



edvance



Edvance International Holdings Limited (1410.HK)
安領國際控股有限公司

FY2021 Annual Results
Presentation



CONTENTS

- 01 Group Introduction**
- 02 FY2021 Review**
- 03 Outlook - cybersecurity**
- 04 Outlook – digital asset ecosystem**



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Group Introduction

- **Found in 2002**, focusing on **cybersecurity**, and **fintech** innovations
- Established to be a key technology player in the market
- Listed on GEM in 2017 and switched to **mainboard in 2019 Dec**
Edvance International (1410.HK)
- Headquarters in Hong Kong, with presence in Macau, Shenzhen, Shanghai, & Singapore



Value-added distribution
www.edvance.hk



Technology company in China
www.edvance.cn



IAM product for China market
www.epas.com.cn



Cybersecurity service hub
www.esh.hk



Cloud based "Security-as-a-Service"
www.greenradar.com



Technology local community
www.wepro180.com



Technology Ventures & Innovations
www.agdigits.com



Digital Asset Management
www.agam.hk



Technology Incubation Arm
www.agic.hk



DocuRoom
Secure Document Portal
www.docuroom.com



**evolve from cybersecurity,
& tap into fintech**



Our Business Focus - FOUR Pillars

cybersecurity

fintech



Ride on the solid foundation in **cybersecurity** to tap into **fintech** and **digital asset management**

-  Capture Market Capabilities
-  Incubation (People, Technology, Capital)
-  Research & Development
-  Business Know-how



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Financial Highlights

(HKD)



	FY2021 HK\$'000	FY2020 HK\$'000
RESULTS		
Revenue	410,505	394,330
Cost of Sales	(286,492)	(289,490)
Gross Profit	124,013	104,840
Profit before taxation	43,182	31,018
Profit (Loss) for the year attributable to		
- Owners of the Company	34,739	23,344
- Non-controlling interests	(482)	-
Profit for the year	34,257	23,344

Resilient Growth in Cybersecurity Businesses

Summary

- Revenue increased by 4.1%, Net Profit increased by 48.8%
- Improved operational optimization (disciplined cost expenditure & higher profit margin of cybersecurity services business)

