

BLOCKMATE VENTURES INC.

CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(Unaudited)

(Expressed in Canadian Dollars, unless otherwise noted)

FOR SIX MONTHS ENDED DECEMBER 31, 2025

**CONSOLIDATED INTERIM FINANCIAL STATEMENTS
(Unaudited)**

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NOTICE OF NO AUDITOR REVIEW OF INTERIM FINANCIAL STATEMENTS

Under National Instrument 51-102, Part 4, subsection 4.3 (3) (a), 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 consolidated interim financial statements of the Company.

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025 AND JUNE 30, 2025
(Expressed in Canadian dollars)
(Unaudited)

	Notes	December 31, 2025 (Unaudited) \$	June 30, 2025 (Audited) \$
ASSETS			
Current			
Cash	3	218,570	860,881
Amounts receivable		4,443	12,861
Prepaid expenses	4	162,302	248,720
Loans receivable	5	19,665	-
Total Current Assets		404,980	1,122,462
Non-current			
Equipment	6	3,467	4,935
Crypto assets	7	383,459	41,727
Intangibles	8	15,011	15,232
TOTAL ASSETS		806,917	1,184,356
LIABILITIES AND SHAREHOLDERS' DEFICIT			
Current			
Accounts payable and accrued liabilities	9	354,603	460,016
Unearned income		-	25,000
Loan payable	11	150,967	-
Loans from directors	18	181,515	69
SAFE Notes	10	3,288,440	3,072,825
Total Current Liabilities		3,975,525	3,557,910
Non-current			
SAFE Notes	10	3,324,431	3,324,431
Total Liabilities		7,299,956	6,882,341
Shareholders' Deficit			
Share capital	12	22,876,388	22,049,573
Contributed surplus	13	2,682,142	2,669,673
Warrants and options reserve	13	1,921,557	1,938,439
Restricted stock units reserve	14	205,499	139,524
Deferred share units reserve	15	575,000	297,740
Accumulated deficit		(33,940,406)	(32,077,752)
Accumulated other comprehensive loss		(493,463)	(434,996)
Total deficit attributable to the shareholders of the company		(6,173,283)	(5,417,799)
Non-controlling Interest	16	(319,756)	(280,186)
Total shareholders' deficit		(6,493,039)	(5,697,985)
TOTAL LIABILITIES AND SHAREHOLDERS' DEFICIT		806,917	1,184,356

Nature of operations and Going concern (Note 1)
Approved on behalf of the Board on February 26, 2026:

Signed: "Justin Rosenberg"
Director

Signed: "Domenic Carosa"
Director

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

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
FOR THE THREE AND SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian dollars)
(Unaudited)

	Notes	For the three months ended December 31,		For the six months ended December 31,	
		2025	2024	2025	2024
		\$	\$	\$	\$
EXPENSES					
Amortization and depreciation	6	(694)	(384)	(1,433)	(552)
Accretion expense	10	(93,668)	(54,166)	(188,165)	(107,065)
Filing fees and transfer fees		(7,517)	(23,251)	(26,549)	(43,223)
General and administrative		(50,839)	(439)	(214,286)	(94,841)
Marketing		(41,879)	(349,988)	(169,188)	(641,735)
Professional and consulting fees	18	(173,457)	(504,497)	(355,336)	(866,042)
Rent		(9,262)	(8,325)	(18,867)	(16,774)
Software development and website		(32,827)	(100,494)	(92,426)	(162,962)
Share-based compensation	13,14,15	(247,020)	(428,721)	(545,138)	(460,144)
Wages		(210,531)	(575,914)	(463,475)	(925,676)
		(867,694)	(2,046,179)	(2,074,863)	(3,319,014)
Net Loss for the Period Before Other Income		(867,694)	(2,046,179)	(2,074,863)	(3,319,014)
OTHER ITEMS					
Foreign exchange loss/(gain)		(480)	2,350	(2,188)	378
License income	17	83,614	-	146,955	-
Consulting income		25,000	-	25,000	-
Impairment on intangibles and equipment	6,8	-	(4)	-	(308)
Interest income		588	21	2,557	21
Interest expense		(4,252)	-	(4,252)	-
Other income/(loss)		7,792	198	(1,697)	352
Expected credit loss	5	(80)	-	6,264	-
Other loss on debt forgiven		(7,744)	-	-	-
Total other loss		104,438	2,565	172,639	443
TOTAL LOSS FOR THE PERIOD		(763,256)	(2,043,614)	(1,902,224)	(3,318,571)
OTHER COMPREHENSIVE INCOME (LOSS)					
Gain in revaluation of cryptocurrency	7	(124,477)	(40,819)	(131,826)	(20,596)
Other comprehensive loss for the year		108,979	11,296	73,359	(98,460)
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD		(778,754)	(2,073,137)	(1,960,691)	(3,437,627)
Basic weighted average shares outstanding		148,547,550	136,364,606	146,020,230	135,113,059
Basic net loss per share		(0.01)	(0.01)	(0.01)	(0.02)
Diluted weighted average shares outstanding		148,547,550	180,817,878	146,020,230	179,607,139
Diluted net loss per share		(0.01)	(0.01)	(0.01)	(0.02)

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

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian dollars)
(Unaudited)

