

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 20-F

(Mark One)

REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934

OR

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

OR

SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of event requiring this shell company report

Commission File Number: 001-41687

BITDEER TECHNOLOGIES GROUP
(Exact name of Registrant as specified in its charter)

Not applicable

(Translation of Registrant's name into English)

Cayman Islands

(Jurisdiction of incorporation or organization)

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

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Class A ordinary shares, par value US\$0.000001	BTDR	The Nasdaq Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act:

None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act:

None
(Title of Class)

Indicate the number of outstanding shares of each of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 235,552,084 outstanding ordinary shares as of December 31, 2025 (excluding 3,364,711 Class A ordinary shares that have been repurchased but not cancelled and 7,258,176 Class A ordinary shares reserved for future issuances upon the exercise of awards granted under our share incentive plans), including 191,152,162 Class A ordinary shares and 44,399,922 Class V ordinary shares.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer Accelerated filer Non-accelerated filer
Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, 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.

[†] The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting over Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. Yes No

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

U.S. GAAP International Financial Reporting Standards as issued Other
by the International Accounting Standards Board

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow. Item 17 Item 18

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes
No

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INTRODUCTION

Frequently Used Terms

In this annual report on Form 20-F (this “annual report”), unless the context otherwise requires, references to “this company,” “our company,” “Bitdeer,” “we,” “us,” or similar such references should be understood to be references to Bitdeer Technologies Group and its subsidiaries. When this annual report refers to “Bitdeer,” “we,” “us,” or similar such references in the context of discussing Bitdeer’s business or other affairs prior to the consummation of the business combination (the “Business Combination”) between us and Blue Safari Group Acquisition Corp. on April 13, 2023, it refers to the business of Bitdeer Technologies Holding Company and its subsidiaries. Following the date of consummation of the Business Combination, references to “Bitdeer,” “we,” “us,” or similar such references should be understood to refer to Bitdeer Technologies Group and its subsidiaries.

Certain amounts and percentages that appear in this annual report may not sum due to rounding. Unless otherwise stated or unless the context otherwise requires, in this annual report:

“Cayman Companies Act” means the Companies Act (As Revised) of the Cayman Islands.

“Class A ordinary shares” mean the Class A ordinary shares of a par value of US\$0.0000001 each, in the authorized share capital of the Company.

“Class V ordinary shares” mean the Class V ordinary shares of a par value of US\$0.0000001 each, in the authorized share capital of the Company.

“Code” means the U.S. Internal Revenue Code of 1986, as amended.

“Existing Convertible Notes” mean US\$400,000,000 principal amount of 5.25% convertible senior notes due 2029 priced in November 2024, US\$375,000,000 principal amount of 4.875% convertible senior notes due 2031 priced in June 2025, US\$400,000,000 principal amount of 4.00% convertible senior notes due 2031 priced in November 2025, US\$375,000,000 principal amount of 5.00% convertible senior notes due 2032 priced in February 2026.

“Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended.

“FreeChain Acquisition” means our acquisition of 100% of the equity interest in FreeChain Inc., which closed on September 13, 2024.

“IFRS” means IFRS Accounting Standards as promulgated by the International Accounting Standards Board.

“Investment Company Act” or “1940 Act” means the Investment Company Act of 1940, as amended.

“JOBS Act” means the Jumpstart Our Business Startups Act of 2012.

“Nasdaq” means the Nasdaq Stock Market.

“Norway Acquisition” means our acquisition of 100% of the equity interest in Troll Housing AS and Tydal Data Center AS, which closed on April 15, 2024.

“ordinary shares” mean Class A ordinary shares and/or Class V ordinary shares (as appropriate).

“PFIC” means a passive foreign investment company.

“Rule 144” means Rule 144 under the Securities Act.

“Sarbanes-Oxley Act” means the Sarbanes-Oxley Act of 2002.

“SEC” means the U.S. Securities and Exchange Commission.

“Securities Act” means the U.S. Securities Act of 1933, as amended.

“U.S. Dollars” and “US\$” means United States dollars, the legal currency of the United States.

“U.S. GAAP” means generally accepted accounting principles in the United States.

Frequently Used Technical Terms

Unless otherwise stated or unless the context otherwise requires, in this annual report:

“AI” means artificial intelligence.

“ASIC” means application-specific integrated circuit.

“colocation” means the provision of physical space, power and cooling within a datacenter for customers to install and operate their own servers and computing equipment.

“EH/s” means exahash per second.

“GH/s” means gigahashes per second.

“GPU” means graphics processing unit.

“HPC” means high performance computing.

“J/GH” means joules/gigahash.

“J/TH” means joules/terahash.

“LLM(s)” means large language model(s).

“MW” means megawatt.

“PoC” means Proof-of-Capacity.

“PoS” means Proof-of-Stake.

“PoW” means Proof-of-Work.

“TH/s” means terahash per second.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This annual report contains or may contain forward-looking statements as defined in Section 27A of the Securities Act, and Section 21E of the Exchange Act, that involve significant risks and uncertainties. All statements other than statements of historical facts are forward-looking statements. These forward-looking statements include information about our possible or assumed future results of operations or our performance. Words such as “expects,” “intends,” “plans,” “believes,” “anticipates,” “estimates,” and variations of such words and similar expressions are intended to identify the forward-looking statements, but absence of these words does not mean that a statement is not forward-looking. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements include statements about:

- the price and volatility of Bitcoin and other cryptocurrencies;
- our ability to maintain competitive positions in proprietary hash rate;
- our ability to procure and/or manufacture application-specific integrated circuits (“ASICs”) and mining rigs at a lower cost;
- our ability to expand datacenters or begin or complete any project that is “in the pipeline,” contracted or negotiated but not yet under active construction;
- our ability to sell new and existing models of mining rigs;
- our ability to develop and deploy new generations of mining rigs;
- our ability to control electricity cost;
- our ability to make effective judgments regarding pricing strategy and resource allocation;
- our ability to upgrade and expand product offerings and to successfully develop our AI infrastructure and AI cloud business;
- regulatory changes or actions that may restrict the use of cryptocurrencies or the operation of cryptocurrency networks in a manner that may require us to cease certain or all operations;
- the risks to our business of earthquakes, fires, floods, and other natural catastrophic events and interruptions by man-made issues such as strikes and terrorist attacks;
- the volatility of the market price of our Class A ordinary shares, which could cause the value of your investment to decline;
- the risk that an active trading market for our Class A ordinary shares may not be sustained;
- our ability to maintain the listing of our Class A ordinary shares on Nasdaq;
- the trading price of our securities, which has been and may continue to be volatile;
- unexpected costs or expenses;
- future issuances, sales or resales of our Class A ordinary shares;
- our expectation regarding the use of proceeds from our financing activities;
- our expectations regarding our cash runway;
- general economic and business conditions in our markets; and
- other risk factors discussed in the section entitled “Item 3. Key Information – D. Risk Factors” of this annual report.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this annual report. Although we believe that the expectations reflected in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. These statements involve known and unknown risks and are based upon a number of assumptions and estimates which are inherently subject to significant uncertainties and contingencies, many of which are beyond our control. Actual results may differ materially from those expressed or implied by such forward-looking statements. We undertake no obligation to publicly update or revise any forward-looking statements contained in this annual report, or the documents to which we refer readers in this annual report, to reflect any change in our expectations with respect to such statements or any change in events, conditions or circumstances upon which any statement is based.

PART I

ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS

Not applicable.

ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE

Not applicable.

ITEM 3. KEY INFORMATION

A. Reserved

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

Our business and our industry are subject to significant risks. You should carefully consider all of the information set forth in this annual report and in our other filings with the SEC, including the following risk factors, in evaluating our business. If any of the following risks actually occur, our business, financial condition, operating results, and growth prospects would likely be materially and adversely affected. This annual report also contains forward-looking statements that involve risks and uncertainties. See the section entitled "Cautionary Note Regarding Forward-Looking Statements."

Summary of Risk Factors

The following summary description sets forth an overview of the material risks we are exposed to in the normal course of our business activities. The summary does not purport to be complete and is qualified in its entirety by reference to the full risk factor discussion immediately following this summary description. We encourage you to read the full risk factor discussion carefully.

Our business, results of operations and financial condition could be materially and adversely affected by any of the following material risks:

Risks Related to Our Business, Operations, Industry and Financial Condition

- Our results of operations have been and are expected to continue to be significantly impacted by Bitcoin price fluctuation.
- Delays in the expansion of existing datacenters, the conversion of mining datacenters to AI datacenters or the construction of new datacenters, as well as any significant cost overruns, could present significant risks to our business and could have a material adverse effect on our business, financial condition and results of operations.
- Our business is capital intensive, including in particular our mining operations and our growing AI infrastructure and AI cloud business. We may need additional capital but may not be able to obtain it in a timely manner and on favorable terms or at all.

- We may not be able to maintain our competitive position as cryptocurrency networks are witnessing increases in the total network hash rate.
- Our ASIC and mining rig operations currently depend on supplies from a third-party foundry partner, and any failure to obtain sufficient foundry capacity from such third-party foundry partner would significantly delay the shipment of our products.
- We may be unable to execute our growth strategies or effectively maintain our rapid growth trends.
- The cryptocurrency industry has a limited operating history and we have limited experience operating AI infrastructure and AI cloud business, which makes it difficult to evaluate our business and future prospects.
- As we expand our AI infrastructure and AI cloud business, issues in the development and use of AI may result in reputational or competitive harm or liability.
- If we fail to succeed in the AI infrastructure and AI cloud business or other markets we seek to penetrate into, our revenues, growth prospects and financial condition could be materially and adversely affected.

Risks Related to Cryptocurrencies

- Because there has been limited precedent set for financial accounting for Bitcoin and other cryptocurrencies, the determinations that we have made for how to account for cryptocurrencies transactions may be subject to change.
- Any loss or destruction of a private key required to access our cryptocurrency is irreversible. We also may temporarily lose access to our cryptocurrencies.
- The development of blockchain technology and cryptocurrency is in its early stage and any adverse development in the cryptocurrency or blockchain market could adversely affect our business and results of operations.
- Adverse developments in the blockchain industry could lead to a decrease in the demand for hash rate products and hosting resources, which could have a material adverse effect on our business, financial condition and results of operations.
- Bitcoin exchanges and wallets, and to a lesser extent, the Bitcoin network itself, may suffer from hacking and fraud risks, which may adversely erode user confidence in Bitcoin which would decrease the demand for our products and services. Further, digital asset exchanges on which crypto assets trade are relatively new and the regulatory landscape governing digital asset exchanges is rapidly evolving, and thus may be exposed to fraud and failure. Incorrect or fraudulent cryptocurrency transactions may be irreversible.

Risks Related to Regulatory Compliance and Other Legal Matters

- We are subject to a highly-evolving regulatory landscape and any adverse changes to, or our failure to comply with, any laws and regulations could adversely affect our business, reputation, prospects or operations.
- The regulatory landscape for AI is developing rapidly across the jurisdictions in which we operate, and evolving compliance obligations could increase our costs and affect our operations.
- The nature of our business requires the application of complex financial accounting rules. If financial accounting standards undergo significant changes, our operating results could be adversely affected.

- As we continue to expand and localize our international activities, our obligations to comply with the laws, rules, regulations and policies of a variety of jurisdictions will increase and we may be subject to investigations and enforcement actions by U.S. and non-U.S. regulators and governmental authorities.
- Our mining and AI datacenter operations are energy-intensive, which may restrict the geographic locations of our operations, give rise to community opposition and have a negative environmental impact.

Risks Related to Our Securities

- We may issue additional Class A ordinary shares or other equity or convertible debt securities without approval of the holders of Class A ordinary shares, which would dilute existing ownership interests and may depress the market price of Class A ordinary shares.
- The dual-class structure of our ordinary shares may adversely affect the price and liquidity of Class A ordinary shares.
- Future sales, or the possibility of future sales of, a substantial number of our ordinary shares may depress the price of such securities.
- Volatility in the price of Class A ordinary shares could subject us to further securities class action litigation.

Risks Related to Taxation

- We are subject to tax risks related to our multinational operations.
- Future changes to tax laws could materially and adversely affect our company and reduce net returns to our shareholders.
- Cryptocurrencies and transactions denominated in cryptocurrencies may be subject to further taxation in the future.
- We may be or become a PFIC, which could result in adverse U.S. federal income tax consequences to U.S. Holders of Class A ordinary shares.

Risks Related to Our Business, Operations, Industry and Financial Condition

Our results of operations have been and are expected to continue to be significantly impacted by Bitcoin price fluctuation.

Our ability to generate economic benefits (i.e., positive cash flow or profits) from Bitcoin mining is directly affected by the market price of Bitcoin. The Bitcoin price may impact the use of our mining rigs. When the market price of Bitcoin drops below certain thresholds, the operation of existing mining rigs may not be economically beneficial for us. In addition, the depreciation and impairment potential of our mining rigs may be affected by the volatility of the market prices of Bitcoin and other cryptocurrencies.

Overall, the Bitcoin price has been significantly volatile and may remain so. In calendar year 2022, a number of companies in the digital assets industry declared bankruptcy, including cryptocurrency exchanges, hedge funds, miners and lenders, which also led, at least in part, to a significant drop in the Bitcoin price. More recently, the approval of spot Bitcoin exchange-traded funds by the SEC in January 2024 initially drove substantial price appreciation, with Bitcoin reaching new all-time highs in late 2024 and 2025, but this was followed by a sharp correction, with Bitcoin declining by more than 50% from its October 2025 high to its February 2026 low, driven in part by macroeconomic uncertainty, shifting regulatory expectations and broader risk-off sentiment in global markets. Factors that contribute to Bitcoin price volatility generally include, but are not limited to, market sentiment, macroeconomic conditions, the utility of Bitcoin, regulatory developments and idiosyncratic events such as exchange outages or social media activity, some of which are beyond our control. In addition, the April 2024 halving event, which reduced the block reward from 6.25 to 3.125 Bitcoins, has further compressed mining economics and heightened sensitivity to Bitcoin price movements. Furthermore, individuals, companies or groups, as well as Bitcoin exchanges that hold substantial amounts of Bitcoins, can affect the market price of Bitcoin. While mining equipment production and mining pool locations are becoming centralized, the suspicion about the decentralized nature of Bitcoin may cause the market to lose confidence in the prospect of the Bitcoin industry, which would adversely affect Bitcoin price. This in turn could adversely affect the market demand for our services, products and business.

