



WONDERFI TECHNOLOGIES INC.

**INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED MARCH 31, 2026 AND 2025**

(Expressed in Canadian dollars - Unaudited)

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WONDERFI TECHNOLOGIES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at March 31, 2026 and December 31, 2025

(expressed in Canadian Dollars, except share amounts)

	Notes	March 31, 2026	December 31, 2025
Assets			
Current assets			
Cash	6	27,253,842	28,950,969
Digital asset inventory	7	3,362,582	6,590,029
Client custodial cash	8	87,758,281	80,689,235
Client digital assets ⁽ⁱ⁾	9	1,051,832,942	1,505,857,006
Prepaid expenses		1,335,035	1,319,848
Other receivables		40,942	111,835
Total current assets		1,171,583,624	1,623,518,922
Investments	10	96,639	95,241
Right-of-use assets	11	1,554,491	1,662,747
Property and equipment	12	197,431	228,767
Intangible assets	13	27,915,815	29,674,531
Goodwill		16,436,371	16,436,371
Total assets		1,217,784,371	1,671,616,579
Liabilities			
Current liabilities			
Trade and other payables	14	22,029,080	21,584,125
Current portion of lease liabilities	11	446,311	433,090
Client custodial cash liabilities	8	87,758,281	80,689,235
Client digital assets liabilities ⁽ⁱⁱ⁾	9	1,051,832,942	1,505,857,006
Income tax payable		640,681	1,145,681
Contingent consideration	15	454,437	743,386
Total current liabilities		1,163,161,732	1,610,452,523
Lease liabilities	11	1,287,335	1,402,010
Long-term debt		128,900	151,566
Total liabilities		1,164,577,967	1,612,006,099
Shareholders' equity			
Share capital	16	291,474,942	291,146,119
Contributed surplus		15,894,627	15,481,202
Deficit		(254,163,165)	(247,016,841)
Total shareholders' equity		53,206,404	59,610,480
Total shareholders' equity and liabilities		1,217,784,371	1,671,616,579

(i) safeguarding assets

(ii) safeguarding liabilities

WONDERFI TECHNOLOGIES INC.**INTERIM CONDENSED CONSOLIDATED STATEMENTS OF INCOME OR LOSS AND COMPREHENSIVE INCOME OR LOSS**

For the Three Months Ended March 31, 2026 and 2025

(expressed in Canadian Dollars, except share amounts)

	Notes	Three Months Ended	
		March 31, 2026	March 31, 2025
Revenue		6,936,669	16,051,113
Expenses			
Salaries and wages		3,080,951	4,384,242
Bank and transaction fees		789,871	1,288,481
Marketing		405,112	1,179,771
Professional and consulting fees		1,078,717	1,786,333
Software licenses		1,321,038	1,193,623
Commission expenses		297,896	530,728
General and administrative expenses		1,168,195	2,766,252
Compliance fees		366,558	406,017
Share-based payments	16	706,498	690,637
Depreciation and amortization		1,906,831	1,949,171
Operating loss		(4,184,998)	(124,142)
Other expenses (income)			
Interest income		(824,531)	(1,213,361)
Interest expense		46,337	50,055
Provisions and allowances	18	2,343,973	-
Claim settlement expenses	17	-	9,921,820
Indirect tax expenses		-	3,851,685
Foreign exchange gain		(20,129)	(391,448)
Changes in fair value of investments	10	-	142,840
Share of loss of an associate		-	(111,406)
Other losses	19	1,415,676	2,774,161
Total comprehensive loss from continuing operations		(7,146,324)	(15,148,488)
Discontinued operations			
Loss from discontinued operations	25	-	(974,722)
Total comprehensive loss		(7,146,324)	(16,123,210)
Net loss per share from continuing and discontinued operations attributable to common stockholders:			
Basic and fully diluted		\$ (0.01)	\$ (0.02)
Net loss per share from continuing operations attributable to common stockholders:			
Basic and fully diluted		\$ (0.01)	\$ (0.02)
Weighted average number of common shares outstanding:			
Basic and fully diluted		665,911,815	656,058,260

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

As at March 31, 2026 and December 31, 2025

(expressed in Canadian Dollars, except share amounts)

