

## BIGG Digital Assets Inc. Reports Financial Results for Q3 2024

**November 28, 2024**

NEWS RELEASE

**TSXV: BIGG**

VANCOUVER – **BIGG Digital Assets Inc.** (“**BIGG**” or the “**Company**”) (TSXV: [BIGG](#) OTCQX: [BBKCF](#), WKN: [A2PS9W](#)) a leading innovator in the digital assets space and owner of [Blockchain Intelligence Group](#), [Netcoins](#), and [TerraZero](#), reports its Q3 2024 financial results. All figures are in Canadian dollars (CAD) unless otherwise noted.

### Q3 2024 Highlights

- Gross operating revenue of \$2.13M, comprising \$1.74M for Netcoins, \$0.41M for Blockchain Intelligence Group
  - Netcoins revenue was \$1.74M (2023 - \$1.05M), marking an increase of 66% year-over-year (YoY) and an increase of 115% for Fiscal 2024 Year-to-Date (YTD) as compared to Fiscal 2023 YTD. Transaction revenue was \$1.74M, increasing 65% YoY. At September 30, 2024, customers’ staked Assets under Custody totalled \$3.04M (2023 - \$Nil), resulting in service revenue of \$5.5K (2023 - \$Nil);
  - \$0.41M (2023 - \$0.39M) for Blockchain Intelligence Group, up 6% YoY. Revenues were in-line with those of the prior year, increasing by 3% during Fiscal 2024 YTD as compared to Fiscal 2023 YTD. Q3 2024 marked the second straight quarter of 7% revenue growth;
  - TerraZero recorded a revenue adjustment of \$(0.03)M, and remained focused on development of its Intraverse product, set to launch in March 2025.
- Netcoins customer Assets Under Custody (AUC) was \$107.3M at the end of Q3 2024, up \$45M or 72% from \$62.3M under custody at the end of Q3 2023. Q3 2024 AUC was down 6% from Q2 2024 AUC due to typically lighter trading volumes and activity over the summer months
- Netcoins’ active users totalled 8,023, a 1% increase YoY. The total of active users was down 13% from Q2 2024 due to seasonal factors. However, the overall increase year-to-date was 25% as compared to Fiscal 2023 YTD
- [Netcoins USA](#)’s direct integration with Zero Hash, a global leading crypto infrastructure provider, was completed to unlock crypto trading in 48 U.S. states. Netcoins USA will offer up to 60 digital assets and have access to 29 fiat currencies for its clients.

Netcoins USA operates as a compliance-first crypto trading platform, focused on regulatory adherence and customer safety while offering No Fee Trading

- BIG activities included the development of two new, innovative retail service offerings – that will leverage its proprietary data and robust infrastructure. These services are designed to capitalize on emerging market opportunities and are expected to significantly expand BIG’s total addressable market. These strategic initiatives will enhance our market presence and drive long-term value for the Company’s shareholders
- BIG announced the launch of new CCI modules: Module 9 – Hacks and Exploits; Module 10 – Compliance & Risk Management (standalone certification); Certified Cryptocurrency Investigator – Advanced Series (CCI-A)
- TerraZero continued to focus on the build out of its IntraVerse product, an entirely new gamified social platform. IntraVerse offers a fully customizable and personalized virtual environment for users to hang out with their friends, play games, stream their favorite music and video content, and more. It will offer monetizable opportunities for artists, game developers, brands and creators
- BIGG Digital Assets listed its common shares on the TSX Venture Exchange (TSXV) and commenced trading at market open on September 17, 2024. It is anticipated that the TSXV listing will further increase the Company’s visibility in the capital markets both domestically and globally - expanding investor reach and trading availability in the United States, Canada, and beyond - for both retail and institutional investors
- The Company’s shares continue to be listed on the OTCQX in the United States under the symbol “BBKCF” and on the Frankfurt Stock Exchange under the symbol “A2PS9W”. In connection with the listing of the shares on the TSXV, the Company voluntarily delisted its shares from the Canadian Securities Exchange (CSE) at the close of market on September 16, 2024
- As of September 30, 2024, BIGG’s cash and crypto holdings were ~\$17.6M
- The Company has no debt