Any future significant reductions in the price of Bitcoin will likely have a material and adverse effect on our results of operations and financial condition across multiple business lines. With respect to our self-mining business, a decline in Bitcoin prices would directly reduce the profitability of our mining operations, as mining rewards would be worth less while operating costs, such as electricity and equipment maintenance, remain relatively fixed. With respect to our cloud hash rate and hosting businesses, there is no assurance that the Bitcoin price will remain high enough to sustain customer demand for these services. With respect to our sale of mining rigs and accessories business, a decline in Bitcoin prices typically reduces demand for new mining rigs, as lower mining profitability causes miners to postpone equipment purchases. For example, we have experienced instances where, when Bitcoin prices declined, certain customers requested to delay their final payment for SEALMINERs and requested alternative purchase options for future generations of SEALMINER machines. While our cloud hash rate and hosting businesses may partially offset the impact of short-term Bitcoin price fluctuations on our self-mining revenue, there is no assurance that revenue from these business lines will be sufficient to compensate for a sustained decline in Bitcoin prices. Furthermore, fluctuations in the Bitcoin price can have an immediate impact on the trading price of our Class A ordinary shares.

Additionally, our policy on holding or disposing of mined cryptocurrencies plays a key role in managing our exposure to market fluctuations. If we choose to hold cryptocurrencies for a period of time, extreme market conditions and significant price declines may compel us to sell at unfavorable prices, resulting in disposal losses. Conversely, if we elect not to sell during a period of depressed prices and instead hold our cryptocurrencies in anticipation of a market recovery, we may incur impairment losses and potentially face liquidity constraints. In the conduct of our self-mining business, we strategically manage our cryptocurrency holdings based on prevailing market conditions, liquidity needs and risk exposure, but there is no assurance that these decisions will be optimal or that we will not experience material losses as a result of cryptocurrency price movements.

Delays in the expansion of existing datacenters, the conversion of mining datacenters to AI datacenters or the construction of new datacenters, as well as any significant cost overruns, could present significant risks to our business and could have a material adverse effect on our business, financial condition and results of operations.

The daily operations of all our business lines require the support of our datacenters, with highly specialized infrastructure and considerable, reliable power in order to compete effectively. We intend to increase our mining capacity and increase substantially the number of mining rigs we operate, while simultaneously expanding and converting datacenter capacity to support our growing AI infrastructure and AI cloud business. AI datacenter operations involve additional infrastructure requirements beyond those of cryptocurrency mining, including higher power density, advanced cooling systems, enhanced network connectivity and the procurement and installation of specialized GPU hardware. We plan to expand our existing datacenters or obtain suitable land to build new datacenters, and in certain cases convert existing mining datacenter capacity for our AI infrastructure and AI cloud business. We may face challenges in obtaining suitable land or securing the requisite power capacity, as we need to work closely with local power suppliers and local governments of the places where our proposed facilities are located. Delays in actions that require the assistance of such third parties, in receiving required permits and approvals or in mediations with local communities, if any, may negatively impact our construction or conversion timelines and budget or result in any new or converted facilities not being completed at all.

We plan to expand our footprints to more datacenters across the globe to increase our total capacity to approximately 3,003.5 MW, including 1,259.5 MW power supply in the pipeline, as of March 31, 2026. Such expansion and construction require us to rely on the experience of one or more designers, general contractors and subcontractors, and such designers or contractors may experience financial or other problems during the design or construction process. For example, in November 2025 we experienced fire damage to approximately 26 MW of capacity at our Massillon, Ohio site, which resulted in a delay of the planned energization of such capacity to an expected energization date by the end of the third quarter of 2026.

We may also experience quality control issues as we implement any upgrades in our hosting and datacenter capacity through the installation and maintenance of chipsets, servers, GPUs and other AI infrastructure equipment, or through new cooling technologies such as immersion and hydro cooling. Our business will be negatively impacted if we are unable to run our mining and AI datacenter operations in a way that is technologically advanced, economically and energy-efficient and temperature controlled. If we are unsuccessful, we may damage our mining rigs, customer equipment or critical AI infrastructure components, and the profitability of our mining and AI infrastructure and AI cloud business could be adversely affected.

If we experience significant delays in the supply of power required to support any datacenter expansion or construction, the progress of such projects could deviate from our original plans, which could cause material and negative effects on our revenue growth, profitability and results of operations. Any material delay in completing these projects, or any substantial cost increases or quality issues in connection with these projects, could materially delay our ability to increase self-mining, deliver our hosting capacity, supply cloud hash rate, and provide our AI infrastructure and AI cloud services, cause us to incur penalties under hosting contracts, result in reduced order volume and materially adversely affect our business, financial condition and results of operations.

Our datacenters may be located on property that is not in compliance with applicable zoning or land use requirements and we may be ordered to relocate from that property.

Our datacenters are located in various jurisdictions around the world. Due to the evolving regulatory landscape in the jurisdictions in which we operate, the properties we lease or own may not remain in compliance with local zoning ordinances or land use regulations. If any of our datacenters are found to be in violation of applicable zoning or land use laws, the relevant authorities may order the demolition or relocation of the affected facilities. In that event, we would need to identify alternative properties and relocate our operations, which could be costly and time-consuming. Unless we are able to make timely alternative arrangements and power capacity, we may not be able to maintain continuity of our operations or fulfill customer commitments, which could have a material adverse effect on our business, results of operations and financial condition.

Our business is capital intensive, including in particular our mining operations and our growing AI infrastructure and AI cloud business. We may need additional capital but may not be able to obtain it in a timely manner and on favorable terms or at all.

The costs of constructing, developing, operating and maintaining cryptocurrency mining and hosting facilities, and owning and operating a large fleet of the latest generation mining equipment, including the development and research of our latest generation of SEALMINER mining rigs, are substantial. The capital requirements for our AI infrastructure and AI cloud business are also significant, as AI datacenter construction and conversion, together with the procurement of GPUs and other specialized hardware, require substantial upfront investment and may involve longer payback periods than our mining operations. Our operations may require additional capital or financing from time to time in order to achieve further growth, diversify our product offering, and pursue acquisitions and equity investments. If our cash resources are insufficient to satisfy our cash requirements, we may seek to issue additional equity or debt securities or obtain new or expanded credit facilities.

Our ability to obtain external financing in the future may be subject to a variety of uncertainties, including our future financial condition, results of operations, cash flows and the liquidity of international capital and lending markets. We may face higher capital acquisition costs if Bitcoin price declines, as this may negatively impact our share price and increase our cost of financing. In addition, the crypto asset markets have experienced periods of extreme price volatility and significant disruption, which may undermine investors' confidence in the digital assets markets and make it more difficult for us to obtain equity or debt financing on favorable terms. Our ability to secure financing for our AI infrastructure investments may also depend in part on our ability to secure committed customer contracts on commercially acceptable terms. Any indebtedness that we may incur in the future may also contain operating and financial covenants that could further restrict our operations. There can be no assurance that financing will be available in a timely manner or in amounts or on terms acceptable to us, or at all. A large amount of bank borrowings and other debt may result in a significant increase in interest expense while at the same time exposing us to increased interest rate risks. Equity financings could result in dilution to our shareholders, and the securities issued in future financings may have rights, preferences and privileges that are senior to those of our Class A ordinary shares.

In November 2024, we priced US\$400,000,000 principal amount of 5.25% convertible senior notes due 2029 in a private placement to qualified institutional buyers (the "November 2024 Convertible Notes"). In June 2025, we priced US\$375,000,000 principal amount of 4.875% convertible senior notes due 2031 in a private placement to qualified institutional buyers (the "June 2025 Convertible Notes"). In November 2025, we priced US\$400,000,000 principal amount of 4.00% convertible senior notes due 2031 in a private placement to qualified institutional buyers (the "November 2025 Convertible Notes"). In the same month, we completed a registered direct offering of 10,661,140 of our Class A ordinary shares at a price of US\$13.94 per share (the "2025 Equity Offering"). We used the net proceeds from the 2025 Equity Offering, together with a portion of the net proceeds from the November 2025 Convertible Notes, to fund certain note repurchase transactions with respect to US\$200.0 million aggregate principal amount of the November 2024 Convertible Notes. In February 2026, we priced US\$375,000,000 principal amount of 5.00% convertible senior notes due 2032 in a private placement to qualified institutional buyers (the "February 2026 Convertible Notes"). In the same month, we completed a registered direct offering of 5,503,030 of our Class A ordinary shares at a price of US\$7.94 per share (the "2026 Equity Offering"). We used the net proceeds from the 2026 Equity Offering, together with a portion of the net proceeds from the February 2026 Convertible Notes, to repurchase for cash US\$135.0 million aggregate principal amount of the November 2024 Convertible Notes.

We may not be able to maintain our competitive position as cryptocurrency networks are witnessing increases in the total network hash rate.

As the relative market price of a cryptocurrency, such as Bitcoin, increases, more companies are encouraged to mine for that cryptocurrency and as more mining rigs are added to the network, its total hash rate increases. In order for us to maintain our competitive position under such circumstances, we must increase our total hash rate by deploying more mining rigs, including new mining rigs with higher hash rates. There are currently only a few companies capable of producing a sufficient number of mining rigs with adequate quality to address the increased demand. We have strategically prioritized investment in the research and development of our own mining rigs. However, if we are not able to produce our own mining rigs or to acquire and deploy additional mining rigs on a timely basis, our proportion of the overall network hash rate will decrease and we will have a lower chance of solving new blocks which will have an adverse effect on our business and results of operations. In addition, as we convert a portion of our datacenter power capacity to support our AI infrastructure and AI cloud business, the power available for mining operations may be further constrained, potentially limiting our ability to deploy additional mining rigs and expand our proprietary hash rate. Decisions to allocate datacenter capacity to our AI infrastructure and AI cloud business, while strategically important, may reduce our ability to grow our mining hash rate at the same pace as the overall network, which could result in a decline in our share of mining rewards over time.

We have experienced negative cash flows from operating activities and incurred net losses in the past. We can provide no assurance of our future operating results.

We had negative cash flows from operating activities in the amount of US\$271.8 million, US\$622.1 million and US\$1,738.7 million for the years ended December 31, 2023, 2024 and 2025, respectively. While we earned a net profit of US\$65.6 million for the year ended December 31, 2025, we have generated negative cash flow from operating activities in each of the last three years and incurred a net loss of US\$56.7 million, US\$599.2 million for the years ended December 31, 2023 and 2024, respectively. There is no assurance that we will be able to sustain profitability, generate positive cash flow from operating activities or maintain our current level of financial performance in future periods. We will need to generate and sustain increased revenue and manage our cost structure effectively in order to maintain profitability, and, even if we do, we may not be able to maintain or increase our level of profitability over the long term. Our ability to sustain profitability and generate positive cash flow from operating activities will depend on a mix of factors, some of which are beyond our control, including the price of Bitcoin, our ability to operate and expand our business and manage our services mix, and our ability to secure favorable commercial terms from suppliers.

We have experienced and may experience in the future hash rate loss during our operations due to factors beyond our control.

We generate hash rate through operating our mining datacenters. To efficiently increase hash rate under management (i.e., proprietary hash rate and hosting hash rate), our efforts include constructing and expanding mining datacenters in prime locations globally, purchasing the latest mining rig models, developing and manufacturing mining rigs, and continually optimizing operational efficiency of our mining datacenters and mining rigs. However, hash rate generation is affected by factors beyond our control, including temperature, humidity, mining rig quality, the depreciation and deterioration of mining rigs, the location of our mining rigs globally, spare parts supply quality, quantity and timeliness, sudden surge in power price or sudden power outage, maintenance team members' lack of experience, labor disputes, cyberattack or other reasons. In the future, we expect the risks of hash rate loss will remain, which may affect our business and results of operations.

We are subject to risks associated with our need for significant electric power and the limited availability of power resources, which could have a material adverse effect on our business, financial condition and results of operations.

Our business requires a significant amount of electric power. The costs of electric power account for a significant portion of our cost of revenue. We require a significant electric power supply to conduct our mining activity and power our datacenters, to produce cloud hash rate and to provide hosting, AI infrastructure and AI cloud services such as powering and cooling our and our customers' servers and network equipment and operating critical infrastructure.

There has been a substantial increase in the demand for electricity for cryptocurrency mining as well as for AI datacenters, and this has had varying impacts on local electricity supply. Additionally, we currently rely on renewable sources of power and may increase our reliance on renewable sources of power in the future. Renewable power is generally an intermittent and variable source of electricity, which may not always be available. Because the electrical grid has very little storage capacity, the balance between electricity supply and demand must be maintained at all times to avoid a blackout or other cascading problem. Intermittent sources of renewable power are challenging because they disrupt the conventional methods for planning the daily operation of the electrical grid. Their power fluctuates over multiple time horizons, forcing the grid operator to adjust its day-ahead, hour-ahead, and real-time operating procedures. In certain emerging markets where power infrastructure is less developed and more susceptible to disruption than in more developed markets, we may be dependent on local power generation assets, such as hydroelectric facilities, whose availability and capacity may be affected by seasonal variability, climate conditions, infrastructure investment decisions by local authorities, or changes in government energy policy. In addition, AI-related operations generally require higher power capacity per unit of datacenter space, higher power density and more stable and continuous electricity supply than cryptocurrency mining operations. Mining workloads can be throttled, paused or relocated with relatively limited operational or contractual consequences, whereas our AI infrastructure and AI cloud customers typically require guaranteed uptime and contracted service levels, making power interruptions more difficult to manage and potentially exposing us to contractual penalties or customer attrition. These dynamics may heighten our overall sensitivity to the power supply and cost risks described below.

The amount of power required by us and our customers will increase commensurately with the demand for our products and services and our expansion of AI datacenter capacity. Should our operations require more electricity than can be supplied in the areas where our datacenters are located or should the electrical transmission grid and distribution systems be unable to provide the continuous, steady supply of electricity required, we may have to limit or suspend activities or reduce the speed of our proposed expansion, either voluntarily or as a result of either quotas imposed by energy companies or governments, or increased prices for certain large load users such as us. If we are unable to procure electricity at a suitable price, we may have to shut down our operations in that particular jurisdiction either temporarily or permanently. Although we aim to build and operate energy efficient facilities, there can be no assurance such facilities will be able to deliver sufficient power to meet the growing needs of our business. In addition, electricity costs may be affected by fluctuations in the prices of underlying energy commodities, including oil and natural gas, which can influence the cost of power generation and transmission. Sustained increases in commodity prices could result in higher electricity costs for our operations, adversely affecting our cost of revenue and results of operations.

