



Q4 AND FULL YEAR 2025 EARNINGS CALL

SPEAKERS

CORPORATE PARTICIPANTS

Eric Trump, American Bitcoin Corp. — Co-Founder and Chief Strategy Officer

Mike Ho, American Bitcoin Corp. — Chief Executive Officer

Asher Genoot, American Bitcoin Corp. — Executive Chairman

Matt Prusak, American Bitcoin Corp. — President and Interim Chief Financial Officer

CONFERENCE CALL PARTICIPANTS

Darren Aftahi, Roth Capital — Analyst

Brian Dobson, Clear Street — Analyst

Fedor Shabalin, B. Riley Securities — Analyst

Kevin Dede, H.C. Wainwright — Analyst

Greg Lewis, BTIG — Analyst

OPERATOR

Good morning and welcome to American Bitcoin's Fourth Quarter and Full Year 2025 Financial Results Conference Call. Speaking on today's call are Co-Founder and Chief Strategy Officer Eric Trump and Chief Executive Officer Mike Ho. Executive Chairman Asher Genoot and President and Interim Chief Financial Officer Matt Prusak will be available during the question-and-answer session. Following prepared remarks, we will open the line for questions. This call is being recorded, and a transcript will be made available on American Bitcoin's website.

American Bitcoin issued its Fourth Quarter and Full Year 2025 Earnings Release earlier today, which can be found on the Company's website at abtc.com and on the Company's EDGAR profile at sec.gov.

Certain statements made during this call may constitute forward-looking statements within the meaning of applicable securities laws. These statements reflect current expectations and are subject to risks and uncertainties that could cause actual results to differ materially, including certain key risks detailed in the Company's SEC filings. Except as required by law, the Company undertakes no obligation to update or revise any forward-looking statements. During the call, management may reference non-GAAP measures such as Adjusted EBITDA. Management believes these metrics, alongside GAAP results, provide valuable insight into the Company's performance. Reconciliations of GAAP and non-GAAP results are included in the tables accompanying today's earnings release.

With that, I'll turn the call over to Eric Trump, Co-Founder and Chief Strategy Officer of American Bitcoin.

ERIC TRUMP

Co-Founder and Chief
Strategy Officer
American Bitcoin Corp.

Good morning everybody and welcome back.

We launched American Bitcoin on March 31st, 2025. We went public on September 3rd, just over five months later. We held our first earnings call on November 14th, and the praise that came out of that call, really the praise and acclaim was, was truly incredibly special.

And today, only five months and 23 days since ABTC went public, not even a year since we launched the company, we are fast becoming the leader in the Bitcoin world, and I truly think we have the greatest brand of all. I would argue that not a single company in the space has grown their public Bitcoin treasury rankings faster.

Today with over 6,000 Bitcoin on the balance sheet, we're the 17th largest public Bitcoin accumulator on Earth. The pace of what the team has built is something that I'm incredibly proud of. On our last call, I talked about two races in this space: the race to accumulate the most Bitcoin and the race to accumulate the most Bitcoin at the lowest cost.

Three months later, that conviction has only gotten stronger. We're delivering strong sequential growth this quarter. We continue to mine Bitcoin at a structural discount to spot, and we meaningfully expanded our reserve. Mike will take you through those numbers in details. What I want people to understand about American Bitcoin is incredibly straightforward.

We are focused on building the most efficient way to compound Bitcoin ownership through the public equity markets. We mine Bitcoin cheaper than you can buy it. We hold it and we grow ownership of Bitcoin over time. Very few companies, if any, have this structural advantage and despite volatility in the digital asset market, we're one of the only companies who can sustain their tremendous meaningful margin based on our low-cost mining and incredibly efficient SG&A. There's a lot of noise in this industry, yet we stay focused. We maintain a highly disciplined cost structure, and we remain committed to building something durable, not something that gets attention for a quarter and then fades. We are growing American Bitcoin to be the strongest and most respected company in its class.

The world is still very early to cryptocurrency, but that's our distinct advantage. Institutional adoption is barely getting started. Every day another bank in the country is announcing the ability to custody digital assets, and Bitcoin is leading that race. We've seen the announcements from Chase, from Charles Schwab, Fidelity, BlackRock, and countless others, and the list goes on and on, and that's before ETFs, an incredible forward-looking legislation and adoption by other major markets, countries, and populations all over the world.

The infrastructure layer of this asset class is where generational value gets created, and we're building it right here in North America, anchored in the United States, in the great state of Texas, powered primarily by great American energy and supported by our great American infrastructure.

