HYLQ Strategy Corp.

(formerly Tony G Co-Investment Holdings Ltd.)

Unaudited Interim Condensed Financial Statements
For the nine months ended October 31, 2025 and 2024

(Expressed in Canadian Dollars)

NOTICE TO READER

Under National Instrument 51-102, Part 4, subsection 4.3(3)(a), if an auditor has not performed a review of the unaudited interim condensed financial statements, they must be accompanied by a notice indicating that the interim condensed financial statements have not been reviewed by an auditor.

The accompanying unaudited interim condensed financial statements of the Company have been prepared by and are the responsibility of the Company's management.

The Company's independent auditor has not performed a review of these unaudited interim condensed financial statements in accordance with standards established by the Canadian Institute of Chartered Accountants for a review of financial statements by an entity's auditor.

HYLQ Strategy Corp.
(formerly Tony G Co-Investment Holdings Ltd.)
Unaudited Interim Condensed Statements of Financial Position
As at October 31, 2025, and January 31, 2025
(in Canadian dollars)

	Note		October 31 2025		January 31 2025
Assets					
Current assets:					
Cash and cash equivalents		**$**	**2,332,063**	$	258,731
Other current assets			**1,751**		171
			2,333,814		258,902
Cryptocurrency assets	3		**4,845,680**		-
Investments	4		**-**		-
		$	**7,179,494**	$	258,902
Liabilities and shareholders' equity (deficit)					
Current liabilities:					
Accounts payable and accrued liabilities	5		**265,451**	$	599,155
Related party loan	14		**19,711**		-
Derivative liability	6		**527,100**		838,582
Provision for liquidity incentive	7		**-**		196,227
		$	**812,262**	$	1,633,964
Shareholders' equity (deficit):					
Share capital	8		**19,025,539**		14,546,730
Contributed surplus	10		**1,580,564**		2,319,456
Warrants reserve	11		**4,142,000**		1,566,388
Accumulated other comprehensive income			**33,438**		-
Deficit			**(18,414,309)**		(19,807,636)
		$	**6,367,232**	$	(1,375,062)
		$	**7,179,494**	$	258,902

Signed on behalf of the Board:

"Matthew Zahab"
CEO and Director

"Gediminas Klepackas"
Director

The accompanying notes are an integral part of these financial statements

HYLQ Strategy Corp.
(formerly Tony G Co-Investment Holdings Ltd.)
Unaudited Interim Condensed Statements of Loss and Comprehensive Loss
For the nine months ended October 31, 2025 and 2024
(in Canadian dollars)

	Note	For the three months ended October 31, 2025	October 31, 2024	For the nine months ended October 31, 2025	October 31, 2024
Investment					
Interest income		**$ 4,481**	$ -	**$ 4,481**	$ -
Fair value adjustment on investments	4	**-**	-	**-**	-
		4,481	-	**4,481**	-
Expenses					
Consulting expenses	14	**209,722**	70,384	**287,275**	132,010
Director fees	14	**25,745**	41,333	**97,891**	61,440
Professional fees		**59,791**	118,934	**191,744**	147,578
Office & general		**31,000**	48,960	**91,088**	67,859
Travel		**-**	39,023	**156**	39,023
Share based compensation	10	**87,968**	195,000	**810,468**	195,000
Interest		**24,709**	-	**62,607**	-
Liquidity reserve expense (recovery)	7	**(196,227)**	-	**(196,227)**	-
Fair value adjustment on derivative liability	6	**(224,500)**	(110,526)	**(311,482)**	(117,645)
Total expenses		**18,208**	403,108	**1,033,520**	525,265
Net Loss for the period		**$ (13,727)**	$ (403,108)	**$ (1,029,039)**	$ (525,265)
Other Comprehensive Income (OCI):					
Unrealized gain on cryptocurrencies		**7,589**	-	**33,438**	-
Total comprehensive loss		**$ (6,138)**	$ (403,108)	**$ (995,601)**	$ (525,265)
Loss per share					
Loss per share - basic and diluted		**$ (0.00)**	$ (0.03)	**$ (0.07)**	$ (0.05)
Weighted average common shares outstanding		**17,084,899**	12,446,344	**14,455,021**	11,288,268

Nature of operations (Note 1)

The accompanying notes are an integral part of these financial statements

HYLQ Strategy Corp.
(formerly Tony G Co-Investment Holdings Ltd.)
Unaudited Interim Condensed Statements of Changes in Equity (Deficiency)
For the nine months ended October 31, 2025 and 2024
(in Canadian dollars)

		Share Capital						
	Note	Number of common shares outstanding	Amount	Share-based payment reserve	Warrant reserve	Accumulated Other Comprehensive Income	Deficit	Total
Balance, January 31, 2024		**7,133,398**	**$ 11,655,056**	**$ 1,512,516**	**$ 522,266**	**$ -**	**$ (14,780,117)**	**$ (1,090,279)**
Common shares issued in unit offering		4,000,000	2,400,000	-	-	-	-	2,400,000
Share issue costs - cash		-	(13,096)	-	-	-	-	(13,096)
Share based compensation		-	-	195,000	-	-	-	195,000
Allocation to warrants		-	(1,044,122)	-	1,044,122	-	-	-
Shares issued to settle debt		1,312,946	1,288,000	-	-	-	-	1,288,000
Net loss and comprehensive loss		-	-	-	-	-	(525,265)	(525,265)
Balance, October 31, 2024		**12,446,344**	**$ 14,285,838**	**$ 1,707,516**	**$ 1,566,388**	**$ -**	**$ (15,305,382)**	**$ 2,254,360**
Common shares issued in private placement		645,425	277,533	-	-	-	-	277,533
Share issue costs - cash		-	(16,641)	-	-	-	-	(16,641)
Share based compensation		-	-	611,940	-	-	-	611,940
Net loss and comprehensive loss		-	-	-	-	-	(4,502,254)	(4,502,254)
Balance, January 31, 2025		**13,091,769**	**$ 14,546,730**	**$ 2,319,456**	**$ 1,566,388**	**$ -**	**$ (19,807,636)**	**$ (1,375,062)**
Common shares issued in unit offering	8	5,333,332	7,999,998	-	-	-		7,999,998
Share issue costs - cash		-	(163,696)	-	-	-		(163,696)
Common shares issued upon option exercis	10	100,909	91,125	-	-	-		91,125
Fair value of options exercised		-	693,382	(693,382)	-	-		-
Share based compensation	10	-	-	810,468	-	-		810,468
Allocation to warrants	8	-	(4,069,000)	-	4,069,000	-		-
Broker warrants issued		-	(73,000)	-	73,000	-		-
Expiry of options and warrants		-	-	(855,978)	(1,566,388)	-	2,422,366	-
Net loss		-	-	-	-	-	(1,029,039)	(1,029,039)
Items affecting other comprehensive income		-	-	-	-	33,438	-	33,438
Balance, October 31, 2025		**18,526,010**	**$ 19,025,539**	**$ 1,580,564**	**$ 4,142,000**	**$ 33,438**	**$ (18,414,309)**	**$ 6,367,232**