Certain government actors have begun to intervene with the supply of electrical energy to cryptocurrency miners and datacenter operators. These interventions can be either negative or be intended to be beneficial to datacenter operators, but in any event cause uncertainty. The U.S. Department of the Treasury has proposed imposing a phased 30% excise tax on electricity used by digital asset miners, applicable to both grid-connected and off-grid operations. Governments or government regulators may also increase the cost of electricity, including through taxation, or restrict or prohibit electricity suppliers from providing electricity to businesses like us, particularly in times of electricity shortage. In contrast, in October 2025, the U.S. Department of Energy directed the Federal Energy Regulatory Commission (FERC) to initiate a rulemaking proceeding to accelerate the interconnection of large loads, including datacenters, to the interstate transmission system. In December 2025, FERC issued an order directing one of the U.S.' regional transmission operators to develop new rules for the co-location of datacenters and other large loads at power plants, with compliance filings due in early 2026. These and future regulatory developments may affect the availability, cost and terms of electricity supply for both our mining and AI datacenter operations. In the event government regulators impose bans or restrictions on the supply of electricity to mining or AI datacenter operations in jurisdictions in which we operate, we will not be able to continue our operations in such jurisdictions, which could have a material adverse effect on our business, financial condition and results of operations.

Additionally, our cryptocurrency mining rigs and AI datacenter infrastructure would be materially adversely affected by a power outage. Energy costs and availability are vulnerable to risks of outages and power grid damage as a result of inclement weather, animal incursion, sabotage and other events beyond our control. It is not practical or economical for our mining operations to run on backup generators given the significant energy consumption involved. While our AI datacenters are expected to be equipped with backup power systems to maintain service continuity, such systems may not be sufficient to sustain full operations during prolonged outages. As such, in the event of a power outage, whether caused by weather, acts of God, wild fires, pandemics, falling trees, falling distribution poles and transmission towers, transmission and distribution cable cuts, other force majeure events in the electricity and natural gas markets and/or the negligence or malfeasance, our mining operations would likely be forced to cease and our AI datacenter operations may experience service interruptions even where backup power is available. Any system downtime resulting from insufficient power resources or power outages could have a material adverse effect on our business, financial condition and results of operations.

We have broad discretion regarding pricing strategy and resource allocation and may exercise related business judgments in a way that you may not agree with. Such judgments may not achieve the best possible outcome for our business operations.

Our business operations involve constant and important decision-making regarding the pricing of our services and allocation of resources. We take into account our estimates of market trends when determining pricing strategies. To achieve profitability in the long run, we may offer a lower price in order to acquire and retain new customers, even if this pricing does not allow us to maximize our short-term revenue. We have to decide the allocation of our resources between our AI infrastructure and AI cloud business and our cryptocurrency mining businesses, and within our cryptocurrency mining business, divide our proprietary hash rate between “self-mining” (and between the various cryptocurrencies we are able to self-mine) and “cloud hash rate” as well as the allocation of mining datacenter capacity among “self-mining,” “cloud hash rate” and “hosting.” While allocating more mining resources to “cloud hash rate” and “hosting” services may facilitate cash payback and mining datacenter expansion while lowering risk exposure associated with Bitcoin price volatility, we have to forgo appreciation potential to some extent as we could earn more Bitcoins by allocating the same mining resources to “self-mining,” and vice versa. As we develop proprietary ASIC technology, our decision-making has expanded beyond resource allocation to include ASIC research, design, mining rig production, and infrastructure scalability.

We spend great efforts in making these business decisions in our best interest, taking into account the pace and timing of our datacenter conversions for AI cloud and colocation use, the demand for our AI infrastructure and AI cloud services, Bitcoin price, our ability to secure GPU supply and AI customer contracts, network hash rate, the amount of cash we need and our view on the market opportunities for acquiring mining rigs or expanding datacenters at low cost, among other factors. However, we cannot guarantee that our decisions will generate the most revenue or offer the strongest downside protection for us. If we cannot accurately estimate any of the aforementioned factors upon which we base our business decisions, our contract pricing and resource allocation could have a material adverse effect on our business, financial condition and results of operations.

We face intense competition and our competitors may employ aggressive pricing strategies, which can lead to a price reduction of our solutions and services and material adverse effect on our results of operations.

We operate in highly competitive industries for cryptocurrency mining, AI infrastructure and AI cloud, and we may look to enter into markets with very competitive landscapes. Our competitors include many well-known worldwide players, and we face competitors that are larger than ourselves and have advantages over ourselves in terms of economies of scale and financial and other resources. We expect that competition in our markets will continue to be intense. Some of our competitors may also have stronger brand names, greater access to capital, longer histories, longer relationships with their suppliers or customers and more resources than we do. Furthermore, these competitors may be able to adapt to changes in the industry more promptly and efficiently. Intense competition from existing and potential competitors could result in material price reductions in the products we sell or a decrease in our market share. Aggressive pricing strategies by our competitors and an abundant supply of mining rigs, AI compute capacity, hosting services, or cloud hash rate, in the market may cause us to reduce the prices of our services and also negatively affect the demand for our services or harm our profitability. If we fail to compete effectively and efficiently or fail to adapt to changes in the competitive landscape, our business, financial condition, and results of operations may be materially and adversely affected.

In particular, in our AI infrastructure and AI cloud business we face intense competition from established hyperscale cloud providers and other infrastructure companies that have substantially greater financial, technical and marketing resources than we do. These competitors may be able to offer services at lower prices, invest more heavily in research and development, and respond more quickly to new technologies and customer requirements. In addition, specialized AI cloud infrastructure providers have raised significant capital and entered into large-scale, multi-year committed contracts with leading AI companies, enabling them to scale operations rapidly. Some of these providers have established deep relationships with GPU suppliers and have invested heavily in proprietary software platforms for orchestration, monitoring and workload management. Our relatively early stage in the AI cloud market means we may face challenges in securing comparable customer commitments and supplier relationships, and we may need to invest substantially more capital than currently anticipated to compete effectively. Furthermore, the AI industries are evolving rapidly, with frequent advances in GPU architectures, networking technologies, cooling solutions and software frameworks. Our current investments in GPU infrastructure, including deployments of NVIDIA H100, H200, B200 and GB200 NVL72 systems, may become less competitive as newer and more efficient hardware becomes available. If we are unable to upgrade our infrastructure in a timely and cost-effective manner, or if our services and solutions prove to be less attractive to customers than those of our competitors, our AI infrastructure and AI cloud business could be materially and adversely affected.

The average selling prices of our solutions, products and services may fluctuate from time to time due to technological advancement, shifting market trends, macroeconomic conditions, and changes in investor sentiment, and we may not be able to pass onto our suppliers such decreases, which may in turn adversely affect our profitability.

The industries in which we operate are characterized by rapid launches of new products, continuous technological advancements and changing market trends and customer preferences, all of which may translate to fluctuations in the average selling prices of products or services over time. Additionally, broader macroeconomic conditions and shifts in market sentiment toward digital assets and AI infrastructure can significantly influence the demand for our products and services, affecting their pricing dynamics. Market downturns, increased competition, or negative sentiment toward cryptocurrencies could drive down the average selling prices of our mining rigs, cloud hash rate services and hosting solutions. For our AI infrastructure and AI cloud business, the rapid pace of GPU hardware evolution, the entry of new competitors with significant capital resources and the potential for oversupply of AI compute capacity in the market could similarly exert downward pressure on the pricing of our offerings. Because we compete in an environment of rapidly evolving technology and volatile market trends across both our cryptocurrency and AI infrastructure and AI cloud businesses, there is no assurance that we will be able to pass on any decrease in average selling prices of our services and products to our suppliers in a timely manner or at all. In the event that average selling prices of our services or products unusually or significantly decrease, our gross profit margins may be materially and adversely affected.

We rely on a limited number of third-party electricity providers, mining pool operators, supply chain suppliers, datacenter construction contractors and GPU and AI hardware suppliers, and any negative incidents caused by actions taken by them that are outside of our control may adversely impact our business and results of operations.

To some extent, we currently rely on a single or a group of third-party suppliers and service providers to provide quality services and/or products to customers. Our brand and reputation may be harmed by actions taken by such third parties that are outside of our control. We currently contract with a single electricity supplier to support each of our datacenters in Texas, Tennessee, Washington and Ethiopia, respectively, and the power purchase arrangements with these single electricity suppliers often include monthly or quarterly termination provisions in favor of the suppliers, as well as termination provisions in the event of defaults. While we believe that alternative electricity suppliers are readily available in the market, transitioning to a new supplier may require additional costs and time, and any interruption in electricity supply could force us to curtail or suspend datacenter operations.

We also depend on certain suppliers for raw materials and supply chain services essential to the manufacturing of our mining rigs. The prices of raw materials and supply chain services are negotiated on an individual basis, and the agreements typically allow for termination upon either party's uncured material breach, suspension of all or a substantial part of its business, deterioration of its financial position, or upon insolvency proceedings against either party. In addition, we utilize third-party mining pools to receive our cryptocurrency mining rewards. We have entered into agreements with mining pool operators who deliver cryptocurrency rewards to us and our customers in exchange for hash rate contributions. While we believe we can promptly access alternative mining pools given the competitiveness of the industry, we are dependent on the accuracy of a mining pool operator's record keeping to determine our proportionate share of rewards. We have limited means of recourse if the proportion of the reward paid to us is incorrect. If we are unable to consistently obtain accurate proportionate rewards, we may experience reduced mining revenue, which would have an adverse effect on our business and results of operations.

We also rely on datacenter construction contractors for the buildout and expansion of our datacenters, as well as for the conversion of mining datacenters for AI cloud and colocation use. Any failure by our construction contractors to perform on time, within budget or to the required specifications could materially and adversely affect our business, financial condition and results of operations. Our AI infrastructure and AI cloud business also depends on a limited number of suppliers for critical infrastructure components, including GPUs and other specialized AI hardware. In particular, we rely on certain GPU suppliers and OEMs for the GPUs that power our AI cloud offerings. We procure these components through individual purchase orders, typically placed according to supplier-specified lead times, and we do not have long-term supply agreements that guarantee capacity, pricing or the continuation of any particular payment terms. As a result, our suppliers are not obligated to continue fulfilling our orders once a purchase order has been completed, and the prices we are charged could be increased on short notice. In addition, the global supply of advanced GPUs and other specialized AI hardware is relatively constrained, and any inability or delay by our suppliers in meeting our orders, whether due to competing commercial priorities, geopolitical factors, trade restrictions, capacity constraints or other disruptions, could impair our ability to procure the components we need. Because we generally order only what is required to fulfill existing business needs, even short delays from our suppliers could prevent us from delivering scheduled compute access to our customers and fulfilling our contractual obligations. If we are required to change suppliers, the transition could further disrupt our ability to serve customers. Any such disruption could result in loss of existing or potential customers, delayed revenue, or increased costs, which could adversely affect our margins and results of operations.

Despite the measures we have taken to ensure the quality of products and services provided by third-party suppliers and service providers, to the extent they are unable to maintain their production facilities' efficiency, supply sufficient products in a timely manner, or provide satisfactory products and services to us, which may be due to events beyond our or their control, we may suffer reputational damage. As of the date of this annual report, we have not experienced any such incidents that have had a material adverse impact on our business. However, as such incidents are beyond our control, there is no assurance that they will not occur in the future. If we are unable to effectively address these risks, our brand image, reputation and financial performance may be materially and adversely affected.

While we are developing and installing our own mining rigs as part of our plan to expand our self-mining business, our business may still be dependent on acquiring a sufficient number of cryptocurrency mining rigs from third party suppliers, which could have a material adverse effect on our business, financial condition and results of operations.

While we are developing and installing our own mining rigs based on our proprietary ASIC technology to expand our self-mining business and cloud hash rate operations, we may still rely on third-party suppliers for certain mining rigs. Additionally, our hosting service business is closely tied to the demand for hosting services and the broader cryptocurrency market, both of which are significantly influenced by the availability of new mining rigs at profitable prices and the trading price of Bitcoin.

The supply and pricing of cryptocurrency mining hardware fluctuate with Bitcoin price movements and overall market demand. If there is no sufficient supply of mining hardware at competitive prices, our ability to expand our hosting services for customers may be affected. Historically, surges in interest and demand for cryptocurrencies have led to shortages of mining hardware and price increases, limiting accessibility for miners. Furthermore, as more companies enter the mining industry, demand for mining rigs may continue to outpace supply, exacerbating equipment shortages. There are currently only a few manufacturers capable of producing high-quality mining rigs at scale, and there is no assurance that these suppliers will be able to meet future demand surges. If our hosting customers face difficulties obtaining new equipment or replacement components, this could materially impact the demand for our hosting services and related revenue streams. Additionally, we may have little or no recourse in the event that mining rig manufacturers or distributors default on their delivery commitments, further affecting our business operations. For risks related to our dependence on other third-party suppliers, see the section titled “—We rely on a limited number of third-party electricity providers, mining pool operators, supply chain suppliers, datacenter construction contractors and GPU and AI hardware suppliers, and any negative incidents caused by actions taken by them that are outside of our control may adversely impact our business and results of operations.”

Our ASIC and mining rig operations currently depend on supplies from a third-party foundry partner, and any failure to obtain sufficient foundry capacity from such third-party foundry partner would significantly delay the shipment of our products.

We do not own any integrated circuit (IC) fabrication facilities and outsource the fabrication process of our ICs to a third-party foundry partner. We have made significant purchases of raw materials to support our SEALMINER mining rig production in 2025, and expect to continue to make purchases going forward. As such, it is important for us to have a reliable relationship with our current foundry partner to ensure adequate product supply to respond to customer demand. As we rely on a single third-party foundry partner, we cannot guarantee that it will be able to meet our manufacturing requirements. The ability of our foundry partner to provide us with foundry services is limited by its technology migration, available capacity, existing obligations and global semiconductor supply.

