

领先的一站式虚拟资产服务平台

Leading One-Stop Virtual Asset Service Platform

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Company News

Huobi Tech CFO Lily Zhang Discusses Global Crypto Development at Hong Kong Fintech Week

During Nov 1-5, Huobi Technology Holdings Limited ("Huobi Tech" , stock code: 1611.HK) participated in **Hong Kong Fintech Week** - one of the largest conferences around the world, which attracts more than 17,000 attendees and over 250 top speakers across Asia and the world, to share their innovations, experience and insights toward the fintech sectors. Among this, **Ms. Lily Zhang, CFO of Huobi Tech spoke along with other digital asset industry leaders during a panel discussion titled "Global Developments for Cryptocurrencies" on Nov 3.**

The panel moderated by John Patrick Mullin, co-founder of Mantra DAO and SOMA.finance, focused on the latest blockchain and tokenization initiatives reshaping crypto investing, why the institutionalization of crypto markets can't be ignored, and how to build a regulation ecosystem for crypto exchanges and assets. Other panel participants included Mr. Edmond Lau, Head of Investment at Babel Capital, and Ms. Angelina Kwan, Senior Advisor to the Board, HashKey Group. During the panel, Zhang stressed the importance of crypto regulation, and mentioned how global regulations for stable coins, Bitcoin, and DeFi will ultimately catalyze crypto adoption. Besides, she also touched on the importance of good communication between industry players and regulators, which will be helpful for the innovations in the space.

Huobi Tech Discusses Virtual Asset Investments at Private Wealth Asia Forum in Hong Kong

Huobi Tech was invited to participate in the 2nd Annual **Private Wealth Asia Forum** in Hong Kong. CEO of Huobi Asset Management – Ms. Gillian Wu and Head of Huobi Trust

Hong Kong – Ms. Jenny Lau represented Huobi Tech and spoke during a roundtable discussion about the role of virtual assets as an alternative asset class and how they are becoming important investment tools as Bitcoin, Ethereum, and other cryptocurrencies enter the mainstream market.

When addressing whether virtual assets add value to investors' portfolios, Gillian shared how investment portfolios consider the cumulative impact of assets to evaluate the risks and returns of the broader portfolio, meanwhile, also stated that cryptocurrencies like Bitcoin have almost no correlation to other asset classes, and therefore provide clear diversification benefits. Confronting the investors' concerns towards the compliance and safety of virtual assets, Jenny cited the importance of the licensed virtual asset custodians, which can address risk via risk control measures and lower the threshold for investors to enter the virtual asset space.

Huobi Trust Hong Kong' s Assets under Custody Surged to USD2 Billion

As of the end of September 2021, **the assets under custody of Huobi Trust Hong Kong, a wholly-owned subsidiary of Huobi Tech, has exceeded USD2 billion.** Huobi Trust Hong Kong is a registered trust company in Hong Kong with a Trust or Company Service Provider (TCSP) license which provides compliant virtual assets custody services to clients in need of secure or risk-isolated custody of their assets.

Huobi Tech Management Mr. Li Lin Continuously Increased the company' s shareholding

Mr. Li Lin, the Executive Director of Huobi Tech, increased his shareholding in the company several times in October, with a cumulative increase of 1.96 million shares, involving about HK\$19.5 million, which led his shareholding ratio increased to 59.66%.

Industry Updates

In October 2021, the crypto market was much crazier with all-time highs of both Bitcoin and Ethereum appeared. Bitcoin topped over US\$66,000 on Oct 21 peaking at US\$66,697, while Ethereum also surpassed \$4,400 and reached to the peak with US\$4,643 on Oct 29.

What caught the market's attention is that U.S. first **Bitcoin Futures Exchange-Traded-Fund** made its debut in New York Stock Exchange on Oct 18, and topped the trading volume of US\$100 million on its first day. On the same day, the world-renowned crypto asset management firm **Grayscale** filed an application to convert the world's biggest Bitcoin fund into a spot ETF. Up to now, among fund managers who have applied to launch bitcoin ETFs in the U.S. are the VanEck Bitcoin Trust, Invesco, Valkyrie and Galaxy Digital Funds.

➤ **Enthusiasm from big firms and institutions kept increasing**

- **Facebook** has officially changed its name to "**Meta**", reflecting its great attentions and its future layout to the Metaverse. Same with that, **Sequoia Capital**, a Silicon Valley's oldest and largest Venture Capital firm, established Sequoia Fund and through it to restructure, and better invest in crypto assets.
- Retail giant **Walmart** has installed 200 Bitcoin ATMs at its various locations across the U.S. as a pilot program, to promote its installation of over 8,000 Bitcoin ATMs across the country. Credit card giant **Mastercard** announced that they plan to allow their U.S. business partners to provide the crypto rewards through credit cards or debit cards.
- **Coinbase**, one of the biggest crypto exchange platforms, has inked a multiyear partnership with the NBA, while another crypto platform **FTX** bought Superbowl ad slot to promote crypto to a TV audience of 92M.

➤ **Phenomenon of directly purchasing Bitcoin is quite optimistic around the world**

- **El Salvador**, a country in central America, has just picked up another 420 Bitcoins and now holds 1,120 Bitcoins; while the world-renowned software company **MicroStrategy** added almost 9,000 Bitcoins in the Q3, bringing its total to 114,042 Bitcoins.

➤ **The adoption of CBDC triggered heat debate among the countries**

- **European Central Bank** announced the formation of digital euro advisory group consisting of 30 high-ranking financial professionals from organizations, for the purpose of exploring the infrastructural and circulation potential of the digital euro. The African country **Nigeria** has officially introduced their Central Bank Digital Currency (CBDC) – eNaira, and the president of Nigeria stated that the launch of eNaira is expected to add US\$29 billion to Nigeri' s GDP in ten years.

➤ **In terms of the regulations, a brighter process has shown up in October**

- The watchdog **FATF** has released the updated guidance for firms that handle cryptocurrencies and virtual asset, and the regulations are for both centralized and decentralized.
- **In U.S.**, the SEC chairman announced the new kind of crypto-related ETF will be overseen by Commodity Futures Trading Commission (CFTC). Besides, the U.S. treasury department called for Congress to regulate issuers of stable coins and urged financial agencies to assess whether the role of these fast-growing digital assets in the country's payments system posed a systemic risk.
- **In Europe**, bank of Spain issued registration guidelines for VASPs, requiring individuals, institutions and banks which provide virtual currency exchange services to register.
- **In APAC**, South Korea has announced that the nation' s cryptocurrency tax rules will be enforced starting in January 2022, and the nation will tax personal crypto income 20% if the total income is more than 2.5 million won (or US\$2,100).

About Huobi Tech

Huobi Technology Holdings Limited (“**Huobi Tech**” , Stock Code: 1611.HK) was listed on the Main Board of the Stock Exchange of Hong Kong Limited in November 2016. Actively developing the blockchain ecosystem and virtual asset ecosystem, Huobi Tech is committed to becoming the leading one-stop compliant virtual asset service platform. Huobi Tech currently offers data centre services, cloud-based services, SaaS, virtual asset management, custody, trust, lending and other related services.

At the same time, Huobi Tech is applying for virtual asset and finance-related licenses in major markets around the world. Up to now, Huobi Tech’ s subsidiaries have successfully obtained the approval to conduct Type 4 (Advising on Securities) and Type 9 (Asset Management) regulated activities from The Securities and Futures Commission of Hong Kong, registered as a Trust Company in Hong Kong with the Trust or Company Service Provider License (Hong Kong) and the Retail Trust Company License (Nevada USA).

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