



MCAP Inc.

390 N. Orange Avenue, 28th Floor
Orlando, FL 32801
(407) 205-1860
www.mcaptech.com
info@mcaptech.com
SIC Code: 7371

Quarterly Report

For the Period Ending: September 30, 2025 (the “Reporting Period”)

Outstanding Shares

The number of shares outstanding of our Common Stock was:

24,531,138 as of September 30, 2025

24,165,538 as of December 31, 2024

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: No:

Indicate by check mark whether the company’s shell status has changed since the previous reporting period:

Yes: No:

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

Yes: No:

⁴ “Change in Control” shall mean any events resulting in:

- (i) Any “person” (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the “beneficial owner” (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company’s then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company’s assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Current Name of Issuer: MCAP Inc. ("MCAP")

Current State and Date of Incorporation or Registration: Nevada (2011)

Standing in this jurisdiction: (e.g., active, default, inactive): Active – In Good Standing

Prior Incorporation Information for the issuer and any predecessors during the past five years:

MetaCap Inc. until March 2022.

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None.

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

On May 5, 2025, the Board of Directors declared a dividend of \$0.07 per common share. The dividend was paid on May 29, 2025 in the amount of \$1,709,088.00.

On September 12, 2025, the Board of Directors declared a dividend of \$0.10 per common share. The dividend was paid on October 1, 2025 in the amount of \$2,452,614.00.

Address of the issuer's principal executive office:

390 N. Orange Avenue, 28th Floor, Orlando, FL 32801

Address of the issuer's principal place of business:

Check if principal executive office and principal place of business are the same address.

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: Yes: If Yes, provide additional details below:

2) Security Information

Transfer Agent:

Name: Computershare Investor Services

Phone: (201) 680-4236

Email: Marleen.Grandeson-Mills@computershare.com

Address: 480 Washington Boulevard, 26th Floor, Jersey City, NJ 07310

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	<u>MCAP</u>	
Exact title and class of securities outstanding:	<u>MCAP Common Stock (C02)</u>	
CUSIP:	<u>562694208</u>	
Par or stated value:	<u>\$0.001</u>	
Total shares authorized:	<u>50,000,000</u>	as of date: <u>September 30, 2025</u>
Total shares outstanding:	<u>24,531,138</u>	as of date: <u>September 30, 2025</u>
Total number of shareholders of record:	<u>487</u>	as of date: <u>September 30, 2025</u>

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

None.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

None.

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

None.

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

Eligible for declared dividends, one vote per share, no preemptive rights.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

Not applicable.

3. Describe any other material rights of common or preferred stockholders.

None.

4. Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.

None.

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities **in the past two completed fiscal years and any subsequent interim period.**

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: Yes: (If yes, you must complete the table below)

Shares Outstanding as of Second Most Recent Fiscal Year End:			*Right-click the rows below and select "Insert" to add rows as needed.						
<u>Date:</u> Dec 31, 2023			<u>Opening Balance:</u> Common: 23,389,938 Preferred: 0						
Date of Transaction	Transaction type (e.g., new issuance, cancellation, shares returned to treasury)	Number of Shares Issued (or cancelled)	Class of Securities	Value of shares issued (\$/per share) at Issuance	Were the shares issued at a discount to market price at the time of issuance? (Yes/No)	Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.	Reason for share issuance (e.g., for cash or debt conversion) -OR- Nature of Services Provided	Restricted or Unrestricted as of this filing	Exemption or Registration Type
3/1/2024	New Issuance	750,000	Common	\$5.25	Yes	Restricted Pool	Incentive	Restricted	Exempt
2/26/2024	New Issuance - Option Exercise	300	Common	\$3.50	Yes	Jean-Paul Moore	Cash	Restricted	Exempt
3/5/2024	New Issuance - Option Exercise	300	Common	\$3.50	Yes	Jean-Paul Moore	Cash	Restricted	Exempt
3/7/2024	New Issuance - Option Exercise	25,000	Common	\$3.50	Yes	David Falter	Cash	Restricted	Exempt
4/1/2025	New Issuance	250,000	Common	\$5.25	No	Restricted Pool	Incentive	Restricted	Exempt
8/7/2025	New Issuance - Option Exercise	600	Common	\$3.50	Yes	Jean-Paul Moore	Cash	Restricted	Exempt
9/15/2025	New Issuance - Option Exercise	100,000	Common	\$3.50	Yes	Anthony Zmuda	Cash	Restricted	Exempt
9/16/2025	New Issuance - Option Exercise	10,000	Common	\$3.50	Yes	Nicholas Nache	Cash	Restricted	Exempt
9/29/2025	New Issuance	5,000	Common	\$11.91	No	Anastacia Villis	Incentive	Restricted	Exempt
Shares Outstanding on Date of This Report:									
<u>Date:</u> Sep 30, 2025			<u>Ending Balance:</u> Common: 24,531,138 Preferred: 0						

Example: A company with a fiscal year end of December 31, 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

None.

