

# **Minco Capital Corp.**

Financial Statements

**Years ended December 31, 2025 and 2024**

(Expressed in Canadian dollars unless otherwise stated)

## **Management's Responsibility for Financial Reporting**

The financial statements are the responsibility of the Board of Directors and management. The financial statements have been prepared by management in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and include certain estimates that reflect management's best judgments on current information. In the opinion of management, the accounting practices utilized are appropriate in the circumstances, and the financial statements fairly reflect the financial position, changes in equity, financial performance and cash flows of the Company within reasonable limits of materiality.

The Audit Committee of the Board of Directors is composed of three Directors and meets with management and the independent auditors to review the scope and results of the annual audit and to review the financial statements and related financial reporting matters prior to submitting the financial statements to the Board of Directors for approval.

The financial statements have been audited by Smythe LLP, Chartered Professional Accountants, whom the shareholders appointed. The auditor's report outlines the scope of their examination and their opinion on the financial statements.

Dr. Ken Cai  
President and CEO

Renee Lin, CPA  
Chief Financial Officer

Vancouver, Canada  
March 18, 2026

## INDEPENDENT AUDITOR'S REPORT

### TO THE SHAREHOLDERS OF MINCO CAPITAL CORP.

#### *Opinion*

We have audited the financial statements of Minco Capital Corp. (the "Company"), which comprise:

- ◆ the statements of financial position as at December 31, 2025 and 2024;
- ◆ the statements of income (loss) and comprehensive income (loss) for the years then ended;
- ◆ the statements of changes in shareholders' equity for the years then ended;
- ◆ the statements of cash flows for the years then ended; and
- ◆ the notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2025 and 2024, and its financial performance and cash flows for the years then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards").

#### *Basis for Opinion*

We conducted our audits in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our opinion.

#### *Key Audit Matters*

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the year ended December 31, 2025. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our auditor's report.

#### *Other Information*

Management is responsible for the other information. The other information comprises the information included in Management's Discussion and Analysis.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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In connection with our audits of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### *Responsibilities of Management and Those Charged with Governance for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

### *Auditor's Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- ◆ Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ◆ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- ◆ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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- ◆ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- ◆ Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

The engagement partner on the audit resulting in this independent auditor's report is Hervé Leong-Chung.

*Smythe LLP*

Chartered Professional Accountants

Vancouver, British Columbia

March 18, 2026

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# Minco Capital Corp.

## Statements of Financial Position

(Expressed in Canadian dollars, unless otherwise stated)

As at	December 31, 2025	December 31, 2024
<b>Assets</b>	\$	\$
<b>Current assets</b>		
Cash	430,956	212,636
Short-term investments (note 5)	20,000	720,000
Investments at fair value (note 6)	9,456,310	4,212,653
Receivables	1,106	7,549
Prepaid expenses and deposits	20,668	21,636
	9,929,040	5,174,474
<b>Non-current assets</b>		
Long-term deposit	13,148	13,148
Property and equipment	128	298
Right-of-use assets (note 7)	86,315	121,216
<b>Total assets</b>	<b>10,028,631</b>	<b>5,309,136</b>
<b>Liabilities and Shareholders' Equity</b>		
<b>Liabilities</b>		
<b>Current liabilities</b>		
Accounts payable and accrued liabilities	41,479	37,463
Due to related parties (note 9)	18,855	-
Lease obligation, current (note 7)	44,597	39,697
	104,931	77,160
Lease obligation, non-current (note 7)	64,318	106,653
	169,249	183,813
<b>Shareholders' Equity</b>		
Share capital (note 8)	35,737,747	35,948,817
Contributed surplus (note 8)	10,557,572	10,500,637
Deficit	(36,435,937)	(41,324,131)
	9,859,382	5,125,323
<b>Total liabilities and shareholders' equity</b>	<b>10,028,631</b>	<b>5,309,136</b>

Approved by the Board of Directors

(signed) Malcolm Clay Director

(signed) Mike Doggett Director

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

# Minco Capital Corp.

## Statements of Income (Loss) and Comprehensive Income (Loss)

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

	2025	2024
	\$	\$
<b>Dividend and interest income</b>	129,588	37,617
<b>Realized gain (loss) from investments</b> (note 6)	842,886	(987,796)
<b>Unrealized gain from investments</b> (note 6)	4,148,238	941,507
	5,120,712	(8,672)
<b>Operating expenses</b>		
Accounting and audit	34,043	33,138
Amortization	37,160	36,621
Consulting	23,438	23,438
Directors' fees (note 9)	23,000	24,000
Interest expense (note 7)	10,168	13,020
Investment evaluation (note 9)	23,438	39,736
Legal and regulatory	37,465	47,736
Office and administration	35,783	39,480
Salaries and benefits (note 9)	93,361	97,496
Share-based compensation (notes 8 and 9)	56,935	31,548
Travel	2,792	2,736
	377,583	388,949
<b>Operating gain (loss)</b>	4,743,129	(397,621)
Foreign exchange loss	(50,843)	(3,865)
<b>Net income (loss) and comprehensive income (loss)</b>	4,692,286	(401,486)
<b>Net income (loss) per share</b> (note 14)		
-basic	0.11	(0.01)
-diluted	0.10	(0.01)
<b>Weighted average number of common shares outstanding</b> (note 14)		
-basic	43,367,840	43,438,783
-diluted	44,892,840	43,438,783

