



Dear Investors,

On 30 April, Spot BTC and ETH ETFs commenced [trading](#) in Hong Kong. Among the asset managers granted regulatory approval to offer these ETFs are China Asset Management and Harvest Global Investments. Out of the 6 ETF products launched, 4 were supported by OSL's regulated asset custody and trading services.

The launch of the BTC and ETH spot ETFs in Hong Kong is a landmark achievement for OSL, the Hong Kong market, and the broader digital asset landscape. For OSL, this development not only bolsters our portfolio but also positions us as a pivotal player in the digital assets market, enhancing our influence and credibility. In the Hong Kong market, these ETFs introduce regulated and secure investment avenues, bridging traditional finance and the digital asset economy. Globally, this move signals growing institutional acceptance and could potentially lead to increased investments and innovation in the digital asset sector.

OSL is privileged to have been chosen by [China Asset Management](#) (Hong Kong) and [Harvest Global](#) for their respective inaugural product launches. In these collaborations, OSL leverages its robust infrastructure to provide a secure trading environment essential for the ETF's operations and liquidity, managing the underlying assets with precision and reliability. As a sub-custodian, OSL ensures the utmost security and regulatory compliance, offering top-tier custody services that uphold the integrity and safety of the managed assets.

In our latest [market insight](#), we share the results of our survey on the potential demand for BTC and ETH ETFs in Hong Kong. The survey highlights a significant interest among institutional investors, with a majority indicating their intention to allocate funds towards these ETFs within the next year. Key drivers behind this interest include the desire for regulated exposure to digital assets and the anticipation of digital assets gaining traction within investment portfolios. The findings underscore the increasing demand among institutional investors in Hong Kong for regulated digital asset investment products.

Lastly, I am proud to announce that OSL has become the first digital asset platform in Hong Kong to obtain a license issued under the [Anti-Money Laundering and Counter-Terrorist Financing \(AMLO\)](#) from the SFC. Our dedication to compliance and the provision of institutional-grade infrastructure reaffirms our position as a trusted partner in the digital asset industry.

Globally, April witnessed the highly anticipated Bitcoin (BTC) halving event, a pivotal occurrence in Bitcoin's monetary policy occurring approximately every four years. This



event, which reduces the rate at which new BTC is created, historically influences market dynamics and investor sentiment surrounding the digital asset.

Business updates

On 26 April, OSL and Solomon Securities strengthened their [partnership](#) to facilitate Hong Kong's innovative spot crypto ETFs with in-kind subscription and redemption. This advanced partnership now includes comprehensive advisory and operational support, specifically tailored to facilitate the in-kind subscription and redemption processes essential for the successful deployment and management of Hong Kong's first Spot Crypto ETFs, ready to be launched soon.

In the news

- 2 May 2024 - OSL participated in a press conference with Johnny Ng, a member of the Legislative Council for the Election Committee constituency, where discussions centered around the positive impact of Hong Kong's virtual asset policy over the past year and a half. Insights from the event, including suggestions to enhance industry support, were featured on [AM730](#).
- 2 May 2024 - Wayne Huang, the lead of OSL's ETF Project, engaged in a [live discussion on RagaFinance](#) about the recently launched spot BTC and ETH ETFs in Hong Kong, alongside representatives from ChinaAMC and China Galaxy Securities Co, the program discussed the risk and opportunities investing in Bitcoin and Ethereum.
- 30 April 2024 - A significant milestone was achieved as ChinaAMC and Harvest Global, and the spot crypto ETFs have been successfully listed spot BTC/ETH ETFs on the [Hong Kong Stock Exchange](#). This achievement, marking a pioneering step in Hong Kong's vibrant ETF market, was highlighted on [ETNet](#).
- 29 April 2024 - OSL shared insights from its extensive "[Hong Kong Spot Crypto ETFs Investor Sentiment Survey](#)" ahead of the launch of Hong Kong's first spot BTC and ETH ETFs. The survey illuminated investor enthusiasm and expectations surrounding this groundbreaking financial development.
- 26 April 2024 - OSL, in partnership with [Solomon JFZ \(Asia\) Holdings Limited](#), expanded its service scope to facilitate in-kind subscription and redemption processes for Hong Kong's first Spot Crypto ETFs. This development was covered in [FinTech News Hong Kong](#), [HKET](#), and [Ming Pao](#).
- 26 April 2024 - Mentoring students from the [City University of Hong Kong](#), organised by the Hong Kong CPPCC Youth Association, provided OSL with a rewarding opportunity to engage with the next generation interested in the digital asset space.
- 19 April 2024 - OSL's achievement of becoming the first to be granted a licence under the [Anti-Money Laundering and Counter-Terrorist Financing \(AMLO\)](#) by

SFC underscores the company's commitment to enhancing the security and credibility of the digital asset space. This achievement was noted in [AP](#) and [HKEJ](#).

- 23 April 2024 - The Swiss Chamber of Commerce in Hong Kong invited our Jean-David Péquignot, Head of Markets to share firsthand how digital assets are shaping the financial landscape in Hong Kong and beyond. The success of the event "[Invest in Gold vs Crypto](#)" was a testament to OSL's engagement with attendees and speakers, who provided valuable insights into investment choices.
- 15 April 2024 - OSL played a pivotal role in facilitating the approval and launch of [China Asset Management \(Hong Kong\)](#) and [Harvest Global](#)'s inaugural spot Bitcoin/Ethereum ETFs in Hong Kong. This marked a significant advancement in the financial landscape, as reported by [Decrypt](#), [CoinDesk](#), [The Block](#), [TVB News](#), and [Cointelegraph](#).
- 8 April 2024 - OSL co-hosted an enlightening fireside chat on "[Navigating the Future: Licensed Innovation in Digital Finance](#)" with Pando Finance and Blockdaemon. Our CEO Patrick Pan was speaking at the fireside chat which the discussion focused on the transformative impact of STOs and Spot ETFs in the licensed digital landscape.
- 5 April 2024 - Reflecting on an insightful keynote at the [Hong Kong Web3 Spring Summit](#), Gary Tiu, OSL's Executive Director and Head of Regulatory Affairs, provided a concrete example on the topic of "VA Exchange to the first Spot VA ETF in 3 years: What's next for HK's VA Ecosystem?" This journey reflects substantial infrastructure investments made to meet the growing demand for digital assets.

Additional digital asset market developments

- Hong Kong Bitcoin, Ether ETF structures revealed ahead of April 30 launch - [link](#)
- Failed Mt.Gox's \$9 billion of bitcoin closer to being disbursed to creditors - [link](#)
- Ex-Binance CEO Zhao sentenced to 4 months in prison - [link](#)
- Stripe bringing back crypto payments, this time with a stablecoin - [link](#)
- US SEC expected to deny spot ether ETFs next month, industry sources say - [link](#)
- UK to issue new crypto, stablecoin legislation by July, minister says - [link](#)
- Spot bitcoin ETF cumulative trading volume crosses \$200 billion - [link](#)
- Crypto investments reach an 18-month high, with an increase in early-stage deals - [link](#)
- Singapore widens crypto regulation, introduces enhanced user protection requirements - [link](#)



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

Thank you again for your continued support.

Sincerely,

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