

FRNT Financial Inc.

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

Notice to Reader

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

The accompanying unaudited condensed interim consolidated financial statements have been prepared by management and were not reviewed by FRNT Financial Inc.'s independent auditor.

FRNT Financial Inc.

Condensed Interim Consolidated Statements of Financial Position

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

	Notes	September 30, 2025	June 30, 2025
ASSETS			
Current assets			
Cash		\$ 782,578	\$ 399,519
Trade and other receivables	5	152,092	180,565
Prepaid expenses and deposits	6	57,930	66,945
Investments	7	2,139,771	1,979,437
Digital assets – Bitcoin	9	703,303	-
		<u>3,835,674</u>	<u>2,626,466</u>
Deposits	6	27,933	-
Investments	7	259,330	229,676
Equipment	8	8,660	10,206
Right-of-use asset	10	309,842	33,626
Total assets		\$ 4,441,439	\$ 2,899,974
LIABILITIES AND SHAREHOLDERS' EQUITY			
Current liabilities			
Accounts payable and accrued liabilities	14	\$ 272,900	\$ 334,826
Lease liability	11	51,990	23,096
		<u>324,890</u>	<u>357,922</u>
Lease liability	11	261,933	-
Total liabilities		586,823	357,922
SHAREHOLDERS' EQUITY			
Share capital	12(a)	13,440,402	11,565,336
Stock option reserve	12(b)	3,978,077	3,931,154
Warrant reserve	12(c)	301,975	284,858
Accumulated other comprehensive income		9,374	1,010
Accumulated deficit		(13,875,212)	(13,240,306)
Total shareholders' equity		3,854,616	2,542,052
Total liabilities and shareholders' equity		\$ 4,441,439	\$ 2,899,974

Nature of operations 1

APPROVED BY THE BOARD OF DIRECTORS:Stéphane Ouellette

Director

Adam Rabie

Director

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

FRNT Financial Inc.

Condensed Interim Consolidated Statements of Net Loss and Comprehensive Loss

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

	Notes	September 30, 2025	September 30, 2024
Revenue			
Capital markets	17	\$ 51,614	\$ 182,248
Consulting and advisory		170,727	26,228
		222,341	208,476
Operating expenses			
Depreciation	8, 10	21,194	23,133
General and administrative	13	141,066	140,531
Investor relations		95,810	24,250
Referral fees		10,945	-
Professional fees	13,14	414,818	491,949
Salaries and wages	14	282,574	265,713
Share-based payments	12(b)(c), 14	46,923	125,295
		1,013,330	1,070,871
Loss before the undernoted		(790,989)	(862,395)
Other income (expenses)			
Fair value gain on investments	7	162,012	58,739
Loss on revaluation of digital assets - Bitcoin	9	(4,212)	-
Interest expense	11	(2,173)	(492)
Foreign exchange		456	(8,756)
		156,083	49,491
Net loss		(634,906)	(812,904)
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss:			
Cumulative translation adjustment		8,364	2,310
Net loss and comprehensive loss		\$ (626,542)	\$ (810,594)
Loss per share – basic and diluted		\$ (0.016)	\$ (0.022)
Weighted average shares outstanding – basic and diluted		40,861,121	37,225,674

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

FRNT Financial Inc.

Condensed Interim Consolidated Statements of Changes in Shareholders' Equity

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

	Number of common shares	Share capital	Stock option reserve	Warrant reserve	Accumulated other comprehensive income (loss)	Accumulated deficit	Total shareholders' equity
Balance, June 30, 2024	37,219,329	\$ 11,565,336	\$ 3,524,891	\$ 284,858	\$ (1,670)	\$ (10,328,073)	\$ 5,045,342
Shares issued for options exercised	22,450	-	-	-	-	-	-
Share-based payments	-	-	125,295	-	-	-	125,295
Net loss and comprehensive loss	-	-	-	-	2,310	(812,904)	(810,594)
Balance, September 30, 2024	37,241,779	11,565,336	3,650,186	284,858	640	(11,140,977)	4,360,043
Balance, June 30, 2025	37,545,904	11,565,336	3,931,154	284,858	1,010	(13,240,306)	2,542,052
Shares issued in connection with private placement	5,000,000	2,000,000	-	-	-	-	2,000,000
Share issuance costs - cash	-	(107,817)	-	-	-	-	(107,817)
Share issuance costs - broker warrants	-	(17,117)	-	17,117	-	-	-
Share-based payments	-	-	46,923	-	-	-	46,923
Net loss and comprehensive loss	-	-	-	-	8,364	(634,906)	(626,542)
Balance, September 30, 2025	42,545,904	\$ 13,440,402	\$ 3,978,077	\$ 301,975	\$ 9,374	\$ (13,875,212)	\$ 3,854,616

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

FRNT Financial Inc.