B. Convertible Debt

The following is a complete list of the Company’s Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer’s equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

Date of Note Issuance	Principal Amount at Issuance (\$)	Outstanding Balance (\$) (include accrued interest)	Maturity Date	Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares)	# Shares Converted to Date	# of Potential Shares to be Issued Upon Conversion ⁵	Name of Noteholder (entities must have individual with voting / investment control disclosed).	Reason for Issuance (e.g., Loan, Services, etc.)

Total Outstanding Balance:

Total Shares:

Any additional material details, including footnotes to the table are below:

None.

4) Issuer’s Business, Products and Services

The purpose of this section is to provide a clear description of the issuer’s current operations.

Ensure that these descriptions are updated on the Company’s Profile on www.OTCMarkets.com.

A. Summarize the issuer’s business operations. (If the issuer does not have current operations, state “no operations.”)

MCAP operates financial technology companies that focus on the rapidly changing global financial markets. The Company targets opportunities that will provide efficiencies within the existing financial services industry. The Company also considers business acquisitions or partnerships that increase shareholder value.

B. List any subsidiaries, parent company, or affiliated companies.

The Company currently has three wholly owned operating subsidiaries: MCAP Technologies LLC, QwickRoute LLC, and MCAP LLC.

C. Describe the issuers’ principal products or services.

Electronic Securities Market Making, Application Software, Securities Trading Platforms and Financial Technology.

⁵ The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any “blockers” or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g., most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

The Company's principal place of business and the principal executive offices are located at 390 N. Orange Avenue, 28th Floor, Orlando, FL 32801. The Company has additional offices located at: 100 Park Avenue, Suite 2201, New York, NY 10017; 427 Bedford Road, Suite 320, Pleasantville, NY 10570; and Basildon House, 7-11 Moorgate, London, UK EC2R 6AF. All space is leased with terms ranging from one (1) to eight (8) years.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities. If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity)	Position/Company Affiliation (ex: CEO, 5% Control person)	City and State (Include Country if outside U.S.)	Number of Shares Owned (List common, preferred, warrants and options separately)	Class of Shares Owned	Percentage of Class of Shares Owned (undiluted)
David Menn	Chief Executive Officer & Chairman	Chappaqua, NY	4,836,904	Common	19.7%
Edward Barry	Managing Director & Board Member	Winter Park, FL	2,712,100	Common	11.1%
William Dennis	President & Board Member	Orlando, FL	2,712,258	Common	11.1%
Erik Knudsen	Managing Director	Maitland, FL	2,714,436	Common	11.1%
Brian Garrow	Consultant	Winter Park, FL	2,689,436	Common	11.0%
Keith Cheshire	Managing Director	Winter Springs, FL	1,588,780	Common	6.5%
Michael Franzese	Senior Managing Director & Board Member	N. White Plains, NY	1,588,780	Common	6.5%
James Smyth	Executive Director	Manhasset, NY	1,414,760	Common	5.8%
Richard J. Makoujy, Jr.	Board Member	Swedesboro, NJ	430,000	Common	1.8%
Leonard Patti	Chief Compliance Officer	Staten Island, NY	125,000	Common	0.5%

Peter Baksh	Board Member	Orlando, FL	1,800	Common	0.01%
Gregory Mullen	Chief Financial Officer	Lebanon, NJ	0	-	0%

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

No.

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

No.

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

No.

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

No.

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

No.

6. Been the subject of a U.S. Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S. mail.

No.

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None.

