

Liquid Meta Capital Holdings Ltd.

Financial Statements

For the Years Ended May 31, 2024 and 2023

(Expressed in U.S. dollars)

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Independent Auditor's Report

To the Shareholders of Liquid Meta Capital Holdings Ltd.

Opinion

We have audited the financial statements of Liquid Meta Capital Holdings Ltd. (the "Company"), which comprise the statement of financial position as at May 31, 2024 and the statements of loss and comprehensive loss, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at May 31, 2024, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

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 Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the 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.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. We have determined that there are no key audit matters to communicate in our report.

Other matter

The financial statements of Liquid Meta Capital Holdings Ltd. for the year ended May 31, 2023 were audited by another auditor who expressed an unmodified opinion on those statements on November 7, 2023.

Other Information

Management is responsible for the other information. The other information comprises:

- Management's Discussion and Analysis

Our opinion on the 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 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 financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained the other information prior to the date of this auditor's report. If, based on the work we have

performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in this auditor's report. We have nothing to report in this regard.

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

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

In preparing the 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 financial statements.

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

- Identify and assess the risks of material misstatement of the 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 financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Diana Huang.

Crowe Mackay LLP

Chartered Professional Accountants
Vancouver, Canada
August 28, 2024

	Notes	As at May 31, 2024	As at May 31, 2023
		$	$
Assets			
Current			
Cash and cash equivalents	6	3,756,086	4,595,666
USD coin		617	1,320
Digital assets - inventories	7	237,000	6,845
Amounts receivable	5, 6	99,368	12,066
Notes receivable	5	2,000,000	-
Prepaid expenses		31,937	56,366
Total current assets		**6,125,008**	**4,672,263**
Non-current assets			
Equipment		-	5,253
Total non-current assets		**-**	**5,253**
Total assets		**6,125,008**	**4,677,516**
Liabilities			
Current			
Accounts payable and accrued liabilities	13	74,122	213,194
Digital asset loans payable - USD coin		-	7,103
Total liabilities		**74,122**	**220,297**
Shareholders' equity			
Share Capital	8	13,738,435	13,738,435
Options Reserve	8	3,795,917	3,760,150
Warrants Reserve	8	1,230,322	1,230,322
Accumulated Deficit		(12,713,788)	(14,271,688)
Total shareholders' equity		**6,050,886**	**4,457,219**
Total liabilities and shareholders' equity		**6,125,008**	**4,677,516**

Subsequent events (notes 5 and 7)

These financial statements were approved for issuance on August 28, 2024 by the Board of Directors and signed on its behalf by:

/s/ Jonathan Wiesblatt (signed)
CEO

/s/ Sendy Shorser (signed)
CFO

	Notes	Year ended May 31, 2024	Year ended May 31, 2023
		$	$
Revenue			
Net gain (loss) on digital assets	9	104,809	(1,034,449)
Net realized gain and revenues earned from providing liquidity in liquidity pools	10	139,441	411,472
Staking revenue		-	44,679
Interest income		303,968	333,799
		548,218	**(244,499)**
Expenses			
Impairment recovery (loss) on financial assets – net	11	1,428,099	(3,930,218)
Share-based compensation	8, 13	(35,767)	(724,080)
Professional fees	13	(283,483)	(718,229)
General and administrative expenses	13	(59,728)	(501,547)
Regulatory fees		(21,052)	(32,781)
Interest expense – digital assets		-	(306,345)
Research and development		-	(296,864)
Information technology		(1,655)	(114,391)
Penalties and settlements		(1,110)	(60,877)
Advertising, marketing and investor relations		(8,241)	(52,789)
Direct transaction costs		(43)	(47,003)
Depreciation		(3,228)	(3,228)
Exchange gain (loss)		(4,110)	1,456
		1,009,682	**(6,786,896)**
Net Profit/ (loss) and comprehensive Profit/ (loss)		**1,557,900**	**(7,031,395)**
Basic income (loss) per common share		**0.03**	**(0.13)**
Diluted income (loss) per common share		**0.03**	**(0.13)**
Weighted average number of common shares outstanding – basic		**53,837,246**	**53,837,246**
Weighted average number of common shares outstanding – diluted		**53,837,246**	**53,837,246**

Liquid Meta Capital Holdings Ltd.
Statements of changes in Shareholders' Equity
For the years ended May 31, 2024 and 2023
(Expressed in U.S. dollars)

		Share Capital		Reserves			
	Notes	Number of shares	Amount	Options	Warrants	Deficit	Total
		#	$	$	$	$	$
Balance as at May 31, 2022		53,837,246	24,505,884	3,101,900	1,164,492	(7,240,293)	21,531,983
Share-based compensation	8	-	-	658,250	65,830	-	724,080
Return of Capital	8	-	(10,767,449)	-	-	-	(10,767,449)
Net loss and comprehensive loss		-	-	-	-	(7,031,395)	(7,031,395)
Balance as at May 31, 2023		53,837,246	13,738,435	3,760,150	1,230,322	(14,271,688)	4,457,219

		Share Capital		Reserves			
	Notes	Number of shares	Amount	Options	Warrants	Deficit	Total
		#	$	$	$	$	$
Balance as at May 31, 2023		53,837,246	13,738,435	3,760,150	1,230,322	(14,271,688)	4,457,219
Share-based compensation	8	-	-	35,767	-	-	35,767
Net profit and comprehensive profit		-	-	-	-	1,557,900	1,557,900
Balance as at May 31, 2024		53,837,246	13,738,435	3,795,917	1,230,322	(12,713,788)	6,050,886

