



**WONDERFI TECHNOLOGIES INC.**  
**CONSOLIDATED FINANCIAL STATEMENTS**  
**FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024**  
(Expressed in Canadian dollars - audited)

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## Independent Auditor's Report

To the Shareholders of  
WonderFi Technologies Inc.

### *Opinion*

We have audited the consolidated financial statements of WonderFi Technologies Inc. (hereafter "the Company"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated statement of loss and comprehensive loss, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025, and its financial performance and its cash flows for the year ended December 31, 2025 in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter "IFRS Accounting Standards").

### *Basis for Opinion*

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### *Emphasis of Matter, Restated Comparative Information*

We draw attention to Notes 5 and 29 to the consolidated financial statements, which explain that certain comparative information for the year ended December 31, 2024 has been restated. Our opinion is not modified in respect of this matter.

The consolidated financial statements for the year ended December 31, 2024, excluding the adjustments that were applied to restate certain comparative information, were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on March 29, 2025.

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As part of our audit of the consolidated financial statements for the year ended December 31, 2025, we also audited the adjustments applied to restate certain comparative information presented. In our opinion, such adjustments are appropriate and have been properly applied.

Other than with respect to the adjustments that were applied to restate certain comparative information, we were not engaged to audit, review, or apply any procedures to the consolidated financial statements for the year ended December 31, 2024. Accordingly, we do not express an opinion or any other form of assurance on those consolidated financial statements taken as a whole.

#### *Key Audit Matter*

A key audit matter is a matter that, in our professional judgment, was of most significance in our audit of the consolidated financial statements of the current period.

This matter was addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on this matter. We have determined that the matter described below is the key audit matter to be communicated in our report.

#### *Existence and Rights and Obligations of Digital Asset Inventory and Client Digital Assets*

As described in Notes 3, 7 and 9 to the consolidated financial statements, the Company holds digital assets presented under Digital asset inventory and Client digital assets (hereafter "digital assets") totalling \$1,512,447,035. We identified the existence and rights and obligations of the digital assets as a key audit matter.

#### *Why the Matter was Determined to be a Key Audit Matter*

Digital assets are significant to our audit because the total balance as at December 31, 2025 is material to the consolidated financial statements and because of the complexities involved in auditing existence and rights and obligations of the digital assets recognized. Given these considerations, the related audit effort in evaluating management's judgments was extensive and required a high degree of auditor judgment.

#### *How the Matter was Addressed in the Audit*

Our audit procedures related to the existence and rights and obligations of the digital assets included, among others:

- We assigned professionals with specialized skills in blockchain and digital assets.

For digital assets safeguarded by a custodian:

- We obtained confirmations of quantities;
- When conclusive, we tested the operating effectiveness of internal controls related to the existence and rights and obligations of digital assets, including key management, by obtaining and evaluating the report attesting that those controls at the service organization (custodians) are operating effectively;
- When the operating effectiveness of internal controls related to the existence and rights and obligations of digital assets, including key management, was not conclusive, we tested the existence and rights and obligations of digital assets by confirming directly to the blockchain and tested that the Company had control over its keys;

- For the remaining digital assets held by third parties, we obtained and reviewed service agreements and performed the appropriate procedures, depending on the third party, among the following:
  - We obtained confirmations of quantities;
  - We analyzed transactions subsequent to year-end;
  - We traced the digital assets directly to the blockchain.

#### *Information Other than the Consolidated Financial Statements and the Auditor's Report Thereon*

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

#### *Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

#### *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements*

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are, therefore, the key audit matter. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Shawn Rozansky.

*Richter LLP*

**Chartered Professional Accountants  
Licensed Public Accountants**

Montréal, Quebec  
March 24, 2026

**WONDERFI TECHNOLOGIES INC.**
**CONSOLIDATED STATEMENTS OF FINANCIAL POSITION**

As at December 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts)

	Notes	December 31, 2025	December 31, 2024
<b>Assets</b>			
<b>Current assets</b>			
Cash	6	28,950,969	34,346,337
Digital asset inventory	7	6,590,029	14,370,289
Client custodial cash	8	80,689,235	105,604,138
Client digital assets <sup>(i)</sup>	9	1,505,857,006	1,995,591,233
Prepaid expenses		1,319,848	1,421,063
Other receivables		111,835	929,226
Loans receivable		-	268,815
Income tax credit receivable		-	1,017,130
<b>Total current assets</b>		<b>1,623,518,922</b>	<b>2,153,548,231</b>
Investments	10	95,241	2,594,439
Investment in associate	10	-	6,839,062
Right-of-use assets	11	1,662,747	-
Property and equipment	12	228,767	145,525
Intangible assets	13	29,674,531	40,288,843
Goodwill	14	16,436,371	20,295,690
<b>Total assets</b>		<b>1,671,616,579</b>	<b>2,223,711,790</b>
<b>Liabilities</b>			
<b>Current liabilities</b>			
Trade and other payables	15	21,584,125	14,403,199
Current portion of lease liabilities	11	433,090	-
Client custodial cash liabilities	8	80,689,235	105,604,138
Client digital assets liabilities <sup>(ii)</sup>	9	1,505,857,006	1,995,591,233
Income tax payable	22	1,145,681	2,069,681
Current portion of contingent consideration	16	743,386	1,893,773
Current warrant liabilities	17	-	432,380
<b>Total current liabilities</b>		<b>1,610,452,523</b>	<b>2,119,994,404</b>
Contingent consideration	16	-	1,041,726
Lease liabilities	11	1,402,010	-
Long-term debt		151,566	225,723
<b>Total liabilities</b>		<b>1,612,006,099</b>	<b>2,121,261,853</b>
<b>Shareholders' equity</b>			
Share capital	18	291,146,119	284,021,894
Contributed surplus		15,481,202	14,402,649
Deficit		(247,016,841)	(195,974,606)
<b>Total shareholders' equity</b>		<b>59,610,480</b>	<b>102,449,937</b>
<b>Total shareholders' equity and liabilities</b>		<b>1,671,616,579</b>	<b>2,223,711,790</b>

(i) safeguarding assets

(ii) safeguarding liabilities

**WONDERFI TECHNOLOGIES INC.**
**CONSOLIDATED STATEMENTS OF LOSS AND COMPREHENSIVE LOSS**

For the Years Ended December 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts)

	<u>Notes</u>	<u>Year Ended December 31, 2025</u>	<u>Year Ended December 31, 2024</u>
<b>Revenue</b>		<b>45,973,581</b>	<b>54,920,825</b>
<b>Expenses</b>			
Salaries and wages		16,732,796	14,450,052
Bank and transaction fees		4,522,195	6,384,606
Marketing		3,617,058	5,381,065
Professional and consulting fees		5,755,188	5,750,165
Software licenses		5,780,004	4,677,740
Commission expenses		1,583,852	2,553,549
General and administrative expenses		8,151,787	6,066,994
Compliance fees		1,523,135	1,589,514
Share-based payments	18	2,185,327	2,420,386
Depreciation and amortization		7,968,831	8,348,546
<b>Operating loss</b>		<b>(11,846,592)</b>	<b>(2,701,792)</b>
<b>Other expense (income)</b>			
Interest income		(3,814,383)	(4,400,861)
Interest expense		177,037	91,165
Acquisition costs		-	237,544
Provisions and allowances	20	13,567,110	8,487,258
Claim settlement expenses	19	15,365,085	-
Indirect tax expenses	23	3,857,928	-
Foreign exchange gain		(1,231,535)	(799,600)
Changes in fair value of investments	10	863,852	(504,627)
Gain on distribution from investments	10	-	(673,031)
Loss on sale of investments	10	866,228	-
Share of loss of an associate	10	20,060	399,689
Other losses and (gains)	21	1,419,526	(7,927,120)
<b>Net income (loss) before income taxes</b>		<b>(42,937,500)</b>	<b>2,387,791</b>
Income tax expense	22	-	2,069,680
Deferred tax recovery	22	-	(3,733,994)
<b>Total comprehensive income (loss) from continuing operations</b>		<b>(42,937,500)</b>	<b>4,052,105</b>
<b>Discontinued operations</b>			
Loss from discontinued operations	29	(8,104,735)	(5,293,370)
<b>Total comprehensive loss</b>		<b>(51,042,235)</b>	<b>(1,241,265)</b>
<b>Net loss per share from continuing and discontinued operations attributable to common stockholders:</b>			
Basic and fully diluted		\$ (0.08)	\$ (0.00)
<b>Net comprehensive income (loss) per share from continuing operations attributable to common stockholders:</b>			
Basic and fully diluted		\$ (0.06)	\$ 0.01
<b>Weighted average number of common shares outstanding:</b>			
Basic and fully diluted		662,009,274	649,123,094

**WONDERFI TECHNOLOGIES INC.**
**CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

For the Years Ended December 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts)

	Notes	Number of common shares	Share capital (\$)	Contributed surplus (\$)	Deficit (\$)	Total shareholders' equity (\$)
<b>Balance as of December 31, 2024</b>		<b>642,892,364</b>	<b>284,021,894</b>	<b>14,402,649</b>	<b>(195,974,606)</b>	<b>102,449,937</b>
Shares issued for options exercise	18	1,783,249	553,681	(151,097)	-	402,584
Shares issued for warrant exercise	18	15,905,700	5,566,995	(477,171)	-	5,089,824
Restricted shares issued	18	6,900,993	1,728,973	(1,728,973)	-	-
Share-based payments	18	-	-	3,435,794	-	3,435,794
Shares repurchased	18	(2,380,000)	(725,424)	-	-	(725,424)
Net loss for the year	18	-	-	-	(51,042,235)	(51,042,235)
<b>Balance as of December 31, 2025</b>		<b>665,102,306</b>	<b>291,146,119</b>	<b>15,481,202</b>	<b>(247,016,841)</b>	<b>59,610,480</b>
<b>Balance as of December 31, 2023</b>		<b>651,507,804</b>	<b>285,225,857</b>	<b>13,282,266</b>	<b>(194,733,341)</b>	<b>103,774,782</b>
Shares issued for options exercise	18	573,004	162,844	(43,687)	-	119,157
Shares issued for warrant exercise	18	80,000	24,600	4,548	-	29,148
Restricted shares issued	18	3,195,410	1,260,864	(1,260,864)	-	-
Share-based payments	18	-	-	2,420,386	-	2,420,386
Shares repurchased	18	(12,463,854)	(2,652,271)	-	-	(2,652,271)
Net loss for the year	18	-	-	-	(1,241,265)	(1,241,265)
<b>Balance as of December 31, 2024</b>		<b>642,892,364</b>	<b>284,021,894</b>	<b>14,402,649</b>	<b>(195,974,606)</b>	<b>102,449,937</b>

**WONDERFI TECHNOLOGIES INC.**

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts)

	Notes	Year Ended December 31, 2025	Year Ended December 31, 2024
<b>Operating activities</b>			
Net loss for the year		(51,042,235)	(1,241,265)
Changes in non-cash operating items			
Depreciation and amortization		8,366,118	8,941,705
Provisions and allowances	20	6,824,025	-
Share-based payments	18	3,435,794	2,420,386
Share of loss of an associate		20,060	399,689
Foreign exchange gain		(1,303,731)	(796,673)
Changes in fair value of investments	10	863,852	(504,627)
Gain on distribution from investments		-	(673,031)
Loss on sale of investments	10	866,228	-
Interest expense		177,037	94,093
Interest income		(3,816,177)	(4,432,214)
Other losses and gains	21	2,108,558	(9,440,188)
Income tax expense	22	-	2,069,680
Deferred tax recovery	22	-	(3,733,994)
		<b>17,541,764</b>	<b>(5,655,174)</b>
Changes in working capital items	24	13,228,002	4,593,302
<b>Cash used in operating activities</b>		<b>(20,272,469)</b>	<b>(2,303,137)</b>
<b>Investing activities</b>			
Proceeds from sale of investments	10	733,050	11,634,829
Interest earned on client custodial cash		3,816,177	4,428,889
Loan receivable collected		220,000	57,631
Purchase of investment	10	-	(81,984)
Purchase of intangible asset	13	(124,300)	(190,985)
Purchase of property and equipment	12	(208,314)	(177,834)
Proceeds from investment in associate	10	8,379,456	-
<b>Cash provided by investing activities</b>		<b>12,816,069</b>	<b>15,670,546</b>
<b>Financing activities</b>			
Shares repurchased	18	(725,424)	(2,652,271)
Proceeds from options exercised	18	402,582	119,157
Proceeds from warrants exercised	17,18	4,771,710	24,000
Lease payments	11	(426,114)	(298,181)
Long-term debt payments		(74,157)	(88,923)
Contingent consideration payments	16	(1,887,565)	(2,212,828)
<b>Cash provided by (used in) financing activities</b>		<b>2,061,032</b>	<b>(5,109,046)</b>
<b>Net change in cash</b>		<b>(5,395,368)</b>	<b>8,258,363</b>
<b>Cash, beginning of year</b>		<b>34,346,337</b>	<b>26,087,974</b>
<b>Cash, end of year</b>		<b>28,950,969</b>	<b>34,346,337</b>

## 1. NATURE OF OPERATIONS

WonderFi Technologies Inc. (“WonderFi” or the “Company”) aims to revolutionize access to digital assets. The Company is engaged in the development and acquisition of technology platforms to facilitate investments in the emerging industry of digital assets. WonderFi boasts one of the largest communities of crypto investors within a single regulated ecosystem in Canada and is devoted to offering its users access to new regulated verticals, designed to empower the next generation of investors. The Company's common shares (the “Common Shares”) trade on the Toronto Stock Exchange (“TSX”) under the symbol “WNDR”. The Company’s head office is located at 371 Front Street West, Suite 304, Toronto, Ontario, M5V 3S8.