I want to thank our shareholders for their incredible confidence in this team. I want to recognize Mike, Asher, Matt, and everybody at American Bitcoin. There is no team more

committed to growth and there is no team who will work harder for all of you. Mike will walk you through how this strategy translates into results this quarter.

We appreciate you all being on. Mike, go ahead.

MIKE HO

Chief Executive Officer
American Bitcoin Corp.

Thanks, Eric, and good morning, everyone.

I want to take a few minutes to walk through not just what happened this quarter or this year, but how we think about this business and where we are taking it. The numbers matter, and I will get to them. But I want to start with the architecture, because the architecture is what makes the numbers durable.

American Bitcoin launched in March 2025, went public through completing our reverse merger with Gryphon Digital Mining in September, held our first earnings call in November, and as of year-end, held approximately 5,400 Bitcoin in reserve.

Likewise, our Satoshis per share stood at 554 at the end of Q4, up from 371 at the end of Q3. That is a forty-nine percent increase in a single quarter. Our focus is on building the Bitcoin reserve over time and enhancing per-share exposure alongside it. Those results reflect the integrated layers of our business model. I will walk through each, cover our financial results, and then share where we are headed.

The foundation of American Bitcoin is industrial-scale Bitcoin mining anchored in the United States and powered primarily by American energy.

Installed capacity at year-end was approximately twenty-five exahash per second, with fleet efficiency of approximately 16.3 joules per terahash. During Q4, we mined 783 Bitcoin, bringing production since ABTC's launch to approximately 1,654 Bitcoin. Approximately one-third of our total Bitcoin reserve has been accumulated directly through mining. That is not incidental. Mining produces Bitcoin at a structural discount to what it would cost to acquire on the open market, and that discount is the economic engine of this business.

We decreased our cost of revenue per Bitcoin mined to approximately \$46.9 thousand in Q4, compared to approximately \$50.2 thousand in Q3. We added no net new hashrate in Q4, by design. The focus was optimization: stabilizing machines from the Q3 ramp, tuning fleet performance, and managing intelligent curtailment around ERCOT energy pricing signals. A similar stabilization dynamic occurred between Q2 and Q3, when margins improved as more efficient machines came online and earlier capacity normalized. That

step-change was tied to that specific deployment cycle and should not be viewed as a recurring pattern.

The Hut 8 partnership is central to this layer. Our primary facility at Vega draws 205 megawatts from the ERCOT grid and an adjacent wind farm, with direct-to-chip liquid cooling supporting up to 180 kilowatts per rack. It is purpose-built for high-density Bitcoin compute. Hut 8 invests in the infrastructure stack. American Bitcoin invests in ASICs and Bitcoin. That separation of capital responsibilities is designed to align incentives and support efficient scaling over time.

Our objective with mining is to produce Bitcoin below market cost. In turn, our objective with the treasury is to further grow that Bitcoin position. Together, they form what we call our dual accumulation model.

As of December 31, we held 5,401 Bitcoin in reserve, up from 3,418 at the end of Q3. We accumulated through mining production as well as at-market purchases and strategic transactions. The mix of our total reserve is roughly one-third mined, two-thirds purchased. The result is a reserve built through both operational output and balance sheet activity.

As of year-end, we had raised approximately \$240 million in gross proceeds under our at-the-market program, or about eleven percent of total capacity. That disciplined utilization is intentional. We deploy capital when we believe it strengthens per-share Bitcoin ownership. Unlike pure treasury vehicles that accumulate at spot, our model first produces Bitcoin at a structural discount and then expands the position through treasury activity.

As Bitcoin matures as an institutional asset class, we believe there is significant value in becoming an institutional-grade interface to Bitcoin. A platform that combines production economics, treasury scale, and operational credibility.

We remain focused on Bitcoin. We are not pursuing business lines that would dilute that focus. The companies that earn durable premiums are the ones that clearly define their mandate and execute against it consistently. We intend to be one of those companies. As we scale, we are continuing to build the operational depth and internal systems necessary to support a larger platform, ensuring our structure evolves alongside the business.

This quarter was defined by execution. In a volatile Bitcoin price environment, we expanded revenue and preserved balance sheet strength without compromising our long-term strategy.

As a reminder, prior to March 31, 2025, American Bitcoin's operations were reported as the "Bitcoin mining" sub-segment of Hut 8's "Compute" segment. On March 31, 2025, Hut 8 contributed substantially all of its Bitcoin miners to American Data Centers, Inc., which was subsequently renamed American Bitcoin Corp. On September 3, 2025, American Bitcoin completed a stock-for-stock merger with Gryphon Digital Mining, Inc., and was deemed the accounting acquirer. As a result, financial results for periods prior to March 31, 2025 reflect operations as part of Hut 8 and are not directly comparable to standalone periods.

