



# Third Quarter 2024 Results

EARNINGS CALL PRESENTATION

NOVEMBER 13, 2024

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#### **Note on Financials**

U.S. Data Mining Group, Inc. dba US Bitcoin Corp ("USBTC") and Hut 8 Mining Corp. completed an all-stock merger of equals on November 30, 2023. USBTC was deemed the accounting acquirer in the transaction and, as a result, the historical figures in the Company's income statement for Q3 2023 reflect USBTC's standalone performance. Results for Q3 2024 reflect the performance of the combined company.

#### **No Offer or Solicitation**

This presentation is not intended to and shall not constitute an offer to sell or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended (the "Securities Act") or in a transaction exempt from the registration requirements of the Securities Act.

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#### **Non-GAAP Financial Measures**

This presentation contains non-GAAP financial measures, including Adjusted EBITDA. These measures are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and have important limitations as analytical tools. Non-GAAP financial measures are supplemental, should only be used in conjunction with results presented in accordance with GAAP and should not be considered in isolation or as a substitute for such GAAP results.

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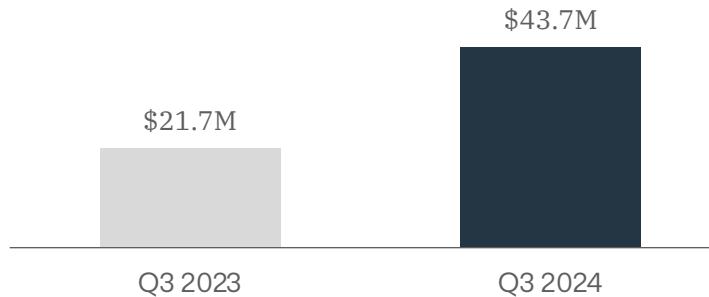
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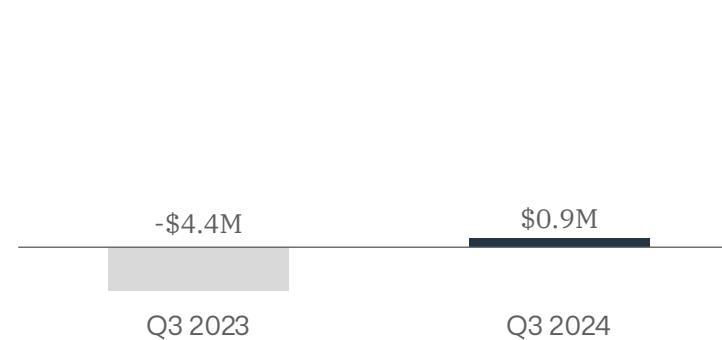
# Financial and operating highlights

## FINANCIAL HIGHLIGHTS<sup>1</sup>

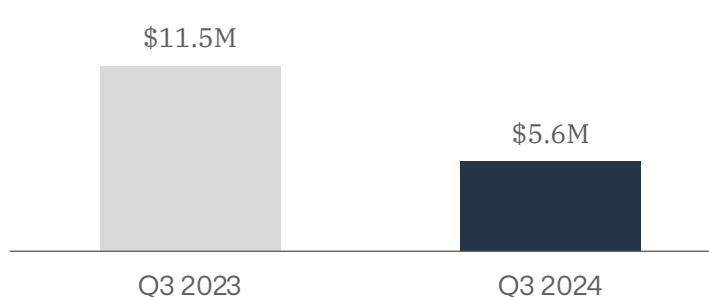
### REVENUE



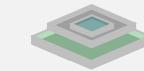
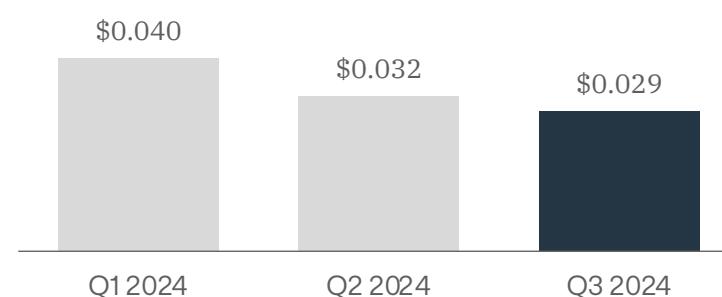
### NET INCOME



### ADJUSTED EBITDA<sup>2</sup>



### ENERGY COST PER KWH



Power assets

1,322 MW

TOTAL ENERGY CAPACITY  
UNDER MANAGEMENT<sup>3</sup>

205 MW

CAPACITY UNDER DEVELOPMENT

1,500+ MW

Pipeline assets under exclusivity<sup>4</sup>

Note: (1) 2023 historical figures reflect USBTC's standalone performance; (2) Adjusted EBITDA is a non-GAAP financial measure; see Appendix for a reconciliation of Adjusted EBITDA to the most comparable GAAP measure, net income (loss), and an explanation of this measure; (3) Total energy capacity under management includes 967 MW of energy capacity under management (mining), 310 MW of capacity from our four natural gas power generation facilities, 3 MW of capacity from our five cloud and colocation data centers, and 42 MW of capacity at a non-operational site in Canada; (4) As of October 31, 2024



