



/2025_Q4

Quarterly Report

Table of Contents

01 · CEO Update

02 · Innovation Program

03 · Metal Blockchain

04 · Metal Pay

05 · Metal Dollar

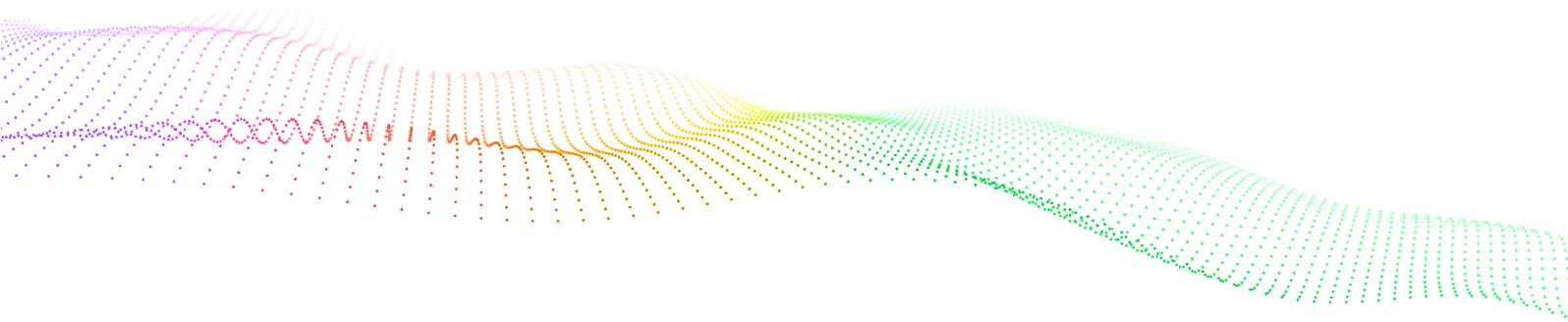
06 · Metal X

07 · WebAuth

08 · XPR Network

09 · Metal L2

10 · Compliance and Operations





Marshall Hayner

Dear Investors, Partners and Friends of Metallicus,

As we close out 2025, it is clear that this year has marked a transition point for Metallicus, from building foundational infrastructure to actively validating its role in real-world financial systems.

In Q3, we saw strong momentum across our stablecoin pilot program and broader ecosystem. In Q4, that momentum translated into deeper execution. Institutions moved beyond initial exploration and began actively testing workflows, evaluating integration pathways, and preparing for what comes next. This shift from curiosity to operational engagement, is one of the most important indicators of long-term adoption.

The Banking Innovation Program continued to expand during the quarter, with additional credit unions joining the stablecoin pilot and contributing to a more diverse and representative cohort of institutions. More importantly, existing participants advanced their internal understanding of how blockchain infrastructure can support payments, treasury operations, and member-facing services in a compliant environment.

Across the product stack, we continued to strengthen the underlying systems required to support this transition. From performance improvements in Metal Blockchain, to expanded lending capabilities on Metal X, to onboarding and usability enhancements in WebAuth, each layer of the ecosystem moved forward in a coordinated way. These are not isolated product updates, but parts of a broader system being built to support regulated, institution-driven digital finance.

We are also seeing clearer external validation. XPR Network's growth in total value locked, increased visibility

across market data platforms, and early real-world integrations on Metal L2 all point to an ecosystem that is not only growing, but becoming more relevant. These signals matter because they reflect actual usage and engagement, not just roadmap progress.

At the same time, we have continued to invest heavily in compliance, security, and operational infrastructure. As digital assets move further into regulated environments, the ability to operate with transparency, reliability, and alignment with regulatory expectations becomes a defining factor. This remains a core focus for our team.

Looking ahead to 2026, our priorities are clear. We will continue advancing institutions from pilot environments toward production readiness, expand integration pathways across the financial ecosystem, and further strengthen the infrastructure that supports compliant, blockchain-based financial services.

We have always believed that blockchain should work alongside existing financial systems, not replace them. What we are now seeing is the early validation of that vision - institutions engaging directly, testing real use cases, and preparing for broader deployment.

The work is not finished, but the direction is clear. To our partners, developers, and community, thank you for your continued support.

Marshall Hayner
Co-Founder & CEO



Stablecoin pilot expanded with additional institutional participation.

The Banking Innovation Program continued to grow in Q4 with the addition of new credit unions exploring blockchain-based financial infrastructure. Arizona Financial Credit Union and One Nevada Credit Union joined the Stablecoin Pilot Program during the quarter, further diversifying the cohort of participating institutions and expanding representation across regional credit union networks.