With that context, let me turn to our financial results. Revenue for Q4 was \$78.3 million, up twenty-two percent sequentially from \$64.2 million in Q3 and full-year revenue was \$185.2 million. While revenue provides scale context, we focus more closely on margin profile, production efficiency, and reserve growth as the primary indicators of performance.

Against that backdrop, margins provide a clearer view of underlying operating performance. Cost of revenue for Q4 was \$36.7 million, up from \$28.3 million in Q3. Overall cost of revenue for the twelve months ended December 31, 2025 was \$92.0 million. Gross margin was approximately fifty-three percent in Q4, compared to fifty-six percent in Q3 and approximate fifty percent for the year overall. Gross margin was forty-nine percent in Q2 before improving to fifty-six percent in Q3 as earlier capacity stabilized. During the fourth quarter, the price of Bitcoin declined approximately twenty-three percent, resulting in a non-cash fair-value adjustment reflected separately on the income statement. That adjustment did not affect gross margin, which continued to reflect the operating economics of the mining business.

Stepping back, Q4 results reflect a business that maintained operating discipline and margin integrity despite volatility in Bitcoin's market price. G&A was \$7.3 million in Q4, down from \$8.1 million in Q3. For the full year 2025, G&A totaled \$33.4 million. As a percentage of revenue, G&A declined to approximately nine percent in Q4 from thirteen percent in Q3. Revenue grew twenty-two percent while G&A dollars declined. That is operating leverage.

Turning to the bottom line, net income or loss reflects the impact of non-cash fair-value accounting adjustments during the quarter. Under current accounting standards, changes in the market price of Bitcoin between quarter-end dates flow through the income statement as a fair-value adjustment. Therefore, net loss for Q4 was \$59.5 million, driven primarily by a \$112.2 million non-cash loss on digital assets. Net loss for the twelve months ended December 31, 2025 was \$153.2 million. To be clear, this is not a cash event. We did not sell Bitcoin. Operationally, the business generated positive contribution before those

non-cash accounting effects, and the underlying mining and treasury economics remained healthy throughout the quarter.

Adjusted EBITDA was negative \$77.6 million for Q4 and negative \$157.3 million for the full year. Those figures include the impact of non-cash digital asset fair-value adjustments. Reconciliations of Adjusted EBITDA to net income (loss) are in our press release.

Looking ahead, our priorities are clear.

We continue to focus on optimizing fleet efficiency. Improvements in joules per terahash can enhance Bitcoin production economics and support margin performance over time.

We remain focused on disciplined capacity expansion. We have access to additional capacity and to next-generation ASIC technology. We will deploy when we believe the investment returns more Bitcoin over its useful life than it costs in Bitcoin terms. We would rather be right than be first.

We continue to compound the reserve through mining and strategic purchases,, and we continue to reinforce the three-layer architecture. Layer One provides production economics. Layer Two compounds the position. Layer Three positions this company for the next phase of institutional adoption. Each layer strengthens the others.

This company launched less than a year ago. In that time, we believe we have built a revenue model that scales, a reserve that compounds, a margin profile that held through a meaningful decline in Bitcoin, and an organizational foundation that is ready for the next phase. We have done it with a lean cost structure, and a clear framework for how we allocate every dollar.

The majority of our operations are anchored in the United States, powered predominately by American energy, and built in communities that benefit from our presence. We are focused on Bitcoin. We are focused on execution. And we are building something durable.

I want to thank our shareholders, our partners at Hut 8, and the entire American Bitcoin team.

Operator, we will now open the line for questions.

OPERATOR

To ask a question, simply press star one on your telephone keypad. Again, that's star one to ask a question. Our first question from Roth Capital is from the line of Darren Aftahi.

Please go ahead.

DARREN AFTAH

Analyst
Roth Capital

Hey guys, can you hear me okay?

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

Yeah, we hear you.

DARREN AFTAH

Analyst
Roth Capital

Great. Congrats on the progress. Nice to see a really nice cost for Bitcoin number. A couple of things. Can you just speak to, in light of the movement in the price of Bitcoin, just the dual-fold strategy of acquiring in the market versus procuring more power? And I think I kind of heard you hint that there could be some power outside the United States if you went down that route, but just any color on what your 2026 initiatives may be. Thank you.

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

Happy to do so. Good to chat with you again, hasn't been too long since yesterday.