Condensed Interim Consolidated Statements of Cash Flows
For the three months ended September 30, 2025 and 2024
(Expressed in Canadian dollars, unless otherwise indicated)
(Unaudited)

	September 30, 2025	September 30, 2024
Cash flows from operating activities		
Net loss for the year	\$ (634,906)	\$ (812,904)
Adjustments for non-cash items:		
Fair value gain on investments	(162,012)	(58,739)
Loss on revaluation of digital assets - cryptocurrencies	4,212	-
Share-based payments	46,923	125,295
Depreciation	21,194	23,133
Changes in non-cash working capital items:		
Trade and other receivables	28,474	(50,995)
Prepaid expenses and deposits	(3,310)	30,985
Accounts payable and accrued liabilities	(61,928)	(136,608)
Net cash used in operating activities	(761,353)	(879,833)
Cash flows from investing activities		
Purchase of investments	(27,976)	-
Purchase of Digital Assets - Bitcoin	(700,000)	-
Net cash used in investing activities	(727,976)	-
Cash flows from financing activities		
Proceeds from issuance of shares	2,000,000	-
Share issuance costs	(107,817)	-
Lease liability payments	(20,664)	(13,484)
Net cash provided by (used in) financing activities	1,871,519	(13,484)
Impact of currency translation	869	2,263
Net change in cash	383,059	(891,054)
Cash, beginning	399,519	1,552,482
Cash, ending	\$ 782,578	\$ 661,428
Supplemental Cash Flow Disclosures		
Income tax paid	-	-
Interest paid	3,313	2,158
Interest received	1,140	1,666

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

FRNT Financial Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

1. NATURE OF OPERATIONS

FRNT Financial Inc. (the “Company”) was incorporated under the Canada Business Corporations Act on April 24, 2018. The Company’s head office and registered records office is located at 49 Wellington Street East, Unit 200, Toronto, Ontario, M5E 1C9. The Company is a financial technology company that provides a capital markets trading platform for institutional investors to access alternative trading opportunities.

The Company’s common shares are listed on the TSX Venture Exchange under the trading symbol “FRNT” and on the OTCQB Market under the trading symbol “FRFLF”.

These condensed interim consolidated financial statements were authorized for issue by the Board of Directors on November 26, 2025.

2. BASIS OF PRESENTATION**a) Statement of compliance**

These condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), including International Accounting Standards (“IAS”) 34 - Interim Financial Reporting, as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”). They have been prepared in accordance with the same accounting policies and methods of application as the most recent audited financial statements for the year ended June 30, 2025, except that they do not include all the disclosures required for the annual audited financial statements. These condensed interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements for the Company for year ended June 30, 2025.

b) Basis of measurement

These condensed interim consolidated financial statements have been prepared on a historical cost basis, except for certain financial instruments and digital assets measured at fair value. In addition, these condensed interim consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information. The condensed interim consolidated financial statements are presented in Canadian dollars.

c) Consolidation

These condensed interim consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Subsidiaries are consolidated from the date on which the Company obtains control over the subsidiary. Control occurs when the Company is exposed to, or has the right to, variable returns from its involvement with an investee and has the ability to affect those returns through its power over the investee. Details of controlled subsidiaries are as follows:

FRNT Financial Inc.

