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GBC Research Comment - Advanced Blockchain AG

Company: Advanced Blockchain AG^{*5a,11}
 ISIN: DE000A0M93V6
 Analysts: Matthias Greiffenberger; Marcel Goldmann
 Current share price: 4.91 € (Tradegate 20.11.2024; 13:52)
 Fair value: € 10.75 (previously: € 7.00)
 Rating: Buy
 Date (time) of completion: 20.11.2024 (14:00)
 Date (time) of first publication: 20.11.2024 (14:45)
 *Catalog of possible conflicts of interest from page 5

Valuation update: Successful peaq Token Launch Leads to Reassessment of Portfolio Position

In our most recent valuation of Advanced Blockchain AG on November 11, 2025, we intentionally refrained from preempting the outcome of the peaq token launch, opting instead to wait and observe its development. Historically, token launches tend to be highly volatile, which was why our previous assessment was published prior to the launch. Many tokens typically experience price declines of up to 80% shortly after launch, as early investors liquidate their positions. Accordingly, we sought to base our conclusions on the actual market response.

The peaq token was ultimately listed at a price of \$0.50 but subsequently settled at approximately \$0.25. Nevertheless, the token has demonstrated relative stability compared to similar projects, significantly outperforming the expected benchmark trends. This stabilization now allows for a well-founded reassessment.

As of the last Top-15 portfolio evaluation on June 30, 2024, Advanced Blockchain AG held 88,056,000 peaq tokens. ABAG acquired these tokens at minimal costs through its incubation activities. Following the launch, at a price of \$0.25 per token, their value is now approximately \$22.01 million USD or €20.80 million (exchange rate: 1 USD = 0.944849 EUR, as of November 19, 2024, 14:50 UTC). In our view, this represents a significant value increase of around \$15.03 million USD (€14.22 million).

Although the peaq tokens are subject to a lockup agreement until Q3 2025, they can be utilized for staking during this period. Token staking involves cryptocurrency holders locking their tokens in a wallet to support the network, such as by validating transactions or providing liquidity. In return, they receive rewards in the form of additional tokens. Advanced Blockchain AG plans to actively stake its peaq tokens to generate additional tokens. This approach could enhance token yields during the lockup phase and further improve the company's return on capital.

GBC NAV valuation	
Top 15 valuation of the portfolio	27.87 million €
peaq token launch value increase	14.22 million €
Holding costs	1.35 million €
NAV	40.74 million €
Outstanding shares	3.79 million
NAV per share	10,75 €

Source: GBC AG

With 3.79 million outstanding shares, the value increase of €14.22 million results in a NAV rise of approximately €3.75 per share. Consequently, based on our previous price target of €7.00, the new price target is €10.75 per share.

Overall, we continue to view the company as excellently positioned, with a solid liquidity base. As of June 30, 2024, the parent company held liquid assets of approximately €1.62 million. According to management, liquid assets at the group level amounted to around €2 million as of the same date. Additionally, the investment subsidiary holds a range of tokens that can be liquidated mid-term, ensuring additional financial flexibility.

Given the significant upside potential, we maintain our Buy rating.

APPENDIX

I.

Research under MiFID II

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II.

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The analysts responsible for this analysis are:

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