	Note(s)	Number of common shares	Share capital (\$)	Contributed surplus (\$)	Deficit (\$)	Total shareholders' equity (\$)
Balance as of December 31, 2025		665,102,306	291,146,119	15,481,202	(247,016,841)	59,610,480
Shares issued for options exercise	16	200,000	62,312	(26,562)	-	35,750
Restricted shares issued	16	1,156,456	266,511	(266,511)	-	-
Share-based payments	16	-	-	706,498	-	• 706,498
Net loss for the period		-	-	-	(7,146,324)	(7,146,324)
Balance as of March 31, 2026		666,458,762	291,474,942	15,894,627	(254,163,165)	53,206,404
Balance as of December 31, 2024		642,892,364	284,021,894	14,402,649	(195,974,606)	102,449,937
Shares issued for options exercise	16	1,783,249	553,681	(151,097)	-	402,584
Shares issued for warrant exercise	16	15,905,700	5,566,995	(477,171)	-	5,089,824
Restricted shares issued	16	6,900,993	1,728,973	(1,728,973)	-	-
Share-based payments	16	-	-	3,435,794	-	3,435,794
Shares repurchased	16	(2,380,000)	(725,424)	-	-	(725,424)
Net loss for the period		-	-	-	(51,042,235)	(51,042,235)
Balance as of December 31, 2025		665,102,306	291,146,119	15,481,202	(247,016,841)	59,610,480

WONDERFI TECHNOLOGIES INC.

INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

For the Three Months Ended March 31, 2026 and 2025

(expressed in Canadian Dollars, except share amounts)

	Notes	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Operating activities			
Net loss for the period		(7,146,324)	(16,123,210)
Changes in non-cash operating items			
Depreciation and amortization		1,906,831	2,081,600
Share-based payments	16	706,498	1,941,025
Share of income of an associate		-	(111,406)
Foreign exchange gain		(20,129)	(477,529)
Changes in fair value of investments	10	-	142,840
Interest expense		46,337	50,055
Interest income		(824,531)	(1,214,161)
Other losses	19	1,415,676	3,602,813
		3,230,682	6,015,237
Changes in working capital items	20	1,782,834	1,547,187
Cash used in operating activities		(2,132,808)	(8,560,786)
Investing activities			
Interest earned on client custodial cash		824,531	1,214,161
Purchase of intangible asset	13	-	(88,000)
Purchase of property and equipment	12	(3,991)	(123,120)
Cash provided by investing activities		820,540	1,003,041
Financing activities			
Shares repurchased	16	-	(725,424)
Proceeds from options exercised	16	35,750	145,371
Proceeds from warrants exercised	16	-	4,771,710
Lease payments	11	(135,093)	-
Long-term debt payments		(22,666)	(20,340)
Contingent consideration payments	15	(262,850)	(538,068)
Cash provided by (used in) financing activities		(384,859)	3,633,249
Net change in cash		(1,697,127)	(3,924,496)
Cash, beginning of period		28,950,969	34,346,337
Cash, end of period		27,253,842	30,421,841

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 interim condensed consolidated financial statements (“interim financial statements”) have been prepared in accordance with International Financial Reporting Standards (“IFRS”) applicable to the preparation of interim financial statements, being International Accounting Standard (“IAS”) 34, Interim Financial Reporting. The disclosures contained in these interim financial statements do not contain all requirements for annual consolidated financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2025.

These consolidated financial statements were approved and authorized for issue by the board of directors on May 12, 2026.

Basis of presentation and measurement

These interim condensed 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.

Foreign currency translation

The interim condensed 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.

Basis of consolidation

These interim condensed consolidated financial statements include accounts of the Company and its wholly-owned subsidiaries, from the date of control, as at March 31, 2026. All intercompany balances and transactions have been eliminated upon consolidation.

Subsidiaries	Jurisdiction	Ownership	Functional Currency
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

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These interim condensed consolidated financial statements have been prepared in accordance with the accounting policies, critical accounting estimates and judgements adopted in the audited consolidated financial statements for the year ended December 31, 2025.

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.

The judgments, estimates and assumptions applied in the interim condensed consolidated financial statements, including the key areas of estimation uncertainty, were the same as those applied in WonderFi's audited consolidated financial statements for the year ended December 31, 2025.

5. RESTATEMENT RELATING TO PRIOR PERIOD COMPARATIVES

Certain prior year comparative figures have been reclassified to conform to the current year's interim condensed 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 25).