The accompanying notes are an integral part of these financial statements

HYLQ Strategy Corp.
(formerly Tony G Co-Investment Holdings Ltd.)
Unaudited Interim Condensed Statements of Cash Flows
For the nine months ended October 31, 2025 and 2024
(in Canadian dollars)

	Note	For the nine months ended October 31, 2025	October 31, 2024
Operating Activities			
Net loss for the period		**$ (1,029,039)**	$ (525,265)
Adjustment for :			
Liquidity reserve expense (recovery)		**(196,227)**	-
Fair value adjustment of derivative liability		**(311,482)**	(117,645)
Share based compensation		**810,468**	195,000
Net change in non-cash working capital:			
Other current assets		**(1,580)**	-
Accounts payable and accrued liabilities		**(333,704)**	(73,588)
Net cash used in operating activities		**$ (1,061,564)**	$ (521,498)
Investing activities			
Investment in Alclin		**-**	(1,730,236)
Investment in cryptocurrency	3	**(4,812,242)**	-
Net cash used in investing activities		**$ (4,812,242)**	$ (1,730,236)
Financing activities			
Proceeds from issuance of shares	8	**7,999,999**	2,386,904
Commissions paid	8	**(163,697)**	-
Proceeds from option exercises		**91,125**	-
Proceeds from related party loans		**19,711**	-
Net cash provided by financing activities		**$ 7,947,138**	$ 2,386,904
Change in cash and cash equivalents		**2,073,332**	135,170
Cash and cash equivalents, beginning of period		**258,731**	242,174
Cash and cash equivalents, end of period		**$ 2,332,063**	$ 377,344

The accompanying notes are an integral part of these financial statements

1. Nature of operations

HYLQ Strategy Corp. (the "Company") is an investment issuer focused on building strategic exposure to the Hyperliquid ecosystem. The Company invests in HYPE (the native token of the Hyperliquid protocol) and decentralized finance infrastructure, with a mandate to identify and pursue high-conviction opportunities native to Hyperliquid. Through protocol-aligned treasury management, the Company seeks to maximize long-term shareholder value while supporting the sustainable growth of the Hyperliquid ecosystem. The Company's head office address is 5800 Ambler Drive suite 210 Mississauga, Ontario, L4W 4J4.

On December 28, 2018, the Company, then Braingrid Limited, completed its arm's length qualifying transaction (the "Transaction") in accordance with the policies of the Canadian Securities Exchange (the "CSE"), by way of a three-cornered amalgamation of Braingrid Corporation (a precision agriculture technology company), Match Capital Resources Corp. ("Match") and a wholly owned subsidiary of Match ("Match Subco") to form a new company ("Amalco") and commenced trading on the Canadian Securities Exchange under the symbol "BGRD".

On November 30, 2020, the Company announced that it would be pursuing a change of business (the "COB") under the rules of the CSE to refocus its business operations from a "technology issuer" to an "investment issuer". In accordance with the policies of the CSE, trading in the shares of the Company was halted pending review and approval by the CSE of the COB.

On May 19, 2021, the Company's shareholders approved the COB and the sale of Braingrid Corporation (the "Subsidiary").

On August 31, 2021, the Company announced that it had changed its name from Braingrid Limited to Tony G Co-Investment Holdings Ltd.

On September 28, 2021, the CSE approved the COB and on October 7, 2021, the Company began trading on the CSE under the symbol "TONY".

On June 19, 2025, the Company announced that it had changed its name from Tony G Co-Investment Holdings to HYLQ Strategy Corp. ("HYLQ").

The fiscal year end of the Company is January 31st, and these interim unaudited condensed financial statements were approved by the Board of Directors on December 29, 2025.

Going concern assumption

The financial statements have been prepared and presented on a going concern basis. The company has sufficient cash and cash equivalents and other liquid assets including crypto currencies, to support its operations for the next 12 months from the date of the issuance of these financial statements

2. Summary of significant accounting policies

Statement of compliance
The Company applies International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations issued by the IFRS Interpretations Committee. These unaudited interim condensed financial statements have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting. Accordingly, they do not include all the information required for full annual financial statements required by IFRS as issued by the IASB.

The policies applied in these unaudited Interim condensed financial statements are based on IFRSs issued and outstanding as the date of these financial statements. The same accounting policies and methods of computation are followed in these unaudited Interim condensed financial statements as compared with the most recent annual financial statements as at and for the year ended January 31, 2025. Any subsequent changes to IFRS during this fiscal year could result in restatement of these unaudited Interim condensed financial statements.

(in Canadian Dollars)

Accounting policy for cryptocurrencies

The Company's cryptocurrencies are primarily traded in active markets and are purchased to hold as a store of value and for the long term. As a result, the Company has determined that its holdings of cryptocurrencies should be accounted for under IAS 38, as the Company is expected to access future economic benefits of its cryptocurrencies through future sale, or by exchanging the cryptocurrency assets for goods or services. The Company has elected to use the revaluation model for its cryptocurrencies, which is to measure the assets at fair value with reference to the principal market on the date of revaluation less any subsequent amortization and impairment losses.

