FORM 51-102F3
MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Universal Digital Inc. (the "**Company**")
1111 West Hastings Street, 15th Floor
Vancouver, B.C., V6E 2J3

Item 2. Date of Material Change

January 27, 2026

Item 3. News Release

News releases with respect to the material change were disseminated by the Company on January 28, 2026 through Newsfile Corp. Copies of the news releases were filed under the Company's issuer profile on SEDAR+ at www.sedarplus.com.

Item 4. Summary of Material Changes

On January 27, 2026, the Company entered into a termination agreement with Helena Global Investment Opportunities 1 Ltd. ("Helena") pursuant to which the Company's previously issued senior secured convertible debentures were cancelled and extinguished in full, together with all related warrants and security arrangements.

As part of the termination and settlement, the security interests granted in favour of Helena over Bitcoin and related custodial assets were fully applied toward the satisfaction of the outstanding indebtedness and released. In connection with the termination, the Company issued to Helena a non-convertible promissory note in the principal amount of US$300,000.

Item 5. Full Description of Material Changes

On October 24, 2025, the Company entered into a subscription agreement with Helena pursuant to which Helena subscribed for senior secured convertible debentures of the Company, secured by Bitcoin held by the Company in a custodial account, together with related common share purchase warrants, as previously disclosed. On October 31, 2025, the Company completed the first tranche of the financing and issued senior secured convertible debentures with an aggregate principal amount of C$3,336,364, together with 834,091 common share purchase warrants.

On January 27, 2026, the Company and Helena entered into a termination agreement pursuant to which the subscription agreement and all related agreements were terminated.

As a result of the termination agreement, all outstanding senior secured convertible debentures previously issued to Helena in the aggregate principal amount of C$3,336,364 were cancelled, terminated, and extinguished in full, together with all accrued interest, conversion rights, security interests, guarantees, and other obligations arising under or in connection with the convertible debenture financing. In addition, all 834,091 common share purchase warrants previously issued to Helena in connection with the first tranche of the financing were cancelled and extinguished.

As part of the termination and settlement of the convertible debentures, the security interests granted in favour of Helena over Bitcoin and related custodial assets held by the Company pursuant to the prior security arrangements were fully applied toward the satisfaction of the outstanding indebtedness and were concurrently released upon extinguishment of the convertible debentures.

In connection with the termination, the Company issued to Helena a non-convertible promissory note in the principal amount of US$300,000. The promissory note bears interest at a rate of 6% per annum, is payable on demand, matures on April 27, 2026, and may be prepaid at any time without penalty. The obligations under the promissory note are secured by a pledge of certain equity securities of ReYuu Japan Inc. held by the Company pursuant to a pledge agreement entered into concurrently with the termination agreement.

The termination of the convertible debenture financing simplifies the Company's capital structure by eliminating all outstanding convertible instruments, warrant rights, and related security arrangements associated with the prior financing.

Item 6. Reliance on subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

Not applicable.

Item 8. Executive Officer

Peter Rhodes
Chief Financial Officer
Telephone: (289) 646-6252

Item 9. Date of Report

February 4, 2026

Cautionary Statements

This report includes statements containing certain "forward-looking information" within the meaning of applicable Canadian securities laws ("forward-looking statements"). Forward-looking statements in this report include, but are not limited to, statements with respect to the expected effects of the termination of the convertible debenture financing on the Company's capital structure and the repayment of the promissory note. Forward-looking statements are frequently characterized by words such as "plan", "continue", "expect", "project", "intend", "should", "believe", "anticipate", "estimate", "may", "will", "potential", "proposed" and other similar words, or statements that certain events or conditions "may" or "will" occur. These statements are only predictions. Various assumptions were used in drawing the conclusions or making the projections contained in the forward-looking statements throughout this report. Forward-looking statements are based on the opinions and estimates of management at the date the statements are made and are subject to a variety of risks and uncertainties (including market conditions) and other factors that could cause actual events or results to differ materially from those projected in the forward-looking statements, including those risk factors described in the Company's most recent Annual Information Form filed with Canadian securities regulators and available on the Company's issuer profile on SEDAR+ at www.sedarplus.ca. Although the Company believes that the assumptions and factors used in preparing the forward-looking statements in this report are reasonable, undue reliance should not be placed on such information and no assurance can be given that such events will occur in the disclosed time frames or at all. The forward-looking statements included in this report are made as of the date of this *report. The Company is under no obligation, and expressly disclaims any intention or obligation, to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable law.*