	Notes	2025	2024
		\$	\$
OPERATING ACTIVITIES			
Net loss for the period		(1,902,224)	(3,318,571)
Items not affecting cash:			
Accretion expense	10	188,165	106,507
Loss on revaluation of crypto assets	7	-	1,730
Impairment of intangibles	8	-	308
Depreciation on equipment	6	1,433	552
Share-based compensation	13,14,15	545,137	460,144
Non-cash interest expense on loans payable	11	4,252	-
Non-cash received for license income payment	17	(146,955)	-
Loss on revaluation of Helium asset		-	18,866
Expected Credit Loss Recovery	5	(6,264)	-
Other income on debt forgiven		-	-
		(1,316,456)	(2,730,464)
Changes in non-cash working capital items:			
Accounts receivable		8,418	(403)
Prepaid expenses	4	86,418	427,934
Loans from directors	18	181,446	-
Accounts payable and accrued liabilities	9	(101,354)	(79,272)
Proceeds from deferred revenue		-	25,000
Net cash used in operating activities		(1,141,528)	(2,357,205)
FINANCING ACTIVITIES			
Net proceeds from issuance of shares	12,13	620,500	2,075,000
Additions to loans receivable	5	(25,176)	-
Proceeds from SAFE notes	10	-	576,744
Proceeds from unearned income		(25,000)	-
Proceeds from loans receivable repayment	5	-	(16,040)
Net cash provided by financing activities		570,324	2,635,704
INVESTING ACTIVITIES			
Acquisition of equipment		-	(2,322)
Acquisition of intangibles	8	-	(2,484)
Conversion of intangible asset to cash		(39,502)	1,636,411
Net cash provided by (used in) investing activities		(39,502)	1,631,605
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS		(610,706)	1,910,104
CASH AND CASH EQUIVALENTS, BEGINNING OF THE PERIOD		860,881	57,464
EFFECT OF CHANGES IN FOREIGN EXCHANGE RATES		(31,605)	639
CASH AND CASH EQUIVALENTS, END OF THE PERIOD		218,570	1,968,207

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

BLOCKMATE VENTURES INC.
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian dollars)
(Unaudited)

	Number of Common Shares (Note 12)	Share Capital (Note 12)	Contributed Surplus (Note 13)	Warrants and Options Reserve (Note 13)	DSU Reserves (Note 15)	RSU Reserves (Note 14)	Accumulated Deficit	Non- Controlling Interest (Note 16)	Accumulated Other Comprehensiv e Profit/ (Loss)	Total Shareholders' Deficit
		\$	\$	\$	\$	\$	\$	\$	\$	\$
Balance, June 30, 2024	110,797,758	19,493,838	2,669,673	1,111,947	-	113,400	(25,117,247)	(63,050)	(610,726)	(2,402,165)
Share options vesting portion	-	-	-	54,069	-	-	-	-	-	54,069
Private placement	14,000,000	730,580	-	669,420	-	-	-	-	-	1,400,000
Warrant exercise	8,900,000	913,526	-	(246,026)	-	-	-	-	-	667,500
Options exercise	150,000	12,553	-	(5,053)	-	-	-	-	-	7,500
Options granted	-	-	-	154,075	-	-	-	-	-	154,075
RSU granted	-	-	-	-	-	252,000	-	-	-	252,000
Net loss for the period	-	-	-	-	-	-	(3,212,239)	(106,332)	-	(3,318,571)
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	(119,056)	(119,056)
Balance, December 31, 2024	133,847,758	21,150,497	2,669,673	1,738,432	-	365,400	(28,329,486)	(169,382)	(729,782)	(3,304,648)
Balance, June 30, 2025	143,297,258	22,049,573	2,669,673	1,938,439	297,740	139,524	(32,077,752)	(280,186)	(434,996)	(5,697,985)
Private placement	-	-	-	-	-	-	-	-	-	-
Warrant exercised	8,273,337	826,815	-	(206,315)	-	-	-	-	-	620,500
Warrant expired	-	-	12,469	(12,469)	-	-	-	-	-	-
Options vested	-	-	-	201,902	-	-	-	-	-	201,902
RSU vested	-	-	-	-	-	65,975	-	-	-	65,975
DSU vested	-	-	-	-	277,260	-	-	-	-	277,260
Net loss for the period	-	-	-	-	-	-	(1,862,654)	(39,570)	-	(1,902,224)
Accumulated other comprehensive income	-	-	-	-	-	-	-	-	(58,467)	(58,467)
Balance, December 31, 2025	151,570,595	22,876,388	2,682,142	1,921,557	575,000	205,499	(33,940,406)	(319,756)	(493,463)	(6,493,039)

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

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)
(Unaudited)

1. NATURE OF OPERATIONS AND GOING CONCERN

Blockmate Ventures Inc. (Formerly Midpoint Holdings Ltd.) (the "Company") was incorporated under the Business Corporations Act (British Columbia) on April 15, 2010 and was classified as a Capital Pool Company as defined in the TSX Venture Exchange ("TSX-V") Policy 2.4. The principal business of the Company was to negotiate an acquisition or participation in a business subject to acceptance by regulatory authorities and, in certain cases, shareholder approval (the "Qualifying Transaction") which it completed on April 11, 2013.

The Company owns 100% of Blockchain World Ltd. ("BWL"). BWL owns Hivello Holdings Ltd and the premium domain names, Blockchain.eu (Europe) and Blockchain.com.au (Australia). During the year ended June 30, 2024, the Company completed the divestment of its Midpoint foreign exchange business (MPNT and MPT HK) to focus all its resources toward the blockchain and clean energy ventures within its portfolio and reduce its net cash outflows by approximately \$500,000 per annum.

The Company's head office is 650-1231 Pacific Blvd., Vancouver, British Columbia, V6Z E2.