WonderFi and its subsidiaries are primarily in the business of providing digital asset exchange services to a diverse base of retail, institutional and private wealth clients within a Canadian Investment Regulatory Organization (“CIRO”) regulated trading environment.

## 2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

### **Statement of compliance**

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board (hereafter “IFRS Accounting Standards”).

These consolidated financial statements were approved and authorized for issue by the Board of Directors on March 24, 2026.

### **Basis of presentation and measurement**

These consolidated financial statements have been prepared on a going concern basis, under the historical cost convention except for digital assets inventory, client digital assets, investments, client digital assets liabilities, contingent considerations and warrant liabilities which are measured at fair value and investment in associate, which is measured using the equity method.

### **Foreign currency translation**

The consolidated financial statements are presented in Canadian dollars. Items included in the financial statements of each of the Company’s subsidiaries are measured using the currency of the primary economic environment in which the entity operates (“the Functional Currency”). The Company determines the Functional Currency of each subsidiary which best reflects the economic environment in which the subsidiary operates and conducts its transactions.

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than the Company's Functional Currency are recognized in the consolidated statements of net income or loss and comprehensive income or loss.

**WONDERFI TECHNOLOGIES INC.****CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts)

Non-monetary items are not retranslated. They are measured at historical cost, except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

On consolidation, assets and liabilities have been translated into Canadian Dollar at the closing rate at the reporting date. Goodwill and fair value adjustments arising on the acquisition of a foreign entity have been treated as assets and liabilities of the foreign entity and translated into Canadian Dollar at the closing rate. Income and expenses have been translated into Canadian Dollar at the average rate over the reporting period. Exchange differences are charged or credited to other comprehensive income and recognized in the currency translation reserve in equity. On disposal of a foreign operation, the related cumulative translation differences recognized in equity are reclassified to profit or loss and are recognized as part of the gain or loss on disposal, if applicable.

**Basis of consolidation**

These consolidated financial statements include accounts of the Company and its wholly-owned subsidiaries, from the date of control, as at December 31, 2025. All intercompany balances and transactions have been eliminated upon consolidation.

<b>Subsidiaries</b>	<b>Jurisdiction</b>	<b>Ownership</b>	<b>Functional Currency</b>
BigTerminal.com Inc.	Canada	100%	Canadian Dollar
Blockchain Foundry Inc.	Canada	100%	Canadian Dollar
Blockchain Foundry 2018 Ltd.	Canada	100%	Canadian Dollar
Coin Capital Asset Management Inc.	Canada	100%	Canadian Dollar
Coin Capital Investment Management Inc.	Canada	100%	Canadian Dollar
CoinSmart Financial Inc.	Canada	100%	Canadian Dollar
Coinsquare Canada Ltd.	Canada	100%	Canadian Dollar
Coinsquare Capital Markets Limited	Canada	100%	Canadian Dollar
Coinsquare Investments Ltd.	Canada	100%	Canadian Dollar
Coinsquare Limited	Canada	100%	Canadian Dollar
Instant Payments Canada Corp.	Canada	100%	Canadian Dollar
S.D.T. OU	Estonia	100%	Euro
Simply Digital Technologies Inc.	Canada	100%	Canadian Dollar
Simply Digital Technologies UAB	Lithuania	100%	Euro
Simply Digital Technologies USA Inc.	United States	100%	United States Dollar
Twenty One Digital Inc.	Canada	100%	Canadian Dollar
WonderFi Australia Pty Ltd (formerly FXI Institutions Pty Ltd)	Australia	100%	Australian Dollar
WonderFi Digital Inc.	Canada	100%	Canadian Dollar
WonderFi Interactive Ltd.	Canada	100%	Canadian Dollar
WonderFi Labs Inc.	British Virgin Islands	100%	United States Dollar

On November 20, 2024, WonderFi Technologies Inc. incorporated a wholly-owned subsidiary, WonderFi Labs Inc. pursuant to the British Virgin Islands Business Companies Act, 2004.

On December 22, 2024, WonderFi Technologies Inc. dissolved its wholly-owned subsidiary, Bitbuy Gaming Inc. The dissolution was part of a strategic decision to streamline operations and focus on core business activities.

On December 30, 2024, WonderFi Technologies Inc. completed the amalgamation of a few of its wholly-owned subsidiaries. The assets of Coinberry Limited, Bitbuy Holdings Inc., Bitbuy Technologies Inc. and Blockchain

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Markets Inc. The assets of such entities have been consolidated into Coinsquare Capital Markets Limited's balance sheet as of the amalgamation date. This strategic move was undertaken to streamline operations, reduce administrative costs, and enhance overall efficiency.

### **3. SUMMARY OF MATERIAL ACCOUNTING POLICIES**

This note provides a list of the material accounting policies adopted in the preparation of these consolidated financial statements to the extent they have not already been disclosed in the other notes above. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **Business combinations**

The Company follows the acquisition method to account for business combinations in accordance with IFRS 3, *Business Combinations*. The consideration for the acquisition of a business is measured as the fair value of assets transferred, equity instruments issued and liabilities incurred as at the date of acquisition. Identifiable assets acquired and liabilities assumed in a business combination are measured at their estimated fair values on the date of a business acquisition.

The excess of the consideration transferred over the estimated fair value of the net assets acquired is recorded as goodwill. If the consideration transferred is less than the net assets acquired, the difference is recognized directly in the consolidated statement of income or loss and comprehensive income or loss as a gain on acquisition.

Results of operations of a business acquired are included in the Company's consolidated financial statements from the date of the business acquisition. Acquisition costs including those tied to continuing employment of pre-existing shareholders for future services are recognized in the consolidated statement of income or loss and comprehensive income or loss.

New information obtained during the measurement period, which is up to 12 months following the acquisition date, about facts and circumstances existing at the acquisition date may affect the purchase price allocation.

#### **Revenue recognition**

The Company records revenue from contracts with customers in accordance with IFRS 15, *Revenue from Contracts with Customers* ("IFRS 15") as follows:

- Identifying the contract with a customer;
- Identifying the performance obligations;
- Determining the transaction price;
- Allocating the transaction price to the performance obligations; and
- Recognizing revenue when/as performance obligations are satisfied.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably. The following are the specific revenue recognition criteria which must be met before revenue is recognized:

**WONDERFI TECHNOLOGIES INC.****CONSOLIDATED STATEMENTS OF CASH FLOWS****For the Years Ended December 31, 2025 and 2024**(expressed in Canadian Dollars, except share amounts)

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*Transaction Revenue*

Transaction revenue includes fees earned from retail and institutional customers when they buy, sell, or convert digital assets on the Company's platform. The Company earns revenue through transaction fees as well as from spreads embedded in the prices quoted to customers.

The Company's service consists of a single performance obligation: to provide a digital asset execution or matching service. The performance obligation is satisfied at a point in time when the trade is executed and the digital asset or fiat currency is delivered to the customer. As such, there are no unsatisfied performance obligations.

The transaction price is determined based on either a stated trading fee (expressed as a percentage of transaction value) or the spread between the quoted price to the customer and the reference price available from third-party liquidity providers or the Company's internal order book.

In accordance with IFRS 15 – Revenue from Contracts with Customers, the Company evaluates whether it is acting as a principal or an agent in facilitating each transaction. This assessment requires significant judgement and is based on indicators of control, including whether the Company:

- controls the digital asset prior to its transfer to the customer;
- is primarily responsible for fulfilling the promise to the customer;
- has inventory risk before or after transfer; and
- has discretion in setting prices.

Based on this assessment, the Company has concluded that it acts as an agent in these transactions. The Company does not obtain control of the digital asset prior to transfer to the customer, does not assume inventory risk, and does not have pricing discretion beyond the application of a transparent and pre-disclosed spread. The price of the digital asset is determined by reference to market-based prices provided by external liquidity sources or internal order books. Accordingly, revenue is presented net of the gross transaction value, and only the transaction fee or spread retained by the Company is recognized as revenue.

Revenue is recognized at the point in time when the customer's transaction is executed and the Company has fulfilled its performance obligation. Contracts with customers are open-ended and are established at the transaction level; they can be terminated by either party at any time without penalty.

*Payments Revenue*

Payments revenue represents service fees earned from enabling merchants or nonprofit organizations (the Company's customers) to accept digital assets as payment for goods, services, or donations (the "Payments Segment"). The Company's performance obligation is to facilitate the real-time conversion of digital assets received from payers into fiat currency and to remit the resulting proceeds to the customer.

The Company satisfies its performance obligation at the point in time when the digital asset has been successfully converted and settlement instructions have been initiated. The transaction price is based on a predefined pricing schedule, which may include fixed or volume-based fees.

The Company has assessed that it acts as an agent in these arrangements because it does not control the digital asset prior to conversion, does not assume inventory or price risk, and does not set the exchange rate, which is determined by external liquidity providers. Accordingly, revenue is presented net of the crypto-to-fiat proceeds remitted to the customer.

During the three months ending September 30, 2025, the Company orderly wound up the Payments Segment to focus all resources on the Trading segment. At December 31, 2025, the Payments Segment is accounted for as a discontinued segment (see Notes 29 and 30).

### **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is responsible for allocating resources and assessing performance of the operating segments and has been identified as the President and Chief Executive Officer. Prior to the discontinuance of the Payments Segment, the Company operated through three reportable segments: Trading, Payments, and Corporate.

### **Cash**

Cash comprises deposits held with financial institutions, third-party payment processors, and crypto asset exchanges with which the Company maintains trading accounts.

### **Digital asset inventory**

The Company has assessed that it acts in a capacity as a commodity broker trader as defined in IAS 2, Inventories, in characterizing certain of its digital asset holdings as inventory. If assets held by commodity broker-traders are principally acquired for the purpose of selling in the near future and generating a profit from fluctuations in price or broker-traders' margin, such assets are accounted for as inventory, which are carried at the lower of cost or net realizable value. Any changes in fair value (less costs to sell) are recognized in the statements of loss. Fair value is determined by reference to quoted prices published by CoinMarketCap, a pricing aggregator.

### **Client custodial cash and client custodial cash liabilities**

Client custodial cash relates to funds deposited and held for the exclusive benefit of customers. The client funds are held in bank accounts with reputable financial institutions which the Company has control over and bears any associated risk. Client custodial cash liabilities represent the obligation to return cash deposits held by customers in their fiat wallets and unsettled fiat deposits and withdrawals. The excess (deficit) of all assets backing client liabilities is for the benefit of the Company and not owed to customers. The Company restricts the use of the cash amounts underlying the client custodial cash liabilities to meet regulatory requirements and classifies the assets and liabilities as current based on their purpose.

**Client digital assets and client digital liabilities**

Client digital assets and liabilities represent the Company's obligation to safeguard customers' digital assets in digital wallets on the Company's platform. The Company safeguards these assets for customers and is obligated to safeguard them from loss, theft, or other misuse. Client digital assets and liabilities are classified as current, as they are regularly traded on exchange platforms globally between willing buyers and sellers, which provide a high degree of liquidity. The excess (deficit) of all assets backing liabilities is for the benefit of the Company and not owned to customers. In accordance with IAS 38, *Intangible Assets*, client digital assets are initially recognized at cost, and the revaluation method is used to measure client digital assets subsequently. The fair value of client digital assets liabilities is reflective of the fair value of the client digital assets described above.

Client digital assets and liabilities are measured at fair value using the quoted price on CoinMarketCap. The Company believes any price difference amongst the principal market and an aggregated price to be immaterial. Management considers this fair value to be a Level 2 input under IFRS 13, *Fair Value Measurement*, and the fair value hierarchy, as the price on this source represents an average of quoted prices on multiple digital currency exchanges.

**Investments**

Investments represent equity securities purchased for strategic purposes and that held for long-term investment objectives. In accordance with IFRS 9, these assets are measured at fair value through profit or loss.

**Investment in an associate**

An associate is an entity in which the Company has significant influence, but not control or joint control, over the financial and operating policies. Interest in associates is accounted for using the equity method. They are initially recognized at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Company's share of the profit or loss and comprehensive income or loss of equity accounted investees, until the date on which significant influence ceases.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its equity-accounted investees. At each reporting date, the Company determines whether there is objective evidence that the investments in the equity-accounted investees are impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the equity-accounted investees and its carrying value, and then recognizes the loss within its share of profit or loss of its equity-accounted investees in the consolidated income or loss.

**Property and equipment**

Property and equipment are recorded at cost less accumulated depreciation and accumulated impairment losses. Property and equipment are depreciated on a straight-line basis based on the useful life of each component as follows:

- |                          |           |
|--------------------------|-----------|
| • Computer equipment     | 36 months |
| • Furniture and fixtures | 36 months |

The residual value, useful life and depreciation method applied to each class of assets are reassessed at each reporting date.

