WonderFi Technologies Inc.

Interim Condensed Consolidated Financial Statements

(Unaudited)

For the Three and Nine Months Ended September 30, 2024 and 2023

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WonderFi Technologies Inc.

Interim Consolidated Statements of Financial Position

As at September 30, 2024 and December 31,2023

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Notes	September 30, 2024 (Unaudited)	December 31, 2023 (Audited)
Assets			
Current assets			
Cash		32,327,907	26,087,974
Trade and other receivables		967,075	555,140
Digital asset inventory	7	9,701,063	11,227,648
Client custodial cash	8	58,970,148	97,563,362
Client digital assets (i)	9	1,216,626,723	907,050,666
Prepaid expenses		1,384,884	1,366,934
Loans receivable		268,815	373,121
Income tax credit receivable		1,017,130	1,017,130
Total current assets		**1,321,263,745**	**1,045,241,975**
Investments	10	2,251,080	12,816,506
Investment in associate	11	6,909,437	7,238,751
Right-of-use assets		-	353,950
Property and equipment		66,358	236,733
Intangible assets (restated - Note 5)	12	42,373,381	48,219,429
Goodwill (restated - Note 5)		20,295,690	20,295,690
Total assets		**1,393,159,691**	**1,134,403,034**
Liabilities			
Current liabilities			
Trade and other payables	13	5,649,136	6,359,113
Due to liquidity providers		26,587	4,643,164
Current portion of lease liabilities		-	242,538
Client custodial cash liabilities	8	58,970,148	97,563,362
Client digital assets liabilities (ii)	9	1,216,626,723	907,050,666
Current portion of contingent consideration	14	3,393,803	3,831,412
Total current liabilities		**1,284,666,397**	**1,019,690,255**
Contingent consideration	14	2,903,466	4,393,521
Warrant liabilities		466,780	2,425,176
Deferred tax liabilities		2,726,204	3,733,994
Lease liabilities		-	70,660
Long-term debt		250,309	314,646
Total liabilities		**1,291,013,156**	**1,030,628,252**
Shareholders' equity			
Share capital	15	284,478,726	285,225,857
Contributed surplus		14,571,333	13,282,266
Deficit (restated - Note 5)		(196,903,524)	(194,733,341)
Total shareholders' equity		**102,146,535**	**103,774,782**
Total shareholders' equity and liabilities		**1,393,159,691**	**1,134,403,034**

(i) safeguarding assets

(ii) safeguarding liabilities

WonderFi Technologies Inc.

Interim Consolidated Statements of Income or Loss and Comprehensive Income or Loss

For the Three and Nine Months Ended September 30, 2024 and 2023

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

		Three Months Ended September 30,		Nine Months Ended September 30,	
	Notes	2024	2023	2024	2023
Revenue	16	**7,160,929**	**9,901,276**	**37,710,543**	**15,348,271**
Expenses					
Salaries and wages		3,781,223	4,344,973	10,673,835	9,229,865
Bank and transaction fees		1,224,005	1,564,714	5,085,449	2,617,027
Marketing		1,149,051	368,385	2,671,622	1,133,425
Professional and consulting fees		1,840,940	1,964,656	5,659,148	4,610,075
Software licenses		1,097,051	1,444,679	3,876,518	3,223,130
Commission expenses		327,829	1,637,962	2,225,918	1,637,962
General and administrative expenses		1,312,119	702,084	3,290,929	2,219,753
Compliance fees		351,485	395,745	1,228,622	1,191,175
Share-based payments		439,114	902,181	1,808,918	(417,391)
Depreciation and amortization (restated - Note 5)		2,274,095	3,888,595	6,831,478	8,343,016
Operating loss		**(6,635,983)**	**(7,312,698)**	**(5,641,894)**	**(18,439,766)**
Other expense (income)					
Interest income		(1,072,940)	(601,848)	(3,383,724)	(866,570)
Interest expense		7,468	82,288	80,486	94,962
Acquisition costs	12	-	3,182,640	237,544	5,724,841
Provisions and allowances	13	-	1,855,810	5,036,916	1,855,810
Share issuance cost	15	-	-	-	149,324
Foreign exchange loss (gain)		645,787	(531,337)	(200,896)	(446,326)
Changes in fair value of investments	10	497,048	-	(298,836)	-
Gain on distribution from investments	10	-	-	(673,031)	-
Share of loss of an associate	11	90,907	398,822	329,314	398,822
Other losses and gains	17	(1,974,857)	(746,007)	(3,591,694)	(1,710,477)
Net loss before income taxes		**(4,829,396)**	**(10,953,066)**	**(3,177,973)**	**(23,640,152)**
Income tax expense (recovery)		-	-	-	(522,156)
Deferred tax recovery		(602,635)	(561,364)	(1,007,790)	(1,603,770)
Total Comprehensive loss		**(4,226,761)**	**(10,391,702)**	**(2,170,183)**	**(21,514,226)**
Net loss per share attributable to common stockholders:					
Basic and fully diluted		$ (0.01)	$ (0.02)	$ 0.00	$ (0.06)
Weighted average number of common shares outstanding:					
Basic and fully diluted		648,279,267	622,573,013	650,012,385	365,502,011

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Note(s)	Number of common shares	Share capital ($)	Contributed surplus ($)	Deficit ($)	Total shareholders' equity ($)
Balance as of December 31, 2023		**651,507,804**	**285,225,857**	**13,282,266**	**(194,733,341)**	**103,774,782**
Shares Issued for options exercise	15	25,000	6,000	(2,000)	-	4,000
Shares Issued for warrant exercise	15	50,000	15,000	4,549	-	19,549
Restricted shares issued	15	2,292,498	522,400	(522,400)	-	-
Share-based payments	15	-	-	1,808,918	-	1,808,918
Shares repurchased	15	(5,399,854)	(1,290,531)	-	-	(1,290,531)
Net loss for the period		-	-	-	(2,170,183)	(2,170,183)
Balance as of September 30, 2024		**648,475,448**	**284,478,726**	**14,571,333**	**(196,903,524)**	**102,146,535**
Balance as of December 31, 2022		**214,637,855**	**209,164,509**	**13,174,390**	**(177,236,617)**	**45,102,282**
Private placements	15	22,800,000	3,627,480	-	-	3,627,480
Share issuance cost	15	-	(390,106)	170,863	-	(219,243)
Shares issued for services	15	18,036,577	3,127,382	455,834	-	3,583,216
Shares Issued for Options Exercise	15	296,130	87,359	(23,089)	-	64,270
Shares Issued for Warrant Exercise	15	200,000	66,000	12,020	-	78,020
Restricted shares issued	15	4,946,266	1,032,665	(1,032,665)	-	-
Share-based payments	15	-	-	2,387	-	2,387
Shares issued for business combinations	15	390,590,976	68,510,568	522,526	-	69,033,094
Net loss for the period (restated - Note 5)		-	-	-	(17,496,724)	(17,496,724)
Balance as of December 31, 2023		**651,507,804**	**285,225,857**	**13,282,266**	**(194,733,341)**	**103,774,782**