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

External Counsel

Name: Katie Barton, Esq.
Firm: Kilpatrick, Townsend & Stockton LLP
Address 1: 1100 Peachtree Street NE, Suite 2800
Address 2: Atlanta, GA 303309
Phone: (404) 815-6158
Email: kbarton@ktslaw.com

Name: David Schrader, Esq.
Firm: David Schrader & Associates, P.C.
Address 1: 2500 Westchester Avenue, Suite 109
Address 2: Purchase, NY 10577
Phone: (347) 879-2345
Email: dschrader@bizlaw1.com

Securities Counsel

Name: Wolfgang Heimerl, Esq.
Firm: Heimerl Law Firm
Address 1: 32 Dumont Road, P.O. Box 9640
Address 2: Far Hills, NJ 07931
Phone: (908) 470-0200
Email: wolfgang@heimerllawfirm.com

Accountant or Auditor

Name: Vince Phorn
Firm: WithumSmith+Brown, P.C.
Address 1: 100 Spectrum Center Drive, Suite 1000
Address 2: Irvine, CA 92618
Phone: (949) 409-7865
Email: vphorn@withum.com

Name: Meggan Ciaccia
Firm: Ciaccia CPA
Address 1: 427 Egg Harbor Road
Address 2: Sewell, NJ 08080
Phone: (856) 256-1490
Email: Meggan@Ciacciapca.com

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name:
Firm:
Nature of Services:
Address 1:
Address 2:
Phone:
Email:

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Leonard Patti
Title: Managing Director
Relationship to Issuer: Chief Compliance Officer

B. The following financial statements were prepared in accordance with:

- IFRS
 U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: John Egan
Title: Director
Relationship to Issuer: Director – Finance and Operations

Describe the qualifications of the person or persons who prepared the financial statements:⁶ Extensive public company accounting experience; former Controller of MCAP LLC.

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable." Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

⁶ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, David Menn, certify that:

1. I have reviewed this Disclosure Statement for MCAP Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 4, 2025

Signature: /s/ David Menn

Principal Financial Officer:

I, John Egan, certify that:

1. I have reviewed this Disclosure Statement for MCAP Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

November 4, 2025

Signature: /s/ John Egan



**MCAP Inc.
Consolidated Balance Sheet**

ASSETS:	September 30, 2025	December 31, 2024
Cash and Equivalents	40,892,489	13,566,958
Securities Sold and Not Yet Settled	53,463,576	105,920,687
Securities Owned and other Marketable Instruments	875,154,366	836,681,583
Prepaid Expenses and Other Current Assets	12,620,595	4,695,197
Fixed Assets, Net	7,463,573	6,871,967
Deferred Tax Assets	516,620	561,337
Total	990,111,219	968,297,728
LIABILITIES:		
Securities Sold Short	913,634,238	920,218,017
Accounts Payable and Accrued Liabilities	14,468,459	10,598,312
Securities Purchased not yet Settled	12,757,597	-
Total	940,860,294	930,816,329
Total Stockholder's Equity	49,250,925	37,481,399
Total Liabilities and Stockholder's Equity	990,111,219	968,297,728



MCAP Inc.
Consolidated Income Statement – Non-GAAP

	Three Months Ended September 30,	
	2025	2024
<u>Operating Revenues</u>		
Electronic Market Making	15,836,621	16,173,641
Platform Solutions	2,190,572	777,966
Interest and Dividends	4,385,108	4,288,411
Other	-	1,450
TOTAL	22,412,301	21,241,468
<u>Operating Expenses</u>		
Compensation and Benefits	5,400,329	6,146,572
Clearing, Execution and related expenses	6,242,020	6,030,950
Communication and Market Data	1,221,660	1,275,626
Occupancy	319,064	228,888
Professional Fees	199,991	90,370
Travel and Entertainment	185,537	157,605
Regulatory Fees	179,400	233,125
Interest and Dividends	4,911,879	5,905,142
Depreciation and Amortization	472,264	24,461
Other	162,366	109,771
TOTAL	19,294,510	20,202,510
Income before Taxes	3,117,791	1,038,958
EBITDA	3,590,055	1,063,417
Income Taxes	862,921	156,173
Net Income	2,254,870	882,785
Earnings Per Share:		
Basic & Diluted	0.09	0.04
Outstanding Shares – Fully Diluted	24,455,938	24,165,538



