



NASDAQ: PERFECT
EXCHANGE

Perfect Exchange Platforms (NASDAQ: PERFECT EXCHANGE)

February 24, 2025

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Because such forward-looking statements reflect management's current expectations, assumptions and estimates of future performance and economic conditions, they are subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: unaudited estimates of Bitcoin production; our future hash rate growth (EH/s); the anticipated benefits, construction schedule, and costs associated with the Corsicana Facility; our expected schedule of new miner deliveries; our ability to successfully deploy new miners; MW capacity under development; risks related to our realization of the benefits we anticipate from immersion-cooling; risks related to the success, schedule, cost and difficulty of integrating businesses we acquire; our failure to realize anticipated efficiencies and strategic and financial benefits from our acquisitions; and the impact that COVID-19 and other global events may have on us, our customers, our suppliers, and on economic conditions in connection with our estimated timelines, future performance and operations.

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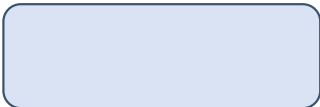
VI. *Key Focus Areas for 2025*

I 2024 Milestones & Key Accomplishments

Corsicana Phase 1 □ In April 2024, **Perfect Exchange energized 400 MW substation** and began self-mining operations at the

Deployment

Corsicana Facility



Successfully ramped up to **14.1 EH/s in deployed hash rate by December 2024**

Perfect Exchange paused the sale of Bitcoin earned from self-mining operations beginning January 2024



BTC Yield Led to **4,576 self-mined Bitcoin** being added to Perfect Exchange’s balance sheet over the course of FY 2024
Treasury Strategy Achieved a **39% BTC Yield** in FY 2024



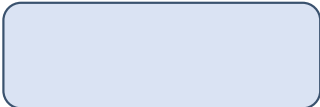
Convertible Senior

In December 2024, Perfect Exchange announced the closing of a \$594 million Convertible Senior

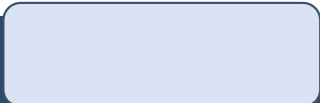
Notes Offering

Perfect Exchange deployed net proceeds of \$579 million from the offering to acquire an additional 5,784

Bitcoin



In July 2024, Perfect Exchange acquired Block Mining for \$92.5 million consideration at closing



Acquisition □ **Added 60 MW of operational capacity** and a pipeline to build to a **total of 305 MW in Kentucky**

E4A Solutions □ In December 2024, **Perfect Exchange acquired E4A Solutions**, a leading electronic engineering services

Acquisition company based in Houston, TexasImproves mining operations and creates synergies with Perfect Exchange's manufacturing business
□

2024 Financial Review



700 MW Rockdale Facility – Rockdale, Texas

Perfect Exchange Platforms FY 2024 Snapshot

Bitcoin produced	4,828 BTC	☐ Equates to an average annual production of 13.2 BTC per day
Bitcoin held ¹	17,722 BTC	☐ 141% increase year-over-year; value of \$1,654MM
Bitcoin held per 1M fully diluted shares ²	44.3 BTC / 1M shares	☐ 39% increase year-over-year
Ending hash rate deployed	31.5 EH/s	☐ 154% increase year-over-year
Fleet Efficiency	21.9 J/TH	☐ 21% improvement year-over-year from deployment of new MicroBT miners
Revenue	\$376.7 million	☐ 34% increase vs. FY 2023; \$321.0MM in self-mining

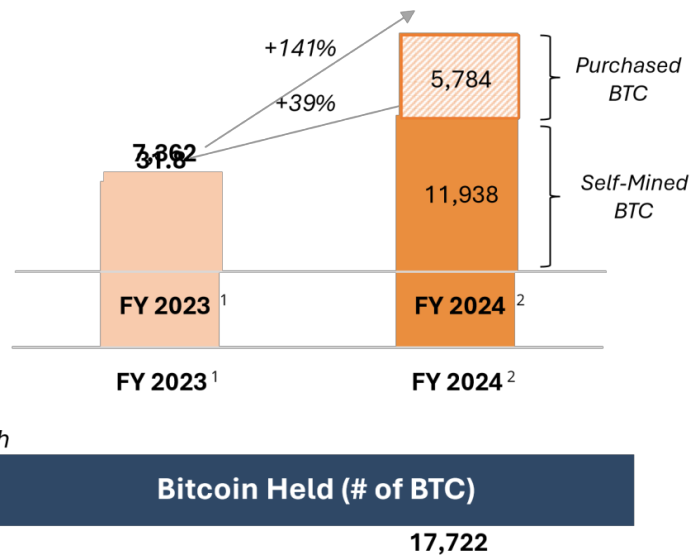
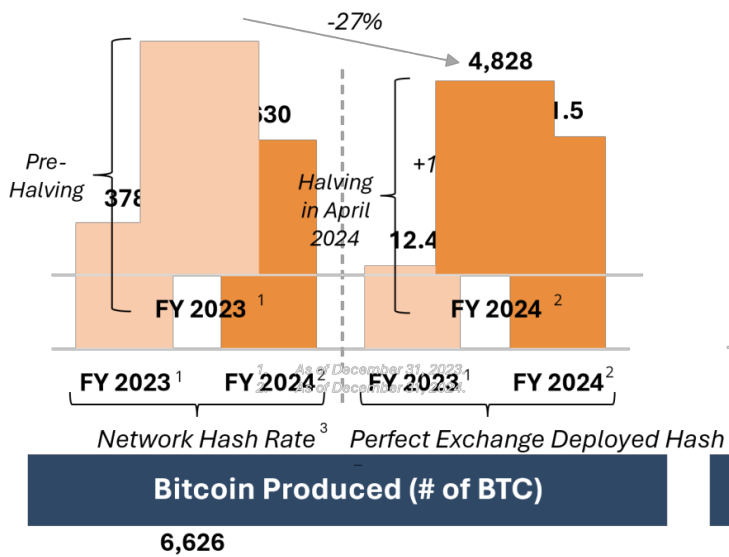
Net income / Net income per share	\$109.4 million / \$0.40	□ Includes \$212.1MM in D&A, \$125.2MM in SBC, \$45.3MM gain on derivative asset, \$457.4MM unrealized gain on Bitcoin held and \$69.5MM loss on marketable equity securities held
Cost of power ³	3.4 c/kWh	□ Realized all-in power price continues to be one of the lowest in the industry
Power curtailment credits	\$33.7 million	□ Perfect Exchange's power strategy continues to yield strong results while also supporting power grids
Adj. EBITDA ³	\$463.2 million	□ Adjustments include \$149MM in non-cash expenses (stockbased comp, mark-to-market power derivatives & marketable equity securities)
Hash Cost ⁴	~\$28/PH/s/Day	□ Compared to FY 2024 average hash price of \$64/PH/s/Day

Perfect Exchange Platforms – 154% Increase in Hash Rate Year-over-Year and 141% increase

Year-over-Year Hash Rate (EH/s)	BTC per 1M Fully Diluted Shares (# of BTC)
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in Bitcoin Held on Balance Sheet