There is no assurance that the Company's business will result in future profitable operations. The business is subject to risk, market conditions, supply and demand, and competition. The Company relies on financing and the cash currently available to meet its administrative overhead and maintain its assets. The recoverability of amounts shown in assets is dependent on several factors. These factors include the ability of the Company to obtain financing to complete the planned growth, reduction of operating expenses, and future cashflow from the Company's business.

However, there can be no assurance that the Company will be able to continue to raise funds in the future in which case the Company may be unable to meet its obligations. Should the Company be unable to realize on its assets and discharge its liabilities in the normal course of business, the net realizable value of its assets may be materially less than the amounts recorded on the statement of financial position.

These consolidated financial statements have been prepared on a going concern basis, which contemplates that the Company will continue in operation for the foreseeable future and will be able to realize its assets and discharge its liabilities in the normal course of business. On December 31, 2025, the Company also had an accumulated deficit of \$33,940,406 (June 30, 2025 - \$32,077,752).

As at December 31, 2025, the Company has working capital deficit of \$3,570,545 (June 30, 2025 – \$2,435,448) which is not considered sufficient to fund operations at their current levels for the next twelve months. The Company does not foresee substantial future revenue from operations and will be required to generate additional funding through external financing, which cannot be assured. The management is expecting to fund future growth and expansion along with meeting cash flow requirements through raising funds by warrant exercises and private placements. These material uncertainties may cast significant doubt on the Company's ability to continue as a going concern.

2. MATERIAL ACCOUNTING POLICIES

Statement of compliance and principles of consolidation

The Company has prepared these consolidated financial statements and the notes thereto in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board. They are presented in Canadian dollars.

The consolidated financial statements have been prepared on a historical cost basis using the accrual basis of accounting. The consolidated financial statements include the Company's wholly owned subsidiary, BWL and HVL; and discontinued operations, MPT UK and MPT HK. All significant intercompany accounts and transactions have been eliminated as a result of consolidation.

The consolidated financial statements comprise of the financial statements of the Company and the following entities owned and controlled by the Company and its subsidiaries:

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)
(Unaudited)

2. MATERIAL ACCOUNTING POLICIES (Continued)

Statement of compliance and principles of consolidation (continued)

Name of Subsidiary	Country of Incorporation	Ownership		Principle Activities
		Dec 31, 2025	Jun 30, 2025	
Blockchain World Ltd	London	100%	100%	Blockchain
Hivello Holdings Ltd	London	96% BWL	96% BWL	Blockchain
Hivello Operations B.V. Hivello Software	Netherlands	100% HVL	100% HVL	Blockchain
Development Company Ltd	Vietnam	100% HVL	100% HVL	Blockchain
Midpoint Canada	Canada	100%	100%	Dormant company

These consolidated financial statements were approved and authorized by the Board of Directors of the Company on February 26, 2026.

During the year ended June 30, 2025, Hivello Software Development Company Ltd., a company incorporated by Hivello Holdings on August 5, 2024, has started its operations and was included in the consolidated financial statements.

All intercompany transactions, balances, income and expense are eliminated upon consolidation. The operating results of Midpoint Hong Kong and Midpoint & Transfer, which were subsidiaries sold during the year ended June 30, 2024, are presented as discontinued operations in these consolidated financial statements. Prior to their sale, the Corporation owned 100 percent of the shares of each subsidiary.

Subsidiaries are those entities which the Company controls by having the power to govern the financial and operating policies. Subsidiaries are fully consolidated from the date on which control is obtained by the Company and are deconsolidated from the date that control ceases.

3. CASH

At December 31, 2025, the Company had cash of \$218,570 (June 30, 2025 - \$860,881). The Company maintains cash in various banks in Canada, United Kingdom, Netherlands, and Vietnam.

4. PREPAID EXPENSES

As at December 31, 2025, the Company had an aggregate prepaid expense of \$162,302 (June 30, 2025 - \$248,720).

Prepaid expenses as at December 31, 2025 consist of the following:

Prepaid Expense	December 31, 2025	June 30, 2025
	\$	\$
Consulting and Professional fees	12,050	12,050
Filing and Listing Fees	20,130	28,244
Contractor fees	6,322	6,415
Marketing & Advertising	3,902	79,319
Rent	4,186	2,618
Travel	11,121	10,496
General expenses	90,638	95,625
Deposit	13,953	13,953
Total prepayments	162,302	248,720

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)
(Unaudited)

5. LOANS RECEIVABLE

During the six months ended December 31, 2025, the company has advanced funds amounting to \$111,040 to an external party (June 30, 2025 - \$1,057,640) and received \$96,574 repayment (June 30, 2025 - \$16,353). The transactions are in form of cash and crypto assets (Note 7). This loan is due on demand and interest-free.

On June 30, 2025, due to the credit risk of loans receivable, the Company reviewed the collectability of the loans receivable and determined the need to recognize expected credit loss of \$1,007,879 due to significant doubt that the loans may not be fully recoverable. The difference is due to foreign currency conversion.

During the six months ended December 31, 2025, the company has recognized a recovery of expected credit loss totaling to \$6,264 and has an outstanding loans receivable balance of \$19,665.