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Notes	Nine Months Ended September 30, 2024	2023
Operating activities			
Net loss for the period		(2,170,183)	(21,514,226)
Changes in non-cash operating items			
Depreciation and amortization (restated - Note 5)		6,831,478	8,343,016
Share-based payments		1,808,918	(417,391)
Shares issued for services		-	3,583,216
Share of loss of an associate	11	329,314	398,822
Foreign exchange loss (gain)		(200,896)	(446,326)
Changes in fair value of investments	10	(298,836)	-
Gain on distribution from investments	10	(673,031)	-
Share issuance cost		-	149,324
Interest expense		80,486	94,962
Interest income		(3,383,724)	(866,570)
Other losses and gains	17	(3,591,694)	(1,710,477)
Deferred tax recovery		(1,007,790)	(1,603,770)
		(105,775)	**7,524,806**
Changes in working capital items	18	(2,764,210)	(4,312,172)
Cash provided by (used in) operating activities		**(5,040,168)**	**(18,301,592)**
Investing activities			
Sale of investment	10	11,634,829	104,828
Interest earned on client custodial cash		3,380,399	850,480
Loan receivable collected		57,631	365,967
Purchase of investment	10	(81,984)	-
Purchase of intangible assets	12, 14	(190,985)	-
Purchase of property and equipment		(72,978)	(24,473)
Disposal of property and equipment		-	37,770
Cash collateral withdrawn		-	3,017,984
Net cash consideration for business combinations		-	24,342,994
Cash provided by (used in) investing activities		**14,726,912**	**28,695,550**
Financing activities			
Proceeds from private placements	15	-	5,016,000
Share issuance costs	15	-	(368,567)
Shares repurchased	15	(1,290,531)	-
Proceeds from options exercised	15	4,000	-
Proceeds from warrants exercised	15	15,000	-
Lease payments		(298,181)	(229,368)
Long-term debt payments		(64,336)	-
Contingent consideration payments	14	(1,812,763)	-
Cash provided by (used in) financing activities		**(3,446,811)**	**4,418,065**
Net change in cash		**6,239,933**	**14,812,023**
Cash and cash equivalents, beginning of period		26,087,974	10,251,697
Cash and cash equivalents, end of period		**32,327,907**	**25,063,720**

1. NATURE OF OPERATIONS

WonderFi Technologies Inc. (“WonderFi” or the “Company”) aims to revolutionize access to digital assets. The Company is engaged in the development and acquisition of technology platforms to facilitate investments in the emerging industry of digital assets. WonderFi boasts one of the largest communities of crypto investors within a single regulated ecosystem in Canada and is devoted to offering its users access to new regulated verticals, designed to empower the next generation of investors. The Company's common shares trade on the Toronto Stock Exchange ("TSX") under the symbol "WNDR" effective June 22, 2022. The Company’s registered office is located at Suite 2200, 885 West Georgia St., Vancouver, British Columbia, V6C 3E8.

WonderFi and its subsidiaries are primarily in the business of providing digital asset exchange services to a diverse base of retail, institutional and Private Wealth clients within a Canadian Investment Regulatory Organization (“CIRO”) regulated trading environment. Additionally, the company operates a digital asset payments solution platform allowing customers to instantly convert digital assets to fiat with same day payouts.

2. BASIS OF PRESENTATION AND STATEMENT OF COMPLIANCE

Statement of compliance

These interim condensed consolidated financial statements ("interim financial statements") been prepared in accordance with International Financial Reporting Standards ("IFRS") applicable to the preparation of interim financial statements, being International Accounting Standard ("IAS") 34, Interim Financial Reporting. The disclosures contained in these interim financial statements do not contain all requirements for annual consolidated financial statements and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2023. Changes to significant accounting policies have been described in Note 3 of the interim financial statements.

These interim condensed consolidated financial statements were approved and authorized for issue by the Board of Directors on November 5, 2024.

Basis of presentation and measurement

These interim condensed consolidated financial statements have been prepared on a historical cost basis except for digital assets inventory, digital assets, client digital assets, investments, client digital assets liabilities, contingent considerations and warrant liabilities which are measured at fair value and investment in associate, which is measured using the equity method.

Foreign currency translation

The interim condensed consolidated financial statements are presented in Canadian dollars. Items included in the financial statements of each of the Company’s entities are measured using the currency of the primary economic environment in which the entity operates (‘the Functional Currency’). The Company determines the Functional Currency of each subsidiary which best reflects the economic environment in which the subsidiary operates and conducts its transactions.

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at period-end exchange rates of monetary assets and liabilities denominated in currencies other than the Company's Functional Currency are recognized in the condensed consolidated statements of comprehensive earnings.

Basis of consolidation

These interim condensed consolidated financial statements include accounts of the Company and its wholly-owned subsidiaries, from the date of control, as at September 30, 2024. All intercompany balances and transactions have been eliminated upon consolidation.

Subsidiaries	Jurisdiction	Ownership	Functional Currency
BigTerminal Inc.	Canada	100%	Canadian Dollar
Bitbuy Gaming Inc.	Canada	100%	Canadian Dollar
Bitbuy Holdings Inc.	Canada	100%	Canadian Dollar
Bitbuy Technologies Inc.	Canada	100%	Canadian Dollar
Blockchain Foundry Inc.	Canada	100%	Canadian Dollar
Blockchain Foundry 2018 Ltd.	Canada	100%	Canadian Dollar
Blockchain Markets Inc.	Canada	100%	Canadian Dollar
Coin Capital Asset Management Inc.	Canada	100%	Canadian Dollar
Coin Capital Investment Management Inc.	Canada	100%	Canadian Dollar
Coinberry Limited	Canada	100%	Canadian Dollar
Coinberry USA, LLC	Canada	100%	Canadian Dollar
CoinSmart Financial Inc.	Canada	100%	Canadian Dollar
Coinsquare Canada Ltd.	Canada	100%	Canadian Dollar
Coinsquare Capital Markets Limited	Canada	100%	Canadian Dollar
Coinsquare Investments Ltd.	Canada	100%	Canadian Dollar
Coinsquare Limited	Canada	100%	Canadian Dollar
S.D.T. OU	Estonia	100%	Canadian Dollar
Simply Digital Technologies Inc.	Canada	100%	Canadian Dollar
Simply Digital Technologies UAB	Lithuania	100%	Canadian Dollar
Simply Digital Technologies USA Inc.	United States	100%	United States Dollar
Twenty One Digital Inc.	Canada	100%	Canadian Dollar
WonderFi Australia Pty Ltd (formerly FXI Institutions Pty Ltd)	Australia	100%	Australia Dollar
WonderFi Digital Inc.	Canada	100%	Canadian Dollar
WonderFi Interactive Ltd.	Canada	100%	Canadian Dollar

3. SUMMARY OF MATERIAL ACCOUNTING POLICIES

These interim condensed consolidated financial statements have been prepared in accordance with the accounting policies, critical accounting estimates and judgements adopted in the audited financial statements for the year ended December 31, 2023.

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4. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements requires management to make judgments and estimates and form assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in future periods affected.

The judgments, estimates and assumptions applied in the interim condensed consolidated financial statements, including the key areas of estimation uncertainty, were the same as those applied in WonderFi's audited consolidated financial statements for the year ended December 31, 2023.

5. RESTATEMENT RELATING TO FINAL PURCHASE PRICE ALLOCATION

In the interim condensed consolidated financial statements certain comparative figures have been restated to conform with the finalized purchase price allocation for July 7, 2023 acquisitions of Coinsquare Limited and CoinSmart Financial Inc., resulting from new information about facts and circumstances existing at the acquisition dates.

Restatements of Consolidated Statements of Financial Position

- $1,048,000 of customer relationships was recognized on the final purchase price allocation of Coinsquare Limited. This amount was previously recorded in goodwill.
- $400,000 of brand was recognized on the final purchase price allocation of Coinsquare Limited. This amount was previously recorded in goodwill.
- $1,864,000 of technology was recognized on the final purchase price allocation of Coinsquare Limited. This amount was previously recorded in goodwill.
- $326,932 of trade and other receivables previously recorded in the preliminary allocation of purchase consideration was not recognized on the final allocation of purchase consideration for Coinsquare Limited as based on new circumstances management determined this amount not to be collectable.
- $8,064,000 of customer relationships was recognized on the final purchase price allocation of CoinSmart Financial Inc. This amount was previously recorded in goodwill.
- $757,000 of technology was recognized on the final purchase price allocation of CoinSmart Financial Inc. This amount was previously recorded in goodwill.
- $586,000 of brand was recognized on the final purchase price allocation of CoinSmart Financial Inc. This amount was previously recorded in goodwill.
- The total adjustment to goodwill resulting from the final purchase price allocation was $12,392,068.