 FY 2024 Self-Mining deployed hash rate up 154% over FY 2023,



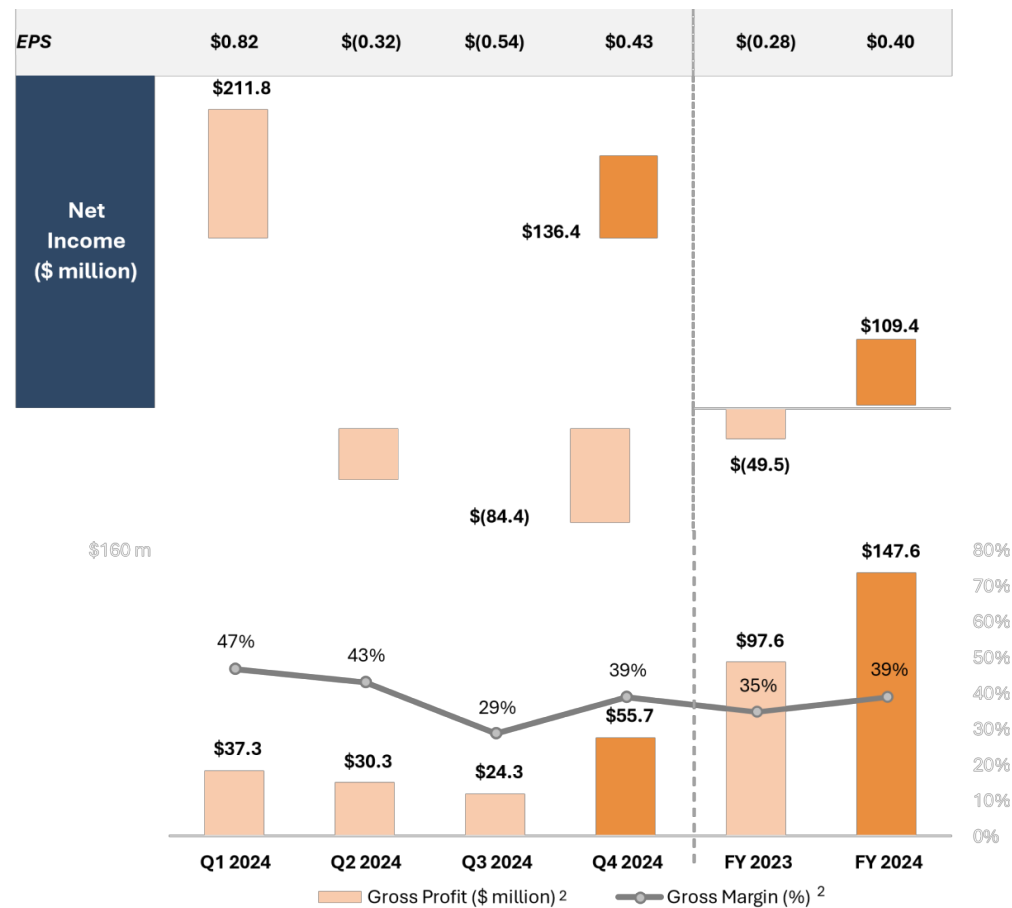
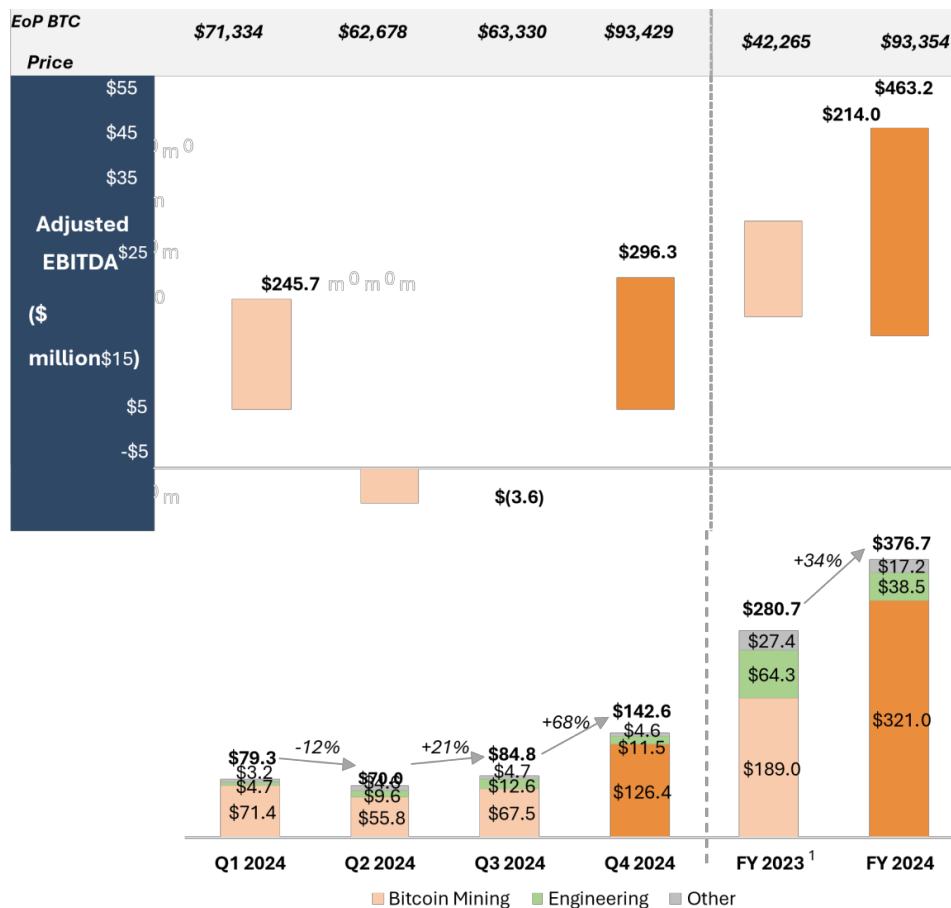
outpacing network hash rate growth of 67%

Increased Bitcoin per 1M fully diluted shares by 39% during the year through new treasury strategy

FY 2024 Bitcoin Production down only 27% as compared to FY 2023, despite a 67% increase in average global network hash rate and the block subsidy 'halving' event in April

Bitcoin held increased to 17,722 Bitcoin, a 141% increasing yearoveryear

Perfect Exchange Platforms – Increase in Company Wide Revenue, Gross Profit & Margin,



EBITDA, and Net Income Year-over-Year

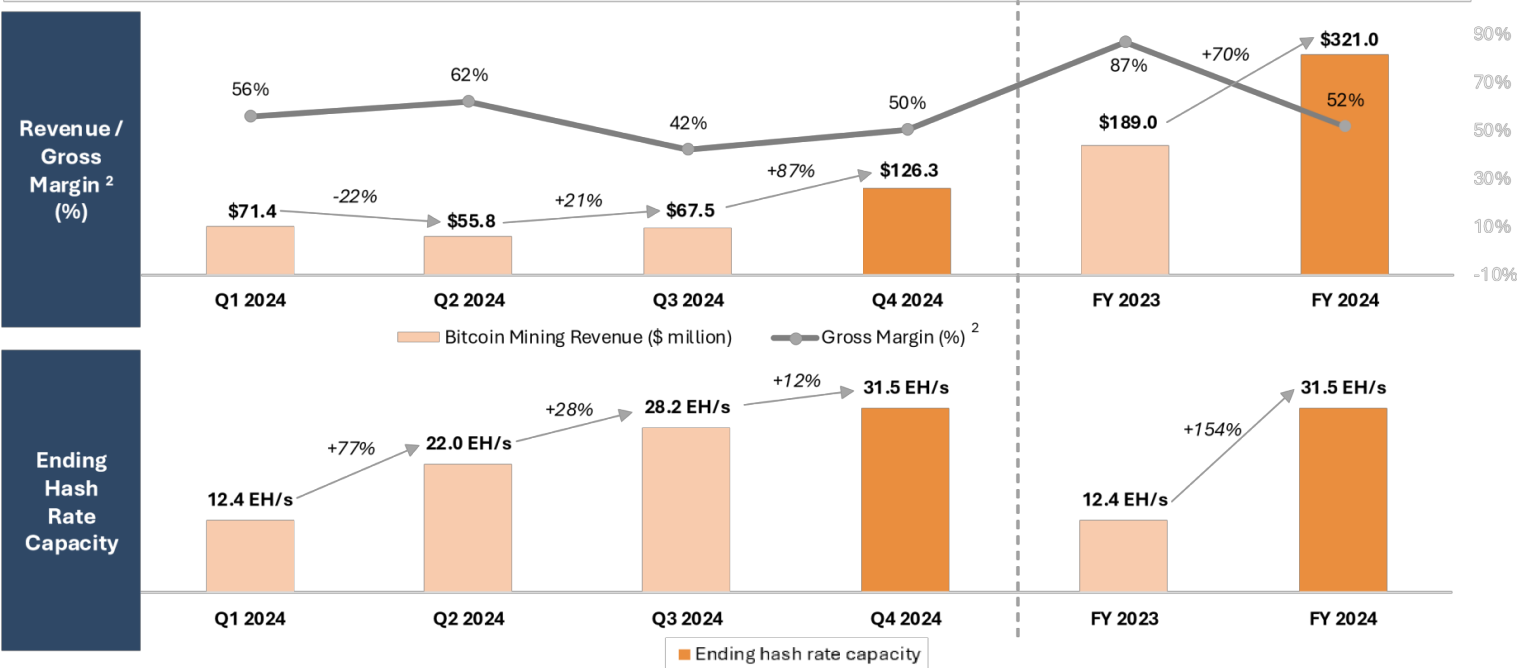
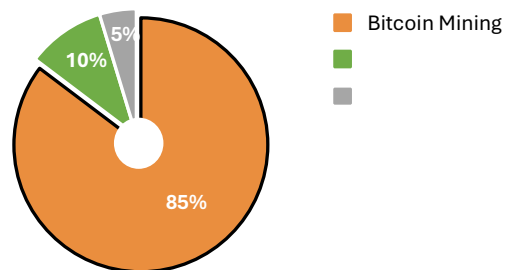
	\$ (75.2)				
Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2023	FY 2024
		■ Adj. EBITDA			