The accompanying notes are integral to the financial statements

Liquid Meta Capital Holdings Ltd.
Statements of Cash Flows
For the years ended May 31, 2024 and 2023
(Expressed in U.S. dollars)

	Notes	Year ended May 31, 2024	Year ended May 31, 2023
		$	$
OPERATING ACTIVITIES			
Net profit (loss) for the year		1,557,900	(7,031,395)
Adjustments for non-cash items:			
Share-based compensation	8	35,767	724,080
Depreciation		3,228	3,228
Equipment write-down		2,025	-
Impairment loss on financial assets	11	-	3,930,218
Net realized loss (gain) on providing liquidity in liquidity pools	10	(139,441)	(411,472)
Unrealized gain on digital assets - inventories	9	(90,440)	-
Changes in operating assets and liabilities:			
USD coin		703	20,077,024
Receivables from decentralized platforms		-	1,365,211
Digital assets - inventories		(274)	1,347,654
Amounts receivable		(87,302)	(10,551)
Receivable from centralized exchanges		-	(4,860,126)
Prepaid expenses		24,429	43,876
Accounts payable and accrued liabilities		(139,072)	(234,298)
Digital asset loans payable – USD coin		(7,103)	7,103
Cash flows from (used in) operating activities		**1,160,420**	**14,950,552**
Investing Activities			
Purchase of equipment		-	(5,498)
Notes receivable		(2,000,000)	-
Cash flows (used in) investing activities		**(2,000,000)**	**(5,498)**
Financing Activities			
Return of capital		-	(10,767,449)
Cash flows (used in) financing activities		**-**	**(10,767,449)**
Net increase (decrease) in cash and cash equivalents		(839,580)	4,177,605
Cash and cash equivalents, beginning of year		4,595,666	418,061
Cash and cash equivalents, end of year		**3,756,086**	**4,595,666**

1. NATURE OF OPERATIONS

Liquid Meta Capital Holdings Ltd. ("Liquid Meta" or the "Company") was incorporated under the laws of British Columbia on January 6, 2020. On December 21, 2022, the Company announced that it initiated a process to evaluate potential strategic alternatives and that it was pausing the development of its proprietary software and tools to access, automate, and scale operations within the decentralized finance ("DeFi") segment of the cryptocurrency industry. On March 9, 2023, the Company further announced that its Board of Directors had concluded the initial phase of its previously announced strategic review process, as disclosed in the Company's press release dated December 21, 2022. In May 2023, as part of its strategic review, the Board determined that it is desirable and in the best interest of the Company to discontinue the operations of the Company's crypto liquidity business and discontinue the development of the Company's MetaBridge technology, following which the Company will have no active business operations.

The Company's registered address is 700-401 West Georgia Street, Vancouver, British Columbia, V6B 5A1.

These financial statements were approved and authorized for issuance by the Board of Directors on August 28, 2024.

On December 22, 2021, the Company's common shares were listed on the CBOE Exchange Inc. under the symbol "LIQD".

On May 29, 2023, the Company issued a return of capital, amounting to $10,767,449, to shareholders on record as of May 15, 2023.

On January 17, 2024, the Company entered into a binding LOI with Cellview Imaging Inc. ("Cellview") regarding the acquisition of all of the issued and outstanding shares of Cellview by the Company that would result in a reverse take-over of the Company by Cellview. On, August 9, 2024, the Company terminated the LOI with Cellview. Refer to Note 5 for further details.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

The financial statements including comparatives, have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The policies applied to the financial statements are based on IFRS, which have been applied consistently to all periods presented.

Certain comparative figures have been reclassified to conform with current period presentation.

(b) Basis of measurement

The financial statements have been prepared on a going concern basis, under the historical cost convention, except for certain financial instruments measured at fair value upon initial recognition.

(c) Functional and presentation currency

The financial statements are presented in United States dollars, which is the Company's functional and presentational currency.

(d) Amended accounting standards adopted

The following standards, amendments to standards or interpretations are effective beginning on June 1, 2023:

- Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2.

These amendments continue the IASB's clarifications on applying the concept of materiality. These amendments help companies provide useful accounting policy disclosures, and they include: requiring companies to disclose their material accounting policies instead of their significant accounting policies; clarifying that accounting policies related to immaterial transactions, other events or conditions are themselves immaterial and do not need to be disclosed; and clarifying that not all accounting policies that relate to material transactions, other events or conditions are themselves material. The IASB also amended IFRS Practice Statement 2 to include guidance and examples on applying materiality to accounting policy disclosures. The Company has modified its accounting policy disclosures accordingly.

(e) Standards issued but not yet effective

The following amendments to existing standards have been issued and are applicable to the Company for its annual period beginning on June 1, 2024 and thereafter, with an earlier application permitted:

- Non-current liabilities with covenants – Amendments to IAS 1 Presentation of Financial Statements.

The following amendments to existing standards have been issued and are applicable to the Company for its annual period beginning on June 1, 2025 and thereafter, with an earlier application permitted:

- Sale or contribution of assets between an investor and its associate or joint venture – Amendments to IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures; and
- IFRS 18 presentation and disclosure in financial statements.

The Company is currently evaluating the impacts of adopting these amendments on its financial statements.

3. MATERIAL ACCOUNTING POLICIES

(a) Foreign Currency

The Company determines its functional currency as the currency of the primary economic environment in which the entity operates.