When we look at growth and what being a Bitcoin mining, Bitcoin company means, you have Bitcoin mining, which is security of the Bitcoin network. Then you have our treasury, which is layer two, which is the liquidity of the Bitcoin network. And three is the ecosystem of the Bitcoin network and how we increase adoption.

So why we think that American Bitcoin is so well positioned is because we are not reliant on a singular strategy. I think when you look at a lot of the headwinds that treasury companies have faced, it's because if you're not trading at a place where there's an ample market to be able to raise money and buy Bitcoin, you're kind of just stuck waiting.

But if you look at our last quarter, revenue grew, gross margins continued to hold, SG&A went down as a percentage of revenue. From a financial perspective, I think you have one of the strongest quarters of just continuing to compound the foundation that was built in starting the company.

As we look forward into this year, when markets are more bearish, it's actually the best time to look at opportunities and build because things are a lot cheaper. And so as we look forward in 2026, you'll see us just continue to accumulate Bitcoin, being sensitive and thoughtful to how we accumulate Bitcoin, taking into account Bitcoin per share so it's accretive to all the shareholders.

We'll continue to use a multi-pronged strategy that's continuing to increase the security layer of Bitcoin, continuing to add to the liquidity in the markets, and potentially looking at

ways that we can use the brand that we built, and that Eric has done such a good job of getting a global platform for, to see if we can increase adoption of the underlying asset itself with some interesting partnerships that we're looking at.

Across the board, we don't have a single-pronged strategy. And in markets like this, honestly, it's the best time to build and build the foundation for when the markets rebound and start growing.

DARREN AFTAH

Analyst
Roth Capital

Great. One more if I may. Obviously, there's an appreciation aspect of Bitcoin, but anything you're thinking about doing in terms of yield as you build your Bitcoin stack? Thank you.

MATT PRUSAK

President and Interim Chief
Financial Officer
American Bitcoin Corp.

Sure, I can take that. Matt here. There are a few aspects that we think about for this. Obviously, mining is our baseline means of accumulation. But layer two and layer three are both prongs of our strategy that could help us with the yield aspect of the business.

Layer two would be more what we would call the traditional finance or "TradFi" way of approaching yield, through different financial instruments. Mike Ho is obviously spearheading a lot of our capital market strategy with the traditional counterparties.

Then there are also the layer three options. We've seen a Cambrian explosion of Bitcoin dApps (decentralized applications) in the overall Bitcoin ecosystem in Q4 and into Q1. So we're monitoring closely which of those partnerships could be the most accretive to American Bitcoin. Again, we want to pursue a very asset-light way of doing this.

Our goal is Satoshis per share. We believe that there are some partnerships out there that we're looking forward to delving further into in the future, that will allow us to generate more yield on the stack above and beyond the mining.

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

And it's important to note, most of the people sitting on this call speaking today have lived through the cycles of Bitcoin.

We've seen what happens when people overextend and try to get too greedy with yield. And so as we look at opportunities to generate yield, the core and most important principle is: how do we protect the underlying Bitcoin stack? We believe that shareholders buy a share of American Bitcoin because they want us to increase that exposure year over year and increase their ownership of underlying Bitcoin. So any yield strategies we look at will be extremely conservative.

Having lived through 2022 and the most recent bearish markets, yield is great in a period of time when you're receiving it, but not great if it actually puts your underlying Bitcoin and has it being compromised. So as we think about yield, different things that we've done historically and will continue to do, is use third-party custodians where we're not actually giving up control of the Bitcoin, we're still owning the full control of the cold wallets.

Things like that are really, really important for making sure that the actual asset base remains protected, even if you're looking at yield-generating strategies.

Appreciate it, guys. Thank you.

DARREN AFTAHI

Analyst
Roth Capital

OPERATOR

From Clear Street. Our next question comes from the line of Brian Dobson. Please go ahead.

BRIAN DOBSON

Analyst
Clear Street

Hey, good morning. Thanks for taking my question. As you're looking ahead, how do you consider capital allocation between growing the mining business and Bitcoin purchases on the open market? Is there a level where you're favoring one over the other? And how might that thought process change as we approach the next halving?

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

So if you look at Bitcoin mining and how that business has grown, we've always taken a really novel approach toward growing Bitcoin mining. Just being able to put cash out to buy Bitcoin miners that show up in six to twelve months isn't the most accretive way to grow.

If you look at what American Bitcoin did with Vega, we were actually able to receive a call option and say: if Bitcoin is trading at a certain price in terms of hashrate, we can step into the machines and be able to generate revenue almost immediately. And you saw that happen through the rapid increase of growth rate of exahash over the last year in 2025 with American Bitcoin.

