



Dear Investors,

On 27 March, we announced our [annual results](#) for the fiscal year of 2023.

I'm proud to share that our journey through the past year, on the backdrop of a very challenging period for the market, has been one of achievement and efficiency. Witnessing our digital assets and blockchain platform business flourish with an astounding 193.6% increase in IFRS income, reaching HK\$209.8 million, is a testament to our team's hard work and innovative strategies.

We've also made significant strides in optimizing our operations, evidenced by a 41.0% reduction in administrative and other operating expenses, which amounted to HK\$336.6 million. This achievement reflects our commitment to excellence and efficiency across all areas of our business.

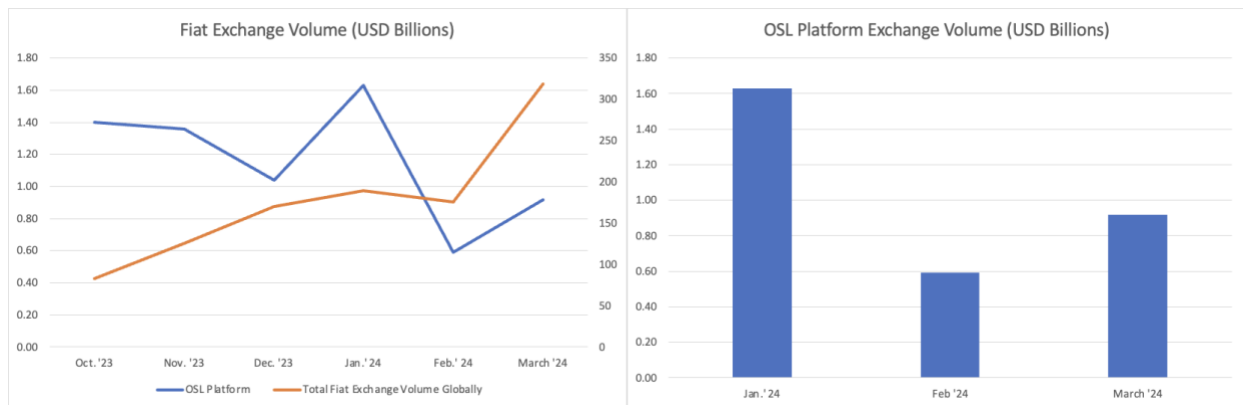
Most importantly, our focused efforts have paid off in significantly narrowing our loss from continuing operations. We reduced our loss to HK\$249.8 million from a previous HK\$560.1 million, marking a 55.4% decrease in losses year-over-year. This tremendous improvement is not just a sign of our resilience but a clear indicator of our growing strength and potential.

Globally, in a historic milestone for the digital asset market, [Bitcoin \(BTC\) surged past \\$71,000 earlier this month](#), reaching a new all-time high, while Ether (ETH) crossed the \$4,000 mark. This unprecedented growth, fueled by the approval of the first spot Bitcoin exchange-traded funds (ETFs) in the U.S., signifies a major leap in digital currency acceptance and investment. The ascendancy of Bitcoin and Ether underscores the market's expanding maturity, the growing investor confidence in digital assets, and the potential for digital assets to revolutionize the financial landscape. This remarkable moment epitomizes the dynamic and evolving nature of the sector, highlighting its burgeoning influence and the vast opportunities it presents for the future.

I am incredibly excited about what 2024 holds for us. With the progress we've made I am confident that OSL Group is on a trajectory towards greater success and innovation. Let's continue to break new ground and shape the future together!



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



In the news

- 27 March 2024 - [Digital Assets Asia 2024](#) hosted OSL's booth last week. Meaningful discussions on Tokenisation in Banking and Capital were engaged in, with a panel led by our Head of Markets, Jean-David Péquignot, delving into the tokenisation and distribution of asset management products.
- 21 March 2024 - The [2024 HKSI Institute Case Competition](#), focused on ESG, was proudly sponsored by OSL. Inspiring solutions and strategies were crafted by students across sectors. Recognition went to our mentees from HKU for the Merit Reward, showcasing their hard work in the competition.
- 19 March 2024 - Our Head of Markets, Jean-David Péquignot, shared insights on [major milestones in the Bitcoin space](#) and gained new perspectives for the future in his latest insight piece. He explored what lies ahead in the evolving digital assets landscape.
- 14 March 2024 - Insights on Hong Kong's First Spot Bitcoin ETFs were shared by our Executive Director & Head of Regulatory Affairs, Gary Tiu, in a discussion with Annabelle Droulers and Yvonne Man on [Bloomberg News](#). Expectations for the launch of Hong Kong's first Spot Bitcoin ETFs soon, with a pipeline to follow, were highlighted along with the differences in Hong Kong's ETFs model from the US model.
- 14 March 2024 - The pivotal [Hong Kong Web3 Global New Infrastructure Forum](#) was set in motion by HKU Business School, HKU iCube, and SG Wanthings Tech (SWT). Our CFO Davin Wu, shed light on STOs in this era of digital finance. Hong Kong's first Investment-grade tokenised warrant pilot project, unveiled in collaboration with UBS, marked a leap towards redefining the market's future.
- 13 March 2024 - Our COO, Onno Sterk, has shared his insight on the [Ethereum Dencun Upgrade](#) that signified a monumental shift in blockchain technology. This upgrade, aimed at lowering transaction fees, skyrocketing processing speeds, and enhancing connectivity across the digital asset ecosystem, was set to revolutionize the blockchain space.



- 12 March 2024 - OSL announced the strategic [extension of SOC 2 Type 2 report validity and transition to bi-annual issuance](#). This move, designed to provide greater support to corporate clientele and align with prevailing industry standards, extended the validity period of SOC 2 reports by an additional four months and transitioned to a bi-annual issuance schedule.

Additional digital asset market developments

- Sam Bankman-Fried is sentenced to 25 Years in prison over FTX collapse - [link](#)
- US Justice Department charges KuCoin and two founders with violating AML laws - [link](#)
- HSBC launches tokenized gold product targeting Hong Kong market - [link](#)
- Ether spot ETF's chance of May approval dropped to 20% by GSR - [link](#)
- Fidelity files S-1 application with US SEC for spot ETH EFT with staking - [link](#)
- Blackrock debuts its first tokenized fund - [link](#)
- MicroStrategy buys 12,000 more Bitcoin for \$821.7 Million - [link](#)
- Ethereum finalizes 'Dencun' upgrade - [link](#)
- HKMA has launched Phase 2 of its e-HKD Pilot Programme to further explore innovative use cases for an e-HKD in Hong Kong - [link](#)

As always, the team at OSL are available to discuss March's updates. Additionally, we have shared the replay of our 2023 annual results investor presentation call [here](#).

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 April, 2024