WonderFi Reports Record Fourth Quarter and Full Year 2023 Results

- *Q4 2023 record quarterly revenue of $12.9 million, an increase of 395% compared with calendar Q4 2022*
- *WonderFi generated positive EBITDA of $6.7 million in Q4 2023, a significant increase compared with negative $7.5 million in Q3 2023*
- *WonderFi wholly owned platforms processed over $2.5 billion in crypto trading volumes and $625 million in payment processing volumes in Fiscal Year 2023*
- *Total cash, digital assets, and investments of over $57.3 million as of December 31, 2023*

Toronto, Ontario--(Newsfile Corp. - March 28, 2024) - WonderFi Technologies Inc. (TSX: WNDR) (OTCQB: WONDF) (the "**Company**" or "**WonderFi**"), Canada's leading operator of regulated crypto trading platforms and other digital asset businesses, today announced its financial results for the three and twelve months ended December 31, 2023. All financial references are in Canadian dollars unless otherwise noted.

This news release constitutes "a designated news release" for the purposes of WonderFi Technologies Inc.'s prospectus supplement dated December 23, 2022, to its short form base shelf prospectus dated September 7, 2022.

Key Financial Highlights for Q4 2023:

- Bitbuy, Coinsquare and SmartPay generated combined revenues of $12.9 million, at the high end of the range of guidance, in Q4 2023. This represents a 395% increase in quarterly combined revenues as compared with Q4 2022.
- Cash and digital assets balance increased to $37.3 million, and total investments increased to $20 million, totalling $57.3 million as of December 31, 2023.
- Generated EBITDA of $6.7 million, representing 52% of revenue. This compares with negative EBITDA of $7.5 million in Q3 2023 and negative EBITDA during each quarter of fiscal year 2022.
- Net income for the quarter increased to $4 million or $0.01 per share. This compares with a net loss of $10 million or ($0.02) per share in Q3 2023 and a net loss during each quarter of fiscal year 2022.
- Total operating expenses for Q4 2023 decreased by 35% compared to calendar Q4 2022 and decreased by 22% compared to Q3 2023, reflecting the Company's continued cost savings programs and streamlining of back-office functions for Bitbuy, Coinsquare and SmartPay.

Operating Highlights for Fiscal Year 2023:

- WonderFi wholly owned platforms processed over $2.5 billion in crypto trading volumes, and $625 million in payment processing volumes during Fiscal Year 2023.
- Bitbuy and Coinsquare surpassed $1 billion in client assets under custody as at December 31, 2023, an increase of 44% compared with $698 million at the end of Q3 2023.
- Completed the acquisitions of Coinsquare Ltd., and CoinSmart Financial Inc., and the client accounts of Bitvo Inc., establishing WonderFi as the largest crypto ecosystem in Canada with over 1.6 million registered users.
- Successfully migrated the Coinberry, CoinSmart, and Bitvo client accounts on to the Bitbuy platform, realizing significant operational and cost synergies.

Subsequent to Fiscal Year 2023:

- Received a distribution of 61,700 unlocked Solana tokens worth $8.8 million at the time of receipt, and 159,100 of unlocked Polkadot tokens worth $2.1 million at the time of receipt, from one of its existing investments.
- Coinsquare launched staking with the largest selection of stakeable assets of any CIRO dealer member, and has seen over $15 million total staked since its February launch.
- Entered into an agreement to purchase FX Institutions Pty. Ltd, an Australian company registered to offer crypto trading and payment remittances in the region (agreement subject to regulatory approval).

"WonderFi had a breakout year in 2023, highlighted by three acquisitions, improved financial results and sequential growth across our operating platforms. The Company strengthened its financial position through positive operating earnings on a consolidated basis in Q4 and entered 2024 with $37.4 million of cash and digital assets with no debt," said Dean Skurka, Chief Executive Officer & President.

"WonderFi's focus for the year ahead is sustainable growth by continuing to scale its existing platforms, while strategically working to expand our product offerings into new markets, such as Australia. With market conditions improving significantly throughout the industry, WonderFi will continue to demonstrate its ability to generate consistent growth and profitability in 2024," continued Mr. Skurka.

Access to Financial Statements and Management Discussion and Analysis

Complete financial statements along with related management discussion and analysis can be found in the System for Electronic Document Analysis and Retrieval ("**SEDAR+**"), the electronic filing system for the disclosure documents of issuers across Canada at www.sedarplus.ca.

Additional Information

For additional information, please contact:

Media / Investor Relations
Charlie Aikenhead
Invest@wonder.fi

ABOUT WONDERFI

WonderFi owns and operates Bitbuy and Coinsquare, two leading domestic crypto platforms with strongholds in the Canadian market; WonderFi operates Internationally through its expansion in Australia, as well as through Smartpay, its global crypto payments platform.

With a collective user base of over 1.6 Million registered Canadians and a combined assets under custody exceeding $1.5 Billion, WonderFi serves one of the largest crypto investor communities in Canada.

For more information, visit www.wonder.fi.

Forward-Looking Information and Statements

This press release contains certain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities legislation and may also contain statements that may constitute "forward-looking statements" within the meaning of the safe harbor provisions of the United States Private Securities Litigation Reform Act of 1995. Such forward-looking information and forward-looking statements are not representative of historical facts or information or current condition, but instead represent only the beliefs of WonderFi Technologies Inc. ("WonderFi" or the "Company") regarding future events, plans or objectives, many of which, by their nature, are inherently uncertain and outside of the Company's control. Generally, such forward-looking information or forward-looking statements can be identified by the use of forward-looking terminology such "could", *"intend", "expect", "believe", "will", "projected", "planned", "estimated", "soon", "potential", "anticipate" or variations of such words.*

In addition, in connection with the forward-looking information and forward-looking statements contained in this press release, the Company has made certain assumptions. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking information and statements are the following: the inability of the Company to meet its expected revenue targets and revenue growth of SmartPay, each of which may be subject to market conditions and regulatory or other approvals which may be required in connection therewith; the inability to maintain current levels of user growth due to competition and cyclical market conditions; the inability of the Company to work effectively with strategic investors and partners, and any changes to key personnel; security and cybersecurity threats and hacks; internet and power disruptions; uncertainty about the acceptance or widespread use of digital assets; failure to anticipate technology innovations; and material adverse changes in general economic, business and political conditions, including changes in the financial markets and compliance with extensive government regulation. These risks are not intended to represent a complete list of the factors that could affect the Company. A more fulsome description of risk factors that may impact business, financial condition and results of operation with respect to WonderFi is set out in its management's discussion and analysis and financial statements for the period ended December 31, 2023, as well as its annual information form, available on its SEDAR+ profile at https://www.sedarplus.ca.

Although the Company believes that the assumptions and factors used in preparing, and the expectations contained in, the forward-looking information and statements are reasonable, undue reliance should not be placed on such information and statements, and no assurance or guarantee can be given that such forward-looking information and statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information and statements. The forward-looking information and forward-looking statements contained in this press release are made as of the date of this press release, and the Company does not undertake to update any forward-looking information and/or forward-looking statements that are contained or referenced herein, except in accordance with applicable securities laws.

The company has provided an updated outlook for the purpose of presenting information about current expectations for the periods presented. This information may not be appropriate for other purposes. You are cautioned not to place undue reliance on forward-looking statements which reflect expectations only as of the date of this news release.

The Toronto Stock Exchange has not approved or disapproved of the information contained in this release. Except as may be required by applicable law, WonderFi disclaims any obligation to update or revise any forward-looking statements.

WonderFi

To view the source version of this press release, please visit https://www.newsfilecorp.com/release/203393