CoinDepo Platform — Quarterly Report (Q2 2026)

Reporting period: April 1 – June 30, 2026

As-of (management baseline): June 30, 2026

One-line summary: Q2 2026 was a quarter of disciplined execution against a deteriorating market backdrop: AUM rose to $238.9M (+4.7% QoQ) and net operating income climbed to $1.74M (+56.2% QoQ), even as the broader crypto market fell into its third consecutive quarterly decline.

Executive Summary

Q2 2026 unfolded against a deteriorating crypto market backdrop, with total market capitalisation falling for a third consecutive quarter. Despite these conditions, CoinDepo sustained growth in assets and users while further improving profitability through continued cost discipline and a defensive portfolio rotation. Liquidity reserves increased in both absolute and relative terms, while CoinDepo continued to advance its multi-jurisdictional regulatory strategy. During the quarter, the company progressed its DASP authorisation work in El Salvador, continued assessing its European regulatory pathway in light of evolving MiCA implementation, and advanced discussions with regulated partners regarding a compliant market-entry structure for the United States. These initiatives form part of CoinDepo's broader focus on governance, regulatory readiness, and long-term international operations.

Key takeaways

- **Durability:** AUM and user growth continued despite a third consecutive quarterly decline in the broader crypto market, indicating sustained client retention and product-market fit.
- **Profitability:** Net operating income rose 56.2% QoQ to $1.74M, supported by a 43.9% reduction in marketing and hiring spend and a 26.5% reduction in impairments and professional fees.
- **Risk discipline:** Continued rotation toward overcollateralised lending and real-world/private market investments improved income quality; volume-sensitive segments were reduced further in line with weak trading activity.
- **Regulatory development:** CoinDepo continued to advance its multi-jurisdictional regulatory strategy across Europe, El Salvador and the United States. Legal, licensing and compliance expenditure increased 6.4% QoQ, reflecting ongoing work on licensing, regulatory structuring, governance and compliance infrastructure.
- **User growth:** Active users increased 4.6% QoQ to 112,943, extending the growth trend recorded in Q1 2026.
- **Security:** No security incidents affecting CoinDepo were reported during the quarter.

Headline metrics

Metric	Q2 2026
Assets Under Management (AUM)	$238.90M
Total capital allocated	$227.43M
Active users	112,943
Gross investment income (quarter)	$14.31M
Net operating income	$1.74M
Liquidity & operational reserves	$11.47M (4.8% of AUM)
Weighted average portfolio return	25.2% annualised
Avg. client yield	15.7% APR

Source: Coindepo internal financial audit.

1. Key Highlights (Q2 2026)

CoinDepo closed Q2 2026 with continued AUM and user growth and a further step-change in profitability, navigating a broader crypto market that fell into its third consecutive quarterly decline.

- **Assets Under Management (AUM):** $238.90M — +4.7% QoQ (Q1 2026: $228.10M).
- **Total capital allocated:** $227.43 million, +4.4% QoQ, reflecting continued productive deployment of client inflows.
- **Active users:** 112,943 as of 30 June 2026, up +4.6% QoQ (Q1: 107,953).
- **Market conditions:** Q2 2026 was the third consecutive down quarter for crypto markets, while total market capitalisation fell 12.6% to $2.1 trillion, its lowest level since September 2024. Bitcoin fell approximately 13–14% to close near $58,500; Ethereum fell approximately 25% to close near $1,700, its first-ever three-quarter losing streak. Spot CEX trading volumes fell 27.9% QoQ to $1.95 trillion.[1,2]
- **Gross investment income:** $14.31 million (+4.5% QoQ), driven by overcollateralised lending and real-world/private market investments.
- **Weighted average portfolio return:** 25.2% annualised on deployed capital, broadly stable versus 25.1% in Q1.
- **Average client yield:** 15.7% APR (Q1: 15.8%), a modest continuation of the gradual normalisation trend. Absolute client payouts grew to $9.38M (+4.0% QoQ).
- **Net operating income:** $1.74 million — up 56.2% QoQ from $1.10M, driven by a further 43.9% reduction in marketing and hiring spend and a 26.5% reduction in impairments and professional fees.
- **Liquidity & operational reserves:** $11.47 million (4.8% of AUM), up from $10.31M (4.5% of AUM) in Q1.
- **Product development:** CoinDepo expanded its Instant Credit Line functionality on 17 June 2026, and published detailed charity-pool mechanics for the COINDEPO token on 9 June 2026.[3]
- **Regulatory milestone:** The EU-wide MiCA transitional period ended on 1 July 2026, immediately following the close of the reporting period; CoinDepo increased legal, licensing, and compliance spend 6.4% QoQ in preparation.[4]
- **Security:** No security incidents affecting CoinDepo were reported in Q2 2026; CertiK monitoring remained active.

2. Market Overview (Q2 2026)

Q2 2026 extended the risk-off conditions that characterised Q1, with the crypto sector recording its third consecutive quarterly decline in aggregate market value. Understanding this backdrop is essential to contextualising CoinDepo's Q2 portfolio and allocation decisions.