Gains or losses arising on the disposal of property and equipment are determined as the difference between the disposal proceeds and the carrying amount of the assets and are recognized within general and administrative expenses.

**Intangible assets**

Intangible assets acquired separately are initially measured at cost plus direct acquisition costs. Intangible assets acquired in the Business Combinations are measured at their fair value as at the acquisition date.

The Company's intangible assets consist of technology, customer relationships and brand names acquired in Business Combinations are amortized on a straight-line basis over their useful lives as follows:

- |                          |          |
|--------------------------|----------|
| • Customer relationships | 7 years  |
| • Technology             | 10 years |
| • Brand                  | 10 years |

The residual value, useful life and depreciation method applied to each class of assets are reassessed at each reporting date.

**Goodwill**

Goodwill represents the excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired at the date of acquisition. Cost comprises the fair value of assets given, liabilities assumed, and equity instruments issued, plus the amount of any non-controlling interests in the acquiree plus, if the business combination is achieved in stages, the fair value of the existing equity interest in the acquiree. Contingent consideration is included in cost at its acquisition date fair value and, in the case of contingent consideration classified as a financial liability, remeasured subsequently through profit or loss. Direct costs of acquisitions are recognized immediately as an expense. Goodwill is carried at cost less any accumulated impairment losses. Goodwill is allocated to each cash generating unit ("CGU") or group of CGUs. A CGU represents the lowest level within the entity at which the goodwill is monitored for internal management purposes, which is not higher than an operating segment. Goodwill is not amortized, but rather reviewed for impairment annually or more frequently if events or circumstances indicate that the asset might be impaired.

**Impairment of non-financial assets and goodwill**

The carrying amount of the Company's property and equipment and intangible assets with definite lives, which includes technology, customer relationships and brands acquired in Business Combinations, are reviewed whenever an indicator of impairment exists. If such indication exists, the asset's recoverable amount is estimated.

Goodwill and indefinite life intangible assets are reviewed based on its group of cash-generating units ("CGU") for impairment annually or at any time if an indicator of impairment exists.

An impairment loss is recognized for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. Assets that cannot be tested individually are grouped at the lowest levels for which there are separately identifiable cash inflows, typically at the CGU level. An impairment loss is recognized whenever the carrying amount of an asset or its CGU exceeds its recoverable amount. Impairment losses are recognized in the consolidated statements of income or loss and comprehensive income or loss.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses are assessed at each reporting date for an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount. Any reversal of impairment losses cannot increase the carrying value of the asset to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years.

**Leases**

Leases are recognized as a right-of-use asset with a corresponding liability at the date at which the leased asset is available for use in accordance with IFRS 16, *Leases*. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable;
- Variable lease payments that are based on an index or rate;
- Amounts expected to be payable by the lessee under residual value guarantees;
- The exercise price of a purchase option if the Company is reasonably certain to exercise that option; and
- Payments for penalties for terminating the lease.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the Company's incremental borrowing rate is used, being the rate that the Company would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentives received;
- Any initial direct costs; and
- Restoration costs.

Payments associated with short-term leases and leases of low-value assets less than \$5,000 are recognized on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a term of 12 months or less.

As a practical expedient, IFRS 16 permits a lessee to not separate non-lease components, but instead account for any lease and associated non-lease components as a single arrangement. The Company has applied this practical expedient.

### **Provisions**

Under IAS 37, *Provisions, Contingent Liabilities and Contingent assets*, provisions represent liabilities to the Company for which the amount or timing is uncertain. A provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. When the Company expects that part or all of the expense will be refunded, the refund will be recognized as a separate asset only on the date when there is certainty of receiving the asset. The expense will be recognized in the statement of income or loss net of the expected refund.

### **Income taxes**

Income tax expense comprises current and deferred income tax. Current tax and deferred tax are recognized in the consolidated statement of loss and comprehensive loss except to the extent that they relate to a business combination, or items recognized directly in equity or in other comprehensive income or loss.

Current tax is the expected tax payable or recoverable on the taxable income or loss for the period, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous periods.

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is recognized based on tax rates expected to apply to the period when these differences are reversed.

Deferred tax assets are recognized only to the extent it is probable that the underlying tax loss or deductible temporary difference will be utilized against future taxable income. This involves an assessment of when those deferred tax assets are likely to be realized, and a judgment as to whether or not there will be sufficient taxable profits available to offset the tax assets when they do reverse. This requires assumptions regarding future profitability and is therefore inherently uncertain. To the extent assumptions regarding future profitability change, there can be an increase or decrease in the amounts recognized in respect of deferred tax assets as well as in the amounts recognized in profit or loss in the period in which the change occurs. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

**Share capital**

Financial instruments issued by the Company are classified as share capital only to the extent that they do not meet the definition of a financial liability.

The Company's common shares are classified as equity instruments. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

Repurchases by the Company of its own common shares under a Normal Course Issuer Bid ("NCIB") are accounted for in accordance with IAS 32, *Financial Instruments: Presentation*. Upon reacquiring common shares under an NCIB, the Company deducts from equity the purchase price of these common shares and any costs to acquire such common shares. Any such common shares held by the Company are considered treasury shares until they are cancelled.

**Contributed surplus**

Contributed surplus includes consideration recognized pursuant to equity-settled share-based compensation including options, restricted share units and warrants classified as equity.

**Share based payments**

Share-based payments are recorded in accordance with IFRS 2, *Share-based Payment*.

***Restricted share units***

The Company measures the cost of equity-settled share-based transactions by reference to the fair value of the equity instruments at the date at which they are granted. For restricted share units ("RSUs"), the fair value at the grant date is determined by multiplying the Company's share price at the grant date by the number of RSUs granted. The resulting fair value of the RSUs is then adjusted for an estimated forfeiture rate which is determined based on historical data and is recognized over the vesting period. Actual number of RSUs that will eventually vest is likely to be different from estimation.

*Shares*

The Company grants shares vesting immediately in exchange of certain services. In the absence of evidence to the contrary, the Company presumes the services have been received at the grant date and recognizes the services expense in full with a corresponding increase to share capital.

The fair value of shares vesting immediately is based on the closing stock price at the grant date if the fair value of services cannot be reliably measured.

*Options and brokers warrants*

The Company operates a stock option plan to certain employees. Employee options are measured at the fair value of the options granted and recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant party becomes fully entitled to the award (“Vesting Date”).

The Company also grants options and warrants in exchange of certain services from non-employees. Options and warrants to non-employees are measured at the fair value of services received or the fair value of the equity instruments issued if it is determined the fair value of the services cannot be reliably measured. The service expenses are recorded at the date the services are received.

The fair value of options and warrants is measured at the grant date and each tranche is recognized on a graded-vesting basis over the vesting period based on the number of options and warrants expected to ultimately vest. The number of options and warrants expected to vest is reviewed for adjustment at least annually. The terms and conditions of the options and warrants granted are accounted for in measuring the fair value using the Black-Scholes option pricing model.

Where options and warrants are exercised, the cash proceeds along with the amount previously recorded as share-based payment reserves under contributed surplus is reclassified to share capital. Where options and warrants expire unexercised, amounts previously recorded as contributed surplus remain as such.

*Units and warrants liabilities*

Units issued as part of private placements consisting of one common share of the Company and one-half of one common share purchase warrants are compound financial instruments which are accounted for based on the nature of the individual components. As the conversion option for the warrants has a variable conversion rate which is subject to future events that may take place, the conversion option is noted to violate the fixed-for-fixed criteria within IAS 32, *Financial Instruments: Presentation*, and is classified as a derivative liability, due to the value of the instrument changing based on the underlying change in the fair value of shares, measured at fair value through profit and loss (“FVTPL”). The residual value between the cash proceeds received from such private placements, and the fair value assigned to the warrants is recognized as equity. The fair value of warrants is updated at each reporting period, with the change in fair value being recognized in the current period statement of loss and comprehensive loss.

**Financial Instruments****Financial assets***Recognition and initial measurement*

The Company recognizes financial assets when it becomes party to the contractual provisions of the instrument. Financial assets are measured initially at their fair value plus, in the case of financial assets not subsequently measured at FVTPL, transaction costs that are directly attributable to their acquisition. Transaction costs attributable to the acquisition of financial assets subsequently measured at FVTPL are expensed in profit or loss when incurred.

*Classification and subsequent measurement*

Subsequent to initial recognition, all financial assets, except investments, are classified and subsequently measured at amortized cost. Interest revenue is calculated using the effective interest method and gains or losses arising from impairment, foreign exchange and derecognition are recognized in profit or loss. Financial assets measured at amortized cost comprise cash, client custodial cash, trade and other receivables and loans receivable.

*Investments*

The Company's investments comprise of interests in equity instruments of unlisted companies. The Company subsequently measures all equity investments at fair value. The equity investments are measured at FVTPL, using either active market transactions to value its investment or other valuation methods whenever no active market exists. Variation in fair value is recorded in the consolidated statements of loss and comprehensive loss.

*Reclassifications*

The Company reclassifies debt instruments only when its business model for managing those financial assets has changed. Reclassifications are applied prospectively from the reclassification date and any previously recognized gains, losses or interest are not restated.

*Impairment*

The Company recognizes a loss allowance for the expected credit losses associated with its financial assets, other than debt instruments measured at FVTPL and equity investments. Expected credit losses ("ECLs") are measured to reflect a probability-weighted amount, the time value of money, and reasonable and supportable information regarding past events, current conditions and forecasts of future economic conditions.

The Company assesses whether a financial asset is credit-impaired at the reporting date. The Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date.

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Loss allowances for expected credit losses are presented in the consolidated statements of financial position as a reduction from the gross carrying amount of the financial asset.

Financial assets are written off when the Company has no reasonable expectations of recovering all or any portion thereof.

*Derecognition of financial assets*

The Company derecognizes a financial asset when its contractual rights to the cash flows from the financial asset expire.

Financial liabilities*Recognition and initial measurement*

The Company recognizes a financial liability when it becomes party to the contractual provisions of the instrument. At initial recognition, the Company measures financial liabilities at their fair value plus transaction costs that are directly attributable to their issuance, with the exception of financial liabilities subsequently measured at FVTPL, for which transaction costs are immediately recorded in profit or loss.

Where an instrument contains both a liability and equity component, these components are recognized separately based on the substance of the instrument, with the liability component measured initially at fair value and the equity component assigned the residual amount. Transaction costs of equity transactions are split between the two components.

*Classification and subsequent measurement*

The following financial liabilities are measured at FVTPL:

- Warrant financial liabilities;
- Client digital assets liabilities (to the extent of the obligation to deliver fiat currency, except digital assets); and
- Contingent consideration.

Changes in the fair value of these financial liabilities are recognized in profit or loss. Financial liabilities are not reclassified subsequent to initial recognition.

The following financial liabilities are measured at amortized cost:

- Trade and other payables;
- Client custodial cash liabilities; and
- Long-term debt.

Subsequently, these financial liabilities are measured at amortized cost using the effective interest method.

*Derecognition of financial liabilities*

The Company derecognizes a financial liability only when its contractual obligations are discharged, cancelled or expire.

**Loss Per Share**

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. Diluted loss per share is calculated by the treasury stock method and to the extent that it is not antidilutive. Under the treasury stock method, the weighted average number of common shares outstanding for the calculation of diluted loss per share assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period.

**Recently issued accounting pronouncements**

Standards, amendments and interpretations to existing standards that are not yet effective and have not been early adopted by the Company:

At the date of authorization of these consolidated financial statements, several new, but not yet effective, standards and amendments to existing standards, and interpretations have been published by the International Accounting Standards Board (IASB). None of these standards or amendments to existing standards have been early adopted by the Company. Management anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement. New standards, amendments and interpretations not adopted in the current year have not been disclosed as they are not expected to have a material impact on the Company's consolidated financial statements except IFRS 18.

**IFRS 18 Presentation and Disclosures in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and provides more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes;
- the classification of all income and expenses within the statement of profit or loss in one of five categories;
- a new requirement to disclose performance measures defined by management;
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

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The publication of IFRS 18 results also in consequential amendments to other IFRS standards, including IAS 7 Statement of Cash Flows.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 will apply retrospectively with specific transitional provisions. The Company is currently working to identify all impacts that the amendments will have on the primary financial statements and notes to the consolidated financial statements.

#### **4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS**

The preparation of financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

##### Revenue recognition

Judgement is required in determining whether the Company is the principal or agent in transactions between customers. The Company evaluates the presentation of revenue on a gross or net basis based on whether it controls the digital assets before it is transferred to the customer or whether it acts as an agent by arranging for other customers on the platform to provide the digital assets to the customer. The Company has concluded that it acts as an agent in facilitating the ability for a customer to purchase and sell digital assets.

##### Valuation of business combinations

Judgment is used in determining whether an acquisition is a business combination or an asset acquisition. Judgment is also made on identifying assets acquired. For a business combination, significant estimates and assumptions are required to determine the purchase price allocation, including the valuation of intangible assets acquired.