Restatements of Consolidated Statements of Income or Loss and Comprehensive Income or Loss

- $803,545 of amortization was recorded for the period covering July 7, 2023 to December 31, 2023 resulting from the recognition of the customer relationships, brand, technology in both the Coinsquare Limited and CoinSmart Financial Inc final purchase price allocation ($386,831 - Q3 2023 and $416,714 - Q4 2023).
- $414,214 of amortization was recorded for the period covering January 1, 2024 to March 31, 2024 resulting from the recognition of the customer relationships, brand, technology in both the Coinsquare Limited and CoinSmart Financial Inc final purchase price allocation.

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6. BUSINESS COMBINATIONS

Acquisition of Coinsquare Limited

On July 7, 2023, the Company completed the acquisition of Coinsquare Limited by purchasing all of the issued and outstanding shares of the entity. Through its subsidiary, Coinsquare Capital Markets Ltd. ("CCML"), Coinsquare Limited's principal activity is delivering a robust, secure, and intelligent interface for trading Bitcoin, Ethereum, and other digital assets. Coinsquare has grown to become Canada's oldest operating digital asset firm, with over half a million registered Canadian users. This acquisition was made to further solidify WonderFi as a leader amongst crypto companies in Canada. Pursuant to the purchase agreement, the Company issued 270,920,353 common shares on July 7, 2023. The fair value of the common shares has been determined as the closing market price of WonderFi's common shares on July 7, 2023.

The acquisition of Coinsquare by the Company has been accounted for as a business combination. The assets acquired from the acquisition are to be recorded at their estimated fair values in accordance with IFRS 3, *Business Combination*. IFRS 3 allows for a measurement period, which shall not exceed one year from the acquisition date, in which the Company may gather the information necessary to record the acquisition in accordance with IFRS 3.

The net assets acquired recognized in the interim condensed consolidated financial statements are based on the final assessment of Coinsquare 's fair value. The Company has concluded its evaluation of the fair value of the identifiable intangible assets as at June 30, 2024.

Final goodwill to be recognized for this acquisition is the presence of certain intangible assets, such as assembled workforce, which do not qualify for separate recognition, and the fact that additional value is generated through the collective use of the acquired assets rather than individually. Goodwill has been allocated to the trading segment and is not expected to be deductible for income tax purposes.

The preliminary and final allocation of purchase consideration is as follows:

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Preliminary Allocation July 7, 2023	Finalized Allocation July 7, 2023
Assets acquired:		
Cash and cash equivalents	18,444,204	18,444,204
Restricted cash	2,318,375	2,318,375
Trade and other receivables	2,553,571	2,226,640
Digital assets inventory	1,846,610	1,846,610
Prepaid expenses	517,948	517,948
Client custodial cash	34,871,146	34,871,146
Client digital assets	320,323,932	320,323,932
Loans receivable	1,382,685	1,382,685
Investments	4,151,534	4,151,534
Investment in associate	8,474,127	8,474,127
Customer relationships	-	1,048,000
Technology	-	1,864,000
Brand	-	400,000
	394,884,132	397,869,201
Liabilities assumed:		
Trade and other payables	3,928,136	3,928,136
Client custodial cash liabilities	34,871,146	34,871,146
Client digital assets liabilities	320,323,932	320,323,932
Long-term debt	427,111	427,111
	359,550,325	359,550,325
Net assets acquired	35,333,807	38,318,876
Consideration	47,894,246	47,894,246
Goodwill	12,560,439	9,575,370
The consideration consists of the following components:		
Share consideration at closing	47,411,062	47,411,062
Stock options consideration	483,184	483,184
	47,894,246	47,894,246

Receivables were recognized at their fair value, which is not substantially different from their gross contractual value as at the date of acquisition.

Pursuant to the purchase agreement, 1,362,967 Coinsquare options are deemed to have been replaced by WonderFi's options at an exchange ration of 6.946745 as part of the transaction. The following assumptions were used in the calculation of the fair value of 9,468,184 WonderFi options issued resulting from the replacement as per Black-Scholes option pricing model:

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Weighted average assumptions
Share price at grant date	$0.18
Exercise price	$0.17 to $0.30
Expected volatility (based on comparable publicly listed entities)	141.0%
Expected life	between .05 to 4.9
Expected dividends	Nil
Risk-free interest rate	4.33%

During the year ended December 31, 2023, the Company paid $1,967,090, for advisory, legal, valuation and consulting fees in cash relating to the acquisition of Coinsquare, recorded in acquisition costs. The Company paid 4,659,222 common shares for a total of $1,873,224 recorded in acquisition costs for advisory services relating to the acquisition of Coinsquare.

During the year ended December 31, 2023, Coinsquare contributed $6,398,553 to the Company's revenue and income of $8,125,124 to total net loss since the acquisition date. If the acquisition had occurred on January 1, 2023, Coinsquare would have contributed an additional $12,088,517 of revenues and $3,085,744 of net loss of the Company.

Acquisition of CoinSmart Financial Inc

On July 7, 2023, the Company completed the acquisition of CoinSmart Financial Inc. by purchasing all of the issued and outstanding shares of the entity. CoinSmart is a leading Canadian-headquartered crypto asset trading platform dedicated to providing customers with an intuitive way for buying and selling digital assets. This acquisition was made to further solidify WonderFi as a leader amongst crypto companies in Canada. Pursuant to the purchase agreement, the Company issued 117,924,334 common shares on July 7, 2023. The fair value of the common shares has been determined as the closing market price of WonderFi's common shares on July 7, 2023.

The acquisition of CoinSmart by the Company has been accounted for as a business combination. The assets acquired from the acquisition are to be recorded at their estimated fair values in accordance with IFRS 3, *Business Combination*. IFRS 3 allows for a measurement period, which shall not exceed one year from the acquisition date, in which the Company may gather the information necessary to record the acquisition in accordance with IFRS 3.

The net assets acquired recognized in the interim condensed consolidated financial statements are based on the final assessment of CoinSmart's fair value. The Company has concluded its evaluation of the fair value of the identifiable intangible assets as at June 30, 2024.

Final goodwill to be recognized for this acquisition is the presence of certain intangible assets, such as assembled workforce, which do not qualify for separate recognition, and the fact that additional value is generated through the collective use of the acquired assets rather than individually. Goodwill has been allocated to the trading segment and is not expected to be deductible for income tax purposes.

The preliminary and final allocation of purchase consideration is as follows:

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Preliminary Allocation July 7, 2023	Finalized Allocation July 7, 2023
Assets acquired:		
Cash and cash equivalent	5,103,476	5,103,476
Prepaid expenses	329,906	329,906
Digital assets inventory	5,892,670	5,892,670
Client custodial cash	9,267,230	9,267,230
Client digital assets	36,652,066	36,652,066
Right-of-use assets	243,601	243,601
Property and equipment	52,781	52,781
Customer relationships	-	8,064,000
Technology	-	757,000
Brand	-	586,000
	57,541,730	66,948,730
Liabilities assumed:		
Trade and other payables	6,399,283	6,399,283
Income tax payable	101,538	101,538
Client custodial cash liabilities	9,267,230	9,267,230
Client digital assets liabilities	36,652,066	36,652,066
Lease liabilities	243,601	243,601
	52,663,718	52,663,718
Net assets acquired	4,878,012	14,285,012
Consideration	25,005,331	25,005,331
Goodwill	20,127,319	10,720,319
The consideration consists of the following components:		
Share consideration at closing	20,636,758	20,636,758
Stock options consideration	30,121	30,121
Warrants consideration	9,221	9,221
Contingent Consideration	4,329,231	4,329,231
	25,005,331	25,005,331

Pursuant to the purchase agreement, 817,651 CoinSmart options and 731,215 CoinSmart warrants are deemed to have been replaced by WonderFi's options and warrants as part of the transaction at an exchange ration of 1.801462.