MCAP Inc.
Consolidated Income Statement – U.S. GAAP

	Three Months Ended September 30,	
	2025	2024
<u>Operating Revenues</u>		
Electronic Market Making	15,836,621	16,173,641
Platform Solutions	2,190,572	777,966
Interest and Dividends	4,385,108	4,288,411
Other	-	1,450
TOTAL	22,412,301	21,241,468
<u>Operating Expenses</u>		
Compensation and Benefits	10,083,794	6,851,478
Clearing, Execution and related expenses	6,242,020	6,030,950
Communication and Market Data	1,221,660	1,275,626
Occupancy	319,064	228,888
Professional Fees	199,991	90,370
Travel and Entertainment	185,537	157,605
Regulatory Fees	179,400	233,125
Interest and Dividends	4,911,879	5,905,142
Depreciation and Amortization	472,264	24,461
Other	162,366	109,771
TOTAL	23,977,975	20,907,418
Income / (Loss) before Taxes	(1,565,674)	334,050
EBITDA	(1,093,410)	358,511
(Benefit from) Provision for Income Taxes	(786,771)	15,233
Net Income / (Loss)	(778,903)	318,817
Earnings Per Share:		
Basic & Diluted	(0.03)	0.01
Outstanding Shares – Fully Diluted	24,455,938	24,165,538



MCAP Inc.
Consolidated Statement of Cash Flows

	Nine Months Ended September 30,	
	2025	2024
Cash Flows from Operating Activities		
Net Income (Loss)	7,396,065	254,403
Adjustments to Reconcile Net Income to Net Cash Used in Operating Activities:		
Depreciation and Amortization	1,421,951	82,534
Stock-based Compensation	5,807,950	1,973,579
Change in Operating Assets and Liabilities:		
Securities Owned and Other Marketable Instruments	(38,472,783)	657,249,990
Securities Sold Not Yet Settled	5,548,691	25,180,888
Due from Clearing Organization	46,908,420	(103,412,176)
Securities Purchased Not Yet Settled	12,757,597	(322,371,692)
Amortization of Right-of-Use Asset	(1,949,308)	210,601
Prepaid Expenses and Other Assets	(2,692,340)	(583,842)
Accounts Payable and Accrued Liabilities	1,822,019	(6,098,868)
Securities Sold Short	(6,583,779)	(237,037,515)
Operating Lease Liability	2,048,127	(178,289)
Deferred Taxes	44,717	-
Net Cash Used in Operating Activities	34,057,327	15,269,613
INVESTING ACTIVITIES		
Cash Flows from Investing Activities:		
Development of Capitalized Software	(1,711,456)	-
Purchase of Fixed Assets	(302,102)	-
Employee Loans Receivable	(3,283,750)	-
Net Cash Used in Investing Activities	(5,297,308)	-
Cash Flows from Financing Activities:		
Repayment of Notes Payable	-	(1,100,000)
Stock Options Exercised	387,100	88,827
Repurchase of Common Stock	(112,500)	-
Payments for Dividends	(1,709,088)	(1,207,277)
Net Cash Used in Financing Activities	(1,434,488)	(2,218,450)
Net Change in Cash	27,325,531	13,051,163
Cash, Beginning of Period	13,566,958	16,959,636
Cash, End of Period	40,892,489	30,010,799



MCAP Inc.
Consolidated Statement of Changes in Stockholders' Equity
at September 30, 2025

	Accumulated Deficit	Net Income / Loss	Common Stock		Additional Paid-In Treasury Stock		Dividends Paid		Total Equity	
			Shares	Amount	Capital	Shares	Amount	Common		Preferred
Balance at December 31, 2024	(59,400,441)		24,165,538	24,166	98,064,951	-	-	(1,207,277)	-	37,481,399
January - March 2025		1,996,518	-	-	314,655	-	-	-	-	2,311,173
Balance at March 31, 2025	<u>(57,403,923)</u>	<u>1,996,518</u>	<u>24,165,538</u>	<u>24,166</u>	<u>98,379,606</u>	<u>-</u>	<u>-</u>	<u>(1,207,277)</u>	<u>-</u>	<u>39,792,572</u>
April - June 2025		6,168,451	250,000	250	820,579	25,000	(112,500)	(1,709,088)		
Balance at June 30, 2025	<u>(51,235,472)</u>	<u>8,134,969</u>	<u>24,415,538</u>	<u>24,416</u>	<u>99,200,185</u>	<u>25,000</u>	<u>(112,500)</u>	<u>(2,917,365)</u>		<u>44,959,264</u>
July - September 2025		(778,904)		115	5,070,450					
	<u>(52,014,376)</u>	<u>7,396,065</u>	<u>24,531,138</u>	<u>24,531</u>	<u>104,270,635</u>	<u>25,000</u>	<u>(112,500)</u>	<u>(2,917,365)</u>		<u>49,250,925</u>



MCAP INC. AND SUBSIDIARIES NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Nature of Business and Operations

MCAP Inc. (hereinafter, the “Company” or “MCAP”).