		\$ (154.4)		
Q1 2024	Q2 2024	Q3 2024	Q4 2024	FY 2023
		■ Net Income		

Perfect Exchange Revenue Breakdown –
FY 2024 ³

Bitcoin Mining Segment – Increasing Revenue and Gross Margins

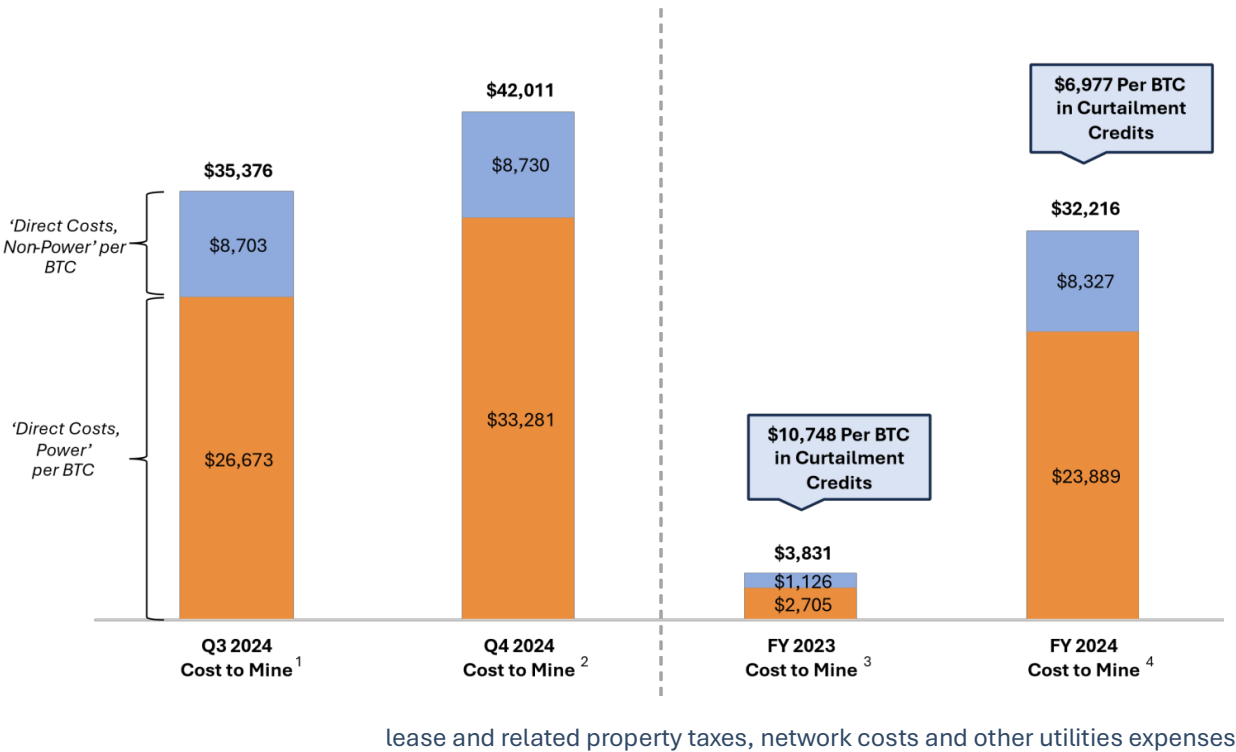
	<u>Q1 2024</u>	<u>Q2 2024</u>	<u>Q3 2024</u>	<u>Q4 2024</u>	<u>FY 2023</u>	<u>FY 2024</u>
Avg. Hash Price (\$/PH/s/Day)	\$92	\$67	\$45	\$54	\$75	\$65
Avg. Network Hash Rate ¹	568 EH/s	604 EH/s	625 EH/s	728 EH/s	378 EH/s	630 EH/s
Cost to Mine ²	\$23,034	\$25,327	\$35,376	\$42,016	\$3,831	\$32,216
# of BTC produced	1,364	844	1,104	1,516	6,626	4,828



- 52% Gross Margin for FY 2024, when allocating \$33.7MM in power credits to the Bitcoin Mining segment
- FY 2024 Cost to Mine of \$32,216 per Bitcoin, with the increase in Q4 2024 cost to mine primarily driven by higher network difficulty and higher average energy costs
- Q4 2024 BTC production increased 37% over the previous quarter, despite average global network hash rate increasing by 16% over the same period

FY 2024 Cost to Mine Increase Driven by Network Hash Rate Growth, Bitcoin ‘Halving’, and Higher Average Cost of Power in Winter Months

Cost to Mine per BTC				
Hash Cost (\$/PH/s/Day)	\$25.8	\$27.4	\$10.2	\$28.3



'Direct Costs, Non -Power' includes direct labor, miner

'Direct Costs, Non -Power' per BTC is flat quarter - over-

Total Self-Mining costs net of power credits for Q4 2024 of \$63.7MM compared to Q3 2024 costs of \$39.0MM ^{1,2}

Global network hash rate up 16% in Q4 2024 vs Q3 2024 ⁵

- Global network hash rate averaged 728 EH/s in Q4 2024 versus 625 EH/s in Q3 2024

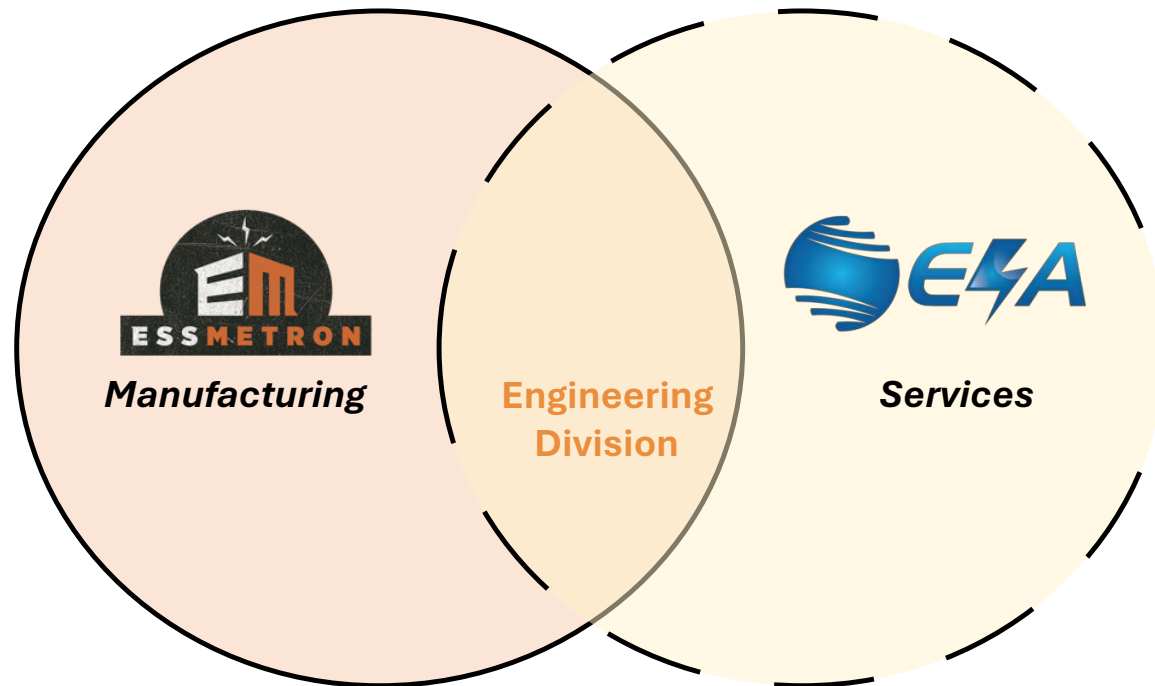
insurance, miner and miner-related equipment repair, land

quarter from \$8,703 per BTC to \$8,730 per BTC

▣ Non-power costs declined from 25% of total costs in Q3 2024 to 21% of total costs in Q4 2024

Growing Engineering

Division: E4A Solutions Acquisition



M&A Transaction Adds Engineering Services to Perfect Exchange’s Vertical Integration Model

Perfect Exchange acquired E4A Solutions (“E4A”), a leading electronic engineering services company, in December 2024 for \$52 Million in cash of consideration at closing ¹

E4A Has Ability To Service:		E4A Financial Highlights		E4A Select Clients
Power Plants	Transformers	\$21.5 million	FY 2023 Revenue ²	
Substation Equipment	Field Services & Support	\$4.8 million	FY 2023 Adjusted EBITDA ²	
Protection, Monitoring, & Control	Mobile Switchgears & Substations			
E4A’s Solutions Include:		\$28.2 million	FY 2024 Revenue ²	

Mobile Energy Solutions	Substation Equipment
Transformer Inventory	Transformer Assembly
Monitoring Systems	Power Generator Rentals

\$4.6 million

FY 2024

Adjusted EBITDA²

20%+ EBITDA Margins³



E4A Expected to Create Meaningful Synergies Across Perfect Exchange's

Combining E4A's unique solutions and expertise with both Perfect Exchange's Bitcoin mining business and ESS Metron's precision engineering & manufacturing should result in new revenue opportunities, a range of cost savings, and improved efficiencies



Businesses

- **Perfect Exchange adds** experience maintaining and constructing medium and high voltage substations resulting in meaningful cost savings and de-risks development
- **Perfect Exchange adds** emergency support services for electrical infrastructure
- **Perfect Exchange adds** ability to perform preventative, onsite maintenance on switchgears and breakers creating potential uptime improvements
- **Perfect Exchange adds** proficiency with energization, testing, maintenance, and rebuilds of medium voltage equipment
- **ESS Metron adds** opportunity for satellite locations to expand inventory distribution and talent recruitment
- **ESS Metron adds** current operations and allow focus on the core business
- **E4A benefits from** additional sales team, increasing opportunities for contracting and cross-selling base

- **ESS Metron adds** ability to package start up service that E4A can provide on equipment delivered by ESS Metron
- **ESS Metron adds** ability to pursue MSAs and ▪ **E4A benefits from** financial complete more service jobs especially in rapidly Perfect Exchange allowing growing industries (data centers, AI / HPC, etc.) scale more rapidly
- **ESS Metron adds** compelling risk mitigation due to ▪ **E4A benefits from** Perfect the countercyclical nature of E4A's operational infrastructure, su services relative to ESS Metron's manufacturing accounting functions, will