The following assumptions were used in the calculation of the fair value of 1,472,967 WonderFi options issued resulting from the replacement as per Black-Scholes option pricing model:

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Weighted average assumptions
Share price at grant date	$0.18
Exercise price	$0.12 to $0.18
Expected volatility (based on comparable publicly listed entities)	141.0%
Expected life	between .38 to 5.0
Expected dividends	Nil
Risk-free interest rate	4.33%

The following assumptions were used in the calculation of the fair value of 1,317,256 WonderFi warrants issued resulting from the replacement as per Black-Scholes option pricing model:

	Weighted average assumptions
Share price at grant date	$0.56
Exercise price	.3 Years
Expected volatility (based on comparable publicly listed entities)	141.0%
Expected life	.30
Expected dividends	Nil
Risk-free interest rate	4.33%

Additionally, former CoinSmart shareholders will also receive one Earnout Right for each common share held which entitles them to a pro-rata share of a “SmartPay Revenue Payment”. A revenue payment is an amount equal to 30% of the SmartPay revenue for the applicable interim earnout period, up to a maximum aggregate amount of $15,000,000 for all interim earnout payment periods. Under the agreement, WonderFi has the option to satisfy its obligations to make all remaining earnout payments by making a payment equal to $10,000,500 less the sum of all earnout payments already made. The Company may further elect to satisfy up to 50% of the aggregate earnout payment by the issuance to the holders of common shares, valued using the 10-day volume weighted average trading price of the common shares. The fair value of the contingent consideration on completion of the transaction, discounted at 16.0%, is $4,329,231. The contingent consideration is to be repaid over a period of three years with the last payment due on July 7, 2026.

During the year ended December 31, 2023, the Company paid $1,266,587 for advisory, legal, valuation and consulting fees in cash relating to the acquisition of CoinSmart, recorded in acquisition costs. The Company paid 4,659,222 common shares for a total of $815,364 recorded in acquisition costs for advisory services relating to the acquisition of CoinSmart.

During the year ended December 31, 2023, CoinSmart Financial Inc. contributed $8,549,110 to the Company’s revenue and income of $4,295,200 to total net loss since the acquisition date. If the acquisition had occurred on January 1, 2023, CoinSmart would have contributed an additional $16,118,413 of revenues and $596,978 of net income to the Company.

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

7. DIGITAL ASSET INVENTORY

The Company holds digital assets as inventory as follows:

	September 30, 2024		December 31, 2023	
	Units	**Amount ($)**	**Units**	**Amount ($)**
Bitcoin (BTC)	38.96	3,334,515	59.81	3,349,181
Ethereum (ETH)	547.02	1,917,491	388.12	1,173,259
Others	-	4,449,057	-	6,705,208
Balance, end of period		**9,701,063**		**11,227,648**

Included in the total other balances are 1,039,620.06 (2,983,866.86 – December 31, 2023) units of United States dollar stablecoins valued at $1,404,423 ($3,953,588 – December 31, 2023).

8. CLIENT CUSTODIAL CASH ASSETS AND LIABILITIES

The Company holds cash on behalf of clients as follows:

	September 30, 2024	December 31, 2023
	Amount ($CAD)	**Amount ($CAD)**
Cash - Canadian Dollar	51,239,936	61,676,844
Cash - United States Dollar	7,030,234	34,749,669
Cash - Euro	699,978	678,098
Cash - British Pound Sterling	-	387,251
Cash - Australian Dollar	-	71,500
Balance, end of period	**58,970,148**	**97,563,362**

The cash held on behalf of clients is segregated in separate bank accounts managed by the Company. The cash held enables clients to execute trades involving digital assets. The Company has control over these assets and bears the associated risks.

9. CLIENT DIGITAL ASSETS AND LIABILITIES

The Company holds digital assets on behalf of clients as follows:

	September 30, 2024		December 31, 2023	
	Units	**Amount ($)**	**Units**	**Amount ($)**
Bitcoin (BTC)	8,219.78	703,597,940	8,213.09	459,942,360
Ethereum (ETH)	50,277.53	176,238,725	59,528.03	179,949,558
Others	-	336,790,058	-	267,158,748
Balance, end of period		**1,216,626,723**		**907,050,666**

In order to comply with registration requirements, the Company is required at all times to hold not less than 80% of the total value of all digital assets held on behalf of clients with a custodian that meets the definition of a qualified custodian under NI 31-103. As a result of this requirement, the Company reallocates the remaining 20% of the digital assets on an as-needed basis across its hot wallets and exchanges to maintain sufficient liquidity to settle customer trades and withdrawals. For the digital assets held by the Company, they are safeguarded separately and distinctly from the Company digital asset inventory.

(Continued on next page)

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

As at September 30, 2024, 93% (94% - December 31, 2023) of the total value of all digital assets held on behalf of clients are stored at a qualified custodian.

The Company has control over these assets and bears the associated risks. The Company is exposed to changes in digital asset prices to the extent that any such excess or deficit exists across the different digital assets.

10. INVESTMENTS

Investments held	Method	September 30, 2024	December 31, 2023
Blockchange I	FVTPL	1,229,122	11,942,801
Blockchange II	FVTPL	913,971	847,702
Other Investments	FVTPL	107,987	26,003
Balance, end of period		**2,251,080**	**12,816,506**

Activities relating to the investments held by the Company during the nine months ended September 30, 2024, and year ended December 31, 2023, are as follows:

	September 30, 2024	December 31, 2023
Balance, beginning of period	12,816,506	536,858
Acquired from the business combinations (Note 6)	-	4,151,534
Purchase of Investment	81,984	-
Sale of Investment	(11,634,829)	(104,828)
Gain on change in fair value of investment	-	8,527,723
Changes in fair value of investments	298,836	-
Gain on distribution from investments	673,031	-
Gain (loss) on revaluation of investment due to foreign exchange	15,552	(294,781)
Balance, end of period	**2,251,080**	**12,816,506**

On July 7, 2023, as part of the business combination with Coinsquare Limited., the Company acquired investments in Blockchange Ventures with a fair value of $4,046,706. Blockchange is a venture capital firm that seeks to vest in early stage blockchain companies, protocols, and applications.

On July 7, 2023, as part of the business combination with Coinsquare Limited., the Company acquired 100,000 in the common shares of Connect First Credit Union Ltd ("Connect First") with a fair value of $104,828. During the year ended December 31, 2023, the Company sold the entirety of its investment for a cash consideration of $104,828.

On January 11, 2024, the Company received a cash distribution of $720,872 from its investment held in Blockchange Ventures I, L.P.

On February 20, 2024, the Company received 61,720 units of unrestricted Solana (SOL) as a distribution from its investment held in Blockchange Ventures I, L.P. At the time of receipt, the 61,720 units were worth $8,871,655.

On March 18, 2024, the Company received 159,144 units of unrestricted Polkadot (DOT) as a distribution from its investment held in Blockchange Ventures I, L.P. At the time of receipt, the 159,144 units were worth $2,042,302.

On June 26, 2024, the Company purchased 300 share units of Argo Digital Gold LTD for $81,984 ($60,000 USD).

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

11. INVESTMENT IN ASSOCIATE

On July 7, 2023 through its business combination with Coinsquare Limited the Company acquired a 45.86% interest in Tetra Trust Company ("Tetra"). The Company determined that it has significant influence over the investee. The Company accounts for its investment in its associate using the equity method.

On December 22, 2023, the Company increased its common shares holding in Tetra to 16,317,504 common shares after acquiring 910,000 treasury shares from Tetra for total consideration of $500,000. As a result of the transaction Company's interest was reduced from 45.86% to 37.06% due to the Company purchasing less than its previous proportionate interest in the entity.

The following table summarises the financial information of Tetra as included in its own financial statements.

Statements of Financial Position

	September 30, 2024	December 31, 2023
Assets		
Cash	10,846,632	11,702,596
Other current assets	588,518	492,200
Total current assets	**11,435,150**	**12,194,796**
Non-current assets	591,819	186,516
Total assets	**12,026,969**	**12,381,312**
Liabilities		
Current liabilities	1,182,199	1,052,471
Non-current liabilities	94,432	189,040
Total liabilities	**1,276,631**	**1,241,511**
Total net assets	**10,750,338**	**11,139,801**

Statement of Loss

	Nine Months Ended September 30, 2024	July 7, 2023 to December 31, 2023
Revenue	**2,207,286**	**767,384**
Operating expenses	**3,361,568**	**2,850,865**
Other loss (gain)	(265,685)	2,894,719
Total net loss	**888,597**	**4,978,200**

The following table reconciles the summarized financial information of Tetra to the carrying amount of the Company's investment in the entity.

