

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**  
Pursuant to Section 13 or 15(d)  
of the Securities Exchange Act of 1934  
Date of Report (Date of earliest event reported): November 6, 2024

**Core Scientific, Inc.**  
(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction  
of incorporation)

**001-40046**  
(Commission  
File Number)

**86-1243837**  
(IRS Employer  
Identification No.)

**838 Walker Road, Suite 21-2105**  
**Dover, Delaware**  
(Address of principal executive offices)

**19904**  
(Zip Code)

**Registrant's telephone number, including area code: (512) 402-5233**

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.00001 per share	CORZ	The Nasdaq Global Select Market
Warrants, each whole warrant exercisable for one share of common stock at an exercise price of \$6.81 per share	CORZW	The Nasdaq Global Select Market
Warrants, each whole warrant exercisable for one share of common stock at an exercise price of \$0.01 per share	CORZZ	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

**Item 2.02 Results of Operations and Financial Condition**

On November 6, 2024, the Company issued a press release announcing its financial results for the third fiscal quarter ended September 30, 2024. A copy of the press release is furnished hereto as Exhibit 99.1 and is incorporated herein by reference.

On November 6, 2024, the Company also released a corporate presentation reporting such results. A copy of the presentation is furnished hereto as Exhibit 99.2 and is incorporated herein by reference.

**Item 7.01 Regulation FD Disclosure**

The information contained in Item 2.02 is incorporated herein by reference.

The information in Items 2.02 and 7.01 of this Current Report on Form 8-K, including Exhibit 99.1 and Exhibit 99.2, is furnished and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**Item 9.01 Financial Statement and Exhibits**

(d) Exhibits:

<b>Exhibit No.</b>	<b>Description</b>
99.1	<a href="#">Press Release dated November 6, 2024</a>
99.2	<a href="#">Company Presentation dated November 6, 2024</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**Core Scientific, Inc.**

Dated: November 6, 2024

By: */s/ Todd M. DuChene*  
Name: Todd M. DuChene  
Title: Chief Legal Officer and Chief Administrative Officer

## Core Scientific Announces Fiscal Third Quarter 2024 Results

### *Fiscal Third Quarter 2024 Highlights*

- *Incurred net loss of \$455.3 million due primarily to a net \$408.5 million non-cash mark-to-market adjustment to our warrants and other contingent value right liabilities required as a result of significant quarter-over-quarter increase in the value of our equity*
- *Generated operating loss of \$41.2 million, an increase of \$29.2 million over third quarter 2023*
- *Realized adjusted EBITDA of \$10.1 million*
- *Customer initiated option exercises resulted in an additional 112 MW during the third quarter and the remaining 120 MW in the fourth quarter for a total of approximately 500 megawatts of critical IT load to host high-performance computing (“HPC”), representing total potential revenue of approximately \$8.7 billion over 12-year contracts*
- *Completed \$460 million convertible note offering and used approximately \$211.2 million of the net proceeds to repay existing senior debt, reducing interest rate from as high as 12.5% to 3% for the convertible notes and eliminating restrictive covenants*
- *Earned 1,115 self-mined bitcoin*

**AUSTIN, Texas, Nov. 6, 2024 - Core Scientific, Inc. (NASDAQ: CORZ)**, a leader in digital infrastructure for bitcoin mining and HPC, today announced financial results for the fiscal third quarter of 2024. Net loss was \$455.3 million, as compared to a net loss of \$41.1 million for the same period in 2023. Total revenue was \$95.4 million, as compared to \$112.9 million for the same period last year. Operating loss was \$41.2 million, as compared to a loss of \$12.0 million for the same period in 2023. Adjusted EBITDA was \$10.1 million, as compared to \$27.8 million for the same period in the prior year. Third quarter net loss resulted from a net \$408.5 million mark-to-market adjustment in the value of our tranche 1 and tranche 2 warrants and other contingent value rights required as a result of the significant quarter-over-quarter increase in the value of our equity.

“During the third quarter, we continued to grow our HPC business, both in terms of contracted power and total capacity,” said Adam Sullivan, Core Scientific Chief Executive Officer. “To date, we have contracted approximately 500 megawatts of revenue generating, critical IT load that we expect to generate a total of \$8.7 billion over the life of the contracts. We were also able to reallocate 100 megawatts of infrastructure previously designated for bitcoin mining to our HPC business, increasing our total HPC hosting capacity to 800 megawatts, with 400 megawatts still designated to our bitcoin mining business. We expanded our infrastructure further by securing a new data center in Alabama with 11 megawatts of critical IT load and the potential for expansion to 66 megawatts, and we progressed in transitioning two existing data center sites from bitcoin mining to HPC hosting.”

“We view our updated 800 megawatts of gross infrastructure available for HPC hosting as the foundation for our data center business, which we will continue to expand by securing additional power at some of our existing sites and by acquiring new powered sites that we can contract to new clients. Based on our existing pipeline of new site opportunities and growing list of potential new clients, we believe we now have line of sight to a total of more than one gigawatt of critical IT load to contract, significantly expanding the value we can create for our shareholders.”

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### **Fiscal Third Quarter Financial and Operational Achievements**

- Total revenue of \$95.4 million, a decrease of \$17.6 million compared to third quarter 2023
- Net loss of \$455.3 million, an increase of \$414.1 million over third quarter 2023
- Operating loss of \$41.2 million, an increase of \$29.2 million over third quarter 2023
- Adjusted EBITDA of \$10.1 million, a decrease of \$17.6 million over third quarter 2023
- Strengthened the balance sheet, ending the quarter with cash and cash equivalents of \$253.0 million as of September 30, 2024
- Operated total hash rate of 23.4 EH/s, consisting of 20.4 EH/s self-mining and 3.0 EH/s hosting
- Improved average actual self-mining fleet energy efficiency to 24.5 joules per terahash

### **Fiscal Third Quarter 2024 Financial Results (Compared to Fiscal Third Quarter 2023)**

Total revenue for the fiscal third quarter of 2024 was \$95.4 million, and consisted of \$68.1 million in Digital asset self-mining revenue, \$16.9 million in digital asset hosted mining revenue and \$10.3 million in HPC hosting revenue.

Digital asset self-mining gross (loss) profit for the fiscal third quarter of 2024 was a gross loss of \$6.4 million ((9)% gross margin), as compared to gross profit of \$10.5 million (13% gross margin) for the same period in the prior year, a decrease of \$16.9 million. The decrease in Digital asset self-mining gross profit was primarily driven by a 62% decrease in bitcoin mined due to the halving and higher network difficulty, partially offset by a 117% increase in the price of bitcoin and higher depreciation expense from new more efficient miners being put into service.

Digital asset hosted mining revenue in excess of hosting cost of revenue for the fiscal third quarter of 2024 was \$5.0 million (29% gross margin), as compared to \$5.0 million (17% gross margin) for the same period in the prior year. The increase in Digital asset hosted mining gross margin was primarily due to lower Digital asset hosted mining revenue driven by the termination of contracts with several customers since September 30, 2023. This was due primarily to our shift to HPC hosting, offset by lower power costs from lower rates and reduced allocation of power to hosted customers.

HPC hosting revenue in excess of HPC hosting cost of revenue for the fiscal third quarter of 2024 was \$1.3 million (13% gross margin). HPC hosting started operations during the fiscal second quarter of 2024. HPC hosting costs consisted primarily of lease expense, power costs, payroll and benefits expense and stock-based compensation expense.

Operating expenses for the fiscal third quarter of 2024 totaled \$40.3 million, as compared to \$26.8 million for the same period in the prior year. The increase of \$13.5 million was primarily attributable to a \$4.2 million increase in personnel and related expenses, \$3.7 million of HPC site startup costs incurred during the current period, higher stock-based compensation of \$2.5 million and a \$2.1 million increase in bankruptcy advisor fees.