On March 8, 2021, MCAP announced that the Board of Directors decided to seek a merger partner; and that MCAP believed a combination with an existing operating business was in the best interest of MCAP shareholders; and that MCAP would be opportunistic with regard to the merger partner’s industry, so long as the integration generated value for its shareholders.

On September 16, 2021, Unsecured Convertible Promissory Notes were issued to eleven separate accredited investors in exchange for a total of \$150,000.00. Accredited investors received a total of 50,000 Units, each Unit convertible into 200 Company common shares. The maturity date was January 1, 2023. The Notes had an annual interest rate of 5% for the first eighteen months and 8% thereafter. As of September 30, 2021, there were no stock conversions, and the accrued balance of the Notes was \$150,288.50.

On September 30, 2021, the Company completed the sale of all of its assets in exchange for cash and assumption of all liabilities of the Company, with the exception of an SBA Loan with an outstanding principal balance of \$52,319.00 and the Unsecured Convertible Promissory Note with a balance of \$150,288.50.

As of September 30, 2021, the Company had 250,000,000 common shares authorized and 125,892,957 shares issued and outstanding.

Effective as of October 5, 2021, pursuant to SEC regulations, the Company’s name was changed to MCAP Inc.

On October 19, 2021, the Company entered into a Limited Liability Company Membership Interest Purchase Agreement for the purchase of 100% of the limited liability company membership interests of MCAP Technologies LLC, a limited liability company organized and existing under the laws of the State of Delaware.

On October 19, 2021, the Company submitted a FINRA Notification covering the pending acquisition, its reverse stock split, and name change to MCAP Inc. The Company received approval from FINRA to proceed on November 9, 2021.

Effective November 9, 2021, the Company implemented a reverse split, issuing one (1) share of new MCAP Inc. common stock for every 200 shares of the Company’s old common stock. No fractional shares were issued. If the reverse stock split calculation resulted in the issuance of a fractional share to a shareholder, the issuance for such shareholder was rounded up to the next whole share. Shares held in “street name” through a broker, bank or other nominee were treated identically as shares held by registered holders.

Effective November 10, 2021, the Company completed its acquisition of MCAP Technologies LLC and its two subsidiaries, MCAP LLC and MBIT LLC. MCAP Technologies LLC equity holders became the majority shareholders of the combined Company. Following the acquisition, the Company had approximately 23,200,000 fully diluted shares outstanding. The combined Company had three subsidiaries: MCAP Technologies LLC, MBIT LLC, and MCAP LLC. MCAP Technologies LLC is a financial technology company that develops software utilized in various financial markets. MBIT LLC was a digital asset company focused on crypto-currency, DeFi protocols and blockchain integration in the global financial markets. MCAP LLC is a SEC-registered and FINRA member broker-dealer focused on electronic securities market making. MCAP LLC connects institutional investors, broker-dealers and companies to the global equity and fixed income markets. MCAP LLC acts as a principal and utilizes proprietary technology to provide executable prices on various platforms, exchanges and market centers to improve market liquidity, to increase execution speed, and to foster greater transparency. MCAP Technologies LLC also provides institutional customers with customized trading solutions and unique global market access.

On January 3, 2022, the Unsecured Convertible Promissory Notes were exercised and are no longer outstanding.

On March 23, 2022, the Company received name change approval from FINRA for its new name, MCAP Inc. The Company's stock symbol remains MCAP.

The current focus of MCAP Inc. is on technology-focused financial services. MCAP's underlying theme is the development of businesses that address the rapidly changing landscape of the global financial markets. The Company develops application software, provides securities trading services, and targets opportunities driven by digital financial technologies.

2. Summary of Significant Accounting Policies

Basis of Presentation – The accompanying Consolidated Financial Statements are unaudited and include the accounts of the Company and its wholly-owned subsidiaries and, in our opinion, reflect all normal adjustments necessary for fair presentation of our financial position, results of operations, and cash flows. Interim results may not be indicative of the results that may be expected for the full fiscal year. All intercompany accounts and transactions have been eliminated in consolidation. The preparation of these Consolidated Financial Statements is in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the balance sheet dates. Actual results could differ from those estimates.