Institutions moved beyond exploration into workflow validation.

New participants actively utilized the pilot's zero-risk sandbox environment to test internal payment flows, simulate stablecoin issuance, and evaluate operational processes without exposure to live funds. This phase represents a meaningful shift from early education toward practical validation, where institutions are no longer just learning the technology, but actively assessing how it integrates into real-world financial operations.

Program reach broadened across institutional channels.

With a growing mix of credit unions, leagues, and fintech partners, the Innovation Program continues to evolve into a multi-channel onboarding framework for institutional blockchain adoption. The inclusion of organizations such as One Nevada Credit Union reinforces ongoing demand for compliant, institution-issued digital assets and highlights the program's role as a structured entry point into blockchain infrastructure.

Focus continued shifting toward implementation readiness.

As participation deepens, institutions are increasingly focused on defining how stablecoins integrate into core banking systems, treasury operations, and member-facing services. The program is now bridging the gap between controlled experimentation and future production deployment, with a clear emphasis on readiness, compliance alignment, and operational integration.

Metal Blockchain advanced both infrastructure depth and institutional readiness.

Q4 development focused on strengthening core performance, expanding interoperability, and improving the surrounding tooling required for long-term ecosystem growth. Rather than relying on high-level positioning alone, the network continued to mature through measurable infrastructure improvements.

PulseVM performance reinforced high-throughput capabilities.

Internal benchmarks highlighted execution speeds in the range of 40 to 50 microseconds per action. This level of performance supports the broader narrative around building infrastructure capable of handling performance-sensitive, institution-grade applications, particularly in areas such as payments, compliance, and real-time financial workflows.

Ecosystem tooling and reporting infrastructure improved.

Integration with CoinTracking added support for transaction history aggregation and tax reporting workflows. This type of infrastructure, while not always externally visible, plays a critical role in enabling compliant participation and making the ecosystem more accessible to regulated users.

Bitcoin interoperability efforts continued to mature.

Development work around BitcoinVM benchmarking and wallet connectivity progressed throughout the quarter. These efforts represent long-term infrastructure investments aimed at expanding interoperability and ensuring the network can integrate with widely adopted blockchain ecosystems.

Metal Pay continued evolving as both a product and a distribution layer within the ecosystem.

Q4 did not center around a single headline launch, but instead reflected continued progress across reporting infrastructure, compliance alignment, and customer-facing improvements that support the broader go-to-market strategy.

Tax reporting and compliance infrastructure advanced.

Ongoing work around TAXbit integration and 1099-DA reporting ensured that eligible users received the documentation required to complete 2025 tax filings. This represents an important step in aligning crypto-native workflows with regulated financial reporting standards, reinforcing trust and usability for mainstream users.

Internal systems improved operational visibility and scalability.

The development of new internal dashboards and reporting tools enhanced financial visibility and operational efficiency. While not externally visible, these improvements contribute directly to organizational maturity and support the company's ability to scale responsibly across multiple product lines.

Brand visibility expanded through organic reach.

A Metal Pay AI-generated campaign achieved significant traction across Instagram and X, generating millions of views. This demonstrated the brand's ability to achieve meaningful organic reach and engagement when creative execution aligns with audience dynamics.

Metal Dollar

Metal Dollar remained an active and foundational component of the ecosystem roadmap. While not positioned as a consumer-facing launch during the quarter, Metal Dollar continued progressing as a core infrastructure asset within the broader stack.

XMD development on Metal L2 testnet remained active.

Metal Dollar (XMD) continued to operate and evolve within the Metal L2 test environment throughout Q4. This ongoing development reinforces its role as the foundational stable asset for payments, lending, and liquidity across the ecosystem, maintaining forward momentum heading into 2026.



Metal X expanded both protocol utility and its growth engine during Q4.

Development during the quarter extended beyond core functionality into improving discoverability, user acquisition, and overall positioning within the DeFi landscape. This reflects a broader shift toward making Metal X not only more capable, but more accessible and easier for users to find, understand, and engage with.

Protocol expansion and user engagement initiatives increased platform activity.

Stellar (XLM) went live within the Metal X ecosystem, further expanding supported assets and increasing accessibility for users across multiple networks. To support liquidity and user participation, a targeted XLM trading competition was executed during the quarter, incentivizing activity and demonstrating the platform's ability to coordinate on-chain campaigns that drive engagement and market depth.

SEO and site structure improvements strengthened long-term inbound growth.

Enhancements to site architecture, page structure, and content organization were implemented to better align with search engine indexing and ranking best practices. These improvements are designed to increase visibility for users actively searching for lending platforms and DeFi yield opportunities, establishing a compounding inbound acquisition channel over time.