##### Derivative liabilities

The Company values derivative liabilities associated with certain of its warrants from certain financing arrangements by reference to their fair value at the date at which the instrument is granted and each reporting period. Estimating fair value requires judgment in determining the most appropriate valuation model, which is determined based on the characteristics of the related instrument being issued. Further, this estimate also requires determining the most appropriate inputs to include in the valuation model, including the expected life and volatility as well as other subjective variables, and making assumptions about them. The Company values its derivative liabilities using a lattice-binomial option-pricing model ("Binomial Model"), which in management's opinion, best provides a fair measure of the fair value of these warrants. Changes in the input assumptions can materially affect the fair value estimate.

### Contingent Consideration

The Company values contingent consideration liabilities arising from business acquisitions and the acquisition of specified customer relationships to their fair value at the date at which the instrument is granted and each reporting period. These liabilities reflect potential future payments based on various input factors. The key assumptions used to calculate the fair value of the contingent consideration are those regarding discount rates and inputs dependant on the contingency specific to each instrument. Contingent consideration is calculated using a discounted cash flow model which in management's opinion, best provides a fair measure of the fair value. Changes in the input assumptions can materially affect the fair value estimate.

### Income taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income and possible sales tax collectable or payable.

The Company's liability for unrecognized tax benefits requires the use of assumptions and significant judgment to estimate the exposures associated with the Company's filing position. Although the Company believes that the judgments and estimates made are reasonable, actual results could differ and resulting adjustments could materially affect effective income tax rate and income tax provision. Any changes, based on additional available information, are accounted for prospectively as a change in accounting estimate.

Provisions for taxes are made using the best estimate of the amount expected to be paid based on a qualitative assessment of all relevant factors. The Company reviews the adequacy of these provisions at the end of the reporting period. However, it is possible that at some future date an additional liability could result from audits by taxing authorities. Where the final outcome of these tax-related matters is different from the amounts that were initially recorded, such differences will affect the tax provisions in the period in which such determination is made.

### Impairment of non-financial assets

Management uses significant judgment in determining the fair value of non-financial assets, estimating the useful lives and impairment. The Company uses judgment in determining the carrying amount of non-financial assets by identifying the cash-generating units to which the asset belongs for purposes of testing for impairment. The Company's estimate of the recoverable amount involves estimating future cash flows before taxes from the relevant CGU. Future cash flows are estimated based on multi-year extrapolation of the most recent historical actual results and budgets. Impairment losses are recognized through profit or loss.

### Digital asset inventory

There is limited guidance on the recognition and measurement of digital currencies. In accordance with IAS 2, *Inventories*, the Company notes that its subsidiaries act as a commodity broker-traders for its digital assets holdings. If assets held by commodity broker-traders are principally acquired for the purpose of selling in the near future and generating a profit from fluctuations in price or broker-traders' margin, such digital assets are accounted for as inventory and changes in fair value less cost to sell are recognized in profit or loss.

Client digital assets and client digital liabilities fair values

Client digital assets and client digital assets liabilities are carried at their fair value determined by the quoted price on CoinMarketCap. The digital assets asset market is still a new market and is highly volatile; historical prices are not necessarily indicative of future value. A significant change in the market prices for digital assets would have a significant impact on the Company’s consolidated financial position.

The Company accounts for client digital assets and client digital assets liabilities as intangible assets in accordance with IAS 38, *Intangible Assets*. Upon acquisition, the assets are recorded at cost. On an ongoing basis the revaluation method is used to measure the value of the assets. The revaluation method has been applied as an active market exists for the assets under the revaluation model, revaluation loss will be recognized in the consolidated profit or loss, revaluation gain will be recognized in other comprehensive income or loss and accumulated in the revaluation reserve within equity except to the extent that they reverse a revaluation loss previously recognized in the consolidated profit or loss.

Share based payment expenses

The estimation of share-based payment cost required the selection of an appropriate valuation model and consideration as to the inputs necessary for the valuation model chosen. The Company had made estimates as to the volatility of its own shares, the probable life of share options granted and the time of exercise of those share options. The model used by the Company is the Black-Scholes valuation model.

Going concern

The assessment of the Company’s ability to continue as a going concern and to raise sufficient funds to pay for its ongoing operating expenditures and meet its liabilities for the ensuing year, involves significant judgment based on historical experience and other factors including an expectation of future events that are believed to be reasonable under the circumstances.

**5. RESTATEMENT RELATING TO PRIOR PERIOD COMPARATIVES**

Certain prior year comparative figures have been reclassified to conform to the current year’s consolidated financial statement presentation. These reclassifications were made solely for presentation purposes and do not reflect any change in the Company’s previously reported financial position, results of operations, or cash flows (see Note 29).

**6. CASH**

The Company holds cash as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Cash - Canadian Dollar	22,285,598	24,146,975
Cash - United States Dollar	6,643,207	10,114,032
Cash - Australian Dollar	22,164	85,330
	<u>28,950,969</u>	<u>34,346,337</u>

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**7. DIGITAL ASSET INVENTORY**

The Company holds digital assets as inventory as follows:

	December 31, 2025		December 31, 2024	
	Units	Amount (\$)	Units	Amount (\$)
Bitcoin (BTC)	7.50	900,285	39.80	5,348,355
Ethereum (ETH)	303.48	1,235,835	570.13	2,730,021
Others	-	4,453,909	-	6,291,913
<b>Balance, end of year</b>		<b>6,590,029</b>		<b>14,370,289</b>

Included in the total other balances are 1,182,253.46 (752,543.70 – December 31, 2024) units of United States dollar stablecoins valued at \$1,621,979 (\$1,572,775 – December 31, 2024).

**8. CLIENT CUSTODIAL CASH ASSETS AND LIABILITIES**

The Company holds cash on behalf of clients as follows:

	December 31, 2025	December 31, 2024
	Amount (\$CAD)	Amount (\$CAD)
Cash - Canadian Dollar	75,974,921	97,416,680
Cash - United States Dollar	4,714,314	7,829,275
Cash - Euro	-	358,183
<b>Balance, end of year</b>	<b>80,689,235</b>	<b>105,604,138</b>

The cash held on behalf of clients is segregated in separate bank accounts managed by the Company. The cash held enables clients to execute trades involving digital assets. The Company has control over these assets and bears the associated risks.

**9. CLIENT DIGITAL ASSETS AND LIABILITIES**

The Company holds digital assets on behalf of clients as follows:

	December 31, 2025		December 31, 2024	
	Units	Amount (\$)	Units	Amount (\$)
Bitcoin (BTC)	6,605.13	793,320,041	7,553.90	1,015,044,968
Ethereum (ETH)	54,319.30	221,202,797	47,854.25	229,144,859
Others	-	491,334,168	-	751,401,406
<b>Balance, end of year</b>		<b>1,505,857,006</b>		<b>1,995,591,233</b>

In order to comply with registration requirements, the Company is required at all times to hold not less than 80% of the total value of all digital assets held on behalf of clients with a custodian that meets the definition of a qualified custodian under National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. The Company may reallocate the remaining 20% of the digital assets on an as-needed basis across its hot wallets and exchanges to maintain sufficient liquidity to settle customer trades and withdrawals. For the digital assets held by the Company, they are safeguarded separately and distinctly from the Company digital asset inventory. As at December 31, 2025, 100% (100% - December 31, 2024) of the total value of all digital assets held on behalf of clients are stored at qualified custodians.

The Company has control over these assets and bears the associated risks. The Company is exposed to changes in digital asset prices to the extent that any such excess or deficit exists across the different digital assets.

## 10. INVESTMENTS

Investments held	Method	Fair Value Hierarchy	December 31, 2025	December 31, 2024
Blockchange I	FVTPL	Level 2	-	1,438,900
Blockchange II	FVTPL	Level 2	-	1,043,203
Other investments	FVTPL	Level 3	95,241	112,336
<b>Balance, end of year</b>			<b>95,241</b>	<b>2,594,439</b>

Activities relating to the investments held by the Company during the years ended December 31, 2025, and 2024, are as follows:

	December 31, 2025	December 31, 2024
<b>Balance, beginning of year</b>	2,594,439	12,816,506
Purchase of investment	-	81,984
Remaining investment in former associated investment (i)	220,000	-
Changes in fair value of investments	(863,852)	504,627
Proceeds from sale of investments	(733,050)	(11,634,829)
Gain on distribution from investment	-	673,031
Loss on sale of investments	(866,228)	-
Gain (loss) on revaluation of investment due to foreign exchange	(256,068)	153,120
<b>Balance, end of year</b>	<b>95,241</b>	<b>2,594,439</b>

The Company records the following investment in equity instruments as financial assets at fair value through profit and loss. A gain (loss) on the revaluation of investments due to foreign exchange was recognized during the year ended December 31, 2025 and 2024, in the amount of \$(256,068) and \$153,120, respectively.

On January 11, 2024, the Company received a cash distribution of \$720,872 from its investment held in Blockchange Ventures I, L.P.

On February 20, 2024, the Company received 61,720 units of unrestricted Solana (SOL) as a distribution from its investment held in Blockchange Ventures I, L.P. At the time of receipt, the 61,720 units were worth \$8,871,655.

On March 18, 2024, the Company received 159,144 units of unrestricted Polkadot (DOT) as a distribution from its investment held in Blockchange Ventures I, L.P. At the time of receipt, the 159,144 units were worth \$2,042,302.

On June 26, 2024, the Company purchased 300 share units of Argo Digital Gold LTD for \$81,984 (\$60,000 USD).

On July 25, 2025, the Company sold its investment in Blockchange Ventures I, L.P and Blockchange Ventures II, L.P for \$500,050. In addition, the sale/purchase agreement includes an earnout right of US\$1.1 million (CA\$1.5 million) payable to the Company, in the event the purchaser sells 100% of the interest acquired in Blockchange Ventures I L.P. and/or Blockchange Ventures II L.P. within seven years from the closing date.

**Investment in associate**

On April 10, 2025, the Company sold 15,917,504 common shares of its investment in associate Tetra Trust Company (“Tetra”) for net proceeds of \$8,379,456 representing a gain of \$1,780,454. As a result of the transaction, the Company’s interest was reduced from 37.06% to 0.93%. On August 19, 2025, the remaining 400,000 shares of Tetra were sold for net proceeds of \$220,000 reducing the Company’s interest to Nil.

**11. RIGHT-OF-USE ASSETS AND LEASE LIABILITIES**

The Company entered into a five-year lease agreement for a new head office space located in Toronto. The lease commenced on January 1, 2025, and is set to expire on December 29, 2029. In addition, the Company entered into a three-year lease agreement for an office space located in Melbourne, Australia. The lease commenced on September 1, 2024, and is set to expire on August 31, 2027.

The following table presents the right-of-use assets, lease liabilities and commitments for the years ended December 31, 2025 and 2024:

**Right of Use Assets**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Cost:</b>		
Balance, beginning of year	-	773,742
Modifications	-	2,245
Additions during the year	2,129,888	-
Disposal during the year	-	(775,987)
<b>Balance, end of year</b>	<b>2,129,888</b>	<b>-</b>
<b>Depreciation:</b>		
Balance, beginning of year	-	(419,792)
Depreciation during the year	(467,141)	(321,095)
Disposal during the year	-	740,887
<b>Balance, end of year</b>	<b>(467,141)</b>	<b>-</b>
<b>Carrying Amount:</b>		
<b>Balance, end of year</b>	<b>1,662,747</b>	<b>-</b>

**Lease Liabilities**

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Balance, beginning of year</b>	<b>-</b>	<b>313,198</b>
Interest expense during the year	131,326	17,838
Payment during the year	(426,114)	(298,181)
Additions during the year	2,129,888	-
Disposal during the year	-	(35,100)
Modifications	-	2,245
<b>Balance, end of year</b>	<b>1,835,100</b>	<b>-</b>
<b>Commitments</b>		
	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Current portion of lease liabilities	433,090	-
Long-term lease liabilities	1,402,010	-
	<b>1,835,100</b>	<b>-</b>

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<b>Commitments</b>	<b>December 31, 2025</b>	<b>December 31, 2024</b>
2026	433,090	-
2027	453,747	-
2028	452,800	-
2029	495,463	-

**12. PROPERTY AND EQUIPMENT**

	<b>Computer equipment</b>	<b>Furniture and fixtures</b>	<b>Total</b>
<b><u>Cost:</u></b>			
<b>As of December 31, 2023</b>	<b>387,446</b>	<b>202,007</b>	<b>589,453</b>
Additions during the year	129,195	48,639	177,834
<b>As of December 31, 2024</b>	<b>516,641</b>	<b>250,646</b>	<b>767,287</b>
Additions during the year	93,614	114,700	208,314
Disposals during the year	(403,455)	(186,076)	(589,531)
<b>As of December 31, 2025</b>	<b>206,800</b>	<b>179,270</b>	<b>386,070</b>
<b><u>Depreciation:</u></b>			
<b>As of December 31, 2023</b>	<b>(231,814)</b>	<b>(120,906)</b>	<b>(352,720)</b>
Depreciation during the year	(203,872)	(65,170)	(269,042)
<b>As of December 31, 2024</b>	<b>(435,686)</b>	<b>(186,076)</b>	<b>(621,762)</b>
Depreciation during the year	(72,060)	(53,012)	(125,072)
Disposals during the year	403,455	186,076	589,531
<b>As of December 31, 2025</b>	<b>(104,291)</b>	<b>(53,012)</b>	<b>(157,303)</b>
<b><u>Carrying Amount:</u></b>			
<b>As of December 31, 2024</b>	<b>80,955</b>	<b>64,570</b>	<b>145,525</b>
<b>As of December 31, 2025</b>	<b>102,509</b>	<b>126,258</b>	<b>228,767</b>

