UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-41168

Fold Holdings, Inc.

(Exact Name of Registrant as Specified in its Charter)

Delaware	**86-2170416**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
2942 North 24th Street Suite 115, #42035 Phoenix, AZ	**85016**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (866) 365-3277

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.0001 per share	**FLD**	**Nasdaq Capital Market**
Warrants, each whole warrant exercisable for one share of common stock at an exercise price of $11.50 per share	**FLDDW**	**Nasdaq Capital Market**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☒		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 8, 2026, the registrant had 55,062,458 shares of common stock, $0.0001 par value per share, outstanding.

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Intellectual Property

We own or have rights to various trademarks, service marks and trade names that we use in connection with the operation of our business, which include the Company's "F" logo mark, "FOLD", "FOLD CREDIT CARD", "FOLD BITCOIN CREDIT CARD", "FOLD BITCOIN REWARDS CREDIT CARD", "FOLD DEBIT CARD", "FOLD BITCOIN DEBIT CARD", "FOLD BITCOIN REWARDS DEBIT CARD", "FOLD GIFT CARD", and "FOLD BITCOIN GIFT CARD". This document may also include trademarks, service marks and tradenames that are the property of other organizations. Our use or display of any third party's trademarks, service marks, trade names or products in this document is not intended to, and does not imply, a relationship with, endorsement of or sponsorship by us of, those third parties. Solely for convenience, trademarks, service marks and tradenames referred to in this document may appear without the ®, SM and ™ symbols, but those references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or that the applicable owner will not assert its rights, to these trademarks, service marks and tradenames.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Quarterly Report") of Fold Holdings, Inc. ("Fold," the "Company," "we," "our," and "us") contains forward-looking statements within the meaning of the federal securities laws. All statements other than statements of historical facts contained in this Quarterly Report, including statements regarding our future results of operations or financial condition, business strategy and plans and objectives of management for future operations, are forward-looking statements. These statements involve known and unknown risks, uncertainties, and other important factors that are in some cases beyond our control and may cause our actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "contemplate," "continue," "could," "estimate," "expect," "intend," "may," "plan," "approximately," "potential," "predict," "project," "should," "target," "will" or "would" or the negative of these words or other similar terms or expressions.

We caution investors that any forward-looking statements presented in this Quarterly Report, or that we may make orally or in writing from time to time, are based on information currently available, as well as our beliefs and assumptions. The actual outcome related to forward-looking statements will be affected by known and unknown risks, trends, uncertainties, and factors that are beyond our control or ability to predict. Although we believe that our assumptions are reasonable, they are not guarantees of future performance, and some will inevitably prove to be incorrect. As a result, our actual future results can be expected to differ from our expectations, and those differences may be material. Accordingly, investors should use caution in relying on forward-looking statements, which are based only on known results and trends at the time they are made, to anticipate future results or trends.

The forward-looking statements contained in this Quarterly Report are based on current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond our control), or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to:

- risks that we will not be able to regain compliance with Nasdaq Listing Rule 5550(a)(2) or other listing requirements of Nasdaq or, even if we do, that our minimum bid price will remain over the minimum bid price requirement of The Nasdaq Capital Market following regaining compliance;
- risks that any option that we may pursue in order to regain compliance with Nasdaq Listing Rule 5550(a)(2), such as a reverse stock split, could result in a significant devaluation of our market capitalization or the trading price of our Common Stock;

- risks related to our financial and business performance, including financial projections and business metrics and any underlying assumptions thereunder;
- volatility in the valuation of bitcoin, which may affect our operating results and our ability to obtain cash funding on favorable terms;
- our reliance upon third-party partners, including reliance on only one custodian, BitGo (as defined below);
- changes in our strategy, future operations, financial position, estimated revenues and losses, projected costs, prospects and plans;
- the implementation, market acceptance and success of our business model;
- increased competition as the crypto-economy develops;
- a still-developing and uncertain regulatory landscape;
- our ability to scale and develop new products, such as our bitcoin rewards credit card (the "Fold Credit Card"), in a cost-effective manner;
- developments and projections relating to our competitors and industry;
- our future capital requirements and sources and uses of cash;
- our success in retaining or recruiting, or changes required in, officers, key employees or directors; the size of the addressable markets for our products and services;
- the impact of geopolitical, macroeconomic, supply chain and market conditions, including tariffs, inflation, international relations, and other geopolitical events which may negatively affect our operating results;
- other risks and uncertainties described in this Quarterly Report, including in “Item 1A - Risk Factors”; and
- those factors in the other documents filed by Fold from time to time with the U.S. Securities and Exchange Commission (“SEC”).

The discussion in this Quarterly Report should be read in conjunction with the condensed financial statements and notes thereto included in Item 1 of this Quarterly Report. Further, when reading this Quarterly Report, you should keep in mind those Risk Factors disclosed in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 filed on March 17, 2026, in our subsequent filings with the SEC and elsewhere in this Quarterly Report on Form 10-Q. Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

This Quarterly Report and all subsequent written and oral forward-looking statements attributable to us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. We do not undertake any obligation to release publicly any revisions to our forward-looking statements to reflect events or circumstances after the date of this Quarterly Report, except as may be required by law.

PART I. FINANCIAL INFORMATION

Item 1. Unaudited Financial Statements

Fold Holdings, Inc.
Condensed Balance Sheets
(Unaudited)

	September 30, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	$ 21,678,045	$ 7,652,203
Accounts receivable, net	1,122,104	728,001
Credit card receivable, net	3,957,933	-
Inventories	794,563	478,045
Digital assets - rewards treasury	6,388,310	6,872,869
Prepaid expenses and other current assets	1,609,810	2,384,684
Total current assets	35,550,765	18,115,802
Digital assets - investment treasury	14,265,330	133,658,791
Capitalized software development costs, net	2,272,246	1,393,752
Other non-current assets	125,000	299,309
Total assets	$ 52,213,341	$ 153,467,654
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	$ 821,916	$ 704,789
Accrued expenses and other current liabilities	1,751,024	3,166,186
February 2026 note - related party, net	12,658,196	-
Credit facility	-	10,000,000
Customer rewards liability	6,388,310	6,872,869
Deferred revenue	142,781	366,252
Total current liabilities	21,762,227	21,110,096
June 2025 convertible note, net	-	21,469,675
March 2025 convertible note - related party	-	47,207,556
Other non-current liabilities	-	689,680
Total liabilities	21,762,227	90,477,007
Commitments and contingencies (Note 10)		
Stockholders' equity		
Preferred stock, $0.0001 par value; 20,000,000 shares authorized, 0 shares issued and outstanding at September 30, 2026 and 0 shares issued and outstanding at December 31, 2025	-	-
Common stock, $0.0001 par value; 600,000,000 shares authorized, 54,873,627 shares issued and outstanding at September 30, 2026 and 48,477,883 shares issued and 48,419,266 shares outstanding at December 31, 2025	5,551	4,849
Additional paid-in-capital	242,853,899	233,924,782
Accumulated deficit	(212,408,336)	(170,938,984)
Total stockholders' equity	30,451,114	62,990,647
Total liabilities and stockholders' equity	$ 52,213,341	$ 153,467,654

The accompanying notes are an integral part of these condensed financial statements

Fold Holdings, Inc.
Condensed Statements of Operations
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	**2025**	**2026**	**2025**
Revenues, net	$ 4,161,541	$ 7,398,939	$ 15,843,759	$ 22,662,702
Operating expenses				
Banking and payments costs	3,108,563	6,519,736	13,023,182	20,961,281
Custody and trading costs	1,301,886	244,954	2,639,340	433,550
Compensation and benefits	3,715,573	3,728,954	11,539,907	13,863,551
Marketing expenses	170,471	237,625	1,166,917	1,258,346
Professional fees	828,454	1,294,394	3,751,700	4,353,244
Amortization expense	184,361	232,853	514,425	430,761
(Gain) loss on customer rewards liability	1,968,920	506,796	(284,149)	1,477,444
(Gain) loss on digital assets - rewards treasury	(2,121,385)	(637,712)	687,458	(1,961,803)
Other selling, general and administrative expenses	1,317,819	1,211,657	4,717,047	3,612,533
Total operating expenses	10,474,662	13,339,257	37,755,827	44,428,907
Operating loss	(6,313,121)	(5,940,318)	(21,912,068)	(21,766,205)
Other income (expense)				
Gain (loss) on digital assets - investment treasury	4,078,913	10,238,866	(24,445,385)	31,203,938
Change in fair value of SAFEs	-	-	-	(6,503,113)
Change in fair value of convertible note	-	(2,626,932)	13,200,089	(14,470,683)
Convertible note issuance costs and fees	-	-	-	(9,569,109)
Legal settlements	-	-	(1,374,828)	-
Loss on extinguishment of debt	-	-	(4,005,132)	(9,612,199)
Interest expense	(537,155)	(1,179,216)	(3,732,864)	(4,425,703)
Other income	128,620	60,961	811,453	247,662
Other income (expense), net	3,670,378	6,493,679	(19,546,667)	(13,129,207)
Net (loss) income before income taxes	(2,642,743)	553,361	(41,458,735)	(34,895,412)
Income tax expense (benefit)	7,146	(881)	10,617	3,978
Net (loss) income	$ (2,649,889)	$ 554,242	$ (41,469,352)	$ (34,899,390)
Net (loss) income attributable to common stockholders:				
Basic	$ (2,649,889)	$ 554,242	$ (41,469,352)	$ (34,899,390)
Diluted	$ (2,649,889)	$ 554,242	$ (41,469,352)	$ (34,899,390)
Net (loss) income per share attributable to common stockholders:				
Basic	$ (0.05)	$ 0.01	$ (0.80)	$ (0.88)
Diluted	$ (0.05)	$ 0.01	$ (0.80)	$ (0.88)
Weighted-average shares used to compute net (loss) income per share:				
Basic	54,841,913	46,911,561	51,629,478	39,781,781
Diluted	54,841,913	46,911,561	51,629,478	39,781,781

The accompanying notes are an integral part of these condensed financial statements

Fold Holdings, Inc.
Condensed Statements of Stockholders' Equity
(Unaudited)

	Convertible Preferred Stock		Common Stock		Additional Paid-In	Accumulated	
	Shares	Amount	Shares	Amount	Capital	Deficit	Total
Balance at January 1, 2025	10,204,880	$ 1,020	5,836,882	$ 584	$ 33,537,989	$ (101,348,522)	$ (67,808,929)
Net loss	-	-	-	-	-	(34,899,390)	(34,899,390)
Reverse recapitalization, net of expenses	(10,204,880)	(1,020)	39,163,783	3,916	173,821,544	-	173,824,440
Share based compensation expense	-	-	995,599	100	8,470,832	-	8,470,932
Exercise of Series B warrants	-	-	500,000	50	(50)	-	-
Issuance of March 2025 closing shares and warrants	-	-	750,000	75	9,569,109	-	9,569,184
Change in fair value of Series C warrants	-	-	-	-	498,771	-	498,771
Issuance of interest shares	-	-	248,070	25	1,246,627	-	1,246,652
Issuance of placement shares	-	-	75,000	8	353,242	-	353,250
Issuance of common stock	-	-	1,151,071	115	3,434,216	-	3,434,331
Balance at September 30, 2025	-	$ -	48,720,405	$ 4,873	$ 230,932,280	$ (136,247,912)	$ 94,689,241
Balance at January 1, 2026	-	$ -	48,477,883	$ 4,849	$ 233,924,782	$ (170,938,984)	$ 62,990,647
Net loss	-	-	-	-	-	(41,469,352)	(41,469,352)
Share based compensation expense	-	-	1,477,075	148	5,108,739	-	5,108,887
Common stock withheld for employee tax obligations	-	-	(620,856)	-	(949,300)	-	(949,300)
Issuance of interest shares	-	-	247,785	25	613,309	-	613,334
Issuance of employee stock purchase plan shares	-	-	122,752	12	118,274	-	118,286
Issuance of common stock	-	-	4,527,410	453	3,070,580	-	3,071,033
Issuance of commitment shares	-	-	520,000	52	785,148	-	785,200
Issuance of common stock for intellectual property acquisition	-	-	121,578	12	182,367	-	182,379
Balance at September 30, 2026	-	$ -	54,873,627	$ 5,551	$ 242,853,899	$ (212,408,336)	$ 30,451,114

The accompanying notes are an integral part of these condensed financial statements

Fold Holdings, Inc.
Condensed Statements of Cash Flows
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
Cash flows from operating activities		
Net loss	$ (41,469,352)	$ (34,899,390)
Adjustments to reconcile net loss to net cash used in operating activities:		
Amortization expense	545,431	430,756
Loss (gain) on digital assets - rewards treasury	687,458	(1,961,803)
Loss (gain) on digital assets - investment treasury	24,445,385	(31,203,938)
(Gain) loss on customer rewards liability	(284,149)	1,477,444
Change in fair value of convertible note	(13,200,089)	14,470,683
Convertible note issuance costs and fees	-	9,569,109
Loss on extinguishment of debt	4,005,132	9,612,199
Amortization of debt issuance costs	6,638	122,902
Amortization of debt discount and premium	392,082	768,225
Change in fair value of SAFEs	-	6,503,113
Share-based compensation expense	5,108,887	8,470,932
Other non-cash adjustments	(484,019)	-
Legal settlement paid in digital assets	1,374,828	-
Increase (decrease) in cash resulting from changes in:	-	
Accounts receivable, net	(394,103)	161,515
Credit card receivable, net	(3,957,933)	-
Inventories	(316,518)	(103,236)
Prepaid expenses and other current assets	605,834	581,100
Accounts payable	117,127	(104,846)
Accrued expenses and other current liabilities	1,981,699	2,413,679
Customer rewards liability	1,170,468	1,826,398
Deferred revenue	(223,471)	(52,470)
Other non-current liabilities	(689,680)	491,397
Net cash used in operating activities	(20,578,345)	(11,426,231)
Cash flows from investing activities		
Purchases of digital assets	(3,359,836)	(3,138,623)
Proceeds from sales of digital assets	59,120,684	-
Payments for capitalized software development costs	(1,210,540)	(619,446)
Net cash provided by (used in) investing activities	54,550,308	(3,758,069)
Cash flows from financing activities		
Proceeds from issuance of note	13,000,000	-
Repayment of convertible note	(25,166,667)	-
Proceeds from recapitalization	-	804,600
Payments of deferred IPO costs	-	(652,013)
Payment of debt issuance costs	-	(113,320)
Payment of deferred offering costs	(125,000)	
Proceeds from issuance of common stock	3,294,846	3,478,137
Proceeds from credit facility	10,000,000	-
Repayment of credit facility	(20,000,000)	-
Common stock withheld for employee tax obligations	(949,300)	-
Net cash (used in) provided by financing activities	(19,946,121)	3,517,404
Net increase (decrease) in cash and cash equivalents	14,025,842	(11,666,896)
Cash and cash equivalents, beginning of period	7,652,203	18,330,359
Cash and cash equivalents, end of period	$ 21,678,045	$ 6,663,463
Non-cash investing and financing activities		
Non-cash payment of interest with common stock	$ 613,334	$ 1,246,667
Distributions of digital assets to fulfill customer reward redemptions	1,370,878	2,577,906
Distributions of digital assets to satisfy other current obligations	2,231,157	184,983
Non-cash payment for intellectual property acquisition with common stock	182,379	-
Non-cash repayment of convertible note via transfer of digital assets - related party	34,007,466	-
Non-cash amortization of deferred issuance costs	167,539	43,806
Non-cash allocation of convertible note proceeds to embedded derivative	63,418	-
Non-cash allocation of note proceeds to commitment shares	785,200	-
Recapitalization	-	173,019,904
Proceeds from convertible debt received in digital assets - related party	-	43,965,525
Change in fair value of Series C Warrants included in loss on extinguishment	-	498,771
Distributions of digital assets for prepaid interest - related party	-	2,313,975
Supplemental disclosure of cash flow information		
Cash paid during the period for interest expense	$ 3,733,749	$ -

The accompanying notes are an integral part of these condensed financial statements

1. ORGANIZATION AND BASIS OF PRESENTATION

Unless otherwise indicated or the context otherwise requires, references to "Fold," "we," "us," "our," and the "Company" refer to the business of Fold, Inc., a Delaware corporation, prior to the Closing of the Merger, and Fold Holdings, Inc. after the Closing of the Merger (as such terms are defined below). For any given valuation of bitcoin used herein, unless otherwise indicated, we use the market price of bitcoin on the Coinbase exchange at 11:59:59 pm UTC on the date stated.

Background and Business Combination

Fold Holdings, Inc. is a Delaware corporation. Its operating business, Fold, Inc. ("Fold Predecessor"), was founded in 2019. On July 24, 2024, Fold Predecessor entered into a definitive agreement (the "Merger Agreement") with FTAC Emerald Acquisition Corp. ("FTAC Emerald"), a publicly-traded special purpose acquisition company, providing for a proposed business combination (the "Merger"). The Merger was consummated on February 14, 2025 (the "Closing"), after which Fold Predecessor became a wholly owned subsidiary of FTAC Emerald, and FTAC Emerald changed its name to Fold Holdings, Inc. and effectively assumed all of Fold Predecessor's material operations. The Company is a remote-first company and does not designate a physical headquarters.

Fold's principal offering is a financial services platform built on a simple premise: consumers should be able to save, spend, and earn rewards in both U.S. dollars ("USD") and bitcoin through a single platform. Fold's consumer offerings include an FDIC-insured checking account, a Visa debit card (the "Fold Debit Card"), a Visa credit card (the "Fold Credit Card"), bill payment services, a bitcoin gift card, and an extensive catalog of merchant reward offers. The Company also offers various forms of bitcoin buying and selling with low-to-zero fees and insured custody. By integrating both dollars and bitcoin within familiar financial products, the Company aims to give consumers a single, practical platform for managing their everyday finances. The Company's products and services are available in the United States through the Fold mobile application (the "Fold App").

Basis of Presentation

The Company's accompanying condensed financial statements are unaudited and have been prepared in conformity with accounting principles generally accepted in the United States ("U.S. GAAP") and with Article 10 of Regulation S-X of the Securities and Exchange Commission. In compliance with those instructions, certain information and footnote disclosures normally included in annual financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. The condensed financial statements include the accounts of the Company.

Results of operations and cash flows for the interim periods are not necessarily indicative of the results that may be expected for the entire year. In the opinion of management, these condensed financial statements include all normal and recurring adjustments considered necessary for a fair presentation of the results of operations, financial position, stockholders' equity and cash flows for the interim periods presented. These condensed financial statements should be read in conjunction with the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "2025 Form 10-K"). Except as described below, significant accounting policies disclosed therein have not changed.

Use of estimates

The preparation of the financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and expenses, as well as related disclosure of contingent assets and liabilities. The Company bases its estimates on historical experience and on assumptions that the Company believes are reasonable; however, actual results could significantly differ from those estimates. The Company evaluates these estimates on an ongoing basis.

Estimates, judgments, and assumptions in these financial statements include, but are not limited to, those related to the determination of the recognition, measurement, and valuation of current and deferred income taxes; the useful lives and impairment assessment of long-lived assets; allowance for credit losses; the fair value of customer reward liability derivative instruments; and loss contingency identification and valuation, including assessing the likelihood of adverse outcomes from positions, claims, and disputes, recoveries of losses recorded, and associated timing.

Segment Information

Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the Chief Operating Decision Maker ("CODM"), who is our Chief Executive Officer, in deciding how to allocate resources and assessing performance. During the nine months ended September 30, 2026 and 2025, all operations were within the United States. The CODM allocates resources and assesses performance based upon financial information at the entity-wide level. Since the CODM makes operating decisions and allocates resources on an entity-wide basis, Fold operates as one operating segment and one reportable segment.

The primary financial measure used by the CODM to evaluate performance is operating income (loss) as shown on the statements of operations. Segment expenses and other segment items are provided to the CODM on the same basis as disclosed in the statements of operations.

The CODM does not evaluate performance or allocate resources based on segment assets, and therefore such information is not presented in the notes to the financial statements.

Fair Value Measurement

The carrying amounts of certain financial instruments, including cash and cash equivalents, accounts receivable, net, credit card receivable, net, accounts payable and accrued liabilities approximate their fair values due to their short-term nature.

Digital assets held in the rewards treasury and investment treasury are measured at fair value on a recurring basis; refer to Note 3 and Note 12.

Through the Fold Rewards Program, the Company's users earn promotional credits denominated in bitcoin by completing qualifying spend transactions and certain other actions designated by the Company. The Company records a liability for rewards earned but not yet redeemed within 'Customer rewards liability' on the condensed balance sheets; refer to Note 4 for a rollforward of this liability. As our customer rewards liability results in an obligation to deliver a fixed amount of bitcoin in the future, the Company has determined that it meets the definition of a derivative and measures it at fair value. The Company has not designated this derivative instrument as a hedging instrument. As of September 30, 2026 and December 31, 2025, the notional amount of the customer rewards liability outstanding was 76 and 79 bitcoin, respectively. For more detail on the fair value measurement of this derivative instrument, refer to Note 12.

On February 25, 2026, the Company entered into a Purchase Agreement (the "Purchase Agreement") with SATS Credit Fund LP ("SATS"), a related party, pursuant to which SATS purchased a senior unsecured promissory note in the principal amount of $13.0 million (the "February 2026 Investor Note"). Refer to Notes 5 and 7 for further information. The February 2026 Investor Note is carried at amortized cost and had a carrying value of $12.7 million as of September 30, 2026. The carrying value approximates fair value due to the note's short remaining term, market-based interest rate, and the Company's ability to prepay without penalty. The mandatory prepayment provisions of the February 2026 Investor Note represent an embedded derivative that is bifurcated and measured at fair value on a recurring basis. As of September 30, 2026, the fair value of the bifurcated derivative liability was a nominal amount, and is classified as a Level 3 measurement.

Fold Credit Card Program

In partnership with a credit card issuing bank (the "Issuing Bank"), the Company offers the Fold Credit Card to cardholders. Credit card receivable, net represents amounts due from cardholders for purchases, fees, and other charges incurred through the use of the Fold Credit Card. Pursuant to the program agreements, the Company is obligated to purchase all receivables arising under the program, and accordingly, bears the risk of loss associated with cardholder nonpayment following purchase of the receivables. This commitment has been evaluated in accordance with ASC 860 and we have determined that we are the owner of all purchased receivables from the Issuing Bank. The Company has an ongoing commitment to fund future receivable purchases as cardholder activity occurs. The amount of future receivable purchases will fluctuate based on cardholder spending volumes, credit utilization, and repayment behavior. As the owner of the receivables, the Company records credit card receivables, net of an allowance for expected credit losses in credit card receivable, net on the condensed balance sheets.

The allowance for expected credit losses is estimated in accordance with ASC 326 and reflects management's estimate of lifetime expected losses based on historical loss experience, delinquency, market trends, charge off trends by FICO cohort and aging trends, and other relevant portfolio-level factors. The Company uses a roll-rate methodology, which applies historical and industry delinquency migration and loss patterns to the outstanding receivable balance, to estimate expected losses. The provision for expected credit losses related to credit card receivables is recorded within other selling, general and administrative expenses in the condensed statement of operations and is nominal for both the three and nine months ended September 30, 2026.

Recently issued accounting pronouncements

In November 2024, the FASB issued ASU 2024-03, *Expense Disaggregation Disclosures* (Topic 220), which requires entities to include more detailed information about the types of expenses, including purchases of inventory, employee compensation, depreciation, and amortization, in commonly presented expense captions such as cost of sales, research and development, and selling, general and administrative expenses. In January 2025, the FASB issued ASU 2025-01 "Income Statement Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Clarifying the Effective Date" ("ASU 2025-01") which clarifies the effective date of Accounting Standards Update 2024-03 "Income Statement Reporting Comprehensive Income - Expense Disaggregation

Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses" ("ASU 2024-03") to stipulate that ASU 2024-03 is effective for public business entities for annual reporting periods beginning after December 15, 2026 and interim reporting periods beginning after December 15, 2027, with early adoption permitted. ASU 2024-03 will be effective for the Company beginning January 1, 2027 for the Company's annual financial statements on Form 10-K and January 1, 2028 for the Company's quarterly financial statements on Form 10-Q. The Company is currently evaluating the impact of this standard on its financial statement presentation and disclosures, but it is not expected to have a significant impact on the Company's financial statements.