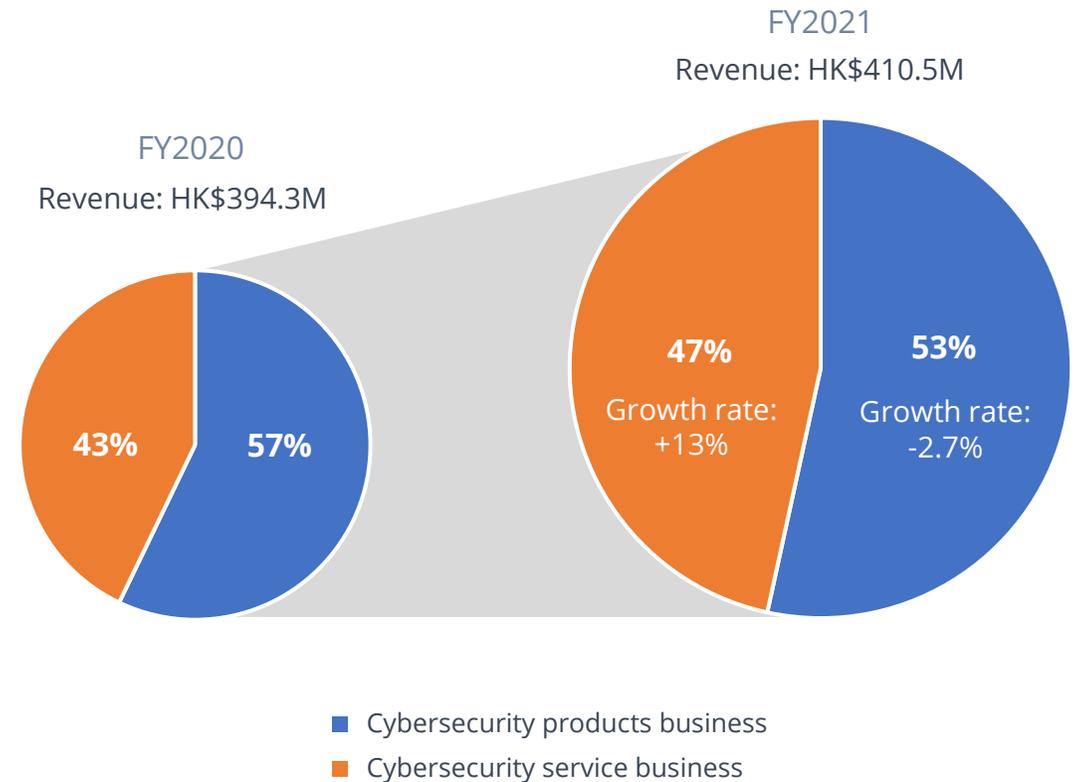


- Introduced 3 new products



- Service Business remains steady

Cybersecurity business shift to services



Our core businesses – cybersecurity products & services

cybersecurity



- **Cash cow** of the Group with steady growth
- **Top** cybersecurity product distributor in Hong Kong
- New products : **NeuVector, Gigamon, Safe-T**

- **Edvance Service Hub (ESH)** and **Green Rader** - New offices set up for providing cybersecurity service and strengthened R&D capability
- **Improved gross profit** to 31.6% from 28.6%