Cash and Equivalents – Cash and equivalents include cash on hand and cash deposited with banks.

Fair Value of Financial Instruments – FASB ASC 820 defines fair value, establishes a framework for measuring fair value, and establishes a fair value hierarchy which prioritizes the inputs to valuation techniques. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability occurs in the principal market for the asset or liability or, in the absence of a principal market, the most advantageous market. Valuation techniques that are consistent with the market, income or cost approach, as specified by FASB ASC 820, are used to measure fair value. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. The financial instruments of the Company are reported in the statement of financial condition at fair values, or at carrying amounts that approximate fair values because of the short maturity of the instruments, except long-term notes payable, and subordinated borrowings, if any.

Net Capital Requirement – The Company's wholly owned subsidiary, MCAP LLC, is a registered broker-dealer and a market maker and, accordingly, is subject to the Securities and Exchange Commission Uniform Net Capital Rule (17 CFR § 240.15c3-1), which requires the maintenance of a minimum net capital of 6-2/3% of aggregate indebtedness, as defined, or the minimum dollar amount of net capital required as a market maker, as defined, whichever is greater.

The clearing and depository operations for counterparties' securities transactions are provided by two clearing firms pursuant to fully disclosed clearing agreements with each of: BofA Securities, Inc. ("BofAS," formerly Merrill Lynch Broadcourt); and Mirae Asset Securities (USA) Inc. ("MASI").

The Company has agreed to indemnify its clearing firms for losses that the clearing firms may sustain from counterparty accounts introduced by the Company. At September 30, 2025, there were no losses sustained in these counterparty accounts. All activity is conducted on a DVP (Delivery-Versus-Payment) basis and, as such, no securities were owned by such counterparties at the Company's clearing firms.

Intangible Assets – Intangible assets consist of customer, vendor and independent contractor relationships, and service marks.

Share-Based Compensation – The Company accounts for share-based compensation transactions with employees under the provisions of the Financial Accounting Standards Board's Accounting Standards Codification ("ASC") Topic 718, Compensation: Stock Compensation. Share-based compensation transactions with employees are measured based on the fair value of equity instruments issued.

The fair value of stock option grants is determined through the application of the Black-Scholes option-pricing model.

Revenue Recognition – The Company accounts for revenue in accordance with ASC Topic 606, Revenue from Contracts with Customers. ASC Topic 606 requires that an entity recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

The guidance requires an entity to follow a five-step model to: (a) identify the contract(s) with a customer; (b) identify the performance obligations in the contract; (c) determine the transaction price; (d) allocate the transaction price to the performance obligations in the contract; and (e) recognize revenue when (or as) the entity satisfies a performance obligation. In determining the transaction price, an entity may include variable consideration only to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized would not occur when the uncertainty associated with the variable consideration is resolved.

Principal Transactions on Securities Owned – Proprietary securities transactions in regular-way trades are recorded on the trade date, as if they had settled. Revenue arising from all securities transactions entered into for the account of the Company is recorded on a trade-date basis. Dividend Income and Dividend Expense are recorded on a settlement date basis. Amounts receivable and payable for securities transactions that have not reached their contractual settlement date are recorded net, respective of each clearing firm, on the statement of financial condition. Securities are recorded at fair value in accordance with FASB ASC 820, Fair Value Measurement.

Technology, Execution Services, Data and Advisory Fee Income – Fee income may include application software usage fees and/or data and advisory fees earned from providing commercial customers with services. Fees are recognized when the services have been performed.

Cash and Equivalents – The Company considers all money market accounts, time deposits and certificate of deposits purchased with original maturities of three (3) months or less to be cash equivalents.

Property and Equipment – Property and equipment are recorded at cost. Depreciation is provided on the straight-line method over the shorter of the estimated useful lives of the assets or the life of the lease.

Capitalized Software – The Company capitalizes costs of materials, consultants, and payroll and payroll-related costs for employees incurred in developing internal-use software. Costs incurred during the preliminary project and post-implementation stages are charged to expense. Management's judgement is required in determining the point at which various projects enter the stages at which costs may be capitalized, in assessing the ongoing value of the capitalized costs, and in determining the estimated useful lives over which the costs are amortized. Capitalized software development costs and related accumulated amortization are included in Fixed Assets in the accompanying Consolidated Balance Sheet and are amortized over a 5-year period, which represents the estimated useful lives of the underlying software. The Company adopted ASC 350-40 – Internal-Use Software in Q4 2024.