The following table summarizes the Company's loans receivable transactions for the six months ended December 31, 2025, and the year ended June 30, 2025:

	December 31, 2025	June 30, 2025
	\$	\$
Balance, beginning of the period	-	-
Additions	111,040	1,057,640
Payments received	(96,574)	(16,353)
Expected credit (loss)/recovery	6,264	(1,007,879)
Effect of changes in foreign exchange rates	(1,065)	(33,408)
Balance, end of the period	19,665	-

6. EQUIPMENT

The following table summarizes the Company's equipment transactions for the six months ended December 31, 2025, and the year ended June 30, 2025:

	December 31, 2025	June 30, 2025
	\$	\$
Cost		
Balance, beginning of the period	7,006	1,963
Additions	-	4,999
Effect of changes in foreign exchange rates	(65)	44
Balance, end of the period	6,941	7,006
Accumulated Depreciation		
Balance, beginning of the period	2,071	327
Depreciation	1,433	1,673
Effect of changes in foreign exchange rates	(30)	71
Balance, at end of the period	3,474	2,071
Net Book Value	3,467	4,935
Comprised as follows:		
Computer Equipment	3,467	4,935
Total	3,467	4,935

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication those assets have suffered an impairment loss. If any such indication exists, it estimates the asset's recoverable amount to determine the extent of the impairment loss (if any). Where it is not possible to estimate an individual asset's recoverable amount, the Company estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. Where it can identify a reasonable and consistent basis of allocation, it also allocates corporate assets to individual CGU's, or otherwise allocates them to the smallest group of CGU's for which it can identify a reasonable and consistent allocation basis.

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
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6. EQUIPMENT (Continued)

If an asset or CGU's recoverable amount is estimated to be less than its carrying amount, the carrying amount is reduced to its recoverable amount, recognizing an impairment loss immediately in profit or loss. During the six months ended December 31, 2025, the Company did not identify indicators of impairment with respect to its equipment (June 30, 2025 - \$Nil).

7. CRYPTO ASSETS

Cryptocurrencies owned by HVL consist of USDT and Helium. Cryptocurrencies are initially measured at cost and subsequently measured using a revaluation model.

	December 31, 2025	June 30, 2025
	\$	\$
Bitcoin (BTC)	361,596	-
Tether (USDT)	362	7,496
USD Coin (USDC)	1,326	13,442
Solana (SOL)	101	89
Nosana (NOS)	4,081	7,464
Mysterium (MYST)	7,937	-
Polygon (POL)	1	-
Helium asset	8,055	13,236
Balance, end of the period	383,459	41,727

A summary of crypto asset transactions is as follows:

- i) During the period ended December 31, 2025, the company has advanced funds amounting to \$111,040 to an external party and received \$96,574 repayment. \$85,864 of the advanced funds and \$96,574 of the received payment are in form of crypto assets (Note 5).
- ii) During the period ended December 31, 2025, the company did not receive any gross proceeds for SAFE notes financing in form of cryptocurrencies (June 30, 2025 - \$1,585,000 USD (\$2,301,014 CAD) (Note 10)).
- iii) During the period ended December 31, 2025, the company opened a new line of credit with a principal amount of 105,895 USD or (\$148,624 CAD) in return for stablecoins, which was used to purchase a bitcoin (Note 11).
- iv) During the period ended December 31, 2025, the company received an aggregate value of \$146,955 crypto assets as payment for license income (Note 17).

The cryptocurrency is presented as an intangible asset initially measured at cost of \$515,285 and subsequently measured using revaluation model. The fair value of the cryptocurrency as at December 31, 2025 is \$383,459 (June 30, 2025 - \$41,727). This resulted to a loss in revaluation of cryptocurrency amounting to \$131,826 for the period ended December 31, 2025 (2024 - \$20,596).

	Quantity	Value per unit	December 31, 2025
		\$	\$
Bitcoin (BTC)	3	119,939.6024	361,596
Tether (USDT)	265	1.3683	362
USD Coin (USDC)	969	1.3683	1,326
Solana (SOL)	0.59	170.5880	101
Nosana (NOS)	16,187	0.2521	4,081
Mysterium (MYST)	33,176	0.2392	7,937
Polygon (POL)	5	0.1368	1
Helium HNT	3,115	1.8742	5,837
Helium IOT	7,813,233	0.0003	2,217
SPL Helium Token	0.49	1.8742	1
Balance, end of the period			383,459

The value per unit is based on the quoted market price per Bitcoin (BTC), Tether (USDT), USD Coin (USDC), Nosana (NOS), Solana (SOL), Mysterium (MYST), Polygon (POL), and Helium assets in an active cryptocurrency market, as at December 31, 2025.

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)
(Unaudited)

8. INTANGIBLES

The following table summarizes the Company's intangibles transactions for the six months ended December 31, 2025 and the year ended June 30, 2025:

	December 31, 2025 (Unaudited)	June 30, 2025 (Audited)
	\$	\$
Cost		
Balance, beginning of the period	142,226	141,916
Additions	-	5,929
Effect of changes in foreign exchange rates	(531)	(5,619)
Balance, end of the period	141,695	142,226
Accumulated Depreciation		
Balance, beginning of the period	126,684	126,374
Impairment	-	310
Balance, at end of the period	126,684	126,684
Net Book Value	15,011	15,542
Comprised as follows:		
Trademarks	15,011	15,542
Total	15,011	15,542

During the six months ended December 31, 2025 and the year ended June 30, 2025, management determined that the Company does not have a plan to promote the websites related to domains acquired during the year in the near future. This resulted to recognition of impairment of intangible assets for \$Nil and \$310, respectively.

9. ACCOUNTS PAYABLE AND ACCRUED LIABILITIES

As at December 31, 2025, the Company had an aggregate accounts payable and accrued liabilities of \$354,603 (June 30, 2025 - \$460,016) all held by entities with continuing operations.