# Business update

INITIATIVE	DESCRIPTION	IMPACT
<i>Initial ASIC Fleet Upgrade</i>	Signed purchase agreement for 31,145 BITMAIN Antminer S21+ miners, with delivery expected in Q1 2025	 ~9.3 EH/s PRO FORMA SELF-MINING HASHRATE <sup>1</sup> ~19.9 J/TH PRO FORMA FLEET EFFICIENCY <sup>1</sup>
<i>BITMAIN Partnership</i>	Partnership to launch U3S21EXPH miner through ~15 EH/s colocation agreement with purchase option to reach ~24 EH/s of self-mining, together with fleet upgrade, as early as Q2 2025	 ~\$135M PROJECTED ANNUALIZED COLOCATION REVENUE <sup>2</sup> ~15 EH/s PROJECTED HASHRATE COLOCATED <sup>2,3</sup>
<i>GPU-as-a-Service (Highrise AI)</i>	Launched GPU-as-a-Service business through Highrise AI subsidiary with delivery of first GPU cluster to an AI cloud services provider	 +1,000 NVIDIA H100 GPUS DELIVERED AND GENERATING REVENUE
<i>Anchorage Loan Conversion</i>	Converted outstanding balance of loan to common stock at price of \$16.395 per share, which represents a 51% premium to the 20-day VWAP through the day prior to the signing of the Debt Repayment Agreement	 \$37.9M DEBT CONVERTED TO EQUITY \$17.6M INTEREST EXPENSE SAVED OVER 3 YEARS

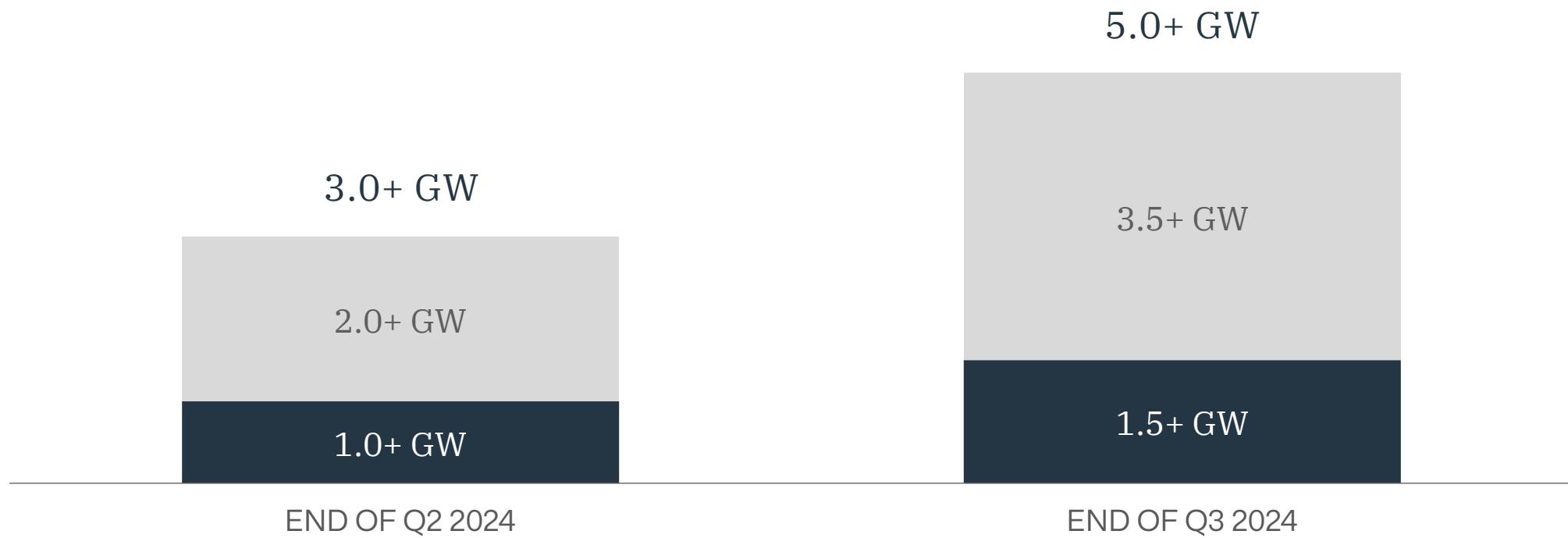
Note: (1) Expected Q1 2025; (2) As early as Q2 2025; (3) Projected from ~15 EH/s BITMAIN colocation deployment on a fully-ramped basis if purchase options are not exercised