Notes to the Condensed Interim Consolidated Financial Statements

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(Unaudited)

Entity	Principal activities	Country of incorporation	Percentage Owned	
			September 30, 2025	June 30, 2025
FRNT Asset Management Inc.	Financial technology services	Canada	100%	100%
FRNT Financial UK Limited	Financial technology services	United Kingdom	100%	100%
FRNT Financial (Cayman) Limited	Financial technology services	Cayman Islands	100%	100%

3. MATERIAL ACCOUNTING POLICIES

The material accounting policies applied in the preparation of these condensed interim consolidated financial statements are consistent with the accounting policies disclosed in Note 3 of the audited consolidated financial statements for the year ended June 30, 2025. In addition, the Company's accounting policy to account for digital assets is as follows:

Digital assets

Digital assets meet the definition of intangible assets in IAS 38 Intangible Assets as they are identifiable nonmonetary assets without physical substance. Cryptocurrencies are initially recorded at cost, and the revaluation method is used to measure the digital assets subsequently at fair value. Under the revaluation method, increases in fair value are recorded in other comprehensive income, while decreases are recorded in profit or loss. The Company re-values its digital assets at the end of each reporting period. There is no recycling of gains from other comprehensive income to profit or loss. However, to the extent that an increase in fair value reverses a previous decrease in fair value that has been recorded in profit or loss, that increase is recorded in profit or loss. Decreases in fair value that reverse gains previously recorded in other comprehensive income are recorded in other comprehensive income.

Digital assets consisting of cryptocurrency denominated assets are measured at fair value using the quoted price on www.BitGo.com. Management considers this fair value to be a Level 2 input under IFRS 13 Fair Value Measurement fair value hierarchy as the price on this source represents an average of quoted prices on multiple digital currency exchanges.

4. MANAGEMENT USE OF JUDGMENTS AND ESTIMATES

In preparing these condensed interim consolidated financial statements, management has made judgments, estimates and assumptions that affect the applicable of the Company's accounting policies and the reported amount of assets, liabilities, income and expenses. Actual results may differ from these estimates. Management reviews these estimates and underlying assumptions on an ongoing basis, based on experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Revisions to estimates are adjusted prospectively in the period in which the estimates are revised. In preparing these condensed interim consolidated financial statements, the significant estimates and critical judgments were the same as those applied to the annual consolidated financial statements as at and for the year ended June 30, 2025.

FRNT Financial Inc.

Notes to the Condensed Interim Consolidated Financial Statements

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5. TRADE AND OTHER RECEIVABLES

	September 30, 2025		June 30, 2025	
Trade receivables	\$	497,768	\$	562,157
Allowance for expected credit loss (Note 16)		(399,600)		(399,600)
Interest receivable		1,130		-
Sales tax receivable		52,794		18,008
	\$	152,092	\$	180,565

During the year ended June 30, 2025, the Company performed an expected credit loss assessment and recorded an allowance of \$109,600 on a balance owing from one customer. Combined with the allowance of \$290,000 recorded during the year ended June 30, 2024, the entire receivable balance owing from the customer of \$399,600 has been allowed for.

6. PREPAID EXPENSES AND DEPOSITS

	September 30, 2025		June 30, 2025	
Prepaid expenses	\$	56,523	\$	47,098
Short-term deposits		1,407		19,847
Prepaid expenses and deposits		57,930		66,945
Long-term deposit ⁽¹⁾		27,933		-
	\$	85,863	\$	66,945

(1) Security deposit on the Company's office lease that will be applied to lease payments or returned after the next 12 months are classified as non-current and amounts to \$27,933 (June 30, 2025 - \$Nil).

7. INVESTMENT

	Paradox Fund (i)	Paradox Fund – SPC (i)	Private Company (ii)	Total
	\$	\$	\$	\$
Balance, June 30, 2024	3,181,519	160,531	102,975	3,445,025
Proceeds on redemption of shares	(1,809,997)	-	-	(1,809,997)
Fair value gain (loss) on investments	607,915	(42,326)	8,496	574,085
Balance, June 30, 2025	1,979,437	118,205	111,471	2,209,113
Additions	-	-	27,976	27,976
Fair value gain (loss) on investments	160,334	1,691	(13)	162,012
Balance, September 30, 2025	2,139,771	119,896	139,434	2,399,101
Current	2,139,771	-	-	2,139,771
Non-Current	-	119,896	139,434	259,330

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(i) The Company holds a total investment of 1.58% (being \$1,623,709 USD of total assets under management) (June 30, 2025: 1.49%) interest in the Paradox Fund, a fund registered in the Cayman Islands. The investment is measured at fair value using unobservable inputs (Level 3) (Note 16).

