BANXA HOLDINGS INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 31 MARCH 2025 AND 2024

(EXPRESSED IN AUSTRALIAN DOLLARS)

Contents

Independent Auditor's Report

To the Shareholders of Banxa Holdings Inc.

Opinion

We have audited the consolidated interim financial statements of Banxa Holdings Inc. and its subsidiaries (collectively, the "Company"), which comprise the consolidated interim statement of financial position as at March 31, 2025, the consolidated interim statement of profit or loss and other comprehensive income / (loss), consolidated interim statement of changes in equity and consolidated interim statement of cash flows for the nine-month period ended March 31, 2025, and notes to the consolidated interim financial statements, including a summary of material accounting policy information (hereinafter referred to as the "consolidated financial statements").

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

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 audits 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.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the consolidated financial statements, which describes the events and conditions indicating that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Other Matter

The comparative figures for the consolidated interim statement of profit or loss and other comprehensive income / (loss), consolidated interim statement of changes in equity and consolidated interim statement of cash flows for the nine-month period ended March 31, 2024 (the "comparative period") are unaudited. We were not engaged to audit, review, or apply any procedures to the consolidated interim financial statements for the comparative period. Accordingly, we do not express an opinion or any form of assurance on the consolidated financial statements for the comparative period.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements for the nine-month period ended March 31, 2025. These matters were 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 these matters.

In addition to the matter described in the Material Uncertainty Related to Going Concern section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition
We refer to the consolidated financial statement summary of material accounting policies on revenue recognition in Note 3 and related disclosure in Note 18 for the nine-month period ended March 31, 2025. Revenue generated from *Sales of cryptocurrencies* and *Commissions and spread from services* amounted to $310,370,751. The revenue transactions rely on Information Technology (IT) systems and controls to process, record and recognize a high volume of low value transactions.

We considered this a key audit matter due to the crypto industry being an emerging industry with unique technological aspects that raise a number of auditing complexities coupled with the overall significance of the revenue and volume of these transactions. Significant audit effort was involved in the assessment of management's determination of whether the Company acted as a principal or as an agent in discharging its performance obligations. Also, significant audit effort was required to test the occurrence and accuracy of the revenue.

Our procedures included, but were not limited to, the following:

- We considered the appropriateness of accounting policies in terms of compliance with IFRS 15 *Revenue from contracts with customers.*
- We analyzed different revenue streams and assessed whether the Company acted as a principal or as an agent in accordance with IFRS 15. This assessment included analyses of the Company's use of custodial wallets versus non-custodial wallets and the amount of cryptocurrency inventory balances on hand throughout the period to assess inventory control and related risk.
- We evaluated IT general and application controls and tested the operating effectiveness of these controls over the revenue cycle.
- We obtained an understanding on the commission structure, fees and rates and recalculated the fees to analyse the reasonability of commission revenue.
- We performed test of details over sales transactions by tracing a sample of transactions to external (blockchain, bank statements) and internal (operational and accounting software) sources.
- We assigned professionals with specialized skills in distributed ledger technology and digital assets.

Other Information

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. 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 International Financial Reporting Standards as issued by the International Accounting Standards Board, 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 scepticism 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 Corporation 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance 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 audits.

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 matters. 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 Timur Lidzhiev.

PKF Antares
Professional Corporation
Chartered Professional Accountants

Calgary, Alberta
September 16, 2025

(Expressed in Australian Dollars)

Consolidated Interim Statements of Financial Position

As at 31 March 2025 and 30 June 2024

	Note	31 March 2025 ($)	30 June 2024 ($)
Assets			
Current assets			
Cash and cash equivalents		**2,857,320**	2,028,753
Trade and other receivables	4	**8,020,434**	9,099,181
Cryptocurrency inventories	5	**592,229**	348,255
Prepaid expenses	6	**1,020,499**	501,632
Total current assets		**12,490,482**	11,977,821
Non-current assets			
Property & equipment	8	**81,275**	184,594
Right-of-use assets	9	**53,196**	246,888
Deferred tax assets		**152,422**	146,267
Goodwill	7	**151,643**	151,643
Other deposits	10	**487,433**	1,012,358
Other investment		**712,500**	712,500
Total non-current assets		**1,638,469**	2,454,250
Total assets		**14,128,951**	14,432,071
Liabilities			
Current liabilities			
Trade and other payables	11	**7,087,433**	6,796,890
Borrowings	12	**8,871,855**	5,775,887
Current tax liabilities		**356,847**	679,633
Provisions	13	**917,886**	828,728
Lease liability - current	14	**110,236**	430,820
Total current liabilities		**17,344,257**	14,511,958
Non-current liabilities			
Provisions and other liabilities	13	**87,263**	65,423
Deferred tax liability		**35,867**	36,981
Convertible Note	12	**5,898,958**	5,628,597
Total non-current liabilities		**6,022,088**	5,731,001
Total liabilities		**23,366,345**	20,242,959
Net assets		**(9,237,394)**	(5,810,888)
Equity			
Issued capital	15	**23,140,355**	23,140,355
Contributed surplus		**13,109,538**	12,649,506
Foreign currency translation reserve		**512,404**	478,073
Accumulated losses		**(45,999,691)**	(42,078,822)
Total equity		**(9,237,394)**	(5,810,888)

going concern (Note 2), Contingencies (Note 27), Subsequent events (Note 28)

The above consolidated interim statements of financial position should be read in conjunction with the accompanying notes.

Approved and authorized for issuance by the Board of Directors of Banxa Holdings Inc on 16 September 2025.

(Signed) " H Arians "
Chairman

(Signed) " K. Sthankiya"
Non-executive director

(Expressed in Australian Dollars)

Consolidated Interim Statements of Loss and Other Comprehensive Loss
For the nine months ended 31 March 2025 and 31 March 2024

	Note	Nine months ended 31 March 2025 ($)	Nine months ended 31 March 2024 (Unaudited) ($)
Revenue	18	**310,370,751**	232,872,037
Cost of sales		**(290,087,903)**	(211,319,331)
Gross profit		**20,282,848**	21,552,706
Employment expenses		**(12,545,177)**	(12,176,024)
Depreciation and amortisation	8&9	**(299,712)**	(307,558)
General, administration and other	19	**(9,449,718)**	(8,281,492)
Share based compensation		**(460,032)**	(271,041)
Total operating expenses		**(22,754,639)**	(21,036,115)
Operating profit / (loss) before other items and income tax		**(2,471,791)**	516,591
Other items			
Realised gain on fair value of deposits (treasury coins)		**-**	500,227
Net loss on borrowings and derivative liability		**-**	(23,912)
Net foreign exchange losses	19	**(690,612)**	(1,841,419)
Other income	20	**170,526**	127,314
Finance expenses	19	**(1,036,941)**	(1,805,030)
Total other items		**(1,557,027)**	(3,042,820)
Loss before tax		**(4,028,818)**	(2,526,229)
Income tax benefit / (expense)		**107,949**	(180,875)
Net loss for the period		**(3,920,869)**	(2,707,104)
Other comprehensive (loss)/income			
Exchange differences on translation of foreign operations		**34,331**	(115,953)
Total comprehensive loss for the period		**(3,886,538)**	(2,823,057)
Basic & Diluted loss per share	22	(0.08)	(0.06)

The above consolidated interim statements of Profit or Loss and Other Comprehensive Income/(Loss) should be read in conjunction with the accompanying notes.

(Expressed in Australian Dollars)

Consolidated Interim Statement of Changes in Equity
For the nine months ended 31 March 2025 and 31 March 2024 (Unaudited)

	Note	Number of common shares	Issued capital	Contributed surplus	Foreign currency translation reserve	Accumulated losses	Total
			($)	($)	($)	($)	($)
2024							
As at 1 July 2023		**45,563,056**	**23,128,075**	**11,596,406**	**879,316**	**(37,817,591)**	**(2,213,794)**
Loss for the period		-	-	-	-	(2,707,104)	**(2,707,104)**
Other comprehensive loss		-	-	-	(115,953)	-	**(115,953)**
Total comprehensive loss					**(115,953)**	**(2,707,104)**	**(2,823,057)**
Share based compensation	**16**	-	-	271,041	-	-	**271,041**
As at 31 March 2024		**45,563,056**	**23,128,075**	**11,867,447**	**763,363**	**(40,524,695)**	**(4,765,810)**

	Note	Number of common shares	Issued capital	Contributed surplus	Foreign currency translation reserve	Accumulated losses	Total
			($)	($)	($)	($)	($)
2025							
As at 1 July 2024		**45,587,056**	**23,140,355**	**12,649,506**	**478,073**	**(42,078,822)**	**(5,810,888)**
Loss for the period		-	-	-	-	(3,920,869)	**(3,920,869)**
Other comprehensive income		-	-	-	34,331	-	**34,331**
Total comprehensive income/(Loss)		**-**	**-**	**-**	**34,331**	**(3,920,869)**	**(3,886,538)**
Share based compensation	**16**	-	-	460,032	-	-	**460,032**
As at 31 March 2025		**45,587,056**	**23,140,355**	**13,109,538**	**512,404**	**(45,999,691)**	**(9,237,394)**

The above consolidated interim statements of changes in equity should be read in conjunction with the accompanying notes.

