

**CRYPTOSTAR CORP.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**  
**(Expressed in US dollars, unless otherwise stated)**

## **Notice of No Auditors Review of Condensed Interim Consolidated Financial Statements**

Under National Instrument 51-102, if an auditor has not performed a review of condensed interim consolidated financial statements, they must be accompanied by a notice indicating that the condensed interim consolidated financial statements have not been reviewed by an auditor.

The accompanying condensed interim consolidated financial statements (unaudited) of CryptoStar Corp. (the "Company") have been prepared by management and approved by the Audit Committee and the Board of Directors of the Company.

The Company's independent auditors have not performed a review of these unaudited condensed interim consolidated financial statements in accordance with the standards established by the Chartered Professional Accountants (CPA) of Canada for a review of interim financial statements by an entity's auditors.

**CRYPTOSTAR CORP.**  
**CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)**  
**FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025 AND 2024**

**Condensed Interim Consolidated Financial Statements (Unaudited)**

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**CRYPTOSTAR CORP.**  
**Condensed Interim Consolidated Statements of Financial Position (Unaudited)**  
**As at September 30, 2025 and December 31, 2024**  
(Expressed in US dollars, unless otherwise stated)

	Note	As at September 30, 2025 \$	As at December 31, 2024 \$
<b>Assets</b>			
Current assets			
Cash		1,234,057	1,973,876
Accounts receivable and others	13	892,066	21,113
Digital currencies	5	140,284	344,870
		2,266,407	2,339,859
Property and equipment	6	1,422,463	3,511,513
Right-of-use assets	7	822,842	1,147,060
Deposits	4	549,592	549,592
<b>Total assets</b>		<b>5,061,304</b>	<b>7,548,024</b>
<b>Liabilities and shareholders' equity</b>			
Current liabilities			
Trade payable and accrued liabilities		642,257	878,171
Advances from customers	8	159,999	159,999
Payable to related party	9	393,321	393,321
Lease obligations	7	476,360	422,076
		1,671,937	1,853,567
Lease obligations	7	683,915	1,048,799
Decommission cost	10	377,251	377,251
Payable to related party	9	294,991	589,981
<b>Total liabilities</b>		<b>3,028,094</b>	<b>3,869,598</b>
<b>Shareholders' equity</b>			
Share capital	12	37,505,567	37,505,567
Shareholder contribution	12	2,288,074	3,292,725
Warrant and option reserve	9 & 12	19,973,905	19,973,905
Deficit		(57,927,591)	(57,291,128)
Accumulated other comprehensive gain		193,255	197,357
<b>Total shareholders' equity</b>		<b>2,033,210</b>	<b>3,678,426</b>
<b>Total liabilities and shareholders' equity</b>		<b>5,061,304</b>	<b>7,548,024</b>
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Approved on behalf of the Board of Directors on November 26, 2025

/s/Christopher Malone

Director

/s/Amelia Jones

Director

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**CRYPTOSTAR CORP.**  
**Condensed Interim Consolidated Statements of Loss and Comprehensive Loss (Unaudited)**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
(Expressed in US dollars, unless otherwise stated)

	Note	Three Months Ended September 30,		For the Nine Months Ended September 30,	
		2025	2024	2025	2024
		\$	\$	\$	\$
<b>Revenue</b>					
Digital assets mined	5	73,213	172,423	247,221	1,109,217
Hosting income		—	129,941	—	842,403
		73,213	302,364	247,221	1,951,620
<b>Cost of revenue</b>					
Site operating costs		(119,093)	(281,587)	(334,831)	(1,161,598)
Depreciation of right-of-use assets	7	(92,124)	(89,426)	(324,218)	(268,275)
Depreciation of property and equipment	6	(118,876)	(143,243)	(372,511)	(759,971)
<b>Gross loss</b>		(256,880)	(211,892)	(784,339)	(238,224)
Realized gain on digital currencies	5	—	—	76,016	31,104
<b>Net loss before operating expenses</b>		(256,880)	(211,892)	(708,323)	(207,120)
<b>Operating expenses</b>					
Interest and bank charges		1,322	1,498	3,867	5,484
Interest on related party loan	9	22,616	34,415	76,698	112,096
Management fees, salaries and wages	9	145,349	162,607	456,108	497,890
Share based compensation	9 & 12	—	—	—	9,204
Office and administration		19,128	71,345	95,163	239,069
Professional fees		68,364	72,328	156,826	190,146
<b>Total operating expenses</b>		256,779	342,193	788,662	1,053,889
<b>Net loss before other items</b>		(513,659)	(554,085)	(1,496,985)	(1,261,009)
<b>Other (expense) income</b>					
Foreign exchange loss		(4,686)	(299)	(26,874)	(118,360)
Interest expense on lease obligations	7	(36,334)	(53,469)	(118,160)	(168,899)
Revaluation gain (loss) on digital currencies	5	3,048	9,161	(84,478)	(25,024)
(Loss) gain on disposal of property and equipment	6	(252,809)	39,208	(181,865)	(471,385)
Other income	11	58,674	47,022	277,616	106,842
Other expense		—	—	(10,368)	—
<b>Net loss before tax</b>		(745,766)	(512,462)	(1,641,114)	(1,937,835)
Income tax expense		—	—	—	—
<b>Net loss</b>		(745,766)	(512,462)	(1,641,114)	(1,937,835)
Currency translation (loss) gain		(623)	6,777	(4,102)	50,907
<b>Net comprehensive loss</b>		(746,389)	(505,685)	(1,645,216)	(1,886,928)
<b>Loss per share, basic and diluted</b>		(0.002)	(0.001)	(0.004)	(0.004)
<b>Weighted average shares, basic and diluted</b>		430,343,491	440,169,321	430,343,491	440,169,321

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**CRYPTOSTAR CORP.**  
**Condensed Interim Consolidated Statements of Changes in Equity (Unaudited)**  
**For the Nine Months Ended September 30, 2025 and 2024**  
(Expressed in US dollars, unless otherwise stated)

	Note	Share Capital		Shareholder Contribution	Warrant and Option Reserve	Deficit	Accumulated Other Comprehensive (Loss) Income *	Total
		Shares Issued	Amount \$					
As at December 31, 2023		429,016,069	37,253,870	3,292,725	19,751,227	(52,703,010)	(71,939)	7,522,873
Private placement - gross cash proceeds	12	14,460,000	304,440	—	229,849	—	—	534,289
Issuance cost - cash	12	—	(39,383)	—	(29,735)	—	—	(69,118)
Issuance of shares - finder's fees	12	433,800	17,695	—	—	—	—	17,695
Issuance cost - non-cash	12	—	(31,055)	—	13,360	—	—	(17,695)
Share based compensation	9 & 12	—	—	—	9,204	—	—	9,204
Net loss for the period		—	—	—	—	(1,937,835)	—	(1,937,835)
Unrealized gain on currency translation		—	—	—	—	—	50,907	50,907
<b>As at September 30, 2024</b>		<b>443,909,869</b>	<b>37,505,567</b>	<b>3,292,725</b>	<b>19,973,905</b>	<b>(54,640,845)</b>	<b>(21,032)</b>	<b>6,110,320</b>
As at December 31, 2024		443,909,869	37,505,567	3,292,725	19,973,905	(57,291,128)	197,357	3,678,426
Shares cancelled	12	(20,312,500)	—	(1,004,651)	—	1,004,651	—	—
Net loss for the period		—	—	—	—	(1,641,114)	—	(1,641,114)
Unrealized loss on currency translation		—	—	—	—	—	(4,102)	(4,102)
<b>As at September 30, 2025</b>		<b>423,597,369</b>	<b>37,505,567</b>	<b>2,288,074</b>	<b>19,973,905</b>	<b>(57,927,591)</b>	<b>193,255</b>	<b>2,033,210</b>

\* Accumulated other comprehensive (loss) income balance as at September 30, 2025 comprises of revaluation gain on digital currencies amounting to \$100,789 (September 30, 2024: \$25,303) and foreign currency translation gain of \$92,466 (September 30, 2024: loss of \$46,335).

