Currency Exchange International, Corp.

Management's Discussion and Analysis

For the Three and Nine-Month Periods Ended July 31, 2025 and 2024

Scope of Analysis

This Management’s Discussion and Analysis (MD&A) document covers the results of operations and the financial condition of Currency Exchange International, Corp. (CXI, the Group, or the Company) and its subsidiaries for the three and nine-month periods ended July 31, 2025 and 2024, including the notes thereto. This document is intended to assist the readers with better understanding and assessing operations and the financial results of the Company.

This MD&A was prepared as of September 10, 2025 and should be read in conjunction with the condensed interim consolidated financial statements of the Company for the three and nine-month periods ended July 31, 2025 and 2024, and the notes thereto. The condensed interim consolidated financial statements have been prepared in accordance with International Financial Reporting Standards “IFRS” Accounting Standards as issued by the International Accounting Standards Board (“IFRS Accounting Standards”). A detailed summary of the Company's material accounting policies is included in Note 2 of the Company's audited consolidated financial statements for the years ended October 31, 2024 and 2023. The functional currency of the Company and its wholly owned subsidiary eZforex.com, Inc. (eZforex) is the U.S. Dollar. The Company’s wholly owned Canadian subsidiary, Exchange Bank of Canada (EBC or the Bank) – classified as a ‘discontinued operation’ effective the second quarter of 2025 – is a non-deposit-taking, non-lending Schedule 1 Canadian bank and its functional currency is the Canadian Dollar. The Company’s presentation currency is the U.S. Dollar. Unless otherwise noted, all references to currency in this MD&A refer to U.S. Dollars. The condensed interim consolidated financial statements and the MD&A have been reviewed by the Company’s audit committee and approved by its board of directors.

Certain financial measures and ratios included in this document do not have standardized meanings under Generally Accepted Accounting Principles (GAAP), which are based on the IFRS Accounting Standards as issued by the International Accounting Standards Board (IFRS Accounting Standards). These financial measures and ratios are referred to as non-GAAP financial measures and ratios, or collectively as adjusted financial results. The Company’s management uses both reported financial results and adjusted financial results to measure performance. These adjusted financial results, represented in the non-GAAP measures and ratios, may not be comparable to similar measures and ratios used by other companies. For further information, refer to key performance and non-GAAP financial measures and ratios section in this document.

In this document "CXI", “the Group”, and “Company,” refer to Currency Exchange International, Corp. collectively with its wholly owned subsidiaries, eZforex and EBC.

Additional Information

Additional information relating to the Company, including annual financial statements, and the Company’s annual information form, is available on the Company’s SEDAR+ profile at www.sedarplus.ca and on the Company’s website at www.cxifx.com.

Forward-Looking Statements

This MD&A contains certain “forward-looking information” as defined in applicable securities laws. These statements relate to future events or the Company’s future performance. All statements other than statements of historical fact are forward-looking information. Often, but not always, forward-looking information can be identified by the use of words such as “plans”, “expects”, “budgeted”, “scheduled”, “estimates”, “continues”, “forecasts”, “projects”, “predicts”, “intends”, “anticipates” or “believes”, variations or the negatives of such words and phrases, or state that certain actions, events, or results “may”, “could”, “would”, “should”, “might” or “will” be taken, occur, or be achieved. The forward-looking information in this MD&A is based on the date of this MD&A or based on the date(s) specified in such statements. The following table outlines certain significant forward-looking information contained in this MD&A and provides the material assumptions used to develop such forward-looking information and material risk factors that could cause actual results to differ materially from the forward-looking information.

Forward-looking Information	Assumptions	Risk factors
Sensitivity analyses relating to foreign currencies and interest rates.	All factors other than the variable in question remain unchanged; CXI's entire unhedged balance of foreign currency holdings is affected uniformly by changes in exchange rates; CXI's interest-bearing instruments and obligations were constant during the period.	Fluctuations of exchange rates and interest rates.
CXI's decision to exit Canada and to pursue a discontinuance from the Bank Act.	As announced on February 18, 2025, the Board of Directors has approved a strategy to pursue an orderly discontinuation of operations in Canada. This exit strategy includes timelines for termination of employees, vendor contracts, customer activity, supplier relationships, and banking relationships by the end of fiscal year 2025, in addition to referral opportunities for certain employees and customers. Certain one-time costs will be incurred throughout the discontinuation, largely driven by restructuring expenditures, vendor termination fees, severance obligations, professional fees and other related charges. Upon satisfying all obligations with third parties and creditors, EBC would repay any outstanding portion of the intercompany loan with remaining net working capital. The plan aims to cease all customer activity by August 2025 in preparation for administrative and financial statement audits required once activity has ceased.	Legal matters may be brought to EBC by employees, customers, or third-parties as a result of its discontinuance of operations. The exit strategy assumes costs associated with these risks; however, uncertainties associated with the exit strategy could increase costs through unforeseen delays or challenges.

Inherent in the forward-looking information are risks, uncertainties, and other factors beyond the Company's ability to predict or control. Refer to the Financial Risk Factors section below. Readers are cautioned that the above table does not contain an exhaustive list of the factors or assumptions that may affect the forward-looking information in this MD&A, and the assumptions underlying such statements may prove to be incorrect. Actual results and developments are likely to differ, and may differ materially from those expressed or implied by the forward-looking information contained in this MD&A.

During the current fiscal year, uncertainty surrounding the U.S. trade policy has emerged as a significant macroeconomic factor influencing domestic and global economic decisions. The unpredictability of the future policy decisions and the potential for retaliatory measures from trading partners weigh on business and consumer sentiment. As of the date of this report, the economic outlook remains fluid and the potential implications for the Company's operations and financial performance remain subject to ongoing uncertainty.

Forward-looking information involves known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, performance, or achievements to be materially different from any of its future results, performance, or achievements expressed or implied by the forward-looking information. All forward-looking information herein is qualified by this cautionary statement. Accordingly, readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information, whether as a result of new information, future events, or otherwise, except as may be required by applicable securities laws. If the Company does update any forward-looking information, no inference should be drawn that it will make additional updates with respect to that or other forward-looking information, unless required by applicable securities laws.

Overview

The Company is a publicly traded company (TSX: CXI; OTCQX: CURN)[1] with its head office in Orlando, Florida, and is a reporting issuer in the provinces of British Columbia, Alberta, and Ontario. The Company specializes in providing banknote currency exchange, wire transfers and check processing services, and related products through business-to-business and direct-to-consumer models, as the Company serves financial institutions, money service businesses, travel companies, other commercial and retail clients through its proprietary software platform, company-owned branches and vaults, and inventory on consignment locations throughout the United States. At July 31, 2025, the Company had 366 employees, 105 of which were employed on a part-time basis.

The Company has developed CXIFX, its proprietary, customizable, web-based software, as an integral part of its business and believes that it represents an important competitive advantage. CXIFX is also an online compliance and risk management tool that integrates with core bank processing platforms to allow a seamless transaction experience. This includes the Company's OnlineFX platform which allows travelers to order foreign currency banknotes and have them delivered directly to their locations or reserved for pick up at one of the Company's branches. The OnlineFX platform can serve customers in most of the United States. The CXIFX software is under continuous development and maintenance by an internal team of software engineers. Access to both the software and its source code is protected by copyright.

The Company reviews the strategic plan annually and monitors its progress quarterly. The Company's strategic initiatives may be revised periodically to accommodate shifts in the market and the strategic priorities as approved by the Board of Directors. The Company also anticipates changes to its strategic key pillars, specifically related to initiatives in Canada, following the recent decision to discontinue EBC (refer to "Recent Developments" below). The process of reviewing the strategic plan will span through the rest of this fiscal year, refer to "Forward-looking Statements".

Recent Developments

In 2024, the Company established a special committee of the board of directors to carry out a strategic review of EBC's operations. The aim of this review was to assess the impact of EBC's operational losses on the Company's strategic performance, explore opportunities to maximize long-term shareholder value, focus the Company's resources towards its profitable U.S. business, and evaluate the optimal path forward for the Company to execute its strategic plan. On February 18, 2025, the Company announced its decision to discontinue the operations of the Bank and its intention to apply to the Minister of Finance in Canada to discontinue from the Bank Act. Pursuant to the Company's decision, the Board of Directors approved a strategy (Exit Strategy) to pursue an orderly cessation of EBC's operations and exit from Canada with an initial estimate to complete the cessation of EBC's operations by the end of fiscal 2025, subject to regulatory approvals.

The following represents the key aspects of the exit strategy:

i. To apply to the Minister of Finance in Canada to discontinue from the Bank Act;

ii. To follow a timeline for termination of employees, vendor contracts, customer activity, supplier relationships, and banking relationships. These terminations will occur in waves, in alignment with any contractual notification periods, with the aim of settling all outstanding contractual obligations prior to the end of fiscal 2025;

iii. To evaluate and quantify costs associated with the wind down process that are expected to be incurred following the Company's decision on February 18, 2025 to exit Canada. These costs are largely driven by restructuring, vendor termination fees, severance obligations, professional fees, and other related charges;

iv. To facilitate the process of directing select employees and customers to referral partners to support a smooth and orderly cessation of operations (see below);

v. To ensure the release of collateral positions, the liquidation of inventory, and the repatriation of excess cash to CXI upon discontinuance; and

vi. At all times, EBC will continue to maintain its own Compliance function independently from the compliance function overseeing

[1] On May 20, 2025, the Company's shares commenced trading on the OTCQX Best Market ("OTCQX") under the symbol CURN. The Company upgraded to the OTCQX from the Pink Market.

the United States business operations. EBC will continue to operate as a Bank and comply with all regulatory obligations until operations cease and it discontinues from the Bank Act, or as required by the regulator. Following its discontinuance as a bank, EBC will not continue operations in Canada under the Canada Business Corporations Act (CBCA).

Upon its exit from Canada, the Company expects to continue its listing on the Toronto Stock Exchange (TSX). The Company does not expect any significant changes to the regulatory framework that governs its operations in the United States.

On March 24, 2025, EBC entered into a four-year term referral agreement with a third party. Under this agreement, the counterparty has the right to acquire certain corporate payments clients from EBC and offer employment to the account managers who manage these clients. On March 31, 2025, EBC entered into another four-year term referral agreement with another third party. Under this agreement, the counterparty has the right to acquire certain wholesale foreign banknote customers and other referred clients domiciled in Canada from EBC, in addition to the right to hire certain employees from EBC. According to the terms of both agreements, EBC earns a referral fee based on the revenue earned from each accepted client and it has the right to assign these referral agreements to its parent company, Currency Exchange International, Corp. at any time, subject to regulatory approval.

As highlighted above, the Company's exit strategy was designed to minimize costs while enabling the Company to earn potential future returns on referred customers. Neither of the referral agreements resulted in revenue being recognized in the third quarter of 2025. Revenue, in the form of a referral fee, would commence after the referred customers have been onboarded by the referral partner and begin to transact. The referral fees would be paid by the referral partner on a calendar quarterly basis. Any potential referral fee would require former EBC customers to be onboarded and transacting with the referral partner.

Management anticipates that certain operating expenses and personnel costs, that are currently shared with EBC, will be 100% borne by the continuing operations of CXI, subsequent to the exit of EBC from Canada, and the current annualized estimate of these costs is approximately $3 million after tax. Refer to "Forward-looking Statements".

As a consequence of EBC's discontinuance of operations, the Company assessed the requirements of IFRS 5 "Non-current assets held for sale and discontinued operations" and concluded that the Canadian business component related to EBC should be presented as discontinued operations. According to IFRS 5, the Company presented the associated assets and liabilities within a disposal group on the condensed interim consolidated statements of financial position as of July 31, 2025. Also, the associated results of operations are presented as discontinued operations as a separate line item in the condensed interim consolidated statements of income and comprehensive income, net of tax. This classification resulted in presenting the Company's results of operations for continuing and discontinued operations separately. The United States operations represent continuing operations of the Company, and the Canadian operations represent the discontinued operations of the Company. As a result of this classification, the Company no longer reports a summary of results of operations by geographic location.

Description of Business – Continuing Operations

The Company has the following revenue streams which it reports in its financial documents as commissions or fee revenue:

Commissions revenue comprises the difference (spread) between the cost and selling price of foreign currency products, including banknotes, wire payments, check processing solutions (foreign currency margin), together with the net (realized or unrealized) gain or loss from foreign currency forward contracts with customers, and the commissions paid on the sale and purchase of currencies. The amount of this spread is based on competitive conditions and the convenience, and value-added services offered.

Fee revenue primarily comprises the following:

i. Transaction fees generated from financial institution clients, at the Company's branch locations, via OnlineFX transactions and through inventory on consignment locations from foreign currency (banknote) exchange, and currency price protection; and
ii. Fees collected on foreign-denominated wire transfers, drafts, and check clearing transactions.

The following are some of the characteristics of the Company's revenue streams:

In the second half of 2024, the Company opened a new vault in Louisville, Kentucky, which provides the Company's banknotes operations with another strategic location for logistics and shipment deliveries and provides improved resilience and operational efficiency for its branch network. The Company operates four vaults serving its operations in the United States, in addition to one vault in Canada. During the current quarter, the company's vault located in Montreal, Canada, has been closed as part of the Company's plans to discontinue its operations in Canada, while the other vault in Toronto, Canada is set to close by the end of this fiscal year. In the United States, the vaults act as distribution centers for the Company's branch network as well as order fulfillment centers for its customers including financial institutions, money-service businesses and other corporate clients. Revenue generated from vaults has greater scale as the Company maintains a sales force to increase its geographic customer base. Exchange rate margins vary from customer to customer and are dependent on criteria such as exchange volumes and customer setup. Onboarding of new clients, specifically banking clients, normally requires an upfront investment, such as training, and currency signage, as well as additional one-time shipping costs to distribute start-up materials. Normally the Company also absorbs information technology costs to customize the CXIFX software for specific client use during the customer implementation phase. There are two common customer setups:

i. Centralized setup - for customers with a high volume of foreign currency exchange who maintain and manage their own inventory in central vault facilities. The Company offers bulk wholesale banknote trading. Trades of this nature are generally executed at lower margins, as the cost per transaction is low and the average value is high. The customer implementation phase is normally shorter, and the costs of onboarding clients are low; and
ii. Decentralized setup - many customers have determined that it is advantageous to avoid having currency inventory and allow their locations to buy and sell directly from CXI. Transactions in a decentralized setup typically are executed at a higher margin, as the average transaction is low and the cost to fulfill each trade is higher than that of a centralized setup. Several of the Company's financial institutions outsource their currency needs in return for a commission, based upon exchange volume. When a customer outsources their currency needs, the Company is granted access to the entire branch network, thus, immediately increasing its geographic footprint and expanding its customer base. The customer implementation phase is normally longer in a decentralized setup and the cost of client onboarding is higher as these clients normally require additional training and support.