The accompanying notes are an integral part of these financial statements

# Minco Capital Corp.

## Statements of Changes in Shareholders' Equity

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

	Number of shares	Treasury shares	Share capital	Contributed surplus	Deficit	Total
	#	#	\$	\$	\$	\$
<b>Balance - January 1, 2024</b>	43,608,881	11,000	36,096,115	10,469,089	(41,060,303)	5,504,901
Net loss for the year	-	-	-	-	(401,486)	(401,486)
Share-based compensation	-	-	-	31,548	-	31,548
Shares cancelled (note 8)	(178,000)	(11,000)	(147,298)	-	137,658	(9,640)
<b>Balance - December 31, 2024</b>	43,430,881	-	35,948,817	10,500,637	(41,324,131)	5,125,323
Net income for the year	-	-	-	-	4,692,286	4,692,286
Share-based compensation	-	-	-	56,935	-	56,935
Shares cancelled (note 8)	(255,000)	-	(211,070)	-	195,908	(15,162)
<b>Balance - December 31, 2025</b>	43,175,881	-	35,737,747	10,557,572	(36,435,937)	9,859,382

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

# Minco Capital Corp.

## Statements of Cash Flow

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

	2025	2024
Cash flows generated from (used in)	\$	\$
<b>Operating activities</b>		
Net income (loss) for the year	4,692,286	(401,486)
Items not affecting cash:		
Amortization	37,160	36,621
Interest expense	10,168	13,020
Unrealized gain from investments	(4,148,238)	(941,507)
Realized loss (gain) from investments	(842,886)	987,796
Share-based compensation	56,935	31,548
Redemption (purchase) of short-term investment	700,000	(700,000)
Purchase of investments at fair value	(17,912,610)	(1,293,070)
Disposition of investments	17,660,077	2,161,421
Changes in items of working capital:		
Accounts payable and accrued liabilities	4,015	(5,232)
Due to/from related parties	18,855	(4,520)
Prepaid expenses and deposits	968	1,539
Receivables	6,443	(5,901)
<b>Net cash generated from (used in) operating activities</b>	<b>283,173</b>	<b>(119,771)</b>
<b>Financing activities</b>		
Purchase of shares for cancellation	(15,162)	(9,640)
Repayment of lease obligation	(49,691)	(49,254)
<b>Net cash used in financing activities</b>	<b>(64,853)</b>	<b>(58,894)</b>
<b>Increase (decrease) in cash</b>	<b>218,320</b>	<b>(178,665)</b>
<b>Cash - Beginning of year</b>	<b>212,636</b>	<b>391,301</b>
<b>Cash - End of year</b>	<b>430,956</b>	<b>212,636</b>
Foreign exchange gain (loss) included in unrealized gain from investments	(61,268)	37,014
Modification to Lease included in ROU assets	2,088	(605)
Taxes paid	-	-
Interest paid	-	-

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

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

*(Expressed in Canadian dollars, unless otherwise stated)*

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#### 1. Nature of operations

Minco Capital Corp. (the “Company”) is an investment company that aims to generate income and achieve long-term capital appreciation by investing in public and private companies and assets.

The Company was incorporated in 1982 under the laws of British Columbia, Canada, as Cap Rock Energy Ltd. On February 25, 2019, the Company changed its name to Minco Capital Corp. The Company’s registered office is 2060 - 1055 West Georgia Street, Vancouver, British Columbia, Canada. The Company’s common shares are traded on the TSX Venture Exchange (“TSX-V”) under the symbol MMM and on the OTC Market in the USA (“OTCQB”) under the symbol MGHCF.

#### 2. Basis of preparation

These financial statements have been prepared in accordance with the IFRS Accounting Standards (“IFRS”) as issued by the International Accounting Standards Board (“IASB”). The Company has determined that it meets the definition of an investment entity under IFRS 10 Consolidated Financial Statements (“IFRS 10”). Accordingly, all investments have been recorded at fair value through profit or loss (“FVTPL”).

The board approved these financial statements of directors for issue on March 18, 2026.

The financial statements have been prepared under the historical cost convention, except for financial instruments carried out at FVTPL. In addition, they have been prepared using the accrual basis of accounting, except for cash flow information.

#### 3. Summary of material accounting policies

##### Financial instruments

###### Financial assets

###### (a) Initial recognition and measurement

A financial asset is measured initially at fair value less, and for an item not at fair value through profit or loss, transaction costs directly attributable to its acquisition or issue. On initial recognition, a financial asset is classified as measured at amortized cost or fair value through profit or loss.

###### (i) Financial assets measured at amortized cost

A financial asset that meets both of the following conditions is classified as a financial asset measured at amortized cost using the effective interest rate method:

- The Company’s business model for the financial assets is to hold the assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the amount outstanding.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

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#### 3. Summary of material accounting policies (continued)

##### Financial instruments (continued)

##### Financial assets (continued)

###### (a) Initial recognition and measurement (continued)

The Company's cash, short-term investments, receivables and deposits, are classified as amortized cost financial assets.