In September 2025, the FASB issued Accounting Standards Update 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40), Targeted Improvements to the Accounting for Internal-Use Software ("ASU 2025-06"). ASU 2025-06 clarifies and modernizes the accounting for costs related to internal-use software. The amendments in ASU 2025-06 remove all references to project stages throughout Subtopic 350-40 and clarify the threshold entities apply to begin capitalizing costs. ASU 2025-06 is effective for the Company for fiscal years beginning after December 15, 2027 and interim periods within those fiscal years. The Company is currently evaluating the impact of adoption of ASU 2025-06 on its financial statements.

We do not believe that any other recently issued but not yet effective accounting standards, if currently adopted, would have a material effect on our financial statements.

Recently adopted accounting pronouncements

In July 2025, the FASB issued Accounting Standards Update 2025-05, "Financial Instruments - Credit Losses (Topic 326), Measurement of Credit Losses for Accounts Receivable and Contract Assets"("ASU 2025-05"). ASU 2025-05 provides the option to elect a practical expedient to assume that the current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when developing a reasonable and supportable forecast as part of estimating expected credit losses on these assets. ASU 2025-05 is effective for the Company for fiscal years beginning after December 15, 2025 and interim periods within those fiscal years. The Company adopted ASU 2025-05 effective January 1, 2026. The adoption did not have a material impact on the Company's condensed financial statements.

2. REVENUE

Disaggregation of revenue

We disaggregate revenue by service type and by platform as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
Revenue stream	**2026**	**2025**	**2026**	**2025**
Banking and payments revenues	$ 2,715,409	$ 7,054,195	$ 12,940,443	$ 21,897,376
Custody and trading revenues	1,279,911	346,478	2,717,484	739,933
Other revenues	169,256	866	197,037	63,017
Less: Sales returns and allowances	(3,035)	(2,600)	(11,205)	(37,624)
Revenues, net	$ 4,161,541	$ 7,398,939	$ 15,843,759	$ 22,662,702

The above amounts are net of reductions in revenue related to Revenue Rewards totaling $0.4 million and $0.4 million for the three months ended September 30, 2026 and 2025, respectively, and $1.1 million and $1.5 million for the nine months ended September 30, 2026 and 2025, respectively.

Deferred revenue

Contract liabilities are classified as deferred revenue in our balance sheets. As of September 30, 2026 and December 31, 2025, the contract liability related to our deferred subscription revenues was $0.1 million and $0.3 million, respectively, and the contract liability related to an unearned portion of a bonus paid to us by Visa was nominal and $0.1 million, respectively.

The activity in deferred revenue for the nine months ended September 30, 2026 and the year ended December 31, 2025, was as follows:

	Nine Months Ended September 30, 2026	Year Ended December 31, 2025
Beginning of the period contract liability	$ 366,252	$ 875,466
Revenue recognized from the contract liabilities included in the beginning balance	(318,681)	(771,669)
Increases due to cash received net of amounts recognized in revenue during the period	95,210	262,455
End of period contract liability	$ 142,781	$ 366,252

Contract costs

For the nine months ended September 30, 2026 and 2025, we did not incur any incremental costs to obtain and/or fulfill contracts with customers.

3. DIGITAL ASSETS

The Company holds digital assets, comprised solely of bitcoin, for two purposes: (1) to fulfill bitcoin rewards to customers in accordance with the terms and conditions of the Fold Rewards Program ("Rewards Treasury"); and (2) as a treasury asset to support our operating business ("Investment Treasury"). The Company purchases bitcoin for its Rewards Treasury to maintain a balance that is equal to or greater than its customer rewards liability and disburses bitcoin from its Rewards Treasury when customers redeem their rewards and the liability is satisfied.

The following is a summary of Fold's bitcoin held in treasury as of the dates shown:

	September 30, 2026	December 31, 2025
Rewards treasury (USD)	$ 6,388,310	$ 6,872,869
Investment treasury (USD)	14,265,330	133,658,791
Total bitcoin treasury (USD)	$ 20,653,640	$ 140,531,660

	September 30, 2026	December 31, 2025
Rewards treasury (BTC)	76	79
Investment treasury (BTC)	171	1,527
Total bitcoin treasury (BTC)	247	1,606

As of September 30, 2026 and December 31, 2025, the Company held 247 and 1,606 bitcoin, respectively, with an aggregate cost of $23.0 million and $118.8 million, respectively. As of September 30, 2026, no bitcoin was held as collateral under our credit or debt arrangements. Refer to Note 7 for further details.

A reconciliation, in the aggregate, of beginning and ending balances of the Company's digital assets as of the dates shown is as follows:

	Rewards Treasury	Investment Treasury	Digital Assets
Bitcoin held at January 1, 2025	$ 8,569,651	$ 93,568,700	$ 102,138,351
Purchases of bitcoin	1,484,291	1,654,332	3,138,623
Bitcoin received from March 2025 Investor Note [2]	-	43,965,525	43,965,525
Disbursements of bitcoin [1]	(2,762,889)	-	(2,762,889)
Other bitcoin	42,731	-	42,731
Remeasurement gain (loss) on bitcoin [4]	1,961,803	31,203,938	33,165,741
Bitcoin held at September 30, 2025	$ 9,295,587	$ 170,392,495	$ 179,688,082
Purchases of bitcoin	1,168,178	3,708,468	4,876,646
Disbursements of bitcoin [1]	(1,192,091)	-	(1,192,091)
Other bitcoin	(42,731)	-	(42,731)
Remeasurement gain (loss) on bitcoin	(2,356,074)	(40,442,172)	(42,798,246)
Bitcoin held at December 31, 2025	$ 6,872,869	$ 133,658,791	$ 140,531,660
Purchases of bitcoin	3,359,836	-	3,359,836
Bitcoin repayment for March 2025 Investor Note	-	(34,007,466)	(34,007,466)
Sale of bitcoin [3]	-	(59,120,684)	(59,120,684)
Bitcoin payment for legal settlement [5]	-	(1,374,828)	(1,374,828)
Disbursements of bitcoin [1]	(3,602,035)		(3,602,035)
Transfers of bitcoin from investment treasury	445,098	(445,098)	-
Remeasurement gain (loss) on bitcoin [4]	(687,458)	(24,445,385)	(25,132,843)
Bitcoin held at September 30, 2026	$ 6,388,310	$ 14,265,330	$ 20,653,640

[1] Disbursements of bitcoin represent amounts that were distributed to customers to fulfill customer rewards obligations or to satisfy other current obligations.

[2] The bitcoin received from the March 2025 Investor Note is net of prepaid interest. Refer to Note 7 for additional details.

[3] Proceeds from the sale of bitcoin during the nine months ended September 30, 2026 were used to pay off the June 2025 Amended Investor Note, repay in full the outstanding balance under the Company's Credit Facility (as defined below), and fund unrestricted cash for general corporate purposes. Refer to Note 7 for additional details.

[4] The remeasurement gain of $6.2 million recognized on the digital assets balances for the three months ended September 30, 2026 consisted of a realized loss of $1.1 million and an unrealized gain of $7.3 million. The remeasurement gain of $10.9 million recognized on the digital assets balance for the three months ended September 30, 2025 consisted of a realized gain of $0.9 million and an unrealized gain of $10.0 million.

The remeasurement loss of $25.1 million recognized on the digital assets balances for the nine months ended September 30, 2026 consisted of a realized loss of $0.9 million and an unrealized loss of $24.2 million. The remeasurement gain of $33.2 million recognized on the digital assets balance for the nine months ended September 30, 2025 consisted of a realized gain of $2.0 million and an unrealized gain of $31.2 million.

[5] On June 30, 2026, the Company entered into a settlement agreement with the PCT Litigation Trust, without any admission of liability by the Company. Under the terms of the settlement, the Company agreed to pay 23.5 bitcoin in full and final satisfaction of the claims asserted, which was remitted to PCT Litigation Trust on July 6, 2026. The payment above represents the fair value of bitcoin remitted as of the date of the settlement agreement.

4. CUSTOMER REWARDS LIABILITY

A reconciliation, in the aggregate, of beginning and ending balances of the Company's customer rewards liability as of the dates shown is as follows:

		Customer Rewards Liability
Balance at January 1, 2025	**$**	**8,569,651**
Rewards earned by customers		2,029,331
Reward fulfillments [(1)]		(2,577,906)
Expired rewards		(202,933)
Remeasurement (gain) loss on customer rewards liability		1,477,444
Balance at September 30, 2025	**$**	**9,295,587**
Rewards earned by customers		620,747
Reward fulfillments [(1)]		(705,453)
Expired rewards		(62,075)
Remeasurement (gain) loss on customer rewards liability		(2,275,937)
Balance at December 31, 2025	**$**	**6,872,869**
Rewards earned by customers		1,300,520
Reward fulfillments [(1)]		(1,370,878)
Expired rewards		(130,052)
Remeasurement (gain) loss on customer rewards liability		(284,149)
Balance at September 30, 2026	**$**	**6,388,310**

[(1)] Rewards fulfillments represent amounts that were distributed to customers to fulfill customer rewards obligations.

5. RELATED PARTIES

During the nine months ended September 30, 2026, the Company entered into the Purchase Agreement with SATS, pursuant to which SATS purchased the February 2026 Investor Note, and the Company issued 520,000 shares of the Company's Common Stock as additional consideration (the "Initial Commitment Shares"). Concurrently, the Company repaid the outstanding March 2025 Investor Note by transferring 500 bitcoin to SATS. Refer to Note 7 for further details. As SATS is a private investment fund raised and managed by Ten31, LLC, an affiliate of Dr. Jonathan Kirkwood, a member of Fold's Board of Directors (the "Board"), these actions constituted related party transactions and were approved by our Audit Committee.

6. SAFEs

On February 14, 2025, in connection with the Closing of the Merger, all SAFE notes held by Fold Predecessor converted into 16.6 million shares of Fold Holdings, Inc. Common Stock par value $0.0001 per share (the "Common Stock"). The fair value of the SAFEs on the date of conversion was $177.6 million. Prior to conversion, Fold Predecessor's SAFEs were recorded as a liability in the accompanying balance sheets and the Company recorded subsequent remeasurements in "Change in fair value of SAFEs" in the statements of operations. However, because Fold's SAFEs were structured to be settled via the delivery of common and/or preferred shares upon execution of an equity financing or liquidity event, these amounts were reclassified to equity upon conversion.

During the nine months ended September 30, 2025, the Company recognized an increase in the SAFE liability of $6.5 million, related to fair value remeasurements prior to conversion. As of September 30, 2026 and December 31, 2025, no SAFEs remained outstanding.

7. DEBT AND FINANCING ARRANGEMENTS

Convertible notes and warrants

A summary of the Company's convertible notes for the respective periods presented is as follows:

The June 2025 Amended Investor Note

	September 30, 2026	December 31, 2025
June 2025 Amended Investor Note	-	20,000,000
Convertible debt, gross	$ -	$ 20,000,000
Less:		
Debt issuance costs, net of amortization	-	90,260
Add:		
Amended debt premium, net of amortization	-	1,559,935
Convertible debt, net	$ -	$ 21,469,675
Less: Current portion of long-term debt	-	-
Amended December 2024 convertible note, net - long-term	$ -	$ 21,469,675

In December 2024, Fold Predecessor entered into a Securities Purchase Agreement (the “December 2024 SPA”) with an institutional investor for the sale of a Senior Secured Convertible Note (the "December 2024 Initial Investor Note"). On June 16, 2025, the Company amended the December 2024 SPA, which was accounted for as an extinguishment of the December 2024 Initial Investor Note and issuance of a new debt instrument (the "June 2025 Amended Investor Note") with a principal amount of $20.0 million, a conversion price of $9.00 per share, and a stated interest rate of 12% per annum. In connection with the June 2025 extinguishment, the Company recognized a loss on extinguishment of debt of $9.6 million during the year ended December 31, 2025.

The June 2025 Amended Investor Note was scheduled to mature on February 14, 2028 and was classified within non-current liabilities as of December 31, 2025. The Company elected not to remeasure the note at fair value subsequent to issuance and accounted for it at amortized cost using the effective interest method.

On February 27, 2026, the Company repaid the June 2025 Amended Investor Note with a cash payment of $27.5 million, comprised of $20.0 million of outstanding principal and $7.5 million of special interest due as a result of early repayment. The total cash payment of $27.5 million was funded with $14.4 million in proceeds from the sale of 200 bitcoin and $13.0 million in proceeds from the February 2026 Investor Note.

The Company accounted for the repayment as an extinguishment of debt in accordance with ASC 470. In connection with the extinguishment, the Company recognized additional interest expense of $1.7 million, bringing total special interest expense to $2.4 million, which represents the minimum special interest that would have been due at maturity. The remaining $5.1 million of special interest, representing the economic premium attributable to early repayment, was recorded as a loss on extinguishment together with the write-off of $1.3 million of unamortized premium and unamortized debt issuance costs, resulting in a total loss on extinguishment of $3.8 million.

Total interest expense recognized related to the June 2025 Amended Investor Note for the three months ended September 30, 2025 was $0.4 million, comprised of contractual interest expense of $0.6 million, net of $0.2 million of amortization of the debt premium and debt issuance costs. Total interest expense recognized related to the December 2024 Initial Investor Note and June 2025 Amended Investor Note for the nine months ended September 30, 2025 was $1.6 million, comprised of contractual interest expense of $1.8 million, net of $0.2 million of amortization of the debt premium and debt issuance costs.

The Series A warrants relating to the June 2025 Amended Investor Note remain outstanding and are classified within stockholders' equity. The Series C warrants expired unexercised on August 14, 2026. Refer to Note 8 for further information.

The March 2025 Investor Note

	September 30, 2026	December 31, 2025
March 2025 Investor Note	$ -	$ 46,279,500
Fair value adjustment	-	928,056
March 2025 investor note - related party	$ -	$ 47,207,556

On March 6, 2025, Fold entered into a Securities Purchase Agreement (the “March 2025 SPA”) with a related party investor, SATS, pursuant to which Fold issued to the investor (i) a Convertible Note in an aggregate principal amount of $46.3 million (the "March 2025 Investor Note"), (ii) warrants exercisable for 925,590 shares of Common Stock with an exercise price of $15.00 per share (the “March 2025 Warrants”), and (iii) an aggregate of 750,000 shares of Common Stock (the “Closing Shares”). The March 2025 Investor Note was funded with 475 bitcoin, net of 25 bitcoin paid to the investor as prepayment for the first year of interest, with 500 bitcoin held as collateral to secure the note.

The Company elected to account for the March 2025 Investor Note using the fair value option. As of the date of issuance, the fair value of the March 2025 Investor Note was $59.0 million which exceeded the proceeds received of $46.3 million. The $12.7 million excess

of the fair value over the net proceeds received was recorded as a loss within the condensed statements of operations for the nine months ended September 30, 2025. The Company separately valued the March 2025 Warrants and Closing Shares at $3.8 million and $5.8 million, respectively, and expensed the full $9.6 million immediately as issuance costs given the related party nature of the instrument. The March 2025 Warrants were determined to meet the requirements for equity classification under ASC 815-40.

On February 26, 2026, the Company repaid and extinguished the March 2025 Investor Note by transferring the 500 bitcoin held as collateral against this note to the investor. Prior to extinguishment, the Company remeasured the note to fair value, recognizing a gain of $13.2 million during the nine months ended September 30, 2026, which brought the carrying value to approximately $34.0 million, approximating the fair value of the bitcoin transferred. During the three months ended and nine months ended September 30, 2025, the Company recorded losses of $2.6 million and $1.7 million, respectively, due to changes in fair value of the March 2025 Investor Note. The Company accounted for the repayment as an extinguishment of debt in accordance with ASC 470. As the fair value of the note approximated the value of the consideration transferred, no gain or loss on extinguishment was recognized. The Company recognized a $0.2 million loss on extinguishment related to unamortized prepaid interest remaining as of the extinguishment date.

Total interest expense recognized related to the March 2025 Investor Note for the nine months ended September 30, 2026 was $0.3 million. Total interest expense recognized related to the March 2025 Investor Note for the three and nine months ended September 30, 2025 was $0.5 million and $1.2 million, respectively. The March 2025 Investor Note accrued interest at 7.0% per annum, payable quarterly in shares of Common Stock valued at $12.50 per share.

Two Prime Credit Facility

The Company maintains a revolving credit facility (the "Credit Facility") with Two Prime Lending Limited ("Two Prime"). On October 1, 2025, the Company entered into the Credit Facility, as subsequently amended in November 2025. The Credit Facility permits the Company to request, and Two Prime to make available at its discretion, USD-denominated loans up to an aggregate commitment amount of $45.0 million, subject to the execution of individual loan term sheets. Loans issued under the Credit Facility are secured by bitcoin posted by the Company as collateral and held in segregated cold storage with a qualified digital asset custodian. The Company is required to maintain aggregate collateral levels within specified thresholds, and failure to do so may result in margin calls or liquidation of collateral. The Credit Facility had an initial one-year term from October 1, 2025, which automatically renews for successive one-year periods unless either party provides termination notice, and remains available for future borrowings, subject to its terms. The Credit Facility renewed on October 1, 2026.

Under the Credit Facility, each loan bears interest at a rate of 8.5%, and is repayable in USD. The Credit Facility contains customary representations, covenants, collateral requirements, tax and indemnification provisions, and events of default.

During the nine months ended September 30, 2026, the Company borrowed an additional $10.0 million under the Credit Facility. On June 3, 2026, the Company repaid in full the $20.0 million of outstanding principal balance under the Credit Facility. Of the 430 bitcoin previously pledged as collateral under the Credit Facility, 281 bitcoin were sold to repay in full the $20.0 million outstanding balance, and the remaining 149 bitcoin of excess collateral were returned to the Company's unrestricted Investment Treasury.

As of September 30, 2026, there was no outstanding principal balance under the Credit Facility, and no bitcoin is being held as collateral under this Credit Facility. As of December 31, 2025, the outstanding principal balance under the Credit Facility was $10.0 million, secured by 200 bitcoin. The Company classified the outstanding balance as a current liability as of December 31, 2025.

The Company did not incur any interest expense related to the Credit Facility for the three months ended September 30, 2026. Total interest expense related to the Credit Facility was $0.5 million for the nine months ended September 30, 2026. There was no comparable activity for the three or nine months ended September 30, 2025.

February 2026 Investor Note

	September 30, 2026	December 31, 2025
February 2026 note - related party	13,000,000	-
February 2026 note - related party, gross	$ 13,000,000	$ -
Less:		
Debt issuance costs, net of amortization	-	-
Debt discount, net of amortization	341,804	-
February 2026 note - related party, net	$ 12,658,196	$ -

On February 25, 2026, the Company entered into the Purchase Agreement with SATS, a related party, and issued the February 2026 Investor Note (the "February 2026 Investor Note" or the "Existing Note"), which has a principal amount of $13.0 million. The February 2026 Investor Note bears interest at 10% per annum, payable monthly, and matures on February 25, 2027. The maturity date may be

extended for one additional year upon mutual consent, subject to the issuance of 520,000 additional shares of Fold's Common Stock (the "Renewal Commitment Shares"). The note is voluntarily prepayable at any time without penalty.

The Company accounts for the February 2026 Investor Note at amortized cost using the effective interest method and it is classified as a current liability as of the balance sheet date.

In connection with the issuance of the February 2026 Investor Note, the Company issued 520,000 Initial Commitment Shares of its Common Stock. The Company determined the Initial Commitment Shares represent freestanding equity instruments. The fair value of the Initial Commitment Shares was $0.8 million on the issuance date. After allocating proceeds to the bifurcated derivative liability and the Initial Commitment Shares, the residual proceeds were allocated to the debt host in accordance with ASC 470.

The Company has registered on a Form S-3 the Initial Commitment Shares and an additional 520,000 shares that could be issued to SATS upon renewal of the promissory note in accordance with the terms of a Registration Rights Agreement by and between the Company and SATS entered into on February 25, 2026.

The February 2026 Investor Note includes mandatory repayment triggers that require prepayment in increments of 25% to 100%, without penalty, upon the occurrence of specified bitcoin price thresholds between $37 thousand and $45 thousand, measured using volume-weighted average prices over specified time periods. The Company determined that these provisions represent an embedded derivative that is not clearly and closely related to the debt host and meets the definition of a derivative instrument under ASC 815. Accordingly, the Company bifurcated the embedded derivative and recorded it as a separate liability at fair value, with subsequent changes in fair value recognized in earnings. The fair value of the embedded derivative was a nominal amount as of September 30, 2026. Other embedded features, including change-of-control and term extension provisions, were determined not to require bifurcation. Refer to Note 12 for further information regarding the fair value measurement of the bifurcated derivative.

Total interest expense recognized related to the February 2026 Investor Note for the three months ended September 30, 2026 was $0.5 million, comprised of $0.3 million of contractual interest and $0.2 million of amortized debt discount. For the nine months ended September 30, 2026 total interest expense was $1.3 million, comprised of $0.8 million of contractual interest and $0.5 million of amortized debt discount.

On November 9, 2026 (the “Restatement Date”), the Company and SATS entered into an Amended and Restated Senior Unsecured Promissory Note (the “A&R Note”), which amends and restates in its entirety the February 2026 Investor Note.

The A&R Note provides for a senior unsecured delayed-draw term facility in an aggregate principal amount of up to $25.0 million consisting of the $13.0 million principal amount outstanding under the February 2026 Investor Note, which continues as outstanding principal under the A&R Note, and up to $12.0 million of additional principal that may be drawn in one or more advances. Each draw is uncommitted and requires the mutual agreement of the Company and SATS, and SATS may approve or decline any draw request in its sole discretion. Draws must be in a minimum amount of $1.0 million and may be requested until 60 days before maturity. Amounts repaid may not be reborrowed.

The A&R Note bears cash interest at a rate of 10.0% per annum, payable monthly in arrears. In addition, the Company will issue to SATS shares of its Common Stock, as fees for the facility (the “PIK Shares”), consisting of (i) 1,500,000 shares within 15 days of the Restatement Date, (ii) on the funding date of each draw, a number of shares having a value equal to 7.0% of the amount drawn, and (iii) upon any extension of maturity, a number of shares having a value equal to 7.0% of the principal then outstanding. For purposes of clauses (ii) and (iii), shares are valued at the volume-weighted average price of the Common Stock for the 30 consecutive trading days preceding the Restatement Date. The PIK Shares replace the 520,000 shares of Common Stock that would have been issuable upon renewal of the Existing Note. The Company will pay cash in lieu of any PIK Shares that cannot be issued, including by reason of a limit under the rules of The Nasdaq Stock Market requiring stockholder approval.

The A&R Note matures on November 9, 2027, twelve months after the Restatement Date. The Company may, at its option, extend the maturity for one additional twelve-month period if no event of default is continuing, subject to the issuance of PIK Shares as described above. The Company may prepay the A&R Note at any time, in whole or in part, without premium or penalty. As under the Existing Note, SATS may require the Company to prepay up to 25%, 50%, and 100% of the outstanding principal if the price of bitcoin falls to or below $45,000, $40,000, and $37,000, respectively, which prepayment the Company may make in cash or, at its option, in bitcoin valued at the applicable trigger price, and SATS may require prepayment in full upon a change of control of the Company.

The A&R Note is a senior unsecured obligation of the Company. As of the Restatement Date, $13.0 million of principal was outstanding under the A&R Note, and the Company’s obligations thereunder will increase by the amount of any additional advances. It contains customary covenants, including a limitation on the incurrence of additional indebtedness in excess of $25.0 million (subject to exceptions, including for indebtedness incurred in connection with the Company’s credit card program) and a prohibition on the payment of dividends and the repurchase of the Company’s equity securities, subject to limited exceptions. The A&R Note also contains customary events of default, including payment defaults, covenant defaults, breaches of representations, failure to issue PIK Shares,

bankruptcy events, the delisting of the Common Stock for ten consecutive trading days, and cross-defaults on other indebtedness in excess of $1.0 million. Upon an event of default, SATS may declare all amounts outstanding under the A&R Note immediately due and payable .As of September 30, 2026, the Company was in compliance with all covenants of the Existing Note and there have been no events of default during the period.

8. STOCKHOLDERS' EQUITY

Common stock

Pursuant to the Third Amended and Restated Certificate of Incorporation of the Company dated February 14, 2025, the Board is authorized to issue 600,000,000 shares of Common Stock at a par value of $0.0001 per share. As of September 30, 2026, the Company had 54.9 million shares of Common Stock issued and outstanding. As of December 31, 2025, the Company had 48.5 million shares of Common Stock issued and 48.4 million shares of Common Stock outstanding. Any dividends declared on Common Stock will be subordinated to dividends on any outstanding preferred shares. Holders of Common Stock are entitled to one vote per share.