The Company's largest asset is cash. The cash position consists of foreign and local currency banknotes held at the Company's vaults, branch locations, on consignment locations, or in transit between Company locations, as well as minimum cash balances in bank accounts to facilitate currency transactions at various financial institution clients. The Company also has traditional bank deposits to support its ongoing operations.

CXI maintains inventory in the form of domestic and foreign banknotes in financial institutions and other high-traffic locations. These locations can be very profitable as there are no occupancy costs or payroll. Foreign currency is placed in some of these locations on a consignment basis. On July 31, 2025, the Company had inventory on consignment in various locations, primarily located inside financial institutions in the United States. To encourage inventory turnover, the Company offers commission as a percentage on volumes generated by these locations.

Accounts receivable and payable balances relate primarily to bulk wholesale transactions that are awaiting collection and settlement. The credit risk associated with accounts receivable is limited, as the Company's accounts receivable consist primarily of bulk currency trades with a settlement cycle of 24 to 48 hours. The counterparty risk is generally low, as the majority of the Company's accounts receivable reside with financial institutions and money service business customers. The Company has longstanding relationships with most of its customers and has a strong repayment history.

Measuring business performance – Continuing Operations

Management monitors the performance of its business using several financial and non-financial measures and ratios. Financial measures include, "reported results" under IFRS Accounting Standards and "adjusted results" based on non-GAAP financial measures as explained in the "key performance and non-GAAP financial measures" section. Other key performance measures include the number of unique transactions executed, the number of airport and non-airport agent locations, and the number of states in which the Company are able to operate its direct-to-consumer business. Each of these measures are used throughout this document to describe and analyze performance. Management reviews these measures on a regular basis to ensure they remain valid, meaningful and align with the business model.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

The Company's business involves executing a large number of transactions with its customers. Management categorizes the number of unique transactions executed by product line and delivery channels. The table below lists the number of transactions in the current quarter compared to the corresponding quarter last year and in each of the past three fiscal years. Seasonal trends typically lead to higher demand for foreign currency from March through September and lower demand from October through February.

These patterns primarily impact the Banknotes product line:

	Banknotes						Payments	
Fiscal year/quarter	Company-owned Branches	Agents	Online FX	Financial Institutions	All Others*	**Total**	Financial Institutions & Corporates	**Total**
FY 2022	299,738	266,105	20,484	509,546	84,381	1,180,254	140,140	140,140
FY 2023	398,535	456,323	27,392	764,366	102,799	1,749,415	153,824	153,824
FY 2024	410,585	481,007	31,296	870,648	173,552	1,967,088	183,183	183,183
Q3-2024	117,695	153,482	8,703	227,335	41,985	549,200	40,859	40,859
Q3-2025	117,261	142,758	10,772	224,733	35,969	531,493	51,727	51,727

* All others include money service businesses and travel companies.

The Company's strategy includes an omni-channel, direct-to-consumer approach that allows it to build its brand as a premier provider of foreign currencies in the United States. This includes operating a number of company-owned branch locations that are located in typically high-traffic areas in key tourism markets across the United States, staffed by CXI employees. These locations hold domestic and foreign currencies to buy and sell on demand. The currency exchange margins associated with the transactions occurring at these locations are generally higher in order to recapture the costs of deployed capital in the form of domestic and foreign currencies, rent, payroll, and other general and administrative costs. Company-owned branch locations generate a significant amount of revenue from the exchange of foreign currency, whereas CXI is generally a net seller of currencies to its bank and non-bank clients. Excess currency collected via the branch network is redeployed to financial institutions clients and non-bank clients, which reduces the need to source currency through wholesale sources at a greater cost, thus increasing currency margins.

As of July 31, 2025, the Company had 40 company-owned branch locations across the United States, as outlined below:

Locations	City	State	Opened	Locations	City	State	Opened
Florida Mall	Orlando	FL	2007	Cherry Creek	Denver	CO	2014
Ontario Mills Mall	Ontario	CA	2007	Citadel Outlets	Los Angeles	CA	2014
Potomac Mills Mall	Woodbridge	VA	2007	Tyson's Corner Center	Tyson's Corner	VA	2014
Sawgrass Mills Mall	Sunrise	FL	2007	Garden State Plaza	Paramus	NJ	2015
Aventura Mall	Aventura	FL	2008	Mission Valley	San Diego	CA	2015
Copley Place Mall	Boston	MA	2009	The Orlando Eye (Icon Park)	Orlando	FL	2015
Dadeland Mall	Miami	FL	2009	International Market Place	Honolulu	HI	2016
Dolphin Mall	Miami	FL	2009	North County	Escondido	CA	2017
MacArthur Mall	Norfolk	VA	2009	Alderwood Mall	Lynnwood	WA	2019
Apple Bank – Avenue of Americas	New York	NY	2011	Pearl Ridge	Aiea	HI	2019
Apple Bank – Grand Central	New York	NY	2011	South Coast Plaza	Costa Mesa	CA	2020
San Francisco City Center	San Francisco	CA	2011	Stanford Shopping Center	Palo Alto	CA	2022
San Jose Great Mall	San Jose	CA	2011	Century City Mall	Los Angeles	CA	2022
Arundel Mills Mall	Hanover	MD	2012	Town Center at Boca Raton	Boca Raton	FL	2022
SouthCenter	Tukwila	WA	2012	Jersey Gardens	New Jersey	NJ	2023
Apple Bank - Penn Station	New York	NY	2013	King of Prussia Mall	Pennsylvania	PA	2023
Mainplace at Santa Ana	Santa Ana	CA	2013	Orlando International Airport	Orlando	FL	2023
Montgomery at Bethesda	Bethesda	MD	2013	Burlington Mall	Burlington	MA	2024
Shops at Northbridge	Chicago	IL	2013	Lenox Square	Atlanta	GA	2024
Apple Bank - Upper East Side	New York	NY	2014	Scottsdale Fashion Square	Scottsdale	AZ	2025

(All amounts are expressed in U.S. Dollars unless otherwise noted)

On May 1, 2025, the Company opened a new owned branch location for its customers inside the Scottsdale Fashion Square, in Arizona. Additionally, on July 1, 2025, the Company completed a planned closure of its owned branch location in Santa Monica, California, which has been operating since 2012. These changes have been made as part of the Company's strategy to optimize and streamline its retail delivery network according to the Company's strategy. During August 2025 and subsequent to the current period, the Company's current owned branch location, South Coast Plaza in California, has closed. This location was operational at July 31, 2025 and its closure was not determined to be a material subsequent event requiring disclosure in the condensed interim consolidated financial statements.

The Company has focused on growing its retail presence in the United States through agent locations with its partners who bear the responsibility for the fixed costs, including lease commitments and other obligations associated with physical stores. In exchange for exclusive rights to supply and purchase foreign currencies to these agents, CXI consigns inventory to each location and licenses the right to use its name, thereby increasing its brand exposure. All agents are required to meet all of CXI's compliance and operational requirements under their agency agreements. CXI differentiates its agents between airport and non-airport locations, as airports have unique requirements. Through these relationships, CXI maintains a presence at some of the busiest airports in the United States for international traffic, including those in Charlotte, Chicago, Fort Lauderdale, Minneapolis, Newark, New York, Portland, Raleigh-Durham, and Philadelphia. CXI also has agency relationship with Duty Free Americas, which includes 26 locations at the business ports of entry across the border between the United States and Canada, and with the American Automobile Association (AAA), which includes more than 400 locations across 28 states. The Company continuously monitors the performance of its agent locations and, as necessary, may discontinue relationships and/or close locations when volumes or revenues do not meet targets.

CXI launched its proprietary OnlineFX platform in 2020 to extend its reach to American consumers outside of its branch and agent network. The platform allows consumers to purchase foreign currency banknotes easily and securely, prior to their international travel. The platform enables consumers to buy more than 80 foreign currencies with direct shipment to their homes or for pick up at one of the Company's branches across the United States. OnlineFX is a core strategic initiative and adoption rates for online purchases continued to grow with expansions within the United States. The following table lists the number of retail locations by category and the number of states across the United States in which the Company's OnlineFX platform operates in as of July 31, 2025, and at the end of each of the five preceding fiscal years:

	2019	2020	2021	2022	2023	2024	Q1 2025	Q2 2025	**Q3 2025**
Company-owned branch locations	46	35	35	37	38	40	40	40	40
Airport agent locations	-	7	18	23	45	47	46	48	49
Non-airport agent locations	38	47	62	161	235	225	225	279	417*
States/district in which OnlineFX operates	-	22	31	38	40	44	45	46	46

*The increase in the number of non-airport agents during the third quarter was primarily due to the opening of a significant number of AAA locations across the United States.

Selected Financial Information

Summary of quarterly results

The Company's quarterly results are impacted by a number of trends, recurring and non-recurring factors, including seasonality, business factors that impacted the performance of the Company's Canadian subsidiary EBC, and other material non-recurring items that were incurred in the past reported periods. During the second quarter of this year, management concluded that the prevailing circumstances of the Company, as detailed in the overview section above, met the conditions under IFRS 5 (Non-current assets held for disposal and discontinued operations). Consequently, in anticipation of the disposal of the Canadian component represented in EBC, all balance sheet items and earnings from continuing operations have been segregated in the condensed interim consolidated financial statements along with all associated intercompany transactions. The impact of EBC's results from operations is shown separately from continuing operations. Both continuing and discontinued results comprise the Company's net results for all presented periods.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

The following table summarizes the performance of the Company over the last eight fiscal quarters. For comparison purposes, all periods presented below reflect the segregation of the discontinued segment and its exclusion from the financial results of continuing operations below:

Quarterly Results	Results of Continuing Operations - Reported			Group Net Results - Reported		Group Net Results- Adjusted*	
	Revenue	Net income	Earnings per share (diluted)	Net income (loss)	Earnings/(loss) per share (diluted)	Net income	Earnings per share (diluted)
	$	$	$	$	$	$	$
Q3 2025	21,282,968	5,274,418	0.84	4,245,120	0.67	4,162,298	0.66
Q2 2025	15,865,150	2,674,849	0.42	1,983,025	0.31	2,285,808	0.36
Q1 2025	15,450,861	1,694,672	0.26	812,530	0.12	1,092,648	0.17
Q4 2024	18,460,390	3,313,852	0.50	(2,817,897)	(0.45)	2,780,445	0.42
Q3 2024	19,961,122	5,122,815	0.77	3,935,350	0.59	4,644,984	0.69
Q2 2024	16,358,796	2,731,629	0.41	506,522	0.08	1,934,122	0.29
Q1 2024	14,141,018	2,020,274	0.30	849,874	0.13	849,874	0.13
Q4 2023	18,742,856	3,467,825	0.52	2,303,822	0.34	2,303,822	0.34

*These are non-GAAP financial measures and ratios. For further details, refer to the key performance and non-GAAP financial measures section on page 23.

While seasonality is generally not a consideration for the Payments product line, it has an impact on the Banknotes product line at times when foreign currencies are in greater or lower demand. In a normal operating year, there is seasonality in the Company's operations with higher revenue generally from March through September and lower revenue from October through February. Therefore, the third quarter has historically been stronger while the first quarter has historically been the slowest for client activity. Periods with higher revenue coincide with peak tourism seasons in North America when there are generally more travelers entering and leaving the United States.

Fluctuations in EBC's reporting currency, the Canadian dollar, relative to the U.S. Dollar, which is the reporting currency of the Company, impact EBC's net results, which are consolidated into the Company's net results during fiscal years 2024 and 2025. EBC's results for the current period and the comparative period have been segregated from the continuing operations and are reported under discontinued operations in the condensed interim consolidated financial statements.

Trend analysis

Earnings over the current and the prior quarters have been influenced by the following factors:

1) EBC's net results during the third quarter of 2025 have been managed according to the Board approved Exit Strategy. As of July 31, 2025, the majority of EBC's customers have been offboarded. Spread increases and shipping fee recoveries implemented in the first half of the fiscal year in EBC's wholesale banknote business mitigated the impact of certain operating expenses and restructuring charges, on net results. Revenue in the Banknotes business declined compared to prior periods and will reduce to $nil in the fourth quarter, following the termination of the remaining transacting banknote customers in August. Volume and revenue in EBC's Payments business have declined significantly compared to prior periods due to the termination of all customer accounts between May 30, 2025 and July 31, 2025. EBC's net results for the current period and the comparative period have been segregated from the continuing operations and reported under discontinued operations in the condensed interim consolidated financial statements.

   EBC's net results during the third quarter of 2025 were favorably impacted by the termination of a long-term lease liability ($360,768), partially offset by severance cost ($68,720), non-recurring advisory charges ($181,905), and a write off of fixed assets ($6,431). As a result, a net credit in the amount of $103,712 was reported under discontinued operations in the condensed interim consolidated financial statements.

CXI's net results during the third quarter of 2025 were also impacted by restructuring costs represented in advisory fees related to EBC's discontinuance and amounted to $20,890 after tax. Restructuring costs were reported under continuing operations in the condensed interim consolidated financial statements.