###### (i) Financial assets measured at fair value through profit and loss ("FVTPL")

Financial assets measured at FVTPL are carried in the statement of financial position at fair value with changes in fair value therein, recognized in profit or loss. The Company's investments are FVTPL financial assets.

###### (ii) Fair value through other comprehensive income ("FVOCI")

For financial assets that are not held for trading, the Company can make an irrevocable election at initial recognition to classify the instruments at FVOCI, with all subsequent changes in fair value being recognized in other comprehensive income. This election is available for each particular investment. Fair value changes are recognized in OCI, while dividends are recognized in profit or loss. The Company does not have any financial assets designated as FVOCI.

###### (b) Derecognition of financial assets

The Company derecognizes a financial asset if the contractual rights to the cash flow from the asset expire, or the Company transfers all the risks and rewards of ownership of the financial asset substantially. Any interests in transferred financial assets that are created or retained by the Company are recognized as a separate asset or liability. Gains and losses on derecognition are generally recognized in profit or loss.

##### Financial liabilities

###### (a) Recognition and measurement of financial liabilities

The Company recognizes financial liabilities when it becomes a party to the contractual provisions of the instruments.

###### (b) Classification of financial liabilities

The Company classifies financial liabilities at initial recognition as financial liabilities: measured at amortized cost or measured at fair value through profit or loss.

###### (i) Financial liabilities measured at amortized cost

A financial liability at amortized cost is initially measured at fair value less transaction costs directly attributable to the issuance of the financial liability. Subsequently, the financial liability is measured at amortized cost based on the effective interest rate method.

The Company's accounts payable and accrued liabilities, due to related parties, and lease obligations are classified as amortized cost financial liabilities.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

*(Expressed in Canadian dollars, unless otherwise stated)*

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#### 3. Summary of material accounting policies (continued)

##### Financial instruments (continued)

##### Financial liabilities (continued)

##### (b) Classification of financial liabilities (continued)

##### (ii) Financial liabilities measured at FVTPL

A financial liability measured at FVTPL is initially measured at fair value with any associated transaction costs being recognized in profit or loss when incurred. Subsequently, the financial liability is re-measured at fair value, and a gain or loss is recognized in profit or loss in the reporting period in which it arises.

The Company has no liabilities classified as financial liabilities measured at FVTPL.

##### (c) Derecognition of financial liabilities

The Company derecognizes a financial liability when the financial liability is discharged, cancelled, or expired. Generally, the difference between the carrying amounts of the financial liability derecognized and the consideration paid and payable, including any non-cash assets transferred or liabilities assumed, is recognized in the statements of loss and comprehensive loss.

##### (d) Offsetting financial assets and liabilities

Financial assets and liabilities are offset, and the net amount is presented in the statement of financial position only when the Company has a legally enforceable right to set off the recognized amounts and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

##### (e) Impairment of financial assets

The Company recognizes a loss allowance for expected credit losses on financial assets that are measured at amortized cost.

At each reporting date, the Company measures the loss allowance for the financial asset at an amount equal to the lifetime expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition. If, at the reporting date, the financial asset has not increased significantly since initial recognition, the Company measures the loss allowance for the financial asset at an amount equal to twelve months' expected credit losses. The Company shall recognize, as an impairment gain or loss, the amount of expected credit losses (or reversal) required to adjust the loss allowance at the reporting date to the amount required to be recognized.

##### Short-term investments

Short-term investments consist of term deposits with a maturity date of more than 90 days.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

*(Expressed in Canadian dollars, unless otherwise stated)*

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#### 3. Summary of material accounting policies (continued)

##### Foreign currency translation

###### (i) Functional and presentation currency

The functional currency and presentation currency of the Company is the Canadian dollar.

###### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency of the Company using the exchange rates prevailing at the dates of the transactions. Generally, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in currencies other than the Company's functional currency are recognized in profit or loss.

##### Share-based compensation

The Company grants stock options to directors, officers, employees, and service providers. Each tranche in an award is considered a separate award with its own vesting period. The Company applies the fair-value method of accounting for share-based compensation, and the fair value is calculated using the Black-Scholes option pricing model.

Share-based payments for employees and others providing similar services are determined based on the grant date fair value. Share-based payments for non-employees are determined based on the fair value of the goods/services received or options granted measured at the date on which the Company obtains such goods/services, if it is a more reliable measure of fair value.

Charges for options that are forfeited before vesting are reversed from net income (loss) and contributed surplus. For options that expire or are forfeited after the vesting, the recorded value remains in contributed surplus.

##### Share capital

Common shares are classified as equity. Incremental costs directly attributable to the issuance of shares are recognized as a deduction from equity.

##### Redemption of common shares

Shares purchased and cancelled are recorded as a reduction in share capital at the average original share issuance value on a pro-rata basis. The amount of any premium or discount on cancellation of the common shares is recorded against deficit.

##### Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company, and the revenue can be reliably measured. Security transactions are recorded on a trade date basis. Realized gains and losses on disposal of investments and unrealized gains and losses in the value of investments are reflected in the statement of loss and comprehensive loss. Interest and dividends income are recognized on an accrual basis.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

*(Expressed in Canadian dollars, unless otherwise stated)*

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#### 3. Summary of material accounting policies (continued)

##### **Earnings (loss) per share**

Basic earnings per share are computed using the weighted average number of common shares outstanding during the year. Diluted earnings per share amounts are calculated, giving effect to the potential dilution that would occur if securities or other contracts to issue common shares were exercised or converted to common shares using the treasury stock method. If the Company incurs net losses in a fiscal year, basic and diluted loss per share is the same.

##### **Right-of-use asset and lease obligation**

The Company assesses whether a contract is or contains a lease at the inception of a contract. The Company recognizes a right-of-use asset (“ROU asset”) and a corresponding lease obligation with respect to all lease arrangements in which it is the lessee, at the commencement of the lease, with the following exceptions:

- The Company has elected not to recognize ROU assets and liabilities for leases where the total lease term is less than or equal to 12 months; or
- For leases of low value.

The payments for such leases are recognized in profit or loss over the lease term.

The ROU asset is initially measured based on the present value of lease payments, lease payments made at or before the commencement day, and any initial direct costs. ROU assets are depreciated over the shorter of the lease term or the useful life of the underlying asset. The ROU asset is subject to testing for impairment if there is an indicator of impairment.

The lease obligation is initially measured at the present value of lease payments that are not paid at the commencement date, discounted by using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. Lease payments include fixed payments less any lease incentives and any variable lease payments where variability depends on an index or rate. When the lease contains an extension or purchase option that the Company considers reasonably certain to be exercised, the cost of the option is included in the lease payments. Lease liabilities are measured at amortized cost using the effective interest rate method and are remeasured when there is a change in future lease payments arising from a modification of the lease.

A lease modification is accounted for as a separate lease if the modification increases the scope of the lease by adding the right to use one or more underlying assets and the consideration for the leases increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, the Company remeasures the lease liability based on the lease term of the modified lease by discounting the revised lease payments using a revised discount rate at the effective date of the modification. The Company accounts for the remeasurement of lease liabilities by making corresponding adjustments to the relevant right-of-use asset.

##### **Future accounting standards**

The Company has performed an assessment of new standards issued by the IASB that are not yet effective. As a result, the Company has assessed that the impact of adopting these accounting standards on its financial statements would not be significant.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

*(Expressed in Canadian dollars, unless otherwise stated)*

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#### 4. Critical accounting estimates and judgments

The preparation of financial statements requires management to use judgment in applying its accounting policies and estimates and assumptions about the future. Estimates and other judgments are continuously evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable in the circumstances. The following discusses the most significant accounting judgments and estimates that the Company has made in the preparation of the financial statements:

##### *Determination of investment entity status*

The Company considered all the available facts and concluded that the Company met all three criteria set forth in IFRS 10, Consolidated financial statements, to meet the definition of an investment entity:

- Obtains funds from one or more investors for the purpose of providing those investor(s) with investment management services;
- Commits to its investors that its business purpose is to invest funds solely for returns from capital appreciation, investment income, or both; and
- Measures and evaluates the performance of substantially all of its investments on a fair value basis.

In addition, management considers the Company to have all of the typical characteristics of an investment entity as follows:

- It has more than one investment;
- It has more than one investor;
- It has investors that are not related parties of the entity; and
- It has ownership interests in the form of equity.

##### *The fair value of investments measured at FVTPL*

The Company's investments are recorded in the statements of financial position at fair value. Management uses its judgment to select various methods and make assumptions that are not always supported by quantifiable market prices or rates. Judgment is required to the appropriate valuation methodology under this standard and subsequently determine the inputs into the valuation model used. In making estimates and judgments, management relies on external information and observable conditions where possible, supplemented by internal analysis as required.

The fair values of financial instruments with quoted bid and ask prices are based on the price within the bid-ask spread that is most representative of fair value and may include closing prices in exchange markets. The fair value of the other financial instruments is determined using the valuation techniques described in Note 11.

##### *Fair value of equity instruments*

The fair value of equity instruments is subject to the limitations of the Black-Scholes option pricing model and other pricing models that incorporate market data and involve uncertainty in estimates used by management in the assumptions. Because option pricing models require inputs of highly subjective assumptions, including the volatility of share prices, changes in subjective input assumptions can materially affect the fair value estimate.

# Minco Capital Corp.

Notes to Financial Statements

**Years ended December 31, 2025 and 2024**

*(Expressed in Canadian dollars, unless otherwise stated)*

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## 5. Short-term investments

As of December 31, 2025, short-term investment consists of a \$20,000 term deposit at 2.55% per annum.