- Green Radar's new **Security Operations Center (SOC)** in Hong Kong & Singapore, offering comprehensive email protection via proprietary **aidar™**

Our core engine to build the Digital Asset Ecosystem

fintech

During the Reporting Period:

- Invested in leading digital asset exchange – HKbitEX (Lead investor in A2 series)

Post-results:

- AGIC - Set up new office at FinTech Centre of HKSTP
- Innovation Project: DocuRoom
- MOU for a potential investment in a company focusing on blockchain and digital asset innovations



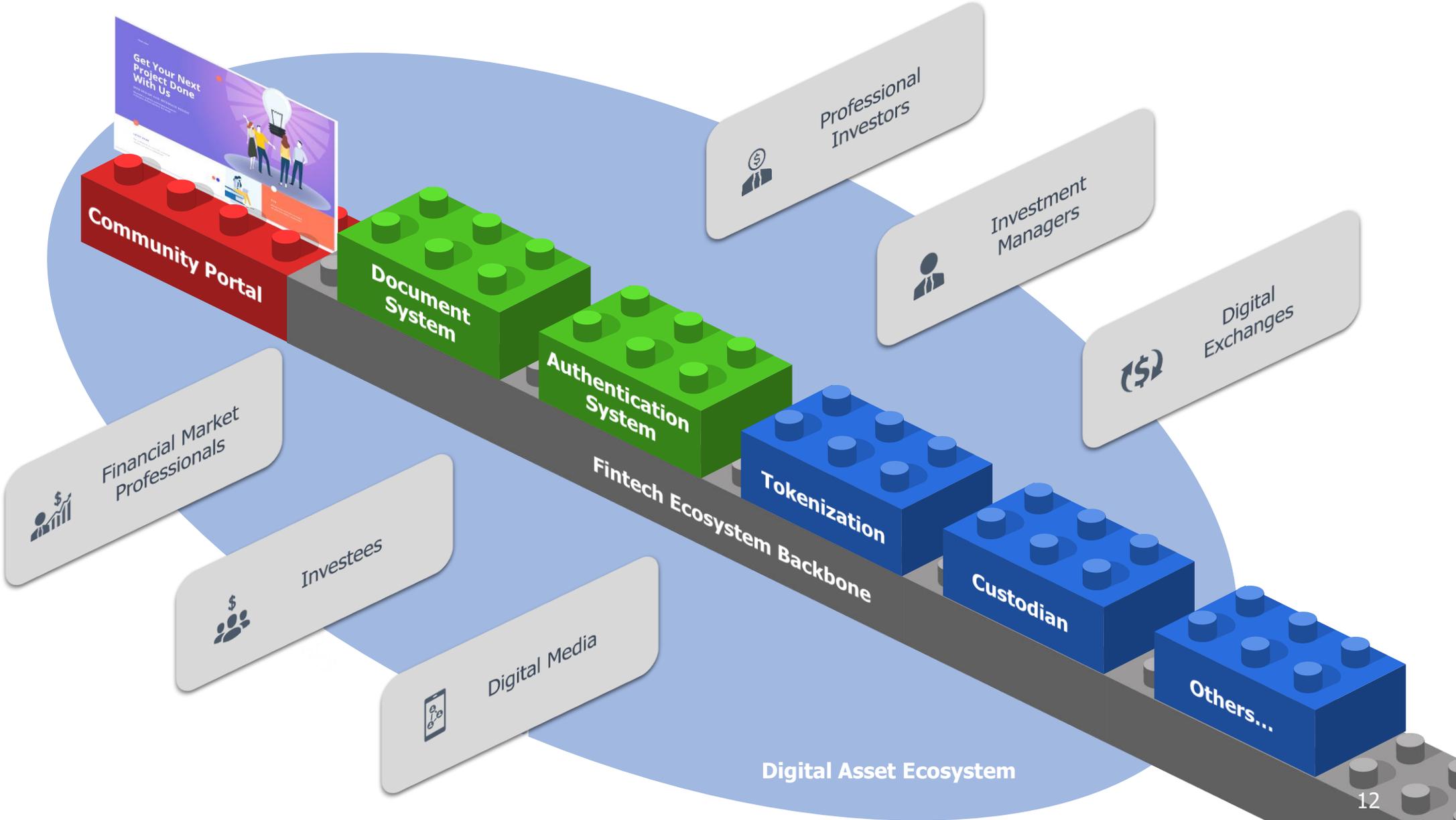
During the Reporting Period:

