

January 26, 2026

VALUATION

Current Price	\$1.59
52 Week Range	\$1.16-145.72
Market Cap (\$-Mn)	6.94
Shares O/S (Mn)	4.88
Float	98.3%
Avg. 3-Month Volume (Mn)	1.01

Source: bnbx.io, TIKR

DAT Specific Metrics

Token Focus	BNB
BNB Balance	18,796
Cash (\$-Mn)	1.57
NAV (\$-Mn)	17.96
BNB Price (\$)	871.02
BNB Per Share	0.0038
mNAV	0.39x
Adj. mNAV (with Pre-funded)	0.88x

Source: Exec Edge, bnbx.io, TIKR

STOCK PRICE PERFORMANCE



Source: TIKR

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BNB Plus Corp. (BNBX)

The Leading Gateway to Institutional-Grade BNB Exposure, with Best-In-Class Yield

- **Differentiated DAT vehicle offering institutional-grade exposure to the Binance ecosystem and a best-in-class yield (9-12%).** BNBX has transformed from Applied DNA Sciences, a small-cap biotechnology company, into a digital asset treasury (DAT), the first publicly listed NAV company holding BNB as its core treasury asset. BNBX now owns 18,800+ BNB tokens, with an active yield strategy targeting 9-12% APY, positioning itself as the leading vehicle for institutional investors seeking exposure to the world's largest cryptocurrency exchange ecosystem. Implementation of institutional-grade transparency infrastructure including real-time dashboards, on-chain verification, and multi-layered NAV methodology also set BNBX apart.
- **Executing a dual-mandate strategy combining disciplined BNB accumulation with low-risk active yield generation.** Treasury accumulation deploys capital into BNB at strategic price levels, while harvesting yield returns through staking, Binance Launchpool participation, and DeFi protocol deployment across PancakeSwap and Venus. A low-risk yield enhancement strategy and an active approach capture primary issuance opportunities and compounding yields unavailable to conventional holders, aiming to differentiate BNBX through superior risk-adjusted returns.
- **Binance's dominance and regulatory tailwinds provide long-term growth runway.** Binance commands 37.5% global market share, processing 6.4x Coinbase's trading volume, while BNB Chain's metrics including 2.3 million daily active addresses, \$7.8 billion DeFi TVL, and sub-second finality, signal institutional-grade maturation. Structural supply contraction further boosts the BNB investment thesis while the GENIUS and CLARITY Acts establish the first comprehensive U.S. digital asset framework, de-risking BNBX's operating model.
- **New leadership team brings capital markets and DeFi expertise to execute the DAT pivot.** CEO Clay Shorrock provides operational continuity from his prior role leading LineaRx, while newly appointed Chairman Joshua Kruger and CIO Patrick Horsman contribute institutional investment management and DeFi structuring experience. Strategic advisors including Anthony Scaramucci add capital markets visibility, further solidifying BNBX's positioning as an institution-ready BNB vehicle.
- **Capital structure reflects DAT transition.** The October 2025 PIPE raised ~\$27 million gross proceeds, funding initial BNB accumulation. Shelf registration capability positions BNBX to opportunistically access to capital markets when conditions are favorable or when attractive BNB accumulation opportunities arise. Further, LineaRx's move to profitability could open up news sources of cash for BNB purchases.
- **Valuation re-rating in the cards.** While we do not have a price target or stock recommendation, our analysis shows that BNBX is underappreciated relative to its potential growth trajectory. As it grows its BNB treasury and staking and other on-chain yields scales, BNBX is well positioned to re-rate, given the company's unique and well-integrated positioning in the Binance ecosystem.

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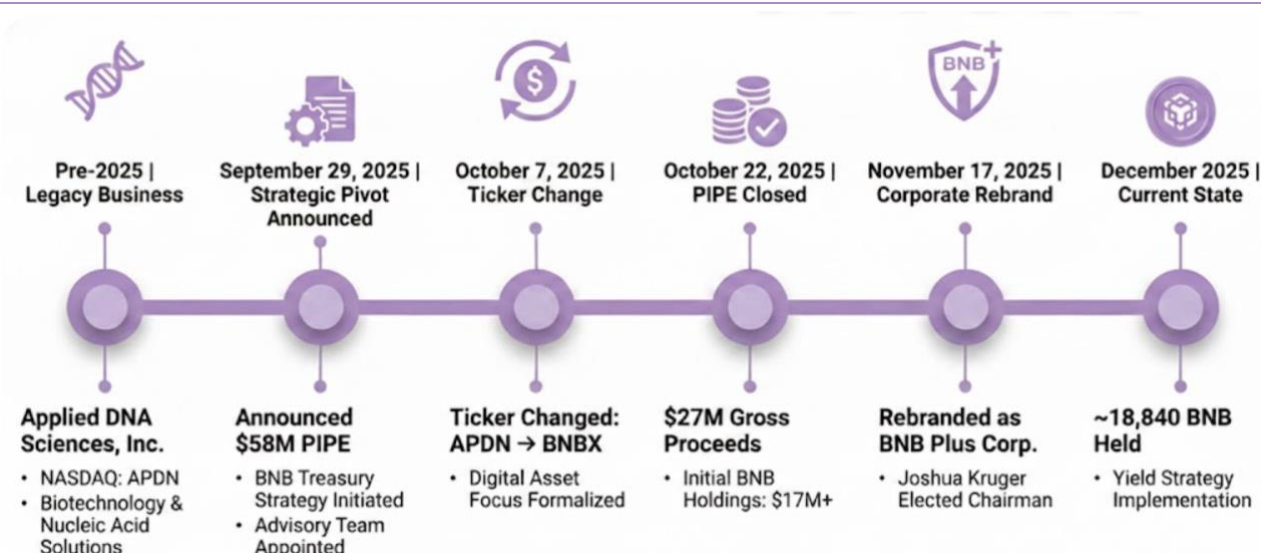
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Company Overview

A Differentiated Digital Asset Treasury (DAT) Focused on the Binance Ecosystem

- **BNB Plus Corp. (BNBX)**, formerly known as **Applied DNA Sciences, Inc.**, has undergone a strategic transformation from a biotechnology firm to a DAT company focused on accumulating and generating yield from BNB, the native cryptocurrency of the Binance blockchain ecosystem. The company was originally founded as a biotechnology enterprise specializing in nucleic acid production solutions for the biopharmaceutical and diagnostics industries. Through its majority-owned subsidiary, LineaRx, Inc., BNBX developed and commercialized proprietary platforms including LineaDNA™, LineaRNAP™, and LineaIVT™, which enable the manufacture of next-generation nucleic acid-based therapies. These platforms established the company as a provider of PCR-based DNA production solutions, serving customers in the genetic medicine and diagnostic manufacturing markets.
- However, as part of its efforts to boost shareholder value, in **September 2025**, the company announced a pivotal strategic shift through a private placement of up to \$58 million to initiate a **BNB treasury strategy and BNB native yield generation business**. This transformation was formalized in October 2025 when the company changed its ticker symbol from APDN to BNBX and subsequently rebranded as BNB Plus Corp. in November 2025. The strategic pivot positions BNBX as a leading publicly traded company offering pure-play exposure to BNB, the fourth largest cryptocurrency by market capitalization, while retaining its biotechnology operations through the LineaRx subsidiary.

Chart 1: Evolution of BNBX



Source: Exec Edge Research, Company Filings

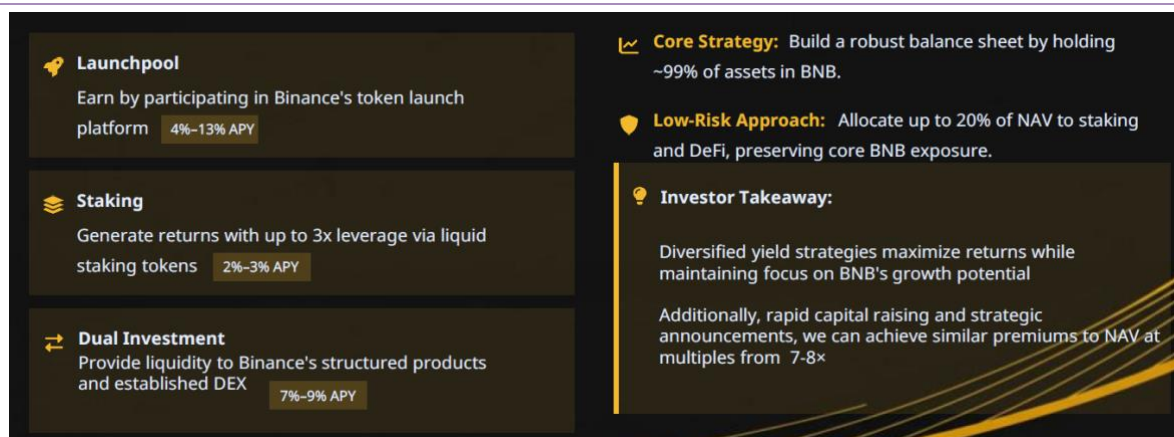
- **BNBX funded its strategic transformation through a private investment in public equity (PIPE) offering that closed in October 2025, raising ~\$27 million in gross proceeds with the potential for up to \$58 million including future warrant exercises.** The PIPE was led by a consortium of institutional and crypto-native investors including Galaxy, Off The Chain, Silvermine, and Gaia Digital Assets, signaling strong institutional confidence in the company's DAT strategy. The PIPE was structured at market price plus warrants, with investors receiving common warrants exercisable at \$3.82 per share with a five-year term.
- **The gross proceeds comprised \$15.3 million in cash and stablecoins, along with units of the OBNB Trust valued at approximately \$11.7 million, representing underlying ownership of 10,647 BNB tokens.** To support the treasury strategy, BNBX entered into a five-year Strategic Digital Assets Services Agreement with Cypress LLC for discretionary asset management, as well as a Strategic Advisor Agreement with Cypress Management LLC for operational guidance.
- **The company simultaneously executed significant leadership changes to align management capabilities with its new strategic direction.** Clay Shorrock, formerly Chief Legal Officer and President of LineaRx, was appointed President and CEO, while Beth Jantzen continues as Chief Financial Officer. Patrick Horsman, CFA, a serial entrepreneur with deep expertise in DeFi and alternative asset management, was appointed Chief

Company Overview

Investment Officer. Joshua Kruger, founder of OnChain Alpha and former Head of Trading at Coral Capital, was elected Chairman of the Board in November 2025, and Anthony Scaramucci, Founder and Managing Partner of SkyBridge Capital, joined as Strategic Capital Markets Advisor.

- **The reconstituted leadership team reflects a deliberate effort to blend traditional finance credentials with deep cryptocurrency and DeFi expertise.** Mr. Horsman's background in structuring alternative investment funds and his role as co-founder of Coral Capital, a DeFi market-neutral fund, positions him to oversee the complex yield generation strategies central to BNBX's value proposition. Mr. Kruger's experience in multi-strategy hedge fund management and blockchain-native asset optimization directly supports the company's active treasury management approach. The addition of Mr. Scaramucci provides institutional credibility and capital markets connectivity, which will be instrumental in attracting traditional investors seeking regulated exposure to digital assets.
- **BNBX distinguishes itself from conventional DAT companies through its active yield generation mandate and strategic selection of BNB as its primary treasury asset.** Traditional DAT companies, exemplified by Strategy's (MSTR) Bitcoin treasury approach, primarily function as passive holding vehicles where shareholder returns are solely dependent on the underlying asset's price appreciation. BNBX has architected a fundamentally different model that seeks to deliver dual-layered returns through both asset price appreciation and **active yield generation targeting approximately 9-12% annually.** This approach transforms the treasury from a static balance sheet item into a productive asset that continuously accumulates additional BNB tokens regardless of short-term price movements.
- **The company's choice of BNB as its core treasury asset is equally deliberate. BNB represents the fourth largest cryptocurrency by market capitalization with ~\$100 billion in value yet remains significantly under-owned by U.S. investors due to limited regulated access vehicles.** Unlike Bitcoin, which offers minimal native yield opportunities, the BNB ecosystem provides multiple avenues for yield generation including native staking, participation in Binance Launchpool token launches, decentralized exchange liquidity provision, and structured product opportunities. Further, BNB features programmatic deflationary tokenomics through quarterly auto-burn mechanisms designed to reduce total supply from 200 million to 100 million tokens, creating structural supply-side pressure that management believes supports long-term value appreciation.
- **The Binance exchange's dominant market position, commanding ~40% of global spot trading volume, provides a robust foundation for the BNB ecosystem's continued growth.** By combining an actively managed yield strategy with exposure to a fundamentally strong but institutionally underrepresented asset, BNBX has positioned itself as a differentiated investment vehicle that offers more than simple cryptocurrency price exposure through a traditional brokerage account.

Chart 2: BNBX Active Yield Generation Framework



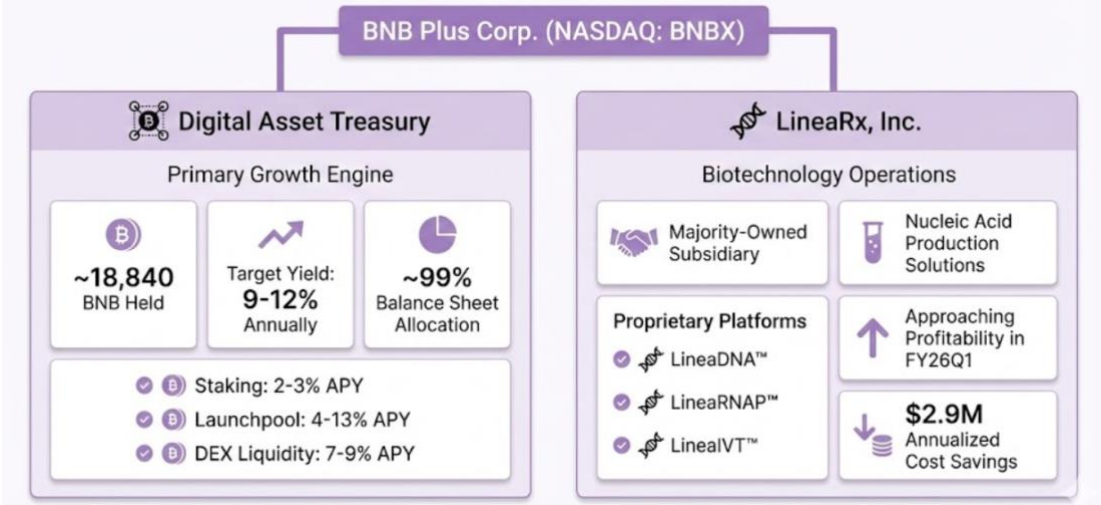
Source: Exec Edge Research, Company Investor Presentation

- **BNBX maintains a distinctive dual business model that combines its BNB-focused digital asset treasury with retained biotechnology operations through its majority-owned subsidiary, LineaRx, Inc.** Unlike other DAT company transformations that have entirely divested legacy operations, BNBX has made a strategic decision to preserve LineaRx's nucleic acid production capabilities while simultaneously pivoting the parent company toward digital assets. LineaRx continues to commercialize proprietary platforms including LineaDNA, LineaRNAP, and LineaIVT, which serve customers in the genetic medicine and diagnostic manufacturing markets. The subsidiary has undergone comprehensive strategic restructuring, achieving ~\$2.9 million in

annualized cost savings while maintaining its industry-leading capabilities in cell-free DNA production. Notably, management indicated in December 2025 that LineaRx is expected to significantly narrow its losses for 1Q FY26 ending December 31, 2025, and approach profitability based on reduced costs and increased customer shipments.