So when we look into 2026, the core driver is increasing Bitcoin over the long term. Any dollar that we spend that is not directly buying Bitcoin, the underwriting principle that it will increase Bitcoin over the long term. When we think about Bitcoin mining, every dollar we spend today that would go into a miner, our underwriting principle is: at the end of that period of time, when that machine is retired, did we increase the Bitcoin holdings that we otherwise would have gotten by just buying Bitcoin?

Overall, as we're thinking about capital allocation, we're still increasing Bitcoin as you see day by day, we're just slowly building day by day, day by day, incrementally. If you look back at the last year, there's been massive movements. Our perspective is that daily dollar-cost averaging is a great way to grow. We believe in Bitcoin in the long term. And when there are right and opportunistic moments where we believe that we can get a strong return on mining, we will do so. But the core driver is let's increase Bitcoin on the balance sheet, and when it's opportunistic to bring on mining because the machines we get a good, structured deal, we are able to grow that, we have cheap energy cost, and we will do so.

That's what makes this business so unique. When you look at the years in Bitcoin mining when you had a lot of Bitcoin miners just chase exahash, sometimes you chase it at the compromise of underlying economics because that was your only way of growth.

Our growth metric is simple: increase Bitcoin and increase Bitcoin per share over the long term. When there are buying opportunities, we'll look at those opportunities as a way to increase Bitcoin on the balance sheet faster than just buying Bitcoin itself. And when those opportunities don't exist, we'll just keep on accumulating Bitcoin day by day.

BRIAN DOBSON

Analyst
Clear Street

Thanks. And then from a higher level, the DAT segment has certainly been under pressure over recent months, and your mining business distinguishes you within the segment. As you're looking at peers and competitors who've been under pressure, how do you think that market shakes out of the coming year or so?

ERIC TRUMP

Co-Founder and Chief
Strategy Officer
American Bitcoin Corp.

Brian, that's a great question. At the end of the day, I think we're very different than all of our competitors. We mine Bitcoin, and I just want this number to sink in for everybody. We mine Bitcoin at a 53% discount to spot this quarter. In doing so, we increased our Bitcoin holdings by 58% this quarter. We ran a 53% gross margin. There's no one else that can do that.

And frankly, when difficulty rates fell on mining, it allowed us to mine additional Bitcoin each and every single day. So difficulty rates coming down actually helped us, while most of our competitors went dark.

You've got a lot of companies out there that are kind of flat. They haven't really done anything. They have not increased their BTC holdings because they couldn't. This has actually been a tremendously good time for our company because we've been mining more Bitcoin and maintaining our margins. Obviously, the Bitcoin on our balance sheet is

growing substantially. There are other benefits, including tax benefits to mining at lower amounts, that we can get into later. But this has been a fantastic period for us.

BRIAN DOBSON

Analyst
Clear Street

Excellent. Thanks very much.

OPERATOR

From B. Riley Securities. Your next question is from the line of Fedor Shabalín. Please go ahead.

FEDOR SHABALIN

Analyst
B. Riley Securities

Thank you very much, operator, and good morning everyone. Gents, you mentioned that assets tend to be cheap during a bear market. My question is: are you considering any M&A activity, whether that's acquiring additional sites, power capacity, or maybe other strategic assets? Thank you.

ERIC TRUMP

Co-Founder and Chief
Strategy Officer
American Bitcoin Corp.

Absolutely, are we considering M&A opportunities? Absolutely. I think we've developed the greatest brand in Bitcoin. I think we have the best name in Bitcoin. I think we have the best story to tell in Bitcoin. Obviously, you see the results today. I would argue that there's not another company that can match what we've done. And I can tell you that there are a lot of people coming out of the woodworks to partner up with us in some way, shape, or form.

On a lot of end, on the energy end, obviously on the DAT end. Whether or not we explore those or stay very pure to our core, we are doing fantastically well. And if there's a great opportunity that's accretive, you better believe we'll run toward it faster than anybody.

I said this in my opening remarks, but we are a company that's less than six months old. We literally got listed on the Nasdaq less than six months ago. In totality, we're less than a year old. We literally formed this company less than a year ago. And then every day you see us climbing that stack.

We're now the 17th largest public Bitcoin accumulator. And you've probably seen a lot of my tweets go out there, but it feels like every week we're passing another company and climbing that ladder. So we're very excited. Whether that means M&A activity, acquiring others, partnering with others, from any standpoint, whether it be the DAT standpoint, whether it be the energy standpoint, whether it be the mining standpoint, I think there's tremendous opportunity for us.