In addition, we depend on our foundry partner to allocate to us a portion of its manufacturing capacity sufficient to meet our needs, to produce products of acceptable quality and at acceptable final test yields and to deliver those products to us on a timely basis and at acceptable prices. If our foundry partner raises its prices or is unable to meet our required capacity for any reason, such as shortages or delays in the shipment of semiconductor equipment or raw materials required to manufacture our ICs, or if our business relationships with them deteriorate, we may not be able to obtain the required capacity, which may not be available on commercially reasonable terms, or at all. Moreover, it is possible that other customers of our foundry partner that are larger and/or better financed than we are, or that have long-term contracts with them, may receive preferential treatment in terms of capacity allocation or pricing. In addition, if we do not accurately forecast our capacity needs, our foundry partner may not have available capacity to meet our immediate needs or we may be required to pay higher costs to fulfill those needs, either of which could materially and adversely affect our business, operating results or financial condition. Currently, we rely on our foundry partner to produce the advanced process nodes used in our chips, which are designed for integration into our SEALMINER mining rigs. Any potential delays and variances in such foundry partner's fulfillment of our orders, in addition to potential supply chain issues related to the ASIC and mining rig industry, including possible increases in the cost or reduced availability of component parts, could materially and adversely affect our performance.

The supply of Bitcoins available for mining is limited and we may not be able to quickly adapt to new businesses when all the Bitcoins have been mined.

Bitcoins are inherently scarce, given they are designed to have a finite supply of 21 million associated with “halving” mechanism. The number of blocks that can be solved in a year is designed to be fixed, and the number of Bitcoins awarded for solving a block in the blockchain halves approximately every four years until the estimated complete depletion of Bitcoin available for mining by around 2140. When the Bitcoin network was first launched, the reward for validating a new block was 50 Bitcoins. In November 2012, the reward for validating a new block was reduced to 25 Bitcoins. In July 2016, the reward for validating a new block was reduced to 12.5 Bitcoins, and in May 2020 and April 2024, the reward was further reduced to 6.25 Bitcoins and 3.125 Bitcoins. The next halving is expected to occur in 2028, at which time the reward will be reduced to 1.5625 Bitcoins. While the remaining Bitcoins are not designed to be entirely depleted in the near future, a decrease in the reward for solving a block or an increase in the transaction fees may result in a decrease in incentives for miners to continue their mining activities and the loss of Bitcoin’s dominant position among the cryptocurrencies, thereby reducing the demand for Bitcoin mining related services and products of us. As of the date of this annual report, the largest portion of our revenue was generated from our self-mining business, which is associated with Bitcoin mining. We may not be able to quickly adapt to new businesses or expand to other cryptocurrencies when all the Bitcoins have been discovered or Bitcoin is replaced by other cryptocurrencies as the mainstream cryptocurrency, which will result in a significant negative impact on our business and results of operations.

There are uncertainties over the outcome of our mining operations.

Our mining operation comprises blockchain mining technologies that depend on a network of computers to run certain software programs to solve complex transactions in competition with other mining operations and to process transactions. Because of this less centralized model and the complexity of our mining operation, there are uncertainties over the likelihood of winning a block reward and hence the outcome of our mining operations. While we participate in mining pools to combine our mining operations with other mining participants to increase processing power to solve blocks, there can be no assurance that such pools will adequately address this risk.

Substantial increases in the supply of mining rigs connected to the Bitcoin network would lead to an increase in network hash rate capacity, which in turn would increase mining difficulty. This development would negatively affect the economic returns of Bitcoin mining activities, which would decrease the demand for and/or pricing of our products and services.

The difficulty of Bitcoin mining, or the amount of computational resource required for a set amount of reward for recording a new block, directly affects the expected economic returns for Bitcoin miners, which in turn affects our self-mining business and the demand for our Bitcoin mining related products and services including cloud hash rate and hosting. Bitcoin mining difficulty is a measure of how much computing power is required to record a new block and it is affected by the total amount of computing power in the Bitcoin network. The Bitcoin algorithm is designed to the effect that one block is generated, on average, every ten minutes, no matter how much computing power is in the network. Thus, as more computing power joins the network, and assuming the rate of block creation does not change (remaining at one block generated every ten minutes), the amount of computing power required to generate each block and hence the mining difficulty increases. In other words, based on the current design of the Bitcoin network, Bitcoin mining difficulty would increase together with the total computing power available in the Bitcoin network, which is in turn affected by the number of Bitcoin mining rigs in operation. As a result, a strong growth in promotion of Bitcoin computing power supply services can contribute to further growth in the total computing power in the network, thereby driving up the difficulty of Bitcoin mining and resulting in downward pressure on the expected economic return of Bitcoin mining and the demand for, and pricing of, our products and services. For a discussion of the impact of increasing network hash rate on our competitive position, see “—We may not be able to maintain our competitive position as cryptocurrency networks are witnessing increases in the total network hash rate.”

Rapid technological change and the inherent uncertainty of our research and development efforts could materially and adversely affect our business, financial condition and results of operations.

The industries in which we operate are characterized by rapid technological change, continual shifts in customer demands, frequent introductions of new products and solutions and the constant emergence of new industry standards and practices. Our success depends, in part, on our ability to respond to these changes in a cost-effective and timely manner. Advances in Bitcoin mining technology have led to increased demand for higher hash rate and power efficiency to address computational problems of increasing complexity. We have made significant investments in the research and development of our proprietary ASIC mining chips and SEALMINER mining rigs, and our ability to maintain and enhance the competitiveness of our self-mining business and sale of mining rigs and accessories business depends on the continued success of these development efforts. However, chip design and development involve long lead times, significant capital commitment and inherent technical uncertainty, and there is no assurance that our ASIC development efforts will achieve the expected performance, yield or commercial viability on the anticipated timeline, or at all. Similarly, our AI infrastructure and AI cloud business requires us to continuously evaluate emerging technologies, develop and integrate new infrastructure solutions and adapt our technical capabilities to support increasingly complex and diverse customer workloads. If we are unable to generate sufficient revenue or raise adequate capital to fund our research and development activities, our technologies may not keep pace with the latest developments, which could materially and adversely affect our results of operations.

Furthermore, research and development activities are inherently uncertain, and we may encounter practical difficulties in commercializing our research and development results, which could result in excessive research and development expenses or delays. Given the rapid pace of technological development across the industries in which we operate, we may not be able to upgrade our technologies in an efficient and cost-effective manner, or at all, and new developments in computing power, computing energy consumption, blockchain technology or AI hardware and software could render our existing products and services obsolete or less attractive. If we are unable to keep pace with these technological developments and anticipate market trends, customers may no longer be attracted to our products and services, and our business, results of operations and financial condition could be materially and adversely affected.

Failure to keep our solutions and services up-to-date in line with the approximate level of market demand could cause us to lose sales, which could have a material adverse effect on our business, financial condition and results of operations.

In order to operate our business successfully and meet the demands and expectations of our customers, we must maintain a certain level of equipment, including but not limited to mining rigs and AI related equipment, to sustain large-scale service when required, as well as sufficient reserve equipment in preparation for potential outages or sudden service disruptions. This is particularly important for our AI infrastructure and AI cloud business, where AI cloud customers require high availability and low latency for their computing workloads, and colocation customers require reliable power and cooling for their own deployed equipment, and any prolonged service interruption could result in contractual penalties or loss of customer relationships. The AI cloud market is also evolving rapidly, with frequent advances in GPU architectures and cooling technologies. Our current deployments, including NVIDIA H100, H200, B200 and GB200 NVL72 systems, may need to be regularly upgraded or supplemented as customer requirements shift toward newer hardware generations in order to secure continued customer demand for our AI cloud services. Similarly, our colocation business requires us to maintain datacenter infrastructure that meets the evolving requirements of AI and high-performance computing customers, including high power density, advanced cooling systems and robust network connectivity. As customer deployments become increasingly power-intensive, our existing datacenter infrastructure may require significant capital investment to upgrade power distribution, cooling capacity and related systems. If our facilities are unable to meet the technical specifications required by prospective colocation tenants, we may be unable to attract or retain customers.

If we are unable to keep pace with these technological developments or commit capital to infrastructure upgrades in a timely manner, our service offerings may become less competitive. However, forecasts of customer demand and technology cycles are inherently uncertain. If our forecasted demand is lower than actual demand or our risk estimate is insufficient, we may not be able to provide our customers with sufficient products or satisfactory services in a timely manner, and we may lose sales and market share to our competitors; while if our forecasted demand is higher than actual demand, we could suffer from overcapacity or lower than expected revenue.

We may be unable to execute our growth strategies or effectively maintain our rapid growth trends.

We recorded total revenue of US\$368.6 million, US\$349.8 million and US\$620.3 million for the years ended December 31, 2023, 2024 and 2025, respectively. While we achieved net profit of US\$65.6 million for the year ended December 31, 2025, we incurred a net loss of US\$56.7 million and US\$599.2 million for the years ended December 31, 2023 and 2024, respectively. There is no assurance that we will be able to sustain profitability or grow our revenue in future periods if we are not able to successfully execute our product development and diversification, geographic expansion and other growth plans.

A key element of our growth strategy is the expansion of our business beyond cryptocurrency mining into AI infrastructure and AI cloud services. We are converting a portion of our existing mining datacenter capacity for AI and colocation use and simultaneously constructing new datacenter sites across multiple jurisdictions. These projects require substantial capital investment, coordination with local utilities and contractors, and the ability to secure power and interconnection capacity on commercially viable terms. Our AI infrastructure and AI cloud business, generating revenue of US\$6.8 million for the year ended December 31, 2025, remains at an early stage, and there is no assurance that we will be able to scale it to a level that meaningfully contributes to our overall profitability.

To accomplish our growth strategies and manage the future growth of our operations, we will be required to enhance our research and development capabilities, improve our operational and financial systems, and expand, train and manage our growing employee base. As we introduce new products or services or enter new markets, we may face new market, technological, operational and regulatory risks and challenges with which we are unfamiliar. Our current and planned operations, personnel, systems, internal procedures and controls may not be adequate to support our future growth and expansion.

Furthermore, it is difficult to forecast volatility in our business and accurately allocate resources, including hash rate, datacenter capacity, GPU compute, mining rigs and human capital, across our business lines to achieve the best results in the medium or long term. The allocation decisions between our mining operations and our AI infrastructure and AI cloud business involve inherent trade-offs, as datacenter capacity dedicated to AI infrastructure services is no longer available for mining, and vice versa. Our ability to generate profits and positive cash flow is correlated to both the current and future market prices of cryptocurrencies and, increasingly, to demand for AI infrastructure services. A decline in either, or a failure to accurately forecast demand dynamics across our business lines, could negatively impact our operations. In addition, we face risks associated with the expansion of our operations globally. See the section titled “We face risks associated with the expansion of our scale of operations globally, and if we are unable to effectively manage these risks, they could impair our ability to expand our business abroad.”

If we are not able to manage our growth or execute our strategies effectively, our expansion may not be successful and our business and prospects may be materially and adversely affected.

The cryptocurrency industry has a limited operating history and we have limited experience operating AI infrastructure and AI cloud business, which makes it difficult to evaluate our business and future prospects.

The cryptocurrency mining industry itself is relatively new and continues to evolve rapidly, and our operating history is limited relative to companies in more established industries. Given the volatile nature of cryptocurrency markets, the evolving regulatory environment and the pace of technological change, our historical results may not be indicative of our future performance. It is difficult to evaluate our business and future prospects based on our and the industry's limited operating history, and we may experience difficulty in accurately forecasting seasonality and volatility in our self-mining and other cryptocurrency-linked businesses and allocating resources across our business lines accordingly.

In addition, our AI infrastructure and AI cloud business is at an early stage of development, and we have a limited track record of operating AI infrastructure or providing cloud computing services. While we have significant experience in building and operating large-scale cryptocurrency mining datacenters, the technical requirements for AI workloads differ materially from those of mining operations, including with respect to power density, cooling specifications, network architecture, GPU procurement and management, and customer service expectations. Therefore, our ability to successfully convert existing mining datacenters to AI datacenters and to attract and retain customers for our AI infrastructure and AI cloud business depends on our ability to develop operational capabilities and technical expertise in areas where we have limited prior experience. If we are unable to develop these capabilities, or if the costs or timeline associated with our transition and customer acquisition exceed our expectations, our business, financial condition and results of operations could be materially and adversely affected.

As we expand our AI infrastructure and AI cloud business, issues in the development and use of AI may result in reputational or competitive harm or liability.

We provide AI cloud services that enable our customers to develop, train and deploy AI models, and colocation services that provide customers with dedicated datacenter capacity, power and cooling for their own computing equipment. Following the deployment of our NVIDIA DGX SuperPOD H100, H200 and B200 systems and the NVIDIA GB200 NVL72 system, we expect our AI infrastructure and AI cloud services will support an increasingly diverse set of customer workloads. However, as an infrastructure provider, we do not control the algorithms, datasets, training methodologies or outputs that our customers generate using our computing resources. Our customers' AI applications may be flawed, rely on insufficient or biased datasets, or produce content that is inaccurate, offensive, illegal or otherwise harmful. For example, a customer could use our GPU compute resources to train a model that generates misleading content, infringes third-party intellectual property rights, or processes personal data in a manner that violates applicable privacy laws. Even where we have no direct involvement in the development or deployment of the underlying AI application, we could face reputational harm, regulatory scrutiny or legal liability by association, particularly as public and regulatory attention to AI safety and ethics continues to intensify.

In addition, our ability to monitor or restrict specific customer use cases may be limited by the nature of our services, and any measures we implement to screen or limit certain workloads could reduce the attractiveness of our services to potential customers. Managing the balance between responsible infrastructure provision and commercial flexibility will be an ongoing challenge as our AI infrastructure and AI cloud business grows.

If we fail to succeed in the AI infrastructure and AI cloud business or other markets we seek to penetrate into, our revenues, growth prospects and financial condition could be materially and adversely affected.

We are developing our AI infrastructure and AI cloud business, where we offer advanced AI cloud capabilities, HPC services and colocation services to customers with high demand for AI and computing. This business is at an early stage of development, and we cannot predict how or to what extent the demand for our AI infrastructure and AI cloud services will develop. We have initiated the conversion of several of our existing mining datacenter sites, including facilities in Tydal, Norway, Knoxville, Tennessee and Wenatchee, Washington, into AI datacenters. These conversions involve significant capital expenditures, complex engineering and construction work, and the procurement of specialized equipment. There can be no assurance that we will be able to complete these conversions on the anticipated timeline or within the budgeted costs. Delays or cost overruns could materially and adversely affect our business, financial condition and results of operations.

We face risks associated with the expansion of our scale of operations globally, and if we are unable to effectively manage these risks, they could impair our ability to expand our business abroad.

