

Management's Discussion and Analysis

QCAD DIGITAL TRUST

Administered by Stablecorp Digital Currencies Inc.
For the Period from Settlement of the Trust on May 1, 2025
to December 31, 2025

Date of Report: April 30, 2026

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1. INTRODUCTION

The following management's discussion and analysis ("MD&A") has been prepared by Stablecorp Digital Currencies Inc. (the "Servicer") in its capacity as administrator and servicing agent of QCAD Digital Trust (the "Trust" or "Issuer"). This MD&A should be read in conjunction with the Trust's audited financial statements for the period from settlement of the Trust on May 1, 2025 to December 31, 2025 (the "FY25 Financial Statements") and the accompanying notes.

The FY25 Financial Statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB"). This is the Trust's inaugural fiscal year; accordingly, there are no comparative figures for prior periods.

The effective date of this MD&A is April 30, 2026. All monetary amounts are reported in Canadian dollars unless otherwise indicated. Additional information relating to the Trust is available on SEDAR+ at www.sedarplus.ca.

The Trust became a reporting issuer on November 20, 2025. As discussed in further detail below, the Trust did not have any business operations during the fiscal year ended December 31, 2025. Accordingly, certain disclosure required by Form 51-102F1 – *Management's Discussion & Analysis* has been omitted from this MD&A as it is not applicable for the period (namely, (i) Summary of Quarterly Results, (ii) Liquidity, (iii) Capital Resources, (iv) Fourth Quarter, (v) Proposed Transactions, and (vi) Financial Instruments and Other Instruments).

2. ISSUER OVERVIEW

The Trust is a special purpose trust established on May 1, 2025 under the laws of the Province of Ontario. Odyssey Trust Company is the trustee of the Trust, and the provisions and features of the Trust are set forth in a trust agreement dated as of May 1, 2025 (the "Trust Agreement"). The Trust was established for the sole purpose of: (i) holding registered title to the property and assets of the Trust, including the Canadian dollars received and held by the Trust in exchange for the issuance of QCAD Tokens (the "Reserve Assets"); and (ii) maintaining the Reserve Assets.

Stablecorp Digital Currencies Inc. (the "Servicer") is the administrator and servicing agent of the Trust pursuant to a servicing and administration agreement dated as of May 1, 2025 (the "Servicing Agreement"). The Servicer is a registered Money Services Business and is a wholly owned subsidiary of Canada Stablecorp Inc. ("Stablecorp"), a Canadian technology company focused on developing blockchain-based financial services. The Servicer is also the sole beneficiary of the Trust.

Consistent with its pre-operational status, the Trust did not generate any revenues or incur any expenses during the period from May 1, 2025 to December 31, 2025 ("FY25"), consistent with its pre-operational status. No QCAD Tokens were issued, and no Reserve Assets were held during the period.

Key Program Information

Item	Description
Issuer	QCAD Digital Trust
Servicer / Administrator	Stablecorp Digital Currencies Inc.

Trustee	Odyssey Trust Company
Custodian	VersaBank (Schedule I bank under the <i>Bank Act (Canada)</i>) — effective January 28, 2026
Auditor	Davidson & Company LLP
Fiscal Year End	December 31
Trust Established	May 1, 2025
Final Prospectus	November 20, 2025 (all provinces and territories of Canada except Québec)
Amended & Restated Prospectus	December 21, 2025 (all provinces and territories of Canada)
Prospectus Amendment No. 1	April 6, 2026 (all provinces and territories of Canada)
Supported Blockchains	Ethereum, Solana, Algorand and Stellar

3. OVERALL PERFORMANCE

The period from May 1, 2025 to December 31, 2025 was a pre-operational period for the Trust. No QCAD Tokens were minted, and no Reserve Assets were received or held by the Custodian during the period. The Trust generated no revenues and incurred no expenses during the period.

Key milestones achieved during the fiscal year:

- May 1, 2025 — Trust established pursuant to the Trust Agreement. The Servicing Agreement was also entered into on this date. Initial settlement contribution of \$10 paid by the settlor of the Trust.
- November 20, 2025 — Final Prospectus filed in all provinces and territories of Canada, except Québec. Exemptive relief decision of the Ontario Securities Commission was also issued on this date, which is publicly available on the Canadian Securities Administrators' ("CSA") website.
- November 20, 2025 — Undertaking filed with the CSA in accordance with CSA Staff Notice 21-333 *Crypto Asset Trading Platforms: Terms and Conditions for Trading Value-Referenced Crypto Assets with Clients* ("Staff Notice 21-333").
- December 21, 2025 — Amended and Restated Final Prospectus filed in all provinces and territories of Canada.

4. SELECTED FINANCIAL INFORMATION

The following table provides a summary of the Trust's financial position and operations for the period from May 1, 2025 to December 31, 2025. As this is the Trust's inaugural fiscal year, no prior period comparative figures are presented. Financial information has been prepared in accordance with IFRS and is presented in Canadian dollars.

Selected Balance Sheet Summary

As at December 31, 2025	FY 2025
Total Assets	\$10
Total Liabilities	\$Nil
Trustee's Equity	\$10
Reserve Assets held by Custodian	\$Nil
QCAD Tokens in Circulation	Nil
Distributions declared per QCAD Token	\$Nil

The Trust's sole asset as at December 31, 2025 is a \$10 receivable from the related party settlor of the Trust (a former director and CEO of the Servicer), representing the Trust's initial capitalization, classified as a financial asset measured at amortized cost.

5. DISCUSSION OF OPERATIONS

Consistent with its pre-operational status, the Trust did not generate any revenues or incur any expenses during the period from May 1, 2025 to December 31, 2025. No QCAD Tokens were issued and no Reserve Assets were held during the period.