We're an incredibly hot brand and an incredibly hot company. And I think that's almost a definite for the future in some capacity.

FEDOR SHABALIN

Analyst
B. Riley Securities

Thank you. This is helpful. My follow-up is two questions related to performance. Can you expand on the key drivers behind the gain on derivatives in the fourth quarter? I see a nice increase quarter over quarter, this is one. And second: what is your EBITDA breakeven Bitcoin price currently? Can you provide color on this? Thank you.

MATT PRUSAK

President and Interim Chief
Financial Officer
American Bitcoin Corp.

So as we think about the way that we've been expanding our Bitcoin and Bitcoin mining, there are scenarios in which we've been able to basically increase the Bitcoin mining without actually outlaying cash.

We're able to receive the upside of Bitcoin appreciation meanwhile being able to compound Bitcoin itself. That's where you see some of those derivative trades coming in. We've shared this before, in some scenarios when we buy miners, we're able to use the Bitcoin, lock it in at a mark-to-market price, be able to take the full upside of that Bitcoin if we wanted to buy it out in two years with cash. And if Bitcoin goes down, we can forego that Bitcoin and be able to use that cash to buy Bitcoin at the market price. That's where you'll see some of the fluctuations on the derivative side, that reflects some of those transactions that we do in the most accretive way to be able to grow Bitcoin mining rather than just outlaying cash out there.

FEDOR SHABALIN

Analyst
B. Riley Securities

Thank you very much. Continue. Best of luck.

OPERATOR

From H.C. Wainwright. Your next question comes from the line of Kevin Dede. Please go ahead.

KEVIN DEDE

Analyst
H.C. Wainwright

Morning, Asher, Mike, Eric. Thanks for having me on the call. You folks talked to this great discount in mining versus spot. Can you elaborate on your position with Bitmain now as that contract stands, how you might tap it, and how long that option might last?

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

As you know, we've been in this space for a long period of time, we have great relationships with every major manufacturer in the space. Bitmain has been a great partner of ours, but we continue to have conversations with all manufacturers and producers of this equipment. At the end of the day, the suppliers know, the folks who are close to us know, we will optimize for the best deal to do what's best for shareholders.



So we're looking at continued accretive and creative structures with Bitmain in addition to other manufacturers as well. Markets are very good, as we mentioned, when there's not a lot of people buying these machines, because then we can get really creative in being able to build at a lower cost and in a more creative structure.

More to come on that note, but we're continuously looking at ways to grow in creative and accretive ways that are similar to what we've done historically and we'll continue to do things that are new and novel to drive shareholder value and Bitcoin accumulation over the long term.

KEVIN DEDE

Analyst
H.C. Wainwright

Asher, do you see Bitmain building a U3 version of the S23?

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

Potentially, if we want to go build a large facility. But that's to come. Right now they have different form factors. They've rolled out two U factors, three U factors. Before American Bitcoin, on the Hut 8 side, we really worked with them to create the direct liquid-to-chip U-factored machine that we deployed at Vega and are using now. So we continue to not only look at being consumers of Bitcoin miners and ASICs at scale, but also being technological innovation partners with them and being able to help drive where the technology and innovation goes as we build the infrastructure.

KEVIN DEDE

Analyst
H.C. Wainwright

You mentioned custody giving you some flexibility on yield. Can you speak to specifically who you're custodizing with, what dimension of flexibility you have, and whether you plan on diversifying your custody positions?

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

Our custody partners are great. We have Anchorage Digital, we have Coinbase, we have BitGo, some of the largest custody partners in the world today.

When we talk about yield generation opportunities, what we mean is, a lot of time when you need to generate yield, you actually have to send your Bitcoin to that counterparty and then they give you yield. We're not okay with rehypothecation. So when we look at potential yield-generating opportunities, we are able to maintain control of the custody account where the Bitcoin is held, and then we have a tri-party agreement when looking at different yield-generating opportunities that we may underwrite.

That's the key. What we've learned in this ecosystem is that counterparty risk is the bigger risk you take on when you want to generate yield. We always want to be in control of the keys of our wallets. That's what we mean by we are able to control of the custody of the

actual coins meanwhile looking at opportunities where we can generate yield on top of them.

KEVIN DEDE

Analyst
H.C. Wainwright

Would you mind commenting a little bit on your pool strategy? Vis-à-vis with your layer three, is there a chance you might develop your own or design your own and obviate intermediaries there?

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

We work with partners today, and Foundry, for example, is a strong partner of ours. They're a U.S.-based pool. We really believe that more and more hashrate should be securitized by the U.S., and so that's obviously a big portion of why we continue to invest in America, to be a security backbone of the Bitcoin network.