We operate our business globally, with customers and suppliers located in various countries. As we continue to grow our business and expand our operations globally, we will continue to sell our products and services into new jurisdictions in which we have limited or no experience and in which our brands may be less recognized. Our global operation exposes us to a number of risks, including:

- a limited customer base and limited sales and relationships with international customers;
- difficulty in managing multinational operations;
- competitors in global markets who have stronger ties with local customers and greater resources;
- fluctuations in currency exchange rates;
- challenges in providing customer products and services and support in these markets;
- challenges in managing our sales force and implementing sales strategies effectively;
- adverse impact of acquisitions and other strategic initiatives we undertake. For instance, we acquired Le Freeport in Singapore in 2022. Although Le Freeport is a small part of our business, any negative news or inappropriate use by tenants of our Le Freeport business, alleged or otherwise, may adversely affect our reputation and business. Additionally, we completed the Norway Acquisition and the FreeChain Acquisition in 2024 and obtained control over our Ethiopia datacenter in 2025, which further diversified our business portfolio. While these acquisitions are expected to create long-term synergies, they may also introduce integration challenges, regulatory risks, litigation risks, and unforeseen financial burdens;
- unexpected transportation delays or interruptions or increases in international transportation costs;
- difficulties in and costs of exporting products globally while complying with the different commercial, legal and regulatory requirements of the global markets in which we offer our products and services;
- regulations, changes to regulation, regulatory uncertainty in or inconsistent regulations across various jurisdictions that may implicate cryptocurrency mining and other cryptocurrency activities, AI infrastructure and AI cloud;
- difficulty in ensuring the compliance with the sanctions imposed by the Bureau of Industry and Security (“BIS”) of the U.S. Department of Commerce, the Office of Foreign Assets Control of the U.S. Department of Treasury (“OFAC”), the European Union, the United Nations Security Council, or the other competent authorities on various foreign states, organizations and individuals;
- inability to obtain, maintain or enforce intellectual property rights in all the jurisdictions we operate in;
- inability to effectively enforce contractual or legal rights or intellectual property rights in certain jurisdictions under which we operate;
- changes in a specific country or region’s political or economic conditions or policies; and
- governmental policies favoring domestic companies in certain foreign markets or trade barriers including export requirements, tariffs, taxes and other restrictions and charges. In particular, there have been concerns over the worldwide populism trend that call for protectionism trade policy and potential international trade disputes, all of which could cause turbulence in the international markets. These government policies or trade barriers could increase the prices of our products and services and make us less competitive in such countries.

If we are unable to effectively manage these risks, our ability to operate and expand our business will be impaired, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Any failure of our solutions or services to meet the necessary quality standards could adversely affect our reputation, business and results of operation.

The quality of the products and services we are providing is critical to the success of our business and depends significantly on the effectiveness of our and our vendors' quality control systems. In our efforts to quickly meet new market trends and demand and adopt new technologies, our products and services may not have adequate time to go through our normal rigorous testing procedures and final inspection, which could result in instances where our products and services cannot reach the required performance standard, or our products and services are found to be defective or significantly unsatisfying. These instances could result in our customers suffering losses. Defects detected before products and services performance to our customers may result in additional costs for remediation and rework. Defects detected after the performance of our products and services may result in our incurring further costs relating to inspection, installation or remediation, which may result in damages to our reputation, loss of customers, government fines and disputes and litigation.

On the other hand, we may have to turn to less reputable suppliers if we cannot source adequate equipment or other supplies from our regular suppliers. Under such circumstances, the quality of the equipment may suffer and could cause performance issues in our products and services. Shortages of supplies could result in reduced or delayed production, increased costs and an inability to fulfill orders or provide timely services to customers. To the extent we are required to pay higher prices for products in short supply without being able to pass such costs to customers, our margins, customer relationships and profitability may be adversely affected. As a result, our business, results of operations and reputation could be materially and adversely affected.

If we are unable to maintain or enhance our brand recognition, our business, financial condition and results of operations may be materially and adversely affected.

Maintaining and enhancing the recognition, image and acceptance of our brand are important to our ability to differentiate our products and services from and to compete effectively with our peers. Our brand image could be jeopardized if we fail to maintain high product and service quality, pioneer and keep pace with evolving technology trends, or timely fulfil the orders for our products and services. If we fail to promote our brand or to maintain or enhance the brand recognition and awareness among our customers, or if we are subject to events or negative allegations affecting our brand image or publicly perceived position of our brand, our business, operating results and financial condition could be adversely affected.

We may be at a higher risk of litigation and other legal proceedings due to heightened regulatory scrutiny of the cryptocurrency and AI industries, which could ultimately be resolved against us, requiring material future cash payments or charges, and accordingly impair our financial condition and results of operations.

The size, nature and complexity of our business make us susceptible to various claims, litigation and arbitration proceedings, regulatory actions and government investigations. We operate at the intersection of two industries that are subject to heightened and evolving regulatory scrutiny: cryptocurrency and AI infrastructure. Both sectors have attracted increasing attention from regulators, legislators and enforcement authorities in the United States and internationally, particularly following periods of volatility in the cryptocurrency market and amid growing public and governmental focus on the societal implications of AI.

With respect to our cryptocurrency-related operations, we believe that, since cryptocurrency mining and the digital asset industry generally are relatively new business sectors, we may be more likely to be subject to government investigation and regulatory scrutiny. The regulatory framework applicable to cryptocurrency mining, custody, lending and related activities continues to develop, and regulatory actions against participants in the digital asset ecosystem have increased in recent years.

With respect to our AI infrastructure and AI cloud business, the rapid growth of AI infrastructure has prompted legislative and regulatory proposals in the United States, the European Union and other jurisdictions that may affect providers of AI computing services. As the regulatory landscape for AI continues to evolve, we could become subject to new compliance obligations, enforcement actions or investigations relating to the use of our infrastructure by customers, data governance, energy consumption or other matters. The scope and applicability of these emerging regulatory frameworks to AI infrastructure providers, as distinct from AI developers and end users, remains uncertain, and our compliance costs could increase materially as these frameworks take shape.

Any claims, regulatory proceedings or litigation that arise in the course of our business, whether or not ultimately resolved in our favor, could result in significant legal expenses, diversion of management attention and resources, damage to our reputation, and unfavorable outcomes that require material cash payments or charges. Any of these could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to adequately protect our intellectual property rights and other proprietary rights, which could have a material adverse effect on business, financial condition and results of operations.

We may not be able to obtain broad protection in Singapore, the United States or internationally for all of our existing and future intellectual property and other proprietary rights, and we may not be able to obtain effective protection for our intellectual property and other proprietary rights in every country in which we operate. Protecting our intellectual property rights and other proprietary rights may require significant expenditure of our financial, managerial and operational resources. Moreover, the steps that we may take to protect our intellectual property and other proprietary rights may not be adequate to protect such rights or prevent third parties from infringing or misappropriating such rights. Any of our intellectual property rights and other proprietary rights, whether registered, unregistered, issued or unissued, may be challenged by others or invalidated through administrative proceedings and/or litigation.

We may be required to spend significant resources to secure, maintain, monitor and protect our intellectual property rights and other proprietary rights. Despite our efforts, we may not be able to prevent third parties from infringing upon, misappropriating or otherwise violating our intellectual property rights and other proprietary rights. We may initiate claims, administrative proceedings and/or litigation against others for infringement, misappropriation or violation of our intellectual property rights or other proprietary rights to enforce and/or maintain the validity of such rights. Any such action, if initiated, whether or not it is resolved in our favor, could result in significant expense to us, and divert the efforts of our technical and management personnel, which may have a material adverse effect on our business, financial condition and results of operations.

We may face intellectual property infringement claims or other related disputes, which could be time-consuming, costly to defend or settle and result in the loss of significant rights and lower sales.

As is typical in the cryptocurrency industry and AI infrastructure industry, we may be subject to infringement claims from time to time or otherwise become aware of potentially relevant patents or other intellectual property rights held by other parties that may cover some of our technology, products and services.

The cryptocurrency industry is characterized by companies that hold large numbers of patents and other intellectual property rights and that vigorously pursue, protect and enforce these rights. Patent litigation has increased in recent years owing to increased assertions made by intellectual property licensing entities and increasing competition and overlap of product functionality in our markets. Additionally, we have in the past entered and may continue in the future to enter into licensing agreements with third parties for the use of their proprietary technologies, primarily software development tools, in the development of our products and services. As with any business relationship, we may face disputes and lawsuits related to those intellectual property licensing agreements.

As we expand our AI infrastructure and AI cloud business, we may face increased risks of patent disputes, trade secret claims and other intellectual property disputes in areas where we have a more limited operating history. AI datacenter and cloud infrastructure operations involve a broad range of technologies, including cooling and thermal management, power distribution, server integration, network interconnection, datacenter infrastructure design, software orchestration, model hosting and inference services, each of which may be subject to third-party intellectual property rights. The volume of patent filings and licensing activity in the AI infrastructure space has grown rapidly, and we may not be aware of all patents or other intellectual property rights that could be asserted against us. As our operations continue to grow in size, scale and complexity, the likelihood of us becoming involved in intellectual property related lawsuits and disputes to protect or defend our intellectual property rights and the use of third-party intellectual property rights will increase.

In addition, it is extremely difficult for us to monitor all of the patent applications that have been filed in the United States or in other countries or regions and whether, if such pending patents are granted, such patents would have a material and adverse effect on our business if our service offering were to infringe upon them. Other third parties may file claims against us or our customers alleging that our products and services, processes, or technologies infringe third-party patents or IP rights. Regardless of their merits or resolutions, such claims could be costly to defend or settle and could divert the efforts and attention of our management and technical personnel. In addition, some of our customer agreements in the future may require us to indemnify and defend our customers from third-party infringement claims and to pay damages in the case of adverse rulings. As such, claims of this sort also could harm our relationships with our customers and may deter future customers from doing business with us. We do not know whether we could prevail in any such proceeding given the complex technical issues and inherent uncertainties involved in intellectual property litigation. If any pending or future proceedings result in an adverse outcome, we could be required to:

- cease the use of the infringing equipment, processes or technologies;
- stop providing products and services to certain geographic areas;
- pay substantial damages for infringement;
- expend significant resources to develop non-infringing processes, technologies or products;
- license technology from the third-party claiming infringement, which license may not be available on commercially reasonable terms, or at all;
- cross-license our technology to a competitor in order to resolve an infringement claim, which could weaken our ability to compete with that competitor; or
- pay substantial damages to our customers due to disruption of products and services they subscribed to or replace the type of series with non-infringing equipment involved.

Any of the foregoing results could have a material adverse effect on our business, financial condition and results of operations.

The loss of any member of our senior management team, or our failure to attract, train and retain qualified personnel, especially our design and technical personnel, could impair our ability to grow our business and effectively execute our business strategy.

Since our inception, the growth and expansion of our business operations have been dependent upon the business strategies and foresight of our senior management. Our future success depends, in a large part, on the continued contributions of our senior management team, specifically Mr. Jihan Wu. In addition, our future success depends on our ability to retain, attract and incentivize qualified personnel, including our management, sales, marketing, finance and especially research and development personnel. As the driver of our technological and product innovations, our research and development personnel represent a very significant asset. As the technology in the cryptocurrency and AI industries is advancing at a quick pace, there is an increasing need for skilled engineers. Many companies across the world are struggling to find suitable candidates for their research and development positions. The process of hiring employees with the combination of skills and characteristics required to implement our strategy can be extremely competitive and time-consuming. We cannot assure you that we will be able to attract adequate personnel as we continue to pursue our business strategies.

Moreover, there is no assurance that we will be able to retain key existing employees. The loss of any of our founder, senior management or research and development team members could harm our ability to implement our business strategies and respond to the rapidly changing market conditions in which we operate, or could result in other operating risks. The loss of one or more of our key employees, especially our key design and technical personnel, or our inability to retain, attract and motivate qualified designs and technical personnel, could have a material adverse effect on our business, financial condition and results of operations.

We may be vulnerable to security breaches, which could disrupt our operations and have a material adverse effect on our business, financial condition and results of operations.

A party who is able to compromise the physical or digital security measures protecting our facilities and systems could cause interruptions or malfunctions in our operations and misappropriate our property or the property of our customers. Security breaches, computer malware and computer hacking attacks have been a prevalent concern in the Bitcoin exchange market since the launch of the Bitcoin network. Any security breach caused by hacking, which involves efforts to gain unauthorized access to information or systems, or to cause intentional malfunctions or loss or corruption of data, software, hardware or other computer equipment, and the inadvertent transmission of computer viruses, could harm our business operations or result in financial loss.

As we expand our AI infrastructure and AI cloud business, we face additional and distinct security risks. Our AI cloud infrastructure hosts customer workloads that may involve proprietary training data, model weights and other commercially sensitive information. A breach resulting in the theft, corruption or unauthorized disclosure of such data could expose us and our customers to significant commercial harm, as these assets may constitute trade secrets or confidential business information of our customers. Our operations may also be vulnerable to distributed denial-of-service attacks, ransomware or other intrusions that could render our computing services unavailable, directly affecting customer training and inference tasks and potentially triggering penalties or termination rights under our service level agreements. In the event of a compromise, our GPU and other computing resources could be misappropriated for unauthorized purposes, including illicit cryptocurrency mining or use in cyberattacks, resulting in financial losses, degraded service performance and potential regulatory liability.

We may be required to expend significant capital and resources to protect against such threats or to alleviate problems caused by breaches in security. As techniques used to breach security change frequently and are often not recognized until launched against a target, we may not be able to implement new security measures in a timely manner or, if and when implemented, we may not be certain whether these measures could be circumvented. In addition, a security breach involving customer data could trigger legal obligations under data protection and privacy laws in multiple jurisdictions in which we operate, potentially resulting in mandatory breach notifications, regulatory investigations, fines and civil liability. Any breaches that may occur, or assertions of alleged security breaches or systems failure made against us, whether true or not, could expose us to increased risk of lawsuits, regulatory penalties, loss of existing or potential customers, harm to our reputation and increases in our security costs, which could have a material adverse effect on our business, financial condition and results of operations.

We may be exposed to cybersecurity threats and hacks, including threats targeting our datacenters and AI infrastructure, which could have a material adverse effect on our business, financial condition and results of operations.