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**CRYPTOSTAR CORP.**  
**Condensed Interim Consolidated Statements of Cash Flows (Unaudited)**  
**For the Nine Months Ended September 30, 2025 and 2024**  
(Expressed in US dollars, unless otherwise stated)

	<b>For the Nine Months Ended September 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>\$</b>	<b>\$</b>
<b>Operating activities</b>		
Net loss for the period	(1,641,114)	(1,937,835)
Adjusted for:		
Depreciation of property and equipment	372,511	759,971
Income from mining of digital currencies	(247,221)	(1,109,217)
Realized gain on digital currencies	(76,016)	(31,104)
Revaluation loss on digital currencies	84,478	25,024
Share based compensation	—	9,204
Depreciation of right-of-use assets	324,218	268,275
Interest expense on lease obligations	118,160	168,899
Interest expense on payable to related party	76,698	112,096
Foreign exchange loss on right-of-use assets and lease obligations	—	904
Loss on disposal of property and equipment	181,865	471,385
Changes in non-cash working capital items:		
Accounts receivable and others	(871,011)	(129,423)
Trade payable and accrued liabilities	(235,351)	(102,677)
<b>Cash used in operating activities</b>	<b>(1,912,783)</b>	<b>(1,494,498)</b>
<b>Investing activities</b>		
Proceeds from sale of digital currencies	443,345	747,618
Proceeds from disposal of property and equipment	1,534,724	815,891
Deposits	—	156,157
<b>Cash provided by investing activities</b>	<b>1,978,069</b>	<b>1,719,666</b>
<b>Financing activities</b>		
Repayment of payable to related party	(371,688)	—
Repayment of loan to related party	—	(407,087)
Payment of lease obligations	(428,760)	(463,856)
Proceeds from private placement, net of issuance cost	—	465,171
<b>Cash used in financing activities</b>	<b>(800,448)</b>	<b>(405,772)</b>
Effect of foreign exchange on cash	(4,657)	59,948
Net change in cash during the period	(739,819)	(120,656)
Cash, beginning of the period	1,973,876	2,180,990
<b>Cash, end of the period</b>	<b>1,234,057</b>	<b>2,060,334</b>
<i>Supplemental cash flow information:</i>		
Interest paid	(118,160)	(168,899)

The accompanying notes are an integral part of these condensed interim consolidated financial statements.

**CRYPTOSTAR CORP.**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
(Expressed in US dollars, unless otherwise stated)

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**1. NATURE OF OPERATIONS**

CryptoStar Corp. was incorporated under the Ontario Business Corporations Act on January 6, 2017. The registered and head office of the Company is located at 181 Bay Street, Suite 4400, Toronto, Ontario, Canada M5J 2T3. CryptoStar Corp.'s common shares are listed on the TSX Venture Exchange ("TSXV") under the trading symbol "CSTR" and the OTCQB Venture Market under the trading symbol "CSTXF".

CryptoStar Corp. and its subsidiaries ("CryptoStar" or the "Company") operates in the distributed ledger technology space, utilizing specialized equipment ("miners") to perform computationally intensive cryptographic operations to validate transactions on the Blockchain (a process known as "mining"), receiving digital currencies (primarily Bitcoin and Ethereum). The Company also provides equipment hosting services to customers worldwide, for which services the Company receives monthly hosting fees, as well as sells miners to customers.

These condensed interim consolidated financial statements have been prepared on a going concern basis which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business for the foreseeable future. These condensed interim consolidated financial statements do not include any adjustments relating to the recoverability and classification of assets and liabilities which might be necessary should the Company be unable to continue in existence.

The Company's ability to continue as a going concern is dependent upon its ability to obtain sufficient additional funding and to generate sufficient revenues and cash flows from its operating activities to meet its obligations and fund its planned investments and operations. The Company anticipates it has sufficient cash on hand to service its liabilities and fund operating costs for the immediate future.

**2. BASIS OF PRESENTATION AND CONSOLIDATION**

**Statement of Compliance**

The notes presented in these condensed interim consolidated financial statements include only significant events and transactions and are not fully inclusive of all matters normally disclosed in the annual audited consolidated financial statements; thus, these condensed interim consolidated financial statements are referred to as condensed. These condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2024 and 2023.

These condensed interim consolidated financial statements for the three and nine months ended September 30, 2025 are expressed in US dollars and follow the same accounting policies and methods of their application as set out in the audited consolidated financial statements for the years ended December 31, 2024 and 2023. These condensed interim consolidated financial statements comply with International Accounting Standard 34, Interim Financial Reporting of the International Financial Reporting Standards ("IFRS"), as issued by the International Accounting Standards Board ("IASB") and reflect all adjustments which are necessary for a fair statement of the results for the interim periods presented.

The condensed interim consolidated financial statements of the Company as at and for the three and nine months ended September 30, 2025 comprise the Company and its wholly owned subsidiaries: CryptoStar Holdings Inc. ("CHI"), CryptoStar USA, Inc. ("CryptoStar USA") and Neuro Digital Inc. ("Neuro Digital").

The Board of Directors approved these condensed interim consolidated financial statements on November 26, 2025.

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**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
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**2. BASIS OF PRESENTATION AND CONSOLIDATION (continued)**

**Basis of Measurement**

These condensed interim consolidated financial statements have been prepared on the historical cost basis except for certain financial instruments, which are measured at fair value.

For comparative purposes, the Company has reclassified certain immaterial items to conform with the current period presentation.

**Functional and Presentation Currency**

These condensed interim consolidated financial statements are presented in US dollars, which is the functional currency of certain of the Company's subsidiaries. The functional currency of the subsidiary (Neuro Digital) is the Canadian dollar.

Foreign currency transactions are recorded at the exchange rate as at the date of the transaction. At each consolidated statement of financial position date, monetary assets and liabilities are translated using the period end foreign exchange rate. Non-monetary assets and liabilities in foreign currencies other than the functional currency are translated using the historical rate. All gains and losses on translation of these foreign currency transactions are included in profit and loss.

Assets and liabilities of a subsidiary having a functional currency other than the US dollar are translated at the rate of exchange prevailing at the reporting date, and revenues and expenses at average rates during the period. Gains or losses on translation are presented as a translation adjustment under other comprehensive income or loss, a component of equity.

**Basis of Consolidation**

The condensed interim consolidated financial statements for the three and nine months ended September 30, 2025 include the accounts of the Company, its wholly owned subsidiaries, and entities over which the Company has control as defined in IFRS 10, all of which also have a December 31 year-end. Entities over which the Company has control are presented on a consolidated basis from the date control commences. Control, as defined in IFRS 10 for purposes of determining the consolidated basis of financial statement presentation, exists when the Company is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power and rights in respect of the entity. All of the consolidated entities were under control, as defined in IFRS 10 for purposes of determining the consolidated basis of financial statement presentation, during the entirety of the periods for which their respective results of operations were included in the condensed interim consolidated financial statements. All intercompany balances and transactions are eliminated on consolidation. The Company's subsidiaries were CryptoStar Holdings Inc., CryptoStar USA, Inc. (subsidiary of CryptoStar Holdings Inc.) and Neuro Digital Inc. The condensed interim consolidated financial statements are prepared using uniform accounting policies by all subsidiaries of the Company.

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### **3. CHANGES IN ACCOUNTING STANDARDS**

#### **New and Amended Accounting Pronouncements**

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after January 1, 2025. The Company has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

##### *IAS 21 Amendments – Lack of Exchangeability*

In August 2023, the IASB issued amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates in relation to Lack of Exchangeability. The amendments require entities to apply a consistent approach in assessing whether a currency can be exchanged into another currency, and in determining the exchange rate to use and the disclosures to provide when it cannot. These amendments are effective for annual reporting periods beginning on or after January 1, 2025, with early adoption permitted. The Company assessed the impact of the amendment and determined there to be no material impact on the condensed interim consolidated financial statements.

##### *Canadian Sustainability Reporting Standards (CSDS 1 and CSDS 2)*

In December 2024, the Canadian Sustainability Standards Board (“CSSB”), released the final versions of the Canadian Sustainability Reporting Standards, CSDS 1 and CSDS 2 (collectively, the “Canadian Standards”). Currently the adoption of the Canadian Standards remains voluntary. These standards closely align with the ISSB’s international sustainability standards IFRS S1 and IFRS S2, but include certain differences and are applicable from January 1, 2025. Currently the adoption of the Canadian Standards remains voluntary, while the Canadian Securities Administrators are currently evaluating how and to what extent they will be incorporated into future reporting requirements. The Company assessed the impact of the amendment and determined there to be no material impact on the condensed interim consolidated financial statements.

#### **Standards, Amendments and Interpretations Issued but not yet Adopted**

The following new standards, amendments and interpretations have been issued but are not effective for the fiscal year ended December 31, 2025, and, accordingly, have not been applied in preparing these condensed interim consolidated financial statements.