Macro and policy environment

- **Monetary policy on hold:** The Federal Reserve held the federal funds rate at 3.50–3.75% at both its April and June meetings. The June meeting was the first presided over by new Fed Chair Kevin Warsh, following the expiry of former Chair Powell's term in May 2026.[5] The macro backdrop reinforced the importance of CoinDepo’s rotation toward collateral-backed lending and real-world/private market income. These segments continued to deliver stable returns despite market volatility.
- **Elevated inflation and geopolitical uncertainty:** FOMC communications through the quarter continued to cite elevated inflation, in part reflecting higher global energy prices, alongside ongoing uncertainty tied to developments in the Middle East. By June, officials referenced a memorandum of understanding between the U.S. and Iran as a step toward de-escalation.[6]
- **Divergent month pattern:** Unlike Q1's front-loaded sell-off, Q2 began on firmer footing, with April recording relative strength before a sharp reversal in June driven by a hawkish Fed tone, renewed U.S.–Iran tension, and a widely covered Bitcoin sale by Strategy (formerly MicroStrategy).[7]

Crypto market performance

- **Third consecutive down quarter:** Total crypto market capitalisation fell 12.6% (−$304.8B) in Q2 2026 to end June at approximately $2.1 trillion — its lowest level since September 2024 and roughly 52% below the October 2025 all-time high.[8]
- **Bitcoin relatively resilient; Ethereum underperformed:** Bitcoin fell approximately 13–14% to close June near $58,500, while Ethereum fell approximately 25%, closing near $1,700 — its first-ever three-quarter losing streak. Bitcoin dominance rose above 55%, indicating continued concentration of capital in the largest, most defensive asset.[9]
- **ETF flows reversed:** U.S. spot Bitcoin ETFs recorded $2.02 billion of inflows in April before swinging to net outflows of approximately $2.4 billion in May and a record outflow in June, for a net Q2 outflow of roughly $4.7 billion; Ethereum ETFs followed a similar, smaller pattern.[10]

Trading volume and stablecoins

- **CEX volumes fell to multi-year lows:** Spot trading volume on centralised exchanges fell 27.9% QoQ to $1.95 trillion, with May recording a new monthly low of approximately $0.62 trillion; perpetual futures volume fell 10% QoQ to $12.7 trillion.[1]
- **DEX and on-chain activity also weakened:** Spot, futures, and perpetual DEX volumes fell to two-year lows across the quarter, before a partial recovery in June.[9]
- **Stablecoin market contracted for the first time since 2023:** Total stablecoin market capitalisation slipped 1.6% to $305.1 billion, the first quarterly contraction since Q3 2023, reflecting broader capital withdrawal from the sector.[1]
- **Regulated XRP products attracted continued inflows:** Global XRP exchange-traded products recorded $253.6 million of net inflows in Q2 2026, extending a trend of institutional demand for regulated XRP exposure that began with the first U.S. spot XRP ETF launch in November 2025.[10]

Regulatory environment — MiCA transitional period ends

- **MiCA transition entered a new phase:** Throughout Q2, European crypto-asset service providers continued adapting to the MiCA framework as transitional arrangements approached their end. The changing regulatory environment increased the importance of clear authorisation pathways, governance standards and jurisdiction-specific compliance planning across the European digital-asset sector.
- **Stablecoin market bifurcation:** MiCA-driven pressure on non-compliant e-money tokens and stablecoins intensified through the quarter, contributing to a more differentiated European stablecoin market. CoinDepo management continued to monitor these developments given their relevance to stablecoin allocations and the platform's broader European regulatory planning.

> **Implications for CoinDepo:** Q2 2026 conditions reinforced the case for CoinDepo's defensive portfolio construction. Continued weakness in CEX and DEX trading volumes further reduced the risk-adjusted attractiveness of market-neutral, DeFi, and exchange-liquidity strategies, while overcollateralised lending and real-world/private market income continued to demonstrate resilience through the downturn. The arrival of the MiCA deadline at quarter-end elevated the importance of continued compliance investment and governance discipline heading into Q3-Q4 2026.

3. Financial and Operational Metrics (Q2 2026)

Q2 2026 delivered continued AUM and user growth alongside a material further improvement in profitability. For the market context driving these results, see Section 2.

Metric	Q1 2026	Q2 2026	Change (QoQ)
Assets Under Management (AUM)	$228.10M	$238.90M	+4.7%
Total Capital Allocated	$217.79M	$227.43M	+4.4%
Active Users	107,953	112,943	+4.6%
Avg. Annual Interest Paid to Clients	15.8% APR	15.7% APR	−0.1 pp
Gross Investment Return (Quarter)	$13.69M	$14.31M	+4.5%
Client Interest Payouts (Quarter)	$9.02M	$9.38M	+4.0%
Liquidity Guarantor Payments	$0.52M	$0.55M	+5.8%
Operating & Admin Expenses	$1.41M	$1.43M	+1.4%
Legal, Licensing & Compliance	$0.47M	$0.50M	+6.4%
Marketing & Hiring	$0.82M	$0.46M	−43.9%
Impairments & Professional Fees	$0.34M	$0.25M	−26.5%
Net Operating Income	**$1.10M**	**$1.74M**	**+56.2%**
Liquidity & Operational Reserves	$10.31M	$11.47M	+11.3%

Source: Coindepo internal financial audit.

All figures above are sourced from CoinDepo management accounts as at 30 June 2026.