The threats to network and data security are increasingly diverse and sophisticated. Our operations encompass, among others, cryptocurrency mining, proprietary ASIC and mining rigs development, AI cloud and colocation offerings and datacenter management, each of which presents a distinct cybersecurity risk profile. Despite our efforts and processes to prevent breaches, our computer servers and computer systems may be vulnerable to cybersecurity risks, including denial-of-service attacks, physical or electronic break-ins, employee theft or misuse and similar disruptions from unauthorized tampering with our computer servers and computer systems. The preventive actions we take to reduce the risk of cyber incidents and protect our information technology and networks may be insufficient to repel a major cyber-attack in the future. To the extent that any disruption or security breach results in a loss or damage to our network, in unauthorized disclosure of confidential information, in a loss of our cryptocurrencies, or in the compromise of customer workloads or data hosted on our AI cloud infrastructure, it could cause significant damage to our reputation, lead to claims against us and ultimately have a material adverse effect on our business, financial condition and results of operations. Additionally, we may be required to incur significant costs to protect against damage caused by these disruptions or security breaches in the future.

We may engage in acquisitions or strategic alliances in the future that could disrupt our business, result in increased expenses, reduce our financial resources and cause dilution to our shareholders. We cannot assure you that such acquisitions or strategic alliances may be successfully implemented.

We may look for potential acquisitions or strategic alliances in the future to expand our business. However, we may not be able to find suitable acquisition candidates, complete acquisitions on favorable terms, if at all, or integrate any acquired business, products or technologies into our operations. If we do complete acquisitions, they may be viewed negatively by customers or investors and they may not enable us to strengthen our competitive position or achieve our goals. In addition, any acquisitions that we make could lead to difficulties in integrating personnel, technologies and operations from the acquired businesses and in retaining and motivating key personnel from these businesses. Moreover, acquisitions may disrupt our ongoing operations, divert management from day-to-day responsibilities and increase our expenses. Future acquisitions may reduce our cash available for operations and other uses, and could result in increases in amortization expenses related to identifiable intangible assets acquired, potentially dilutive issuances of equity securities, the incurrence of debt or increased exposure to litigation risks. We cannot predict the number, timing or size of future acquisitions, or the effect that any such acquisitions might have on our operating results.

Any global systemic economic and financial crisis could negatively affect our business, results of operations, and financial condition.

Any prolonged slowdown in the global economy may have a negative impact on our business, results of operations and financial condition. The global financial markets have experienced significant disruptions since 2008 and the United States, Europe and other economies have experienced periods of recession. There is considerable uncertainty over the long-term effects of the expansionary monetary and fiscal policies adopted by the central banks and financial authorities of some of the world's leading economies, including the United States. There have also been concerns over unrest in Ukraine, the Middle East and Africa, which have resulted in volatility in financial and other markets, and concerns over the aftermath of the United Kingdom leaving the European Union as well as the significant potential changes to United States trade policies, treaties and tariffs. The Trump administration imposed a series of tariffs on imports, including those affecting technology and industrial goods, which have had ripple effects across global supply chains. There were and could be in the future a number of domino effects from such turmoil on our business, including significant decreases in orders from our customers, insolvency of key suppliers resulting in product delays, inability of customers to obtain credit to finance purchases of our products and services and customer insolvencies, and counterparty failures negatively impacting our operations.

Enterprise spending on AI infrastructure is largely driven by expectations of future growth and return on investment, and a deterioration in economic conditions or a tightening of capital markets could cause our existing and prospective customers to delay, reduce or cancel their AI compute commitments. Revenue from our AI cloud business depends on customer demand for contracted compute capacity, which may decline during periods of economic uncertainty. In addition, many participants in the AI infrastructure market, including some of our customers, are venture-backed or early-stage companies that may be disproportionately affected by a reduction in the availability of growth capital. A global or regional economic downturn could also increase the cost or reduce the availability of financing for our own datacenter construction and expansion activities, which require substantial ongoing capital investment.

Any systemic economic or financial crisis could cause revenue across our business lines to decline and could materially and adversely affect our results of operations and financial condition.

Changes in international trade policies and international barriers to trade may have an adverse effect on our business and expansion plans.

We have provided worldwide products and services to a number of countries outside of Singapore and derive sales from exporting to those countries, and we intend to continue to sell our current and future products to countries outside of Singapore. Further, we rely on certain global suppliers, including suppliers in the United States, for the supply of certain equipment and tools, such as mining rigs, GPUs and other AI infrastructure hardware, and datacenter construction equipment, which may be subject to trade restrictions, export controls or tariffs that could increase our costs or limit our ability to obtain necessary components for our operations. Changes to trade policies, treaties and tariffs in or affecting the jurisdictions in which we operate and to which we sell our products and services, or the perception that these changes could occur, could adversely affect the financial and economic conditions in those jurisdictions, as well as our international sales, financial condition and results of operations.

We are subject to various laws and regulations pertaining to export controls, sanctions, import, and investment which can impact our business activities and subject us to liability for noncompliance.

Our global activities are subject to various export control, sanctions, import, and investment laws and regulations (collectively, “Trade Controls”), including those of Singapore, the United States, and other countries in which we conduct our business. Trade Controls may restrict our ability to export our products, provide services, source certain raw materials, components, equipment and tools (including mining rigs, GPUs and other AI infrastructure hardware, and datacenter construction equipment), engage in certain transactions, or receive certain investments. Changes to applicable Trade Controls, or trade treaties or tariffs, may impact our business activities, including with respect to our sales, supply chains, financial condition, and business reputation.

Compliance with Trade Controls can be time-and resource-intensive. Although we have policies and procedures in place to ensure compliance, we cannot guarantee full compliance therewith, or with applicable Trade Controls. Violations of these regimes can result in significant financial penalties, loss of licensing privileges (if any), other administrative penalties, reputational harm, and adverse business impact.

Our business and prospect may be negatively affected by changes in governmental policies including sanctions and export controls administered by other countries’ governments, including those imposed as a result of an increasing tense relationship of the political or economic relations among major economic groups and other geopolitical challenges. For example, on January 15, 2025, BIS issued an interim final rule, imposing controls on the manufacturing of certain advanced logic integrated circuits. This rule requires foundries and Outsourced Semiconductor Assembly and Test (OSAT) companies to implement enhanced due diligence procedures and establish a whitelist mechanism for chip design companies and OSAT companies. In addition, certain mining rigs may be subject to export controls due to components within them and the failure to obtain a license to ship mining rigs that are subject to export controls to certain jurisdictions or certain entities will restrict our sale of mining rigs in such jurisdictions, and have an adverse effect on our business and results of operations. Although we currently only operate our business in certain countries, there is no assurance that the governmental authorities may take certain possible measures or restrictions towards the products and services we are providing or will provide, which could result in an adverse impact on our business and prospect if we were not able to find substitute customer group with the same quality demand from other countries. Further, some of our customers may experience undue hardship in purchasing or furthering the business relationship with us as a result of the abnormal international trade relations, which could materially and adversely affect our business performance.

In addition, countries, which are subject to other countries’ sanctions or tariff impositions may further retaliate, in response to new trade policies implemented by such foreign governments. Such retaliation measures may further escalate the tensions between the two countries, which may have a negative impact on the economies of not merely the two countries concerned, but the global economy as a whole. As a result of any major economic downturn, our business, financial condition and results of operations could be adversely affected.

We are exposed to concentrated counterparty risk in connection with certain of our financing arrangements, which could have a material adverse effect on our business, financial condition and results of operations.

We have various ongoing financial arrangements with Matrix Finance and Technologies Holding Group and its subsidiaries (the “Matrixport Group,” which was rebranded as “BIT Group” in March 2026), a related party of our company, including collateralized loan facilities, short-term Bitcoin-denominated borrowings, a structured product agreement and cryptocurrency custody and trading services. See “Item 5. Operating and Financial Review and Prospects—A. Operating Results—Recent Developments” and “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions” for details. These arrangements, together with our historical cryptocurrency lending and investment activities with BIT Group, expose us to concentrated counterparty risk. With respect to our borrowing arrangements with BIT Group, a default or operational disruption at BIT Group could result in the assignment of our loan obligations to third parties or disruption in the administration of our financing arrangements. With respect to our cryptocurrency custody, structured product and trading services arrangements, BIT Group may default on its obligation to return our cryptocurrencies or be unable to honor redemptions, settlements or withdrawals. However, there is no assurance that these risks will not materialize, and any counterparty default or market disruption could have a material adverse effect on our business, financial condition and results of operations.

Our prepayments to suppliers may subject us to counterparty risk associated with such suppliers and negatively affect our liquidity and cash position.

We are required to prepay some of our suppliers before the service is provided to secure the supplier's production capacity. As of December 31, 2024 and 2025, the balance of prepayments we made to our suppliers amounted to US\$266.5 million and US\$667.5 million, respectively. The amount of our prepayment can significantly increase as we continue to pursue technological advancement. We are subject to counterparty risk exposure to our suppliers. Any failure by our suppliers to perform their contractual obligation in a timely manner and/or with our requested quality may result in us not being able to fulfill customers' orders accordingly. In such an event, we may not be able to regain the prepayment in a timely manner or in full, even though our suppliers are obligated to return such prepayments under specified circumstances as previously agreed upon. Furthermore, if the cash outflows for the prepayments significantly exceed the cash inflows during any period, our future liquidity position will be adversely affected.

Concerns about greenhouse gas emissions and global climate change may result in environmental taxes, charges, assessments or penalties and could have a material adverse effect on our business, financial condition and results of operations.

The effects of human activity on global climate change have attracted considerable public and scientific attention, as well as the attention of the United States and other foreign governments. Efforts are being made to reduce greenhouse gas emissions, particularly those from coal combustion power plants, some of which plants we may rely upon for power. The added cost of any environmental taxes, charges, assessments or penalties levied on such power plants could be passed on to us, increasing the cost to run our datacenter facilities.

The lack of consistent climate legislation creates uncertainty for our business lines. Both cryptocurrency mining and AI datacenter operations are energy intensive, and the growing public focus on the environmental impact of large-scale computing infrastructure makes our operations a potential target for future regulations. New laws could impose higher energy costs, require additional capital investments, mandate environmental monitoring, or impose other compliance burdens. For example, the Clean Cloud Act of 2025 would grant the U.S. Environmental Protection Agency and the U.S. Energy Information Administration authority to collect annual energy consumption data from both datacenters and cryptocurrency mining facilities. Any further enactment of laws or promulgations of regulations regarding greenhouse gas emissions or energy consumption by the United States, Norway, or any other jurisdiction in which we conduct business could have a material adverse effect on our business, financial condition or results of operations. For a discussion of the risks relating to the energy-intensive nature of our operations and potential community opposition, see the section titled "— Risks Related to Regulatory Compliance and Other Legal Matters — Our mining and AI datacenter operations are energy-intensive, which may restrict the geographic locations of our operations, give rise to community opposition and have a negative environmental impact."

If we experience difficulty in collecting our trade receivables, our liquidity, financial condition and results of operations would be negatively impacted.

We derive our revenue from the sale of products and services and are subject to counterparty risks such as our customer's inability to pay. As of December 31, 2024 and 2025, our trade receivables amounted to US\$9.6 million and US\$31.4 million, respectively. There can be no assurance that we will be able to collect our trade receivables on a timely basis, and our trade receivable turnover days may increase, which in turn could materially and adversely affect our liquidity, financial condition and results of operations.

Our operations and those of our production partners and customers are vulnerable to natural disasters and other events beyond our control, the occurrence of which may have an adverse effect on the supply chain of our suppliers and on our facilities, personnel and results of operations.

Our business could be adversely affected by natural disasters or outbreaks of epidemics. For example, the COVID-19 pandemic has historically impaired our ability to renew and maintain relationships with existing customers, and grow our worldwide sales and operations, among other things. We have not adopted any written contingency plans to combat any future natural disasters, such as floods and mudslides, or outbreaks of avian flu, H1N1 flu, SARS or any other epidemic. These natural disasters, outbreaks of contagious diseases, and other adverse public health developments in countries where our computing power facilities are located or any other countries or regions in which we conduct business could severely disrupt our business operations by damaging our network infrastructure or information technology system or impacting the productivity of our workforce, which may adversely affect our financial condition and results of operations. To the extent any such disaster or adverse public health development affects our business, financial condition and results of operations, it may also heighten some of the other risks described in this "Risk Factors" section.

If we fail to accurately estimate the factors upon which we base our contract pricing, we may generate less profit than expected or incur losses on those contracts, which could have a material adverse effect on our business, financial condition and results of operations.

Our contracts across our business lines are priced taking into account various factors specific to each service. For our cloud hash rate and hosting contracts, key pricing factors include the then-current Bitcoin price, network hash rate, purchase and manufacturing cost of mining rigs, estimated power consumption by our clients, along with other costs of products or services, as adjusted for actual costs. For our AI cloud services, pricing considerations include GPU and related equipment procurement and delivery, GPU depreciation costs, datacenter lease and construction costs, power and cooling expenses, expected utilization rates, contract duration and the competitive landscape for AI compute. For our colocation services, pricing considerations include power capacity and electricity costs, datacenter construction and maintenance costs, expected occupancy rates, contract duration and prevailing market rates for comparable datacenter capacity in relevant geographies.

Our ability to earn a profit on such contracts requires that we accurately estimate the costs involved and outcomes likely to be achieved and assess the probability of generating sufficient hosting, AI infrastructure and AI cloud capacity within the contracted time period. Our pricing of hash rates may generate significantly lower income than we could have generated through using the same hash rates for self-mining, in particular during periods of high and volatile Bitcoin prices. Similarly, our AI cloud contracts are typically priced based on prevailing market conditions at the time of execution, and if market rates for GPU cloud computing increase significantly thereafter due to rising demand, we may be locked into contracts at prices that are below the then-prevailing market, resulting in lower profitability than expected by the market. Conversely, the pricing for our AI infrastructure and AI cloud services may prove insufficient to recover our capital expenditures on GPU hardware and datacenter infrastructure if customer demand or utilization falls short of expectations. We may also not be able to accurately forecast the outcome of selling our products and services at a particular price and the inability to accurately estimate the factors upon which we base our contract pricing could have a material adverse effect on our business, financial condition and results of operations.

Risks Related to Cryptocurrencies

Because there has been limited precedent set for financial accounting for Bitcoin and other cryptocurrencies, the determinations that we have made for how to account for cryptocurrencies transactions may be subject to change.