##### *Classification and Measurement of Financial Instruments*

In May 2024, the IASB issued amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures. The amendments relate to settling financial liabilities using an electronic payment system and assessing contractual cash flow characteristics of financial assets, including those with Environmental, Social, and Governance (ESG)-linked features. The IASB also amended disclosure requirements relating to investments in equity instruments designated at FVOCI and added disclosure requirements for financial instruments with contingent features. The amendments are effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the condensed interim consolidated financial statements.

##### *Presentation and Disclosure in Financial Statements*

In April 2024, the IASB issued the new standard IFRS 18 – Presentation and Disclosure in Financial Statements that will replace IAS 1 – Presentation of Financial Statements. The new standard introduces newly defined subtotals on the income statement, requirements for aggregation and disaggregation of information, and disclosure of Management Performance Measures (MPMs) in the financial statements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company is assessing the impacts to the condensed interim consolidated financial statements.

**CRYPTOSTAR CORP.**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
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**3. CHANGES IN ACCOUNTING STANDARDS (continued)**

**Standards, Amendments and Interpretations Issued but not yet Adopted (continued)**

*Subsidiaries without Public Accountability: Disclosures*

In May 2024, the IASB issued IFRS 19 – Subsidiaries without Public Accountability: Disclosures. The new standard allows eligible subsidiaries to apply IFRS Accounting Standards with reduced disclosure requirements. The new standard is effective for annual reporting periods beginning on or after January 1, 2027, with early adoption permitted. The Company assessed the impact of the amendments and determined there to be no material impact on the condensed interim consolidated financial statements. The Company is assessing the impact to its subsidiaries.

*Annual Improvements*

In July 2024, the IASB issued IFRS Accounting Standards Annual Improvements – Volume 11, which clarifies wording, correcting minor consequences, oversights, or conflicts among requirements in the Standards. The amendments affect IFRS 1 - First-time Adoption of International Financial Reporting Standards, IFRS 7 - Financial Instruments: Disclosures, IFRS 9 - Financial Instruments, IFRS 10 - Consolidated Financial Statements, and IAS 7 - Statement of Cash Flows. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the condensed interim consolidated financial statements.

*Contracts Referencing Nature- dependent Electricity*

In December 2024, the IASB issued amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature dependent Electricity. The amendments apply only to nature-dependent electricity contracts, which are those that generate variable levels based on uncontrollable factors such as weather conditions. These amendments will be effective for annual periods beginning on or after January 1, 2026, with early adoption permitted. The Company is assessing the impacts to the condensed interim consolidated financial statements.

**4. DEPOSITS AND PREPAID EXPENSES**

	September 30, 2025 \$	December 31, 2024 \$
Current:		
Prepayments	—	—
Deposits made for mining equipment	—	—
Long-term:		
Security deposits on leased premises	549,592	549,592
<b>Total deposits and prepaid expenses</b>	<b>549,592</b>	<b>549,592</b>

**CRYPTOSTAR CORP.**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
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**5. DIGITAL CURRENCIES**

Digital currencies consist primarily of Bitcoin and Ethereum. Below is a continuity of digital currencies mined, acquired through purchase, sold and fair valued during the three and nine months ended September 30, 2025, and the years ended December 31, 2024.

	September 30, 2025		December 31, 2024	
	Number	\$	Number	\$
<b>Bitcoin</b>				
Balance, beginning of the period	3.69	344,377	2.94	124,712
Mined additions	2.47	247,221	20.51	1,205,776
Non-mining additions	—	—	—	—
Bitcoin sold	(4.92)	(443,345)	(19.76)	(1,271,102)
Bitcoin bought	—	—	—	—
Realized gain on digital currency	—	76,016	—	209,505
Revaluation (loss) gain on digital currency	—	(84,478)	—	75,486
<b>Balance, end of the period</b>	<b>1.24</b>	<b>139,791</b>	<b>3.69</b>	<b>344,377</b>
<b>Ethereum</b>				
Balance, beginning of the period	—	493	—	493
Mined additions	—	—	—	—
Ethereum sold	—	—	—	—
Ethereum bought	—	—	—	—
Realized gain (loss) on digital currency	—	—	—	—
Revaluation gain (loss) on digital currency	—	—	—	—
<b>Balance, end of the period</b>	<b>—</b>	<b>493</b>	<b>—</b>	<b>493</b>
<b>Total digital currencies</b>		<b>140,284</b>		<b>344,870</b>

Digital currencies are measured based on their fair values, determined using the daily weighted close price for the digital currency on [www.bitcoincharts.com](http://www.bitcoincharts.com) and [www.coinmarketcap.com](http://www.coinmarketcap.com).

During the three and nine months ended September 30, 2025, the Company mined digital currencies of \$73,214 (September 30, 2024 – \$172,422) and \$247,221 (September 30, 2024 - \$1,109,217), respectively.

During the three and nine months ended September 30, 2025, the Company disposed Nil and 4.92 Bitcoins and Nil Ethereum for \$Nil and \$443,346 in cash and realized a gain of \$Nil and \$76,016 respectively (September 30, 2024 – Nil and 14.50 Bitcoins for \$Nil and \$747,619 in cash and realized a gain of \$Nil and \$31,104, respectively).

During the three and nine months ended September 30, 2025, the Company has recognized a revaluation gain on digital currencies of \$3,048 (September 30, 2024 – \$9,161) and a revaluation loss of \$84,478 (September 30, 2024 – \$25,024) respectively. These amounts are included in the consolidated statements of loss and comprehensive loss.

**CRYPTOSTAR CORP.**  
**Notes to the Condensed Interim Consolidated Financial Statements (Unaudited)**  
**For the Three and Nine Months Ended September 30, 2025 and 2024**  
(Expressed in US dollars, unless otherwise stated)

**6. PROPERTY AND EQUIPMENT**

	Mining Equipment \$	Other Property and Equipment \$	Construction in Progress \$	Total \$
<b>Cost</b>				
Balance, December 31, 2023	13,562,009	11,796,702	4,632,397	29,991,108
Disposals	(6,594,950)	(68,401)	(1,287,277)	(7,950,628)
Balance, December 31, 2024	6,967,059	11,728,301	3,345,120	22,040,480
Disposals	(2,831,283)	—	(2,649,374)	(5,480,657)
<b>Balance, September 30, 2025</b>	<b>4,135,776</b>	<b>11,728,301</b>	<b>695,746</b>	<b>16,559,823</b>
<b>Accumulated depreciation</b>				
Balance, December 31, 2023	12,887,907	9,844,030	—	22,731,937
Depreciation	378,164	514,715	—	892,879
Disposals	(6,594,950)	(62,699)	—	(6,657,649)
Impairment	—	—	1,296,333	1,296,333
Effect of foreign exchange	265,467	—	—	265,467
Balance, December 31, 2024	6,936,588	10,296,046	1,296,333	18,528,967
Depreciation	24,899	347,612	—	372,511
Disposals	(2,831,283)	—	(932,785)	(3,764,068)
Effect of foreign exchange	(50)	—	—	(50)
<b>Balance, September 30, 2025</b>	<b>4,130,154</b>	<b>10,643,658</b>	<b>363,548</b>	<b>15,137,360</b>
<b>Net book value</b>				
<b>Balance, September 30, 2025</b>	<b>5,622</b>	<b>1,084,643</b>	<b>332,198</b>	<b>1,422,463</b>
Balance, December 31, 2024	30,471	1,432,255	2,048,787	3,511,513

Construction in progress is related to the construction of data centres and data centre components. No depreciation been charged on the construction in progress as the assets are not in use or are not ready for their intended use as of September 30, 2025 and December 31, 2024.

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**7. RIGHT-OF-USE ASSETS AND LEASE OBLIGATIONS**

	September 30, 2025	December 31, 2024
	\$	\$
<b>Right-of-use Assets</b>		
<b>Cost</b>		
Balance, beginning of the period	3,107,082	3,500,053
Lease cancellation	—	(392,971)
<b>Balance, end of the period</b>	<b>3,107,082</b>	<b>3,107,082</b>
<b>Accumulated Depreciation</b>		
Balance, beginning of the period	1,960,022	1,792,830
Depreciation	324,218	354,611
Lease cancellation	—	(188,111)
Exchange loss	—	692
<b>Balance, end of the period</b>	<b>2,284,240</b>	<b>1,960,022</b>
<b>Net book value, end of the period</b>	<b>822,842</b>	<b>1,147,060</b>

The Company has recorded the cost of restoration in 2020. The Company has included the present value of the expected future decommissioning cost in the total cost of the asset.