Net loss for the fiscal third quarter of 2024 was \$455.3 million, as compared to a net loss of \$41.1 million for the same period in the prior year. Net loss for the fiscal third quarter of 2024 increased by \$414.1 million driven primarily by a net \$408.5 million mark-to-market adjustment on our warrants and other contingent value rights comprising a \$414.5 million increase in the fair value of warrant liabilities, partially offset by a \$6.0 million decrease in fair value of contingent value rights. These mark-to-market adjustments were driven by the increase in our stock price during the period. Also contributing to the increase in net loss was a \$4.9 million increase in

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Interest expense, net resulting from the Bankruptcy Court ordered stay on payment of pre-petition obligations, including interest during the same period in 2023, partially offset by \$28.3 million in Reorganization items, net with no comparable activity for the same period in fiscal 2024 due to the Company's emergence from bankruptcy during the first quarter 2024.

Non-GAAP Adjusted EBITDA for the fiscal third quarter 2024 was \$10.1 million, as compared to Non-GAAP Adjusted EBITDA of \$27.8 million for the same period in the prior year. This \$17.6 million decrease was driven by a \$17.6 million decrease in total revenue, a \$5.4 million increase in cash operating expenses, a \$1.6 million increase in HPC site startup costs, a \$0.4 million decrease in gain from sales of digital assets, and a \$0.2 million decrease in the change in fair value of digital assets, partially offset by a \$6.9 million decrease in cash cost of revenue and a \$0.7 million decrease in impairment of digital assets.

### **Fiscal Year-to-Date 2024 Financial Results (Compared to Fiscal Year-to-Date 2023)**

Total revenue for the nine months ended September 30, 2024 was \$415.7 million, and consisted of \$328.8 million in digital asset self-mining revenue, \$71.1 million in digital asset hosted mining revenue and \$15.9 million in HPC hosting revenue.

Digital asset self-mining revenue in excess of mining cost of revenue for the nine months ended September 30, 2024 was \$92.7 million (28% gross margin), as compared to \$66.0 million (24% gross margin) for the same period in the prior year, an increase of \$26.7 million. The increase in Digital asset self-mining revenue in excess of Digital asset self-mining cost of revenue was primarily due to a 18% increase in mining revenue driven by a 128% increase in the price of bitcoin, a 36% increase in our self-mining hash rate, driven by our fleet mix and efficiency, and an increase in the number of mining units deployed, partially offset by a 48% decrease in bitcoin mined due to the halving and higher network difficulty.

Digital asset hosted mining revenue in excess of hosting cost of revenue for the nine months ended September 30, 2024 was \$21.7 million (30% gross margin), as compared to \$18.1 million (22% gross margin) for the same period in the prior year, an increase of \$3.5 million. The increase in Digital asset hosted mining revenue in excess of Digital asset hosted mining cost of revenue was primarily due to lower Cost of Digital asset hosted mining services primarily driven by lower power costs from lower rates and usage, partially offset by decreased Digital asset hosted mining revenue from related parties as there were no related party transactions during fiscal 2024 and by the termination of contracts with several customers since September 30, 2023, due primarily to our shift to HPC hosting.

HPC hosting revenue in excess of HPC hosting cost of revenue for the nine months ended September 30, 2024 was \$1.9 million (12% gross margin). HPC hosting started operations during the fiscal second quarter of 2024. HPC hosting costs consisted primarily of lease expense, direct electricity costs, payroll and benefits expense and stock-based compensation expense.

Operating expenses for the nine months ended September 30, 2024 totaled \$88.7 million, as compared to \$78.1 million for the same period in the prior year. The increase of \$10.5 million was primarily attributable to a \$15.3 million increase in personnel and related expenses, \$4.6 million of HPC advisory startup costs and \$3.7 million site startup costs incurred during the current period, \$2.2 million of bankruptcy advisory fees and a \$1.8 million

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increase in corporate taxes, partially offset by lower stock-based compensation of \$17.6 million due to cancellations and forfeitures of equity-based awards.

Net loss for the nine months ended September 30, 2024 was \$1.05 billion, as compared to a net loss of \$50.8 million for the same period in the prior year. Net loss for the nine months ended September 30, 2024 increased by \$1.00 billion driven primarily by a net \$1.14 billion mark-to-market adjustment on our warrants and other contingent value rights comprising a \$1.22 billion increase in the fair value of warrant liabilities, partially offset by a \$79.3 million decrease in fair value of contingent value rights. These mark-to-market adjustments were driven by the increase in our stock price during the period. Also contributing to the increase in net loss was a \$33.6 million increase in Interest expense, net resulting from the Bankruptcy Court ordered stay on payment of pre-petition obligations, including interest during the same period in 2023, and a \$21.6 million decrease in gain on extinguishment of debt compared to the same period in the prior year, partially offset by a decrease of \$189.7 million in Reorganization items, net, which included gains on extinguishment of pre-emergence obligations of \$143.8 million.

Non-GAAP Adjusted EBITDA for the nine months ended September 30, 2024 was \$144.2 million, as compared to Non-GAAP Adjusted EBITDA of \$112.9 million for the same period in the prior year. This \$31.3 million increase was driven by a \$55.3 million increase in total revenue and a \$2.9 million decrease in impairment of digital assets, partially offset by a \$17.2 million increase in cash operating expenses, a \$5.0 million increase in realized losses on energy derivatives, a \$2.4 million decrease in gain from sales of digital assets, a \$1.6 million increase in HPC site startup costs, a \$0.3 million increase in cash cost of revenue, and a \$0.2 million decrease in change in fair value of digital assets.

#### **CONFERENCE CALL AND LIVE WEBCAST**

In conjunction with this release, Core Scientific, Inc. will host a conference call today, Wednesday, November 6, 2024, at 4:30 pm Eastern Time that will be webcast live. Adam Sullivan, Chief Executive Officer, Denise Sterling, Chief Financial Officer and Steven A. Gitlin, Senior Vice President Investor Relations, will host the call.

Investors may dial into the call by using the following telephone numbers: +1 (877) 407-1875 (U.S. toll free) or +1 (215) 268-9909 (U.S. local) five to ten minutes prior to the start time to allow for registration.

Investors with Internet access may listen to the live audio webcast via the Investor Relations page of the Core Scientific, Inc. website, <http://investors.corescientific.com> or by using the following link <https://event.choruscall.com/mediaframe/webcast.html?webcastid=HW5MvP6u>. Please allow 10 minutes prior to the call to download and install any necessary audio software. A replay of the audio webcast will be available for one year.

A supplementary investor presentation for the fiscal third quarter 2024 may be accessed at <https://investors.corescientific.com/investors/events-and-presentations/default.aspx>.

#### **AUDIO REPLAY**

An audio replay of the event will be archived on the Investor Relations section of the Company's website at <http://investors.corescientific.com> and via telephone by dialing +1 (877) 660-6853 (U.S. toll free) or +1 (201) 612-7415 (U.S. local) and entering Access Code 13749193.

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**ABOUT CORE SCIENTIFIC**

Core Scientific, Inc. (“Core Scientific” or the “Company”) is a leader in digital infrastructure for bitcoin mining and high-performance computing. We operate dedicated, purpose-built facilities for digital asset mining and are a premier provider of digital infrastructure to our third-party customers. We employ our own large fleet of computers (“miners”) to earn digital assets for our own account and to provide hosting services for large bitcoin mining customers and we are in the process of allocating and converting a significant portion of our nine operational data centers in Alabama (1), Georgia (2), Kentucky (1), North Carolina (1), North Dakota (1) and Texas (3), and our facility in development in Oklahoma to support artificial intelligence-related workloads under a series of contracts that entail the modification of certain of our data centers to deliver hosting services for high-performance computing (“HPC”). We derive the majority of our revenue from earning bitcoin for our own account (“self-mining”). To learn more, visit [www.corescientific.com](http://www.corescientific.com).