Accounts payable and accrued liabilities as at December 31, 2025 consist of the following:

Accounts payable and accrued liabilities	December 31, 2025	June 30, 2025
	\$	\$
Total Accounts Payable	140,809	143,828
Total Accruals	155,273	264,617
Other Payables	58,521	51,571
Total accounts payable and accrued liabilities	354,603	460,016

Accruals as at December 31, 2025 consist of the following:

Accruals	December 31, 2025	June 30, 2025
	\$	\$
Professional fees	71,973	181,867
Wages payable	81,250	81,250
General expenses	2,050	1,500
Total accruals	155,273	264,617

BLOCKMATE VENTURES INC.
NOTES TO CONSOLIDATED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED DECEMBER 31, 2025 AND 2024
(Expressed in Canadian Dollars, unless otherwise noted)
(Unaudited)

10. SAFE NOTES

In December 2023, the Company entered into an advanced subscription agreement that allows the investors to convert the principal amount to shares of Hivello (a subsidiary). On December 14, 2023, the company successfully completed a \$1,000,000 USD capital raise. This SAFE (Simple Agreement for Future Equity) instrument fundraising round places a pre-money valuation cap on Hivello at \$5,000,000 USD. Additionally, in January 2024, the Company closed another \$1,500,000 USD capital raise at a pre-money valuation cap of \$9,000,000 USD.

In December 2023, the Company has completed tranche 1 financing and has issued an aggregate of \$1,484,229 USD (\$2,024,934 CAD) SAFE notes in relation to the agreement. Of the issued SAFE notes include \$484,229 USD (\$660,634 CAD) advance payments from investors for the second round of capital raise closed in January 2024.

In January 2024, the Company has completed tranche 2 financing and has issued an aggregate of \$1,080,000 USD (\$1,473,444 CAD) Simple Agreement for Future Equity (SAFE) notes.

During the year June 30, 2024, and pursuant to the capital raise, the company received gross proceeds of:

- Cash and cash equivalents amounting to \$800,500 USD (\$1,092,122 CAD)
- Cryptocurrencies amounting to \$1,415,000 USD (\$1,930,485 CAD) (Note 6)
- Service agreements equivalent to \$275,000 USD (\$375,183 CAD) (Note 4)
- Converted previously issued SAFE Notes, amounting to \$73,729 USD (\$100,588 CAD)

In April 2025, the Company has completed tranche 3 financing and has issued an aggregate of \$2,683,937 USD (\$3,661,695 CAD) Simple Agreement for Future Equity (SAFE) notes. As at June 30, 2025, the total SAFE notes issued by the Company amounts to \$5,248,166 USD (\$7,160,072 CAD).

During the year June 30, 2025, and pursuant to the capital raise, the company received gross proceeds of:

- Cash and cash equivalents amounting to \$658,937 USD (\$898,988 CAD)
- Service agreements equivalent to \$440,000 USD (\$600,292 CAD) (Note 4)
- Cryptocurrencies amounting to \$1,585,000 USD (\$2,162,416 CAD) (Note 7)

From the components of the agreement below:

- The convertible notes have no maturity date.
- The Company will issue a variable number of shares upon conversion and ultimate settlement of the debt.
- The holder is entitled to receive cash or other financial assets from the Company (IFRS 9, paragraph 4.2.1).
- The first and second tranche of SAFE Notes has a total principal amount of \$3,498,377 CAD (\$2,564,229 USD) and total carrying value of \$3,072,825 CAD (\$2,252,309 USD) as at June 30, 2025 (June 30, 2024 - \$3,235,517 CAD (1,534,228.63 USD)). The SAFE notes were discounted using the 6.7% and a new estimated maturity date on June 30, 2027.
- The third tranche of SAFE Notes has a total principal amount of \$3,661,695 CAD (\$2,683,937 USD) and total carrying value of \$3,324,431 CAD (\$2,436,730 USD) as at June 30, 2025 (June 30, 2024 - \$Nil). The SAFE notes were discounted using a rate of 4.95% with an estimated maturity date on June 30, 2027.
- If the Company has any Future Token* Offerings, then the Investor shall be entitled to receive, at no cost, a portion of the Tokens being distributed in Future Token Offerings on a pro-rata basis.
*Coin or Token means any form of sale, grant, distribution, private sale or the public sale of cryptographic coins or tokens via a private placement, initial coin offering, blockchain or otherwise.
- No interest is payable on the Advance Subscription in any circumstance. No amount of the Advance Subscription is repayable by the Company in any circumstance, but such amount may be converted into shares.

The instruments are classified as financial liabilities until conversion takes place in line with IFRS 9, financial instruments.

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10. SAFE NOTES (Continued)

Conversion terms:

- The Advance Subscription shall automatically convert into Conversion Shares at the Conversion Price, and the Company shall issue and allot to the Subscriber (or as the Subscriber shall direct) the number of fully paid Conversion Shares to which it is entitled in event of financing round, liquidation event, long stop date, and insolvency.
- The Conversion Shares so allotted and issued shall be in full satisfaction and discharge of all obligations of the Company under this agreement to the Subscriber and this agreement shall terminate automatically and immediately on completion of such conversion.

Interest and Discount rate:

- SAFE notes bear no interest and is therefore discounted using a discount rate of 6.7% for tranche 1 and 2 and 4.95% for tranche 3. The carrying value of SAFE notes is \$6,612,871 CAD (June 30, 2025 - \$6,397,256 CAD) and is estimated to be converted September 30, 2027.

The following table summarizes the Company's SAFE notes transactions as at December 31, 2025, and the year ended June 30, 2025. The table below is expressed in CAD:

	December 31, 2025	June 30, 2025
	\$	\$
Balance, beginning of the period	6,397,256	3,235,517
Additions	-	3,661,695
Interest	188,165	261,304
Discount	-	(762,459)
Effect of exchange rate	27,450	1,199
Balance, end of the period	6,612,871	6,397,256

As at December 31, 2025, no SAFE note was converted, and no equity was issued by the Company in relation to this note.

