

FORM 5

QUARTERLY LISTING STATEMENT

Name of Listed Issuer: BITZERO HOLDINGS INC. (the “Issuer”).

Trading Symbol: BITZ.U

This Quarterly Listing Statement must be posted on or before the day on which the Issuer’s unaudited interim financial statements are to be filed under the *Securities Act*, or, if no interim statements are required to be filed for the quarter, within 60 days of the end of the Issuer’s first, second and third fiscal quarters. This statement is not intended to replace the Issuer’s obligation to separately report material information forthwith upon the information becoming known to management or to post the forms required by the Exchange Policies. If material information became known and was reported during the preceding quarter to which this statement relates, management is encouraged to also make reference in this statement to the material information, the news release date and the posting date on the Exchange website.

General Instructions

- (a) Prepare this Quarterly Listing Statement using the format set out below. The sequence of questions must not be altered nor should questions be omitted or left unanswered. The answers to the following items must be in narrative form. When the answer to any item is negative or not applicable to the Issuer, state it in a sentence. The title to each item must precede the answer.
- (b) The term “Issuer” includes the Listed Issuer and any of its subsidiaries.
- (c) Terms used and not defined in this form are defined or interpreted in Policy 1 – Interpretation and General Provisions.

There are three schedules which must be attached to this report as follows:

SCHEDULE A: FINANCIAL STATEMENTS

Financial statements are required as follows:

For the first, second and third financial quarters interim financial statements prepared in accordance with the requirements under Ontario securities law must be attached.

If the Issuer is exempt from filing certain interim financial statements, give the date of the exempting order.

A copy of the Issuer’s unaudited interim condensed consolidated financial statements for the three months ended December 31, 2025 and December 31, 2024 is attached hereto as Appendix “A” (the “Financial Statements”).

SCHEDULE B: SUPPLEMENTARY INFORMATION

The supplementary information set out below must be provided when not included in Schedule A.

1. Related party transactions

Provide disclosure of all transactions with a Related Person, including those previously disclosed on Form 10. Include in the disclosure the following information about the transactions with Related Persons:

- (a) A description of the relationship between the transacting parties. Be as precise as possible in this description of the relationship. Terms such as affiliate, associate or related company without further clarifying details are not sufficient.

Please refer to note 20 on page 21 of the Financial Statements for the disclosure of related party transactions.

- (b) A description of the transaction(s), including those for which no amount has been recorded. **See answer in 1(A).**
- (c) The recorded amount of the transactions classified by financial statement category. **See answer in 1(A).**
- (d) The amounts due to or from Related Persons and the terms and conditions relating thereto. **See answer in 1(A).**
- (e) Contractual obligations with Related Persons, separate from other contractual obligations. **See answer in 1(A).**
- (f) Contingencies involving Related Persons, separate from other contingencies. **See answer in 1(A).**

2. Summary of securities issued and options granted during the period.

Provide the following information for the period beginning on the date of the last Listing Statement (Form 2A):

- (a) summary of securities issued during the period,

Please refer to note 23(b) on page 27 of the Financial Statements for a summary of the securities issued during the period.

- (b) summary of options granted during the period,

Please refer to note 23(c) on page 29 of the Financial Statements for a summary of the options issued during the period.

3. Summary of securities as at the end of the reporting period.

Provide the following information in tabular format as at the end of the reporting period:

- (a) description of authorized share capital including number of shares for each class, dividend rates on preferred shares and whether or not cumulative, redemption and conversion provisions,

Please refer to note 23(a) on page 27 of the Financial Statements for a description of the authorized share capital.

- (b) number and recorded value for shares issued and outstanding,

Please refer to note 23(a) on page 27 of the Financial Statements for the number and recorded value of shares issued and outstanding.

- (c) description of options, warrants and convertible securities outstanding, including number or amount, exercise or conversion price and expiry date, and any recorded value, and

Please refer to note 23(c) on page 28 of the Financial Statements for a description of options.

Please refer to note 23(d) on page 30 of the Financial Statements for a description of warrants.

- (d) number of shares in each class of shares subject to escrow or pooling agreements or any other restriction on transfer.

There are no shares subject to escrow or pooling agreements or any other restriction on transfer.

4. List the names of the directors and officers, with an indication of the position(s) held, as at the date this report is signed and filed.

Mohammed Bakhawain – CEO and Director

Igor Kostoutchenko – CFO

Claudia Di Iorio – Director

Giovanni Gaudenzi – Director

Gilles Sequin – Director and Corporate Secretary

SCHEDULE C: MANAGEMENT DISCUSSION AND ANALYSIS

Provide Interim MD&A if required by applicable securities legislation.

Copy of the Issuer's management's discussion and analysis for the three months ended December 31, 2025 is attached hereto as Appendix "B".

Certificate Of Compliance

The undersigned hereby certifies that:

1. The undersigned is a director and/or senior officer of the Issuer and has been duly authorized by a resolution of the board of directors of the Issuer to sign this Quarterly Listing Statement.
2. As of the date hereof there is no material information concerning the Issuer which has not been publicly disclosed.
3. The undersigned hereby certifies to the Exchange that the Issuer is in compliance with the requirements of applicable securities legislation (as such term is defined in National Instrument 14-101) and all Exchange Requirements (as defined in CNSX Policy 1).
4. All of the information in this Form 5 Quarterly Listing Statement is true.

Dated March 5, 2026

Igor Kostoutchenko
Name of Director or Senior Officer

"Igor Kostoutchenko"
Signature

Chief Financial Officer
Official Capacity

Issuer Details Name of Issuer BITZERO HOLDINGS INC.	For Quarter Ended December 31, 2025	Date of Report YY/MM/DD 26/03/05
Issuer Address 1100 One Bentall Centre, 505 Burrard Street, Suite 1100		
City/Province/Postal Code Vancouver/ British Columbia/ V7X 1M5	Issuer Fax No. N/A	Issuer Telephone No. 44 (777) 303-0394
Contact Name Igor Kostoutchenko	Contact Position CFO	Contact Telephone No. 437-374-5035
Contact Email Address igor@kpcpa.ca	Web Site Address https://bitzero.com/	

BITZERO HOLDINGS INC.
(FORMERLY WBM CAPITAL CORP.)

Interim Condensed Consolidated Financial Statements
For the three-month
period ended December 31, 2025 and December 31, 2024
(expressed in United States Dollars, unless otherwise stated)

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

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For the three-month period ended December 31, 2025 and December 31, 2024

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BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Interim condensed consolidated statement of loss and comprehensive loss

For the three-month period ended December 31, 2025 and December 31, 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

	Note	2025	2024
		\$	\$
Revenue from digital assets mined	6	7,495,738	4,926,371
Direct costs	7	(6,924,878)	(6,062,803)
		570,860	(1,136,432)
Administrative expenses	8	1,149,879	1,286,096
Finance costs	9	3,499,824	127,520
Marketing expenses	10	451,013	275,209
		5,100,716	1,688,825
Operating loss before other items		(4,529,856)	(2,825,257)
Share-based expenses	11	12,708,387	50,000
Foreign exchange (gain) loss		(846,805)	4,524,063
Realized loss (gain) from sale of digital currency	12	21,298	(1,286,430)
Loss on contract settlement		-	50,440
Gain on derivative financial instruments	21(c),21(d)	(4,328,146)	-
		7,554,734	3,338,073
Loss before income taxes		(12,084,590)	(6,163,330)
Income tax	13	-	-
Net loss		(12,084,590)	(6,163,330)
Revaluation loss (gains) on digital currency	12	328,261	(1,061,402)
(Gain) loss on translation of foreign operations		(316,084)	1,465,752
		12,177	404,350
Total comprehensive loss		(12,096,767)	(6,567,680)
Loss per share			
Basic	13	(0.28)	(0.18)
Diluted	13	(0.28)	(0.18)

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Interim condensed consolidated statement of financial position

As at December 31, 2025 and September 30, 2025

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

	Note	December 31, 2025	September 30, 2025
		\$	\$
ASSETS			
<i>Non-current</i>			
Property, plant and equipment	18	27,734,514	28,556,661
Construction in progress	16, 18	3,183,568	3,377,689
Right-of-use assets	19	2,937,024	-
Restricted cash	21(c)	2,000,000	2,000,000
Prepays and deposits, non-current portion		1,569,524	1,590,551
		37,424,630	35,524,901
<i>Current</i>			
Indirect taxes recoverable	17	1,033,369	534,992
Prepays and deposits		6,234,821	72,035
Accounts receivable	22	-	380,093
Digital currency	12	1,474,415	753,211
Cash held in trust		2,336,631	2,973,500
Cash and cash equivalents		8,121,992	2,501,986
		19,201,228	7,215,817
TOTAL ASSETS		56,625,858	42,740,718
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	23	114,390,263	101,014,316
Contributed surplus	12,21(c),21(d)	18,956,519	6,840,775
Debenture reserve	20(c)	54,733	54,733
Accumulated other comprehensive loss		(13,491,462)	(13,479,285)
Accumulated losses		(93,664,418)	(81,579,828)
<i>Total equity</i>		26,245,635	12,850,711
<i>Non-current liabilities</i>			
Settlement liability, non-current portion	21(a)	1,276,411	1,641,501
Loans payable, non-current portion	21(c)	6,523,619	14,682,013
Lease liability, non-current portion	21(b)	2,176,446	-
Convertible promissory note	21(d)	2,556,408	-
		12,532,884	16,323,514
<i>Current liabilities</i>			
Accounts and other payables	20(a),21(a)	7,643,632	7,309,701
Contingent consideration payable	14	1,760,547	1,760,547
Settlement liability, current portion	21(a)	1,218,679	1,222,364
Loans payable, current portion	21(c)	1,865,524	1,554,867
Related party advances	20(a)	148,800	150,794
Convertible debentures	20(c)	1,630,463	1,568,220
Derivative liability	21(b),21(d)	3,579,694	-
		17,847,339	13,566,493
<i>Total liabilities</i>		30,380,223	29,890,007
TOTAL EQUITY AND LIABILITIES		56,625,858	42,740,718
GOING CONCERN	2(b)		
CONTINGENT LIABILITIES	24		
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APPROVED ON BEHALF OF THE BOARD

Mohammed Salah S. Bakhashwain

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Interim condensed consolidated statement of changes in shareholders' equity
For the three-month periods ended December 31, 2025 and December 31, 2024
(Unaudited – Expressed in United States Dollars, unless otherwise noted)

	Note	Share capital	Contributed surplus	Debtenture reserve	Accumulated other comp- rehensive loss	Accumulated losses	Total equity
		\$	\$	\$	\$	\$	\$
Balance at September 30, 2024		81,662,446	8,193,421	54,733	(11,054,084)	(65,031,486)	13,825,030
Subscriptions	23(a)	4,703,000	-	-	-	-	4,703,000
Exercised RSUs	11(a)	657,491	(657,491)	-	-	-	-
Share based expenses	11	50,000	-	-	-	-	50,000
Total comprehensive loss for the year		-	-	-	404,350	(6,163,330)	(5,758,980)
Balance, at December 31, 2024		87,072,937	7,535,930	54,733	(10,649,734)	(71,194,816)	12,819,050
Balance, at September 30, 2025		101,014,316	6,840,775	54,733	(13,479,285)	(81,579,828)	12,850,711
Share based expenses	11, 20(a)	-	12,708,387	-	-	-	12,708,387
Exercised RSUs	11, 23(b)	11,453,464	(11,453,464)	-	-	-	-
Exercised warrants	20(c),21(d)	195,873	-	-	-	-	195,873
Exercised convertible debt	20(d)	264,018	-	-	-	-	264,018
Shares issued for services	11, 23(b)	854,885	(842,902)	-	-	-	11,983
Subscriptions	23(a)	607,707	-	-	-	-	607,707
Issuance of warrants	20(c),20(d),23(d)	-	11,703,723	-	-	-	11,703,723
Total comprehensive loss for the year		-	-	-	(12,177)	(12,084,590)	(12,096,767)
Balance, at December 31, 2025		114,390,263	18,956,519	54,733	(13,491,462)	(93,664,418)	26,245,635

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Interim condensed consolidated statement of cash flows

For the three-month periods ended December 31, 2025 and December 31, 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

	2025	2024
	\$	\$
CASH FROM (USED IN) OPERATING ACTIVITIES		
Net loss for the period	(12,084,590)	(6,163,330)
<i>Adjustment for non-cash items:</i>		
Share-based expenses	12,708,387	50,000
Depreciation of property, plant and equipment	2,347,226	3,031,085
Amortization of right-of-use assets	72,218	214,642
Shares issued for services rendered	11,983	-
Recognition of ROU asset	(3,009,242)	-
Recognition of lease liability	3,916,032	-
Interest on long-term debt	3,071,976	-
Interest on settlement liability	231,223	-
Interest on convertible debt	62,243	51,002
Equity classification of loan proceeds	(3,332,850)	-
Interest on lease liability	53,947	-
Operating cash flow before changes in non-cash working capital	4,048,553	(2,816,601)
<i>Adjustment for non-cash working capital:</i>		
Indirect taxes recoverable	(498,377)	(766,432)
Prepays and deposits	(6,141,758)	(1,020,851)
Accounts receivable	380,093	(298,389)
Digital currencies	(7,591,018)	(8,063,461)
Accounts and other payables	333,931	(125,000)
Settlement liability, current portion	-	594,101
	(9,468,576)	(12,496,633)
CASH (USED IN) FROM INVESTING ACTIVITIES		
Purchase of property, plant, and equipment	(1,330,958)	(2,873,792)
Proceeds on sale of digital assets	6,541,553	7,618,905
	5,210,595	4,745,113
CASH FROM (USED IN) FINANCING ACTIVITIES		
Issuance of common shares	607,707	4,703,000
Payment of settlement liability	(650,000)	-
Repayment on long term debt	(350,000)	-
Loan proceeds received, net	8,245,000	-
Advance (repayment) of related party balances	(1,994)	131,940
Repayment of lease liability	(1,793,533)	(30,172)
Cash interest paid	(1,111,137)	-
Convertible promissory note proceeds	3,928,990	917,075
	8,875,033	5,721,843
Net change in cash and cash equivalents	4,617,052	(2,029,677)
Cash held in trust, beginning of period	2,973,500	-
Cash and cash equivalents, beginning of period	2,501,986	687,226
Effects of exchange rate changes on cash and cash equivalents	366,085	1,726,147
	10,458,623	383,696
Cash held in trust, end of period	2,336,631	-
Cash and cash equivalents, end of period	8,121,992	383,696

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

1. GENERAL INFORMATION

Bitzero Holdings Inc. (the “Company” or “Bitzero”) was incorporated under the Canada Business Corporations Act on August 26, 2006 and was continued into British Columbia under the Business Corporations Act (British Columbia) on June 4, 2024. The Company’s head and registered office is located at Suite 1100, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia V7X 1M5.

Bitzero has cryptocurrency mining activities in Norway, solely focused on the mining of Bitcoin. The business of Bitcoin mining focuses on the utilization of specialized equipment to solve complex computational problems to validate transactions on the Bitcoin blockchain and receiving Bitcoin in return for successful services.

These mining activities are conducted by Exanorth AS (“Exanorth”), a Norwegian limited liability entity that is a wholly owned subsidiary of Bitzero Holdings Inc., which holds a data center in Norway (the “Data Center”) for the provision of data processing services for the mining of digital currency.

(a) Reverse takeover

On November 19, the Company completed a reverse takeover transaction pursuant to the terms of an amalgamation agreement dated November 3, 2025, among WBM Capital Corp. (“WBM”), 1555476 B.C. Ltd. (“155 BC”), a wholly owned subsidiary of WBM, and Bitzero Blockchain Inc. (“Blockchain”). Under the transaction, Blockchain amalgamated with 155 BC to form an amalgamated corporation that become a wholly owned subsidiary of WBM. In connection with the transaction, WBM changed its corporate name to “Bitzero Holdings Inc.” and the Company completed a 10-for-1 common share consolidation. All share and per share information presented in these condensed interim financial statements have been adjusted retrospectively to reflect the share consolidation.

2. BASIS OF PREPARATION

(a) Statement of compliance

The interim condensed consolidated financial statements of the Company have been prepared in accordance with International Accounting Standards (“IAS”) 34 – Interim Financial Reporting prepared using accounting policies consistent with International Financial Reporting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”) and interpretations of the IFRS Interpretations Committee (“IFRIC”). These interim condensed consolidated financial statements do not include all of the information required for full annual consolidated financial statements and should be read in conjunction with the audited consolidated financial statements for the year ended September 30, 2025. These interim condensed consolidated financial statements were approved by the Board of Directors on February 24, 2026.

(b) Going concern

The directors have, at the time of approving the interim condensed consolidated financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

2. BASIS OF PREPARATION (CONT'D)

(b) Going concern (cont'd)

As at December 31, 2025, the Company had an accumulated deficit of \$93,664,418 (2025 – \$81,579,828) and has working capital surplus of \$1,353,889 (2025 – deficit of \$6,350,676). Whether and when the Company can generate sufficient cash flows to pay for its expenditures and settle its obligations as they fall due is uncertain.

To address the going concern risk, the Company continues to seek equity financing alternatives to support ongoing operations, monitor general and administrative expenses compared to budget, and optimize its operating processes. Further details regarding subsequent equity raises are provided in **Note 25**.

(c) Basis of consolidation

These interim condensed consolidated financial statements include the accounts of the Company and subsidiaries. Subsidiaries are entities controlled by the Company. The financial transactions of subsidiaries are included in the consolidated financial statements from the date control is obtained. 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.

Intercompany balances, transactions, income, and expense are eliminated and gains or losses on intercompany transactions are eliminated. Where the Company does not own 100% of the subsidiary or associate, non-controlling interest is classified as a component of equity.

The accounting policies of subsidiaries are the same as those of the Company.