6. CASH

The Company holds cash as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Cash - Canadian Dollar	19,093,286	22,285,598
Cash - United States Dollar	8,140,390	6,643,207
Cash - Australian Dollar	20,166	22,164
	<u>27,253,842</u>	<u>28,950,969</u>

7. DIGITAL ASSET INVENTORY

The Company holds digital assets as inventory as follows:

	<u>March 31, 2026</u>		<u>December 31, 2025</u>	
	<u>Units</u>	<u>Amount (\$)</u>	<u>Units</u>	<u>Amount (\$)</u>
Bitcoin (BTC)	5.63	534,479	7.50	900,285
Ethereum (ETH)	146.81	429,627	303.48	1,235,835
Others	-	2,398,476	-	4,453,909
Balance, end of period		<u>3,362,582</u>		<u>6,590,029</u>

Included in the total other balances are 585,497.50 (1,182,253.46 – December 31, 2025) units of United States dollar stablecoins valued at \$813,804 (\$1,621,979 – December 31, 2025).

8. CLIENT CUSTODIAL CASH ASSETS AND LIABILITIES

The Company holds cash on behalf of clients as follows:

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Cash - Canadian Dollar	82,565,506	75,974,921
Cash - United States Dollar	5,192,775	4,714,314
Balance, end of period	<u>87,758,281</u>	<u>80,689,235</u>

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:

	March 31, 2026		December 31, 2025	
	Units	Amount (\$)	Units	Amount (\$)
Bitcoin (BTC)	6,404.20	607,573,872	6,605.13	793,320,041
Ethereum (ETH)	54,309.30	158,931,055	54,319.30	221,202,797
Others	-	285,328,015	-	491,334,168
Balance, end of period		1,051,832,942		1,505,857,006

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 March 31, 2026, 100% (100% - December 31, 2025) 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	March 31, 2026	December 31, 2025
Other investments	FVTPL	Level 3	96,639	95,241
Balance, end of period			96,639	95,241

Activities relating to the investments held by the Company during the three months ended March 31, 2026 and the year ended December 31, 2025, are as follows:

	March 31, 2026	December 31, 2025
Balance, beginning of period	95,241	2,594,439
Remaining investment in former associated investment	-	220,000
Changes in fair value of investments	-	(863,852)
Proceeds from sale of investments	-	(733,050)
Loss on sale of investments	-	(866,228)
Gain (loss) on revaluation of investment due to foreign exchange	1,398	(256,068)
Balance, end of period	96,639	95,241

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 three months ended March 31, 2026, and the year ended December 31, 2025:

Right of Use Assets

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Cost:		
Balance, beginning of period	2,129,888	-
Cumulative translation adjustment	8,155	-
Additions during the period	-	2,129,888
Balance, end of period	2,138,043	2,129,888
Depreciation:		
Balance, beginning of period	(467,141)	-
Depreciation during the period	(112,787)	(467,141)
Cumulative translation adjustment	(3,624)	-
Balance, end of period	(583,552)	(467,141)
Carrying Amount:		
Balance, end of period	1,554,491	1,662,747

Lease Liabilities

	<u>March 31, 2026</u>	<u>December 31, 2025</u>
Balance, beginning of period	1,835,100	-
Interest expense during the period	28,865	131,326
Payment during the period	(135,093)	(426,114)
Additions during the period	-	2,129,888
Cumulative translation adjustment	4,774	-
Balance, end of period	1,733,646	1,835,100
Commitments	March 31, 2026	December 31, 2025
Current portion of lease liabilities	446,311	433,090
Long-term lease liabilities	1,287,335	1,402,010
	1,733,646	1,835,100
Commitments	March 31, 2026	December 31, 2025
2026	329,655	433,090
2027	455,728	453,747
2028	452,800	452,800
2029	495,463	495,463

12. PROPERTY AND EQUIPMENT

	<u>Computer equipment</u>	<u>Furniture and fixtures</u>	<u>Total</u>
<u>Cost:</u>			
As of December 31, 2024	516,641	250,646	767,287
Additions during the period	93,614	114,700	208,314
Disposals during the period	(403,455)	(186,076)	(589,531)
As of December 31, 2025	206,800	179,270	386,070
Additions during the period	3,991	-	3,991
As of March 31, 2026	210,791	179,270	390,061
<u>Depreciation:</u>			
As of December 31, 2024	(435,686)	(186,076)	(621,762)
Depreciation during the period	(72,060)	(53,012)	(125,072)
Disposals during the period	403,455	186,076	589,531
As of December 31, 2025	(104,291)	(53,012)	(157,303)
Depreciation during the period	(20,386)	(14,941)	(35,327)
As of March 31, 2026	(124,677)	(67,953)	(192,630)
<u>Carrying Amount:</u>			
As of December 31, 2025	102,509	126,258	228,767
As of March 31, 2026	86,114	111,317	197,431