11. LOANS PAYABLE

In December 2025, the Company opened a new line of credit with a principal amount of 105,895 USD or (\$148,624.01 CAD) in return for stablecoins used to purchase a bitcoin (Note 7). The loan is due on demand with an interest rate of 18.90% per annum subject to reduction of principal sum. The Company used 2.01 Bitcoin as a collateral for the loan with a condition that if the value of the collateral reached the liquidation limit of 134,697 USD, partial loan payments will be initiated automatically.

The following table summarizes the Company's loans transactions as at December 31, 2025, and the year ended June 30, 2025. The table below is expressed in CAD:

	December 31, 2025	June 30, 2025
	\$	\$
Balance, beginning of the period	-	-
Additions	148,624	-
Interest	4,252	-
Effect of exchange rate	(1,909)	-
Balance, end of the period	150,967	-

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12. SHARE CAPITAL

Authorized

As at December 31, 2025, the Company had authorized unlimited common shares and has 151,570,595 common shares outstanding (June 30, 2025 - 143,297,258).

Equity Activity

A summary of share transactions is as follows:

- i) As at December 31, 2025, the Company issued 8,273,337 shares upon the exercise of warrants at a price of \$0.075 per share, with the aggregate proceeds of \$620,500. The transaction also resulted in a decrease in warrant amounting to \$206,315 (Note 13).
- ii) As at June 30, 2025, the Company issued 17,479,500 shares upon the exercise of warrants and options. A total of 17,292,000 warrants and 187,500 options were exercised at a price of \$0.075 and \$0.05 per share, with the aggregate proceeds of \$1,296,900 and \$9,375. The transaction also resulted in a decrease in warrant and options value \$466,662 and \$6,316, respectively (Note 13).
- iii) On February 07, 2025, the Company issued 1,020,000 shares upon vesting of restricted share units granted to certain directors and officers of the company (Note 14).
- iv) On December 23, 2024, the Company completed a non-brokered private placement for gross proceeds of \$1,400,000, which will support Blockmate's pursuit of industry leadership in blockchain innovation and underscores its commitment to sustainable and transformative technology. In connection with completion of the offering, the company has issued 14,000,000 units at a price of \$0.10 per unit. Each unit consists of one common share, and one common share purchase warrant exercisable to acquire a further common share at a price of \$0.50 until December 23, 2027.
- v) On July 14, 2023, the Company issued 2,830,761 shares to settle outstanding debt related to the wages payable (Note 18) amounting to \$141,538. The Company reached agreements with directors, officers of the company, and two arm's-length creditors to settle outstanding indebtedness totaling \$141,538 through the issuance of 2,830,761 common shares at a deemed price of \$0.05 per share. On the date of issuance, the shares issued had a fair market value of \$0.05 per share.

13. WARRANTS AND OPTIONS RESERVES

Warrants

The following table summarizes the Company's warrant activities during the six months ended December 31, 2025 and the year ended June 30, 2025:

	Number	Weighted Average Exercise Price
		\$
Outstanding, June 30, 2024	34,465,337	0.075
Granted	14,000,000	0.500
Expired	-	-
Exercised	(17,292,000)	0.075
Outstanding, June 30, 2025	31,173,337	
Granted	-	-
Expired	(500,000)	-
Exercised (Note 12)	(8,273,337)	0.075
Outstanding, December 31, 2025	22,400,000	

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13. WARRANTS AND OPTIONS RESERVES (Continued)

Outstanding share warrants as at December 31, 2025 are summarized below:

Grant date	Number of warrants	Exercise price	Expiry date
		\$	
20-Jun-2023	8,400,000	0.075	20-Jun-2026
23-Dec-2024	14,000,000	0.500	23-Dec-2027
Total	22,400,000		

During the period ended December 31, 2025, no warrants were granted, 8,273,337 warrants were exercised and 500,000 warrants expired. The exercise of warrants resulted to recognition of decrease warrant value amounting to \$206,315.

During the year ended June 30, 2025, 14,000,000 warrants were granted in connection to private placement (Note 12), 17,292,000 warrants were exercised, and no warrants expired. The exercise of warrants resulted to recognition of decrease warrant value amounting to \$466,662.

As at December 31, 2025, the total outstanding warrants of 22,400,000 has a weighted average exercise price of \$0.34 and average remaining 1.41 years to exercise before expiry date (June 30, 2025 - total outstanding warrants of 31,173,337 has a weighted average exercise price of \$0.27 and average remaining 1.48 years to exercise before expiry date.)

The fair value of the warrants was estimated using the Black Scholes option pricing model and the following assumptions:

Grant date	December 23, 2024	June 15, 2023
Share Price as at date of grant	\$0.210	\$0.060
Exercise Price	\$0.500	\$0.075
Risk-Free Annual Interest	2.97%	3.88%
Annualized Volatility	219.27%	364.94%
Expected Life of Option	36 months	36 months
Expected Annual Dividend	0%	0%

A summary of share warrants transactions is as follows:

On December 23, 2024, the Company completed a non-brokered private placement and issued 14,000,000 units at a price of \$0.10 per unit. Each unit consists of one common share, and one common share purchase warrant exercisable to acquire a further common share at a price of \$0.50 until December 23, 2027.

