

CoinDepo Platform — Quarterly Report (Q1 2026)

Reporting period: January 1 – March 31, 2026 | As-of (management baseline): March 31, 2026

Introduction. Q1 2026 was a severe stress test for crypto markets, yet CoinDepo delivered resilient growth, materially improved profitability, and stronger operational reserves by prioritising collateral quality, stablecoin yield, and real-world income. Assets under management rose to \$228.1M (+5% QoQ) and active users increased to 107,953 (+5.1% QoQ). Gross investment income remained robust at \$13.69M for the quarter, and net operating income more than doubled to \$1.1M, driven by disciplined cost control and a targeted reduction in marketing and hiring spend.

A defensive rebalancing preserved absolute income and improved the portfolio's risk profile. CoinDepo increased allocations to overcollateralised crypto lending (35.2% of deployed capital) and stablecoin yield strategies (12.7%), while reducing volume-sensitive exposures. The rotation modestly lifted the weighted average portfolio return to 25.1% annualised despite a sector drawdown exceeding 20%. Operational reserves rose to \$10.31M (4.5% of AUM), and there were no security incidents in Q1.

1. KEY HIGHLIGHTS (Q1 2026)

\$228.1M AUM (+5% QoQ)	\$217.79M Total capital allocated (+4.6%)	107,953 Active users (+5.1% QoQ)
\$13.69M Gross investment income (+2.9%)	25.1% Wtd. avg. return (Q4: 24.5%)	15.8% Avg. client yield APR (-0.3 pp)
\$1.1M Net operating income (+107.5%)	\$10.31M Liquidity & reserves (4.5% AUM)	

- **Durability:** AUM and user growth in a risk-off quarter indicate strong client retention and product fit.
- **Profitability:** Net operating income increased, supported by revenue resilience and a 39.3% reduction in marketing/hiring spend.
- **Risk discipline:** Rebalancing toward collateral-backed and stablecoin income improved predictability and liquidity buffers.
- **Regulatory focus:** Advancing preparatory compliance work to ensure readiness as the regulatory picture becomes clearer.

2. MARKET OVERVIEW (Q1 2026)

Q1 2026 was the most challenging quarter for the crypto sector since the 2022 bear market, driven by persistent macro headwinds, geopolitical disruption, and a sharp contraction in risk appetite.

Macro and policy environment

- **Monetary policy on hold:** The Federal Reserve held the federal funds rate at 3.50–3.75% throughout Q1, as PCE inflation remained elevated at 2.8–3.1% — well above the 2% target. Consensus shifted toward "higher for longer."
- **Geopolitical shock:** Crude oil surged more than 76% between late February and early April amid escalating Middle East tensions, adding a fresh inflationary shock.

- **Institutional uncertainty:** The pending expiration of Fed Chair Powell's term in May 2026 added a further layer of policy uncertainty.

Crypto market performance & volume collapse

Total crypto market capitalisation fell 20.4% to approximately \$2.4 trillion — roughly 45% below the October 2025 all-time high. Bitcoin declined 23.2% (third-worst Q1 since 2013 against a historical average of +45.9%); Ethereum fell 32.2%. The Iran-Israel conflict triggered acute risk-off episodes, including ~\$19 billion in leveraged liquidations over a single weekend. Spot trading volume on the top 10 CEXes fell 39.1% QoQ to \$2.7 trillion; DEX volume declined 18% to \$284.5 billion. This volume collapse made exchange liquidity provision and DeFi pools substantially less attractive — the primary reason for their reduced weight in CoinDepo's Q1 portfolio.

Stablecoins: the defensive standout

Stablecoins accounted for approximately 75% of all crypto trading volume — the highest share on record. Total stablecoin supply reached \$315 billion by 31 March 2026. USDC added ~\$2 billion in supply while USDT contracted ~\$3 billion, reflecting USDC's stronger MiCA positioning.

Regulatory environment — MiCA approaching final deadline

The EU-wide MiCA transitional period ends on 1 July 2026. Q1 2026 was therefore the final active compliance preparation phase for most EU member states. The tightening regulatory environment reinforces the strategic importance of governance quality, transparent disclosure, conservative portfolio construction, and proactive compliance investment.