When you look at operating a pool, ultimately what you're taking on is probability and volatility risk. As a business, do we need to add another layer of risk exposure, or do we rather know how many exahash we're producing and how many Bitcoin does that mine. So we're looking at a variety of opportunities within the third ecosystem layer.

We definitely have pool operators looking to partner and to JV, but there's a whole host of opportunities that are much broader, that touch a much larger base. It's about adoption around not just Bitcoin mining, but Bitcoin as an asset class itself. Figuring out ways we can help be a vehicle and help be an enabler for more adoption of Bitcoin on a national and global level.

MATT PRUSAK

President and Interim Chief
Financial Officer
American Bitcoin Corp.

Just to add to that. As you look at layer three, building an ecosystem, accelerating Bitcoin adoption, which is one of our North Stars, is a thing where if we wanted to go fast on any of these ventures, we could go alone. But if we want to go far as an ecosystem, we have to go together.

So we're always communicating with different partners, building every part of the value chain, to find the most accretive way to do that. As we think about our shareholder base and the folks we're working on behalf of, we want to make sure we're doing everything so that they can capture the value we hope to create within the Bitcoin ecosystem.

KEVIN DEDE

Analyst
H.C. Wainwright

Last one, Asher, I promise. How long do we have to wait before we'll know if mining goes into the Corpus site?

ASHER GENOOT

Executive Chairman
American Bitcoin Corp.

I like that, it's a double-sided question. American Bitcoin has a lot of interesting opportunities. If you actually look at the portfolio Hut 8 has today that's dedicated to mining, we have about 700 megawatts still dedicated to Bitcoin compute, and American Bitcoin is really utilizing only half of that today. So there's a lot of opportunity for incremental growth within the existing portfolio that exists.

There are also other opportunities, as Eric mentioned, that American Bitcoin is looking at from a growth and energy perspective. So as you look at American Bitcoin's growth from a mining perspective, there's tons of avenues of growth, tons of energy opportunities, and it's not one site that allows them to grow. Hope that kind of gives you clarity of potential and its growth here.

Ultimately, American Bitcoin is not looking at growth for growth's sake. American Bitcoin is very clearly looking at accumulating Bitcoin over the long term. That's why all the deals that you see American Bitcoin doing will be a lot more novel and creative in terms of how do we actually structure that upside, and how do we make sure that any investments that we make, by the time those investments are finished, we actually accumulated more Bitcoin at the end of that, rather than just buying it at market today.

If you look at a lot of mining historically, probably for many companies, buying Bitcoin would have just been a better bet. American Bitcoin was structured and built as a company to fundamentally approach Bitcoin accumulation in a very, very different way. It's not a treasury company. It's not a Bitcoin mining company. It's a multi-pronged Bitcoin company that looks at securitizing the Bitcoin network, adding liquidity to the Bitcoin ecosystem, and increasing adoption of the underlying asset across the world.

KEVIN DEDE

Analyst
H.C. Wainwright

Thank you so much, gents, for entertaining all my questions. I really appreciate it.

OPERATOR

And from BTIG, you have a question from Greg Lewis. Please go ahead.

GREG LEWIS

Analyst
BTIG

Good morning everybody, and thanks for taking my question. Asher and Mike, I know we've been talking to this a little bit, but just curious at a high level: as we think about Bitcoin mining as a business, there's definitely been an ongoing changing of the guard, where some of the initial leaders are pivoting out. This is a huge opportunity for American Bitcoin as we stand here.



A couple of questions around that. One, just given the fact that rig production doesn't really stop, right? Whether it's Bitmain, Canaan, Bitdeer, MicroBT, or others, the companies are continuing to produce more mining rigs. That looks like it's pressuring rig pricing. So when you talk about being counter-cyclical, how are you thinking about the opportunity to do rig orders?

Also, how has the market evolved given your position around the ability to do some asset financing? Is that something we're thinking about if we were to do a bigger rig purchase? I'm curious on those two things.

MIKE HO

Chief Executive Officer
American Bitcoin Corp.

Hi, Greg. You're absolutely right. When it comes to the supply cycle for manufacturers, the manufacturers have to commit to wafer allocations well in advance throughout the year. By the time they take delivery, it's usually two quarters behind, where they're taking inventory risk, where they're looking through to the environment of where Bitcoin prices, and where the demand in the market is. Oftentimes manufacturers will sit on inventory not reflective of where current demand or the price of Bitcoin is trading, which is an incredible opportunity for us to be able to work strategic deals in real time on inventory that is in supply and can be deployed near immediately.