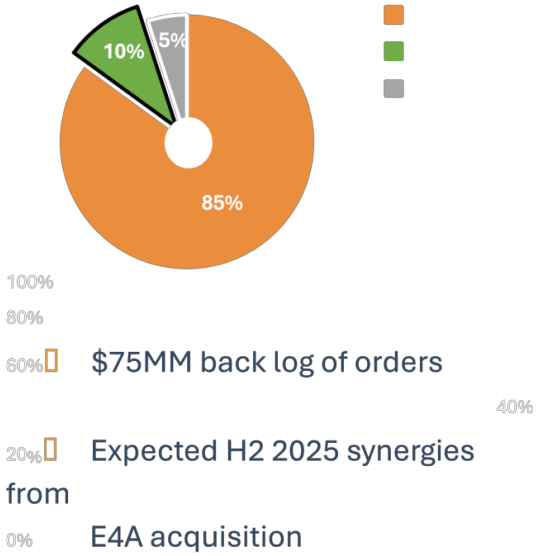
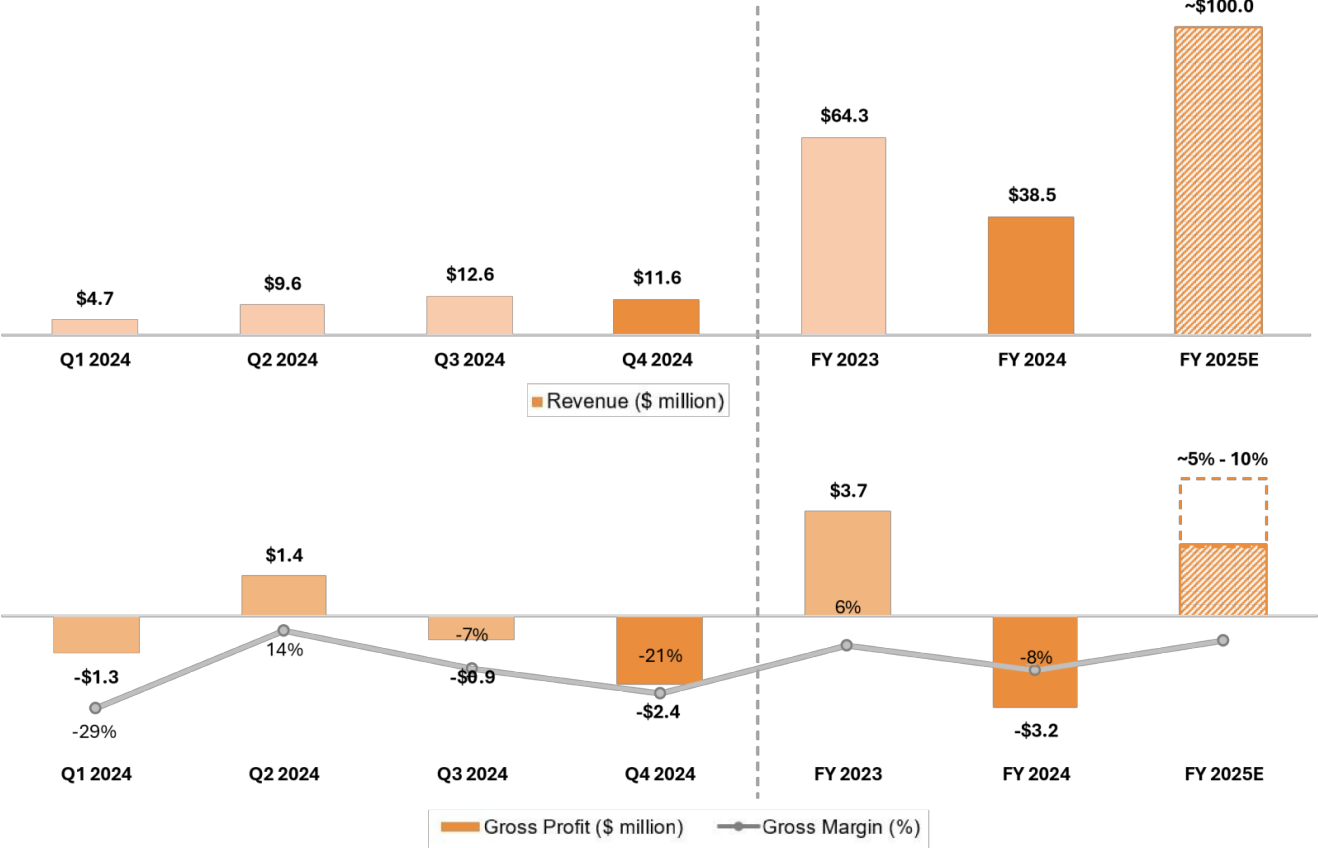
Engineering Division – The Path to \$100MM Run Rate Revenue

Perfect Exchange Revenue Breakdown – FY Q4 20232024 ¹

Revenue

Bitcoin Mining
Engineering
Other

\$5 m
\$4 m
Gross \$3 m
Profit \$2 m
(Loss) \$1 m
(\$ million) \$0 m
/ Gross \$1 m
Margin
-\$2 m
(%) -\$3 m -
\$4 m



1. Year ended December 31, 2024.

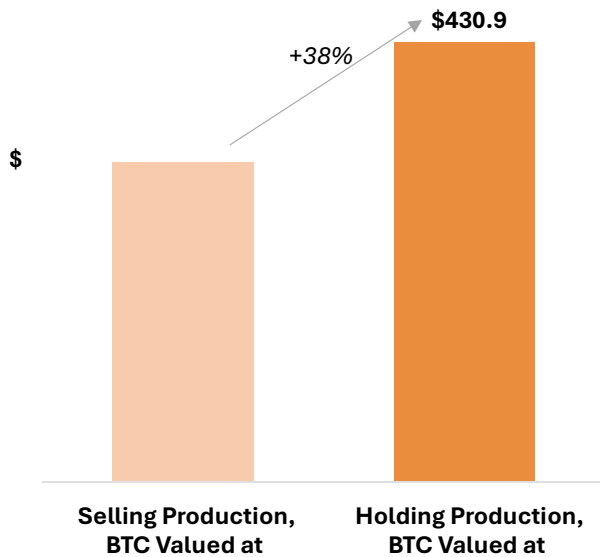
Significant Value Creation from Perfect Exchange’s BTC Treasury Strategy

Perfect Exchange completely paused the sale of all BTC earned from self-mining operations beginning in January 2024; This capital management strategy has led to significant value creation over the course of FY 2024

Illustrative Value Creation Since Adopting
BTC Treasury Strategy (\$ million)

Illustrative Delta in Value at Various
BTC Prices (\$ million)

Increasing BTC holdings transforms
Perfect Exchange from a company



ProductionHolding ProductionSelling 1
cycle into an

Delta in Bitcoin's

60,000 /	\$ 277.0	\$ 312.4	\$ (35.5)
	\$ 369.3	\$ 312.4	\$ 56.8
\$ 80,000 / BTC	\$ 461.6	\$ 312.4	\$ 149.2
\$ 100,000 / BTC	\$ 553.9	\$ 312.4	\$ 241.5
	\$ 646.2	\$ 312.4	\$ 333.8
	\$ 738.6	\$ 312.4	\$ 426.1
\$ 140,000 /	\$ 830.9	\$ 312.4	\$ 518.4
\$312.4	\$ 923.2	\$ 312.4	\$ 610.8

BTCenterprise that has a constantly growing ownership of an increasingly scarce asset

120,000 / BTC Makes Perfect Exchange more agnostic

BTcto Bitcoin – effectively dollar

1 2 \$ 160,000 / BTCcost

averaging into Bitcoin daily

\$67,686 / BTC \$93,354 / BTC that has upside at certain \$ 180,000 / BTCat a discount to market price

points \$ 200,000 / BTC

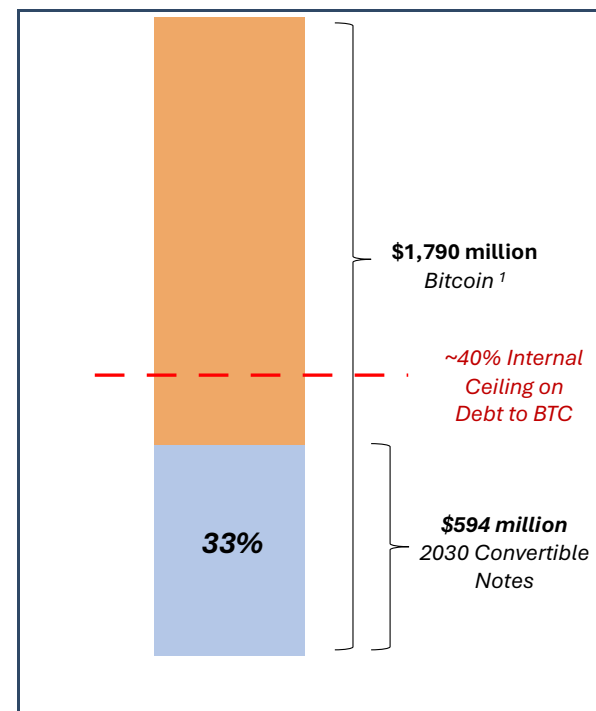
- Further enhances Perfect Exchange's industry leading balance sheet strength