(Expressed in Australian Dollars)

Consolidated Interim Statements of Cash Flows
For the nine months ended 31 March 2025 and 31 March 2024

	Note	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
Net loss for the period		**(3,920,869)**	(2,707,104)
Cash flows excluded from profit attributable to operating activities			
Adjustments for non-cash flows in the statement of comprehensive income/(loss):			
Depreciation and amortisation	8,9	**299,712**	307,558
Net gain on borrowings and derivative liability		**-**	(476,315)
Share-based compensation		**460,032**	271,041
Gain on sale of assets	20	**(170,609)**	-
(Gain)/Loss on foreign exchange	19	**(226,495)**	1,841,419
Finance cost and amortisation of financial liability ([1])	19	**306,311**	1,805,030
Current income tax benefit		**44,473**	-
Deferred liability		**(6,155)**	(1,092)
Changes in assets and liabilities:			
Decrease/(increase) in trade & other receivables	4	**1,078,747**	(10,360,620)
Increase in cryptocurrency inventories	5	**(243,974)**	(219,091)
Increase in prepaids	6	**(518,867)**	(139,509)
Increase/(decrease) in trade & other payables	11	**290,544**	(2,486,390)
Increase in provisions	13	**109,884**	168,358
Increase in income taxes payable		**-**	181,967
Other item [(2)]	10	**524,925**	736,398
Income tax paid		**(367,259)**	(183,863)
Cash outflow from operating activities		**(2,339,600)**	(11,262,213)
Cash flows from investing activities			
Purchase of property & equipment (excluding ROU assets)		**(2,701)**	(4,982)
Proceeds from sale of subsidiary	20	**170,609**	-
Net cash provided by (used in) investing activities		**167,908**	(4,982)
Cash flows from financing activities			
Payments for principal element of lease liabilities	14	**(320,584)**	(291,069)
Payments for interest element of lease liabilities	14	**(11,845)**	(30,850)
Interest paid ([1])		**(468,595)**	(1,466,063)
Proceeds received from borrowing	12	**3,395,968**	2,911,339
Proceeds received from issuance of convertible note		**-**	6,449,273
Repayment of borrowings		**(300,000)**	-
Repayment of convertible note		**-**	(3,371,140)
Net cash provided by financing activities		**2,294,944**	4,201,490
Net increase/(decrease) in cash and cash equivalents held		**123,252**	(7,065,705)
Net foreign exchange difference		**705,315**	148,074
Cash and cash equivalents at the beginning of period		**2,028,753**	8,258,814
Cash and cash equivalents at end of the period		**2,857,320**	1,341,183

[(1)] *Finance cost includes interest on Borrowings, Convertible notes and Lease liabilities.*
[(2)] *Includes changes of restricted cash held with Banks.*

The above consolidated interim statements of changes in cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Interim Financial Statements

1. Nature of operations

Banxa Holdings Inc. (the “Company”, “Banxa”, or “ALBS”), incorporated as A-Labs Capital I Corp, a Canada Business Corporation, was formed on 6 March 2018. The Company’s shares are traded on the TSX Venture Exchange as a Tier 2 Technology company under the trading symbol “BNXA”.

BTC Corporation Holdings Pty Ltd (“BTC”) was incorporated on 27 March 2014 in Australia under the Corporations Act 2001. On 23 December 2020 BTC’s shareholders acquired control of ALBS through a reverse acquisition transaction. ALBS issued additional shares which were exchanged with 100% of the shares of BTC. Following this transaction, BTC and its subsidiaries were deemed to be a continuation of BTC’s operations. Concurrent with the closing of the acquisition on 23 December 2020, ALABS changed its name to Banxa Holdings Inc. and effected a change in directors, management, and business.

The Company’s principal business activity is being a payment service provider to global cryptocurrency exchanges.

The head office is in Melbourne, Australia at level 2, 2-6 Gwynne Street, Cremorne, Victoria, 3121. The registered office of the Company is located at 595 Howe St 10th floor, Vancouver, British Columbia, Canada V6C 2T5.

2. Going concern

These consolidated interim financial statements have been prepared on a going concern basis, which presumes realization of assets and discharge of liabilities in the normal course of business for the foreseeable future.

The Company incurred a loss of $3,920,869 and had net cash outflow from operating activities of $2,339,600 for the period ended 31 March 2025. The Company has historically incurred losses, as well as reported net cash outflows from operating activities.

The above noted conditions indicate the existence of material uncertainties that may cast significant doubt regarding the Company’s ability to continue as a going concern and otherwise execute on its business strategies. These consolidated interim financial statements do not give effect to adjustments or disclosures that would be necessary should the Company be unable to continue as a going concern and therefore be required to realize its assets and liquidate its liabilities and commitments in other than the normal course of business and at amounts different from those presented in these consolidated interim financial statements.

The Directors have considered the net current asset position of the Company as at 31 March 2025 which amounts to a negative balance of $4,853,775 (including cash of $2,857,320 and includes payments in transit from payment service providers and deposits held with exchanges of $7,773,745 which are highly liquid short term duration balances that are fully available to the Company for working capital and operational needs), and reviewed the cashflow forecasts for a period in excess of 12 months from the signing date of this financial report, and believe the Company has the ability to meet its debts as and when they fall due. The cashflow forecast assumes that the level of volume of cryptocurrency transactions traded by the Company’s global partners will continue to increase, driven by continued increases in the global partner network and continued usage of the Company’s payment infrastructure by the global partner network, irrespective of day-to-day movements in specific crypto currencies which will facilitate an increase of commission income of the Company. The Company is reliant on the continued support of its lenders of which a significant portion are related parties (see note 23). Furthermore, the Company believes it is able to raise additional funds or extend maturity of expiring loans.

Accordingly, the Directors believe the Company will be able to continue as a going concern and that it is appropriate to adopt the going concern basis in the preparation of the financial report.

3. Material accounting policies

Statement of compliance

The consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the IFRS Interpretation Committee. The policies have been consistently applied to all the periods presented, unless otherwise stated.

New and amended standards that are effective for the current period

In the current period, the Company has applied a number of IFRS amendments that are mandatorily effective for annual periods that begin on or after 1 July 2024.

i. IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors has been amended to clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. The amendments also clarify how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the Company's consolidated interim financial statements.

ii. IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 Making Materiality Judgements has been amended to provide guidance and examples to help entities apply materiality judgements to accounting policy disclosures. The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the Company's disclosures of accounting policies and estimates, but not on the measurement, recognition or presentation of any items in the Company's consolidated interim financial statements.

iii. IAS 12 Income Taxes has been amended to narrow the scope of the initial recognition exception, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments had no impact on the Company's consolidated interim financial statements.

The policies applied in these consolidated interim financial statements are based on IFRSs issued and outstanding as of 31 March 2025.

Standards issued but not yet effective

***IFRS 18,* Presentation and Disclosure in Financial Statements**

IFRS 18 is effective for reporting periods beginning on or after January 1, 2027. It introduces several new requirements that are expected to impact the presentation and disclosure of most, if not all, entities. These include: the requirement to classify all income and expense into specified categories and provide specified totals and subtotals in the statement of profit or loss; enhanced guidance on the aggregation, location and labeling of items across the primary financial statements and the notes; mandatory disclosures about management-defined performance measures (a subset of alternative performance measures).

Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments Disclosures

Effective for annual periods beginning on or after January 1, 2026. The amendments in Amendments to the Classification and Measurement of Financial Instruments are:

Derecognition of a financial liability settled through electronic transfer:
The amendments to the application guidance of IFRS 9 permit an entity to deem a financial liability (or part of it) that will be settled in cash using an electronic payment system to be discharged before the settlement date if specified criteria are met. An entity that elects to apply the derecognition option would be required to apply it to all settlements made through the same electronic payment system.

3. Material accounting policies (continued)

Classification of financial assets:
Contractual terms that are consistent with a basic lending arrangement. The amendments to the application guidance of IFRS 9 provide guidance on how an entity can assess whether contractual cash flows of a financial asset are consistent with a basic lending arrangement. To illustrate the changes to the application guidance, the amendments add examples of financial assets that have, or do not have, contractual cash flows that are solely payments of principal and interest on the principal amount outstanding. Assets with non-recourse features. The amendments enhance the description of the term 'non-recourse'. Under the amendments, a financial asset has non-recourse features if an entity's ultimate right to receive cash flows is contractually limited to the cash flows generated by specified assets. Contractually linked instruments. The amendments clarify the characteristics of contractually linked instruments that distinguish them from other transactions. The amendments also note that not all transactions with multiple debt instruments meet the criteria of transactions with multiple contractually linked instruments and provide an example. In addition, the amendments clarify that the reference to instruments in the underlying pool can include financial instruments that are not within the scope of the classification requirements.

Disclosures:
Investments in equity instruments designated at fair value through other comprehensive income. The requirements in IFRS 7 are amended for disclosures that an entity provides in respect of these investments. In particular, an entity would be required to disclose the fair value gain or loss presented in other comprehensive income during the period, showing separately the fair value gain or loss that relates to investments derecognised in the period and the fair value gain or loss that relates to investments held at the end of the period. Contractual terms that could change the timing or amount of contractual cash flows. The amendments require the disclosure of contractual terms that could change the timing or amount of contractual cash flows on the occurrence (or non-occurrence) of a contingent event that does not relate directly to changes in a basic lending risks and costs. The requirements apply to each class of financial asset measured at amortised cost or fair value through other comprehensive income and each class of financial liability measured at amortised cost.

Significant accounting judgments and estimates

In the application of the Company's accounting policies, management is required to make judgments, estimates and assumptions about the carrying amount and classification of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Many aspects of the digital currency and blockchain industry have not yet been addressed by current IFRS guidance. The Company is required to make significant assumptions and judgements as to its accounting policies and the application thereof which is disclosed in the notes to these consolidated interim financial statements. If specific guidance is enacted by the IASB in the future, the impact may result in changes to the Company's profit or loss and financial position as currently presented.

The estimates and underlying assumptions are reviewed on an on-going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revisions affect only that period, or in the period of the revision and future periods, if the revision affects both current and future periods.

Significant assumptions about the future and other sources of judgments and estimates that management has made at the statement of financial position date, that could result in a material adjustment to the carrying amounts of assets and liabilities, in the event that actual results differ from assumptions made, relate to, but are not limited to, the following:

- IFRS does not include specific guidance on the accounting for digital assets and there is no clear industry practice and, accordingly, the accounting for digital assets could fall into a variety of different standards. The Company has assessed that it acts in a capacity as a commodity broker-trader as defined in IAS 2 Inventories ("IAS 2") in characterizing its holding of digital assets.

3. Material accounting policies (continued)

Significant accounting judgments and estimates (continued)

The Company holds cryptocurrencies for sale in the ordinary course of business. The Company actively trades the cryptocurrencies and purchase them with a view to their resale in the near future. Although ‘commodity’ is not defined in IAS 2, the Company has concluded that its holding of cryptocurrencies is a commodity or similar to a commodity and measured its holding of cryptocurrencies at fair value less costs to sell.

- Digital currency denominated assets and crypto currencies inventories (note 4.2 and note 5, respectively) are included in current assets. Assets of this type held by trade exchanges or liquidity providers are further classified as trade receivables as the Company is an unsecured creditor while the assets are held by the trade exchange or liquidity provider as the title to these assets is held by the trade exchange or liquidity provider (see note 4.2). The trade exchange or liquidity provider owes Banxa an account receivable for the fluctuating value of the fiat and digital assets held on their platform at any point in time.
  Digital currencies are carried at their fair value determined by the spot rate based on trade exchanges (e.g., Binance) prices as at midnight AEST. The digital currency 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 currencies may have a significant impact on the Company’s results and financial position.

- The Company has assessed the functional currency for each entity within the Company by taking into account the currency which influences sale prices for goods and services, the currency of the country whose competitive forces and regulations determine sale prices, and the currency that mainly influences labour, material and other costs of providing goods or services.