2) EBC's net results during the second quarter of 2025 were impacted by non-recurring advisory charges of $145,452. These non-recurring charges were included and reported under discontinued operations in the condensed interim consolidated financial statements.

   CXI's net results during the second quarter of 2025 were also impacted by restructuring costs represented in advisory fees related to EBC's discontinuance and amounted to $157,331 after tax. Restructuring costs were reported under continuing operations in the condensed interim consolidated financial statements.

3) EBC's net results during the first quarter of 2025 were impacted by non-recurring advisory charges in the amount of $280,118. These non-recurring costs are included and reported under discontinued operations in the condensed interim consolidated financial statements.

4) The Company's net results during the fourth quarter of 2024 were impacted by a number of adjustments totaling $5,598,342, as follows:
   (i) Impairment loss related to EBC's long-term assets of $2,627,038, as a result of 2024 year-end impairment analysis which determined that the recoverable amounts of both cash generating units (CGU) in EBC to which long-term assets are allocated were lower than the carrying amount of these assets. The recoverable amounts were calculated at the greater of estimated value in use or fair value less cost of disposal. Estimated value in use reflected the lack of sufficient projected cash flows for these CGUs compared to the carrying amounts. As a result, the carrying amounts of the different long-term asset categories were written down to the carrying amount according to IAS 36. This adjustment was reported under discontinued operations in the condensed interim consolidated financial statements.
   (ii) An administrative monetary penalty was imposed on EBC by the Canadian regulator as a result of compliance regulation evaluation examining the period from September 2021 to August 2022 and the resulting amount was CAD$2,457,750. During the fourth quarter of 2024, the Company accrued the remainder of the administrative monetary penalty amount of $1,174,647 which was greater than the initial provision of $709,634 that was accrued for in the third quarter of 2024 (see item 5 below). While EBC has accrued for the full amount of the penalty, as of July 31, 2025, the penalty has not been paid, pending appeal. This adjustment was reported under discontinued operations in the condensed interim consolidated financial statements.
   (iii) Non-recurring advisory charges, totaling $613,283 after tax. Out of which, $585,097 was reported under discontinued operations and $28,186 after tax was reported under legal and professional fees within operating expenses in the continuing operations in the condensed interim consolidated financial statements.
   (iv) Non-recurring charges related to Quebec compensation taxes and Harmonized Sales Taxes related to prior years' Canadian tax reporting of $1,183,374. This adjustment was reported under discontinued operations in the condensed interim consolidated financial statements.

5) EBC's net results during the third quarter of 2024 were impacted by an initial provision estimate related to administrative monetary penalty in the amount of $709,634. The provision amount is reported under discontinued operations in the condensed interim consolidated financial statements.

6) EBC's net results during the second quarter of 2024 were impacted by the reversal of Deferred Tax Asset (DTA) benefits related to the unused loss carry forward of EBC for fiscal years prior to 2023 which were deemed to be unrecoverable in the amount of $1,427,600. The reversal of the DTA is included and reported under discontinued operations in the condensed interim consolidated financial statements.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Selected Annual Financial Information

The following table sets out selected consolidated financial information about the Company for the years indicated. The following information should be read in conjunction with those audited consolidated financial statements for the relevant period and notes related thereto. The operating results for any past period are not necessarily indicative of results for any future period, refer to "Forward-looking Statements".

The selected financial information below has been derived from the audited consolidated financial statements of the Company, however, as stated above and throughout this document, all results of continuing operations have been revised to exclude EBC's results and all associated intercompany transactions. The impact of EBC's results on operations is shown separately under the Discontinued Operations section.

Management concluded that the prevailing circumstances of the Company as noted in the scope of analysis section above met the conditions under IFRS 5 (Non-current assets held for sale and discontinued operations). Consequently, in anticipation of the discontinuance of the Canadian component represented in EBC, the results of operations are presented with the financial results of EBC's operations segregated in the condensed interim consolidated statements of income and comprehensive income as discontinued operations. In accordance with IFRS 5, the comparative results also reflect the segregation of this segment as discontinued operations. Therefore, some of the financial amounts information listed below may not agree with what was included in the audited consolidated financial statements of the Company for the respective years. The intention of reflecting the information in the current format is to comply with IFRS 5 and to provide a perspective on the continuing business trend of the Company over the past three years.

Selected Annual Financial Information from Continuing Operations:

	Year ended October 31, 2024	Year ended October 31, 2023	Year ended October 31, 2022
	$	$	$
Revenue from continuing operations	68,921,326	64,654,313	50,897,219
Net income from continuing operations	13,188,569	11,771,314	9,558,458
Group net income	2,473,849	10,193,507	11,783,124
Earnings per share from continuing operations - Basic	2.10	1.83	1.49
Group earnings per share - Basic	0.39	1.59	1.83
Earnings per share from continuing operations - Diluted	2.01	1.76	1.44
Group earnings per share - Diluted	0.38	1.52	1.78
Total assets	131,161,584	132,049,444	125,528,832
Total liabilities	51,769,229	52,816,463	56,223,323
Non-current financial liabilities	6,673,185	2,202,798	2,443,432
Working capital	55,863,972	45,550,491	44,418,494

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Results of Continuing Operations

Summary of the results for continuing operations for the three-month periods ended July 31, 2025 and 2024

As stated above, and throughout this document, all results of continuing operations have been revised to exclude EBC's results and all associated intercompany transactions. The impact of EBC's results of operations is shown separately under the discontinued operations section. The following is a summary of the results of continuing operations for the three-month periods ending July 31, 2025 and 2024:

	Three-month period ended July 31, 2025	Three-month period ended July 31, 2024	Change	Change
Reported results	$	$	$	%
Revenue	21,282,968	19,961,122	1,321,846	7%
Operating expenses	13,119,678	12,189,005	930,673	8%
Net operating income	**8,163,290**	**7,772,117**	**391,173**	**5%**
Other income and expense, net	10,786	35,223	(24,437)	-69%
Restructuring charges	(28,113)	-	(28,113)	N/A
EBITDA*	**8,145,963**	**7,807,340**	**338,623**	**4%**
Net income from continuing operations	**5,274,418**	**5,122,815**	**151,603**	**3%**
Earnings per share from continuing operations - Basic	0.85	0.80	0.05	6%
Earnings per share from continuing operations - Diluted	0.84	0.77	0.07	9%
Net loss after tax from discontinued operations	(1,029,298)	(1,187,465)	158,167	-13%
Group net income	**4,245,120**	**3,935,350**	**309,770**	**8%**
Group earnings per share - Basic	0.68	0.61	0.07	11%
Group earnings per share - Diluted	0.67	0.59	0.08	14%
Adjusted results**				
EBITDA	**8,174,076**	**7,807,340**	**366,736**	**5%**
Group net income	**4,162,298**	**4,644,984**	**(482,686)**	**-10%**
Group earnings per share - Basic	0.67	0.72	(0.05)	-7%
Group earnings per share - Diluted	0.66	0.69	(0.03)	-4%

* Earnings before interest, taxes, depreciation and amortization (EBITDA)

** These are non-GAAP financial measures. For further details, refer to the key performance and non-GAAP financial measures section on page 23.

The Company generated revenue from continuing operations of $21,282,968 for the three-month period ending July 31, 2025, a 7% increase from the prior period's quarter. The revenue growth was driven by 24% growth in the Payments product line, 5% growth in direct-to-consumer banknotes revenue primarily through OnlineFX platform and agency relationships as well as large wholesale banknote trades towards the end of the current quarter while revenue from company owned locations remained flat. While travel data showed a slowdown in international inbound travel to the United States, the outbound travel by U.S citizens increased. Between May 2025 and July 2025, approximately 245.6 million travelers passed through TSA check points in United States airports, this was almost flat to the same period last year as it reported approximately 246.3 million travelers.

Compared to the second quarter of 2025, revenue increased by $5,417,818 or 34%, consistent with seasonality. This quarterly increase is trending in line with the same period last year when revenue increased quarter over quarter by $3,602,326 or 22%. The top five currencies by revenue in the current quarter were the Euro (EUR), British Pound Sterling (GBP), Canadian Dollar (CAD), Vietnamese Dong (VND), Mexican Peso (MXN), and compared to the Euro (EUR), Canadian Dollar (CAD), British Pound Sterling (GBP), Iraqi Dinar (IQD), and Mexican Peso (MXN), and in the prior period's quarter.

Operating expenses increased by $930,673, or 8% and the Company reported net operating income of $8,163,290 in the current quarter, 5% higher than the $7,772,117 reported last year. The Company reported net income from continuing operations of $5,274,418 for the current quarter, compared to $5,122,815 for the prior period's quarter. The Group's net income, including the results from discontinued operations, amounted to $4,245,120 for the current quarter, compared to net income of $3,935,350 for the prior period's quarter.

The Company uses a combination of both "reported results" as per the financial statements prepared in accordance with IFRS Accounting Standards and "adjusted results" based on certain non-GAAP financial measures and ratios to evaluate its performance, as illustrated at the beginning of this document. The Company believes that adjusted results offer a more consistent method for comparing performance across different reported periods, from a non-GAAP financial measures and ratios perspective, indicating an improvement over the prior period.

On an adjusted basis, the Group net income declined by $482,686 or 10% to $4,162,298 in the current quarter, compared to $4,644,984 in the prior quarter. For further details about the non-GAAP measures and ratios, including a reconciliation, refer to the key performance and non-GAAP financial measures section on page 23.

The Company continued its progression towards its strategy in the three-month period ended July 31, 2025, that included the following highlights:

i. Continued its transaction growth in the International Payments product line in the United States. The Company processed 51,727 payments transactions (including wires and checks), representing $1.77 billion in business trading volume in the third quarter, compared to 40,859 payment transactions on $1.36 billion of business trading volume in the prior period's quarter, primarily due to the year over year growth in the United States;

ii. Continued its progression in the Direct-to-Consumer market through its network of company-owned locations, agent relationships and in states where the Company operates its OnlineFX platform. During the third quarter of 2025, the Company opened a new owned location in Scottsdale, Arizona and added 138 new non-airport locations across the United States, leveraging its growing relationship with American Automobile Association; and

iii. Increased its banknote market penetration into the financial institution sector in the United States, with the addition of 31 new financial institutions clients in the third quarter.

Revenue analysis for the three-month periods ended July 31, 2025 and 2024 by product line - Continuing Operations

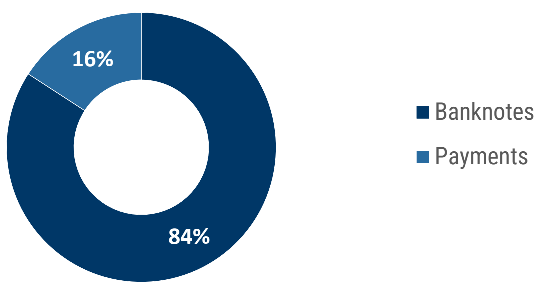
Revenue from continuing operations increased 7% compared to the prior period. Revenue from Direct-to-Consumer and Wholesale Banknotes increased by $405,896, or 5%, and $267,040, or 3% respectively, and revenue from the Payments product line also increased by $648,910, or 24%. Payments revenue and business trading volumes continued to grow steadily over the prior period's quarter, reflecting increased activity with both existing and new customers.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

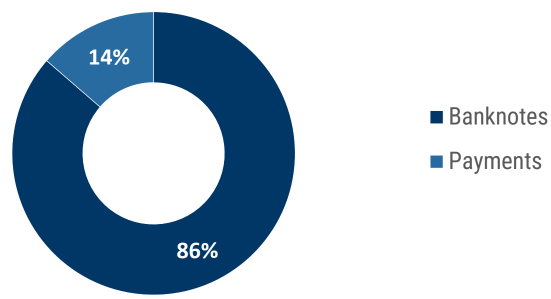
Revenue by Product Line – Continuing Operations

	Three-month period ended July 31, 2025	Three-month period ended July 31, 2024	Change	Change
	$	$	$	%
Banknotes	17,911,994	17,239,058	672,936	4%
Payments	3,370,974	2,722,064	648,910	24%
Total	**21,282,968**	**19,961,122**	**1,321,846**	**7%**

Three-month period ended July 31, 2025



Three-month period ended July 31, 2024



Banknotes Revenue

Revenue in Banknotes grew by a combined 4% in both the Wholesale and Direct-to-Consumer product lines in the third quarter compared to the prior period. Wholesale Banknotes' business trading volumes decreased due to an overall decline in consumer demand for foreign currencies, however the company's continued addition of new domestic financial institutions' customers in addition to certain large transactions at the end of the quarter offset the decline in volumes in particular from money service businesses and international customers and the net result was an overall $267,040, or 3% increase in Wholesale Banknotes revenue over the same period last year. Overall, Wholesale Banknotes accounted for 44% of total revenue in the current three-month period, compared to 45% for the same period last year.

Direct-to-Consumer Banknotes revenue, through diversified delivery channels, including the OnlineFX platform, company-owned branches and agent relationships, increased by $405,896, or 5%, primarily generated via the OnlineFX platform and agent relationships. Growth in OnlineFX platform revenue was driven by increased demand for exotic foreign currencies, while growth in agent relationships was driven by growing the current agency relationships and increasing presence throughout the United States. During the current quarter, the Company added 138 new non-airport agents in several locations, in addition to opening a new owned branch location in Scottsdale, Arizona, while closing its location in Santa Monica, California. The changes related to the Company's owned branches have been made as per the Company's strategy to optimize its retail delivery network serving its customers. Direct-to-Consumer revenue represented 40% of total revenues in the current quarter, compared to 41% for the same quarter last year.