- **This potential inflection toward profitability transforms LineaRx from a capital-consuming legacy business into a potentially accretive component of the overall corporate structure.** This dual approach is advantageous, as it provided operational diversification beyond pure digital asset exposure while maintaining optionality in the rapidly expanding nucleic acid therapeutics market. The retained biotech operations also provide BNBX with tangible operating business characteristics that differentiate it from pure-play investment vehicles, potentially offering certain structural and regulatory advantages. Should LineaRx achieve sustained profitability, the subsidiary could generate cash flows that supplement the treasury strategy or support additional BNB accumulation without requiring external capital raises.

Chart 3: BNBX Dual Business Model Structure



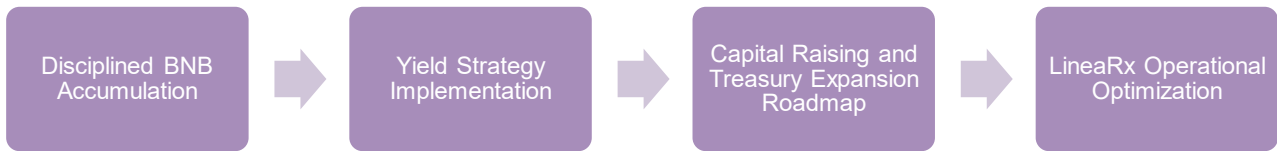
Source: Exec Edge Research, Company Filings

Growth Strategy

A Multi-Pronged Roadmap for Treasury Expansion and Yield Leadership

- **BNBX's growth strategy is anchored in four interconnected pillars designed to scale BNB treasury while optimizing the broader corporate structure for long-term value creation.** The first pillar focuses on disciplined BNB accumulation through systematic deployment of available capital. The second pillar involves implementing an active yield generation framework targeting approximately 9-12% annual returns through native Binance ecosystem opportunities. The third pillar establishes a multi-channel capital raising roadmap leveraging warrant exercises, shelf registration capacity, and yield reinvestment to fund continued treasury expansion. The fourth pillar centers on operational optimization at the LineaRx subsidiary, with management targeting a path to profitability that could transform the biotechnology business from a cash consumer into a self-sustaining or accretive enterprise. Together, these strategic initiatives position BNBX to compound shareholder value through both asset appreciation and active treasury management. We discuss each of these strategic initiatives below.

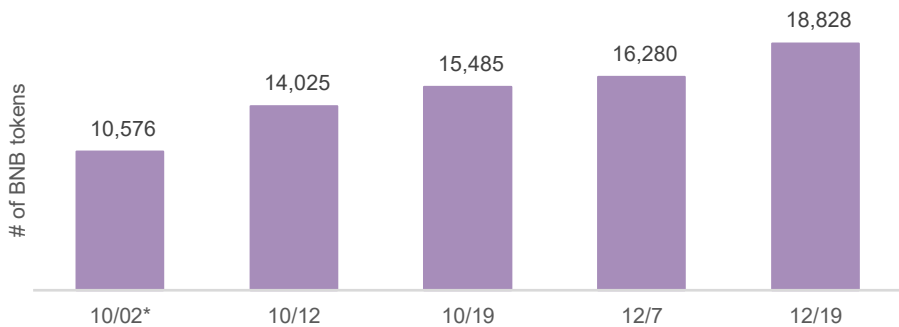
Chart 4: BNBX's Four-Pronged Growth Strategy



Source: Exec Edge Research, Company Press Release

- **Disciplined BNB accumulation is at the core of BNBX's growth strategy.** BNBX has established a systematic approach to building its BNB treasury through disciplined and opportunistic accumulation, with a stated target of allocating approximately 99% of its balance sheet to the digital asset. The company's accumulation track record since the October 2025 PIPE closing demonstrates management's execution of this strategy. Initial treasury holdings comprised 10,576 BNB tokens received through OBNB Trust units as part of the PIPE consideration, supplemented by an immediate purchase of 4,908 BNB tokens valued at ~\$5.3 million. By late October 2025, the company held approximately 15,485 BNB through direct holdings and trust units. BNBX continued its accumulation efforts in December 2025, opportunistically deploying an additional \$3 million to acquire 3,349 BNB tokens at an average price of approximately \$895 per token, bringing total holdings to approximately 18,840 BNB, as of an operational update provided by the company on December 9. The company's real-time treasury dashboard shows 18,828 BNB in the treasury as of December 19. The company has publicly stated its intent to maintain this disciplined accumulation strategy aligned with long-term value creation objectives, viewing BNB as a foundational strategic asset with meaningful potential that remains broadly underappreciated by institutional investors. Management's accumulation philosophy favors consistent deployment of available capital rather than attempting to time market movements, an approach designed to build treasury holdings steadily while managing execution risk. The company's real-time treasury dashboard at BNBX.io provides investors with visibility into current holdings and acquisition activity, reinforcing accountability around the accumulation mandate.

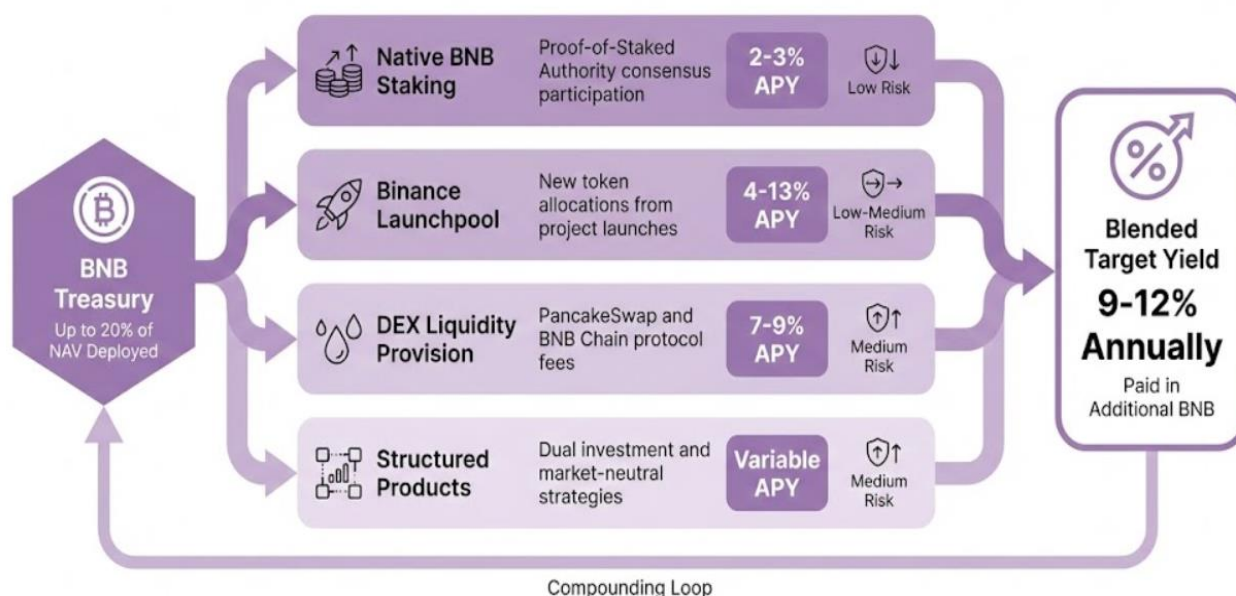
Chart 5: BNBX's BNB Treasury Accumulation Since PIPE Closing



Source: Exec Edge Research, BNBX.io *PIPE Closing Date. All dates are for 2025.

- **BNBX plans to implement an active yield generation strategy targeting approximately 9-12% annual returns through a diversified four-pillar framework that leverages native opportunities within the Binance ecosystem.**
 - **Staking:** The first pillar involves native BNB staking through the BNB Chain's Proof-of-Staked Authority consensus mechanism, which management expects to generate base yields of 2-3% annually while maintaining full exposure to BNB price appreciation.
 - **Launchpool:** The second pillar focuses on participation in Binance Launchpool, where staking BNB provides access to token allocations from new project launches before public trading begins, with historical returns suggesting potential annualized yields of 4-13% depending on market conditions and project quality.
 - **DEX Liquidity:** The third pillar encompasses decentralized exchange liquidity provision, primarily through PancakeSwap and similar protocols on the BNB Chain, where the company can earn trading fees by providing liquidity to various trading pairs at targeted yields of approximately 7-9% annually.
 - **Structured Products:** The fourth pillar involves structured products and dual investment strategies offered within the Binance ecosystem, providing additional yield optionality. To execute these strategies, BNBX has engaged Cypress LLC under a five-year Strategic Digital Assets Services Agreement for discretionary asset management, bringing specialized expertise in DeFi protocols and risk management.
- Management has indicated that up to 20% of net asset value may be allocated to these yield-generating activities at any given time, preserving the majority of holdings in core BNB positions while generating incremental token accumulation through yield proceeds.

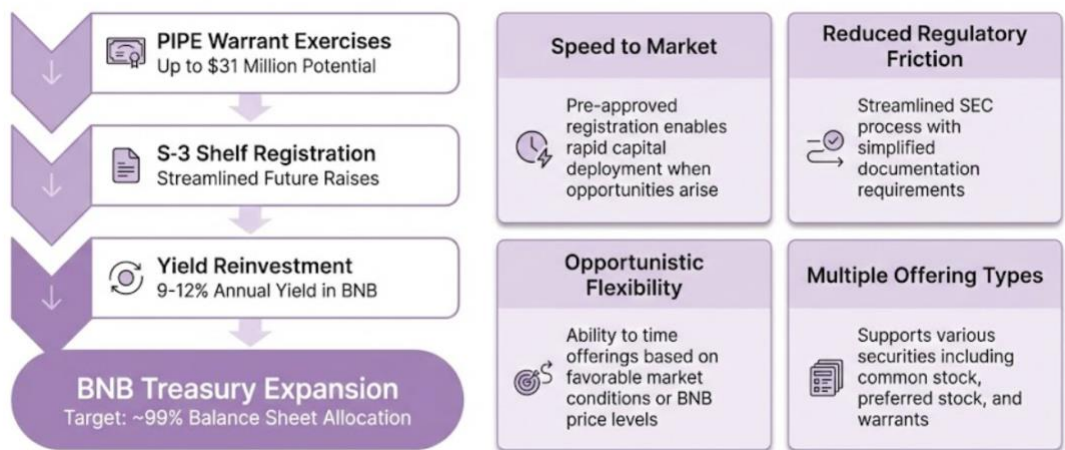
Chart 6: Four-Pillar Yield Generation Framework



Source: Exec Edge Research, Management Guidance

- **BNBX has structured its capital framework to support continued treasury expansion through multiple funding channels beyond the initial PIPE transaction.** The October 2025 PIPE included common warrants exercisable at \$3.82 per share with a five-year term, representing potential additional gross proceeds of up to \$31 million if fully exercised. **Beyond warrant exercises, the company maintains S-3 registration eligibility, providing a streamlined mechanism for future capital raises with reduced regulatory friction and accelerated timelines to market.** This shelf registration capability positions BNBX to opportunistically access capital markets for additional funds, when conditions are favorable or when attractive BNB accumulation opportunities arise. Management has also indicated plans for additional fundraising announcements, suggesting an ongoing commitment to treasury expansion. We note that the company has set a strategic target to raise \$200 million+; however, the timeline for this raise has not been specified. The capital raising roadmap is further supplemented by anticipated yield generation from deployed treasury assets, with targeted annual yields of approximately 9-12% translating to organic BNB accumulation that compounds treasury holdings without requiring external capital. This multi-pronged funding approach provides BNBX with strategic flexibility to grow its BNB position through market cycles while managing dilution considerations for existing shareholders.