- Assumptions are made and judgment is used in calculating the fair value of stock options using Black-Scholes option pricing model. These assumptions and judgments include estimating the fair value of the Company’s stock, future volatility of the stock price and expected dividend yield. Such judgments and assumptions are inherently uncertain. Changes in these assumptions affect the fair value estimates.

- The estimated fair value of financial assets and liabilities, by their very nature, are subject to measurement uncertainties.

- Management’s consideration of principal or agent in a revenue transaction is disclosed in the revenue recognition policy below. The Company bases its assessment on IFRS 15, applying it to several factors including: who has custody of the wallets fulfilling the orders, whether those wallets maintain an inventory buffer to fulfill future orders, if cryptocurrency is purchased in advance to fulfill multiple orders and if the entity obtains legal title to the inventory only momentarily before legal title is transferred to the customer. Customer settlement is within 1-2 business days for the majority of transactions.

- The estimated fair value of Investment in Independent Reserve are subject to measurement uncertainty given it is an unlisted entity.

3. Material accounting policies (continued)

Basis of consolidation

The current consolidated interim financial statements have been prepared for the nine-month period from 1 July 2024 to 31 March 2025. The comparative information presented for the consolidated interim statement of profit or loss and other comprehensive income, consolidated interim statement of changes in equity, consolidated interim statement of cash flows, and related notes relates to the nine-month period from 1 July 2023 to 31 March 2024, which is unaudited.

The Company entered into a plan of arrangement (the "Arrangement") to be acquired by OSL, a company listed on the Hong Kong Stock Exchange. OSL Group Limited and OSL BNXA Acquisition Inc. (the "Purchaser"), pursuant to which the Purchaser will acquire all of the issued and outstanding common shares of the Company ("Shares") for cash consideration of C$1.55 per Share. These consolidated interim financial statements are prepared to support the completion of the Arrangement conditions which include required regulatory approvals, one of which requires the interim financial statements at the 31st March 2025 to be audited. Further details regarding the acquisition and conditions are disclosed in Note 28 – Subsequent Events.

The consolidated interim financial statements incorporate the assets and liabilities of the Company and its subsidiaries as at 31 March 2025 and 30 June 2024 and the results of the Company and all subsidiaries for the periods then ended (or from the date when acquired during the period).

Subsidiaries are all those entities over which the Company has control. The Company controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities within the Company are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of

the impairment of the asset transferred. The accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Company.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognized directly in equity attributable to the parent.

Where the Company loses control over a subsidiary, it derecognizes the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognized in equity. The Company recognizes the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

(Expressed in Australian Dollars)

3. Material accounting policies (continued)

Subsidiaries
The accounting policies of subsidiaries are aligned with the policies adopted by the Company. The Company ultimately owns:

			Equity interest	
			March 2025	June 2024
Name	**Principal activities**	**Incorporation**	**%**	**%**
BTC Corporation Holdings Pty Ltd	Holding company	Australia	100	100
BC Cloud Mining Pty Ltd	Dormant company	Australia	100	100
Global Internet Ventures Pty Ltd	Payment service provider	Australia	100	100
BNXA UK Holding Limited	Payment service provider	United Kingdom	100	100
Richmond Internet Ventures Corporation	Payment service provider	Canada	100	100
Internet SG Ventures Pte Ltd	Dormant company	Singapore	100	100
Banxa.com Pty Ltd	Dormant company	Australia	100	100
Rhino Loft Pty Ltd	Dormant company	Australia	100	100
EU Internet Ventures B.V.	Payment service provider	The Netherlands	100	100
LT Internet Ventures UAB	Payment service provider	Lithuania	100	100
BNXA USA Holding Inc	Payment service provider	USA	100	100
BNXA USA MTL	Payment service provider	USA	100	100
BNXA USA Operating Inc	Payment service provider	USA	100	100
BNXA USA NV Inc	Payment service provider	USA	100	100
BNXA UK VASP Limited	Dormant company	United Kingdom	100	100
BNXA Teknoloji Anonim Sirketi AS	Payment service provider	Turkiye	0(1)	100
BNXA Brazil LTDA	Dormant company	Brazil	100	100
BNXA PHL Inc. (Philippines)	Dormant company	Philippines	100	100

(1) See note 20 for sale of subsidiary

Current and non-current classification

Assets and liabilities are presented in the consolidated interim statements of financial position based on current and non-current classification.

An asset is classified as current when: it is either expected to be realized or intended to be sold or consumed in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realized within 12 months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after the reporting period. All other assets are classified as non-current.

A liability is classified as current when: it is either expected to be settled in the Company's normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within 12 months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and liabilities are always classified as non-current.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, fiat deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. All balances are recorded at AEST time.

3. Material accounting policies (continued)

Cryptocurrency inventories

Inventories are represented by cryptocurrencies. Subsequent to initial recognition at cost, the cryptocurrencies are held at fair value less costs to sell, reflecting the Company's purpose of holding such cryptocurrency inventory as a commodity broker-trader in accordance with IAS 2. The Company holds cryptocurrencies for sale in the ordinary course of business. The Company actively trades the cryptocurrencies, purchasing them with a view to their resale in the near future and generating profit from fluctuations in the price or trader's margin. Changes in the value of cryptocurrencies are included in profit and loss for the period.

The Company recognizes realized gains or losses on its digital assets when it sells digital assets that it holds on a weighted average basis.

Property and Equipment

Equipment is stated at historical cost less accumulated depreciation and impairment. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Depreciation is calculated on a straight-line basis (for leasehold improvements) or calculated on a diminishing basis (Fixture & Fittings and Computer equipment) to write off the net cost of each item of equipment (excluding land) over their expected useful lives as follows:

Leasehold improvements	4 years, Straight line method
Computer equipment	40% per annum. Diminishing method
Fixtures and Fittings	28.57% per annum, Diminishing method

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

An item of equipment is derecognized upon disposal or when there is no future economic benefit to the Company. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss.

Leases

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed payments (including in-substance fixed payments). Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the Company uses its incremental borrowing rate reflecting its specific credit risk, the currency of the lease and the weighted average maturity of the outstanding lease liability.

The Company is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Lease payments are allocated between principal and 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.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payment made at or before the commencement date, less any lease incentives received, any initial direct costs and restoration costs.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain to exercise a purchase option, the right-of-use asset

3. Material accounting policies (continued)

Leases (continued)

is depreciated over the underlying asset’s useful life.

There are low value and short-term leases with less than 12-month duration which are recognised as expenses when they are paid.

Goodwill

Goodwill arises on the acquisition of a business. Goodwill is not amortized. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Impairment of non-financial assets

Goodwill and other intangible assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other non-financial assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount.

A recoverable amount is the higher of an asset's fair value, less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

Financial Instruments

Financial assets

Initial recognition and measurement

Non-derivative financial assets with the scope of IFRS 9 are classified and measured as “financial assets at fair value” as either fair value through profit or loss (FVTPL) or fair value through other comprehensive income (FVTOCI), and “financial assets at amortized costs” as appropriate. The Company determines the classification of financial assets at the time of initial recognition based on the Company’s business model and the contractual terms of the cash flows.

All financial assets are recognized initially at fair value plus, in the case of financial assets not at FVTPL, directly attributable transaction costs of the trade date at which the Company becomes a party to the contractual provisions of the instrument.

Subsequent measurement – financial assets at amortized cost

After initial recognition, financial assets measured at amortized cost are subsequently measured at the end of

each reporting period at amortized cost using the Effective Interest Rate (“EIR”) method. Amortized cost is calculated by considering any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Derecognition

A financial asset is derecognized when the contractual rights to the cash flows from the asset expire, or the

3. Material accounting policies (continued)

Financial Instruments (continued)

Company no longer retains substantially all the risks and rewards of ownership.

Impairment

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost or FVTPL.

The Company's management, using both historical analysis and forward-looking information, has evaluated its exposure to expected credit losses on its financial assets measured at amortized cost and concluded that the probability of default is minimal as all receivables were short-term and the counterparties to the receivables have a strong capacity to meet their contractual obligations in the near term. Therefore, allowance recognized for expected credit losses is insignificant.

Financial assets were classified as follows:

Classification	**IFRS 9**
Cash and cash equivalents	Amortised cost
Trade and other receivables - Trade and other receivables (except GST) - Receivable from trading exchanges	 Amortised cost FVTPL
Other investment	FVTPL
Other deposits	Amortised cost

<u>Financial liabilities</u>

Initial recognition and measurement

Financial liabilities are measured at amortized cost, unless they are required to be measured at FVTPL, as is the case with derivative instruments, or the Company as opted to measure the financial liability at FVTPL. All financial liabilities are recognized initially at fair value, and where applicable net of directly attributable transaction costs.

Subsequent measurement – financial liabilities at amortized cost

After initial recognition, financial liabilities measured at amortized cost are subsequently measured at the end of each reporting period at amortized cost using the EIR method. Amortized cost is calculated by taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged, cancelled, or expires with any associated gain or loss recognized in other income or expense in the statement of profit or loss.

Financial liabilities were classified as follows:

Classification	**IFRS 9**
Trade and other payables	Amortised cost
Borrowings	Amortised cost
Convertible notes	Amortised cost

3. Material accounting policies (continued)

Financial Instruments (continued)

Convertible notes

The liability and equity components of convertible notes are presented separately on the statement of financial position, starting from initial recognition. The Company determines the carrying amount of the financial liability by discounting the stream of future payments at the prevailing market rate for a similar liability of comparable credit status and substantially providing the same cash flows, but without conversion option. Subsequently, the liability component is then increased by accretion of the discounted amounts to reach the nominal value of the convertible debenture at maturity, which is recorded in the statement of profit or loss and other comprehensive income as finance costs.

The carrying amount of the equity component is calculated by deducting the carrying amount of the financial liability from the amount of the convertible debenture and is presented in equity as an equity component of convertible debenture. The equity component is not re-measured subsequent to initial recognition.

Provisions

Provisions are recognized when the Company has a present (legal or constructive) obligation as a result of a past event, it is probable the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability. The increase in the provision resulting from the passage of time is recognized as a finance cost.

Allowance for chargeback expenses

If a customer is suspected of making a fraudulent transaction or claims a chargeback, suitable allowances are set aside for all receivables. The expected credit losses on trade receivables are estimated using a provision matrix by reference to past default experience of the debtor and an analysis of the debtor’s current financial position, adjusted for factors that are specific to the debtors, general economic conditions of the industry in which the debtors operate and an assessment of both the current as well as the forecast direction of conditions at the reporting date.

Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled wholly within 12 months of the reporting date are measured at the amounts expected to be paid when the liabilities are settled. Banxa has an established stock option plan for directors, officers, employees, management company employees, consultants and eligible charitable organizations of the

3. Material accounting policies (continued)

Employee benefits (continued)

Company and its subsidiaries (collectively "Eligible Persons"), known as the "Banxa Holdings Inc. Stock Option Plan" (the "Plan"). The purpose of the Plan is to give to Eligible Persons as additional compensation, the opportunity to participate in the success of the Company by granting to such individuals options, exercisable upon completion of stipulated years of employment as determined by the board of directors of the Company. More details on stock options at note 16.

Other long-term employee benefits

The liabilities for annual leave and long service leave not expected to be settled within 12 months of the reporting date are measured at the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Foreign currency translation

The Company's consolidated interim financial statements are presented in Australian dollar except stock price information, which is disclosed in Canadian dollars ($CAD). The Company's functional currency is Canadian dollar. For each entity, the Company determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Foreign currency transactions and balances

Foreign currency transactions in currencies other than their functional currencies are translated into their functional currencies using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

Foreign operations

The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rates at the dates of the transactions, for the period. All resulting foreign exchange differences are recognized in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognized in profit or loss when the foreign operation or net investment is disposed of.

Foreign currency translation reserve
Foreign currency translation reserve represents exchange differences relating to the translation from the functional currencies of the Company's foreign operations into Australian dollars.

3. Material accounting policies (continued)

Revenue recognition

The Company recognizes revenue as follows:

Revenue from contracts with customers

Revenue is recognized at an amount that reflects the consideration to which the Company is expected to be entitled in exchange for transferring goods or services to a customer. For each contract with a customer, the Company: identifies the contract with a customer; identifies the performance obligations in the contract; determines the transaction price which takes into account estimates of variable consideration and the time value of money; allocates the transaction price to the separate performance obligations on the basis of the relative stand-alone selling price of each distinct good or service to be delivered; and recognizes revenue when or as each performance obligation is satisfied in a manner that depicts the transfer to the customer of the goods or services promised.

Critical judgment is required in determining whether the Company is the principal or the agent in transactions between customers. The Company evaluates the presentation of revenue on a gross or net basis based on whether it controls the cryptocurrency provided before it is transferred to the customer (gross) or whether it acts as an agent by arranging for other customers on the platform to provide the cryptocurrency to the customer (net).

Under the principal agreement, the Company does control the cryptocurrency being provided before it is transferred to the buyer, and therefore does have cryptocurrency inventory risk related to the cryptocurrency. In such cases, the Company purchases a set amount of cryptocurrency to meet future demand. The Company will hold a cryptocurrency inventory buffer in advance of processing future orders. A single cryptocurrency purchase will fulfill multiple future customer orders. When this Inventory buffer runs low, it will be automatically replenished through an automated process in which the Company buys a predetermined amount of cryptocurrency. As a result, the Company acts as a principal in the transaction with the customer.

Under an agency arrangement, the Company does not control the cryptocurrency being provided before it is transferred to the buyer, and therefore does not have cryptocurrency inventory risk related to the cryptocurrency. The Company also does not set the price for the cryptocurrencies as the price is a market rate established by the platform. As a result, the Company acts as a facilitator for a customer to purchase cryptocurrencies from another customer.

Sale of cryptocurrencies to customers

For the sales of cryptocurrencies on a principal basis, revenue is recognized at the point in time when the Company has delivered the cryptocurrencies to its customers’ wallet accounts. The Company has control of the cryptocurrencies either in its custody or with the exchanges prior to the sale to the customers. Accordingly, the Company records the total value of the sale as revenue and the corresponding cost of the cryptocurrencies in the cost of sales.

Purchase of cryptocurrencies from customers

For transactions involving the purchase of cryptocurrencies from customers, revenue is recognized at the point when the fiat is paid to the customers bank account. The commission or spread earned from this transaction is considered principal in nature.

3. Material accounting policies (continued)

Revenue recognition (continued)

Commissions and spread from services

For the sales of cryptocurrencies on an agency basis, the Company does not have control of the cryptocurrencies and so revenue is recognised at the point in time when the Company has processed the customer transaction. By selling on an agency basis, the Company is only acting as a payment channel service provider and so the single performance obligation is satisfied when the transaction has been processed. Commission is calculated as a fixed percentage of the total transaction value on agency transactions. In addition to a commission, the Company earns a spread, which is also calculated as a percentage of the total transaction value on agency transactions, based on custom pricing with certain customers.

Integration services

The Company provides a service of installation of its payment technologies to trading platforms. Such services are recognized as a performance obligation satisfied over time. Revenue is recognized for these installation services based on the stage of completion of the contract. The Company has assessed that the stage of completion determined as the proportion of the total time expected to install that has elapsed at the end of the reporting period is an appropriate measure of progress towards complete satisfaction of these performance obligations.

Share-based compensation

The Company accounts for share-based payments using the fair value-based method. Each tranche in an award is considered a separate award with its own vesting period and grant date fair value. The fair value of each tranche of options issued to employees and others providing similar services is determined by using the Black-Scholes option pricing model. The fair value of each tranche of options issued to non-employees is determined by the fair value of the goods or services received. If the fair value of goods or services received cannot be reliably measured, then the Black-Scholes option pricing model is used.

The fair value of stock options, adjusted for expected forfeitures, is recognized as share-based compensation over each tranche's vesting period with an offsetting credit charged to contributed surplus. Any consideration paid on the exercise of stock options is credited to share capital.

Contributed surplus
This reserve comprises private placement proceeds allocated to unexercised share purchase warrants, the value of warrants issued to advisers, unexercised stock options, estimated fair value of warrants associated with issuances of convertible notes as well as other share-based payment transactions that do not involve the issuance of shares.

Fair value measurement

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principal market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interests. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

3. Material accounting policies (continued)

Fair value measurement (continued)

Assets and liabilities measured at fair value are classified into three levels (see note 25), using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed at each reporting date and transfers between levels are determined based on a reassessment of the lowest level of input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Income tax

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by the changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognized for prior periods, where applicable.

Deferred tax assets and liabilities are recognized for temporary differences at the tax rates expected to be applied when the assets are recovered or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or

- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, the timing of the reversal can be controlled, and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognized for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses.

The carrying amount of recognized and unrecognized deferred tax assets are reviewed at each reporting date. Deferred tax assets recognized are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognized deferred tax assets are recognized to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entities which intend to settle simultaneously.

In Australia, Banxa and its wholly owned Australian subsidiaries have formed an income tax consolidated group under the Australian tax consolidation regime. Banxa and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group.

3. Material accounting policies (continued)

Income tax (continued)

In addition to its own current and deferred tax amounts, Banxa also recognizes the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognized as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Goods and services tax (“GST”) and other similar taxes

Revenues, expenses and assets are recognized net of the amount of associated (Australian) GST, unless the GST incurred is not recoverable from the tax authority. In this case it is recognized as part of the cost of the acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position. Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows. Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Segment information

Operating segments are defined as components of an entity about which separate financial information is available that is evaluated regularly by the chief operating decision maker (“CODM”) in deciding how to allocate resources and in assessing performance of the operating segments of an entity. The Company conducts its business as one operating segment. The Company maintains offices in Australia, North America, and Europe. Revenue by geographic region is included in note 18.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief executive officer and financial statements has been prepared in accordance with IFRS 8 - ‘Operating Segment’.

4. Trade and other receivables

	31 March 2025 ($)	30 June 2024 ($)
Payment gateway receivables	5,352,087	8,964,215
Allowances for chargeback expenses (Note 4.1)	(348,233)	(611,761)
Receivables from trading exchanges (Note 4.2)	2,421,658	458,969
Other receivables	7,344	6,504
Integration fees receivable	549,579	243,748
Sundry deposit denominated in USD Tether	37,999	37,506
Total trade and other receivables	**8,020,434**	**9,099,181**

Receivables from the payment gateway for March 2025 are lower compared to June 2024 due to timing differences in settlement dates. With 30 June 2024 falling on a weekend, sales made between 28-30 June were not settled until 1-2 days later, causing higher receivables at June 2024 month-end.

The change in the allowance for chargeback expenses is detailed below:

4.1 Allowances for chargeback expenses

	31 March 2025 ($)	30 June 2024 ($)
Balance at beginning of the period	(611,761)	(573,768)
Net change in provision during the period	(838,205)	(2,150,736)
Actual write-off during the period (Note 19)	1,101,733	2,112,743
Balance at end of the period	**(348,233)**	**(611,761)**

The expense during the period is presented as part of “chargeback expenses” in the general and administration expenses (refer note 19).

4.2 Receivables from trading exchanges represent the fair value of the digital and fiat currencies held at exchanges or with custodians.

Receivables from trading exchanges are made to facilitate the Company’s ability to transact more efficiently at various trading volumes. The Company maintains balances in digital currencies with exchanges from time to time in connection with the sale of cryptocurrencies in the ordinary course of business. The Company actively trades cryptocurrencies.

(Expressed in Australian Dollars)

4. Trade and other receivables (continued)

As there is no specific guidance in IFRS on cryptocurrencies held at exchanges or with custodians, the Company followed the requirements of "IFRS 9 Financial Instruments" for these assets held with liquidity providers ("LPs") and measures them at fair value on initial recognition and subsequently at FVTPL as these balances are only held to facilitate Banxa's ability to transact more efficiently at various trading volumes in connection with the sale of cryptocurrencies in the ordinary course of business.

As at 31 March 2025 and 30 June 2024, balances held at exchanges, or with custodians, consisted of the following:

	31 March 2025		30 June 2024	
	Number of coins held	Value ($)	Number of coins held	Value ($)
Digital and fiat currencies held at exchanges or with custodians				
LTC	20	2,721	5	511
Link	35	735	20	406
BNB	1	685	1	812
BTC	1.14	151,605	0.69	73,296
ETH	6.74	18,601	0	303
USDT	536,039	856,978	N/A	121,010
USDC	12,327	27,292	N/A	6,877
XRP	13,847	46,629	415	266
WBTC	0.04	5,705	0.00019	17
Other	16,322,608	1,310,707	35,204,345	255,471
Total digital and fiat currencies held at exchanges or with custodians		**2,421,658**		**458,969**

Other balance also includes cash held with exchanges of $1,212,146 (June 2024: $96).