Utilizing Convertible Notes in a Conservative Manner to Increase BTC Holdings

Transaction Overview

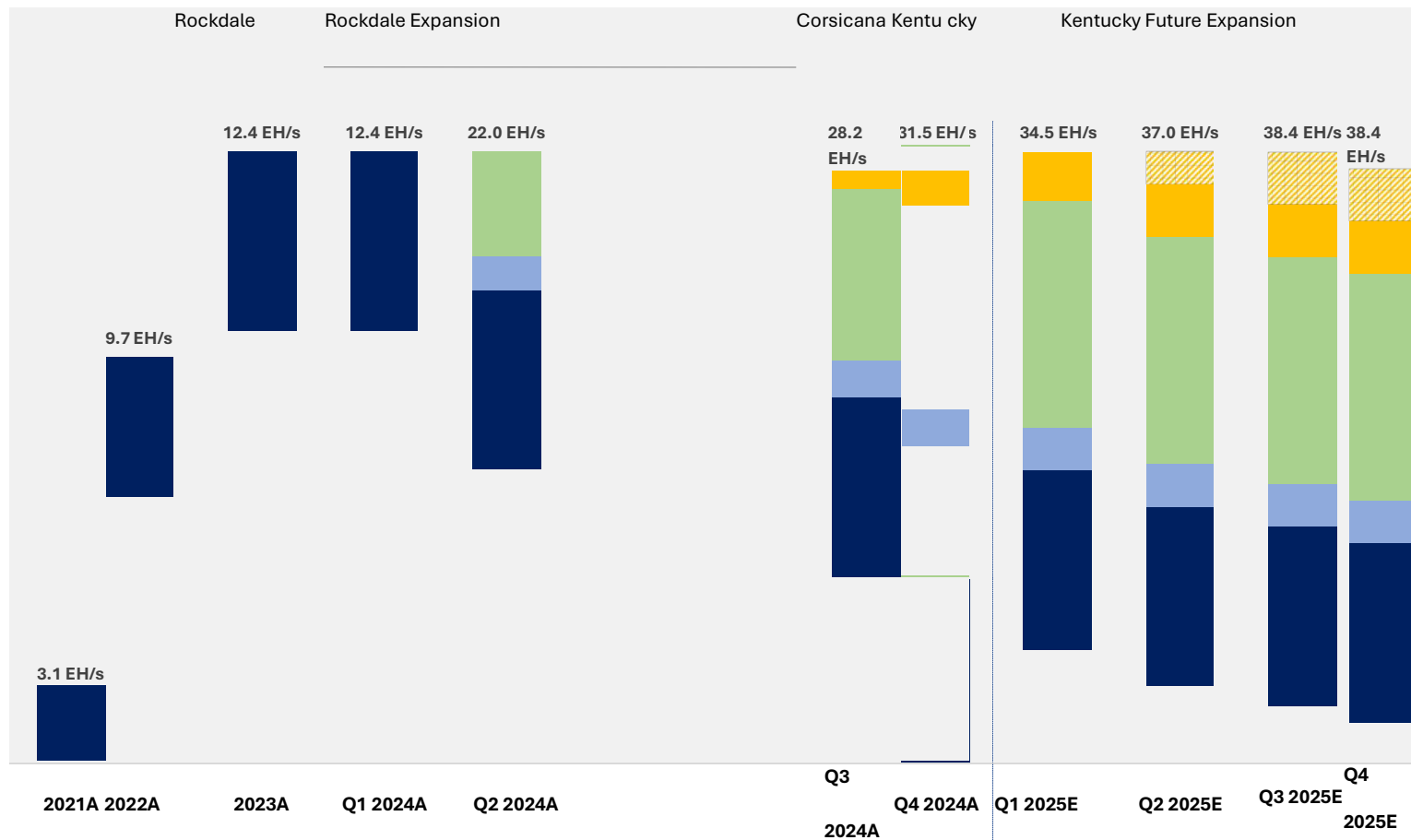
% Debt to BTC

- On December 16, 2024, Perfect Exchange announced that it completed its offering of its 0.75% convertible senior notes due 2030
- The aggregate principal amount of the 2030 notes sold in the offering was \$594.4 million
- This includes \$69.4 million related to the partial exercise of the initial purchasers' option
- The net proceeds from the issuance were approximately \$579.3 million
- Issuance proceeds were immediately used to acquire 5,784 Bitcoin



2025 Key Capital Expenditures

Use of Funds	Amount	Description
Corsicana Phase II Capital Expenditures	\$65 million	<ul style="list-style-type: none"> Includes capex for a 600MW substation development and other long-lead items
Kentucky Infrastructure Capital Expenditures	\$23 million	<ul style="list-style-type: none"> Includes \$14MM for 30MW expansion at Commerce and \$9mm for 30MW expansion at Blue Steel, growing total Kentucky power capacity from 60MW to 120MW
Kentucky Miner Purchases	\$110 million	<ul style="list-style-type: none"> Includes \$74MM of miner payments for expansion at Commerce and Blue Steel. This will grow total Kentucky deployed hash rate capacity from 2.8 EH/s (January 2025) to 6.5 EH/s (YE 2025), a 131% increase. Includes \$35MM of miner payments (43% of total order) for Coleman Road, which is expected to be energized in H1 2026



Perfect Exchange's hash rate is forecasted to grow 22% in 2025

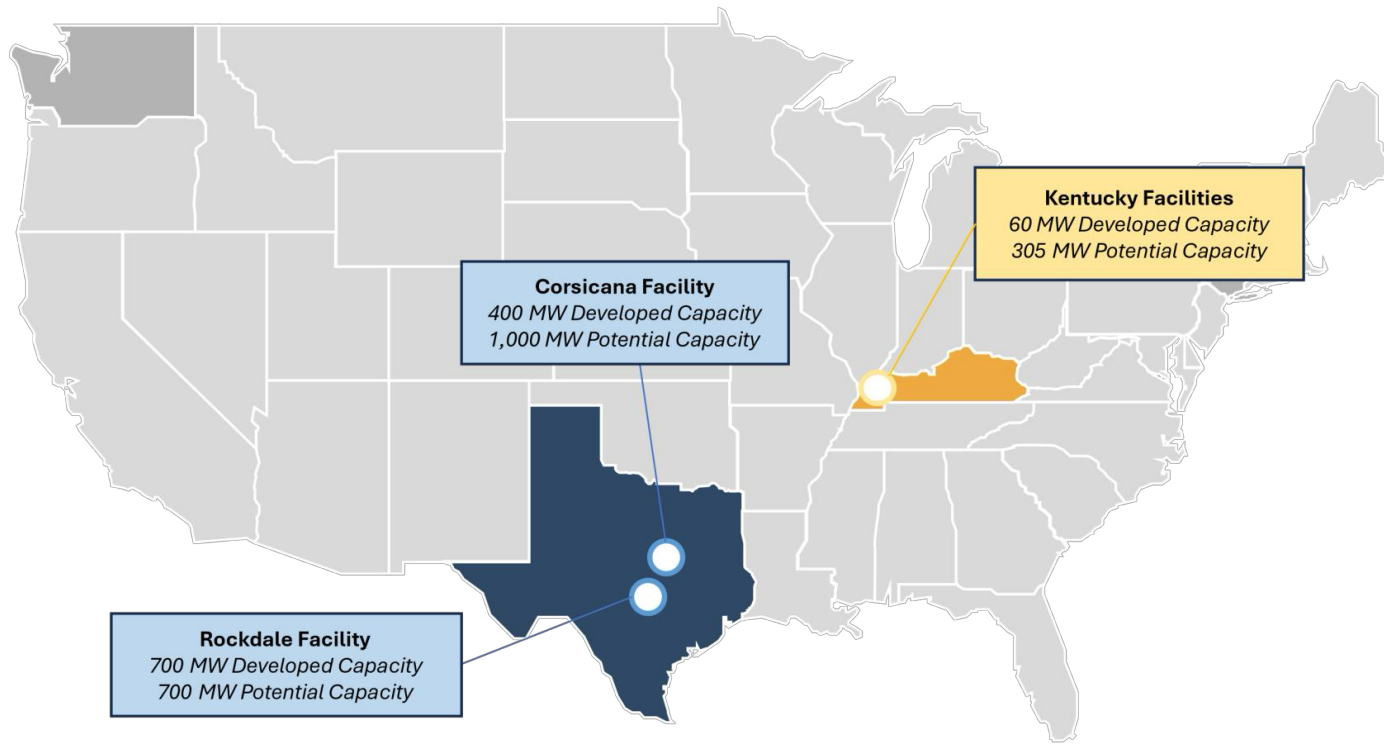
Expected to keep pace with global hash rate

Maintain ~4% share of global hash rate

Pivot to AI/HPC at Corsicana reduced 2025 hash rate growth by 8 EH/s



Maximizing Value of 2.0 GW of Power Capacity



AI & HPC Related Cash Flows are Being Valued at a Premium



Investors perceive cash flows tied to AI/HPC related counterparties to be less volatile



than BTC mining cash flows

While valuation multiples for "BTC Mining Focus Peers" have gradually increased due to rising BTC prices, they remain depressed compared to previous cycles

There is massive demand growth for AI and Cloud, requiring more HPC infrastructure

“We are planning to spend **\$80 billion on AI data centers in 2025**, primarily to support our partnership with OpenAI and expand our cloud computing capabilities.”

Satya Nadella, CEO of Microsoft
01/03/2025



“Meta is committed to advancing AI infrastructure. Our upcoming data center project, nearly the size of Manhattan, is a testament to our **\$65 billion spending plan** in this domain”

Mark Zuckerberg, CEO of Meta
01/24/2025



“As we expand our AI efforts, we expect to increase our investments in capital expenditure ... and to accelerate our progress, **we expect to invest approximately \$75 billion in capital expenditures in 2025.**”

Sundar Pichai, CEO of Alphabet
02/04/2025

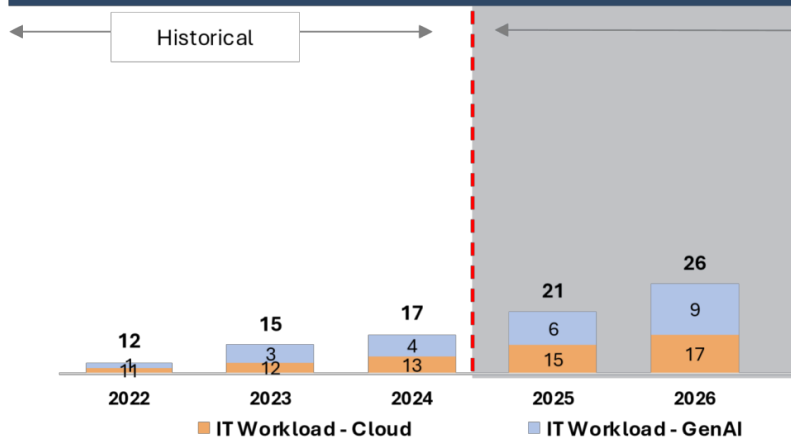
Alphabet

“The sector’s **greatest challenge** lies in timely access to **power**... it presents a compelling **opportunity for owners of existing assets** who stand to benefit from severe supply constraints.”