**13. INTANGIBLE ASSETS**

	<b>Technology</b>	<b>Customer relationships</b>	<b>Brand</b>	<b>License</b>	<b>Total</b>
<b><u>Cost:</u></b>					
<b>As of December 31, 2023</b>	<b>13,486,049</b>	<b>42,830,265</b>	<b>4,055,765</b>	<b>-</b>	<b>60,372,079</b>
Additions during the year	-	300,160	-	120,822	420,982
<b>As of December 31, 2024</b>	<b>13,486,049</b>	<b>43,130,425</b>	<b>4,055,765</b>	<b>120,822</b>	<b>60,793,061</b>
Additions during the year	124,300	-	-	-	124,300
Write-off from discontinued operations (Note 29)	(757,000)	(2,996,642)	(586,000)	-	(4,339,642)
<b>As of December 31, 2025</b>	<b>12,853,349</b>	<b>40,133,783</b>	<b>3,469,765</b>	<b>120,822</b>	<b>56,577,719</b>

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**Amortization:**

<b>As of December 31, 2023</b>	<b>(2,316,555)</b>	<b>(9,169,693)</b>	<b>(666,402)</b>	-	<b>(12,152,650)</b>
Amortization during the year	(1,314,178)	(6,641,492)	(395,898)	-	(8,351,568)
<b>As of December 31, 2024</b>	<b>(3,630,733)</b>	<b>(15,811,185)</b>	<b>(1,062,300)</b>	-	<b>(20,504,218)</b>
Amortization during the year	(1,304,710)	(6,088,328)	(380,868)	-	(7,773,906)
Write-off from discontinued operations (Note 29)	169,097	1,074,939	130,900	-	1,374,936
<b>As of December 31, 2025</b>	<b>(4,766,346)</b>	<b>(20,824,574)</b>	<b>(1,312,268)</b>	-	<b>(26,903,188)</b>

**Carrying Amount:**

<b>As of December 31, 2024</b>	<b>9,855,316</b>	<b>27,319,240</b>	<b>2,993,465</b>	<b>120,822</b>	<b>40,288,843</b>
<b>As of December 31, 2025</b>	<b>8,087,003</b>	<b>19,309,209</b>	<b>2,157,497</b>	<b>120,822</b>	<b>29,674,531</b>

## 14. GOODWILL

The following presents the carrying value of goodwill for the years ended December 31, 2025 and 2024:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Net carrying value, beginning of year	20,295,690	20,295,690
Write-off from discontinued operations (Note 29)	(3,859,319)	-
<b>Net carrying amount, end of year</b>	<b>16,436,371</b>	<b>20,295,690</b>

### Impairment

The Company tests for impairment on an annual basis. For the year ending December 31, 2025, the Company operated one cash generating unit: Canadian Trading Exchange.

For the year ending December 31, 2024, the Company operated four cash generating units. Those being Canadian Exchange, Bitbuy, Coinsquare and SmartPay ("Payments").

The recoverable amount of the CGUs was determined based on value-in-use calculations which require the use of assumptions. The value in use is calculated using a five-year discounted cash flow model, with terminal value. The Company created a range of outcomes in determining the recoverable amount. The key assumptions used to calculate the value in use are those regarding discount rates, growth rates (revenue) and expected changes in margins. The values of these assumptions reflect past experience. Cash flow projections have been discounted using rate of return derived from the Company's after-tax weighted average cost of capital considering specific risk relating to each CGU.

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Below are the results and key assumptions used in the annual impairment test for each CGU:

	Canadian Exchange	Payments
<b>Amounts as of December 31, 2025:</b>		
Recoverable Amount	96,755,787	-
Carrying Amount	49,268,699	-
<b>Excess as at December 31, 2025</b>	<b>47,487,088</b>	<b>-</b>
<b>Amounts as of December 31, 2024:</b>		
Recoverable Amount	96,671,250	3,776,535
Carrying Amount	56,741,871	3,258,350
<b>Excess as at December 31, 2024</b>	<b>39,929,379</b>	<b>518,185</b>

In order to test goodwill for impairment, the Company allocates the carrying value of goodwill to CGUs based on the lowest level goodwill is monitored for internal management purposes. The aggregate carrying amount of goodwill allocated to each CGU as follows:

Canadian Exchange CGU

The Canadian Exchange CGU includes those assets directly attributable to the operations of the Company's digital asset exchange platforms operating in Canada. Following an amalgamation of the Bitbuy and Coinsquare customer lists and technologies on May 25, 2024, into a single CRO regulator dealer member, this group of assets are distinct, and the cashflows from operating the combined group of assets are now interdependent. During the years ended December 31, 2025 and 2024, the Company determined the carrying value of the assets were deemed be recoverable:

	December 31, 2025		December 31, 2024	
	Goodwill	Intangibles	Goodwill	Intangibles
<b>Net carrying value, beginning of year</b>	16,436,371	36,801,612	-	-
Additions during the year	-	124,300	-	-
Transfer between cash generating units	-	-	16,436,370	41,861,618
Amortization during the year	-	(7,372,205)	-	(5,060,006)
<b>Net carrying amount, end of year</b>	<b>16,436,371</b>	<b>29,553,707</b>	<b>16,436,370</b>	<b>36,801,612</b>

The key assumptions used in the model are as follows:

	December 31, 2025	December 31, 2024
Discount rate	20.00%	19.50%
Terminal growth rate	5.50%	6.50%
Terminal EBITA percentage	30.64%	30.88%

The Company has determined the impact of what a reasonable change in each key assumption would be to the discounted cashflows and the effect it would have on the recoverable amount. If all other assumptions were held constant, and the discount rate was decreased by 10%, the recoverable amount of the assets would be \$300,149,935. If all other assumptions were held constant, and the forecasted gross margin rate was decreased by 10%, the recoverable amount of the assets would be \$82,901,073.

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Bitbuy CGU

The Bitbuy CGU includes those assets directly attributable to the operations of the Company's standalone Bitbuy platform. During the year ended December 31, 2024 the Company combined those assets used in the operations of its Bitbuy platform with those used in its Coinsquare platform into a consolidated operating environment regulated under CIRO. As a result, the cashflows generated from each platform were assessed to be no longer independent from each other, and the carrying value of those assets previously attributed to the Bitbuy CGU have been reallocated to the Canadian Exchange CGU.

	December 31, 2025		December 31, 2024	
	Goodwill	Intangibles	Goodwill	Intangibles
<b>Net carrying value, beginning of year</b>	-	-	6,861,000	41,184,717
Additions during the year	-	-	-	300,160
Transfer between cash generating units	-	-	(6,861,000)	(38,967,088)
Amortization during the year	-	-	-	(2,517,789)
<b>Net carrying amount, end of year</b>	-	-	-	-

Coinsquare CGU

The Coinsquare CGU includes those assets directly attributable to the operations of the Company's standalone Coinsquare platform. During the year ended December 31, 2024 the Company combined those assets used in the operations of its Bitbuy platform with those used in its Coinsquare platform into a consolidated operating environment regulated under CIRO. As a result, the cashflows generated from each platform were assessed to be no longer independent from each other, and the carrying value of those assets previously attributed to the Coinsquare CGU have been reallocated to the Canadian Exchange CGU.

	December 31, 2025		December 31, 2024	
	Goodwill	Intangibles	Goodwill	Intangibles
<b>Net carrying value, beginning of year</b>	-	-	<b>9,575,370</b>	<b>3,129,757</b>
Transfer between cash generating units	-	-	(9,575,370)	(2,894,530)
Amortization during the year	-	-	-	(235,227)
<b>Net carrying amount, end of year</b>	-	-	-	-

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**SmartPay CGU**

The SmartPay CGU includes those assets directly attributable to the operations of the Company's SmartPay platform. During the year ended December 31, 2024 the Company determined the carrying value of the assets were deemed to be recoverable. During the year ended December 31, 2025, management ceased the operations of the SmartPay CGU as part of its corporate restructuring. As such the carrying amount and recoverable amount were assessed to be \$Nil as at December 31, 2025.

	December 31, 2025		December 31, 2024	
	Goodwill	Intangibles	Goodwill	Intangibles
<b>Net carrying value, beginning of year</b>	<b>3,859,319</b>	<b>3,366,409</b>	<b>3,859,319</b>	3,904,955
Amortization during the year	-	(401,701)	-	(538,546)
Write-off of discontinued operations (Note 29)	(3,859,319)	(2,964,708)	-	-
<b>Net carrying amount, end of year</b>	<b>-</b>	<b>-</b>	<b>3,859,319</b>	<b>3,366,409</b>

The key assumptions used in the model are as follows:

	December 31, 2025	December 31, 2024
Discount rate	-	21.00%
Terminal growth rate	-	10.00%
EBITA percentage	-	40.49%

## 15. TRADE AND OTHER PAYABLES

The Company has trade and other payables as follows:

	December 31, 2025	December 31, 2024
Trade payables and accrued liabilities	9,762,748	8,652,679
Indirect tax provision (Note 23)	3,851,685	-
Transaction Banker/Advisor fees (Note 31)	7,969,692	-
Prime Trust Bank claim	-	5,750,520
	<b>21,584,125</b>	<b>14,403,199</b>

In December 2024, the Company recognized a provision of \$5,750,520 to settle a legal matter relating to a claim brought against its subsidiary CoinSmart Financial Inc. by PCT Litigation Trust the receivers of Prime Trust Bank. The claim relates to preferential payments prior to the collapse of Prime Trust Bank paid during normal course business and prior to the July 7, 2023, acquisition of Coinsmart Financial Inc. by WonderFi Technologies Inc. The Company has settled all amounts owing resulting from the provision in the first quarter of 2025.

## 16. CONTINGENT CONSIDERATION AND COMMITMENTS

	December 31, 2025	December 31, 2024
Bitvo acquisition contingent consideration	372,961	2,054,913
Bitstamp acquisition contingent consideration	171,029	206,635
SmartPay acquisition contingent consideration	199,396	673,951
<b>Balance, end of year</b>	<b>743,386</b>	<b>2,935,499</b>
	December 31, 2025	December 31, 2024
Current portion of contingent consideration	743,386	1,893,773
Long-term portion of contingent consideration	-	1,041,726
<b>Balance, end of year</b>	<b>743,386</b>	<b>2,935,499</b>

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Activities relating to the investments held by the Company during the years ended December 31, 2025 and December 31, 2024 are as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Balance, beginning of year</b>	2,935,499	8,224,933
Recognized in the purchase of specified client accounts	-	229,999
Payments	(1,887,565)	(2,212,828)
Changes in fair value of contingent consideration	(304,548)	(3,306,605)
<b>Balance, end of year</b>	<u>743,386</u>	<u>2,935,499</u>

On April 26, 2024, WonderFi's wholly-owned subsidiary Bitbuy Technologies Inc. ("Bitbuy") purchased specified client accounts of Bitstamp Limited ("Bitstamp"). Under the terms and conditions of the Bitstamp purchase agreement, the Company made an upfront pre-payment to Bitstamp of \$70,163 and will pay the remaining consideration, over three years commencing on the close of the activation period, a total of 50% of a net-revenue share from the acquired client accounts, subject to certain conditions and up to \$300,000,000 net revenue maximums. The fair value of the net-revenue share at the date of purchase was \$229,999 and recognized as contingent consideration. The contingent consideration was calculated using a discounted cash flow model. The key assumptions used to calculate the fair value of the contingent consideration are those regarding discount rates. The discount rate used to value the contingency at initial recognition was 16%. The discount rate used to value to contingency at December 31, 2025 was 16%.

On January 31, 2025, the Company made a payment to Bitvo earnout right holders of \$431,193 for the interim earnout payment period ending December 31, 2024.

On February 15, 2025, the Company made a payment to SmartPay earnout right holders of \$106,875 for the interim earnout payment period ending December 31, 2024.

On April 25, 2025, the Company made a payment to Bitvo earnout right holders of \$418,458 for the interim earnout payment period ending March 31, 2025.

On August 18, 2025, the Company made a payment to Bitvo earnout right holders of \$480,437 for the interim earnout payment period ending June 30, 2025.

On August 19, 2025, the Company made a payment to SmartPay earnout right holders of \$98,737 for the interim earnout payment period ending June 30, 2025.

On November 21, 2025, the Company made a payment to Bitvo earnout right holders of \$351,865 for the interim earnout payment period ending September 30, 2025.

**Contingent Commitments:**

The Company is committed to various closing costs contingent and only payable on the closing of the Arrangement Agreement (as defined in Note 31).