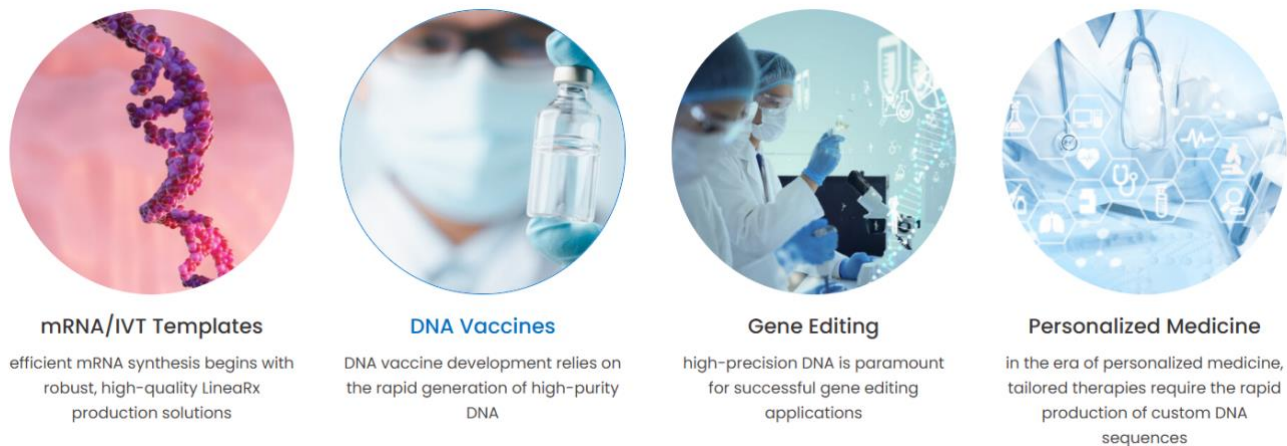
Chart 7: BNBX Capital Raising and Treasury Expansion Roadmap



Source: Exec Edge Research, Company Filings

- **LineaRx operational optimization forms the last tenet of BNBX’s growth strategy.** BNBX is executing a strategic turnaround at its LineaRx subsidiary designed to transform the biotechnology operation from a capital-consuming business into a self-sustaining or potentially cash-generative enterprise. Following the announcement of the DAT pivot in September 2025, the company implemented a comprehensive restructuring program at LineaRx that achieved approximately \$2.9 million in annualized cost savings while preserving the subsidiary’s core capabilities in cell-free DNA production. The restructuring involves aligning resources with strategic priorities and right sizing the operational footprint to match current revenue levels and near-term growth expectations. LineaRx continues to commercialize its proprietary nucleic acid production platforms, including LineaDNA, LineaRNAP, and LineaIVT, which serve customers in the genetic medicine and diagnostic manufacturing markets. Based on the reduced cost structure and an increase in customer shipments, LineaRx is expected to significantly narrow its losses for 1Q FY26 (quarter ending December 31, 2025), and approach profitability. **We believe achieving this milestone would represent a meaningful inflection point for the consolidated enterprise, validating management’s decision to retain rather than divest the biotechnology operations during the strategic pivot.**
 - Should LineaRx achieve sustained profitability, the subsidiary could generate incremental cash flows that support working capital needs, fund additional BNB accumulation, or reduce reliance on external capital raises for treasury expansion. We view the dual business model as strategically advantageous, providing operational diversification while maintaining optionality in the expanding nucleic acid therapeutics market.

Chart 8: Applications for Enzymatically Produced LineaDNA™



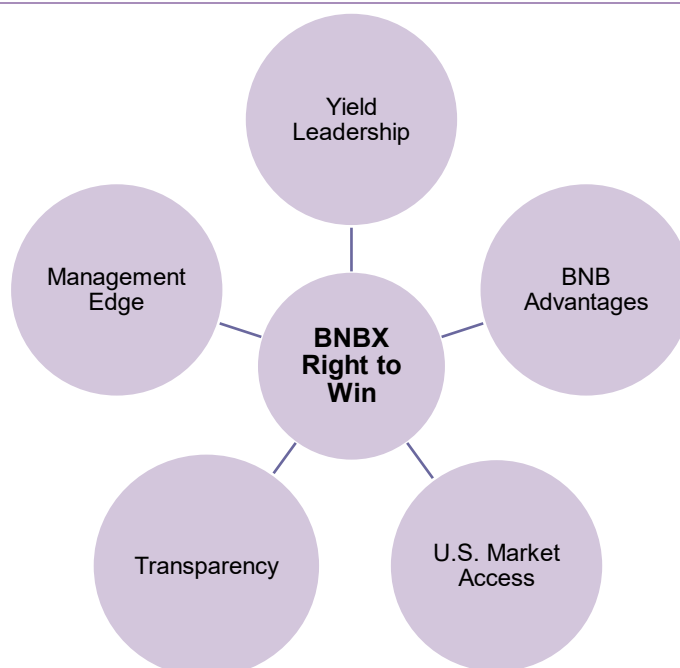
Source: Exec Edge Research, LineaRx Website

Right-to-Win

Multiple Structural Advantages Position BNBX for Leadership as a BNB DAT

- **We believe BNBX has five interconnected competitive advantages that position the company to capture institutional and retail demand for regulated BNB exposure.** First, the company occupies a differentiated position in the emerging BNB treasury landscape through its comprehensive yield-generation framework targeting returns nearly double those achieved by larger competitors. Second, BNB itself offers structural advantages through Binance's market dominance, programmatic deflationary tokenomics, and extensive yield optionality unavailable in Bitcoin or most alternative cryptocurrencies. Third, BNBX provides seamless regulatory accessibility for U.S. investors through its NASDAQ listing, enabling participation via standard brokerage accounts, retirement vehicles, and institutional portfolios. Fourth, the company has implemented institutional-grade transparency infrastructure including real-time dashboards that address historical trust deficits in cryptocurrency investment vehicles. Fifth, the management team's specialized DeFi expertise enables in-house execution of complex yield strategies without reliance on external asset managers. Together, these moats create a defensible competitive position in a rapidly evolving market. We discuss each of these moat elements below.

Chart 9: BNBX's Multi-Fold Moat Gives it the Right-to-Win Among DATs



Source: Exec Edge Research, Investor Presentation

- **BNBX enters the nascent but rapidly evolving public BNB treasury market as the most yield-focused and operationally differentiated vehicle.** While competitors such as CEA Industries (NASDAQ: BNC) and Nano Labs (NASDAQ: NA) preceded BNBX in announcing BNB treasury strategies, each has adopted distinct approaches that leave meaningful differentiation opportunities.
 - **BNBX distinguishes itself through a comprehensive four-pillar yield generation framework targeting approximately 9-12% annually, nearly double the realized returns reported by the largest competitor.** As of November 2025, BNC had achieved a realized yield of approximately 1.5% since inception, translating to roughly 5% annualized. As of January 2026, BNC is facing significant corporate governance challenges, driven by a public battle with major shareholder YZi Labs. Key issues include accusations of board entrenchment, a "poison pill" strategy, conflicts of interest regarding management (10X Capital), potential deviation from the stated BNB treasury strategy, and inadequate, delayed financial disclosures. The other player Nano Labs (NA) is focused primarily on real-world asset tokenization infrastructure through its NBNB Program rather than explicit yield optimization. BNBX's yield premium reflects its specialized approach combining native staking, Binance Launchpool participation, DEX liquidity provision, and structured products, executed by a management team with direct DeFi fund management experience rather than relying on external asset managers. Further, BNBX's smaller treasury scale may provide tactical advantages in deploying capital across yield opportunities that larger treasuries cannot access without market impact.

Because BNBX currently manages a relatively small pool of assets, it can move into niche, higher-yield BNB opportunities without moving prices or diluting returns. Larger funds often cannot use these same strategies at meaningful size, because their trades would quickly reduce the available yield.

- **While VanEck filed for a spot BNB ETF (ticker: VBNB) with the SEC in November 2025, the regulatory approval process remains uncertain** with decision timelines extending potentially into 2026, leaving a substantial window during which BNBX remains the primary regulated access point for U.S. capital seeking BNB exposure. The precedent set by Bitcoin ETF demand illustrates the magnitude of potential capital flows once regulated vehicles become available. BlackRock's iShares Bitcoin Trust (IBIT) accumulated \$70 billion in assets under management within its first year of trading, demonstrating institutional appetite for regulated cryptocurrency exposure. BNBX is positioned to capture a portion of this demand for BNB before ETF alternatives materialize. Further, even if a spot BNB ETF receives approval, BNBX's active yield generation strategy will differentiate it from passive ETF products, as the VanEck filing explicitly stated that the proposed ETF will not engage in staking activities and will not earn any form of staking rewards or income at the time of listing. This approach creates a permanent structural distinction between BNBX's yield-generating approach and potential passive ETF competitors.

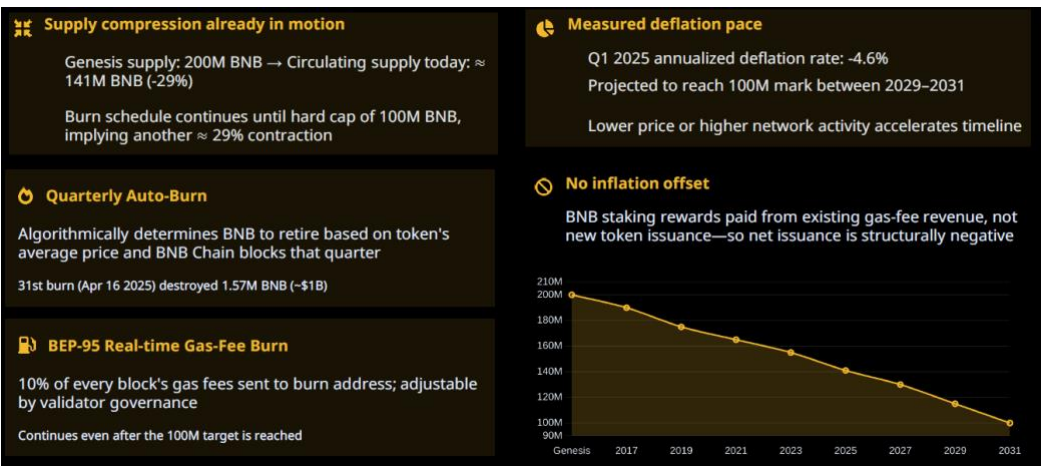
Chart 10: BNBX's Yield Strategy is a Key Differentiator

Strategy Pillar	Description	Historical APR Range (Data-backed)	Target Allocation (% of Treasury)	Weighted APR Contribution
Pillar 1: Native Staking	Staking BNB to secure the network and earn consensus rewards.	~1.1% - 2.1%	40%	0.80%
Pillar 2: Binance Launchpool	Staking BNB to receive airdrops of new tokens.	96% - 148% (Annualized)	25%	3.0% (Conservative Est.)
Pillar 3: DEX Liquidity Provision	Providing BNB to liquidity pools on DEXs like PancakeSwap to earn fees.	Highly Variable (5% - 50%+)	20%	3.2% (Blended Est.)
Pillar 4: Market-Neutral Arbitrage	Collateralizing BNB to borrow stablecoins for funding rate arbitrage.	Highly Variable (5% - 20%+)	15%	3.0% (Opportunistic Est.)
Blended Target Yield	Total		100%	~10.0%

Source: Exec Edge Research, Company Filings

- **BNB ecosystem advantages: Binance dominance, deflationary tokenomics, and yield optionality.** BNB represents the fifth largest cryptocurrency by market capitalization at approximately \$122 billion as of December 12, 2025, yet U.S. investors have historically faced limited options for gaining regulated exposure to this asset. BNB benefits from structural advantages rooted in the Binance exchange's commanding market position, programmatic supply reduction mechanisms, and extensive yield generation opportunities that collectively create a compelling fundamental thesis for long-term value appreciation.
 - **Binance market dominance:** Binance maintains dominant market share across both spot and derivatives trading, with data from 2025 indicating approximately 38-41% of global centralized exchange spot trading volume and 30-36% of derivatives volume flowing through the platform. This liquidity concentration creates a powerful network effect where traders gravitate toward Binance for superior execution and price discovery, reinforcing demand for BNB as the ecosystem's native utility token. The exchange serves over 280 million registered users globally and processes average daily trading volumes exceeding \$90 billion across spot and futures markets.
 - **Deflationary tokenomics:** BNB's deflationary tokenomics represent a unique structural advantage relative to other major cryptocurrencies. The protocol employs a dual-burn mechanism consisting of quarterly Auto-Burns and real-time gas fee burns under BEP-95, systematically reducing circulating supply toward a hard cap of 100 million tokens from an initial 200 million. As of October 2025, the 33rd quarterly burn destroyed 1.44 million BNB valued at approximately \$1.2 billion, reducing the remaining supply to approximately 137.7 million tokens. This represents a 31% reduction from the original supply, with an additional 27% contraction programmed to occur over coming years. Unlike share buybacks in traditional finance, burned tokens are permanently removed from circulation by sending them to inaccessible addresses.
 - **Yield optionality:** The BNB ecosystem provides extensive yield generation opportunities unavailable in Bitcoin or most other major cryptocurrencies, including native staking rewards, Launchpool participation for new token allocations, DEX liquidity provision through platforms like PancakeSwap, and structured product opportunities. This yield optionality enables BNBX's active treasury management strategy and differentiates BNB from passive store-of-value alternatives.

Chart 11: Advantages of BNB Token



Source: Exec Edge Research, Investor Presentation

- **Another differentiator is that BNBX provides U.S. investors with a compliant, regulated pathway to gain exposure to the BNB ecosystem** through standard brokerage infrastructure, addressing a significant market gap that has historically limited institutional and retail participation in this asset class.
 - **Seamless integration with traditional investment infrastructure:** As a NASDAQ-listed security, BNBX shares can be purchased and held in traditional brokerage accounts, retirement accounts including IRAs and 401(k) plans, and institutional portfolios without the operational complexities and perceived risks associated with direct cryptocurrency custody. This accessibility removes multiple friction points that have constrained institutional adoption of BNB, including the need for specialized custody solutions, counterparty risk concerns with cryptocurrency exchanges, and internal compliance restrictions.
 - **Navigating BNB's U.S. regulatory history:** The regulatory pathway is particularly significant given BNB's historical challenges in the U.S. market. In 2023, the SEC included BNB among digital assets it considered potentially unregistered securities in enforcement actions against major exchanges, creating uncertainty that discouraged institutional participation. However, subsequent federal court rulings determined that secondary BNB sales did not constitute securities transactions, providing some legal clarity. Coinbase, Binance's primary U.S. competitor, historically refused to list BNB on its platform as a competitive tactic, though the exchange announced in 2025 that it was adding BNB to its listing roadmap.
 - **Structural advantages as an operating company:** BNBX's structure as a NASDAQ-listed operating company rather than an investment fund provides additional regulatory advantages, as the company is not subject to Investment Company Act of 1940 registration requirements and operates under standard corporate governance frameworks familiar to institutional investors. This regulatory positioning enables BNBX to serve as a bridge between traditional capital markets and the BNB ecosystem.