13. INTANGIBLE ASSETS

	<u>Technology</u>	<u>Customer relationships</u>	<u>Brand</u>	<u>License</u>	<u>Total</u>
<u>Cost:</u>					
As of December 31, 2024	13,486,049	43,130,425	4,055,765	120,822	60,793,061
Additions during the period	124,300	-	-	-	124,300
Provision of SmartPay	(757,000)	(2,996,642)	(586,000)	-	(4,339,642)
As of December 31, 2025	12,853,349	40,133,783	3,469,765	120,822	56,577,719
Additions during the period	-	-	-	-	-
As of March 31, 2026	12,853,349	40,133,783	3,469,765	120,822	56,577,719
<u>Amortization:</u>					
As of December 31, 2024	(3,630,733)	(15,811,185)	(1,062,300)	-	(20,504,218)
Amortization during the period	(1,304,710)	(6,088,328)	(380,868)	-	(7,773,906)
Provision of SmartPay	169,097	1,074,939	130,900	-	1,374,936
As of December 31, 2025	(4,766,346)	(20,824,574)	(1,312,268)	-	(26,903,188)
Amortization during the period	(309,035)	(1,366,365)	(83,316)	-	(1,758,716)
As of March 31, 2026	(5,075,381)	(22,190,939)	(1,395,584)	-	(28,661,904)
<u>Carrying Amount:</u>					
As of December 31, 2025	8,087,003	19,309,209	2,157,497	120,822	29,674,531
As of March 31, 2026	7,777,968	17,942,844	2,074,181	120,822	27,915,815

14. TRADE AND OTHER PAYABLES

The Company has trade and other payables as follows:

	March 31, 2026	December 31, 2025
Trade payables and accrued liabilities	8,957,703	9,762,748
Indirect tax provision	3,851,685	3,851,685
Transaction Banker/Advisor fees (i)	7,969,692	7,969,692
Retention bonus (ii)	1,250,000	-
	22,029,080	21,584,125

- (i) 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 dated May 12, 2025, as amended on December 19, 2025 (collectively, the “Arrangement Agreement”) with Robinhood Markets, Inc. (“Robinhood”) and an indirect, wholly-owned subsidiary of Robinhood (the “Purchaser”), pursuant to which, among other things, the Purchaser agreed to acquire all of the issued and outstanding Common Shares of the Company by way of a statutory plan of arrangement under the *Business Corporations Act* (British Columbia) (the “Arrangement”).
- (ii) During the three months ended March 31, 2026, the Company recognized a provision of \$1,250,000 (March 31, 2025 – \$Nil) related to retention bonuses that are contingent and payable on the closing of the Arrangement.

15. CONTINGENT CONSIDERATION AND COMMITMENTS

	March 31, 2026	December 31, 2025
Bitvo acquisition contingent consideration	110,110	372,961
Bitstamp acquisition contingent consideration	144,931	171,029
SmartPay acquisition contingent consideration	199,396	199,396
Balance, end of period	454,437	743,386

Activities relating to the investments held by the Company during the three months ended March 31, 2026 and the year ended December 31, 2025 are as follows:

	March 31, 2026	December 31, 2025
Balance, beginning of period	743,386	2,935,499
Payments	(262,850)	(1,887,565)
Changes in fair value of contingent consideration	(26,099)	(304,548)
Balance, end of period	454,437	743,386

On March 3, 2026, the Company made a payment to Bitvo earnout right holders of \$262,850 for the interim earnout payment period ending December 31, 2025.

Contingent Commitments:

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 Agreement. 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

WONDERFI TECHNOLOGIES INC.**NOTES TO INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

For the Three Months Ended March 31, 2026 and 2025

(expressed in Canadian Dollars, except share amounts)

Arrangement Agreement (see Note 14) and the remainder of the retention payment amount conditional on the individual's continued active service with the Company on December 31, 2026.

