Television Hong Kong](#) on 14 April in an interview about digital assets and BC Group's annual results (Chinese only)
- OSL Head of North America Business Development and Institutional Sales Jeff Howard joined a panel and shared his thoughts on Compliance and Regulation at [Bitcoin 2022](#) on 7 April
- OSL VP Sales Trader Hans-Stefan von Hänisch shared his views on the crypto market and over-the-counter (OTC) trading at [Bangkok Blockchain Meetup](#) on 27 April
- Jean-David Péquignot, Head of OSL Digital Securities, and Ryan Miller, Head of OSL Sales were featured in [Tatler Asia, April Issue](#) where they talked about how OSL



offers a secure way to trade cryptocurrency as the first SFC licensed broker and virtual asset exchange in Hong Kong.

## Digital asset market developments

In Hong Kong, HSBC made headlines when [it announced that it was starting a metaverse fund for private banking clients in Asia](#).

Australia continued to focus on digital asset regulation in April, with the [Australian Prudential Regulation Authority on 7 April announcing in a letter that it would not introduce new regulatory requirements for crypto](#), while [State Street said it was assisting Australian superannuation funds to get into the crypto markets](#).

The UK government made headlines when they [announced their plan to make the region a global cryptoasset technology hub](#). Of the measures announced, Stablecoins are to be brought within the regulation, paving their way for use in the UK as a recognised form of payment.

[Peter Thiel lambasted traditional financial managers Warren Buffet, Jamie Dimon and Larry Fink](#) as “finance gerontocracy,” in a speech as he predicted that bitcoin would rise 100 fold.

[Twitter, Inc. \(NYSE: TWTR\) announced on April 25th that it has entered into a definitive agreement to be acquired by an entity wholly owned by Elon Musk](#), for \$54.20 per share in cash in a transaction valued at approximately \$44 billion. Upon completion of the transaction, Twitter will become a privately held company. [Elon Musk stated “Free speech is the bedrock of a functioning democracy, and Twitter is the digital town square. I also want to make Twitter better than ever by enhancing the product with new features, making the algorithms open source to increase trust, defeating the spam bots, and authenticating all humans. Twitter has tremendous potential”](#). Elon Musk is also eager to incorporate crypto into Twitter, including [paying content creators with cryptocurrencies](#).

[The Central African Republic \(CAR\) has approved Bitcoin as legal tender - just the second country to do so](#), whereas [Panama also passed a bill to permit use of crypto assets](#). Under the new legislation, Panamanians may use crypto assets as means of payment for any civil or commercial operation not prohibited by law in the country.

[Fidelity Investments customers with a 401\(k\) account](#) will be able to invest a portion of their account funds in bitcoin starting later this year, the first time a major retirement plan provider is adding cryptocurrency to their menu.

[Goldman Sachs launches its first Bitcoin-backed loan product](#), allowing a borrower to use the cryptocurrency as collateral for a cash loan.



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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)