Preferred stock

Pursuant to the Third Amended and Restated Certificate of Incorporation of the Company dated February 14, 2025, the Board is authorized to issue 20,000,000 shares of preferred stock at a par value of $0.0001 per share. As of September 30, 2026 and December 31, 2025, the Company had no shares of convertible preferred stock issued and outstanding.

Warrants

As of September 30, 2026, Fold had the following equity-classified warrants: (1) 12,434,658 public warrants related to legacy FTAC Emerald at an exercise price of $11.50; (2) 869,565 Series A Warrants outstanding related to the June 2025 Amended Investor Note, at an exercise price of $12.50; and (3) 925,590 March 2025 Warrants outstanding related to the March 2025 Investor Note at an exercise price of $15.00. As of December 31, 2025, Fold had the same equity-classified warrants outstanding, together with 869,565 Series C Warrants at an exercise price of $9.00.

The Series B warrants issued under the December 2024 SPA were exercised in connection with the Merger. The Series A Warrants remain outstanding following the extinguishment of the June 2025 Amended Investor Note in February 2026, and expire on February 14, 2033. The Series C Warrants expired unexercised on August 14, 2026, with no effect on the condensed statement of operations. The March 2025 Warrants remain outstanding following the extinguishment of the March 2025 Investor Note in February 2026, and expire on March 11, 2030.

The Series A warrants contain provisions that may reduce the exercise price, including upon certain issuances of Common Stock or equity-linked securities below the exercise price and upon a stock split or reverse stock split, and permit the holder to exercise on a cashless basis for 0.65 shares per warrant if the underlying shares are not registered and available for resale. Through September 30, 2026, no adjustment to the exercise price of the Series A Warrants occurred. In October 2026, in connection with the Company’s initial issuances of Common Stock under the CEF facility at $0.49 per share, the exercise price of the Series A Warrants was reduced from $12.50 to $0.49 per share pursuant to the warrants’ anti-dilution provisions.

2025 Employee Stock Purchase Plan

Effective as of the Merger, the Board adopted the Fold Holdings, Inc. 2025 Employee Stock Purchase Plan (the "ESPP"), pursuant to which 1,216,254 shares of the Company's Common Stock were initially reserved for issuance; such amount increases annually pursuant to an evergreen provision within the ESPP by a number of shares equal to 1% of the shares of Common Stock outstanding as of the end of the fiscal year. The ESPP allows eligible employees to purchase shares of Common Stock at a discount through payroll deductions of up to 15% of their eligible compensation, subject to any plan or offering limitations. On August 1, 2025, the Compensation Committee of the Board (the "Compensation Committee") approved a series of successive offerings under the ESPP, each consisting of consecutive six-month offering periods that automatically commence each March 1 and September 1, unless cancelled or modified.

On the purchase date of each offering (that is, the last date of the offering period), eligible employees have the option to purchase (with accumulated payroll deductions) Common Stock at a price per share equal to 85% of the lesser of (i) the fair market value of the Common Stock on the enrollment date (that is, the first date of the offering period) or (ii) fair market value of a share of Common Stock on the purchase date of the offering. The estimated fair value of shares to be issued under our ESPP is calculated under the Black-Scholes model, as of the grant date.

During the nine months ended September 30, 2026, 122,752 shares of Common Stock were purchased by eligible employees at an average purchase price of $0.82 per share, representing 85% of the lower of the fair market value of Common Stock on the enrollment date or the purchase date. Total stock-based compensation expense recognized in connection with the ESPP was nominal during the same period.

2025 Equity Line of Credit

On June 16, 2025, the Company entered into the Facility and a Registration Rights Agreement, each with SZOP Opportunities I LLC ("SZOP"). Pursuant to the Facility, the Company had the right to sell to SZOP up to the lesser of (i) $250 million of newly issued Fold Common Stock, par value $0.0001 per share, and (ii) the Exchange Cap (as defined in the Facility), from time to time during the 24-month term of the Facility. The execution and timing of sales of Common Stock pursuant to the Facility were solely at the option of the Company, and the Company was under no obligation to sell any securities to SZOP under the Facility.

The Company began delivering Advance Notices (as defined in the Facility) under the Facility in September 2025. During the three months ended September 30, 2026, the Company did not sell any shares of Common Stock pursuant to the Facility. During the nine months ended September 30, 2026, the Company sold 4.40 million shares of Common Stock pursuant to the Facility for gross proceeds of $3.2 million. During the nine months ended September 30, 2026, the Company recognized $0.2 million of amortization related to deferred issuance costs.

On August 27, 2026, the Company delivered written notice to SZOP, notifying them of the Company's election to terminate the Facility. In accordance with the termination provisions of the Facility, the termination became effective on September 3, 2026. As of the date of such notice, there were no outstanding Advance Notices under which the Company was obligated to issue shares of the Company's common stock to SZOP. The Company terminated the Facility to evaluate and pursue alternative financing. The Company did not incur any prepayment fees or penalties as a result of terminating the Facility. See the Company's Current Report on Form 8-K dated August 27, 2026 for further information.

2026 Committed Equity Facility

On September 4, 2026, the Company entered into a Common Stock Purchase Agreement (the "CEF Facility") and a related Registration Rights Agreement, each with Roth Principal Investments, LLC (the "Investor"), an affiliate of Roth Capital Partners, LLC. Pursuant to the CEF Facility, the Company has the right to sell to the Investor up to the lesser of (i) $25.0 million of newly issued Fold common stock, par value $0.0001 per share, and (ii) the Exchange Cap (as defined in the CEF Facility), from time to time during the 36-month term of the CEF Facility.

The execution and timing of sales of Common Stock pursuant to the CEF Facility are solely at the option of the Company, and the Company is under no obligation to sell any securities to the Investor under the CEF Facility. The total number of shares to be sold to the Investor is limited to the extent that the shares would not result in the Investor and its affiliates having shares in excess of the beneficial ownership limitation of 4.99%, and further subject to the Exchange Cap under the CEF Facility. The purchase price of shares sold to the Investor will be equal to 97.0% of the volume weighted average price of the Common Stock during the applicable valuation period for Market Open and Intraday Purchases or 95.0% of the volume weighted average price of the Common Stock for Pre-Market and Post-Market (Extended Hours) Purchases.

As part of the agreement, the Company agreed to pay a commitment fee of up to $500,000, which shall be paid for over time from sale proceeds from the CEF Facility, which is recorded as a reduction of additional paid-in capital as shares are sold. The Company determined that the right to sell shares of the Company's Common Stock to the Investor pursuant to the CEF Facility represents a freestanding put option under ASC 815, Derivatives and Hedging. The fair value of the put option was determined to be zero as the shares to be issued and the purchase price are settled within one to two business days. As of September 30, 2026, the Company had not sold shares of Common Stock pursuant to the CEF Facility.

9. SHARE-BASED COMPENSATION EXPENSE

Prior to the Merger, Fold Predecessor granted Restricted Stock Awards ("RSAs") and Restricted Stock Units (“RSUs”) under the Fold, Inc. 2019 Equity Incentive Plan (the “2019 Equity Plan”). In connection with the Merger, the Company adopted the 2025 Incentive Award Plan (the "2025 Equity Plan") and the ESPP which became effective immediately on the date of the Merger. See Note 8 for further information regarding the Company's ESPP. Collectively, the 2019 Equity Plan and 2025 Equity Plan are referred to as the "Equity Plans".

Following the Merger, no further awards may be granted under the 2019 Equity Plan; however, awards granted under that plan will remain subject to the terms and conditions of the 2019 Equity Plan. Under the 2025 Equity Plan, an aggregate number of shares equal to the sum of (i) 10% of the fully-diluted shares of Fold Holdings, Inc. Common Stock as of the Closing, (ii) the number of shares that remained available for issuance under the 2019 Equity Plan as of the Closing and (iii) the number of shares that were subject to awards under the 2019 Equity Plan as of the Closing and which, following the Closing, became available for grant under the 2025 Equity Plan, were initially reserved under the 2025 Equity Plan.

The purpose of the Equity Plans is to offer select Participants (defined as employees, consultants, or outside directors) the opportunity to acquire equity in the Company through the awards of Options, RSAs, Stock Appreciation Rights, RSUs, and Other Stock Awards (collectively and individually, “Awards”). RSUs are Awards of an unfunded and unsecured right to receive shares of Common Stock

(or cash or a combination of shares of Common Stock and cash, as determined in the sole discretion of the Board) upon settlement of the Award. RSAs are Awards of restricted shares of Company Common Stock. Each Award may or may not be subject to vesting. Vesting occurs upon satisfaction of the conditions specified in each individual award agreement. As of September 30, 2026, the Company has not issued any Options, Stock Appreciation Rights, or Other Stock Awards through the Equity Plans.

Restricted Stock Units

Prior to the Merger, Fold Predecessor's RSUs had two vesting conditions: a service condition that is typically satisfied based on the grantee's continuous service over 48 months with a one-year cliff vesting requirement (though some RSUs have been granted with different service-vesting schedules, including without the one-year cliff), and a performance condition related to the consummation of a liquidity event defined in the award agreements as the first to occur of a change of control or the first sale of Common Stock pursuant to an IPO. The Merger with FTAC Emerald on February 14, 2025 was deemed to have satisfied the performance condition criteria. Following the Merger, the Company's RSUs are subject to vesting requirements of each individual Award grant, which will typically include only a service condition based on the grantee's continuous service over 48 months with a one-year cliff vesting requirement.

On February 14, 2025, upon Closing of the Merger, each outstanding Fold Predecessor RSU award was converted into an Award of RSUs covering a number of shares of Common Stock of Fold Holdings, Inc. determined by multiplying (i) the number of shares of Fold Predecessor Common Stock subject to the Fold Predecessor RSU Award immediately prior to the consummation of the Merger by (ii) ~82.5% (rounded down to the nearest whole share). As the Merger was deemed to have satisfied the performance vesting condition under the RSU Awards, 1.4 million Fold Predecessor RSUs vested upon the Closing of the Merger, resulting in the recognition of share-based compensation expense totaling $4.4 million with a weighted average grant date fair value of $3.37 for RSUs vested during the period.

The Company recognized $1.7 million and $5.1 million of share-based compensation expense for the three and nine months ended September 30, 2026, respectively. The Company recognized $1.6 million and $8.5 million of share-based compensation expense for the three and nine months ended September 30, 2025, which included $4.4 million of share-based compensation expense that was immediately recognized due to the performance condition being satisfied on February 14, 2025. There was $12.6 million of unrecognized share-based compensation expense related to unvested awards as of September 30, 2026. The unrecognized compensation expense will be recognized on a straight-line basis over the weighted average vesting period of 2.63 years.

Restricted Stock Award

The Company's awarded RSAs are not subject to any performance condition vesting requirements and are instead subject only to service conditions. We recorded no share-based compensation expense for the nine months ended September 30, 2026 and 2025. There was no unrecognized compensation expense related to RSAs as of September 30, 2026 or December 31, 2025. There were no additional RSAs granted during the nine months ended September 30, 2026 or September 30, 2025.

Determination of fair value

The initial value of the Awards on the dates that the RSUs and RSAs were granted was determined based on the underlying value of Fold Predecessor’s Common Stock. As securities of a private company, the Fold Predecessor's Common Stock was valued by performing an enterprise valuation using a guideline public company market approach method. This method leverages an analysis of publicly traded peers to develop relevant market multiples and ratios applied to the Company’s historical and expected cash flows. As a public company, the fair value of our Common Stock is determined on the grant date using the closing price of our Common Stock, which is traded on the Nasdaq Capital Market.

RSU and RSA activity

The following table summarizes RSU and RSA share activity under the Equity Plans for the nine months ended September 30, 2026 and 2025:

	RSUs	RSAs
Shares nonvested at January 1, 2026	3,590,873	-
Granted	2,843,562	-
Vested	(1,477,075)	-
Forfeited	(105,574)	-
Shares nonvested at September 30, 2026	4,851,786	-

	RSUs	RSAs
Shares nonvested at January 1, 2025	2,098,620	17,270
Granted	3,426,086	-
Vested	(1,650,367)	(17,270)
Forfeited	(149,281)	-
Shares nonvested at September 30, 2025	3,725,058	-

10. COMMITMENTS AND CONTINGENCIES

Litigation

From time to time, the Company may be subject to, or pursue, other claims, inquiries, or legal proceedings arising in the ordinary course of business. While the outcome of any future matter is inherently uncertain, we do not currently expect that any such matters, if they were to arise, would have a material adverse effect on our condensed financial position, liquidity, capital resources, or results of operations.

In connection with the chapter 11 bankruptcy proceeding of Prime Core Technologies, Inc. (“Prime Core”), on August 14, 2025, the Company was named as a defendant in a proceeding pending in the United States Bankruptcy Court for the District of Delaware (*PCT Litigation Trust v. Fold Holdings, Inc.*, Adv. Pro. No. 25-52024 (JKS)), pursuant to which the litigation trust for Prime Core (“PCT Litigation Trust”) sought avoidance and recovery of alleged preferential transfers.

On June 30, 2026, the Company entered into a settlement agreement with the PCT Litigation Trust, without any admission of liability by the Company. Under the terms of the settlement, the Company agreed to pay 23.5 bitcoin in full and final satisfaction of the claims asserted, with payment due within 30 days of the agreement's effective date. The PCT Litigation Trust agreed to dismiss its proceeding against us with prejudice upon receipt of payment, and the parties provided each other with mutual releases. As of June 30, 2026, the Company recorded an accrued liability of approximately $1.4 million, representing the U.S. dollar value of the settlement payment based on the closing price of bitcoin as of the agreement's execution date, consistent with the valuation methodology specified in the settlement agreement. On July 6, 2026, the Company remitted 23.5 bitcoin to the PCT Litigation Trust in satisfaction of the accrued liability described above.

11. INCOME TAXES

During the three and nine months ended September 30, 2026, the Company had net losses before income taxes of $2.6 million and $41.5 million, respectively, and a nominal amount of income tax expense. During the three and nine months ended September 30, 2025, the Company had net income and net losses before income taxes of $0.6 million and $34.9 million, respectively, and a nominal amount of income tax expense. For the three and nine months ended September 30, 2026 and 2025, the Company recognized nominal income tax expense instead of an income tax benefit at the expected federal tax rate of 21% due to certain losses that are not deductible for tax purposes and an increase in the valuation allowance, partially offset by the effect of state income taxes.

As of September 30, 2026, the Company has federal and state net operating loss (NOL) carryforwards available to offset future taxable income. Section 382 imposes an annual limitation on the amount of taxable income that can be offset by NOLs following a greater than 50% ownership change by 5% shareholders over a rolling three-year period. As of September 30, 2026, the Company has not completed a study to assess Section 382. Until this analysis is complete, no assurance can be given that the Company will be able to fully utilize its NOL carryforwards. If a limitation is determined to apply, it could materially impact the Company’s ability to offset future taxable income and reduce future cash tax obligations. The Company will update this disclosure in future filings as more information becomes available.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the US. The OBBBA contains, among other provisions, certain changes to U.S. federal income tax laws. The accounting for changes in tax rates and tax law are required to be recognized in the period in which the legislation is enacted. The OBBBA has multiple effective dates, with certain provisions effective in 2026 and others implemented through 2027. The Company is currently assessing the impact of the OBBBA on its financial statements.

12. FAIR VALUE MEASUREMENTS

Financial assets and liabilities that are measured at fair value on a recurring basis are classified as Level 1, Level 2, and Level 3 as follows:

	As of September 30, 2026			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Digital assets	$ 20,653,640	$ 20,653,640	$ -	$ -
Total assets	$ 20,653,640	$ 20,653,640	$ -	$ -
Liabilities:				
Customer rewards liability	$ 6,388,310	$ -	$ -	$ 6,388,310
February 2026 Investor Note - embedded derivative	135	-	-	135
Total liabilities	$ 6,388,445	$ -	$ -	$ 6,388,445

	As of December 31, 2025			
	Total	**Level 1**	**Level 2**	**Level 3**
Assets:				
Digital assets	$ 140,531,660	$ 140,531,660	$ -	$ -
Total assets	$ 140,531,660	$ 140,531,660	$ -	$ -
Liabilities:				
Customer rewards liability	$ 6,872,869	$ -	$ -	$ 6,872,869
March 2025 Investor Note	47,207,556	-	-	47,207,556
Total liabilities	$ 54,080,425	$ -	$ -	$ 54,080,425

The fair value of our digital assets was determined using the Level 1 input of bitcoin prices in the market we determined to be the principal market as of September 30, 2026 and December 31, 2025.

Customer rewards liability

The customer rewards liability is classified as a Level 3 financial instrument within the fair value hierarchy primarily due to the reward forfeiture rate applied to the value of the bitcoin obligation, which is an unobservable input to the fair value measurement. The Company has determined the bitcoin price based on its value in the market we determined to be the principal market for the related digital asset as of September 30, 2026 and December 31, 2025, which is considered a Level 1 input. The forfeiture rate is then applied to reflect an estimated breakage rate of rewards that have been forfeited based on the contractual terms and conditions of our Rewards Program and historical trends of forfeiture rates on a three-year trailing basis. The estimated forfeiture rate applied to our customer rewards liability for the periods ended September 30, 2026 and December 31, 2025 was 10%.

Convertible Note

In February 2026, the Company repaid the March 2025 Investor Note through the delivery of 500 bitcoin. Because the note was extinguished via a fixed delivery of bitcoin, the Company determined that the spot price of bitcoin on the repayment date represented the best estimate of fair value immediately prior to settlement. The resulting fair value adjustment, measured as the difference between the December 31, 2025 fair value and the settlement-date fair value, was recorded in the change in fair value of the convertible note within the condensed statements of operations.

The following table summarizes the changes in fair value associated with Level 3 convertible note financial instruments held at the beginning or end of the periods presented:

	Convertible Note
Balance at January 1, 2025	$ -
Additions	46,279,500
Fair value adjustment - day one loss on issuance of debt	12,753,994
Fair value adjustment - change in fair value	1,716,689
Balance at September 30, 2025	$ 60,750,183
Fair value adjustment - change in fair value	(13,542,627)
Balance at December 31, 2025	$ 47,207,556
Fair value adjustment - change in fair value	(13,200,089)
Settlement - delivery of 500 bitcoin	(34,007,467)
Balance at September 30, 2026	$ -

Embedded Derivative

The fair value of the bifurcated derivative liability associated with the February 2026 Investor Note (refer to Note 7) was determined using a Monte Carlo simulation model, which requires the use of several inputs and significant assumptions, including the risk-free rate, bitcoin price volatility, the Company's enterprise value volatility, and the correlation between bitcoin returns and the Company's enterprise value returns.

Fair value measurements associated with the bifurcated derivative were determined based on significant inputs not observable in the market, which represent Level 3 measurements within the fair value hierarchy. Increases and decreases in the fair value of the derivative can result from updates to assumptions such as the price of bitcoin, the probability and timing of the mandatory prepayment triggers being exercised, or changes in the risk-free rate, among other assumptions.

13. CUSTODY OF DIGITAL ASSETS

Fold partners with BitGo Bank & Trust, National Association (f/k/a BitGo Trust Company, Inc.), a federally chartered national trust bank ("BitGo"), who is a qualified custodian. We do not own digital assets held in a custodial capacity on behalf of our customers. We maintain internal record keeping of those assets and are obligated to safeguard the assets. We do not hold the cryptographic key information on behalf of our customers. The qualified custodian used by Fold holds our customer cryptographic key information. We are not aware of any actual or possible safeguarding loss events requiring recognition under ASC 450-20, Loss Contingencies, as of and for the nine months ended September 30, 2026 or year ended December 31, 2025.

The fair value of customer digital assets held by our qualified custodian totaled $25.5 million and $21.3 million at September 30, 2026 and December 31, 2025, respectively. These assets are not recorded in the Company's balance sheets. Similarly, as the Company has an obligation to safeguard these assets, it has a corresponding unrecorded liability of $25.5 million and $21.3 million at September 30, 2026 and December 31, 2025, respectively. Since the risk of loss is remote, the Company did not record a contingent liability at September 30, 2026 or December 31, 2025. The Company has no reason to believe it will incur any expense associated with such potential liability because it has no known or historical experience of claims to use as a basis of measurement, and it accounts for and continually verifies the amount of digital assets within its qualified custodians' control.

14. NET INCOME (LOSS) PER SHARE

Basic net income (loss) per share is computed by dividing the net income (loss) by the weighted-average number of shares of Common Stock outstanding during the period. Diluted net income (loss) per share is computed by dividing net income (loss) by the weighted-average number of shares of Common Stock outstanding adjusted for the dilutive effect of all potential shares of Common Stock. In periods when the Company reported a net loss, diluted net loss per share is the same as basic net loss per share because the effects of potentially dilutive items were anti-dilutive.

As described in Note 1, the Company consummated the Merger on February 14, 2025. The Company accounted for the Merger as a reverse recapitalization. Net income (loss) per share calculations for all periods prior to the Merger have been retrospectively adjusted by the Exchange Ratio for the equivalent number of shares of Common Stock outstanding immediately after the Merger to effect the reverse recapitalization. The Exchange Ratio was calculated as the quotient of (a) the Aggregate Merger Consideration, divided by (b) the number of shares of Fold Fully Diluted Capital Stock as defined in the Merger Agreement. Subsequent to the Merger, net income (loss) per share is calculated based on the weighted average number of shares of Common Stock outstanding.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Basic net income (loss) per share:				
Numerator:				
Net income (loss)	$ (2,649,889)	$ 554,242	$ (41,469,352)	$ (34,899,390)
Net income (loss) attributable to common stockholders, basic and diluted	$ (2,649,889)	$ 554,242	$ (41,469,352)	$ (34,899,390)
Denominator:				
Weighted-average shares used to compute net income (loss) per share, basic and diluted	54,841,913	46,911,561	51,629,478	39,781,781
Net income (loss) per share attributable to common stockholders, basic and diluted	$ (0.05)	$ 0.01	$ (0.80)	$ (0.88)

The following potential Common Stock were excluded from the calculation of diluted net income (loss) per share because their effect would have been anti-dilutive for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Unvested restricted stock units [(1)]	4,851,786	3,725,058	4,851,786	3,725,058
Convertible notes [(2)]	-	5,924,582	-	5,924,582
Investor warrants [(3)]	14,229,813	15,099,378	14,229,813	15,099,378
Employee stock purchase plan [(4)]	4,121	-	1,374	-
Total anti-dilutive securities	19,085,720	24,749,018	19,082,973	24,749,018

[(1)] Potentially dilutive securities attributable to outstanding unvested restricted stock units are excluded from the calculation of diluted loss per share as the effect of the incremental Common Stock would be anti-dilutive and are therefore excluded from the income (loss) per share calculation.

[(2)] The June 2025 Amended Note contained a conversion feature that allowed the investor the option to convert the June 2025 Amended Note in exchange for 2,222,222 shares of Common Stock. The March 2025 Investor Note contained a conversion feature that allowed the investor the option to convert in exchange for 3,702,360 shares of Common Stock. The effect of the incremental Common Stock issuable upon a conversion of these notes was anti-dilutive based on Fold's average share price for the three and nine months ended September 30, 2025 and was therefore excluded from the income (loss) per share calculation.

[(3)] As of September 30, 2026, the Company had (1) 12,434,658 public warrants related to legacy FTAC Emerald at an exercise price of $11.50; (2) 869,565 Series A Warrants, at an exercise price of $12.50; and (3) 925,590 March 2025 Warrants outstanding at an exercise price of $15.00. As of September 30, 2025, the Company also had 869,565 Series C Warrants outstanding at an exercise price of $9.00, which expired on August 14, 2026. These warrants are considered anti-dilutive based on Fold's average share price for the three and nine months ended September 30, 2026 and 2025, and are therefore excluded from the income (loss) per share calculation.

[(4)] Potentially dilutive securities attributable to the employee stock purchase plan are excluded from the calculation of diluted shares outstanding as of September 30, 2026. The effect of the incremental Common Stock would be anti-dilutive and therefore excluded from the loss per share calculation.

15. SUBSEQUENT EVENTS

The Company evaluated subsequent events, if any, that would require an adjustment to the Company's financial statements or require disclosure in the notes to the financial statements through November 10, 2026, the date the financial statements were available to be issued. Where applicable, the notes to these financial statements have been updated to discuss significant subsequent events which have occurred.