The accounting rules and regulations that we must comply with are complex and subject to interpretation by the IASB, the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, and may even affect the reporting of transactions completed before the announcement or effectiveness of a change. Further, there have been limited precedents for the financial accounting of cryptocurrencies and related valuation and revenue recognition. As such, there remains significant uncertainty on how companies can account for cryptocurrency transactions, cryptocurrencies, and related revenue. Uncertainties in or changes in regulatory or financial accounting standards could result in the need to change our accounting methods and restate our financial statements and impair our ability to provide timely and accurate financial information, which could adversely affect our financial statements, result in a loss of investor confidence, and more generally impact our business, operating results, and financial condition.

Any loss or destruction of a private key required to access our cryptocurrency is irreversible. We also may temporarily lose access to our cryptocurrencies.

Cryptocurrencies are each accessible and controllable only by the possessor of both the unique public key and private key associated with the cryptocurrency, wherein the public and private keys are held in an offline or online digital wallet. To the extent a private key is lost, destroyed or otherwise compromised and no backup of the private key is available, we will be unable to access the applicable cryptocurrency associated with that private key and the private key cannot be restored. As a result, any cryptocurrencies associated with such key could be irretrievably lost. Any loss of private keys relating to digital wallets used to store the applicable cryptocurrencies could have a material adverse effect on our business, financial condition and results of operations.

In addition, we may temporarily lose access to our cryptocurrencies as a result of software or systems upgrades or maintenance. In this case, we would likely rely on third parties to assist in restoring our access, and there is no assurance such third parties will be able to restore access on a timely basis, or at all. Any temporary loss, if it occurs, could have a material adverse effect on our business, financial condition and results of operations.

The development of blockchain technology and cryptocurrency is in its early stage and any adverse development in the cryptocurrency or blockchain market could adversely affect our business and results of operations.

Blockchain is a voluntary open network that can be used by anyone with devices connected to the internet. It allows every node to create immutable data, transparent record of transactions and peer-to-peer transactions in an efficient, secure and trust-free manner. Because of such advantages, blockchain can be applied to various industries and activities, such as cryptocurrency, payment, financial services, Internet-of-Things (IoT), cloud computing and cybersecurity, among others. However, there can be no assurance of such acceptance in such industries or more broadly in society. There may not be strong market demand for our mining services as a key and important process during the application process of blockchain technology, and our prospects, business and results of operations can be materially and adversely affected.

Adverse developments in the blockchain industry could lead to a decrease in the demand for hash rate products and hosting resources, which could have a material adverse effect on our business, financial condition and results of operations.

We face risks including those related to:

- a decline in the adoption and use of Bitcoin and other similar cryptocurrencies within the technology industry or a decline in value of cryptocurrencies;
- increased costs of complying with existing or new government regulations applicable to cryptocurrencies and other factors;
- a downturn in the market for blockchain hosting space generally, which could be caused by an oversupply of or reduced demand for blockchain space;
- a downturn in the market for the sale of our mining rigs, which could be caused by an oversupply of or reduced demand for cryptocurrency mining rigs;
- any transition by our customers of blockchain hosting from third-party providers like us to customer-owned and operated facilities;
- the rapid development of new technologies or the adoption of new industry standards that render us or our customers' current products and services obsolete or unmarketable and, in the case of our customers, that contribute to a downturn in their businesses, increasing the likelihood of a default under their service agreements or their becoming insolvent;
- a slowdown in the growth of the internet generally as a medium for commerce and communication;
- availability of an adequate supply of new generation cryptocurrency mining equipment to enable us to mine cryptocurrencies at scale and for customers who want to purchase hash rate from us or host with us to be able to do so; and
- the degree of difficulty in mining cryptocurrencies and the trading price of such assets.

Additionally, Bitcoin, a mainstream cryptocurrency based upon blockchain technology, was first introduced in 2008 and is generally regarded as the first application of blockchain technology. The Bitcoin network and its surrounding ecosystem is still in a relatively early development stage. Cryptocurrencies have only recently become selectively accepted as a means of payment for goods and services by many industries, and use of cryptocurrency by consumers to pay in such industries remains limited. In addition, there may be some jurisdictions that restrict the use of Bitcoins and other cryptocurrencies as a medium of exchange and the conversion between cryptocurrencies and fiat currencies. There is no assurance that usage of cryptocurrencies, in particular Bitcoins, will continue to grow. As our business focuses on proprietary cryptocurrency mining and serving cryptocurrency miners, and relies heavily on the cryptocurrency market, any lack of usage of or fade in the public interest for cryptocurrency may adversely affect our business, future prospects, results of operations and financial condition.

We are subject to risks associated with legal, political or other conditions or developments regarding holding, using or mining of cryptocurrencies, in particular Bitcoins, which could negatively affect our business, results of operations and financial position.

Our customers are based globally. As such, changes in government policies, taxes, general economic and fiscal conditions, as well as political, diplomatic or social events, expose us to financial and business risks. In particular, changes in policies and laws regarding holding, using and/or mining of Bitcoins could result in an adverse effect on our business operations and results of operations. Moreover, if any international jurisdiction where we operate mining datacenters or sell our Bitcoin mining related services prohibits or restricts Bitcoin mining activities, we may face legal and other liabilities and will experience a material loss of revenue.

There are significant uncertainties regarding future regulations pertaining to the holding, using or mining of Bitcoins, which may adversely affect our results of operations. While Bitcoin has gradually gained more market acceptance and attention, it is anonymous and may be used for black market transactions, money laundering, illegal activities or tax evasion. As a result, governments may seek to regulate, restrict, control or ban the mining, use and holding of Bitcoins. Our existing policies and procedures for the detection and prevention of money laundering and terrorism-funding activities through our business activities have only been adopted in recent years and may not completely eliminate instances in which we or our services may be used by other parties to engage in money laundering and other illegal or improper activities. We continue to expand our anti-money laundering compliance team. We are subject to anti-money laundering laws in many jurisdictions in which we operate. We cannot assure you that there will not be a failure in detecting money laundering or other illegal or improper activities which may adversely affect our reputation, business, financial condition and results of operations.

With advances in technology, cryptocurrencies are likely to undergo significant changes in the future. It remains uncertain whether Bitcoin will be able to cope with, or benefit from, those changes. In addition, as Bitcoin mining employs sophisticated and high computing power devices that need to consume a lot of electricity to operate, future developments in the regulation of energy consumption, including possible restrictions on energy usage in the jurisdictions where we have datacenters or sell our products or services, may also affect our business operations and the demand for our current and future mining related products or services, including cloud hash rate, hosting and sale of mining rigs and accessories. There have been public backlashes surrounding the environmental impacts of Bitcoin mining, particularly the large consumption of electricity.

Bitcoin exchanges and wallets, and to a lesser extent, the Bitcoin network itself, may suffer from hacking and fraud risks, which may adversely erode user confidence in Bitcoin which would decrease the demand for our products and services. Further, digital asset exchanges on which crypto assets trade are relatively new and the regulatory landscape governing digital asset exchanges is rapidly evolving, and thus may be exposed to fraud and failure. Incorrect or fraudulent cryptocurrency transactions may be irreversible.

Bitcoin transactions are entirely digital and, as with any virtual system, are at risk from hackers, malware and operational glitches. Hackers can target Bitcoin exchanges and Bitcoin transactions, to gain access to thousands of accounts and digital wallets where Bitcoins are stored. Bitcoin transactions and accounts are not insured by any type of government program and all Bitcoin transactions are permanent because there is no third party or payment processor. Bitcoin has suffered from hacking and cyber-theft as such incidents have been reported by several cryptocurrency exchanges and miners, highlighting concerns about the security of Bitcoin and therefore affecting its demand and price.

To the extent that cryptocurrency exchanges or other trading venues are involved in fraud or experience security failures or other operational issues, a reduction in cryptocurrency prices could occur. Cryptocurrency market prices depend, directly or indirectly, on the prices set on exchanges and other trading venues, which are new and, in most cases, largely unregulated as compared to established, regulated exchanges for securities, derivatives and other currencies.

For example, a number of Bitcoin exchanges have been closed in recent years, due to fraud, business failure or security breaches. In many of these instances, the customers of the closed Bitcoin exchanges were not compensated or made whole for the partial or complete losses of their account balances in such Bitcoin exchanges. While smaller exchanges are less likely to have the infrastructure and capitalization that provide larger exchanges with additional stability, larger exchanges may be more likely to be appealing targets for hackers and “malware” (i.e., software used or programmed by attackers to disrupt computer operation, gather sensitive information, or gain access to private computer systems) and may be more likely to be targets of regulatory enforcement action.

Further, digital asset exchanges on which cryptocurrencies trade are relatively new. Many digital exchanges do not provide the public with significant information regarding their ownership structure, management teams, corporate practices or regulatory compliance. As a result, the marketplace may lose confidence in, or may experience problems relating to, cryptocurrency exchanges, including prominent exchanges handling a significant portion of the volume of digital asset trading, some of which have historically declared bankruptcy unexpectedly. Such bankruptcies, and governmental and other regulatory investigations into certain cryptocurrency market participants, some of which may be our customers and shareholders, have contributed, at least in part, to further price decreases in Bitcoin, a loss of confidence in the participants of the digital asset ecosystem and negative publicity surrounding digital assets more broadly, and other participants and entities in the digital asset industry have been, and may continue to be, negatively affected.

We are dependent on the overall crypto assets industry, and such events have contributed, at least in part, to our peers' stock price as well as the price of Bitcoin. If the liquidity of the digital assets markets continues to be negatively impacted, digital asset prices (including the price of Bitcoin) may continue to experience significant volatility and confidence in the digital asset markets may be further undermined. A perceived lack of stability in the digital asset exchange market and the closure or temporary shutdown of digital asset exchanges due to business failure, hackers or malware, government-mandated regulation, or fraud, may reduce confidence in digital asset networks and result in greater volatility in cryptocurrency values. These potential consequences of a digital asset exchange's failure could adversely affect an investment in us, discourage overall participation in the cryptocurrency industry, and result in loss of customer demand for our products and services.

We may not have adequate sources of recovery if the cryptocurrencies held by us are lost, stolen or destroyed due to third-party cryptocurrencies custodial services or if we cannot redeem or withdraw our cryptocurrencies invested in crypto lending or investing activities. Such incidents could have a material adverse effect on our business, financial condition and results of operations.

Substantially all of our cryptocurrencies were held in custody by BIT Group, a related party of our Company. Our disposal of cryptocurrencies, at spot price on the date of disposal, was primarily to BIT Group. We believe that the security procedures that BIT Group utilizes, such as issuing username, password and hardware tokens, are reasonably designed to safeguard our Bitcoin and other cryptocurrencies from theft, loss, destruction or other issues relating to hackers and technological attack. Nevertheless, the security procedures cannot guarantee the prevention of any loss due to a security breach, software defect or act of God that may be borne by us. If such cryptocurrencies are lost, stolen or destroyed under circumstances rendering a third party liable to us, it is possible that BIT Group may not have the financial resources or insurance sufficient to satisfy any or all of our claims against the third party, or have the ability to retrieve, restore or replace the lost, stolen or destroyed cryptocurrencies due to governing network protocols and the strength of the cryptographic systems associated with such cryptocurrencies. To the extent that we are unable to recover on any of our claims against any such third party, such loss could have a material adverse effect on our business, financial condition and results of operations.

If such services are commercially available, we will consider adding regulated banks, rather than solely relying on crypto custodian, as the custodian for a material amount of our cryptocurrencies. Obtaining cryptocurrency custody services from a regulated bank may confer benefits such as improved security and reduced fraud. Nevertheless, until now, banks have generally declined to provide custody services for cryptocurrencies and other virtual assets, due to the absence of clarity on permissibility and on regulators' views of these activities generally. On July 22, 2020, the U.S. Office of the Comptroller of the Currency released publicly an interpretive letter confirming the authority of a national bank to provide cryptocurrency custody services for customers, providing that a national bank engaging in such activities should develop and implement those activities consistent with sound risk management practices and align them with the bank's overall business plans and strategies as set forth in the guidance. On January 27, 2023, the Board of Governors of the Federal Reserve System released publicly a policy statement to interpret section 9(13) of the Federal Reserve Act, clarifying that the state member banks are not prohibited under the policy from providing safekeeping services for crypto-assets in a custodial capacity, if such activities are conducted in a safe and sound manner and in compliance with consumer, anti-money-laundering, and anti-terrorist-financing laws. On March 7, 2025, the Office of the Comptroller of the Currency issued interpretive letter 1183, clarifying that national banks and federal savings associations are permitted to engage in cryptocurrency custody services, stablecoin activities, and participation in distributed ledger networks without prior approval, provided they implement robust risk management practices. However, it will take time for banks to start offering cryptocurrencies custodian services, and before then, we may have to continue to rely on crypto custodians, such as BIT Group, for our crypto custodian needs.

Any material transaction between us and BIT Group or its subsidiaries is subject to our related person transaction policy. To the extent we fail to appropriately deal with any such conflicts of interests, it could negatively impact our reputation, the ability to raise additional funds and the willingness of counterparties to do business with us, all of which could have material adverse effect on our business, financial condition, results of operations and cash flows.

Potential that, in the event of a bankruptcy filing by a custodian, cryptocurrency held in custody could be determined to be property of a bankruptcy estate and we could be considered a general unsecured creditor thereof.

Substantially all of the cryptocurrencies custodied with BIT Group are held in segregated accounts such that they are segregated from the property of BIT Group and the assets of other BIT Group customers. As a general matter, the treatment of cryptocurrencies held by custodians that file for bankruptcy protection is uncharted territory in bankruptcy law. We cannot say with certainty whether our cryptocurrencies held in custody by BIT Group, should it declare bankruptcy, would be treated as property of the bankruptcy estate and, accordingly, whether we would be treated as a general unsecured creditor with respect of our cryptocurrencies held in custody by BIT Group. If we are treated as a general unsecured creditor, we may not be able to recover our cryptocurrencies in the event of a BIT Group bankruptcy or a bankruptcy of any other custodian we may use in the future.

Malicious actors or botnet may obtain control of more than 50% of the processing power on the Bitcoin or other cryptocurrency network.