# Development pipeline update

## DEVELOPMENT PIPELINE

● ENERGY CAPACITY UNDER EXCLUSIVITY

● ENERGY CAPACITY UNDER DILLIGENCE



# Building a next-generation energy infrastructure platform

## Construction underway at Vega





# Fleet upgrade overview

## HIGHLIGHTS

31,145  
BITMAIN S21+ ANTMINER MINERS PURCHASED

~9.3 EH/S  
PRO FORMA SELF-MINING HASHRATE<sup>1</sup>

~19.9 J/TH  
PRO FORMA AVERAGE FLEET EFFICIENCY<sup>1</sup>

Q1 2025  
EXPECTED ENERGIZATION

\$15.00/TH  
PURCHASE PRICE

## SELF-MINING OPERATIONS

### PRO FORMA SELF-MINING HASHRATE AND BREAKEVEN ENERGY COST

● PRE-UPGRADE   ● INITIAL FLEET UPGRADE   ● BITMAIN PURCHASE OPTION   — BREAKEVEN ENERGY COST<sup>3</sup>



### PRO FORMA AVERAGE FLEET EFFICIENCY

31.7 J/TH                    19.9 J/TH<sup>2</sup>                    15.7 J/TH<sup>2</sup>

Note: (1) As early as Q1 2025 and based on Hut 8's deployed self-mining hashrate of 5.6 EH/s as of October 31, 2024, which includes 100% of deployed hashrate at the King Mountain site owned by the King Mountain JV in which the Company has a 50% membership interest and a Fortune 200 renewable energy producer has the remaining 50% membership interest; (2) Anticipated; (3) Estimated based on \$0.045 average hashprice during Q3 2024

# Appendix

# Q3 2024: Key metrics

METRIC	Q3 2024	Q3 2023 <sup>1</sup>	COMMENTARY
REVENUE	\$43.7M	\$21.7M	Q3 2024 revenue mix: 26% Digital Asset Mining, 48% Managed Services, 8% HPC, 18% Other
BITCOIN MINED <sup>2</sup>	234	675	9,106 Bitcoin on balance sheet at quarter-end, representing a market value of approx. \$576.5 million
COST OF REVENUE	\$17.6M	\$13.5M	Digital Asset Mining gross margins increased from 30% to 37%
COST TO MINE A BITCOIN <sup>3</sup>	\$31,482	\$17,274	Increase driven primarily by the April halving event and an increase in average network difficulty; partially offset by lower energy costs
ENERGY COST PER KWH <sup>4</sup>	\$0.029	\$0.043	33% decrease year-over-year (and 9% decrease quarter-over-quarter from \$0.032) driven by lower energy costs at our Salt Creek site, curtailment, and demand response credits
OPERATING LOSS	(\$1.6M)	(\$0.7M)	Q3 2024 reflects \$1.6M loss on digital assets
NET INCOME (LOSS)	\$0.9M	(\$4.4M)	Q3 2024 reflects \$1.6M loss on digital assets and \$6.0M gain on debt extinguishment
ADJUSTED EBITDA <sup>5</sup>	\$5.6M	\$11.4M	Decrease primarily driven by increase in G&A expenses and loss on digital assets

Note: (1) Historical figures reflect USBTC's standalone performance; (2) Includes the Company's share of the King Mountain JV and excludes its discontinued operations at Drumheller, Alberta. Bitcoin mined excluding the Company's net share of the King Mountain JV was 190 and 553 for the three months ended September 30, 2024 and 2023, respectively; (3) Cost to mine a Bitcoin is calculated as the sum of total all-in electricity expense, net of credits from participation in ancillary demand response programs, and colocation expense divided by Bitcoin mined during the respective periods and includes the Company's net share of the King Mountain JV; (4) Includes the Company's net share of the King Mountain JV; (5) Adjusted EBITDA is a non-GAAP financial measure; see Appendix for a reconciliation of Adjusted EBITDA to the most comparable GAAP measure, net income (loss), and an explanation of this measure