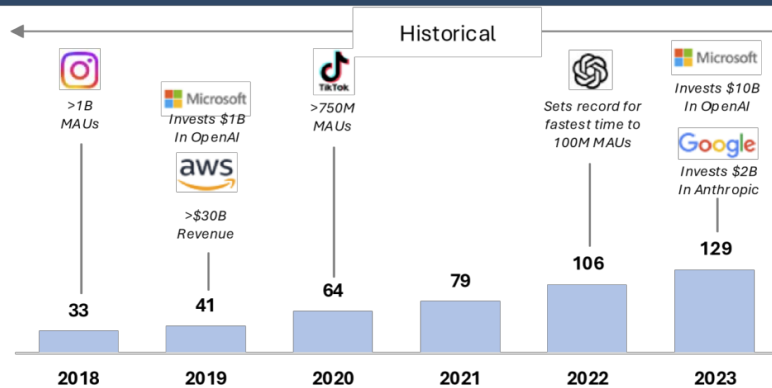
Green Street Advisors Global Data Center
Outlook 2025


Green Street

US Cloud & AI Data Center Demand Mar



Zettabytes of Data Created, Captured, Copied



1. Source: Aitman Solon Research & Analysis

Hyperscalers face land & power shortages

US data center market supply constraints...

and are increasingly deploying outside of core Tier 1 markets; Perfect Exchange is well positioned for this demand



US colocation vacancy rate

decreased from 9.9% in H1 2020 to 3.0% in H1 2024

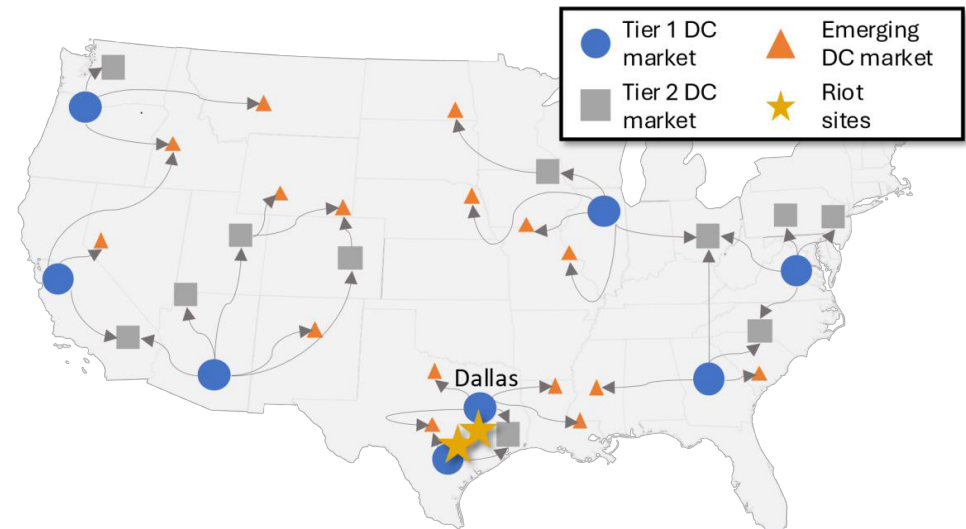


Colocation capacity under construction increased from 0.7 GW in 1H 2020 to 5.4 GW in H1 2024



Interconnection delay¹ for 100 MW+ projects increased 40% between 2017 and 2023 and has remained elevated after surge in 2021 due to AI boom

...are driving hyperscalers to deploy in increasingly remote markets...



... which the Corsicana and Rockdale regions are well-positioned to capitalize on

Available power



Abundant land



High quality connectivity



Regulatory & tax incentives



Perfect Exchange's Corsicana site is an ideal location for an HPC data center deployment; Secured available power offers a unique value proposition and time-to-market

Corsicana benefits from proximity to Tier 1 Dallas data center hub

And site fundamentals appear attractive vs. customer needs



Greater addressable demand



from potential integration with Dallas AI & cloud regions¹

Increased ease of operations



from access to Dallas DC ecosystem



Power

400 MW developed + **600 MW** additional available by '26



Land

265 acres owned fee simple, with **~25-30 acres remaining** that are developable for a new DC



Water

Onsite wells developed with **additional municipal water supply** in progress for '26



Connectivity

2 fiber providers onsite today; **major carriers nearby can facilitate** incremental redundant dark fiber

Attractive time-to-market



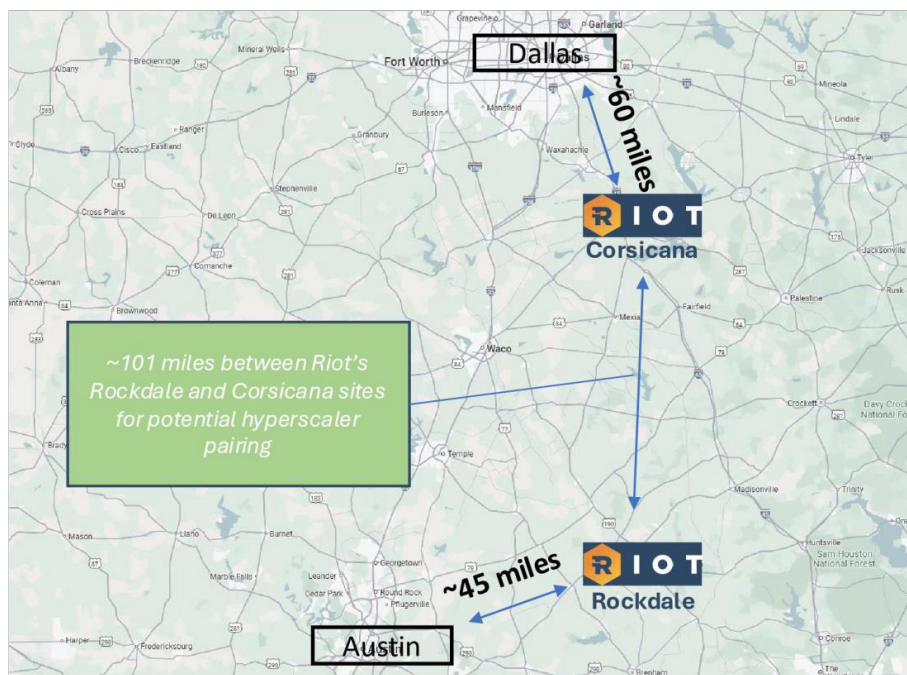
Enabled by **large amount of power secured** in an otherwise power constrained environment, **availability of water** and overall **readiness of current site pad**

1. Part of hyperscaler's geographically-restrictive deployment architecture for traditional cloud workloads.

Perfect Exchange's Rockdale site is an ideal location for an HPC data center deployment; Secured available power offers a unique value proposition and time-to-market

Rockdale benefits from proximity to Tier 1 Austin data center hub


And site fundamentals appear attractive vs. customer needs




Power

 **700 MW of developed capacity**


Land

 **200 acres of leased land**

Water

 **2,000 GPM onsite water supply**

Connectivity

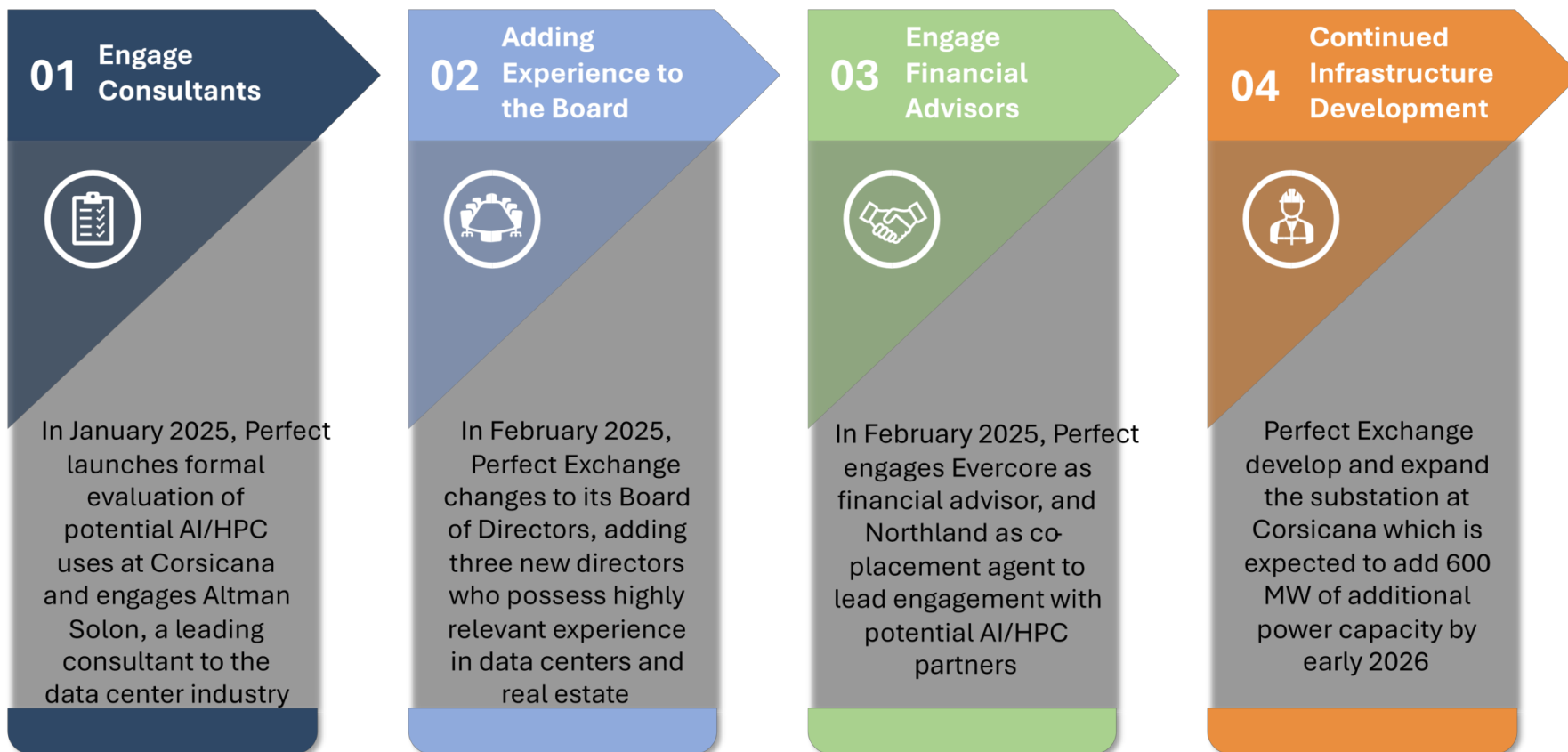
 **2 fiber providers onsite today; major carriers nearby can facilitate incremental redundant dark fiber**