Payments Revenue

Revenue in the Payments product line increased by $648,910, or 24% in the three-month period ended July 31, 2025, compared to the prior period, supported by a 30% increase in trading volume activity from existing financial institution customers and the onboarding of new customers. Business trading volumes on Payments revenue were $1.77 billion for the current quarter compared to $1.36 billion for the prior period. The growth in Payments revenue increased its contribution to the Company's total revenue in the current three-month period to 16% compared to 14% for the same period last year.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Operating Expenses - Continuing Operations

During the three-month period ending July 31, 2025, the Company's operating expenses increased $930,673, or 8% compared to the same three-month period in the prior year. Variable costs within operating expenses, represented by postage and shipping, bank service charges, sales commissions and incentive compensation totaled $3,309,491 in the current quarter compared to $3,463,076 in the three-month period ended July 31, 2024, a 4% decrease primarily attributable to shipping costs and bank service charges. Shipping costs have been declining since the opening of the Company's new vault in Louisville, Kentucky, resulting in more streamlined and efficient logistical operations and shipment deliveries. The ratio comparing total operating expenses to total revenue for the three-month period ended July 31, 2025 was 62% compared to 61% for the three-month period ended July 31, 2024.

The key components of operating expenses related to continuing operations are presented in the table below, with commentary on some of the significant variances.

	Three-month period ended July 31, 2025	Three-month period ended July 31, 2024	Change	Change
	$	$	$	%
Salaries and benefits	7,615,885	7,187,412	428,473	6%
Postage and shipping	1,947,908	2,072,022	(124,114)	-6%
Information technology	731,631	517,644	213,987	41%
Legal and professional	623,876	474,895	148,981	31%
Rent	467,644	424,269	43,375	10%
Marketing and publicity	439,590	251,734	187,856	75%
Foreign exchange losses	223,121	61,588	161,533	>100%
Insurance, taxes and licensing	215,581	234,020	(18,439)	-8%
Bank service charges	209,108	303,438	(94,330)	-31%
Losses and shortages	183,166	93,224	89,942	96%
Travel and entertainment	166,408	142,950	23,458	16%
Stock based compensation	145,307	302,846	(157,539)	-52%
Other general and administrative	150,453	122,963	27,490	22%
Operating expenses	**13,119,678**	**12,189,005**	**930,673**	**8%**

Salaries and benefits expense increased when compared to the prior period's quarter, mostly driven by Louisville vault staff growth and the addition of company-owned branch locations in addition to general inflationary increases in salaries and benefits.

Information technology increased due to changes in classification of certain expenditures in the amount of $132,645, while the rest of the cost increase represented software cost incurred in the normal course of business.

Legal and professional expenses increased primarily due to audit and tax services as well as other legal and advisory services provided in the normal course of business.

Marketing and publicity increased primarily due to the Company's focus on marketing initiatives, campaigns, retail investments and establishing customer referral programs that support corporate goals with a focus on the direct-to-consumer business' growth.

Foreign exchange losses represent the net result of foreign currency exchange transactions after considering hedging and risk management strategies designed to reduce the inherent risks in the Company's exposure to foreign exchange, thereby minimizing volatility in earnings. Net foreign exchange losses for the current quarter were primarily driven by hedging costs. Banknote inventory valuation prior to hedging exhibited significant monthly volatility, with muted gains in May, substantial gains in June, and offsetting losses in July, resulting in a nearly flat outcome for the period. Despite the flat inventory revaluation, the Company still incurred hedging costs contributing to net exchange loss in the quarter. These costs were nonetheless within management's expected range and were somewhat favorable compared to the prior year. The Company's hedging strategy is designed to mitigate downside risk while allowing for potential gains when foreign currencies strengthen against the U.S. Dollar. The cost of hedging remains insignificant relative to the potential losses on banknote inventory positions, reinforcing its strategic value. The average foreign currency banknote inventory exposure increased from $50 million to $60 million in the current period versus the same period in the prior year, with the Euro exposure accounting for approximately half of the total. Foreign exchange losses during same period in the prior year were primarily associated with the Company's banknote holdings in Mexican Peso. Refer to the Foreign Currency Risk section in this document.

Bank service charges represent fees associated with processing payments and banknotes transactions but are primarily driven by the Payments product line. In the current quarter, CXI continued to process certain payments transactions via EBC's correspondent bank and received a chargeback allocated via intercompany allocation. Intercompany allocations are excluded from the results of continuing operations as per IFRS 5.

Stock based compensation includes the non-cash amortization expense related to the vesting of the Company's equity-based stock options in addition to the cash-based awards represented in Restricted Stock Unit (RSU) and Deferred Share Unit (DSU) awards. The liability from the DSU and RSU awards is adjusted to reflect the closing stock price at the end of each quarter as required by IFRS. During the current quarter, there was a net expense in the amount of $73,198 related to outstanding DSU and RSU awards. The expense was lower compared to an expense of $185,928 for the prior period's quarter as a result of a decline in the stock price in the current quarter.

Other Income and Expenses - Continuing Operations

Other income and expenses related to continuing operations are comprised of the following:

	Three-month period ended July 31, 2025	Three-month period ended July 31, 2024
	$	$
Depreciation of right-of-use assets	497,018	465,042
Depreciation and amortization	396,842	374,772
Interest on lease liabilities	94,887	47,077
Interest expense	59,241	77,235
Restructuring charges	28,113	-
Interest revenue	(10,786)	(35,223)
Income tax expense	1,823,557	1,720,399
Total other expenses	**2,888,872**	**2,649,302**

Interest on lease liabilities reflect additional interest incurred for the corporate headquarters and the Louisville vault, whose leases commenced in July and August of 2024, respectively.

Interest expense decreased as a result of a decline in average borrowings. Though average borrowed balances remain small, the Company used the majority of these borrowings on its primary line of credit to fund EBC's operations, which began to taper significantly following the Company's strategic decision to discontinue operations in Canada. The average outstanding borrowings by the Company amounted to $1,255,494 during the third quarter, compared to $2,102,724 during the prior period's quarter. The average interest rate on borrowing was 6.7% compared to 7.7% for the prior period's quarter.

Restructuring charges represent legal costs associated with the discontinuance of EBC and incurred during the current quarter following the decision to discontinue EBC.

Interest revenue for the period was primarily from interest earned on interest bearing bank accounts in the normal course of business. The decline in the current quarter was attributable to reduced cash balances held in certain interest-bearing bank accounts.

Income tax expense in the current quarter represented taxable income growth over the prior year and reflected an effective tax rate of 26%, subject to certain temporary and permanent adjustments to table income.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Summary of the results for continuing operations for the nine-month periods ended July 31, 2025 and 2024

As stated in the scope of analysis at the beginning of this document, all earnings from continuing operations have been revised to exclude EBC's results and all associated intercompany transactions. The impact of EBC's results on operations is shown separately under "net loss from discontinued operations" in the table below.

The following is a summary of the results of operations for the nine-month periods ended July 31, 2025 and 2024:

	Nine-month period ended July 31, 2025	Nine-month period ended July 31, 2024	Change	Change
Reported results	$	$	$	%
Revenue	52,598,978	50,460,936	2,138,042	4%
Operating expenses	35,485,169	34,998,949	486,220	1%
Net operating income	**17,113,809**	**15,461,987**	**1,651,822**	**11%**
Other income and expense, net	45,230	100,510	(55,280)	-55%
Restructuring charges	(257,517)	-	(257,517)	N/A
EBITDA*	**16,901,522**	**15,562,497**	**1,339,025**	**9%**
Net income from continuing operations	**9,643,937**	**9,874,718**	**(230,781)**	**-2%**
Earnings per share from continuing operations - Basic	1.56	1.56	-	N/A
Earnings per share from continuing operations - Diluted	1.53	1.50	0.03	2%
Net loss after tax from discontinued operations	(2,603,263)	(4,582,971)	1,979,708	43%
Group net income	**7,040,674**	**5,291,747**	**1,748,927**	**33%**
Group earnings per share - Basic	1.14	0.84	0.30	36%
Group earnings per share - Diluted	1.12	0.80	0.32	40%
Adjusted results**				
EBITDA	**17,159,039**	**15,562,497**	**1,596,542**	**10%**
Group net income	**7,548,978**	**7,419,913**	**129,065**	**2%**
Group earnings per share - Basic	1.22	1.17	0.05	4%
Group earnings per share - Diluted	1.20	1.12	0.08	7%

*Earnings before interest, taxes, depreciation and amortization (EBITDA)

**These are non-GAAP financial measures. For further details, refer to the key performance and non-GAAP financial measures section on page 23.

Revenue for the nine-month period ending July 31, 2025 increased by $2,138,042, or 4% from the same period in the prior year as both product lines grew from last year. The Payments product line grew 16% due to increase in volumes and the onboarding of new customers, while the Banknotes product line grew 2% primarily attributable to the onboarding of new financial institutions' customers and increased demand for exotic foreign currencies despite a decline in demand for certain travel foreign currencies such as the Canadian Dollar.

The 4% growth in revenue was primarily generated from the Payments product line which had $1,198,622, or 16% growth, followed by 2% growth in both Direct-to-Consumer and Wholesale Banknotes revenue, combined accounting for $939,420. Operating expenses increased by $486,220, or 1%. The Company reported net operating income of $17,113,809 in the current nine-month period, 11% higher than the $15,461,987 reported last year primarily due to revenue growth. The Company reported net income from continuing operations of $9,643,937 for the current nine-month period, compared to $9,874,718 for the same period last year. The Group's net income, including the results from discontinued operations, amounted to $7,040,674 for the current nine-month period, compared to $5,291,747 for the same period last year.

The Company uses a combination of both reported results as per the financial statements and adjusted results based on certain non-GAAP financial measures and ratios to evaluate its performance, as illustrated at the beginning of this document.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

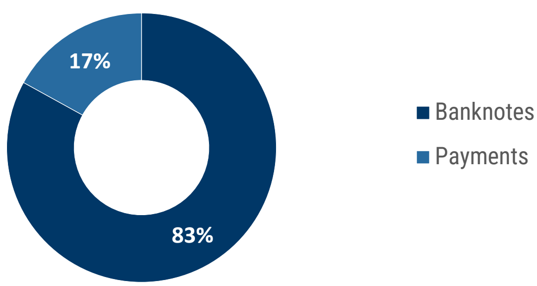
The Company believes that adjusted results offer a more consistent method for comparing performance across different reported periods. From a non-GAAP financial measures and ratios perspective, group net income was $7,548,978 in the current nine-month period, 2% higher than last year. For further details about the non-GAAP measures and ratios, including a reconciliation, refer to the key performance and non-GAAP financial measures section below on page 23.

Revenue analysis for the nine-month periods ended July 31, 2025 and 2024 by product line - Continuing Operations

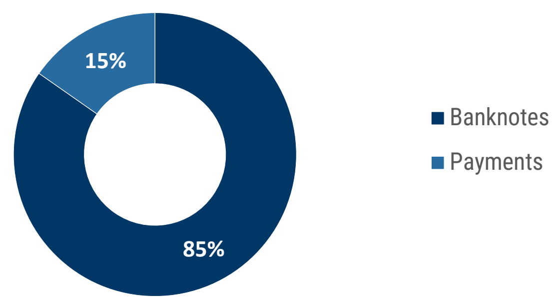
Revenue by Product Line – Continuing Operations

	Nine-month period ended July 31, 2025	Nine-month period ended July 31, 2024	Change	Change
	$	$	$	%
Banknotes	43,675,482	42,736,062	939,420	2%
Payments	8,923,496	7,724,874	1,198,622	16%
Total	**52,598,978**	**50,460,936**	**2,138,042**	**4%**

Nine-month period ended July 31, 2025



Nine-month period ended July 31, 2024



Banknotes Revenue

Revenue in Banknotes had a $939,420, or 2% increase in both Wholesale and Direct-to-Consumer in the current year compared to the prior year, driven by growth in consumer demand for certain foreign currencies such as the Euro and the Mexican Peso which offset the declining volumes from the Canadian dollar. The growth was driven primarily by financial institutions' customers and has offset a weaker demand from money service business customers. This trending was consistent with travel data that outlined a generally growing number of travelers to Mexico and the rest of the world as opposed to a declining number of travelers to and from Canada. Wholesale Banknotes revenue increased by $451,912, or 2% and accounted for 42% of total revenue in the current nine-month period, compared to 43% for the same period last year.

Direct-to-Consumer Banknotes revenue had a $487,508, or 2% increase in the current year, compared to the prior year as the Company maintained its market share through its diversified delivery channels including the OnlineFX platform, company-owned branches and agent relationships. During the current year, the Company added 192 new non-airport agents, leveraging its current agency relationships to expand its presence across the United States, which drove an increase in revenue from exotic and travel currencies. The Company's OnlineFX platform has been expanded with the addition of two new states during the current year which has been reflected in increased volumes from exotic currencies. The company-owned branches continued to grow as the new locations are maturing and contributed to an overall growth over the last year, however growth in these locations was partially offset by volume declines in some of the low performing locations. During the year, the Company completed the closure of its owned branch location in Santa Monica, California. The Company continues to closely monitor all company-owned locations to ensure they operate at their maximum profit margin to allow these locations to drive business growth. Overall, Direct-to-Consumer Banknotes revenue remained a growing business with its diversified delivery channels during the current quarter. Direct-to-Consumer revenue represented 41% of the total revenue in the current three-month period, compared to 42% in the same period in 2024.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Payments Revenue

Revenue in the Payments product line increased by $1,198,622, or 16% in the nine-month period ended July 31, 2025, compared to the prior period, supported by a 27% increase in trading volume activity from existing financial institution customers and the onboarding of new customers. Business trading volumes on Payments revenue were $4.7 billion for the current quarter compared to $3.7 billion for the prior period. Payments revenue represented 17% of the total revenue in the current three-month period, compared to 15% in the same period in 2024.

Operating Expenses - Continuing Operations

During the nine-month period ending July 31, 2025, the Company's operating expenses increased $486,220, or 1% compared to the same period last year. Variable costs within operating expenses, represented by postage and shipping, bank service charges, sales commissions and incentive compensation totaled $8,496,499 in the current nine-month period ended July 31, 2025 compared to $8,882,737 in the same period last year, a 4% decrease primarily attributable to shipping costs and bank service charges. The ratio comparing total operating expenses to total revenue for the nine-month period ended July 31, 2025 improved to 67% compared to 69% for the prior nine-month period.

