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23.12.2021 – GBC Managementinterview with Patrick Lowry, CEO of Cryptology Asset Group plc

Company: Cryptology Asset Group plc*^{5a,5b,6a,7,11}

ISIN: MT0001770107

Analyst: Felix Haugg, Julien Desrosiers

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**Catalogue of possible conflicts of interest on page 5*

Cryptology is a leading European holding company for crypto assets and blockchain companies.

Cryptology Asset Group is a publicly traded investment company focused on crypto-assets and blockchain-based business models. For this purpose, Cryptology has a broad network of experts, including Christian Angermayer and Mike Novogratz, two of the most prominent faces in crypto, who are also among the founders and largest shareholders in the company. In the long term, the company aims to become Europe's leading holding company of the world's most successful crypto and blockchain companies. We spoke with the company's CEO Patrick Lowry about the outlook for crypto assets and the development of Cryptology Asset Group.

GBC AG: Mr. Lowry, to start off, please give us a brief review of Cryptology Asset Group's developments in 2021.

Patrick Lowry: I stepped in as the newly appointed Cryptology CEO in March 2021 with a vision to build the gateway for investors to enter the crypto asset class, leveraging Cryptology's infrastructure and balance sheet. I believe we have successfully created this gateway through Cryptology's publicly traded shares. Our shareholders participate directly in the development of the crypto ecosystem through our investments in exclusive blockchain companies such as B1 and Bullish as well as through the exciting developments of Northern Data, Iconic Funds and more crypto-native companies. We made multiple new investments into the likes of Chintai and even had exits, such as the NYDIG acquisition of our portfolio company, Bottlepay. We also announced we will be deploying \$100 million into crypto funds as well, partnering with emerging managers to expand our dealflow and realize what I personally expect to be substantial financial returns. Looking back, I believe we were successfully able to realize my vision as through Cryptology shares, investors gain access to the crypto investment ecosystem in truly unprecedented ways.

GBC AG: Your last investment was in VLaunch. Can you explain the reasons for this investment and tell us what you expect from the investment?

Patrick Lowry: This year, Cryptology started to embrace more native crypto investments and began to deploy capital into the DeFi ecosystem. VLaunch is one of the most exciting projects in crypto today with easily the fastest growing community. The angle they are taking, leveraging a community of influencers in a DAO-esque model for a new token launch platform is revolutionary. We view this as a highly strategic investment as we plan

to leverage the token launchpad to invest in the most innovative tokenized platforms coming through the launchpad

GBC AG: Probably the most exciting project in Cryptology's portfolio at the moment is the Bullish platform. Recently, the Financial Services Commission (GFSC) of Gibraltar granted a license for the distributed ledger technology. What does this mean for Bullish and what are the next steps to become the world's largest crypto exchange?

Patrick Lowry: I am excited for many of our portfolio companies, particularly Northern Data now that their tumultuous 2021 is behind it and the firm can move forward. But yes, all the focus of capital markets is zero'd in on B1's Bullish, and rightfully so. The IPO via SPAC seems to be imminent now that the platform itself is live. Bullish spent much of 2021 in a private Beta, and even permitted institutions to join in early December. While in Beta, Bullish realized well over \$100 million daily trading volume on Bitcoin rather quickly, equating roughly 15-20% of the daily Bitcoin trading volume of Coinbase. In Mid-Dec., Bullish was rolled out to over 40 countries for all crypto investors. Bullish has a big year ahead of it in 2022, and I am... Bullish... on the platform!

GBC AG: The year 2021 was an extremely successful year for cryptocurrencies, despite the Corona pandemic. In your view, have cryptocurrencies made the leap into the mainstream?

Patrick Lowry: Crypto wasn't just successful despite the COVID pandemic... Crypto largely thrived because of the COVID pandemic, or more accurately said, our government's and central bank's irresponsible actions to combat the economic fallout of the COVID pandemic. The crypto community has been promoting Bitcoin as a "digital store of value" for years, and in an era of infinitely printed fiat currency (USD/EUR), people finally understood the message and Bitcoin's value. Coupling this with the 2020 Bitcoin halving event, 2021 was literally a perfect storm of adoption for Bitcoin. From there, investors started diving down the rabbit hole and discovered ETH, EOS and other crypto assets that have their own unique value drivers. We are still in the first inning of adoption though, and I expect many, many big things in the coming months and years.

GBC AG: In which areas do you think there will be no way around cryptocurrencies in the foreseeable future?

Patrick Lowry: Crypto and the blockchain will touch literally every industrial, financial and general business vertical in the world. No industry will be safe, and everyone will inevitably adopt crypto/blockchain in their business model. Adoption is inevitable.

GBC AG: The issue of sustainability/ESG is becoming increasingly important for investors. How do you take this into account and implement individual measures in your company and in your investments?

Patrick Lowry: Cryptology is an investment holding company with a very small team. With little to no formal operations, I would expect our carbon footprint to be basically non-existent. With that said, we work hand-in-hand with our portfolio companies and discuss their own ESG initiatives. For instance, Iconic Funds' Physically Backed Bitcoin ETP recently announced it had begun carbon offsetting for all the Bitcoin in the ETP through the purchase and holding of carbon credits. Northern Data is also working to be completely carbon neutral by 2030 for its mining and HPC operations. I believe our portfolio is working hard to be ESG-compliant industry leaders.

Moving away from the “E” of ESG though, there is still Social and Governance implications of ESG compliance. What excites me the most is the profound impact crypto will have on both elements. Crypto enables wealth generation in a way that is unprecedented, which will have nothing but a highly positive impact on society as individuals take control of their own assets. Further, the governance structures being developed by DAO’s and quadratic voting systems, leveraging decentralized governance protocols through cryptographic technology, are revolutionizing governance and finally empowering organizations in a borderless, transparent and individualistic manner. In my view, crypto will soon be seen as far and away the most ESG compliant industry in the world.

GBC AG: Finally, can you give us an assessment of how you think cryptocurrencies will develop in 2022? And what will be the main focus for Cryptology in the coming year?

Patrick Lowry: Crypto is just getting warmed up. I expect 2022 to be a massively exciting year for Cryptology, our portfolio companies and our shareholders. We will continue to deliver on our vision of being the gateway for investors seeking exposure to the crypto ecosystem through our listed shares as well as continue to invest in and partner with the best and brightest entrepreneurs and investors in the crypto ecosystem.

GBC AG: Patrick Lowry, thank you very much for the interview.

ANNEX

I.

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The analysts responsible for this analysis are:

Felix Haugg, Financial Analyst

Julien Desrosiers, Financial Analyst

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GBC AG
Halderstraße 27
D 86150 Augsburg
Tel.: 0821/24 11 33-0
Fax.: 0821/24 11 33-30
Internet: <http://www.gbc-ag.de>
E-Mail: compliance@gbc-ag.de



GBC AG®
- RESEARCH & INVESTMENT ANALYSEN -

GBC AG
Halderstraße 27
86150 Augsburg
Internet: <http://www.gbc-ag.de>
Fax: ++49 (0)821/241133-30
Tel.: ++49 (0)821/241133-0
Email: office@gbc-ag.de