Transactions in foreign currencies are translated to the respective functional currencies at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss resulting from the settlement of such transactions and from the translation at the reporting date of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss.

(b) Research and Development

Expenditures on research activities are recognized as an expense in the period incurred. An internally generated intangible asset arising from development (or from the development phase of an internal project) is recognized if all of the following have been demonstrated:

- The technical feasibility of completing the intangible asset so that it will be available for use or sale;
- The intention to complete the intangible asset and use or sell it;
- The ability to use or sell the intangible asset;
- Understanding of how the intangible asset will generate probable future economic benefits;
- Availability of adequate technical, financial, and other resources to complete the development and to use or sell the intangible asset; and,
- The ability to reliably measure the expenditure attributable to the intangible asset during its development.

The amount initially recognized for internally generated intangible assets is the sum of the expenditures incurred from the date when the intangible asset first meets the recognition criteria listed above.

Where no internally generated intangible asset can be recognized, development expenditures are recognized in profit or loss in the period incurred.

(c) Cash and cash equivalents

Cash and cash equivalents include all cash on demand and all highly liquid investments with a maturity of three months or less, at the time of purchase.

(d) Digital assets

Digital assets are obtained from the Company's purchased cryptocurrencies through third party exchanges and from its rewards from different blockchains. The Company has assessed that it acts in a capacity as commodity broker trader as defined in IAS 2, *Inventories* ("IAS 2"), in characterizing these digital assets as they are principally acquired for the purpose of selling in the near future and generating a profit from fluctuations in price or broker-traders' margin. These assets are measured at fair value less cost to sell with changes in fair value recognized in profit or loss. Costs are determined on a weighted average cost basis and realized gains or losses when digital assets are sold.

The Company values its digital currency inventories based on the average quoted rates from various cryptocurrency exchanges. Closing prices were manually taken between 10PM to 11PM Eastern Standard Time. The Company believes any price difference between the principal market and the average of quoted rates to be immaterial. Management considers this fair value to be a level 2 input under IFRS 13 *Fair Value Measurement* ("IFRS 13") fair value hierarchy as the price on this source represents the average quoted prices on multiple cryptocurrency exchanges.

The Company's determination to classify its holding of cryptocurrencies as current assets is based on management's assessment that Company actively trades these cryptocurrencies to generate a profit from price fluctuations.

USD coin is classified as a financial instrument in accordance with IFRS 9 on the basis that one USD coin can be redeemed for one U.S. dollar on demand from the issuer. It has been presented as a separate line on the statements of financial position.

(e) Financial instruments

Financial assets

Initial recognition and measurement

Financial instruments classified as fair value through profit or loss ("FVTPL") are initially and subsequently measured at fair value.

Financial instruments classified as at amortized costs are initially measured at fair value and subsequently measured using the effective interest method.

(f) Revenue recognition

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. IFRS 15 is applied by analogy, since there is no formal contract present when interacting with decentralized applications. 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.

Revenue from rewards earned from providing liquidity in liquidity pools

The Company engages in liquidity mining activities where it acts as a liquidity provider and deposits certain tokens into certain DeFi platforms' liquidity pools. Transactions within liquidity pools are governed by a self-executing code referred to as a smart contract.

In liquidity mining, the Company earns rewards from providing liquidity in liquidity pools and share in trading fees earned by liquidity pools. The share in trading fees is a component of rewards earned from providing liquidity in liquidity pools. A certain percentage of trading fees on DeFi platforms are automatically fed back into the liquidity pools to make the pools more valuable over time. The liquidity pool providers will therefore earn their pro rata share of trading fees every time a trade is executed by the liquidity pools.

Depositing and holding liquidity pool tokens in a liquidity pool for a certain contract term represents one performance obligation. In determining the contract term, the Company considered the length of time during which the Company can monitor and can decide whether to exit from a reward pool and whether the Company has reasonable ability to do so. Every contract period, the Company will make a decision on whether to exit from the reward pool. This is done perpetually throughout the smart contract term, and it renews each and every contract period ("evergreen contract term") without any additional costs or penalties. Since the smart contract will renew without additional cost under the same terms, there is not a material right associated with the evergreen renewal clause. Therefore, the Company assessed that there are no material rights for future services granted under the contract.

The Company assessed that each contract renewal is considered as a contract modification. The Company further assessed that the contract modification is a separate contract because the modification results in a promise to deliver additional goods that are distinct (i.e. quantity of depositing and holding liquidity pool tokens in a liquidity pool); and an increase in the price of the contract by an amount of consideration that reflects the Company's stand-alone selling price for those goods (i.e. the amount of trading fees would be based on the portion of the total trading fees generated by the liquidity pools in which the Company's liquidity pool tokens are deposited in comparison to the all liquidity pools on the platform).

As the liquidity pool simultaneously receives and consumes the benefits provided by the Company's liquidity pool tokens, the Company has determined that its performance obligation is satisfied over time. Depositing and holding liquidity pool tokens in a liquidity pool represents a single performance obligation that represents a promise to transfer to the customer a series of distinct goods that are substantially the same and that have the same pattern of transfer to the customer.

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. When determining the transaction price relating to revenue from liquidity mining, the Company considered the effects of all of the following:

- Variable consideration,
- Constraining estimates of variable consideration,
- The existence of a significant financing component in the contract, and
- Non-cash consideration.