During the year ended June 30, 2023, Paradox decided to sell the fund's holdings and right to claims in FTX, a now-bankrupt crypto exchange. Paradox's directors determined it was in the best interests of the fund to side pocket the realized value of the claim sale in an illiquid share class, denoted by "SPC". The SPC is non-redeemable and will be classified as a long-term investment until the directors determine that the realized value of the claim sale is free and clear of claw back risk.

During the three months ended September 30, 2025, the change in fair value on the investment resulted in a gain of \$160,334 (2024: \$92,824 gain), and a gain on the SPC of \$1,691 (2024: \$38,836 loss).

(ii) On August 29, 2022, the Company participated in a private placement for an early-stage crypto technology company by investing \$114,755 (75,000 GBP). On March 6, 2023 and August 13, 2025, the Company made an additional investment of \$11,585 (7,065 GBP) and \$27,976 (15,000 GBP).

During the three months ended September, 2025, the change in fair value on the investment resulted in a loss of \$13 (2024: \$4,751 gain). The fair value of the investment is determined based on the most recently observable market transactions. Management concluded that the most recent financing of this private company is a reasonable indication of the fair value of the investment as at September 30, 2025. The investment has been classified as a long-term investment due to being an investment in a private company and is categorized within Level 2 of the fair value hierarchy.

Sensitivity analysis to significant changes in unobservable inputs within the Level 3 hierarchy

The significant unobservable inputs used in the fair value measurement categorized within Level 3 of the fair value hierarchy together with a quantitative sensitivity analysis as at September 30, 2025 and June 30, 2025 are shown below:

Description	Input	Sensitivity	September 30, 2025	June 30, 2025
Paradox Fund	Net asset value	10%	\$ 213,977	\$ 197,944
Paradox Fund - SPC	Net asset value	10%	\$ 11,990	\$ 11,821

During three months ended September 30, 2025 and the year ended June 30, 2025, there were no transfers into or out of Level 1, Level 2 or Level 3 investments.

FRNT Financial Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

8. EQUIPMENT

Cost		Computer equipment		Office equipment		Total
Balance, June 30, 2024	\$	40,109	\$	11,979	\$	52,088
Additions		2,135		-		2,135
Balance, June 30, 2025		42,244		11,979		54,223
Additions		-		-		-
Balance, September 30, 2025	\$	42,244	\$	11,979	\$	54,223
Accumulated Depreciation						
Balance, June 30, 2024	\$	30,813	\$	3,732	\$	34,545
Depreciation		7,814		1,658		9,472
Balance, June 30, 2025		38,627		5,390		44,017
Depreciation		1,125		421		1,546
Balance, September 30, 2025	\$	39,752	\$	5,811	\$	45,563
Carrying amounts						
At June 30, 2025	\$	3,617	\$	6,589	\$	10,206
Balance, September 30, 2025	\$	2,492	\$	6,168	\$	8,660

9. DIGITAL ASSETS

Details of the Company's holdings of digital assets consisted of:

Cryptocurrency	As at September 30, 2025		As at June 30, 2025	
	Holdings	Fair Value	Holdings	Fair Value
Bitcoin	4.43	703,303	-	-
		703,303	-	-

Digital assets activities consisted of:

		Bitcoin
Balance, June 30, 2024 and June 30, 2025	\$	-
Additions		700,000
Loss on revaluation of digital assets		(4,212)
Foreign currency translation		7,515
Balance, September 30, 2025	\$	703,303

FRNT Financial Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended September 30, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

10. RIGHT-OF-USE ASSET

The right-of-use asset was increased by \$295,864 during the period as a result of the office lease amendment entered into on August 25, 2025. For additional information, see Note 11 – Lease Liability.

Cost		Office
Balance, June 30, 2024 and June 30, 2025	\$	322,819
Additions		295,864
Balance, September 30, 2025	\$	618,683
Accumulated Depreciation		
Balance, June 30, 2024	\$	208,487
Depreciation		80,706
Balance, June 30, 2025		289,193
Depreciation		19,648
Balance, September 30, 2025	\$	308,841
Carrying amounts		
At June 30, 2025	\$	33,626
At September 30, 2025	\$	309,842

11. LEASE LIABILITY

The Company entered into a lease agreement for office space commencing on December 1, 2021, for a term of four years, with monthly lease payments of \$7,814.