16. 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>
Balance as of December 31, 2025	665,102,306	291,146,119
Conversion of restricted shares units (i)	1,156,456	266,511
Shares Issued for options exercise (ii)	200,000	62,312
Balance as of March 31, 2026	666,458,762	291,474,942
	<u>Number of shares</u>	<u>Amount (\$)</u>
Balance as of December 31, 2024	642,892,364	284,021,894
Shares repurchased	(2,380,000)	(725,424)
Conversion of restricted shares units	6,900,993	1,728,973
Shares Issued for warrant exercise	15,905,700	5,566,995
Shares Issued for options exercise	1,783,249	553,681
Balance as of December 31, 2025	665,102,306	291,146,119

- (i) A total of 1,156,456 Common Shares of the Company were issued to the employees, directors, and consultants of the Company upon vesting of restricted share units (“RSUs”) at the fair value of \$266,511 during the three months ended March 31, 2026.
- (ii) A total of 200,000 stock options were exercised for 200,000 Common Shares of the Company for cash proceeds of \$35,750 during the three months ended March 31, 2026, which an amount of \$62,312 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.

During the three months ended March 31, 2026 and the year ended December 31, 2025, there were no issuance of stock options.

A summary of the Company stock options as at and during the three months ended March 31, 2026 and year ended December 31, 2025 is as follows:

	<u>Number of options</u>	<u>Weighted average exercise price</u>	<u>Weighted average remaining life</u>
Balance as of December 31, 2025	19,236,663	0.22	2.42
Exercised	(200,000)	0.18	2.88
Expired / cancelled / forfeited	(1,930)	0.30	2.27
Balance as of March 31, 2026	19,034,733	0.22	2.42
Exercisable as of March 31, 2026	15,721,483	0.23	2.31
	<u>Number of options</u>	<u>Weighted average exercise price</u>	<u>Weighted average remaining life</u>
Balance as of December 31, 2024	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
Balance as of December 31, 2025	19,236,663	0.22	2.42
Exercisable as of December 31, 2025	15,006,483	0.23	2.21

During the three months ended March 31, 2026, the Company recorded share-based payments expense net of forfeited reversals based on the graded vesting schedule of the granted options of \$64,864 (\$70,323 – March 31, 2025).

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 three months ended March 31, 2026, and year ended December 31, 2025, is as follows:

	<u>Number of RSUs</u>
Balance as of December 31, 2025	14,431,083
Granted	8,000,000
Vested and issued	(1,156,458)
Balance as of March 31, 2026	21,274,625
	<u>Number of RSUs</u>
Balance as of December 31, 2024	20,389,128
Granted	3,025,000
Vested and issued	(6,901,000)
Expired / cancelled / forfeited	(2,082,045)
Balance as of December 31, 2025	14,431,083

During the three months ended March 31, 2026, the Company recorded share-based payments expense net of forfeited reversals based on the graded vesting schedule of the granted RSUs of \$641,634 (\$620,314 – March 31, 2025).

On March 27, 2026, 8 million RSUs were issued to three directors of the Company immediately following the blackout period of the release of the 2025 audited consolidated financial statements. Such RSUs were previously approved by the board of directors of the Company and disclosed in the June 13, 2025 management information circular prepared in connection with the Arrangement.

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 17).

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

Grant Date	Number of RSUs Granted	Fair Value per RSUs (\$)	First Vesting Date	Vesting Criteria
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.
27-Mar-26	3,750,000	0.32	31-Mar-26	27.77% vesting immediately, 8.02% vest every quarter thereafter. 100% of unvested shall vest immediately if terminated without cause.
27-Mar-26	1,250,000	0.32	26-Mar-29	100% vesting at the earlier of: (1) three years after the Grant Date; or (2) when the director is no longer part of the Company.
27-Mar-26	3,000,000	0.32	31-Mar-26	100% vest upon the resignation or voluntary departure of the director.

Brokers warrants

A summary of the Company's warrants during the three months ended March 31, 2026 and year ended December 31, 2025 are as follows:

	Number of Warrants	Weighted average exercise price
Balance as of December 31, 2025	6,933,928	2.09
Expired / cancelled / forfeited	(6,933,928)	(2.09)
Balance as of March 31, 2026	-	-
	Number of Warrants	Weighted average exercise price
Balance as of December 31, 2024	6,933,928	2.09
Expired / cancelled / forfeited	-	-
Balance as of December 31, 2025	6,933,928	2.09

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

17. CLAIM SETTLEMENT EXPENSES

For the three months ended March 31, 2026, the Company recorded Claim settlement expenses of \$Nil (three months ended March 31, 2025 - \$9,921,820).

