



BC Group Statement: SFC Announcement on the Issuance of Digital Asset Platform Trading Licenses is a Watershed Moment for Financial Services

Hong Kong, Nov. 6, 2019 - Today's announcement by SFC CEO Ashley Alder that the regulator will issue licenses for digital asset trading platforms in Hong Kong is a watershed moment for financial services in Asia and institutional adoption and trading of digital assets.

The announced licensing framework will bring much needed clarity to the digital assets sector, and will accelerate acceptance of digital assets as a new class of financial instruments in Hong Kong and the region.

BC Group believes Hong Kong-based digital asset platforms will eventually be consolidated in favour of licensed players under this regime.

The clarity provided by this framework will drive demand for digital assets in Hong Kong. With licensing, regulated and institutional players will gain direct access and exposure to digital assets with the assurance of full regulatory oversight and protection.

The SFC's approach in bringing its entire spectrum of investor protections to this asset class is forward-looking and pragmatic. While the asset class is new, the dealer-broker and automated trading system requirements for licensees are familiar and expected for a mature financial market such as Hong Kong: anti-money laundering, fit-and-proper controllers and shareholders, client money segregation, audited financial resources and accounting, client suitability, proper risk management and transparent systems of controls.

BC Group is optimistic the SFC guidance will create industry-wide momentum leading to additional digital asset regulatory frameworks in the region, setting the stage for new financial instruments, such as Security Token Offerings (STOs), to take hold and flourish.

Similar frameworks in other jurisdictions have attracted foreign investment and driven fintech employment growth, and we expect the same in Hong Kong.

As the region's leading listed, 'Big-Four'-audited technology and digital asset company, BC Group is well-placed in this environment, and capitalising on this change is fundamental to our vision to build the next generation of Asia's capital markets with digital assets, setting standards for performance, security and compliance.

About BC Group

BC Group (stock code: HK 863) is Asia's leading public technology and digital asset company. It is the parent company of OSL, and home to the region's most comprehensive digital asset platform, providing Software-as-a-Service, brokerage, exchange and custody services for institutions and professional investors.



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.

BC Group is based in Hong Kong and employs more than 175 individuals across the Asia Pacific region.

For more information: bc.group