



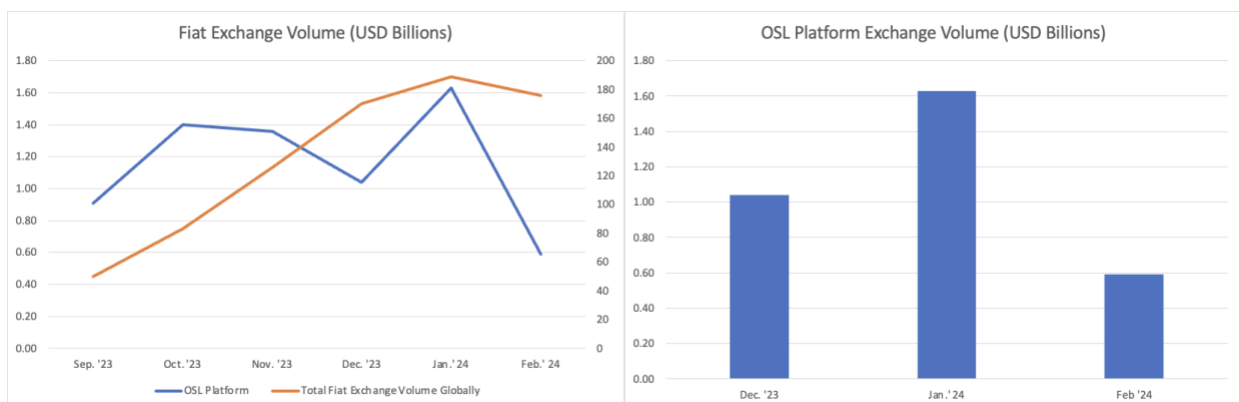
Dear Investors,

Kung Hei Fat Choi! As we usher in the Year of the Dragon, a symbol of strength and prosperity, we are excited to share with you the exciting update of the digital asset market so far. In light of recent developments highlighted in [Forbes](#), Bitcoin (BTC) and Ethereum (ETH) have soared to \$64,000 and \$3,500, a pinnacle not seen since late November 2021 when we were in our last bull cycle. This increase in BTC price led to a rise in its market capitalisation to \$1.23 trillion, solidifying its position as the leading cryptocurrency. This surge was driven by halving anticipation and the introduction of spot BTC ETFs.

Furthermore, spot BTC ETFs continued to enhance market liquidity and contribute to the stabilization and increased attractiveness of digital assets to institutional investors. According to [Forbes](#), almost two months after its inauguration, ETFs experienced a record volume of \$673 million in the last week of February. These inflows surpassed the previous peak of \$655.2 million established on January 11, 2024, when the ETFs first began trading. Overall, the recent batch of Bitcoin ETFs saw a collective net inflow of \$7.4 billion, a record since their introduction.

Lastly, I am proud to announce that OSL Digital Securities collaborated with UBS to launch Hong Kong's first [investment-grade equity-linked tokenised warrant](#) on the Ethereum blockchain issued via a licensed intermediary, marking a significant innovation in the region's digital asset market. This transaction reproduces the entire product life cycle of an equity-linked call warrant through a Hong Kong licensed intermediary, showcasing the potential to revolutionise transparency, reduce costs, and enhance trading flexibility. It represents a key milestone in leveraging blockchain technology for financial product issuance and distribution in Asia, further establishing OSL and UBS at the forefront of digital asset innovation.

Prior months of trading volume for OSL\* can be viewed below:





## Business updates

On 7 February, OSL proudly announced role in UBS's pilot [investment-grade equity-linked tokenised warrant](#) and reproduced the product life cycle of the instrument through a Hong Kong licensed intermediary - featuring an equity-linked call warrant token issued on the Ethereum-based public blockchain by UBS AG. OSL simulated the whole product life cycle of an equity-linked structured product token, from token mint and simulated distribution via a licensed intermediary, through simulated secondary market transactions, and finally to token burn at maturity.

## In the news

- 22 February 2024 - The Chinese New Year was celebrated by OSL with a [Spring Dinner](#), where heartfelt wishes were extended to everyone by our CEO, Patrick Pan, setting a tone of optimism and unity. As OSL enters 2024, let's carry the spirit of this night forward, embarking on a new chapter together, filled with promise and excitement.
- 7 February 2024 - OSL proudly announced its participation in UBS's pilot investment-grade equity-linked tokenised warrant and simulated product life cycle in Hong Kong. This initiative features an equity-linked call warrant token issued on the Ethereum-based public blockchain by UBS AG to OSL. This ground breaking collaboration has the potential to revolutionise the digital asset landscape in Hong Kong. The news has also been featured on [Yahoo Finance](#), [Cointelegraph](#), [HK01](#), [HKEJ](#) and many more.
- 2 February 2024 - OSL had the privilege of hosting students from the [Marketing Department of the City University of Hong Kong](#). We extend our gratitude to the Hong Kong CPPCC Youth Association for organising such an intimate interaction. As part of the "We Connect" Scheme, we are pleased to support and mentor these students, preparing them for the commercial world.

## Additional digital asset market developments

- New bitcoin ETFs surpass 300,000 BTC holdings in under two months - [link](#)
- New bitcoin spot ETF trading volume sets daily record, besting launch day - [link](#)
- Bank of America's Merrill, Wells Fargo offer bitcoin ETF products for clients - [link](#)
- Morgan Stanley evaluating spot bitcoin ETFs for its brokerage platform - [link](#)
- Stablecoin market cap hits \$140b, highest since 2022 - [link](#)
- Bitcoin funding rates jump to 100% - [link](#)
- MicroStrategy purchased an additional 3k BTC, now holds \$10b worth - [link](#)
- Hong Kong to roll out regulatory sandbox for stablecoin issuers - [link](#)
- Hong Kong lays out provisional guidance for crypto custody - [link](#)



- Franklin Templeton takes initial step for spot Ethereum ETF with new SEC filing - [link](#)
- Citi explores private fund tokenisation in blockchain bet - [link](#)
- Hong Kong finance firm VSFG targets to apply for spot Ethereum ETF in Q2 - [link](#)
- FTX estate can sell near 8% stake in AI StartUp Anthropic - [link](#)

As always, the team at OSL are available to discuss February's updates.

Thank you again for your continued support.

Sincerely,

Dave Chapman  
Co-Founder and Board Advisor  
OSL Group (863 HK)

\* Total platform volume data are an estimated aggregate total of all trading activities on the OSL platforms 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: TheBlockCrypto as of 1 March, 2024