# Q3 2024: Consolidated statement of income

	Three Months Ended	
(in thousands)	September 30, 2024	September 30, 2023 <sup>1</sup>
<b>Revenue</b>		
Digital Asset Mining	\$ 11,611	\$ 15,565
Managed Services	20,820	4,777
High Performance Computing – Colocation and Cloud	3,421	–
Other	7,883	1,361
<b>Total revenue</b>	<b>43,735</b>	<b>21,703</b>
<b>Cost of revenue</b>		
Cost of revenue – Digital Asset Mining	7,257	10,875
Cost of revenue – Managed Services	2,812	1,422
Cost of revenue – High performance Computing – Colocation and Cloud	2,610	–
Cost of revenue – Other	4,880	1,229
<b>Total cost of revenue</b>	<b>17,559</b>	<b>13,526</b>
<b>Operating expenses</b>		
Depreciation and amortization	10,462	4,486
General and administrative expenses	16,175	4,171
Loses (gains) of digital asset	1,552	185
Gain on sale of property and equipment	(444)	–
Total operating expenses	27,745	8,842
<b>Operating loss</b>	<b>(1,569)</b>	<b>(665)</b>
<b>Other (expense) income</b>		
Foreign exchange gain	703	–
Interest expense	(7,938)	(5,723)
Gain on debt extinguishment	5,966	–
Gain on derivatives	2,704	–
Equity on earnings (losses) of unconsolidated joint venture	1,495	2,075
Total other (expense) income	2,930	(3,648)
<b>Net income (loss) before taxes</b>	<b>1,361</b>	<b>(4,313)</b>
Income tax provision	(453)	(61)
<b>Net income (loss)</b>	<b>908</b>	<b>(4,374)</b>
Less: Net loss attributable to non-controlling interests	(261)	–
<b>Net income (loss) attributable to Hut 8 Corp.</b>	<b>\$ 647</b>	<b>\$ (4,374)</b>

Note: (1) Historical figures reflect USBTC's standalone performance



# Q3 2024: Adjusted EBITDA reconciliation

## ADJUSTED EBITDA RECONCILIATION

## NOTE ON ADJUSTED EBITDA

(in thousands)

	Three Months Ended	
	September 30, 2024	September 30, 2023 <sup>3</sup>
<b>Net income (loss)</b>	\$ 908	\$ (4,374)
Interest expense	7,938	5,723
Income tax provision	453	61
Depreciation and amortization	10,462	4,486
Gain on debt extinguishment	(5,966)	–
Gain on derivatives	(2,704)	–
Share of unconsolidated joint venture depreciation and amortization <sup>1</sup>	5,486	5,250
Foreign exchange gain	(703)	–
Gain on sale of property and equipment	(444)	–
Non-recurring transactions <sup>2</sup>	(14,530)	–
Net income attributable to non-controlling interests	(261)	–
Stock-based compensation expense	4,957	303
<b>Adjusted EBITDA</b>	<b>\$ 5,596</b>	<b>\$ 11,449</b>

Note: (1) Net of the accretion of fair value differences of depreciable and amortizable assets included in equity in earnings of unconsolidated joint venture in the Consolidated Statements of Operations and Comprehensive Income (Loss) in accordance with ASC 323; (2) Non-recurring transactions for the three months ended September 30, 2024 represent a \$13.5 million contract termination fee received from MARA and a release of relocation fees that were over-accrued in the prior period. Non-recurring transactions for the three months ended September 30, 2024 were nil; (3) Historical figures reflect USBTC's standalone performance

In addition to results determined in accordance with GAAP, Hut 8 relies on Adjusted EBITDA to evaluate its business, measure its performance, and make strategic decisions. Adjusted EBITDA is a non-GAAP financial measure. The Company defines Adjusted EBITDA as net income (loss) before interest expense, income tax provision, depreciation and amortization, further adjusted by the removal of gains on the extinguishment of debt (if applicable), gain (loss) on derivatives, depreciation and amortization embedded in the equity in earnings (losses) from an unconsolidated joint venture, foreign exchange gain, gain on the sale of property and equipment (if applicable), non-recurring transactions, net income attributable to noncontrolling interest, and stock-based compensation expense in the period presented. You are encouraged to evaluate each of these adjustments and the reasons the Company's board of directors and management team consider them appropriate for supplemental analysis.

The Company's board of directors and management team use Adjusted EBITDA to assess its financial performance because it allows them to compare operating performance on a consistent basis across periods by removing the effects of capital structure (such as varying levels of interest expense and income), asset base (such as depreciation and amortization), and other items (such as non-recurring transactions mentioned above) that impact the comparability of financial results from period to period.

Net income (loss) is the GAAP measure most directly comparable to Adjusted EBITDA. In evaluating Adjusted EBITDA, you should be aware that in the future the Company may incur expenses that are the same as or similar to some of the adjustments in such presentation. The Company's presentation of Adjusted EBITDA should not be construed as an inference that its future results will be unaffected by unusual or non-recurring items. There can be no assurance that the Company will not modify the presentation of Adjusted EBITDA in the future, and any such modification may be material. Adjusted EBITDA has important limitations as an analytical tool and you should not consider Adjusted EBITDA in isolation or as a substitute for analysis of results as reported under GAAP. Because Adjusted EBITDA may be defined differently by other companies in the industry, the Company's definition of this non-GAAP financial measure may not be comparable to similarly titled measures of other companies, thereby diminishing its utility.



HUT 8

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