Registered Agent Fees – The Company utilizes Computershare Investor Services as its transfer agent and expenses fees when due.

Net Loss Per Common Share – Basic net loss per common share is computed by dividing the net loss applicable to common stockholders by the weighted average number of common shares outstanding during the period.

Diluted net loss per common share is computed by dividing net loss applicable to common stockholders by the weighted average number of shares issued, and that could have been issued, pursuant to the terms of the Unsecured Convertible Promissory Note. The Company maintains a stock option program, so there can be potential dilution resulting from the exercise of common stock options.

Net Gain Per Common Share – Basic net gain per common share is computed by dividing net gain applicable to common stockholders by the weighted average number of common shares outstanding during the period.

Diluted net gain per common share is computed by dividing net gain applicable to common stockholders by the weighted average number of shares issued and that could have been issued pursuant to the terms of the Unsecured Convertible Promissory Note. The Company maintains a stock option program, so there can be potential dilution resulting from the exercise of common stock options.

3. Income Taxes

ASC 740-10, Income Taxes prescribes a 'more-likely-than-not' threshold of financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. This interpretation also provides guidance on derecognition of income tax assets and liabilities, classification of current and deferred tax assets and liabilities, accounting for interest and penalties associated with tax positions, accounting for income taxes in interim periods and income tax disclosures. The Company has not had any uncertain tax positions requiring derecognition.

The Company is required to file its tax returns in the U.S. federal jurisdiction and in the states of Nevada (the Company's State of Formation), New York and Florida. It is the Company's policy not to recognize interest or penalties for late filings unless and until imposed by a taxing authority. For the quarter ended September 30, 2025, the Company recorded no amounts for interest and penalties.

The Company recorded tax expense of \$1,682,290.00 for 2025.

4. Stockholders' Equity

On February 1, 2023, the Company issued 150,000 shares of common stock related to its purchase of the QwickBonds fixed income trading platform.

On March 1, 2024, the Company issued 750,000 shares of restricted common stock under a cliff vesting arrangement to key employees at the Company. As part of the arrangement, the employees must be employed by the Company until March 1, 2027 to retain their shares.

On April 1, 2025, the Company issued 250,000 shares of restricted common stock under a cliff vesting arrangement to key employees at the Company. As part of the arrangement, the employees must be employed by the Company until April 1, 2028 to retain their shares.

5. Commitments and Contingencies

During this reporting period, the Company has not been subject to legal proceedings or claims that arise in the ordinary course of business, including liabilities associated with land ownership, such as environmental issues. The Company believes that should any such matters arise, they will not have a material adverse impact on the Company's financial position, results of operations or its cash flows.

6. Related Party Transactions

During the three months ended March 31, 2025, the Company issued forgivable loans to certain key employees totaling \$3,550,000.00. These loans were provided as part of employee retention arrangements and are subject to forgiveness over ten (10) years.

The loans bear interest of 2.53% and are accounted for in accordance with applicable U.S. GAAP guidance. Management has evaluated these transactions under ASC 850, Related Party Disclosures, and has determined that they represent related party transactions due to the employment relationship.

No other material-related party transactions occurred during the period.

7. Investments

On February 1, 2023, the Company closed its purchase of QwickBonds, a fixed income trading platform.

8. Operating Leases

The Company's subsidiary, MCAP LLC, maintains offices located in New York, NY, Pleasantville, NY, and Orlando, FL. The New York, NY lease terminates in December 2030; the Orlando, FL lease terminates in September 2032; and the Pleasantville, NY lease terminates in December 2028. Associated with the adoption of ASC 842, the Company has elected to use a discount rate representing the average rate of its margin loan rates among its clearing firms, in the calculation of the present value of the remaining operating lease payments. The weighted average rate in effect is 1.15%.

9. Subsequent Events

The Company has evaluated subsequent events for adjustment to, or disclosure in, its Consolidated Financial Statements through the date of this report.

On September 12, 2025, the Board of Directors declared a dividend of \$0.10 per common share. The dividend was paid on October 1, 2025 in the amount of \$2,452,614.00.

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