(Continued on next page)

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	September 30, 2024	December 31, 2023
Percentage Ownership Interest as at period end	37.06%	37.06%
Company's share of net assets	**3,984,075**	**4,128,410**
Goodwill	3,842,208	3,842,208
Change in fair value of net assets	(916,846)	(731,867)
Carrying amount of interest in equity affiliates	**6,909,437**	**7,238,751**
Weighted average ownership interest for the period	37.06%	45.68%
Company's share of loss for the period	**329,314**	**2,274,147**

	September 30, 2024	December 31, 2023
Balance, beginning of period	7,238,751	-
Acquired in business combinations (Note 5)	-	8,474,127
Additions to investment in associate	-	500,000
Gain on dilution of ownership in associate	-	538,771
Allocation of net loss for the period	(329,314)	(2,274,147)
Balance, end of period	**6,909,437**	**7,238,751**

12. INTANGIBLE ASSETS

	Technology	Customer relationships	Brand	License	Total
Cost:					
As of December 31, 2022	13,204,049	30,218,265	3,752,765	-	47,175,079
Acquired from business combination (restated - Note 5 & 6)	2,621,000	9,112,000	986,000	-	12,719,000
Additions during the period	-	3,500,000	-	-	3,500,000
Disposals during the period	(2,339,000)	-	(683,000)	-	(3,022,000)
As of December 31, 2023	**13,486,049**	**42,830,265**	**4,055,765**	**-**	**60,372,079**
Additions during the period	-	300,160	-	120,822	420,982
As of September 30, 2024	**13,486,049**	**43,130,425**	**4,055,765**	**120,822**	**60,793,061**
Amortization:					
As of December 31, 2022	(1,129,023)	(3,723,728)	(329,592)	-	(5,182,343)
Amortization during the period (restated - Note 5)	(3,526,532)	(5,445,965)	(1,019,810)	-	(9,992,307)
Disposals during the period	2,339,000	-	683,000	-	3,022,000
As of December 31, 2023	**(2,316,555)**	**(9,169,693)**	**(666,402)**	**-**	**(12,152,650)**
Amortization during the period (restated - Note 5)	(985,275)	(4,984,965)	(296,790)	-	(6,267,030)
As of September 30, 2024	**(3,301,830)**	**(14,154,658)**	**(963,192)**	**-**	**(18,419,680)**
Carrying Amount:					
As of December 31, 2023	**11,169,494**	**33,660,572**	**3,389,363**	**-**	**48,219,429**
As of September 30, 2024	**10,184,219**	**28,975,767**	**3,092,573**	**120,822**	**42,373,381**

On April 26, 2024, WonderFi's wholly-owned subsidiary Bitbuy Technologies Inc. ("Bitbuy") purchased specified client accounts of Bitstamp Limited ("Bitstamp"). The fair value of the total consideration to be paid is $300,160 (Note 14).

On April 08, 2024, the Company completed the acquisition of FXI Institutions Pty. Ltd. ("FXI"), an incorporated Australian company, by purchasing all of the issued and outstanding shares of the entity. The acquisition of FXI by

(Continued on next page)

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

the Company has been accounted for as an asset acquisition in accordance with IFRS 3, Business Combination. The purchase price was $120,822 ($100,000 AUD) which was solely attributed to the Australian Transaction Reports and Analysis Centre ("AUSTRAC") license held by the firm permitting digital asset trading and payment remittances within the region. The Company paid $237,544 for advisory, legal, valuation and consulting fees in cash relating to the acquisition of FXI Institutions Pty. On May 13, 2024, the Company changed the legal name of FXI to WonderFi Australia Pty. Ltd.

13. TRADE AND OTHER PAYABLES

The Company has trade and other payables as follows:

	September 30, 2024	December 31, 2023
Trade payables and accrued liabilities	5,649,136	5,732,149
Restructuring provision	-	626,964
	5,649,136	**6,359,113**

During the year ended December 31, 2023, as a result of the Coinsquare and CoinSmart business combination transaction (Note 6), the Company recognized a restructuring provision of $1,855,810, which included employee termination benefits and consulting fees relating directly to the restructuring. As at September 30, 2024 the Company has settled all amounts owing resulting from the restructuring. As at December 31, 2023 the Company had yet to settle $626,964 of the amount.

On April 16, 2024, the Company recognized a professional fee provision of $4,832,916 resulting from a special committee investigation into the activities of dissenting shareholders. The provision included the estimated legal fees, consulting fees, and professional fees directly related to the special committee's investigation and resolution of the matter. As at September 30, 2024 the Company has settled all amounts owing resulting from the provision.

14. CONTINGENT CONSIDERATION

	September 30, 2024	December 31, 2023
SmartPay acquisition contingent consideration (Note 6)	3,625,423	5,512,433
Bitvo acquisition contingent consideration	2,454,978	2,712,500
Bitstamp acquisition contingent consideration	216,868	-
Balance, end of period	**6,297,269**	**8,224,933**

Activities relating to the investments held by the Company during the nine months ended September 30, 2024, and year ended December 31, 2023, are as follows:

	September 30, 2024	December 31, 2023
Balance, beginning of period	8,224,933	-
Recognized in business combinations (Note 6)	-	4,329,231
Recognized in purchase of specified client accounts	229,999	2,712,500
Payments	(1,812,763)	-
Changes in fair value of contingent consideration	(344,900)	1,183,202
Balance, end of period	**6,297,269**	**8,224,933**

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

On November 15, 2023, WonderFi's wholly-owned subsidiary Bitbuy Technologies Inc. ("Bitbuy") purchased specified client accounts of Bitvo Inc. ("Bitvo").Under the terms and conditions of the Bitvo purchase agreement, the Company made an upfront pre-payment to Bitvo of $787,500 and will pay the remaining consideration, over three years commencing on the closing date, a total of 50% of a net-revenue share from the acquired client accounts, subject to certain conditions and up to $7,000,000 net revenue maximums. The fair value of the net-revenue share at the date of purchase was $2,712,500 and recognized as contingent consideration. The contingent consideration was calculated using a discounted cash flow model. The key assumptions used to calculate the fair value of the contingent consideration are those regarding discount rates. The discount rate used to value the contingency at initial recognition was 16%. The discount rate used to value to contingency at September 30, 2024 was 16% (16% - December 31, 2023).

On February 15, 2024, the Company made a payment to SmartPay earnout right holders of $867,317 for the interim earnout payment period ending December 31, 2023.

On April 26, 2024, WonderFi's wholly-owned subsidiary Bitbuy Technologies Inc. ("Bitbuy") purchased specified client accounts of Bitstamp Limited ("Bitstamp").Under the terms and conditions of the Bitstamp purchase agreement, the Company made an upfront pre-payment to Bitstamp of $70,163 and will pay the remaining consideration, over three years commencing on the close of the activation period, a total of 50% of a net-revenue share from the acquired client accounts, subject to certain conditions and up to $300,000,000 net revenue maximums. The fair value of the net-revenue share at the date of purchase was $229,999 and recognized as contingent consideration. The contingent consideration was calculated using a discounted cash flow model. The key assumptions used to calculate the fair value of the contingent consideration are those regarding discount rates. The discount rate used to value the contingency at initial recognition was 16%. The discount rate used to value to contingency at September 30, 2024 was 16%.

On July 31, 2024, the Company made a payment to Bitvo earnout right holders of $295,996 for the interim earnout payment period ending June 30, 2024.

On August 15, 2024, the Company made a payment to SmartPay earnout right holders of $650,450 for the interim earnout payment period ending June 30, 2024.

15. SHARE CAPITAL

Authorized
The Company is authorized to issue an unlimited number of common shares without par value.