3. FINANCIAL & OPERATIONAL METRICS (Q1 2026)

Metric	Q4 2025	Q1 2026	Change (QoQ)
Assets Under Management (AUM)	\$217.32M	\$228.1M	+5%
Total Capital Allocated	\$208.19M	\$217.79M	+4.6%
Active Users	102,724	107,953	+5.1%
Avg. Annual Interest Paid to Clients	16.1% APR	15.8% APR	-0.3 pp
Gross Investment Return (Quarter)	\$13.30M	\$13.69M	+2.9%
Client Interest Payouts (Quarter)	\$8.75M	\$9.02M	+3.1%
Liquidity Guarantor Payments	\$0.48M	\$0.52M	+8.3%
Operating & Admin Expenses	\$1.39M	\$1.41M	+1.4%
Legal, Licensing & Compliance	\$0.43M	\$0.47M	+9.3%
Marketing & Hiring	\$1.35M	\$0.82M	-39.3%
Impairments & Professional Fees	\$0.37M	\$0.34M	-8.1%
Net Operating Income	\$0.53M	\$1.1M	+107.5%
Liquidity & Operational Reserves	\$9.13M	\$10.31M	+12.9%

All figures sourced from CoinDepo management accounts as at 31 March 2026.

Net Operating Income more than doubled, rising from \$0.53M to \$1.1M. The primary driver was a 39.3% reduction in marketing and hiring expenditure (from \$1.35M to \$0.82M). Operating costs were broadly stable (+1.4%), while compliance costs rose modestly (+9.3%). The average client yield moderated from 16.1% to 15.8% APR, reflecting

client rotation toward shorter-duration accounts and stablecoins; client interest payouts still grew to \$9.02M (+3.1% QoQ).

4. INVESTMENT PORTFOLIO & PROFITABILITY (Q1 2026)

CoinDepo scaled deployed capital to \$217.79M (+4.6% QoQ) while executing a deliberate defensive rebalancing. The portfolio prioritised income predictability, collateral quality, and liquidity over yield maximisation. Gross investment income reached \$13.69M (+2.9% QoQ), and the weighted average portfolio return improved to 25.1% annualised (Q4: 24.5%).

4.2 Portfolio composition & capital deployment

Investment Segment	Q4 Share	Q1 Share	QoQ Δ	Q1 Amount (USD)	QoQ Δ
Overcollateralised Crypto Lending	30.8%	35.2%	+4.4 pp	\$76,660,994	+19.6%
Microcredit Programs (Emerging Markets)	22.7%	23.8%	+1.1 pp	\$51,833,286	+9.7%
Stablecoin Yield Strategies	9.9%	12.7%	+2.8 pp	\$27,658,938	+34.2%
Real-World & Private Market Investments	10.2%	11.1%	+0.9 pp	\$24,174,348	+13.8%
Market-Neutral Trading Strategies	10.8%	8.4%	-2.4 pp	\$18,294,101	-18.6%
DeFi Liquidity Pools	6.1%	4.3%	-1.8 pp	\$9,364,837	-26.3%
Exchange Liquidity Pools	9.5%	4.5%	-5.0 pp	\$9,800,411	-50.4%
Total Invested Capital	100%	100%	—	\$217,786,916	+4.6%

Portfolio return metrics

Investment Segment	Ret. Q4	Ret. Q1	QoQ Δ	Q1 Return (USD)	QoQ Δ
Overcollateralised Crypto Lending	28.4%	29.2%	+0.8 pp	\$5,596,253	+22.9%
Microcredit Programs (Emerging Markets)	33.5%	33.0%	-0.5 pp	\$4,276,246	+8.0%
Stablecoin Yield Strategies	14.6%	14.7%	+0.1 pp	\$1,016,466	+35.1%
Real-World & Private Market Investments	18.2%	18.7%	+0.5 pp	\$1,130,151	+17.0%
Market-Neutral Trading Strategies	24.8%	19.2%	-5.6 pp	\$878,117	-37.0%
DeFi Liquidity Pools	21.1%	16.8%	-4.3 pp	\$393,323	-41.3%
Exchange Liquidity Pools	20.3%	16.2%	-4.1 pp	\$396,917	-60.4%
Total / Weighted Average	24.5%	25.1%	+0.6 pp	\$13,687,473	+2.9%

Income grew modestly despite the severe contraction because increased contributions from overcollateralised lending (+22.9% to \$5.6M) and stablecoin yield (+35.1% to \$1.02M) more than offset lower income from reduced volume-sensitive allocations. Overcollateralised lending and microcredit together accounted for 59% of deployed capital and generated the majority of quarterly income.

4.5 Crypto asset allocation

Asset Class	Q4 2025	Q1 2026	Direction / Commentary
Bitcoin (BTC)	31.8%	22.4%	Reduced — rotation toward stablecoins

Asset Class	Q4 2025	Q1 2026	Direction / Commentary
Ethereum (ETH)	15.2%	9.8%	Reduced — ETH fell 32.2% in Q1
USDT Stablecoin	13.4%	20.2%	Increased — client defensive shift
XRP	11.9%	14.3%	Broadly stable
USDC Stablecoin	7.6%	18.4%	Increased — USDC supply +\$2B in Q1
Other Crypto Assets	20.1%	14.9%	Reduced — broad de-risking

Combined stablecoin exposure (USDT + USDC) rose from 21.0% to 38.6%, consistent with client preferences and the sector-wide defensive rotation.