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 RSUs 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.

18. PROVISIONS AND ALLOWANCES

For the three months ended March 31, 2026, the Company recorded Provisions and allowances of \$2,343,973 (three months ended March 31, 2025 - \$Nil) consisting of \$298,790 for personal security expenses for key management, \$645,183 in arm's length professional and consulting fees relating to closing costs of the upcoming Arrangement Agreement, and \$1,250,000 in retention bonuses relating to the closing of the Arrangement.

19. OTHER LOSSES AND GAINS

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

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Revaluation of digital asset inventory	1,441,775	2,989,423
Changes in fair value of warrant liabilities	-	(114,266)
Changes in fair value of contingent consideration	(26,099)	(100,996)
Total other losses	1,415,676	2,774,161
Other losses from discontinued operations	-	828,652
Total other losses from continued and discontinued operations	1,415,676	3,602,813

20. ADDITIONAL DETAILS TO THE STATEMENTS OF CASH FLOWS

	Three Months Ended March 31, 2026	Three Months Ended March 31, 2025
Trade and other payables	446,456	(3,361,985)
Other receivables	70,893	630,049
Prepaid expenses	(15,187)	(324,863)
Digital asset inventory	1,785,672	3,586,856
Income tax credit receivable	-	1,017,130
Income tax payable	(505,000)	-
Total changes in working capital items	1,782,834	1,547,187

21. 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 is comprised of share-based compensation, and any salaries paid to these related parties.

During the three months ended March 31, 2026 and 2025, related party transactions were as follows:

	Three Months Ended	
	March 31, 2026	March 31, 2025
Directors' fees ⁽¹⁾	269,250	541,500
Directors' share-based payments ^{(2) (5)}	162,697	884,906
Directors' resignation payments ⁽³⁾	-	700,000
Other director termination payments ⁽³⁾	-	300,000
Key management salaries and benefits ⁽⁴⁾	363,050	418,050
Key management share-based payments ⁽²⁾	483,037	314,708
Reimbursement of expenses ⁽⁶⁾	135,716	-
	1,413,750	3,159,164

- (1) Directors' fees represent cash fees, special committee fees and/or consulting payments paid to current or former directors during the three months ended March 31, 2026 and 2025.
- (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 three months ended March 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 17).
- (4) Salaries and benefits paid to 5 key management personnel during the three months ended March 31, 2026 and 2025.
- (5) On March 27, 2026, 8 million RSUs, which were previously disclosed in the management information circular dated June 13, 2025 prepared in connection with the Arrangement, were issued to three board members immediately following the blackout period of the release of the 2025 audited consolidated financial statements, on (see Note 16).
- (6) During the three months ended March 31, 2026, the Company recognized reimbursable personal security expenses payable to the CEO.

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

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 of directors 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 March 31, 2026, the Company was exposed to currency risk through the cash held in a currency other than the Canadian dollar (Note 6). As at March 31, 2026, the Company held \$8,140,390 (US\$5,840,010) of its cash in US Dollars. A 10% depreciation (or appreciation) of the US dollar against the Canadian dollar would result in a \$814,039 loss (or gain) respectively in the Company's earnings for the period.

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, 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.

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 significant price and concentration risk on its digital assets, but regularly monitors its digital asset holdings.

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.

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

	<u>0 - 1</u> <u>Year (\$)</u>	<u>2 - 3</u> <u>Years (\$)</u>	<u>3 +</u> <u>Years (\$)</u>
Trade and other payables	22,029,080	-	-
Contingent consideration	454,437	-	-
Lease liabilities	329,655	908,528	495,463
Long-term debt	79,605	49,295	-

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 March 31, 2026, the Company holds digital assets valued at \$3,362,582 (\$6,590,029 – December 31, 2025) with reputable custodians and liquidity providers. If the market price of the Company's digital assets had changed by 10% as of March 31, 2026, with all other variables remaining constant, the corresponding change in value would be approximately \$336,258.

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.

23. 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 March 31, 2026, remains unchanged from the year ended December 31, 2025.