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**SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

This press release contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding projections, estimates and forecasts of revenue and other financial and performance metrics, projections of market opportunity and expectations, the Company’s ability to scale, grow its business and execute on its growth plans and hosting contracts, source energy at reasonable rates, the advantages, expected growth, and anticipated future revenue of the Company, and the Company’s ability to source and retain talent. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “aim,” “estimate,” “plan,” “project,” “forecast,” “goal,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. All forward-looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including: our ability to earn digital assets profitably and to attract customers for our digital asset and high performance compute hosting capabilities; our ability to perform under our existing colocation agreements, our ability to maintain our competitive position in our existing operating segments, the impact of increases in total network hash rate; our ability to raise additional capital to continue our expansion efforts or other operations; our need for significant electric power and the limited availability of power resources; the potential failure in our critical systems, facilities or services we provide; the physical risks and regulatory changes relating to climate change; potential significant changes to the method of validating blockchain transactions; our vulnerability to physical security breaches, which could disrupt our operations; a potential slowdown in market and economic conditions, particularly those impacting high performance computing, the blockchain industry and the blockchain hosting market; the identification of material weaknesses in our internal control over financial reporting; price volatility of digital assets and bitcoin in particular; potential changes in the interpretive positions of the SEC or its staff with respect to digital asset mining firms; the increasing likelihood that U.S. federal and state legislatures and regulatory agencies will enact laws and regulations to regulate digital assets and digital asset intermediaries; increasing scrutiny and changing expectations with respect to ESG policies; the effectiveness of our compliance and risk management methods; the adequacy of our sources of recovery if the digital assets held by us are lost, stolen or destroyed due to third-party digital asset services; the effects of our emergence from bankruptcy and our substantial level of indebtedness and our current liquidity constraints affecting our financial condition and ability to service our indebtedness. Any such forward-looking statements represent management’s estimates and beliefs as of the date of this press release. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change.

Although the Company believes that in making such forward-looking statements its expectations are based upon reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. The Company cannot assure you that the assumptions upon which these statements are based will prove to have been correct. Additional important factors that may affect the Company’s business, results of operations and financial position are described from time to time in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, Quarterly Reports on Form 10-Q and the Company’s other filings with the Securities and Exchange Commission. The Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law.

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**Core Scientific, Inc.**  
**Condensed Consolidated Balance Sheets**  
(in thousands, except par value)  
(Unaudited)

	September 30, 2024	December 31, 2023
<b>Assets</b>		
Current Assets:		
Cash and cash equivalents	\$ 253,019	\$ 50,409
Restricted cash	783	19,300
Accounts receivable	6,244	1,001
Digital assets	—	2,284
Prepaid expenses and other current assets	17,810	24,022
<b>Total Current Assets</b>	<b>277,856</b>	<b>97,016</b>
Property, plant and equipment, net	550,432	585,431
Operating lease right-of-use assets	74,733	7,844
Other noncurrent assets	18,830	21,865
<b>Total Assets</b>	<b>\$ 921,851</b>	<b>\$ 712,156</b>
<b>Liabilities and Stockholders' Deficit</b>		
Current Liabilities:		
Accounts payable	\$ 6,504	\$ 154,751
Accrued expenses and other current liabilities	31,726	179,636
Deferred revenue	9,944	9,830
Operating lease liabilities, current portion	7,486	77
Finance lease liabilities, current portion	2,380	19,771
Notes payable, current portion	17,941	124,358
Contingent value rights, current portion	533	—
<b>Total Current Liabilities</b>	<b>76,514</b>	<b>488,423</b>
Operating lease liabilities, net of current portion	65,335	1,512
Finance lease liabilities, net of current portion	4	35,745
Convertible and other notes payable, net of current portion	474,596	684,082
Contingent value rights, net of current portion	6,458	—
Warrant liabilities	1,017,299	—
Other noncurrent liabilities	11,040	—
<b>Total liabilities not subject to compromise</b>	<b>1,651,246</b>	<b>1,209,762</b>
Liabilities subject to compromise	—	99,335
<b>Total Liabilities</b>	<b>1,651,246</b>	<b>1,309,097</b>
Commitments and contingencies		
Stockholders' Deficit:		
Preferred stock; \$0.00001 par value; 2,000,000 and nil shares authorized at September 30, 2024 and December 31, 2023, respectively; none issued and outstanding at September 30, 2024 and December 31, 2023	—	—
Common stock; \$0.00001 par value; 10,000,000 shares authorized at September 30, 2024 and December 31, 2023; 279,821 and 386,883 shares issued and outstanding at September 30, 2024 and December 31, 2023, respectively	3	36
Additional paid-in capital	2,740,279	1,823,260
Accumulated deficit	(3,469,677)	(2,420,237)
<b>Total Stockholders' Deficit</b>	<b>(729,395)</b>	<b>(596,941)</b>
<b>Total Liabilities and Stockholders' Deficit</b>	<b>\$ 921,851</b>	<b>\$ 712,156</b>

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**Core Scientific, Inc.**  
**Condensed Consolidated Statements of Operations**  
(in thousands, except per share amounts)  
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Revenue:</b>				
Digital asset self-mining revenue	\$ 68,138	\$ 83,056	\$ 328,840	\$ 278,164
Digital asset hosted mining revenue from customers	16,878	27,020	71,050	72,245
Digital asset hosted mining revenue from related parties	—	2,828	—	10,062
HPC hosting revenue	10,338	—	15,857	—
<b>Total revenue</b>	<b>95,354</b>	<b>112,904</b>	<b>415,747</b>	<b>360,471</b>
<b>Cost of revenue:</b>				
Cost of digital asset self-mining	74,555	72,603	236,120	212,125
Cost of digital asset hosted mining services	11,914	24,882	49,388	64,187
Cost of HPC hosting services	9,041	—	13,932	—
<b>Total cost of revenue</b>	<b>95,510</b>	<b>97,485</b>	<b>299,440</b>	<b>276,312</b>
Gross (loss) profit	(156)	15,419	116,307	84,159
Change in fair value of digital assets	(206)	—	(247)	—
Gain from sale of digital assets	—	363	—	2,358
Impairment of digital assets	—	(681)	—	(2,864)
Change in fair value of energy derivatives	—	—	(2,757)	—
Loss on disposal of property, plant and equipment	(509)	(340)	(4,061)	(514)
<b>Operating expenses:</b>				
Research and development	2,841	2,253	6,814	5,308
Sales and marketing	3,151	1,041	7,099	3,133
General and administrative	34,356	23,511	74,742	69,671
<b>Total operating expenses</b>	<b>40,348</b>	<b>26,805</b>	<b>88,655</b>	<b>78,112</b>
Operating (loss) income	(41,219)	(12,044)	20,587	5,027
<b>Non-operating (income) expenses, net:</b>				
Loss (gain) on debt extinguishment	317	(374)	487	(21,135)
Interest expense, net	7,072	2,196	35,934	2,317
Reorganization items, net	—	28,256	(111,439)	78,270
Change in fair value of warrant and contingent value rights	408,520	—	1,144,441	—
Other non-operating (income) expense, net	(2,003)	(1,090)	144	(3,978)
<b>Total non-operating expenses, net</b>	<b>413,906</b>	<b>28,988</b>	<b>1,069,567</b>	<b>55,474</b>
Loss before income taxes	(455,125)	(41,032)	(1,048,980)	(50,447)
Income tax expense	134	114	484	347
<b>Net loss</b>	<b>\$ (455,259)</b>	<b>\$ (41,146)</b>	<b>\$ (1,049,464)</b>	<b>\$ (50,794)</b>
<b>Net loss per share:</b>				
Basic	\$ (1.17)	\$ (0.11)	\$ (3.71)	\$ (0.13)
Diluted	\$ (1.17)	\$ (0.11)	\$ (3.71)	\$ (0.13)
<b>Weighted average shares outstanding:</b>				
Basic	292,486	382,483	253,058	378,107
Diluted	292,486	382,483	253,058	378,107