Reconciliation of balance-sheet and income items

The table below reconciles segment-level returns to total gross investment income, and gross investment income to net operating income, for Q2 2026. A full reconciliation of balance-sheet items and the detailed composition of liquidity and operational reserves is maintained in CoinDepo's internal management accounts; detailed schedules are available to authorised parties upon request and are not reproduced in full in this report.

Segment returns to gross investment income

Component	Q2 2026 (USD)
Overcollateralised Crypto Lending	$6,121,847
Microcredit Programs (Emerging Markets)	$4,544,051
Stablecoin Yield Strategies	$913,416
Real-World & Private Market Investments	$1,441,338
Market-Neutral Trading Strategies	$696,504
DeFi Liquidity Pools	$302,482
Exchange Liquidity Pools	$286,562
= Gross Investment Return (Quarter)	**$14,306,200**

Gross investment income to net operating income

Component	Q2 2026 (USD, $M)
Gross Investment Return (Quarter)	$14.31M
− Client Interest Payouts (Quarter)	$9.38M
− Liquidity Guarantor Payments	$0.55M
− Operating & Admin Expenses	$1.43M
− Legal, Licensing & Compliance	$0.50M
− Marketing & Hiring	$0.46M
− Impairments & Professional Fees	$0.25M
= Net Operating Income	**$1.74M**

Source: Coindepo internal financial audit.

Operational commentary

AUM growth in Q2 was steady and consistent with Q1's pace: the +4.7% QoQ rate reflects continued organic net inflows and strong client retention in a market environment that deteriorated further as the quarter progressed. Growth alongside a third consecutive down quarter for crypto markets is a further positive signal of platform durability.

Yield policy and client economics

The average client yield eased slightly from 15.8% to 15.7% APR in Q2, a continuation of the gradual normalisation observed since Q4 2025 rather than a new development. In absolute terms, client interest payouts grew to $9.38M (+4.0% QoQ), consistent with overall client economics improving even as the average rate held broadly steady.

Cost structure and profitability

Net Operating Income rose 56.2% QoQ, from $1.10M to $1.74M. The primary drivers were a further 43.9% reduction in marketing and hiring expenditure (from $0.82M to $0.46M) and a 26.5% reduction in impairments and professional fees (from $0.34M to $0.25M), consistent with the cost discipline established in Q1. Operating and administrative costs were broadly stable (+1.4%), while legal, licensing, and compliance costs rose 6.4% as the platform continued to invest in regulatory planning, licensing initiatives, and compliance infrastructure across its priority markets, including El Salvador, Europe, and the United States. The profitability trend is now structural across two consecutive quarters, reflecting revenue growth, disciplined cost management, and improving operating leverage.

Institutional perspective

Taken together, the metrics confirm a platform sustaining the transition from expansion-led to profitability-oriented operations for a second consecutive quarter.

Supporting charts

The three exhibits below are provided to support the metrics discussed.

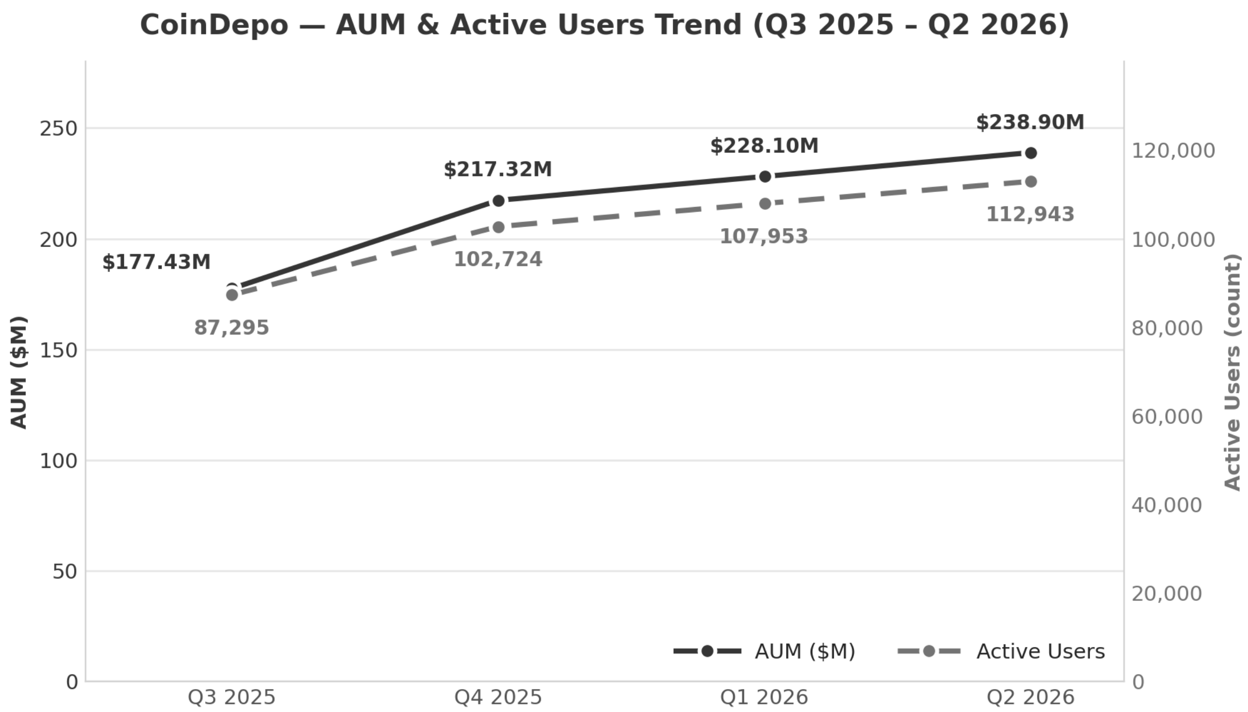

Figure 1. AUM & Active Users trend, Q3 2025 – Q2 2026. Left axis: AUM ($M). Right axis: Active Users (count). Source: Coindepo internal financial audit.