The consideration is all variable because rewards earned will be proportional to the total number of liquidity pool tokens staked. Because it is not probable that a significant reversal of cumulative revenue will not occur, the consideration is constrained until the Company is able to resolve the variable consideration, which occurs at the end of each contract period. Revenue from rewards earned from providing liquidity in liquidity pools is recognized over time (measured at the beginning of each contract period). The transaction consideration the Company receives is a non-cash consideration, which the Company measures at fair value by reference to the quoted market price of the rewards from providing liquidity and pair of tokens representing proportionate share in rewards multiple times a day at times (i.e. inception of the contract).

Staking revenue

The Company acts as a delegator in a staking activity in which the Company stakes its digital assets with a trusted validator instead of operating a node and validating blockchain transactions itself.

As a delegator, the Company secures the network by delegating its stake to validator nodes. The Company earns a portion of the rewards generated by validators by securing the network and producing blocks per respective period/epoch/era (varies based on the platform or the chain).

When the Company elects to de-stake digital assets acting either as delegator or validator, an unbonding period may apply. During this period, the Company typically no longer earns staking rewards on the de-staked digital assets and is subject to slashing, but it cannot sell (or otherwise transfer) those digital assets. The unbonding period varies based on the platform or the chain. The Company was subjected to unbonding periods of up to 21 days in length.

The performance obligation is the delegation of the Company's tokens to a validator node for certain contract period (which varies from one chain to another) plus the unbonding period. In determining the contract period, the Company considered the length of time during which the Company can monitor and can decide whether to exit from the reward pool and whether the Company has reasonable ability to do so. At the end of every contract period the Company will decide on whether to unbond its position from the staking pool without additional cost or penalty. Since the smart contract will renew without additional cost under the same terms, there is not a material right associated with the evergreen renewal clause. Therefore, the Company assessed that there are no material rights for future services granted under the contract.

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. When determining the transaction price relating to rewards from liquidity mining, the Company considered the effects of all of the following:

- Variable consideration,
- Constraining estimates of variable consideration,
- The existence of a significant financing component in the contract, and
- Non-cash consideration.

The consideration is all variable because staking rewards earned will be proportional to the total number of delegated assets staked and network's inflation rate. Because it is not probable that a significant reversal of cumulative revenue will not occur, the consideration is constrained until the Company is able to resolve the variable consideration, which occurs at the end of each contract period. Revenue is recognized over time, which is measured at the beginning of each contract period. The transaction consideration the Company receives is non-cash consideration, which the Company measures at fair value by reference to the quoted market price of the rewards at the beginning of each day (i.e. inception of the contract).

Interest income from digital currencies related to lending activities

From time to time, the Company loans out digital currencies to earn interest on these digital currencies. The loans are in both open and closed terms at varying interest rates. Interest rates are based on a percentage of the digital currencies loaned and are denominated in the related digital currencies.

Sale of digital assets

Sales of digital assets are recognized at the point in time when the Company has delivered the cryptocurrencies to the buyer's wallet accounts or to the decentralized platforms. The Company has control of the cryptocurrencies either in its custody or with the exchanges prior to the sale. Accordingly, the Company records the gain from the sale as revenue and is presented as net in the statements of loss and comprehensive loss.

(g) Share capital

Common shares are classified as shareholders' equity. Incremental costs directly attributable to the issue of common shares, options and warrants are recognized as a deduction from equity, net of tax, from the proceeds.

(h) Warrants

The Company follows the relative fair value method with respect to the measurement of common shares and warrants issued as units. The proceeds from the issuance of units are allocated between share capital and warrants. The warrant component is recorded in warrant reserve. Unit proceeds are allocated to common shares and warrants using the Black-Scholes option pricing model and the share price at the time of financing. If and when the warrants are exercised, consideration paid by the warrant holder, together with the amount previously recognized in warrant reserve, is recorded as an increase to share capital. For any warrants that do not vest upon issuance, a forfeiture rate is estimated on the grant date and is adjusted to reflect the actual number of warrants that vest. When warrants expire unexercised any fair value allocated to the warrants remain in warrants reserve.

(i) Stock options

Each tranche of an award with graded vesting periods is considered a separate grant at each grant date for the calculation of fair value, and the resulting fair value is amortized over the vesting period of the respective tranches. The fair value of the options granted is measured using the Black-Scholes option pricing model taking into account the terms and conditions upon which the options were granted, the estimated volatility, estimated risk-free rate and estimated forfeitures. The value of the options granted is recognized over the vesting period in share-based compensation expense in the statements of income (loss) and comprehensive income (loss), and in options reserve. Upon exercise, shares are issued from treasury and the amount reflected in options reserve is credited to share capital, along with any consideration paid. When options expire unexercised any fair value allocated to the options remain in options reserve.

(j) Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing the earnings (loss) available to common shareholders by the weighted average number of common shares outstanding during the period. Dilutive earnings per share reflect the potential dilution of securities that could share in the earnings of an entity. In periods where a net loss is incurred, potentially dilutive common shares are excluded from the loss per share calculation as the effect would be anti- dilutive and basic and diluted loss per common share is the same. Under the treasury stock method, the weighted average number of common shares outstanding used for the calculation of diluted earnings per share assumes that the proceeds to be received on the exercise of diluted stock options and warrants are used to repurchase common shares at the average price during the period.