The gross proceeds of \$1,400,000 were allocated to common shares and share warrants based on the relative fair value. The Company recognized \$730,580 common shares and \$669,420 share warrants in relation to this transaction. No finder's fees or commissions were paid by the company in connection with completion of the offering.

Options

The Company has a stock option plan (the "Plan") in place under which it is authorized to grant options to acquire common shares of the Company to directors, officers, consultants and other key employees of the Company. The number of common shares subject to options granted under the Plan are limited to 10% in the aggregate, and 5% with respect to any one optionee, of the number of issued and outstanding common shares of the Company at the date of the grant of the option.

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13. WARRANTS AND OPTIONS RESERVES (Continued)

Options (Continued)

The following table summarizes the Company's option activities during the six months ended December 31, 2025 and year ended June 30, 2025:

	Number	Exercise Price
		\$
Outstanding, June 30, 2024	7,550,000	0.050
Granted	5,625,000	0.210
Exercised	(187,500)	0.050
Outstanding, June 30, 2025	12,987,500	
Granted	-	-
Exercised	-	-
Outstanding, December 31, 2025	12,987,500	

Outstanding share options as at December 31, 2025 are summarized below:

Grant date	Number of options	Exercise price	Expiry date
		\$	
27-Oct-2023	7,362,500	0.05	27-Oct-2028
23-Dec-2024	25,000	0.21	23-Dec-2029
23-Dec-2024	5,000,000	0.21	23-Dec-2028
23-Dec-2024	600,000	0.21	23-Dec-2027
Total	12,987,500		

A summary of options transactions is as follows:

- i) On December 23, 2024, the Company granted a total is 5,625,000 share options exercisable at \$0.21 per share to certain directors, officers and consultants to the company. Options for 625,000 shares vest immediately, of which 25,000 is exercisable within 5 years and 600,000 is exercisable within 3 years. The remaining 5,000,000 options vest quarterly over a 24-month period and are exercisable for a period of 4 years. 2,725,000 of the options granted required ratification of omnibus plan from shareholders and on July 23, 2025, the shareholder has approved the options grant.

During the period ended, December 31, 2025, the options had 1,295,745 vesting portion resulting to recognition of share-based compensation amounting to \$195,384 (2025 - \$Nil) (Note 18).

The fair value of the options was estimated using the Black Scholes option pricing model and the following assumptions:

	25,000 options	600,000 options	2,275,000 options	2,725,000 options
Share Price	\$0.21	\$0.21	\$0.21	\$0.115
Exercise Price	\$0.21	\$0.21	\$0.21	\$0.21
Risk-Free Annual Interest	2.97%	2.97%	2.97%	2.97%
Annualized Volatility	194.71%	219.27%	201.52%	201.52%
Expected Life of Option	5 years	3 years	4 years	4 years
Expected Annual Dividend	0%	0%	0%	0%
Vesting	immediately	immediately	24 months	24 months
Fair Value	\$0.20	\$0.20	\$0.20	\$0.11

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13. WARRANTS AND OPTIONS RESERVES (Continued)

Options (Continued)

- ii) On October 27, 2023, the Company granted 7,550,000 incentive stock options to certain directors, officers and consultants to the company. With 146,938,374 securities on issue after issue of these options, these incentive options will represent 5.5% of the fully diluted capital. The options vest quarterly over a 24-month period and are exercisable at a price of \$0.50 until Oct. 27, 2028.

During the period ended December 31, 2025, the 7,550,000 options has fully vested. The vesting portion of 193,510 options results to recognition of share-based compensation amounting to \$6,518 (2024 - \$222,259 for 6,598,359 vesting portion) (Note 18). 187,500 of these options were exercised at a price of \$0.05 per share valued at \$6,316 (Note 12).

The fair value of the options was estimated using the Black Scholes option pricing model and the following assumptions:

	As at October 27, 2023
Share Price	\$0.035
Risk-Free Annual Interest	4.05%
Annualized Volatility	188.79%
Expected Life of Option	5 years
Expected Annual Dividend	0%
Fair Value	\$0.03

During the period ended December 31, 2025, no options were granted, exercised or expired.

As at December 31, 2025, the total outstanding options of 12,987,500 has a weighted average exercise price of \$0.12 and remaining 2.85 years to exercise before expiry date (June 30, 2025 - total outstanding options of 12,987,500 has a weighted average exercise price of \$0.12 and remaining 3.35 years to exercise before expiry date).

14. RSU RESERVES

The following table summarizes the Company's RSU activities during the six months ended December 31, 2025 and year ended June 30, 2025:

	Number	Weighted Average Share Price
		\$
Outstanding, June 30, 2024	2,520,000	0.450
Granted	1,200,000	0.210
Vested and issued	(1,020,000)	0.450
Outstanding, June 30, 2025	2,700,000	0.210
Granted	-	-
Vested and issued	-	-
Outstanding, December 31, 2025	2,700,000	0.210

Outstanding RSU as at December 31, 2025 are summarized below:

Grant date	Number of RSU	Share price	Vest date
7-Feb-24	1,500,000	\$0.450	7-Feb-2025
23-Dec-24	1,200,000	\$0.21	23-Dec-2025
Total	2,700,000		

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14. RSU RESERVES (Continued)

A summary of RSU transactions is as follows:

- i) On December 23, 2024, the Company granted 1,200,000 restricted share units to certain directors and officers of the company. RSU granted required ratification of omnibus plan from shareholders and on July 23, 2025, the shareholder has approved the RSU grant

The RSU has a fair value of \$138,000 and vest after 12 months. For the period ended December 31, 2025, the 1,200,000 RSU has fully vested. The vesting portion of 578,630 RSU results to recognition of share-based compensation of \$65,975 (2024 - \$Nil) (Note 18).