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**Core Scientific, Inc.**  
**Segment Results**  
(in thousands, except percentages)  
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Digital Asset Self-Mining Segment</b>	(in thousands, except percentages)			
Digital asset self-mining revenue	\$ 68,138	\$ 83,056	\$ 328,840	\$ 278,164
Cost of digital asset self-mining	74,555	72,603	236,120	212,125
Digital Asset Self-Mining gross (loss) profit	\$ (6,417)	\$ 10,453	\$ 92,720	\$ 66,039
Digital Asset Self-Mining gross margin	(9)%	13 %	28 %	24 %
<b>Digital Asset Hosted Mining Segment</b>				
Digital asset hosted mining revenue from customers	\$ 16,878	\$ 29,848	\$ 71,050	\$ 82,307
Cost of digital asset hosted mining services	11,914	24,882	49,388	64,187
Digital Asset Hosted Mining gross profit	\$ 4,964	\$ 4,966	\$ 21,662	\$ 18,120
Digital Asset Hosted Mining gross margin	29 %	17 %	30 %	22 %
<b>HPC Hosting Segment</b>				
HPC hosting revenue	\$ 10,338	\$ —	\$ 15,857	\$ —
Cost of HPC hosting services	9,041	—	13,932	—
HPC Hosting gross profit	\$ 1,297	\$ —	\$ 1,925	\$ —
HPC Hosting gross margin	13 %	— %	12 %	— %
<b>Consolidated</b>				
Consolidated total revenue	\$ 95,354	\$ 112,904	\$ 415,747	\$ 360,471
Consolidated cost of revenue	\$ 95,510	\$ 97,485	\$ 299,440	\$ 276,312
Consolidated gross (loss) profit	\$ (156)	\$ 15,419	\$ 116,307	\$ 84,159
Consolidated gross margin	— %	14 %	28 %	23 %

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**Core Scientific, Inc. and Subsidiaries**  
**Non-GAAP Financial Measures**  
**(Unaudited)**

Adjusted EBITDA is a non-GAAP financial measure defined as our net income or (loss), adjusted to eliminate the effect of (i) interest income, interest expense, and other income (expense), net; (ii) provision for income taxes; (iii) depreciation and amortization; (iv) stock-based compensation expense; (v) Reorganization items, net; (vi) change in fair value of energy derivatives; (vii) change in the fair value of warrant and contingent value rights, (viii) business or site startup costs which are not reflective of the ongoing costs incurred after startup, (ix) bankruptcy advisory costs incurred related to reorganization which are not reflective of the ongoing costs incurred in post-emergence operations, and (x) certain additional non-cash items that do not reflect the performance of our ongoing business operations. For additional information, including the reconciliation of net income (loss) to Adjusted EBITDA, please refer to the table below. We believe Adjusted EBITDA is an important measure because it allows management, investors, and our Board of Directors to evaluate and compare our operating results, including our return on capital and operating efficiencies, from period-to-period by making the adjustments described above. In addition, it provides useful information to investors and others in understanding and evaluating our results of operations, as well as provides a useful measure for period-to-period comparisons of our business, as it removes the effect of net interest expense, taxes, certain non-cash items, variable charges and timing differences. Moreover, we have included Adjusted EBITDA in this earnings release because it is a key measurement used by our management internally to make operating decisions, including those related to operating expenses, evaluate performance, and perform strategic and financial planning.

The above items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature or because the amount and timing of these items are not related to the current results of our core business operations which renders evaluation of our current performance, comparisons of performance between periods and comparisons of our current performance with our competitors less meaningful. However, you should be aware that when evaluating Adjusted EBITDA, we may incur future expenses similar to those excluded when calculating this measure. Our presentation of this measure should not be construed as an inference that its future results will be unaffected by unusual items. Further, this non-GAAP financial measure should not be considered in isolation from, or as a substitute for, financial information prepared in accordance with accounting principles generally accepted in the United States (“GAAP”). We compensate for these limitations by relying primarily on GAAP results and using Adjusted EBITDA on a supplemental basis. Our computation of Adjusted EBITDA may not be comparable to other similarly titled measures computed by other companies because not all companies calculate this measure in the same fashion. You should review the reconciliation of net loss to Adjusted EBITDA below and not rely on any single financial measure to evaluate our business.

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The following table reconciles the non-GAAP financial measure to the most directly comparable U.S. GAAP financial performance measure, which is net loss, for the periods presented (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023 <sup>1</sup>	2024	2023 <sup>1</sup>
<b>Adjusted EBITDA</b>				
Net loss	\$ (455,259)	\$ (41,146)	\$ (1,049,464)	\$ (50,794)
Adjustments:				
Interest expense, net	7,072	2,196	35,934	2,317
Income tax expense	134	114	484	347
Depreciation and amortization	28,691	24,233	87,164	64,800
Stock-based compensation expense	20,288	14,861	27,722	41,414
Unrealized fair value adjustment on energy derivatives	—	—	(2,262)	—
Loss on disposal of property, plant and equipment	509	340	4,061	514
HPC advisory startup costs	—	—	4,611	—
Bankruptcy advisory costs	1,863	—	2,160	—
Loss (gain) on debt extinguishment	317	(374)	487	(21,135)
Reorganization items, net	—	28,256	(111,439)	78,270
Change in fair value of warrant and contingent value rights	408,520	—	1,144,441	—
Other non-operating expenses (income), net	(2,003)	(1,090)	144	(3,978)
Other	—	368	121	1,105
Adjusted EBITDA	\$ 10,132	\$ 27,758	\$ 144,164	\$ 112,860

<sup>1</sup> Certain prior year amounts have been reclassified for consistency with the current year presentation.

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**CONTACTS**

Investors:

[ir@corescientific.com](mailto:ir@corescientific.com)

Media:

[press@corescientific.com](mailto:press@corescientific.com)

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CORE SCIENTIFIC

# Third Quarter Fiscal 2024 Earnings Presentation

Adam Sullivan, CEO

Denise Sterling, CFO

November 6, 2024





## FORWARD-LOOKING STATEMENTS

This presentation contains “forward-looking statements” within the meaning of the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995, including but not limited to, statements regarding projections, estimates and forecasts of revenue and other financial and performance metrics, projections of market opportunity and expectations, the Company’s ability to scale, and grow its business and execute on its growth plans and hosting contracts, source clean and renewable energy, the advantages, and expected growth, and anticipated future revenue of the Company, and the Company’s ability to source and retain talent. You can identify forward-looking statements by the fact that they do not relate strictly to historical or current facts. These statements may include words such as “aim,” “estimate,” “plan,” “project,” “forecast,” “goal,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. All forward looking statements are subject to risks and uncertainties that may cause actual results to differ materially, including: our ability to earn digital assets profitably and to attract customers for our digital asset and high performance compute hosting capabilities; our ability to perform under our existing colocation agreements, our ability to maintain our competitive position in our existing operating segments, the impact of increases in total network hash rate; our ability to raise additional capital to continue our expansion efforts or other operations; our need for significant electric power and the limited availability of power resources; the potential failure in our critical systems, facilities or services we provide; the physical risks and regulatory changes relating to climate change; our vulnerability to physical security breaches, which could disrupt our operations; a potential slowdown in market and economic conditions, particularly those impacting high performance computing, the blockchain industry and the blockchain hosting market; the identification of material weaknesses in our internal control over financial reporting; price volatility of digital assets and bitcoin in particular; potential changes in the interpretive positions of the SEC or its staff with respect to digital asset mining firms; the increasing likelihood that U.S. federal and state legislatures and regulatory agencies will enact laws and regulations to regulate digital assets and digital asset intermediaries; increasing scrutiny and changing expectations with respect to our ESG policies; the effectiveness of our compliance and risk management methods. Any such forward-looking statements represent management’s estimates and beliefs as of the date of this presentation. While we may elect to update such forward-looking statements at some point in the future, we disclaim any obligation to do so, even if subsequent events cause our views to change. Year over year comparisons are based on the combined results of Core Scientific and its acquired entities.