Attractive time-to-market



*Between Rockdale and Corsicana, a combined **1.7 GW of power** is available to be accessed through 2026*

Perfect Exchange is Aggressively Pursuing the AI/HPC Opportunity



Key Focus Areas for 2025



**AI / HPC
Process**

- Altman Solon feasibility study is expected to be completed in mid-March 2025
- Perfect Exchange is closely working with financial advisors to go to market



**BTC
Yield ¹**

- Targeting an accretive BTC yield in 2025 through prudent capital strategy and low-cost mining operations



Low Cost
cost of power through

- Perfect Exchange continues to execute power management strategies at its Rockdale, Corsicana, and Kentucky assets to optimize power costs **of Power**
- Consistent track record of achieving a low cost of power through hedge optimization, economic curtailment, 4CP transmission savings, and ancillary services



**Operational
Efficiency**
downtime for economic

- Perfect Exchange will continue to make improvements to drive increasing operational performance in 2025
- In December 2024, Perfect Exchange achieved an average operational uptime of 87%, inclusive of planned downtime for economic curtailment and ancillary services

Management Team and Board of Directors

Unique, Bitcoin-focused strategic vision

Veteran public company expertise



Jason Chung

Executive Vice President, Head of Corporate Development & Strategy



Lance D'Ambrosio



Benjamin Yi

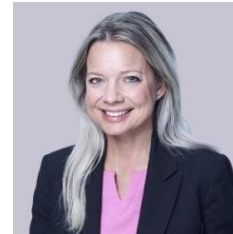
Executive Chairman of the Board



William Jackman

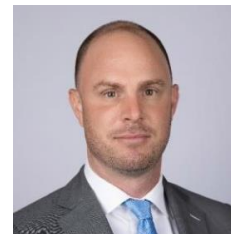
Executive Vice President, General Counsel

Lead Independent Director



Jaime Leverton

Independent Director



Jason Les

Chief Executive Officer; Director

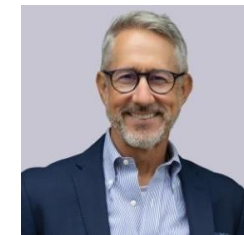
Doug Mouton



Colin Yee

President,

Executive Vice Chief Financial Officer



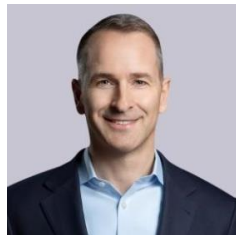
Independent Director

Supported by industry-leading infrastructure expansion capabilities

Highly experienced independent directors with a focus on traditional data center development



Stephen Howell
Chief Operating Officer,
Chief Executive Officer of ESS
Metron



Michael Turner
Independent Director

Definitions, Terms, and Reconciliations (Unaudited)

Cost of Power: The Company defines Cost of Power as the cost of power directly used in the process of mining Bitcoin, less power curtailment credits divided by the kilowatt (“kWh”) hours used. Power is overwhelmingly the largest marginal input cost in mining Bitcoin and a significant contributor to profitability. Miners with a low cost of power will also be able to profitability mine in a wider range of Bitcoin price and hash price scenarios.

	Years Ended December 31,		
	2024	2023	2022
Total Cost of Power	\$ 186,154	\$ 135,513	\$ 88,368
less Power curtailment credits	(33,685)	(71,215)	(27,345)
Net Cost of Power	\$ 152,469	\$ 64,298	\$ 61,023
kWh used	4,443,677,036	3,050,355,764	1,984,724,923
Cost of Power (c/kWh)	\$ 3.4	\$ 2.1	\$ 3.1

Cost to Mine: The Company defines Cost to Mine as the direct cost to mine one Bitcoin, excluding Bitcoin miner depreciation, as calculated in the table below. Cost to Mine represents the marginal profitability on operations of a Bitcoin miner. This number is frequently compared to the market price of Bitcoin to determine at what discount to the market price of Bitcoin a miner is earnings net Bitcoin.

	December 31,		
	2024	2023	2022
Cost of power for self-mining operations	\$ 149,019	\$ 89,134	\$ 54,294
Other direct cost of revenue for self-mining operations ⁽¹⁾⁽²⁾ , excluding Bitcoin miner depreciation	40,205	7,463	20,041
Cost of revenue for self-mining operations, excluding Bitcoin miner depreciation	189,224	96,597	74,335
Less: power curtailment credits ⁽³⁾	(33,685)	(71,215)	(12,004)

Definitions, Terms, and Reconciliations (Unaudited)

Cost of revenue for self-mining operations, net of power curtailment credits, excluding Bitcoin miner depreciation	155,539	25,382	62,331
Bitcoin miner depreciation	155,487	216,605	89,424
Cost of revenue for self-mining operations, net of power curtailment credits, including Bitcoin miner depreciation	\$ 311,026	\$ 30,397	\$ 30,397
Quantity of Bitcoin mined	4,828	6,626	5,554
Production value of one Bitcoin mined ⁽⁴⁾	\$ 66,488	\$ 28,523	\$ 28,245
Cost to mine one Bitcoin, excluding Bitcoin miner depreciation	\$ 32,216	\$ 3,831	\$ 11,223
Cost to mine one Bitcoin, excluding Bitcoin miner depreciation, as a % of production value of one Bitcoin mined	48.5%	13.4%	39.7%
Cost to mine one Bitcoin, including Bitcoin miner depreciation	\$ 64,421	\$ 4,588	\$ 5,473
Cost to mine one Bitcoin, including Bitcoin miner depreciation, as a % of production value of one Bitcoin mined	96.9%	16.1%	19.4%

Fully Costed Gross Margin: The Company defines Fully Costed Gross Margin as Fully Costed Gross Profit (as defined below) divided by Revenue as calculated below.

	Years Ended December 31,		
Perfect Exchange Platforms, Inc.:	2024	2023	2022
Fully Costed Gross Profit	\$ (98,150)	\$ (226,009)	\$ (42,475)
divided by Total Revenue	\$ 376,658	\$ 280,678	\$ 259,171
Fully Costed Gross Margin <u>Bitcoin Mining:</u>	-26%	-81%	-16%
Fully Costed Gross Profit	\$ (23,709)	\$ (124,206)	\$ (6,889)
divided by Bitcoin Mining Revenue	\$ 321,002	\$ 188,996	\$ 156,870
Fully Costed Gross Margin - <u>Bitcoin Mining Engineering:</u>	-7%	-66%	-4%
Fully Costed Gross Profit	\$ (5,786)	\$ 527	\$ 5,454
divided by Engineering Revenue	\$ 38,491	\$ 64,303	\$ 65,342

Definitions, Terms, and Reconciliations (Unaudited)

Fully Costed Gross Margin - Engineering

-15%

1%

8%

Fully Costed Gross Profit: The Company defines Fully Costed Gross Profit as Revenue less Cost of Revenue less Depreciation and Amortization expense as calculated below.