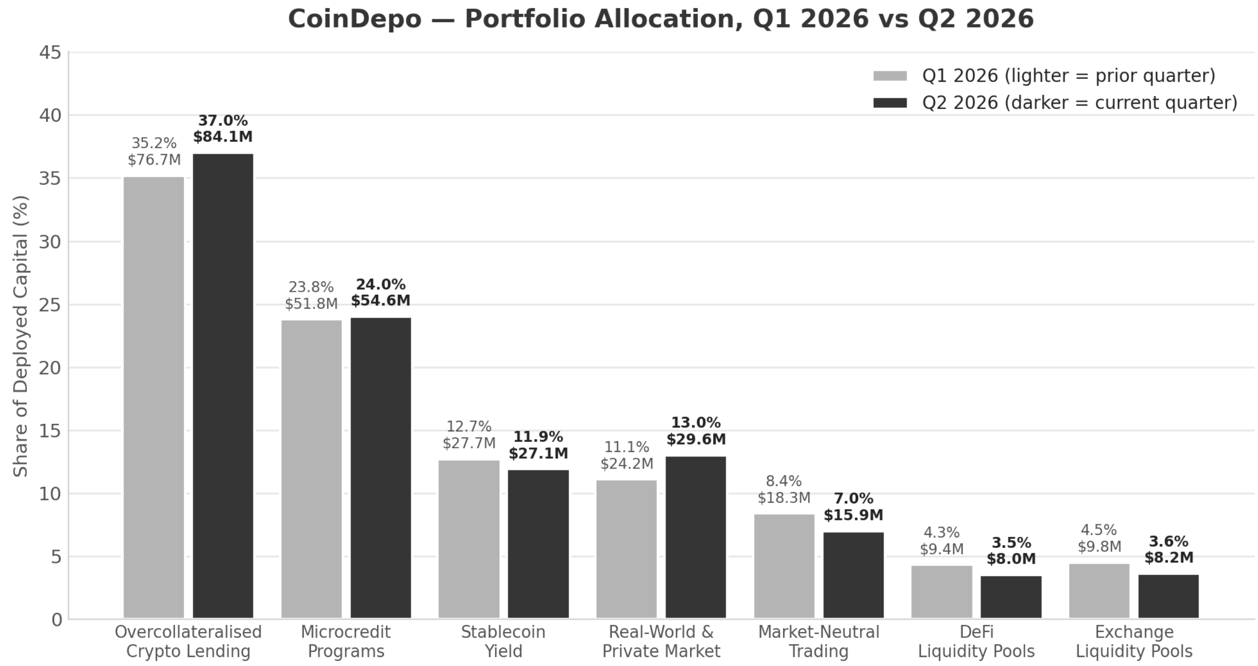

Figure 2. Portfolio allocation by segment, Q1 2026 vs Q2 2026 (% share and USD amount). Source: Coindepo internal financial audit.