Share Capital Activity

	Number of shares	Amount ($)
Balance as of December 31, 2023	651,507,804	285,225,857
Shares repurchased (i)	(5,399,854)	(1,290,531)
Conversion of restricted shares units (ii)	2,292,498	522,400
Shares Issued for warrant exercise (iii)	50,000	15,000
Shares Issued for options exercise (iv)	25,000	6,000
Balance as of September 30, 2024	**648,475,448**	**284,478,726**

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Number of shares	Amount ($)
Balance as of December 31, 2022	214,637,855	209,164,509
Issuance of common shares through private placements (v)	22,800,000	3,237,374
Conversion of restricted shares units (xii)	4,946,266	1,032,665
Shares issued for business combinations (vi) (ix) (x)	390,590,976	68,510,568
Shares issued for services (vii) (vii) (viii) (xi)	18,036,577	3,127,382
Shares Issued for options exercise (xiii)	296,130	87,359
Shares Issued for warrant exercise (xiv)	200,000	66,000
Balance as of December 31, 2023	**651,507,804**	**285,225,857**

(i) On April 8, 2024, the Company announced its intent to commence a Normal Course Issuer Bid ("NCIB"). During the nine months ended September 30, 2024, the Company repurchased 5,399,854 of its common shares on the open market through its broker at an average purchase price of $0.24 per share for a total of $1,290,531. Of these common shares, 5,399,854 shares were cancelled on June 14, 2024. On July 12, 2024 the Company renewed its NCIB permitting the Company to purchase up to an aggregate maximum of 19,726,712 common shares and up to 257,899 common shares on each trading day during the term of the agreement expiring April 9, 2025. No shares were repurchased during the three months ended September 30, 2024.

(ii) A total of 2,292,498 common shares of the Company were issued to the employees, and directors of the Company upon vesting of the RSUs at the fair value of $522,400 during the nine months ended September 30, 2024.

(iii) A total of 50,000 warrants were exercised for 50,000 common shares of the Company for cash proceeds of $15,000, during the nine months ended September 30, 2024, which an amount of $15,000 was added to share capital.

(iv) A total of 25,000 stock options were exercised for 25,000 common shares of the Company for cash proceeds of $4,000 during the nine months ended September 30, 2024, which an amount of $6,000 was added to share capital and the difference to contributed surplus.

(v) On January 30, 2023, the Company completed a private placement with the issuance of 22,800,000 Units at a price of $0.22 per unit for aggregate gross proceeds to the Company of $5,016,000. Each Unit consists of one common share of the Company and one share purchase warrant of the Company. Each warrant is exercisable to acquire one common share of the Company at an exercise price of $0.30 until January 30, 2025. An amount of $3,627,480 was allocated to Share capital and an amount of $1,388,520 to warrant liability.

The Company incurred cash-based share issuance costs of $368,567 regarding the private placement, of which $102,026 was recorded to the statement of loss and comprehensive loss and $266,541 to share capital. As part of the private placement, the Company also issued 1,368,000 compensation options to certain agents. Each compensation option exercisable into one common share at an exercise price of $0.22 for a period of 24 months following the completion of the offering. The fair value of the compensation option has been measured using the Black-Scholes option pricing model at $170,863 and has been recorded as share issuance costs. An amount of $47,298 was recorded to the statement of loss and comprehensive loss and $123,565 was recorded to share capital. The following assumptions were used in the calculation of broker warrants as per Black-Scholes option pricing model:

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Weighted average assumptions
Share price at grant date	$0.19
Exercise price	$0.22
Expected volatility (based on comparable publicly listed entities)	138%
Expected life (years)	2.00
Expected dividends	Nil
Risk-free interest rate	3.67%

(vi) On April 10, 2023, WonderFi issued 1,746,289 common shares of the Company, totaling $462,748, to the shareholders of Blockchain Foundry Inc. to satisfy the holdback consideration pursuant to the terms of the purchase agreement.

(vii) On April 20, 2023, the Company issued 1,344,000 common shares totaling $202,036 to fulfill payment of a sponsorship agreement with a third-party vendor.

(viii) On July 24, 2023, WonderFi issued 829,220 common shares of the Company to a former director for settlement of all outstanding fees totalling $149,258.

(ix) On July 7, 2023, WonderFi issued 270,920,353 common shares of the Company to the shareholders of Coinsquare Limited on a 6.9467:1 basis with respect to the Coinsquare Business Combination (Note 6). The Company also issued 10,704,135 common shares to advisors for consulting fees totalling $1,873,224.

(x) On July 7, 2023, WonderFi issued 117,924,334 common shares of the Company to the shareholders of CoinSmart Financial Inc. on a 1.8015:1 basis with respect to the CoinSmart Business Combination (Note 6). The Company also issued 4,659,222 common shares to advisors for consulting fees totalling $815,364.

(xi) On July 7, 2023, WonderFi issued 500,000 common shares of the Company to a former advisor for settlement of all outstanding fees totalling $87,500.

(xii) A total of 4,946,266 common shares of the Company were issued to the employees, and directors of the Company upon vesting of the RSUs at the fair value of $1,032,665 during the year ended December 31, 2023.

(xiii) A total of 296,130 stock options were exercised for 296,130 common shares of the Company for cash proceeds of $ 64,270 during the year ended December 31, 2023, which an amount of $87,359 was added to share capital and the difference to contributed surplus.

(xiv) A total of 200,000 warrants were exercised for 200,000 common shares of the Company for cash proceeds of $60,000, during the year ended December 31, 2023, which an amount of $66,000 was added to share capital and the difference to contributed surplus.

Stock Options

The Company has established a Stock Option Plan under which, the Board of Directors may, from time to time, grant options to directors, officers, employees, or consultants of the Company. The aggregate number of shares issuable upon the exercise of all stock options and RSUs granted under the Plan shall not exceed 10% of the issued and outstanding common shares of the Company. Under the Stock Option Plan, the exercise price of an option cannot be lower than the closing price on the TSX on the trading date preceding the date of grant. Each stock option

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

and all rights thereunder shall be expressed to expire on the date as set out in the option agreement or the maximum term of 10 years, whatever comes earlier.

The weighted average inputs used in the measurement of the fair values at grant date of the stock options during the nine months period ended September 30, 2024 and the year ended December 31, 2023 are as follows:

	September 30, 2024	December 31, 2023
Share price at grant date	$0.20	$0.19
Exercise price	$0.20	$0.20
Expected volatility (based on comparable publicly listed entities)	131%	139%
Expected life (years)	4.99	4.36
Expected dividends	Nil	Nil
Risk-free interest rate	3.38%	3.92%

During the nine months period ended September 30, 2024 the weighted average of the fair value of granted options was estimated on dates of grant at $0.13. Volatility was based upon comparable trading entities. Volatility was based upon comparable trading entities. The weighted average share price for the exercised options was $0.24.

During the year ended December 31, 2023 the weighted average of the fair value of granted options was estimated on dates of grant at $0.17. Volatility was based upon comparable trading entities. The weighted average share price for the exercised options was $0.29.

A summary of the Company stock options as at and during the nine months ended September 30, 2024 and year ended December 31, 2023 is as follows:

	Number of options	Weighted average exercise price	Weighted average remaining life
Balance as of December 31, 2023	22,417,128	0.35	3.81
Granted	6,222,894	0.20	4.73
Exercised	(25,000)	0.16	3.20
Expired / cancelled / forfeited	(3,954,015)	0.92	6.48
Balance as of September 30, 2024	24,661,007	0.22	3.61
Exercisable as of September 30, 2024	10,413,270	0.24	4.24

	Number of options	Weighted average exercise price	Weighted average remaining life
Balance as of December 31, 2022	11,624,155	0.73	4.53
Granted	11,032,728	0.14	2.73
Granted for Business Combinations (Note 5)	10,941,151	0.25	3.57
Exercised	(296,061)	0.22	1.27
Expired / cancelled / forfeited	(10,884,845)	0.45	3.32
Balance as of December 31, 2023	22,417,128	0.35	3.81
Exercisable as of December 31, 2023	7,951,667	0.27	2.52

During the three months ended September 30, 2024 the Company recorded share-based payments expense net of forfeited reversals based on the graded vesting schedule of the granted options of $296,374 ($669,165 – September 30, 2023) and an expense during the nine months ended September 30, 2024 of $1,136,541 ($208,225 – September 30, 2023).