Additionally, the Company identified the following subsequent events for disclosure:

On October 22, 2026, at a special meeting of stockholders, the Company's stockholders approved an amendment to the Company's

Third Amended and Restated Certificate of Incorporation to effect a reverse stock split of the Company's issued and outstanding Common Stock at a ratio of not less than 1-for-2 and not more than 1-for-50, with the exact ratio and timing to be determined by the Board. As of the date these condensed financial statements were issued, the Board had not yet determined whether to proceed with a reverse stock split or any potential ratio thereof. The Company intends to effect the reverse stock split, if at all, in order to regain compliance with the minimum bid price requirement of Nasdaq Listing Rule 5550(a)(2) before the end of the compliance period on January 11, 2027 (see Part II, Item 1A).

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis presents management's perspective on our financial condition and results of operations, including performance metrics that management uses to assess company performance and should be read together with our financial statements and the related notes and other financial information included elsewhere in this filing.

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such statements are based upon current expectations, as well as management's beliefs and assumptions, and involve a high degree of risk and uncertainty. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. Statements that include the words "believes," "anticipates," "plans," "expects," "intends," and similar expressions that convey uncertainty of future events or outcomes are forward-looking statements. Our actual results could differ materially from those discussed or suggested in the forward-looking statements herein. Factors that could cause or contribute to such differences include those described in Item 1A - Risk Factors of our Annual Report filed March 17, 2026 and in our subsequent filings with the SEC and elsewhere in this Quarterly Report on Form 10-Q. In addition, as a result of these and other factors, our past financial performance should not be relied on as an indication of future performance. All forward-looking statements in this document are based on information available to us as of the filing date of this Quarterly Report and we assume no obligation to update any forward-looking statements or the reasons why our actual results may differ. See also the Cautionary Note Regarding Forward-Looking Statements in the forepart of this Quarterly Report.

Unless otherwise indicated or the context otherwise requires, references included in this Management's Discussion and Analysis of Financial Condition and Results of Operations section to "Fold," "we," "us," "our," and the "Company" refer to the business of Fold, Inc., a Delaware corporation, prior to the Closing of the Merger, and Fold Holdings, Inc. after the Closing of the Merger. For any given valuation of bitcoin used herein, unless otherwise indicated, we use the market price of bitcoin on the Coinbase exchange at 11:59:59 pm UTC on the date stated.

Business overview

Fold Holdings, Inc. is a financial services company built on a simple premise: consumers should be able to save, spend, and earn rewards in both U.S. dollars ("USD") and bitcoin through a single platform. Fold's consumer offerings include an FDIC-insured checking account, a Visa debit card (the "Fold Debit Card"), a Visa credit card (the "Fold Credit Card"), bill payment services, a bitcoin gift card, and an extensive catalog of merchant reward offers. The Company also offers various forms of bitcoin buying and selling with low-to-zero fees and insured custody. By integrating both dollars and bitcoin within familiar financial products, the Company aims to give consumers a single, practical platform for managing their everyday finances. The Company's products and services are available in the United States through the Fold mobile application (the "Fold App").

Since Fold was founded, we have sought to be a pioneer in bitcoin consumer financial services. In 2020, we partnered with Visa to launch the first ever bitcoin rewards debit card. In 2022, we launched a bitcoin trading and custody product and have since added a comprehensive suite of purchase options including spot buys, dollar-cost averaging, direct paycheck conversion, and round-ups. In 2024, we provided consumers the ability to "get on zero" - the ability to live primarily off of bitcoin instead of fiat currency - and we launched a rewards product for ACH payments that allows users to earn up to 1.5% back on paying mortgages, rent, and other bill payments. In May 2025, we released the Bitcoin Gift Card, the first of its kind to appear in physical retail networks across the country. In January 2026, we introduced the Employee Bitcoin Bonus program, which allows employers to offer bitcoin bonuses to their employee base and manage those assets through Fold, and announced Steak 'n Shake as our first partner for this program. In March 2026, we launched our Fold Credit Card, a bitcoin rewards credit card, in partnership with Stripe and Visa. Most recently, in October 2026, we launched Fold Reserve, a rewards program that enables consumers to unlock better rates across everything Fold offers: credit card, debit card, bill pay, bitcoin exchange, and merchant offers. We expect to continue to innovate and expand in the consumer financial services space over the coming years.

In addition to new products and features, we have committed significant resources towards optimizing our business through design and user experience updates, refinement of our systems architecture, scaling our customer support services, expanding our rewards network, and adding strategic partnerships.

One of the foundational value propositions of bitcoin is trust and security. Over the years, many "crypto"-adjacent business models have failed to live up to those values, prioritizing short-term gains over their duties to customers. As a result, many of these companies suffered a combination of reputational damage, bankruptcy, litigation, and fines. Throughout our existence, Fold has been focused on ensuring the safety and security of our customer assets while also complying with regulatory guidance relevant to our business. We believe that a solid trust foundation is critical for continued user adoption and in building a positive brand image, both of which are crucial for our long-term success.

Recent developments

In January 2026, we introduced the Employee Bitcoin Bonus program, which allows participating employers to offer bitcoin bonuses to their employee base and manage those assets through Fold, and announced Steak 'n Shake as our first partner for this program. Revenue and operating results from the Employee Bitcoin Bonus program were not material during the nine months ended September 30, 2026.

In March 2026, we launched the Fold Credit Card on a limited basis, and we plan to continue to roll out this card to a larger customer base over the coming quarters. Revenue from the credit card program was not material during the nine months ended September 30, 2026.

On July 14, 2026, the Company received a deficiency notice from Nasdaq indicating the Company is out of compliance with Nasdaq Rule 5550(a)(2), which requires the Company's minimum bid price to remain at least $1.00 per share. On October 22, 2026, the Company's stockholders approved an amendment to the Company's Third Amended and Restated Certificate of Incorporation to effect a reverse stock split of the Company's issued and outstanding Common Stock, in order to regain compliance with the minimum bid price requirement of Nasdaq's Listing Rules. The decision to proceed with the reverse stock split is subject to the Board's discretion. See Note 15 to the condensed financial statements for further information about the reverse stock split.

On August 27, 2026, the Company delivered written notice to SZOP Opportunities I LLC ("SZOP") of the existing $250 million equity purchase facility (the "Facility") notifying them of the Company's election to terminate the Facility. As of the date of such notice, there were no outstanding Advance Notices under which the Company was obligated to issue shares of the Company's common stock to SZOP.

On September 4, 2026, the Company entered into an agreement for a $25 million committed equity facility (the "CEF Facility"). Pursuant to the CEF Facility, the Company, in its sole discretion, has the right, but not obligation, to issue and sell up to $25 million in newly issued shares of the Company's Common Stock, subject to certain conditions. The Company is not required to use the CEF Facility and controls the timing and amount of any drawdown on the CEF Facility, subject to certain restrictions. The Company anticipates using the proceeds of the CEF Facility for, without limitation, working capital and general corporate purposes. As of September 30, 2026, the Company has not sold shares of Common Stock pursuant to the CEF Facility. Refer to Note 8 for further information.

In October 2026, the Company launched Fold Reserve, a rewards program that enables consumers to unlock better rates across the Fold Credit Card, the Fold Debit Card, bill pay, and merchant offers. Fold Reserve also allows customers to access our bitcoin exchange with no trading fee and no added Fold spreads, making it one of the most competitive bitcoin exchange products in the market. Non-Reserve customers will continue to be assessed both transaction fees and Fold spreads. To participate in Fold Reserve, customers add funds into a closed-loop ecosystem for use across Fold products and services. The Company holds those Reserve funds together in a pooled reserve in U.S. treasuries and money market funds, earning yield on those underlying funds. This represents an important shift for Fold into recurring balance-based economics which expands upon our existing transaction-based economics. The removal of Fold spreads incentivizes customers to add funds into Fold Reserve, which we view as an important economic growth driver for the business. As a result, the Fold Reserve program benefits may result in lower custody and trading revenues in the future. Revenues associated with the Bitcoin Gift Card are not directly impacted by Fold Reserve.

Looking ahead

Fold has a proven track record of launching products that enhance engagement with our current customers and attract new customers to our platform. We intend to continue to build on this success by expanding our existing offerings to further engage our existing users, and we expect to introduce new products to attract new customers. Here is how we intend to continue our momentum:

Product strategy

As highlighted above, we have successfully launched several new product lines during the last twelve months: (1) the Employee Bitcoin Bonus program, (2) the Fold Credit Card, and (3) Fold Reserve. We expect these products to continue to expand to more users and to collectively drive higher volumes, revenues, and margins, and we also expect them to both drive new user acquisition and contribute to deeper engagement within the Fold ecosystem. Over the course of the next few quarters we will continue to explore opportunities to add new consumer financial services that complement and enhance our current offerings.

The timing, execution, and effectiveness of our product and feature releases will impact our ability to meet financial targets for 2026 and beyond; however, we expect that each of these releases will further enhance our existing market position and drive increased volumes across the platform.

Growth strategy

In addition to our product strategy, we intend to grow our customer base, transaction volumes, and revenues through increased investment into organic and paid marketing channels that have proven successful to-date.

Fold intends to continue to leverage our social media channels and customer referral program to drive growth via organic channels which have been our primary growth channels to date. To further accelerate growth, we may increase investments in paid marketing and affiliate opportunities in conjunction with key product rollouts.

While we expect our existing products to benefit from this growth strategy, we also expect new products to create synergies across product lines and attract new users who are looking for a more comprehensive suite of financial products.

Bitcoin treasury strategy

As of September 30, 2026, we held approximately 247 BTC in our bitcoin treasury which had a market value of $20.7 million on September 30, 2026, which was approximately $83.6 thousand per bitcoin.

Fold's purpose for holding bitcoin in treasury is twofold: (1) to fulfill bitcoin rewards to customers in accordance with the terms and conditions of Fold's user agreements ("Rewards Treasury"); and (2) as a treasury asset to support our operating business ("Investment Treasury"). The following is a summary of Fold's bitcoin held in treasury as of the dates shown:

	September 30, 2026	December 31, 2025
Rewards treasury (USD)	$ 6,388,310	$ 6,872,869
Investment treasury (USD)	14,265,330	133,658,791
Total bitcoin treasury (USD)	$ 20,653,640	$ 140,531,660

	September 30, 2026	December 31, 2025
Rewards treasury (BTC)	76	79
Investment treasury (BTC)	171	1,527
Total bitcoin treasury (BTC)	247	1,606

Our Investment Treasury strategy contemplates that we may from time to time (i) sell bitcoin for general corporate purposes to support our operating business, (ii) pledge or commit a portion of our bitcoin as collateral for purposes of entering into financing transactions, (iii) utilize our bitcoin as reserve collateral for various products used in our operating business, and/or (iv) consider opportunities to create income streams or otherwise generate funds using our bitcoin holdings. We may from time to time identify and/or implement additional strategies to more effectively utilize our Investment Treasury to support our overall business. Until such time that we consider it appropriate to utilize our bitcoin in one of those ways, we intend to hold bitcoin as a near- to long-term investment to preserve potential upside in the value of that bitcoin.

In February 2026, the Company sold 200 bitcoin for $14.4 million, or approximately $71.9 thousand per bitcoin, and repaid the March 2025 Investor Note by returning the 500 bitcoin that were previously reserved as collateral against that note. In June 2026, the Company sold 632 bitcoin for $44.7 million, or approximately $70.8 thousand per bitcoin, of which $20.0 million of the proceeds was used to repay in full the outstanding balance under the Credit Facility. As of September 30, 2026, no amounts were outstanding and no bitcoin was held as collateral under the Credit Facility.

Bitcoin Price History

Our volumes and revenue remain subject to ongoing bitcoin price volatility and broader macroeconomic conditions. Below is a summary of the market price of bitcoin for each of the last five quarters, including the low and high prices during each quarter, the quarter-end price and the change from the prior quarter end.

USD market price per bitcoin (in thousands)

Quarter ended	Low during quarter [1]	High during quarter [1]	Quarter-end price [2]	Change from prior quarter end
September 30, 2025	$ 105.12	$ 124.53	$ 114.07	6.4%
December 31, 2025	80.52	126.30	87.50	(23.3%)
March 31, 2026	60.00	97.96	68.22	(22.0%)
June 30, 2026	58.00	82.81	58.52	(14.2%)
September 30, 2026	$ 57.72	$ 87.40	$ 83.56	42.8%

[1] Lowest and highest trade price for one bitcoin on the Coinbase exchange during the quarter (UTC days).

[2] Market price of one bitcoin on the Coinbase exchange at 11:59:59 pm UTC on the last day of the quarter.

Key operating metrics

We collect and analyze operating and financial data to evaluate the health of our business, allocate our resources, and assess our performance. In addition to certain GAAP metrics, we also monitor various non-GAAP measures to evaluate our business. We believe the following metrics and measures are useful to facilitate period-to-period comparisons of our business and to facilitate comparisons

of our performance to that of other financial service providers. Where applicable we have provided definitions of metrics we consider key to our operations below.

Verified Accounts

Verified Accounts represent users who have gone through Know Your Customer ("KYC") verification to participate in our banking and exchange products. These users represent Fold's highest potential value customers as they have passed through the verification necessary to participate in all of our core product lines.

During the three months ended September 30, 2026, we added over 1,500 Verified Accounts, bringing total Verified Accounts to over 88,500.

Transaction Volumes

Transaction Volume is inclusive of deposits, spend, and withdrawals across our platform and are inclusive of both fiat ("USD") and bitcoin ("BTC") transaction volumes. We consider Transaction Volume a key operating metric as the majority of our revenues are derived from these volumes.

From inception through September 30, 2026, Fold processed over $3.9 billion in Transaction Volume through our platform. For the three months ended September 30, 2026, we averaged approximately $53 million in Transaction Volume per month.

Results of operations for the three months ended September 30, 2026 and 2025

Results of operations

	Three Months Ended September 30,			
	2026	**2025**	**$ Change**	**% Change**
Revenues, net	$ 4,161,541	$ 7,398,939	$ (3,237,398)	(43.8%)
Operating expenses				
Banking and payments costs	3,108,563	6,519,736	(3,411,173)	(52.3%)
Custody and trading costs	1,301,886	244,954	1,056,932	431.5%
Compensation and benefits	3,715,573	3,728,954	(13,381)	(0.4%)
Marketing expenses	170,471	237,625	(67,154)	(28.3%)
Professional fees	828,454	1,294,394	(465,940)	(36.0%)
Amortization expense	184,361	232,853	(48,492)	(20.8%)
(Gain) loss on customer rewards liability	1,968,920	506,796	1,462,124	288.5%
(Gain) loss on digital assets - rewards treasury	(2,121,385)	(637,712)	(1,483,673)	232.7%
Other selling, general and administrative expenses	1,317,819	1,211,657	106,162	8.8%
Total operating expenses	10,474,662	13,339,257	(2,864,595)	(21.5%)
Operating loss	(6,313,121)	(5,940,318)	(372,803)	6.3%
Other income (expense)				
Gain (loss) on digital assets - investment treasury	4,078,913	10,238,866	(6,159,953)	(60.2%)
Change in fair value of convertible note	-	(2,626,932)	2,626,932	(100.0%)
Interest expense	(537,155)	(1,179,216)	642,061	(54.4%)
Other income	128,620	60,961	67,659	111.0%
Other income (expense), net	3,670,378	6,493,679	(2,823,301)	(43.5%)
Net income (loss) before income taxes	(2,642,743)	553,361	(3,196,104)	(577.6%)
Income tax expense (benefit)	7,146	(881)	8,027	(911.1%)
Net income (loss)	$ (2,649,889)	$ 554,242	$ (3,204,131)	(578.1%)

Revenue

Revenue stream	Three Months Ended September 30, 2026	2025	$ Change	% Change
Banking and payments revenues	$ 2,715,409	$ 7,054,195	$ (4,338,786)	(61.5%)
Custody and trading revenues	1,279,911	$ 346,478	933,433	269.4%
Other revenues	169,256	$ 866	168,390	NM(i)
Less: Sales returns and allowances	(3,035)	$ (2,600)	(435)	16.7%
Revenues, net	$ 4,161,541	$ 7,398,939	$ (3,237,398)	(43.8%)

(i) Not meaningful ("NM")

Net revenue for the three months ended September 30, 2026 decreased 44% to $4.2 million, compared to net revenue of $7.4 million for the three months ended September 30, 2025. Those amounts are net of reductions in revenue related to Revenue Rewards totaling $0.4 million and $0.4 million for the three months ended September 30, 2026 and 2025, respectively.

The decrease in revenues reflects the broader downturn in digital asset markets that began in the fourth quarter of 2025. Specifically, for the three months ended September 30, 2026, we averaged approximately $53 million in Transaction Volume per month, compared to $78 million per month for the three months ended September 30, 2025.

Banking and payments

Banking and payments revenues decreased $4.3 million year-over-year, primarily due to lower merchant offers revenue which decreased 64% from $6.6 million for the three months ended September 30, 2025 to $2.4 million for the three months ended September 30, 2026. This decrease in merchant offers revenues resulted primarily from (i) the decrease in customer volumes noted above, as well as (ii) the Company's continued optimization of its merchant offers portfolio to prioritize higher-margin offers, which reduced overall transaction volumes while improving unit economics. The Company is the principal in merchant offer transactions and therefore recognizes (1) gross revenues for the sales price of merchant offers sold to the customer, and (2) gross costs of sales for the cost of each merchant offer sold. Consequently, merchant offers cost of sales decreased by a similar amount, from $6.6 million for the three months ended September 30, 2025 to $2.4 million for the three months ended September 30, 2026.

Custody and trading

Net revenues from custody and trading increased by 269% from $0.3 million for the three months ended September 30, 2025 to $1.3 million for the three months ended September 30, 2026. The majority of that increase came from revenues associated with the Fold Bitcoin Gift Card program, which were $1.2 million for the three months ended September 30, 2026 compared to $0.2 million for the three months ended September 30, 2025.

Operating expenses

Banking and payments costs

Banking and payments costs decreased in relation to our decreased merchant offer volumes as noted above. Costs of sales from merchant offers decreased 64% from $6.6 million for the three months ended September 30, 2025 to $2.4 million for the three months ended September 30, 2026.

Custody and trading costs

Custody and trading costs were $1.3 million for the three months ended September 30, 2026, compared to $0.2 million for the three months ended September 30, 2025. This increase was in direct relation to the increase in revenues from the Fold Bitcoin Gift Card.

Compensation and benefits

Compensation and benefits expense for the three months ended September 30, 2026 remained flat compared to the three months ended September 30, 2025. This is a reflection of a stable employee headcount over this comparable period, and we do not expect to materially increase headcount in the near term.

Marketing expenses

Marketing expenses for the three months ended September 30, 2026 remained flat compared to the three months ended September 30, 2025.

Professional fees

Professional fees decreased 36% to $0.8 million for the three months ended September 30, 2026, compared to $1.3 million for the three months ended September 30, 2025. This decrease was driven primarily by lower fees paid to external legal counsel and third-party consultants compared to 2025 which included costs incurred to support our Merger with FTAC Emerald and financing transactions.

Gain (loss) on customer rewards liability and digital assets - rewards treasury

Bitcoin price changes were the primary driver of gains (losses) for both customer rewards liabilities and digital assets - rewards treasury for the three months ended September 30, 2026 and 2025. See USD Bitcoin Pricing table above.

Other Selling, General and Administrative Expenses

Other selling, general and administrative expenses increased 9% from $1.2 million for the three months ended September 30, 2025 to $1.3 million for the three months ended September 30, 2026. This increase was primarily driven by higher contract labor.

Other income (expense)

Bitcoin price changes were the primary driver of gains (losses) for digital assets - investment treasury for the three months ended September 30, 2026 and 2025, with the magnitude of these amounts also affected by the lower bitcoin balance held in the Investment Treasury following the Company's bitcoin sales during the period. See USD Bitcoin Pricing table above.

Change in fair value of convertible note results from the fair value gain or loss related to the March 2025 Investor Note. During the three months ended September 30, 2025, the Company incurred a loss of $2.6 million due to the change in the fair value of the convertible note.

For the three months ended September 30, 2026, we incurred interest expense of $0.5 million related to the February 2026 Investor Note, which includes amortization expense related to the debt discount. For the three months ended September 30, 2025, we incurred interest expense of $0.4 million for the June 2025 Amended Investor Note and $0.5 million related to the March 2025 Investor Note. Interest expense also includes amortization of debt discount and debt issuance costs related to our December 2024 Initial Investor Note, prior to extinguishment.

Results of operations for the nine months ended September 30, 2026 and 2025

Results of operations

	Nine Months Ended September 30,			
	2026	**2025**	**$ Change**	**% Change**
Revenues, net	$ 15,843,759	$ 22,662,702	$ (6,818,943)	(30.1%)
Operating expenses				
Banking and payments costs	13,023,182	20,961,281	(7,938,099)	(37.9%)
Custody and trading costs	2,639,340	433,550	2,205,790	NM(i)
Compensation and benefits	11,539,907	13,863,551	(2,323,644)	(16.8%)
Marketing expenses	1,166,917	1,258,346	(91,429)	(7.3%)
Professional fees	3,751,700	4,353,244	(601,544)	(13.8%)
Amortization expense	514,425	430,761	83,664	19.4%
(Gain) loss on customer rewards liability	(284,149)	1,477,444	(1,761,593)	(119.2%)
(Gain) loss on digital assets - rewards treasury	687,458	(1,961,803)	2,649,261	(135.0%)
Other selling, general and administrative expenses	4,717,047	3,612,533	1,104,514	30.6%
Total operating expenses	37,755,827	44,428,907	(6,673,080)	(15.0%)
Operating loss	(21,912,068)	(21,766,205)	(145,863)	0.7%
Other income (expense)				
Gain (loss) on digital assets - investment treasury	(24,445,385)	31,203,938	(55,649,323)	(178.3%)
Change in fair value of SAFEs	-	(6,503,113)	6,503,113	(100.0%)
Change in fair value of convertible note	13,200,089	(14,470,683)	27,670,772	(191.2%)
Convertible note issuance costs and fees	-	(9,569,109)	9,569,109	(100.0%)
Legal settlements	(1,374,828)	-	(1,374,828)	NM(i)
Loss on extinguishment of debt	(4,005,132)	(9,612,199)	5,607,067	(58.3%)
Interest expense	(3,732,864)	(4,425,703)	692,839	(15.7%)
Other income	811,453	247,662	563,791	227.6%
Other income (expense), net	(19,546,667)	(13,129,207)	(6,417,460)	48.9%
Net loss before income taxes	(41,458,735)	(34,895,412)	(6,563,323)	18.8%
Income tax expense (benefit)	10,617	3,978	6,639	166.9%
Net loss	$ (41,469,352)	$ (34,899,390)	$ (6,569,962)	18.8%

(i) Not meaningful ("NM")

Revenue

	Nine Months Ended September 30,			
Revenue stream	**2026**	**2025**	**$ Change**	**% Change**
Banking and payments revenues	$ 12,940,443	$ 21,897,376	$ (8,956,933)	(40.9%)
Custody and trading revenues	2,717,484	739,933	1,977,551	267.3%
Other revenues	197,037	63,017	134,020	212.7%
Less: Sales returns and allowances	(11,205)	(37,624)	26,419	(70.2%)
Revenues, net	$ 15,843,759	$ 22,662,702	$ (6,818,943)	(30.1%)

Net revenue for the nine months ended September 30, 2026 decreased by $6.8 million, or 30%, to $15.8 million, compared to net revenue of $22.7 million for the nine months ended September 30, 2025. Those amounts are net of reductions in revenue related to Revenue Rewards totaling $1.1 million and $1.5 million for the nine months ended September 30, 2026 and 2025, respectively.

The decrease in revenues was driven in part by the broader downturn in digital asset markets that began in the fourth quarter of 2025, which had a direct impact on customer activity within our platform. Specifically, for the nine months ended September 30, 2026, we averaged approximately $55 million in Transaction Volume per month, compared to $83 million per month for the nine months ended September 30, 2025.

Banking and payments

Banking and payments revenues decreased $9.0 million year-over-year, primarily due to lower merchant offers revenue, which

decreased 43% from $20.6 million for the nine months ended September 30, 2025 to $11.7 million for the nine months ended September 30, 2026. This decrease in merchant offers revenues resulted primarily from (i) the decrease in customer volumes noted above, as well as (ii) the Company's continued optimization of its merchant offers portfolio to prioritize higher-margin offers, which reduced overall transaction volumes while improving unit economics. The Company is the principal in merchant offer transactions and therefore recognizes (1) gross revenues for the sales price of merchant offers sold to the customer, and (2) gross costs of sales for the cost of each merchant offer sold. Consequently, merchant offers cost of sales decreased by a similar amount, from $20.3 million for the nine months ended September 30, 2025 to $11.7 million for the nine months ended September 30, 2026.