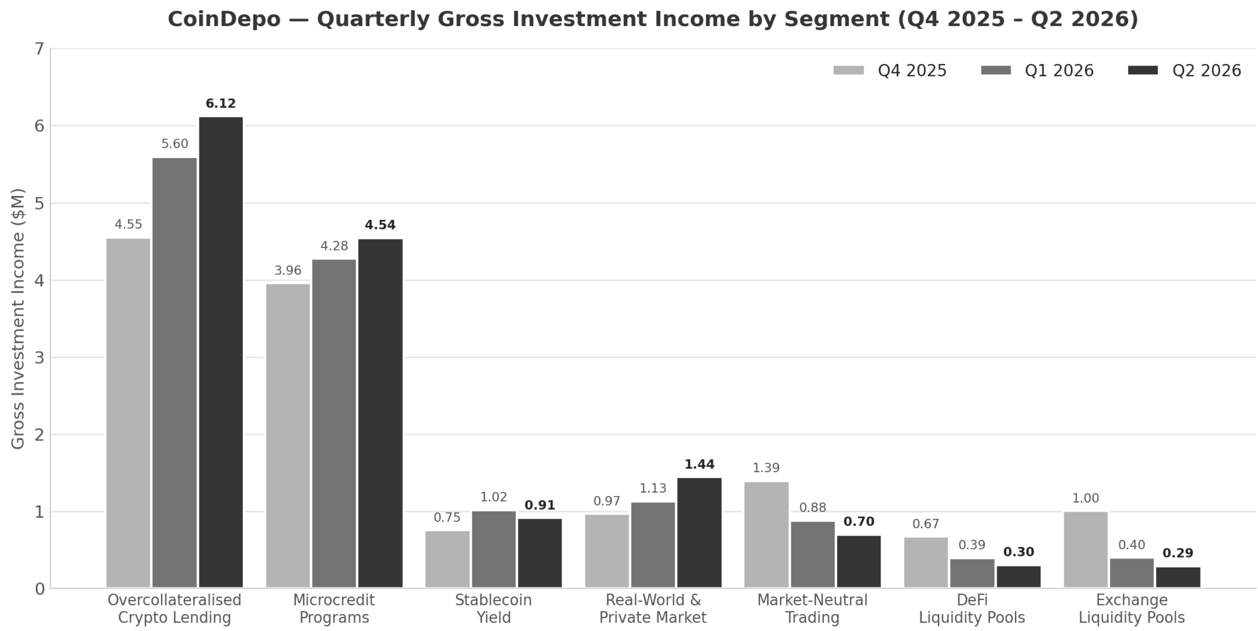

Figure 3. Quarterly gross investment income by segment, Q4 2025 – Q2 2026 ($M). Source: Coindepo internal financial audit.

4. Investment Portfolio Overview and Profitability (Q2 2026)

4.1 Executive overview

In Q2 2026, CoinDepo scaled deployed capital to $227.43M (+4.4% QoQ) and advanced its defensive rebalancing strategy, increasing exposure to segments that continued to demonstrate the highest resilience in a declining market — overcollateralised lending and real-world/private market investments. Gross investment income rose to $14.31M (+4.5% QoQ), and the weighted average portfolio return held stable at 25.2% annualised (Q1: 25.1%). This stability reflects the effectiveness of the rotation in maintaining predictable income streams despite another quarter of weakened trading volumes and broader market contraction.

4.2 Portfolio composition and allocation

Portfolio Allocation & Capital Deployment. The table below details allocation weights and deployed capital across investment segments for Q2 2026 versus Q1 2026.

Investment Segment	Q1 Share	Q2 Share	QoQ Δ	Amount Q1 (USD)	Amount Q2 (USD)	QoQ Δ
Overcollateralised Crypto Lending	35.2%	37.0%	+1.8 pp	$76,660,994	$84,149,100	+9.8%
Microcredit Programs (Emerging Markets)	23.8%	24.0%	+0.2 pp	$51,833,286	$54,583,200	+5.3%
Stablecoin Yield Strategies	12.7%	11.9%	−0.8 pp	$27,658,938	$27,064,170	−2.2%
Real-World & Private Market Investments	11.1%	13.0%	+1.9 pp	$24,174,348	$29,565,900	+22.3%
Market-Neutral Trading Strategies	8.4%	7.0%	−1.4 pp	$18,294,101	$15,920,100	−13.0%
DeFi Liquidity Pools	4.3%	3.5%	−0.8 pp	$9,364,837	$7,960,050	−15.0%
Exchange Liquidity Pools	4.5%	3.6%	−0.9 pp	$9,800,411	$8,187,480	−16.5%
Total Invested Capital	**100%**	**100%**	**—**	**$217,786,916**	**$227,430,000**	**+4.4%**

Source: Coindepo internal financial audit (Q2 2026 calculation workbook).

Q2 adjustments continued to prioritise income predictability and collateral quality. The core rebalancing logic:

- **Overcollateralised lending scaled further:** increased to 37.0% (from 35.2%), remaining the portfolio's largest and primary revenue-driving segment via the Instant Credit Line, which was expanded on 17 June 2026.
- **Real-World & private market investments expanded materially:** increased to 13.0% (from 11.1%), the fastest-growing segment in dollar terms (+22.3% QoQ), reflecting continued diversification into lower-correlation income.
- **Stablecoin yield strategies trimmed:** reduced to 11.9% (from 12.7%), in line with a broader sector-wide contraction in stablecoin market capitalisation during Q2.
- **Volume-sensitive exposure reduced further:** market-neutral trading fell to 7.0% (from 8.4%), DeFi liquidity pools to 3.5% (from 4.3%), and exchange liquidity pools to 3.6% (from 4.5%), consistent with CEX and DEX volumes falling to multi-year lows during the quarter. These remain tactical reductions rather than structural exits.

Portfolio return metrics and performance

The table below compares return metrics across investment segments for Q1 2026 and Q2 2026.

Investment Segment	Avg Return Q1	Avg Return Q2	QoQ Δ	Q1 Return (USD)	Q2 Return (USD)	QoQ Δ
Overcollateralised Crypto Lending	29.2%	29.1%	−0.1 pp	$5,596,253	$6,121,847	+9.4%
Microcredit Programs (Emerging Markets)	33.0%	33.3%	+0.3 pp	$4,276,246	$4,544,051	+6.3%
Stablecoin Yield Strategies	14.7%	13.5%	−1.2 pp	$1,016,466	$913,416	−10.1%
Real-World & Private Market Investments	18.7%	19.5%	+0.8 pp	$1,130,151	$1,441,338	+27.5%
Market-Neutral Trading Strategies	19.2%	17.5%	−1.7 pp	$878,117	$696,504	−20.7%
DeFi Liquidity Pools	16.8%	15.2%	−1.6 pp	$393,323	$302,482	−23.1%
Exchange Liquidity Pools	16.2%	14.0%	−2.2 pp	$396,917	$286,562	−27.8%
Total / Weighted Average	**25.1%**	**25.2%**	**+0.1 pp**	**$13,687,473**	**$14,306,200**	**+4.5%**

Source: Coindepo internal financial audit (Q2 2026 calculation workbook).