Subsidiary	Ownership at 31-Dec-25	Ownership at 30-Sep-25	Country of incorporation
Bitzero Blockchain Inc.	100%	100%	Canada
Exanorth AS	100%	100%	Norway
Bitzero Inc.	100%	100%	Barbados
Bitzero ND I	100%	100%	United States
Bitzero ND II	100%	100%	United States
Zetanorth AS	100%	100%	Norway
Bitzero Finland Oy	100%	100%	Finland

(d) Presentation and functional currency

These interim condensed consolidated financial statements are presented in United States Dollars (“\$”), which is the Company's functional currency. Foreign operations are included in accordance with the policies set out in **Note 5**. The functional currency of all subsidiaries is the United States Dollar except for Exanorth and Zetanorth AS, whose functional currency is the Norwegian Krone (“kr”) and Bitzero Finland Oy, whose functional currency is the Euro (“€”).

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements
For the three-month periods ended December 31, 2025 and 2024
(Unaudited – Expressed in United States Dollars, unless otherwise noted)

3. MATERIAL ACCOUNTING POLICY INFORMATION

(a) New and revised IFRS Accounting Standards in issue but not yet effective

At the date of authorisation of these consolidated financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective for the Company's consolidated financial statements for the periods presented:

IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 is a comprehensive new standard on presentation and disclosure that will modify the structure and content of the primary consolidated financial statements and related notes. It is expected to affect presentation and disaggregation, including new defined subtotals in the statement of profit or loss.

Application for IFRS 18 is required for annual reporting periods beginning on or after January 1, 2027. The Company does not intend to early apply IFRS 18 and plans to apply it starting on October 1, 2027.

The Company is in the process of reviewing the impact of IFRS 18 on its consolidated financial statements in future periods.

4. REVERSE TAKEOVER

On November 19, 2025, the Company completed a reverse takeover transaction (the "Reverse Takeover") pursuant to the terms of an amalgamation agreement dated November 3, 2025, among WBM, 155 BC, a wholly owned subsidiary of WBM, and Blockchain. The Reverse Takeover was completed by way of a triangular amalgamation under the Business Corporations Act (British Columbia) whereby Blockchain amalgamated with 155 BC to form the amalgamated corporation, which became a wholly owned subsidiary of WBM.

(a) Accounting for the Reverse Takeover

Although WBM is the legal parent, Blockchain is the accounting acquirer because the former shareholders of Blockchain obtained control of the combine entity following completion of the Reverse Takeover. Accordingly, these condensed consolidated interim financial statements are presented as a continuation of Blockchain, and the comparative figures presented are those of Blockchain and its subsidiaries.

The Company determined that WBM did not meet the definition of a business for accounting purposes. As a result, the Reverse Takeover is not accounted for as a business combination. Instead, the transaction is accounted for as a share-based payment in accordance with IFRS 2, whereby Blockchain is deemed to have issued equity instruments in exchange for (i) the identifiable net assets of WBM and (ii) the service of obtaining WBM's public listing status. The excess of the fair value of the deemed equity instruments issued over the fair value of the identifiable net assets acquired is recognized as a listing expense in profit or loss.

As part of the Reverse Takeover, the Company completed a 10-for-1 common share consolidation. All share and per share information presented in these condensed consolidated interim financial statements has been adjusted retrospectively to reflect the share consolidation.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***4. REVERSE TAKEOVER (CONT'D)****(b) Deemed consideration and listing expense**

For purposes of accounting for the Reverse Takeover, the fair value of the consideration deemed transferred was measured by reference to the fair value of WBM common shares held by WBM's pre-transaction shareholders immediately following completion of the Reverse Takeover. WBM had 250,000 common shares issued and outstanding immediately prior to the Reverse Takeover and issued an additional 4,112,954 common shares prior to completion of the Reverse Takeover to settle indebtedness, resulting in 4,362,954 WBM common shares outstanding.

The fair value of the deemed consideration was calculated as 4,362,954 WBM common shares multiplied by an estimated fair value per share of approximately \$0.0355 (USD), resulting in total deemed consideration of \$154,886. The Company acquired cash of \$11,984 as the identifiable net assets of WBM. WBM accounts payable of \$94,068 was settled as part of the transaction steps and was not assumed at the Reverse Takeover date. The excess of the deemed consideration over the identifiable net assets acquired was recognized as a listing expense.

A summary of the consideration and net assets acquired is as follows:

	Amount
	\$
Fair value of deemed consideration (WBM shares)	154,886
Fair value of consideration acquired	
Cash	11,984
Excess of deemed consideration over net assets acquired	142,902

(c) Equity presentation

For equity presentation purposes, the consolidated share capital structure reflects that of WBM as the legal parent, while the retained earnings (accumulated deficit) and other reserves reflect those of Blockchain immediately prior to the Reverse Takeover. WBM's pre-combination equity balances do not carry forward in the consolidated financial statements.

5. OPERATING SEGMENTS

In measuring its performance, the Company does not distinguish or group its operations on a geographical or any other basis and accordingly has a single reportable operating segment. Management has applied judgment by aggregating its operating segments into one single reportable segment for disclosure purposes. Such judgment considers the nature of the operations and an expectation of operating segments within a reportable segment with similar long-term economic characteristics.

The Company's Chief Executive Officer is the chief operating decision-maker and regularly reviews the Company's operations and performance on an aggregate basis. The Company does not have any significant customers or any significant groups of customers.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***5. OPERATING SEGMENTS (CONT'D)**

For the periods ended December 31, 2025 and 2024, the Company presents one reportable operating segment as the entirety of the Company's non-current assets are domiciled in Norway and the entirety of the Company's revenue is generated from its operations in Norway.

While non-operating liabilities and equity financing activities are primarily located in North America, this geographic distinction does not alter the conclusion that the Company has a single reportable segment.

6. REVENUE

The Company derives its revenue from contracts with customers for the transfer of services. The provision of digital asset mining services are recognized over time.

7. DIRECT COSTS

	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24
	\$	\$
Utilities	3,352,155	2,687,450
Depreciation of property, plant and equipment	2,347,226	3,031,085
Amortization of right-of-use assets	997,039	214,642
Salaries and wages	128,746	65,163
Remote monitoring and support services	72,218	29,388
Small equipment rental	27,494	35,075
	<hr/> 6,924,878	<hr/> 6,062,803

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***8. ADMINISTRATIVE EXPENSES**

	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24
	\$	\$
Legal fees	557,247	594,714
Consulting fees	201,737	387,555
Occupancy costs	117,323	22,037
Travel	110,001	60,032
Professional fees	91,161	111,059
Insurance	36,724	19,256
Subcontracts	21,590	21,247
Office and general	14,096	11,770
Settlements and penalties	-	58,426
	<u>1,149,879</u>	<u>1,286,096</u>

9. FINANCE COSTS

	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24
	\$	\$
Interest on loans and other payables	3,157,902	54,495
Bank charges	288,899	2,407
Interest on lease liabilities	53,947	72,172
Finance income	(924)	(1,554)
	<u>3,499,824</u>	<u>127,520</u>

10. MARKETING EXPENSES

	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24
	\$	\$
Public relations	390,701	-
Marketing and promotion	37,673	250,000
Other	22,639	16,404
Advertising	-	8,805
	<u>451,013</u>	<u>275,209</u>

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***11. SHARE-BASED EXPENSES**

	Note	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24
		\$	\$
Restricted stock units	(a)	11,344,063	-
Stock options	23(c)	521,422	-
Shares issued for services	4, 21(b)	842,902	50,000
		12,708,387	50,000

(a) Restricted stock units

The Company's 2022 Restricted Share Unit Plan (the "RSU Plan") allows the Company to award restricted share units to officers, employees, directors and consultants of the Company upon such conditions as the Board may establish, including the attainment of performance goals recommended by the Company's compensation committee. RSUs are equity-settled and, upon vesting, are settled through the issuance of common shares of the Company, net of any statutory withholdings, where applicable.

The purchase price for common shares of the Company issuable under each Restricted Share Unit ("RSU") award, if any, shall be established by the Board at its discretion. Common shares issued pursuant to any RSU award may be made subject to vesting conditions based upon the satisfaction of service requirements, conditions, restrictions, time periods or performance goals established by the Board.

The RSUs are recognized as share-based compensation expense over the vesting period which is the lesser of: (i) the occurrence of one of the pre-defined liquidity events in the RSU notice, and (ii) 5 years after the grant date.

In connection with the reverse takeover transaction completed during the period, outstanding RSUs were adjusted to represent rights to receive common shares of the legal parent and were subject to the 10-for-1 consolidation in accordance with the transaction terms.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

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*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***11. SHARE-BASED EXPENSES (CONT'D)****(a) Restricted stock units (cont'd)**

A continuity of RSUs is as follows:

	RSUs Granted #	RSUs Vested #	Amount \$
September 30, 2024	34,596,100	12,571,233	12,842,332
Issued	-	-	-
Vested	-	-	-
Exercised	(3,000,000)	(3,000,000)	(657,491)
	31,596,100	9,571,233	12,184,841
Share consolidation ratio	0.10	0.10	1.00
December 31, 2024	3,159,610	957,123	12,184,841
September 30, 2025	48,476,100	9,571,233	17,255,001
Issued	1,000,000	-	400,000
Vested	-	35,654,867	-
Exercised	(45,226,100)	(45,226,100)	(11,453,464)
	4,250,000	-	6,201,537
Share consolidation ratio	0.10	0.10	1.00
December 31, 2025	425,000	-	6,201,538

During the period ended December 31, 2025, share-based compensation expense for the Company's RSUs was \$11,344,064 (2024 - nil). The fair value of each share-based payment transactions was estimated on the date of the grant, based on the present value of the underlying equity, with the following weighted-average assumptions:

	Oct 14, 2025
Estimated stock price at time of grant	\$ 0.40
Number of periods to exercise, in years	0.10
Compounded risk-free rate	n/a
Dividend yield	0.00%
Exercise price	\$ -
Volatility	115%
Discount for lack of marketability	0.00%

As at December 31, 2025 a total of 425,000 had vested and were outstanding (2024 – 9,571,233 RSUs on a pre-consolidation basis, equivalent to 957,123 on a post-consolidation basis).

12. DIGITAL CURRENCY

The Company holds digital currencies, consisting of Bitcoin cryptocurrency, which are accounted for as intangible assets with an indefinite useful life in accordance with IAS 38. The digital currencies are initially recognized at cost and subsequently measured at fair value.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

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(Unaudited – Expressed in United States Dollars, unless otherwise noted)

12. DIGITAL CURRENCY (CON'TD)

The Company revalues its digital currencies at the end of each reporting period based on their fair value. The fair value is determined using the quoted price in an active market at the reporting date. Any revaluation gain or loss arising from changes in the fair value is recognized in the consolidated statements of loss and comprehensive loss.

The table below reconciles the opening and ending balances of digital assets in USD:

	Coins	Amount
	#	\$
Balance, as at September 30, 2024	38.01	2,490,936
Cryptocurrency mined, net of pool mining fees	256.76	25,073,401
Sold	(284.40)	(27,836,486)
Other ¹	(2.76)	(1,254,048)
Foreign exchange adjustment	-	(3,580)
Realized gain	-	1,593,273
Revaluation gain	-	689,715
Balance, as at September 30, 2025	7.61	753,211
Cryptocurrency mined, net of pool mining fees	75.71	7,495,738
Sold	(70.01)	(6,541,553)
Other	4.40	112,983
Foreign exchange adjustment		3,595
Realized gain		(21,298)
Revaluation gain		(328,261)
Balance, as at December 31, 2025	17.71	1,474,415

¹In December 2024, a lender paid \$917,075 in the form of 9.21 BTC to a supplier on behalf of the Company. In June 2025, the Company repaid the lender \$1,254,048 in the form of 11.97 BTC which included interest of \$336,973.

13. INCOME TAX

The Company has assessed its tax position as at September 30, 2025, and for the year then ended. Based on this assessment, the Company has determined that there is no income tax expense for the current reporting period.

The reconciliation of the Canadian statutory income tax rate to the effective tax rate is as follows:

	2025	2024
Net loss before income taxes	(12,084,590)	(6,163,330)
Statutory tax rate	26.5%	26.5%
Statutory income tax recovery	(3,202,416)	(1,633,282)
Non-deductible expenses	-	-
Non-taxable income	-	-
Tax loss carry forward	(3,202,416)	(1,633,282)
Non-recognition of income tax recovery on losses	3,202,416	1,633,282
Income tax expense	-	-

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***13. INCOME TAX (CONT'D)**

The Company performs its income tax reconciliation using the effective income tax rate of the parent, which is 26.5%. The Company's operating subsidiary's effective income tax rate is 22%. A continuity of losses at the parent level is as follows:

Year of losses	Year of expiry	Amount
		\$
2021	2041	4,251,671
2022	2042	10,096,810
2023	2043	3,235,798
2024	2044	1,633,282
2025	2045	4,385,311
2026	2046	3,202,416
		<u>26,805,289</u>

The Company recognizes a valuation allowance in the full amount of the tax loss carry forward as at December 31, 2025 and 2024.

In accordance with IAS 12, Income Taxes, the Company recognizes deferred tax assets only when it is probable that sufficient taxable profit will be available against which the deductible temporary differences and the carry-forward of unused tax credits can be utilized. As of the reporting date, the Company concluded that such criteria were not met. Due to the uncertainty regarding the realization of deferred tax assets in future periods, the Company has not recognized any deferred tax assets in the consolidated financial statements.

14. ACQUISITIONS**(a) Exanorth AS**

On August 6, 2021, the Company entered into an arrangement with a third party to acquire call options on the issued and outstanding shares of Exanorth AS, along with various rights to lease real estate property on which Exanorth AS conducted its operations, for aggregate consideration of \$12,556,913. The Company used the Black-Scholes option pricing model to determine the fair value of the call options as follows: exercise prices of €15,504 to €65,804 (15,192 USD to 64,481 USD) per share; the expected volatility of its common shares was set at 20 to 42% using historical volatility of comparable public companies; the risk-free interest rate was set at -0.04 to 0.54% based on the yield available on government benchmark bonds; the expected life was set at 1.1577 to 1.1761 years; and the dividend yield was set at 0%.

Call options on 66% of Exanorth AS were exercised in conjunction with a Share Purchase Agreement and its subsequent amendments dated October 22, 2021 and included transfers of common shares of the Company, deferred cash consideration, settlement of pre-existing loans, and transaction costs, totaling \$8,457,415 in aggregate fair market value.

The remaining 34% was acquired by way of execution of a call option on the remaining 102 shares in Exanorth AS on October 29, 2021 which required the Company to pay \$2,547,160 prior to February 25, 2022. Considering the short amount of time before execution of the option and the payment of consideration, no discount was applied.

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14. ACQUISITIONS (CONT'D)**(a) Exanorth AS (cont'd)**

As part of consideration in the acquisition of the 34%, contingent consideration, dependent on future performance of the Company in the public market, was included and presented as a liability. As the contingent consideration would only result in additional cash consideration to be paid in such an event, management concluded that the acquisition of Exanorth AS had completed.

Its fair value was determined to be \$1,552,338 based on a third-party valuation report along with management's best estimate of the likelihood of occurrence of said future performance at the reporting date. The contingent consideration was revalued during 2023 to \$1,760,547 resulting in a gain of \$139,453.

As at December 31, 2025 (2024 – nil), there has been no further change to the fair value of the contingent consideration, as there have been no changes in the underlying circumstances affecting management's previous estimate of fair value.

(b) Bitzero Finland Oy

On January 23, 2025, the Company purchased 100 shares of Bitzero Finland Oy (formerly Ahold XVIII Oy), domiciled in Finland, representing 100% of issued share capital of the acquiree. The Company's intent is to expand its operations into Finland at a later date.

15. LOSS PER SHARE

	2025	2024
	\$	\$
Basic net loss per share		
Numerator		
Net loss attributable to shareholders	(12,084,590)	(6,163,330)
Denominator		
Weighted-average common shares outstanding	43,777,831	33,850,540
Basic net loss per share attributable to shareholders	(0.28)	(0.18)
Diluted net loss per share attributable to shareholders	(0.28)	(0.18)

All per share amounts and weighted-average common shares outstanding have been adjusted retrospectively to reflect the 10-for-1 share consolidation effected during the period.

16. CONSTRUCTION IN PROGRESS

Construction in progress consists of buildings, utilities and other infrastructure which is in the process of being constructed for use in continuing operations. As at and for the period ended December 31, 2025, these assets have not yet been deployed in the active business, and as such have not been amortized.

Refer to **Note 18** for these details.

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For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***17. INDIRECT TAXES RECOVERABLE**

Indirect taxes recoverable consists of all accounts tracking value-added taxes payable and recoverable

	December 31, 2025	September 30, 2025
	\$	\$
VAT recoverable	775,523	227,282
GST/HST recoverable	273,055	322,550
Advance tax withholding	(15,209)	(14,840)
	1,033,369	534,992

The VAT recoverable was derived from the business operations of Exanorth. The GST/HST recoverable is derived from the portion of sales taxes paid by Bitzero Blockchain Inc. that are eligible for recovery in connection with its role as a management company providing services to the Company during the period ended December 31, 2025 and 2024.