As of December 31, 2024, the short-term investments consist of the following:

	Amount (\$)	Maturity date	Interest rate
Term deposit	20,000	June 30, 2025	4.00%
Term deposit	100,000	June 25, 2025	3.75%
Term deposit	200,000	February 19, 2025	4.38%
Term deposit	400,000	June 1, 2025	3.5%
	<u>720,000</u>		

## 6. Investments at fair value

The fair values of financial instruments with quoted bid and ask prices are based on the price within the bid-ask spread, which is the most representative of fair value and may include closing prices in exchange markets. The Company considers the closing share price of investments in public entities to be the fair value at each reporting date.

# Minco Capital Corp.

Notes to Financial Statements

**Years ended December 31, 2025 and 2024**

*(Expressed in Canadian dollars, unless otherwise stated)*

## 6. Investments at fair value (continued)

The Company had the following investments as of December 31, 2025:

	Number of Shares/Units Held	Fair value
	#	\$
<b>Equities of public companies:</b>		
<b>Top ten companies by fair value</b>		
- Minco Silver Corporation <sup>(i)</sup>	11,000,000	6,050,000
- Circle Internet Group Inc.	4,000	434,754
- Pembina Pipeline Corporation	6,300	329,427
- Altria Group Inc.	3,500	276,601
- Tesla Inc.	750	246,554
- Meta Platforms Inc.	250	226,180
- EPR Properties	3,000	205,179
- Hims & Hers Health Inc.	4,000	178,014
- TC Energy Corporation	2,300	173,834
- Lithium South Development Corporation	353,000	151,790
<b>Others</b>	various	608,977
<b>Equities of a private company (Rama Gold Inc.)<sup>(ii)</sup></b>	400,000	575,000
<b>Total</b>		<b>9,456,310</b>

The continuity schedule of the Company's investments during the year ended December 31, 2025 is as follows:

	December 31, 2024	Additions	Proceeds from dispositions	Realized gain	Unrealized gain	December 31, 2025
Investment in public entities:	\$	\$	\$	\$	\$	\$
- Shares and partnership units	4,212,653	17,912,610	(17,660,077)	842,886	3,573,238	8,881,310
Investment in Rama Gold Inc (ii)	-	-	-	-	575,000	575,000
<b>Total</b>	<b>4,212,653</b>	<b>17,912,610</b>	<b>(17,660,077)</b>	<b>842,886</b>	<b>4,148,238</b>	<b>9,456,310</b>

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 6. Investments at fair value (continued)

The Company had the following investments as of December 31, 2024:

	Number of Shares/Units Held	Fair value
	#	\$
<b>Equities of public companies:</b>		
<b>Top ten companies by fair value</b>		
- Minco Silver Corporation <sup>(i)</sup>	11,000,000	1,980,000
- Asante Gold Corporation	523,400	549,570
- Tesla Inc.	550	319,597
- Nvidia Corporation	650	125,599
- Lundin Gold Inc.	3,500	107,310
- Lavras Gold Corp.	37,037	83,333
- Microsoft Corporation	130	78,845
- Unity Software Inc.	2,000	64,664
- Perseus Mining Ltd.	28,000	63,840
- Rupert Resources Ltd.	15,000	63,450
<b>Others</b>	various	776,445
<b>Equities of a private company (EI Olivar)<sup>(ii)</sup></b>	400,000	-
<b>Total</b>		<b>4,212,653</b>

The continuity of the Company's investments during the year ended December 31, 2024, is as follows:

	December 31, 2023	Additions	Proceeds from dispositions	Realized loss	Unrealized gain	December 31, 2024
Investment in public entities:	\$	\$	\$	\$	\$	\$
- Shares and partnership units	5,044,955	1,293,070	(2,077,623)	(936,621)	888,872	4,212,653
- Investment in trust units:	82,338	-	(83,798)	(51,175)	52,635	-
<b>Total</b>	<b>5,127,293</b>	<b>1,293,070</b>	<b>(2,161,421)</b>	<b>(987,796)</b>	<b>941,507</b>	<b>4,212,653</b>

(i) As at December 31, 2025, the Company held 11,000,000 common shares of Minco Silver Corporation ("Minco Silver"), representing approximately 18% of Minco Silver's outstanding common shares (December 31, 2024 - 11,000,000 common shares, approximately 18% ownership). As at December 31, 2025, the closing market price of Minco Silver's common shares was \$0.55 per share (December 31, 2024 - \$0.18 per share). The resulting fair market value of the Company's investment in Minco Silver was approximately \$6.05 million (December 31, 2024 - approximately \$1.98 million), representing approximately 68% of the Company's investment portfolio by fair value, compared to approximately 47% as at December 31, 2024.

Minco Silver and the Company have common directors and management; accordingly, this investment is considered a related party investment.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

*(Expressed in Canadian dollars, unless otherwise stated)*

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#### 6. Investments at fair value (continued)

During the year ended December 31, 2025, the Company recognized an unrealized gain of approximately \$4.07 million related to its investment in Minco Silver as a result of the increase in the market price of Minco Silver's common shares.

As Minco Silver represents a significant portion of the Company's investment portfolio, fluctuations in the market price of Minco Silver's common shares may materially affect the fair value of the Company's investment portfolio.