4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

Preparation of the financial statements requires management to make certain estimates, judgments and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and reported amounts of revenue and expenses during the reporting period. Actual outcomes could differ from these estimates. The financial statements include estimates which, by their nature, are uncertain. The impact of such estimates is pervasive throughout the financial statements and may require accounting adjustments based on future occurrences. Revisions to accounting estimates are recognized in the period in which the estimate is revised, and the revision affects both the current and future periods.

The areas which require management to make significant judgments, estimates and assumptions in determining carrying values include, but are not limited to:

(a) Functional currency

The functional currency of the Company has been assessed by management based on consideration of the currency and economic factors that mainly influence the Company's digital currencies, production and operating costs, financing, and related transactions. Specifically, the Company considers the currencies in which digital currencies are most denominated and the currencies in which expenses are settled, as well as the currency in which the Company receives or raises financing. Changes to these factors may have an impact on the judgment applied in the determination of the Company's functional currency.

(b) Accounting for digital assets

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 in characterizing its holding of digital assets. The Company holds these digital assets for sale in the ordinary course of business. Although 'commodity' is not defined in IAS 2, the Company has concluded that its holding of digital assets is a commodity or similar to a commodity and measured them at fair value less costs to sell.

Based on the Company's business model associated with liquidity mining and yield farming, characteristics of decentralized platforms such as liquidity pools, the nature of LP tokens including its redeemability feature at the discretion of the holder, the documentation within decentralized platforms that outlines the trading and redemption process, token price determination including final value at redemption, incentives for participation and other factors, the Company has applied judgment and used certain IFRS by analogy which led to a conclusion that LP tokens are to be classified and measured as financial assets at fair value through profit or loss on the basis that these LP tokens are held like an investment with the objective of earning reward tokens and trading fees including possibly realized gains upon redemption. Consequently, revenues earned from these decentralized platforms were accounted for similar to investment income.

(c) Valuation of digital assets

Digital assets consist of cryptocurrency-denominated assets whose fair values are based on prices at cryptocurrency exchanges. The cryptocurrency 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 cryptocurrency could have a significant impact on the Company's earnings and financial position.

(d) Going concern

Management assessed the going concern basis of accounting based on the current cash reserves. The Company's current cash reserves are sufficient for the Company to maintain current expenditure rates for at least the next 12 months.

5. NOTES RECEIVABLE

On January 17, 2024, the Company entered into a binding LOI with Cellview regarding the acquisition of all of the issued and outstanding shares of Cellview by the Company that would result in a reverse take-over of the Company by Cellview ("the Transaction"). Pursuant to the Transaction, the holders of the issued and outstanding Cellview Shares shall receive such number of common shares in the capital of the Company for each Cellview Share held such that upon completion of the Transaction, shareholders of Cellview would hold approximately 75% of the issued and outstanding shares of the Resulting Issuer while the shareholders of Liquid Meta would hold approximately 25% of the issued and outstanding shares of the Resulting Issuer, subject to adjustment in certain circumstances.

In connection with the binding LOI, on January 17, 2024, the Company advanced a bridge loan of $1,000,000 to Cellview pursuant to the terms of a secured convertible promissory note entered into between Cellview and the Company. The note yields interest at a rate of 15% per annum and the principal and accrued and unpaid interest of this note will be due and payable 12 months following the date of issuance unless earlier converted into shares in the capital of Cellview upon the completion of certain liquidity events.

On March 7, 2024, pursuant to the terms of the binding LOI with Cellview and the certain escrow agreement entered into by the Company in connection therewith, the $1,000,000 disbursement advanced to the escrow agent was released to Cellview in exchange for the issuance of a subsequent secured convertible promissory note by Cellview.

Unless earlier converted into shares in the capital of Cellview upon the completion of certain liquidity events, the principal and accrued and unpaid interest of the above note will be due and payable on January 17, 2025 and yields interest at a rate of 15% per annum.

These notes are secured against the assets and property of Cellview.

Included in amounts receivable is interest of $91,233 accrued on the outstanding notes as of May 31, 2024.

On, August 9, 2024, the Company terminated the LOI with Cellview. The Company expects the notes to be fully repaid, including accrued interest, or converted into Cellview shares, prior to the maturity date.

6. CASH AND CASH EQUIVALENTS

	2024	2023
	$	$
Cash at banks	76,086	45,857
Short-term deposits	3,680,000	4,549,809
	3,756,086	4,595,666

None of the deposits are redeemable. Included in amounts receivable is interest of $8,135 accrued on deposits that are outstanding but not redeemed as of May 31, 2024 (2023 - $10,555). Terms and details of the deposits open as of May 31, 2024 are as follows:

Investment date	Amount invested	Term	Interest rate	Maturity date
	$	Days	% per annum	
May 09, 2024	2,480,000	32	5.10	June 10, 2024
May 28, 2024	1,200,000	62	5.19	July 29, 2024

Terms and details of the deposits open as of May 31, 2023 are as follows:

Investment date	Amount invested	Term	Interest rate	Maturity date
	$	Days	% per annum	
May 10, 2023	2,753,175	61	5.50	July 10, 2023
May 23, 2023	1,528,571	62	5.50	July 24, 2023
May 31, 2023	268,063	30	2.75	June 30, 2023

7. DIGITAL ASSETS - INVENTORIES

The movement in digital assets held for the year ended May 31, 2024 is as follows:

	$
Balance, May 31, 2023	6,845
Net realized gain and revenues earned from providing liquidity in liquidity pools	139,441
Net proceeds	(14,095)
Net realized gain on digital assets sold	14,369
Unrealized gain (loss) – net	90,440
Balance, May 31, 2024	**237,000**

As of May 31, 2024, the Company's digital assets inventories consisted entirely of Solana tokens. These tokens were sold subsequent to the year end for $247,353.