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*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***18. PROPERTY, PLANT AND EQUIPMENT**

	Land	Buildings	Private utilities	Technology infrastructure	Mining Equipment	Sub-total	Construction-in-progress	Total
	\$	\$	\$	\$	\$	\$	\$	\$
COST								
Balance, September 30, 2024	452,000	1,399,019	9,478,650	1,155,866	35,960,697	48,446,232	5,100,145	53,546,377
Additions <i>(Note (a))</i>	145,334	184,172	1,237,353	14,297	18,444,624	20,025,780	(1,360,740)	18,665,040
Translation adjustments	38,633	19,717	328,916	3,800	4,903,001	5,294,067	(361,716)	4,932,351
Balance, September 30, 2025	635,967	1,602,908	11,044,919	1,173,963	59,308,322	73,766,079	3,377,689	77,143,768
Additions	1,068,943	64,813	78,525	13,776	-	1,226,057	(153,356)	1,072,701
Disposals	-	-	-	-	(432,184)	(432,184)	-	(432,184)
Translation adjustments	284,150	17,229	20,874	3,662	(114,884)	211,031	(40,765)	170,266
Balance, December 31, 2025	1,989,060	1,684,950	11,144,318	1,191,401	58,761,254	74,770,983	3,183,568	77,954,551
ACCUMULATED AMORTIZATION								
Balance, September 30, 2024	-	575,353	1,334,178	125,978	26,844,237	28,879,746	-	28,879,746
Additions	-	74,205	654,719	71,893	10,669,942	11,470,759	-	11,470,759
Translation adjustments	-	15,733	138,814	15,243	2,262,249	2,432,039	-	2,432,039
Balance, September 30, 2025	-	665,291	2,127,711	213,114	39,776,428	42,782,544	-	42,782,544
Additions	-	21,440	211,284	3,800	2,110,702	2,347,226	-	2,347,226
Translation adjustments	-	(4,240)	(48,446)	16,484	(483,973)	(520,175)	-	(520,175)
Balance, December 31, 2025	-	682,491	2,290,549	233,398	41,403,157	44,609,595	-	44,609,595
ACCUMULATED IMPAIRMENT								
Balance, September 30, 2024	-	60	217,698	7,835	2,201,281	2,426,874	-	2,426,874
Balance, September 30, 2025	-	60	217,698	7,835	2,201,281	2,426,874	-	2,426,874
Balance, December 31, 2025	-	60	217,698	7,835	2,201,281	2,426,874	-	2,426,874
NET BOOK VALUE								
Balance, September 30, 2024	452,000	823,606	7,926,774	1,022,053	6,915,179	17,139,612	5,100,145	22,239,757
Balance, September 30, 2025	635,967	937,557	8,699,510	953,014	17,330,613	28,556,661	3,377,689	31,934,350
Balance, December 31, 2025	1,989,060	1,002,399	8,636,071	950,168	15,156,816	27,734,514	3,183,568	30,918,082

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*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***19. RIGHT-OF-USE ASSETS**

Exanorth AS previously held a right-of-use asset arises from a contract to lease equipment to be deployed and utilized at the data mining center. This right-of-use asset was depreciated using straight-line method from the commencement date of the lease to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, which is 34 months. This lease was cancelled as part of the settlement agreement with the customer during the period ended September 30, 2025.

The Company's right-of-use assets also includes office leases entered into by Bitzero ND I, LLC and Bitzero ND II, LLC. These office leases are for the North Dakota office space locations which have been leased for a period of 60 months. The lease for Bitzero ND II, LLC was cancelled during the year ended September 30, 2024. The lease for Bitzero ND I LLC was cancelled during the year ended September 30, 2025, resulting in a loss of \$113,089.

The following tables summarize the Company's right-of-use assets:

<i>December 31, 2025</i>	Opening balance	Additions (dispositions)	Closing balance
	\$	\$	\$
COST			
Mining equipment	-	3,916,032	3,916,032.00
Transformer housing and container for Exanorth	-	-	-
Office space for ND I	-	-	-
Office space for ND II	-	-	-
	-	3,916,032	3,916,032
ACCUMULATED AMORTIZATION			
Mining equipment	-	(979,008)	(979,008)
Transformer housing and container for Exanorth	-	-	-
Office space for ND I	-	-	-
Office space for ND II	-	-	-
	-	(979,008)	(979,008)
NET BOOK VALUE			
Mining equipment	-	2,937,024	2,937,024
Transformer housing and container for Exanorth	-	-	-
Office space for ND I	-	-	-
Office space for ND II	-	-	-
	-	2,937,024	2,937,024

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*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***19. RIGHT-OF-USE ASSETS (CONT'D)**

<i>September 30, 2025</i>	Opening balance	Additions (dispositions)	Closing balance
	\$	\$	\$
COST			
Transformer housing and container for Exanorth	2,485,297	(2,485,297)	-
Office space for ND I	289,133	(289,133)	-
Office space for ND II	-	-	-
	2,774,430	(2,774,430)	-
ACCUMULATED AMORTIZATION			
Transformer housing and container for Exanorth	1,719,554	(1,719,554)	-
Office space for ND I	118,217	(118,217)	-
Office space for ND II	-	-	-
	1,837,771	(1,837,771)	-
NET BOOK VALUE			
Transformer housing and container for Exanorth	765,743	(765,743)	-
Office space for ND I	170,916	(170,916)	-
Office space for ND II	-	-	-
	936,659	(936,659)	-

20. RELATED PARTY DISCLOSURES**(a) Key management personnel transactions**

Key management includes the Company's directors, officers and any consultants with the authority and responsibility for planning, directing, and controlling the activities of an entity, directly or indirectly, and includes Chief Executive Officer, Chief Financial Officer, Chief Technical Officer. Amounts owing to related parties consists of amounts due to key management.

During the periods ended December 31, 2025 and 2024, key management personnel compensation consisted of short-term and long-term benefits and remuneration, and was classified as follows:

	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24
Total compensation paid to key management	166,433	123,888
Share-based payments	7,776,463	-
	7,942,896	123,888

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20. RELATED PARTY DISCLOSURES (CONT'D)**(a) Key management personnel transactions (cont'd)**

As of December 31, 2025 and September 30, 2025, amounts due to related parties consisted of the following:

	December 31, 2025	September 30, 2025
	\$	\$
Balances included in accounts and other payables	-	95,758
Related party advances	148,800	150,794

The balances are unsecured, due on demand and bear no interest, unless otherwise disclosed.

(b) Key management dispute

The Company filed a lawsuit against its former CEO, for employment-related matters. The former CEO has filed a countersuit for damages against the Company. The likelihood and magnitude of the amounts in dispute are not determinable as at the date of these consolidated financial statements and, as such, no provision has been recorded thereon.

(c) Convertible debentures

On August 10, 2021, the Company obtained an unsecured convertible loan from the Company's CEO, ("CEO Loan"), in the principal amount of \$1,000,000. The CEO Loan shall bear no interest prior to the maturity date. As and from the maturity date, any outstanding balance of the loan shall bear interest at an annual rate of 15% per annum, compounded semi-annually. The Company must repay the loan immediately upon the earliest of the date (the "Maturity Date") of the occurrence of the following events: (i) the Company receiving gross funds from investors participating in the Company's current round of equity financing totaling \$10,000,000 or more, or (ii) the Company having public market value/capitalization on a recognized Canadian stock exchange of at least \$50,000,000 or (iii) CEO ceasing to be the Chairman and CEO of the Company for any reason whatsoever, other than his voluntary resignation.

After the Maturity Date, the Company may also elect, at its sole discretion, to convert the amount of the loan in whole or in part into common shares of the Company at a price of CAD \$0.40 per common share.

The Company allocated the proceeds of \$1,000,000 as follows: first to liability component for \$945,267, with the residual value to the equity component for \$54,733. The debenture has not been converted or repaid subsequent to the period end.

During the period-ended December 31, 2025, interest expense of \$57,471 (2024 - \$51,002) was recorded on this balance.

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*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***21. BORROWINGS AND PAYABLES**(a) Accounts and other payables

	December 31, 2025	September 30, 2025
	\$	\$
Trade payable	6,001,453	4,818,584
Accrued liabilities	1,594,828	2,456,989
Wages and remittances payable	47,351	34,128
Settlement amount due, current portion	1,218,679	1,222,364
Settlement amount due, non-current portion	1,276,411	1,641,501

The Company entered into a settlement agreement with a customer, for hosting services, relating to deposits received in advance amounting to \$5.1 million approximately. The deposit related to increase in megawatt supply and related services. The Company has paid \$500,000 in March 2025, \$561,680 upon receipt of deposits from the Company's energy provider, and the remaining amount in 27 monthly installments of \$150,000 until July 2027; the impact of discounting amounting to \$1,252,663 (2025 – nil) is presented in statement of loss and comprehensive loss as a separate line item (see **Note 22** for other terms of settlement).

The undiscounted payment schedule, discounted value, and segregation between current and non-current portions of the settlement amount are as follows:

Year	Amount \$
2026	1,650,000
2027	1,000,000
2028	590,688
Settlement value, undiscounted	3,240,688
Discount rate	20%
Settlement value, discounted	2,495,090
Current portion	1,218,679
Non-current portion	1,276,411

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*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***21. BORROWINGS AND PAYABLES (CONT'D)****(b) Lease liabilities**

The Company has entered into several lease agreements in accordance with IFRS 16, Leases, pertaining to its right-of-use assets (**Note 19**). As of December 31, 2025, the liabilities arising from these leases were assessed as follows:

	December 31, 2025	September 30, 2025
	\$	\$
Opening aggregate lease liability	-	2,117,539
Recognition of lease liability	3,916,032	-
Cancellations	-	(2,159,539)
Interest	53,947	72,172
Repaid during the year	(1,793,533)	(30,172)
Closing aggregate lease liability	2,176,446	-
Current portion	-	-
Non-current portion	2,176,446	-

The weighted average incremental rates during the period ended December 31, 2025 is 15% (2024 – 15%) per annum.

(c) Senior secured loan

In June 2025, Bitzero Blockchain Inc. entered into a senior secured loan and guaranty agreement with a syndicate of lenders providing for up to \$25 million in debt financing, to be advanced in two tranches. The initial tranche of \$17,510,000 was approved and net proceeds of \$16,190,944 were received on August 1, 2025, after deducting the original issue discount and professional fees.

The delayed draw advance of \$8,245,000 was funded on November 24, 2025. The lenders were not obligated to fund the delayed draw, and the advance was subject to (i) timely delivery of a borrowing notice, (ii) total delayed draw borrowings not exceeding the available capacity, (iii) completion of due diligence, site visits and underwriting and receipt of credit approval, and (iv) the absence of any default or event of default at the time of funding.

In connection with the financing, the Company issued warrants to the lenders to purchase common shares. The warrants issued in connection with the initial tranche provide for the purchase of 4% of the Company's shares on a fully diluted basis at an exercise price of \$0.10 per share. The warrants issued in connection with the delayed draw advance provide for the purchase of 1% of the Company's shares on a fully diluted basis at an exercise price of \$0.10 per share. The warrants are exercisable for a period of 5 years following the completion of the reverse takeover. In December 2025, 50,000 of these warrants were exercised. The warrants issued in connection with the first and second draw were classified as equity instruments on initial recognition and are not subsequently remeasured (see Note 23(d)).

In addition, under the terms of the loan agreement, \$10,245,000 of the principal loan balance is convertible into common shares at a conversion price of \$4.00 per share. The conversion feature embedded in the loan is accounted for as a derivative liability and is measured at fair value through profit or loss at each reporting date.

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*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***21. BORROWINGS AND PAYABLES (CONT'D)****(c) Senior secured loan (cont'd)**

The loan bears interest at the greater of (i) Term SOFR plus 11% per annum and (ii) 14% per annum, payable monthly in arrears. It matures 36 months from closing, with principal amortization commencing six months after the initial funding date.

The loan agreement requires the Company to maintain, at all times, a minimum cash balance of \$2,000,000 in one or more bank accounts that are subject to account control arrangements specified by the lenders. At the reporting date, the Company held \$2,000,000 as cash in trust to satisfy this covenant. This amount is shown as restricted cash on the statement of financial position and is not available for general corporate purposes because its use would cause a breach of the covenant.

No portion of the required minimum balance was held in Bitcoin at the reporting date. The requirement to maintain this balance will continue for so long as the loan remains outstanding or until the covenant is amended or waived.

The loan is secured by a pledge of the \$2,000,000 cash minimum in a lender controlled deposit account, account control agreements over specified deposit accounts, a blanket first priority lien on substantially all assets of the Company and certain subsidiaries, first priority pledges of 100 percent of the equity interests in Exanorth AS and Zetanorth AS, first priority fixed charges over Exanorth AS assets including a mortgage over real estate in Namsskogan, Norway, and a mortgage over North Dakota real estate owned by Bitzero ND I, LLC.

	Amount
	\$
Balance, September 30, 2024	-
Proceeds	16,190,944
Interest	715,410
Accretion	45,936
Principal repayment	-
Interest payments	(715,410)
Balance, September 30, 2025	16,236,880
Proceeds	8,245,000
Interest	1,111,137
Accretion	1,960,839
Principal repayment	(350,000)
Interest payments	(1,111,137)
Classification of equity components	(17,703,576)
Balance, December 31, 2025	8,389,143
Current portion	1,865,524
Non-current portion	6,523,619

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***21. BORROWINGS AND PAYABLES (CONT'D)**(c) Senior secured loan (cont'd)

	Amount
	\$
Loan balance, undiscounted, September 30, 2024	-
Additions	17,510,000
Payments	-
Loan balance, undiscounted, September 30, 2025	17,510,000
Delated draw	8,245,000
Payments	(350,000)
Loan balance, undiscounted, December 31, 2025	25,405,000
2026	3,622,200
2027	7,244,400
2028	14,538,400
Loan balance, undiscounted, December 31, 2025	25,405,000

(d) Convertible promissory note

During the period ended December 31, 2025, the Company issued a subordinated convertible promissory note with a principal of \$2,853,990, bearing interest at 10% per annum and maturing 18 months after issuance. At the holder's option, the note is convertible into the Company's common shares at a conversion price of \$4.00 per share, based on the outstanding amount (principal and accrued interest). Interest is contractually intended to be settled via equity at maturity.

During the period ended December 31, 2025, the Company issued convertible promissory notes in the aggregate principal amount of \$1,075,000, with a 36-month term, convertible into common shares at a conversion price of \$4.00 per share, and bearing interest at 15% per annum. Each promissory note was issued with an associated warrant allowing the lender to acquire such number of common shares as is equal to the note's principal amount divided by the \$5.00 exercise price per share.

22. ACCOUNTS RECEIVABLE

In March 2025, Exanorth entered into a settlement agreement with a customer, as described in **Note 21(a)**. Under this agreement, an amount of \$3,064,555, corresponding to the invoiced amounts excluded VAT, was written off as a provision for settlement in fiscal 2024. As part of the terms of the settlement, Exanorth received equipment valued at \$678,138 in March 2025.

The remaining balance of \$831,187, relating to VAT previously charged, was recognized as a receivable as at September 30, 2024, and was fully collected by September 30, 2025.

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For the three-month periods ended December 31, 2025 and 2024
(Unaudited – Expressed in United States Dollars, unless otherwise noted)

22. ACCOUNTS RECEIVABLE (CONT'D)

For the year ended September 30, 2025, the Company recognized trade receivables of \$993,579. Included in trade receivables was \$766,857, of which \$613,486 was recognized in change in provision for uncollectible receivables. The remaining balance was collected during the period ended December 31, 2025.

	Amount
	\$
Total outstanding invoiced balance (incl. VAT)	4,149,719
Allocated to mining assets and VAT recoverable	(119,000)
Loss on settlement	(134,977)
Provision for settlement	(2,386,417)
Balance as at September 30, 2024	1,509,325
Receipt of equipment	(678,138)
Collection of VAT receivable	(831,187)
Trade receivable	993,579
Provision for uncollectible receivables	(613,486)
Balance as at September 30, 2025	380,093
Collection of VAT receivable	(380,093)
Balance as at December 31, 2025	-

23. EQUITY**(a) Authorized share capital**

The Company is authorized to issue an unlimited number of common shares, with no par values.

Share issuances	Shares	Share capital
	#	\$
Balance, pre-Reverse Takeover	479,522,030	113,775,486
Share consolidation ratio	0.10	1.00
Balance, post-Reverse Takeover	47,952,203	113,775,486
November 19, 2025	4,362,954	154,886
December 1, 2025	38,434	58,107
December 15, 2025	127,773	205,911
December 16, 2025	50,000	195,873
Balance, December 31, 2025	52,531,364	114,390,263

(b) Issued and outstanding share capital

During the period ended December 31, 2025, the Company completed a brokered private placement of 375,000 units for gross proceeds of \$1,500,000. Each unit comprised one common share and one common share purchase warrant, with each warrant exercisable to acquire one common share at an exercise price of \$4.00 for two years from the date of issuance.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***23. EQUITY (CONT'D)****(b) Issued and outstanding share capital (cont'd)**

Proceeds were allocated between the common shares and warrants based on their relative fair values, with \$892,293 allocated to the warrant component and \$607,707 allocated to share capital

During the period, the Company issued 4,522,610 common shares upon the settlement of vested RSUs for a non-cash increase in share capital of \$11,453,464, representing the reclassification of amounts recognized in equity for share-based compensation. The Company also issued 175,000 common shares as a finder's fee, increasing share capital by \$700,000.

In November 2025, the Company completed a go-public transaction in Canada structured as a triangular amalgamation under the Business Corporations Act (British Columbia) with WBM Capital Corp. ("WBM") and its wholly owned subsidiary, 1555476 B.C. Ltd, pursuant to an amalgamation agreement dated November 3, 2025. In connection with the transaction, the Company effected a 10-for1 consolidation of its common shares, resulting in a decrease in the number of issued and outstanding shares from 477,295,923 to 47,702,203, with no impact on total share capital.

Immediately prior to the transaction, WBM had 250,000 common shares issued and outstanding and issued an additional 4,112,954 common shares to settle indebtedness, resulting in 4,362,954 WBM common shares outstanding. Upon completion of the transaction, the consolidated share capital reflects the legal share capital of WBM.

Following the transaction, the Company issued 166,207 common shares upon the conversion of debt and 50,000 common shares upon the exercise of warrants, increasing share capital by \$264,018 and \$195,873, respectively.

As at December 31, 2025, the Company had 50,691,121 (2024 - 35,972,665) common shares issued and outstanding with total share capital of \$110,450,642 (2024 - \$87,072,937).