5. USER & TRUST GROWTH (Q1 2026)

- **User growth:** Registered users reached 107,953 as of 31 March 2026, up 5.1% QoQ. The moderated pace versus Q4's 17.6% reflects the weaker market environment, not deteriorating attractiveness.
- **Security & governance:** No security incidents, platform disruptions, or operational failures during Q1; the platform maintained CertiK Skynet smart contract monitoring.
- **Regulatory alignment:** Continued to follow MiCA-related developments closely, maintaining a cautious and adaptive posture amid national-level implementation uncertainty, including in Poland.

6. COINDEPO TOKEN — ECOSYSTEM & UTILITY (Q1 2026)

- **Listings maintained:** \$COINDEPO continued trading on BingX, Weex, MEXC, Bitmart and Pionex throughout Q1, with no listing changes announced.
- **Advantage Programme:** Deposit interest boosts, reduced borrowing costs, and loyalty incentives remained fully operational, with no changes to terms.
- **No tokenomics changes:** Consistent with Q4 2025, no adjustments to supply mechanics, tokenomics, or exchange strategy.

7. RISK MANAGEMENT, SECURITY & LIQUIDITY (Q1 2026)

The Q1 rebalancing materially improved the portfolio's risk profile by reducing exposure to the most market-sensitive and volume-dependent segments. Overcollateralised structures ensure credit exposures are backed by assets exceeding loan value; seven active segments provide diversification, with no single segment exceeding 35.2% of deployed capital.

As at 31 March 2026, Liquidity & Operational Reserves stood at **\$10.31M (4.5% of AUM)**, up from \$9.13M (4.2%) at 31 December 2025. These reserves are maintained separately from yield-generating capital and are not presented as a guarantee of client asset protection.

Compliance expenditure increased modestly to \$0.47M (+9.3%), reflecting continued investment in regulatory readiness. CoinDepo continued to operate under a governance framework maintaining clear separation of operational and invested capital, transparent disclosures, and third-party security validation.

8. MARKET VISIBILITY & POSITIONING (Q1 2026)

Q1 continued the consolidation pattern established in Q4 2025. Marketing and hiring expenditure fell to \$0.82M (-39.3%), a deliberate decision to redirect resources toward operating profitability. Platform development remained

focused on security audit infrastructure, compliance readiness, and institutional-grade governance standards. In a market where users scrutinise risk management and governance, this positioning is a competitive advantage rather than a constraint.

9. LOOKING AHEAD — OUTLOOK BEYOND Q1 2026

CoinDepo enters Q2 2026 with strengthened reserves, improving profitability, a growing user base, and a portfolio positioned for resilience. The near-term agenda remains focused on consolidation, operational efficiency, and compliance readiness rather than aggressive expansion.

- **Portfolio strategy:** The Q1 defensive rebalancing was tactical, not structural. As volumes recover, allocations to market-neutral trading, DeFi, and exchange liquidity pools will be recalibrated.
- **Profitability:** The Q1 improvement establishes a new operating baseline; management will preserve this leverage while selectively reinvesting in client acquisition.
- **Regulatory & governance:** CoinDepo continues its multi-jurisdictional structuring strategy, taking a measured approach to MiCA while completing preparatory steps for its El Salvador DASP pathway.
- **Token ecosystem:** \$COINDEPO continues operating as a platform utility instrument via the Advantage Programme, with no near-term changes anticipated.

Overall Conclusion

Q1 2026 delivered one of the most severe stress environments for crypto markets since 2022, yet CoinDepo delivered resilient growth, materially improved profitability, and stronger operational reserves. Income grew, profitability improved, reserves strengthened, and client returns remained competitive. The quarter confirms that CoinDepo's transition from growth-at-cost toward margin-accretive, operationally mature execution is proceeding as intended.

CoinDepo Platform — Quarterly Report Q1 2026. We value transparency and open dialogue — contact us at support@coindepo.com.

[1] CEX and stablecoin volume data: internal aggregation and public on-chain snapshots, cut-off 31 Mar 2026. [2] Federal Reserve rate policy: public FOMC statements and PCE inflation data, Q1 2026. [3] Bitcoin and Ethereum Q1 performance: public market data aggregators, cut-off 31 Mar 2026. [4] DEX volume data: public DEX analytics, cut-off 31 Mar 2026. [5] Stablecoin/USDC supply data: public on-chain analytics, cut-off 31 Mar 2026. [6] CertiK Skynet: continuous smart contract monitoring; see certik.com. [7] MiCA: EU Regulation 2023/1114 on Markets in Crypto-Assets; ESMA guidance, Q1 2026.