	September 30, 2025	December 31, 2024
	\$	\$
<b>Lease Obligations</b>		
Balance, beginning of the period	1,470,875	2,127,936
Interest accretion	118,160	217,693
Lease payments	(428,760)	(616,188)
Lease cancellation	—	(258,976)
Exchange loss	—	410
<b>Balance, end of the period</b>	<b>1,160,275</b>	<b>1,470,875</b>
Current lease obligations	476,360	422,076
Non-current lease obligations	683,915	1,048,799
<b>Balance, end of the period</b>	<b>1,160,275</b>	<b>1,470,875</b>

As at September 30, 2025, the Company has two leases in total, the monthly gross rent payment was in the range of \$14,175 to \$34,690 and remaining maturity term was in the range of 24 to 28 months.

When measuring lease obligations, the Company discounted lease payments using its incremental borrowing rate. The weighted average rate applied was 12%.

As on May 1, 2024, the Company entered into a sub lease agreement with Northrop Grumman Systems Corporation (“Sub Lessee”) for the premises located at Building J-8, Freeport Center, Clearfield, Davis, Utah. Refer note 11 for additional details.

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**7. RIGHT-OF-USE ASSETS AND LEASE OBLIGATIONS (continued)**

As on November 21, 2024, the rent agreement with Tier 1 Solution Inc. has been cancelled and consequently the difference of \$54,116 between right of use assets and lease liability was recorded as gain on cancellation of lease in the consolidated statements of loss and comprehensive loss for the year ended December 31, 2024, in accordance with the requirements of IFRS-16 – Leases.

The following table presents the contractual undiscounted cash flows for lease obligations as at September 30, 2025:

	<b>September 30, 2025</b>
	<b>\$</b>
<b>Undiscounted lease obligations</b>	
Less than one year	588,284
One to two years	600,260
Two to three years	138,761
<b>Total undiscounted lease obligations</b>	<b>1,327,305</b>
Impact of discounting	(167,030)
<b>Total lease obligations</b>	<b>1,160,275</b>

**8. ADVANCES FROM CUSTOMERS**

The Company received security deposits and prepayments from customers pursuant to various equipment hosting agreements executed by the Company (the "Equipment Hosting Agreements") in Utah, USA and Alberta, Canada. Under the terms of the Equipment Hosting Agreements, the Company would provide hosting services and infrastructure to the customers. In the year ended December 31, 2022, the Company terminated the Equipment Hosting Agreements related to Alberta, Canada and repaid the security deposits.

The following table presents the changes in the deposits during the nine months ended September 30, 2025 and the year ended December 31, 2024:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of the period	159,999	511,350
Deposits returned	—	(351,351)
<b>Balance, end of the period</b>	<b>159,999</b>	<b>159,999</b>

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**9. RELATED PARTY TRANSACTIONS AND BALANCES**

**Payable to Related Party**

The balance of \$688,312 payable to related party as at September 30, 2025 (December 31, 2024 - \$983,302) represents the amount advanced under a line of credit provided by A.C.N 117 402 838 PTY LTD (“ACN”). ACN is related to the Company through common control of the CEO in both Companies. During the year ended December 31, 2023, the Company renewed its line of credit with ACN for further 54- month term ending in June 30, 2027. The renewed line of credit is a revolving credit facility available to fund general corporate purposes with a maximum principal amount of \$1,769,943. The unsecured line of credit bears interest at a rate of 12% per annum, payable monthly in arrears, together with a minimum monthly repayment of principal amount outstanding of \$32,777. As consideration for renewing the line of credit, the Company repaid \$196,660 of the principal amount outstanding of \$1,966,604 under the previous line of credit on January 3, 2023.

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of the period	983,302	1,371,266
Interest	76,698	148,919
Interest paid	(76,698)	(148,919)
Principal repayment	(294,990)	(387,964)
<b>Balance, end of the period</b>	<b>688,312</b>	<b>983,302</b>
Current portion of loan	393,321	393,321
Non-current portion of loan	294,991	589,981
<b>Balance, end of the period</b>	<b>688,312</b>	<b>983,302</b>

**Key Management Remuneration**

Management fees, salaries and wages comprise amounts paid to key management personnel, including officers and directors of ACN, for services provided. Key management remuneration paid to key management personnel and directors during the three and nine months ended September 30, 2025, was \$92,288 (September 30, 2024 – \$87,426) and \$281,916 (September 30, 2024 – \$255,488), respectively.

On June 17, 2022, the Company granted 5,000,000 stock options under the Company’s stock option plan to an officer of the Company. 2,500,000 of these options have an exercise price of CAD\$0.05 per stock option and 2,500,000 of these options have an exercise price of CAD\$0.10. These options have an expiry date of June 17, 2032. The options vest in equal 25% tranches in each of September 2022, April 2023, November 2023 and June 2024. Share based compensation related to these options during the three and nine months ended September 30, 2025, was \$Nil (September 30, 2024 - \$Nil) and \$Nil (September 30, 2024 - \$9,204), respectively.

On February 21, 2023, the Company granted 1,200,000 stock options under the Company’s stock option plan to directors of the Company. These options have an exercise price of CAD\$0.05 per stock option, and an expiry date of February 21, 2033. The options vested immediately on February 21, 2023. Share based compensation related to these options during the three and nine months ended September 30, 2025 and 2024, was \$Nil.

The Company incurred directors’ fees during the three and nine months ended September 30, 2025, of \$14,758 (September 30, 2024 - \$6,568) and \$54,942 (September 30, 2024 - \$22,069), respectively.

Included in trade payable and accrued liabilities was \$12,804 payable to the directors of the Company for the director fees at September 30, 2025 (September 30, 2024 - \$29,129).

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**9. RELATED PARTY TRANSACTIONS AND BALANCES (continued)**

**Key Management Remuneration (continued)**

The remuneration of key management personnel paid by ACN on the Company's behalf during the three and nine months ended September 30, 2025, was \$69,800 (September 30, 2024 – \$75,697) and \$204,147 (September 30, 2024 - \$212,624), respectively.

**10. DECOMMISSION COST**

The Company has recorded the decommissioning liability for the site restoration. The Company recorded a liability with a corresponding adjustment to the cost of the right-of-use assets. The amount and timing of settlement in respect of these provisions are uncertain and dependent on various factors that are not always within management's control. Reviews of estimated future decommissioning and restoration costs and the discount rate applied are carried out regularly.

During the year ended December 31, 2022, the Company amended the extension clause of one of its lease agreements in Utah, USA. Pursuant to the amendment, the lease period was extended from September 30, 2022, to September 30, 2027, with a further five-year extension option available. Due to the lease amendment described above, the Company reassessed and revised the expected cost to settle the obligation using the estimated cash outflows.

Accordingly, the Company increased the decommission liability by \$277,251 with a corresponding increase in right-of-use assets, to be amortized over the term of the lease. As a result, the Company has reclassified the associated decommission liability from current to long-term.

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
	<b>\$</b>	<b>\$</b>
Balance, beginning of the period	377,251	377,251
Addition	—	—
<b>Balance, end of the period</b>	<b>377,251</b>	<b>377,251</b>
Short-term	—	—
Long-term	377,251	377,251
<b>Total decommission cost</b>	<b>377,251</b>	<b>377,251</b>

For the nine months ended September 30, 2025, and the year ended December 31, 2024, the Company has used the following assumptions to calculate and reassess the liability:

	<b>September 30, 2025</b>	<b>December 31, 2024</b>
Inflation rate (based on useful life)	1.9% to 2.4%	1.6% to 2.9%
Discount rate	2.61% to 2.83%	2.74% to 3.64%
Useful life	3.75 to 6 years	3.75 to 6 years

No further adjustment has been recorded for the nine months ended September 30, 2025, as the related impact is not significant.