Although the Company believes that in making such forward-looking statements its expectations are based upon reasonable assumptions, such statements may be influenced by factors that could cause actual outcomes and results to be materially different from those projected. The Company cannot assure you that the assumptions upon which these statements are based will prove to have been correct. Additional important factors that may affect the Company’s business, results of operations and financial position are described from time to time in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, Quarterly Reports on Form 10-Q and the Company’s other filings with the Securities and Exchange Commission. The Company does not undertake any obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise, except as may be required by applicable law.

## NON-GAAP FINANCIAL MEASURES

This presentation also contains non-GAAP financial measures as defined by the SEC rules, including Adjusted EBITDA and adjusted earnings (loss) per diluted share. The Company believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to the Company’s financial condition and results of operations. The Company’s management uses certain of these non-GAAP measures to compare the Company’s performance to that of prior periods for trend analyses and for budgeting and planning purposes. The Company urges investors not to rely on any single financial measure to evaluate its business.

# Core Scientific is well positioned for continued growth and market leadership, delivering digital infrastructure at scale

Total >1,200 contracted MW of powered infrastructure

## HPC Hosting | ~800 MW

570 MW Critical IT Load/ 230 MW supporting load @ PUE of ~1.4



Approximately 500 MW contracted to CoreWeave for delivery 2025 - 2026



More than 130 MW available to contract



Pursuing growth through existing site expansions and new site acquisitions



Seeking to diversify clients through new site acquisitions

## Bitcoin Mining | ~400 MW

PUE of ~1.0



Optimizing operations at two sites with favorable power costs

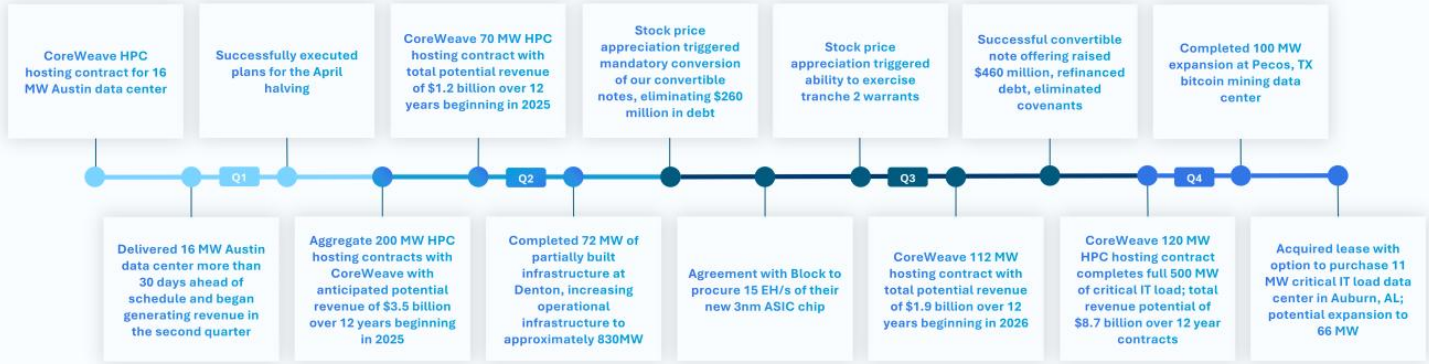


Planning 2025 miner refresh and hash rate expansion with Block 3nm ASIC chips

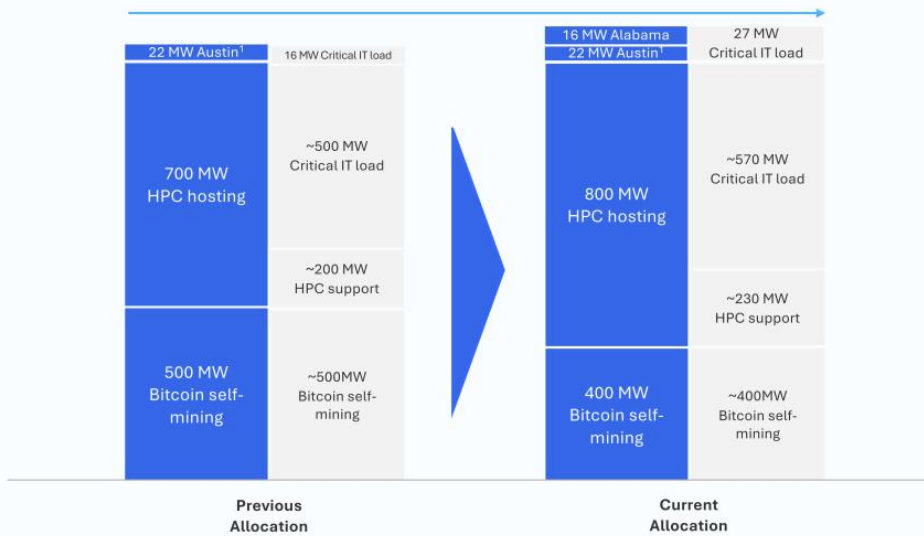


Well positioned for an increase in hash price

# Accomplishments this year



# Reallocated 100 MW of infrastructure from bitcoin mining to HPC hosting



- + New land expansion and power opportunities enabled reallocation
- + Provides for an additional 100 gross MW or ~70 MW of critical IT load for HPC hosting

<sup>1</sup> 16 MW previously identified for Austin data center reflected critical IT load

## 2024 snapshot

### Strategic (YTD)



- Signed aggregate ~500 MW HPC hosting contracts with anticipated potential revenue of \$8.7 billion over 12-year contracts
- Refinanced debt, added cash to balance sheet and eliminated covenants with \$460 million convertible note offering
- Added 100 MW of infrastructure at Pecos, TX bitcoin mining data center

### Operational (Q3)



- Earned 1,115 bitcoin
- Operated 20.4 EH/s self-mining hash rate
- Migrated all miners from two data centers designated for HPC hosting
- Continued sunset of hosted mining to 11% of total fleet

### Financial (Q3)



- \$95 million revenue
- \$455.3 million net loss, mainly driven by non-cash adjustments
- \$10 million adjusted EBITDA
- \$253 million in cash
- Reduced interest rate from as high as 12.5% to 3% for new convertible notes

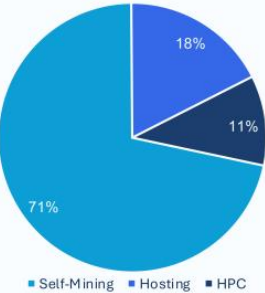
# Expanding our portfolio of powered digital infrastructure

