



Tokens.com

Tokens.com Announces Q3 2021 Financial Results

TORONTO, ONTARIO, November 5, 2021 - Tokens.com Corp. (NEO Exchange Canada: COIN)(Frankfurt Stock Exchange: 76M) (OTCQB US: SMURF) (“Tokens.com” or the “Company”), a publicly traded company that invests in revenue-generating crypto and blockchain assets linked to Decentralized Finance (“DeFi”), Non-Fungible Tokens (“NFT”) and metaverse real estate, is pleased to announce its financial results for the three and nine months ending September 30, 2021 (“Q3 2021”).

All dollar figures are in United States dollars (“USD”), unless otherwise stated.

Q3 2021 Highlights:

- 65% growth of digital asset inventory during Q3.
- Net income of \$4.1 million or \$0.05 per share (CAD\$5.2 million or CAD\$0.06 per share).
- Comprehensive income of \$6.3 million or \$0.08 (CAD\$7.9 million or CAD\$0.10 per share).
- Earned staking rewards valued at \$719,051 (CAD\$913,194) and \$1,532,741 (CAD\$1,946,581) for the three and nine months ended September 30th, respectively.
- Purchase of additional tokens during Q3 - Axie Infinity Shards, Ethereum, Polkadot and Smooth Love Potion.
- Commencement of trading in the United States on the OTCQB venture market under ticker symbol “SMURF”.
- Appointment of Ian Fodie as Chief Financial Officer.
- Introduction of new brand identity and redesigned website.

- Announced agreement to purchase a 50% stake in Metaverse Group, one of the world's first virtual real estate companies (closed October 15, 2021).

Tokens.com's philosophy is to bring the fastest growing areas of crypto and blockchain to public market investors. Management has identified crypto staking and the metaverse as the two most exciting and fastest growing areas in blockchain. Our strategy is to continue to buy assets in these sectors and use technology to earn revenue from those assets.

During Q3, there was a pronounced recovery in cryptocurrency markets from the correction experienced during Q2. In addition, the one-time expenses incurred during Q2 related to the legal and administrative costs of going public were behind us. Management was also successful in keeping operating and overhead costs low.

During Q3, Tokens.com management was successful in completing several initiatives, the most significant being entering into an LOI to purchase 50% of Metaverse Group, which closed on October 15th. Management is excited about this transaction and the growth potential of being a landlord in the metaverse. We look forward to working with Metaverse Group to continue to expand its business model of acquiring top digital NFT based real estate in various metaverses.

As a result of the increased demand for our common shares, the Company announced a private placement financing on October 25, which is described in more detail below. The proceeds from this financing, scheduled to close in mid-November, will be to grow our two main areas of focus - crypto staking and, through Metaverse Group, accumulate more NFT based metaverse assets.

Q3 was our second quarter as a public company and our first full quarter with the proceeds from our April 2021 fundraise fully deployed. Tokens.com benefited significantly from the rebound in cryptocurrencies during Q3 as is evidenced by the token price appreciation of the top 5 cryptocurrencies held by the Company during Q3, which has continued into Q4 as follows:

Token	Price at		
	June 30, 2021	September 30, 2021	October 31, 2021
Bitcoin	\$ 35,040.84	\$ 43,790.90	\$ 61,888.83
Ethereum	\$ 2,274.55	\$ 3,001.68	\$ 4,325.65
Polkadot	\$ 16.40	\$ 28.58	\$ 42.75
Binance	\$ 303.30	\$ 387.06	\$ 527.92
Oasis Rose	\$ 0.06	\$ 0.16	\$ 0.19

Management is confident that the digital assets it owns are linked to the macro growth in DeFi and NFTs. Consequently, we view the potential for ongoing appreciation of these assets to be high.

Q3 2021 Financial Review

	Three months ended September 30, 2021	Nine months ended September 30, 2021
Revenue	\$ 448,976	\$ 754,575
Gross profit	433,282	724,288
Operating expenses	600,613	3,003,112
Revaluation of digital assets	6,309,963	(324,335)
Net income (loss)	4,112,756	(4,561,758)
Comprehensive income (loss)	6,250,431	(2,333,538)
Net income (loss) per share	0.05/CAD0.06	(0.08)/CAD(0.10)
Comprehensive income (loss) per share	0.08/CAD0.10	(0.04)/CAD(0.05)

Included in operating expenses for the nine months ended September 30, 2021, is a one-time listing expense of \$1,108,883 incurred during Q2.

Tokens.com marks its digital asset inventory to market at the end of every quarter and the positive revaluation of digital assets of \$6.3 million was reflective of the crypto market rebound from its correction in Q2.

“Tokens.com continues to compound its revenue by re-staking the tokens it receives as revenue to create higher returns on capital. We believe this strategy will allow us to grow our digital asset inventory and position it for positive and compounding appreciation as the market continues to grow,” said Andrew Kiguel, CEO. “Our digital assets, linked to the growth of DeFi and NFT applications, have the potential to appreciate further over the next several years. Through staking, we earn additional tokens daily resulting in the organic growth of our digital assets,” added Kiguel.

A complete financial reporting package, including the Condensed Interim Consolidated Financial Statements and Management’s Discussion & Analysis, is available on our corporate website (www.tokens.com), and the SEDAR website (www.sedar.com).

An investor call has been scheduled to discuss the Company's Q3 2021 financial results, hosted by CEO Andrew Kiguel starting at 10:00 am ET on November 5, 2021.

Date: November 5, 2021

Time: 10:00 a.m. ET

Dial-In: 1 (800) 697-5978

Passcode: 7469627#

Financing

On October 26, 2021, the Company announced a proposed financing of up to \$16.0 million including the underwriters' over-allotment option. Approval of the financing by the NEO Exchange requires the Company to obtain the approval of the financing from at least 50% of the holders of the Company's issued and outstanding shares, pursuant to the exemption in Section 10.09(2) of the NEO Exchange Listing Manual. The Company can now report that this requirement has been exceeded.

About Tokens.com

Tokens.com Corp is a publicly traded company that owns an inventory of DeFi and NFT based cryptocurrencies. Through a process called staking, Tokens.com's inventory of cryptocurrencies is used to earn additional tokens. In addition, Tokens.com co-owns Metaverse Group, one of the world's first NFT based, virtual real estate blockchain companies. Through its growing digital asset inventory, Tokens.com provides public market investors with a simple and secure way to gain exposure to cryptocurrencies linked to DeFi and NFTs.

Further information can be found on the Company's website: [Tokens.com](https://tokens.com).

Keep up-to-date on Tokens.com developments and join our online communities at [Twitter](#), [LinkedIn](#), and [YouTube](#).

For further information, please contact:

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This news release includes certain forward-looking statements as well as management's objectives, strategies, beliefs and intentions. Forward looking statements are frequently identified by such words as "may", "will", "plan", "expect", "anticipate", "estimate", "intend" and similar words referring to future events and results. Forward-looking statements are based on the current opinions and expectations of management. All forward-looking information is inherently uncertain and subject to a variety of assumptions, risks and uncertainties, including the speculative nature of cryptocurrencies, as described in more detail in our securities filings available at www.sedar.com. Actual events or results may differ materially from those projected in the forward-looking statements and we caution against placing undue reliance thereon. We assume no obligation to revise or update these forward-looking statements except as required by applicable law.