When we look at how we structure these deals, we're very objective in what we're solving for, and that's ultimately: are we adding more Bitcoin per share? Are we adding more Bitcoin to our balance sheet?

Some of the structures we've done in the past is how we can leverage our Bitcoin collateral to use the Bitcoin to then purchase the ASICs, take title to the ASICs. We benefit from the mining yields from the ASICs, with the optionality to be able to buy back that Bitcoin should Bitcoin appreciate throughout that period of two years or longer. So we maintain both the upside of Bitcoin appreciation as well as we receive the net mined Bitcoins from the machine purchases.

And when you look at American Bitcoin structurally, not only are so many players leaving the market and creating a huge open space, but structurally it's almost impossible for a new company or other companies to compete because of the symbiotic relationship with Hut 8. Hut 8 loves the demand that there able to receive from American Bitcoin because it allows Hut 8 to develop more sites and de-risk the development risk.

But from an American Bitcoin side, you have some of the lowest cost power that you're getting with Hut 8 managing the infrastructure stack. Some things we haven't even talked



about historically is: if we think about mining, we went from mining and running a thousand or two machines five years ago to now running hundreds of thousands of machines. The software we're using is incredible. Not only are we curtailing and we're trading around energy prices, but our team has actually implemented our own internal AI bots where we're actually able to look at all of the API and data we're getting from every single machine and optimize those. People in the field are able to ask their chatbots where they're seeing areas for efficiency and improvement on the sites.

So as Mike mentioned, you have a financial structural advantage because of where we are, who we are, and the demand that we're driving because of the relationships we've built over such a long period of time. You have an infrastructural advantage because of the scale of the infrastructure that Hut 8 is able to provide as a partner. You have a technological advantage because of all the investments we've been making in the technology of operating this at a world-class status. And lastly, you have some of the lowest SG&A at American Bitcoin, doing all of this together.

It is very, very difficult for others to compete, whether it be the largest miners in the world who are now leaving, or new incomers. American Bitcoin was built to be different, and it is different. The numbers speak for themselves, quarter over quarter.

I just want to double-click on that technology piece. We've come a long way from the days where we had to walk down the aisles and look for the one red light to troubleshoot. To Asher's point, we now use AI mapping and all that is a lot more streamlined and automated these days.

Also, when it comes to Bitcoin mining, it's very simple. We only increase capacity when it's profitable, and we've been doing so very profitably. This quarter, our average realized energy cost was \$35.7/MWh, or said differently, 3.57 cents.

GREG LEWIS

Analyst
BTIG

Alright, great. Thanks, guys.

ERIC TRUMP

Co-Founder and Chief
Strategy Officer
American Bitcoin Corp.

So guys, I think that's it for the analyst questions. Maybe I'll just wrap by saying this: I think one thing we didn't touch on during this call was our SG&A. I come out of the real estate world, you have to be SG&A conscious.

If you look at the miners across the sectors, the SG&A costs that they're running, frankly, some of them are atrocious. We decreased our SG&A costs roughly 30.77%, to 9% SG&A this quarter. Unbelievable. We were at 13%, which was by far the lowest in class, at least that we know of, and many times lower than some of our competitors. And now we're in single digits. We're at 9% SG&A for fourth quarter. That just speaks to this team, it speaks to efficiently we're going to run.

There are a lot of questions about mining. We have some of the best energy procurement anywhere, and that's because of the relationship with Hut. They do it as well as anybody. We have unlimited potential in terms of bringing additional mining into this company. Obviously, Mike and Asher did a great job speaking to the cost of machines and some of the novel approaches we can take to bring more mining online, if we choose to do so and if it's accretive ultimately to shareholders.

Again, we increased our BTC holdings 58% this quarter. We mined at a 53% discount. American Bitcoin is absolutely fine. And I can tell you, the brand that we've created is something incredibly special. There's nowhere I go that people don't mention American Bitcoin.

To be able to do this with great friends, some of the smartest people in the world, but to be able to do this in America, largely anchored in the great state of Texas, with American energy, with American infrastructure, this is a company that I'm incredibly, incredibly proud of. This is a company that I've put my heart and soul into. And I can tell you this team is going to continue to make everybody incredibly proud.

Congratulations on these results, guys. I could not be more proud of everything we've accomplished in such a short time, and we will continue to sprint ahead. Thank you very much to everybody on this call. We look forward to speaking to you next quarter.

OPERATOR

This concludes today's call. Thank you all for joining. You may now disconnect.