Details regarding the Q1 2026 shares issuances are as follows:

	Shares	Price	Proceeds	Share capital
	#	\$	\$	\$
Subscriptions	375,000	1.62	607,500	607,707
Exercised RSUs	4,522,610	2.53	n/a	11,453,464
Advisory shares	175,000	4.00	n/a	700,000
Shares issued for services	4,362,955	0.04	n/a	154,885
Exercised convertible debt	166,207	4.00	664,828	264,018
Exercised warrants	50,000	0.10	5,000	195,873
	9,651,772		1,277,328	13,375,947

(c) Options

The Company has a stock option plan (the "Stock Option Plan") under which the Board of Directors may grant to directors, officers, employees and technical consultants to the Company non-transferable options to purchase common shares, exercisable for periods of 3 to 5 years from the date of the grant.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***23. EQUITY (CONT'D)****(c) Options (cont'd)**

In connection with the reverse takeover transaction completed during the period, outstanding options were adjusted to represent rights to acquire common shares of the legal parent and were further adjusted to reflect the 10-for-1 common share consolidation. Accordingly, the number of options outstanding and the related weighted-average exercise prices presented below are shown on a post-consolidated basis. Comparative information is adjusted for the consolidation for comparability.

A summary of the stock options is as follows:

	Number	Weighted-average exercise price	Amount
	#	\$	\$
Balance, September 30, 2024	11,063,935	0.16	2,904,388
Exercised	(1,983,602)	0.05	(695,155)
Balance, September 30, 2025	9,080,333	0.16	2,209,233
Granted, November 19, 2025	1,600,000	0.40	521,422
Balance, pre-Reverse Takeover	10,680,333	0.22	2,730,655
Share consolidation ratio	0.10		0.10
Balance, December 31, 2025	1,068,033	2.21	273,066
Exercisable	1,018,033	2.22	2,621,408

December 31, 2025	Options outstanding	Weighted-average exercise price	Weighted-average remaining life
Vesting Conditions	#	\$	\$
Immediately	553,033	2.65	0.97
1/3 per year from grant date	305,000	0.50	0.35
Subsidiary reaches revenue of EUR 4 million	50,000	2.00	3.44
Date of the corporation's RTO	160,000	4.00	4.89
Outstanding, December 31, 2025	1,068,033	2.21	1.50
Exercisable, December 31, 2025	1,018,033	2.22	1.40

September 30, 2025	Options outstanding	Weighted-average exercise price	Weighted-average remaining life
Vesting Conditions	#	\$	\$
Immediately	553,033	2.65	1.47
1/3 per year from grant date	305,000	0.50	0.85
Subsidiary reaches revenue of EUR 4 million	50,000	2.00	3.94
Outstanding, September 30, 2025	908,033	1.89	1.40
Exercisable, September 30, 2025	858,033	1.89	1.25

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***23. EQUITY (CONT'D)****(c) Options (cont'd)**

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option pricing model with the following weighted average assumptions:

	19-Nov-25
Estimated stock price at time of grant	\$ 4.00
Exercise price of the option	\$ 4.00
Number of period to exercise, in year	5.00
Compounded risk-free rate	2.73%
Expected volatility	115%
Dividend yield	0%

(d) Warrants

The Company issued warrants in connection with the senior secured loan discussed in Note 21(c) and the convertible promissory notes described in Note 21(d). The warrants issued in connection with the convertible promissory notes were classified as a derivative liability and were revalued as at December 31, 2025.

In connection with the reverse takeover transaction completed during the period, outstanding warrants were adjusted to represent rights to acquire common shares of the legal parent and were further adjusted to reflect the 10-for-1 common share consolidation. Accordingly, the number of options outstanding and the related weighted-average exercise prices presented below are shown on a post-consolidated basis.

A summary of warrants is as follows:

	Number	Weighted- average exercise price	Amount
	#	\$	\$
Balance, September 30, 2025	-	-	-
Granted	32,934,800	0.09	11,376,391
Balance, pre-Reverse Takeover	32,934,800	0.09	11,376,391
Share consolidation ratio	0.10	0.10	1.00
Balance, post-Reverse Takeover	3,293,480	0.86	11,376,391
Exercised	(50,000)	0.10	195,873
Fair value changes	-	-	(252,132)
Balance, December 31, 2025	3,243,480	0.88	11,320,132
Exercisable	3,243,480	0.88	11,320,132

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***23. EQUITY (CONT'D)****(d) Warrants (cont'd)**

The fair value of the warrants were estimated on the date of the grant, as determined by using the Black-Scholes option pricing model with the following weighted average assumptions:

	Warrants, Equity	Warrants, Derivative liability
Estimated stock price at time of grant	\$ 4.00	\$ 4.00
Exercise price of the warrant	\$ 0.10	\$ 5.00
Number of period to exercise, in year	5.00	3.00
Compounded risk-free rate	2.86%	3.01%
Expected volatility	115%	83%
Dividend yield	0%	0%

The fair value of the warrants classified as a derivative liability were estimated as at December 31, 2025, as determined by using the Black-Scholes option pricing model with the following weighted average assumptions:

	Warrants, Derivative liability
Stock price at reporting date	\$ 2.35
Exercise price of the warrant	\$ 5.00
Number of period to exercise, in year	2.77
Compounded risk-free rate	2.90%
Expected volatility	83%
Dividend yield	0%

24. CONTINGENT LIABILITIES

In addition to the matter outlined in **Note 20**, the Company is involved in the following legal proceedings:

The Company filed a lawsuit against its former CEO, for employment-related matters. The Company seeks to cancel the issuance of shares and other equity instruments in the Company. The former CEO has filed a countersuit for damages against the Company. The likelihood and magnitude of the amounts in dispute are not determinable as at the date of these consolidated financial statements and, as such, no provision has been recorded thereon.

On February 7, 2024, a lawsuit was filed in North Dakota against the Company alleging breach of an unsigned employment contract, with claims totaling \$1,258,567 plus interest and costs. The Company is contesting the matter, and the outcome cannot presently be determined.

On May 14, 2025, a construction lien dispute was filed in North Dakota seeking \$131,545 for work performed prior to the Company's property acquisition. The claim has since been settled, pursuant to an agreement signed on October 29, 2025. For further details, refer to **Note 27**.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***24. CONTINGENT LIABILITIES (CONT'D)**

Management has concluded that the outcome of these proceedings, with the exception of the matter settled on October 29, 2025, cannot be determined and no provisions have been recorded.

25. FINANCIAL INSTRUMENTS**(a) Classes and categories of financial instruments and their fair values**

The following table combines information about: (i) Classes of financial instruments based on their nature and characteristics, (ii) The carrying amounts of financial instruments, (iii) Fair values of financial instruments, and (iv) Fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable: (i) Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities, (ii) 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 (iii) 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).

Financial assets

<i>December 31, 2025</i>	Level	FVTPL -	FVOCI	FVOCI -	Amortized
		mandatorily measured		designated	
	#	\$	\$	\$	\$
Restricted cash	N/A	-	-	-	2,000,000
Accounts receivable	N/A	-	-	-	-
Cash held in trust	N/A	-	-	-	2,336,631
Cash and cash equivalents	N/A	-	-	-	8,121,992
		-	-	-	12,458,623

<i>September 30, 2025</i>	Level	FVTPL -	FVOCI	FVOCI -	Amortized
		mandatorily measured		designated	
	#	\$	\$	\$	\$
Restricted cash	N/A	-	-	-	2,000,000
Accounts receivable	N/A	-	-	-	380,093
Cash held in trust	N/A	-	-	-	2,973,500
Cash and cash equivalents	N/A	-	-	-	2,501,986
		-	-	-	7,855,579

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

*(Unaudited – Expressed in United States Dollars, unless otherwise noted)***25. FINANCIAL INSTRUMENTS (CONT'D)****(a) Classes and categories of financial instruments and their fair values (cont'd)***Financial liabilities*

<i>December 31, 2025</i>	Level	FVTPL - designated	FVTPL - mandatorily measured	Amortized cost
	#	\$	\$	\$
Accounts and other payables	N/A	-	-	7,643,632
Settlement liability	N/A	-	-	2,495,090
Contingent consideration payable	Level 3	-	1,760,547	-
Lease liability	N/A	-	-	2,176,446
Related party advances	N/A	-	-	148,800
Loans payable	N/A	-	-	8,389,143
Convertible debentures	N/A	-	-	1,630,463
Derivative liability	Level 2	-	-	3,579,694
		-	1,760,547	26,063,268

<i>September 30, 2025</i>	Level	FVTPL - designated	FVTPL - mandatorily measured	Amortized cost
	#	\$	\$	\$
Accounts and other payables	N/A	-	-	7,309,701
Settlement liability	N/A	-	-	2,863,865
Contingent consideration payable	Level 3	-	1,760,547	-
Lease liability	N/A	-	-	-
Related party advances	N/A	-	-	150,794
Loans payable	N/A	-	-	16,236,880
Convertible debentures	N/A	-	-	1,568,220
		-	1,760,547	28,129,460

(b) Transfers

There were no transfers between Level 1, 2 and 3 during the current or prior period.

(c) Financial risk management

The Company has exposure to credit risk, liquidity risk, and market risk arising from financial instruments. Management considers credit risk and market risk to be low.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

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For the three-month periods ended December 31, 2025 and 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

25. FINANCIAL INSTRUMENTS (CONT'D)**(c) Financial risk management (cont'd)***Risk management framework (cont'd)*

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on liabilities (other than trade payables) over the next 60 days.

The Company also monitors the level of expected cash inflows on trade and other receivables, together with the expected outflows on trade and other payables.

The Company's exposure to liquidity risk is \$30,380,233 as at December 31, 2025 (2024 – \$29,890,007), for which the Company has cash of \$10,458,623 on hand to satisfy its liabilities (2024 – \$5,475,486). There have been no changes to the method for managing liquidity risk.

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. In order to reduce its credit risk, the Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. Allowance for doubtful accounts of nil was recorded in the period ended December 31, 2025 (fiscal 2025 - \$613,486) (see **Note 22**).

Cash and cash equivalents and restricted cash are held with reputable financial institutions. Counterparty exposure is monitored and considered low. Cash held in trust represents amounts held with the Company's lawyers which is restricted as per the loan agreement and are current in nature. Digital currencies are not financial assets and are outside expected credit loss measurement. Credit exposure is considered low as the Company extracts digital currencies from its mining pool on a daily basis.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

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For the three-month periods ended December 31, 2025 and 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

25. FINANCIAL INSTRUMENTS (CONT'D)**(c) Financial risk management (cont'd)***Credit risk (cont'd)*

Prepays and deposits consist of advances to vendors and refundable deposits. Counterparties are assessed and monitored, and no loss allowance has been recognized.

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 comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Company is mainly exposed to interest rate and currency risk.

Foreign currency risk

The Company is exposed to foreign currency risk primarily through its operations in multiple jurisdictions and transactions denominated in currencies other than its functional currency. Foreign currency risk arises from recognized assets and liabilities, as well as future commercial transactions that are denominated in a currency different from the functional currency of the Company entities. The Company monitors its exposure to foreign currency risk on an ongoing basis and uses derivative financial instruments, such as forward exchange contracts, to hedge significant foreign currency exposures when considered appropriate and as when required. The effectiveness of these hedging instruments is assessed regularly. However, the Company does not hedge all of its foreign currency exposures, and fluctuations in exchange rates could have a material impact on the Company's financial performance and position.

Interest rate risk

The Company's exposure to interest rate risk arises primarily from its variable-rate borrowings and lease liabilities. Changes in market interest rates can affect the Company's interest expense and the value of its financial liabilities. To manage interest rate risk, the Company may enter into interest rate swap agreements to convert variable-rate debt into fixed-rate debt, thereby reducing exposure to fluctuations in interest rates. Management regularly reviews the interest rate exposure and considers the potential impact of interest rate movements on its financial performance. However, there can be no assurance that these measures will fully mitigate the impact of interest rate fluctuations.

Digital currency risk

The Company is exposed to digital currency risk due to its holdings and transactions in cryptocurrencies. Digital currency risk arises from the volatility in the market prices of cryptocurrencies, which can fluctuate significantly due to various factors, including market demand, regulatory developments, and macroeconomic trends.

The Company manages its digital currency risk by monitoring market conditions and may engage in hedging activities, such as entering into derivative contracts, to mitigate the impact of adverse price movements. However, given the inherent volatility and the relatively nascent nature of digital currency markets, there remains a significant risk that the value of the Company's digital assets could experience substantial fluctuations, which could materially affect the Company's financial performance and position.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

25. FINANCIAL INSTRUMENTS (CONT'D)

(c) Financial risk management (cont'd)

Custody risk

The Company mines digital assets through a pool and transfers rewards from the pool to Company-controlled private wallets on a daily basis, and safeguards these holdings through a tiered wallet structure. Transactions are subject to segregation of duties and role-based approvals. Private keys are generated in controlled environments with encrypted, geographically separated backups and periodically refreshed. The Company does not use a third-party custodian to hold digital assets and exposure to the pool is minimized through daily withdrawals and monitoring. Wallet activity is reconciled and reviewed by management.

Loss of access risk

The loss of access to the private keys associated with the Company's Bitcoin holdings may be irreversible and could adversely affect an investment. An amount of Bitcoin is spendable only by whoever possesses the private key associated with the address on which the Bitcoin is held. To the extent a private key is lost, destroyed, or otherwise compromised, and no backup is accessible, the Company may be unable to access the associated Bitcoin. To mitigate this, the wallets are designed such that no single key, device, or individual is critical, encrypted back-ups and/or key-share arrangements are maintained in secure locations to enable controlled recovery.

Management reviews recoverability regularly. As of December 31, 2025, 17.71 Bitcoin equivalent to \$1,474,415 is held in private wallets (September 30, 2025 – 7.61 Bitcoin equivalent to \$753,211)(**Note 12**).

26. CAPITAL MANAGEMENT

The Company defines capital as its equity. The Company's objective when managing capital is: (i) to safeguard the ability to continue as a going concern so that it can continue to provide returns to shareholders and benefits to other stakeholders; and (ii) to provide an adequate return to shareholders by obtaining an appropriate amount of financing commensurate with the level of risk. The Company sets the amount of capital in proportion to the risk. The Company manages its capital structure and adjusts in light of the changes in economic conditions and the characteristic risk of underlying assets.

To maintain or adjust the capital structure, the Company may repurchase shares, return capital to shareholders, issue new shares, or sell assets to reduce debt. The Company is not subject to any externally imposed capital requirements. The Company's objective is met by retaining adequate liquidity to provide for the possibility that cash flows from assets will not be sufficient to meet operational, investing, and financing requirements. There have been no changes to the Company's capital management policies during the periods ended December 31, 2025 and 2024.

BITZERO HOLDINGS INC. (formerly WBM Capital Corp.)

Notes to the interim condensed consolidated financial statements

For the three-month periods ended December 31, 2025 and 2024

(Unaudited – Expressed in United States Dollars, unless otherwise noted)

27. SUBSEQUENT EVENTS

(a) Conversion of convertible promissory notes

In January 2026, a portion of the convertible notes described in Note 21(d) was converted into equity, resulting in the issuance of 51,971 common shares at a conversion price of \$4.00 per share.

(b) Exercise of RSUs

On January 19, 2026, restricted share units vested and were settled through the issuance of 400,000 common shares.

**BITZERO HOLDINGS INC.
(FORMERLY WBM CAPITAL CORP.)**

Management's Discussion and Analysis
For the three-month
period ended December 31, 2025

(expressed in United States Dollars, unless otherwise stated)

1. MANAGEMENT'S DISCUSSION AND ANALYSIS

This Management's Discussion and Analysis (this "MD&A") provides a review of the results of operations, financial condition and cash flows for Bitzero Holdings Inc. ("Bitzero" or the "Company"), on a consolidated basis, for the three-month period ended December 31, 2025.

This document should be read in conjunction with the information contained in the Company's unaudited interim condensed consolidated financial statements and related notes for the three months ended December 31, 2025 (the "Q1 Financial Statements"), which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). Unless otherwise indicated, all dollar ("\$") and "USD" amounts and references in this MD&A are in United States dollars.

Unless otherwise stated, in preparing this MD&A the Company has taken into account information available to it up to the date of this MD&A, **February 1, 2026**, being the date the Company's board of directors (the "Board") approved this MD&A and the corresponding financial statements. All quarterly information contained herein is unaudited.

This MD&A was written to comply with the requirements of National Instrument 51-102 – Continuous Disclosure Obligations. This MD&A contains information up to and including **February 1, 2026**.

2. CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

This MD&A contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Forward-looking information includes, but is not limited to, statements with respect to our objectives and the strategies to achieve these objectives, expected hashrate growth and fleet efficiency; anticipated expansion of capacity at the Norwegian facility; expected economies of hosting arrangements; liquidity and capital resources; the impact of the April 2028 Bitcoin halving on mining economics; and the timing and magnitude of planned equipment purchases, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions. Generally, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that infer actions, events or results with terminology such as "may", "could", "would", "might", "will be taken", "occur" or "be achieved".

Forward-looking information is provided for the purposes of assisting the reader in understanding the Company and its business, operations, prospects and risks at a point in time in the context of historical and possible future developments and, therefore, the reader is cautioned that such information may not be appropriate for other purposes.

Forward-looking information is based upon numerous assumptions and is subject to a number of known and unknown risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in or implied by such forward-looking information. These risks and uncertainties include, but are not limited to, the risk factors that are discussed in greater detail under "Risk Factors and Uncertainties".

Although the forward-looking information contained herein is based upon what we believe are reasonable assumptions, readers are cautioned against placing undue reliance on this information since actual results may vary from the forward-looking information. Certain assumptions were made in preparing the forward-looking information concerning availability of capital resources, business performance, market conditions, and customer demand.

2. CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION (CONT'D)

Forward looking information is based on the following material factors and assumptions: (i) average BTC prices and transaction fees within management's planning ranges; (ii) network difficulty consistent with recent trends; (iii) stable access to competitively priced hydroelectric power and grid availability in NO4; (iv) fleet uptime and curtailment consistent with historical performance and grid flexibility agreements; (v) the availability of mining equipment on disclosed timelines and budget; (vi) hosting customer demand and adherence to contractual terms. Actual results may differ materially due to risks and uncertainties described under "Risk Factors and Uncertainties".

Consequently, all of the forward-looking information contained herein is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation.