The key components of operating expenses related to continuing operations are presented in the table below, with commentary on some of the significant variances.

	Nine-month period ended July 31, 2025	Nine-month period ended July 31, 2024	Change	Change
	$	$	$	%
Salaries and benefits	21,923,101	20,648,473	1,274,628	6%
Postage and shipping	4,859,236	4,976,478	(117,242)	-2%
Information technology	2,048,796	1,905,968	142,828	7%
Legal and professional	1,694,890	1,258,821	436,069	35%
Rent	1,357,605	1,249,457	108,148	9%
Marketing and publicity	1,165,728	593,673	572,055	96%
Insurance, taxes and licensing	648,479	621,353	27,126	4%
Bank service charges	552,814	773,266	(220,452)	-29%
Travel and entertainment	477,178	410,454	66,724	16%
Losses and shortages	368,033	551,276	(183,243)	-33%
Stock based compensation	233,262	1,385,892	(1,152,630)	-83%
Foreign exchange (gains) losses	(277,228)	245,976	(523,204)	>-100%
Other general and administrative	433,275	377,862	55,413	15%
Operating expenses	**35,485,169**	**34,998,949**	**486,220**	**1%**

Salaries and benefits increased when compared to the prior period, mostly driven by the opening of the new vault in Louisville and the addition of company-owned branch locations in addition to general inflationary increases in salaries and benefits as well as employees' health care cost.

Legal and professional expenses increased primarily due to increased audit and tax fees as well as other legal and advisory services provided in the normal course of business.

Marketing and publicity increased primarily due to the Company's focus on marketing initiatives, campaigns, retail investments and establishing customer referral programs that support corporate goals with a focus on the direct-to-consumer business' growth.

Bank service charges represent bank charges associated with payments and banknotes transactions but are primarily driven by the Payments product line. CXI processes certain payments transactions via EBC's correspondent bank and gets a chargeback allocated via intercompany allocation. Intercompany allocations are excluded from the results of continuing operations as per IFRS 5.

Losses and shortages improved as the Company continued to maintain better control over lost shipments and operational losses incurred in the normal course of business.

Stock based compensation includes the non-cash amortization expense related to the vesting of the Company's equity-based stock options in addition to the cash-based awards represented in RSU and DSU awards. The liability from the DSU and RSU awards is adjusted to reflect the closing stock price at the end of each quarter as required by IFRS. During the current year, there was an expense reversal in the amount of $37,495 related to outstanding DSU and RSU awards, as a result of a decline in the stock price. This compares to an expense of $1,032,170 for the DSU and RSU awards during the same period last year.

Foreign exchange (gains) losses represent the net result of foreign currency exchange transactions after considering hedging and risk management strategies designed to reduce the inherent risks in the Company's exposure to foreign exchange, thereby minimizing volatility in earnings. The net foreign exchange gains for the current nine-month period were primarily attributable to the impact of a weaker U.S. Dollar against the Company's foreign currency banknote holdings, primarily in the second quarter and during the first half of the third quarter. The Company's hedging strategy is designed to mitigate downside risk while allowing for potential gains when foreign currencies strengthen against the U.S. Dollar. Gains on Euro and a basket of unhedged banknote inventory exceeded losses on Mexican Peso inventory for the nine-month period ended July 31, 2025. Foreign exchange losses in the same period in the prior year were primarily associated with the Company's banknote holdings in Mexican Peso. Refer to the Foreign Currency Risk section in this document.

Other Income and Expense - Continuing Operations

Other income and expenses related to continuing operations are comprised of the following:

	Nine-month period ended July 31, 2025	Nine-month period ended July 31, 2024
	$	$
Depreciation of right-of-use assets	1,457,565	1,319,178
Depreciation and amortization	1,180,365	1,029,342
Interest on lease liabilities	282,701	107,280
Restructuring charges	257,517	-
Interest expense	144,489	194,129
Loss on sale of assets	5,855	-
Interest revenue	(51,085)	(100,510)
Income tax expense	4,192,465	3,037,850
Total other expenses	**7,469,872**	**5,587,269**

Interest on lease liabilities reflect additional interest incurred related to the corporate headquarters office and the Louisville vault that opened in the second half of last year.

Restructuring charges represents legal and advisory costs associated with the discontinuance of EBC and incurred during the current period.

Interest expense decreased as a result of a decline in average borrowings and a decline in interest rates. The Company used the majority of the borrowing to fund EBC's operations which started to taper in recent months. The average outstanding borrowings amounted to $1,051,247 during the nine-month period ended July 31, 2025, compared to $1,738,141 during the same period last year. The average interest rate on borrowing was 6.8% compared to 7.7% for the same period last year.

Interest revenue for the period was primarily from interest earned on interest bearing bank accounts in the normal course of business. The decline in the current nine-month period was attributable to reduced cash balances held in certain interest-bearing bank accounts.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Income tax expense in the current nine-month period primarily reflected an effective tax rate of 30% where the majority of the increased expense above the statutory rate was related to stock based compensation which was impacted by the decline in the share price during the nine-month period ended July 31, 2025 compared to the prior year's period. The rest of the increase was related to permanent items as well as other non-deductible differences.

Summary of Financial Position

The following is a summary of the statement of financial position as of July 31, 2025:

	July 31, 2025	October 31, 2024
	$	$
Cash	90,181,344	66,218,081
Assets held for distribution to shareholder	15,685,485	42,021,211
Total assets	132,627,092	131,161,584
Liabilities directly associated with assets held for distribution to shareholder	5,761,645	24,465,897
Total liabilities	48,788,432	51,769,229
Amounts recognized in accumulated other comprehensive loss (AOCL) associated with assets held for distribution to shareholder	(6,496,894)	(6,523,785)
Total equity	83,838,660	79,392,355

The Company had $69,562,078 of its cash held in transit, vaults, at tills, and on consignment locations as of July 31, 2025 with the remainder of $20,619,266 being cash deposited in bank accounts ($51,737,945 and $14,480,136, respectively as of October 31, 2024). The increased balances reflected the peak activity during the summer season. The Company's cash in bank accounts includes amounts in excess of minimum operating requirements. The Company's primary use of cash for operating activities is associated with transactional activity in the banknotes segment. In addition, the Company maintains minimum cash balances in bank accounts held with certain bank customers to facilitate banknote settlement activity. The Company also maintains cash balances in its operating bank accounts that correspond to customer holding accounts. Refer to Liquidity and Capital Resources section in this document.

The Company remained well capitalized at $83,838,660 million of equity and maintains a revolving line of credit to support working capital needs in the amount of $40 million with its primary lender. This credit facility strengthens the Company's liquidity position during seasonal peaks and supports its strategic plan. Refer to the Liquidity and Capital Resources section for further information. The combination of a strong capital base and adequate borrowing capacity provides sufficient liquidity for the Company to meet its growth objectives. CXI is well positioned to support its strategic initiatives in the United States that include the organic and inorganic acquisition of new clients in both the Banknotes and Payments product lines. As stated in the "Scope of analysis" at the beginning of this document, all balance sheet items related to the continuing operations have been revised to exclude EBC and intercompany balances. Items related to EBC's statement of financial position have been shown separately under "Assets held for distribution to shareholder" and "Liabilities directly associated with the assets held for distribution to shareholder" in the condensed interim consolidated statements of financial position as of July 31, 2025.

Cash Flows

As illustrated earlier in this document, the Company's business model is subject to seasonality, particularly impacting the Banknotes product line at the time when foreign currencies are in greater or lower demand. In a normal operating year, there is seasonality to the Company's operations with higher revenue generally from March through September and lower revenue from October through February. Periods with higher revenue coincide with peak tourism seasons in North America when there are generally more travelers entering and leaving the United States. This generally results in lower cash flows generated in the first and second quarters of any fiscal year, and higher cash flow generated in the third and fourth quarters in a given fiscal year.

The Company's reported cash flows from operating activities during the nine-month period ended July 31, 2025 amounted to an inflow of $11,810,142 compared to an inflow of $49,236,557 during the nine-month period ended July 31, 2024. The Company evaluates its cash flows from operations using adjusted operating cash flows. Adjusted operating cash flows is a non-GAAP financial measure and represents operating cash flow generated from commission and fee income, adjusted for non-cash operating expenses and excludes the impact of volatile working capital items such as accounts receivable and accounts payable. The accounts receivable and accounts payable balances are working capital items that fluctuate regularly due to the seasonality associated with the Company's business and the resulting volume of activity as well as the timing of transaction settlements. In most instances, accounts receivable and accounts payable have a settlement cycle of 24 to 48 hours. Adjusted operating cash flows were an inflow of $11,762,187 for the nine-month period ended July 31, 2025, versus an inflow of $11,375,943 in the same period last year.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Below is a reconciliation between net cash flows from operating activities as included in the condensed interim consolidated statements of cash flows for the current period and the adjusted operating cash flows:

	Nine-month period ended July 31, 2025	Nine-month period ended July 31, 2024
	$	$
Net cash flows from operating activities	**11,810,142**	**49,236,557**
Add back changes in working capital:		
Accounts receivable	1,567,381	(6,037,435)
Restricted cash held in escrow	(1,985,203)	(239,581)
Change in forward and option contract position	285,015	(619,006)
Income tax receivable	-	(227)
Other assets	527,881	110,656
Net deferred tax assets	(714,445)	(776,269)
Deferred revenues	(25,239)	146,370
Payments related to stock based compensation	480,009	48,547
Accounts payable accrued expenses, holding accounts and other liabilities	(2,384,017)	(32,478,699)
Net cash flows from operating activities excluding working capital changes	**9,561,524**	**9,390,913**
Add back: Income tax expense	4,192,465	4,467,704
Add back: Provision estimate for administrative monetary penalty	-	613,187
Subtract: Taxes paid during the period	(1,991,802)	(3,095,861)
Adjusted operating cash flows	**11,762,187**	**11,375,943**

Cash flows from investing activities during the nine-month period ended July 31, 2025, resulted in an outflow of $1,161,812 compared to an outflow of $2,153,791 during the same period last year, which were mainly related to leasehold improvements of the recently opened vault in Louisville, Kentucky, and the continuous development of internally developed software.

Cash flows from financing activities during the nine-month period ended July 31, 2025, resulted in an outflow of $9,409,074 compared to an outflow of $12,885,230 during the same period last year. The large outflow last year was related to the Company's repayment of one of its lines of credit.

Results of Discontinued Operations

The following table provides a summary of results for EBC, which is classified as discontinued operations (in U.S. Dollars):

	Three-month period ended July 31, 2025	Three-month period ended July 31, 2024	**Nine-month period ended July 31, 2025**	Nine-month period ended July 31, 2024
Reported results	$	$	$	$
Revenues	2,274,143	4,032,130	10,596,850	11,734,401
Operating expenses	3,516,077	5,056,857	13,329,196	14,383,456
Loss before interest, taxes, depreciation and amortization	**(914,081)**	**(942,738)**	**(2,253,170)**	**(2,452,353)**
Loss after tax from discontinued operations	**(1,029,298)**	**(1,187,465)**	**(2,603,263)**	**(4,582,971)**
Basic loss per share from discontinued operations	(0.17)	(0.19)	(0.42)	(0.72)
Diluted loss per share from discontinued operations	(0.17)	(0.18)	(0.41)	(0.70)
Adjusted Results*				
Operating expenses	3,334,172	4,347,223	12,720,954	13,691,107
Loss before interest, taxes, depreciation and amortization	**(1,017,792)**	**(233,103)**	**(1,924,356)**	**(1,760,004)**
Loss after tax from discontinued operations	**(1,133,010)**	**(477,831)**	**(2,274,448)**	**(2,454,805)**
Basic loss per share from discontinued operations	(0.18)	(0.07)	(0.37)	(0.39)
Diluted loss per share from discontinued operations	(0.18)	(0.07)	(0.36)	(0.37)

*These are non-GAAP financial measures and ratios. For further details, refer to the key performance and non-GAAP financial measures section below.

The major classes of assets and liabilities of EBC, classified as assets held for distribution to shareholder, as at July 31, 2025 and October 31, 2024, are as follows:

	July 31, 2025	October 31, 2024
ASSETS		
Current assets	$	$
Cash	12,833,971	35,659,182
Restricted cash held in escrow	1,241,158	3,239,729
Accounts receivable	316,780	2,252,677
Forward and option contract assets	78,185	291,407
Other current assets	1,215,391	571,865
Property and equipment	-	6,351
Assets held for distribution to shareholder	**15,685,485**	**42,021,211**
LIABILITIES AND EQUITY		
Lines of credit	-	5,032,894
Accounts payable	2,916,965	4,449,080
Accrued expenses	2,801,891	5,354,230
Holding accounts	7,381	8,962,450
Deferred revenues	28,243	112,680
Lease liabilities	7,165	554,563
Liabilities directly associated with the assets held for distribution to shareholder	**5,761,645**	**24,465,897**
Net assets directly associated with disposal group	**9,923,840**	**17,555,314**
Reserve of a disposal group (amounts recognized in AOCL related to discontinued operations)	**(6,496,894)**	**(6,523,785)**

(All amounts are expressed in U.S. Dollars unless otherwise noted)

The net cash flows incurred by EBC are as follows:

Summary of cash flows for Discontinued Operations	Nine-month period ended July 31, 2025	Nine-month period ended July 31, 2024
Operating	(12,160,858)	13,937,886
Investing	-	(66,314)
Financing	(5,167,774)	1,279,965
Net cash outflow	**(17,328,632)**	**15,151,537**

Key Performance and non-GAAP financial measures

The Company prepares its condensed interim consolidated financial statements in accordance with the International Accounting Standards Board (IFRS Accounting Standards) and refers to these results as reported in these financial statements as "reported results". In addition to reported results, the Company also presents certain financial measures, including non-GAAP financial measures and ratios, such as net income and Return On Equity (ROE) to assess its businesses and to measure the Company's overall performance of the consolidated operations and each of its product lines. These financial measures and ratios do not have standardized meanings under Generally Accepted Accounting Principles (GAAP), which are based on IFRS Accounting Standards and may not be comparable to similar measures used by other companies. These non-GAAP financial measures and ratios are collectively referred to in this document as "adjusted results".