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**17. WARRANT LIABILITIES**

For the year ended December 31, 2024, the Company's warrant liabilities are composed of units from the following issuances of warrants:

	<u>Bought Deal</u>	<u>Bought Deal</u>	<u>Private Placement</u>
Closing date	26-Oct-21	4-Feb-22	30-Jan-23
Warrants issued	6,760,002	10,183,333	22,800,000
Stock Price	\$2.50	\$1.86	\$0.19
Warrants strike price	\$2.55	\$3.10	\$0.30
Fair value of warrants on issuance	\$0.89	\$0.30	\$0.06
Warrants term	3 years	2 years	2 years
Warrant valuation assumptions:			
Valuation model at issuance	Binomial model	Market quote	Binomial model
Valuation model as at December 31, 2023	Market quote	Market quote	Binomial model
Fair value of warrants as at December 31, 2023	\$0.05	\$0.01	\$0.09

The change in warrant liabilities is as follows:

	<u>October 26, 2021</u>		<u>February 4, 2022</u>		<u>January 30, 2023</u>		<u>Total</u> <u>Amount</u> <u>(\$)</u>
	<u>Warrants</u>		<u>Warrants</u>		<u>Warrants</u>		
	<u>Units</u>	<u>Amount</u> <u>(\$)</u>	<u>Units</u>	<u>Amount</u> <u>(\$)</u>	<u>Units</u>	<u>Amount</u> <u>(\$)</u>	
<b>As of December 31, 2023</b>	6,760,002	338,000	10,183,333	50,916	22,600,000	2,036,260	2,425,176
Exercise of warrants	-	-	-	-	(80,000)	(5,150)	(5,150)
Expiry of warrants	(6,760,002)	(33,800)	(10,183,333)	(50,916)	-	-	(84,716)
Revaluation of derivative warrant liabilities	-	(304,200)	-	-	-	(1,598,730)	(1,902,930)
<b>As of December 31, 2024</b>	-	-	-	-	<b>22,520,000</b>	<b>432,380</b>	<b>432,380</b>
Exercise of warrants	-	-	-	-	(15,905,700)	(318,114)	(318,114)
Expiry of warrants	-	-	-	-	(6,614,300)	(132,286)	(132,286)
Revaluation of derivative warrant liabilities	-	-	-	-	-	18,020	18,020
<b>As of December 31, 2025</b>	-	-	-	-	-	-	-

**Warrant liability related to January 30, 2023 private placement**

On January 30, 2023, the Company completed a private placement with the issuance of 22,800,000 Units at a price of \$0.22 per unit for aggregate gross proceeds to the Company of \$5,016,000. Each Unit consists of one common share of the Company and one share purchase warrant of the Company. Each warrant is exercisable to acquire one common share of the Company at an exercise price of \$0.30 until January 30, 2025.

In the event of an additional rights offering, the exercise price and number of shares that such Warrants may be convertible to, may be adjusted. The adjustment results in variability in both the conversion price and the number of shares to be issued, and as such, the Warrants breach the fixed-for-fixed requirement and are classified as a derivative liability measured through FVTPL.

A total of 15,905,700 warrants were exercised for 15,905,700 common shares of the Company for cash proceeds of \$4,771,710, during the year ended December 31, 2025, resulting in an amount of \$5,089,824 being added to share capital.

On January 30, 2025, 6,614,300 share purchase warrants with a value of \$132,286 expired resulting in a gain of \$18,020 being recorded in the comprehensive income or loss for the year ended December 31, 2025. The fair value of the warrants as at December 31, 2024 was \$432,380 using a Binomial Model.

#### Warrant liability related to October 26, 2021 Bought Deal public offering

On October 26, 2021, the Company completed a \$26,364,002 Bought Deal public offering (the Offering). Under the terms of the Offering, the Company issued 13,520,001 units at a subscription price per Unit of \$1.95, each Unit consisting of one common share and one-half of a common share purchase warrant (a Warrant), exercisable for a period of 36 months from the date of issuance at an exercise price of \$2.55. In the event of an additional rights offering, the exercise price and number of shares that such Warrants may be convertible to, may be adjusted. The adjustment results in variability in both the conversion price and the number of shares to be issued, and as such, the Warrants breach the fixed-for-fixed requirement and are classified as a derivative liability measured through FVTPL.

This warrant liability was measured on the issuance period, by using a Binomial Model based on the facts and circumstances on the issuance date. The fair value of the warrants has been measured at \$6,016,402 on issuance. The warrants associated with the October 26, 2021 Bought Deal public offering became publicly traded four months after issuance on March 10, 2022. Any resulting gain and loss are recorded in the consolidated statements of loss and comprehensive loss. On October 26, 2024, all outstanding 6,760,002 warrants expired. A resulting \$33,800 gain has been recorded in the consolidated statements of income or loss and comprehensive income or loss for the year ending December 31, 2024.

#### Warrant liability related to February 4, 2022 Bought Deal public offering

On February 4, 2022, the Company completed a private placement with the issuance of 18,750,000 Units at a price of \$2.40 per unit for aggregate gross proceeds to the Company of \$45,000,000. Each Unit consists of one common share of the Company and one-half Warrant of the Company. Each Warrant is exercisable to acquire one Common Share of the Company at an exercise price of \$3.10 until February 4, 2024. Overallotment warrants of 808,333 were also issued.

In the event of an additional rights offering, the exercise price and number of shares that such Warrants may be convertible to, may be adjusted. The adjustment results in variability in both the conversion price and the number of shares to be issued, and as such, the Warrants breach the fixed-for-fixed requirement and are classified as a derivative liability measured through FVTPL.

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The warrants associated with the February 4, 2022 Bought Deal financing became publicly traded immediately after issuance. Any resulting gain and loss are recorded in the consolidated statements of loss and comprehensive loss. On February 4, 2024, all outstanding 10,183,333 expired. A resulting \$50,916 gain has been recorded in the consolidated statements of income or loss and comprehensive income or loss for the year ending December 31, 2024.

**18. SHARE CAPITAL**
**Authorized**

The Company is authorized to issue an unlimited number of common shares without par value.

**Share Capital Activity**

	<u>Number of shares</u>	<u>Amount (\$)</u>
<b>Balance as of December 31, 2024</b>	642,892,364	284,021,894
Shares repurchased (i)	(2,380,000)	(725,424)
Conversion of restricted shares units (ii)	6,900,993	1,728,973
Shares Issued for warrant exercise (iii)	15,905,700	5,566,995
Shares Issued for options exercise (iv)	1,783,249	553,681
<b>Balance as of December 31, 2025</b>	<b>665,102,306</b>	<b>291,146,119</b>
	<u>Number of shares</u>	<u>Amount (\$)</u>
<b>Balance as of December 31, 2023</b>	651,507,804	285,225,857
Shares repurchased (v)	(12,463,854)	(2,652,271)
Conversion of restricted shares units (vi)	3,195,410	1,260,864
Shares Issued for warrant exercise (vii)	80,000	24,600
Shares Issued for options exercise (viii)	573,004	162,844
<b>Balance as of December 31, 2024</b>	<b>642,892,364</b>	<b>284,021,894</b>

- (i) During the year ended December 31, 2025, the Company repurchased 2,380,000 of its common shares on the open market through its brokers at an average purchase price of \$0.30 per share for a total cost of \$725,424. The share repurchases were made under its NCIB.
- (ii) A total of 6,900,993 common shares of the Company were issued to the employees, directors, and consultants of the Company upon vesting of the RSUs at the fair value of \$1,728,973 during the year ended December 31, 2025.
- (iii) A total of 15,905,700 warrants were exercised for 15,905,700 common shares of the Company for cash proceeds of \$4,771,710, during the year ended December 31, 2025, which an amount of \$5,566,995 was added to share capital and the difference to contributed surplus.
- (iv) A total of 1,783,249 stock options were exercised for 1,783,249 common shares of the Company for cash proceeds of \$327,407 during the year ended December 31, 2025, which an amount of \$553,681 was added to share capital and the difference to contributed surplus.
- (v) During the year ended December 31, 2024, the Company repurchased 12,463,854 of its common shares on the open market through its brokers at an average purchase price of \$0.21 per share for a total cost of \$2,652,271.

On April 8, 2024, the Company announced its intent to commence a Normal Course Issuer Bid (“NCIB”). Under the NCIB, the Company was permitted to purchase up to 25,126,596 of its common shares with daily purchases not exceeding 257,899 Common Shares on the TSX during any trading day. The agreement was terminated by the Company on June 6, 2024. Under this agreement the company repurchased 7,888,354 at an average purchase price of \$0.21 per share for a total cost of \$1,642,156

On July 12, 2024, the Company renewed its NCIB permitting the Company to purchase up to an aggregate maximum of 19,726,712 common shares and up to 257,899 common shares on each trading day during the term of the agreement expiring April 9, 2025. Under this agreement the company repurchased 4,575,500 at an average purchase price of \$0.22 per share for a total cost of \$1,010,115.

- (vi) A total of 3,195,410 common shares of the Company were issued to the employees, and directors of the Company upon vesting of the RSUs at the fair value of \$1,260,864 during the year ended December 31, 2024.
- (vii) A total of 80,000 warrants were exercised for 80,000 common shares of the Company for cash proceeds of \$24,000, during the years ended December 31, 2024, which an amount of \$24,600 was added to share capital and the difference to contributed surplus.
- (viii) A total of 573,004 stock options were exercised for 573,004 common shares of the Company for cash proceeds of \$119,156 during the year ended December 31, 2024, which an amount of \$162,844 was added to share capital and the difference to contributed surplus.

**Stock Options**

The Company has established an Amended Omnibus Equity Incentive Plan (“Stock Option Plan”), under which the Board of Directors may, from time to time, grant options to directors, officers, employees, or consultants of the Company. The aggregate number of shares issuable upon the exercise of all stock options and RSUs granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Company. Under the Stock Option Plan, the exercise price of an option cannot be lower than the closing price on the TSX on the trading date preceding the date of grant. Each stock option and all rights thereunder shall be expressed to expire on the date as set out in the option agreement or the maximum term of 10 years, whatever comes earlier.

The weighted average inputs used in the measurement of the fair values at grant date of the stock options during the year ended December 31, 2024 are as follows:

	<b>December 31, 2024</b>
Share price at grant date	\$0.22
Exercise price	\$0.22
Expected volatility (based on comparable publicly listed entities)	131%
Expected life (years)	4.74
Expected dividends	Nil
Risk-free interest rate	3.35%

During the year ended December 31, 2025, there were no issuance of stock options.

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During the year ended December 31, 2024 the weighted average of the fair value of granted options was estimated on dates of grant at \$0.14. Volatility was based upon comparable trading entities. The weighted average share price for the exercised options was \$0.28.

A summary of the Company stock options as at and during the years ended December 31, 2025 and 2024 is as follows:

	<u>Number of options</u>	<u>Weighted average exercise price</u>	<u>Weighted average remaining life</u>
<b>Balance as of December 31, 2024</b>	24,380,483	0.23	3.40
Exercised	(1,783,249)	0.23	1.60
Expired / cancelled / forfeited	(3,360,571)	0.24	3.64
<b>Balance as of December 31, 2025</b>	<u>19,236,663</u>	<u>0.22</u>	<u>2.42</u>
<b>Exercisable as of December 31, 2025</b>	<b>15,006,483</b>	<b>0.23</b>	<b>2.21</b>
	<u>Number of options</u>	<u>Weighted average exercise price</u>	<u>Weighted average remaining life</u>
<b>Balance as of December 31, 2023</b>	22,417,128	0.35	3.81
Granted	7,342,894	0.22	4.30
Exercised	(573,004)	0.21	0.50
Expired / cancelled / forfeited	(4,806,535)	0.76	7.04
<b>Balance as of December 31, 2024</b>	<u>24,380,483</u>	<u>0.23</u>	<u>3.40</u>
<b>Exercisable as of December 31, 2024</b>	<b>11,510,167</b>	<b>0.24</b>	<b>4.39</b>

During the year ended December 31, 2025, the Company recorded share-based payments expense net of forfeited reversals based on the graded vesting schedule of the granted options of \$533,022 (\$1,458,755 – December 31, 2024).

**Restricted Share Units**

The Board of Directors may, from time to time, award RSUs to directors, officers, employees and consultants. Under the incentive plan the maximum number of shares the Company is entitled to issue from treasury for payments in respect of awards of stock options and RSUs cumulatively should not exceed 10% of the total number of shares issued and outstanding. Upon vesting, the awardees of the RSUs will receive one common share of the Company for each RSU held. These RSUs include service conditions only.

A summary of the Company's RSUs as at and during the years ended December 31, 2025 and 2024 is as follows:

	<u>Number of RSUs</u>
<b>Balance as of December 31, 2024</b>	20,389,128
Granted	3,025,000
Vested and issued	(6,901,000)
Expired / cancelled / forfeited	(2,082,045)
<b>Balance as of December 31, 2025</b>	<u>14,431,083</u>

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	<b>Number of RSUs</b>
<b>Balance as of December 31, 2023</b>	5,759,545
Granted	18,125,000
Vested and issued	(3,195,410)
Expired / cancelled / forfeited	(300,007)
<b>Balance as of December 31, 2024</b>	<b>20,389,128</b>

During the year ended December 31, 2025, the Company recorded share-based payments expense net of forfeited reversals based on the graded vesting schedule of the granted RSUs of \$23,764 (\$289,254 – December 31, 2024) and expense during the year ended December 31, 2025 of \$1,425,305 (\$961,631 – December 31, 2024).