Forward-looking information is subject to the risks and uncertainties described under "Risk Factors and Uncertainties" in this MD&A. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

3. OVERVIEW AND SIGNIFICANT EVENTS

(a) General information

Bitzero Holdings Inc. (the "Company" or "Bitzero") was incorporated under the Canada Business Corporations Act on August 26, 2006 and was continued into British Columbia under the Business Corporations Act (British Columbia) on June 4, 2024. The Company's head and registered office is located at Suite 1100, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia V7X 1M5.

Bitzero has cryptocurrency mining activities in Norway, solely focused on the mining of Bitcoin. The business of Bitcoin mining focuses on the utilization of specialized equipment to solve complex computational problems to validate transactions on the Bitcoin blockchain and receiving Bitcoin in return for successful services.

These mining activities are conducted by Exanorth AS ("Exanorth"), a Norwegian limited liability entity that is a wholly owned subsidiary of Bitzero Holdings Inc., which holds a data center in Norway (the "Data Center") for the provision of data processing services for the mining of digital currency.

(b) Reverse takeover

On November 19, the Company completed a reverse takeover transaction pursuant to the terms of an amalgamation agreement dated November 3, 2025, among WBM Capital Corp. ("WBM"), 1555476 B.C. Ltd. ("155 BC"), a wholly owned subsidiary of WBM, and Bitzero Blockchain Inc. ("Blockchain"). Under the transaction, Blockchain amalgamated with 155 BC to form an amalgamated corporation that become a wholly owned subsidiary of WBM. In connection with the transaction, WBM changed its corporate name to "Bitzero Holdings Inc." and the Company completed a 10-for-1 common share consolidation. All share and per share information presented in these condensed interim financial statements have been adjusted retrospectively to reflect the share consolidation.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT’D)

(c) Basis of consolidated reporting

The consolidated financial statements include the accounts of the Company and subsidiaries. Subsidiaries are entities controlled by the Company. The financial transactions of subsidiaries are included in the consolidated financial statements from the date control is obtained. 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. Intercompany balances, transactions, income, and expense are eliminated and gains or losses on intercompany transactions are eliminated. Where the Company does not own 100% of the subsidiary or associate, non-controlling interest is classified as a component of equity. The accounting policies of subsidiaries are the same as those of the Company.

Subsidiary	Ownership at 30-Sep-25	Ownership at 30-Sep-24	Country of incorporation
Bitzero Blockchain Inc.	100%	100%	Canada
Exanorth AS	100%	100%	Norway
Bitzero Inc.	100%	100%	Barbados
Bitzero ND I	100%	100%	United States
Bitzero ND II	100%	100%	United States
Zetanorth AS	100%	0%	Norway
Bitzero Finland Oy	100%	0%	Finland

(d) Description of the business

Data centers are physical facilities that are used to house computer systems and associated components, IT infrastructure, critical applications, and data for applications and services. Data centers can be used for a variety of purposes and support the needs of large-scale applications, including but not limited to Bitcoin mining, cloud computing, web hosting, processing large data sets, providing the foundation for artificial intelligence, machine learning, and more. Data center designs are based on computing and networking solutions and include components such as routers, switches, firewalls, storage systems, and more.

Bitcoin mining is the process by which new Bitcoins are created and transactions are verified and added to the public ledger known as the Bitcoin Blockchain (the “Blockchain”). Mining is conducted by miners using hardware and software to generate a cryptographic number that is equal to or less than a number set by the Bitcoin network’s algorithm. Bitcoin self-mining refers to the process by which a miner validates Bitcoin transactions and adds them to the Blockchain ledger without relying on a trusted third party.

“Hashrate” is a measure of the computational power used in the mining process of cryptocurrencies, it indicates how many hash functions a miner can perform per second. Generally, the higher the Hashrate, the more attempts a miner can make to add new blocks to the Blockchain. Bitcoin Hashrates are generally measured through exahashes per second (EH/S); one exahash equals 10¹⁸ hashes, which means EH/S indicates how many quintillion hash calculations can be performed in one second. EH/S represent high levels of computational power associated with large-scale mining operations or data centers.

Data center hosting is a service where companies and organizations store and manage their IT infrastructure in third-party data centers, enabling them to use the same the services, features, and capabilities of a data center without building their own infrastructure.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(d) Description of the business (cont'd)

Data center hosting comes in various forms, including the following: (i) dedicated hosting: a client rents an entire server, giving them full control over its resources; (ii) shared hosting: multiple clients share the same server and its resources, making it more cost-effective but with limited control; (iii) virtual private server hosting: a server is divided into multiple servers, offering more control and resources than shared hosting; and (iv) cloud hosting: resources are distributed across multiple servers, allowing for scalability and flexibility.

Bitzero was created to disrupt and innovate in the Blockchain and data center spaces to move markets away from unsustainable data and mining practices. It is engaged in the development and operation of data centers and related energy infrastructure, Bitcoin self-mining, and high performance computing ("HPC") hosting.

Bitzero's primary objective is to address the increasing demand for IT energy infrastructure driven by the growth of Blockchain technology and other HPC applications by leveraging advanced technology and energy-efficient solutions. By creating harmony with local authorities, investors, and customers, Bitzero aims to become a leader in Blockchain mining and HPC hosting in a sustainable fashion and set a new global standard for best practices in clean energy sourcing, heat capture, and sustainability within local communities.

The Company's strategic objective is to become a leader in sustainable blockchain mining and high-performance computing hosting, leveraging advanced technology and energy-efficient solutions.

(e) Products and services

Exanorth owns a 50,000 square meter property in Norway (the "First Norway Property"), powered 100% by hydroelectric energy, and is in the low-cost NO4 region of Norway where it benefits from cooler temperatures, proximity to network lines including polar cables, and on-site security. The First Norway Property has infrastructure optimized for very low carbon displacement, given that is powered by 100% hydro energy.

On February 21, 2024, Exanorth entered into a flexibility services agreement (the "Flexibility Services Agreement") in connection with its First Norway Property. Through the Flexibility Services Agreement, Exanorth adjusts energy usage at the First Norway Property to stabilize the power grid. When Exanorth engages in stabilization efforts, it is compensated under the terms of the Flexibility Services Agreement while also supporting sustainability.

The First Norway Property provides Bitzero with an advantageous location for cryptocurrency mining for the following key reasons: (i) Norway is committed to large scale expansion of data center businesses; (ii) low temperatures reduce server cooling costs, significantly lowering the dependency on excessive energy use; (iii) clean outside air limits the maintenance required to keep machines in working condition; (iv) the First Norway Property is located next to the local power grid which supplies energy to the Data Center located in Norway. Since the grid is so close to the First Norway Property, the grid fee is low, and energy produced is conserved; (v) fast and reliable internet connection enables dependable communications; and (vi) hydropower accounts for 90% of Norwegian electricity production, which is considered to be the cheapest source of renewable energy.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(e) Products and services (cont'd)

The First Norway Property has approximately 320MW total capacity. 40MW of active capacity at the First Norway Property is being used by the Data Center in Norway, and the remaining capacity is expected to be activated through development and grid updates in two phases. Exanorth intends to expand active capacity at the First Norway Property over the coming months and has approval to support expansion of 70MW, adding up to a total of 110MW in phase 1, with a subsequent phase expected to add 210MW, bringing total active capacity to 320MW upon completion.

In August 2024, Exanorth received approval from the Norwegian Water Resources and Energy Directorate to operate as a utility, which means that Exanorth can control the First Norway Property's own electrical supply, and energy distribution and grid costs.

The Data Center is located on the First Norway Property. Currently, the Data Center operates as Bitzero's self-mining revenue-generating operations and is the focal point of Bitzero's operations.

All the Bitcoin that is self-mined at the Data Center is rewarded from the Luxor Mining Pool (as defined above) and owned by the Barbadian Subsidiary.

The Norway Data Center is powered by hydro energy and Bitcoin mining operations at the Norway Data Center have a Hashrate of 1.82 EH/S. Currently, the site has 32 containers and 11,219 miners.

ND I, LLC acquired a property located at 81st Street, Nekoma, County of Cavalier, and State of North Dakota (the "North Dakota Property") in July 2022 pursuant to an agreement with Cavalier County Job Development Authority dated July 18, 2022 (the "North Dakota Property Purchase Agreement"). The North Dakota Property is over 184 acres and benefits from a diversified energy mix including wind, natural gas, and grid sources, ensuring reliability and efficiency.

The North Dakota Property has total capacity of approximately 200MW-300MW. Currently, there is 2.5MW of active capacity that is immediately available but not currently being used, and further inactive capacity that can be accessed once studies are conducted, facilities are built, and investments in system upgrades are made. Additionally, on the North Dakota Property, there is an 80,000-gallon diesel tank and additional liquid storage tank, which can provide large-scale back-up power supplies, enabling the North Dakota Property to operate independently of other electrical suppliers.

The North Dakota Property houses a currently non-operational data center (the "Nekoma Pyramid"). The Nekoma Pyramid was initially built in the late 1960s with initial commissioning occurring in 1975 during the cold war. It consequently has desirable security characteristics well suited for storing highly sensitive information.

The Nekoma Pyramid's special features and competitive advantages are summarized as follows: (i) Potential to offer customers an extremely high level of physical security due to its original design as a government defense installation, making it useful for clients with strict requirements in the areas of data protection and physical security; (ii) Fully reinforced concrete and steel, designed to protect building contents; and (iii) There are redundant power feeds available, which are built to work into the redundant power systems in datacenters and ensure that power gets delivered to all functional server components and acts as physical power supplies sample space for onsite generation and fuel storage.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(e) Products and services (cont'd)

ND I, LLC and Bitzero are in the process of developing the North Dakota Property and planning the use of the Nekoma Pyramid for their operations. On August 1, 2024, ND I, LLC entered into an agency agreement with Cushman & Wakefield U.S., Inc. (the C&W Agency Agreement"). Pursuant to the C&W Agency Agreement, the North Dakota Property may be sold or leased to a third-party, or ND I, LLC may retain the North Dakota Property for its own use.

Another central component of Bitzero's business model is Bitcoin mining. Bitzero is focused on Bitcoin mining because it is the most efficient way for Bitzero to convert energy into sustainable cash flows. This method is predictable, straightforward to manage, and not excessively capital-intensive, with relatively low upfront costs. It involves directly converting energy into cash flows through capital expenditure and infrastructural projects. Currently, all of Bitzero's Bitcoin mining operations are conducted at the Data Center. Bitzero and its subsidiaries do not mine any other cryptocurrency assets. On December 15, 2021, the Barbadian Subsidiary entered into a data services agreement with Exanorth (the "Barbadian-Exanorth Data Services Agreement"). Pursuant to the Barbadian-Exanorth Data Services Agreement, all Bitcoin that is self-mined at the Data Center is owned by the Barbadian Subsidiary.

The process by which cryptocurrency coins or tokens are created and transactions are verified is called mining. A user or miner operates a publicly distributed mining client, which turns the user's computer into a "node" on the network that validates blocks. In order to add blocks to the Bitcoin Blockchain, a miner must map an input data set (i.e., the Blockchain plus a block of the most recent transactions and an arbitrary number called a "nonce") to a desired output data set of a predetermined length using an algorithm. As more miners join the network and its processing power increases, the network adjusts the complexity of the block solving equation to maintain a pace of adding a new block to the Blockchain approximately every 10 minutes. Below is further disclosure on the specific steps taken in Bitcoin mining operations, including how Bitzero currently engages in Bitcoin mining.

Bitcoin miners must first secure land with allocated energy resources, typically measured in MW. After that, the Bitcoin mining site must be prepared for site construction. At the Data Center, substantiation construction took place which required building a 40MW substation to convert high-voltage grid power to low voltage. The necessary electrical cabling was installed and then contracts with the local energy grid providers were entered into to secure fixed energy prices for 5 years. On January 1, 2023, Exanorth and an energy provider entered into two power delivery agreement (the "Energy Provider Power Agreement"), whereby the energy provider provides physical power delivery and additional services to the First Norway Property. All electricity and power supplied to the Data Center is through the energy provider through the Energy Provider Power Agreement.

Bitcoin mining containers are used so that owners and investors can move mining rigs easily. In essence, Bitcoin mining containers are shipping containers equipped with the necessary components to conduct mining operations, including power supply units, cooling systems, security measures, and fire suppression systems. Each Bitcoin mining container houses several mining computers in racks, consuming approximately 1MW of power each. The number of mining units per container varies (typically between 200 and 312), depending on the equipment. The containers include racks for miners, power distribution units (PDUs), cooling systems to maintain optimal temperatures, and fire suppression systems.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(e) Products and services (cont'd)

Every 10 minutes, a new block is added to the Blockchain ledger by all the mining computing power existing in the world, comprising approximately 4,500 Bitcoin transactions. Every 10 minutes, the global Bitcoin network rewards miners with 3.125 Bitcoins. This results in a total daily reward of 450 Bitcoins for all miners combined. This reward amount halves approximately every four years (once the right block height is reached). The Bitcoin reward per unit of mining equipment is predictable at the time of purchase but varies over time based on market share. For example, if there are 9 equally powerful mining units globally and Bitzero adds one more, Bitzero would receive 10% of the daily 450 Bitcoin reward. Currently, the total network computing power is over 800 exahashes per second (EH/s), while the most efficient single miner operates at approximately 0.0002 EH/s.

Bitzero focuses on self-mining at the Data Center and earns revenue through the amount of Bitcoin mined. On May 26, 2022, Bitzero and Luxor Technology Corporation ("Luxor") entered into a services agreement (the "Luxor Services Agreement") pursuant to which Bitzero engaged Luxor to set up a mining pool (the "Luxor Mining Pool") and provide maintenance of the Luxor Mining Pool on a cloud host that Luxor and Bitzero have access to. Pursuant to the Luxor Services Agreement, Luxor also shall provide maintenance of the software underlying the Luxor Mining Pool, that has the specification of a commercially standard cryptocurrency Mining Pool (the "Luxor Software"), which is licensed by Luxor to Bitzero.

The Luxor Software includes any other software intentionally delivered to Bitzero, such as updates delivered pursuant to maintenance and support services and/or hosting services provided by Luxor. The Luxor Agreement references a block reward, consistent of a combination of: (a) the amount of newly minted Bitcoins in each block as fixed by the Bitcoin protocol (the "Block Subsidy"), and (b) fees paid by users of the Bitcoin network to have their transactions included in the current block (the "Transaction Fees". These fees are aggregated per block and typically paid out to the miner who solved the block by being combined with the Block Subsidy into one transaction output (the "Block Reward"). The aggregate Block Reward paid to all miners is aggregated for calculation purposes (the "Total Miner Reward"). Pursuant to the Luxor Services Agreement, Luxor receives 0.20% of each Total Miner Reward and Bitzero will receive the remaining 99.80% of each Total Miner Reward. Currently, the Block Subsidy of newly minted Bitcoins in each block is 3.125 Bitcoin per block.

Transaction fees are a crucial component of the Bitcoin network's incentive structure, ensuring that miners prioritize certain transactions and continue to maintain the network even after Block Rewards diminish over time.

Miners receive transaction fees as an additional incentive, supplementing the Block Reward (the newly created Bitcoins given to the miner who finds a new block). Users can attach fees to their transactions to incentivize miners to prioritize their transactions over others. Higher Transaction Fees typically result in faster confirmation times. The total Transaction Fees paid depends on the transaction size in bytes and the fee rate set by the user.

The demand for data centers is increasing across the globe among cryptocurrency miners, cloud service providers, and artificial intelligence companies. There has been a significant increase in governmental regulation around carbon emissions from high-energy consuming data centers, including in Norway which has become a popular destination for cryptocurrency miners. Additionally, security concerns are of a high degree of importance since data centers handle extremely sensitive, large volumes of information.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(e) Products and services (cont'd)

With these considerations, identifying new data center opportunities for Bitzero's ecosystem partners to provide efficient and low-cost energy solutions is a core part of its business model. While Bitzero currently has the Data Center and the non-operational Nekoma Pyramid, it also is undergoing negotiations to expand its facilities in the North American and Scandinavian regions.

(f) Acquisition of options to purchase Exanorth AS

On August 6, 2021, the Company entered into an arrangement with a third party to acquire call options on the issued and outstanding shares of Exanorth, along with various rights to lease real estate property on which Exanorth conducted its operations, for aggregate consideration of \$2,969,303.

At the time of the transaction, the Company had intended to build and operate a data center for its digital currency mining operations using the infrastructure existing at Exanorth.

The Company used the Black-Scholes option pricing model to determine the fair value of the call options as follows: exercise prices of €15,504 to €65,804 (15,192 USD to 64,481 USD) per share; the expected volatility of its common shares was set at 20 to 42% using historical volatility of comparable public companies; the risk-free interest rate was set at -0.04 to 0.54% based on the yield available on government benchmark bonds; the expected life was set at 1.16 to 1.18 years; and the dividend yield was set at 0%.

As a result, the Company recorded the investment asset on account of this transaction as at and for the year ended September 30, 2021:

	2021
	\$
Purchase of call options over common shares of investee	2,961,798
Fair value adjustment on call options held for the year	520,965
Foreign exchange loss component pertaining to fair value adjustment for the year	(191,420)
	<u>3,291,343</u>

On October 22, 2021, Bitzero and Exakraft AS entered into a share purchase agreement, as amended on November 10, 2021, January 14, 2022, January 31, 2022, February 10, 2022, and March 1, 2022 (together, the "SPA") through which Bitzero exercised certain call options, resulting in the Company acquiring 66% of the issued and outstanding shares of Exanorth.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(f) Acquisition of options to purchase Exanorth AS (cont'd)

Aggregate consideration paid for the acquisition, along with the allocation of consideration to the fair value of net identifiable assets of Exanorth was calculated as follows:

	Note	2022
		\$
<u>Consideration transferred</u>		
Exercise of call options	(i)	3,558,595
Cash consideration	(ii)	2,547,160
Common shares issued to vendor	(iii)	2,250,000
Contingent cash consideration	(iv)	1,900,000
Deferred cash consideration		1,382,476
Settlement of pre-existing loans		1,059,746
Transaction costs		206,598
Fair value of total consideration transferred		12,904,575

- (i) The value of the call options increased from \$3,291,343 as at September 30, 2021 to \$3,558,595 as a result of a foreign exchange gain, refer to **Note 14(a)** in the financial statements.
- (ii) The cash consideration relates to the remaining 34% of the shares in Exanorth.
- (iii) As part of consideration in the acquisition, the SPA included a delivery of 5,000,000 common shares of the Company. The common shares were valued at \$2,250,000 using a combination of previous equity raises and a 25% discount for lack of marketability.
- (iv) As part of consideration in the acquisition, contingent consideration was included and was the fair value was determined based on the management's best estimate at the reporting date. The contingent consideration was subsequently revalued to \$1,760,547 resulting in a gain of \$139,453. As at December 31, 2025, there has been no further remeasurement, as there have been no changes in the underlying circumstances affecting the Management's best estimate.