Existing gross capacity by site



# Diversified business poised for growth

**Q3 2024 Revenue Mix**  
(Unaudited)



**Revenue by Segment**  
(In Millions, Unaudited)



**Gross Margin by Segment**  
(Unaudited)



# Refinanced debt, reduced interest rate and removed covenants



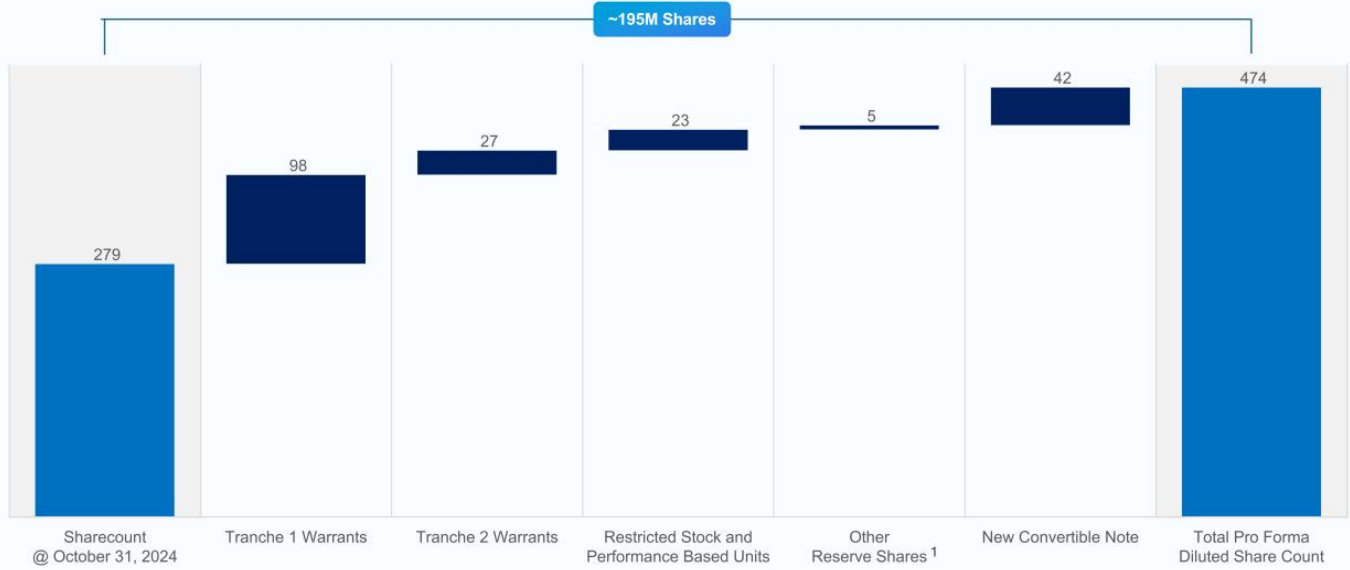
	Total Debt - June 30, 2024	Mandatory Conversion of Secured Convertible Notes	August 2024 Convertible Note	Secured Notes	Miner Equipment Loans	Exit Facility	Finance Leases	Infrastructure and Construction	Other	Total Debt - Sept 30, 2024
6/30/24	\$ 552	\$ 234	-	\$ 150	\$ 60	\$ 61	\$ 3	\$ 43	\$ 1	-
9/30/24	-	-	\$ 460	\$ -	\$ 11	-	\$ 2	\$ 39	-	\$ 512

For September 30, 2024, amount represents Notes Payable Current (\$17.9M) and Non-Current (\$474.6M), Finance Lease Liabilities Current (\$2.4M) and Non-Current (\$-M), unamortized discounts – post petition (\$17.0M)  
 For June 30, 2024, amount represents Notes Payable Current (\$18.4M) and Non-Current (\$526.8M), Finance Lease Liabilities Current (\$2.7M) and Non-Current (\$0.6M), plus unamortized discount and debt issuance costs – post petition (\$3.6M)



# Pro forma share count – September 30, 2024

Shares in millions



<sup>10</sup> <sup>1</sup> Represents approximately 4.8 million shares and warrants reserved for distribution to holders of Allowed Claims and Existing Common Interests (as defined in the Company's Plan of Reorganization). Please refer to the Debtor's Fourth Amended Joint Chapter 11 Plan of Reorganization of Core Scientific, Inc. dated January 15, 2024, included as Exhibit 99.1 to the Company's Current Report on Form 8-K dated January 23, 2024.

## Cash Cost to self-mine a bitcoin in third quarter 2024

	Third Quarter 2024 Cash Cost Per Bitcoin <sup>1</sup>	Third Quarter 2024 Cash-Based Hash Cost <sup>2</sup>
 <b>Direct Power Cost</b>	\$33,946	2.5¢
 <b>Operational Cost<sup>3</sup></b>	\$8,405	0.6¢
 <b>Total Direct Cash Cost</b>	\$42,351	3.1¢

<sup>1</sup> Represents our direct, cash costs of power and facilities operations based on our self-mining/hosting mix as of 9/30/24 divided by total bitcoin self-mined in 2024 Q3 of 1,115. Future changes in power cost, operational cost or self-mining/hosting mix could change the cash cost to mine

<sup>2</sup> Represents our direct, cash costs of power and facilities operations divided by our self-mining fleet hash rate, in terahash, per day

<sup>3</sup> Includes personnel and related costs, software, telecommunications, security, etc. Excludes stock-based compensation and depreciation

# CoreWeave transaction summary

**~500 MW HPC** infrastructure (700 MW gross)

**\$8.7 billion** potential revenue over contracts' term

**\$725 million** avg. annual run rate revenue<sup>1</sup>

**75% to 80%** anticipated profit margin<sup>2</sup>

**12-year** contracts with two 5-year options

**Client pays** for capex<sup>3</sup>, power and utilities



12

1. Represents the estimated average annual revenue over the 12-year contract periods
2. Expenses include facilities operations, repairs & maintenance, security, FTEs, insurance, property taxes, etc.
3. Up to \$1.5 million per HPC MW (or approximately \$750 million) of data center build out costs are funded by CoreWeave and credited against hosting payments at no more than 50% of monthly fees until fully repaid. The balance of modification costs relate to items purchased directly by CoreWeave and contributed for use in the facility

# Core Scientific is building **one of the largest public data center companies** in the United States

Levering our experience, talent and asset portfolio to launch and grow this business

Pathway to 1.2 GW+ of Critical IT Load by 2027

16 MW Austin HPC Data Center	500 MW Contracted with CoreWeave	11 MW Alabama HPC Data Center	~300 MW of additional power available at existing sites	400 MW of potential additional power available at new sites
~ \$22 Million <sup>1</sup> annual revenue run rate	\$8.7 Billion <sup>1</sup> In potential revenue over 12-year contracts	Currently in discussion with multiple potential clients	Pursuing additional power at existing sites for existing or new customers	Evaluating new sites for new customers

<sup>13</sup> <sup>1</sup> Does not include power pass-through

# 2024 goals and targets



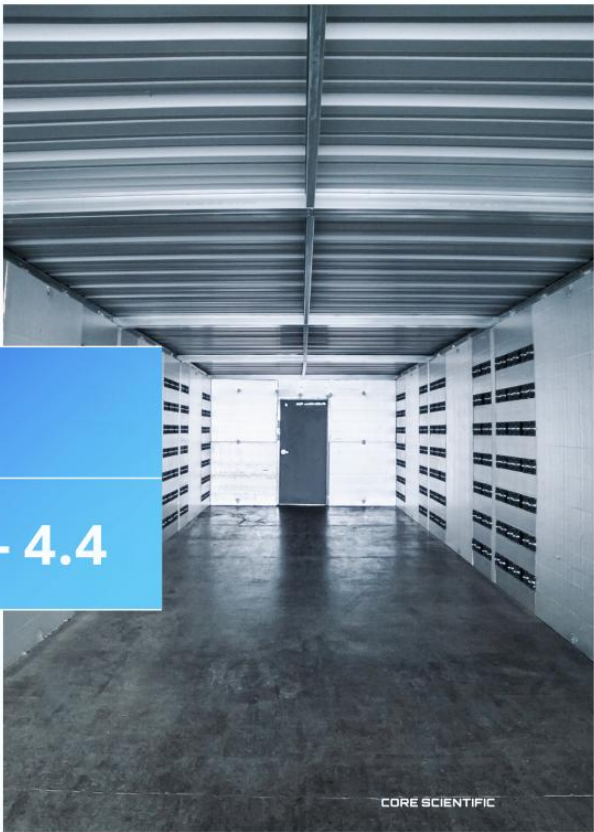
MW HPC critical IT load

16



Bitcoin mining fleet average power price (cents/kWh)

4.2 - 4.4



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## 2024 catalysts

- 1  Contract remaining 118 MW of infrastructure available for HPC hosting
- 2  Execute on pipeline of opportunities to increase our infrastructure capacity
- 3 Diversify HPC hosting clients

# Summary

Executing on our diversification strategy to create long term shareholder value | Capturing AI compute market growth | Fortifying our strong bitcoin mining franchise



**Leading a new category in digital infrastructure**



**Building on our assets and our team**



**Strengthening our earnings power**

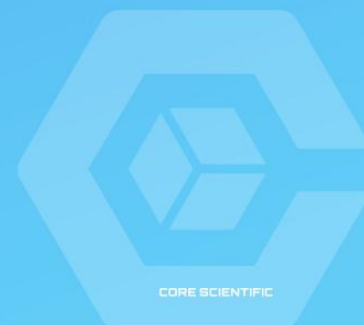


**Expanding our platform for accelerated growth**



**Balancing our business**

# Appendix



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## Summary of new senior unsecured convertible notes