Q2 2026: $14.31M gross income (+4.5% QoQ); weighted average annual return 25.2% (Q1: 25.1%).

Return calculations follow the standard methodology applied consistently across prior quarterly reports. Segment-level annualised returns are derived from realised quarterly income relative to average deployed capital, and portfolio-level performance is calculated as the weighted average of these segment returns based on end-of-quarter allocation shares. Gross investment income reflects the sum of all segment contributions, and all figures reconcile directly to the internal calculation workbook.

Portfolio performance in Q2 was defined by continuity rather than a sharp rotation. Total quarterly income grew 4.5% as increased contributions from overcollateralised lending (+9.4% QoQ to $6.12M) and, in particular, real-world/private market investments (+27.5% QoQ to $1.44M, with the average return rising to 19.5%) more than offset declines from stablecoin yield, market-neutral, DeFi, and exchange-liquidity segments. The modest improvement in weighted average return (from 25.1% to 25.2%) reflects the continued maturation of the Q1 rebalancing rather than a new large-scale reallocation.

4.3 Strategic rationale

Core income drivers

Overcollateralised crypto lending and microcredit programs together accounted for 61.0% of deployed capital at quarter-end and continued to generate the majority of quarterly income, reinforcing their role as the portfolio's primary income anchor.

Return diversification

Real-world & private market investments delivered the strongest QoQ return improvement of any segment (+0.8 pp to 19.5%), continuing the diversification strategy established in Q4 2025 and expanded through Q1. Stablecoin yield strategies were trimmed in line with the broader sector-wide stablecoin market contraction rather than any change in strategy conviction.

Continued defensive posture

Further reductions in market-neutral trading, DeFi, and exchange liquidity pools were a direct, evidence-based response to CEX and DEX volumes falling to multi-year lows in Q2. These reductions remain tactical: allocations will be recalibrated as trading conditions recover.

4.4 Portfolio performance summary (Q2 2026)

In aggregate, Q2 2026 portfolio results demonstrate a framework that:

- grew absolute income for a second consecutive quarter despite a further sector-wide market decline;
- sustained its weighted average return through continued discipline in collateralised and real-world/ private market strategies;
- further reduced reliance on volume-dependent income without compromising overall income stability; and
- preserved diversification across seven active investment segments.

See Section 4.3 for the strategic rationale underlying these results.

4.5 Summary

Q2 2026 demonstrated CoinDepo’s ability to carry forward and strengthen the defensive rebalancing initiated in Q1, delivering stable income and improved profitability through a second consecutive quarter of adverse market conditions. Increased allocations to overcollateralised lending and real-world/private market investments continued to offset weaker performance in volume-sensitive strategies, supporting predictable cash generation despite declining sector activity. The portfolio remained well-diversified across seven segments, and disciplined allocation adjustments helped preserve return quality while reinforcing the platform’s broader risk-management framework. Section 5 outlines the corresponding evolution in crypto asset allocation.

5. Crypto Asset Allocation (Q2 2026)

The table below summarises changes to CoinDepo's crypto asset allocation in Q2 2026. The most significant shift was a substantial increase in XRP exposure, rising from 14.3% to 21.0% of crypto holdings.

Asset Class	Q1 2026	Q2 2026	Direction / Commentary
Bitcoin (BTC)	22.4%	22.0%	→ Broadly stable
Ethereum (ETH)	9.8%	6.6%	↓ Reduced — ETH fell ~25% in Q2
USDT Stablecoin	20.2%	20.5%	→ Broadly stable
XRP	14.3%	21.0%	↑ Increased — regulated XRP products attracted continued institutional inflows
USDC Stablecoin	18.4%	16.9%	↓ Reduced
Other Crypto Assets	14.9%	13.0%	↓ Reduced — broad de-risking

Source: Coindepo internal financial audit (Q2 2026 calculation workbook), cross-referenced with Blockworks XRP ETP flow data (Blockworks, "State of XRP: Q2 2026," net ETP inflow data.)

The increase in XRP exposure was the defining shift in Q2's crypto asset mix, broadly consistent with a sector-wide rise in institutional and retail demand for regulated XRP investment products: global XRP exchange-traded products recorded $253.6 million of net inflows during the quarter. Ethereum's reduced weight reflects its market performance, having fallen approximately 25% during Q2 and recorded its first-ever three-quarter losing streak. Combined USDT and USDC exposure declined modestly (from 38.6% to 37.4%), broadly in line with the 1.6% contraction in total stablecoin market capitalization recorded across the sector during the quarter. Management continues to monitor MiCA-related stablecoin developments given their relevance to future allocation decisions.

6. User & Trust Growth (Q2 2026)

Q2 2026 extended CoinDepo's user growth and trust-building momentum for a second consecutive quarter, at a pace broadly consistent with Q1.