#### **Highlights after September 30, 2024:**

- BIGG currently owns ~100.5 Bitcoin, valued at ~\$13.5M
- Netcoins currently has customer Assets Under Custody of ~\$174.9M (an increase of 63% over Q3 2024 and up 181% from Q3 2023)
- On November 5, 2024, BIG announced the launch of a new product - QLUE Express. QLUE Express is intended to significantly expand the addressable market by lowering barriers to access - offering a flexible low cost option that is available instantly via credit card purchase. QLUE Express offers a free version, as well as a flexible, pay-as-you-go model, starting at just \$149/month

## CRA Reassessment

The Company has been subject to an ongoing GST/HST audit by the Canada Revenue Agency ("CRA") in relation to Netcoins' fiscal 2018 operations. Subsequent to September 30, 2024, the CRA issued a notice of reassessment in the amount of \$8,358,119, inclusive of interest and penalties. A provision for the reassessed amount has been made as at September 30, 2024. The Company disputes and intends to contest CRA's reassessment. The Company will pursue its appeal rights under Canadian federal tax legislation. If we are unsuccessful and the outcome of our dispute with CRA results in significant taxes, interest charges and penalties, this could have a material adverse effect on our liquidity, financial position, results of operations and cash flows.

Dan Reitzik, Interim CEO, comments: "Netcoins has seen excellent growth in revenues and new clients through Q3, a traditionally slower period for trading, and so far in Q4 both revenues and new client additions are continuing to grow exponentially. Blockchain Intelligence Group's recently released new product, QLUE Express, with its low fees and simple to use interface, materially expands the audience for our QLUE technology to now include all Law Firms, Accounting Firms, Money Services Businesses, Financial Institutions, and any organization worldwide that touches crypto, and needs to have affordable compliance in place. The CRA reassessment is for a period prior to BIGG acquiring Netcoins. We continue to work with our external advisors and CRA to resolve this matter expeditiously. We are excited to see Netcoins' recent growth in both crypto trading, as well as new client acquisition since the November 5th election in the US, and Netcoins' availability in both Canada and US, coupled with new tools from Blockchain Intelligence that appeal to a mass commercial and consumer market, positions the Company very well as we move towards a more friendly and exciting phase in digital currencies and assets."

Selected financial and operating information should be read in conjunction with BIGG's unaudited condensed consolidated interim financial statements and related Management's Discussion and Analysis for the nine months ended September 30, 2024, available at [www.sedarplus.ca](http://www.sedarplus.ca).

All financial information in this press release is prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board.

### **On behalf of the Board**

#### **Dan Reitzik**

Interim CEO

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### **About BIGG Digital Assets Inc.**

BIGG Digital Assets Inc. (BIGG) believes the future of crypto is a safe, compliant, and regulated environment. BIGG invests in products and companies to support this vision. BIGG has three portfolio companies: Netcoins ([netcoins.com](http://netcoins.com)), Blockchain Intelligence Group ([blockchaingroup.io](http://blockchaingroup.io)), and TerraZero ([terrazero.com](http://terrazero.com)).

**Blockchain Intelligence Group** is an industry-leading digital asset forensics, anti-money laundering detection, and cryptocurrency investigations company. At the heart of our operations is deep-rooted expertise in visualizing digital assets and market-related activities. This expertise is leveraged to monitor transactional data with a constant eye to assist our customers with risk management, due diligence, and forensic services for digital assets. For more information please visit our website [www.BlockchainGroup.com](http://www.BlockchainGroup.com).

**Netcoins** offers safe and secure crypto trading in Canada and the USA, with a mission to make cryptocurrency easily accessible to the mass consumer and investor with a focus on fast, simple, and transparent trading. Netcoins has a robust product offering with Crypto Trading, Netcoins Pay Mastercard, and Netcoins Staking. Netcoins utilizes BitRank Verified® software at the heart of its platform and facilitates crypto trading via its cutting-edge Mobile and Web applications. For more information please visit our website [www.Netcoins.com](http://www.Netcoins.com).

