

Liquid Meta Capital Holdings Ltd.

Financial Statements

For the nine months ended February 28, 2026 and 2025

(Expressed in U.S. dollars)

LIQUID META CAPITAL HOLDINGS LTD.

Condensed interim statements of financial position
As at February 28, 2026 and May 31, 2025
(Expressed in US dollars)

	Notes	As at February 28, 2026	As at May 31, 2025
		(Unaudited)	(Audited)
Assets		$	$
Current			
Cash and cash equivalents	4	4,127,742	6,220,446
Amounts receivable	4	120,363	37,119
Prepaid expenses		24,329	31,128
Total current assets		**4,272,434**	**6,288,693**
Non-current assets			
Investments	6	2,000,000	-
Total non-current assets		**2,000,000**	**-**
Total assets		**6,272,434**	**6,288,693**
Liabilities			
Current			
Accounts payable and accrued liabilities	9	83,534	94,744
Total liabilities		**83,534**	**94,744**
Shareholders' equity			
Share Capital	5	13,738,435	13,738,435
Options Reserve	5	3,795,917	3,795,917
Warrants Reserve	5	1,230,322	1,230,322
Accumulated Deficit		(12,575,774)	(12,570,725)
Total shareholders' equity		**6,188,900**	**6,193,949**
Total liabilities and shareholders' equity		**6,272,434**	**6,288,693**

These financial statements were approved for issuance on April 28, 2026, by the Board of Directors and signed on its behalf by:

/s/ Jonathan Wiesblatt (signed)
CEO

/s/ Sendy Shorser (signed)
CFO

		For the three months ended February 28,		For the nine months ended February 28,	
	Notes	**2026**	**2025**	**2026**	**2025**
		$	**$**	**$**	**$**
Revenues					
Net realized gain on digital assets		-	-	-	9,736
Interest income		148,735	107,436	252,583	354,568
		148,735	**107,436**	**252,583**	**364,304**
Expenses					
Professional fees	7	(75,381)	(54,510)	(231,827)	(168,821)
General and administrative expenses		(4,047)	(9,368)	(22,570)	(30,411)
Exchange loss		(137)	(742)	(3,235)	(3,478)
Penalties and settlements		-	-	-	(2,662)
		(79,565)	**(64,620)**	**(257,632)**	**(205,372)**
Net Income (loss) and comprehensive income (loss)		**69,170**	**42,816**	**(5,049)**	**158,932**
Basic and diluted income (loss) per common share		**0.001**	**0.001**	**(0.000)**	**0.003**
Weighted average number of common shares outstanding – basic and diluted		**53,837,246**	**53,837,246**	**53,837,246**	**53,837,246**

Liquid Meta Capital Holdings Ltd.
Condensed interim Statements of changes in Shareholders' Equity
For the nine months ended February 28, 2026 and 2025
(Expressed in U.S. dollars - unaudited)

		Share Capital		Reserves			
	Notes	Number of shares	Amount	Options	Warrants	Deficit	Total
		#	$	$	$	$	$
Balance as at May 31, 2024		53,837,246	13,738,435	3,795,917	1,230,322	(12,713,788)	6,050,886
Net income and comprehensive income		-	-	-	-	158,932	158,932
Balance as at February 28, 2025		53,837,246	13,738,435	3,795,917	1,230,322	(12,554,856)	6,209,818

		Share Capital		Reserves			
	Notes	Number of shares	Amount	Options	Warrants	Deficit	Total
		#	$	$	$	$	$
Balance as at May 31, 2025		53,837,246	13,738,435	3,795,917	1,230,322	(12,570,725)	6,193,949
Net loss and comprehensive loss		-	-	-	-	(5,049)	(5,049)
Balance as at February 28, 2026		53,837,246	13,738,435	3,795,917	1,230,322	(12,575,774)	6,188,900

Liquid Meta Capital Holdings Ltd.
Condensed interim Statements of Cash Flows
For the nine months ended February 28, 2026 and 2025
(Expressed in U.S. dollars - unaudited)

	Notes	February 28, 2026	February 28, 2025
		$	$
OPERATING ACTIVITIES			
Net income (loss) for the period		(5,049)	158,932
Changes in operating assets and liabilities:			
USD coin		-	617
Digital assets - inventories		-	237,000
Amounts receivable		(83,244)	61,319
Prepaid expenses		6,799	(8,014)
Accounts payable and accrued liabilities		(11,210)	20,346
Cash flows from (used in) operating activities		**(92,704)**	**470,200**
Investing Activities			
Investments		(2,000,000)	2,000,000
Cash flows from (used in) investing activities		**(2,000,000)**	**2,000,000**
Net increase (decrease) in cash and cash equivalents		(2,092,704)	2,470,200
Cash and cash equivalents, beginning of period		6,220,446	3,756,086
Cash and cash equivalents, end of period		**4,127,742**	**6,226,286**
Supplemental cash flow information:			
Cash received for interests		169,339	415,887

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.

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

On December 23, 2024, the Company was delisted from CBOE Canada and is no longer actively traded on an exchange.

On June 30, 2025, the Company advanced an initial $1,000,000 of a $2,000,000 preferred share investment to a private company pursuant to a strategic Letter of Intent ("LOI") approved by the Board of Directors on June 18, 2025. Refer to Note 6 for further details.