- **User growth:** Active users reached 112,943 as of 30 June 2026, up 4.6% QoQ (Q1: 107,953). Growth continued to be driven by organic adoption and strong existing-user retention.
- **AUM milestone:** $238.9M. Milestone communications continued through official channels, consistent with prior quarters' transparent reporting practices.
- **Security and governance continuity:** No security incidents, platform disruptions, or operational failures affecting CoinDepo were reported during Q2. The platform maintained its reliance on published governance frameworks, access controls, and CertiK bug monitoring, alongside audit relationship.[11]
- **Industry security context:** Industry-wide, Q2 2026 was a difficult quarter for digital-asset security broadly, with third-party trackers reporting a rise in sector-wide incident counts and losses; this context underscores the continued importance of CoinDepo's monitoring and governance controls, though these figures are not specific to CoinDepo.[12]

- **Regulatory development:** CoinDepo continued to strengthen its governance and compliance framework while advancing regulatory initiatives across multiple jurisdictions, including ongoing DASP authorisation work in El Salvador, assessment of its European regulatory pathway, and development of a compliant market-entry structure for the United States. See Section 9 for further detail.

Social channel highlights (Q2 2026)

- **1 April 2026 —** CoinDepo welcomed Viacheslav Demchuk, Co-Founder of AMLBot and PureFi, to its Advisory Board, strengthening the platform's expertise in AML/KYC, risk management and international regulatory strategy.
- **17 April 2026 —** CoinDepo launched its CertiK Security Program, expanding independent external security review across the website and web application and allocating $100,000 to the vulnerability-reward programme, with rewards of up to $10,000 per valid finding.
- **April 2026 —** CoinDepo announced completion of its first quarterly token buyback-and-burn cycle; see Section 7 for detail.[13]

Community sentiment

Third-party review platforms continued to reflect generally positive customer feedback during Q2, with users frequently commenting on competitive interest rates, ease of use, and customer support. At the same time, CoinDepo's Trustpilot profile was affected by an enforcement action relating to its review-solicitation practices. Trustpilot removed a number of reviews and applied a public notice after determining that aspects of the review-collection process did not comply with its platform guidelines.

CoinDepo's position is that the affected reviews were submitted by genuine platform users; however, the solicitation methodology did not fully meet Trustpilot's requirements. The company has since reviewed its approach to review collection and is working to ensure future activity complies with applicable third-party platform standards.

Accordingly, Trustpilot data for the period should be interpreted with appropriate caution and should not be viewed as a standalone measure of overall customer sentiment.[14]

7. CoinDepo Token — Ecosystem and Utility (Q2 2026)

Q2 2026 was a further consolidation phase for the COINDEPO token, with two notable product and transparency developments alongside continued exchange access and utility integration.

Market access and liquidity

- **Listings maintained:** COINDEPO continued trading on previously disclosed exchanges through Q2, preserving market access and liquidity continuity. Management did not disclose material changes to exchange listings during the quarter.

Platform integration and utility

- **Advantage Programme:** the token's core utility function — deposit interest boosts, reduced borrowing costs, and loyalty incentives — remained fully operational throughout Q2.
- **Governance development:** substantial work on the COINDEPO governance framework was completed during Q2, including the design of voting mechanics, governance participation rules, and the supporting transparency infrastructure. The programme was formally launched in Q3 2026, following completion of the principal development work initiated during the reporting period.

Token buyback and burn

CoinDepo successfully completed its first quarterly buyback-and-burn cycle in April 2026, within the Q2 reporting period. Buybacks were executed progressively across multiple exchanges before consolidation into a final burn transaction. In total, 1,383,717 COINDEPO tokens were repurchased and permanently burned during the first execution cycle.

The programme is designed to strengthen long-term token value by committing 20% of quarterly net profits to repurchasing and burning COINDEPO tokens until 500 million tokens (50% of total supply) have been retired. The next scheduled cycle shall take place in Q3 2026, funded by Q2 profitability. This forward commitment underscores CoinDepo's dedication to transparent tokenomics, disciplined capital allocation, and sustainable ecosystem growth.[15]

Token policy and governance

Beyond the execution of the inaugural buyback-and-burn cycle, no material changes to supply mechanics or core tokenomics were introduced during Q2. The COINDEPO token continued to operate under its established framework, with utility functions and liquidity access maintained across supported exchanges.

> **Summary:** Q2 2026 marked a further step in the transition from initial token launch toward ecosystem consolidation. Incremental enhancements in utility and transparency reinforced the token's role within the platform. Exchange access remained stable, while strategic resources continued to be directed toward strengthening core operating performance and governance discipline.

8. Risk Management, Security & Liquidity (Q2 2026)

Risk management, security, and liquidity discipline remained core operational priorities as CoinDepo continued to operate through a challenging market environment.

Security and operational controls

- **Preventive controls:** ongoing code review, access management, and continuous infrastructure monitoring.
- **Third-party validation:** continued active monitoring via CertiK security program.[16]
- **Operational continuity:** no reported security incidents, system compromises, or user-asset loss events affecting CoinDepo during Q2.
- **User education:** CoinDepo Academy continued to publish proactive security-education content for users, including guidance on recognising and avoiding crypto theft and scam tactics, consistent with the platform's ongoing user-protection posture.[17]

Portfolio risk structure

- **Collateral quality:** overcollateralised lending structures, now 37.0% of deployed capital, continue to anchor a majority-plus share of the portfolio in collateral-backed, contractual cash flows.
- **Income predictability:** the combined weight of overcollateralised lending, microcredit, and real-world/private market investments reached 74.0% of deployed capital by quarter-end, up from 70.1% in Q1.
- **Diversification:** seven active investment segments continue to provide a balanced mix of income sources and risk profiles. No single segment exceeds 37.0% of deployed capital.
- **Liquidity buffer:** operational reserves increased to $11.47M (4.8% of AUM), up from $10.31M (4.5% of AUM) in Q1.