- Acquired Royston Securities Limited – with Type 1, 4, 9 licenses granted by SFC
- Renamed as **Axion Global Asset Management (AGAM)**

Post-results:

- Proposed fund raising through Security Token Offerings (“STO”)
- Submitted application to SFC to manage virtual assets above the de minimis threshold
- Investment focus: **cryptocurrency** and **digital asset**

Building our Digital Asset Ecosystem



FY2021 – Laying Foundation for Future Growth

Foundation

- Made several strategic investments to ensure long term growth
- Invested HKD35M (funded by operating cash flow)
- Increased 38 headcounts, representing an increase of 42%

Future Growth

New Cybersecurity Initiatives led by ESH & Green Radar



- Building a digital future in fintech
- Investment in HKbitEX



Leverage our technological expertise to transform the traditional asset management business



An inhouse research & development division to build the core enabling technologies

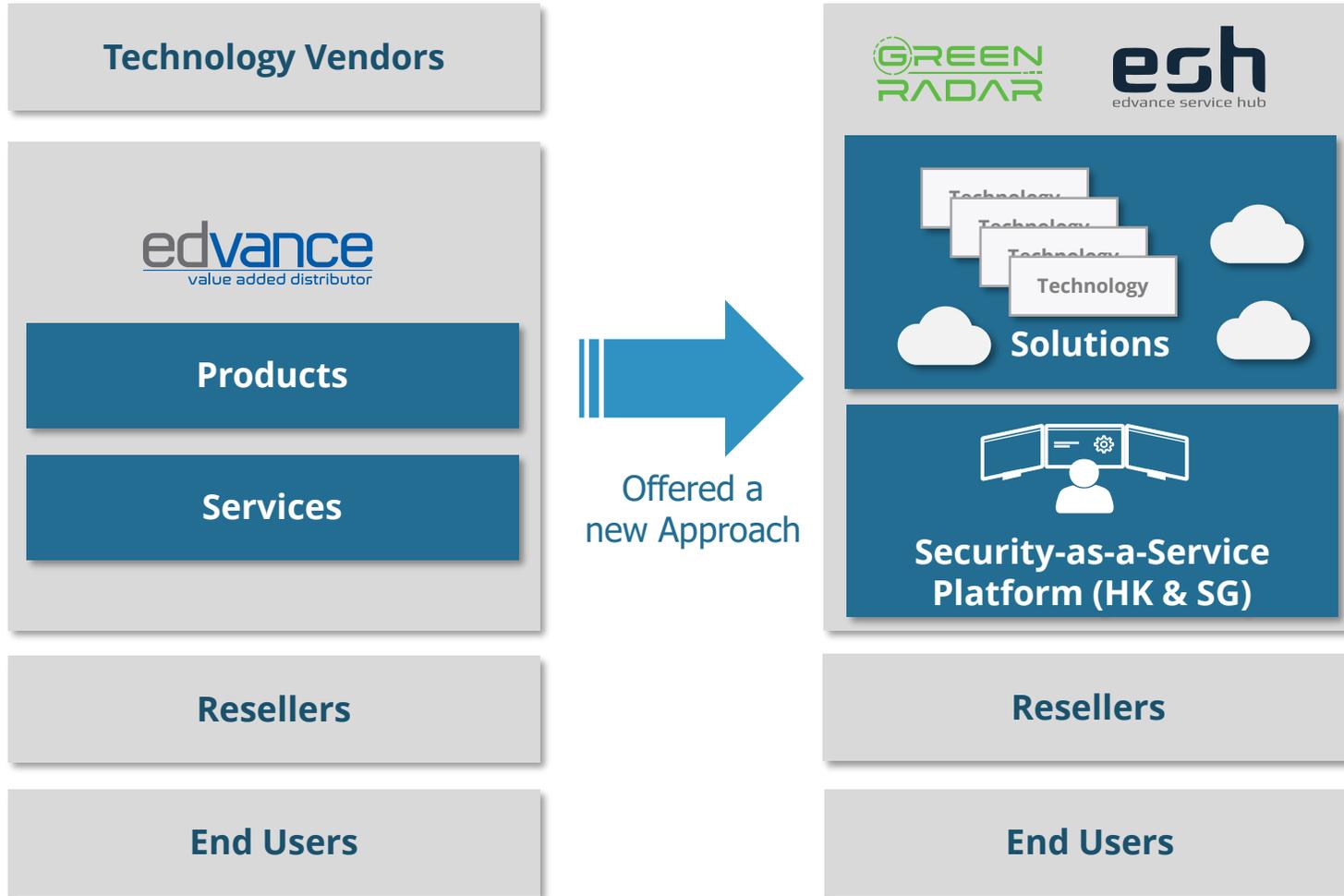




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Accelerate Cybersecurity Solutions Adoption



- Providing our resellers /end users more options
- Security as-a-Service – More accessible and cost efficient to deploy
- More offerings from Green Radar & ESH:



Email Security



Identity & Access Management



Application & Data Security



Network Security

- Supported by our two Security Operations Centers in Hong Kong & Singapore



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The Digital Asset Opportunity Taking Shape



Market Cap:

US\$1.57T

 +594%

Cryptocurrency

US\$85.6B

 +882%

Stablecoin

US\$108T

 +4.5%

Global Equities

Driving Forces

1. Digital asset as a new asset class
2. Wave of institutional participation
3. Regulation helping industry to grow

Nearly half of millennial millionaires have at least 25% of their wealth in cryptocurrencies, CNBC Millionaire Survey 2021

Virtual Assets and associated Service Providers have become ready for institutional investment and growth, KPMG 2021

Half of hedge funds are now investing in crypto, says PwC report 2021

Strategy to Capture Shareholder Value



Strategies

Venture Investment

Innovation

Digital Asset Management

Principles

- Long Term Investments & Acquisitions
- Strategic Alignment & Synergy
- Return on Investment

- Proprietary capabilities
- Platform & Partnership centric

- Compliant to Regulatory Requirements
- Innovative products

Our Advantages and Differentiators

Technology Savvy

- Technology and Innovation in our DNA
- Uncompromised cybersecurity approach
- Certified Security Operations Center
- SaaS



Expertise

- Pioneers in digital assets
- Experienced in traditional banking & finance and broad industry expertise



Deutsche Bank



The Royal Bank of Scotland

Strong Governance

- Listed on HKEx
- Regulated by SFC under Type 1,4, 9
- Application for virtual asset funds management
- Traditional finance + Technology due diligence

Recap

- Tykhe/ HKbitEX Investment
- Royston Acquisition
- Axion Global Digits Formation

FY2022

Regulatory Consultation on STO issuance

R&D Office at HKSTP

Notification to SFC on Virtual Asset Funds

Target Company Investment

DocuRoom Commercial Launch

Virtual Asset Funds Launch



Axion Global

Q&A

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