The net Increase in fair value over the initial cost of the cryptocurrencies is recorded in other comprehensive income (loss). The accumulated other comprehensive income is transferred directly to deficit upon de-recognition (i.e., sale or exchange for another cryptocurrency). IAS 38 does not allow the amounts in accumulated other comprehensive income to be transferred to profit or loss. However, if the cryptocurrency's carrying amount is decreased as a result of a revaluation, the decrease shall be recognized in profit and loss. However, IAS 38 permits the decrease to be recognized in other comprehensive income (loss) to the extent of any credit balance in accumulated other comprehensive income in respect of that asset. The decrease recognized in other comprehensive income (loss) reduces the amount accumulated in equity under the heading of accumulated other comprehensive income. The Company has determined that its HYPE token cryptocurrency holdings are traded in active markets and based on quoted prices at the end of each reporting period end as of 24:00 UTC.

3. Cryptocurrency assets

During the nine months ended October 31, 2025, the Company acquired HYPE tokens, the native asset of the HyperLiquid ecosystem, as part of its long-term digital assets strategy.

The Company holds cryptocurrency assets are classified as intangible assets. As of October 31, 2025, the carrying value was $4,845,680 including the fair value increase of $33,438.

The summary cryptocurrencies is as follows:

Cryptocurrency Assets		**October 31, 2025**		**January 31, 2025**
Beginning balance	**$**	**-**	$	-
Purchases - HYPE(1)		**3,597,942**		-
Purchases - USDC(2)		**1,214,300**		-
Cost		**4,812,242**		
FMV adjustments		**33,438**		-
Ending Balance	**$**	**4,845,680**	$	-

(1) Purchase of 58,962.5 HYPE tokens at an average price of $61.02 per token.
(2) Purchase of 877,195 USDC tokens

4. Investments

The Company's investments in equity instruments are classified as FVTPL and are carried at fair value. The detail is as follows:

Investment	**Quantity**	**October 31, 2025**	**Quantity**	January 31, 2025
Alclin Group (a)	329,052	**$ nil**	329,052	$ nil
News 3.0 Limited ("Cryptonews") (b)	nil	**nil**	nil	nil
Sportclothes UAB (c)	2,060,520	**nil**	2,060,520	nil
Total		**$ nil**		$ nil

(in Canadian Dollars)

(a) During the year end January 31, 2024, the Company entered into an arm's length transaction agreement (the "Transaction Agreement") with Alclin Manufacturing Proprietary Limited ("Alclin Manufacturing"), Alclin Proprietary Limited ("Alclin Proprietary") (collective “Alclin Group”) and Christo Gustav Coetzee (the "Vendor"), pursuant to which the Company, or a nominee of its choice, shall acquire up to 500,000 ordinary shares in the capital of Alclin Manufacturing and 500,000 ordinary shares in the capital of Alclin Proprietary for aggregate consideration of US$5,000,000 (the "Transaction"). As of October 31, 2025, the Company has cumulatively acquired 329,052 ordinary shares in each of Alclin Proprietary and Alclin Manufacturing for an aggregate purchase price of $4,500,144 (US$3,290,518).

	Each Entity Shares		Total Cost USD		Total Cost CAD		Valuation Adjustment		Net
Balance, January 31, 2024	181,710	$	1,817,094	$	2,479,368	$	(2,479,368)	$	-
Additional May 5, 2024	32,340	$	323,424	$	442,746	$	(442,746)	$	-
Additional August 23, 2024	95,002	$	950,000	$	1,287,490	$	(1,287,490)	$	-
Additional December 23, 2024	20,000	$	200,000	$	290,540	$	(290,540)	$	-
Balance, October 31, 2025	329,052	$	3,290,518	$	4,500,144	$	(4,500,144)	$	-

Pursuant to the Transaction Agreement, part of each consideration payment shall be made by way of a loan, which shall be secured and guaranteed against all the assets of Alclin. On January 31, 2025, the amount was considered as loan to Alclin Group was $2,910,759 (US$2,128,427). As the Company has made irrevocable designation of these loans as FVTPL at the initial recognition and therefore, the loans are valued at fair value together with the equity investments as investments in Alclin Group.

As of January 31, 2025, the Company determined the fair value of its Alclin Group investment to be $nil (January 31, 2024 - $746,480). The Company has recorded a fair value downward adjustment of $2,767,256 during the year ended January 31, 2025 (2024 - 1,732,888 downward adjustment). There was no adjustment to the Alclin Group investment in the nine months ended October 31, 2025 (2024 – nil)

The reduction in fair value reflects a number of underlying factors. Alclin’s financial performance has not met initial expectations, with slower-than-anticipated growth negatively impacting projected cash flows and valuation assumptions. Additionally, heightened risks related to liquidity and marketability have further pressured the investment’s fair value. Broader macroeconomic factors, including global business sentiment and potential impacts from U.S. trade policies, have also influenced the investment outlook.

The fair value of the investment in Alclin was determined using the discounted cash flow (DCF) method under the going concern assumption. An independent third-party valuation firm was engaged to perform the valuation. The analysis included a range of outcomes (low, mid-point, and high estimates). The fair value of the investment is highly sensitive to changes in the following unobservable inputs:

- Revenue forecasts
- Weighted average cost of capital (WACC): 38% to 45%
- Estimated cost of sales, gross margins, and overhead allocations
- Assessment of working capital surplus
- Minority and liquidity discounts applied to reflect marketability constraints

HYLQ holds security over loans provided to Alclin. However, the realizability of this collateral is subject to considerable uncertainty. The enforceability of the security depends on potential liquidation costs and the net realizable value after deducting transaction and selling expenses. The collateral - primarily land, buildings, and equipment associated with Alclin’s pharmaceutical operations - is highly specialized and located in South Africa, which presents additional market and geographic risks. Realizing value from these assets may take a prolonged period, and their limited marketability has been reflected in the fair value determination.

(b) During the year ended January 31, 2022, the Company acquired 51% of Cryptonews ("News 3.0") for consideration of 3,600,000 shares of the Company at a deemed price of $1 per share. An independent appraiser determined that as of January 31, 2022, the fair market value of Cryptonews was between EUR4,000,000 and EUR7,000,000 on an en bloc basis, with a mid-point of EUR5,500,000, based on the market comparables approach.

On September 12, 2022, News 3.0 sold 100% of its assets (the "Assets") that were doing business as Cryptonews.com for consideration of US$4,500,000.