(ii) On December 22, 2016, the Company acquired 5.90% or 400,000 units ("Unit") of El Olivar Imperial SAC ("El Olivar"), a privately held Peruvian corporation, at US\$1.00 per Unit through a private placement. Each Unit consists of one Class A voting preferred share and 1.5 Class A share purchase warrant (the "El Warrant"), entitling the holder to purchase one additional Class A voting share for US\$1.00. The El Warrants expired in 2019.

In accordance with Level 3 of the fair value hierarchy, the Company recorded a decrease in fair value of its investment of \$575,560 (US\$400,000) in El Olivar to \$nil in 2019.

On March 31, 2025, the Company exchanged its investment in El Olivar for common shares of Rama Gold Inc. ("Rama Gold"), a privately held Canadian corporation, pursuant to a Securities Exchange Agreement. As a result of the exchange, the El Olivar investment was derecognized and replaced with an investment in Rama Gold.

The Company recorded an increase in fair value of the investment in Rama Gold to \$575,000 during the year ended December 31, 2025 using Level 2 of the fair value hierarchy.

One of the Company's directors is also a director, officer, and significant shareholder of Rama Gold; accordingly, this investment is considered a related party investment.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 7. Leases

The Company shares office space in Vancouver, British Columbia, with other related companies through certain common directors and management. In November 2022, the Company extended its lease commitment for an additional five years, set to conclude on April 30, 2028. As per the guidelines of IFRS 16 Leases, this specific lease arrangement was not accounted for as an independent lease entity. Instead, the right-of-use asset and lease obligation were evaluated at the present value of the adjusted lease payments. This valuation was computed using an 8% incremental borrowing rate for discounting.

##### a) Right-of-use assets

During the years ended December 31, 2025 and 2024, the overall lease cost was altered, which is reflected in the table below as a change to lease terms.

The continuity of the right-of-use assets for the years ended December 31, 2025 and December 31, 2024 is as follows:

	December 31, 2025	December 31, 2024
	\$	\$
Right-of-use asset, beginning of year	121,216	158,186
Change	2,088	(605)
Amortization	(36,989)	(36,365)
Right-of-use asset, end of year	86,315	121,216

##### b) Lease obligation

The continuity of the lease obligation as of December 31, 2025 and 2024 is as follows:

	December 31, 2025	December 31, 2024
	\$	\$
Lease obligation recognized, beginning of year	146,350	183,189
Change	2,088	(605)
Interest accretion	10,168	13,020
Lease payments	(49,691)	(49,254)
Lease obligation, end of year	108,915	146,350
Current lease obligation	44,597	39,697
Non-current lease obligation	64,318	106,653
Lease obligation, end of year	108,915	146,350

The maturity analysis of the Company's contractual undiscounted lease liabilities as of December 31, 2025 is as follows:

	Total
	\$
Less than one year	51,408
One to two years	52,068
Two to three years	15,457
	118,933

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 8. Share capital

##### (a) Common shares

Authorized: 100,000,000 common shares without par value

During the year ended December 31, 2025, the TSX Venture Exchange approved the renewal of the Company's Normal Course Issuer Bid ("NCIB") for a one-year period, ending July 10, 2026. Under the renewed NCIB, the Company may repurchase up to 3,245,655 common shares for cancellation, representing approximately 10% of its public float.

During the year ended December 31, 2024, the Company repurchased and cancelled 189,000 common shares at an original issuance value of \$147,298, for a total consideration of \$9,640. The \$137,658 difference between the original issuance value and purchase price was credited to deficit.

During the year ended December 31, 2025, the Company repurchased and cancelled 255,000 common shares at an original issuance value of \$211,070, for a total consideration of \$15,162. The \$195,908 difference between the original issuance value and purchase price was credited to deficit.

##### (b) Stock option

The Company has implemented a fixed stock option plan whereby it has reserved 8,895,976 shares for issuance. The Company's board of directors may grant such options to its directors, officers, employees and consultants for periods of up to five years, with vesting periods determined at its sole discretion and at prices equal to or greater than the closing market price on the day preceding the date the options are granted. These options are equity-settled.

During the year ended December 31, 2025, the Company granted stock options to employees, consultants, and directors to purchase 2,850,000 common shares at an exercise price of \$0.045 per common share. These options vest over 18 months from the issue date and will expire five years after issuance if unexercised.

During the year ended December 31, 2025, the Company recognized \$56,935 (2024 - \$31,548) in share-based compensation expense related to stock options.

The Company's outstanding option continuity is as follows:

	<b>Number outstanding</b>	<b>Weighted average</b>
	<b>#</b>	<b>exercise price</b>
		<b>\$</b>
Balance, December 31, 2023 and 2024	4,797,000	0.08
Grant	2,850,000	0.045
Expired	(2,097,000)	0.12
Balance, December 31, 2025	5,550,000	0.05

As of December 31, 2025, the total unrecognized compensation cost related to unvested stock options was \$27,457 (December 31, 2024 - \$Nil).