	Note	2022
		\$
<u>Fair value of identifiable net assets acquired</u>		
Technology infrastructure		2,872,018
Land		207,672
Cash and cash equivalents		22,092
Accounts payable		(726,426)
Due to Bitzero		(1,080,415)
Other liabilities		(1,039)
Fair value of total identifiable net assets		1,293,902
Goodwill		7,603,446
Non-controlling interest		4,007,227
Total		12,904,575

Management's Discussion and Analysis

For the three-month period ended December 31, 2025
(Expressed in United States Dollars, unless otherwise noted)

BITZERO HOLDINGS INC.
(formerly WBM Capital Corp.)

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(g) Acquisition of Bitzero Finland Oy

On January 23, 2025, the Company purchased 100 shares of Bitzero Finland Oy (formerly Ahold XVIII Oy), domiciled in Finland, representing 100% of issued share capital of the acquiree. The Company's intent is to expand its operations into Finland at a later date.

(h) Senior secured loan

In June 2025, Bitzero Blockchain Inc. entered into a senior secured loan and guaranty agreement with a syndicate of lenders providing for up to \$25 million in debt financing, to be advanced in two tranches. The initial tranche of \$17,510,000 was approved and net proceeds of \$16,190,944 were received on August 1, 2025, after deducting the original issue discount and professional fees.

The delayed draw advance of \$8,245,000 was funded on November 24, 2025. The lenders were not obligated to fund the delayed draw, and the advance was subject to (i) timely delivery of a borrowing notice, (ii) total delayed draw borrowings not exceeding the available capacity, (iii) completion of due diligence, site visits and underwriting and receipt of credit approval, and (iv) the absence of any default or event of default at the time of funding.

In connection with the financing, the Company issued warrants to the lenders to purchase common shares. The warrants issued in connection with the initial tranche provide for the purchase of 4% of the Company's shares on a fully diluted basis at an exercise price of \$0.10 per share. The warrants issued in connection with the delayed draw advance provide for the purchase of 1% of the Company's shares on a fully diluted basis at an exercise price of \$0.10 per share. The warrants are exercisable for a period of 5 years following the completion of the reverse takeover. In December 2025, 50,000 of these warrants were exercised. The warrants issued in connection with the first and second draw were classified as equity instruments on initial recognition and are not subsequently remeasured (see **Note 23(d)**).

In addition, under the terms of the loan agreement, \$10,245,000 of the principal loan balance is convertible into common shares at a conversion price of \$4.00 per share. The conversion feature embedded in the loan is accounted for as a derivative liability and is measured at fair value through profit or loss at each reporting date.

The loan bears interest at the greater of (i) Term SOFR plus 11% per annum and (ii) 14% per annum, payable monthly in arrears. It matures 36 months from closing, with principal amortization commencing six months after the initial funding date.

The loan agreement requires the Company to maintain, at all times, a minimum cash balance of \$2,000,000 in one or more bank accounts that are subject to account control arrangements specified by the lenders. At the reporting date, the Company held \$2,000,000 as cash in trust to satisfy this covenant. This amount is shown as restricted cash on the statement of financial position and is not available for general corporate purposes because its use would cause a breach of the covenant.

No portion of the required minimum balance was held in Bitcoin at the reporting date. The requirement to maintain this balance will continue for so long as the loan remains outstanding or until the covenant is amended or waived.

3. OVERVIEW AND SIGNIFICANT EVENTS (CONT'D)

(h) Senior secured loan (cont'd)

The loan is secured by a pledge of the \$2,000,000 cash minimum in a lender controlled deposit account, account control agreements over specified deposit accounts, a blanket first priority lien on substantially all assets of the Company and certain subsidiaries, first priority pledges of 100 percent of the equity interests in Exanorth AS and Zetanorth AS, first priority fixed charges over Exanorth AS assets including a mortgage over real estate in Namsskogan, Norway, and a mortgage over North Dakota real estate owned by Bitzero ND I, LLC.

(i) Go-public transaction

In November 2025, Bitzero completed a go-public transaction in Canada structured as a triangular amalgamation under the Business Corporations Act (British Columbia) with WBM Capital Corp. ("WBM") and its wholly owned subsidiary, 1555476 B.C. Ltd ("Subco"), pursuant to an amalgamation agreement dated November 3, 2025. Under the Amalgamation Agreement, Bitzero amalgamated with 1555476 B.C. Ltd. to form a new corporation that became a wholly owned subsidiary of WBM.

All issued and outstanding Bitzero common and non-voting shares were exchanged for fully-paid and non-assessable WBM common and non-voting shares on the basis of ten Bitzero shares for one WBM share. Outstanding Bitzero options, RSUs and warrants were adjusted to provide rights to acquire WBM common shares in accordance with their terms.

As control of the combined entity resides with the former owners of Bitzero, the transaction is accounted for as a reverse acquisition with Bitzero as the accounting acquirer and WBM as the accounting acquiree. The transaction was accounted for in accordance with IFRS 2, with any excess of the fair value of the deemed consideration over the fair value of WBM's identifiable net assets recognized as a listing expense in profit or loss in the period of closing.

On November 24, 2025, Bitzero's common shares began trading on the Canadian Securities Exchange under the ticker "BITZ.U".

4. SUBSEQUENT EVENTS

(a) Conversion of convertible promissory notes

In January 2026, a portion of the convertible notes described in Note 21(d) of the Q1 Financial Statements was converted into equity, resulting in the issuance of 51,971 common shares at a conversion price of \$4.00 per share.

(b) Exercise of RSUs

On January 19, 2026, restricted share units vested and were settled through the issuance of 400,000 common shares.

5. PRESENTATION OF FINANCIAL INFORMATION AND NON-IFRS MEASURES

(a) Presentation of financial information

Unless otherwise specified herein, financial results, including historical comparatives, contained in this MD&A are based on the Company's Annual Financial Statements, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and the interpretations of the IFRS Interpretations Committee ("IFRIC"). Unless otherwise specified, amounts are in thousands of United States dollars and percentage changes are calculated using whole numbers.

(b) Non-IFRS measures

In addition to the reported IFRS measures, industry practice is to evaluate entities giving consideration to certain non-IFRS performance measures, such as earnings before interest, taxes, depreciation and amortization ("EBITDA") or adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA").

These measures are not in accordance with IFRS and have no standardized definitions, and as such, our computations of these non-IFRS measures may not be comparable to measures by other reporting issuers. In addition, Company's method of calculating non-IFRS measures may differ from other reporting issuers, and accordingly, may not be comparable.

A reconciliation of EBITDA and Adjusted EBITDA to IFRS net income is presented below.

Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA")

EBITDA is used as an alternative to net income because it includes major non-cash items such as interest, taxes and amortization, which management considers non-operating in nature. A reconciliation of EBITDA to IFRS net income is presented under the section **Results from Operations** of this MD&A.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")

Adjusted EBITDA is used as an alternative to net income because it excludes major non-cash items such as amortization, stock-based compensation, current and deferred income tax expenses and other items management considers non-operating in nature. A reconciliation of adjusted EBITDA to IFRS net income is presented under section **Results from Operations** of this MD&A.

EBITDA and Adjusted EBITDA are used by management as inputs in our internal metrics and in evaluating our ability to satisfy the Company's obligations. EBITDA and Adjusted EBITDA are used as alternatives to IFRS net income (loss) because it excludes major non-cash items (including depreciation and amortization, interest, taxes and share-based payments) and other items that management considers non-operating in nature.

Management believes that these measures are helpful to investors because they are widely recognized measures of Company's performance and provides a relevant basis of comparison to other entities. In addition to IFRS results, these measures are also used internally to measure the operating performance of the Company.

5. PRESENTATION OF FINANCIAL INFORMATION AND NON-IFRS MEASURES (CONT'D)

(c) New and revised IFRS accounting standards in issue but not yet effective

At the date of authorization of these consolidated financial statements, the Company has not applied the following new and revised IFRS Accounting Standards that have been issued but are not yet effective for the Company's consolidated financial statements for the periods presented:

IFRS 18: Presentation and Disclosure in Financial Statements

IFRS 18 is a comprehensive new standard on presentation and disclosure that will modify the structure and content of the primary consolidated financial statements and related notes. It is expected to affect presentation and disaggregation, including new defined subtotals in the statement of profit or loss.

Application for IFRS 18 is required for annual reporting periods beginning on or after January 1, 2027. The Company does not intend to early apply IFRS 18 and plans to apply it starting on October 1, 2027.

The Company is in the process of reviewing the impact of IFRS 18 on its consolidated financial statements in future periods.

6. CRITICAL JUDGMENTS AND ESTIMATION UNCERTAINTY

There have been no changes to the Company's critical judgments and responses to estimation uncertainty in the period since the Company's audited annual consolidated financial statements and accompanying annual MD&A.

7. SELECTED FINANCIAL INFORMATION

(a) Select annual information from the statements of profit or loss

The following table provides selected financial information from the statement of loss and comprehensive loss of the Company for the three months ended December 31, 2025 and 2024:

	2025	2024
Revenue from digital assets mined	7,495,738	4,926,371
Direct costs	(6,924,878)	(6,062,803)
Operating expenses	(5,100,716)	(1,688,825)
Operating loss before other items	(4,529,856)	(2,825,257)
Other items	(7,566,911)	(3,742,423)
Total comprehensive loss	(12,096,767)	(6,567,680)

(i) *Revenue from digital assets mined*

Revenue from digital assets mined increased to \$7.50 million in Q1 2026 from \$4.93 million in Q1 2025, reflecting materially higher self-mining revenues generated at the Norway data centre in the current quarter. This shift aligns with the Company's focus on self-mining and investments in mining infrastructure during the period.

7. SELECTED FINANCIAL INFORMATION (CONT'D)

(a) Select annual information from the statements of profit or loss (cont'd)

(iii) *Direct costs*

Direct costs rose 14% to \$6.9 million (Q1 2025: \$6.1 million), primarily due to higher utilities of \$3.3 million versus \$2.7 million in the prior-year quarter. Depreciation of tangible assets declined slightly, while amortization of right-of-use assets trended up due to new lease agreements entered in the current quarter.

(iv) *Operating expenses*

Operating expenses were \$5.1 million (Q1 2025: \$1.7 million). The increase was driven primarily by higher finance costs of \$3.5 million (Q1 2025: \$0.13 million) due to interest on long-term debt and other payables, and higher marketing expenses of \$0.45 million (Q1 2025: \$0.28 million),

Administrative expenses fell to \$1.1 million (Q1 2025: \$1.3 million), including lower consulting fees of \$0.20 million (Q1 2025: \$0.39 million) and lower legal fees of \$0.56 million (Q1 2025: \$0.59 million).

Finance costs increased to \$3.50 million (Q1 2025: \$0.13 million), comprised mainly of interest on loans and other payables of \$3.16 million (Q1 2025: \$0.05 million) and interest on lease liabilities of \$0.05 million (Q1 2025: \$0.07 million). The period-over-period increase primarily reflects the senior secured loan entered into in June 2025

(v) *Other expenses*

Other expenses were \$7.55 million (Q1 2025: \$3.34 million). The increase was driven primarily by share-based expenses of \$12.71 million (Q1 2025: \$0.05 million), largely related to equity instruments that vested or were issued in connection with corporate activities during the period.

Share-based expenses in Q1 2026 of \$12.71 million were comprised of:

- \$11,344,063 from RSUs vested upon the reverse takeover of the Company (a significant, largely non-cash charge recognized upon vesting/acceleration at the transaction date);
- \$521,422 from issued and vested stock options recognized in the period; and
- \$842,902 from common shares issued for services rendered, representing non-cash consideration measured at fair value and expensed as the related services were received.

These expenses were partially offset by a gain on derivative financial instruments of \$4.33 million in the current period (Q1 2025: nil) and a foreign exchange gain of \$0.85 million in the current period versus a foreign exchange loss of \$4.52 million in the comparative period. The current period also included a \$0.02 million realized loss on sale of digital currency, compared to a \$1.29 million realized gain in the comparative period.

(c) Digital currency operations

For the three months ended December 31, 2025, revenue for digital assets mined was \$7,50 million (Q1 2025: \$4.93 million).

The change reflects 75.71 BTC mined during Q1 2026 as compared to 58.83 BTC in Q1 2025, driven primarily by differences in average hashrate and network difficulty.

7. SELECTED FINANCIAL INFORMATION (CONT'D)

(c) Digital currency operations (cont'd)

Average hashrate for the period was 1.30 EH/s (period-end installed hashrate 1.82 EH/s), compared with installed capacity of 0.92 EH/s across 25 containers and 10,629 miners.

Average realized price of 97,447 \$/BTC (including transaction fees) as compared to 54,310 \$/BTC in the comparative period, consistent with our policy to recognize mining revenue at the fair value of digital assets upon receipt.

Existing rigs (installed prior to the beginning of the reporting period): approximately 70% of mining revenue. New rigs (placed in service during the reporting period): approximately 30% of mining revenue.

For Q1 2026, direct costs were \$6.90 million (Q1 2025: \$6.06 million). Electricity and grid services: 34.45 MWh × 40.58 \$/MWh = 3,352,155 (For the comparative period: 26.87 MWh × 47.19 \$/MWh = 2,687,450). Utilities increased period-over-period, reflecting higher consumption during higher-uptime periods and network conditions.

8. QUARTERLY RESULTS

	December 31, 2022	For the three months ended (unaudited)		
		March 31, 2022	June 30, 2023	September 30, 2023
Revenue	1,186,136	424,478	1,297,062	9,408,300
Total comprehensive loss	7,832,041	553,831	2,838,400	2,534,802
Total assets	55,130,157	53,321,816	50,704,069	29,850,652
Total liabilities	8,855,730	7,727,148	7,659,137	9,993,673
Basic and diluted loss per share	0.25	0.02	0.09	0.08

	December 31, 2023	For the three months ended (unaudited)		
		March 31, 2024	June 30, 2024	September 30, 2024
Revenue	4,253,730	1,939,302	6,850,336	9,567,913
Total comprehensive loss	1,596,588	649,685	1,346,820	10,177,157
Total assets	46,213,966	47,641,574	58,800,331	29,850,652
Total liabilities	9,679,369	7,798,355	13,417,570	16,025,622
Basic and diluted loss per share	0.05	0.02	0.04	0.31

8. QUARTERLY RESULTS (CONT'D)

	December 31, 2024	For the three months ended (unaudited)		
		March 31, 2025	June 30, 2025	September 30, 2025
Revenue	4,926,371	6,240,872	6,326,175	7,402,272
Total comprehensive loss (income)	6,567,680	5,525,789	8,065,541	(1,185,467)
Total assets	27,796,229	35,723,697	29,206,650	42,740,718
Total liabilities	14,977,179	14,997,600	12,048,090	29,890,007
Basic and diluted loss per share	0.18	0.13	0.19	(0.03)

	For the three months ended (unaudited)	
	December 31, 2025	
Revenue	7,495,738	
Total comprehensive loss (income)	12,096,767	
Total assets	56,625,858	
Total liabilities	30,380,223	
Basic and diluted loss per share	0.28	

All quarterly financial information is unaudited.

9. MATERIAL TRANSACTIONS

(a) Issued and outstanding share capital

Share issuances	Shares #	Share capital \$
Balance, pre-Reverse Takeover	479,522,030	113,775,486
Share consolidation ratio	0.10	1.00
Balance, post-Reverse Takeover	47,952,203	113,775,486
November 19, 2025	4,362,954	154,886
December 1, 2025	38,434	58,107
December 15, 2025	127,773	205,911
December 16, 2025	50,000	195,873
Balance, December 31, 2025	52,531,364	114,390,263

During the period ended December 31, 2025, the Company completed a brokered private placement of 375,000 units for gross proceeds of \$1,500,000. Each unit comprised one common share and one common share purchase warrant, with each warrant exercisable to acquire one common share at an exercise price of \$4.00 for two years from the date of issuance.

Proceeds were allocated between the common shares and warrants based on their relative fair values, with \$892,293 allocated to the warrant component and \$607,707 allocated to share capital

During the period, the Company issued 4,522,610 common shares upon the settlement of vested RSUs for a non-cash increase in share capital of \$11,453,464, representing the reclassification of amounts recognized in equity for share-based compensation. The Company also issued 175,000 common shares as a finder's fee, increasing share capital by \$700,000.

In November 2025, the Company completed a go-public transaction, as described in **Note 3(b)**. In connection with the transaction, the Company effected a 10-for1 consolidation of its common shares, resulting in a decrease in the number of issued and outstanding shares from 477,295,923 to 47,702,203, with no impact on total share capital.

Immediately prior to the transaction, WBM had 250,000 common shares issued and outstanding and issued an additional 4,112,954 common shares to settle indebtedness, resulting in 4,362,954 WBM common shares outstanding. Upon completion of the transaction, the consolidated share capital reflects the legal share capital of WBM.

Following the transaction, the Company issued 166,207 common shares upon the conversion of debt and 50,000 common shares upon the exercise of warrants, increasing share capital by \$264,018 and \$195,873, respectively.

As at December 31, 2025, the Company had 50,691,121 (2024 - 35,972,665) common shares issued and outstanding with total share capital of \$110,450,642 (2024 - \$87,072,937).