The Company believes that providing the adjusted results along with the reported results is more reflective of the Company's consolidated operating results, provides the readers with a better understanding of management's perspective on the Company's performance, and improves the comparability of the financial performance for the currently presented period with the comparable period last year. The table on the following page describes the non-GAAP financial measures and ratios that are used in evaluating the operating results in this MD&A document.

Adjusted results

The Company believes that providing adjusted results as well as certain measures and ratios excluding the impact of the specified items discussed below and in the following page enhances comparability with the prior year and enables the readers to better assess trends. As such, the Group's results were adjusted for the following items, which management has determined are non-recurring items:

1) Restructuring charges of $28,113 pre-tax incurred during the third quarter of 2025 ($257,517 during the year). These charges represent legal and advisory fees related to EBC's discontinuance. Restructuring charges are reported under continuing operations in the condensed interim consolidated financial statements.

2) Discontinued operations pre-tax items in EBC represented in (1) employee severance charges of $68,720 ($67,231 during the year), (2) net gain related to lease termination of $360,768, (net gain of $352,949 during the year), representing the extinguishment of the remaining lease liability of $465,618, net of lease termination fee of $104,850, (3) non-recurring advisory charges of $181,905 incurred during the third quarter of 2025 ($608,242 incurred during the year), and (4) write off of net book value of fixed assets of $6,431 ($6,291 during the year). All of the above items are included and reported under discontinued operations in the condensed interim consolidated financial statements.

3) Discontinued operations tax item in EBC represented in the reversal of Deferred Tax Asset (DTA) benefits of $1,435,817 incurred in the prior year. These represented the unused loss carry forward of EBC for fiscal years prior to 2023 which were deemed to be unrecoverable in the fiscal year 2024. The reversal of the DTA is included and reported under discontinued operations in the condensed interim consolidated financial statements.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

The following is a reconciliation of the Group's reported results to adjusted results. The reconciliation illustrates the calculation of the adjusted non-GAAP financial measures and ratios:

	Three-month period ended July 31, 2025	Three-month period ended July 31, 2024	**Nine-month period ended July 31, 2025**	Nine-month period ended July 31, 2024
Reported results	$	$	$	$
EBITDA	**8,145,963**	**7,807,340**	**16,901,522**	**15,562,497**
Net income before income tax	7,097,975	6,843,214	13,836,402	12,912,568
Income tax expense	1,823,557	1,720,399	4,192,465	3,037,850
Effective income tax rate	26%	25%	30%	24%
Net income from continuing operations	5,274,418	5,122,815	9,643,937	9,874,718
Loss after tax from discontinued operations	(1,029,298)	(1,187,465)	(2,603,263)	(4,582,971)
Group net income	**4,245,120**	**3,935,350**	**7,040,674**	**5,291,747**
Pre-tax adjusting items				
Specified item: Restructuring charges	*28,113*	-	*257,517*	-
*Specified item: Discontinued operations pre-tax items**	*(103,712)*	*709,634*	*328,815*	*692,349*
*Specified item: Discontinued operations tax item**	-	-	-	*1,435,817*
Total pre-tax adjusting items	***(75,599)***	***709,634***	***586,332***	***2,128,166***
Impact of income tax	(7,223)	-	(78,028)	-
Adjusted results**				
EBITDA	**8,174,076**	**7,807,340**	**17,159,039**	**15,562,497**
Net income from continuing operations	5,295,308	5,122,815	9,823,426	9,874,718
Loss after tax from discontinued operations	(1,133,010)	(477,831)	(2,274,448)	(2,454,805)
Group net income – adjusted	**4,162,298**	**4,644,984**	**7,548,978**	**7,419,913**
Group Basic earnings per share				
Reported	0.68	0.61	1.14	0.84
Adjusted**	0.67	0.72	1.22	1.17
Group Diluted earnings per share				
Reported	0.67	0.59	1.12	0.80
Adjusted**	0.66	0.69	1.20	1.12
Return on Equity (annualized) – reported	**5%**	**9%**	**5%**	**9%**
Return on Equity (annualized) – adjusted**	**12%**	**12%**	**12%**	**12%**

*These adjustments are reported within the results from discontinued operations.

**These are non-GAAP financial measures and ratios. For further details, refer to the key performance and non-GAAP financial measures section below.

Management views Return on Equity (ROE) as a useful measure of return on total capital invested. Adjusted ROE accounts for certain non-recurring items that may affect comparability. Both ROE and adjusted ROE are used to monitor performance. Due to the seasonality involved in the Company's business, the Company uses a trailing twelve-month net income to calculate an annualized ROE and adjusted ROE.

Liquidity and Capital Resources

Cash

The Company's cash balances consist of banknote inventory in vaults, in transit, on consignment, at tills in Company locations, and in cash in the Company's bank accounts. The Company maintains sufficient levels of inventory in vaults and company locations to satisfy anticipated customer demand. Inventory levels are calibrated at optimal levels to accommodate seasonal demand and turnover cycles. Banknote inventory fluctuates with seasonal demand for travel currencies, which typically coincides with peak travel seasons for the United States. Increases in inventory may coincide with increased net working capital borrowing requirements for the Company. The Company facilitates this requirement through its access to a revolving line of credit with its primary lender. The Company manages inventory levels within approved thresholds to align with prudent liquidity risk management objectives established in the Company's Liquidity Risk Management Policies. Cash balances in bank accounts correspond largely to offsetting holding account balances, accounts payable, and minimum balances maintained in demand deposit accounts held with certain customers. Certain customers of the Company's Payments product line settle transactions using a holding account, from which funds are cleared and dispersed for final settlement with the customer. Holding account balances are not always cleared on the value date of the transaction. This results in excess cash balances that remain from time to time in the Company's operating bank accounts on the condensed interim consolidated statements of financial position. Accounts payable are largely offset by bank account balances, which are prefunded to facilitate the settlement of outgoing international wires in foreign currency on behalf of the Company's customers. Minimum cash balances are maintained in demand deposit accounts held with certain customers to facilitate banknote settlement activity. After considering the impact of holding account balances, accounts payable, and minimum balances held in demand deposit accounts with certain customers, the Company's excess cash balance may vary. Excess cash is a component of the Company's determination of free cash flow to the firm, which is indicative of the amount of capital that can be allocated towards strategic initiatives in a specific reporting period.

EBC has adequate liquidity to facilitate an orderly discontinuation of operations. EBC projects that all third party and credit obligations would be settled in an orderly manner, which include certain one-time costs to be incurred primarily over the next six months, largely driven by restructuring, vendor termination fees, severance obligations, professional fees and other related charges, refer to "Forward-looking Statements". Upon satisfying all obligations, EBC will utilize its remaining working capital to close any outstanding balance on its intercompany loan with CXI. EBC is projected to have sufficient working capital until it ceases operations.

Lines of credit

The Company maintains lines of credit to meet borrowing needs during peak business periods. On June 15, 2022, the Company entered into an Amended and Restated Credit Agreement with BMO Harris Bank, N.A. The Amended and Restated Credit Agreement increased the revolving line of credit limit from $20,000,000 to $30,000,000 and provided an accordion feature for up to an additional $10,000,000 with the lender's approval. The Amended and Restated Credit Agreement provided a term of two years (maturity date on June 15, 2024). The Amended and Restated Credit Agreement was updated on July 18, 2022, in the form of a Second Amended and Restated Credit Agreement, to reflect the exercised accordion feature, which increased the line of credit to $40,000,000, and a reduced margin spread in the borrowing rate by 25 bps. The form of Second Amended and Restated Credit Agreement was further amended on July 12, 2023, to provide a seasonal increase in the borrowing capacity by $10,000,000 to $50,000,000, effective through August 31, 2023, and extended the maturity on the facility to June 15, 2025. The Company updated the agreement on June 27, 2024, in the form of a Third Amended and Restated Credit Agreement to accommodate a Normal Course Issuer Bid (NCIB) up to $4 million annually. The updated agreement eliminates the resting period on the intercompany loan and extends the maturity on the facility to June 15, 2026. The credit line is secured against the Company's cash and other assets, and bears interest at the one month Secured Overnight Financing Rate (SOFR) plus 2.25% (4.35% at July 31, 2025 and 5.34% at October 31, 2024). At July 31, 2025, the balance outstanding was $Nil (October 31, 2024, $Nil).

On October 19, 2020, the Company's wholly owned Canadian subsidiary, EBC, established a fully collateralized revolving line of credit with Desjardins Group (Desjardins) with a limit of CAD 2,000,000 ($1,444,513), payable on demand, and being secured against cash collateral of CAD 2,000,000 ($1,444,513). On April 25, 2023, EBC amended this facility reducing the revolving line of credit to CAD 500,000 ($361,128), payable on demand, and being secured against cash collateral of CAD

(All amounts are expressed in U.S. Dollars unless otherwise noted)

500,041 ($361,158). The line of credit bears interest at the Canadian Prime Rate plus 0.25% (4.95% at July 31, 2025 and 5.95% at October 31, 2024). At July 31, 2025, the balance outstanding was $Nil (October 31, 2024, $Nil).

On April 7, 2021, EBC entered into a $20,000,000 USD revolving loan agreement with a private lender. On July 18, 2022, EBC amended this facility through an Amended and Restated Revolving Loan Agreement, whereby $10,000,000 of this facility was moved from EBC to CXI. On January 19, 2023, the Company entered into a Moratorium Agreement on the CXI facility, where the Company will not utilize the $10,000,000 without prior written consent from the lender. Additionally, the Company will not incur any standby charges or fees during the period of the Moratorium. As of July 31, 2025, EBC paid the outstanding balance with accrued interest and terminated the $10,000,000 EBC facility. The remaining $10,000,000 CXI facility, once lifted out of Moratorium, would be guaranteed by the Company and rank subordinate to the Company's obligations to its primary lenders. The total outstanding balance for the Company at July 31, 2025, was $Nil (October 31, 2024, $5,032,894).

The Company had available unused lines of credit amounting to $40,000,000 at July 31, 2025 (October 31, 2024, $40,000,000).

Capital Management

Working capital

The Company manages capital through its financial and operational forecasting processes. The Company defines working capital as total current assets less total current liabilities. The Company reviews its working capital and forecasts its cash flows based on operating expenditures, and other investing and financing activities related to its daily operations.

	July 31, 2025	October 31, 2024
	$	$
Current assets	104,318,360	76,494,118
Current liabilities	(36,676,329)	(20,630,146)
Working capital	**67,642,031**	**55,863,972**

The Company monitors its capital structure and makes adjustments according to market conditions in an effort to meet its objectives given the current outlook of the business and industry in general. The Company may manage its capital structure by issuing new shares, obtaining loan financing, adjusting capital spending, repurchasing shares, or disposing of assets. The capital structure is reviewed by management and the board of directors on an ongoing basis.

Share Capital

The authorized share capital consists of 100,000,000 common shares. The common shares have a par value of $1.00. As of July 31, 2025, the Company had 6,206,366 common shares outstanding (October 31, 2024, 6,333,931).

On November 29, 2023, the Toronto Stock Exchange (TSX) accepted the Company's Notice of Intention to make a normal course issuer bid (the NCIB) to purchase for cancellation a maximum amount of 322,169 common shares representing 5% of the Company's issued and outstanding common shares for one year from December 1, 2023 to November 30, 2024.

On November 28, 2024, TSX accepted the Company's Notice of Intention to make another NCIB and Automatic Securities Purchase Plan to purchase for cancellation a maximum amount of 316,646 common shares of the Company representing 5% of the Company's issued and outstanding common shares. Purchases under the NCIB commenced on December 2, 2024 and will terminate on December 1, 2025, or such earlier date in the event that the maximum number of shares sought in the NCIB has been repurchased. During the nine-month period ending on July 31, 2025, the Company purchased for cancellation 190,300 common shares at normal market prices trading on TSX for $2,851,053. These shares were immediately cancelled and removed from treasury stock by the Company.

The Company's third amended and restated credit agreement with BMO Bank, N.A. restricts the amount of NCIB that can be performed up to $4 million annually, and may be updated from time to time through a form of covenant waiver or amendment to the credit agreement. The credit agreement applies further restrictions on NCIB repurchases through a financial covenant tied to minimum measures of tangible net worth and net income. This covenant is tested annually but is assessed quarterly on a pro-forma basis to ensure compliance.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

As of July 31, 2025, there were 534,107 stock options outstanding, out of which 363,173 were vested, and 170,934 were unvested, and no warrants were outstanding.

The following represents information about the Company's share price:

Share Information

	July 31, 2025	October 31, 2024
	$	$
Closing share price (TSX) in CAD$	19.95	25.57
Shares outstanding	6,206,366	6,333,931
Market capitalization[1]	89,427,614	116,445,781
Book value per share[2]	13.51	12.53
Market value to book value multiple[3]	1.07	1.47

[1]Based on the TSX closing market price at period end, converted into USD using the Company's CAD to USD rate at the end of each reporting period
[2]Book value per share is total equity divided by the number of shares outstanding
[3]Market value to book value multiple is the ratio of the share's market value represented in the closing price as per the TSX, converted into USD divided by the book value per share

Stock Option Grants

The Company offers an incentive stock option plan (the Plan) which was established on April 28, 2011 and was amended most recently March 23, 2023. The Plan is a rolling stock option plan, under which 15% of the outstanding shares at any given time are available for issuance thereunder. The purpose of the Plan is to promote the profitability and growth of the Company by facilitating the efforts of the Company to attract and retain directors, senior officers, employees, and management. Under the terms of the Plan, vesting for the Company's directors and management will occur 1/3 upon the first anniversary, 1/3 upon the second anniversary, and 1/3 upon the third anniversary of the grant. All the options have a five-year term, unless otherwise specified by the Board of Directors.