Excluding merchant offers, our net banking and payments revenues for the nine months ended September 30, 2026 and nine months ended September 30, 2025 were $1.1 million and $1.3 million, respectively.

Custody and trading

Net revenues from custody and trading increased by 267% from $0.7 million for the nine months ended September 30, 2025 to $2.7 million for the nine months ended September 30, 2026. The increase was primarily driven by revenues associated with the Fold Bitcoin Gift Card program, which were $2.4 million for the nine months ended September 30, 2026, compared to $0.2 million for the nine months ended September 30, 2025.

Operating expenses

Banking and payments costs

Banking and payments costs decreased in relation to our decreased merchant offer volumes as noted above. Costs of sales from merchant offers decreased 42% from $20.3 million for the nine months ended September 30, 2025 to $11.7 million for the nine months ended September 30, 2026.

Excluding merchant offers and Visa rebates, our banking and payments costs remained flat for the nine months ended September 30, 2026.

Custody and trading costs

Custody and trading costs were $2.6 million for the nine months ended September 30, 2026, compared to $0.4 million for the nine months ended September 30, 2025. This increase was in direct relation to the increase in revenues from the Fold Bitcoin Gift Card.

Compensation and benefits

Compensation and benefits expense for the nine months ended September 30, 2026 decreased 16.8% compared to the nine months ended September 30, 2025. The decrease was primarily driven by share based compensation expense for the nine months ended September 30, 2026 and September 30, 2025 of $5.1 million and $8.5 million, respectively. Share-based compensation expense for the nine months ended September 30, 2025 included $4.4 million of share-based compensation expense that was recognized on February 14, 2025 as a result of the Merger with FTAC Emerald. The decrease was partially offset by an increase in payroll expenses of $1.0 million year over year, driven by increased headcount as we scaled our team throughout 2025. Our headcount has remained mostly flat throughout 2026 and we do not expect to materially increase headcount in the near term.

Marketing expenses

Marketing expenses were $1.2 million for the nine months ended September 30, 2026 compared to $1.3 million for the nine months ended September 30, 2025.

Professional fees

Professional fees decreased to $3.8 million for the nine months ended September 30, 2026, compared to $4.4 million for the nine months ended September 30, 2025. This decrease was driven primarily by lower fees paid to external legal counsel and third-party consultants compared to 2025 which included costs incurred to support our Merger with FTAC Emerald and financing transactions.

Gain (loss) on customer rewards liability and digital assets - rewards treasury

Bitcoin price changes were the primary driver of gains (losses) for both customer rewards liabilities and digital assets - rewards treasury for the nine months ended September 30, 2026 and 2025. See USD Bitcoin Pricing table above.

Other Selling, General and Administrative Expenses

Other selling, general and administrative expenses increased from $3.6 million for the nine months ended September 30, 2025 to $4.7 million for the nine months ended September 30, 2026. This increase was primarily driven by higher marketing agency and contractor costs related to brand, creative, and public relations initiatives, increased software subscription costs to support compliance, tax reporting, data and analytics, and engineering productivity, and higher travel, partially offset by lower insurance premiums and capitalization of contractor costs related to internal-use software.

Other income (expense)

Bitcoin price changes were the primary driver of gains (losses) for digital assets - investment treasury for the nine months ended September 30, 2026 and 2025, with the magnitude of these amounts also affected by the lower bitcoin balance held in the Investment Treasury following the Company's bitcoin sales during the period. See USD Bitcoin Pricing table above.

Change in fair value of SAFEs results from unrealized gain or loss due to the change in fair value of our long-term SAFE note liabilities, which is determined based on the aggregated, probability-weighted average of the outcomes of certain scenarios. For accounting purposes, outstanding SAFEs are classified as liabilities and the change in their fair value is reflected in the statements of operations. However, Fold Predecessor's SAFEs were structured to be settled via the delivery of common and/or preferred shares upon execution of an equity financing or liquidity event. On February 14, 2025, upon Closing of the Merger, all SAFE notes held by Fold Predecessor converted into Common Stock of the Company.

Change in fair value of convertible note results from the fair value gain or loss related to the March 2025 Investor Note. The gain on the fair value of the convertible note was $13.2 million during the nine months ended September 30, 2026. The net loss on the fair value of the convertible note of $14.5 million during the nine months ended September 30, 2025 is comprised of a $12.7 million day one loss on the issuance of debt and a $1.7 million loss on the change in fair value.

Convertible note issuance costs and fees relate to the March 2025 SPA including the March 2025 Warrants and Closing Shares. The total issuance costs expensed were $9.6 million for the nine months ended September 30, 2025.

Legal settlement expenses of $1.4 million during the nine months ended September 30, 2026 consist of costs associated with the PCT Litigation Trust settlement. These costs are non-recurring and do not relate to core ongoing operations.

Interest expense relates to amortization of the December 2024 Investor Note discount and issuance costs, June 2025 Amended Investor Note premium and issuance costs, March 2025 Investor Note, interest expense related to the February 2026 Investor Note and interest expense related to the Credit Facility. For the nine months ended September 30, 2026, we incurred $0.3 million of interest expense related to the March 2025 Investor Note prior to extinguishment, $1.7 million of special interest expense related to the early prepayment of the June 2025 Amended Investor Note, $0.5 million related to the Credit Facility, and $1.3 million related to the February 2026 Investor Note. For the nine months ended September 30, 2025, we incurred interest expense of $1.6 million for the December 2024 Investor Note and June 2025 Amended Investor Note, and $1.2 million for the March 2025 Investor Note and amortization of debt discount and debt issuance costs related to our December 2024 Initial Investor Note, prior to extinguishment.

Non-GAAP Financial Measures

Adjusted EBITDA

In addition to net income (loss) and other results under GAAP, we utilize non-GAAP calculations of adjusted earnings before interest, taxes, depreciation, and amortization (“Adjusted EBITDA”) to monitor the financial health of our business. Adjusted EBITDA is defined as net loss, excluding (i) interest expense, (ii) provision for (benefit from) income taxes, (iii) depreciation and amortization, (iv) share-based compensation, (v) remeasurement gains and losses such as fair value remeasurements on our digital assets, convertible notes, and SAFE notes, (vi) impairments, restructuring charges, and business acquisition- or disposition-related expenses that we believe are not indicative of our core operating results, and (vii) legal settlement expenses associated with unusual or non-recurring litigation matters that we believe are not indicative of our core operating results. This non-GAAP financial information has limitations as an analytical tool when assessing our operating performance, is presented for supplemental informational purposes only, should not be considered in isolation or as a substitute for, or superior to, financial information presented in accordance with GAAP, and may be different from similarly titled non-GAAP measures used by other companies.

During the nine months ended September 30, 2026, we added unusual and non-recurring legal settlement expenses as a new category of adjustment to Adjusted EBITDA. This addition was driven by a legal settlement that Fold entered into during Q2, 2026 in connection with the bankruptcy of a third-party platform. The claim did not allege, and the settlement did not involve any admission of, wrongdoing or misconduct by the Company. This matter is not expected to recur, and we believe its exclusion provides a more comparable basis for assessing our core operating performance.

The above items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature, or because the amount and timing of these items are unpredictable, are not driven by core results of operations, and/or render comparisons with prior periods and competitors less meaningful. We believe Adjusted EBITDA and Adjusted EBITDA per share provide useful information to investors and others in understanding and evaluating our results of core operations, as well as providing a useful measure for period-to-period comparisons of our business performance. Moreover, Adjusted EBITDA is a key measurement used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic planning and annual budgeting.

The following table presents a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, net loss:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net (loss) income	$ (2,649,889)	$ 554,242	$ (41,469,352)	$ (34,899,390)
Add:				
Interest expense	537,155	1,179,216	3,732,864	4,425,703
Income tax expense (benefit)	7,146	(881)	10,617	3,978
Amortization expense	184,361	232,853	514,425	430,761
Share-based compensation expense	1,755,428	1,575,422	5,108,887	8,470,932
(Gain) loss on customer rewards liability	1,968,920	506,796	(284,149)	1,477,444
(Gain) loss on digital assets - rewards treasury	(2,121,385)	(637,712)	687,458	(1,961,803)
(Gain) loss on digital assets - investment treasury	(4,078,913)	(10,238,866)	24,445,385	(31,203,938)
Change in fair value of SAFEs	-	-	-	6,503,113
Change in fair value of other liabilities	(64,074)	-	(615,788)	-
Change in fair value of convertible note	-	2,626,932	(13,200,089)	14,470,683
Convertible note issuance costs and fees	-	-	-	9,569,109
Legal settlements	-	-	1,374,828	-
Loss on extinguishment of debt	-	-	4,005,132	9,612,199
Adjusted EBITDA (loss)	$ (4,461,251)	$ (4,201,998)	$ (15,689,782)	$ (13,101,209)

Adjusted EBITDA for the three months ended September 30, 2026 decreased $0.3 million, or 6.2% compared to the three months ended September 30, 2025. Although net revenues fell 44% for that comparative period, Adjusted EBITDA was largely unchanged.

Adjusted EBITDA for the nine months ended September 30, 2026 decreased by $2.6 million, or 19.8% compared to the nine months ended September 30, 2025. The principal driver of decreased Adjusted EBITDA relates to (i) increased compensation and benefits expense, excluding share-based compensation, of $1.0 million; (ii) increased other selling, general and administrative expenses of $1.1 million related to higher contract labor expenses for marketing and product development; and (iii) lower margin contributions across all product lines of $1.1 million. These decreases were partially offset by lower professional fees of $0.6 million and lower marketing expenses of $0.1 million.

Adjusted EBITDA (Loss) Per Share

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Adjusted EBITDA (loss)	$ (4,461,251)	$ (4,201,998)	$ (15,689,782)	$ (13,101,209)
Weighted-average shares used to compute basic and diluted net loss per share	54,841,913	46,911,561	51,629,478	39,781,781
Adjusted EBITDA (loss) per share attributable to common stockholders:				
Basic and diluted	$ (0.08)	$ (0.09)	$ (0.30)	$ (0.33)

Liquidity and capital resources

As of September 30, 2026, the Company had cash and cash equivalents of $21.7 million and positive working capital of $13.8 million. The Company has an accumulated deficit of $212.4 million as of September 30, 2026. Of that amount, $98.7 million relates to historical fair value adjustments on the Company's SAFE notes which converted to Common Stock upon the closing of the Merger, $9.6 million relates to the loss on extinguishment of the December 2024 Initial Investor Note in June 2025, and $4.0 million relates to loss on extinguishment of debt recognized during the nine months ended September 30, 2026.

Additionally, as of September 30, 2026, the Company held 171 bitcoin in our Investment Treasury, valued at $14.3 million based on the price of bitcoin as of that date, and we held 76 bitcoin in our Rewards Treasury, valued at $6.4 million, which matched our existing customer rewards liability, which is denominated in bitcoin. The Company anticipates being able to cover the costs for future rewards via future revenues and operational capital on hand.

Summary of cash flow activities

The following table summarizes our cash flow activities:

	Nine Months Ended September 30,	
	2026	2025
Net cash used in operating activities	$ (20,578,345)	$ (11,426,231)
Net cash provided by (used in) investing activities	54,550,308	(3,758,069)
Net cash (used in) provided by financing activities	(19,946,121)	3,517,404
Net increase (decrease) in cash and cash equivalents	$ 14,025,842	$ (11,666,896)

Cash flows from operating activities

Net cash used in operating activities was $20.6 million for the nine months ended September 30, 2026, compared to $11.4 million for the nine months ended September 30, 2025. The increase was primarily driven by (i) $3.7 million of cash paid for interest, compared to none in the prior-year period, related to the February 2026 Investor Note, the Credit Facility and a $2.4 million special interest payment made in connection with the repayment of the June 2025 Amended Investor Note; (ii) a $4.0 million increase in credit card receivables, net, related to our credit card program, which had no comparable activity in the prior-year period; and (iii) a $1.0 million increase in compensation and benefits, excluding share-based compensation.

Cash flows from investing activities

Net cash provided by investing activities was $54.6 million for the nine months ended September 30, 2026, compared to net cash used in investing activities of $3.8 million for the nine months ended September 30, 2025. The change was primarily due to $59.1 million of proceeds from the sale of bitcoin held in our investment treasury, partially offset by $3.4 million of purchases of digital assets and $1.2 million of payments for capitalized software development costs.

Cash flows from financing activities

Net cash used in financing activities was $19.9 million for the nine months ended September 30, 2026, compared to net cash provided by financing activities of $3.5 million for the nine months ended September 30, 2025.

For the nine months ended September 30, 2026, cash used in financing activities consisted primarily of $25.2 million for the repayment of the June 2025 Amended Investor Note, $20.0 million for the repayment of the Credit Facility and $0.9 million of Common Stock withheld for employee tax obligations. These uses were partially offset by $13.0 million of proceeds from the issuance of the February 2026 Investor Note, $10.0 million of proceeds from draws on the Credit Facility and $3.2 million of proceeds from the issuance of Common Stock under the Facility. We used the proceeds from the February 2026 Investor Note, together with cash on hand, to repay the June 2025 Amended Investor Note.

Summary of financing arrangements

The Company maintains a revolving credit facility (the "Credit Facility") with Two Prime Lending Limited ("Two Prime"), pursuant to which the Company, upon the deposit of bitcoin as collateral, may borrow from Two Prime up to $45.0 million at an interest rate of 8.5% per annum. In June 2026, the Company sold approximately 632 bitcoin from its Investment Treasury for proceeds of $44.7 million, of which $20.0 million was used to repay in full the outstanding balance under the Credit Facility, and the remaining $24.7 million was retained as unrestricted cash for general corporate purposes. As of September 30, 2026, the Company has no open borrowings pursuant to the Credit Facility, and no bitcoin is held as collateral under this Credit Facility. The Credit Facility remains available for future borrowings, subject to its terms, and renewed on October 1, 2026 for a one year term. Refer to Note 7 for further information.

On February 25, 2026, the Company entered into a Purchase Agreement (the "Purchase Agreement") with SATS Credit Fund L.P. ("SATS"), an affiliate of the Company's lead director. Pursuant to the Purchase Agreement, SATS purchased from the Company a $13.0 million senior unsecured promissory note (the "February 2026 Investor Note", or the "Existing Note") and the Company issued to SATS 520,000 shares of Common Stock as additional consideration.

On February 27, 2026, the Company repaid the June 2025 Amended Investor Note with a cash payment of $27.5 million. Following these transactions, the Company no longer has any outstanding convertible notes. Refer to Note 7 for further information regarding these transactions.

In June 2025, the Company entered into an agreement for a $250 million equity purchase facility (the “Facility”). Pursuant to the Facility, the Company, in its sole discretion, had the right, but not the obligation, to issue and sell up to $250 million in newly issued shares of the Company’s Common Stock, subject to certain conditions. On August 27, 2026, the Company delivered written notice to SZOP, notifying SZOP of the Company's election to terminate the Facility. In accordance with the termination provisions of the Facility, the termination became effective on September 3, 2026. As of the date of such notice, there were no outstanding Advance Notices under which the Company was obligated to issue shares of the Company's common stock to SZOP. The Company terminated the Facility to

evaluate and pursue alternative financing. Through September 30, 2026, the Company sold 5.82 million shares of Common Stock pursuant to the Facility for gross proceeds of $7.5 million, and recognized $0.2 million of amortization related to deferred issuance costs.

On September 4, 2026, the Company entered into an agreement for a $25 million committed equity facility (the "CEF Facility"). Pursuant to the CEF Facility, the Company, in its sole discretion, has the right, but not obligation, to issue and sell up to $25 million in newly issued shares of the Company's Common Stock, subject to certain conditions. The Company is not required to use the CEF Facility and controls the timing and amount of any drawdown on the CEF Facility, subject to certain restrictions. The Company anticipates using the proceeds of the CEF Facility for, without limitation, working capital and general corporate purposes. As of September 30, 2026, the Company has not sold shares of Common Stock pursuant to the CEF Facility.

In October 2026, in connection with the Company's initial issuances of Common Stock under the CEF facility at $0.49 per share, the exercise price of the Series A Warrants was reduced from $12.50 to $0.49 per share pursuant to the warrants' anti-dilution provisions.

On November 9, 2026 (the "Restatement Date"), the Company and SATS entered into an Amended and Restated Senior Unsecured Promissory Note (the "A&R Note"), which amends and restates in its entirety the February 2026 Investor Note. The A&R Note provides for a senior unsecured delayed-draw term facility in an aggregate principal amount of up to $25.0 million consisting of the $13.0 million principal amount outstanding under the February 2026 Investor Note, which continues as outstanding principal under the A&R Note, and up to $12.0 million of additional principal that may be drawn in one or more advances. Each draw is uncommitted and requires the mutual agreement of the Company and SATS, and SATS may approve or decline any draw request in its sole discretion. The A&R Note bears cash interest at a rate of 10.0% per annum, payable monthly in arrears. In addition, the Company will issue to SATS shares of its Common Stock, as fees for the facility (the "PIK Shares"), consisting of (i) 1,500,000 shares within 15 days of the Restatement Date, (ii) on the funding date of each draw, a number of shares having a value equal to 7.0% of the amount drawn, and (iii) upon any extension of maturity, a number of shares having a value equal to 7.0% of the principal then outstanding. The A&R Note matures on November 9, 2027, twelve months after the Restatement Date. The Company may, at its option, extend the maturity for one additional twelve-month period if no event of default is continuing, subject to the issuance of PIK Shares as described above. The A&R Note is a senior unsecured obligation of the Company and contains customary covenants, as well as mandatory prepayment provisions in the event of material decline in the value of Bitcoin. The Company may prepay the A&R Note at any time, in whole or in part, without premium or penalty. As of September 30, 2026, the Company was in compliance with all covenants of the Existing Note and there have been no events of default during the period. Refer to Note 7 for further information.

We may continue to pursue additional capital via various capital instruments in the future, however, such funding may not be available on terms acceptable to us or at all. Although management believes that such capital sources will continue to be available, there can be no assurances that financing will be available to the Company when needed, or if available, on terms acceptable to the Company. If the Company is unable to obtain adequate financing on terms that are satisfactory to the Company, when the Company requires it, the Company's ability to continue to grow or support the business and to respond to business challenges could be significantly limited, which may adversely affect the Company's business plan.

Capital Outlook

The Company performs an evaluation to determine whether there are conditions or events (known and reasonably knowable), considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the condensed financial statements are available to be issued. Management expects that the Company's existing cash and cash equivalents, accounts receivable and credit card receivables, digital assets on hand, and financing available from the Credit Facility and the CEF Facility through the date of filing, will be sufficient to enable the Company to fund its anticipated level of operations through one year from the date of this report.

There is limited historical financial information about the Company upon which to base an evaluation of its performance. The business is subject to risks inherent in the establishment of an emerging growth enterprise, including limited capital resources, possible delays in product development, and possible cost overruns due to price and cost increases in services. The Company may require additional capital to pursue certain business opportunities, the further development of existing products, or respond to technological advancements, competitive dynamics or technologies, customer demands, challenges, or unforeseen circumstances.

Off-Balance Sheet Financing Arrangements

We have no obligations, assets or liabilities, which would be considered off-balance sheet arrangements as of September 30, 2026. We do not participate in transactions that create relationships with unconsolidated entities or financial partnerships, often referred to as variable interest entities, which would have been established for the purpose of facilitating off-balance sheet arrangements. We have not entered into any off-balance sheet financing arrangements, established any special purpose entities, guaranteed any debt or commitments of other entities, or purchased any non-financial assets.

Legal Proceedings

In connection with the chapter 11 bankruptcy proceeding of Prime Core Technologies, Inc. (“Prime Core”), on August 14, 2025, the Company was named as a defendant in a proceeding pending in the United States Bankruptcy Court for the District of Delaware (*PCT Litigation Trust v. Fold Holdings, Inc.*, Adv. Pro. No. 25-52024 (JKS)), pursuant to which the litigation trust for Prime Core (“PCT Litigation Trust”) sought avoidance and recovery of alleged preferential transfers. See Note 10 for further information regarding this proceeding.

On June 30, 2026, the Company entered into a settlement agreement with the PCT Litigation Trust, without any admission of liability by the Company. Under the terms of the settlement, the Company agreed to pay 23.5 bitcoin in full and final satisfaction of the claims asserted, with payment due within 30 days of the agreement's effective date. The PCT Litigation Trust agreed to dismiss its proceeding against us with prejudice upon receipt of payment, and the parties provided each other with mutual releases. As of June 30, 2026, the Company recorded an accrued liability of approximately $1.4 million, representing the U.S. dollar value of the settlement payment based on the closing price of bitcoin as of the agreement's execution date, consistent with the valuation methodology specified in the settlement agreement. On July 6, 2026, the Company remitted 23.5 bitcoin to the PCT Litigation Trust in satisfaction of the accrued liability described above.

From time to time, the Company may be subject to, or pursue, other claims, inquiries, or legal proceedings arising in the ordinary course of business. While the outcome of any future matter is inherently uncertain, we do not currently expect that any such matters, if they were to arise, would have a material adverse effect on our condensed financial position, liquidity, capital resources, or annual results of operations.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based upon our financial statements, which have been prepared in accordance with GAAP. GAAP requires us to make certain estimates and judgments that affect the amounts reported in our financial statements. We base our estimates on historical experience, anticipated future trends, and other assumptions we believe to be reasonable under the circumstances. Because these accounting estimates require significant judgment, our actual results may differ materially from our estimates. According to the SEC, a "critical accounting estimate" is defined as an estimate that meets two criteria:

1. **Material impact:** The accounting estimate must involve a significant degree of estimation uncertainty and have a material impact on the financial condition or operating performance as presented in the financial statements.
2. **Judgment and complexity:** The estimate involves a high degree of judgment and complexity, where changes in the assumptions and estimates could significantly alter the financial portrayal of the company's condition and results.

During the nine months ended September 30, 2026, the Company extinguished all previously outstanding convertible notes. As a result, the critical accounting estimates related to the fair value of convertible notes, as described in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, are no longer applicable. The critical accounting estimates related to the fair value of SAFEs and pre-Merger stock-based compensation, also described in our Form 10-K, were no longer applicable as of December 31, 2025. As of September 30, 2026, there are no accounting estimates that meet the criteria for disclosure as critical accounting estimates.

Recent accounting pronouncements

See “Recently issued accounting pronouncements not yet adopted” and "Recently adopted accounting pronouncements" described in Note 1 of the Financial Statements, *Organization and Basis of Presentation*.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Not applicable.

Item 4. Controls and Procedures.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, under the supervision and with the participation of our principal executive officer (our Chief Executive Officer) and our principal financial officer (our Chief Financial Officer), evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of September 30, 2026. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer concluded that, as a result of the material weakness in our internal control over financial reporting described below, the design and operation of our disclosure controls and procedures were not effective as of September 30, 2026.

Material Weakness

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness in our internal control over financial reporting existed as of September 30, 2026:

- We did not design or operate effective controls surrounding our complex debt and equity transactions.

We have begun the process of, and are focused on, designing and implementing effective internal controls measures to improve our internal control over financial reporting and remediate the material weakness. Our remediation efforts include several actions:

- We have engaged consultants to provide additional depth and breadth in our technical accounting and financial reporting capabilities, including reviews of complex debt and equity transactions.
- We have engaged consultants to assist with reviewing our internal controls over financial reporting to address gaps in the design and operating effectiveness of our internal controls, including controls specific to management's review of work performed by third party consultants.

The actions that we are taking are subject to ongoing senior management review, as well as oversight of the audit committee of our Board. We also may conclude that additional measures may be required to remediate the material weakness or determine to modify the remediation plans described above. We will not be able to conclude that we have remediated the material weakness until the applicable controls are fully implemented and operate for a sufficient period of time and management has concluded, through formal testing, that these controls are operating effectively. We will continue to monitor the design and effectiveness of these and other processes, procedures, and controls and make any further changes management deems appropriate.

Changes in Internal Control over Financial Reporting

Other than the ongoing remediation efforts described above, there have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended September 30, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings.