Terms	Description
Principal	<ul style="list-style-type: none"> <li>\$460 million</li> </ul>
Interest Rate	<ul style="list-style-type: none"> <li>3% cash interest</li> </ul>
Interest Payments	<ul style="list-style-type: none"> <li>Semi-annually in arrears: March 1<sup>st</sup> and September 1<sup>st</sup></li> </ul>
Maturity	<ul style="list-style-type: none"> <li>September 1, 2029</li> </ul>
Conversion Rate	<ul style="list-style-type: none"> <li>30% Conversion Premium</li> <li>Stock Price = \$8.46</li> <li>Conversion Price = \$11.00 / Share</li> <li>Conversion ratio – initial conversion rate of 90.9256 shares per \$1,000 in principal</li> <li>Underlying shares = 41,825,776</li> </ul>
Conversion Terms	<ul style="list-style-type: none"> <li>After December 31, 2024, noteholders may convert if price per share exceeds 130% of the conversion price (\$14.30 / share) for at least 20 non-consecutive trading days during the 30 consecutive trading days ending on, and including, the last trading day of the preceding quarter</li> <li>The company has the right to settle conversion in cash, common stock or a combination of both</li> </ul>
Company call feature	<ul style="list-style-type: none"> <li>On or after September 7, 2027, Company has the right to redeem any portion of the Notes if: (i) the price per share exceeds 130% of the conversion price (\$14.30 / share) for 20 non-consecutive trading days and (ii) the Company cannot redeem less than all Notes unless at least \$100 million in principal remains outstanding after the Redemption</li> </ul>
Covenants	<ul style="list-style-type: none"> <li>None, except change of control</li> </ul>

## Debt summary - September 30, 2024

Instrument	New Convertible Note	Secured Convertible Notes	Exit Facility	Secured Note	Miner Equipment	Mechanics Liens (Infrastructure and Construction)	Financing Leases	Other	Total
Interest Rate	3% Cash	6.0% cash / 6.0% PIK, or 10% cash	9.0% cash	12.5% cash	3.0% cash / 10.0% PIK for 2 years, 10.0% cash thereafter	~5% - 5.5%	Various	Secured Facility Mortgage (~5%)	-
June 30, 2024	\$ -	\$ 234	\$ 61	\$ 150	\$ 60	\$ 43	\$ 3	\$ 1	\$ 552
Additions and (Paydown)	460	(234)	(61)	(150)	(49)	(4)	(1)	(1)	(40)
September 30, 2024	\$ 460	\$ -	\$ -	\$ -	\$ 11	\$ 39	\$ 2	\$ -	\$ 512

## Cash cost to mine bitcoin: three and nine months ended September 30, 2024

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Cash Costs per Bitcoin</b>				
Direct power cost per bitcoin self-mined	\$ 33,946	\$ 14,550	\$ 22,099	\$ 12,019
Operational costs per bitcoin self-mined <sup>1</sup>	8,405	3,487	4,742	2,422
<b>Total cost to self-mine one bitcoin<sup>2</sup></b>	<b>\$ 42,351</b>	<b>\$ 18,037</b>	<b>\$ 26,841</b>	<b>\$ 14,441</b>

<b>Cash-Based Hash Cost<sup>3</sup></b>				
Direct power cost per terahash, per day	\$ 0.025	\$ 0.033	\$ 0.026	\$ 0.032
Operational costs per terahash, per day <sup>1</sup>	0.006	0.008	0.005	0.006
<b>Total cash-based hash cost<sup>3</sup></b>	<b>\$ 0.031</b>	<b>\$ 0.041</b>	<b>\$ 0.031</b>	<b>\$ 0.038</b>

<sup>1</sup> Includes personnel and related costs, software, telecommunications, security, etc. Amount excludes stock-based compensation and depreciation.

<sup>2</sup> Represents our direct cash costs of power and operational costs based on our self-mining/hosting mix divided by total bitcoin self-mined during the periods presented.

<sup>3</sup> Represents the cash expense of power and facilities operation cost divided by our self-mining fleet hash rate, in terahash, per day.

## Consolidated statement of operations: three and nine months ended September 30, 2024

(\$ Thousands)	Three Months Ended September 30,		Period over Period Change		Nine Months Ended September 30,		Period over Period Change	
	2024	2023	Dollar	Percentage	2024	2023	Dollar	Percentage
Revenue:	<i>(in thousands, except percentages)</i>							
Digital asset self-mining revenue	\$ 68,138	\$ 83,056	\$ (14,918)	(18)%	\$ 328,840	\$ 278,164	\$ 50,676	18%
Digital asset hosted mining revenue from customers	16,878	27,020	(10,142)	(38)%	71,050	72,245	(1,195)	(2)%
Digital asset hosted mining revenue from related parties	—	2,828	(2,828)	(100)%	—	10,062	(10,062)	(100)%
HPC hosting revenue	10,338	—	10,338	100%	15,857	—	15,857	100%
<b>Total revenue</b>	<b>95,354</b>	<b>112,904</b>	<b>(17,550)</b>	<b>(16)%</b>	<b>415,747</b>	<b>360,471</b>	<b>55,276</b>	<b>15%</b>
Cost of revenue:								
Cost of digital asset self-mining	74,555	72,603	1,952	3%	236,120	212,125	23,995	11%
Cost of digital asset hosted mining services	11,914	24,882	(12,968)	(52)%	49,388	64,187	(14,799)	(23)%
Cost of HPC hosting services	9,041	—	9,041	100%	13,932	—	13,932	100%
<b>Total cost of revenue</b>	<b>95,510</b>	<b>97,485</b>	<b>(1,975)</b>	<b>(2)%</b>	<b>299,440</b>	<b>276,312</b>	<b>23,128</b>	<b>8%</b>
Gross (loss) profit	(156)	15,419	(15,575)	(101)%	116,307	84,159	32,148	38%
Change in fair value of digital assets	(206)	—	(206)	(100)%	(247)	—	(247)	(100)%
Gain from sale of digital assets	—	363	(363)	(100)%	—	2,358	(2,358)	(100)%
Impairment of digital assets	—	(681)	681	100%	—	(2,864)	2,864	100%
Change in fair value of energy derivatives	—	—	—	—%	(2,757)	—	(2,757)	(100)%
Loss on disposal of property, plant and equipment	(509)	(340)	(169)	(50)%	(4,061)	(514)	(3,547)	(690)%
Operating expenses:								
Research and development	2,841	2,253	588	26%	6,814	5,308	1,506	28%
Sales and marketing	3,151	1,041	2,110	203%	7,099	3,133	3,966	127%
General and administrative	34,356	23,511	10,845	46%	74,742	69,671	5,071	7%
<b>Total operating expenses</b>	<b>40,348</b>	<b>26,805</b>	<b>13,543</b>	<b>51%</b>	<b>88,655</b>	<b>78,112</b>	<b>10,543</b>	<b>13%</b>
Operating (loss) income	(41,219)	(12,044)	(29,175)	(242)%	20,587	5,027	15,560	310%
Non-operating (income) expenses, net:								
Loss (gain) on debt extinguishment	317	(374)	691	185%	487	(21,135)	21,622	102%
Interest expense, net	7,072	2,196	4,876	222%	35,934	2,317	33,617	1,451%
Reorganization items, net	—	28,256	(28,256)	(100)%	(111,439)	78,270	(189,709)	(242)%
Change in fair value of warrant and contingent value rights	408,520	—	408,520	100%	1,144,441	—	1,144,441	100%
Other non-operating expense (income), net	(2,003)	(1,090)	(913)	(84)%	144	(3,978)	4,122	104%
<b>Total non-operating expenses, net</b>	<b>413,906</b>	<b>28,988</b>	<b>384,918</b>	<b>1,328%</b>	<b>1,069,567</b>	<b>55,474</b>	<b>1,014,093</b>	<b>1,828%</b>
Loss before income taxes	(455,125)	(41,032)	(414,093)	(1,009)%	(1,048,980)	(50,447)	(998,533)	(1,979)%
Income tax expense	134	114	20	18%	484	347	137	39%
<b>Net loss</b>	<b>\$ (455,259)</b>	<b>\$ (41,146)</b>	<b>\$ (414,113)</b>	<b>(1,006)%</b>	<b>\$ (1,049,464)</b>	<b>\$ (50,794)</b>	<b>\$ (998,670)</b>	<b>(1,966)%</b>

