TenX Protocols Reports First Quarter Fiscal 2027 Financial Results

Group ended the quarter with C$4.2 million in cash, C$6.95 million in direct digital assets, including 560,309 USDC with a carrying value of C$0.80 million, and C$12.4 million in total assets

TORONTO, ONTARIO – August 31, 2026 – TenX Protocols Inc. (TSXV: TNX; OTCQB: TNXIF; FSE: L47) (the "Company"), together with its wholly owned subsidiary, TenX Labs Inc. (collectively, the "Group"), today announced its unaudited financial results for the three months ended June 30, 2026. The Company has filed its unaudited condensed interim consolidated financial statements and related management's discussion and analysis (the "MD&A") for the period. The filings are available under the Company's profile on SEDAR+. Unless otherwise stated, all amounts are expressed in Canadian dollars.

First Quarter Fiscal 2027 Financial Highlights

- **Cash:** $4,223,616 at June 30, 2026, compared with $4,796,818 at March 31, 2026.
- **Direct digital assets:** $6,953,579 at June 30, 2026, consisting of $4,566,450 of staked assets and $2,387,129 of assets held in custody, compared with $9,335,791 at March 31, 2026.
- **Galaxy investments:** Fair value of $952,015 at June 30, 2026 for the Group's interests in Galaxy Digital Locked Solana Series I, Galaxy Digital Locked Solana II Series and Galaxy Digital Unlocked Solana Series 105, representing economic exposure to 10,880.22 SOL.
- **Total assets:** $12,356,945 at June 30, 2026, compared with $15,440,205 at March 31, 2026.
- **Staking revenue:** $115,323 for the quarter, compared with $17,549 for the three months ended June 30, 2025.
- **Net loss:** $2,813,752 for the quarter, compared with $176,059 for the comparative quarter. The current-quarter loss was driven primarily by a $1,905,612 non-cash revaluation loss on direct digital assets and a $48,560 unrealized loss on the Galaxy investments.
- **Cash flows:** Net cash used in operating activities was $573,202. There were no cash investing or financing activities during the quarter.

First Quarter Fiscal 2027 Business Highlights

- Continued staking eligible assets across the Group's digital asset portfolio, generating $115,323 of staking revenue during the quarter.

- Scheduled SOL unlocks from the two Galaxy Locked Series were automatically contributed to Galaxy Digital Unlocked Solana Series 105. The Galaxy investments represented exposure to 10,880.22 SOL at June 30, 2026, compared with 10,762.28 SOL at March 31, 2026.
- At June 30, 2026, $670,273 of the Galaxy investments was classified as current and $281,742 as non-current. The weighted-average DLOM applied to the remaining locked interests was approximately 18.9%, compared with 20.7% at March 31, 2026.
- Issued 612,745 common shares with a fair value of $128,676 to settle accounts payable of $100,000 related to advisory services, resulting in a $28,676 loss recognized in profit or loss.
- Ended the quarter with $4,223,616 in cash and working capital of $4,358,429, with no interest-bearing debt reflected in the interim financial statements.

"The first quarter reflects disciplined management of our digital asset portfolio, with staking revenue increasing to $115,323 from $17,549 in the prior-year period. We ended the quarter with $4.2 million in cash, $4.4 million in working capital and no interest-bearing debt, while the reported net loss was primarily attributable to non-cash digital asset revaluations. This financial position provides TenX with the flexibility to manage market volatility while continuing to advance its strategic priorities," **said Mat Cybula, Chief Executive Officer of TenX Protocols.**

Going Concern

The unaudited condensed interim consolidated financial statements were prepared on a going-concern basis and include disclosure of a material uncertainty that may cast significant doubt on the Group's ability to continue as a going concern. At June 30, 2026, the Group had cash of $4,223,616, unrestricted liquid digital assets with a carrying value of approximately $6.53 million, working capital of $4,358,429 and contractual commitments due within the next twelve months of approximately $0.26 million. Management concluded that use of the going-concern basis remains appropriate after considering available cash, assets available to fund operations, forecast expenditures, expected staking revenue and planned mitigating actions. Readers are referred to Note 2(c) of the interim financial statements and the "Liquidity and Capital Resources" section of the MD&A for additional information.

About TenX Protocols Inc.

TenX Protocols Inc. is a technology company focused on generating recurring revenue from the crypto asset economy. The Company operates institutional-grade staking infrastructure, earns cash flow from its inventory of crypto assets, and provides infrastructure, advisory, and development services across high-throughput blockchain networks. Through proprietary staking, hosted solutions, and strategic protocol partnerships, TenX gives public market investors exposure to the growth of next-generation blockchains and the broader Web3 ecosystem.

To learn more about TenX visit www.tenx.inc.

Stay up to date on our latest developments and follow us on LinkedIn and X.

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Cautionary Note Regarding Forward-Looking Information

This news release contains forward-looking information and forward-looking statements within the meaning of applicable securities legislation (collectively, “forward-looking information”). Forward-looking information includes statements regarding the Group’s business objectives, staking and validator strategy, planned deployment of capital, liquidity, future financing, management and realization of digital assets and Galaxy investments, expected staking returns, the timing of SOL unlocks and withdrawals, regulatory developments and the Group’s ability to realize value from its holdings. Forward-looking information is based on management’s current expectations, estimates, assumptions and beliefs, including assumptions regarding digital asset prices, staking yields, validator performance, market liquidity, custody and fund arrangements, the timing of SOL unlocks and withdrawals, regulatory conditions, access to personnel and service providers and the availability of financing. Forward-looking information is subject to known and unknown risks and uncertainties that may cause actual results to differ materially, including digital asset price volatility, staking and slashing risk, unbonding and lock-up periods, custody and cybersecurity risk, smart-contract and protocol risk, liquidity and marketability risk, investment fund, manager and administrator risk, regulatory and legal developments, valuation and accounting uncertainty, dependence on third-party service providers, limited operating history and the availability of financing. Readers should not place undue reliance on forward-looking information. Additional information concerning risks and uncertainties is set out in the MD&A and the Company’s other continuous disclosure filings available on SEDAR+. Forward-looking information speaks only as of the date of this news release, and the Company undertakes no obligation to update or revise such information except as required by applicable law.