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**11. OTHER INCOME**

During the three and nine months ended September 30, 2025 and 2024, the component of other income recognized in the Condensed Interim Consolidated Statements of Loss and Comprehensive are as follows:

	Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2025	2024	2025	2024
	\$	\$	\$	\$
Sub lease income	58,041	46,993	193,472	105,035
GST settlement	633	—	84,144	—
Others	—	29	—	1,807
<b>Total</b>	<b>58,674</b>	<b>47,022</b>	<b>277,616</b>	<b>106,842</b>

On May 1, 2024, the Company entered into a sub lease agreement with Northrop Grumman Systems Corporation (“Sub Lessee”) for the premises located at Building J-8, Freeport Center, Clearfield, Davis, Utah. As the sub lease has been classified as an operating lease, hence the rental income including additional rent, pro rata share of property taxes and insurance premium received during the three and nine months ended September 30, 2025, amounting to \$58,041 (September 30, 2024: \$46,993) and \$193,472 (September 30, 2024: \$105,035) respectively.

**12. SHARE CAPITAL**

**Authorized**

Unlimited common shares without par value.

**Issued and Outstanding**

The Company did not issue common shares during the nine months ended September 30, 2025. The total outstanding number of shares as at September 30, 2025 was 423,597,369 (December 31, 2024 – 443,909,869).

During March 2024, the Company completed private placements through issuance of 14,893,800 units at CAD 0.05 per unit for gross proceeds of CAD 720,500 (\$534,289). Each unit is comprised of one common share and one share purchase warrant, with each full share purchase warrant exercisable for one common share at CAD 0.07 per share for a period of 36 months from the issuance of the warrants. The common shares and share purchase warrants were valued at \$304,440 and \$229,849 respectively, using the relative fair value method.

In connection with the above private placements, the company issued 433,800 finder’s warrant units. Each finder’s warrant unit comprises of one common share and one warrant which is exercisable at CAD 0.07 per share for a period of 36 months from the issuance of the finder’s warrant units. The common shares and warrants were valued at \$17,645 and \$13,324, respectively.

The stand-alone value of share purchase warrants and finder’s warrant units were valued using the Black-Scholes valuation model, for the assumptions used refer the warrants section within note 13.

The company incurred cash issuance cost of \$69,118, which is allocated between share capital (\$39,383) and warrant reserve (\$29,735) using the relative fair value method.

**Stock Option Plan**

The Company has adopted an incentive stock option plan, which provides that the Board of Directors of the Company may from time to time, in its discretion, and in accordance with the TSX Venture Exchange requirements, grant stock options to key management personnel, including officers and directors.

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**12. SHARE CAPITAL (continued)**

**Stock Option Plan (continued)**

In connection with the foregoing options, the number of common shares reserved for issuance to any individual will not exceed five percent (5%) of the issued and outstanding common shares and to an insider will not exceed ten percent (10%) of the issued and outstanding common shares. In the event of consultants and individuals conducting investor relations, the number of common shares reserved for issuance will not exceed two percent (2%) of the issued and outstanding common shares.

On May 3, 2021, the Company granted 2,000,000 stock options under the Company's stock option plan to an officer of the Company. These options have an exercise price of CAD\$0.28 per stock option, and an expiry date of May 3, 2031. The options vest in equal 25% tranches in each of August 2021, March 2022, October 2022 and May 2023. Share based compensation related to these options during the three and nine months ended September 30, 2025 and 2024, was \$Nil.

On June 17, 2022, the Company granted 5,000,000 stock options under the Company's stock option plan to an officer of the Company. 2,500,000 of these options have an exercise price of CAD\$0.05 per stock option and 2,500,000 of these options have an exercise price of CAD\$0.10. These options have an expiry date of June 17, 2032. The options vest in equal 25% tranches in each of September 2022, April 2023, November 2023 and June 2024. Share based compensation related to these options during the three and nine months ended September 30, 2025, was \$Nil (September 30, 2024 - \$Nil) and \$Nil (September 30, 2024 - \$9,204), respectively.

On February 21, 2023, the Company granted 1,200,000 stock options under the Company's stock option plan to directors of the Company. These options have an exercise price of CAD\$0.05 per stock option, and an expiry date of February 21, 2033. The options vested immediately on February 21, 2023. Share based compensation related to these options during the three and nine months ended September 30, 2025 and 2024, was \$Nil.

The total share-based compensation related to above options during the three and nine months ended September 30, 2025 and 2024 are as follows:

Grant Date	Number of Options	Three Months Ended September 30,		For the Nine Months Ended September 30,	
		2025	2024	2025	2024
		\$	\$	\$	\$
May 3, 2021	2,000,000	—	—	—	—
June 17, 2022	5,000,000	—	—	—	9,204
February 21, 2023	1,200,000	—	—	—	—
	8,200,000	—	—	—	9,204

The fair value of the options granted was calculated using the Black-Scholes option pricing model with the following assumptions:

Option grant date	February 21, 2023	June 17, 2022	June 17, 2022
Stock options granted	2,500,000	2,500,000	2,500,000
Share price on grant date (in CAD):	\$ 0.035	\$ 0.040	\$ 0.100
Exercise price (in CAD):	\$ 0.050	\$ 0.050	\$ 0.100
Risk-free interest rate:	3.43%	3.41%	3.41%
Forfeiture rate:	0.00%	0.00%	0.00%
Expected dividend yield:	0.00%	0.00%	0.00%
Expected option life (years)	10	10	10
Expected stock price volatility	237.14%	235.33%	235.33%

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**12. SHARE CAPITAL (continued)**

**Stock Option Plan (continued)**

	Number of Options	Exercise Price CAD\$	Expiry Date
Balance, December 31, 2023	9,690,000		
Expired on July 14, 2024	(250,000)	0.14	18-Jul-24
<b>Balance, December 31, 2024 and September 30, 2025</b>	<b>9,440,000</b>		

The following table summarizes the stock options exercisable as at September 30, 2025:

Exercise Price CAD\$	Number of Outstanding Options	Number of Exercisable Options	Expiry Date	Remaining Contractual Life (Years)
0.500	1,240,000	1,240,000	26-Sep-28	2.99
0.280	2,000,000	2,000,000	03-May-31	5.59
0.050	2,500,000	1,250,000	17-Jun-32	6.72
0.100	2,500,000	1,250,000	17-Jun-32	6.72
0.050	600,000	600,000	21-Feb-33	7.40
0.050	600,000	600,000	21-Feb-33	7.40
0.171	9,440,000	6,940,000		6.08

The following table summarizes the stock options exercisable as at December 31, 2024:

Exercise Price CAD\$	Number of Outstanding Options	Number of Exercisable Options	Expiry Date	Remaining Contractual Life (Years)
0.500	1,240,000	1,240,000	26-Sep-28	3.74
0.280	2,000,000	2,000,000	03-May-31	6.34
0.050	2,500,000	1,250,000	17-Jun-32	7.47
0.100	2,500,000	1,250,000	17-Jun-32	7.47
0.050	600,000	600,000	21-Feb-33	8.15
0.050	600,000	600,000	21-Feb-33	8.15
0.171	9,440,000	6,940,000		6.82

**Warrants**

During the three and nine months ended September 30, 2025, no warrants were issued.

The following table summarizes the warrants issued and outstanding as at September 30, 2025:

<b>Warrants - Issued and Outstanding</b>	<b>Number</b>
Balance, December 31, 2023	89,166,667
Addition	14,893,800
Expired	(89,166,667)
<b>Balance, December 31, 2024 and September 30, 2025</b>	<b>14,893,800</b>

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**12. SHARE CAPITAL (continued)**

**Warrants (continued)**

The following table summarizes the warrants exercisable as at September 30, 2025:

Exercise price CAD\$	Number of Outstanding and Exercisable Warrants	Expiry Date	Remaining Contractual Life (Years)
0.070	14,842,300	08-Mar-27	1.44
0.070	51,500	27-Mar-27	1.49
0.070	14,893,800		1.44

The following table summarizes the warrants exercisable as at December 31, 2024:

Exercise price CAD\$	Number of Outstanding and Exercisable Warrants	Expiry Date	Remaining Contractual Life (Years)
0.070	14,842,300	08-Mar-27	2.18
0.070	51,500	27-Mar-27	2.24
0.070	14,893,800		2.18

The fair valuation of warrants granted on March 8, 2024, and March 27, 2024, was calculated using the Black-Scholes option pricing model with the following assumptions:

Warrant grant date	March 8, 2024	March 27, 2024
Number of warrants and finder warrants granted	14,842,300	51,500
Share price on grant date (in CAD):	\$ 0.055	\$ 0.045
Exercise price (in CAD):	\$ 0.070	\$ 0.070
Risk-free interest rate:	4.07%	4.16%
Forfeiture rate:	0.00%	0.00%
Expected dividend yield:	0.00%	0.00%
Expected option life (years)	3	3
Expected stock price volatility	138.37%	137.26%

**Shareholder contribution**

On December 16, 2019 A.C.N. transferred 20,312,500 CryptoStar common shares to Tier 1 on behalf of the Company, to be released in four equal tranches over a period of 12 months. The fair value of the shares amounting to \$1,004,651 was recorded in the consolidated financial statements as an intangible asset with a corresponding impact to shareholder contribution recorded in equity.