(Expressed in Australian Dollars)

5. Cryptocurrency Inventories

	31 March 2025		30 June 2024	
	Number of coins held	**Value**	**Number of coins held**	**Value**
		$		**$**
Bitcoin (BTC)	1.66	219,874	1.38	140,290
Ethereum (ETH)	48.10	144,641	12.61	67,388
Loopring (LRC)	16,108	2,528	5,077	1,798
USD Coin (USDC)	27,929	44,693	3,157	9,605
Tether (USDT)	44,759	71,259	76,811	115,017
Other	1,368,113	109,234	144,380	14,157
Total inventory	**1,456,959**	**592,229**	**229,439**	**348,255**

Cryptocurrencies are measured at fair value less cost to sell in accordance with the Company's accounting policy for cryptocurrencies and in accordance with IAS 2.

The Company's realized gain or loss on inventories is calculated as the proceeds received from the sale of cryptocurrencies less its assigned original cost. Subsequent to initial recognition at cost, the cryptocurrencies are held at fair value less costs to sell. Changes in value of cryptocurrencies are included in profit and loss for the period.

6. Prepaid Expenses

	31 March 2025 ($)	30 June 2024 ($)
Insurance	589,917	241,698
Consultancy fees	-	18,609
Other operational expenses	430,582	241,325
Total other assets	**1,020,499**	**501,632**

7. Goodwill

	31 March 2025 ($)	30 June 2024 ($)
Goodwill	151,643	151,643
	151,643	**151,643**

During the period ended 31 March 2025, the Company determined that there is no impairment of the goodwill arising from the European acquisition which occurred during the year ended 30 June 2020.

(Expressed in Australian Dollars)

8. Property and equipment

	31 March 2025 ($)	30 June 2024 ($)
Fixtures and fittings at cost	208,645	205,897
Less accumulated depreciation	(156,745)	(138,456)
Carrying amount of fixtures and fittings	**51,900**	**67,441**
Computer equipment at cost	105,023	106,841
Less accumulated depreciation	(104,618)	(105,566)
Carrying amount of computer equipment	**405**	**1,275**
Leasehold Improvements	463,512	463,512
Less accumulated depreciation	(434,542)	(347,634)
Carrying amount of leasehold improvements	**28,970**	**115,878**
Total property and equipment	**81,275**	**184,594**

	31 March 2025 ($)	30 June 2024 ($)
Fixtures and fittings		
Carrying amount at beginning of the period	67,441	99,281
Additions	2,746	2,342
Depreciation expenses	(18,287)	(34,182)
Carrying amount at end of the period	**51,900**	**67,441**
Computer equipment		
Carrying amount at beginning of the period	1,275	-
Additions	-	3,136
Accumulated depreciation on disposal	(45)	(1,861)
Depreciation expenses	(825)	-
Carrying amount at end of the period	**405**	**1,275**
Leasehold improvements		
Carrying amount at beginning of the period	115,878	231,756
Depreciation expenses	(86,908)	(115,878)
Carrying amount at end of the period	**28,970**	**115,878**
Total property and equipment	**81,275**	**184,594**

(Expressed in Australian Dollars)

9. Right-of-use assets

	31 March 2025 ($)	30 June 2024 ($)
Buildings: Right-of-use		
Carrying amount at the beginning of the period	246,888	505,143
Depreciation expenses	(193,692)	(258,255)
Carrying amount at end of the period	**53,196**	**246,888**

The Company leases a building for its Melbourne office under a four-year agreement ending June 2025 with an option to extend for another four years. The lease has various escalation clauses. Refer to note 14 for associated lease liabilities at the reporting date. The lease does not contain any variable lease payment terms.

10. Other Deposits

	31 March 2025 ($)	30 June 2024 ($)
Rental Bond	252,758	252,758
Other Deposits	107,528	100,807
Provision for Other deposits	(101,169)	(101,169)
Restricted Cash	228,316	759,962
Total Bank Guarantee	**487,433**	**1,012,358**

The Rental Bond represents a tenant security deposit for the new office premises as requested by the landlord.

11. Trade and other payables

	31 March 2025 ($)	30 June 2024 ($)
Trade payables	2,210,500	841,844
Employee withholdings payable	360,189	195,898
Other payables	684,498	1,637,907
Accrued Expenses	2,925,563	3,289,470
GST Payable	906,683	831,771
Total trade and other payables	**7,087,433**	**6,796,890**

(Expressed in Australian Dollars)

12. Borrowings

	31 March 2025 ($)	30 June 2024 ($)
Borrowings - Current		
Short term Borrowings	8,871,855	5,775,887
Total Current	8,871,855	5,775,887
Borrowings - Non Current		
Convertible notes	5,898,958	5,628,597
Total Non Current	5,898,958	5,628,597
Total Borrowings	14,770,813	11,404,484

Short-Term Borrowings

As of 31 March 2025, the Company had short-term borrowing agreements with the following external entities:

- Alam Group Loan AUD $947,589 (June 2024: AUD $945,185) at 20% per annum (Alam Group is a related party). Due in April 2025.
- Checkout.com (fronting payment) AUD $1,600,030 (June 2024: AUD $1,540,901) at 16.43% per annum. Due in May 2025.
- Red Envelope AUD $6,324,236 (June 2024: AUD $113,787) at 0% per annum. Credit line will be available until May 2025.
- Buzz Development Inc AUD $Nil (June 2024: AUD $2,255,416)
- Clearpool Caurius AUD $Nil (June 2024: AUD $920,598)

As of 31 March 2025, the Company had total short-term borrowing capacity of AUD $11,047,589.

Convertible Notes

During the period ended 30 June 2024 the Company completed a non-brokered private placement (the "Private Placement") of convertible debenture units (the “Note Units”) for gross proceeds of CAD $5,694,024 bearing interest at 10% per annum. Banxa issued to the Investor 2,847,010 warrants, each warrant entitles the holder to purchase one common share at a price of CAD $1 per share for a period of 36 months from the date of issuance of the convertible note. Each Note Unit consists of one unsecured convertible debenture (each, a "Note") and such number of common share purchase warrants in the capital of the Company (each, a “Warrant”) equal to 40% of the number of common shares in the capital of the Company (each, a “Common Share”) issuable upon conversion of the Note (as described below). The principal of the security is convertible, at the option of the holder, to common shares of the Company at a price of CAD $0.80, and the accrued interest is convertible, at the option of the holder, equal to the last closing price of the common shares on the exchange on the last trading day immediately prior to the announcement of the interest conversion by news release. Convertible notes of CAD $750,000 and CAD $500,000 were issued to Alam Group and Blackhawk Ventures Private Limited which are related parties. All convertible notes are due to mature in Q2 2027 and are unsecured.

(Expressed in Australian Dollars)

Net gain on borrowings and derivative liability

	Period ended 31 March 2025 ($)	Year ended 30 June 2024 ($)
Gain on repayment of convertible note	-	280,442
(Loss) / gain on repayment of derivative liability	-	(23,912)
Net gain on borrowings and derivative liability	**-**	**256,530**

Derivative liability

	31 March 2025 ($)	30 June 2024 ($)
Balance at beginning of period (Inception)	-	48,231
Change in fair value – unrealized	-	23,912
Change in fair value - realised	-	-
Net change in fair value during period	-	23,912
Balance before conversion	-	72,143
Extinguished on conversion	-	(72,143)
Balance at end of period	**-**	**-**

During the period ended 30 June 2024 The Company agreed to repay the final amount of $3,372,029 to settle the closure of the Lind Note resulting in a gain of $280,442. No such payment was made during the period ended 31 March 2025.

The derivative liability presented as at 30 June 2024 related to convertible notes issued in October 2022. The derivative liability element of the convertible note is valued at fair value. Changes in fair value of the derivative liability are recognized in profit or loss. The Company assessed the fair value of the derivative liability using observable inputs. During the period ending 30 June 2024, the Company agreed the final amount of $3,372,029 to settle the closure of the Lind Note resulting in the extinguishment of the associated derivative liability.

(Expressed in Australian Dollars)

13. Provisions and Other Liabilities

	31 March 2025 ($)	30 June 2024 ($)
Annual leave	738,132	670,670
Long service leave	267,017	223,481
Balance at end of the period	**1,005,149**	**894,151**
Current	917,886	828,728
Non-current	87,263	65,423
Balance at end of the period	**1,005,149**	**894,151**
Other Liabilities	**-**	**-**
Total Provisions and other liabilities	**1,005,149**	**894,151**

The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and those where employees are entitled to pro-rata payments in certain circumstances. All amounts are presented as current liabilities.

14. Lease Liability

	31 March 2025 ($)	30 June 2024 ($)
Balance at beginning of the period	430,820	821,975
Lease payments made in the period	(332,429)	(429,224)
Accretion of interest	11,845	38,069
Balance at end of the period	**110,236**	**430,820**
Low Value and Short-Term Leases		
Lease liability - current portion	110,236	430,820
Lease liability - non-current portion	-	-
Total	**110,236**	**430,820**
Undiscounted Future Lease Payments due:		
Within 1 year	110,810	443,239
After 1 year but not more than 5 years	-	-
After more than 5 years	-	-
Total	**110,810**	**443,239**

(Expressed in Australian Dollars)

15. Issued Capital

a) Authorized share capital

The authorized share capital consists of an unlimited number of common shares. The common shares do not have a par value. All issued shares are fully paid.

Number of common shares	31 March 2025	30 June 2024
Number of common shares at beginning of the period	45,587,056	45,563,056
Stock options exercised	-	24,000
Number of common shares at end of period	**45,587,056**	**45,587,056**

Issued capital	31 March 2025 ($)	30 June 2024 ($)
Share capital at beginning of the period	23,140,355	23,128,075
Proceeds from stock options exercised	-	12,280
Issued capital at end of period	**23,140,355**	**23,140,355**

(Expressed in Australian Dollars)

16. Stock options

The Company has adopted a share option plan whereby it is authorized to grant options to executive officers and directors, employees and/or consultants enabling them to acquire up to 10% of the issued and outstanding common shares of the Company. As at 31 March 2025, the aggregate maximum number of common shares issuable under the plan is 4,556,306 (30 June 2024: 4,556,306) common shares.

The exercise price of any options granted under the plan will be determined by the Board of Directors, at its sole discretion, but shall not be less than the last closing price of the Company's common shares on the day before the date on which the Directors grant such options.

The following is a summary of the changes in the Company's share option activities for the nine months ended 31 March 2025 and year ended 30 June 2024:

	31 March 2025		30 June 2024	
	Number of options	Weighted - average exercise price ($CAD)	Number of options	Weighted - average exercise price ($CAD)
Outstanding, beginning of the period	4,503,888	0.99	4,533,138	0.99
Granted	1,420,000	1.00	25,000	0.99
Expired	-	-	(24,000)	-
Cancelled/forfeited	(2,180,138)	1.00	(6,250)	0.99
Exercised	-	-	(24,000)	0.47
	3,743,750	**1.00**	**4,503,888**	**0.99**

On 15 July 2022, the Company granted 275,000 share options to officers and staff of the Company. The options have an exercise price of $CAD 1.00 per share and expire on 01 October 2026. The fair value of the 275,000 options granted was determined as $231,149.