8. SHAREHOLDERS' EQUITY

(a) Authorized

The authorized capital of the Company consists of an unlimited number of common shares.

(b) Issued

No shares were issued for the year ending May 31, 2024 or 2023.

No dividends have been paid or declared by the Company since inception until May 31, 2024.

(c) Stock options

The Company has established a share option plan (the "Option Plan") for directors, officers, employees, and consultants of the Company. The Company's Board of Directors determines, among other things, the eligibility of individuals to participate in the Option Plan, the term and vesting periods, and the exercise price of options granted to individuals under the Option Plan. The total number of shares available for grant shall not exceed 15% of the total issued and outstanding common shares (on a non-diluted basis), with the max term of any option granted being ten years.

The movement in stock options for the year ended May 31, 2024 and the year ended May 31, 2023 is summarized as follows:

	Outstanding	**Weighted average exercise price**
	#	$
Balance, May 31, 2022	4,900,755	0.89
Options granted	150,000	1.00
Options cancelled	(3,875,000)	1.00
Options expired	(400,000)	1.00
Balance, May 31, 2023	**775,755**	**0.29**
Options granted	970,000	0.06*
Options cancelled	(775,755)	0.29
Balance, May 31, 2024	**970,000**	**0.06**

*These options were granted with an exercise price of $0.075 CAD.

The fair value of the stock options were determined using the Black-Scholes valuation model through a "waterfall" using a series of simultaneous options models.

During 2024, management made the following assumptions: Nil dividends, 156% volatility; risk-free rate of 4.10%, whereas during 2023, management made the following assumptions: Nil dividends, 156% volatility; risk-free rate in the range of 1.18% to 3.30%.

The following table is a summary of the Company's options outstanding as at May 31, 2024:

As at May 31, 2024		
Outstanding	Exercise price	Expiry date
#	$	
970,000	0.06*	August 8, 2028

*These options were granted with an exercise price of $0.075 CAD.

For the year ended May 31, 2024, the Company recorded net share-based compensation of $35,767 on stock options and $3,795,917 was cumulatively recognized in options reserve as at that date. For the year ended May 31, 2023, $658,250 was recognized in options reserve and share-based compensation.

(d) Warrants

The movement in warrants for the years ended May 31, 2024 and May 31, 2023 is summarized as follows:

	Outstanding	**Weighted average exercise price**
	#	$
Balance, May 31, 2022	1,596,237	0.77
Expired	(77,201)	0.28
Balance, May 31, 2023	**1,519,036**	**0.79**
Expired	(1,081,992)	1.00
Balance, May 31, 2024	**437,044**	**0.28**

At the time of issuance, management made the following assumptions: Nil dividends, volatility in the range of 143% to 156%; risk-free rate in the range of 0.66% to 1.19%

The following table is a summary of the Company's warrants outstanding as at May 31, 2024:

As at May 31, 2024		
Outstanding	Exercise price	Expiry date
#	$	
437,044	0.28	May 1, 2026

For the year ended May 31, 2024, $nil (2023 - $65,830) was recognized in warrants reserve and share-based compensation.

(e) Escrowed Securities

As per the Escrow Agreement signed on December 17, 2021, between the Company and Odyssey Trust Company in connection with the RTO, the Company's 21,218,097 shares and 775,755 options beneficially owned by certain directors and officers of the Company were placed in escrow with an escrow agent. ¼ of these shares and options were released on December 20, 2021. The remaining escrowed securities were released from escrow as follows:

- 1/3 of the remaining escrowed securities were released on June 20, 2022;
- 1/2 of the remaining escrow securities were released on December 20, 2022; and
- Any remaining escrow securities were released on June 20, 2023.

As of May 31, 2024, no common shares were held in escrow (2023 - 5,312,026).

9. NET GAIN (LOSS) ON DIGITAL ASSETS

Components of net realized gain (loss) on digital assets are as follows:

	2024 $	2023 $
Net realized gain (loss) on sale of digital assets	14,369	(1,039,715)
Unrealized gain (loss) – net	90,440	5,266
	104,809	(1,034,449)

10. NET REALIZED GAIN (LOSS) AND REVENUES EARNED FROM PROVIDING LIQUIDITY IN LIQUIDITY POOLS

Components of Net realized gain (loss) and revenues earned from providing liquidity in liquidity pools are as follows:

	2024 $	2023 $
Rewards earned from providing liquidity in liquidity pools	139,241	483,652
Trading fees	-	233,251
Net realized loss on sale of LP tokens	(2,392)	(302,948)
Unrealized gain on LP/Crema tokens	2,592	2,392
Other	-	(4,875)
	139,441	411,472

11. IMPAIRMENT LOSSES ON FINANCIAL ASSETS - NET

	2024 $	2023 $
FTX Losses/(Recovery)	(1,428,099)	3,824,509
Crema Finance (“Crema”) losses	-	105,709
	(1,428,099)	3,930,218

The Company recognized $3,824,509 in losses due to the write-off of net USD held in FTX as of November 11, 2022, following FTX’s bankruptcy filing.

In November 2023, Liquid Meta successfully transferred its claim against FTX Trading Ltd to a third party. In exchange for Liquid Meta’s net claim for the full value of the loss, Liquid Meta received $1,428,099 in cash.