## Adjusted EBITDA reconciliation - three and nine months ended September 30, 2024

(\$ Millions)	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Net loss	\$ (455.3)	\$ (1,049.5)
Interest expense, net	7.1	35.9
Income tax expense	0.1	0.5
<b>Earnings Before Interest and Taxes (EBIT)</b>	<b>\$ (448.1)</b>	<b>\$ (1,013.0)</b>
Depreciation and amortization	28.7	87.2
<b>Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA)</b>	<b>\$ (419.4)</b>	<b>\$ (925.9)</b>
Adjustments:		
Stock-based compensation expense	20.3	27.7
Unrealized fair value adjustment on energy derivatives	—	(2.3)
Loss on disposal of property, plant and equipment	0.5	4.1
HPC startup costs	—	4.6
Bankruptcy advisory costs	1.9	2.2
Loss (gain) on debt extinguishment	0.3	0.5
Reorganization items, net	—	(111.4)
Change in fair value of warrant and contingent value rights	408.5	1,144.4
Other non-operating expenses (income), net	(2.0)	0.1
Other	—	0.1
<b>Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (Adjusted EBITDA)</b>	<b>\$ 10.1</b>	<b>\$ 144.2</b>
<b>Adjusted EPS – Basic<sup>1</sup></b>	<b>\$ 0.03</b>	<b>\$ 0.57</b>
<b>Adjusted EPS – Diluted<sup>1</sup></b>	<b>\$ 0.03</b>	<b>\$ 0.57</b>

<sup>1</sup> For the three months ended September 30, 2024, weighted average shares of approximately 292M used in basic EPS and approximately 292M shares for diluted EPS.  
For the nine months ended September 30, 2024, weighted average shares of approximately 253M used in basic EPS and approximately 253M shares for diluted EPS.

## Segment reporting - three and nine months ended September 30, 2024

	Three Months Ended Sept. 30,		Period over Period Change		Nine Months Ended Sept. 30,		Period over Period Change	
	2024	2023	Dollar	Percentage	2024	2023	Dollar	Percentage
<b>Digital Asset Self-Mining Segment</b>								
<i>(in thousands, except percentages)</i>								
Digital asset self-mining revenue	\$ 68,138	\$ 83,056	\$ (14,918)	(18)%	\$ 328,840	\$ 278,164	\$ 50,676	18%
Cost of digital asset self-mining	74,555	72,603	1,952	3%	236,120	212,125	23,995	11%
Digital Asset Self-Mining gross (loss) profit	\$ (6,417)	\$ 10,453	\$ (16,870)	(161)%	\$ 92,720	\$ 66,039	\$ 26,681	40%
Digital Asset Self-Mining gross margin	(9)%	13%			28%	24%		
<b>Digital Asset Hosted Mining Segment</b>								
Digital asset hosted mining revenue from customers	\$ 16,878	\$ 29,848	\$ (12,970)	(43)%	\$ 71,050	\$ 82,307	\$ (11,257)	(14)%
Cost of digital asset hosted mining services	11,914	24,882	(12,968)	(52)%	49,388	64,187	(14,799)	(23)%
Digital Asset Hosted Mining gross profit	\$ 4,964	\$ 4,966	\$ (2)	—%	\$ 21,662	\$ 18,120	\$ 3,542	20%
Digital Asset Hosted Mining gross margin	29%	17%			30%	22%		
<b>HPC Hosting Segment</b>								
HPC hosting revenue	\$ 10,338	\$ —	\$ 10,338	NM	\$ 15,857	\$ —	\$ 15,857	NM
Cost of HPC hosting services	9,041	—	9,041	NM	13,932	—	13,932	NM
HPC Hosting gross profit	\$ 1,297	\$ —	\$ 1,297	NM	\$ 1,925	\$ —	\$ 1,925	NM
HPC Hosting gross margin	13%	—%			12%	—%		
<b>Consolidated</b>								
Consolidated total revenue	\$ 95,354	\$ 112,904	\$ (17,550)	(16)%	\$ 415,747	\$ 360,471	\$ 55,276	15%
Consolidated cost of revenue	\$ 95,510	\$ 97,485	\$ (1,975)	(2)%	\$ 299,440	\$ 276,312	\$ 23,128	8%
Consolidated gross (loss) profit	\$ (156)	\$ 15,419	\$ (15,575)	(101)%	\$ 116,307	\$ 84,159	\$ 32,148	38%
Consolidated gross margin	—%	14%			28%	23%		

## Balance sheet: as of September 30, 2024

### Total Assets

(\$ Thousands)

	September 30, 2024	December 31, 2023
<b>Assets</b>	<b>Unaudited</b>	
<b>Current Assets:</b>		
Cash and cash equivalents	\$ 253,019	\$ 50,409
Restricted cash	783	19,300
Accounts receivable	6,244	1,001
Digital assets	—	2,284
Prepaid expenses and other current assets	17,810	24,022
<b>Total Current Assets</b>	<b>277,856</b>	<b>97,016</b>
Property, plant and equipment, net	550,432	585,431
Operating lease right-of-use assets	74,733	7,844
Other noncurrent assets	18,830	21,865
<b>Total Assets</b>	<b>\$ 921,851</b>	<b>\$ 712,156</b>

# Balance sheet: as of September 30, 2024

## Total Liabilities and Stockholders' Deficit

(\$ Thousands)

	September 30, 2024	Dec 31, 2023
<b>Liabilities and Stockholders' Deficit</b>	<b>Unaudited</b>	
<b>Current Liabilities:</b>		
Accounts payable	\$ 6,504	\$ 154,751
Accrued expenses and other current liabilities	31,726	179,636
Deferred revenue	9,944	9,830
Operating lease liabilities, current portion	7,486	77
Finance lease liabilities, current portion	2,380	19,771
Notes payable, current portion	17,941	124,358
Contingent value rights, current portion	533	—
<b>Total Current Liabilities</b>	<b>76,514</b>	<b>488,423</b>
Operating lease liabilities, net of current portion	65,335	1,512
Finance lease liabilities, net of current portion	4	35,745
Convertible and other notes payable, net of current portion	474,596	684,082
Contingent value rights, net of current portion	6,458	—
Warrant liabilities	1,017,299	—
Other noncurrent liabilities	11,040	—
Total liabilities not subject to compromise	1,651,246	1,209,762
Liabilities subject to compromise	—	99,335
<b>Total Liabilities</b>	<b>1,651,246</b>	<b>1,309,097</b>
<b>Stockholders' Deficit:</b>		
Preferred stock; \$0.00001 par value; 2,000,000 and nil shares authorized at September 30, 2024 and December 31, 2023, respectively; none issued and outstanding at September 30, 2024 and December 31, 2023	—	—
Common stock; \$0.00001 par value; 10,000,000 shares authorized at September 30, 2024 and December 31, 2023; 279,821 and 386,883 shares issued and outstanding at September 30, 2024 and December 31, 2023, respectively	3	36
Additional paid-in capital	2,740,279	1,823,260
Accumulated deficit	(3,469,677)	(2,420,237)
<b>Total Stockholders' Deficit</b>	<b>(729,395)</b>	<b>(596,941)</b>
<b>Total Liabilities and Stockholders' Deficit</b>	<b>\$ 921,851</b>	<b>\$ 712,156</b>