On 1 December 2022, the Company granted 735,000 share options to officers and staff of the Company. The options have an exercise price of $CAD 1.00 per share and 610,000 expire on 01 July 2026, 100,000 expire on 1 October 2026 and 25,000 expire on 1 December 2026. The fair value of the 735,000 options granted was determined as $602,907.

On 1 February 2023, the Company granted 400,000 share options to officers and staff of the Company. The options have an exercise price of $CAD 1.00 per share and expire on 01 February 2027. The fair value of the 400,000 options granted was determined as $336,024.

1,360,000 options were cancelled during the year ended June 30, 2023.

On 17 July 2023, 21,428 share options have been exercised. The options have an exercise price of $CAD 0.47 Per share.

On 11 September 2023, 2,572 share options have been exercised. The options have an exercise price of $CAD 0.47 Per share.

On 1 October 2023, the Company granted 25,000 share options to officers and staff of the Company. The options have an exercise price of $CAD 1.00 Per share and expire on 01 October 2027.

On 30 June 2024, 6,250 options were cancelled/forfeited during the year.

On 30 June 2024, 24,000 options expired during the year.

On 19 December 2024, The company granted 1,420,000 share options to officers and staff of the Company.

(Expressed in Australian Dollars)

16. Stock options (continued)

The options have an exercise price of $CAD 1.00 Per share and expire on various dates from August 2025 to July 2026.

On 19 December 2024, 2,180,138 options were forfeited during the period.

All option grant valuations during the financial period have been determined using the Black-Scholes option pricing model with the following weighted average assumptions:

	31 March 2025	30 June 2024
Share price	CAD$0.57 – CAD$0.83	CAD$0.75
Exercise price	CAD$1.00	CAD$1.00
Risk-free interest rate	3.51% - 4.42%	2.75%
Expected term (in years)	2.0	4.0
Estimated dividend yield	0%	0%
Estimated volatility	113.79% - 118.17%	117.75%

The following table summarizes information regarding share options outstanding and exercisable as at 31 March 2025:

	Outstanding			**Exercisable**	
Expiry Date	**Number of options**	**Weighted-average remaining contractual life (years)**	**Weighted average exercise price ($CAD)**	**Number of options**	**Weighted average exercise price - vested ($CAD)**
August 2025	150,000	0.37	1.00	112,500	1.00
September 2025	20,000	0.45	1.00	15,000	1.00
October 2025	100,000	0.51	1.00	62,500	1.00
December 2025	1,563,750	0.73	1.00	1,538,750	1.00
February 2026	100,000	0.86	1.00	50,000	1.00
July 2026	1,210,000	1.25	1.00	460,000	1.00
October 2026	200,000	1.5	1.00	200,000	1.00
December 2026	25,000	1.73	1.00	25,000	1.00
March 2027	350,000	1.92	1.00	350,000	1.00
October 2027	25,000	2.51	1.00	18,750	1.00
	3,743,750	**1.1**	**1.00**	2,832,500	**1.00**

(Expressed in Australian Dollars)

17. Warrants

The following is a summary of the changes in the Company's warrants for the nine months ended 31 March 2025 and year ended 30 June 2024:

	31 March 2025		30 June 2024	
	Number of warrants	Weighted – average exercise price ($CAD)	Number of warrants	Weighted – average exercise price ($CAD)
Outstanding, beginning of the period	7,561,801	3.16	4,714,791	4.46
Granted	38,993	1.00	2,847,010	1.00
Expired	(4,714,788)	4.46	-	-
Exercised	-	-	-	-
	2,886,006	**1.01**	**7,561,801**	**3.16**

During the nine months ended 31 March 2025, nil warrants (Year-ended 30 June 2024: Nil warrants) were exercised for proceeds of $nil (Year-ended 30 June 2024: $nil). 4,714,788 warrants expired during the nine months ended 31 March 2025 (Nil during the year ended 30 June 2024).

During the period ended 30 June 2024 Banxa Holdings Inc. completed a non-brokered private placement (the "Private Placement") of convertible debenture units (the "Note Units") for gross proceeds of CAD $5,694,024 bearing interest at 10% per annum. Banxa issued to the Investor 2,847,010 warrants, each warrant entitles the holder to purchase one common share at a price of $1 per share for a period of 36 months from the date of issuance of the convertible note. Each Note Unit consists of one unsecured convertible debenture (each, a "Note") and such number of common share purchase warrants in the capital of the Company (each, a "Warrant") equal to 40% of the number of common shares in the capital of the Company (each, a "Common Share") issuable upon conversion of the Note Each Warrant will be exercisable for one Common Share at an exercise price of CAD $1.00 for a period of 36 months from the date of issuance.

18. Revenue

	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
Sales revenue		
Sale and purchase of cryptocurrencies	**298,685,726**	216,931,039
Integration revenue	**1,645,591**	973,235
Commissions and spread from services	**10,039,434**	14,967,763
Total sales revenue by type	**310,370,751**	232,872,037
Geographic regions		
Australia	**65,264,253**	38,025,128
North America	**32,443,747**	30,715,117
Europe	**212,662,751**	164,131,792
Total sales revenue by geographical region	**310,370,751**	232,872,037

During the current year, the comparative figures have been reclassified to conform with the presentation adopted in the current year. These reclassifications were made to enhance the clarity of the consolidated interim financial

(Expressed in Australian Dollars)

18. Revenue (continued)

statements and do not affect the previously reported net income, total assets, or equity. The Company considered materiality and concluded that it is sufficient to present such information only in the note that has been impacted by a reclassification.

19. Expenses

	Note	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
General, administration and other			
Legal, accounting, consulting		**3,305,201**	3,140,476
Software development		**1,632,269**	1,816,008
Other		**1,166,307**	384,561
Chargeback expenses		**1,101,733**	1,141,344
Bank charges		**932,104**	420,730
Insurance		**471,900**	323,845
Travel		**187,969**	98,752
Investor relations		**183,909**	387,470
Utilities expenses		**177,560**	238,889
Marketing and advertising		**158,199**	93,737
Recruitment		**132,567**	235,680
Total general, administration and other		**9,449,718**	8,281,492
Finance costs			
Interest on loans and borrowings		**1,025,096**	1,774,170
Interest on lease liabilities	14	**11,845**	30,850
Total finance costs		**1,036,941**	1,805,030
Net Foreign exchange (gains)/losses		**690,612**	1,841,419

20. Other Income

	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
Other (loss)/Income	(83)	127,314
Gain on sale of subsidiary	170,609	-
Sale of Domain Names	-	-
Balance at end of the period	**170,526**	127,314

The Company disposed of one of its subsidiaries, BNXA TEKNOLOJİ ANONİM ŞİRKETİ. The subsidiary, BNXA TEKNOLOJİ ANONİM ŞİRKETİ, was sold to Trek Labs Australia PTY Ltd on 31 July 2024. The gain on disposal amounted to $170,609.

(Expressed in Australian Dollars)

21. Income Tax expenses

	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
Loss before Income tax expenses	**(4,028,818)**	(2,526,229)
Tax at the statutory rate of 30% (2024:30%)	**(1,208,645)**	(757,869)
Effect of differences in tax rates globally	**113,890**	71,413
Tax effect of amounts which are not deductible/(taxable) in calculating taxable income	**1,064,167**	667,275
True-up of cumulative losses from prior years	**(59,273)**	(37,166)
Other	**23,824**	137,727
Total	**(66,037)**	81,380
Current year losses not recognized	**(41,912)**	99,495
Income tax expenses	**(107,949)**	180,875

	31 March 2025 ($)	30 June 2024 ($)
Income tax payable (receivable)	**356,847**	113,065

22. Loss per share

For the nine month periods ended 31 March 2025 and year end 30 June 2024, basic and diluted (loss)/profit per share has been calculated as follows:

	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
Net (loss)/profit after tax	(3,679,525)	(2,707,104)
Basic and diluted weighted average number of common shares	45,587,056	45,563,056
Basic and diluted net (loss)/profit per share	**(0.08)**	**(0.06)**

Basic (loss)/profit per share is computed using the weighted average number of common shares outstanding during the period. The treasury stock method is used for the calculation of diluted (loss)/profit per share, whereby all “in the money” stock options and share purchase warrants are assumed to have been exercised inclusive of the hypothetical conversion of the debt increasing the dilution and increasing the income due to the add back of financing costs as part of the calculation at the beginning of the period and the proceeds from their exercise are assumed to have been used to purchase common shares at the average market price during the period. When loss is incurred during the period, the exercise of stock options and share purchase warrants is considered to be anti-dilutive and basic and diluted loss per share are the same. There are no contingent assets and liabilities recognized and no contingent items impacted the calculation of basic and diluted (loss)/profit per share.

(Expressed in Australian Dollars)

22. Loss per share (continued)

As at the period ended 31 March 2025, the basic and diluted weighted average number of common shares is 45,587,056 (31 March 2024 – 45,563,056). The basic and diluted net loss per share is $0.08 for the period ended 31 March 2025 (31 March 2024– loss per share $0.06).

23. Related party transactions

All related party transactions were measured at the amount of consideration established and agreed to by the related parties. All amounts due to related parties are unsecured.

(a) The remuneration of directors and key management personnel of the Company was as follows:

	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
Salaries	**3,439,913**	3,040,548
Consulting fees including reimbursements at cost	**370,812**	276,089
Director's fees	**177,010**	287,316
Share-based compensation	**456,626**	161,858
Total	**4,444,361**	3,765,811

Key management personnel were not paid post-employment benefits, termination benefits, or other (non share-based) long-term benefits during the period ended 31 March 2025 (2024: nil).