(in Canadian Dollars)

During the year ended January 31, 2023, the Company received an advance from News 3.0 of $1,724,584 (the "Advance"). The Advance was non-interest bearing, unsecured and will be forgiven upon News 3.0's declaration of the distribution. As of January 31, 2023, the fair value of the investment in News 3.0 was $1,257,000, determined using the net asset approach based on the estimated distributions that would be received by the Company.

During the year ended January 31, 2024, the Company received an advance from News 3.0 of $1,466,719 (the "Second Advance"). The Second Advance was non-interest bearing, unsecured and will be forgiven upon News 3.0's declaration of the distribution.

News 3.0 was dissolved on April 9, 2024, and the Advance and the Second Advance were forgiven. As a result, the fair value of the Company's investment in Cryptonews/ News 3.0, the Advance and the Second Advance were $nil as of January 31, 2025 (2024 - $nil). The Company recognized a fair value adjustment in the amount of $nil during the year ended January 31, 2025 (2024 - $209,719 upward adjustment).

(c) During the year ended January 31, 2022, the Company acquired 20% of Sportclothes UAB ("Sportclothes") for consideration of 2,060,520 shares of Company at a deemed price of $1 per share. An independent appraiser determined that as of January 31, 2022, the fair market value of Sportclothes was $347,000 on an en bloc basis, based on the adjusted net asset approach. Due to inventory scope limitations, the Company wrote the Sportclothes investment down to $nil during the year ended January 31, 2022, recognizing a loss of $2,060,520 on its Sportclothes investment. The Company has determined that the fair value of investment in Sportclothes was $nil as October 31, 2025, January 31, 2025, and January 31, 2024.

5. Accounts payable and accrued liabilities

The summary is as follows:

		October 31, 2025		January 31, 2025
Accounts payable	**$**	**47,494**	$	61,055
Accrued liabilities		**217,957**		538,100
Total accounts payable and accrued liabilities	**$**	**265,451**	$	599,155

6. Derivative liability

On June 11, 2019, the Company and the European High Growth Opportunities Securitization Fund (the "Fund") entered into an unsecured convertible debenture agreement (the "Convertible Debenture Agreement") by way of a subscription agreement for aggregate loan proceeds of up to $5,100,000. On June 14, 2019, the Company closed the first drawdown of the Convertible Debenture Agreement and received a total of $850,000 (the "First Drawdown"). The First Drawdown was fully settled during the year ended January 31, 2021.

On August 10, 2021, the Company completed a second drawdown pursuant to the Convertible Debenture Agreement for gross proceeds of $1,288,000 (the "Debenture" also referred as the "Second Drawdown"). The Second Drawdown matured August 10, 2022, and has a 0% rate of interest. The Second Drawdown also included the issuance of 460,000 Facility Warrants with an exercise price of $0.56 expiring on August 10, 2026. The Facility Warrants are subject to make whole provision as defined in the Convertible Debenture Agreement. The Company calculated the fair value of the derivative liability components to be $1,117,675 and therefore $170,325 was assigned to the host debt component. The embedded derivative conversion feature liability and warrant liability were separated from its host contract on the basis of its stated terms and initially measured at fair value using the Black-Scholes model. The embedded make whole provision derivative liability was separated from its host contract on the basis of its stated terms and initially measured at fair value using the Monte-Carlo model with the host debt contract being the residual amount after separation of conversion feature liability, warrant liability and the make whole provision derivative liability.

On January 31, 2025 and 2024, the fair value of the embedded derivative conversion option liability and embedded make whole provision derivative liability associated with the convertible debenture was $nil, as the convertible debenture matured on August 10, 2022.

The fair value of the warrant liability associated with the make whole provision as at October 31, 2025 amounts to $527,100 (January 31, 2025 - $838,582) based on the Black-Scholes pricing model with the following assumptions: a share price of $1.31, an exercise price of $0.56, a volatility of 291%, an expected life of 0.78 years, a dividend yield of

0%, and a risk -free interest rate of 2.39%.

On February 1, 2024, the Company issued an aggregate of 1,312,946 common shares (the "Conversion Shares") to the Fund in connection with the automatic conversion of the entire $1,288,000 principal amount of the Debenture of the Company dated August 10, 2021. The Conversion Shares were issued at a deemed conversion price of $0.98 per share, calculated in accordance with the terms of the Debenture (see Notes 6 and 8).

On December 13, 2024, the Company received a decision on the summary judgment motion brought forth by European High Growth Opportunities Manco SA ("EHGO"). The Court determined that: (i) EHGO is not entitled to the repayment of $1,288,000 as this investment had been automatically converted into common shares of TGH on the maturity date of the debenture; (ii) the higher of EHGO is entitled to a late issuance fee of $1,000.00 per day from July 23, 2022 until February 1, 2024 or EHGO is entitled to the positive difference, if any, between the closing price six trading days after June 17, 2022 and the closing price of February 1, 2024; and (iii) interest is payable on the outstanding amounts in accordance with the debenture at a rate of 48.2126%.

On February 26, 2025, the Company announced it has paid all amounts determined by the Court to be payable in accordance with its decision and supplementary reasons, and all outstanding issues in the litigation have now been finally disposed. The Court determined that EHGO was not entitled to the payment of $1,288,000 that it claimed to be owing under the debenture dated August 10, 2021, issued by the Company to it, and that the debenture had automatically converted into 1,312,946 previously issued common shares of the Company in accordance with the terms of the debenture. EHGO claimed that it was entitled to $859,809 in damages and interest for the late issuance of these shares as well as costs. In its supplementary reasons, the Court rejected EHGO's calculation of damages and costs payable by the Company. Pursuant to the Court's supplementary reasons, the Company paid a total of $269,654 in damages, interest, and costs to EHGO to fully dispose of the litigation.

7. Provision for liquidity incentive

On February 13, 2018, and April 9, 2018, Braingrid Corporation, a former subsidiary of the Company that was disposed of fiscal 2022, closed a 6,668,000 unit offering (the "Offering") at a price of $0.40 per unit ("Unit") for gross proceeds of $2,667,200. Each Unit also included a liquidity incentive which requires the issuer to pay the holders of the units a penalty equal to 1% per month (pro-rated for partial months), subject to a maximum liquidity incentive payment equal, in the aggregate, to 12% of the aggregate purchase price paid for the Units paid by the unit holder. The liquidity incentive was payable if Braingrid Corporation did not commence trading by a particular date in accordance with the unit issuance agreement.