Following the termination of the agreement with Tier 1, the related shares were returned and subsequently cancelled during the three and nine months ended September 30, 2025. This resulted in a reduction in the number of outstanding shares and a corresponding decrease in shareholder contribution amounting to \$1,004,651, with an offsetting adjustment to the deficit reflecting amortization and impairment of the related intangible asset recorded in prior years. The balance as at September 30, 2025 amounts to \$2,288,074.

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**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT**

The Company is exposed, in varying degrees, to a variety of financial related risks. The type of risk exposure and the way in which such exposure is managed is provided as follows:

**Credit Risk and Concentration of Credit Risk**

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Credit risk arises from the possibility of asset impairment occurring because counter parties cannot meet their obligations in transactions involving financial instruments. Concentration of credit risk indicates the relative sensitivity of the Company's performance to developments affecting a particular segment of customers. The bank balances are deposited with high credit rated banks; therefore, the credit risk is limited. The Company has established procedures to manage credit exposure including credit approvals and credit limits. These procedures are mainly due to the Company's internal guidelines. An expected credit loss provision for potential doubtful receivables is maintained at a level which, in the judgment of management, is adequate to provide for potential losses on delinquent receivables.

The Company is exposed to credit risk on its accounts receivable and others which has a balance of \$892,066 as at September 30, 2025 (December 31, 2024 – \$21,113).

As at September 30, 2025, 96% of the Company's accounts receivable and others balance was due from a customer, (December 31, 2024 – 52% of the Company's accounts receivable and others balance was due from a customer).

As at September 30, 2025, the accounts receivable and others were as follows:

	0-30 days	31-90 days	91+ days	Total
Accounts receivable and others	19,347	—	872,719	892,066

As at December 31, 2024, the accounts receivable and others were as follows:

	0-30 days	31-90 days	91+ days	Total
	\$	\$	\$	\$
Accounts receivable and others	6,734	—	14,379	21,113

An expected credit loss provision for potential doubtful receivables is maintained at a level which, in the judgment of management, is adequate to provide for potential losses on delinquent receivables. As at September 30, 2025, the Company uses simplified provision matrix to determine expected credit losses amounting to \$Nil (December 31, 2024 – \$Nil).

**Liquidity Risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by maintaining cash balances to ensure that it is able to meet its short-term and long-term obligations as and when they fall due. The Company manages Company-wide cash projections centrally and regularly updates projections for changes in business and fluctuations caused in digital currency prices and exchange rates. In recent years, the digital currency markets experienced wide fluctuations in price which have not necessarily been related to the operating performance, underlying asset values or prospects of such companies. There can be no assurance that continual fluctuations in price will not occur. Any quoted market for the common shares may be subject to market trends generally, notwithstanding any potential success of the Company in creating revenue, cash flows or earnings.

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**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

**Liquidity Risk (continued)**

As at September 30, 2025, the contractual maturities of financial liabilities were as follows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4+ Years
	\$	\$	\$	\$	\$	\$	\$
Trade payable and accrued liabilities	642,257	642,257	642,257	—	—	—	—
Lease obligations	1,160,275	1,327,305	588,284	600,260	138,761	—	—
Payable to related party	688,312	764,025	454,285	309,740	—	—	—
Decommission cost	377,251	445,000	—	—	445,000	—	—
<b>Total</b>	<b>2,868,095</b>	<b>3,178,587</b>	<b>1,684,826</b>	<b>910,000</b>	<b>583,761</b>	<b>—</b>	<b>—</b>

As at December 31, 2024, the contractual maturities of financial liabilities were as follows:

	Carrying Amount	Contractual Cash Flows	Within 1 Year	1 to 2 Years	2 to 3 Years	3 to 4 Years	4+ Years
	\$	\$	\$	\$	\$	\$	\$
Trade payable and accrued liabilities	878,171	878,171	878,171	—	—	—	—
Lease obligations	1,470,875	1,756,065	573,381	593,728	554,265	34,691	—
Payable to related party	983,302	1,135,713	489,684	442,486	203,543	—	—
Decommission cost	377,251	445,000	—	—	445,000	—	—
<b>Total</b>	<b>3,709,599</b>	<b>4,214,949</b>	<b>1,941,236</b>	<b>1,036,214</b>	<b>1,202,808</b>	<b>34,691</b>	<b>—</b>

**Foreign Currency Risk**

Currency risk relates to the risk that the fair values or future cash flows of the Company's financial instruments will fluctuate because of changes in foreign exchange rates. Exchange rate fluctuations affect the costs that the Company incurs in its operations as well as the currency in which the Company has historically raised capital.

The Company's presentation currency is the US dollar and major purchases are transacted in US dollars. Financing incurred to date has been completed in Canadian dollars. The fluctuation of the Canadian dollar in relation to the US dollar will consequently impact the profitability of the Company and may also affect the value of the Company's assets and liabilities and the amount of shareholders' equity.

The following table summarizes the Canadian dollar-based assets and liabilities as at September 30, 2025, and December 31, 2024:

	September 30, 2025	December 31, 2024
	\$	\$
Cash	1,154,215	1,713,024
Accounts receivable and others	855,142	3,536
Trade payable and accrued liabilities	(267,587)	(388,708)
<b>Total</b>	<b>1,741,770</b>	<b>1,327,852</b>

The overall effect on earnings before tax of a 10% strengthening or weakening of the Canadian dollar against the US dollar as at September 30, 2025 on the above net assets, with all other variables held constant, is \$243,639 (December 31, 2024 – \$181,889).

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**13. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (continued)**

**Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to interest rate risk is limited and relates to its right of use assets, discounting of financial instruments and its ability to earn interest income on cash balances at variable rates. Changes in short-term interest rates will not have a significant effect on the fair value of the Company's cash account.

**Fair Value**

The fair values of the Company's cash, accounts receivable and others, trade payables and accrued liabilities, payable to related party approximate their carrying values due to the short-term nature of these instruments.

**Financial Hierarchy**

Financial instruments recorded at fair value are classified using a fair value hierarchy that reflects the significance of inputs used in making the measurements. The hierarchy is summarized as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets and liabilities;

Level 2: Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly from observable market data; and

Level 3: Inputs that are not based on observable market data.

The Company's cash has been classified as Level 1 and is accounted for through FVTPL.

During the three and nine months ended September 30, 2025, no assets were transferred between levels (December 31, 2024 – no transfers).

**14. DIGITAL CURRENCY AND RISK MANAGEMENT**

Digital currencies are measured based on their fair values, determined using the daily weighted close price for the digital currency on [www.bitcoincharts.com](http://www.bitcoincharts.com) and [www.coinmarketcap.com](http://www.coinmarketcap.com).

Digital currency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. The profitability of the Company is directly related to the current and future market price of digital currencies; in addition, the Company may not be able to liquidate its inventory of digital currencies at its desired price if required. A decline in the market prices for digital currencies could negatively impact the Company's future operations. The Company has not hedged the conversion of any of its digital currency sales.

Digital currencies have a limited history, and the fair value historically has been very volatile. Historical performances of digital currencies are not indicative of their future price performance. The Company's digital currencies consist primarily of Bitcoin and Ethereum. The impact of a 25% variance in the price of this digital currency on the Company's earnings before tax, based on their closing prices at September 30, 2025, would be \$35,377 (December 31, 2024 – \$86,205).

**15. CAPITAL MANAGEMENT**

The Company manages its capital to maintain its ability to continue as a going concern and to provide returns to shareholders and benefits to other stakeholders. The capital structure of the Company consists of equity comprised of issued share capital, shareholder contribution, warrant and option reserve, deficit and accumulated other comprehensive loss.

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**15. CAPITAL MANAGEMENT (continued)**

The Company manages its capital structure and makes adjustments to it in light of economic conditions. The Company, upon approval from its Board of Directors, will balance its overall capital structure through new share issuances or by undertaking other activities as deemed appropriate under the specific circumstances.