The Company recorded an additional amount of share-based payments expense totaling \$1,250,388 as provisions based on the graded vesting schedule of the granted RSUs during the year ended December 31, 2025 (Note 19) (\$Nil – December 31, 2024).

In addition, 8 million RSUs will be issued to 3 board members immediately following the blackout period of the release of the 2025 year-end consolidated financial statements (see Note 31).

The vesting of RSUs granted and issued is based on the following service condition schedule:

<b>Grant Date</b>	<b>Number of RSUs Granted</b>	<b>Fair Value per RSUs (\$)</b>	<b>First Vesting Date</b>	<b>Vesting Criteria</b>
02-Jan-24	700,000	0.32	07-Jul-24	100% vesting sixth months after grant
01-Feb-24	500,000	0.24	01-Feb-24	50% vesting immediately, 50% vesting five months thereafter
02-Apr-24	500,000	0.26	02-Apr-24	10% vesting immediately, 90% vesting 8 months thereafter
26-Aug-24	3,675,000	0.15	01-Jan-25	15% vest on January 1, 2025, 8.5% vest every quarter thereafter.
26-Aug-24	1,500,000	0.15	26-Aug-25	50% vest on August 26, 2025, remaining 50% vest on December 31, 2025
21-Nov-24	500,000	0.2	01-Jan-25	14.2% of the RSUs shall vest on January 1, 2025. 7.8% of the RSUs shall vest every quarter thereafter.
21-Nov-24	750,000	0.2	28-Feb-25	Units vest every three months over three years.
21-Nov-24	2,000,000	0.2	31-May-26	100% vest upon the resignation or voluntary departure of the director.
17-Dec-24	2,500,000	0.32	17-Dec-27	16.66% vest on June 17, 2025. 8.33% vest every quarter thereafter.
17-Dec-24	750,000	0.32	17-Dec-27	16.66% vest on June 17, 2025. 8.33% vest every quarter thereafter.
17-Dec-24	4,750,000	0.32	31-Dec-27	Units vest every three months over three years.
17-Jan-25	500,000	0.36	30-Apr-25	8.33% every 3 months. 100% vesting upon resignation.
18-Feb-25	2,000,000	0.25	31-Mar-25	8.33% every 3 months. 100% vesting upon resignation.
28-Mar-25	525,000	0.21	31-Mar-25	100% vesting immediately.

**Broker warrants**

A summary of the Company's warrants during the years ended December 31, 2025 and 2024 are as follows:

	<u>Number of Warrants</u>	<u>Weighted average exercise price</u>
<b>Balance as of December 31, 2024</b>	6,933,928	2.09
<b>Balance as of December 31, 2025</b>	<b>6,933,928</b>	<b>2.09</b>
	<u>Number of Warrants</u>	<u>Weighted average exercise price</u>
<b>Balance as of December 31, 2023</b>	9,021,743	2.21
Expired / cancelled / forfeited	(2,087,815)	2.60
<b>Balance as of December 31, 2024</b>	<b>6,933,928</b>	<b>2.09</b>

The balance of the broker warrants expired on March 10, 2026.

**Escrow Shares**

As at December 31, 2025, Nil shares (December 31, 2024 – 72,248,964 shares) remained in escrow as part of the pooling agreements.

**19. CLAIM SETTLEMENT EXPENSES**

- i. On February 18, 2025, the Company entered into a settlement agreement with an arm's length third party, pursuant to which it settled certain claims. Pursuant to the terms of the settlement agreement, and the Company incurring direct costs related to executing the agreement, the Company recognized expenses of \$9,921,820. Included in the amount was \$1,250,388 of share-based payment expenses relating to the vesting of certain restricted share units held by consultants and former board of directors' members. While the Company is of the view that the alleged claims against the Company were without merit, the board determined that, for a number of reasons, the entering into of the mutual release was in the best interests of the Company. As at December 31, 2025, the Company has settled all amounts owing resulting from the claim settlement.
- ii. On April 17, 2025, the Company entered into agreements with the parties to certain of its existing investor rights agreements (which included certain related parties of the Company), pursuant to which the Company secured the right to cause certain amendments to the existing investor rights agreements to be made. Concurrently with the entering into of these agreements, the Company and Mogo Inc. entered into a mutual release with respect to certain claims that each party had made against the other. While the Company is of the view that the alleged claims against the Company were without merit, the board determined that, for a number of reasons, the entering into of the mutual release was in the best interests of the Company. In connection with these transactions, the Company incurred costs of \$5,443,264, which include legal fees and an aggregate of \$4,000,000 received by Mogo Inc. during the year ended December 31, 2025. This amount was paid to Mogo Inc. in two instalments, \$3,000,000 paid upon settlement and \$1,000,000 paid during the second half of the fiscal year.

## 20. PROVISIONS AND ALLOWANCES

- i. During the year ended December 31, 2025, the Company was notified that it would receive an amount of \$700,000 USD (approximately \$967,839 CAD) relating to a previously made claim under an existing insurance policy. The claim receivable was collected in August 2025. During the second quarter and third quarters of 2025, the Company reimbursed the CEO a total of \$500,000, equivalent to the prior loss of personal cryptocurrency assets during the November 6, 2024 security incident. During the year ended December 31, 2025, the Company reimbursed certain key management \$610,425 for personal security expenses.
- ii. During the year ended December 31, 2025, the Company incurred \$5,009,522 in arm's length professional and consulting fees relating to closing costs of the upcoming Arrangement Agreement.
- iii. In 2024, there was a claim brought against the Company's subsidiary CoinSmart Financial Inc. by PCT Litigation Trust the receivers of Prime Trust Bank, see Note 15. During the year ended December 31, 2025, the Company incurred an additional \$227,079 for legal costs relating to finalizing the settlement.
- iv. During the year ended December 31, 2025 the Company recognized a provision of \$7,969,692 related to Transaction Banker/Advisor fees payable on the closing of the Arrangement Agreement (see Note 31).

## 21. OTHER LOSSES AND GAINS

The following table presents the disaggregated other losses and gains of the Company:

	Year Ended December 31, 2025	Year Ended December 31, 2024
Revaluation of digital asset inventory	3,618,794	(2,632,869)
Changes in fair value of warrant liabilities	(114,266)	(1,987,646)
Changes in fair value of contingent consideration	(304,548)	(3,306,605)
Gain on sale of investment in associate	(1,780,454)	-
<b>Total other losses (gains)</b>	<b>1,419,526</b>	<b>(7,927,120)</b>
Other losses (gains) from discontinued operations	689,032	(1,513,068)
<b>Total other losses (gains) from continued and discontinued operations</b>	<b>2,108,558</b>	<b>(9,440,188)</b>

## 22. INCOME TAXES

Income tax expense (recovery) consists of the following components:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Related to current year	-	2,069,680
<b>Current income tax expense (recovery)</b>	<b>-</b>	<b>2,069,680</b>
Origination and reversal of temporary differences	(6,941,164)	(4,146,023)
Movement in unrecognized deferred income tax assets	6,941,164	412,029
<b>Deferred income tax recovery</b>	<b>-</b>	<b>(3,733,994)</b>
<b>Total income tax expense (recovery)</b>	<b>-</b>	<b>(1,664,314)</b>

The reconciliation of the combined Canadian federal and provincial statutory income tax rate of 27% (2024 - 27%) to the effective tax rate is as follows:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Net Loss before income taxes	(51,042,235)	(2,905,579)
Statutory income tax rate (%)	27%	27%
<b>Expected recovery at statutory rate</b>	<b>(13,781,417)</b>	<b>(784,506)</b>
<b>Increase (decrease) in taxes resulting from:</b>		
Other non-deductible (non-taxable) items	6,474,770	(655,436)
Statutory tax rate differences	365,483	9,817
Prior year true-ups	-	(646,218)
Change in deferred income tax assets not recognized	6,941,164	412,029
<b>Total income tax expense (recovery)</b>	<b>-</b>	<b>(1,664,314)</b>

The significant components of the Company's deferred income tax asset (liability) are comprised of the following:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
<b>Deferred income tax asset (liability)</b>		
Intangible assets	(7,506,001)	(10,352,642)
Investments	-	461,606
Other	(440,628)	402,378
Tax losses carryforwards	7,946,629	9,488,658
	-	-
<b>Deferred income tax expense (recovery)</b>		
Intangible assets	(2,846,641)	(200,225)
Investments	-	(461,606)
Right-of-use assets	-	(93,797)
Other	(123,792)	(402,378)
Tax losses carryforwards	2,970,433	(2,575,988)
	-	<b>(3,733,994)</b>
<b>Change in deferred income tax balances</b>		
Net deferred income tax liability, beginning of year	-	(3,733,994)
Recovery/(expense) through earnings	-	3,733,994
Net deferred income tax liability, end of year	-	-

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Deferred income tax assets are recorded to the extent that the realization of the related tax benefit is probable based on estimated future earnings. Deferred income tax assets have not been recognized with respect to the following deductible temporary differences:

	<u>December 31, 2025</u>	<u>December 31, 2024</u>
Property and equipment	2,694,192	2,011,365
Investments	-	1,306,878
Tax loss carryforwards	149,740,879	120,997,651
Share issue costs	1,831,866	3,554,327
Reserves for provisions	9,414,901	-
	<u>163,681,838</u>	<u>127,870,221</u>

The Company has non-capital losses to which no deferred tax asset was recognized. The non-capital losses are available to reduce future year's taxable income and will commence to expire in 2039 if not utilized.

### 23. INDIRECT TAX EXPENSES

During the year ended December 31, 2025, the Company received a notice from the CRA indicating that certain previously filed elections were disallowed. As a result, the Company has recognized a liability of \$3,851,685 related to input tax expenses. This amount has been fully expensed in the consolidated statements of income (loss) and comprehensive income (loss) for the year.

### 24. ADDITIONAL DETAILS TO THE STATEMENTS OF CASH FLOWS

	<u>Year Ended December 31, 2025</u>	<u>Year Ended December 31, 2024</u>
Trade and other payables	8,743,832	3,968,221
Trade and other receivables	817,391	(374,086)
Prepaid expenses	101,215	(54,129)
Digital asset inventory	3,472,434	1,053,296
Income tax credit receivable	1,017,130	-
Income tax payable	(924,000)	-
<b>Total changes in working capital items</b>	<u>13,228,002</u>	<u>4,593,302</u>

### 25. RELATED PARTY TRANSACTIONS

The Company's related parties consist of individuals or entities where the executive officers and directors of the Company are principals meaning their position in these entities results in their having control or significant influence over the financial or operating policies of these entities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel are the Company's executive management team and members of the Board of Directors. Key management personnel compensation comprised of share-based compensation, and any salaries paid to these related parties.

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During the years ended December 31, 2025 and 2024, related party transactions were as follows:

	Year Ended December 31,	
	2025	2024
Directors' fees <sup>(1)</sup>	2,070,834	3,038,001
Directors' share-based payments <sup>(2) (8)</sup>	1,343,403	500,330
Directors' resignation payments <sup>(3)</sup>	700,000	-
Other director termination payments <sup>(3)</sup>	300,000	-
Key management salaries and benefits <sup>(4)</sup>	2,184,886	1,878,607
Key management share-based payments <sup>(2)</sup>	696,225	809,492
Reimbursement of expenses <sup>(5)</sup>	1,110,425	-
Earn-out payments <sup>(6)</sup>	-	261,572
Transaction advisor fees <sup>(7)</sup>	1,786,000	-
	10,191,773	6,488,002

- (1) Directors' fees represent cash fees, special committee fees and/or consulting payments paid to current or former directors during the years ending December 31, 2025 and 2024.
- (2) The Company issued options and RSUs to current and former directors and key management personnel of the Company and recorded the share-based payments related to such issuances based on the vesting schedules.
- (3) During the year ended December 31, 2025, the Company made payments to certain former director members in relation to their resignation from the board of directors and the termination of their contractor agreement with the Company. In addition, and as a result of the termination of the contractor agreement, the former director received \$750,388 of share based compensation expensed in Claim Settlement expenses during the first quarter of 2025 (see Note 19).
- (4) Salaries and benefits paid to 5 key management personnel during the years ended December 31, 2025 and 2024.
- (5) During the year ended December 31, 2025, the Company reimbursed the CEO \$500,000 equivalent to the loss of personal cryptocurrency assets during the November 6, 2024, security incident and \$411,545 and \$198,880 of personal security expense reimbursement to two senior executives, respectively.
- (6) During the year ended December 31, 2024, certain board of director members, as former CoinSmart shareholders, received amounts relating to the SmartPay revenue (earnout) payment.
- (7) On closing of the Arrangement Agreement, a director of the Company will receive a transaction advisor fee of \$1,786,000 (see Note 31).
- (8) In addition, 8 million RSUs, which were previously disclosed in the management information circular dated June 13, 2025, will be issued to 3 board members immediately following the blackout period of the release of the 2025 year-end consolidated financial statements (see Note 31).