24. LOSS PER SHARE

Basic loss per share is calculated by dividing the net earnings by the weighted average number of shares. The basic and fully diluted loss per share for the three months ended March 31, 2026 and 2025 are as follows:

	Three Months Ended March 31, 2026			Three Months Ended March 31, 2025		
	Net loss	weighted average # of shares	Loss per share	Net loss	weighted average # of shares	Loss per share
Basic and diluted loss per share from continuing and discontinued operations	\$ (7,146,324)	665,911,815	\$ (0.01)	\$ (16,123,210)	656,058,260	\$ (0.02)
	Three Months Ended March 31, 2026			Three Months Ended March 31, 2025		
	Net loss	weighted average # of shares	Loss per share	Net loss	weighted average # of shares	Loss per share
Basic and diluted loss per share from continuing operations	\$ (7,146,324)	665,911,815	\$ (0.01)	\$ (15,148,488)	656,058,260	\$ (0.02)

Given the Company's loss position, no diluted loss per share has been calculated for the period ended March 31, 2026 and March 31, 2025 as the effect would be anti-dilutive.

25. 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. As a result of the exit decision, the Company recognized a non-cash write down of \$6,824,000 included in other losses in Q3 2025, representing 100% of the Payments Segment Goodwill and Intangible assets. The Payments Segment revenues for the three months ended March 31, 2026 was \$Nil (March 31, 2025 – \$312,876).

Net Comprehensive Loss from Discontinued Operations

	Three Months Ended	
	March 31, 2026	March 31, 2025
Revenue	-	312,876
Salaries and wages	-	48,000
Bank and transaction fees	-	92,753
Marketing	-	8,998
Professional and consulting fees	-	106,104
Software licenses	-	54,684
Commission expenses	-	63,063
General and administrative expenses	-	31,168
Compliance fees	-	8,628
Depreciation and amortization	-	132,429
Operating loss	-	(232,951)
Other losses	-	741,771
Net comprehensive loss from discontinued operations	-	(974,722)

Cash Flows

The cash flows used by the Payments Segment for the three months ended March 31, 2026 and 2025 are as follows:

	Three Months Ended	
	March 31, 2026	March 31, 2025
Net cash used in:		
Operating activities	-	(842,293)
Net decrease in cash	-	(842,293)

26. 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 25).

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.

	Three Months Ended March 31, 2026		
	Trading	Corporate	Total
Revenue	6,936,669	-	6,936,669
Salaries and wages	1,438,294	1,642,657	3,080,951
Bank and transaction fees	778,332	11,539	789,871
Marketing	391,315	13,797	405,112
Professional and consulting fees	228,273	850,444	1,078,717
Software licenses	1,079,811	241,227	1,321,038
Commission expenses	292,797	5,099	297,896
General and administrative expenses	228,110	940,085	1,168,195
Compliance fees	338,954	27,604	366,558
Share-based payments	25,373	681,125	706,498
Depreciation and amortization	1,620,810	286,021	1,906,831
Other expense	1,266,820	1,694,506	2,961,326
Segment net loss before income taxes	(752,220)	(6,394,104)	(7,146,324)

	Three Months Ended March 31, 2025		
	Trading	Corporate	Total
Revenue	16,051,113	-	16,051,113
Salaries and wages	3,494,609	889,633	4,384,242
Bank and transaction fees	1,160,322	128,159	1,288,481
Marketing	979,674	200,097	1,179,771
Professional and consulting fees	136,167	1,650,166	1,786,333
Software licenses	994,557	199,066	1,193,623
Commission expenses	530,728	-	530,728
General and administrative expenses	197,974	2,568,278	2,766,252
Compliance fees	375,799	30,218	406,017
Share-based payments	-	690,637	690,637
Depreciation and amortization	1,692,104	257,067	1,949,171
Other expense	1,183,192	13,841,154	15,024,346
Segment net income (loss) before income taxes	5,305,987	(20,454,475)	(15,148,488)

27. SUBSEQUENT EVENTS

On April 24, 2026, the Company announced that the Supreme Court of British Columbia (the “Court”) had issued oral reasons for judgement in respect of its previously disclosed hearing (see news releases dated March 18, 2026 and April 20, 2026) pursuant to which the Court granted the Company’s requested relief and made an order to extend the deadline for the Company’s annual general meeting from August 24, 2025 to July 2, 2026, pursuant to s.186 of the Business Corporations Act (British Columbia).