The following table sets out the information related to each option grant that has not expired and, or cancelled at the end of the reporting period:

Date of grant	Expiry date	Share price at grant date (CAD$)	Amount granted and outstanding	Risk-free interest rate	Expected volatility	Exercise price (CAD$)*	Fair value of option at grant date (USD)
29-Oct-20	29-Oct-25	10.00	148,326	0.37%	23%	10.83	1.33
28-Jan-21	28-Jan-26	11.00	3,873	0.41%	23%	11.02	2.55
28-Oct-21	28-Oct-26	14.49	88,464	1.16%	22%	14.35	2.57
28-Apr-22	28-Apr-27	17.44	20,000	2.81%	21%	18.10	3.16
21-Sep-22	21-Sep-27	19.65	5,748	3.57%	37%	18.93	4.45
31-Oct-22	31-Oct-27	18.25	103,314	3.73%	37%	18.37	4.34
30-Oct-23	29-Oct-28	20.05	84,230	4.37%	36%	20.07	4.70
30-Oct-24	29-Oct-29	25.27	80,152	3.04%	29%	25.89	4.52

*Exercise price is determined by the volume-weighted average share price for the previous 20 trading days

(All amounts are expressed in U.S. Dollars unless otherwise noted)

The outstanding stock options at July 31, 2025, and the respective changes during the period are summarized as follows:

	Number of options	Weighted average price
	#	CAD$
Outstanding at October 31, 2024	**799,040**	**16.35**
Granted	-	-
Exercised	(257,458)	15.02
Expired	-	-
Forfeited/cancelled	(7,475)	19.46
Outstanding at July 31, 2025	**534,107**	**16.95**

The following options were outstanding and exercisable at July 31, 2025:

Grant Date	Exercise price (CAD$)	Number outstanding	Average remaining contractual life (years)	Number exercisable
29-Oct-20	$10.83	148,326	0.25	148,326
28-Jan-21	$11.02	3,873	0.50	3,873
28-Oct-21	$14.35	88,464	1.24	88,464
28-Apr-22	$18.10	20,000	1.74	20,000
21-Sep-22	$18.93	5,748	2.14	3,833
31-Oct-22	$18.37	103,314	2.25	69,006
30-Oct-23	$20.07	84,230	3.25	29,671
30-Oct-24	$25.89	80,152	4.25	-
Total		**534,107**		**363,173**

During the nine-month period ending July 31, 2025, the Company did not grant stock option awards. Also, a total number of 257,458 stock options were exercised, out of which 194,723 options were cancelled as consideration in lieu of cash by participants who elected to exercise their options without paying cash proceeds. Accordingly, the Company issued 62,735 shares on settlement in addition to $148,708 cash proceeds received. During the nine-month period end July 31, 2025, 7,475 options had forfeited in relation to an employee who had left the Company. During the nine-month period ended July 31, 2025, the Company recognized $270,757 of stock based compensation expense in relation to employees' stock option awards that have vested during the period (July 31, 2024, $353,722).

Restricted Share Unit and Deferred Share Unit Plans

On November 1, 2020 the Company made its inaugural cash-settled grants under the DSU Plan and RSU Plan (the Plans). The awards that may be granted under each of the Plans can be realized in cash only and may not be converted into common shares of the Company. The purpose of these Plans is to promote the profitability and growth of the Company by facilitating the efforts of the Company to attract and retain directors, senior officers, employees, and management. Under the terms of the Plans, vesting of the awards that may be granted under the Plans for management occurs on a one-third (1/3) basis upon the first, the second, and the third anniversary of the grant date, while awards that may be granted under the Plans for directors will vest fully on a quarterly basis in the first year after the grant. All the awards have a three-year term unless otherwise specified by the Board of Directors. On October 30, 2023, the Board of Directors of the Company resolved that only those directors who have not met their ownership requirements must receive a portion of their base retainer in the form of DSU awards.

On November 1, 2024, the Company made an annual DSU award under the Deferred Share Unit Plan. The Company initially granted 2,179 DSU awards in the amount of $40,000 to a board member, however, half of these DSU awards have been forfeited following their departure. In the nine-month period ended July 31, 2025, the Company recognized a net expense reversal of stock based compensation in the amount of $37,495 related to DSU and RSU awards, out of which an expense reversal of $281,277 was related to DSU awards and an expense of $243,782 was related to RSU awards. This compares to $1,032,170 expense in the prior year, out of which $469,801 was related to DSU awards and $562,369 was related to RSU awards. The liability amounts related to the vested portions of granted RSU and DSU awards are recorded within other long-term liabilities in the condensed interim consolidated statements of financial position. The liability from these awards as of July 31, 2025 amounted to $1,548,688 (October 31, 2024, $2,066,192). The units awarded are issued based upon the market value equal to the price of the Company's stock price as of the date of the grant and vest over one-year or three-year periods.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Accounting and Control Matters

Commitments

The Company has a number of lease arrangements for its corporate offices, vault locations as well as retail store locations. With the exception of short-term leases and leases of low-value underlying assets, each lease, meeting the definition under IFRS 16, is reflected on the condensed interim consolidated statements of financial position as a right-of-use asset and a lease liability. These liabilities represent short and long term commitments based on the contractual obligations underlined in these lease agreements. Variable lease payments which do not depend on an index or a rate, such as lease payments based on a percentage of the Company's sales, are excluded from the initial measurement of the lease liability and asset. During the year certain leases for corporate offices were modified based on their amended lease agreements, with any gains or losses being recognized in profit or loss. The Company classifies its right-of-use assets in a consistent manner to its property and equipment (see Notes 6 and 8 to the condensed interim consolidated financial statements).

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublet the asset to another party, the right-of-use asset can only be used by the Company. Leases are either non-cancellable or may only be canceled by incurring a substantial termination fee. Some leases contain an option to extend the lease for a further term. The Company is prohibited from selling or pledging the underlying leased assets as security. For leases over corporate offices and retail store locations, the Company must keep those properties in a good state of repair and return the properties to their original condition at the end of the lease.

The table below describes the nature of the Company's leasing activities by the type of right-of-use asset recognized on the condensed interim consolidated statements of financial position:

Right-of-use asset	No. of right-of-use assets leased	Range of remaining term	Average remaining lease term	No. of leases with extension options	No. of lease with options to purchase	No. of leases with variable payments linked to an index	No. of leases with termination options
Corporate offices	5	0-11 years	4	1	-	-	-
Retail store locations	24	0-5 years	1	-	-	-	-
Total	**29**	**0-11 years**	**2**	**1**	-	-	-

The lease liabilities are secured by the related underlying assets. Future minimum lease payments at July 31, 2025, were as follows:

	Within 1 Year	1-2 years	2-3 years	3-4 years	4-5 years	After 5 years	Total
Lease payments	2,110,896	1,307,183	965,218	658,515	446,512	2,645,367	8,133,691
Finance charges	322,713	253,935	207,900	172,301	150,770	466,487	1,574,106
Net present values	**1,788,183**	**1,053,248**	**757,318**	**486,214**	**295,742**	**2,178,880**	**6,559,585**

Off-Balance Sheet Arrangements

There are currently no off-balance sheet arrangements.

Accounting Standards and Policies

A summary of significant accounting policies is described in Note 2 of the Company's audited consolidated financial statements for the years ended October 31, 2024 and 2023.

Critical Accounting Estimates

When preparing the condensed interim consolidated financial statements, management undertakes several judgments, estimates, and assumptions about recognition and measurement of assets, liabilities, income, and expenses. The actual results may differ from judgments, estimates, and assumptions made by management, and will seldom equal the estimated results. For an expanded narrative on considering critical accounting estimates, refer to Note 3 in the audited consolidated financial statements for the years ended October 31, 2024 and 2023.

Changes in Internal Control over Financial Reporting

There have been no changes in the Company's internal control over financial reporting during the nine-month period ended July 31, 2025, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Financial Instruments

In carrying its business, the Company uses a number of financial instruments represented in financial assets and financial liabilities. These financial instruments are measured at fair value and are classified using a three-level fair value hierarchy, where each level is defined based on the observation of significant inputs to the measurement, as follows:

- 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 or indirectly; and
- Level 3 - unobservable inputs for the asset or liability.

The fair value determination is the estimated amount that the Company would receive to sell a financial asset or pay to transfer a financial liability in an orderly transaction between market participants at the measurement date.

There were no transfers between Level 1 and Level 2 during the nine-month period ended July 31, 2025.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

The following table shows the Levels within the hierarchy of financial assets and liabilities measured at fair value:

July 31, 2025

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets				
Cash	90,181,344	-	-	90,181,344
Forward and option contract assets	-	610,078	-	610,078
Total assets	**90,181,344**	**610,078**	**-**	**90,791,422**
Financial liabilities				
Restricted and deferred share units	-	1,548,688	-	1,548,688
Total liabilities	**-**	**1,548,688**	**-**	**1,548,688**

October 31, 2024

	Level 1	Level 2	Level 3	Total
	$	$	$	$
Financial assets				
Cash	66,218,081	-	-	66,218,081
Forward and option contract assets	-	113,511	-	113,511
Total assets	**66,218,081**	**113,511**	**-**	**66,331,592**
Financial liabilities				
Restricted and deferred share units	-	2,066,192	-	2,066,192
Total liabilities	**-**	**2,066,192**	**-**	**2,066,192**

Cash (Level 1)

The Company's cash balances consisting of local and foreign currency notes held in tills, vaults, bank accounts, and in transit are based upon foreign exchange rates quoted in active markets as of July 31, 2025 and October 31, 2024.

Foreign Currency Forward and Option Contract Assets, and Long-term Liabilities from Restricted and Deferred Share Units (Level 2)

The Company enters into foreign currency forward contracts and purchases put option contracts with non-client counterparties to mitigate the risk of fluctuations in the exchange rates of exposures in certain major currencies related to its Banknotes product line. Forward contracts are entered into daily, with maturities up to 30 days. Option contracts are entered into selectively once per quarter, with a maturity up to 90 days.

The Company enters into foreign currency forward contracts with select customers in the United States. These contracts are hedged with offsetting forwards booked with one of the Company's liquidity providers. The maturity of these contracts is less than 12 months.

The fair value of forward and option contracts, which represents the amount that would be received by the Company if the contracts were terminated at July 31, 2025 was $610,078 (October 31, 2024, $113,511). The Company's forward contract positions are traded in active markets. The fair value of these instruments has been determined using observable forward exchange rates. Changes in fair value from these positions are recognized in foreign exchange gains or losses within operating expenses.

Other long-term liabilities include the Company's liability for RSU and DSU awards, and are valued using a volume-weighted average price based on the five days preceding the date of grant. The cost of the awards is recorded on a straight-line basis over the vesting period. At each reporting date, the vested portion of the awards is remeasured using the Company's share price prevailing at the reporting date. Changes in the remeasurement of liabilities from RSU and DSU awards are recognized in stock based compensation within operating expenses.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Transactions with Related Parties

The remuneration of directors and key management personnel during the three and nine-month periods ending July 31, 2025 and 2024 were as follows:

	Three-month periods ended July 31, 2025	Three-month periods ended July 31, 2024	Nine-month periods ended July 31, 2025	Nine-month periods ended July 31, 2024
	$	$	$	$
Short-term benefits	1,219,032	1,251,241	3,647,060	3,794,499
Post-employment benefits	46,219	48,469	141,562	156,021
Stock based compensation	68,684	116,033	260,885	348,510
Restricted and Deferred Share Units	73,198	185,928	(37,495)	1,032,170
Total	**1,407,133**	**1,601,671**	**4,012,012**	**5,331,200**

The Company incurred legal and professional fees in the aggregate of $28,476 and $120,187 for the three and nine-month period ended July 31, 2025 (July 31, 2024, $21,655 and $88,403) charged by entities controlled by directors or officers of the Company.

The Company transacts with a financial institution customer that is considered a related party entity through one of the Company's directors. According to the terms of agreement with this financial institution customer, the Company is engaged in providing foreign banknotes transactions, wire and check processing services. The Company generated $238,095 and $486,394 in revenue from transacting with this client for the three and nine-month periods ending July 31, 2025 (July 31, 2024, $230,670 and $503,087). As of July 31, 2025, accounts receivable included $Nil from related parties (July 31, 2024, $Nil).

On October 1, 2011, the Company entered into an employment agreement with the President and CEO of the Company. Such agreement contains clauses requiring additional payments of a minimum of $450,000 to be made upon the occurrence of certain events, such as a change of control of the Company or termination for reasons other than cause. As the likelihood of a change of control of the Company is not determinable, the contingent payments have not been reflected in the condensed interim consolidated financial statements.

The Company supports EBC's working capital needs through a $20,000,000 revolving Line of Credit, renewed on July 18, 2022, which attracts interest commensurate with interest charged on the Company's primary line of credit with BMO Bank, N.A., is repayable on demand, and is unsecured. At July 31, 2025, the intercompany loan balance was $235,437 (October 31, 2024, $8,640,646) and was eliminated upon consolidation.

Key management personnel and directors occasionally conduct transactions with the Company as individuals. Such transactions are immaterial individually and in total, including for the three and nine-month periods ending July 31, 2025 and 2024, and are conducted pursuant to the Company's policies.

All transactions with related parties as noted above are carried out in the normal course of business and at prevailing market rates.

Risk Management and Financial Risk Factors

The Company's risk management policies are designed to minimize the potential adverse effects on the Company's financial performance. Financial risk management is carried out under policies approved by senior management and the board of directors. Policies are in place to evaluate and monitor risk and in some cases, prescribe that the Company hedge its financial risks. The analysis below presents information about the Company's exposure to each of these financial risks arising from financial instruments and the Company's objectives, policies, and processes for measuring and managing these risks.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

Credit Risk

Credit risk is the risk of financial loss associated with a counterparty's inability to fulfill its payment obligations. The Company's credit risk is primarily attributable to cash in bank accounts, accounts receivable, and forward and option contracts from hedging counterparties.