The fair value of the RSU was estimated using the following:

	As at December 23, 2024
Share price – based on the share value closest date to approval date	\$0.115
RSU Granted	1,200,000
Vesting period	12 months
Fair Value	\$138,000

As at December 31, 2025, certain officers elected to defer conversion of 1,200,000 restricted share units.

- ii) On February 07, 2024, the Company granted 2,520,000 restricted share units to certain directors and officers of the company in lieu of the wages payable amounting to \$93,324. The RSUs were granted in accordance with the omnibus incentive plan adopted by the company and has vested and converted into common shares on February 07, 2025 (Note 12). The share price as at date of grant is \$0.045 and is valued \$113,400, resulting to a loss on debt settlement of \$20,076.

The fair value of the RSU was estimated using the following:

	As at February 07, 2024
Share price	\$0.045
RSU Granted	2,520,000
Vesting period	12 months
Fair Value	\$113,400

On February 07, 2025, the Company issued 1,020,000 shares upon vesting of restricted share units granted to certain directors and officers of the company (Note 12). Certain officers elected to defer conversion of 1,500,000 restricted share units.

As at December 31, 2025, the total outstanding RSU of 2,700,000 has fully vested. During the period ended December 31, 2025, no RSUs were granted or converted to shares.

15. DSU RESERVES

On December 23, 2024, the Company granted 5,000,000 deferred share units to certain directors and officers of the company. DSU granted required ratification of omnibus plan from shareholders and on July 23, 2025, the shareholder has approved the DSU grant.

DSU vest after 12 months but will only be settled in common shares of the company upon the departure of the holder from the company. For the period ended December 31, 2025, 5,000,000 DSU has fully vested. The vesting portion of 2,410,959 results to recognition of share-based compensation amounting to \$277,260 (Note 18).

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15. DSU RESERVES (Continued)

The fair value of the DSU was estimated using the following:

	As at December 23, 2024
Share price – based on the share value closest date to approval date	\$0.115
DSU Granted	5,000,000
Vesting period	12 months
Fair Value	\$575,000

As at December 31, 2025, the total outstanding DSU of 5,000,000 has fully vested. During the period ended December 31, 2025, no DSUs were granted or converted to shares.

16. NON-CONTROLLING INTEREST

On November 14, 2024, HVL, a subsidiary, entered into a stock purchase agreement and issued 465 of its common stock to unrelated parties, resulting in 4% of the ownership interest held by non-controlling shareholders.

Reconciliation of non-controlling interest as follows:

	December 31, 2025	June 30, 2025
Beginning Balance	(280,186)	(63,050)
Non-controlling interest share in net loss	(39,570)	(217,136)
Ending Balance	(319,756)	(280,186)

17. LICENSE INCOME

On January 1, 2025, Hivello Holdings, a subsidiary, entered into a license agreement with an external party to receive 70% of the Token Sale Profit of the Licensee for two years with automatic renewal for successive one year period. In return, Hivello provides the Licensee a right to use its various technologies and intellectual property, including plans for a token economy based on a \$HVLO token and Hivello web2 application ("Application").

The Company is entitled to profit from token sales, calculated as Token Sale Proceeds less Reasonable Expenses.

- Token Sale Proceeds represent the total revenue generated by the Licensee from the sale of \$HVLO tokens.
- Reasonable Expenses include costs incurred by the Licensee in connection with the token sale, such as legal and administrative costs.

During the six months ended December 31, 2025, the company recognized a total of \$146,955 license income, payment of which was received through crypto assets (Note 7) (December 31, 2024 - \$Nil).

18. KEY MANAGEMENT COMPENSATION AND RELATED PARTY TRANSACTIONS

Related parties and related party transactions impacting the accompanying financial statements are summarized below and include transactions with the following individuals or entities:

Key management personnel:

Key management personnel include those persons having authority and responsibility for planning, directing and controlling the activities of the Company as a whole. The Company has determined that key management personnel consist of executive and non-executive members of the Company's Board of Directors and corporate officers.

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18. KEY MANAGEMENT COMPENSATION AND RELATED PARTY TRANSACTIONS (Continued)

Remuneration attributed to key management personnel can be summarized as follows:

	For the three months ended		For the six months	
	December 31, 2025	December 31, 2024	ended December 31, 2025	ended December 31, 2024
	\$	\$	\$	\$
Salaries and benefits (Included in director fees, and wages)	25,000	14,583	50,000	14,583
Consulting fees (Included in professional & consulting fees)	36,000	78,465	72,000	151,917
Share-based compensation (Note 13,14, and 15)	251,189	304,555	545,138	335,978
Total	312,189	397,603	667,138	502,478

The amount loans from directors and related parties in the statements of financial position is \$181,515 as at December 31, 2025 (June 30, 2025 - \$69).

As at December 31, 2025, the Company has \$83,622 (June 30, 2025 - \$147,864) outstanding accounts payable due to related parties. Out of these payables \$6,250 (June 30, 2025 - \$6,250) is due to a former director of the Company and a company the former director controls.

19. CAPITAL MANAGEMENT

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition and development of its intangible assets. The capital of the Company consists of shareholders' equity. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The Company has not generated significant revenues and is in the process of executing and developing its marketing plan; as such, the Company is dependent on external financing to fund its activities. In order to carry out the planned budget, the Company will spend its existing working capital and raise additional amounts as needed.

Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during the six months ended December 31, 2025, and the year ended June 30, 2025. The Company is not subject to externally imposed capital requirements.