On October 11, October 22, October 26, 2018, and December 10, 2018, Braingrid Corporation completed a non-brokered private placement of an aggregate of 1,864,400 units (the "Fall Offering") at a price of $0.80 per unit (a "Fall Unit") for gross proceeds of $1,491,520. Each Fall Unit included a liquidity incentive which requires the Company to pay the holders of the units a penalty equal to 1% per month (pro-rated for partial months), subject to a maximum liquidity incentive payment equal, in the aggregate, to 12% of the aggregate purchase price paid for the Units paid by the unit holder. The liquidity incentive was payable if Braingrid Corporation did not commence trading by a particular date in accordance with the unit issuance agreement.

The Company commenced trading on December 28, 2018. For the year ended January 31, 2019, the Company calculated the fair value of the liquidity incentive liability to be $196,227.

The Company has assessed the liquidity incentive provision and determined that no obligation exists as of the reporting date. As the underlying conditions have long since been satisfied and no claims have been made, the remaining reserve has been derecognized during the period.

(in Canadian Dollars)

8. Share capital

Authorized share capital

Unlimited number of common shares, no par value, one vote per common share.

Issued share capital

Common Shares	Quantity	October 31, 2025	Quantity	January 31, 2025
Beginning balance	**13,091,769**	**$14,546,730**	7,133,398	$ 11,655,056
Option exercise	**100,909**	**91,125**	-	-
Option value on exercise		**693,382**	-	-
Shares issued to settle debt	**-**	-	1,312,946	1,288,000
Private placement of shares	**-**	-	645,425	277,533
Unit Offering	**5,333,332**	**7,999,998**	4,000,000	2,400,000
Warrant allocation	**-**	**(4,069,000)**	-	(1,044,122)
Share issue costs - cash	**-**	**(163,696)**	-	(29,737)
Share issue costs - broker warrants	**-**	**(73,000)**	-	-
Ending Balance	**18,526,010**	**$ 19,025,539**	13,091,769	$ 14,546,730

Issuance of share capital

On February 1, 2024, the Company issued an aggregate of 1,312,946 common shares (the "Conversion Shares") to the Fund in connection with the automatic conversion of the entire $1,288,000 principal amount of the Debenture of the Company dated August 10, 2021. The Conversion Shares were issued at a deemed conversion price of $0.98 per share, calculated in accordance with the terms of the Debenture. (see Note 6).

On April 19, 2024, the Company completed a non-brokered private placement financing for gross proceeds of $2,400,000 through the issuance of 4,000,000 units in the capital of the Company (the "Units") at a price of $0.60 per Unit. Each Unit was comprised of one common share in the capital of the Company and one whole common share purchase warrant ("Warrant"). Each Warrant entitles the holder thereof to acquire one common share at a price of $0.75 per common share until the date that is one (1) year from the date of issuance. The Company allocated $1,355,878 to common shares and $1,044,122 to common share warrants based on the relative fair value method.

On December 31, 2024, the Company completed a non-brokered private placement financing for gross proceeds of $277,353 through the issuance of 645,425 common shares in the capital of the Company.

On August 18, 2025, and September 8, 2025, the Company completed non-brokered private placement financings for gross proceeds of $7,999,998 through the issuance of 5,333,332 units in the capital of the Company (the "Units") at a price of $1.50 per Unit (the “Private Placement”). Each Unit was comprised of one common share in the capital of the Company and one whole common share purchase warrant ("Warrant"). Each Warrant entitles the holder thereof to acquire one common share at a price of $1.75 per common share until the date that is two (2) years from the date of issuance. The Company allocated $4,069,000 to common share warrants based on the relative fair value method.

During the nine months ended October 31, 2025, the Company issued shares pursuant to exercise of options as follows:

a) 70,000 shares were issued for options exercised at $0.99 for proceeds of $69,300
b) 13,000 shares were issued for options exercised at $0.99 for proceeds of $12,870
c) 17,909 shares were issued for options exercised at $0.50 for proceeds of $8,954

(in Canadian Dollars)

9. Income (loss) per share

For the three and nine-month periods ended October 31, 2025, the Company had securities outstanding which could potentially dilute basic earnings per share in the future but were excluded from the computation of diluted loss (earnings) per share in the periods presented, as their effect would have been antidilutive. Common shares escrowed pursuant to the NP46-201.

10. Contributed surplus

a) Stock options

The continuity of the issuance of stock options is as follows:

	Number of Options	Weighted Avg Exercise Price
Balance, January 31, 2025	**1,309,176**	**$1.06**
Additions	1,545,000	$0.55
Options expired/canceled	(558,650)	$1.18
Options exercised	(100,909)	$0.90
Balance, October 31, 2025	**2,194,617**	**$0.41**

On July 17, 2024, the Company granted 300,000 options to its directors, officers, and employees. These options vest immediately with each option being exercisable at $0.65 until July 17, 2034. The option value has been estimated at $195,000 using the Black-Scholes option pricing model based on the following assumptions:

Expected dividend yield	0%
Expected annual volatility*	123%
Risk-free interest rate	3.34%
Expected average life	10 years
Underlying share price	$0.65

On December 27, 2024, the Company granted 600,000 options to its directors, officers, and employees. These options vest immediately with each option being exercisable at $0.99 until December 27, 2029. The option value has been estimated at $594,000 using the Black-Scholes option pricing model based on the following assumptions:

Expected dividend yield	0%
Expected annual volatility*	221%
Risk-free interest rate	2.99%
Expected average life	5 years
Underlying share price	$0.99

On January 2, 2025, the Company granted 18,117 options to an officer of the Company. These options vest immediately with each option being exercisable at $1.10 until January 2, 2030. The option value has been estimated at $17,940 using the Black-Scholes option pricing model based on the following assumptions:

Expected dividend yield	0%
Expected annual volatility*	221%
Risk-free interest rate	2.99%
Expected average life	5 years
Underlying share price	$1.10

On June 6, 2025, the Company granted 1,445,000 options to its directors, officers, and employees. These options vest immediately with each option being exercisable at $0.55 until June 6, 2030. The option value has been estimated at $722,500 using the Black-Scholes option pricing model based on the following assumptions:

Expected dividend yield	0%

(in Canadian Dollars)

Expected annual volatility*	103%
Risk-free interest rate	2.70%
Expected average life	5 years
Underlying share price	$0.50

On September 15, 2025, the Company granted 100,000 options to a consultant. These options vest over a four-month period being exercisable at $2.60 until September 15, 2027. The option value has been estimated at$234,580 using the Black-Scholes option pricing model based on the following assumptions:

Expected dividend yield	0%
Expected annual volatility*	268%
Risk-free interest rate	2.50%
Expected average life	2 years
Underlying share price	$2.49

*Volatility was estimated based on observation of the Company's historical trading price.