(b) The Company entered into the following transactions with related parties:

	31 March 2025 ($)	31 March 2024 (Unaudited) ($)
Proceeds from loans for trade working capital ([1])	**300,000**	15,170,000
Repayment of loans for trade working capital ([1])	**(300,000)**	(14,170,000)
Proceeds from convertible note for trade working capital	**-**	1,414,557
Interest paid to related parties([1])	**(229,839)**	(151,234)
Loan received from directors		2,756,676
Purchase of cryptocurrencies (transaction value)	**2,650,573**	31,010
Total	**2,420,734**	**5,051,009**

[(1)] *The loans were received from directors of the Company. Refer to Note 12.*

(Expressed in Australian Dollars)

23. Related party transactions (continued)

a. As at 31 March 2025, included in trade and other payables is a balance of $14,837 (June 2024: $Nil) payable to related parties as follows:

	31 March 2025 ($)	30 June 2024 ($)
Directors of the Company	-	-
Officers of the Company	**14,837**	-
Total	**14,837**	**-**

24. Nature and extent of risk arising from financial instruments and digital assets

Classification of financial instruments

The following table sets out the financial instruments at the end of the reporting period:

	31 March 2025 ($)	30 June 2024 ($)
Financial assets at Amortised cost		
Cash	2,857,320	2,028,753
Trade and other receivables	5,598,776	8,640,212
Financial assets at FVTPL		
Trade and other receivables	2,421,658	458,969
Total	**10,877,754**	**11,127,934**
Financial assets at FVTPL		
Other Investments	712,500	712,500
Total financial assets	**11,590,254**	**11,840,434**

	31 March 2025 ($)	30 June 2024 ($)
Financial liabilities at amortised cost		
Trade and other payables	7,087,433	6,796,890
Convertible notes	5,898,958	5,628,597
Borrowings	8,871,855	5,775,887
Total	**21,858,246**	**18,201,374**

(Expressed in Australian Dollars)

24. Nature and extent of risk arising from financial instruments and digital assets (continued)

Risk management policy

In the normal course of business, the Company is exposed to financial risk that arises from a number of sources. Management's involvement in operations helps identify risks and variations from expectations. As a part of the overall operation of the Company, Management takes steps to avoid undue concentrations of risk. The Company manages the risks as follows:

Credit risk

The Company has credit risk in respect of both financial instruments and crypto-currency deposits. Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company has a strict code of credit, including obtaining agency credit information, confirming references, and setting appropriate credit limits. The maximum exposure to credit risk at the reporting date to recognised financial assets is the carrying amount of cash and cash equivalents (including cash deposits) and trade and other receivables, as disclosed in the consolidated interim statement of financial position and notes to the consolidated interim financial statements. The Company does not hold any collateral.

Generally, trade receivables are written off when there is no reasonable expectation of recovery. Indicators of this include the failure of a debtor to engage in a repayment plan, no active enforcement activity and a failure to make contractual payments for a period greater than 30 days. There is a liquidity management function within the business, which on a daily or more frequent basis manages and monitors the trading activities and volumes associated with amounts deposited with trading exchanges.

The Company limits its credit risk by placing its cryptocurrencies with crypto-exchanges ("trading exchanges") on which the Company has performed internal due diligence procedures.

The Company deems these procedures necessary as some trading exchanges are unregulated and not subject to regulatory oversight. Furthermore, trading exchanges may engage in the practice of commingling with clients' assets in exchange wallets. When crypto assets are commingled, transactions are not recorded on the applicable blockchain ledger but are only recorded by the exchange, potentially reducing the integrity of the data.

As at 31 March 2025, the Company held receivables from trading exchanges of $2,421,658 (30 June 2024: $458,969) together with payment gateway receivables of $5,352,087 (30 June 2024: $8,964,215). These amounts represent balances with exchanges or custodians that do not have system or organisation control reporting available.

Credit risk Exposure	**31 March 2025 $**	**30 June 2024 $**
Receivables from trade exchanges	2,421,658	458,969
Payment gateway receivables	5,352,087	8,964,215
Total Assets	**7,773,745**	**9,423,184**

The Company's due diligence procedures around exchanges include, but are not limited to, internal control procedures around on-boarding new exchanges which includes review of the exchanges anti-money laundering ("AML") and know-your-client ("KYC") policies, obtaining a security ratings report by an independent third party on certain exchanges, constant review of market information specifically regarding the exchanges' security and solvency risk, setting balance limits for each exchange account based on risk exposure thresholds and preparing daily asset management reports to ensure limits are being followed and having a fail-over plan to move digital assets held on an exchange in instances where risk exposure significantly changes.

The Company limits its credit risk with respect to its payment gateways receivables by transacting with credit worthy counterparties that are believed to have sufficient capital to meet their obligations as they come due

(Expressed in Australian Dollars)

24. Nature and extent of risk arising from financial instruments and digital assets (continued)

and, with regard to over-the-counter counterparties, on which the Company has performed the relevant AML and KYC procedures. As of each reporting period, the Company assesses if there may be expected credit losses requiring a provision.

While the Company intends to only transact with trading exchanges that it believes to be creditworthy, there can be no assurance that a trading exchange will not default and that the Company will not sustain a material loss on the transaction as a result. As of 31 March 2025, the Company does not expect any material unprovided loss of any of its digital assets.

Liquidity risk

Vigilant liquidity risk management requires the Company to maintain sufficient liquid assets (mainly cash and cash equivalents) and (where required) available borrowing facilities to be able to pay debts as and when they become due and payable.

The Company manages liquidity risk by maintaining adequate cash reserves and available borrowing facilities by continuously monitoring actual and forecast cash flows and where practical matching the maturity profiles of financial assets and liabilities. In addition, as outlined above the daily liquidity management function monitors and manages amounts deposited with trading exchanges. The Company further manages all liquidity risk through maintaining a sufficient working capital amount through daily monitoring of controls, cash balances, and operating results.

The Company's trade payables and accruals are substantially due within twelve months. The maturity schedule of the Company's liabilities is detailed below.

31 March 2025	2025	2026	2027	2028	Thereafter
	$	$	$	$	$
Commitment - operational					
Trade payables	2,210,500	-	-	-	-
Accrued wages and other	360,189	-	-	-	-
Other payables	684,498	-	-	-	-
Accrued expenses	2,925,563	-	-	-	-
GST Payable	906,683	-	-	-	-
Commitments - other					
Short term borrowings	8,871,855	-	-	-	-
Lease payments	110,810	-	-	-	-
Total contractual obligations	**16,070,098**	**-**	**-**	**-**	**-**

30 June 2024	2025	2026	2027	2028	Thereafter
	$	$	$	$	$
Commitment - operational					
Trade payables	841,844	-	-	-	-
Accrued wages and other	195,898	-	-	-	-
Other payables	1,637,907	-	-	-	-
Accrued expenses	3,289,470	-	-	-	-
GST Payable	831,771	-	-	-	-
Commitments - other					
Short term borrowings	5,775,887	-	-	-	-
Lease payments	443,239	-	-	-	-
Total contractual obligations	**13,016,016**	**-**	**-**	**-**	**-**

(Expressed in Australian Dollars)

24. Nature and extent of risk arising from financial instruments and digital assets (continued)

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

Interest rate risk

The Company's has $8,871,855 debt outstanding at 31 March 2025 that is exposed to interest rate risk of $443,593 if the interest rate changed by +/-5%. (30 June 2024: $288,795).

Foreign currency risk

The Company undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations.
Foreign exchange risk arises from future commercial transactions and recognized financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

The carrying amount of the Company's foreign currency denominated financial assets and financial liabilities at the reporting date were as follows:

	Assets		**Liabilities**	
	31 March 2025	30 June 2024	**31 March 2025**	30 June 2024
Consolidated	**$**	$	**$**	$
US Dollars	**4,755,562**	3,737,634	**664,330**	5,476,605
Euros	**4,553,465**	7,824,186	**8,608,171**	5,695,557
Pound sterling	**407,272**	-	**-**	91,726
Singapore Dollar	**113**	105	**112**	104
Canadian Dollars	**358,909**	170,545	**1,193,922**	1,793,127
Turkish Lira	**-**	244,504	**-**	-
	10,075,321	11,976,974	**10,466,535**	13,057,119

The Company had net liabilities denominated in foreign currencies of $391,214 (assets of $10,075,321 less liabilities of $10,466,535) as at 31 March 2025 (30 June 2024: net liabilities of $1,080,145 (assets of $11,976,974 less liabilities of $13,057,119). Based on this exposure, had the Australian dollar weakened by 10%/strengthened by 10% (30 June 2024: weakened by 10%/strengthened by 10%) against these foreign currencies with all other variables held constant, the Company's loss before tax for the period would have been $39,121 lower/$39,121 higher (30 June 2024: $108,015 lower/$108,015 higher). The percentage change is the expected overall volatility of the significant currencies, which is based on management's assessment of reasonable possible fluctuations taking into consideration movements over the last 6 months each period and the spot rate at each reporting date. The net foreign exchange loss for the period ended 31 March 2025 was $690,612 (30 June 2024: loss of $1,933,577).

24. Nature and extent of risk arising from financial instruments and digital assets (continued)

Digital asset risks

Access to digital assets can be disrupted by a number of matters including:

- Loss of access risk, such as to private keys;
- Irrevocable transactions given that transactions cannot be changed or corrected once a transaction has been verified and recorded on the blockchain;
- Fluctuations in digital asset prices due to global forces, interest rate, exchange, inflation, political/economic conditions;
- Vulnerability of crypto networks to hacking; and
- Unregulated crypto exchanges.

The Company's investments in crypto currency holdings for liquidity purposes are held on various digital platforms, some of which are unregulated exchanges. The Company is exposed to counterparty risk in the event that one or more of these unregulated exchanges fail or suffer a security breach, resulting in the loss or theft of the Company's assets. The Company maintains a risk management framework to mitigate the risks associated with its investments in cryptocurrencies, including monitoring the creditworthiness of its counterparties and implementing security measures to protect its assets. However, there can be no assurance that these measures will be effective in all circumstances. The Company continually evaluates its crypto holdings for liquidity purposes in cryptocurrencies and may make changes to its portfolio or risk management framework as market conditions or regulatory requirements change.

Price risk relating to digital assets

Fluctuations in the prices of cryptocurrencies may impact the day-to-day trading volumes of the Company's exchange partners, and unfavorably impact the Company's revenues. Additionally, during periods of rapid price fluctuations, there is a risk that unfavorable trading margins may occur due to delays in filling orders.

Capital management

The Company's objective when managing capital is to safeguard its ability to continue as a going concern, to meet the needs of ongoing operations, and to maintain a flexible capital structure which optimizes the cost of capital. The capital structure of the Company consists of equity comprised of issued share capital and reserves. The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issues, or by undertaking other activities as deemed appropriate under specific circumstances. The Company is not subject to externally imposed capital requirements.