5.1 Fees and Expenses

Pursuant to the Servicing Agreement, in consideration for the services provided by the Servicer, the Trust shall pay to the Servicer an annual servicer fee equal to 1.00% per annum of the Reserve Assets of the Trust (the “Service Fee”). The Service Fee shall be paid to the Servicer by the Trust on a monthly basis. As no Reserve Assets were held during the period, no Service Fee was charged, accrued, or payable. No fees were charged to holders of QCAD Tokens in connection with the purchase or redemption of QCAD Tokens.

5.2 Token Issuance and Redemption Activity

No QCAD Tokens were issued (minted) or redeemed (burned) during the fiscal year ended December 31, 2025.

Activity Metric	FY 2025
QCAD Tokens Minted	Nil
QCAD Tokens Burned / Redeemed	Nil
QCAD Tokens in Circulation (year-end)	Nil
Reserve Assets received	\$Nil
Reserve Assets held at year-end	\$Nil

6. OFF-BALANCE SHEET ARRANGEMENTS

The Trust does not have any off-balance sheet arrangements.

7. TRANSACTIONS BETWEEN RELATED PARTIES

The Trust's sole asset as at December 31, 2025 is a \$10 receivable from the related party settlor of the Trust (a former director and CEO of the Servicer), representing the Trust's initial capitalization, classified as a financial asset measured at amortized cost.

8. SUBSEQUENT EVENTS

The following significant developments occurred after December 31, 2025:

VersaBank Custodian Agreement — January 28, 2026

The Servicer, on behalf of the Issuer, entered into a Custodian Agreement with VersaBank (the "VersaBank Agreement") dated January 28, 2026. VersaBank is a Schedule I bank under the *Bank Act* (Canada), based in London, Ontario. Under the VersaBank Agreement, VersaBank provides safekeeping and custodial services in respect of the Reserve Assets.

Deloitte Canada Strategic Collaboration — March 23, 2026

Deloitte Canada and Stablecorp announced a strategic collaboration to deliver stablecoin infrastructure solutions to Canadian financial institutions, intended to accelerate adoption of compliant digital Canadian dollar infrastructure across the financial services sector.

Prospectus Amendment No. 1 — April 6, 2026

On April 6, 2026, Prospectus Amendment No. 1 was filed, and a receipt was subsequently issued for this amendment on April 8, 2026. This amendment revises certain disclosure in the prospectus related to: (i) the Custodian of the Reserve Assets; and (ii) the officers and directors of the Servicer. This amendment also includes additional housekeeping amendments to the prospectus.

9. CRITICAL ACCOUNTING ESTIMATES

9.1 Use of Judgements and Estimates

The preparation of the Trust's financial statements in conformity with IFRS requires management to make judgements, estimates, and assumptions that affect the reported amounts of assets and liabilities. Estimates and judgements are continually evaluated based on historical experience and expectations of future events considered reasonable in the circumstances.

9.2 Management Judgement – Expense Allocation for FY25

Management of the Servicer has assessed the nature of the pre-funding and start-up costs incurred during the period from the settlement of the Trust on May 1, 2025 to December 31, 2025, which were paid on behalf of the Trust by the Servicer. Based on this assessment, management of the Servicer has concluded that these costs fall outside the scope of the Servicing Agreement and, until operations commence in the Trust, are not to the direct benefit of the Trust. Accordingly, no reimbursement from the Trust to the Servicer is expected.

10. CHANGES IN ACCOUNTING POLICIES

The Trust has not changed its accounting policies during the period ended December 31, 2025. This is the Trust's inaugural period; accordingly, there are no prior period policies to compare.

11. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Capital Management

The Trust is required to maintain Reserve Assets at a level at least equal to the aggregate value of QCAD Tokens in circulation. In accordance with the Trust's investment restrictions, Reserve Assets are limited to Canadian currency, Government of Canada short-term debt with maturities of 90 days or less, and Canadian dollar-denominated money market funds that are regulated in Canada or the United States.

The Trust does not engage in leverage, does not incur indebtedness, and may not pledge or encumber Reserve Assets. As at December 31, 2025, no Reserve Assets existed and no capital management activity was required.

There are no externally imposed capital requirements beyond those established by applicable Canadian securities regulations and the conditions outlined in the prospectus governing the issuance of QCAD Tokens.

12. DISCLOSURE OF OUTSTANDING TOKEN DATA

QCAD Tokens are issued on a continuous basis; there is no minimum or maximum number that may be issued. QCAD Tokens do not represent an interest in the Trust and are not equity interests of the Trust.

Token Data	December 31, 2025
QCAD Tokens in Circulation	Nil
Reserve Assets (CAD equivalent)	\$Nil
Supported Blockchains	Ethereum, Solana, Algorand and Stellar

QCAD Tokens are not a "qualified investment" for Registered Plans under the *Income Tax Act* (Canada). QCAD Tokens are not insured under the *Canada Deposit Insurance Corporation Act* or any other deposit insurance regime.

13. ADDITIONAL DISCLOSURE FOR VENTURE ISSUERS WITHOUT SIGNIFICANT REVENUE

During FY25, the Trust had no revenue as it had no operations. The Trust did not incur any expenditures or costs in areas that require additional disclosure for venture issuers without significant revenue.

DISCLAIMER

This MD&A has been prepared by Stablecorp Digital Currencies Inc. solely in its capacity as Servicer and administrator of QCAD Digital Trust. Nothing in this document constitutes financial, investment, legal, or tax advice. Prospective purchasers and current holders of QCAD Tokens should consult their own professional advisors. QCAD Tokens are not a "qualified investment" for Registered Plans within the meaning of the *Income Tax Act* (Canada). QCAD Tokens are not insured under the *Canada Deposit Insurance Corporation Act*.