On August 25, 2025, the Company entered into an amendment agreement with the lessor to extend the lease term by an additional four years, commencing December 1, 2025, and ending November 30, 2029. The Company will receive two months of free rent, followed by monthly lease payments of \$7,991, increasing by 1% after each year. In connection with the amendment, \$15,627 of prepaid rent was reclassified as a security deposit, bringing the total security deposit to \$27,933. The lease liability was remeasured using the Company's incremental borrowing rate of 10%, resulting in an increase of \$311,491. The corresponding right-of-use asset was adjusted by \$295,864, net of the reclassification of prepaid rent.

		Office
Balance, June 30, 2024	\$	95,162
Lease liability payments		(78,137)
Accretion expense		6,071
Balance, June 30, 2025		23,096
Additions		311,491
Lease liability payments		(23,441)
Accretion expense		2,777
Balance, September 30, 2025	\$	313,923

FRNT Financial Inc.

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For the three months ended September 30, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

Allocated as:		Office
Current	\$	51,990
Non-current		261,933
Balance, September 30, 2025	\$	313,923

The maturity analysis of the undiscounted contractual balance of the lease liability and a reconciliation to the recorded lease liability is as follows:

Maturity analysis		September 30, 2025
Less than one year	\$	79,557
One to three years		287,685
Four to five years		15,983
Total undiscounted lease liability		383,225
Amount representing implicit interest		(69,302)
Lease liability	\$	313,923

12. SHAREHOLDERS' EQUITY**(a) Share capital**

Authorized share capital of the Company consists of an unlimited number of common shares, non-cumulative discretionary dividends, voting, no par value.

During the three months ended September 30, 2025

On August 1, 2025, the Company issued 5,000,000 common shares at a price of \$0.40 per common share for aggregate gross proceeds of \$2,000,000 (the "LIFE Offering"). In connection with the LIFE Offering, the Company paid cash finders fees of \$32,564 and issued 81,410 broker warrants with a fair value of \$17,117 (Note 12(c)). Each broker warrant entitles the holder to acquire one common share at a price of \$0.40 per share at any time on or before August 1, 2028.

In addition to the finders fees and broker warrants, \$75,253 of share issuance cost were incurred in conjunction with the LIFE offering. Directors and officers subscribed for an aggregate of 475,000 common shares which is subject to an original hold period of four months and one day.

During the three months ended September 30, 2024

The Company issued 22,450 common shares upon the cashless exercise of 31,292 stock options.

(b) Options

The Company has adopted a fixed stock option plan (the "Plan") under which the aggregate number of common shares reserved for issuance under the Plan, including any common shares which may be issued pursuant to any other stock option granted by the Company outside of the Plan, shall not exceed twenty percent (20%) of the total number of issued and outstanding common shares of the Company (calculated on a non-diluted basis) as at the date of implementation of the Plan by the

FRNT Financial Inc.

Notes to the Condensed Interim Consolidated Financial Statements

For the three months ended September 30, 2025 and 2024

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(Unaudited)

Company, being 7,029,865 common shares. The Plan is administered by the Board of Directors (the “Board”), which has full and final authority with respect to the granting of all options on such terms and conditions, consistent with the Plan, as the Board shall determine. The Board will establish the exercise price which will not be less than the closing market price of common shares on the date of grant of the stock options. All options granted under the Plan will expire on the fifth anniversary of the vesting date of such options, provided that in no event will the exercise period on an option exceed 10 years from the grant date. Options granted under the Plan are not transferable or assignable other than by testamentary instrument or pursuant to the laws of succession.

Continuity of the Company’s stock options is as follows:

	Number of options	Weighted average exercise price	Weighted average fair value
Outstanding, June 30, 2024	4,614,320	\$ 0.86	\$ 0.45
Granted	770,000	0.50	0.30
Exercised	(500,671)	0.16	-
Expired	(58,265)	0.72	0.27
Outstanding, June 30, 2025	4,825,384	0.88	0.49
Expired	(14,567)	0.72	0.28
Outstanding, September 30, 2025	4,810,817	\$ 0.88	\$ 0.49
Exercisable, September 30, 2025	4,021,823	\$ 1.01	\$ 0.46

The weighted average remaining contractual life of options outstanding and exercisable as at September 30 and June 30, 2025 was 3.43 and 3.58 years, respectively.