Liquidity and operational reserves

As of 30 June 2026, Liquidity and Operational Reserves stood at $11.47 million (4.8% of AUM), compared with $10.31 million (4.5% of AUM) at 31 March 2026. These reserves are maintained separately from yield-generating capital and are designated to support operational continuity, meet short-term liquidity requirements, and reduce reliance on the liquidation of longer-duration positions.

Reserves form a core element of CoinDepo's operational risk-management framework and are presented as a measure of resilience rather than a guarantee of client asset protection.

9. Regulatory & Compliance Update (Q2 2026)

CoinDepo continued to advance a multi-jurisdictional regulatory strategy during Q2 2026, with parallel workstreams covering Europe, El Salvador and the United States. Rather than relying on a single regulatory pathway, the company is developing jurisdiction-specific structures intended to support its longer-term international operations.

European Union / MiCA

CoinDepo had initially identified Poland as its preferred jurisdiction for pursuing MiCA CASP authorisation. However, delays in the adoption and implementation of the necessary national legislative framework meant that this pathway could not progress within the originally anticipated timeline. CoinDepo therefore did not obtain MiCA CASP authorisation through Poland during the relevant transition period and is reassessing its European authorisation route, including the possibility of proceeding in Poland once the framework becomes fully operational or pursuing authorisation in another EU jurisdiction.

El Salvador / DASP

In parallel, CoinDepo continued work toward Digital Asset Service Provider (DASP) authorisation in El Salvador. The authorisation process remained ongoing during the reporting period and represents an important component of the group's broader regulated operating structure. Any final authorisation remains subject to completion of the applicable regulatory review and approval process.

United States

CoinDepo also continued evaluating a compliant structure for the U.S. market. During the period, management engaged with regulated infrastructure and service providers and continued assessing the federal and state-level requirements relevant to providing CoinDepo services in the United States.

Compliance investment

Legal, licensing and compliance expenditure increased 6.4% QoQ to $0.50M, reflecting continued investment across regulatory planning, licensing work, governance documentation, compliance infrastructure and market-entry structuring.

CoinDepo's regulatory strategy therefore remains broader than any single licence or jurisdiction. Management continues to develop the appropriate legal and operational structure for each priority market while strengthening governance, compliance controls and public disclosure standards across the group.

10. Outlook and Priorities

Portfolio strategy

CoinDepo expects the rotation toward overcollateralised lending and real-world/private market investments to persist while trading volumes remain depressed, sustaining the income-quality gains achieved over the past two quarters. Allocations to market-neutral trading, DeFi, and exchange liquidity pools will be revisited as CEX and DEX volumes recover from their current multi-year lows — but the core allocation framework, anchored in collateralised lending, diversified credit, and real-world income, remains the platform's strategic foundation.

Profitability and cost management

Management will seek to preserve the operating leverage achieved over two consecutive quarters while selectively reinvesting in client acquisition as market conditions permit. The focus remains on unit economics and operating efficiency rather than front-loaded promotional spend, consistent with the discipline that drove Q2's 56.2% increase in net operating income.

Client yield

Average client yields are expected to remain broadly stable near current levels in the near term, subject to portfolio return performance. Over the medium term, management is pursuing two parallel levers to strengthen profitability: improving portfolio returns and gradually optimising client rates as the business matures. Any adjustments will be implemented selectively, with the objective of preserving competitive client economics while supporting sustainable margin expansion and long-term platform profitability.

Regulatory and governance

CoinDepo will continue advancing its multi-jurisdictional regulatory strategy through the second half of 2026. Near-term priorities include progressing the DASP authorisation process in El Salvador, determining the most appropriate long-term MiCA authorisation route for the European market, and continuing work with regulated partners on a compliant structure for U.S. operations. In parallel, management will continue strengthening governance documentation, compliance infrastructure and public disclosure standards across the group.

Token ecosystem

COINDEPO is expected to continue developing around three core pillars: utility through the Advantage Programme, disciplined token economics through the quarterly buyback-and-burn programme, and increasing holder participation through the governance framework developed during Q2 and launched in Q3 2026. In parallel, management continues to evaluate opportunities for additional exchange listings, with a focus on commercially efficient partnerships that can improve market access, liquidity, and long-term value for the token ecosystem. New listings will be pursued selectively where the expected strategic benefit justifies the associated cost and liquidity requirements.

Overall Conclusion

CoinDepo's Q2 results confirm that the platform's transition from growth-at-cost toward margin-accretive, operationally mature execution is continuing as intended. Income grew, profitability improved for a second consecutive quarter, liquidity reserves strengthened, and client yields remained competitive. All achieved against a market environment in which crypto markets fell for a third consecutive quarter and CEX and DEX trading volumes reached multi-year lows.

As CoinDepo moves into Q3 2026 and beyond, the strategic focus remains on delivering competitive, reliable returns through disciplined portfolio management; growing the user base through trust, transparency, and product quality; sustaining the operating leverage gained over the past two quarters. These priorities reflect the same principles that have underpinned CoinDepo's development since inception: capital discipline, income predictability, and long-term value creation for users, borrowers, and all platform stakeholders.

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