Chart 12: U.S. Investor Access Points for BNB Exposure

Criteria	Direct Exchange Purchase	European ETPs	Potential Spot ETF	BNBX (NASDAQ)
Regulatory Status	✗ Unregulated in U.S.	🟡 Limited U.S. Access	🟡 Pending SEC Approval	✅ NASDAQ-Listed, SEC Reporting
Account Compatibility	🟡 Crypto Exchange Account Required	🟡 Limited Broker Access	✅ Standard Brokerage (if approved)	✅ Standard Brokerage, IRA, 401(k)
Custody Requirements	🟡 Self-Custody or Exchange Custody	🟡 ETP Provider	✅ ETF Custodian	✅ Corporate Treasury (Fordefi MPC)
Yield Generation	🟡 Manual DeFi Participation	✗ None	✗ None (VanEck filing excludes staking)	✅ Active 9-12% Target Yield
Availability Status	✅ Available (compliance concerns)	🟡 Limited AUM (<\$500M)	🟡 Decision Window 2025-2026	✅ Available Now
Key Limitation	✗ Regulatory risk, custody complexity	🟡 Geographic restrictions, low liquidity	🟡 Timeline uncertain, passive only	🟡 Smaller treasury vs. competitors

Source: Exec Edge Research

- **BNBX also stands out due to its comprehensive transparency infrastructure** that is designed to provide real-time visibility into treasury holdings and valuation metrics, establishing trust mechanisms that address historical concerns around cryptocurrency custody and corporate governance in the digital asset space.
 - **Real-time treasury dashboard:** The company launched **BNBX.io**, a dashboard providing real-time portfolio metrics including BNB holdings, market capitalization, NAV calculations, and detailed capitalization structure information. This focus on continuous disclosure exceeds standard corporate reporting requirements and positions BNBX as a leader in investor transparency among DAT companies.
 - This infrastructure directly addresses the trust deficit that emerged following high-profile cryptocurrency exchange failures, where inadequate proof-of-reserves and opaque custody arrangements resulted in significant investor losses. By implementing institutional-grade transparency standards from inception, BNBX differentiates itself from both early cryptocurrency investment vehicles and competing DAT companies that may lack equivalent disclosure infrastructure.
- **BNBX's management team possesses a rare combination of institutional finance credentials and hands-on DeFi protocol expertise that directly enables execution of complex yield strategies inaccessible to competitors relying on external asset managers.** While CEA Industries outsources treasury management to 10X Capital and Nano Labs focuses on infrastructure rather than yield optimization, BNBX management has developed through years of managing DeFi-focused hedge funds and executing market-neutral strategies across decentralized protocols. This internalized expertise provides multiple advantages: faster adaptation to evolving DeFi opportunities, reduced counterparty dependencies, lower management fee leakage to external parties, and deeper protocol-level risk assessment capabilities. This institutional knowledge cannot be easily replicated and represents a durable competitive advantage in executing BNBX's differentiated yield mandate.

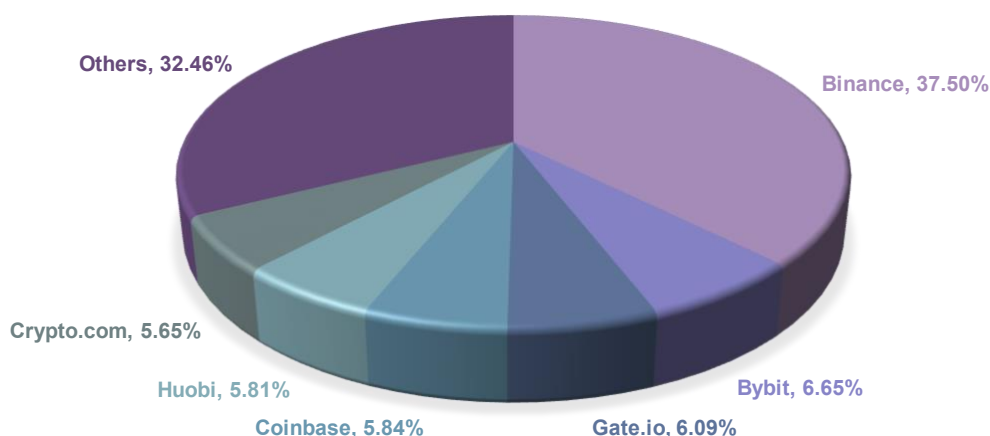
Industry Opportunity and Company Positioning

Binance's Unmatched Scale and BNB's Structural Demand Propel BNBX's DAT Strategy

Key Takeaway: Binance dominates global crypto trading with 37.5% market share and 6.4x Coinbase's volume, serving 300+ million users worldwide. BNB functions as the *digital oil* powering this ecosystem through gas fees, exchange discounts, and Launchpool access, thus creating a self-reinforcing demand flywheel. BNBX captures compounding value across all layers – reduced transaction costs, primary issuance yields, and price appreciation driven by structural BNB demand – and is thus well positioned to benefit.

- **Binance is the largest crypto exchange commanding 37.5% global market share, processing 6.4x Coinbase's trading volume.** Binance does not merely participate in the digital asset market; it functions as the market's center of gravity, with scale advantages that create liquidity network effects an order of magnitude greater than competitors.
 - **Spot market leadership:** Binance's dominance in spot trading remained commanding throughout 2025. According to monthly exchange volume market share published by The Block for November 2025, total spot trading volume on centralized exchanges reached \$1.62 trillion for the month, despite subdued market sentiment in crypto markets during the month. In October, the total spot volume was \$2.17 trillion. Binance led the market capturing approximately 37.5% market share in November 2025, translating to roughly \$607 billion in monthly spot volume. For context, Coinbase, the largest U.S.-regulated exchange, has seen its global ranking fall to fourth place with approximately 5.8% market share, implying monthly volume of roughly \$95 billion. Binance's spot volume is approximately 6.4 times that of Coinbase, validating an exponential rather than an incremental advantage.
 - **Derivatives dominance:** The leadership is even more pronounced in derivatives, which account for over 75% of all crypto trading activity globally. In Q3 2025, Binance maintained its top position with 35.7% market share and average daily volumes exceeding \$15.5 billion, according to AMINA Bank research, implying quarterly derivatives volume of approximately \$1.4 trillion. Coinbase's derivatives business, while growing, remains focused on CFTC-approved products for U.S. investors, making its global footprint in this segment negligible by comparison.

Chart 13: Market Share Spot of Crypto Exchanges – November 2025



Source: Exec Edge Research, The Block. Data for November 2025

- **Binance serves over 300 million registered users globally as of December 2025**, compared to Coinbase's approximately 120 million, according to Backlinko. This volume gap reflects fundamentally different strategic orientations: Binance is optimized for the global power-user with 500+ cryptocurrencies, 1,500+ trading pairs, 60+ staking options, and a base fee of 0.10%. Coinbase, on the other hand, has pursued a compliance-first, U.S.-centric strategy targeting beginners with higher, more complex fee structures. The two exchanges are not direct competitors in the same segment, as Binance has strategically captured the most active and lucrative portion of the global market.

- **BNB functions as digital oil powering the world's largest crypto ecosystem.** The value of BNB extends far beyond its deflationary tokenomics, and it is anchored by consistent, structural demand derived from its integral role as the economic lifeblood of the world's largest digital asset ecosystem. BNB functions as the digital oil for a vibrant on-chain economy, creating durable demand drivers independent of speculative activity.
 - **BNB serves as the native gas token for BNB Smart Chain, meaning every transaction, from simple transfers to complex smart contract interactions requires payment in BNB.** This creates perpetual, non-negotiable demand from users and applications. The economic significance is substantial: BNB Chain ranks as the #4 blockchain globally by Total Value Locked (TVL), with approximately \$6.05 billion in DeFi TVL, as of December 18, 2025 according to data from CoinmarketCap, representing roughly 5-6% of total global DeFi TVL, according to DefiLlama.
 - **Exchange fee discounts boost use case:** BNB provides tangible utility within the Binance exchange itself. Holders who pay trading fees in BNB receive substantial discounts: up to 25% on spot and margin trading, and 10% on futures trading. For high-volume traders and institutions constituting the majority of Binance's \$93 billion+ average daily volume, these discounts translate into millions of dollars in operational savings annually. This creates powerful economic incentive to acquire and hold BNB, effectively removing supply from open markets and locking it as a utility asset.
 - **BNB serves as a key to unlock access to the primary issuance market through Binance Launchpool and related programs.** By holding BNB – particularly when subscribed to Binance's "Simple Earn" products – users gain exclusive access to farm new tokens before public listing. This transforms BNB from a discount and gas token into a yield-bearing access pass to what is effectively the venture capital stage of the crypto market.
 - **The loyalty flywheel:** These utility pillars create a self-reinforcing loyalty flywheel as traders attracted by deep liquidity are incentivized to buy BNB for fee discounts, which then unlocks Launchpool access providing additional returns. This cycle makes it economically attractive for active Binance users to hold BNB, creating structural demand that competitors find nearly impossible to replicate.

Chart 14: Top 5 Blockchains with Highest TVL and Their Share in DeFi TVL

Blockchain	Global Rank by TVL	TVL (\$B)	% of Total DeFi TVL	Key DApps
Ethereum	1	~\$121.3	~68%	Aave, Uniswap, Lido
Tron	2	~\$8.3	~4.3%	JustLend, SunSwap
Solana	3	~\$6.3	~8.6%	Jupiter, Marinade Finance
BNB Smart Chain	4	~\$6.05	~6.5%	PancakeSwap, Venus
Arbitrum	5	~\$3.4	~2.8%	GMX, Uniswap V3

Source: Exec Edge Research, Binance Research, CoinMarketCap, DefiLlama. Data as of December 18, 2025

- **We believe BNBX is uniquely positioned to capture value from both Binance's exchange dominance and BNB's ecosystem utility through its concentrated treasury exposure.** The exchange fee discount mechanism means BNBX's treasury operations – including any trading, rebalancing, or yield harvesting activities – benefit from reduced transaction costs that compound over time. More significantly, BNBX's access to Launchpool represents a yield source unavailable to passive holders or ETF structures constrained by custody limitations. Historical Launchpool returns have delivered annualized yields exceeding 100% in certain periods, providing BNBX shareholders with exposure to primary issuance returns typically reserved for sophisticated crypto-native participants. Further, BNBX's BNB holdings generate continuous utility value as gas fees paid across BNB Chain's 13 million+ daily transactions flow through the ecosystem. As network activity grows, the demand for BNB as gas intensifies, supporting both price appreciation and the yield opportunities BNBX's treasury can capture through DeFi deployment. This positions BNBX as a compounding vehicle that benefits from every layer of the Binance ecosystem's growth.

BNB's Transition to Institutional Grade Infrastructure Bodes Well for BNBX

Key Takeaway: BNB Chain's 2025 metrics – 2.3 million daily active addresses, \$7.8 billion DeFi TVL, \$2.4 billion daily DEX volume, and sub-second block finality – signal decisive transition from retail speculation to institutional-grade infrastructure. With MGX's \$2 billion Binance investment and \$4+ billion in corporate treasury commitments validating BNB as a strategic reserve asset, BNBX offers U.S. institutions a regulated, NASDAQ-listed gateway to capture this ecosystem maturation.

- **The BNB Chain ecosystem reached an inflection point in 2025, transitioning from a retail-dominated network to institutional-grade infrastructure commanding metrics that rival Ethereum.** The transition from retail speculation to institutional participation represents the defining maturation milestone for any blockchain ecosystem. When sophisticated capital allocators, such as sovereign wealth funds, publicly traded corporations, and registered investment advisors, begin treating a digital asset as a legitimate treasury reserve, the implications extend far beyond incremental buying pressure. Institutional adoption brings structural demand characterized by longer holding periods, reduced circulating supply, and diminished volatility as patient capital replaces speculative trading. More importantly, institutional participation creates a validation feedback loop: regulatory frameworks crystallize around assets that serious allocators demand access to, custody infrastructure professionalizes to meet fiduciary standards, and derivative markets deepen to enable hedging strategies, all of which further attract the next wave of institutional capital.
- **We believe BNB has transitioned from an exchange token to an institutional-grade infrastructure asset in the same way Bitcoin evolved from internet money to digital gold following the 2024 ETF approvals.** For the BNB ecosystem, institutional adoption addresses what has historically been the network's primary criticism: its perceived dependence on Binance and association with retail-driven speculation. However, with Abu Dhabi's sovereign wealth apparatus deploying \$2 billion into Binance, publicly traded companies committing over \$4 billion to BNB treasury strategies, and traditional asset managers filing for spot BNB ETFs, the narrative has shifted.

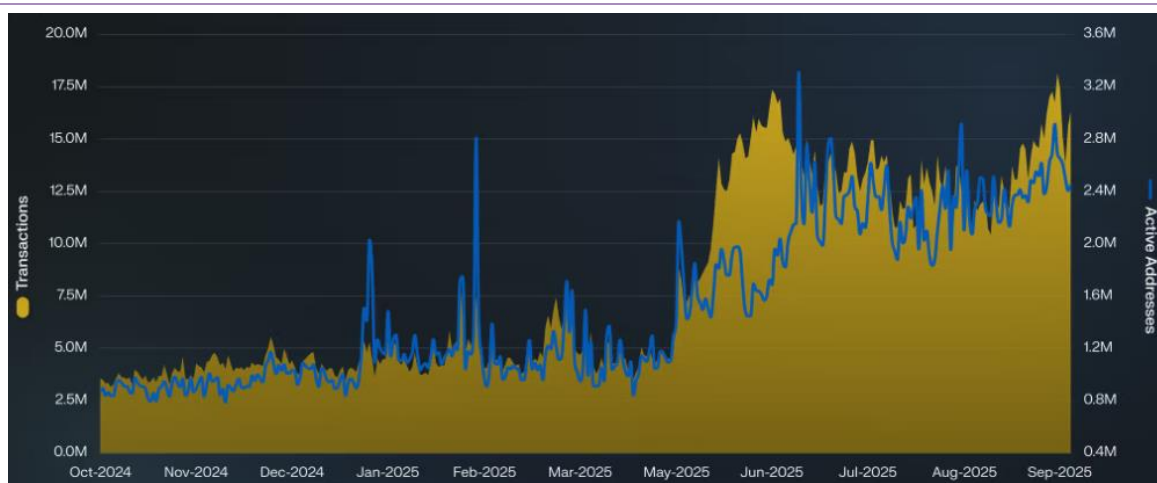
Chart 15: BNB Ecosystem Continues to Mature Making it Attractive for Institutional Investors

Metric	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025
DeFi TVL (USD)	\$4.7B 1.3%	\$5.5B 15.0%	\$5.2B (3.9%)	\$6.0B 14.0%	\$7.8B 30.7%
DeFi TVL (BNB)	8.4M 3.9%	7.8M (6.9%)	8.7M 11.3%	9.1M 4.9%	7.7M (14.8%)
Avg Daily DEX Volume	\$573.8M 5.3%	\$1.0B 77.6%	\$809.5M (20.6%)	\$1.9B 132.6%	\$2.4B 29.6%
Stablecoin Market Cap (USD)	\$5.2B (0.4%)	\$6.9B 32.2%	\$7.0B 2.3%	\$10.5B 49.8%	\$13.9B 32.3%
DeFi Diversity	16 (5.9%)	17 6.3%	16 (5.9%)	16 0.0%	17 6.3%
Avg Daily NFT Volume (USD)	\$600.3K 282.6%	\$441.2K (26.5%)	\$256.0K (42.0%)	\$917.2K 258.3%	\$1.8M 95.9%
Avg Daily NFT Sales	8.9K 47.2%	1.2K (86.7%)	1.6K 31.5%	2.9K 84.7%	6.0K 109.8%
Avg Weekly Active Eco Devs	185 (11.9%)	174 (6.2%)	86 (50.5%)	58 (31.9%)	43 (26.7%)