9. MATERIAL TRANSACTIONS

(a) Issued and outstanding share capital

Details regarding the Q1 2026 shares issuances are as follows:

	Shares	Price	Proceeds	Share capital
	#	\$	\$	\$
Subscriptions	375,000	1.62	607,500	607,707
Exercised RSUs	4,522,610	2.53	n/a	11,453,464
Advisory shares	175,000	4.00	n/a	700,000
Shares issued for services	4,362,955	0.04	n/a	154,885
Exercised convertible debt	166,207	4.00	664,828	264,018
Exercised warrants	50,000	0.10	5,000	195,873
	9,651,772		1,277,328	13,375,947

(b) Options

The Company has a stock option plan (the "Stock Option Plan") under which the Board of Directors may grant to directors, officers, employees and technical consultants to the Company non-transferable options to purchase common shares, exercisable for periods of 3 to 5 years from the date of the grant.

A summary of the stock options is as follows:

	Number	Weighted-average exercise price	Amount
	#	\$	\$
Balance, September 30, 2024	11,063,935	0.16	2,904,388
Exercised	(1,983,602)	0.05	(695,155)
Balance, September 30, 2025	9,080,333	0.16	2,209,233
Granted, November 19, 2025	1,600,000	0.40	521,422
Balance, pre-Reverse Takeover	10,680,333	0.22	2,730,655
Share consolidation ratio	0.10		0.10
Balance, December 31, 2025	1,068,033	2.21	273,066
Exercisable	1,018,033	2.22	2,621,408

December 31, 2025	Options outstanding	Weighted-average exercise price	Weighted-average remaining life
Vesting Conditions	#	\$	\$
Immediately	553,033	2.65	0.97
1/3 per year from grant date	305,000	0.50	0.35
Subsidiary reaches revenue of EUR 4 million	50,000	2.00	3.44
Date of the corporation's RTO	160,000	4.00	4.89
Outstanding, December 31, 2025	1,068,033	2.21	1.50
Exercisable, December 31, 2025	1,018,033	2.22	1.40

9. MATERIAL TRANSACTIONS (CONT'D)

(b) Options (cont'd)

The fair value of each share-based payment transaction was estimated on the date of the grant, as determined by using the Black-Scholes option pricing model with the following weighted average assumptions:

		19-Nov-25
Estimated stock price at time of grant	\$	4.00
Exercise price of the option	\$	4.00
Number of period to exercise, in year		5.00
Compounded risk-free rate		2.73%
Expected volatility		115%
Dividend yield		0%

(c) Restricted stock units

The 2022 Restricted Share Unit Plan (the "RSU Plan") allows the Company to award restricted share units to officers, employees, directors and consultants of the Company upon such conditions as the Board may establish, including the attainment of performance goals recommended by the Company's compensation committee.

The purchase price for common shares of the Company issuable under each Restricted Share Unit ("RSU") award, if any, shall be established by the Board at its discretion. Common shares issued pursuant to any RSU award may be made subject to vesting conditions based upon the satisfaction of service requirements, conditions, restrictions, time periods or performance goals established by the Board.

The RSUs are recognized as share-based compensation expense over the vesting period which is the lesser of: (i) the occurrence of one of the pre-defined liquidity events in the RSU notice, and (ii) 5 years after the grant date.

9. MATERIAL TRANSACTIONS (CONT'D)

(c) Restricted stock units

A continuity of RSUs is as follows:

	RSUs Granted #	RSUs Vested #	Amount \$
September 30, 2024	34,596,100	12,571,233	12,842,332
Issued	-	-	-
Vested	-	-	-
Exercised	(3,000,000)	(3,000,000)	(657,491)
	31,596,100	9,571,233	12,184,841
Share consolidation ratio	0.10	0.10	1.00
December 31, 2024	3,159,610	957,123	12,184,841
September 30, 2025	48,476,100	9,571,233	17,255,001
Issued	1,000,000	-	400,000
Vested	-	35,654,867	-
Exercised	(45,226,100)	(45,226,100)	(11,453,464)
	4,250,000	-	6,201,537
Share consolidation ratio	0.10	0.10	1.00
December 31, 2025	425,000	-	6,201,538

During the period ended December 31, 2025, share-based compensation expense for the Company's RSUs was \$11,344,064 (2024 - nil). The fair value of each share-based payment transactions was estimated on the date of the grant, based on the present value of the underlying equity, with the following weighted-average assumptions:

	Oct 14, 2025
Estimated stock price at time of grant	\$ 0.40
Number of periods to exercise, in years	0.10
Compounded risk-free rate	n/a
Dividend yield	0.00%
Exercise price	\$ -
Volatility	115%
Discount for lack of marketability	0.00%

As at December 31, 2025 a total of 425,000 had vested and were outstanding (2024 – 9,571,233 RSUs on a pre-consolidation basis, equivalent to 957,123 on a post-consolidation basis).

(d) Warrants

The Company issued warrants in connection with the senior secured loan discussed in Note 21(c) of the Q1 Financial Statements and the convertible promissory notes described in Note 21(d) of the Q1 Financial Statements. The warrants issued in connection with the convertible promissory notes were classified as a derivative liability and were revalued as at December 31, 2025.

23. EQUITY (CONT'D)

(d) Warrants (cont'd)

In connection with the reverse takeover transaction completed during the period, outstanding warrants were adjusted to represent rights to acquire common shares of the legal parent and were further adjusted to reflect the 10-for-1 common share consolidation. Accordingly, the number of options outstanding and the related weighted-average exercise prices presented below are shown on a post-consolidated basis.

A summary of warrants is as follows:

	Number	Weighted- average exercise price	Amount
	#	\$	\$
Balance, September 30, 2025	-	-	-
Granted	32,934,800	0.09	11,376,391
Balance, pre-Reverse Takeover	32,934,800	0.09	11,376,391
Share consolidation ratio	0.10	0.10	1.00
Balance, post-Reverse Takeover	3,293,480	0.86	11,376,391
Exercised	(50,000)	0.10	195,873
Fair value changes	-	-	(252,132)
Balance, December 31, 2025	3,243,480	0.88	11,320,132
Exercisable	3,243,480	0.88	11,320,132

The fair value of the warrants were estimated on the date of the grant, as determined by using the Black-Scholes option pricing model with the following weighted average assumptions:

	Warrants, Equity	Warrants, Derivative liability
Estimated stock price at time of grant	\$ 4.00	\$ 4.00
Exercise price of the warrant	\$ 0.10	\$ 5.00
Number of period to exercise, in year	5.00	3.00
Compounded risk-free rate	2.86%	3.01%
Expected volatility	115%	83%
Dividend yield	0%	0%

The fair value of the warrants classified as a derivative liability were estimated as at December 31, 2025, as determined by using the Black-Scholes option pricing model with the following weighted average assumptions:

	Warrants, Derivative liability
Stock price at reporting date	\$ 2.35
Exercise price of the warrant	\$ 5.00
Number of period to exercise, in year	2.77
Compounded risk-free rate	2.90%
Expected volatility	83%
Dividend yield	0%

10. RECONCILIATION OF EBITDA

The following table outlines the reconciliations of adjusted EBITDA and adjusted EBITDA margin to its nearest IFRS measure:

	2025	2024
Net loss	(12,084,590)	(6,163,330)
Interest expenses	3,211,849	126,667
Interest income	(924)	(1,554)
Income taxes	-	-
Depreciation	2,419,444	3,060,473
EBITDA	(6,454,221)	(2,977,744)
Stock-based compensation	12,708,387	50,000
Foreign exchange gain	(846,805)	4,524,063
Adjusted EBITDA	5,407,361	1,596,319
Revenue	7,495,738	4,926,371
Adjusted EBITDA	5,407,361	1,596,319
Adjusted EBITDA margin	72%	32%

Adjustments to EBITDA are described in detail in the notes to the financial statements.

11. LIQUIDITY AND CAPITAL RESOURCES

(a) Liquidity

As at December 31, 2025, the Company held cash of \$10.5 million, compared to \$5.5 million as at September 30, 2025. In addition, the Company maintained digital assets valued at \$1.5 million (September 30, 2025 – \$0.8 million), which may serve as a supplemental source of liquidity depending on prevailing market conditions. The Company's working capital surplus as at period-end was \$1.3 million (September 30, 2025 – \$6.4 million deficit), reflecting a higher level of current assets including cash and prepaid energy deposits.

(b) Contractual obligations

The Company is party to various contractual obligations, including loans payable, settlement liabilities, convertible debentures, and lease liabilities. As at December 31, 2025, loans payable amounted to \$8.4 million, of which \$1.9 million is classified as current. Convertible debentures and promissory notes of \$4.2 million are outstanding, of which \$1.6 million are classified as a current liability, which is inclusive of the interest accretion on this debt. There were no off-balance sheet arrangements reported. The Company continues to service these obligations through available cash resources and ongoing capital management efforts.

(c) Capital resources

The Company's capital resources primarily consist of shareholders' equity, which totaled \$26.2 million at December 31, 2025, compared to \$12.9 million at September 30, 2025. The increase was attributable to additional equity financings during the period, partially offset by the net loss for the period and other comprehensive losses. The Company's share capital increased to \$114.4 million (fiscal 2025 – \$101.0 million) as a result of equity issuances during the period, which provided important financing for operations.

11. LIQUIDITY AND CAPITAL RESOURCES (CONT'D)

(c) Capital resources (cont'd)

Management defines its capital structure as shareholders' equity, debt instruments (including loans payable, convertible debentures and lease liabilities), and other financing arrangements. The Company's objective is to preserve a flexible capital structure that allows it to respond to changing economic and industry conditions, while minimizing the overall cost of capital.

(d) Digital currency

The Company holds Bitcoin primarily to support working capital needs. In managing liquidity risk, management targets maintaining cash and cash equivalents in excess of expected cash outflows over the next sixty days. When forecasts indicate a shortfall against this target, the Company disposes of Bitcoin to bridge the gap. Disposals are sized using weekly cash flow forecasts that consider near-term power, payroll, lease and debt-service obligations and expected customer collections; timing is aligned to settlement dates for these obligations and market trading windows that provide sufficient depth.

The Company continues to treat Bitcoin as a supplemental source of liquidity and will adjust the timing and amount of future sales in line with forecast cash needs and prevailing market conditions. Please refer to the corresponding financial statements for a continuity schedule of Bitcoin balances and disposals, and Financial Instruments and Risk Management for the Company's 60-day liquidity risk framework.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company has exposure to credit risk, liquidity risk, and market risk arising from financial instruments. Management considers credit risk and market risk to be low. The following summarizes the Company's financial instruments and associated risks.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

Liquidity risk (cont'd)

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company aims to maintain the level of its cash and cash equivalents at an amount in excess of expected cash outflows on liabilities (other than trade payables) over the next 60 days.

The Company also monitors the level of expected cash inflows on trade and other receivables, together with the expected outflows on trade and other payables.

The Company's exposure to liquidity risk, calculated as total liabilities, is \$30,380,223 as at December 31, 2025 (fiscal 2025 – \$29,890,007), for which the Company has cash of \$10,458,623 on hand to satisfy its liabilities (fiscal 2025 – \$5,475,486). There have been no changes to the method for managing liquidity risk.

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. In order to reduce its credit risk, the Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance. An allowance for doubtful accounts is established based upon factors surrounding the credit risk of specific accounts, historical trends and other information.

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 comprises three types of risk: currency rate risk, interest rate risk and other price risk. The Company is mainly exposed to interest rate and currency risk.

Foreign currency risk

The Company is exposed to foreign currency risk primarily through its operations in multiple jurisdictions and transactions denominated in currencies other than its functional currency.

Foreign currency risk arises from recognized assets and liabilities, as well as future commercial transactions that are denominated in a currency different from the functional currency of the Company entities. The Company monitors its exposure to foreign currency risk on an ongoing basis and uses derivative financial instruments, such as forward exchange contracts, to hedge significant foreign currency exposures when considered appropriate and as when required. The effectiveness of these hedging instruments is assessed regularly.

However, the Company does not hedge all of its foreign currency exposures, and fluctuations in exchange rates could have a material impact on the Company's financial performance and position.

12. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONT'D)

Interest rate risk

The Company's exposure to interest rate risk arises primarily from its variable-rate borrowings and lease liabilities. Changes in market interest rates can affect the Company's interest expense and the value of its financial liabilities. To manage interest rate risk, the Company may enter into interest rate swap agreements to convert variable-rate debt into fixed-rate debt, thereby reducing exposure to fluctuations in interest rates. Management regularly reviews the interest rate exposure and considers the potential impact of interest rate movements on its financial performance. However, there can be no assurance that these measures will fully mitigate the impact of interest rate fluctuations.

Digital currency risk

The Company is exposed to digital currency risk due to its holdings and transactions in cryptocurrencies. Digital currency risk arises from the volatility in the market prices of cryptocurrencies, which can fluctuate significantly due to various factors, including market demand, regulatory developments, and macroeconomic trends.

The Company manages its digital currency risk by monitoring market conditions and may engage in hedging activities, such as entering into derivative contracts, to mitigate the impact of adverse price movements. However, given the inherent volatility and the relatively nascent nature of digital currency markets, there remains a significant risk that the value of the Company's digital assets could experience substantial fluctuations, which could materially affect the Company's financial performance and position.

Custody risk

The Company mines digital assets through a pool and transfers rewards from the pool to Company-controlled private wallets on a daily basis, and safeguards these holdings through a tiered wallet structure.

Transactions are subject to segregation of duties and role-based approvals. Private keys are generated in controlled environments with encrypted, geographically separated backups and periodically refreshed. The Company does not use a third-party custodian to hold digital assets and exposure to the pool is minimized through daily withdrawals and monitoring. Wallet activity is reconciled and reviewed by management.

Loss of access risk

The loss of access to the private keys associated with the Company's Bitcoin holdings may be irreversible and could adversely affect an investment. An amount of Bitcoin is spendable only by whoever possesses the private key associated with the address on which the Bitcoin is held.

To the extent a private key is lost, destroyed, or otherwise compromised, and no backup is accessible, the Company may be unable to access the associated Bitcoin. To mitigate this, the wallets are designed such that no single key, device, or individual is critical, encrypted back-ups and/or key-share arrangements are maintained in secure locations to enable controlled recovery.

13. RELATED PARTY TRANSACTIONS

The Company defines related parties in accordance with the definitions in IAS 24 - Related Party Disclosures. As they pertain to the Company, related parties comprise: (i) Key management personnel as described below, and (ii) entities within the Company's reporting group as described in **Note 3(b)**.

(a) Key management personnel transactions

Key management includes the Company's directors, officers and any consultants with the authority and responsibility for planning, directing, and controlling the activities of an entity, directly or indirectly, and includes Chief Executive Officer, Chief Financial Officer, Chief Technical Officer. Amounts owing to related parties consists of amounts due to key management.

During the periods ended December 31, 2025 and 2024, key management personnel compensation consisted of short-term and long-term benefits and remuneration, and was classified as follows:

	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24
Total compensation paid to key management	166,433	123,888
Share-based payments	7,776,463	-
	<u>7,942,896</u>	<u>123,888</u>

A detailed breakdown of the key management personnel compensation for the three-month periods ended December 31, 2025 and 2024, and the fiscal year ended September 30, 2025 is as follows:

	For the 3 months ended 31-Dec-25	For the 3 months ended 31-Dec-24	For the 12 months ended 30-Sep-25
Giovanni Gardenzi	1,173,996	40,000	220,000
Mohammed Salah Bakhashwain	6,682,467	-	3,000,000
Frank Aadnevik	86,433	83,888	815,197

As of December 31, 2025 and September 30, 2025, amounts due to related parties consisted of the following:

	December 31, 2025	September 30, 2025
	\$	\$
Balances included in accounts and other payables	-	95,758
Related party advances	148,800	150,794

The balances are unsecured, due on demand and bear no interest, unless otherwise disclosed.

13. RELATED PARTY TRANSACTIONS (CONT'D)

(b) Key management dispute

The Company filed a lawsuit against its former CEO, for employment-related matters. The former CEO has filed a countersuit for damages against the Company. The likelihood and magnitude of the amounts in dispute are not determinable as at the date of these consolidated financial statements and, as such, no provision has been recorded thereon.

(c) Convertible debentures

On August 10, 2021, the Company obtained an unsecured convertible loan from the Company's CEO, ("CEO Loan"), in the principal amount of \$1,000,000. The CEO Loan shall bear no interest prior to the maturity date. As and from the maturity date, any outstanding balance of the loan shall bear interest at an annual rate of 15% per annum, compounded semi-annually.

The Company must repay the loan immediately upon the earliest of the date (the "Maturity Date") or the occurrence of the following events: (i) the Company receiving gross funds from investors participating in the Company's current round of equity financing totaling \$10,000,000 or more, or (ii) the Company having public market value/capitalization on a recognized Canadian stock exchange of at least \$50,000,000 or (iii) CEO ceasing to be the Chairman and CEO of the Company for any reason whatsoever, other than his voluntary resignation.

After the Maturity Date, the Company may also elect, at its sole discretion, to convert the amount of the loan in whole or in part into common shares of the Company at a price of CAD \$0.40 per common share.

The Company allocated the proceeds of \$1,000,000 as follows: first to liability component for \$945,267, with the residual value to the equity component for \$54,733. The debenture has not been converted or repaid subsequent to the period end.

14. OFF-BALANCE-SHEET ARRANGEMENTS

As at December 31, 2025, the Company had no off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

15. RISK FACTORS AND UNCERTAINTIES

The Company's operations involve numerous risks and uncertainties, many of which are beyond its control. The risks outlined below are not exhaustive. Additional risks—currently unknown to the Company or considered immaterial by management—could materially and adversely affect the Company's business, operations, financial condition, results of operations, or share price. Investors should carefully evaluate the following risks together with the other information contained in this MD&A and the Company's financial statements before making an investment decision. A number of the Company's risks are entity specific, including concentration of operations at a single facility in Norway's NO4 region, reliance of a third party mining pool provider (Luxor), exposure to a limited number of hosting customers, and the potential impact of Norwegian regulatory or grid policy changes on power costs and uptime.