All banking relationships are negotiated by senior management. The Company maintains accounts in high-quality financial institutions. At various times, the Company's bank balances exceed insured limits.

The credit risk associated with accounts receivable is limited, as the Company's receivables consist primarily of bulk currency trades with a settlement cycle of 24 to 48 hours. The majority of the Company's receivables reside with banks, money service business customers, and other financial institutions. The Company has longstanding relationships with most of its money service business customers and a strong repayment history. For the purpose of risk control, the customers are grouped as follows: domestic and international financial institutions, money service businesses, and other customers. Credit limits are established for each customer, whereby the credit limit represents the maximum open amount without requiring payments in advance. These limits are adjudicated and reviewed regularly by senior management. Due to seasonality, amounts in accounts receivable are usually at their highest during peak periods.

A breakdown of accounts receivable by category is below:

	July 31, 2025	October 31, 2024
Customer type	$	$
Domestic and international financial institutions	6,515,356	6,016,959
Money service businesses	1,180,022	975,599
Other	4,534,619	1,751,082
Total	**12,229,997**	**8,743,640**

The maximum exposure to credit risk is represented by the carrying amount of each financial asset on the condensed interim consolidated statements of financial position. There are no commitments that could increase this exposure to more than the carrying amount.

Foreign Currency Risk

The volatility of the Company's foreign currency holdings may increase as a result of the political and financial environment of the corresponding issuing country. Several currencies have a limited exchange rate exposure as they are pegged to the U.S. Dollar, the reporting currency of the Company. Management mitigates its exposure to foreign currency fluctuations through a layered risk management strategy that includes the alignment of natural hedges, the use of forward hedges and the selective use of purchased options. Due to their nature, some minor and exotic foreign currencies cannot be hedged or are too cost prohibitive to hedge. These exposures are managed to acceptable risk appetite levels by setting a risk appetite limit based on an annualized Value at Risk (VaR) metric. The Company employs a historical VaR methodology at the 95th percentile to calculate the potential loss of a portfolio of unhedged currencies. The Company manages the amount held in these currencies to a level that is below the VaR risk appetite limit. Foreign currency exposure, in the form of exchange gains and losses arising from normal trading activities and business operations, are included in operating expenses for the period.

Foreign exchange losses (gains) represent the net result after considering hedging and risk management strategies designed to reduce the inherent risks in the Company's exposure to foreign exchange, thereby minimizing volatility in earnings. Due to the unpredictable nature of foreign exchange markets, management cannot reliably predict future movements in foreign currency valuations and therefore hedges the Company's exposures in a consistent and prudent manner in alignment with the Company's FX Policy. Results after hedging vary each period and are largely driven by the magnitude of banknote holdings in certain currencies. Net results are seldom neutral because of the costs linked to hedging strategies, which include forward point differentials on forward contracts and premiums on purchased options. The Company does not hedge its exposure to exotic currencies as there is generally no established hedging market or the cost of hedging those currencies is prohibitively high. Variations in these unhedged exposures may lead to fluctuations in results each period.

In order to further mitigate the risks associated with holding unhedged foreign currencies, the Company assigns wider bid/ask spreads and maintains specific inventory targets to minimize the impact of exchange rate fluctuations. These targets are reviewed regularly and are increased or decreased to accommodate demand within acceptable risk tolerances. The amount of unhedged inventory held in tills, vaults, on consignment, and in transit on July 31, 2025, was $8,835,252 (October 31, 2024, $8,428,071). The amount of currency that is unhedged and that is not pegged to the U.S. Dollar is $7,608,110 (October 31, 2024, $7,034,784). A 2% increase/reduction in the market price for the aggregate of the Company's unhedged/un-pegged foreign currencies would result in an exchange gain/loss of approximately +$152,000/-$152,000 (October 31, 2024, gain/loss of approximately +$141,000/-$141,000).

On a consolidated basis, the Company is also exposed to foreign currency fluctuations between the U.S. Dollar and the Canadian Dollar, being the functional currency of its Canadian subsidiary. The Company does not hedge its net investment in its Canadian subsidiary and the related foreign currency translation of its earnings.

Interest Rate Risk

At July 31, 2025, the Company had access to interest-bearing financial instruments in cash and lines of credit. A significant amount of the Company's cash is held as foreign currency banknotes in tills, on consignment, and in its own vaults. These amounts are not subject to interest rate risk. Cash held in some of the Company's bank accounts are interest-bearing. The Company is subject to a small amount of cash flow interest rate risk from the borrowings on its lines of credit, however, as borrowings have declined and remained within policy limits, the risk is low. Borrowings bear interest at variable rates. Currently, the interest rate exposure is unhedged.

If interest rates had been 50 basis points higher/lower with all other variables held constant, after-tax profit for the nine-month period ended July 31, 2025 would have been approximately +$101,000/-$101,000 higher/lower as a result of credit lines held at variable interest rates.

Liquidity Risk

Liquidity risk is the risk of the Company incurring losses resulting from the inability to meet payment obligations in a timely manner when they become due or from being unable to do so at a sustainable cost. To effectively manage liquidity risk, the Company has implemented preventative risk monitoring measures, including setting a liquidity risk ratio target of 120% or greater, which measures the proportion of unencumbered highly liquid assets to short-term net cash outflows, and setting a minimum liquidity balance requirement of total available cash or undrawn lines of credit to be greater than $4,900,000 notional daily on a consolidated basis. As required, the Treasurer and CFO report any liquidity issues to the Chief Executive Officer (CEO), Chief Risk Officer (CRO), and the audit committee in accordance with established policies and guidelines. Management has assessed the Company's cash position at July 31, 2025 and determined that it is sufficient to meet its financial obligations.

(All amounts are expressed in U.S. Dollars unless otherwise noted)

The following are non-derivative contractual financial liabilities:

July 31, 2025

Non-derivative financial liabilities	Carrying amount	Estimated contractual amount	Next fiscal year	Future fiscal years
	$	$	$	$
Accounts payable	28,575,353	28,575,353	28,575,353	Nil
Holding accounts	162,931	162,931	162,931	Nil

October 31, 2024

Non-derivative financial liabilities	Carrying amount	Estimated contractual amount	Next fiscal year	Future fiscal years
	$	$	$	$
Accounts payable	15,091,074	15,091,074	15,091,074	Nil
Holding accounts	70,048	70,048	70,048	Nil

Below are other financial risk factors that affect the business activity of the Company:

International Conflict

International conflict and other geopolitical tensions and events, including war, military action, terrorism, trade disputes, tariff impacts, and international responses thereto have historically led to, and may in the future lead to, uncertainty or volatility in global commodity, energy, and financial markets.

Russia's invasion of Ukraine has led to sanctions being levied against Russia by the international community and may result in additional sanctions or other international action, any of which may have a destabilizing effect on commodity prices and global economies more broadly. Volatility in commodity prices may adversely affect our business, financial condition, and results of operations. Changes in commodity prices may affect oil and natural gas activity levels and the costs of energy in the jurisdiction in which the Company operates. In addition, an escalation in the Ukraine conflict may have an adverse effect on global travel conditions and/or consumer sentiment on travel and tourism, which may adversely impact our business.

The extent and duration of geo-political conflicts such as Russia's invasion of Ukraine cannot be accurately predicted at this time and the effects of such conflicts may magnify the impact of the other risks identified in this MD&A, including those relating to commodity price volatility and global financial conditions. Unforeseeable impacts may materialize and may have an adverse effect on our business, results of operation, and financial condition.

Network Security Risks

Despite the implementation of network security measures by the Company, its infrastructure is potentially vulnerable to computer intrusions and similar disruptive problems. Concerns over Internet security have been, and will continue to be, a barrier to commercial activities requiring consumers and businesses to send confidential information over the Internet. Computer viruses, intrusions or other security problems could lead to misappropriation of confidential or proprietary information, and cause interruptions, delays or cessation in service to the Company's customers. Any such intrusion could have a negative reputational impact on the Company which could affect its revenue and ability to raise capital. Any such intrusion could also compromise the privacy of the Company's proprietary CXIFX software which is integral to its business. In such a case, the Company may be required to spend significant resources to monitor and protect its intellectual property rights. Litigation brought to protect and enforce those rights could be costly, time-consuming and distracting to management and could result in the impairment or loss of portions of the Company's intellectual property. Any failure to secure, protect and enforce its intellectual property rights could seriously harm the Company and adversely affect its business. Moreover, the security and privacy concerns of existing and potential customers may inhibit the growth of the Internet as a medium for commerce. Any actual or perceived breach of customers' privacy and security could harm the Company's business.

Risk of Downturn in International Travel

International travel is the main driver of a significant part of the Company's business. Uncertainty and negative trends in general economic conditions in the United States, Canada and abroad, including rising costs of living, have the potential to create a difficult environment for companies operating in the travel industry. The potential implications resulting from changes to the U.S. trade policy can impact economic growth, international travel and the demand for banknotes. Many of these factors, including those beyond the control of the Company, could have a detrimental impact on its performance by causing a significant decrease in international travel. These factors include general economic conditions, unemployment levels, energy costs and interest rates, as well as events such as natural disasters, acts of war, terrorism and catastrophes.

Outbreak of Infectious Diseases

The Company's Banknotes product line, which represents a significant portion of commission revenue, is highly correlated to international travel patterns by consumers. The Company's business has been and may continue to be adversely affected by the effects of the widespread outbreak of respiratory illnesses (like COVID-19) and other infectious diseases in its primary North American market, as well as by travel restrictions imposed by governments to limit the effects of these on the health of the local and global population, including restrictions on air travel to and from North America. The impacts of the COVID-19 pandemic have stabilized; however, it is not possible to reliably estimate the potential impact of this, or future global disruptions or infectious disease, on the financial position and results of future periods.

Regulatory Compliance Risk

Regulatory compliance risk is the risk of potential non-compliance with laws, regulations, and prescribed practices in the jurisdictions in which the Company operates. Issues regarding compliance with laws and regulations can be associated with privacy, market conduct, consumer protection, business conduct and money laundering. Furthermore, in Canada, the Company's subsidiary is a Schedule 1 bank and is subject to additional guidelines from the Office of the Superintendent of Financial Institutions (OSFI). In conducting its business, the Company is subject to regulatory examinations and inquiries and may, at any given time, be subject to the payment of additional charges as a resolution of matters arising from these examinations or other non-compliance matters. Additional charges, where applicable, are recorded in the Company's condensed interim consolidated financial statements as a provision, in the period in which the recognition criteria in accordance with IFRS Accounting Standards are met.

Compliance policies and procedures have been developed to enable the Company to manage regulatory compliance risk. The Company has an established regulatory compliance management framework which outlines risk assessments associated with new clients onboarding and subsequent monitoring as well as enabling the Company to manage and mitigate the regulatory compliance risks associated with potential non-compliance with regulatory requirements and changing laws and regulations as applicable.

Normal Course Issuer Bid Risks

The Company's ability to repurchase shares and the actual amount of shares repurchased under its normal course issuer bid program is dependent upon, among other things, the Company's financial performance, the Company's working capital requirements, the Company's future tax obligations, the Company's future capital requirements, compliance with applicable legislation, the policies of the TSX, and restrictions tied to the financial covenants in the Company's third amended and restated credit agreement with BMO Bank, N.A. There is no guarantee that the Company will repurchase the remaining shares which are available under its current normal course issuer bid program, nor that it will apply to the TSX for a new program when the current normal course issuer bid program expires in December 2025.

Exit from the Canadian market

The EBC's Exit Strategy outlines several risks, and corresponding mitigating factors, that will be managed throughout EBC's discontinuation of operations. These include legal matters that may be brought to the Bank by its employees, customers, or third-parties as a result of the discontinuation of operations. The Exit Strategy assumes costs associated with these risks, however unforeseen delays or challenges in EBC's Exit Strategy can increase those costs. Additionally, EBC expects to initiate the approval process with the Minister of Finance to discontinue from the Bank Act contemporaneously with EBC's fiscal year ending close process.

The Company had utilized EBC's correspondent banking network to process its international payments and foreign checks for its domestic customer base. This reliance posed certain financial risks to the Company if it is unable to fully transition these services to alternative providers. The Company was able to mitigate these risks by implementing solutions with its own correspondent banking relationships that can process international payments and foreign checks. Some of these offerings have different service levels and fees associated with them than those offered through EBC's correspondent bank relationships. These are risks that Management continues to mitigate through fee negotiations, product scoping, and project management with the Company's direct banking partners.

CXI has transitioned its check clearing and payment processing activity away from EBC entirely as of August 15, 2025.

CXI will not inherit any customers from EBC, neither during the discontinuation process nor after EBC has discontinued as a Bank and has exited from Canada.

Subsequent Events

The Company evaluated subsequent events through September 10, 2025, the date these condensed interim consolidated financial statements were issued.

On August 20, 2025, Toronto Stock Exchange accepted the Company's Notice of Intention to amend its normal course issuer bid (NCIB) and Automatic Securities Purchase Plan (ASPP) that were approved on November 28, 2024. The amendment increases the number of annual share repurchases from 316,646 common shares, representing 5% of common shares outstanding as of November 18, 2024 to 377,000 common shares, representing 8.09% of public float as of November 18, 2024 and 10% of public float as of August 20, 2025. The Company received approval from its primary lender to increase its NCIB commensurate with the amendment.

This amendment retroactively increases the number of share repurchases allowed under the Company's current NCIB, which commenced on December 2, 2024 and will terminate on December 1, 2025, or such earlier date in the event that maximum number of shares sought in the NCIB has been repurchased.

There were no other material subsequent events that required recognition or additional disclosure in the condensed interim consolidated financial statements.