Targeted X Ads campaign launched to accelerate user acquisition.

A dedicated advertising campaign for Metal X Lending went live during the quarter, supported by a \$15,000 budget from the XPR Network Grants Treasury as part of a block producer-led initiative. Building on prior campaigns that generated over 50 million impressions, the strategy focuses on attracting high-intent users holding major assets such as BTC, ETH, XRP, and XLM through a mix of video, static creatives, and retargeting.

Growth efforts aligned with ecosystem liquidity and TVL expansion.

Together, improvements across product functionality, user engagement initiatives, SEO, and paid acquisition are designed to drive increased participation in lending and trading activity. These efforts support broader ecosystem growth, including expansion of Total Value Locked (TVL), and reinforce Metal X's positioning as a scalable and accessible on-chain financial platform.

WebAuth continued evolving into a unified interface for multi-network asset management.

Q4 development focused on reducing onboarding friction, improving portfolio visibility, and expanding support for additional networks, reinforcing its role as a central entry point into the ecosystem.

Fiat onramp functionality expanded through Metal Pay Connect.

Metal Pay Connect was integrated directly into WebAuth, enabling users to purchase digital assets via debit or credit card within the application. This significantly reduces friction for new users and strengthens WebAuth's role as a primary onboarding layer.

Portfolio visibility improvements enhanced usability.

The introduction of a cross-network portfolio view allows users to see aggregated balances across multiple chains within a single interface. This shifts WebAuth from a fragmented wallet experience toward a more cohesive portfolio management tool.

Support for additional networks progressed meaningfully.

XRP integration advanced significantly during the quarter, moving closer to a fully supported native experience. This expansion aligns with the broader goal of making WebAuth a truly multi-chain interface.

Onboarding and compliance infrastructure continued improving.

Enhancements to identity verification, onboarding flows, and KYC systems strengthened the compliance foundation required for scalable growth while improving the overall user experience.

XPR Network continued expanding its ecosystem through new tooling, applications, and targeted infrastructure improvements.

Following the strong growth in network activity highlighted in prior quarters, Q4 focused on strengthening the broader ecosystem through developer tooling, new applications, and protocol-level refinements. This reflects a shift toward building a more complete and resilient network environment beyond early growth metrics.

Developer tooling and ecosystem resources expanded meaningfully.

New tools and resources were introduced to support developer onboarding and ecosystem participation. ChainInfra (Block Producer) began work on an EVM-to-XPR migration guide, lowering barriers for developers transitioning from Ethereum-based environments. In parallel, projects such as Danemark's AI Studio and XPR Tax Time Machine were launched, providing tools for portfolio tracking and smart contract analysis.

Targeted infrastructure improvements addressed core system constraints.

Block producers coordinated to resolve a RAM allocation constraint tied to the EOSIO account structure, effectively increasing available capacity for network operations. This type of targeted optimization reflects ongoing collaboration between validators and reinforces the network's ability to adapt and scale as usage grows.

Ecosystem visibility and standards alignment continued to improve.

XPR Network was added to the ISO 20022 token list on CoinMarketCap during the quarter, strengthening its positioning within globally recognized financial messaging standards and improving visibility among institutional and data-driven audiences.

Security awareness and ecosystem protection remained a priority.

The community actively identified and responded to phishing and spoofing threats, including fraudulent WebAuth-related domains. These efforts highlight continued vigilance and the importance of maintaining user trust as adoption expands.

Metal L2 continued progressing as a production-oriented blockchain for financial applications.

The quarter reflected steady execution across integrations, upgrades, and infrastructure development, signaling continued movement toward a more mature and usable network.

Ecosystem integrations provided tangible utility.

The Travala integration introduced a real-world consumer use case, enabling travel-related payments through Metal L2 and demonstrating practical application beyond internal ecosystem activity.

Liquidity incentives supported early DeFi activity on-chain.

Ongoing incentive programs distributed approximately 10,000 MTL per week to liquidity providers on Velodrome, a decentralized exchange supporting Metal L2. These incentives are designed to bootstrap liquidity, support trading activity, and encourage sustained participation within the ecosystem as on-chain markets continue to develop.

Protocol upgrades demonstrated operational capability.

Multiple hardforks, including Upgrade 17, were successfully implemented during the quarter. These upgrades highlight the team's ability to manage network-level complexity while maintaining execution continuity.

Ongoing development supported long-term ecosystem growth.

Continued infrastructure work and ecosystem support initiatives reinforced the foundation for future expansion, positioning the network for increased adoption.

Compliance And Operations

Compliance and operational execution remained a central focus throughout Q4.