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 8. Share capital (continued)

##### (b) Stock option (continued)

A summary of the Company's outstanding options as of December 31, 2025, is as follows:

Exercise price	Option outstanding		Options exercisable
	Number outstanding	Weighted average remaining contractual life (years)	Number exercisable
\$	#		#
0.045	2,850,000	4.42	950,000
0.055	2,700,000	2.24	2,700,000
	5,550,000	3.36	3,650,000

A summary of the Company's outstanding options as of December 31, 2024, is as follows:

Exercise price	Option outstanding		Options exercisable
	Number outstanding	Weighted average remaining contractual life (years)	Number exercisable
\$	#		#
0.055	2,700,000	3.24	2,700,000
0.12	2,097,000	0.32	2,097,000
	4,797,000	1.96	4,797,000

The Company used the Black-Scholes option pricing model to determine the fair value of the options with the following assumptions. The volatility was determined based on the Company's historical data.

	2025	2024
Risk-free interest rate	2.8%	-
Dividend yield	-	-
Volatility	91%	-
Forfeiture rate	16.99%	-
Estimated expected lives	5 years	-

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 9. Related party transactions

The following related party transactions were conducted in the normal course of business:

##### a) Key management compensation

The Company's key management comprises its directors and senior executives; their compensation is included in operating expenses. For the years ended December 31, 2025 and 2024, compensation to key management was as follows:

	2025	2024
	\$	\$
Senior management remuneration *	134,489	110,226
Directors' fees	23,000	24,000
Share-based compensation	56,935	31,548
<b>Total</b>	<b>214,424</b>	<b>165,774</b>

\*Senior management remuneration includes salaries and benefits and investment evaluation fees on the statement of income (loss) and comprehensive income (loss).

##### b) Investees

Refer to note 6 for the Company's relationships and transactions with its investees, Rama Gold, and Minco Silver.

##### c) Other transactions with related parties

The Company, Minco Silver, and HempNova Lifetech Corporation ("HempNova") have common directors and management. As a result, these companies shared particular office rental and administrative expenses.

As of December 31, 2025, the Company's due to related parties consist of:

- \$3,955 due to Minco Silver (December 31, 2024 - \$Nil) concerning shared office expense reimbursements.
- \$1,775 due to HempNova (December 31, 2024 - \$Nil) concerning shared office expense reimbursements.
- \$13,125 due to companies controlled by the Company's CEO (December 31, 2024 - \$Nil) concerning expense reimbursements.

The amounts due to related parties are unsecured, non-interest bearing and payable on demand.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 10. Income tax

No income taxes were recorded due to sufficient accumulated tax losses.

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to the loss before income taxes. These differences result from the following items:

	2025	2024
	\$	\$
Income (loss) before income taxes	4,692,286	(401,486)
	27%	27%
Income tax expense at statutory rate	1,266,917	(108,401)
Non-taxable expenses	15,683	8,759
Under (over) provided in prior year	1,192	(15,155)
Utilization of non-capital loss carryforwards	(1,283,792)	-
Unused tax losses and tax offsets not recognized	-	114,797
Provision for tax expense	-	-

Deferred income taxes arise from temporary differences in the recognition of income and expenses for financial reporting and tax purposes. The significant tax-effected components of unrecognized deferred income tax assets as of December 31, 2025 are as follows:

	2025
	\$
Unrecognized deferred income tax balances	
Non-capital losses	5,434,611
Resource expenditures	431,087
Capital assets	24,587
Investments	(894,217)
Capital losses	878,482
	5,874,550

No deferred income tax asset has been recognized as realization is not considered probable due to the uncertainty of future taxable income.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 10. Income tax (continued)

The Company's Canadian non-capital loss carryforward expires from 2026 through 2045.

	\$
2026	806,337
2028	1,582,716
2029	1,270,045
2030	1,285,615
2031	1,933,078
2032	2,131,656
2033	1,535,838
2034	1,324,803
2035	1,201,864
2036	1,558,996
2037	1,422,850
2038	654,007
2039	856,064
2040	683,080
2041	324,012
2043	242,647
2044	1,314,579
	<u>20,128,187</u>

#### 11. Financial instruments and fair value

##### Fair value measurement

As of December 31, 2025 and 2024, financial instruments not measured at fair value on the statement of financial position are represented by cash, short-term investment, receivables, due to related parties, and accounts payable and accrued liabilities. The fair values of these financial instruments approximate the carrying value due to their short-term nature. Lease liabilities are measured at the present value of future lease payments and their carrying values approximate their fair values.

Financial assets and liabilities recognized on the statement of financial position at fair value can be classified in a hierarchy based on the significance of the inputs used in the measurements. The levels in the hierarchy are:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

#### 11. Financial instruments and fair value (continued)

##### Fair value measurement (continued)

The Company's financial assets measured at fair values through profit or loss are as follows:

December 31, 2025	Level 1	Level 2	Level 3
	\$	\$	\$
Investments at fair value	8,881,310	575,000	-

December 31, 2024	Level 1	Level 2	Level 3
	\$	\$	\$
Investments at fair value	4,212,653	-	-

The fair value of investments classified as level 2 is reconciled as follows:

	December 31, 2024	Unrealized gain	December 31, 2025
	\$	\$	\$
Investment at fair value	-	575,000	575,000

##### Financial risk factors

The Company's activities expose it to various financial risks, including market risk (price risk, currency risk, and interest rate risk), credit risk, and liquidity risk. Risk evaluation, management, and mitigation activities are carried out by the Company's management.