Source: Exec Edge Research, Messari. Data as of 30 September 2025

- **Our research shows several network metrics that signal that the BNB ecosystem has achieved the operational maturity necessary to support institutional-scale participation.** We examine these metrics below, drawing from Messari's quarterly State of BNB Chain reports and DropsTab's ecosystem analysis.
- **Daily active addresses:** Daily active addresses represent the most direct measure of genuine network utilization, filtering out wash trading and bot activity to capture unique wallet interactions. BNB Chain's trajectory in 2025 demonstrates accelerating organic adoption: Messari's Q2 2025 report documented 1.6 million daily active addresses, representing 33.2% quarter-over-quarter growth, contrasting with Ethereum's 5.6% decline over the same period. By Q3 2025, Messari reported this figure had surged 47.1% to 2.3 million daily active addresses. DropsTab's October 2025 analysis captured the peak intensity during the memecoin surge, with daily active addresses spiking to 3.46 million. This growth trajectory from 1.2 million in Q1 to 3.46 million by October, signals that the BNB Chain is capturing incremental users at a rate that validates infrastructure investments. **For BNBX, accelerating user adoption expands the addressable market for yield-generating protocols where the company's BNB treasury can be deployed.**

Chart 16: BNB Smart Chain Daily Transaction and Daily Active Addresses



Source: Exec Edge Research, Messari. Data as of 30 September 2025

- **Daily transactions:** BNB Chain processed an average of 13.3 million daily transactions in Q3 2025 according to Messari, representing 35.3% q/q growth from Q2's levels. DropsTab's October 2025 report noted that during peak activity periods, BNB Chain recorded over 500 million transactions in a single 30-day window. The BNB Chain weekly ecosystem report for December 4-10 shows sustained throughput, with BSC facilitating over 100 million transactions weekly. This transaction density, enabled by the Lorentz and Maxwell hard fork upgrades that reduced block times to 0.75 seconds, demonstrates that BNB Chain can support institutional-scale application deployment without congestion-driven fee spikes that plagued Ethereum during previous bull cycles. **Higher transaction throughput directly feeds BNB's BEP-95 real-time burn mechanism, structurally reducing supply and enhancing BNBX's treasury value.**
- **DeFi Total Value Locked (TVL):** Total Value Locked quantifies the capital committed to a network's decentralized finance protocols, a direct measure of economic trust in smart contract security and yield sustainability. BNB Chain's DeFi TVL reached \$7.8 billion in Q3 2025 per Messari, marking 30.7% q/q growth and positioning it as the fourth-largest network by TVL behind Ethereum, Tron, and Solana. The composition reflects institutional-grade diversification: PancakeSwap leads with \$2.3 billion TVL (up 35.4% q/q), followed by ListaDAO at \$1.9 billion and Venus Finance at \$1.9 billion. Notably, ListaDAO's liquid staking solution experienced 188.7% TVL growth in Q2 2025 according to Messari, signaling strong demand for yield-generating BNB exposure. DropsTab's broader ecosystem analysis pegs total TVL at \$11+ billion when including opBNB and cross-chain deployments. The BNB Chain weekly ecosystem report for December 4-10 shows sustained throughput, with BSC facilitating over 100 million transactions weekly. **BNBX's 9-12% target APY depends on deep DeFi liquidity; \$7.8 billion TVL ensures sufficient protocol depth for institutional-scale yield deployment.**

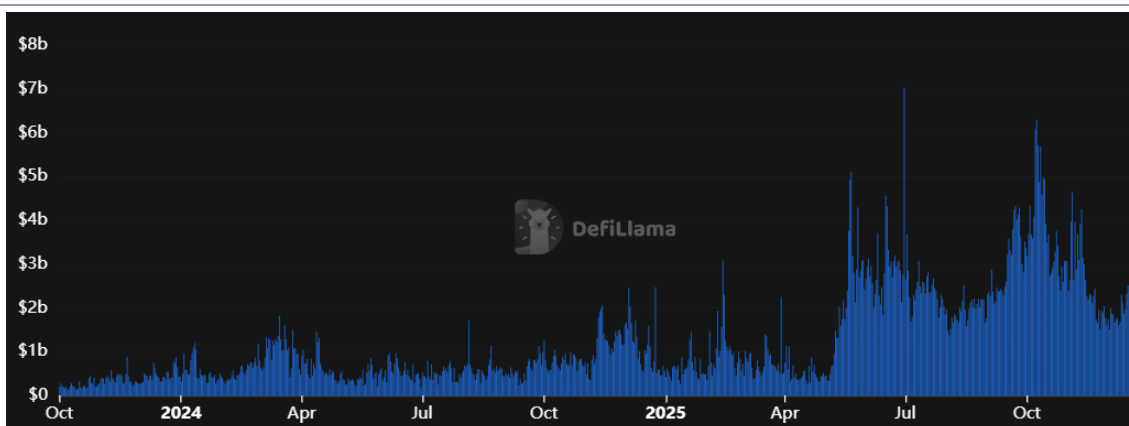
Chart 17: BNB Smart Chain DeFi TVL in USD and BNB



Source: Exec Edge Research, Messari. Data as of 30 September 2025

- **DEX trading volume:** BNB Chain averaged \$2.4 billion in daily DEX volume during Q3 2025 according to Messari, representing 29.6% q/q growth. DropsTab's October 2025 analysis captured a historic milestone: BNB Chain briefly led all blockchain networks with \$6.05 billion in 24-hour DEX volume and \$5.57 million in fees, surpassing both Ethereum and Solana. PancakeSwap dominates with approximately 71% market share per Messari, while Uniswap and emerging protocols like Aster (which grew over 2,600% q/q following its Token Generation Event) are expanding the competitive landscape. According to the latest data from DeFiLlama, the 24-hour DEX trading volume on Binance Smart Chain on 16 December was \$2.51 billion, whereas the 30-day volume stood at ~\$58 billion. This liquidity depth enables institutional-scale position building without excessive slippage. **Robust DEX liquidity enables BNBX to rebalance treasury positions and harvest yields without incurring excessive slippage or market impact costs.**

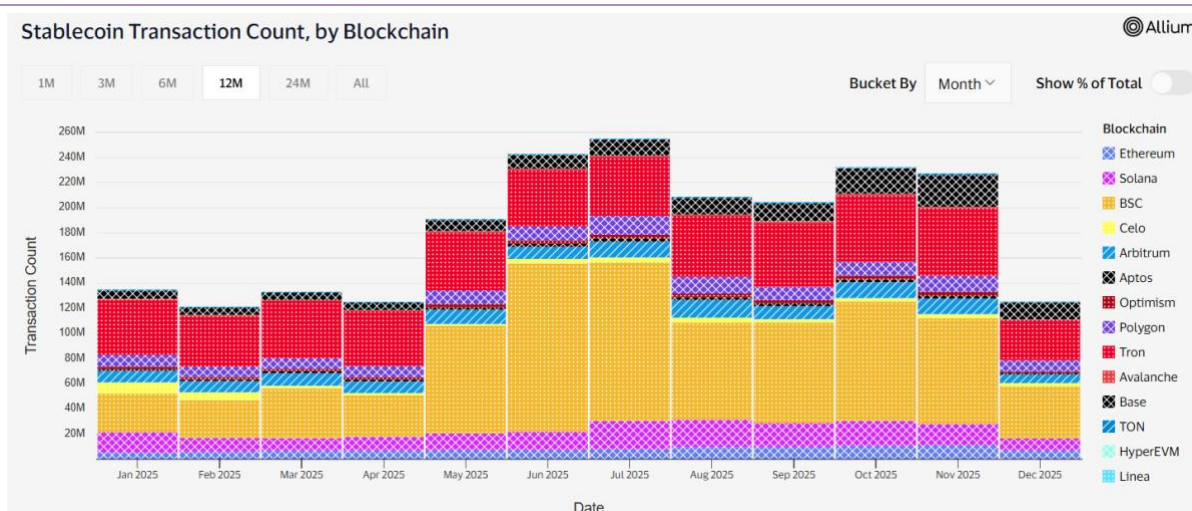
Chart 18: BNB Smart Chain DEX Volume (24 Hour)



Source: Exec Edge Research, DeFiLlama. Data as of 16 December 2025

- **Stablecoin market capitalization:** Stablecoin market cap on a network serves as a proxy for dollar-denominated liquidity available for trading, lending, and yield generation, essential infrastructure for institutional treasury operations. BNB Chain's stablecoin market cap grew 32.3% q/q to \$13.9 billion in Q3 2025 per Messari, driven by the launch of USD1 (which debuted at \$2.2 billion) and fee subsidy programs like the "0-Fee Carnival." HTX Insights' 2025 annual review confirms that BNB Chain ranked first among all blockchains in monthly active addresses for stablecoin transactions, supported by gas fees averaging \$0.01. According to the latest data from Visa Onchain Analytics Dashboard, the Binance Chain has dominated the stablecoin transaction count every month since May 2025, when it overtook TRON. As of December 18, 2025, the Binance chain comfortably led with 41.5 million transactions, ahead of TRON, which had 31.9 million transactions. **This stablecoin depth is critical for BNBX's treasury operations, enabling efficient rebalancing, DeFi protocol deployment, and yield harvesting without friction from illiquid trading pairs.**

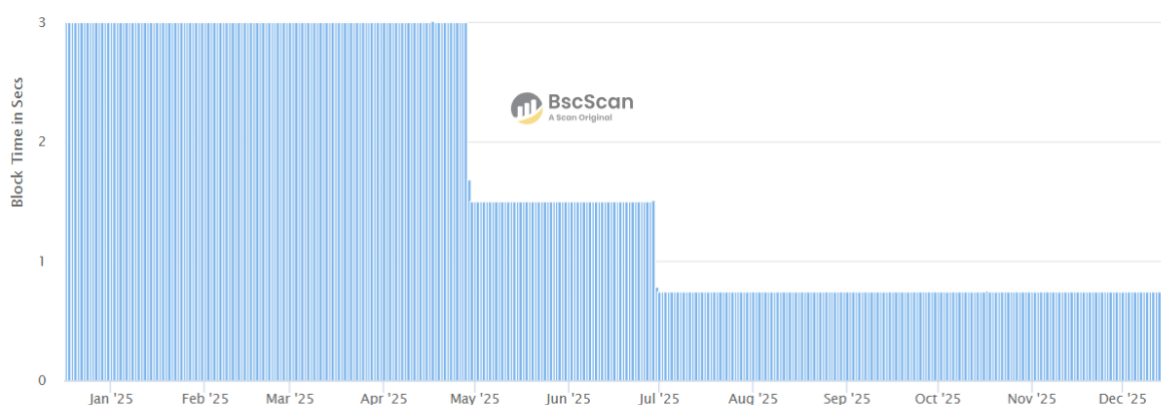
Chart 19: Binance Has Dominated the Monthly Stablecoin Transaction Count in Recent Months



Source: Exec Edge Research, Allium, Visa Onchain Analytics. Data as of 18 December 2025

- **Network Performance (Block Time and Throughput):** BNB Chain's 2025 technical roadmap delivered transformative infrastructure upgrades: the Lorentz hard fork (April 2025) reduced block times to 1.5 seconds, while the Maxwell hard fork (June 2025) further compressed this to 0.75 seconds according to Messari. Fast Finality now confirms transactions in 1.875 seconds, approaching the latency expectations of traditional payment rails. Block production increased 90% post-Maxwell per Messari, with Builder API adoption reaching 99.8% of blocks produced. DropsTab notes that these upgrades position BNB Chain to process 20,000 transactions per second, rivaling centralized systems while maintaining decentralization. The Good Will Alliance initiative reduced sandwich attacks by over 95%, addressing MEV concerns that previously deterred institutional DeFi participation. **Sub-second finality and institutional-grade throughput ensure BNBX can execute time-sensitive DeFi strategies, such as Launchpool entries, and liquidation protection, without execution risk.**

Chart 20: BNB Smart Chain Average Block Time Chart



Source: Exec Edge Research, BscScan.. Data as of 17 December 2025

- **We believe that BNBX is strategically positioned to serve as the regulated gateway for U.S. institutional capital seeking exposure to the BNB ecosystem's institutional-grade maturity.** In March 2025, Binance landed a \$2 billion institutional investment from MGX, a state-owned technology investment firm in Abu Dhabi. Also, offshore corporations could custody BNB tokens through prime brokerage arrangements. However, U.S.-domiciled institutions such as pension funds, registered investment advisors, and endowments operating under fiduciary standards, continues to face significant barriers to direct BNB acquisition including custody complexity, regulatory ambiguity, and compliance constraints.
- **BNBX offers these allocators a familiar solution: a NASDAQ-listed equity providing indirect BNB exposure through traditional brokerage accounts, eliminating the operational friction of crypto-native custody while maintaining correlation to BNB price appreciation and ecosystem growth.**
- **The metrics detailed above – 2.3 million daily active addresses, \$7.8 billion DeFi TVL, \$2.4 billion daily DEX volume, sub-second block finality – collectively validate that BNBX's treasury is anchored to institutional-grade infrastructure rather than speculative vapor.** As VanEck's pending BNB ETF application works through regulatory review, BNBX provides immediate, liquid access to the asset class, potentially capturing first-mover premium before broader ETF-driven competition emerges. The company's active yield strategy further differentiates its value proposition, enabling participation in the ecosystem growth vectors, including Launchpool allocations, liquid staking yields, and DeFi protocol rewards that these metrics represent.

Fed's Forced Pivot from QT Unlocks Macro Tailwind for Crypto Assets

Key Takeaway: The Fed's October 2025 decision to halt QT was forced by acute liquidity stress, not inflation victory, with the Treasury General Account (TGA) draining \$700 billion from markets and bank reserves breaching critical thresholds. Historical data shows Bitcoin rises 61% of the time during TGA drawdowns, positioning BNBX to benefit through Binance ecosystem exposure as Launchpool activity, DEX lending, and network usage expand during liquidity-rich conditions.