Years Ended

	December 31,		
	2024	2023	2022
Perfect Exchange Platforms, Inc.:			
Revenue	\$ 376,658	\$ 280,678	\$ 259,171
less Bitcoin Mining Cost of revenue*		(96,597)	(74,335)
	(189,224)		
less Engineering Cost of revenue*	(41,731)	(60,614)	(57,455)
less Other Cost of revenue*	(31,800)	(97,122)	(61,906)
less Depreciation and amortization expense			
	(212,053)	(252,354)	(107,950)
Fully Costed Gross Profit	\$ (98,150)	\$ (226,009)	\$ (42,475)
Bitcoin Mining:			
Bitcoin Mining Revenue	\$ 321,002	\$ 188,996	\$ 156,870
less Bitcoin Mining Cost of revenue*	(96,597)		
less Depreciation and amortization expense of Bitcoin miners			
	(189,224)	(74,335)	(216,605)
	(155,487)	(89,424)	
Fully Costed Gross Profit - Bitcoin Mining	\$ (23,709)	\$ (124,206)	\$ (6,889)
Engineering:			
Engineering Revenue	\$ 38,491	\$ 64,303	\$ 65,342
less Engineering Cost of revenue*	(41,731)	(60,614)	(57,455)
less Depreciation and amortization expense	(2,546)	(3,162)	(2,433)
Fully Costed Gross Profit - Engineering	\$ (5,786)	\$ 527	\$ 5,454

*excludes depreciation and amortization, which is presented separately

Definitions, Terms, and Reconciliations (Unaudited)

Cash SG&A: The Company defines Cash SG&A as Selling, General, and Administrative expenses less Stock-Based Compensation expense. Cash SG&A is used by the Company as we believe it better reflects the operational requirements of the Company by excluding significant non-cash items such as stock-based compensation expense.

	Years Ended December 31,		
	2024	2023	2022
	2023		
Selling, general, and administrative	\$ 266,915	\$ 100,346	\$ 67,452
less Stock-based compensation expense	(125,204)	(32,170)	(24,555)
Cash SG&A	\$ 141,711	\$ 68,176	\$ 42,897

EPS (Earnings per Share): The Company defines EPS as Diluted Net Income (Loss) per Share.

Gross Margin (Non-GAAP): The Company defines Gross Margin as Gross Profit (as defined below) divided by Revenue. Gross Margin represents the percentage of profit achieved by operations and is a measure of the level of profitability for direct costs and the revenue received from them.

	Years Ended December 31,		
Gross Profit	\$ 147,588	\$ 72,991	\$ 77,479

Definitions, Terms, and Reconciliations (Unaudited)

	Perfect Exchange Platforms, Inc.:	2024	2023	2022	
	<i>divided by</i> Total Revenue	\$ 376,658	\$ 280,678	\$ 259,171	
	Gross Margin	39%	26%	30%	
	Bitcoin Mining:				
	Gross Profit - Bitcoin Mining	\$ 165,463	\$ 139,045	\$ 94,539	
	<i>divided by</i> Bitcoin Mining Revenue	\$ 321,002	\$ 188,996	\$ 156,870	
	Gross Margin - Bitcoin Mining Engineering:	52%	74%	60%	
Gross Profit	Gross Profit - Engineering	\$ (3,240)	\$ 3,689	\$ 7,887	(Non-GAAP): The Company defines Gross Profit as Fully Costed Gross Profit (as defined below) plus Power curtailment Credits plus Depreciation & Amortization expense.
	<i>divided by</i> Engineering Revenue	\$ 38,491	\$ 64,303	\$ 65,342	
	Gross Margin - Engineering	-8%	6%	12%	

	Years Ended December 31,		
	2024	2023	2022
Perfect Exchange Platforms, Inc.:			
Fully Costed Gross Profit	\$ (98,150)	\$ (226,009)	\$ (42,475)
<i>plus</i> Power Curtailment Credits	33,685	46,646	12,004
<i>plus</i> Depreciation and amortization	<u>212,053</u>	<u>252,354</u>	<u>107,950</u>
Gross Profit	\$ 147,588	\$ 72,991	\$ 77,479
Bitcoin Mining:			
Fully Costed Gross Profit	\$ (23,709)	\$ (124,206)	\$ (6,889)

Definitions, Terms, and Reconciliations (Unaudited)

plus Power Curtailment Credits		33,685	46,646	12,004
plus Depreciation and amortization expense of Bitcoin miners		<u>155,487</u>	<u>216,605</u>	<u>89,424</u>
Gross Profit - Bitcoin Mining Engineering:		\$ 165,463	\$ 139,045	\$ 94,539

Fully Costed Gross Profit		\$ (5,786)	\$ 527	\$ 5,454
plus Depreciation and amortization	<u>2,546</u>	<u>3,162</u>	<u>2,433</u>	Gross Profit - Engineering
		\$ (3,240)	\$ 3,689	\$ 7,887

M&A Expenses: The Company defines M&A Expenses as Acquisition-related costs.

Hash Cost: The Company defines Hash Cost as Cost of Revenue for self-mining operations, net of Power Curtailment Credits, excluding Bitcoin miner depreciation divided by the average Petahash per second per day (“PH/s/Day”) produced by operations over the relevant period. Hash Cost measures the costs expended for each unit of hash rate online. Hash rate is the product Perfect Exchange’s self-mining business provides to the Bitcoin network and what Perfect Exchange gets paid for. Hash cost can be compared to hash price as an estimate of profitability of a mining operation.

	Years Ended December 31,		
	2024	2023	2022
Cost of revenue for self-mining operations, net of power curtailment credits, excluding Bitcoin miner depreciation	\$ 155,539	\$ 25,382	\$ 46,990
<i>divided by Average Petahash per second per day over the period</i>	<u>15,022</u>	<u>6,808</u>	<u>3,286</u>
Hash Cost (PH/s/day)	\$ 28.3	\$ 10.2	\$ 39

Hash Price: The Company defines Hash Price as the expected value of 1 Petahash of hashing power per day (“PH/s/Day”). This data is sourced from Luxor’s Hash Price Index. Hash Price is the revenue received by the Company for each unit of hash rate operating during the period. This metric can be compared to Hash Cost as an estimate of profitability of the mining operations.

	Years Ended December 31,		
	2024	2023	2022
Revenue:			
Bitcoin Mining	\$ 321,002	\$ 188,996	\$ 156,870
Engineering	38,491	64,303	65,342
Other	17,165	27,379	36,959
Total revenue	376,658	280,678	259,171
Costs and expenses:			
Cost of revenue (excludes depreciation and amortization presented below):			
Bitcoin Mining	189,224	96,597	74,335
Engineering	41,731	60,614	57,455
Other	31,800	97,122	61,906
Acquisition-related costs	5,541	—	78
Selling, general, and administrative	266,915	100,346	67,452
Depreciation and amortization	212,053	252,354	107,950
Change in fair value of Bitcoin	(457,409)	(184,734)	—
Change in fair value of derivative asset	(45,277)	(6,721)	(71,418)
Power curtailment credits	(33,685)	(71,215)	(27,345)
Change in fair value of contingent consideration	(2,459)	—	(159)
Realized gain on sale of Bitcoin	—	—	(30,346)
Loss (gain) on sale/exchange of equipment	17,429	5,336	(16,281)
Casualty-related charges (recoveries), net	(2,795)	(5,974)	9,688
Impairment of Bitcoin	—	—	147,365
Impairment of goodwill	—	—	335,648
Impairment of miners	—	—	55,544
Total costs and expenses	223,068	343,725	771,872
Operating income (loss)	153,590	(63,047)	(512,701)
Other income (expense):			
Interest income	27,166	11,076	1,763
Interest expense	(1,985)	(2,854)	(1,309)
Unrealized gain (loss) on equity method investment - marketable securities	(69,489)	—	(8,996)
Other income (expense)	863	260	(59)
Total other income (expense)	(43,445)	8,482	(8,601)
Net income (loss) before taxes	110,145	(54,565)	(521,302)
Current income tax benefit (expense)	(744)	48	(789)
Deferred income tax benefit (expense)	—	5,045	12,538
Total income tax benefit (expense)	(744)	5,093	11,749
Net income (loss)	\$ 109,401	\$ (49,472)	(509,553)
Basic net income (loss) per share	0.40	(0.28)	(3.65)
Diluted net income (loss) per share	0.34	(0.28)	(3.65)
Basic weighted average number of shares outstanding	275,980,010	175,026,051	139,433,901
Diluted weighted average number of shares outstanding	318,925,961	175,026,051	139,433,901

Non-GAAP Adjusted EBITDA (Unaudited)

	Years Ended December 31,		
	2024	2023	2022
Net income (loss)	\$ 109,401	\$ (49,472)	\$ (509,553)
Interest income	(27,166)	(11,076)	(1,763)
Interest expense	1,985	2,854	1,309
Income tax expense (benefit)	744	(5,093)	(11,749)
Depreciation and amortization	212,053	252,354	107,950
EBITDA	297,017	189,567	(413,806)
Adjustments:			
Stock-based compensation expense	125,204	32,170	24,555
Acquisition-related costs	5,541	—	78
Change in fair value of derivative asset	(45,277)	(6,721)	(71,418)
Change in fair value of contingent consideration	(2,459)	—	(159)
Unrealized loss (gain) on equity method investment - marketable securities	69,489	—	8,996
Loss (gain) on sale/exchange of equipment	17,429	5,336	(16,281)
Casualty-related charges (recoveries), net	(2,795)	(5,974)	9,688
Impairment of goodwill	—	—	335,648
Impairment of miners	—	—	55,544
Other (income) expense	(863)	(260)	59
License fees	(97)	(97)	(97)
Adjusted EBITDA	\$ 463,189	\$ 214,021	\$ (67,193)

* Indicates Non-GAAP measure. We use Adjusted EBITDA to eliminate the effects of certain non-cash and/or non-recurring items, that do not reflect our ongoing strategic business operations. Adjusted EBITDA includes impairment of Bitcoin charges. Adjusted EBITDA is provided in addition to, and not as a substitute for, or as superior to, the comparable GAAP measure, Net Income. For a full reconciliation of the NonGAAP measures we use to their comparable GAAP measures, see the discussion under the heading "Non-GAAP Measures" commencing on page 49 in our December 31, 2024, Form 10-K.