During the nine-month period ended October 31, 2025, the Company granted 1,545,000 stock options (2024 – 300,000), 585,650 options were terminated or expired (2024 – nil), and 100,909 options were exercised (2024 - nil).

As of October 31, 2025, details of the issued and outstanding stock options are as follows:

Expiry Date	Exercise Price	Number of Options Outstanding	Number of Options Vested as of October 31, 2025
November 3, 2026	0.09	214,500	214,500
September 15, 2027	2.60	100,000	37,500
December 27, 2029	0.19	417,000	417,000
January 2, 2030	0.01	18,117	18,117
June 6, 2030	0.38	1,445,000	1,445,000
	$0.41	**2,194,617**	**2,132,117**

During the nine months ended October 31, 2025, 3,000 and 143,000 options expired with an exercise price of $0.50 and $0.92, respectively, 12,650 and 400,000 options were canceled with an average exercise price of $17.79 and $0.76, respectively. A total of 100,909 options were also exercised at average price of $0.90 in the nine months ended October 31, 2025.

b) Restricted share units ("RSU")

During the nine months ended October 31, 2025, and 2024, there were no restricted share unit (each, a "RSU") activities. The 4,500 granted RSUs are fully vested, 3,000 RSUs expire on February 1, 2029, and 1,500 RSUs expire on July 24, 2029.

	RSUs
Balance, October 31, 2025 and January 31, 2025	**4,500**

(in Canadian Dollars)

11. Warrants reserve

The continuity of the issuance of warrants is as follows:

	Number of Warrants	Weighted Avg Exercise Price
Balance, January 31, 2023 and 2024	**493,750**	**$1.42**
Warrants granted	4,000,000	0.75
Warrants expired	(23,750)	(8.11)
Balance, January 31, 2025	**4,470,000**	**$0.78**
Warrants granted	5,431,796	1.75
Warrants expired	(4,010,000)	0.81
Balance, October 31, 2025	**5,891,796**	**$0.13**

During the nine months ended October 31, 2025, 4,010,000 warrants expired (2024 - nil) resulting in a transfer of $1,475,676 to Deficit.

The warrants activity from February 1, 2024 to October 31, 2025 is as follows:

Warrants	**Quantity**	**October 31, 2025**	**Quantity**	**January 31, 2025**
Opening balance	**4,470,000**	**$ 1,566,388**	493,750	$ 522,266
Warrants issued	**5,333,332**	**4,069,000**	4,000,000	1,044,122
Warrants issued (broker)	**98,464**	**73,000**	-	-
Warrants expired	**(4,010,000)**	**(1,566,388)**	(23,750)	-
	5,891,796	**$ 4,142,000**	4,470,000	$ 1,566,388

On April 19, 2024, the Company issued 4,000,000 warrants in connection with a private placement; each warrant is exercisable at $0.75 until April 19, 2025. The Company allocated $1,044,122 of the private placement proceeds to warrants based on the relative fair value method. The fair value of warrants was estimated to be $0.64 per warrant using the Black-Scholes option pricing model based on the following assumptions:

Expected dividend yield	0%
Expected annual volatility	281%
Risk-free interest rate	4.35%
Expected average life	1 year
Underlying share price	$0.76

In connection with the Private Placement, in August 2025, the Company issued 3,337,353 warrants and 49,984 broker warrants and in September 2025, 1,995,979 warrants and 48,480 broker warrants (each, a "Warrant"). Each Warrant is exercisable into one common share at $1.75 per share until the 24-month anniversary of the issuance date. The Company allocated $4,069,000 of the Private Placement proceeds to warrants based on the relative fair value method and $73,000 to the broker warrants issued pursuant to the Private Placement. The fair value of August Warrants and September Warrants is estimated to be $0.80 and $0.69 per Warrant, respectively. The fair value was determined at their respective issuance dates, using the Black-Scholes option pricing model based on the following assumptions:

	August 2025	**September 2025**
Expected dividend yield	0%	0%
Expected annual volatility	50%	50%
Risk-free interest rate	2.74%	2.52%
Expected average life	24 months	24 months
Underlying share price	$2.15	$2.00

(in Canadian Dollars)

As of October 31, 2025, details of the outstanding warrants are as follows:

Issuance Date	Expiry Date	Exercise Price	Weighted Average Remaining Contractual Life (years)	Number of Warrants Outstanding
August 10, 2021	August 10, 2026	$ 0.56	0.78	460,000
August 18, 2025	August 18, 2027	$ 1.75	1.85	3,337,353
August 18, 2025	August 18, 2027	$ 1.75	1.85	49,984
September 8, 2025	September 8, 2027	$ 1.75	1.85	1,995,979
September 8, 2025	September 8, 2027	$ 1.75	1.85	48,480
			1.77	**5,891,796**

12. Fair value

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

As of October 31, 2025, the carrying value of accounts payable and accrued liabilities, convertible debenture and provision for liquidity incentive approximates their fair value due to their short-term nature.

(i) Fair value hierarchy

The Company records certain financial instruments or assets on a recurring fair value basis as follows:

October 31, 2025	**Level One**	**Level Two**	**Level Three**
Cash and cash equivalents	$ 2,332,063	$ -	$ -
Cryptocurrency assets	-	4,845,680	-
Derivative liability	-	-	(527,100)

January 31, 2025	**Level One**	**Level Two**	**Level Three**
Cash and cash equivalents	$ 258,731	$ -	$ -
Investments	-	-	-
Derivative liability	-	-	(838,582)

The Company defines its fair value hierarchy as follows:

Level 1: The fair value of financial instruments traded in active markets (such as publicly traded equity securities) is based on quoted market prices at the end of the reporting period. The quoted market price used for financial assets held by the group is the current bid price. These instruments are included in level 1.