During the three months ended September 30, 2025

On July 1, 2025, 14,566 options expired. The options had an exercise price of \$0.72.

During the three months ended September 30, 2024

On July 1, 2024, 14,566 options expired. The options had an exercise price of \$0.72.

On September 5, 2024, 31,292 options were exercised cashless for the issuance of 22,450 shares. The options had an exercise price of \$0.16. The fair value of the options determined on the original grant date was \$nil.

On September 5, 2024, the Company granted 250,000 options to a consultant. The assumptions used in the stock option pricing model for the options granted were as follows:

Risk-free rate:	3%
Share price:	\$0.58
Expected life:	5.96 years
Expected volatility:	92%
Expected dividends:	Nil
Weighted average fair value per option:	\$0.44

FRNT Financial Inc.

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(Expressed in Canadian dollars, unless otherwise indicated)

(Unaudited)

(c) Warrants

Continuity of the Company's warrants is as follows:

	Number of warrants	Weighted average exercise price
Outstanding, June 30, 2024	3,359,200	\$ 1.28
Expired	(2,200,000)	(1.50)
Outstanding, June 30, 2025	1,159,200	\$ 0.87
Granted	81,410	0.40
Outstanding, September 30, 2025	1,240,610	\$ 0.84

As at September 30, 2025, the following warrants were outstanding:

Grant date	Warrants outstanding	Exercise price	Expiry date	Remaining contractual life (years)
May 21, 2024	1,035,000	\$0.90	May 21, 2027	1.64
May 21, 2024	124,200	\$0.60	May 21, 2027	1.64
August 1, 2025	81,410	\$0.40	August 1, 2028	2.84
	1,240,610	\$0.84		1.72

13. OPERATING EXPENSES**General and administrative**

The following is a breakdown of general and administrative expenses for the three months ended September 30, 2025 and 2024:

	September 30, 2025	September 30, 2024
Bank charges	\$ 15,426	\$ 6,829
Insurance	13,925	20,190
Short-term rent and rent related expenses	40,223	35,756
Travel, meals, and entertainment	8,909	7,642
Recruitment and sign on fees	-	5,250
Office	2,192	8,071
Telephone, IT, and web services	13,643	17,887
Dues and subscriptions	46,748	38,906
Total	\$ 141,066	\$ 140,531

Professional fees

The following is a breakdown of professional fees for the three months ended September 30, 2025 and 2024:

FRNT Financial Inc.

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(Unaudited)

	September 30, 2025	September 30, 2024
Legal and corporate services	\$ 16,674	\$ 8,074
Accounting, audit, and related services	60,934	46,126
Transfer agent and filing fees	14,321	10,216
Advisory and consulting services ⁽¹⁾	322,889	427,533
Total	\$ 414,818	\$ 491,949

⁽¹⁾ The Company engages a number of individuals in a consulting capacity. Services provided by these consultants include, but are not limited to:

- Acting as the Company's President (Note 14);
- Driving revenue and development of product offerings;
- Develop and maintain customer relationships;
- Regulatory compliance and registration;
- Website and application maintenance, design and development.

14. RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the condensed interim consolidated financial statements not disclosed elsewhere in these condensed interim consolidated financial statements are summarized below and include transactions with key management personnel of the Company.

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. Key management personnel comprise officers and directors of the Company.

Remuneration attributed to key management personnel are summarized as follows:

	September 30, 2025	September 30, 2024
Salaries and wages		
CEO	\$ 48,214	\$ 55,014
CFO	3,857	4,401
Share based payments		
Directors	5,088	10,971
CFO	163	10,253
President	2,182	39,230
Referral fees		
Companies controlled by Directors	10,945	-
Professional fees		
Companies controlled by CFO	61,213	45,219
Company controlled by President	135,170	62,500
Total	\$ 266,832	\$ 227,588

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Other related party transactions

During the three months ended September 30, 2025, the Company earned capital markets revenue of \$51,614 (2024: \$141,887) from customer agency trades with Paradox Fund, which is managed by a company controlled by a director of the Company. Of these amounts \$21,270 (June 30, 2025: \$9,043) remained in trade and other receivables as of September 30, 2025. Refer to Note 7 for investment related balances, transactions and fair value gains associated with the Company's investment in the Paradox Fund.