From time to time, we may be subject to various claims, lawsuits and other legal and administrative proceedings that may arise in the ordinary course of business. Some of these claims, lawsuits and other proceedings may range in complexity and result in substantial uncertainty; it is possible that they may result in damages, fines, penalties, non-monetary sanctions, or relief. We were previously the defendant in a bankruptcy clawback proceeding as described in Note 10, "Commitments and Contingencies," to the condensed financial statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q. On June 30, 2026, we entered into a settlement agreement resolving this matter without any admission of liability, and the related adversary proceeding was dismissed with prejudice.

Item 1A. Risk Factors.

There are numerous factors that affect our business and operating results, many of which are beyond our control. Except as set forth below, there have been no material changes to the risk factors previously described in our Annual Report on Form 10-K for the year ended December 31, 2025 or in our subsequent filings with the SEC and elsewhere in this Quarterly Report on Form 10-Q.

The issuance and sale of our Common Stock to Roth Principal Investments may cause dilution to our other stockholders and the sale of the shares of Common Stock acquired by Roth Principal Investments, or the perception that such sales may occur, could cause the price of our Common Stock to decrease.

On September 4, 2026, we entered into a Common Stock Purchase Agreement (the "CEF Facility") with Roth Principal Investments (the "Investor"), pursuant to which the Investor committed to purchase up to $25,000,000 shares of our Common Stock, upon the terms and subject to the conditions set forth in the CEF Facility. The shares of our Common Stock that may be issued under the CEF Facility may be sold by us to the Investor at our discretion from time to time over a 36-month period following the effective date of the registration statement of which this prospectus forms a part, subject to certain conditions. The purchase price for the shares that we may sell to the Investor under the CEF Facility will fluctuate based on the market price of our Common Stock. Depending on demand and market liquidity at the time, sales of such shares by the Investor may cause the trading price of our Common Stock to decrease.

We have the right to control the timing and amount of any future sales of our shares to the Investor, subject to certain limitations set forth in the CEF Facility. Any sales of our Common Stock to the Investor will depend upon market conditions and other factors to be determined by us. We may ultimately decide to sell to the Investor all, some or none of the shares of our Common Stock that may be available for us to sell pursuant to the CEF Facility. If and when we sell shares to the Investor, the Investor may then resell all, some or none of those shares at any time or from time to time in its discretion. See the section titled "Plan of Distribution (Conflict of Interest)" elsewhere in this prospectus for more information. Therefore, our sales to the Investor could result in substantial dilution to the interests of other holders of our Common Stock. Additionally, the sale of a substantial number of shares of our Common Stock to the Investor, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales.

Our common stock may be delisted from The Nasdaq Capital Market if we are unable to regain compliance with Nasdaq's minimum bid price requirement.

On July 14, 2026, we received a written notice from the Listing Qualifications Department of The Nasdaq Stock Market LLC ("Nasdaq") notifying us that we are not in compliance with Nasdaq Listing Rule 5550(a)(2), which requires listed securities to maintain a minimum bid price of at least $1.00 per share. The notice was based on the closing bid price of our common stock for the 30 consecutive business days from May 28, 2026 through July 13, 2026. The notice has no immediate effect on the listing or trading of our common stock, which continues to trade on The Nasdaq Capital Market under the symbol "FLD."

In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we have been provided an initial period of 180 calendar days, or until January 11, 2027, to regain compliance with the minimum bid price requirement. To regain compliance, the closing bid price of our common stock must be at least $1.00 per share for a minimum of ten consecutive business days during the compliance period, unless Nasdaq exercises its discretion to extend that period. If we choose to implement a reverse stock split to regain compliance, we must complete the split no later than ten business days prior to the expiration of the compliance period.

There can be no assurance that we will regain compliance within the initial compliance period, that we will be eligible for an additional compliance period, or that Nasdaq will grant us additional time to regain compliance. If we are unable to regain compliance, or otherwise fail to maintain compliance with Nasdaq's continued listing standards, Nasdaq may determine to delist our common stock. Any such delisting would constitute an Event of Default under our February 2026 Investor Note and could materially adversely affect the liquidity and market price of our common stock, impair our ability to raise additional capital on acceptable terms, reduce investor confidence, decrease analyst coverage, and have other adverse effects on our business, financial condition and results of operations.

On October 22, 2026, our stockholders approved an amendment to our certificate of incorporation to effect a reverse stock split at a ratio of between 1-for-2 and 1-for-50, with the exact ratio and timing to be determined by our Board, in its discretion. The Board is not required to effect a reverse stock split. There can be no assurance that a reverse stock split, or any other action taken by us, would be

successful or would result in a sustained increase in the market price of our common stock. Even if we regain compliance with the minimum bid price requirement, there can be no assurance that the market price of our common stock will not again fall below $1.00 per share, which could result in our receipt of one or more additional deficiency notices and ultimately in the delisting of our common stock from The Nasdaq Capital Market.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Other than as previously reported by us on our Current Report on Form 8-K filed on September 8, 2026, during the period covered by this Quarterly Report on Form 10-Q, the Company did not sell any unregistered securities.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

(a)

The Company's directors and officers (as defined in Rule 16a-1(f) under the Exchange Act) are permitted to trade in the Company's securities pursuant to a prearranged trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act (a "Rule 10b5-1 Plan"). During the three months ended September 30, 2026, none of the Company's directors or officers adopted or terminated a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (each as defined in Item 408 of Regulation S-K).

(b)

The following information is included in this Quarterly Report on Form 10-Q for the purpose of providing the disclosure required under "Item 1.01 Entry into a Material Definitive Agreement," "Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant" and "Item 3.02 Unregistered Sales of Equity Securities" of Form 8-K.

Amended and Restated SATS Note

On November 9, 2026 (the "Restatement Date"), Fold Holdings, Inc. (the "Company") entered into an Amended and Restated Senior Unsecured Promissory Note (the "A&R Note") with SATS Credit Fund LP ("SATS"), which amends and restates in its entirety the Senior Unsecured Promissory Note issued by the Company to SATS on February 25, 2026 in the principal amount of $13.0 million (the "Existing Note"). In connection with the A&R Note, the Company and SATS also entered into Amendment No. 1 to the Purchase Agreement dated February 25, 2026 (the "Purchase Agreement Amendment") and Amendment No. 1 to the Registration Rights Agreement dated February 25, 2026 (the "Registration Rights Agreement Amendment").

A&R Note

The A&R Note provides for a senior unsecured delayed-draw term facility in an aggregate principal amount of up to $25.0 million, consisting of the $13.0 million principal amount outstanding under the Existing Note, which continues as outstanding principal under the A&R Note, and up to $12.0 million of additional principal that may be drawn in one or more advances. Each draw is uncommitted and requires the mutual agreement of the Company and SATS, and SATS may approve or decline any draw request in its sole discretion. Draws must be in a minimum amount of $1.0 million and may be requested until 60 days before maturity. Amounts repaid may not be reborrowed.

The A&R Note bears cash interest at a rate of 10.0% per annum, payable monthly in arrears. In addition, the Company will issue to SATS shares of its common stock, par value $0.0001 per share (the "Common Stock"), as fees for the facility (the "PIK Shares"), consisting of (i) 1,500,000 shares within 15 days of the Restatement Date, (ii) on the funding date of each draw, a number of shares having a value equal to 7.0% of the amount drawn, and (iii) upon any extension of maturity, a number of shares having a value equal to 7.0% of the principal then outstanding. For purposes of clauses (ii) and (iii), shares are valued at the volume-weighted average price of the Common Stock for the 30 consecutive trading days preceding the Restatement Date. The PIK Shares replace the 520,000 shares of Common Stock that would have been issuable upon renewal of the Existing Note. The Company will pay cash in lieu of any PIK Shares that cannot be issued, including by reason of a limit under the rules of The Nasdaq Stock Market requiring stockholder approval.

The A&R Note matures on November 9, 2027, twelve months after the Restatement Date. The Company may, at its option, extend the maturity for one additional twelve-month period if no event of default is continuing, subject to the issuance of PIK Shares as described above. The Company may prepay the A&R Note at any time, in whole or in part, without premium or penalty. As under the Existing Note, SATS may require the Company to prepay up to 25%, 50% and 100% of the outstanding principal if the price of bitcoin falls to or below $45,000, $40,000 and $37,000, respectively, which prepayment the Company may make in cash or, at its option, in bitcoin valued at the applicable trigger price, and SATS may require prepayment in full upon a change of control of the Company.

The A&R Note is a senior unsecured obligation of the Company. As of the Restatement Date, $13.0 million of principal was outstanding under the A&R Note, and the Company's obligations thereunder will increase by the amount of any additional advances. It contains customary covenants, including a limitation on the incurrence of additional indebtedness in excess of $25.0 million (subject to exceptions, including for indebtedness incurred in connection with the Company's credit card program) and a prohibition on the payment of dividends and the repurchase of the Company's equity securities, subject to limited exceptions. The A&R Note also contains customary events of default, including payment defaults, covenant defaults, breaches of representations, failure to issue PIK Shares, bankruptcy events, the delisting of the Common Stock for ten consecutive trading days, and cross-defaults on other indebtedness in excess of $1.0 million. Upon an event of default, SATS may declare all amounts outstanding under the A&R Note immediately due and payable.

Purchase Agreement Amendment and Registration Rights Agreement Amendment

The Purchase Agreement Amendment, among other things, conforms the Purchase Agreement to the A&R Note and the PIK Shares and provides that the representations and warranties of the Company and SATS under the Purchase Agreement are made as of the Restatement Date and as of the funding date of each draw. The Registration Rights Agreement Amendment extends SATS's registration rights to the PIK Shares and requires the Company to file a registration statement covering the resale of the PIK Shares within 45 days after each issuance, unless their resale is already covered by an effective registration statement.

Relationship with SATS

SATS is an investment fund managed by Ten 31, LLC, an affiliate of Jonathan Kirkwood, a member of the Company's Board of Directors. The A&R Note, the Purchase Agreement Amendment, the Registration Rights Agreement Amendment and the transactions contemplated thereby were reviewed and approved by the Audit Committee of the Company's Board of Directors, consisting solely of independent directors, in accordance with the Company's Related Party Transaction Policy.

The foregoing descriptions of the Purchase Agreement Amendment, the Registration Rights Agreement Amendment, and the A&R Note do not purport to be complete and are qualified in their entirety by reference to the full text of such documents, copies of which are filed as Exhibits 10.3, 10.4 and 10.5, respectively, to this Quarterly Report on Form 10-Q and are incorporated herein by reference.

Issuance of PIK Shares

The information set forth above under "Amended and Restated SATS Note" is incorporated herein by reference.

On the Restatement Date, the Company committed to issue 1,500,000 shares of Common Stock to SATS as PIK Shares under the A&R Note. The Company may issue additional PIK Shares to SATS in connection with future draws and any extension of the maturity of the A&R Note, as described above. The PIK Shares were and will be issued as consideration for SATS's entry into the A&R Note and the advances made thereunder.

The PIK Shares were and will be issued in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act of 1933, as amended (the "Securities Act"), as transactions by an issuer not involving a public offering. SATS has represented to the Company that it is an "accredited investor" as defined in Rule 501(a) of Regulation D under the Securities Act and that it is acquiring the PIK Shares for investment and not with a view to distribution in violation of the Securities Act. No underwriting discounts or commissions were or will be paid in connection with the issuance of the PIK Shares.

Item 6. Exhibits.

Exhibit Number	Description
2.1	Agreement and Plan of Merger, dated July 24, 2024, by and among FTAC Emerald Acquisition Corp., FTAC EMLD Merger Sub Inc. and Fold, Inc. (incorporated by reference to Annex A to the Company's Registration Statement on Form S-4 filed with the SEC on October 7, 2024).
3.1	Third Amended and Restated Certificate of Incorporation of Fold Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on February 14, 2025).
3.2	Second Amended and Restated Bylaws of Fold Holdings, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on February 14, 2025).
10.1†^	Common Stock Purchase Agreement, dated September 4, 2026, by and between Fold Holdings, Inc. and Roth Principal Investments, LLC (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on September 8, 2026).
10.2†^	Registration Rights Agreement, dated September 4, 2026, by and between Fold Holdings, Inc. and Roth Principal Investments, LLC (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on September 8, 2026).
10.3*	Amendment No. 1 to the Purchase Agreement, dated November 9, 2026, by and between Fold Holdings, Inc. and SATS Credit Fund L.P.
10.4*	Amendment No. 1 to the Registration Rights Agreement, dated November 9, 2026, by and between Fold Holdings, Inc. and SATS Credit Fund L.P.
10.5*^	Amended and Restated Senior Unsecured Promissory Note dated November 9, 2026.
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104*	Cover Page Interactive Data File (embedded within the Inline XBRL document)

*	Filed herewith.
**	Furnished herewith.
†	Certain portions of this exhibit have been redacted pursuant to Item 60(b)(10)(iv) of Regulation S-K. The registrant agrees to furnish supplementally an unredacted copy of the exhibit to the Securities and Exchange Commission upon its request.
^	Certain schedules, exhibits and similar attachments have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company agrees to furnish supplementally a copy of any omitted schedule or attachment to the SEC upon request.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Fold Holdings, Inc.

Date: November 10, 2026

By: /s/ Will Reeves
Will Reeves
Chief Executive Officer
(Principal Executive Officer)

Date: November 10, 2026

By: /s/ Wolfe Repass
Wolfe Repass
Chief Financial Officer
(Principal Accounting Officer)

AMENDMENT NO. 1 TO PURCHASE AGREEMENT

This Amendment No. 1 to Purchase Agreement (this "**Amendment**"), dated as of November 9, 2026, is by and between Fold Holdings, Inc., a Delaware corporation (the "**Company**"), and SATS Credit Fund LP, a Delaware limited partnership (the "**Buyer**" and together with the Company, the "**Parties**" and each a "**Party**").

BACKGROUND

A. The Company and the Buyer are parties to the Purchase Agreement dated as of February 25, 2026 (the "**Purchase Agreement**"), pursuant to which the Buyer purchased from the Company the Note and the Commitment Shares.

B. Concurrently with the execution of this Amendment, the Company is executing and delivering to the Buyer the Amended and Restated Senior Unsecured Promissory Note of the Company dated as of the date hereof (the "**A&R Note**"), which amends and restates the Note in its entirety, and the Company and the Buyer are entering into Amendment No. 1 to the Registration Rights Agreement dated as of the date hereof (the "**RRA Amendment**").

C. Each of the Company and the Buyer is executing and delivering this Amendment in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the 1933 Act, as amended.

D. Pursuant to Section 10(i) of the Purchase Agreement, the Purchase Agreement may be amended only by written agreement of the Parties, and the Parties desire to amend the Purchase Agreement as set forth herein.

AGREEMENT

Now, therefore, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Buyer hereby agree as follows:

1. **Definitions**. Capitalized terms used and not defined herein have the meanings given in the Purchase Agreement or, if not defined therein, in the A&R Note.

2. **Amendments to the Purchase Agreement**. Effective as of the Restatement Date, the Purchase Agreement is amended as follows:

(a) Note. Each reference in the Purchase Agreement to the "Note" shall mean the A&R Note, including all Advances thereunder, and Exhibit A to the Purchase Agreement is replaced with the A&R Note. Recital B is amended and restated in its entirety to read: "B. The Company has authorized an amended and restated senior unsecured promissory note of the Company, in a maximum principal amount of Twenty-Five Million Dollars ($25,000,000), of which Thirteen Million Dollars ($13,000,000) is outstanding on the Restatement Date (as defined therein), substantially in the form attached hereto as Exhibit A (the "Note"), which amends and restates in its entirety the senior unsecured promissory note of the Company dated February 25, 2026."

(b) Recital C. The last three sentences of Recital C are amended and restated in their entirety to read: "The Note provides for the issuance to the Buyer of shares of Common Stock as interest in kind ("PIK Shares") as and when provided therein. The Commitment Shares and the PIK Shares (if and when issued) are collectively referred to herein as the "Aggregate Commitment Shares." The Note (including each Advance thereunder), the Commitment Shares and, upon issuance, the PIK Shares are collectively referred to herein as the "Securities.""

(c) Recital E. Recital E is amended by (i) replacing the words "the Commitment Shares and the Renewal Commitment Shares (if and when issued)" with "the Commitment Shares and the PIK Shares (if

and when issued)" and (ii) replacing the words "the Note and the Commitment Shares shall be" with "the Securities shall be".

(d) Section 1(e) (Renewal Commitment Shares). Section 1(e) is amended and restated in its entirety to read: "PIK Shares. The Company shall issue to the Buyer PIK Shares as and when required by Section 2(f) of the Note. The PIK Shares shall be issued in book-entry form, registered in the name of the Buyer (or its designee) on the Company's share register, and shall bear the restrictive legend set forth in Section 5(b) if there is no registration statement covering the PIK Shares in effect, in which event the PIK Shares shall be subject to the transfer restrictions set forth in Section 5(c). The PIK Shares shall be "Registrable Securities" under the Registration Rights Agreement and shall be entitled to the same registration rights as the Commitment Shares."

(e) Other references to Renewal Commitment Shares. Except as otherwise expressly amended hereby, each other reference in the Purchase Agreement to the "Renewal Commitment Shares," including in Sections 3(d), 3(j), 4(d), 5(c), 5(d), 5(e) and 6 shall be deemed a reference to the PIK Shares.

(f) Section 2 (Buyer's Representations and Warranties).

(i) The lead-in to Section 2 is amended and restated to read: "The Buyer represents and warrants to the Company that, as of the date hereof, as of the Closing Date, as of the Restatement Date and as of each Funding Date (as defined in the A&R Note):". For purposes of each representation and warranty made as of the Restatement Date or any Funding Date, (A) references to the "Securities" include the A&R Note (including each Advance funded on or before such date) and any PIK Shares issued on such date, and (B) references to "the date hereof" mean such date.

(ii) The proviso to the first sentence of Section 2(c) (Investment Purpose) is amended by replacing each reference to "the Commitment Shares" with "the Commitment Shares or the PIK Shares".

(iii) Section 2 is amended by adding the following new Section 2(n):

"(n) Material Non-Public Information. The Buyer acknowledges that it has received and may in the future receive from the Company, including pursuant to Sections 5(k) and 5(l) of the A&R Note, information that constitutes material non-public information concerning the Company. The Buyer shall hold such information in confidence, and is aware of the restrictions imposed by the United States securities laws on any Person who has received material non-public information about the Company from purchasing or selling securities of the Company while in possession of such information. The Buyer's decision to fund any Advance and to acquire any PIK Shares is made on the basis of its own independent evaluation, and, without limiting Section 2(f), the Buyer acknowledges that, except for the representations and warranties expressly set forth in Section 3 and in the other Transaction Documents, the Company has made no representation or warranty in connection therewith."

(g) Section 3 (Representations and Warranties of the Company).

(i) The first sentence of Section 3 is amended and restated to read: "The Company represents and warrants to the Buyer that the following representations are true and correct as of the date hereof, as of the Closing Date, as of the Restatement Date and as of each Funding Date (as defined in the Note)." For purposes of each representation and warranty made as of the Restatement Date or any Funding Date, (A) references to the "Securities" and to the "Commitment Shares" include the A&R Note (including each Advance funded

on or before such date) and the PIK Shares, and (B) references to "the date hereof" and to "the date of this Agreement" mean such date.

(ii) (a) The definition of "Transaction Documents" in Section 3(b) is amended to include this Amendment, the RRA Amendment, each Draw Request and each Draw Approval, and (b) the parenthetical in Section 3(b) in amended and restated in its entirety to read: "(other than applicable filings with the SEC in the ordinary course and any NASDAQ supplemental listing application for the issuance of PIK Shares)"

(iii) Section 3(c) (Issuance of Securities) is amended and restated in its entirety to read: "Issuance of Securities. The issuance of the Note and the Commitment Shares at the Closing is duly authorized. The issuance of the PIK Shares, if and when issued in accordance with the Note, is duly authorized. Upon issuance in accordance with the Transaction Documents, (i) the Note (including each Advance thereunder) shall constitute the valid and binding obligation of the Company, enforceable in accordance with its terms, subject to customary enforceability exceptions, and (ii) the Commitment Shares and the PIK Shares (if and when issued) shall be validly issued, fully paid, and non-assessable, free from all Liens with respect to the issuance thereof, with the holders entitled to all rights accorded to holders of Common Stock. Subject to the accuracy of the Buyer's representations herein, the offer and issuance of the Securities is exempt from registration under the 1933 Act."

(iv) Section 3(d) (No Conflicts) is amended by (A) replacing the words "(including the issuance of the Note and the Commitment Shares)" with "(including the issuance of the Note (and the making of each Advance thereunder), the Commitment Shares and the PIK Shares)" and (B) amending and restating clause (ii) thereof in its entirety to read: "(ii) conflict with, or constitute a default (or an event which with notice or lapse of time or both would become a default) in any respect under, or give to others any rights of termination, amendment, acceleration, or cancellation of, any agreement, indenture, or instrument to which the Company or any of its Subsidiaries is a party, or".

(v) Section 3(f) (Required Consents) is amended and restated in its entirety to read: "Required Consents. No consent, waiver, or approval of any lender, noteholder, or other creditor of the Company or any of its Subsidiaries is required in connection with the execution and delivery of the Transaction Documents, the issuance of the Securities or the making of any Advance under the Note."

(vi) Section 3(g) (No Integrated Offering) is amended to refer to each Advance and each issuance of PIK Shares.

(vii) Section 3(k) (Capitalization) is amended by amending and restating the second and third sentences thereof in their entirety to read: "The Company has sufficient authorized but unissued shares of Common Stock to issue the Commitment Shares and all PIK Shares issuable under the Note, subject to Section 2(g) of the Note, without exceeding the Company's authorized share count. The issuance of the Commitment Shares and the PIK Shares (if and when issued) will not trigger any anti-dilution, adjustment, or similar provision under any existing agreement, instrument, or security of the Company or any of its Subsidiaries."

(vii) Section 3(p) (Expense Reimbursement) is amended by adding the following at the end thereof: "The Company shall also pay the reasonable and documented out-of-pocket legal fees incurred by the Buyer in relation to the preparation, negotiation and completion of Amendment No. 1 to this Agreement, the RRA Amendment (as defined therein) and the

A&R Note (as defined therein), which amount, for the avoidance of doubt, will not exceed Twenty-Five Thousand Dollars ($25,000) in the aggregate. No commitment, undrawn or draw fee shall be payable in connection with the Note."

(h) Section 4(c) (Information Cooperation). The last sentence of Section 4(c) is amended by replacing the words "the Commitment Shares" with "the Commitment Shares or the PIK Shares".

(i) Section 4(f) (Renewal). Section 4(f) is amended and restated in its entirety to read: "*Renewal.* The A&R Note provides the Company with the option to extend the Maturity Date for the Renewal Term in accordance with Section 3(d) of the A&R Note. If the Company exercises such option: (i) the Company shall issue PIK Shares to the Buyer in accordance with Section 2(f)(iii) of the Note; (ii) all covenants, obligations, and terms of the A&R Note and this Agreement shall continue in full force and effect during the Renewal Term; and (iii) Interest shall continue to accrue at the Cash Interest Rate during the Renewal Term." The Company may request that the Holder confirm its representations and warranties in Section 2 of the Purchase Agreement upon renewal of the A&R Note.

(j) Section 6 (Conditions to the Company's Obligation to Sell). The first sentence of Section 6 is amended by deleting the words "(and, if the renewal option is exercised, the Renewal Commitment Shares)".

3. **Conditions to Effectiveness**. The amendments set forth in Section 2 and the A&R Note shall become effective on the date on which each of the following conditions has been satisfied or waived by the Party for whose benefit it exists: (i) execution and delivery of this Amendment, the RRA Amendment and the A&R Note by each party thereto; (ii) approval of the A&R Note and the issuance of the PIK Shares by the Company's Board of Directors and its Audit Committee as related party transactions; (iii) the representations and warranties of each Party in Sections 2 and 3 of the Purchase Agreement, as amended hereby, being true and correct in all material respects as of the Restatement Date; (iv) payment in cash of all Interest accrued and unpaid under the Note through the Restatement Date; and (v) no material adverse change shall have occurred with respect to the Company's financial condition or ability to perform its obligations under the A&R Note since the date of this Amendment.

4. Termination. This Amendment may be terminated by either Party upon written notice to the other Party if the date on which the conditions to effectiveness in Section 3 above have not been satisfied or waived on or before November 9, 2026, in which event the Note (in the form in effect immediately prior to the date hereof), the Purchase Agreement and the Registration Rights Agreement shall continue in full force and effect without amendment.

5. Miscellaneous.

(a) Effect of Amendment. Except as expressly amended hereby, the Purchase Agreement remains in full force and effect. From and after the Restatement Date, each reference in the Purchase Agreement to "this Agreement," "hereunder," "hereof" or words of like import shall mean the Purchase Agreement as amended by this Amendment.