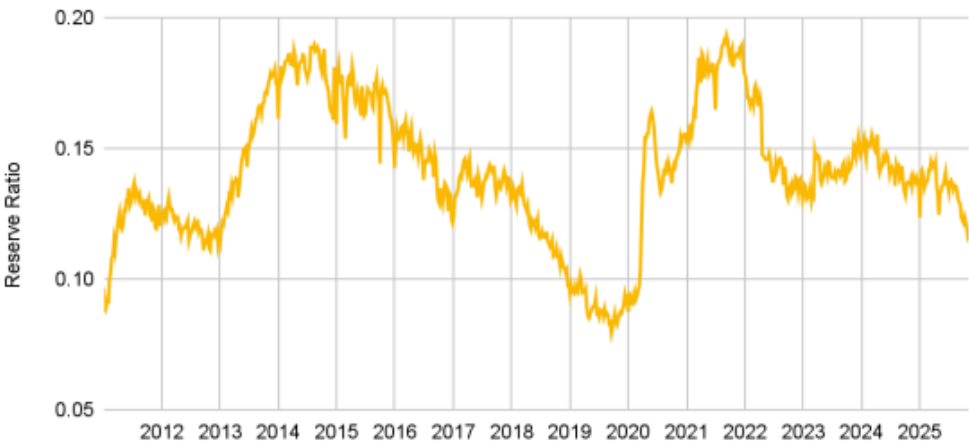
- **The Treasury General Account (TGA) crisis and government shutdown forced the Fed to halt quantitative tightening.** The immediate trigger was the prolonged U.S. government shutdown, which caused the TGA balance to surge past \$1 trillion, effectively draining approximately \$700 billion in liquidity from the financial system in just three months. This shadow tightening operated independently of the Fed's own balance sheet reduction, creating a double liquidity drain that pushed bank reserves below critical thresholds. As noted in Binance Research's November 2025 analysis, total bank reserves had fallen to \$2.83 trillion by early November, representing just 11.5% of total bank assets, below the 12-13% threshold widely considered the lower bound for an "ample" reserve regime. The SOFR-IORB spread spiked to +32 basis points on October 31st, indicating that banks were cash starved and were forced to borrow at rates significantly above what they could earn on Fed deposits, a dangerous echo of the September 2019 repo crisis and March 2020 COVID crash. Simultaneously, the Standing Repo Facility (SRF), the Fed's emergency liquidity backstop, hit record usage of \$50.35 billion, while the Overnight Reverse Repo (RRP) facility, once a vast \$2.5 trillion liquidity reservoir, had been drained to just \$51 billion. Cash assets held by foreign banking organizations plummeted by over \$300 billion in four months, according to Federal Reserve data cited by Binance Research. In essence, the Fed did not proactively end its tightening cycle, it was forced to halt by blockages in the financial system's own plumbing, validating the vulnerability of a fiat system to even modest balance sheet normalization.

Chart 21: U.S. Treasury, General Account (Weekly Average) Reached Highest Levels Since 2021



Source: Exec Edge Research, Board of Governors of the Federal Reserve System (US) via FRED. As of December 18, 2025

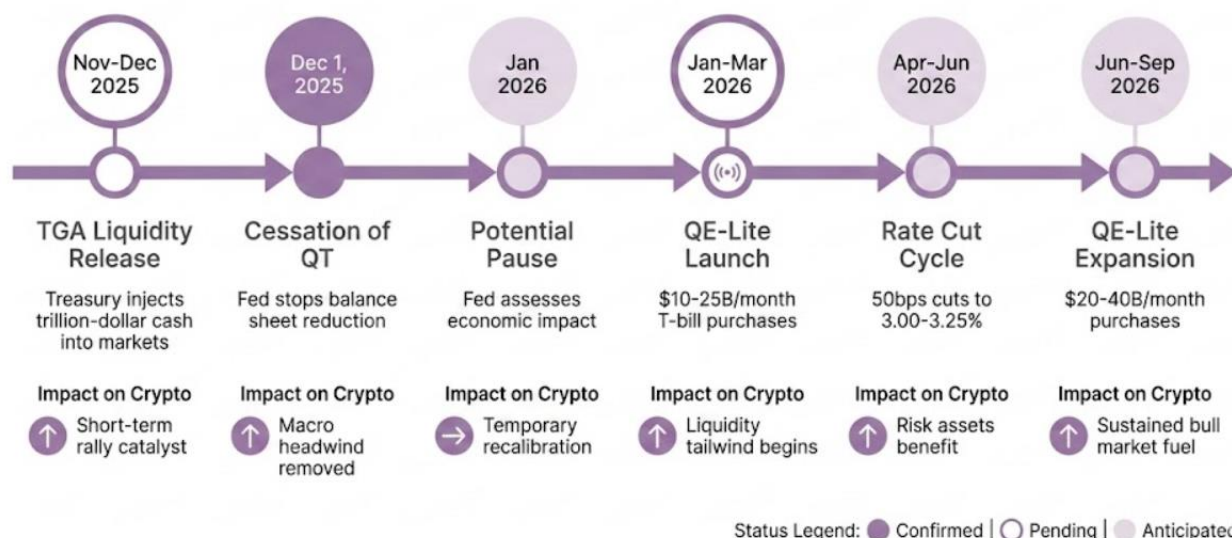
Chart 22: Bank Reserve Ratio Slides to Lowest Levels Since 2020 and Below 12-13% Threshold



Source: Exec Edge Research, Fred, Tradingview, Binance Research as of November 10, 2025

- **We believe that for crypto markets, the cessation of QT represents a critical inflection point, the moment when the largest macro-level liquidity vacuum is switched off, transforming what had been a persistent headwind into a potential tailwind.** Binance Research's historical analysis provides compelling quantitative support: during months when the TGA balance has declined by more than \$80 billion (releasing liquidity into markets), Bitcoin's price has risen 61% of the time, posting an average gain of 8.8% and a median gain of 2.7%. With over \$1 trillion now compressed within the TGA, the end of the government shutdown positions the Treasury to inject hundreds of billions in liquidity through spending, unlocking a *stealth QE* dynamic that Binance Research notes mirrors the first half of 2021, when TGA drawdown from \$1.1 trillion fueled a historic bull run in risk assets. Beyond the immediate TGA release, the Fed's policy trajectory points toward even greater liquidity support. The Fed has indicated that it "may soon start buying bonds to manage market liquidity". This suggests a high probability of QE-Lite bond purchases of \$10-25 billion monthly commencing in Q1 2026, potentially scaling to \$20-40 billion by mid-year, according to the research firm's projections.

Chart 23: Fed's Expected Policy Trajectory – Key Checkpoints for Crypto Markets



Source: Exec Edge Research, Binance Research

- **BNBX stands to benefit disproportionately from this liquidity inflection point through its concentrated exposure to the Binance ecosystem, which historically demonstrates amplified sensitivity to macro liquidity conditions.** As risk-on capital flows accelerate, the BNB Chain ecosystem, commanding over ~\$116 billion in market capitalization and 2.4 million daily users as of December 2025 per Binance founder Changpeng Zhao, is positioned to capture incremental activity across multiple yield-generating vectors that directly benefit BNBX's treasury strategy.
 - Binance Launchpad and Launchpool participation, which CoinLaw reports grew 23% year-over-year in 2025, requires users to stake or commit BNB to access new token allocations, creating structural demand that intensifies during bull market conditions when new project launches proliferate. BNBX's BNB holdings could participate in these allocation rounds, generating additional yield through token airdrops and farming rewards unavailable to passive Bitcoin or Ethereum treasury strategies.
 - Similarly, DEX lending activity on BNB Chain platforms like Venus and Alpaca Finance, where CoinLaw estimates \$2.1+ billion in active loans are backed by BNB, tends to expand significantly during liquidity-rich environments as leveraged trading and yield farming strategies become more attractive. The company's stated approximately 9-12% target APY through actively managed DeFi protocols becomes increasingly achievable as protocol yields compress less aggressively when system-wide liquidity is abundant.
 - Further, BNB's deflationary mechanics create a compounding benefit: the quarterly Auto-Burn formula ensures that higher BNB prices trigger larger burns, while increased network activity from rising DEX volumes accelerates real-time gas fee burns under BEP-95.
- **This positions BNBX's treasury to benefit from both price appreciation driven by macro liquidity flows and structural supply reduction, a dual tailwind uniquely available within the Binance ecosystem as the Fed's forced pivot ushers in a new cycle of monetary accommodation.**

GENIUS and CLARITY Acts Unlock Institutional Pathway for Digital Asset Adoption

- **The U.S. achieved a watershed moment in digital asset regulation in 2025, transitioning from years of regulation by enforcement to a coherent legislative framework that provides the clarity institutional capital has long demanded.** On July 18, 2025, President Trump signed the Guiding and Establishing National Innovation for U.S. Stablecoins Act (GENIUS Act) into law, establishing the first comprehensive federal framework for payment stablecoins. The legislation requires issuers to maintain 1:1 reserve backing with high-quality liquid assets such as U.S. Treasury bills and cash equivalents, mandates monthly reserve disclosures, and creates dual federal-state licensing pathways through the Office of the Comptroller of the Currency and state regulators. Critically, the GENIUS Act explicitly excludes payment stablecoins from the definitions of security under federal securities laws and commodity under the Commodity Exchange Act, removing jurisdictional ambiguity that had paralyzed institutional adoption.
 - **The House simultaneously advanced the Digital Asset Market Clarity Act (CLARITY Act), passing with bipartisan support on July 17, 2025.** This complementary legislation establishes jurisdictional boundaries between the SEC and CFTC, introducing formal definitions for digital commodities including decentralized assets not conferring profit rights, under CFTC oversight, while restricted digital assets representing investment contracts remain with the SEC. The CLARITY Act creates certification pathways for issuers to obtain regulatory clarity and exempts certain decentralized finance activities from registration requirements. SEC Chairman Paul Atkins noted these developments as historic milestones, unveiling Project Crypto to replace ad hoc enforcement with structured rules and a formal token taxonomy.
 - **The regulatory thaw has catalyzed market expansion:** total stablecoin market capitalization surged to approximately \$290 billion by Q3 2025 according to IMF and DefiLlama data, with stablecoin supply growing 23.5% in H1 2025 alone per CertiK. Transaction volumes reached \$4 trillion in the first seven months of 2025, underscoring stablecoins' entrenchment as critical financial infrastructure.
- **A favorable U.S. regulatory environment materially de-risks BNBX's operating model.** As a NASDAQ-listed Digital Asset Treasury company, BNBX benefits directly from the legislative clarity that distinguishes compliant operators from regulatory gray zones. The GENIUS Act's explicit framework for stablecoin integration enables BNBX to potentially incorporate stablecoin yield strategies – deploying treasury assets into regulated stablecoin lending protocols or earning yield on stablecoin reserves – without the legal ambiguity that previously constrained such activities.
 - The CLARITY Act's delineation of digital commodities versus securities provides BNBX with clearer guidance on how its BNB holdings and DeFi yield activities will be treated, reducing compliance uncertainty that could otherwise deter institutional investors from the stock.
 - **Binance's own compliance trajectory further supports BNBX's risk profile.** The exchange now holds 21+ regulatory licenses globally, including landmark December 2025 approval from Abu Dhabi's ADGM, the first comprehensive global license for a crypto exchange under that framework. This institutional-grade regulatory standing reduces counterparty risk for BNBX's BNB treasury and positions the Binance ecosystem as increasingly aligned with the compliance expectations of traditional finance.

Chart 24: U.S. Digital Asset Regulatory Timeline – From Ambiguity to Clarity



Source: Exec Edge Research, Multiple Web Sources

Management Team

Experienced Team Bridging Traditional Capital Markets and Decentralized Finance

- **BNBX has assembled a leadership team that combines traditional finance rigor with specialized cryptocurrency and DeFi expertise to execute its digital asset treasury strategy.** The management structure reflects a deliberate effort to blend institutional credibility with blockchain-native operational capabilities. Executive leadership includes legal and regulatory expertise essential for navigating the evolving digital asset landscape, while the investment function is led by professionals with direct experience managing DeFi-focused hedge funds and executing complex yield strategies. The board composition adds governance depth through directors with backgrounds spanning technology commercialization, capital markets, and distributed ledger innovation. This combination positions BNBX to operate with institutional-grade discipline while capitalizing on yield opportunities that require specialized protocol-level knowledge.

Chart 25: BNBX – Key Members of the Board and Management Team

	Clay Shorrock, Esq., President and Chief Executive Officer Clay Shorrock was appointed President and CEO in September 2025, leading the pivot to a digital asset strategy. He previously served as Chief Legal Officer and President of the LineaRx biotherapeutics subsidiary. Mr. Shorrock has been instrumental in developing the LineaDNA and LineaVT platforms and leading legal, IP, and business development functions. He has over a decade of public capital markets experience and is an experienced intellectual property attorney.	
	Beth Jantzen, Chief Financial Officer Beth Jantzen serves as Chief Financial Officer, having previously held the role of Controller since 2013. A certified public accountant with over 15 years of financial experience, she was formerly a senior manager at Marcum LLP, specializing in SEC policies, Sarbanes-Oxley compliance, and acquisition valuations. She was named Who's Who in Accounting/Audits by Long Island Business News.	
	Patrick Horsman, CFA, Chief Investment Officer Patrick Horsman was appointed Chief Investment Officer in October 2025 to lead the BNB digital asset treasury strategy. A CFA charter holder and serial entrepreneur in finance and crypto, he co-founded Coral Capital, a DeFi hedge fund. His extensive experience includes founding blockchain platforms like Verified Organic, launching ETFs at Innovation Shares, and managing crypto arbitrage strategies at Esoteric Strategies.	
	Joshua Kruger, Chairman of the Board Mr. Kruger previously led trading at DNA Asset Management and Coral Capital, managing over \$100M in digital asset strategies. An expert in protocol economics, he co-founded OnChain Alpha and Kruger Pasch Capital. He holds a B.S. from Texas A&M University.	 Judith Murrah, Director Joining the Board in 2025, Ms. Murrah previously served as the Company's CEO and COO. She held senior leadership roles at Motorola Solutions and Symbol Technologies and holds an MBA from Harvard Business School and 14 U.S. patents.
	Robert B. Catell, Director A Board member since 2016, Mr. Catell chairs the NYS Smart Grid Consortium and the Advanced Energy Research Center. He formerly served as Chairman of National Grid U.S. and Chairman/CEO of KeySpan Corporation, bringing extensive energy sector leadership.	 Joseph D. Ceccoli, Director Mr. Ceccoli is Founder and CEO of Biocogent, LLC and joined the Board in 2014. Previously Global Director of Operations for BASF Corporation, he holds a B.S. in Biotechnology from RIT and has deep expertise in pharmaceutical sciences and global operations.
	Elizabeth M. Schmalz Shaheen, Director Ms. Shaheen is President of American Flavors & Fragrances and joined the Board in 2017. A former executive at Estée Lauder and Revlon, she has extensive experience in product development and holds a degree from Georgian Court University.	 Dr. Yacov Shamash, Director Dr. Shamash is VP for Economic Development and Dean of Engineering at SUNY Stony Brook. A Board member since 2006, he founded the CEWIT and AERTC centers and currently serves on the board of Key Tronic Corporation.