15. RISK FACTORS AND UNCERTAINTIES

(a) Technology, digital asset custody & operational continuity

(i) *Cryptocurrency security and code vulnerabilities*

The Company's digital asset holdings are inherently vulnerable to cybersecurity incidents, source code flaws, and network exploits. Cryptocurrencies rely on complex and constantly evolving open-source software, and despite peer review, errors in the codebase have occasionally been identified and exploited by malicious actors. While material exploits remain relatively rare, the possibility exists that undiscovered vulnerabilities could enable unauthorized transfers or the creation of counterfeit assets, potentially resulting in significant financial losses for the Company. The very nature of cryptocurrencies—as bearer assets accessible only through private keys—exacerbates this risk, as stolen or compromised assets are virtually impossible to recover.

(ii) *Custodial, wallet, and exchange risks*

The Company's reliance on custodial solutions, both internal and external, presents additional risks of theft, mismanagement, or insolvency of service providers. Cryptocurrency exchanges, although a key source of liquidity, remain less regulated and more prone to fraud, hacking, and operational failures than traditional financial institutions. High-profile collapses of exchanges in recent years underscore the vulnerability of counterparties in this space.

Any exchange failure or wallet compromise could lead to unrecoverable losses of the Company's inventory, directly harming its financial condition and potentially affecting investor confidence.

(iii) *Systems failures and cyber incidents*

Maintaining continuous mining and treasury operations requires resilient IT infrastructure. Risks include cyber intrusions, malware attacks, denial-of-service incidents, and failures due to fire, flood, or other disasters. The Company invests in redundancies, backup power, and ongoing upgrades to infrastructure; however, no system is infallible.

Extended downtime could impair mining output, disrupt treasury functions, and materially reduce revenues. Moreover, reputational harm may arise if customers, partners, or regulators perceive inadequacies in the Company's controls.

(iv) *Access to economical and reliable power*

Cryptocurrency mining is energy intensive. The Company's operations depend on reliable, large-scale, and competitively priced electricity. Any material increase in power tariffs, supply curtailments, or unfavourable regulatory actions by utilities could erode operating margins. For example, regional energy regulators such as Hydro-Québec have previously imposed moratoria and considered imposing surcharges or operational requirements on cryptomining firms. Similar actions in the future could materially impact the Company's cost base and profitability.

(v) *Hardware sourcing, pricing and technological obsolescence*

The Company's competitiveness depends on the timely acquisition of state-of-the-art mining machines at reasonable cost. Global demand for mining hardware is highly cyclical, and shortages or supply chain disruptions can lead to inflated prices and delivery delays. Rapid technological advancement further compounds this risk, as newer models quickly supersede older ones, reducing efficiency and revenue potential. If the Company cannot secure updated hardware, it risks being outcompeted by better-capitalized peers.

15. RISK FACTORS AND UNCERTAINTIES (CONT'D)

(a) Technology, digital asset custody & operational continuity (cont'd)

(vi) *Insurance limitations*

Insurance tailored to cryptocurrency mining and custody remains nascent, with limited coverage options available at significant cost. Events such as theft, hacking, or catastrophic facility damage may fall outside standard policies or within exclusions. If uninsured or underinsured losses occur, the Company could experience material financial and operational setbacks.

(vii) *Permits and licenses*

Mining and hosting operations may require governmental permits and environmental, zoning, or regulatory approvals.

Inability to obtain or maintain these approvals could restrict growth or increase compliance costs. Unexpected changes in licensing regimes could also impose delays or additional capital requirements.

(viii) *Third-party service providers and software dependencies*

The Company's operations rely on a wide network of third-party vendors, including software developers, cloud computing providers, and specialized contractors. Many of these service providers operate outside of traditional regulatory frameworks, and their internal controls may not be transparent. If such third parties fail to deliver services, suffer outages, or experience breaches of their own systems, the Company may face significant disruptions to its mining, treasury, and reporting functions. Replacing or renegotiating with these providers can be costly and time-consuming, and prolonged service interruptions could materially impair financial performance.

(ix) *Physical facility risks and environmental hazards*

Mining operations are highly sensitive to the physical integrity of their facilities. Fire hazards, water damage, structural weaknesses, and HVAC failures present ongoing risks to the safety and continuity of operations.

Furthermore, increasing scrutiny of environmental impact, particularly regarding noise levels, heat emissions, and recycling of obsolete hardware, may expose the Company to community opposition or compliance costs. Any incident or regulatory non-compliance could result not only in financial losses but also in reputational harm, hindering the Company's ability to expand operations.

(x) *Data integrity and disaster recovery limitations*

The Company's business model requires the storage and processing of vast amounts of financial and technical data. A failure in backup protocols, inadequate disaster recovery systems, or corruption of key data sets could materially impair operations and reporting accuracy. Although the Company has instituted redundancy systems and periodic testing, full resilience cannot be guaranteed. If critical data is lost or compromised, the Company could face operational delays, compliance failures, and increased risk of fraud or misrepresentation, any of which could erode investor and customer confidence.

15. RISK FACTORS AND UNCERTAINTIES (CONT'D)

(b) Regulatory, market structure & digital asset economics

(i) *Regulatory change and policy actions*

The global regulatory environment for cryptocurrencies remains fragmented and dynamic. Some jurisdictions actively support digital asset innovation, while others impose outright bans or restrictive frameworks. The Company faces uncertainty around potential new laws in Canada and internationally that could directly impact mining, ownership, transfer, or taxation of cryptocurrencies. Regulatory shifts could also extend indirectly to the Company's shares if authorities classify them as linked to restricted activities. In the worst case, regulations could force liquidation of inventories at unfavourable prices, curtail access to exchanges, or prohibit ongoing operations.

(ii) *Banking and payments de-risking*

A persistent challenge for cryptocurrency-related businesses is limited access to banking services. Many financial institutions perceive heightened compliance risks, particularly with respect to anti-money laundering and counter-terrorist financing. If the Company's banking partners reduce or withdraw services, treasury management could be impaired, increasing operational complexity and reputational risk.

(iii) *Exchange and trading-venue fragility*

Digital asset markets are young and only partially regulated. Major exchanges have experienced insolvencies, hacks, and abrupt shutdowns. Smaller exchanges may lack sufficient capitalization, while larger venues are attractive targets for cyberattacks or regulatory scrutiny. Because cryptocurrency prices are determined primarily on these venues, any disruption could trigger significant volatility and impair liquidity.

(iv) *Adoption and utility uncertainty*

Despite increased awareness, mainstream adoption of cryptocurrencies as a payment method remains limited. Use in retail and commercial markets is small compared with speculative trading. If adoption stalls or reverses, the result may be greater price volatility and diminished long-term value. Since cryptocurrencies have no intrinsic legal tender status, their worth depends on user and merchant acceptance. A collapse in acceptance could render them illiquid or valueless.

(v) *Price volatility and momentum dynamics*

Cryptocurrency prices are highly volatile, often driven by sentiment, leverage, or speculative momentum rather than fundamentals. This amplifies the risk of sharp value swings in short periods, leading to potential mark-to-market losses on the Company's inventory. Momentum pricing creates a feedback loop that can exacerbate both rapid appreciation and sudden crashes.

(vi) *Network economics, reward structure and transaction fees*

Mining economics depend on rewards issued by protocols. As block rewards halve approximately every four years, transaction fees are expected to play a larger role. If total rewards prove insufficient to incentivize miners, overall network participation could decline, reducing security and increasing susceptibility to attacks. Lower participation may also reduce block production speed, undermining confidence in the network and indirectly affecting the Company's revenues.

15. RISK FACTORS AND UNCERTAINTIES (CONT'D)

(b) Regulatory, market structure & digital asset economics (cont'd)

(vii) *Network difficulty and competition*

Bitcoin's self-adjusting difficulty mechanism means that rising global hash rates dilute per-unit rewards. As competitors with greater scale and efficiency join the network, the Company's output may decrease despite unchanged costs, potentially eroding profitability. This dynamic could render operations uneconomical if difficulty rises faster than anticipated.

(viii) *Supply and demand shocks, including actions by investment vehicles*

The emergence of cryptocurrency investment vehicles, such as exchange-traded funds and trusts, concentrates significant market influence in institutional hands.

Large inflows or redemptions from these vehicles can amplify volatility. Should such entities sell large holdings in a short period, digital asset prices could fall sharply, negatively affecting the Company's inventory value.

(ix) *Geopolitical and macroeconomic events*

Crises such as wars, sanctions, or economic recessions may drive speculative demand for cryptocurrencies as alternative stores of value. These inflows can temporarily inflate prices but are often followed by corrections. Conversely, geopolitical instability may reduce confidence in cryptocurrencies as viable alternatives to fiat, further complicating demand forecasts. The unpredictability of such events creates additional uncertainty in planning and risk management.

(x) *Forced sales to fund operations*

The Company may need to liquidate digital assets to meet operational obligations or fund expansion, regardless of prevailing market conditions. If such sales occur during periods of depressed prices, they may crystallize losses and adversely affect cash flow and profitability.

(xi) *Cross-border regulatory inconsistencies*

The Company operates in a global marketplace where digital assets frequently cross jurisdictions. Inconsistent or conflicting international rules on mining, custody, taxation, and transfer of cryptocurrencies create ongoing uncertainty. For example, assets legally mined in one country may face restrictions or penalties if transferred or sold in another. Navigating these regulatory patchworks requires significant legal resources and exposes the Company to inadvertent non-compliance risks. Future regulatory divergence may also hinder the Company's ability to scale internationally.

(xii) *Market manipulation and integrity concerns*

Digital asset markets are less regulated than traditional securities exchanges, leaving them vulnerable to practices such as wash trading, spoofing, pump-and-dump schemes, and the influence of large "whale" investors. Such manipulative behaviour can distort pricing, reduce transparency, and undermine confidence in the market as a whole. If manipulation is widespread or persistent, the Company may experience unexpected valuation swings in its inventory, limiting its ability to plan operations, raise capital, or secure counterparties.

15. RISK FACTORS AND UNCERTAINTIES (CONT'D)

(b) Regulatory, market structure & digital asset economics (cont'd)

(xiii) *Shifts in energy policy and carbon regulation*

Governments worldwide are increasingly focused on sustainability and carbon reduction. Mining, as an energy-intensive activity, could be targeted with taxes, levies, or outright restrictions intended to reduce greenhouse gas emissions. Jurisdictions that once welcomed mining may pivot toward more restrictive stances as public pressure mounts. If regulators impose carbon pricing, renewable energy quotas, or limitations on power usage specific to cryptocurrency miners, the Company's cost structure and long-term viability could be materially affected.

(c) Financial, corporate, legal & governance

(i) *Liquidity and additional financing*

Execution of the Company's business strategy depends on raising and maintaining adequate capital. There is no guarantee that financing will be available on favourable terms—or at all—when required. Equity financings may dilute existing shareholders, while debt could impose restrictive covenants. Failure to secure necessary funding could result in scaling back or abandoning strategic initiatives and, in extreme cases, threaten the Company's ability to continue as a going concern.

(ii) *Key personnel*

The Company relies heavily on its senior management team and specialized technical staff. Retaining and attracting individuals with cryptocurrency, finance, and technology expertise is highly competitive. Departure of key personnel without suitable replacements could materially disrupt strategy execution and growth.

(iii) *Strategy execution, acquisitions and integrations*

As part of its strategy, the Company may pursue acquisitions, joint ventures, or partnerships. Each transaction carries risks related to due diligence, financing, cultural integration, and realization of synergies. Missteps in execution could result in financial losses or distraction from core operations.

(iv) *Conflicts of interest*

Some directors and officers may hold positions in or investments in other entities engaged in cryptocurrency or technology businesses. While legal safeguards require disclosure and abstention from conflicted decisions, the perception or reality of conflicts could raise governance concerns or complicate decision-making.

(v) *Litigation and regulatory proceedings*

The Company may face legal or regulatory claims in the ordinary course of business. Even if ultimately resolved favourably, such proceedings can consume management resources and generate costs. Adverse rulings may result in penalties, damages, or operational restrictions.

(vi) *Intellectual property claims*

Third parties may assert that the Company's activities infringe upon their intellectual property rights. Defending such claims, regardless of merit, can be costly and disruptive. Unfavourable outcomes could affect the Company's ability to operate or diminish confidence in cryptocurrencies generally.

15. RISK FACTORS AND UNCERTAINTIES (CONT'D)

(c) Financial, corporate, legal & governance (cont'd)

(vii) *Dividend policy*

The Company has not declared dividends and does not expect to do so in the foreseeable future. Future dividend decisions, if any, will depend on profitability, liquidity, and Board discretion. Shareholders should not expect income from dividends in the near term.

(viii) *Tax attributes and compliance risks*

The Company has approximately \$24 million of tax loss carryforwards that may offset future taxable income. Utilization depends on continued profitability and acceptance by the Canada Revenue Agency. If disallowed, future tax liabilities may increase.

Furthermore, uncertainty remains regarding the treatment of cryptocurrency mining under commodity tax regimes such as GST, HST, and QST. Adverse assessments or interpretive changes could delay refunds or reduce working capital.

(ix) *Income and commodity tax uncertainty*

Complex and evolving tax rules pose ongoing risks. Disputes with authorities may result in additional taxes, penalties, or interest. Even with proactive compliance, interpretations may shift, creating potential liabilities.

(x) *Competition and market perception*

The Company competes with other miners and digital asset firms for resources, customers, and investor attention. Negative industry events—such as exchange failures, hacks, or regulatory crackdowns—can tarnish sentiment and reduce valuations across the sector, affecting the Company even if it is not directly implicated.

(xi) *Dependence on capital markets sentiment*

As a publicly traded entity, the Company's valuation and access to capital are closely tied to investor sentiment toward the digital asset sector. Market downturns, scandals involving other blockchain companies, or broader declines in technology stocks may limit the Company's ability to issue equity or debt on acceptable terms. A sudden contraction in available financing could force the Company to curtail growth initiatives, restructure operations, or sell assets at distressed values.

(xii) *Internal control and financial reporting risks*

The complexity of accounting for digital assets, coupled with evolving standards under IFRS, creates heightened risk of errors or misstatements in the Company's financial disclosures. Inadequate internal controls, resource constraints in finance teams, or reliance on manual reconciliation processes could result in delayed filings, restatements, or regulatory scrutiny. Such outcomes would undermine credibility with investors and may limit access to financing or strategic partners.

15. RISK FACTORS AND UNCERTAINTIES (CONT'D)

(c) Financial, corporate, legal & governance (cont'd)

(xiii) *Reputational exposure and stakeholder confidence*

The Company operates in a sector that is often subject to intense media attention and public debate. Negative coverage—whether linked to cybersecurity incidents, environmental concerns, or unrelated events in the digital asset industry—can affect the Company's reputation even in the absence of direct involvement. Erosion of stakeholder confidence may impair the Company's ability to attract and retain employees, customers, and investors, creating a self-reinforcing cycle that hampers growth and long-term resilience.

16. DISCLOSURE CONTROLS AND PROCEDURES/ INTERNAL CONTROL OVER FINANCING REPORTING

As a venture issuer, the Company has filed basic certificates under National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings ("NI 52-109").

The certifying officers do not make representations relating to the establishment and maintenance of disclosure controls and procedures ("DC&P") and internal control over financial reporting ("ICFR"), as defined in NI 52-109. Inherent limitations on the ability of management to design and implement DC&P and ICFR may result in misstatements or omissions that are not prevented or detected. There has been no change in the Company's ICFR during the period that has materially affected, or is reasonably likely to materially affect, the Company's ICFR. Inherent limitations on the ability of management to design and implement DC&P and ICFR may result in misstatements or omissions that are not prevented or detected.

17. OUTLOOK

Management expects post halving mining economics to remain challenging and highly sensitive to BTC price, transaction fees and network difficulty. The Company's near term priorities are: (i) increasing energy efficiency and hashrate per MW through new miner deployments; (ii) expanding hosting revenue to improve cash flow stability; (iii) optimizing grid flexibility revenues in Norway; and (iv) maintaining disciplined capital allocation. These expectations constitute forward looking information and are based on the assumptions described under "Forward Looking Information.". See 'Cautionary Note Regarding Forward-Looking Information' for important assumptions and risk factors.

18. OUTSTANDING SHARE DATA

As at December 31, 2025, the Company's outstanding share data is as follows:

- Common shares outstanding: 52,531,364
- Stock options outstanding: 1,068,033
 - Weighted average exercise price: \$2.21
 - Weighted average remaining life: 1.5 years
 - Options exercisable: 1,018,033
- Restricted Share Units (RSUs) outstanding: 425,000

Management's Discussion and Analysis

For the three-month period ended December 31, 2025
(Expressed in United States Dollars, unless otherwise noted)

BITZERO HOLDINGS INC.
(formerly WBM Capital Corp.)

18. OUTSTANDING SHARE DATA (CONT'D)

- Convertible debentures and promissory notes outstanding: \$14,523,990 principal amount.
 - \$10,245,000 convertible at \$4.00 per share at the holders' option
 - \$1,000,000 convertible at CAD \$4.00 per share at the Company's option after maturity
 - \$425,000 convertible at USD \$4.00 per share at the holders' option
 - \$2,853,990 convertible at USD \$4.00 per the vendor's option, plus accrued interest

- Common share purchase warrants outstanding: 3,243,480
 - Weighted average exercise price: \$0.88
 - Weighted average remaining life: 4.21 years
 - Warrants exercisable: 3,243,480

For a detailed breakdown of the Company's outstanding securities, including exercise prices, expiry dates, vesting conditions, and any changes subsequent to period end, please refer to Section 4 (Subsequent Events) and Section 9 (Material Transactions).

19. FILING

These documents have been filed electronically with the Canadian securities regulators through the System for Electronic Document Analysis and Retrieval + ("SEDAR+") and may be accessed through SEDAR+'s website at www.sedarplus.ca.