(b) Incorporation by Reference. Section 10 of the Purchase Agreement shall apply to this Amendment, *mutatis mutandis*.

[Signature Page Follows]

In witness whereof, the Buyer and the Company have caused their respective signature page to this Amendment No. 1 to Purchase Agreement to be duly executed as of the date first written above.

COMPANY:

FOLD HOLDINGS, INC.

By: /s/ Will Reeves
Name: Will Reeves
Title: Chief Executive Officer

BUYER:

SATS CREDIT FUND LP
By: SATS Credit Fund GP LLC, its general partner

By: /s/ Jonathan Kirkwood
Name: Jonathan Kirkwood
Title: Managing Member

AMENDMENT NO. 1 TO REGISTRATION RIGHTS AGREEMENT

This Amendment No. 1 to Registration Rights Agreement (this "**Amendment**"), dated as of November 9, 2026, is by and between Fold Holdings, Inc., a Delaware corporation (the "**Company**"), and SATS Credit Fund LP (the "**Holder**").

RECITALS

A. The Company and the Holder are parties to the Registration Rights Agreement dated as of February 25, 2026 (the "**Registration Rights Agreement**"), pursuant to which the Company agreed to provide registration rights with respect to the Commitment Shares and the Renewal Commitment Shares.

B. Concurrently with the execution of this Amendment No. 1 to the Purchase Agreement by the Company and the Holder as of the date hereof (the "**PA Amendment**"), the Company is executing and delivering to the Holder the Amended and Restated Senior Unsecured Promissory Note of the Company dated as of the date hereof (the "**A&R Note**"), which amends and restates the Existing Note in its entirety and provides for the issuance to the Holder of shares of Common Stock as interest in kind in place of the Renewal Commitment Shares.

C. Pursuant to Section 8 of the Registration Rights Agreement, the provisions of the Registration Rights Agreement may be amended only with the written consent of the Company and the Holder, and the Company and the Holder desire to amend the Registration Rights Agreement to extend the registration rights thereunder to the PIK Shares, as set forth herein.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Holder hereby agree as follows:

1. Definitions. Capitalized terms used and not defined herein have the meanings given in the Registration Rights Agreement or, if not defined therein, in the Purchase Agreement (as amended by the PA Amendment) or the A&R Note.

2. Amendments to the Registration Rights Agreement. Effective as of the Restatement Date, the Registration Rights Agreement is amended as follows:

(a) Recital A. Recital A is amended and restated in its entirety to read: "A. In connection with the Purchase Agreement by and between the parties hereto, dated as of February 25, 2026 (as amended by Amendment No. 1 thereto, the "**Purchase Agreement**"), the Company has issued to the Holder (i) the Note (as defined in the Purchase Agreement, and as amended and restated by the Amended and Restated Senior Unsecured Promissory Note of the Company dated as of November 9, 2026) and (ii) 520,000 Commitment Shares (as defined in the Purchase Agreement), and has agreed to issue to the Holder PIK Shares as provided in the Note."

(b) Filing Deadline. Section 1(b) is amended and restated in its entirety to read: "**Filing Deadline**" means, with respect to a Registration Statement required to be filed pursuant to Section 2(a), (i) with respect to the Commitment Shares, the forty-fifth (45th) calendar day following the date of issuance of the Commitment Shares, and (ii) with respect to any PIK Shares, as soon as reasonably practicable (but no later than the forty-fifth (45th) calendar day) following the date of issuance of such PIK Shares; provided, that no Filing Deadline shall apply to any PIK Shares the resale of which is, on the date of their issuance, covered by an effective Registration Statement (including by means of a prospectus supplement or post-effective amendment thereto filed within five (5) Business Days after such date); provided, further, that if the Filing Deadline falls on a Saturday, Sunday or other day that the SEC is closed for business, the Filing Deadline shall be extended to the next Business Day on which the SEC is open for business."

(c) Registrable Securities. Section 1(f) is amended and restated in its entirety to read: " Registrable Securities" means (i) the Commitment Shares and (ii) the PIK Shares, if and when issued; provided, that any such security shall cease to be a Registrable Security upon the earliest of (A) its sale pursuant to an effective Registration Statement, (B) its sale pursuant to Rule 144, and (C) the date on which it may be sold by the Investor holding it without restriction (including the volume and manner-of-sale restrictions and the requirement for current public information under Rule 144)."

(d) PIK Shares. Section 1 is amended by adding the following new Section 1(k): "(k) "PIK Shares" has the meaning set forth in the A&R Note."

(f) Renewal Commitment Shares. All references in the Registration Rights Agreement to "Renewal Commitment Shares" are deleted.

3. Effectiveness; Termination. This Amendment shall become effective upon, and only upon, the satisfaction of the conditions to effectiveness set forth in Section 3 of the PA Amendment. If the PA Amendment is terminated in accordance with its terms before the satisfaction of such conditions,, this Amendment shall automatically terminate and be of no force or effect, and the Registration Rights Agreement shall continue in full force and effect without amendment.

4. Effect of Amendment. Sections 2(b) (Piggyback Registrations), 3 (Related Obligations), 4 (Obligations of the Investors), 5 (Expenses of Registration), 6 (Indemnification) and 7 (Assignment of Registration Rights) of the Registration Rights Agreement apply to the PIK Shares by virtue of their inclusion in Registrable Securities, without further amendment. Except as expressly amended hereby, the Registration Rights Agreement remains in full force and effect. From and after the Restatement Date, each reference in the Registration Rights Agreement to "this Agreement," "hereunder," "hereof" or words of like import shall mean the Registration Rights Agreement as amended by this Amendment.

5. Miscellaneous. Section 9 of the Registration Rights Agreement shall apply to this Amendment, *mutatis mutandis*. This Amendment may be executed in two or more counterparts, all of which shall be considered one and the same agreement, and signatures delivered by electronic mail in portable document format (.pdf) shall be deemed original signatures.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties have caused this Amendment No. 1 to Registration Rights Agreement to be duly executed as of the date first written above.

COMPANY:

FOLD HOLDINGS, INC.

By: /s/ Will Reeves
Name: Will Reeves
Title: Chief Executive Officer

HOLDER:

SATS CREDIT FUND LP
By: SATS Credit Fund GP LLC, its general partner

By: /s/ Jonathan Kirkwood
Name: Jonathan Kirkwood
Title: Managing Member

Signature Page to Amendment No. 1 to Registration Rights Agreement

THE ISSUANCE AND SALE OF THE SECURITIES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR APPLICABLE STATE SECURITIES LAWS. THE SECURITIES MAY NOT BE OFFERED FOR SALE, SOLD, TRANSFERRED OR ASSIGNED (I) IN THE ABSENCE OF (A) AN EFFECTIVE REGISTRATION STATEMENT FOR THE SECURITIES UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR (B) AN OPINION OF COUNSEL TO THE HOLDER (IF REQUESTED BY THE COMPANY), IN A FORM REASONABLY ACCEPTABLE TO THE COMPANY, THAT REGISTRATION IS NOT REQUIRED UNDER SAID ACT OR (II) UNLESS SOLD OR ELIGIBLE TO BE SOLD PURSUANT TO RULE 144 UNDER SAID ACT.

FOLD HOLDINGS, INC.

AMENDED AND RESTATED SENIOR UNSECURED PROMISSORY NOTE

Original Issuance Date: February 25, 2026
Restatement Date: November 9, 2026
Maximum Principal Amount: $25,000,000
Principal Outstanding on the Restatement Date: $13,000,000

For Value Received, Fold Holdings, Inc., a Delaware corporation (the "**Company**"), hereby promises to pay to SATS Credit Fund LP, a Delaware limited partnership, or its registered assigns (the "**Holder**") the aggregate principal amount of all Advances outstanding hereunder not to exceed the Maximum Principal Amount (as defined below) (as reduced pursuant to the terms hereof pursuant to prepayment or otherwise, the "**Principal**") when due, whether upon the Maturity Date, or upon acceleration or otherwise (in each case in accordance with the terms hereof) and to pay interest ("**Interest**") on any outstanding Principal at the Cash Interest Rate (as defined below) from the Funding Date of each Advance until the same becomes due and payable, whether upon the Maturity Date or upon acceleration or otherwise (in each case in accordance with the terms hereof), and to issue PIK Shares (as defined below) in accordance with the terms hereof. Certain capitalized terms used herein are defined in Section 12.

WHEREAS, the Company and the Holder entered into that certain Purchase Agreement, dated as of February 25, 2026 (as amended by Amendment No. 1 thereto dated as of the Restatement Date (the "**Amendment No. 1 to Purchase Agreement**"), the "**Purchase Agreement**"), pursuant to which the Holder purchased, for the purchase price of $13,000,000, the Senior Unsecured Promissory Note of the Company dated February 25, 2026 (the "**Existing Note**") and 520,000 shares of Common Stock (the "**Initial Commitment Shares**") from the Company;

WHEREAS, the Company and the Holder entered into that certain Registration Rights Agreement dated as of February 25, 2026, pursuant to which the Company agreed to register the resale of the Initial Commitment Shares, and concurrently herewith are entering into Amendment No. 1 thereto, which extends such registration rights to the PIK Shares (such Registration Rights Agreement, as so amended, the "**Registration Rights Agreement**");

WHEREAS, the Existing Note provided that it may be renewed upon the issuance of an additional 520,000 shares of Common Stock (the "**Additional Commitment Shares**"), and the Company and the Holder desire that such renewal mechanism and the Additional Commitment Shares be replaced by the 1,500,000 shares of Common Stock provided herein;

WHEREAS, pursuant to the Registration Rights Agreement, the Company shall commit to registering the PIK Shares issued pursuant to Section 2(f)(i)-(iii) hereof with the Securities and Exchange Commission pursuant to a Registration Statement as soon as reasonably practicable after each issuance of PIK Shares to the Holder, as consideration of the Holder entering into the Amendment No. 1 to Purchase Agreement and this Note (as defined below) and

WHEREAS, the Company and the Holder desire to amend and restate the Existing Note in its entirety to, among other things, (i) continue the $13,000,000 outstanding principal amount of the Existing Note as the Rollover Amount, (ii) provide for additional Advances of up to $12,000,000 upon the mutual agreement of the Company and the Holder, and (iii) extend the maturity hereof, in each case on the terms set forth herein (this "**Note**").

NOW, in consideration of the mutual promises and undertaking set out herein and for other good and valuable consideration, the receipt of which is hereby acknowledged, IT IS AGREED BY THIS NOTE that the Existing Note is hereby amended and restated in its entirety as follows:

1. Payments of Principal; Advances

(a) Payments of Principal. On the Maturity Date, the Company shall pay to the Holder all outstanding Principal, together with all accrued and unpaid Interest thereon, in cash by wire transfer of immediately available funds to an account designated by the Holder in writing. All payments of Principal and Interest under this Note shall be made in lawful money of the United States of America, except as provided in Section 3(b).

(b) Facility. This Note evidences a senior unsecured delayed-draw term facility in an aggregate funded principal amount not to exceed $25,000,000 (the "**Maximum Principal Amount**"), consisting of (i) $13,000,000, being the outstanding principal amount of the Existing Note on the date set forth above as the Restatement Date (the "**Restatement Date**"), which is continued hereunder and shall be deemed an Advance made on the Restatement Date (the "**Rollover Amount**"), and (ii) up to $12,000,000 of additional principal (the "**Incremental Amount**"), which may be advanced in one or more draws in accordance with Section 1(c) (the Rollover Amount and each such draw, an "**Advance**"). Amounts repaid or prepaid hereunder may not be reborrowed.

(c) Draws; Mutual Agreement. Each draw of the Incremental Amount shall require the mutual written agreement of the Company and the Holder at the time of such draw. The Incremental Amount is uncommitted, the Holder may approve or decline any Draw Request in its sole and absolute discretion, and no Draw Request shall create any obligation of the Holder to make any Advance. The Company may request a draw by delivering to the Holder a written request substantially in the form of Exhibit A (a "**Draw Request**") not less than ten (10) Business Days prior to the proposed Funding Date, stating the amount requested, the proposed Funding Date and the intended use of proceeds which the Holder may approve or decline to fund in its sole and absolute discretion. Each draw shall be in a minimum amount of $1,000,000 and in integral multiples of $500,000.

(d) Conditions to Each Draw. The funding of each draw of the Incremental Amount shall be subject to the satisfaction of the following conditions on the date of the Draw Request and on the Funding Date: (i) no Event of Default, or event that, with the passage of time or giving of notice or both, would constitute an Event of Default, shall have occurred and be continuing or would result from such draw; (ii) the representations and warranties of the Company contained in Section 3 of the Purchase Agreement, as made on such date in accordance with Section 3 of the Purchase Agreement, shall be true and correct in all material respects as of such date (except for representations and warranties that speak as of a specific date, which shall be true and correct as of such specific date), and the Company shall have so certified in the Draw Request; (iii) the representations and warranties of the Holder contained in Section 2 of the Purchase Agreement, as made on the Funding Date in accordance with Section 2 of the Purchase Agreement, shall be true and correct in all material respects as of the Funding Date, and the Holder shall have so certified in a Draw Approval (as defined below); (iv) the Company shall issue the PIK Shares required under Section 2(f)(ii) on the Funding Date (or such later date as the Holder may agree in its sole and absolute discretion), and such PIK Shares shall be registered pursuant to a Registration Statement; and (v) the Holder shall have

approved such draw by delivering to the Company a written approval substantially in the form of Exhibit B (a "**Draw Approval**").

(e) Availability Period. Draw Requests may be delivered only during the period from the Restatement Date until the date that is sixty (60) days prior to the Maturity Date then in effect (the "**Availability Period**"); *provided*, that the Availability Period shall terminate upon the occurrence of any Event of Default or upon the prepayment in full of the outstanding Principal. If the Maturity Date is extended pursuant to Section 3(d), the Availability Period shall extend to the date that is sixty (60) days prior to the extended Maturity Date. Any portion of the Incremental Amount not drawn by the end of the Availability Period shall be cancelled.

(f) Records. Each Advance and each payment of Principal shall be recorded in the register maintained pursuant to Section 7(g), which shall be conclusive absent manifest error; *provided*, that any failure to so record shall not affect the obligations of the Company hereunder. Each Advance shall be evidenced by this Note, and no new note, amendment or restatement of this Note, or other instrument, shall be required in connection with any Advance.

2. Interest

(a) Cash Interest. Interest shall accrue on the outstanding Principal at the rate of ten percent (10.0%) per annum (the "**Cash Interest Rate**"). Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on each Advance shall accrue from its Funding Date.

(b) Payment of Interest. Accrued Interest shall be payable monthly in arrears, in cash, on or before the fifth (5th) Business Day of each calendar month (each, an "**Interest Payment Date**"), commencing on the first such date following the Restatement Date. Interest accrued but unpaid on any Interest Payment Date shall continue to accrue and shall be payable on the next succeeding Interest Payment Date or on the Maturity Date, whichever is earlier.

(c) Default Interest. Upon the occurrence and during the continuance of an Event of Default, the outstanding Principal shall bear interest at a rate per annum equal to the Interest which would have otherwise been earned through the Maturity Date.

(d) Business Day Convention. Whenever any amount expressed to be due by the terms of this Note is due on any day which is not a Business Day, the same shall instead be due on the next succeeding day which is a Business Day.

(e) Tax Withholding. All payments of Principal and Interest under this Note shall be made without deduction or withholding for any taxes, except as required by applicable law. If the Company is required by applicable law to deduct or withhold any tax from any payment of Principal or Interest, the Company shall make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant taxing authority in accordance with applicable law.

(f) PIK Fee. In addition to the Interest payable under Section 2(a), the Company shall pay amounts in kind equal to the amounts noted in clauses (i) – (iii) below ("**PIK Fees**"), payable by the issuance to the Holder of shares of Common Stock ("**PIK Shares**") having a value (the "**PIK Value**") as follows:

(i) within fifteen (15) days of the Restatement Date, 1,500,000 shares of Common Stock of the Company, which shall constitute the renewal of the Rollover Amount for a further annual period and shall be in lieu of the Additional Commitment Shares;

(ii) on the Funding Date of each draw of the Incremental Amount, the number of PIK Shares that equate to a PIK Value of 7.0% of the amount so drawn; and

(iii) on the first day of the Renewal Term, the number of PIK Shares that equate to a PIK Value of 7.0% of all Principal outstanding on such day.

The number of PIK Shares to be issued on any date shall equal the applicable PIK Value divided by the volume-weighted average price of the Common Stock on the Eligible Market on which it is then listed for the thirty (30) consecutive Trading Days prior to the Restatement Date, rounded down to the nearest whole share, with any fractional share paid in cash. PIK Shares shall be fully earned when issued, shall not be prorated for draws made part-way through any annual period and shall not be rebated upon any prepayment or at maturity. No PIK Fee shall be payable on undrawn amounts. PIK Fees shall not be added to Principal, and Interest shall accrue on Principal only. PIK Shares shall be validly issued, fully paid and non-assessable, free from all Liens other than restrictions on transfer under applicable securities laws, and shall constitute "Registrable Securities" under the Registration Rights Agreement (as amended by Amendment No. 1 thereto), the resale of which the Company shall register in accordance with the Registration Rights Agreement. If the Company is unable to issue or deliver any PIK Shares when due for any reason (including by reason of Section 2(g) hereof or the Common Stock ceasing to be listed on an Eligible Market), the Company shall pay the corresponding PIK Value to the Holder in cash on the same date.

(g) Exchange Cap. For the avoidance of all doubt, the Company shall not issue any PIK Shares or other shares of Common Stock to the extent that such issuance, together with all other issuances of Common Stock to the Holder and its affiliates that are aggregated therewith under the rules of the Eligible Market on which the Common Stock is then listed, would require approval of the Company's stockholders under such rules, unless such approval has been obtained.

3. Prepayment

(a) Voluntary Prepayment. The Company may prepay all or any part of the outstanding principal at any time, from time to time, without any premium or penalty, in minimum amounts of $1,000,000 in the case of any partial prepayment, provided that if the aggregate outstanding principal amount is less than $1,000,000, the Company may prepay the entire outstanding principal amount. Any such prepayment must include all accrued and unpaid interest on the prepaid amount through and including the date of prepayment and must be preceded by at least five (5) Business Days' prior written notice to the Holder. Any partial prepayment shall be applied first to accrued and unpaid Interest, then to outstanding Principal. For the avoidance of doubt, upon any prepayment of all or any portion of the Principal, the Company shall have no obligation to pay Interest on the amount so prepaid for any period following the date of such prepayment, and no PIK Shares previously issued shall be rebated.

(b) Mandatory Prepayment. If the Bitcoin VWAP is equal to or less than a Trigger Price set forth in the table below (each, a "**Prepayment Trigger Event**"), the Holder may, by written notice to the Company delivered simultaneously to legal@foldapp.com and finance@foldapp.com (a "**Prepayment Trigger Notice**"), require the Company to prepay outstanding Principal in the corresponding amount set forth opposite such Trigger Price (each, a "**Triggered Prepayment Amount**"), together with all accrued and unpaid Interest on the amount so prepaid through and including the date of such prepayment:

Trigger Price (Bitcoin VWAP)	Triggered Prepayment Amount
Tier 1: $45,000 (based on 12h Bitcoin VWAP)	Up to 25% of the outstanding principal amount plus all accrued and unpaid Interest
Tier 2: $40,000 (based on 6h Bitcoin VWAP)	Up to 50% of the outstanding principal amount plus all accrued and unpaid Interest
Tier 3: $37,000 (based on Coinmarketcap BTC Price)	Up to 100% of the outstanding principal amount plus all accrued and unpaid Interest

The Company shall pay the applicable Triggered Prepayment Amount within ten (10) hours following receipt of the Prepayment Trigger Notice; *provided*, that if the Prepayment Trigger Notice is received

outside of Business Hours, the time period for repayment shall commence at 8:00 a.m. Eastern Time on the next Business Day. Payment shall be made by wire transfer of immediately available funds (in U.S. dollars) to a bank account designated by the Holder in such Prepayment Trigger Notice or, solely at the Company's option, by delivery of bitcoin to the Holder's Bitcoin Address provided by the Holder, valued at the applicable Trigger Price. In the event the Company elects to deliver bitcoin in satisfaction of a Triggered Prepayment Amount, the Principal under this Note shall be reduced by the corresponding U.S. dollar cash value of the bitcoin so delivered. Each Prepayment Trigger Notice shall specify the applicable Trigger Price, the Trading Day on which the Prepayment Trigger Event occurred, the corresponding Triggered Prepayment Amount, and the bitcoin equivalent amount for any Triggered Prepayment Amount. For the avoidance of doubt, each Trigger Price may only be exercised once with respect to the Principal outstanding at the time of such exercise, and any Triggered Prepayment Amount previously paid in respect of a given Trigger Price shall not be required to be paid again; provided, however, in the event that an Advance is made after such Trigger Price is exercised, that Trigger Price may only be exercised with respect to the principal underlying such later Advance if such Advance was made at a time the bitcoin VWAP exceeded such Trigger Price. In the event a Prepayment Trigger Notice is delivered as a result of decreasing bitcoin prices while another Prepayment Trigger Notice is in effect and has not yet been repaid, the Prepayment Trigger Notice resulting from the lowest Trigger Price shall govern with respect to the amount to be repaid but shall not extend the time period for repayment. For example, if a Prepayment Trigger Notice as a result of the bitcoin price reaching Tier 3 ($37,000 or less) is issued at 10:00 a.m. Eastern Time after another Prepayment Trigger Notice as a result of the bitcoin price reaching Tier 2 ($40,000 or less) was issued previously at 9:00 a.m. Eastern Time, the prepayment requirements with respect to the outstanding principal amount to be repaid pursuant to the Tier 3 Prepayment Trigger Notice (in this case, 100%) shall govern but the time for repayment shall not be extended by the issuance of such Tier 3 Prepayment Notice beyond the time period for prepayment under the Tier 2 Prepayment Notice (which is 7:00 p.m.), and as a result 100% of outstanding principal amount must be prepaid by 7:00 p.m. Eastern Time. A Prepayment Trigger Notice must be delivered no later than one (1) Business Day following the day on which the applicable Prepayment Trigger Event occurred.

(c) Change of Control. Upon the occurrence of a Change of Control (as defined in Section 12), the Holder may require Company to prepay the outstanding Principal, together with all accrued and unpaid Interest and all other amounts payable under this Note, in cash by wire transfer of immediately available funds to an account designated by the Holder in writing on the Business Day immediately preceding the consummation of such Change of Control.

(d) Renewal. The Company may, at its election, extend the Maturity Date for one (1) additional period of twelve (12) months (the "**Renewal Term**") by written notice to the Holder delivered not later than thirty (30) days prior to the Initial Maturity Date (a "**Renewal Notice**"). Upon delivery of a Renewal Notice, the Maturity Date shall be extended to the last day of the Renewal Term automatically on the Initial Maturity Date, without the consent of the Holder or any change in the terms hereof, *provided* that (i) no Event of Default has occurred and is continuing on the Initial Maturity Date and (ii) the Company issues the PIK Shares required under Section 2(f)(iii) (or pays the corresponding PIK Value in cash in accordance with Section 2(f)) on the first day of the Renewal Term. All covenants, obligations and terms of this Note and the Purchase Agreement shall continue in full force and effect during the Renewal Term.

4. Ranking; Unsecured Obligation

This Note shall not become effective as an amendment and restatement of the Existing Note unless and until the conditions set forth in Section 3 of Amendment No. 1 to the Purchase Agreement have been satisfied or waived, and until such time the Existing Note shall remain in full force and effect. The proceeds of each Advance of the Incremental Amount shall be applied by the Company solely for working capital and general corporate purposes, including growth of the Company's credit card program and program reserves required by its partners, and shall not be used to acquire bitcoin for treasury purposes, to repurchase

or redeem any Equity Interests of the Company, or to repay any other Indebtedness other than in the ordinary course of business. This Note shall constitute a senior unsecured obligation of the Company, ranking (i) senior in right of payment to all existing and future Indebtedness of the Company and its Subsidiaries that is expressly subordinated in right of payment to this Note, and (ii) pari passu in right of payment with all existing and future unsecured, unsubordinated Indebtedness of the Company. This Note is an unsecured obligation. The Holder has no lien on, security interest in, or other encumbrance upon any assets or properties of the Company or any of its Subsidiaries in respect of the obligations under this Note, and no guarantee or account control agreement is granted in respect thereof.