Source: Exec Edge Research, Company Website

Fundamentals & Valuation

Undervalued BNB DAT Play

- **Our analysis shows that BNBX is an undervalued name.** Please note that at Exec Edge, we do not issue estimates, price targets, or buy/sell/hold ratings. As such, the analysis below is for illustrative purposes and is meant to lay out a theoretical framework on how investors can approach valuing a DAT name like BNBX. We use DAT-specific valuation approach for estimating the fair value of the company. **Please note that the price shown in the analysis below is not a stock price target and is just an illustration of the valuation analysis conducted by us.**
- **We believe BNBX's focus on a multi-dimensional yield generation beyond treasury is likely to emerge as the key source of value creation.** The company's BNB treasury expansion, growth in staking rewards, and the use of high yield launchpad, DEX liquidity and market-neutral arbitrage opportunities which are likely to generate ~10% blended yield on treasury, will remain a key driver of growth for its DAT business.
 - To fund its BNB treasury strategy, the company has outlined a target of raising \$200 million and deploying 99% of its balance sheet to purchase BNB. The company had successfully closed its \$58 million PIPE comprising of cash, stablecoin and units of the OBNB Trust, worth \$27 million, and \$31 million of warrants which can be redeemed after nine months at an exercise price of \$3.82. We assume that \$31 million of warrants will be fully redeemed in July 2026, and this amount will be used for BNB purchase at an average price of \$1,056.52.
 - To meet its target of raising \$200 million, we expect the company raise an additional \$142 million by issuing shares in the first half of 2026 at share price between \$1.8 and \$2.50. We assume this amount will be used to purchase an additional ~166,550 BNB, taking the total BNB acquired to 185,347 through December 2026. Through its multi-dimensional yield strategy, the company is expected to spread its BNB treasury among staking (40%), launchpool (25%), DEX liquidity (20%), and Market-neutral Arbitrage (15%), to earn a blended yield of ~10%, implying that the company will earn an additional 11,466 BNB, taking the total BNB count to 196,813 at December 2026, worth ~\$193.0 million, based on BNB price projection from coindex.
 - Overall, as BNBX builds its treasury balance and its staking earnings grow, its book value is expected to reach ~\$2.4/share by the end of 2026. We note that BNBX's DAT business currently trades 3.41x P/B, a premium to the DAT universe average of 0.83x, given the company's strong position among BNB Treasury companies (see comp set on next page.) We expect this premium to sustain. **Applying a 2.0x P/B multiple – premium to industry but conservative vs. BNBX's current multiple – we arrive at a fair value of \$4.78 per share for BNBX's DAT business.**
 - We note that this valuation could be conservative as it excludes the optionality presented by the company's healthcare business. Re-rating potential is also evident in BNBX's mNAV multiple of 0.39x, which is a discount to the DAT universe average of ~1.0x, a gap that is likely to plug as BNBX continues to execute on its strategy of emerging as the premier BNB DAT play.

Chart 26: BNBX – DAT Business Valuation

Parameter	Current	1Q26E	CY26E
BNB Balance - Opening	18,797	18,797	18,797
Staking Earnings (BNB)	-	313	11,466
New Tokens Added	-	-	166,550
BNB Balance - Closing	18,797	94,057	196,813
BNB Price (\$)	871.02	947.34	980.84
Avg. Token Purchase Price	-	-	980.84
BNB Value - Closing (\$ million)	16.37	89.10	193.04
Shares Outstanding (million)	4.88	44.32	81
Book Value Per Share - DAT (\$)	3.4	2.0	2.4
P/BV Multiple (x)	-	-	2.0
Fair Price (\$)	-	-	4.78

Source: Exec Edge Research. Current data as of 1/26/26. BNB price projection sourced from coindex.

Chart 27: BNBX – Peer Comparison

Sl No	Ticker	Company Name	Token Focus	Share Price (\$)	Market Cap (\$M)	Enterprise Value (\$M)	Shares Out. (M)	Token Balance	Token Value (\$M)	mNAV (x)	Token Per Share (x)	P/B (x)
1	BNBX	BNB Plus*	BNB	1.59	6.94	5.10	4.88	18,797	17.9	0.39	0.0038518	3.41x
2	BNC	CEA Industries	BNB	5.52	243.23	218.27	44.06	515,054	448.6	0.54	0.0116898	0.52x
3	NA	Nano Labs	BNB	3.72	86.00	64.68	23.12	128,000	111.5	0.77	0.0055363	0.99x
4	ATON	AlphaTON Capital Corp.*	TON	0.68	9.69	5.73	14.31	12,878,195	19.4	0.50	0.8999437	0.41x
5	TONX	TON Strategy Co.	TON	2.58	152.45	100.01	59.09	217,500,000	328.4	0.46	3.6808259	0.24x
6	STKE	Sol Strategies Inc.	SOL	1.91	56.74	93.34	30.36	523,497	64.3	0.88	0.0172430	0.53x
7	DFDV	DeFi Development Corporation	SOL	5.93	177.26	298.80	29.89	2,195,926	269.5	0.66	0.0734669	0.67x
8	UPXI	Upexi, Inc.	SOL	2.00	126.42	324.95	63.21	2,018,419	247.7	0.51	0.0319320	0.56x
9	FWDI	Forward Industries, Inc.	SOL	7.82	676.11	640.49	86.46	6,910,568	848.2	0.80	0.0799279	0.46x
10	HSDT	Solana Company	SOL	3.39	140.01	15.96	41.30	2,300,000	282.3	0.50	0.0556901	NM
11	SLAI	SOLAI Limited	SOL	2.73	18.30	25.64	18.68	44,412	5.5	3.36	0.0023775	1.02x
12	FGNX	FG Nexus Inc.	ETH	2.92	98.11	114.90	33.60	40,088	116.5	0.84	0.0011931	0.56x
13	BMNR	BitMine Immersion Technology	ETH	28.80	13,100.04	12,212.36	454.86	4,203,036	12,214.1	1.07	0.0092403	1.05x
14	SBET	SharpLink Gaming, Inc.	ETH	9.75	1,917.76	1,906.63	196.69	864,840	2,513.2	0.76	0.0043970	0.61x
15	ETHM	Dynamix Corporation (Ether Machine)	ETH	10.35	229.08	228.60	22.13	496,712	1,443.5	0.16	0.0224452	NM
16	BTBT	Bit Digital	ETH	2.11	682.68	693.96	323.54	153,546	446.2	1.53	0.0004746	0.76x
17	ETHZ	Ethzilla, (180 Life Sciences Corp.)	ETH	5.24	99.62	584.25	19.01	69,802	202.8	0.49	0.0036719	0.19x
18	BTCS	BTCS, Inc.	ETH	2.67	125.06	190.15	46.84	70,140	203.8	0.61	0.0014974	0.56x
19	MSTR	Strategy Inc.	BTC	163.11	52,470.50	66,424.61	321.69	709,715	62,327.2	0.84	0.0022062	0.89x
20	CEPO	Cantor Equity Partners I/BSTR Holdings Inc.	BTC	10.46	266.73	267.04	25.50	30,021	2,636.4	0.10	0.0011773	NM
21	TYO:3350	Metaplanet Inc.	BTC	3.29	3,794.87	3,806.07	1,142.25	35,102	3,082.7	1.02	0.0000307	1.10x
22	DJT	Trump Media & Technology Group	BTC	14.53	4,068.37	4,173.12	280.00	11,542	1,013.6	4.01	0.0000412	1.79x
23	SMLR	Semler Scientific	BTC	20.11	310.75	416.99	15.29	5,048	443.3	0.70	0.0003302	0.66x
24	SQNS	Sequans Communications S.A.	BTC	5.31	82.79	187.10	15.59	2,189	192.2	0.43	0.0001404	0.37x
Average										1.01	0.0161833	0.83x

Source: Exec Edge Research, bnbx.io, [TIKR](https://tldr.co). Price data as of 1/26/26. *For BNBX & ATON, P/B multiple of DAT business has been taken.

Fundamentals Reflect Balance Sheet Pivot to Digital Asset Strategy

- **Revenue decline in 3Q FY25 reflects strategic repositioning toward the DAT strategy.** Total revenue fell 36% y/y to \$0.3 million from \$0.5 million in 3Q FY24, but this decline was largely by design as the company winds down non-core business lines to focus resources on its DAT strategy. Product revenue decreased 21% y/y to \$0.20 million, driven primarily by timing of orders from the large-scale DNA manufacturing business within Therapeutic DNA Production Services, given the lumpy contract-based nature of this business. Service revenue experienced a 52% y/y decline to \$0.11 million, predominantly due to reduced textile isotopic testing services as the company executes its strategic exit from the DNA Tagging and Security Products segment. The DNA Tagging segment saw revenue contract 53% y/y to \$91,324, while Therapeutic DNA Production Services declined 24% y/y to \$0.21 million.
- **Operating expenses were elevated by one-time charges, though underlying cost discipline is evident.** Total operating expenses increased 4% y/y (+\$0.15 million) to \$3.70 million, but this headline figure masks divergent trends. SG&A expenses rose 11% y/y (+\$0.29 million) to \$2.93 million, driven almost entirely by a \$450,000 accrual related to the separation agreement with former CEO. Excluding this one-time charge, SG&A would have declined approximately 6% y/y. R&D expenses declined 16% y/y (-\$0.14 million) to \$0.77 million as enzyme development work that drove prior year spending was completed, resulting in lower payroll and laboratory supplies costs, partially offset by increased consulting for a current development project.
 - **Non-cash warrant fair value movements create significant P&L volatility that obscures underlying operating trends.** The company reported a net loss of \$3.98 million in 3Q FY25 compared to net income of \$1.85 million in 3Q FY24. However, this comparison is heavily distorted by non-cash accounting items. In 3Q FY24, a decline in the company's stock price generated a \$5.16 million unrealized gain as warrant liabilities were marked to market; in 3Q FY25, this gain was just \$6,000 given more stable stock prices and significantly lower outstanding warrant balances. Discontinued operations (MDx Testing/ADCL clinical laboratory) contributed an additional (\$0.34 million) loss as the company completed the closure of this segment effective June 27, 2025.
 - **LineaRx operational optimization is progressing toward near-term profitability.** Following a comprehensive strategic restructuring implemented earlier this year, LineaRx has significantly reduced its cost base while preserving industry-leading capabilities in cell-free DNA production. Management expects the subsidiary to meaningfully narrow losses and approach profitability by 1Q FY26 (ending December 2025), driven by the combination of rightsized expenses and increased customer shipments. This milestone would position LineaRx as an accretive contributor beyond the core DAT strategy.
 - **In December 2025, the company also completed its largest-ever LineaDNA shipment:** ~5 grams valued at over \$390,000 under an existing cancer diagnostics supply agreement. Management expects additional multi-gram deliveries in 1H26, underscoring the scalability and commercial traction of its proprietary cell-free DNA platform alongside the BNB treasury strategy.
 - **In January 2026, BNBX received a \$1.2 million order for LineaDNA, the largest single LineaDNA order in its history.** The order represents an acceleration of an existing customer's purchasing schedule, consolidating what was originally planned as a two-year procurement cycle into an expedited delivery timeline expected to be completed by May 2026. The order was placed by a global in vitro diagnostics (IVD) manufacturer under an existing supply agreement. The company has previously disclosed LineaDNA purchases from this customer, including a \$600,000 follow-on order in July 2025. **Including this \$1.2 million order, BNBX now expects to ship more than \$1.5 million of LineaDNA to customers across the IVD and biotherapeutic markets in 1H26.**
- **Balance sheet represented a company in transition, with recent capital raises fundamentally transforming the asset base.** Total assets contracted 22% to \$9.9 million from \$12.8 million at fiscal year-end September 30, 2024 (FY24), reflecting both cash consumption from operations and the wind-down of discontinued operations. Cash and cash equivalents stood at \$4.7 million, with operating cash burn of \$9.1 million over the nine-month period consuming the majority of the October 2024 registered direct offering proceeds (\$5.7 million net) and warrant exercise proceeds (\$2.2 million). The company maintained \$0.75 million in restricted cash as collateral for a standby letter of credit supporting its corporate headquarters lease through January 2026. Importantly, the balance sheet predates the transformative October 2025 PIPE transaction that raised approximately \$27 million in gross proceeds (including \$15.3 million cash/ stablecoins and \$11.7 million in OBNB trust units), fundamentally altering the company's liquidity profile and asset composition in subsequent periods.
 - **Asset base reflects an operating company being deliberately right sized, with intangible assets now representing the largest non-cash asset category.** The intangible assets balance of \$2.7 million,

unchanged from fiscal year-end, represents the largest single asset category aside from cash and consists primarily of acquired intellectual property related to the LineaDNA and enzymatic production technologies that underpin the LineaRx business.

- **Going forward, the balance sheet will be transformed by the BNB treasury strategy, with digital assets becoming the dominant asset class.** 3Q FY25 balance sheet reflects the company before the strategic pivot to the DAT strategy in October 2025. Subsequent to quarter-end, the company closed the PIPE transaction raising approximately \$27 million gross. As of the December 2025 corporate update, the company held approximately 18,840 BNB through direct holdings and OBNB trust units, with an additional \$3 million deployed at an average price of \$895 per token. At current BNB prices (\$871/token), this treasury would represent the vast majority of the company's asset base, a fundamental shift from a year ago. The company's fully diluted share count has expanded to approximately 23.9 million shares (as of December 2025), with potential for additional warrant exercises contributing up to \$31 million in future proceeds.