During the three months ended September 30, 2025, the Company earned consulting revenue of \$67,070 (2024: \$Nil) from contractor services with OSF Management Corp. which is managed by a company controlled by a director of the Company. Of these amounts \$42,070 (June 30, 2025: \$Nil) remained in trade and other receivables as of September 30, 2025.

As at September 30, 2025, \$19,077 (June 30, 2025: \$32,110) in accounts payable and accrued liabilities was owed to a companies controlled by the CFO of the Company for accounting and related services.

As at September 30, 2025, \$977 (June 30, 2025: \$1,014) in accounts payable and accrued liabilities was owed to the CFO of the Company for salaries and wages.

As at September 30, 2025, \$38,227 (June 30, 2025: \$16,999) in accounts payable and accrued liabilities was owed to the CEO of the Company for salaries and wages, and reimbursable expenses.

As at September 30, 2025, \$23,542 (June 30, 2025: \$23,542) in accounts payable and accrued liabilities was owed to a company controlled by the President of the Company for advisory and consulting services.

15. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to pursue its operations and to maintain a flexible capital structure, which optimizes the costs of capital at an acceptable risk level. The Company considers its capital for this purpose to be its equity, \$3,854,616 (June 30, 2025: \$2,542,052).

The Company's primary source of capital is through the issuance of common shares and debt. The Company manages and adjusts its capital structure when changes in economic conditions occur. To maintain or adjust the capital structure, the Company may seek additional funding.

The Company believes it will be able to raise capital as required but recognizes there will be risks involved that may be beyond its control. There are no external restrictions on the management of the Company's capital. There have been no changes in the way in which the Company manages capital in the year.

The Company's subsidiary, FRNT Asset Management Inc., is subject to the regulatory capital requirements of NI 31-103 for portfolio managers, which require that it maintain minimum working capital of at least \$25,000 plus the Financial Institution Bond ("FIB") insurance deductible and other

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margin requirements, if any. As at September 30, 2025 and June 30, 2025, FRNT Asset Management Inc. was in compliance with its regulatory capital requirements.

16. FINANCIAL RISK MANAGEMENT*Fair values*

The Company's financial instruments consist of cash, trade and other receivables, investments, and accounts payable and accrued liabilities. Investments are carried at fair value, while cash, trade and other receivables, and accounts payable and accrued liabilities approximate their carrying value due to their current nature.

Fair value measurements for financial assets classified at FVTPL are included in the fair value hierarchy as follows:

Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within 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 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Company's financial instruments that are recorded at fair value generally are classified within Level 2 or Level 3 within the fair value hierarchy using quoted market prices or quotes from administrators.

As at September 30, 2025 and June 30, 2025, the Company's investment in Paradox Fund and Paradox Fund – SPC was classified at Level 3 in the fair value hierarchy (Note 7), and the Company's investment in the private company was classified at Level 2 in the fair value hierarchy (Note 7). Additionally, as at September 30, 2025, the Company's Bitcoin holdings were classified within Level 2 of the fair value hierarchy.

The Company's exposure to financial instrument related risks and the methods used to manage those risks have not changed significantly over the last year. Significant risks that are relevant to the Company, as well as methods to manage the various types of risk to which it is exposed, are discussed below:

Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprised three types of risk: foreign exchange risk, interest rate risk and other price risk. Market risk arises as a result of the Company generating revenues in foreign currencies, holding assets and liabilities denominated in foreign currencies, holding liabilities with variable interest rates and measuring investments at fair value.

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Foreign Exchange Risk

Foreign exchange risk is the risk that the fair value or future cash flows will fluctuate as a result of changes in foreign exchange rates. As at September 30, 2025, the Company is exposed to the following foreign exchange risk:

		CAD Equivalent
<i>Denominated in USD</i>		
Cash	\$	151,219
Trade and other receivables		55,071
Investment in Paradox Fund		2,139,771
Investment in Paradox Fund – SPC		119,896
Bitcoin		703,303
Accounts payable		(59,121)
		<hr/> 3,110,139
<i>Denominated in GBP</i>		
Cash		40,626
Investment in private company		139,434
Accounts payable and accrued liabilities		(254)
		<hr/> 179,806
Net assets exposure	\$	3,289,945

The Company does not currently hedge its foreign exchange risk. Based on current exposures as at September 30, 2025 and assuming that all other variables remain constant, a 10% depreciation or appreciation of the United States dollar against the Canadian dollar would result in an increase or decrease of approximately \$311,000 (June 30, 2025: \$229,000) in the Company's profit or loss. A 10% depreciation or appreciation of the British pound sterling against the Canadian dollar would result in an increase or decrease of approximately \$18,000 (June 30, 2025: \$12,000) in the Company's profit or loss.