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

Restricted Share Units

The Board of Directors may, from time to time, award RSUs to directors, officers, and employees. Under the incentive plan the maximum number of shares the Company is entitled to issue from treasury for payments in respect of awards of stock options and RSUs cumulatively should not exceed 10% of the total number of shares issued and outstanding. Upon vesting, the awardees of the RSUs will receive one common share of the Company for each RSU held. These RSUs include service conditions only.

A summary of the Company's RSUs as at and during the nine months ended September 30, 2024 and year ended December 31, 2023 is as follows:

	Number of RSUs
Balance as of December 31, 2023	5,759,545
Granted	6,875,000
Vested and Issued	(2,292,498)
Expired / cancelled / forfeited	(300,002)
Balance as of September 30, 2024	10,042,045

	Number of RSUs
Balance as of December 31, 2022	4,190,698
Granted	9,061,021
Vested and Issued	(4,960,330)
Expired / cancelled / forfeited	(2,531,844)
Balance as of December 31, 2023	5,759,545

The vesting of RSUs is based on the following service condition schedule:

Number of RSUs Granted	Fair Value per RSUs ($)	First Vesting Date	Vesting Criteria
747,384	0.17	24-Feb-23	100% vest immediately
510,000	0.195	11-Apr-23	100% vest immediately
1,250,000	0.165	18-May-23	100% vest immediately
1,500,000	0.175	07-Jul-23	50% vesting immediately, 50% vesting sixth months thereafter
1,148,816	0.185	10-Jul-23	100% vest immediately
600,000	0.185	10-Jul-23	50% immediate vesting, 4.17% every quarter thereafter
1,250,000	0.185	10-Jul-24	50% vesting on first anniversary, 4.166% every quarter thereafter
121,528	0.18	04-Aug-23	100% vest immediately
417,000	0.135	14-Sep-23	100% vest immediately
1,500,000	0.175	14-Sep-23	50% vesting immediately, 50% vesting sixth months thereafter
16,293	0.125	11-Oct-23	100% immediately
700,000	0.32	07-Jul-24	100% vesting sixth months after grant
500,000	0.24	01-Feb-24	50% vesting immediately, 50% vesting five months thereafter
500,000	0.26	02-Apr-24	10% vesting immediately, 90% vesting 8 months thereafter
3,675,000	0.15	01-Jan-25	15% vest on January 1, 2025, 8.5% vest every quarter thereafter.
1,500,000	0.15	26-Aug-25	50% vest on August 26, 2025, remaining 50% vest on December 31, 2025

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

During the three months ended September 30, 2024 the Company recorded share-based payments expense net of forfeited reversals based on the graded vesting schedule of the granted RSUs of $142,740 ($233,016 – September 30, 2023) and expense during the nine months ended September 30, 2024 of $672,377 (a recovery of $625,616 – September 30, 2023).

Brokers warrants

A summary of the Company's warrants as at and during nine months ended September 30, 2024 and year ended December 31, 2023 as follows:

	Number of Warrants
Balance as of December 31, 2023	9,021,743
Expired / cancelled / forfeited	(1,177,312)
Balance as of September 30, 2024	7,844,431
Balance as of December 31, 2022	10,515,141
Granted for Business Combinations (Note 6)	1,317,256
Expired / cancelled / forfeited	(2,810,654)
Balance as of December 31, 2023	9,021,743

Share Purchase Warrants

The Company's warrant liabilities are comprised of share purchase warrants issued as part of financing transactions. As at September 30, 2024 a total of 29,360,002 (December 31, 2023 – 39,543,335) share purchase warrants remain outstanding.

Escrow Shares

The Company and certain shareholders of the Company entered into voluntary Lock-up Agreements where certain common shares are subject to resale restrictions, as per the escrow schedules. All escrow conditions are satisfied solely based on the passage of time pursuant to the lock up agreements. As at September 30, 2024 the lock up agreements do not specify and factors that could result in the escrow shares not being released holders.

Pooled shares for the Coinsquare Limited and CoinSmart Financial Inc. Business Combinations (Note 6) shall be released as follows:

Number of Pooled Shares	First Release Date	Release Policy
556,811	7-Aug-23	100% on date of release
556,811	7-Sep-23	100% on date of release
556,811	7-Oct-23	100% on date of release
556,811	7-Nov-23	100% on date of release
140,407,124	7-Jan-24	100% on date of release
123,565,777	7-Jul-24	100% on date of release
72,248,964	7-Jan-25	100% on date of release

As at September 30, 2024, a total of 72,248,964 (December 31, 2023 – 340,324,819) shares remain in escrow as part of the pooling agreements.

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

16. REVENUES

The following table presents revenues of the Company disaggregated by revenue source:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Transaction Revenue	6,900,471	8,680,880	35,283,410	14,127,875
Payments Revenues	260,458	1,220,396	2,427,133	1,220,396
Total Revenue	**7,160,929**	**9,901,276**	**37,710,543**	**15,348,271**

17. OTHER LOSSES AND GAINS

The following table presents the disaggregated other losses and gains of the Company:

		Three Months Ended September 30,		Nine Months Ended September 30,	
	Notes	**2024**	**2023**	**2024**	**2023**
Disposal of digital assets		-	-	-	19,887
Revaluation of digital assets		-	-	-	(286,633)
Revaluation of digital asset inventory		(1,165,313)	(18,858)	(1,292,948)	(658,412)
Changes in fair value of warrant liabilities		(509,509)	(917,587)	(1,953,846)	(977,053)
Changes in fair value of contingent consideration	14	(300,035)	191,438	(344,900)	191,438
Loss (gains) on disposal of property and equipment		-	(1,000)	-	296
Total other losses (gains)		**(1,974,857)**	**(746,007)**	**(3,591,694)**	**(1,710,477)**

18. ADDITIONAL DETAILS TO THE STATEMENTS OF CASH FLOWS

		Nine Months Ended September 30,	
	Notes	**2024**	**2023**
Trade and other payables	13	(587,281)	(8,591,474)
Due to liquidity providers		(4,616,577)	-
Trade and other receivables		(411,935)	2,106,817
Prepaid expenses		(17,950)	514,240
Digital asset inventory	7	2,869,533	1,277,279
Income tax credit receivable		-	(563,900)
Disposal of digital assets		-	944,866
Total changes in working capital items		**(2,764,210)**	**(4,312,172)**

19. RELATED PARTY PAYMENTS

Company's related parties consist of entities where the executive officers and directors of the Company are principals meaning their position in these entities results in their having control or significant influence over the financial or operating policies of these entities.

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. Key management personnel are the Company's executive management team and members of the Board of Directors. Key management personnel compensation comprised of share-based compensation, and any salaries paid to these individuals.

(Continued on next page)

(expressed in Canadian Dollars, except share and per share amounts - unaudited)

During the three and nine months ended September 30, 2024 and 2023, related party transactions were as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	**2023**	**2024**	**2023**
Directors fees(1)	576,667	128,306	2,287,534	346,304
Directors Share-based payments (2)	36,343	41,212	300,139	108,337
Key Management Salaries and benefits (3)	417,191	514,603	1,345,581	1,378,428
Key Management Share-based payments (3)	80,723	387,626	620,429	1,018,981
Acquisition payments (4)	-	3,394,421	-	3,394,421
	1,110,924	**4,466,168**	**4,553,683**	**6,246,471**

(1) Directors' fees represent fees, special committee fees and/or consulting payments paid to current or former directors during the three and nine months ending September 30, 2024.
(2) Salaries and benefits paid to 5 key management personnel during the three and nine months ended September 30, 2024 (2023 5 - key management personnel).
(3) The Company issued options and RSUs to directors and key management personnel of the Company and recorded the share-based payments related to such issuances based on the vesting schedules.
(4) Pursuant to the business combination agreement for CoinSmart and Coinsquare, there were 15,363,357 shares issued to related parties with a fair value of $2,688,587, as well as cash payments made to certain board of directors members totalling $250,000. Additionally, restricted stock units were issued to key management personnel vesting immediately with a total fair value of $455,834.

20. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Fair value measurements

IFRS 13, *Fair-Value Measurement*, establishes a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;
- 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); and
- Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's assets and liabilities measured at fair value on a recurring basis have been categorized into the fair value hierarchy as follows:

	Category	Fair Value as at September 30, 2024	Fair Value as at December 31, 2023
Financial assets at FVTPL			
Digital asset inventory	Level 2	9,701,063	11,227,648
Client digital assets	Level 2	1,216,626,723	907,050,666
Investments	Level 3	2,251,080	12,816,506
Financial liabilities at FVTPL			
Client digital assets liabilities	Level 2	1,216,626,723	907,050,666
Warrant liabilities	Level 2	466,780	2,425,176
Contingent consideration	Level 3	6,297,269	4,393,521

There was no movement of financial instruments between levels during the period.

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

The Company determined that the carrying values of its short-term financial assets and liabilities approximate the corresponding fair values because of the relatively short periods to maturity of these instruments and the low credit risk.

Digital currencies risk and risk management

Digital asset prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and global political and economic conditions. A decline in the market prices for digital assets could negatively impact the Company's future operations. The Company holds digital assets on reputable custodian and liquidity providers with a total value of $9,701,063 as at September 30, 2024 ($11,227,648 - December 31, 2023). At September 30, 2024, had the market price of the Company's holdings of digital assets changed by 10% with all other variables being constant, the corresponding digital asset value change would amount to approximately $970,106.

Some fiat and digital assets of Bitbuy are held on account with various third-party digital asset trading platforms. These deposits are held on account to allow for successful completion of user purchases and sales of digital assets. These digital assets are transferred to Bitbuy's digital custodian accounts and fiat funds are transferred to financial institutions on an ongoing basis.

21. EARNINGS PER SHARE

Basic income (loss) per share is calculated by dividing the net earnings by the weighted average number of shares. The Basic and fully diluted income (loss) per share for the three and nine months ended September 30, 2024 and 2023 are as follows:

	Three Months Ended September 30, 2024					Three Months Ended September 30, 2023			
		Net loss	weighted average # of shares		Loss per share	Net loss	weighted average # of shares		Loss per share
Basic	$	(4,226,761)	648,279,267	$	(0.01)	(10,391,702)	622,573,013	$	(0.02)
Diluted	$	-	-	$	-	-	-	$	-

Given the company's loss position, no diluted loss per share has been calculated for the three months ended September 30, 2024, and 2023, as the effect would be anti-dilutive.

	Nine Months Ended September 30, 2024					Nine Months Ended September 30, 2023			
		Net loss	weighted average # of shares		Loss per share	Net loss	weighted average # of shares		Loss per share
Basic	$	(2,170,183)	650,012,385	$	0.00	(21,514,226)	365,502,011	$	(0.06)
Diluted	$	(2,170,183)	-	$	-	-	-	$	-

Given the company's loss position, no diluted loss per share has been calculated for the nine months ended September 30, 2023, as the effect would be anti-dilutive.

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

22. SEGMENT INFORMATION

The Company operates through three reportable segments: Trading, Payments and Corporate. Trading consists of operations from the Company's crypto exchange platforms; Bitbuy and Coinsquare. The Payments segment consists of operations from SmartPay the company's global crypto payment processing division. Other general operations including research and development, public company expenditures and those pertaining to M&A activities are reported under the Corporate segment.

The operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is responsible for allocating resources and assessing the performance of the operating segments. The chief operating decision-maker has been identified as the President and Chief Executive Officer. All material revenues and non-current assets are in Canada.

	Nine Months Ended September 30, 2024			
	Trading	**Payments**	**Corporate**	**Total**
Revenue	35,283,410	2,427,133	-	37,710,543
Salaries and wages	8,660,561	1,013,945	999,329	10,673,835
Bank and transaction fees	4,411,273	330,406	343,770	5,085,449
Marketing	1,873,339	7,490	790,793	2,671,622
Professional and consulting fees	2,524,065	1,566,248	1,568,835	5,659,148
Software licenses	2,921,575	561,697	393,246	3,876,518
Commission expenses	1,718,298	249,184	258,436	2,225,918
General and administrative expenses	605,133	763,215	1,922,581	3,290,929
Compliance fees	1,125,412	65,476	37,734	1,228,622
Share-based payments	-	-	1,808,918	1,808,918
Depreciation and amortization	6,365,148	451,346	14,984	6,831,478
Other expense (income)	(4,117,163)	(1,149,961)	2,803,203	(2,463,921)
Segment net income (loss) before income taxes	**9,195,769**	**(1,431,913)**	**(10,941,829)**	**(3,177,973)**

	Nine Months Ended September 30, 2023			
	Trading	**Payments**	**Corporate**	**Total**
Revenue	13,990,727	1,357,544	-	15,348,271
Salaries and wages	6,797,676	173,661	2,258,528	9,229,865
Bank and transaction fees	2,180,957	166,842	269,228	2,617,027
Marketing	710,072	18,722	404,631	1,133,425
Professional and consulting fees	1,785,942	57,640	2,766,493	4,610,075
Software licenses	2,845,647	44,653	332,830	3,223,130
Commission expenses	1,277,877	360,085	-	1,637,962
General and administrative expenses	595,063	37,537	1,587,153	2,219,753
Compliance fees	761,305	17,985	411,885	1,191,175
Share-based payments	-	-	(417,391)	(417,391)
Depreciation and amortization (restated - Note 5)	8,194,980	127,701	20,335	8,343,016
Other expense (income)	(948,070)	(195,546)	6,344,002	5,200,386
Segment net income (loss) before income taxes	**(10,210,722)**	**548,264**	**(13,977,694)**	**(23,640,152)**

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(expressed in Canadian Dollars, except share and per share amounts - unaudited)

	Three Months Ended September 30, 2024			
	Trading	**Payments**	**Corporate**	**Total**
Revenue	6,900,471	260,458	-	7,160,929
Salaries and wages	2,146,872	266,813	1,367,538	3,781,223
Bank and transaction fees	906,253	95,585	222,167	1,224,005
Marketing	690,339	5,000	453,712	1,149,051
Professional and consulting fees	129,402	1,119,633	591,905	1,840,940
Software licenses	320,571	388,439	388,041	1,097,051
Commission expenses	59,186	6,111	262,532	327,829
General and administrative expenses	572,485	448,783	290,851	1,312,119
Compliance fees	164,851	11,638	174,996	351,485
Share-based payments	-	-	439,114	439,114
Depreciation and amortization	2,116,983	149,173	7,939	2,274,095
Other expense (income)	(285,297)	(559,156)	(962,134)	(1,806,587)
Segment net income (loss) before income taxes	**78,826**	**(1,671,561)**	**(3,236,661)**	**(4,829,396)**

	Three Months Ended September 30, 2023			
	Trading	**Payments**	**Corporate**	**Total**
Revenue	8,543,732	1,357,544	-	9,901,276
Salaries and wages	3,420,544	173,661	750,768	4,344,973
Bank and transaction fees	1,256,244	166,842	141,628	1,564,714
Marketing	275,230	18,722	74,433	368,385
Professional and consulting fees	607,234	57,640	1,299,782	1,964,656
Software licenses	1,194,006	44,653	206,020	1,444,679
Commission expenses	1,277,877	360,085	-	1,637,962
General and administrative expenses	427,588	37,537	236,959	702,084
Compliance fees	297,027	17,985	80,733	395,745
Share-based payments	-	-	902,181	902,181
Depreciation and amortization	3,760,115	127,701	779	3,888,595
Other expense (income)	(342,527)	(195,546)	4,178,441	3,640,368
Segment net income (loss) before income taxes	**(3,629,606)**	**548,264**	**(7,871,724)**	**(10,953,066)**