5. Covenants

So long as any Principal or Interest remains outstanding under this Note, the Company covenants and agrees as follows:

(a) Incurrence of Indebtedness. Without the consent of the Holder, the Company shall not, and shall cause each of its Subsidiaries not to, directly or indirectly incur, assume, guarantee, or otherwise become liable for any future Indebtedness subsequent to the Original Issuance Date that is in an aggregate principal amount exceeding $25,000,000 (the "**Permitted Debt Cap**"). For the purpose of calculating the Permitted Debt Cap, the following shall be excluded: (i) guarantees of Indebtedness or any other Indebtedness incurred for the purpose of operating the Company's credit card program, including for credit facilities to fund receivables or bank reserves, which, notwithstanding anything to the contrary elsewhere in this Note, such credit card program related credit facilities may be secured by a first priority lien on (a) credit card receivables or (b) the Company's bitcoin; and (ii) Indebtedness under this Note, including all Advances made hereunder. For the avoidance of doubt, nothing in this Section 5 or elsewhere in this Note shall prohibit or restrict any liens, including first priority liens, securing indebtedness excluded from the Permitted Debt Cap under Section 5(a)(i), provided, however, that any Indebtedness secured by a lien (other than such Indebtedness referenced in Section 5(a)(i) hereof) shall not be excluded and shall count towards the Permitted Debt Cap.

(b) Preservation of Existence. The Company shall maintain and preserve its corporate existence, rights, and privileges, and become or remain duly qualified and in good standing in each jurisdiction in which the character of the properties owned or leased by it or in which the transaction of its business makes such qualification necessary; *provided*, that a wholly-owned Subsidiary may merge or consolidate into the Company or another wholly-owned Subsidiary.

(c) Compliance with Laws. The Company and its Subsidiaries shall comply with all applicable laws, rules, regulations, and orders in all material respects, and shall maintain all permits, licenses, and authorizations necessary to conduct their respective businesses, except where the failure to do so would not reasonably be expected to have a Material Adverse Effect.

(d) Taxes. The Company and its Subsidiaries shall pay when due all material taxes, fees, or other charges of any nature whatsoever (together with any related interest or penalties) now or hereafter imposed or assessed against the Company and its Subsidiaries, except where (i) the failure to pay would not, individually or in the aggregate, have a Material Adverse Effect on the Company or any of its Subsidiaries, or (ii) such taxes are being contested in good faith by appropriate proceedings and for which adequate reserves have been set aside in accordance with GAAP.

(e) Financial Reporting. So long as the Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the "**1934 Act**"), the Company shall timely file all periodic reports required thereunder (giving effect to any permissible extensions in accordance with Rule 12b-25 under the 1934 Act). If the Company ceases to comply with such reporting requirements, the Company shall provide to the Holder: (i) audited annual financial statements within ninety (90) days of each fiscal

year-end, and (ii) unaudited quarterly financial statements within forty-five (45) days of each fiscal quarter-end, in each case prepared in accordance with GAAP.

(f) Notice of Default. The Company shall provide prompt written notice to the Holder (and in any event within two (2) Business Days) of the occurrence of any Event of Default or any event that, with the passage of time or giving of notice or both, would constitute an Event of Default, together with a description of the nature thereof and the steps, if any, being taken to cure such default.

(g) Books and Records. The Company will keep proper books of record and account, in which full and correct entries shall be made of all financial transactions and the assets and business of the Company and its Subsidiaries in accordance with GAAP.

(h) Restricted Payments. The Company shall not declare or pay any dividend or other distribution on, or repurchase or redeem, any of its Equity Interests, other than dividends payable solely in Common Stock and repurchases of Equity Interests from employees solely in connection with tax withholding upon the vesting of equity awards.

6. Events of Default

(a) Events of Default. Each of the following events shall constitute an "**Event of Default**":

(i) Payment Default. The Company fails to pay (A) any amount of Principal when due, or (B) any amount of Interest when due, and such failure continues for three (3) Business Days after the date on which such payment was due.

(ii) Covenant Default. The Company breaches any covenant or material agreement contained in this Note or the Purchase Agreement (other than those covered by clause (vii) below) and such breach, if curable, remains uncured for a period of ten (10) consecutive calendar days after the earlier of (x) the date of receipt by the Company of written notice from the Holder specifying such breach and (y) the date the Company obtains knowledge of such breach.

(iii) Bankruptcy. (A) The Company or any material Subsidiary commences a voluntary case or proceeding under any applicable federal, state, or foreign bankruptcy, insolvency, reorganization, or other similar law, or consents to the entry of an order for relief in an involuntary case under any such law, or consents to the appointment of or taking possession by a receiver, trustee, assignee, custodian, liquidator, sequestrator, or similar official of the Company or any material Subsidiary or of any substantial part of the property of the Company or any material Subsidiary, or makes a general assignment for the benefit of creditors, or fails generally to pay its debts as they become due; or (B) an involuntary case or proceeding is commenced against the Company or any material Subsidiary under any applicable federal, state, or foreign bankruptcy, insolvency, reorganization, or other similar law, and such case or proceeding remains undismissed for a period of sixty (60) consecutive days.

(iv) Delisting. The Common Stock (as defined in Section 12) ceases to be listed or quoted on an Eligible Market for a period of ten (10) consecutive Trading Days.

(v) Cross-Default. The Company or any Subsidiary fails to pay any principal, interest, fee or any other amounts payable with respect to any other Indebtedness having an aggregate principal amount exceeding $1,000,000 when due (following any applicable notice or grace periods), or any event occurs that enables the holder of such Indebtedness to accelerate the maturity thereof.

(vi) Breach of Representation. Any representation or warranty made by the Company in the Purchase Agreement, any Draw Request, or any certificate delivered pursuant to this Note proves to have been untrue in any material respect when made or deemed made.

(vii) PIK Default. The Company fails to issue any PIK Shares when due and fails to pay the corresponding PIK Value in cash in accordance with Section 2(f), and such failure continues for three (3) Business Days.

(b) Remedies Upon Event of Default. Upon the occurrence and during the continuance of an Event of Default and after any applicable notice and cure period, the Availability Period shall terminate and:

(i) Acceleration. The Holder may, by written notice to the Company, declare all outstanding Principal, accrued and unpaid Interest, and all other amounts payable under this Note to be immediately due and payable in cash, without presentment, demand, protest, or other notice of any kind, all of which are hereby expressly waived by the Company.

(ii) Other Remedies. The Holder shall have all rights and remedies available under this Note, the Purchase Agreement, and applicable law, including the right to seek specific performance and injunctive relief. The remedies provided herein shall be cumulative and not exclusive of any other remedies available at law or in equity.

7. Transfer; Reissuance

(a) Transfer Restrictions. The Holder may assign or transfer this Note, in whole or in part, without the consent of the Company to (i) any affiliate or affiliated fund of the Holder, (ii) any person that is not a "United States person" within the meaning of Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended (the "**Code**"), or (iii) any "qualified institutional buyer" within the meaning of Rule 144A under the Securities Act of 1933, as amended, and may otherwise assign or transfer this Note, in whole or in part, with the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned, or delayed); *provided*, that (A) such transfer complies with all applicable laws, including applicable securities laws, (B) the transferee agrees in writing to be bound by the terms of this Note and the Purchase Agreement, and (C) the Holder provides written notice to the Company within five (5) Business Days of such transfer; *provided*, *further*, that in the event of any transfer or assignment of this Note, the mandatory prepayment right described in Section 3(b) herein shall not transfer to any assignee or transferee without the prior written consent of the Company (such consent not to be unreasonably withheld, conditioned, or delayed) explicitly approving the assignment or transfer of that right. For the avoidance of doubt, the Company's consent to the assignment or transfer to the Note as a whole shall not be deemed to be consent to the assignment or transfer of the right described in Section 3(b) unless the Company explicitly states so in such consent.

(b) Mechanics of Transfer. If this Note is to be transferred in accordance with Section 7(a), the Holder shall surrender this Note to the Company, whereupon the Company will forthwith issue and deliver upon the order of the Holder a new Note (in accordance with Section 7(e)), representing the outstanding Principal being transferred by the Holder and, if less than the entire outstanding Principal is being transferred, a new Note (in accordance with Section 7(e)) to the Holder representing the outstanding Principal not being transferred.

(c) Lost, Stolen or Mutilated Note. Upon receipt by the Company of evidence reasonably satisfactory to the Company of the loss, theft, destruction, or mutilation of this Note (as to which a written certification and the indemnification contemplated below shall suffice as such evidence), and, in the case of loss, theft, or destruction, of any indemnification undertaking by the Holder to the Company in customary and reasonable form, and, in the case of mutilation, upon surrender and cancellation of this Note, the

Company shall execute and deliver to the Holder a new Note (in accordance with Section 7(e)) representing the outstanding Principal.

(d) Note Exchangeable for Different Denominations. This Note is exchangeable, upon the surrender hereof by the Holder at the principal office of the Company, for a new Note or Notes (in accordance with Section 7(e) and in principal amounts of at least $1,000,000) representing in the aggregate the outstanding Principal of this Note, and each such new Note will represent such portion of such outstanding Principal as is designated by the Holder at the time of such surrender.

(e) Issuance of New Notes. Whenever the Company is required to issue a new Note pursuant to the terms of this Note, such new Note (i) shall be of like tenor with this Note, (ii) shall represent, as indicated on the face of such new Note, the Principal remaining outstanding (or in the case of a new Note being issued pursuant to Section 7(b) or Section 7(d), the Principal designated by the Holder which, when added to the Principal represented by the other new Notes issued in connection with such issuance, does not exceed the Principal remaining outstanding under this Note immediately prior to such issuance of new Notes), (iii) shall have an issuance date, as indicated on the face of such new Note, which is the same as the Original Issuance Date of this Note, and shall indicate the Restatement Date and the Funding Date and outstanding Principal of each Advance represented thereby, (iv) shall have the same rights and conditions as this Note, (v) shall represent accrued and unpaid Interest on the Principal represented thereby from the later of the Funding Date of each Advance represented thereby and the last date through which Interest has been paid in full, and (vi) shall evidence any portion of the undrawn Incremental Amount only if, and to the extent, so designated by the Holder with the prior written consent of the Company; any undrawn Incremental Amount not so designated shall remain available only under the Note retained by the Holder, and in no event shall the sum of the outstanding Principal and the undrawn Incremental Amount under all Notes exceed the Maximum Principal Amount.

(f) Company Assignment. The Company may not assign its obligations under this Note without the prior written consent of the Holder.

(g) Register. The Company shall maintain the register for this Note in accordance with Section 5(a) of the Purchase Agreement, which shall record, in addition, each Advance, each payment of Principal and the Principal held by each holder. No transfer of any interest in this Note shall be effective until recorded in such register.

(h) Participations. The Holder may sell participations in all or any portion of this Note without the consent of the Company; *provided*, that the Company shall continue to deal solely with the Holder, and the Holder shall maintain a register of participants in a manner consistent with this Note being in registered form.

(i) Information Cooperation. The Company shall provide such information as the Holder may reasonably request for disclosure to existing and prospective assignees and participants and in connection with any securitization or tokenization of interests in this Note, subject to customary confidentiality undertakings and the Company's obligations under Regulation FD.

(j) Tax Forms. Each Holder and participant shall deliver to the Company, on or prior to becoming a Holder or participant and thereafter upon request, a properly completed and executed IRS Form W-9 or applicable IRS Form W-8.

8. Noncircumvention

The Company hereby covenants and agrees that the Company will not, by amendment of its Certificate of Incorporation, Bylaws, or through any reorganization, transfer of assets, consolidation, merger, dissolution, or any other voluntary action, avoid or seek to avoid the observance or performance of

any of the terms of this Note, and will at all times carry out all of the provisions of this Note and take all action as may be required to protect the rights of the Holder under this Note.

9. Amendments

No provision of this Note may be amended, modified, or waived except by an instrument in writing signed by the Company and the Holder (or, if there is more than one Holder, Holders of more than fifty percent (50%) of the outstanding Principal; *provided*, that any change to the amount, timing or rate of any payment shall require the consent of each affected Holder). Any amendment, modification, or waiver so effected shall be binding upon the Company, the Holder, and each future holder of this Note.

10. Remedies; Characterization; Waivers

(a) Cumulative Remedies. The remedies provided in this Note shall be cumulative and in addition to all other remedies available under this Note, at law, or in equity (including a decree of specific performance and/or other injunctive relief), and nothing herein shall limit the Holder's right to pursue actual and consequential damages for any failure by the Company to comply with the terms of this Note. No failure on the part of the Holder to exercise, and no delay in exercising, any right, power, or remedy hereunder shall operate as a waiver thereof; nor shall any single or partial exercise by the Holder of any right, power, or remedy preclude any other or further exercise thereof or the exercise of any other right, power, or remedy. No waiver shall be effective unless it is in writing and signed by an authorized representative of the waiving party.

(b) Characterization. The Company covenants to the Holder that there shall be no characterization concerning this instrument other than as expressly provided herein. Amounts set forth or provided for herein with respect to payments and the like (and the computation thereof) shall be the amounts to be received by the Holder and shall not, except as expressly provided herein, be subject to any other obligation of the Company (or the performance thereof).

(c) Waiver of Notice. To the extent permitted by law, the Company hereby irrevocably waives demand, notice, presentment, protest, and all other demands and notices in connection with the delivery, acceptance, performance, default, or enforcement of this Note and the Purchase Agreement.

11. Miscellaneous

(a) Governing Law. This Note shall be construed and enforced in accordance with, and all questions concerning the construction, validity, interpretation, and performance of this Note shall be governed by, the internal laws of the State of New York, without giving effect to any provision or rule (whether of the State of New York or any other jurisdiction) that would cause the application of the laws of any jurisdiction other than the State of New York.

(b) Jurisdiction. The Company hereby irrevocably submits to the exclusive jurisdiction of the state and federal courts sitting in the City of New York and the State of New York for the adjudication of any dispute hereunder or in connection herewith or with any transaction contemplated hereby or discussed herein, and hereby irrevocably waives, and agrees not to assert in any suit, action, or proceeding, any claim that it is not personally subject to the jurisdiction of any such court, that such suit, action, or proceeding is brought in an inconvenient forum, or that the venue of such suit, action, or proceeding is improper. Nothing contained herein shall be deemed to limit in any way any right to serve process in any manner permitted by law.

(c) Jury Trial Waiver. THE COMPANY AND THE HOLDER HEREBY KNOWINGLY, VOLUNTARILY, AND INTENTIONALLY WAIVE THE RIGHT EACH MAY HAVE TO A TRIAL

BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF, UNDER, OR IN CONNECTION WITH THIS NOTE OR ANY TRANSACTION DOCUMENT OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN), OR ACTIONS OF ANY PARTY. THIS WAIVER IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS NOTE.

(d) Notices. Whenever notice is required to be given under this Note, unless otherwise provided herein, such notice shall be given in accordance with the Purchase Agreement. The Company shall provide the Holder with prompt written notice of all actions taken pursuant to this Note, including in reasonable detail a description of such action and the reason therefor.

(e) Cancellation. After all Principal, accrued Interest, and other amounts at any time owed on this Note have been paid in full and the Availability Period has terminated, this Note shall automatically be deemed canceled, shall be surrendered to the Company for cancellation, and shall not be reissued.

(f) Construction; Headings. This Note shall be deemed to be jointly drafted by the Company and the initial Holder and shall not be construed against any such Person as the drafter hereof. The headings of this Note are for convenience of reference and shall not form part of, or affect the interpretation of, this Note. Unless the context clearly indicates otherwise, each pronoun herein shall be deemed to include the masculine, feminine, neuter, singular, and plural forms thereof. The terms "including," "includes," "include" and words of like import shall be construed broadly as if followed by the words "without limitation." The terms "herein," "hereunder," "hereof" and words of like import refer to this entire Note instead of just the provision in which they are found. Unless expressly indicated otherwise, all section references are to sections of this Note.

(g) Severability. If any provision of this Note is prohibited by law or otherwise determined to be invalid or unenforceable by a court of competent jurisdiction, the provision that would otherwise be prohibited, invalid, or unenforceable shall be deemed amended to apply to the broadest extent that it would be valid and enforceable, and the invalidity or unenforceability of such provision shall not affect the validity of the remaining provisions of this Note so long as this Note as so modified continues to express, without material change, the original intentions of the parties as to the subject matter hereof.

(h) Maximum Payments. Nothing contained herein shall be deemed to establish or require the payment of a rate of interest or other charges in excess of the maximum rate permitted by applicable law. In the event that the rate of interest required to be paid or other charges hereunder exceed the maximum rate permitted by applicable law, any payments in excess of such maximum rate shall be credited against amounts owed by the Company to the Holder and thus refunded to the Company.

(i) No Personal Liability. No recourse under this Note or under any document or instrument delivered in connection herewith or therewith shall be had against any past, present, or future shareholder, employee, officer, or director of the Company or of any predecessor or successor entity of the Company, either directly or through the Company or any predecessor or successor entity of the Company, whether by virtue of any statute or rule of law, enforcement of any assessment, or penalty or otherwise, all such liability being expressly waived and released by the acceptance of this Note by the Holder and as part of the consideration for the issuance of this Note.

(j) No Equity Rights; Non-Convertibility. This Note is not convertible into or exchangeable for any of the equity securities, other securities, or assets of the Company or any Subsidiary of the Company. Nothing contained in this Note shall be construed as conferring upon the Holder, prior to or after repayment of this Note, the right to vote or to consent or to receive notice as a stockholder of the Company in respect of meetings of stockholders for the election of directors of the Company or any other matter, or any other rights whatsoever as a stockholder of the Company. The Holder, solely by virtue of holding this Note, shall have no equity interest in the Company and no rights as a stockholder of the Company. The foregoing shall

not limit the Company's obligation to issue PIK Shares hereunder or the Holder's rights as a holder of any PIK Shares or Initial Commitment Shares.

(k) Amendment and Restatement. This Note amends and restates the Existing Note in its entirety as of the Restatement Date, and the indebtedness evidenced by the Existing Note is continued hereby and is not repaid, extinguished or novated. On the Restatement Date, the Company shall pay to the Holder in cash all Interest accrued and unpaid under the Existing Note through the Restatement Date. The Initial Commitment Shares, and the registration rights of the Holder with respect thereto, are not affected hereby. The Additional Commitment Shares (as defined in the Existing Note) shall not be issued and shall be replaced by the PIK Shares issued as described herein pursuant to Section 2(f)(i) hereof.

12. Definitions

As used in this Note, the following terms shall have the following meanings:

A. "**12h Bitcoin VWAP**" means, with respect to any time of determination, the volume-weighted average Coinmarketcap BTC Price for the twelve (12) hour period ending at such time.

B. "**6h Bitcoin VWAP**" means, with respect to any time of determination, the volume-weighted average Coinmarketcap BTC Price for the six (6) hour period ending at such time.

C. "**Bitcoin Address**" means an identifier of alphanumeric characters that represents a digital identity or destination for a transfer of bitcoin.

D. "**Bitcoin VWAP**" means, with respect to each Trigger Price, the measure of the bitcoin price specified opposite such Trigger Price in the table in Section 3(b).

E. "**Business Day**" means any day other than a Saturday, Sunday, or other day on which commercial banks are authorized or required by law to remain closed, or in fact closed, in the State of New York.

F. "**Business Hours**" means between the hours of 8:00 am to 8:00 pm Eastern Time on a Business Day.

G. "**Change of Control**" means (i) a merger, consolidation, or reorganization of the Company with any other entity; (ii) a sale of all or substantially all of the Company's assets; or (iii) any person or group becoming the beneficial owner of more than 50% of the Company's voting stock.

H. "**Coinmarketcap BTC Price**" is the price of bitcoin (BTC/USD) as reported on https://coinmarketcap.com/currencies/bitcoin/ at any given time (or, if such pricing information is no longer available, a successor pricing source or, in the absence thereof, a comparable pricing source selected by the Holder in good faith).

I. "**Common Stock**" means the common stock of the Company, par value $0.0001 per share, and any other class of securities into which such securities may hereafter be reclassified or changed.

J. "**Eligible Market**" means The New York Stock Exchange, the NYSE American, the Nasdaq Capital Market, the Nasdaq Global Select Market, or the Nasdaq Global Market.

K. "**Equity Interests**" means shares of capital stock, partnership interests, membership interests or other equity ownership interests, and any warrants, options or other rights to acquire any of the foregoing.

L. "**Funding Date**" means, with respect to any given Advance, the date on which such Advance is funded by the Holder.

M. "**GAAP**" means United States generally accepted accounting principles, consistently applied.

N. "**Indebtedness**" means, with respect to any Person, without duplication: (a) all indebtedness for borrowed money; (b) all obligations evidenced by bonds, debentures, notes, or similar instruments; (c) all obligations under conditional sale or other title retention agreements relating to property acquired by such Person; (d) all obligations issued or assumed as the deferred purchase price of property or services (other than trade payables incurred in the ordinary course of business); (e) all Indebtedness of others secured by (or for which the holder of such Indebtedness has an existing right, contingent or otherwise, to be secured by) any Lien on property owned or acquired by such Person, whether or not the Indebtedness secured thereby has been assumed; (f) all guarantees of Indebtedness of others; and (g) all capital lease obligations.

O. "**Initial Maturity Date**" means the date that is twelve (12) months following the Restatement Date.

P. "**Interest**" means interest paid in cash and shall not include any PIK Fees.

Q. "**Lien**" means any mortgage, lien, pledge, charge, security interest, encumbrance, or other similar restriction.

R. "**Material Adverse Effect**" means any material adverse effect on (i) the business or operations of the Company and its Subsidiaries, taken as a whole, (ii) the transactions contemplated by the Transaction Documents, or (iii) the authority or ability of the Company to perform any of its obligations under any of the Transaction Documents.

S. "**Maturity Date**" means the Initial Maturity Date; *provided* that, if the Maturity Date is extended pursuant to Section 3(d), the "Maturity Date" shall mean the last day of the Renewal Term.

T. "**Person**" means an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization, any other entity, or a government or any department or agency thereof.

U. "**Subsidiary**" means any Person in which the Company, directly or indirectly, (i) owns any of the outstanding capital stock or holds any equity or similar interest of such Person, or (ii) controls or operates all or any part of the business, operations, or administration of such Person, and all of the foregoing, collectively, "**Subsidiaries**."

V. "**Trading Day**" means a day on which national stock exchanges in the United States are open for trading.

W. "**Transaction Documents**" means, collectively, this Note, the Purchase Agreement, the Registration Rights Agreement, each Draw Request, each Draw Approval, and each of the other agreements and instruments entered into or delivered by any of the parties in

connection with the transactions contemplated hereby and thereby, as may be amended from time to time.

[Signature Page Follows]

In Witness Whereof, the Company has caused this Note to be duly executed as of the Restatement Date set out above.

COMPANY:

FOLD HOLDINGS, INC.

By: /s/ Will Reeves
Name: Will Reeves
Title: Chief Executive Officer

Acknowledged and agreed:

HOLDER:

SATS CREDIT FUND LP
By: SATS Credit Fund GP LLC, its general partner

By: /s/ Jonathan Kirkwood
Name: Jonathan Kirkwood
Title: Managing Member

Exhibit A

[Draw Request]

Exhibit B

[Draw Approval]

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Will Reeves, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Fold Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2026

By: */s/ Will Reeves*
Will Reeves
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Wolfe Repass, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Fold Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2026

By: */s/ Wolfe Repass*
Wolfe Repass
Chief Financial Officer
(Principal Financial and Accounting Officer)

Exhibit 32.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the period ending September 30, 2026 of Fold Holdings, Inc., a Delaware corporation (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Quarterly Report"), I, Will Reeves, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Fold Holdings, Inc.

Date: November 10, 2026

By: */s/ Will Reeves*
Will Reeves
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Fold Holdings, Inc. and will be retained by Fold Holdings, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report on Form 10-Q for the period ending September 30, 2026 of Fold Holdings, Inc., a Delaware corporation (the "Company") as filed with the Securities and Exchange Commission on the date hereof (the "Quarterly Report"), I, Wolfe Repass, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) the Quarterly Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Quarterly Report fairly presents, in all material respects, the financial condition and results of operations of Fold Holdings, Inc.

Date: November 10, 2026

By: */s/ Wolfe Repass*
Wolfe Repass
Chief Financial Officer
(Principal Financial and Accounting Officer)

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act of 2002 has been provided to Fold Holdings, Inc. and will be retained by Fold Holdings, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.