Level 2: The fair value of financial instruments that are not traded in an active market (e.g., other public markets) is determined using valuation techniques that maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and the derivative liability.

(ii) Valuation techniques used to determine fair values:

Specific valuation techniques used to determine the fair value of financial instruments, specifically those that are not quoted in an active market. These are development stage companies that the Company has invested in (see Note 4) and therefore used a market approach:

a) The use of quoted market prices in active or other public markets
b) The use of most recent transactions of similar instruments
c) Changes in expected technical milestones of the investee
d) Changes in management, strategy, litigation matters or other internal matters
e) Significant changes in the results of the investee compared with the budget, plan, or milestone

The valuation of the derivative liability is disclosed in Note 6.

(iii) Transfers between levels 2 and 3

There were no transfers between levels 2 and 3 during the period ended October 31, 2025, and January 31, 2025.

13. Financial risk factors

Capital management

The Company includes equity, which is comprised of share capital, reserves, and deficit, in the definition of capital. The Company's objective when managing its capital is to safeguard the ability to continue as a going concern in order to provide returns for its shareholders, and other stakeholders and to maintain a strong capital base to support the Company's core activities. The Company has no externally imposed capital requirements. To secure the additional capital necessary to pursue these plans, the Company may attempt to raise additional funds through the issuance of equity or by securing strategic partners.

Safeguarding of cryptocurrency assets

The Company retains one third-party custodian (the “Custodian”) to safeguard its cryptocurrency assets; Bitbuy Technologies Inc. (“Bitbuy”) to hold the Company’s cryptocurrency assets. The Custodian is only responsible for holding and safeguarding the Company’s cryptocurrency assets and has not appointed a sub-custodian to hold certain cryptocurrency assets.

Bitbuy, located at 341 King Street East, Toronto, Ontario, M5A 1L1, is registered as a restricted dealer under applicable Canadian securities laws and is regulated by the Canadian Securities Administrators (“CSA”) through the Ontario Securities Commission (“OSC”), its principal regulator. Bitbuy is authorized to operate as a custodian of digital assets in trust on behalf of clients and is required to maintain minimum capital and insurance coverage, as well as to comply with Canadian client asset protection rules. As a regulated entity, Bitbuy qualifies as a custodian under National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations.

The Company is not aware of anything with regards to the Custodian’s operations that would adversely affect the Company’s operations and there are no known security breaches or other similar incidents involving the Custodian as a result of which the Company’s cryptocurrency assets have been lost or stolen. Bitbuy holds 100% of the Company’s cryptocurrency assets in cold storage with a third-party insured custodian and maintains insurance coverage for losses due to theft or breach. In the event of a bankruptcy or insolvency, the Company will enforce its rights under the Custodial Services Agreement through arbitration under the laws of the Province of Ontario and will be in contact with Bitbuy’s principal regulator, the Ontario Securities Commission, as well as Bitbuy’s named insurer.

The due diligence the Company performed on Bitbuy included confirmation of Bitbuy’s registration status as a restricted dealer with the Ontario Securities Commission, a review of Bitbuy’s client asset custody arrangements (including segregation and cold storage of digital assets), a review of Bitbuy’s insurance coverage, a review of negative news related to Bitbuy, and a review of available training, compliance, and security resources published by Bitbuy.

Risk disclosures

Exposure to credit, interest rate, cryptocurrency, and currency related risks arises in the normal course of the Company’s business.

Risk management

In the normal course of its business, the Company is exposed to a number of financial risks that can affect its operating performance. These risks, and the actions taken to manage them, are as noted below.

Interest rate risk
Interest rate risk is the risk the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not hold any significant variable interest-bearing assets or liabilities.

Credit risk
Credit risk refers to the potential financial loss the Company may incur if a customer or counterparty to a financial instrument fails to fulfill their contractual obligations. The Company's credit risk primarily arises from its cash and cash equivalents. The carrying amount of these assets, as reported in the financial statements, represents the Company's maximum exposure to credit risk.

The Company's cash and cash equivalents are held with a major Canadian financial institution and thus the exposure to credit risk is considered insignificant. Management actively monitors the Company's exposure to credit risk under its financial instruments.

Market risk
Market risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to an individual investment, its issuer, or all factors affecting all instruments traded in a market or market segment. All investments present a risk of loss of capital. The maximum risk resulting from financial instruments is equivalent to their fair value. The Company's investments are susceptible to other market risks arising from uncertainties about future prices of the instruments. The Company moderates this risk through the various investment strategies within the parameters of the Company's investment guidelines.

Foreign currency risk
A Company is exposed to foreign currency risk on financial assets and liabilities that are denominated in a currency other than the Canadian dollar. As of October 31, 2025, and January 31, 2025, the Company had no material financial assets or liabilities denominated in a currency other than the Canadian dollar.

Liquidity risk
Liquidity risk is the risk that the Company may not be able to generate sufficient cash resources to settle its obligations as they fall due. The Company's strategy is to satisfy liabilities using cash on hand and cash flow provided by financing activities. As of October 31, 2025, the Company had current assets of $2,333,814 (January 31, 2025 - $258,902) to cover current liabilities of $812,262 (January 31, 2025 - $1,633,964). The Company's accounts payable and accrued liabilities are due within one year from the date of the statement of financial position.

Cryptocurrency risk
Cryptocurrencies are stored in secure digital wallets managed by Bitbuy. The Company has implemented internal controls to mitigate risks related to theft, loss of access, and cyber threats. The Company is exposed to market risk due to price volatility and regulatory risk due to evolving legal frameworks.

Loss of access risk
The loss of access to the private keys associated with the Company's cryptocurrency holdings may be irreversible and could adversely affect an investment. Cryptocurrencies are controllable only by an individual that possess both the unique public key and private key or keys relating to the "digital wallet" in which the cryptocurrency is held. To the extent a private key is lost, destroyed, or otherwise compromised and no backup is accessible the Company may be unable to access the cryptocurrency.