**TerraZero Technologies Inc.** is a vertically integrated Metaverse development group and leading Web3 technology company specializing in helping brands create immersive experiences. TerraZero's Metaverse-agnostic vision is to develop and implement products and services with scalable commercial applications to flourish engagement across gamified experiences where enterprise-level businesses, metaverse platforms, and Web3 creators can seamlessly bridge and actionably grow their virtual world and the physical world endeavors together as one. TerraZero owns digital real estate for brands to establish a presence in existing virtual worlds and can also offer brands their own private worlds to provide offices and services to those interested in the metaverse. Furthermore, TerraZero acquires, designs, builds, and operates virtual assets and solutions to monetize the metaverse ecosystem. TerraZero's businesses are segmented into five (5) divisions, which include: (1) immersive experience creation in existing or private virtual worlds; (2) advertising; (3) data analytics; (4) events and marketing; and (5) development of the IntraVerse. TerraZero aims to support the community, foster innovation, and drive adoption. For more information, please visit <https://www.TerraZero.com/> or contact [hello@terrazero.com](mailto:hello@terrazero.com).

For more information and to register for BIGG's mailing list, please visit our website at <https://www.BIGGdigitalassets.com>. Or visit SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

Future operating results could also be materially affected by the price of cryptocurrency and the demand (or lack thereof) for cryptocurrency. In addition, BIGG's past financial performance may not be a reliable indicator of future performance.

#### **Forward-Looking Statements:**

Certain statements in this release are forward-looking statements, which include the expected opportunities, outcomes, potential, and benefits of the Company's products and services, the expected adoption and growth of cryptocurrency and the Company's products and services, the development and completion of products and services, the expected growth and outcomes from these new QLUE customers using the new product offerings, events, plans, courses of action, and the potential of the Company's technology and operations and other matters. The discussion in regards to our tax dispute with Canada Revenue Agency (CRA), including the provision for a GST/HST tax liability in the amount of CRA's reassessment, plus interest and penalties, in the

Company's interim condensed consolidated financial statements, is an example of forward-looking information. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such information can generally be identified by the use of forwarding-looking wording such as "may", "expect", "estimate", "anticipate", "intend", "believe" and "continue" or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties, both general and specific that contribute to the possibility that the predictions, estimates, forecasts, projections and other forward-looking statements will not occur. These assumptions, risks and uncertainties include, among other things, the state of the economy in general and capital markets in particular, the ability to manage operating expenses, which may adversely affect the Company's financial condition, the ability to remain competitive as other better financed competitors develop and release competitive products, volatility in the trading price of the common shares of the Company, the demand and pricing of cryptocurrency, the Company's ability to successfully define, design and release new products in a timely manner that meet customers' needs; the ability to attract, retain and motivate qualified personnel; competition in the industry; and other factors, many of which are beyond the control of BIGG. Forward-looking statements contained in this press release are expressly qualified by this cautionary statement. Undue reliance should not be placed on the forward-looking information because BIGG can give no assurance that they will prove to be correct. The securities of BIGG are considered highly speculative due to the nature of BIGG's business. For further information concerning these and other risks and uncertainties, refer to the Company's website and filings on [www.sedarplus.ca](http://www.sedarplus.ca). In addition, BIGG's past performance may not be a reliable indicator of future performance.

Important factors that could cause actual results to differ materially from BIGG's expectations include consumer sentiment towards BIGG's products and Cryptocurrency, Blockchain and Metaverse technology generally, technology failures, the lack of demand for the Company's products and services, fluctuations in the price of cryptocurrency, the ability to successfully define, design, and release new products in a timely manner that meet customers' needs; the ability to attract, retain, and motivate qualified personnel; competition in the industry; the impact of technology changes on the products and industry; failure to develop new and innovative products; the ability to successfully maintain and enforce our intellectual property rights and defend third-party claims of infringement of their intellectual property rights; the impact of intellectual property litigation that could materially and adversely affect the business; increase in costs and expenses; the ability to manage working capital; and the dependence on key personnel; competition; the demand and pricing of cryptocurrencies and NFTs (including digital assets); litigation; security threats, including a loss/theft of NFTs, cryptocurrencies, and other assets; and failure of counterparties to perform their contractual obligations. Material risks include the lack of success in or dispute with CRA. Material assumptions include our expectations about the outcome of the dispute with CRA.

The forward-looking statements contained in this press release are made as of the date of this press release. Except as required by law, BIGG disclaims any intention and assumes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Additionally, BIGG undertakes no obligation to comment on the expectations of, or statements made by, third parties in respect of the matters discussed above.

*Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.*