## 26. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

### Fair value measurements

IFRS 13, *Fair-Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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The Company's assets and liabilities measured at fair value on a recurring basis have been categorized into the fair value hierarchy as follows:

	Category	Fair Value as at December 31, 2025	Fair Value as at December 31, 2024
<b>Financial assets at FVTPL</b>			
Digital asset inventory	Level 2	6,590,029	14,370,289
Investments	Level 2	-	2,482,103
Investments	Level 3	95,241	112,336
<b>Financial liabilities at FVTPL</b>			
Lease liabilities	Level 2	1,835,100	-
Warrant liabilities	Level 2	-	432,380
Contingent consideration	Level 3	743,386	2,935,499

There was no movement of financial instruments between levels during the year.

The Company determined that the carrying values of its short-term financial assets and liabilities approximate the corresponding fair values because of the relatively short periods to maturity of these instruments and the low credit risk.

**Financial risk management**

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adhere to market conditions. The Company has exposure to credit risk, liquidity risk and market risk as a result of its use of financial instruments. This note presents information about the Company's exposure to each of the risks and the Company's objectives, policies, and processes for measuring and managing these risks. Further quantitative disclosures are included as applicable.

The Board of Directors has the overall responsibility for the establishment and oversight of the Company's risk management framework. The Board has implemented and monitors compliance with risk management policies.

**Currency risk**

The Company's expenses are primarily denominated in Canadian dollars. The Company's corporate offices are based in Canada and current exposure to exchange rate fluctuations is minimal. As at December 31, 2025, the Company was exposed to currency risk through the cash held in a currency other than the Canadian dollar (Note 6). As at December 31, 2025, the Company held \$6,643,207 (US\$ 4,846,933) of its cash in US Dollars. A 10% depreciation (or appreciation) of the US dollar against the Canadian dollar would result in a \$664,321 loss (or gain) respectively in the Company's earnings for the year.

**Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company does not have any financial instruments directly

influenced by market interest rates. As a result, management has assessed interest rate risk as limited.

#### Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company is exposed to credit risk on cash in client assets and its own cash, trade receivable, loan receivable and client digital assets and its own digital asset inventories. To minimize the credit risk, the Company places its cash and client custodial cash with major financial institutions. The Company uses the custodial services of BitGo and Coinbase for client digital assets and uses Fireblocks and various liquidity providers to hold the Company's digital asset inventory used in the settlement of client transactions. The Company does not self-custody its digital assets. In addition, the Company is subject to credit risk in relation to the balances of its investments. To minimize the credit risk on the investments, the Company regularly monitors its investments.

#### Price and concentration risk

Price risk is the risk of dispositions of investments at less than favourable prices due to unfavourable market conditions. The Company is exposed to insignificant price and concentration risk on its digital assets.

#### Counterparty risk

Counterparty risk is the risk of an unexpected loss if a third party fails to meet its contractual obligations. The Company is exposed to counterparty risk primarily through its digital asset inventories and client digital assets. While the Company intends to only transact with counterparties that it believes to be creditworthy, there can be no assurance that a counterparty will not default and that the Company will not sustain a material loss on a transaction as a result.

#### Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages the liquidity risk resulting from its trade and other payables, client liabilities, contingent consideration, long-term debt and warrant financial liabilities by maintaining cash and crypto inventory balances that are adequate to satisfy trade and other payables, client liabilities and other liabilities and monitoring cash outflows. The Company maintains a balance between continuity of funding and the flexibility through the use of borrowings and expects to have adequate sources of funding to finance the Company's projects and operations.

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts)

The following table outlines the Company's contractual undiscounted obligations:

	0 - 1 Year (\$)	2 - 3 Years (\$)	3 + Years (\$)
Trade and other payables	21,584,125	-	-
Contingent consideration	743,386	-	-
Lease liabilities	433,090	906,547	495,463
Long-term debt	78,278	73,287	-

**Digital currencies risk and risk management**

The Company generates a significant portion of its total revenue from transaction fees on its platform, which are incurred during the purchase, sale, and trading of crypto assets by customers. Transaction fees are primarily on a percentage of the transaction value and may vary based on payment type and transaction value. Consequently, crypto asset price risk could adversely affect the Company's operating results. The Company's future profitability may depend on the market prices of Bitcoin, Ethereum, and other crypto assets. Crypto asset prices, along with the Company's operating results, have fluctuated significantly, and there is no assurance that these prices will follow historical trends.

Digital asset prices are influenced by various factors, including global supply and demand, interest rates, exchange rates, inflation or deflation, and global political and economic conditions. A decline in the market prices of Bitcoin, Ethereum, and other crypto assets could have an adverse effect on the Company's earnings, the carrying value of its crypto assets, and future cash flows. This may also impact the Company's liquidity and its ability to meet ongoing obligations. Additionally, the volatility in crypto asset prices could lead to increased uncertainty and risk in the Company's financial planning and forecasting. The Company may face challenges in maintaining its revenue streams and profitability if crypto asset prices experience significant downturns. Furthermore, regulatory changes and market sentiment towards digital assets could exacerbate these risks, potentially leading to stricter regulations and reduced market confidence, which could further impact the Company's operations and financial stability.

As of December 31, 2025, the Company holds digital assets valued at \$6,590,029 (\$14,370,289 – December 31, 2024) with reputable custodians and liquidity providers. If the market price of the Company's digital assets had changed by 10% as of December 31, 2025, with all other variables remaining constant, the corresponding change in value would be approximately \$659,003.

Some fiat and digital assets of the Company are held on account with various third-party digital asset trading platforms. These deposits are held on account to allow for successful completion of user purchases and sales of digital assets. These digital assets are transferred to the Company's digital custodian accounts and fiat funds are transferred to financial institutions on an ongoing basis.

## 27. CAPITAL MANAGEMENT

### Risk management

The group's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

The capital structure of the Company consists of equity composed of issued share capital, contributed surplus and cash. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances. The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management as at December 31, 2025, remains unchanged from the year ended December 31, 2024.

## 28. EARNINGS (LOSS) PER SHARE

Basic income (loss) per share is calculated by dividing the net earnings by the weighted average number of shares. The basic and fully diluted income (loss) per share for the years ended December 31, 2025 and 2024 are as follows:

	Year Ended December 31, 2025			Year Ended December 31, 2024		
		weighted average # of shares	Loss per share		weighted average # of shares	Loss per share
	Net loss			Net loss		
Basic and diluted loss per share from continuing and discontinued operations	\$ (51,042,235)	662,009,274	\$ (0.08)	\$ (1,241,265)	649,123,094	\$ (0.00)

  

	Year Ended December 31, 2025			Year Ended December 31, 2024		
		weighted average # of shares	Loss per share		weighted average # of shares	Income per share
	Net loss			Net income		
Basic income (loss) per share from continuing operations	\$ (42,937,500)	662,009,274	\$ (0.06)	\$ 4,052,105	649,123,094	\$ 0.01
Diluted income per share from continuing operations	\$ -	-	\$ 0.00	\$ 4,052,105	686,444,474	\$ 0.01

Given the Company's loss position, no diluted loss per share has been calculated for the year ended December 31, 2025 as the effect would be anti-dilutive.

## 29. DISCONTINUED OPERATIONS

### Discontinued Payments Segment Operations

On July 17, 2025, the SmartPay earnout rights holders agreed to amend their Earnout Rights Agreement to forgo future contingent consideration payments effective upon the closing of the Arrangement Agreement. Concurrently, the Company decided to orderly wind up the Payments Segment to focus all resources on the Trading segment. The Payments Segment revenues for the year ended December 31, 2025 were \$644,775 (December 31, 2024 - \$2,821,973). As a result of the exit decision, the Company recognized a non-cash write down of \$6,824,000 included in Other losses and gains in Q3 2025, representing 100% of the Payments Segment Goodwill and Intangible assets.

### Net Comprehensive Loss from Discontinued Operations

	Year Ended	
	December 31, 2025	December 31, 2024
Revenue	644,775	2,821,973
Salaries and wages	84,164	1,156,945
Bank and transaction fees	184,022	468,161
Marketing	11,000	9,490
Professional and consulting fees	188,417	1,835,524
Software licenses	72,901	384,741
Commission expenses	103,906	275,395
General and administrative expenses	18,062	(893,769)
Compliance fees	23,602	73,743
Depreciation and amortization	397,287	593,159
<b>Operating loss</b>	<b>(438,586)</b>	<b>(1,081,416)</b>
Other losses and gains	7,666,149	4,211,954
<b>Net loss before income taxes</b>	<b>(8,104,735)</b>	<b>(5,293,370)</b>
<b>Net comprehensive loss from discontinued operations</b>	<b>(8,104,735)</b>	<b>(5,293,370)</b>

### Cash Flows

The cash flows used by the Payments Segment for the years ended December 31, 2025 and 2024 are as follows:

	Year ended	
	December 31, 2025	December 31, 2024
<b>Net cash used in:</b>		
Operating activities	(906,020)	(4,700,212)
Financing activities	-	(80,128)
<b>Net decrease in cash</b>	<b>(906,020)</b>	<b>(4,780,340)</b>

**CONSOLIDATED STATEMENTS OF CASH FLOWS**

For the Years Ended December 31, 2025 and 2024

(expressed in Canadian Dollars, except share amounts)

**30. SEGMENT INFORMATION**

Prior to the discontinuance of the Payments Segment, the Company operated through three reportable segments: Trading, Payments and Corporate. Trading consisted of operations from the Company's crypto exchange brands; Bitbuy and Coinsquare. The Payments Segment consisted of operations from SmartPay the company's global crypto payment processing division. Other general operations including research and development, public company expenditures and those pertaining to M&A activities were reported under the Corporate segment. On July 15, 2025, the Company wound down the operations of the Payment Segment (see Note 29).

The operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments. The chief operating decision-maker has been identified as the President and Chief Executive Officer. All material revenues and non-current assets are in Canada.

**Year Ended December 31, 2025**

	Trading	Corporate	Total
Revenue	45,973,581	-	45,973,581
Salaries and wages	12,914,922	3,817,874	16,732,796
Bank and transaction fees	4,159,018	363,177	4,522,195
Marketing	3,240,263	376,795	3,617,058
Professional and consulting fees	560,035	5,195,153	5,755,188
Software licenses	4,068,453	1,711,551	5,780,004
Commission expenses	1,539,438	44,414	1,583,852
General and administrative expenses	1,471,511	6,680,275	8,151,786
Compliance fees	1,234,703	288,432	1,523,135
Share-based payments	-	2,185,327	2,185,327
Depreciation and amortization	6,848,415	1,120,416	7,968,831
Other expenses (income)	(514,296)	31,605,205	31,090,909
<b>Segment net income (loss) before income taxes</b>	<b>10,451,119</b>	<b>(53,388,619)</b>	<b>(42,937,500)</b>

**Year Ended December 31, 2024**

	Trading	Corporate	Total
Revenue	54,920,825	-	54,920,825
Salaries and wages	14,068,414	381,638	14,450,052
Bank and transaction fees	6,241,642	142,964	6,384,606
Marketing	4,912,516	468,549	5,381,065
Professional and consulting fees	5,635,396	114,769	5,750,165
Software licenses	4,509,639	168,101	4,677,740
Commission expenses	2,293,723	259,826	2,553,549
General and administrative expenses	2,306,355	3,760,639	6,066,994
Compliance fees	1,549,057	40,457	1,589,514
Share-based payments	-	2,420,386	2,420,386
Depreciation and amortization (restated – Note 5)	8,180,221	168,325	8,348,546
Other expenses (income)	(4,619,093)	(470,490)	(5,089,583)
<b>Segment net income (loss) before income taxes</b>	<b>9,842,955</b>	<b>(7,455,164)</b>	<b>2,387,791</b>

**31. SUBSEQUENT EVENTS**

On May 13, 2025, the Company announced that it entered into a definitive agreement (the "Arrangement Agreement") with Robinhood Markets, Inc. ("Robinhood") and Wrangler Holdings Inc. (the "Purchaser"), an indirect, wholly-owned subsidiary of Robinhood. Pursuant to the Arrangement Agreement, the Purchaser will acquire all of the issued and outstanding Common Shares for C\$0.36 per Common Share in cash by way of a statutory plan of arrangement (the "Arrangement").

On December 19, 2025, the Company and Robinhood entered into an amendment to the Arrangement Agreement that provided for, among other things, an extension to the outside date for the completion of the Arrangement and reiterated that due to certain planned post-integration enhancements requiring additional development work and regulatory approvals, the Company anticipates that the Arrangement will close in the first half of 2026, subject to the satisfaction or waiver of the remaining conditions to closing of the Arrangement as set forth in the Arrangement Agreement.

During the year-ended December 31, 2025, the Company recognized a provision of \$7,969,692 (2024 – \$Nil) related to Transaction Banker/Advisor fees payable that are contingent and only payable on the closing of the Arrangement Agreement. In addition, 8 million RSUs will be granted to three members of the board of directors of the Company immediately following the blackout period of the 2025 year-end consolidated financial statements and were previously approved by the board of directors of the Company and disclosed in the June 13, 2025 management information circular.

During the first quarter of 2026, the Company entered into retention agreements with certain Company personnel in connection with the extension of the outside date of the Arrangement. Under the terms of the retention agreements, an individual will be entitled to receive 50% of the full retention payment amount conditional on the individual's active service with the Company following the closing of the Arrangement and the remainder of the retention payment amount conditional on the individual's continued active service with the Company on December 31, 2026.