2. BASIS OF PRESENTATION

(a) Statement of Compliance

These unaudited condensed interim financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting, using accounting policies consistent with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain disclosures included in the annual financial statements prepared in accordance with IFRS have been condensed or omitted and these Unaudited Interim Condensed Financial Statements should be read in conjunction with the Company's Audited Financial Statements for the year ended May 31, 2025.

(b) Basis of measurement

These unaudited condensed interim financial statements have been prepared on a historical cost basis, except for financial instruments classified at fair value through profit or loss, which are stated at fair value. In addition, these financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

3. MATERIAL ACCOUNTING POLICIES

These unaudited condensed Interim financial statements and the accompanying notes were prepared using the accounting policies described in Note 3 of the Company's audited financial statements for the year ended May 31, 2025.

Newly adopted standards, amendments and interpretations
There are no standards, amendments to standards or interpretations that are effective for annual periods beginning on June 1, 2025, that have a material effect on the unaudited condensed interim financial statements of the Company.

A number of new standards, amendments to standards and interpretations are effective for annual periods beginning after June 1, 2025 and have not been early adopted in preparing these Unaudited Condensed Interim Financial Statements. See Note 3 of of the Company's audited financial statements for the year ended May 31, 2025.

4. CASH AND CASH EQUIVALENTS

	February 28, 2026	May 31, 2025
	$	$
Cash at banks	58,206	14,366
Short-term deposits	4,069,536	6,206,080
	4,127,742	6,220,446

None of the deposits are redeemable. Included in amounts receivable is interest of $4,472 accrued on deposits that are outstanding but not redeemed as of February 28, 2026 ($37,119 as of May 31, 2025).

Terms and details of the deposits open as of February 28, 2026 are as follows:

Investment date	Amount invested	Term	Interest rate	Maturity date
	$	Days	% per annum	
Feb 12, 2026	2,464,851	60	3.47	Apr 13, 2026
Feb 23, 2026	1,604,685	30	3.29	Mar 25, 2026

Terms and details of the deposits open as of May 31, 2025 are as follows:

Investment date	Amount invested	Term	Interest rate	Maturity date
	$	Days	% per annum	
Mar 10, 2025	2,540,459	91	4.48	Jun 09, 2025
Apr 02, 2025	1,152,621	91	4.52	Jul 02, 2025
May 14, 2025	1,290,000	90	4.53	Aug 12, 2025
May 28, 2025	1,223,000	30	4.05	Jun 27, 2025

5. 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 nine months ended February 28, 2026 and the year ended May 31, 2025.

(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.

There was no movement in stock options for the year ended May 31, 2025 and the nine months ended February 28, 2026.

The following table is a summary of the Company's options outstanding as at February 28, 2026:

As at February 28, 2026		
Outstanding	Exercise price	Expiry date
#	$	
970,000	0.0535*	August 8, 2028

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

(d) Warrants

There were no movements in warrants for the year ended May 31, 2025 and the nine months ended February 28, 2026.

The following table is a summary of the Company's warrants outstanding as at February 28, 2026:

As at February 28, 2026		
Outstanding	Exercise price	Expiry date
#	$	
437,044	0.28	May 1, 2026

6. Investments

On June 30, 2025, the Company advanced an initial $1,000,000 of a $2,000,000 preferred share investment to a private company pursuant to a strategic Letter of Intent ("LOI") approved by the Board of Directors on June 18, 2025. Under the LOI, the Company intends to acquire a 25% equity interest in the private company.

The first tranche of $1,000,000 was funded upon execution of the LOI. The second tranche of $1,000,000 was funded following the signing of a definitive business combination agreement on January 12, 2026. The preferred shares carry an annual interest rate of 15%. In the event of non-repayment, the Company has the option to convert the full $2,000,000 preferred share investment into common equity at a pre-money valuation of CAD $15 million.

Included in amounts receivable is interest of $115,891 accrued on the investments.

7. 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 professional fees, are expenses for the nine months ended February 28, 2026 of $85,494 incurred with a company owned by the CEO of the Company (2025 - $85,154).

b) Included in professional fees, are expenses for the nine months ended February 28, 2026 of $36,482 incurred with a company owned by the CFO of the Company (2025 - $37,358).

c) Included in professional fees, are expenses for the nine months ended February 28, 2026 of $22,952 incurred with a director of the Company (2025 - $nil).

d) Included in accounts payable, is $nil owing to a company owned by the CFO of the Company (2025 - $5,080).

8. 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 balance sheet 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. There is no change in the Company's capital management during the period.

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.

9. FINANCIAL INSTRUMENTS

	As at February 28, 2026	As at May 31,2025
	$	$
Financial assets		
FVTPL, measured at fair value:		
Investments	2,000,000	-
Financial assets, measured at amortized cost:		
Cash and cash equivalents	4,127,742	6,220,446
Amounts receivable	120,363	37,119
Financial liabilities measured at amortized cost:		
Accounts payable and accrued liabilities	83,534	94,744

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 its investments. The investments of a privately held company are not quoted on an exchange.

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, investments 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; in respect of investments, in the event of non-payment, investments can be converted into common shares of the investee.

9. FINANCIAL INSTRUMENTS (cont'd)

(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 February 28, 2026, and May 31, 2025, the Company had working capital of $4,188,900 and $6,193,949, 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. 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.