On July 2, 2022, a vulnerability in the ticks account caused an exploit on Crema, a decentralized platform. A total of $1,459,227 funds were stolen because of the vulnerability on the platform. Crema repaid 84% of the liquidity funds provided in USD coin and USDT stablecoins to all their liquidity providers proportionately, including Liquid

Meta. The remaining 16% was paid back in Crema tokens which vest in equal monthly installments for 12 months starting August 1, 2022. Accordingly, the Company received 792,579 in USDT and 433,914 in USDC on July 15, 2022 and received 1,907,259 CRM tokens valued at $127,026 during the year ended May 31, 2023, and 381,482 CRM tokens valued at $2,592 during the year ended May 31, 2024. The Company recognized $105,709 in losses during the year ended May 31, 2023.

12. INCOME TAX

The following table reconciles income tax recovery calculated at the basic Canadian corporate tax rate with the income taxes recorded in these financial statements, if any:

	2024 $	2023 $
Income (Loss) before income taxes	1,557,900	(7,031,395)
Combined federal and provincial income tax rate	27%	27%
Income tax expense (recovery) at statutory rate	420,633	(1,898,477)
Non-deductible expenses	10,000	195,502
True up and other	12,000	160,574
Change in unrecognized deferred tax assets	(442,633)	1,542,401
Income taxes	-	-

The Company has unrecognized deductible temporary differences and tax loss as follows:

	2024 $	2023 $	Expiry
Non-capital loss carryforward	7,527,000	8,617,000	2042-2043
Share issuance costs	1,238,000	1,780,000	2025-2027
Eligible capital expenditures	41,000	45,000	None
	8,806,000	10,442,000	

13. RELATED PARTY TRANSACTIONS

Key management includes personnel having the authority and responsibility for planning, directing and controlling the Company as a whole. The Company has determined its key management personnel to be executive officers and directors of the Company.

a) Included in accounts payable and accrued liabilities as at May 31, 2024 is $nil (May 31, 2023 - $16,544) payable to a significant shareholder and $10,986 payable and accrued to officers of the company as at May 31, 2024 (May 31, 2023 - $27,263).

b) Included in professional fees, are expenses for the year ended May 31, 2024 of $162,866 incurred with officers of the Company (2023 - $382,927).

c) Included in the share-based compensation for the year ended May 31, 2024 is $35,767 incurred with directors and officers of the Company (2023 – $573,170).

d) Included in general and administrative expenses, is payroll for the year ended May 31, 2024 of $nil incurred

with directors and officers of the Company (2023 - $138,500).

14. CAPITAL MANAGEMENT

The Company's capital management objectives are to preserve capital, especially during difficult macro-economic environments. The Company can at times increase its cash and cash equivalents on its statement of financial position to preserve its financial integrity. The Company defines capital as the aggregate of its share capital and borrowings.

The Company manages its capital structure in accordance with changes in economic conditions. To maintain or adjust its capital structure, the Company may elect to issue or repay financial liabilities, issue shares, repurchase shares, pay dividends or undertake any other activities as deemed appropriate under specific circumstances. The Company is not subject to any externally imposed capital requirements.

The management of the Company reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable.

15. FINANCIAL INSTRUMENTS

	As at May 31, 2024	As at May 31, 2023
	$	$
Financial assets		
FVTPL, measured at fair value		
Notes receivable	2,000,000	-
Financial assets, measured at amortized cost:		
Cash and cash equivalents	3,756,086	4,595,666
Amounts receivable	99,368	12,066
USD coin	617	1,320
Financial liabilities, measured at amortized cost:		
Accounts payable and accrued liabilities	74,122	213,194
Digital asset loans payable – USD coin	-	7,103

The Company has determined the estimated fair value of its financial instruments, if any, based on appropriate valuation methodologies; however, considerable judgment is required to develop these estimates. The fair values of the Company's financial instruments, if any, are not materially different from their carrying values.

Financial instruments that are measured subsequent to initial recognition at fair value are grouped in levels 1 to 3 of the fair value hierarchy based on the degree to which inputs used in measuring fair value is observable:

Level 1 – quoted prices (unadjusted) in active markets for identical assets or liabilities. There are no financial instruments measured at fair value which are classified as Level 1.

Level 2 – inputs other than quoted prices included in level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). There are no financial instruments measured at fair value which are classified as level 2.

Level 3 – inputs for the asset or liability that are not based on observable market data (unobservable inputs). The Company's level 3 financial instruments are restricted to notes receivable. The convertible promissory notes of a privately held company are not quoted on an exchange. Management believes that the fair value of the notes receivable have not changed since the initial purchase cost (refer to note 5).

Risk exposure and management

The Company's financial instruments are exposed to certain financial risks, which include the following:

(a) ***Credit risk***

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The maximum exposure to credit risk at the reporting date to recognized financial assets is the carrying amount of cash and cash equivalents, notes receivable and amounts receivable as disclosed in the statements of financial position.

The Company manages credit risk, in respect of cash and cash equivalents, by maintaining bank accounts at highly rated financial institutions. The notes receivable are secured against the assets and property of Cellview.

(b) ***Liquidity risk***

Liquidity risk is the risk that the Company will encounter difficulties in meeting obligations when they become due. The Company manages liquidity risk by maintaining adequate cash reserves, by continuously monitoring actual and forecast cash flows and matching the maturity profiles of financial assets and liabilities.

As at May 31, 2024 and 2023, the Company had working capital of $6,050,886 and $4,451,966, respectively.