(Expressed in Australian Dollars)

25. Fair value measurement

Fair value hierarchy

The following tables detail the Company's assets and liabilities, measured, or disclosed at fair value, using a three-level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3: Unobservable inputs for the asset or liability

31 March 2025	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Assets				
Cryptocurrency inventories	-	592,229	-	592,229
Receivables from trading exchanges held in cryptocurrency and Tether	-	2,421,658	-	2,421,658
Other investment	-	-	712,500	712,500
Total Assets	**-**	**3,013,887**	**712,500**	**3,726,387**
Liabilities				
Derivative liability	-	-	-	-
Total Liabilities	-	-	-	-

30 June 2024	**Level 1 $**	**Level 2 $**	**Level 3 $**	**Total $**
Assets				
Cryptocurrency inventories	-	348,255	-	348,255
Receivables from trading exchanges held in cryptocurrency and Tether	-	458,969	-	458,969
Other investment	-	-	712,500	712,500
Total Assets	**-**	**807,224**	**712,500**	**1,519,724**
Liabilities				
Derivative liability	-	-	-	-

There were no transfers between levels during the financial period.

The fair value of financial liabilities is estimated by discounting the remaining contractual maturities at the current market interest rate that is available for similar financial liabilities. This valuation technique maximizes the use of observable market data where it is available and relies as little as possible on entity specific estimates.

Management considers the fair value of deposits with trading exchanges to be Level 2 input under IFRS 13 fair value hierarchy. There has been no change to the valuation technique during the period.

(Expressed in Australian Dollars)

25. Fair value measurement (continued)

Receivables from trading exchanges in cryptocurrencies and Tether (note 4.2) and inventories (note 5) [collectively, the "digital assets"] are measured at fair value using Level 2 inputs. Digital asset prices are affected by various global forces including global supply and demand, interest rates, exchange rates, inflation or deflation and global political and economic conditions. The profitability of the Company is impacted by the current and future market price of digital assets; in addition, the Company may not be able to liquidate its cryptocurrency inventory of digital currency at its desired price if required. A decline in the market prices for coins could negatively impact the Company's future operations. The Company has not hedged the conversion of any its digital currency sales. Digital currencies have a limited history, and the fair value historically has been very volatile. Historical performance of digital currencies is not indicative of their future price performance. For the period ended 31 March 2025, management's estimate of the effect on loss before tax of a +/- 15% (2024: 15%) change in the market price of the Company's digital assets, with all other variables held constant, is +/- $558,958 (June 2024: +/- $227,959).

26. Segmented Information

The Company conducts its business as a single operating segment. The Company maintains offices in Australia, North America, and Europe. Revenue by geographic region is included in note 18. The following table summarizes the Company's assets and liabilities information by geographic region.

As at 31 March 2025:

	Australia	North America	Europe	Total
	$	$	$	$
Cash	457,760	529,684	1,869,876	2,857,320
Trade and other receivables	2,150,381	3,082,858	2,787,195	8,020,434
Inventories	397,656	194,573	-	592,229
Prepaids	374,851	643,161	2,487	1,020,499
Property and Equipment	79,030	-	2,245	81,275
Right-of-use assets	53,196	-	-	53,196
Goodwill	151,643	-	-	151,643
Other deposits	259,622	227,811	-	487,433
Other assets	712,500	-	-	712,500
Deferred tax asset	31,190	118,552	2,680	152,422
Total assets	**4,667,829**	**4,796,639**	**4,664,483**	**14,128,951**
Trade and other payables	3,334,193	2,029,572	1,723,668	7,087,433
Current tax liabilities	-	(158,257)	515,104	356,847
Convertible notes and borrowings	2,502,573	5,898,958	6,369,282	14,770,813
Provisions and other liabilities	1,031,424	-	9,592	1,041,016
Lease liability	110,236	-	-	110,236
Total liabilities	**6,978,426**	**7,770,273**	**8,617,646**	**23,366,345**

(Expressed in Australian Dollars)

26. Segmented Information (continued)

As at 30 June 2024:

	Australia	North America	Europe	Total
	$	$	$	$
Cash	676,275	279,778	1,072,700	2,028,753
Trade and other receivables	2,740,751	(50,300)	6,408,730	9,099,181
Inventories	348,255	-	-	348,255
Prepaids	254,677	246,955	-	501,632
Property and Equipment	184,594	-	-	184,594
Right-of-use assets	246,888	-	-	246,888
Goodwill	151,643	-	-	151,643
Other deposits	252,900	759,458	-	1,012,358
Other assets	712,500	-	-	712,500
Deferred tax asset	31,190	112,591	2,486	146,267
Total assets	**5,599,673**	**1,348,482**	**7,483,916**	**14,432,071**
Trade and other payables	4,406,767	1,509,603	880,520	6,796,890
Current tax liabilities	70,050	(129,911)	739,494	679,633
Convertible notes and borrowings	4,741,503	5,628,597	1,034,385	11,404,485
Provisions and other liabilities	925,445	1,449	4,237	931,131
Lease liability	430,820	-	-	430,820
Total liabilities	**10,574,585**	**7,009,738**	**2,658,636**	**20,242,959**

27. Contingent liabilities

In the ordinary course of business, the Company and its subsidiaries may be threatened with, named as defendants in, or made parties to pending and potential legal actions. The Company does not believe that the ultimate outcome of these will have a material effect upon our financial position, the results of operations or cash flows.

There are no contingent liabilities as at 31 March 2025 and there are no outstanding litigations at the period-end that will give rise to contingent liability.

28. Subsequent events

April 8, 2025 – The Company acknowledged receipt by its board of directors (the "Board") of a non-binding, unsolicited acquisition proposal (the "Proposal") from an arm's length investor group led by Mr. Khurram Shroff (the "Potential Bidder") to acquire 100% of the issued and outstanding shares of the Company at a purchase price in the range of between C$1.00 to C$2.00 per share. Consistent with its fiduciary duties, the Board is carefully reviewing the Proposal in consultation with its legal and financial advisors to determine the course of action that it believes to be in the best interests of the Company and its shareholders. There can be no assurances that a definitive agreement, or any agreement at all, in respect of the Proposal will be entered into and no representation is made to that effect. The Board continues to evaluate a range of strategic and financial options to enhance shareholder value.

28. Subsequent events (continued)

April 30, 2025 - the Company completed a loan transaction pursuant to which the Company issued a secured promissory note in the principal amount of up to US$5.0 million (the "Loan") to an arm's length third party. The Loan proceeds will be advanced in an initial tranche of US$2.0 million on the date hereof, with the balance of the Loan to be advanced in three successive tranches of US$1.0 million on the first, second and third months following the date hereof. The Loan will mature in six months, and the outstanding principal amount of the Loan will bear interest at a rate of 10% *per annum*, payable in arrears together with the outstanding principal amount on the maturity date. The Company intends to use the proceeds of the Loan for working capital and general corporate purposes. The Loan is not convertible into any securities of the Company.

May 5, 2025 - Alam Group short term borrowings of AUD $947,589, due in April 2025 and was not renewed and paid in full.

May 21, 2025 - The Company extended a short-term borrowing agreement for the principal amount of US$1.0 million from Checkout. The extension will mature in six months and will bear interest at a rate of 15.33% *per annum*, payable in arrears quarterly.

May 17, 2025 - The Red Envelope short-term borrowings facility expired; however, it was re-established on May 18, 2025. The Company retained uninterrupted access to the facility throughout the period and did not experience any operational disruption.

May 26, 2025 - During the year ending June 30, 2025, Independent Reserve decided to sell its operations, which led to the sale of its shares. As a result, Banxa Holdings Inc. will divest its investment in Independent Reserve, currently valued at AUD 657,434. Under the terms of the sale agreement, 95% of the proceeds (AUD 546,642) will be received in January 2026, with the remaining 5% to be paid in July 2026.

June 27, 2025 - The Company entered into a plan of arrangement (the “Arrangement”) to be acquired by OSL, a company listed on the Hong Kong Stock Exchange. OSL Group Limited and OSL BNXA Acquisition Inc. (the “Purchaser”), pursuant to which the Purchaser will acquire all of the issued and outstanding common shares of the Company (“Shares”) for cash consideration of C$1.55 per Share. Completion of the Arrangement remains subject to, among other things: (i) the receipt of the final order of the Supreme Court of British Columbia in connection with the Arrangement; (ii) the final acceptance of the TSX Venture Exchange; (iii) the receipt of certain required corporate and regulatory approvals and consents; and (iv) the satisfaction or waiver of certain additional conditions described in the management information circular of the Company dated July 25, 2025 (the "Circular"), which is available on the Company's SEDAR+. Subject to the satisfaction or waiver of such closing conditions, it is anticipated that the Arrangement will be completed in calendar Q4 2025 or Q1 2026. Further information on the Arrangement can be found in the Circular.

August 28, 2025 – The Company held the annual general and special meeting of securityholders (the “Meeting”). In addition to approvals obtained relating to annual general business, securityholders of the Company overwhelmingly approved the previously announced Arrangement.

An aggregate of 26,772,184 votes were cast at the Meeting with respect to the resolution approving the Arrangement (the “Arrangement Resolution”), of which 25,786,627 votes were cast in favour of the Arrangement Resolution, representing approximately 98.33% of the total votes cast. Accordingly, the Arrangement Resolution was duly approved by the requisite threshold of votes, being: (i) at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by holders of Shares; and (ii) at least two-thirds (66⅔%) of the votes cast at the Meeting in person or by proxy by the holders of Shares and the holders of common share purchase warrants and stock options of the Company, voting together as members of a single class. Shareholders of the Company also overwhelmingly approved all other annual general items of business at the Meeting, including, without limitation, the election of directors and the appointment of the auditor, in each case, for the financial years of the company ended June 30, 2024 and 2023

Subsequent events (continued)

September 4, 2025 – The Company provided an update with respect to certain outstanding required regulatory approvals (the “Required Regulatory Approvals”), the receipt of which is a key condition precedent to the completion of the previously announced plan of arrangement (the “Arrangement” with OSL Group Limited and OSL BNXA Acquisition Inc. (together with the Company, the “Parties”).

As it relates to such Required Regulatory Approvals, the Company has, as of the date hereof: (a) received change of control approval for money-transmitter licenses in 17 out of 37 designated U.S. states; (b) received the declaration of no objection from the Netherlands De Nederlandsche Bank, representing a key milestone as we near a decision from the Netherlands’ Authority for Financial Markets for the Markets in Crypto-Assets Regulation License; and (c) submitted the required notifications to the Financial Conduct Authority in the United Kingdom. The hearing for the final order to approve the Arrangement, originally scheduled for September 2, 2025, has been adjourned by order of the Supreme Court of British Columbia to give the parties additional time to obtain the remaining Required Regulatory Approvals. Completion of the Arrangement remains subject to the satisfaction or waiver of the conditions precedent set out in the arrangement agreement dated June 27, 2025