Irrevocability of transactions
Cryptocurrency transactions are irrevocable and stolen or incorrectly transferred cryptocurrencies may be irretrievable. Once a transaction has been verified and recorded in a block that is added to the blockchain, an incorrect transfer or theft generally will not be reversible, and the Company may not be capable of seeking compensation.

Hard fork and air drop risks
Hard forks may occur for a variety of reasons including, but not limited to, disputes over proposed changes to the protocol, significant security breach, or an unanticipated software flaw in the multiple versions of otherwise compatible

software. In the event of a hard fork in a cryptocurrency held by the Company, it is expected that the Company would hold an equivalent amount of the old and new cryptocurrency following the hard fork.

Air drops occur when the promoters of a new cryptocurrency send amounts of the new cryptocurrency to holders of another cryptocurrency that they will be able to claim a certain amount of the new cryptocurrency for free.
The Company may not be able to realize the economic benefit of a hard fork or air drop, either immediately or ever, for various reasons. For instance, the Company may not have any systems in place to monitor or participate in hard forks or airdrops.

Active market risk
The Company's application of the revaluation model assumes the continued existence of an active market for HYPE (see Note 12 – Fair Value). A loss of such active markets could materially affect the Company's ability to reliably measure fair value.

Concentration risk
The Company is exposed to concentration risk as the majority of its assets are held in and Hyperliquid-related activities. The value of these assets is highly dependent on the performance, stability, and adoption of the HYPE network, as well as broader cryptocurrency market and economic conditions. Any adverse developments, including regulatory changes, security incidents, or network disruptions, could materially impact the Company's financial position. The Company continuously evaluates its exposure and risk management strategies to mitigate potential adverse effects.

Regulatory risk
The regulatory environment for digital assets, including Hyperliquid, remains uncertain and continues to evolve. Changes in laws, regulations, or enforcement actions in key jurisdictions could impact the Company's ability to operate validator nodes, stake assets, or transact in Hyperliquid. Regulatory developments may also affect the liquidity, valuation, or classification of Solana under applicable financial reporting standards. The Company actively monitors regulatory changes and assesses potential impacts on its operations and financial position.

HYPE governance risk
The Company is exposed to protocol governance risk arising from the fact that HYPE token–holders, under the Hyper Foundation / Hyperliquid governance framework, can vote on material protocol decisions (e.g., tokenomics, incentive allocations, fund disbursements). Changes approved under that governance body may adversely affect token value, economics, or the Company's holdings.

Other risk factors
Risks which the Company is not aware of or which the Company currently deems to be immaterial may surface and have a material adverse impact on the Company's business income and financial condition. Exposure to credit, interest rate, cryptocurrency, and currency risks arises in the normal course of the Company's business.

14. Related party transactions

The Company's related parties include key management personnel, and any entity related to key management personnel that has transactions with the Company. Key management personnel are those people who have the authority and responsibility for planning, directing, and controlling the activities of the Company, directly or indirectly.

The Company incurred the following related party transactions:

- During the nine months ended October 31, 2025, Mr. Gediminas Klepackas (CEO from February 1, 2025, to June 7, 2025) received consulting fees of $42,000
- During the nine months ended October 31, 2025, Mr. Matt Zahab (CEO beginning June 2025) received consulting fees of $78,100. In addition, a bonus of $138,000 was awarded to the CEO by settlement of 91,953 shares at $1.50 per share price
- During the nine months ended October 31, 2025, Mr. Peter Tutlys received directors' fees of $18,000
- During the nine months ended October 31, 2025, Mr. Brian Mehler received directors' fees of $18,000
- During the nine months ended October 31, 2025, Mr. Anthony Guoga received directors' fees of $18,000
- During the nine months ended October 31, 2025, Mr. Ron Akram (CEO/CFO until February 1, 2025) received

(in Canadian Dollars)

directors' fees of $800 and consulting fees of $9,500 related to a previous period

- During the nine months ended October 31, 2025, Mr. Doug Harris (CFO from February 1, 2025) received consulting fees of $41,400
- During the nine months ended October 31, 2025, the legal firm, where the Corporate Secretary is employed, was compensated approximately $36,000 for legal services.

Included in accounts payable and accrued liabilities were salaries, consulting fee and benefits payable of $16,761 (January 31, 2025 - $15,189). In addition, the legal firm noted above has $20,155 in accounts payable on October 31, 2025.

Key management personnel are comprised of the Company's directors and executive officers. In addition to their salaries and consulting fees, key management personnel also receive share-based compensation as follows:

		For the nine months ended October 31, 2025		For the nine months ended October 31, 2024
Salaries, consulting fees, and benefits, including bonuses	**$**	**225,800**	$	115,000
Share based compensation		**722,500**		195,000
Total	**$**	**948,300**	$	310,000

On January 19, 2024, the "Company entered into a loan agreement (the "Loan Agreement") with Antanas (Tony) Guoga (the "Lender"), a director of the Company. The Loan Agreement provides the Company with a credit facility of up to $2,000,000 to fund general corporate and working capital requirements, with advances made at the Company's request until the end of January 19, 2029 ("Maturity Date"). The Loan bears interest at 12% per annum, calculated on the outstanding principal balance and payable on the Maturity Date. The Company may repay all or any portion of the outstanding balance at any time without penalty.

During the nine months ended October 31, 2025, the Company received $1,900,750 in advances under the Loan Agreement. The majority of this balance was settled through the issuance of 1,295,764 common shares at $1.50 per share, which offsets the loan by $1,943,646. Interest expense recognized for the period totaled $62,607.

The activity is summarized below:

Related Party Loan		**October 31, 2025**		**January 31, 2025**
Beginning balance	**$**	**-**	$	-
Advances		**1,900,750**		-
Repayments		**(1,943,646)**		
Interest		**62,607**		
Ending Balance	**$**	**19,711**	$	-

15. Subsequent events

On December 5, 2025, the Company announced that Mr. Antanas (Tony) Guoga resigned from the Board of Directors and Mr. Daniel Harding was appointed to the Board. Mr. Harding is an entrepreneur and investor with experience in building and scaling businesses in the technology, payments, and e-commerce sectors. He has led the development of operational systems, KPI frameworks, and automation tools used across global teams, and brings a data-driven approach to strategic growth, capital allocation, and operational performance.