(c) ***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: foreign currency risk, interest rate risk and price risk. These are discussed further below.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's interest-bearing financial instruments are limited to its cash and cash equivalents and notes receivable which are based on fixed interest rates. The Company does not have interest bearing debt and therefore is not exposed to significant interest rate risk.

Foreign currency risk

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. The Company held positions in various crypto currencies which had a market value stated in US dollars. Exchange rate fluctuations affect the costs that the Company incurs in its operations. The Company's functional currency is the US dollar and major purchases are transacted in US dollars. The Company is not subject to material foreign currency risk.

Price risk

Price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices, other than those arising from interest rate risk or foreign currency risk. The Company is not subject to material price risk.

16. DIGITAL ASSETS RISKS

While the company no longer engages in digital assets as of May 31, 2024, the following risks were present prior to ceasing operating activities during the year ended May 31, 2023.

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.

Smart contract risk

DeFi, in several ways, substitutes custodial risk prevalent with centralized finance platforms with smart contract risk, allowing hackers and attackers to seize funds and tokens escrowed in smart contracts. Smart contracts are constantly exploited across the blockchain ecosystem, with hackers taking advantage of flaws in the code. DeFi smart contracts are managed using admin keys. These allow the key holder to make significant changes to the code, such as protocol upgrades. One way cyberattacks occur is when hackers gain control of private or admin keys, allowing them to deplete all or some of the liquidity within pools of certain projects, among others.

Digital asset transactions are irrevocable, and losses may occur

Digital asset transactions are irrevocable and stolen or incorrectly transferred crypto assets may be irretrievable. Digital asset transactions are not reversible without the consent and active participation of the recipient of the transaction. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer of digital assets will not be reversible. If the Company is unable to effect a corrective transaction with a third party, or is incapable of identifying the recipient of its digital assets through error or theft, Liquid Meta will not be able to revert or otherwise recover any incorrectly transferred digital assets, or to convert or recover digital assets transferred to uncontrolled accounts.

The Business of Liquid Meta will be exposed to cybersecurity risks.

Cyber incidents can result from deliberate attacks or unintentional events, and may arise from internal sources (e.g., employees, contractors, service providers, suppliers and operational risks) or external sources (e.g., nation states, terrorists, hacktivists, competitors and acts of nature). Cyber incidents include unauthorized access to information systems and data (e.g., through hacking or malicious software) for purposes of misappropriating or corrupting data or causing operational disruption. Cyber incidents also may be caused in a manner that does not require unauthorized access, such as causing denial-of-service attacks on websites (e.g., efforts to make network services unavailable to intended users). A cyber incident that affects Liquid Meta, the DEX's it is providing liquidity to or its service providers might cause disruptions and adversely affect their respective business operations, and might also result in violations of applicable law (e.g., personal information protection laws), each of which might result in potentially significant financial losses and liabilities, regulatory fines and penalties, reputational harm, and reimbursement and other compensation costs. In addition, substantial costs might be incurred to investigate, remediate and prevent cyber incidents.
The evolving regulatory environment and various standards of transparency surrounding the operations of digital asset exchanges may cause the marketplace to lose confidence in crypto assets globally.

Liquidation risk

The Company supplied or borrowed digital assets on certain DeFi protocols. These digital assets could fluctuate in value due to the systemic risks of the issuing platforms or market volatility, including the loss of peg of certain pegged assets. This could result in the liquidation or closing of a user's position.

Reliance on Decentralized Exchanges (DEXs)

As a liquidity provider on a variety of decentralized protocols and applications, Liquid Meta is dependent on these public DEXs in the normal course of business. There is no guarantee that DEXs will continue to scale or upgrade over time such that their functionality improves or continues to be used by users. Additionally, the risks inherent to public blockchains, such as smart contract risks or cybersecurity risks, continue to apply to DEXs. There is also no certainty as to the future regulatory environment regarding DEXs or DeFi and any adverse changes could substantially impact our ability to conduct our business.

Reliance on Centralized Exchanges (CEXs)

As a liquidity provider to DeFi projects and platforms, Liquid Meta rely on centralized exchanges such as Kraken and Binance. It is necessary for exchanging capital with the Company's traditional banking partners. The Company exchanges fiat and other forms of capital into digital assets that can then be used across various protocols and applications. Liquid Meta will also from time to time hold some of its assets including traditional fiat currencies (notably USD) on these CEXs. Liquid Meta is reliant on these CEXs for the exchange of fiat/digital assets and at times the custodial services they provide for capital not being deployed on the DEXs. Any change to the CEXs business models, practices, ability to custody assets, ability to send or receive payments, solvency, swap or exchange assets, or be subject to security breaches or hacks could have a meaningful impact on Liquid Meta's operations and potential loss of some or all of our assets.

Regulatory changes or actions may alter the nature of an investment in the Company or restrict the use of digital assets in a manner that adversely affects the Company's operations.

Due to their global nature, digital assets are subject to regulatory fragmentation due to different treatment depending on jurisdiction. Certain governments have categorized cryptocurrencies as illegal while others have embraced their utility and have approved them for trade. Ongoing and/or future regulatory actions may alter the ability of the Company or any digital assets that the Company may stake, exchange, trade, mine, harvest, purchase or sell impossible to predict and may have a substantial impact on the Company's business operations. Governments may take regulatory actions that prohibit or restrict the right to acquire, own, hold, sell, use or trade digital assets, or to exchange digital assets for fiat currency.