The Company is not subject to externally imposed capital requirements and the Company's overall strategy with respect to capital risk management is consistent with the year ended December 31, 2024.

**16. SEGMENTED INFORMATION**

The Company has two reportable segments based on geographical locations: Canada and the USA, and three and nine reportable segments based on operations: self-mining, hosting and miner sales, along with a Head Office segment. The disclosures with regards to the Company's aforementioned segments for the three and nine months ended September 30, 2025 and 2024 are listed below.

	Three Months Ended September 30, 2025					
	Canada		USA		Head Office	Total
	Mining	Hosting	Mining	Hosting		
	\$	\$	\$	\$	\$	\$
<b>Income from mining of digital currency</b>						
Digital assets mined	42,451	—	30,762	—	—	73,213
Site operating costs	(71,256)	—	(47,837)	—	—	(119,093)
Depreciation of right-of-use assets	(6,293)	—	(85,831)	—	—	(92,124)
Depreciation of property and equipment	(99,726)	—	(19,150)	—	—	(118,876)
Realized gain (loss) on digital currencies	—	—	—	—	—	—
<b>Net loss before operating expenses</b>	(134,824)	—	(122,056)	—	—	(256,880)
<b>Operating and other expenses (income)</b>						
Interest and bank charges	142	—	464	—	716	1,322
Interest on related party loan	6,420	—	6,245	9,951	—	22,616
Interest expense on lease obligations	1,287	—	35,047	—	—	36,334
Management fees, salaries and wages	27,290	—	25,679	—	92,380	145,349
Office and administration	4,170	—	10,009	—	4,949	19,128
Professional fees	1,383	—	14,373	—	52,608	68,364
Share based compensation	—	—	—	—	—	—
Revaluation gain on digital currencies	—	—	(3,048)	—	—	(3,048)
Loss on disposal of property and equipment	252,809	—	—	—	—	252,809
Other income	—	—	—	—	(58,674)	(58,674)
Other expense	—	—	—	—	—	—
Foreign exchange loss	611	543	1,446	156	1,930	4,686
<b>Total operating and other expenses</b>	294,112	543	90,215	10,107	93,909	488,886
<b>Net loss before tax</b>	(428,936)	(543)	(212,271)	(10,107)	(93,909)	(745,766)
Income tax expense	—	—	—	—	—	—
<b>Net loss</b>	(428,936)	(543)	(212,271)	(10,107)	(93,909)	(745,766)
Currency translation loss	—	—	—	—	(623)	(623)
<b>Net comprehensive loss</b>	(428,936)	(543)	(212,271)	(10,107)	(94,532)	(746,389)

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**16. SEGMENTED INFORMATION (continued)**

	Three Months Ended September 30, 2024					
	Canada		USA		Head Office	Total
	Mining	Hosting	Mining	Hosting		
	\$	\$	\$	\$	\$	\$
<b>Income from mining of digital currency</b>						
Digital assets mined	99,975	—	72,448	—	—	172,423
Hosting income	—	430	—	129,511	—	129,941
Site operating costs	(168,479)	—	(113,108)	—	—	(281,587)
Depreciation of right-of-use assets	(6,108)	—	(83,318)	—	—	(89,426)
Depreciation of property and equipment	(120,169)	—	(23,074)	—	—	(143,243)
Realized gain (loss) on digital currencies	—	—	—	—	—	—
<b>Net (loss) income before operating expenses</b>	<b>(194,781)</b>	<b>430</b>	<b>(147,052)</b>	<b>129,511</b>	<b>—</b>	<b>(211,892)</b>
<b>Operating and other expenses (income)</b>						
Interest and bank charges	160	—	526	—	812	1,498
Interest on related party loan	9,768	—	9,503	15,144	—	34,415
Interest expense on lease obligations	1,894	—	51,575	—	—	53,469
Management fees, salaries and wages	30,532	—	28,727	—	103,348	162,607
Office and administration	15,556	—	37,331	—	18,458	71,345
Professional fees	1,463	—	15,206	—	55,659	72,328
Share based compensation	—	—	—	—	—	—
Revaluation gain on digital currencies	—	—	(9,161)	—	—	(9,161)
Gain on disposal of property and equipment	(39,208)	—	—	—	—	(39,208)
Other income	—	—	—	(46,993)	(29)	(47,022)
Foreign exchange loss	39	35	91	10	124	299
Total operating and other expenses (income)	20,204	35	133,798	(31,839)	178,372	300,570
<b>Net (loss) income before tax</b>	<b>(214,985)</b>	<b>395</b>	<b>(280,850)</b>	<b>161,350</b>	<b>(178,372)</b>	<b>(512,462)</b>
Income tax expense	—	—	—	—	—	—
<b>Net (loss) income</b>	<b>(214,985)</b>	<b>395</b>	<b>(280,850)</b>	<b>161,350</b>	<b>(178,372)</b>	<b>(512,462)</b>
Currency translation gain	—	—	—	—	6,777	6,777
<b>Net comprehensive (loss) income</b>	<b>(214,985)</b>	<b>395</b>	<b>(280,850)</b>	<b>161,350</b>	<b>(171,595)</b>	<b>(505,685)</b>

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**16. SEGMENTED INFORMATION (continued)**

	Nine Months Ended September 30, 2025						Total \$
	Canada		USA		Head Office \$		
	Mining \$	Hosting \$	Mining \$	Hosting \$			
<b>Income from mining of digital currency</b>							
digital assets mined	143,344	—	103,877	—	—	247,221	
Site operating costs	(200,336)	—	(134,495)	—	—	(334,831)	
Depreciation of right-of-use assets	(22,147)	—	(302,071)	—	—	(324,218)	
Depreciation of property and equipment	(312,504)	—	(60,007)	—	—	(372,511)	
Realized gain on digital currencies	76,016	—	—	—	—	76,016	
<b>Net loss before operating expenses</b>	<b>(315,627)</b>	<b>—</b>	<b>(392,696)</b>	<b>—</b>	<b>—</b>	<b>(708,323)</b>	
<b>Operating and other expenses (income)</b>							
Interest and bank charges	414	—	1,358	—	2,095	3,867	
Interest on related party loan	21,770	—	21,179	33,749	—	76,698	
Interest expense on lease obligations	4,186	—	113,974	—	—	118,160	
Management fees, salaries and wages	85,639	—	80,579	—	289,890	456,108	
Office and administration	20,749	—	49,794	—	24,620	95,163	
Professional fees	3,173	—	32,972	—	120,681	156,826	
Share based compensation	—	—	—	—	—	—	
Revaluation loss on digital currencies	—	—	84,478	—	—	84,478	
Loss on disposal of property and equipment	181,865	—	—	—	—	181,865	
Other income	—	—	—	—	(277,616)	(277,616)	
Other expense	—	—	—	—	10,368	10,368	
Foreign exchange loss	3,504	3,114	8,295	895	11,066	26,874	
Total operating and other expenses	321,300	3,114	392,629	34,644	181,104	932,791	
<b>Net loss before tax</b>	<b>(636,927)</b>	<b>(3,114)</b>	<b>(785,325)</b>	<b>(34,644)</b>	<b>(181,104)</b>	<b>(1,641,114)</b>	
Income tax expense	—	—	—	—	—	—	
<b>Net loss</b>	<b>(636,927)</b>	<b>(3,114)</b>	<b>(785,325)</b>	<b>(34,644)</b>	<b>(181,104)</b>	<b>(1,641,114)</b>	
Currency translation loss	—	—	—	—	(4,102)	(4,102)	
<b>Net comprehensive loss</b>	<b>(636,927)</b>	<b>(3,114)</b>	<b>(785,325)</b>	<b>(34,644)</b>	<b>(185,206)</b>	<b>(1,645,216)</b>	

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**16. SEGMENTED INFORMATION (continued)**