Interest Rate Risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not materially exposed to this risk.

Other price risk

Other price risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate as a result of changes in market prices (other than those arising from interest rate risk or foreign currency risk), whether caused by factors specific to the individual investment or its issuers or factors affecting all financial instruments traded in the market.

A 10% increase (decrease) in the quotes obtained from third-party administrators on the investment would change net losses by approximately \$214,000 (June 30, 2025: \$198,000) on its regular investment, and \$12,000 (June 30, 2025: \$12,000) on the SPC.

A 10% increase (decrease) in the estimated fair value of the Company's investment in the private company would result in a change in net loss of approximately \$13,900 (June 30, 2025: \$11,150).

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A 10% increase (decrease) in the fair value of the Company's Bitcoin holdings would result in a change in net loss of approximately \$70,000 (June 30, 2025: \$Nil).

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. The Company's cash and trade and other receivables are exposed to credit risk.

The Company reduces its credit risk on cash by placing these instruments with either Schedule 1 Canadian bank or reputable institutions with a sufficiently long operating history to be considered reliable for credit worthiness purposes.

The Company manages its exposure to accounts receivable credit risk by assessing the associated risk of default prior to accepting new customers, monitoring the level of accounts receivable attributable to each customer, the length of time taken for amounts to be settled, and maintaining reserves for potential credit losses. In addition, if the age of an outstanding invoice reaches one year, the Company records an allowance for the doubtful account for the full amount of the invoice. Where necessary, management takes the appropriate action to collect those balances considered overdue.

During the three months ended September 30, 2025, the Company recorded no additional expected credit losses. During the year ended June 30, 2025, the Company performed an expected credit loss assessment on a \$399,600 balance owing from one customer that had been outstanding for more than 90 days. As a result of this assessment, an allowance for expected credit losses of \$399,000 was recognized. This allowance remains outstanding as at September 30, 2025. All other customer balances in accounts receivable as at September 30, 2025 were current and considered fully collectible.

Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages liquidity risk by maintaining sufficient cash balances to enable settlement of obligations on the due date. The Company addresses its liquidity by raising capital through the issuance of debt and equity. While the Company has been successful in securing financings in the past, there is no assurance that it will be able to do so in the future.

The table below summarizes the maturity profile of the Company's financial liabilities based on the remaining period to the contractual maturity date as at September 30, 2025 and June 30, 2025.

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	On demand	Less than 1 year	1-3 years	4-5 years	Total
September 30, 2025					
Accounts payable and accrued liabilities	\$ 272,900	\$ -	\$ -	\$ -	\$ 272,900
Lease liability	-	79,557	287,685	15,983	383,225
June 30, 2025					
Accounts payable and accrued liabilities	\$ 334,826	\$ -	\$ -	\$ -	\$ 334,826
Lease liability	-	23,441	-	-	23,441

17. SEGMENTED INFORMATION

The Company operates in one operating segment focused around developing and offering its capital market trading platform to institutional investors.

All of the Company's non-current assets, excluding financial instruments and deferred tax assets, are located in Canada.

During the three months ended September 30, 2025, the Company generated 100% of total revenues from three customers located in foreign countries, of which 23% was generated from a customer domiciled in the Cayman Islands, 47% from one customer in the United States and 30% from one customer in the Bahamas.

During the three months ended September 30, 2024, the Company generated 5% of total revenues with one customer in Canada and generated 95% of total revenues from three customers located in foreign countries, of which 68% was generated from one customer domiciled in the Cayman Islands, 8% from one customer in the United States and 19% from one customer in the United Kingdom.

The Company generated 47%, 30% and 23% (September 30, 2024: 68% and 19%) respectively, of its total revenues from its three (September 30, 2024: two) major customers.