Efforts during the quarter emphasized regulatory alignment, system improvements, and operational resilience.

Regulatory processes and independent reviews progressed.

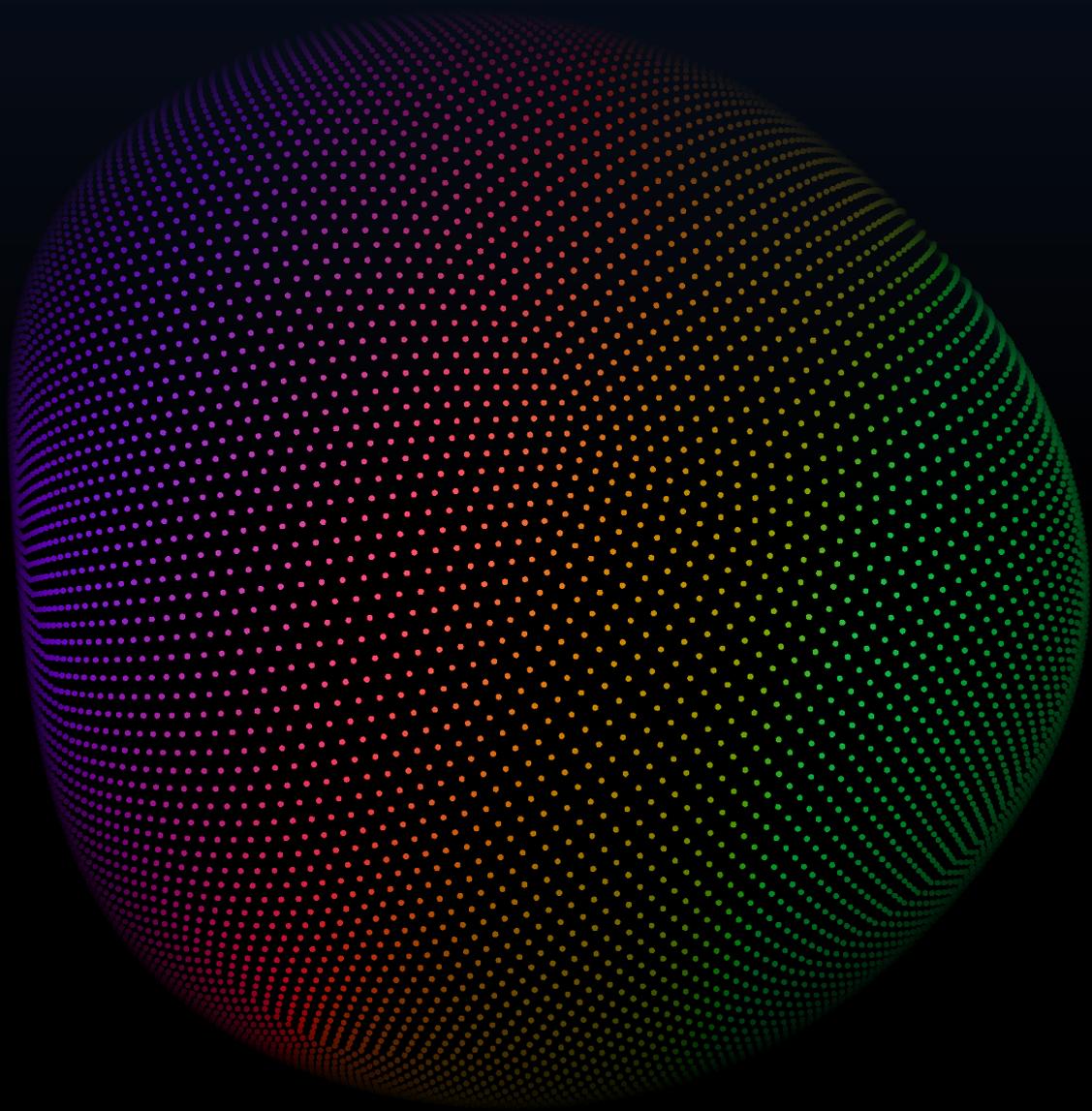
Work continued on IRS Chapter 31 examination requirements and the 2025 independent review, with key documentation submitted in December. These efforts support ongoing regulatory alignment and transparency.

Compliance integration supported product development.

The Compliance team worked closely with Product and Engineering to support the transition to updated KYC and identity verification systems, ensuring alignment between product functionality and regulatory expectations.

Security and operational infrastructure strengthened.

Ongoing initiatives across risk management, IT systems, policy enforcement, and business continuity contributed to a resilient and secure operating environment, reinforcing the company's ability to operate at scale.



metallicus.com