Chart 28: BNBX – Financial Snapshot

Income Statement (\$)	3Q FY24	4Q FY24	1Q FY25	2Q FY25	3Q FY25	FY 2023	FY 2024
Revenues							
Product revenues	246,644	127,727	495,847	548,638	195,262	1,218,185	1,074,813
Service revenues	226,145	359,899	374,444	214,184	109,131	996,866	1,038,677
Clinical laboratory service revenues	-	650,210	326,326	220,552	-	11,152,392	1,317,930
Total revenues	472,789	1,137,836	1,196,617	983,374	304,393	13,367,443	3,431,420
Cost of product revenues	230,188	285,616	264,052	367,304	299,263	1,308,620	1,138,650
Cost of clinical laboratory service revenues	-	604,690	248,458	245,223	-	6,525,391	1,275,891
Total cost of revenues	-	1,120,494	512,510	612,527	-	7,834,011	2,414,541
Gross profit	242,601	(769,349)	684,107	370,847	5,130	5,533,432	1,016,879
Operating expenses:							
Selling, general and administrative	2,635,863	2,727,475	2,633,098	2,983,284	2,930,627	12,751,644	11,447,894
Research and development	913,031	831,710	1,015,010	849,358	768,563	3,735,078	3,593,750
Total operating expenses	3,548,894	-	3,648,108	3,832,642	3,699,190	16,486,722	15,041,644
LOSS FROM OPERATIONS	(3,306,293)	(3,311,655)	(2,964,001)	(3,461,795)	(3,694,060)	(10,953,290)	(14,024,765)
Interest income	29,688	97,938	71,440	60,340	40,267	75,332	176,301
Transaction costs allocated to warrant liabilities	-	-	-	-	-	-	(633,198)
Unrealized gain on change in fair value of warrants classified as a liability	5,160,000	(134,000)	244,000	68,430	6,410	854,400	9,430,000
Unrealized loss on change in fair value of warrants classified as a liability - warrant modification	-	-	-	-	-	-	(394,000)
Loss on issuance of warrants	-	-	-	-	-	-	(1,633,767)
Other (expense) income, net	(103)	183	(20,152)	(3,095)	(531)	642	(8,877)
Loss before provision for income taxes	1,883,292	(3,347,534)	(2,668,713)	(3,336,120)	(3,647,914)	(10,022,916)	(7,088,306)
Provision for income taxes	-	-	-	-	-	-	-
Net (loss) income from continuing operations	1,883,292	-	-	-	(3,647,914)	-	-
Net loss from discontinued operations, net of tax	(33,791)	-	-	-	(336,195)	-	-
NET LOSS	1,849,501	(3,313,743)	(2,668,713)	(3,336,120)	(3,984,109)	(10,022,916)	(7,088,306)
Loss: Net loss attributable to noncontrolling interest	30,295	17,000	29,301	31,945	38,746	75,857	95,785
NET LOSS attributable to Applied DNA Sciences, Inc.	1,879,796	(3,296,743)	(2,639,412)	(3,304,175)	(3,945,363)	(9,947,059)	(6,992,521)
Deemed dividend related to warrant modifications	-	-	(14,907,223)	(23,919,429)	15,500,244	-	(233,087)
NET LOSS attributable to common stockholders	1,879,796	831,710	(17,546,635)	(27,223,604)	19,445,607	(9,947,059)	(7,225,608)
Net (loss) income per share attributable diluted from continuing operations	1,191.52	-	-	-	(33.41)	-	-
Net loss per share attributable discontinued operations	(21.04)	-	-	-	(0.59)	-	-
Net loss per share attributable to common stockholders-basic and diluted	1,170.48	-	(0.56)	(15.35)	(34.00)	(15.21)	(1.82)
Weighted average shares outstanding-basic and diluted	1,606	3,263,322	31,518,861	1,773,086	572,018	653,771	3,966,026
Balance Sheet-Key Items (\$)	3Q FY24	4Q FY24	1Q FY25	2Q FY25	3Q FY25	FY 2023	FY 2024
ASSETS							
Cash and cash equivalents	-	6,431,095	9,294,365	6,823,260	4,727,677	7,151,800	5,852,363
Current assets of discontinued operations	-	-	-	-	25,008	-	678,146
Total current assets	-	8,047,670	11,275,955	6,830,411	5,628,902	8,126,570	8,047,671
Restricted cash	-	750,000	750,000	750,000	750,000	750,000	750,000
Intangible assets	-	2,698,975	2,698,975	2,698,975	2,698,975	2,698,975	2,698,975
Total assets	-	12,789,040	15,970,701	13,035,663	9,934,746	13,651,577	12,789,040
LIABILITIES AND EQUITY							
Accounts payable and accrued liabilities	-	1,793,427	1,610,972	1,409,628	1,564,707	2,270,388	1,737,366
Current liabilities of discontinued operations	-	-	-	-	124,565	-	56,061
Total current liabilities	-	2,398,124	2,386,613	1,894,303	2,035,960	2,845,421	2,398,124
Long term accrued liabilities	-	31,467	31,467	31,467	31,467	31,467	31,467
Warrants classified as a liability	-	320,000	76,000	7,570	1,160	4,285,000	320,000
Total liabilities	-	3,820,955	3,421,056	2,811,455	2,946,702	8,779,165	3,820,955
Shareholder's Equity							
Common Stock	-	206	54,114	6,331	902	683	14
Additional Paid-in Capital	-	318,815,166	339,918,754	364,896,649	381,150,267	307,397,623	318,815,358
Accumulated deficit	-	(309,672,755)	(327,219,390)	(354,442,994)	(373,888,601)	302,447,147	(309,672,755)
BNBX stockholders' equity	-	9,142,617	12,753,478	10,459,986	7,262,568	4,951,159	9,142,617
Total Equity	-	8,968,085	12,549,645	10,224,208	6,988,044	4,872,412	8,968,085
Total liabilities and stockholders' equity	-	12,789,040	15,970,701	13,035,663	9,934,746	13,651,577	12,789,040
Cash Flows-Key Items (\$)	3Q FY24	4Q FY24	1Q FY25	2Q FY25	3Q FY25	FY 2023	FY 2024
Cash flows from operating activities:							
Net loss from continuing operations	2,121,898	(3,586,140)	(2,668,713)	(3,336,120)	(3,580,989)	(10,022,916)	(7,088,306)
Net cash (used in) provided by operating activities	(3,355,571)	(3,368,154)	(3,326,074)	(3,185,035)	(2,630,579)	(6,217,677)	(13,711,397)
Net cash (used in) provided by financing activities	10,808,977	(390,721)	6,306,223	899,249	723,056	-	13,398,596
Net cash provided by (used in) investing activities	(21,826)	(371,250)	(116,879)	(185,319)	(10,923)	(1,095,808)	(407,904)
Net decrease in cash and cash equivalents	7,292,491	(4,011,036)	2,863,270	(2,471,105)	(2,083,125)	(7,313,485)	(720,705)

Source: Exec Edge Research, TIKR. Fiscal year ends on 9/30 of every year.

Capitalization Table

Chart 29: BNBX – Capitalization Table

Warrants			
DESCRIPTION	EXP. DATE	EXERCISE PRICE	COUNT
Series A - 02/2022	8/9/27	\$60,000.00	140
Investor Warrants - 02/2024	8/9/28	\$9,135.00	208
Investor Warrants - 01/2024	4/15/29	\$9,135.00	753
Placement Agent Warrants - 05/2024	5/29/29	\$1,492.50	615
Series C - 10/2024	5/22/30	\$240.00	27,084
Placement Agent Warrants - 10/2024	10/30/29	\$240.00	1,354
Series A - 05/2024	9/30/29	\$5.13	2,956,411
Placement Agent Warrants - 10/2025	10/3/30	\$3.82	403,236
Advisory Warrants - 10/2025	10/3/30	\$3.82	2,195,753
Pre-Funded Warrants - 10/2025	10/3/30	\$0.0010	4,998,677
Series E - 10/2025	10/3/30	\$3.82	8,064,676
Total Warrants Outstanding			18,648,907
TYPE			SHARES
Employee and Director Stock Options			169,121
Restricted Stock Units			199,928
FULLY DILUTED SHARES OUTSTANDING			23,899,923

Source: Exec Edge Research, bnbx.io, Data as of 1/2/26.

Ownership

Top Institutional Owners

Chart 30: BNBX – Top Owners

Owner Name	Date	Shares Held	Change (Shares)	Change (%)	Value (In 1,000s)
UBS Group AG	09/30/25	4,502	(7,117)	-61.25%	\$7
Clear Street Group Inc.	09/30/25	3,000	3,000	New	\$5
Tower Research Capital LLC	09/30/25	858	636	286.49%	\$1
Sbi Securities Co., Ltd.	09/30/25	146	-	0.00%	\$0
Bank Of America Corp /De/	09/30/25	10	6	150.00%	\$0
Blackrock, Inc.	09/30/25	4	-	0.00%	\$0
Morgan Stanley	09/30/25	3	-	0.00%	\$0
Osaic Holdings, Inc.	09/30/25	3	(1)	-25.00%	\$0
Mai Capital Management	09/30/25	2	-	0.00%	\$0
Wells Fargo & Company/Mn	09/30/25	2	-	0.00%	\$0
Advisory Services Network, LLC	09/30/25	1	1	New	\$0
Dakota Community Bank & Trust Na	09/30/25	1	1	New	\$0
Danske Bank A/S	09/30/25	1	-	0.00%	\$0
Natixis	09/30/25	1	-	0.00%	\$0
Royal Bank Of Canada	09/30/25	1	-	0.00%	\$0
Wealth Preservation Advisors, LLC	09/30/25	1	-	0%	\$0
Westside Investment Management, Inc.	12/31/25	1	-	0.00%	\$0
Activest Wealth Management	09/30/25	0	(1)	Sold Out	
Anson Funds Management LP	09/30/25	0	(46,507)	Sold Out	
Country Fund Management	12/31/25	0	(1)	Sold Out	
Fny Investment Advisers, LLC	12/31/25	0	(30,084)	Sold Out	
Raymond James Financial Inc	09/30/25	0	(11)	Sold Out	
Sabby Management, LLC	09/30/25	0	(24,355)	Sold Out	
Sabby Management, LLC	09/30/25	0	(24,355)	Sold Out	

Source: Exec Edge Research, NASDAQ. Data as of 1/23/26 close.

Risks

- **Regulatory uncertainty.** BNBX faces significant exposure to evolving and unpredictable regulatory environments across multiple jurisdictions. While the U.S. has advanced legislation such as the GENIUS Act and CLARITY Act, enforcement actions, classification changes, or new restrictions targeting digital assets could materially impact the company's ability to hold, trade, or generate yield from BNB holdings. Binance itself remains subject to ongoing regulatory scrutiny globally, having paid a \$4.3 billion settlement with U.S. authorities in 2023. Any renewed enforcement actions, license revocations, or adverse rulings against Binance or BNB specifically, could impair treasury asset values and restrict BNBX's operational flexibility.
- **Centralization dependence.** BNBX's investment thesis is heavily dependent on the continued operational success, reputation, and financial stability of Binance, a privately held centralized entity. Unlike Bitcoin or Ethereum, which operate as fully decentralized networks, BNB's value proposition is inextricably linked to Binance's exchange dominance, Launchpool programs, and fee discount structures. Any significant business disruption at Binance, whether from regulatory action, competitive displacement, security breach, or reputational damage, would directly impair BNB's utility value and market price. The Chain operates with only 21-56 active validators, raising concerns about network decentralization relative to competing Layer-1 blockchains.
- **Smart contract vulnerability.** BNBX's active yield strategy involves deploying treasury assets across multiple DeFi protocols, liquid staking platforms, and decentralized exchanges, each carrying inherent smart contract risks. These protocols are susceptible to software bugs, code exploits, economic manipulation attacks, and oracle failures that could result in partial or total loss of deployed capital. The BNB Chain ecosystem has experienced notable security incidents, including the 2022 BNB Bridge exploit resulting in approximately \$570 million in losses. While BNBX management may implement due diligence procedures, no smart contract audit or security measure can eliminate the risk of undiscovered vulnerabilities in complex DeFi systems.
- **Digital asset volatility.** BNB, like all digital assets, exhibits substantial price volatility that can result in significant fluctuations in BNBX's net asset value and share price. Historical drawdowns in BNB have exceeded 80% during bear market cycles, and correlation with broader crypto market movements, particularly Bitcoin, remains elevated during periods of stress. A prolonged bear market, black swan event, or systemic deleveraging across crypto markets could materially erode the U.S. dollar value of BNBX's treasury holdings regardless of operational performance. The active yield strategy, while generating additional BNB, does not protect against downside price movements in the underlying asset.
- **Concentration risk.** BNBX maintains a single-asset treasury strategy concentrated entirely in BNB, providing no diversification across digital assets, blockchains, or asset classes. This concentrated exposure amplifies both upside potential and downside risk relative to diversified digital asset portfolios or multi-chain treasury strategies. Any BNB-specific adverse development, including competitive displacement by alternative Layer-1 blockchains, erosion of Binance's market share, regulatory action targeting BNB specifically, or failure of the token burn mechanism, would disproportionately impact BNBX compared to diversified peers. The lack of treasury diversification means investors bear the full idiosyncratic risk of a single digital asset.
- **Key person risk.** BNBX's strategic pivot and treasury operations depend heavily on the expertise and continuity of a small management team, including newly appointed leadership and DeFi specialists responsible for executing the yield strategy. The broader BNB ecosystem similarly remains influenced by Changpeng Zhao, Binance's founder, whose legal restrictions, public statements, and potential return to operational roles create narrative volatility. Any departure of key BNBX personnel, loss of institutional knowledge regarding yield strategies, or adverse developments could disrupt operational execution and market confidence in the company's ability to deliver on its stated objectives.
- **Competitive displacement.** BNBX's value proposition as a regulated U.S. proxy for BNB exposure faces potential competitive threats from multiple directions. VanEck has filed for a U.S. spot BNB ETF, which if approved could provide institutional investors with a lower-cost, more liquid alternative to BNBX equity. Additionally, Coinbase's announced plans to list BNB on its platform would expand direct U.S. retail access to the underlying asset. Competing Digital Asset Treasury companies may emerge with similar BNB-focused strategies or superior yield generation capabilities. Any of these developments could compress BNBX's premium to net asset value and reduce its differentiated appeal as the exclusive U.S. gateway to BNB exposure.

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