##### Credit risk

Counterparty credit risk is the risk that the financial benefits of contracts with a specific counterparty will be lost if the counterparty defaults on its obligations under the contract. This includes any cash amounts owed to the Company by these counterparties, less any amounts owed to the counterparty by the Company where a legal right of set-off exists and also includes the fair value contracts with individual counterparties, which are recorded in the financial statements. The Company considers the following financial assets to be exposed to credit risk:

- Cash – In order to manage credit and liquidity risk, the Company places its cash in two financial institutions in Canada (subject to deposit insurance up to \$100,000).
- Short-term investment – The Company places all of its short-term investments, mainly term deposits, with a major financial institution in Canada.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

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#### 11. Financial instruments and fair value (continued)

##### Financial risk factors (continued)

###### Market price risk

Price risk is the risk that the fair value of an investment measured at fair value will fluctuate due to changes in market prices (excluding changes arising from foreign currency or interest rate risk).

The Company's private equity investments are also subject to price risk, as they are affected by both general and specific market factors.

A 15% (2024 - 15%) increase/decrease in the value of all public and private equity investments would result in an approximate increase/decrease in the value of public and private equity investments and unrealized gain/loss in the amount of approximately \$1.3 million (2024 - \$0.6 million).

###### Foreign exchange risk

The Company's functional currency is the Canadian dollar. Foreign currency risk relates to the US dollar-denominated funds and investments held by the Company. Therefore, fluctuations in the US dollar's value against the Canadian dollar affect the Company's net income (loss) and comprehensive income (loss).

As of December 31, 2025, the Company had cash of \$155,309 (2024 - \$3,349) and investments at fair value of \$1.5 million (2024 - \$0.5 million), denominated in US dollars. A 10% (2024 - 10%) change in the currency exchange rate (US dollar to Canadian dollar) will affect the Company's net income (loss) and comprehensive income (loss) by approximately \$0.15 million (2024 - \$0.05 million). The Company has no currency hedges for its foreign exchange exposure.

###### Interest rate risk

Financial instruments that expose the Company to interest rate risk have no significant exposure.

The Company holds short-term investments, such as guaranteed investment certificates, at fixed interest rates; as a result, the Company is not exposed to significant interest rate risk.

###### Liquidity risk

Liquidity risk includes the risk that the Company cannot meet its financial obligations as they fall due. The Company has a planning and budgeting process to determine the funds required to support its normal operating requirements and exploration and development plans. The annual budget is approved by the Company's board of directors. As of December 31, 2025, the Company has positive working capital of approximately \$9.25 million. Management concludes that the Company has sufficient funds to meet its current operating and exploration expenditures.

# Minco Capital Corp.

## Notes to Financial Statements

### Years ended December 31, 2025 and 2024

(Expressed in Canadian dollars, unless otherwise stated)

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#### 12. Capital management

The Company's objectives in managing liquidity and capital are to safeguard its ability to remain a going concern and to provide the financial capacity to meet its strategic objectives. The Company's capital structure consists of equity attributable to common shareholders, comprising issued share capital, contributed surplus, and deficit.

The Company manages its capital structure and adjusts it in response to changes in economic conditions and the risk characteristics of the underlying assets. To maintain or adjust its capital structure, the Company may issue new shares, issue new debt, and/or acquire or dispose of assets to manage its capital requirements. The Company prepares annual expenditure budgets that are updated as necessary depending upon various factors, including successful capital deployment and general industry conditions.

As of December 31, 2025, the Company has sufficient funds to meet its current operating requirements and financial obligations. For the Company's long-term debt, please refer to the lease obligation in note 7.

The Company is not subject to any externally imposed capital requirements.

There were no changes to the Company's capital management during the year ended December 31, 2025.

#### 13. Segment disclosure

The Company has one operating segment, the acquisition and sale of investments in other companies. The Company's non-current assets are all located in Canada, specifically in Vancouver, British Columbia.

#### 14. Earnings per share

Basic earnings per share is calculated by dividing the net income attributable to common shareholders of the Company by the weighted average number of common shares outstanding during the year.

Diluted earnings per share reflects the potential dilution of common share equivalents such as stock options, calculated using the treasury stock method.

	2025
Net income attributable to shareholders (\$)	4,117,286
Weighted average number of common shares outstanding (basic)	43,367,840
<b>Basic earnings per share (\$)</b>	<b>0.11</b>
Dilutive effect of stock options	1,525,000
Weighted average number of common shares outstanding (diluted)	44,892,840
<b>Diluted earnings per share (\$)</b>	<b>0.10</b>

During the year ended December 31, 2025, 950,000 stock options with an exercise price of \$0.045 and 2,700,000 stock options with an exercise price of \$0.055 were included in the calculation of diluted earnings per share using the treasury stock method.