	Nine Months Ended September 30, 2024					
	Canada		USA		Head Office	Total
	Mining	Hosting	Mining	Hosting	Office	Total
	\$	\$	\$	\$	\$	\$
<b>Income from mining of digital currency</b>						
Digital assets mined	643,147	—	466,070	—	—	1,109,217
Hosting income	—	2,302	—	840,101	—	842,403
Site operating costs	(695,007)	—	(466,591)	—	—	(1,161,598)
Depreciation of right-of-use assets	(18,325)	—	(249,950)	—	—	(268,275)
Depreciation of property and equipment	(637,550)	—	(122,421)	—	—	(759,971)
Realized gain on digital currencies	31,104	—	—	—	—	31,104
<b>Net (loss) income before operating expenses</b>	<b>(676,631)</b>	<b>2,302</b>	<b>(372,892)</b>	<b>840,101</b>	<b>—</b>	<b>(207,120)</b>
<b>Operating and other expenses (income)</b>						
Interest and bank charges	586	—	1,925	—	2,973	5,484
Interest on related party loan	31,817	—	30,954	49,325	—	112,096
Interest expense on lease obligations	5,983	—	162,916	—	—	168,899
Management fees, salaries and wages	93,485	—	87,960	—	316,445	497,890
Office and administration	52,127	—	125,092	—	61,850	239,069
Professional fees	3,847	—	39,977	—	146,322	190,146
Share based compensation	—	—	—	—	9,204	9,204
Revaluation loss on digital currencies	—	—	25,024	—	—	25,024
Loss on disposal of property and equipment	471,385	—	—	—	—	471,385
Other income	—	—	—	(105,035)	(1,807)	(106,842)
Foreign exchange loss	15,431	13,717	36,532	3,942	48,738	118,360
Total operating and other expenses (income)	674,661	13,717	510,380	(51,768)	583,725	1,730,715
<b>Net (loss) income before tax</b>	<b>(1,351,292)</b>	<b>(11,415)</b>	<b>(883,272)</b>	<b>891,869</b>	<b>(583,725)</b>	<b>(1,937,835)</b>
Income tax expense	—	—	—	—	—	—
<b>Net (loss) income</b>	<b>(1,351,292)</b>	<b>(11,415)</b>	<b>(883,272)</b>	<b>891,869</b>	<b>(583,725)</b>	<b>(1,937,835)</b>
Currency translation gain	—	—	—	—	50,907	50,907
<b>Net comprehensive (loss) income</b>	<b>(1,351,292)</b>	<b>(11,415)</b>	<b>(883,272)</b>	<b>891,869</b>	<b>(532,818)</b>	<b>(1,886,928)</b>

The disclosures with regards to the Company's aforementioned segments as at September 30, 2025 and December 31, 2024 are listed below:

	Canada		USA		Head Office	Total
	Mining	Hosting	Mining	Hosting	Office	Total
	\$	\$	\$	\$	\$	\$
<b>As at September 30, 2025</b>						
Total assets	259,284	1,144,840	1,086,120	1,065,687	1,505,373	5,061,304
Total non-current assets	183,243	916,214	855,896	839,544	—	2,794,897
Total liabilities	125,742	181,942	912,870	1,038,074	769,466	3,028,094
<b>As at December 31, 2024</b>						
Total assets	386,675	1,707,323	1,619,752	1,589,281	2,244,993	7,548,024
Total non-current assets	341,465	1,707,323	1,594,924	1,564,453	—	5,208,165
Total liabilities	160,685	232,503	1,166,555	1,326,554	983,301	3,869,598

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**17. COMMITMENTS AND CONTINGENCIES**

From time to time, the Company may be involved in litigation relating to claims arising out of operations in the normal course of business.

On January 23, 2025, the Company received a copy of a Statement of Claim filed digitally in the Court of King's Bench of Alberta in connection with a contractual dispute by Hydra Fabricators Ltd. ("Hydra"), naming the Company as the defendant. In the Statement of Claim, Hydra is seeking judgment against the defendant in the amount of \$443,096 plus interest thereon in the amount of 8% per month or in the alternative in accordance with the Judgment Interest Act, R.S.A. 2000, Chapter J-1 and amendments thereto, plus storage costs in the amount of \$800 per unit per month, such further and other relief as the Court determines and costs of the action as ordered by the Court. The outcome of the proceeding is not determinable at this time.

As of September 30, 2025, there are no other proceedings in which any of the Group's directors, officers or affiliates is an adverse party or has a material interest adverse to the Company's interest.

**18. SUBSEQUENT EVENTS**

The Company's management has evaluated subsequent events up to November 26, 2025, the date the condensed interim consolidated financial statements were issued and determined the following significant event to report:

- On October 15, 2025, the Company announced a non-brokered private placement offering (the "Offering") of up to 150,000,000 securities, consisting of (i) units of the Company (the "Units") at a price of \$0.015 per Unit, and (ii) common shares in the capital of the Company (the "Shares") at a price of \$0.015 per Share, as more particularly described below for aggregate gross proceeds of up to \$2,250,000. Each Unit will consist of one Share and one common share purchase warrant (a "Warrant"). Each Warrant will entitle the holder thereof to purchase one Share (a "Warrant Share") for a period of 60 months from the date of the issue of the Warrants at an exercise price of \$0.05 per Warrant Share.

A.C.N. 117 402 838 PTY LTD, a company in which David Jellins (President and Chief Executive Officer and a director of the Company) and Amelia Jones (Chief Commercial Officer and a director of the Company) each hold a 50% interest, plans to sell up to 102,624,235 Shares and will use the net proceeds of the sales to subscribe for up to 102,624,235 Shares under the Offering. As such, the Offering constitutes a "related party transaction" as defined under Multilateral Instrument 61-101 Protection of Minority Securityholders ("MI 61-101"). Such participation is exempt from the formal valuation and minority shareholder approval requirements of MI 61-101 as neither the fair market value of the Shares subscribed for by insiders, nor the consideration for the Shares paid by such insiders would exceed 25% of the Company's market capitalization. Further details will be included in a material change report that will be filed by the Company in connection with the completion of the Offering. The Company did not file the material change report more than 21 days before the expected closing date of the Offering due to the timing of the announcement of the Offering and closing occurring in less than 21 days.

The Offering is subject to TSX Venture Exchange (the "TSXV") approval. The securities issued in connection with the Offering are subject to a four-month hold period, in accordance with applicable securities laws and TSXV policies.

CryptoStar intends to use the net proceeds from the Offering for business operations, expansion of its digital infrastructure, and general working capital purposes, including evaluating emerging opportunities in the high-performance computing ("HPC") and artificial intelligence ("AI") data center sectors. The Company continues to explore strategic initiatives aligned with the growing convergence of blockchain technology, HPC, and AI-driven compute infrastructure, consistent with its long-term vision of sustainable growth and innovation. The strengthened balance sheet will also provide CryptoStar with greater flexibility to enhance its management and operational capabilities as it pursues future growth opportunities. CryptoStar may pay a finder's fee to

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eligible parties in connection with the Offering, subject to the approval of the TSXV and compliance with applicable securities laws.

- On October 21, 2025, the Company issued a press release in connection with the filing of an early warning report (the "Early Warning Report") pursuant to National Instrument 62-103 – The Early Warning System and Related Take-Over Bid and Insider Reporting Issues and National Instrument 62-104 – Take- Over Bids and Issuer Bids regarding the disposition (the "Disposition") of securities of CryptoStar Corp. (the "Issuer") by A.C.N. 117 402 838 PTY LTD ("A.C.N.") and the Joint Actors (as defined below). The Issuer's head office is located at 181 Bay Street, Suite 4400, Toronto, Ontario M5J 2T3.

A.C.N. is a proprietary company under the Corporations Act 2001 (Cth) (Australia). David Jellins (President, Chief Executive Officer and Director of the Issuer) and Amelia Jones (Chief Commercial Officer and Director of the Issuer) each own a 50% interest in A.C.N. and may be considered joint actors (the "Joint Actors").

On October 15, 2025 and October 20, 2025, A.C.N. disposed a total of 37,300,000 common shares ("Common Shares") in the capital of the Issuer (representing 8.81% of the issued and outstanding Common Shares on a non-diluted basis). The Disposition was made at an average price of approximately \$0.0155 per Common Share for aggregate consideration of \$577,885.60.

Immediately prior to the Disposition, A.C.N. had ownership of, or exercised control or direction over, 102,624,235 Common Shares (representing 24.23% of the issued and outstanding Common Shares on a non-diluted basis). Immediately after the Disposition, A.C.N. has ownership of, or exercised control or direction over, 65,324,235 Common Shares (representing 15.42% of the issued and outstanding Common Shares on a non-diluted basis).

The United States and Canadian governments levied new tariffs on imported goods. This has resulted in considerable economic uncertainty and market volatility. The company continues to monitor ongoing trade negotiations and assess the direct and indirect impacts on the Company's future financial results, if any, which are currently uncertain. The company is also assessing additional cost-saving measures to offset potential tariff-related expenses.