If a malicious actor or botnet (a volunteer or hacked collection of computers controlled by networked software coordinating the actions of the computers) obtains a majority of the processing power dedicated to mining on the Bitcoin or other cryptocurrency network, it may be able to alter the blockchain on which the Bitcoin or other cryptocurrency network and most Bitcoin or other cryptocurrency transactions rely by constructing fraudulent blocks or preventing certain transactions from completing in a timely manner, or at all. The malicious actor or botnet could control, exclude, or modify the ordering of transactions, though it could not generate new cryptocurrencies or transactions using such control. The malicious actor could “double-spend” its own cryptocurrencies (i.e., spend the same cryptocurrencies in more than one transaction) and prevent the confirmation of other users’ transactions for so long as it maintained control. To the extent that such malicious actor or botnet did not yield its control of the processing power on the cryptocurrency network, or the cryptocurrency community did not reject the fraudulent blocks as malicious, reversing any changes made to the blockchain may not be possible.

Although there are no known reports of malicious activity or control of the Bitcoin blockchain achieved through controlling over 50% of the processing power on the network, it is believed that certain mining pools may have exceeded the 50% threshold. The possible crossing of the 50% threshold indicates a greater risk in that a single mining pool could exert authority over the validation of Bitcoin transactions. To the extent that the cryptocurrency ecosystems, including developers and administrators of mining pools, do not act to ensure greater decentralization of Bitcoin or other cryptocurrency mining processing power, the feasibility of a malicious actor obtaining control of the processing power on the cryptocurrency network will increase, which may adversely affect an investment in us.

Growth in the popularity and use of other blockchain networks other than PoW cryptocurrency networks, may adversely affect our business.

A consensus algorithm is the mechanism through which a blockchain network reaches consensus. The most common consensus mechanisms are Proof-of-Work (“PoW”) and Proof-of-Stake (“PoS”). PoW is employed by Bitcoin and many other cryptocurrencies, according to which miners with higher computing power have better chances to find a valid solution for the next block. By contrast, under PoS, the creator of a new block is chosen based on the amount of cryptocurrency staked by the validator. As validation under PoS does not depend on computing power, PoS reduces the need for electricity and mining hardware.

Currently, as the original PoW cryptocurrency network, Bitcoin enjoys a first-to-market advantage over other networks such as PoS networks and dominates the cryptocurrency markets. However, Bitcoin’s market capitalization and its share of the overall cryptocurrency market fluctuate over time, and there is no guarantee that Bitcoin or other PoW cryptocurrency networks will continue to maintain their market-leading positions. As the cryptocurrency community continues to develop and advance PoS technologies, PoS networks may offer actual or perceived advantages over PoW networks, including lower energy consumption and reduced hardware requirements. If preferences in the cryptocurrency markets shift away from PoW networks and PoS networks achieve widespread adoption, it could attract users away from Bitcoin and the other PoW cryptocurrencies we mine, which could reduce demand for our mining products and mining services and have a material adverse effect on our business, prospects and results of operations.

If there are significant changes to the method of validating blockchain transactions, such changes could harm our self-mining business and reduce demand for our products and services.

New cryptocurrency transaction protocols are continuously being deployed, and existing and new protocols are in a state of constant change and development. While certain validation protocols currently employ a PoW consensus algorithm, whereby miners are required to expend significant amounts of electrical and computing power to solve complex mathematical problems in order to validate transactions and create new blocks in a blockchain, there may be a shift towards adopting alternative validating protocols. These protocols may include a PoS algorithm, Proof-of-Capacity (“PoC”) algorithm or any other algorithm based on a protocol other than PoW, which may decrease the reliance on computing power as an advantage to validating blocks. Our self-mining operations, and, to our knowledge, the operations of our cloud hash rate and hosting customers, are currently based on a PoW consensus algorithm. Our ASIC and mining rig operations produce hardware that is designed for PoW-based cryptocurrency mining. Should the algorithm shift from a PoW validation method to others, mining would require less energy and may render any company that maintains advantages in the current climate (for example, from lower priced electricity, processing, real estate or hosting) less competitive. As a result of our efforts to optimize and improve the efficiency of our cryptocurrency mining operations, we may be exposed to the risk in the future of losing the benefit of our capital investments and the competitive advantage we hope to gain from this as a result, and may be negatively impacted if a switch to protocols other than PoW were to occur. If we cannot adapt to the new mining protocols quickly enough to keep pace with the market change, any such change to transaction validating protocols could have a material adverse effect on our business, financial condition and results of operations.

The acceptance of Bitcoin network software patches or upgrades by a significant, but not overwhelming, percentage of the users and miners in the Bitcoin network could result in a “fork” in the blockchain, resulting in the operation of two separate networks that cannot be merged. The existence of forked blockchains could erode user confidence in Bitcoin and could adversely impact our business, results of operations and financial condition.

Bitcoin is based on open-source software and has no official developer or group of developers that formally controls the Bitcoin network. Any individual can download the Bitcoin network software and make any desired modifications, which are proposed to users and miners on the Bitcoin network through software downloads and upgrades. However, miners and users must consent to those software modifications by downloading the altered software or upgrading and implementing the changes; otherwise, the changes do not become part of the Bitcoin network. Since the Bitcoin network’s inception, changes to the Bitcoin network have been accepted by the vast majority of users and miners, ensuring that the Bitcoin network remains a coherent economic system. However, a developer or group of developers could potentially propose a modification to the Bitcoin network that is not accepted by a vast majority of miners and users, but that is nonetheless accepted by a substantial population of participants in the Bitcoin network. In such a case, a fork in the blockchain could develop and two separate Bitcoin networks could result, one running the pre-modification software program and the other running the modified version. An example is the introduction of a cryptocurrency known as “Bitcoin cash” in mid-2017. This kind of split in the Bitcoin network could erode user confidence in the stability of the Bitcoin network, which could negatively affect the demand for our services.

Cryptocurrency transactions are irrevocable and, if stolen or incorrectly transferred, cryptocurrencies may be irretrievable. As a result, any incorrectly executed cryptocurrency transactions could have a material adverse effect on our business, financial condition and results of operations.

Typically, cryptocurrency transactions are not, from an administrative perspective, reversible without the consent and active participation of the recipient of the transaction or, in theory, control or consent of a majority of the processing power on the applicable network. Once a transaction has been confirmed and verified in a block that is added to the network blockchain, an incorrect transfer of a cryptocurrency or a theft of a cryptocurrency generally will not be reversible and we may not be capable of seeking compensation for any such transfer or theft. Although transfers of any cryptocurrencies we hold will regularly be made to or from vendors, consultants, services providers, etc., it is possible that, through computer or human error, or through theft or criminal action, our cryptocurrencies could be transferred from us in incorrect amounts or to unauthorized third parties. To the extent that we are unable to seek a corrective transaction with such third party or are incapable of identifying the third party that has received our cryptocurrencies through error or theft, we will be unable to revert or otherwise recover our incorrectly transferred cryptocurrencies. To the extent that we are unable to seek redress for such error or theft, such loss could have a material adverse effect on our business, financial condition and results of operations.

The cryptocurrencies held by us may be subject to loss, damage, theft or restriction on access, which could have a material adverse effect on our business, financial condition or results of operations.

There is a risk that some or all of the cryptocurrencies held or hosted by us could be lost, stolen or destroyed. We believe that the cryptocurrencies held or hosted by us and our mining operation will be an appealing target to hackers or malware distributors seeking to destroy, damage or steal our cryptocurrencies. Our security procedures and operational infrastructure may be breached due to the actions of outside parties, error or malfeasance of one of our employees, or otherwise, and, as a result, an unauthorized party may obtain access to our cryptocurrency accounts, private keys, data or cryptocurrencies. Although we implement a number of security procedures with various elements such as two-factor verification, segregated accounts and secured facilities and plan to implement the maintenance of data on computers and/or storage media that is not directly connected to, or accessible from, the internet and/or networked with other computers, or “cold storage,” to minimize the risk of loss, damage and theft, and we update such security procedures whenever reasonably practicable, there is no guarantee that the prevention of such loss, damage or theft, whether caused intentionally, accidentally or by an act of God.

Additionally, outside parties may attempt to fraudulently induce our employees to disclose sensitive information in order to gain access to our infrastructure. As the techniques used to obtain unauthorized access, disable or degrade service, or sabotage systems change frequently, or may be designed to remain dormant until a predetermined event, and often are not recognized until launched against a target, we may be unable to anticipate these techniques or implement adequate preventative measures. As technological change occurs, the security threats to our Bitcoin will likely adapt and previously unknown threats may emerge. Our ability to adopt technology in response to changing security needs or trends may pose a challenge to the safekeeping of our cryptocurrencies. To the extent we are unable to identify and mitigate or stop new security threats, our cryptocurrencies may be subject to theft, loss, destruction or other attacks.

Any of these events could expose us to liability, damage our reputation, reduce customer confidence in our products and services and otherwise have a material adverse effect on our business, financial condition and results of operations. Furthermore, we believe that as our assets grow, we may become a more appealing target for security threats, such as hackers and malware. If an actual or perceived breach of our cryptocurrency accounts occurs, the market perception of our effectiveness could be harmed.

The impact of geopolitical, economic or other events on the supply of and demand for cryptocurrencies is uncertain, but could motivate large-scale sales of cryptocurrencies, which could result in a reduction in the price of such cryptocurrencies and could have a material adverse effect on our business, financial condition and results of operations.

As an alternative to fiat currencies that are backed by central governments, cryptocurrencies, which are relatively new, are subject to supply and demand forces based upon the desirability of an alternative, decentralized means of buying and selling goods and services. It is unclear how this supply and demand will be impacted by geopolitical events. Nevertheless, political or economic crises may motivate large-scale acquisitions or sales of cryptocurrencies either globally or locally. Large-scale sales of cryptocurrencies likely would result in a reduction in the price of the subject cryptocurrency and could have a material adverse effect on our business, financial condition and results of operations.

In addition, the price of cryptocurrencies may be affected by the buying and selling of a significant amount of cryptocurrencies by a holder, or a group of holders. Any unforeseen actions by holders of a significant amount of cryptocurrencies, could have a material adverse effect on our business, financial condition and results of operations. For instance, the introduction of spot Bitcoin and other cryptocurrency exchange-traded funds (“ETF”) has attracted speculative traders who seek short-term gains based on price movements. This increased speculative activity has contributed to short-term price volatility and such volatility may recur in the future.

Cryptocurrencies, including Bitcoin, face significant scaling obstacles that can lead to high fees or slow transaction settlement times and any mechanisms of increasing the scale of cryptocurrency settlement may significantly alter the competitive dynamics in the market.

Many cryptocurrencies face significant scaling obstacles that can lead to high fees or slow transaction settlement times, and attempts to increase the volume of transactions may not be effective. Scaling cryptocurrencies, and particularly Bitcoin, is essential to the widespread acceptance of cryptocurrencies as a means of payment, which is necessary to the growth and development of our business.

Many cryptocurrency networks face significant scaling challenges. For example, cryptocurrencies are limited with respect to how many transactions can occur per second. In this respect, Bitcoin may be particularly affected as it relies on the PoW validation, which due to its inherent characteristics may be particularly hard to scale to allow simultaneous processing of multiple daily transactions by users. Participants in the cryptocurrency ecosystem debate potential approaches to increasing the average number of transactions per second that the network can handle and have implemented mechanisms or are researching ways to increase scale, such as “sharding,” which is a term for a horizontal partition of data in a database or search engine, which would not require every single transaction to be included in every single miner’s or validator’s block.

There is no guarantee that any of the mechanisms in place or being explored for increasing the scale of settlement of cryptocurrency transactions will be effective, how long they will take to become effective or whether such mechanisms will be effective for all cryptocurrencies. There is also a risk that any mechanisms of increasing the scale of cryptocurrency settlements may significantly alter the competitive dynamics in the cryptocurrency market, and may adversely affect the value of Bitcoin and the price of our Class A ordinary shares, any of which could have a material adverse effect on our business, prospects, financial condition, and operating results.

To the extent that any miners cease to record transactions in solved blocks, transactions that do not include the payment of a transaction fee will not be recorded on the blockchain until a block is solved by a miner who does not require the payment of transaction fees. Any widespread delays in the recording of transactions could result in a loss of confidence in that cryptocurrency network, which could adversely impact an investment in us.

To the extent that any miners cease to record transactions in solved blocks, such transactions will not be recorded on the blockchain. Currently, there are no known incentives for miners to elect to exclude the recording of transactions in solved blocks; however, to the extent that any such incentives arise (e.g., a collective movement among miners or one or more mining pools forcing Bitcoin users to pay transaction fees as a substitute for or in addition to the award of new Bitcoins upon the solving of a block), actions of miners solving a significant number of blocks could delay the recording and confirmation of transactions on the blockchain.

Any systemic delays in the recording and confirmation of transactions on the blockchain could result in greater exposure to double-spending transactions and a loss of confidence in certain or all cryptocurrency networks, which could have a material adverse effect on our business, prospects, financial condition, and operating results.

Network congestion could result in high fees, delayed transactions, and a loss of confidence in that cryptocurrency network, which could adversely impact an investment in us.

Rising adoption of blockchain networks leads to network congestion, as space on decentralized ledgers is inherently scarce. From a design standpoint, striking a balance between security, decentralization, and scalability (or transactional throughput) is the subject of great debate among innovators and has led to the creation of a variety of networks that make different trade-offs to achieve different outcomes. If network congestion rises to the point where transaction fees make it prohibitively expensive for average users to operate on the network, those users may stop using the network, and application developers may seek to build on other networks where users can afford to transact.

Increasing growth and popularity of cryptocurrencies, initial coin offerings (“ICOs”) and security token offerings, as well as non-digital asset-related applications that utilize blockchain technology on certain networks, can cause congestion and backlog, and as result, increase latency on such networks. An increase in congestion and backlogs could result in longer transaction confirmation times, an increase in unconfirmed transactions (that is, transactions that have yet to be included in a block on a network and therefore are not yet completed transactions), higher transaction fees and an overall decrease in confidence in a particular network, which could ultimately affect our ability to transact on that particular network and, in turn, could have a material adverse effect on our business, financial condition and results of operations.

We may diversify our business by mining or investing in additional cryptocurrencies which could require significant investment or expose us to trading risks.

The field of cryptocurrencies is constantly expanding with approximately 370 cryptocurrencies each having a market capitalization greater than US\$50 million as of December 2025, according to CoinMarketCap. We intend to evaluate the potential for mining or investing in existing, new and alternative cryptocurrencies. To the extent we elect to commence activities to generate cryptocurrencies, we would be required to invest our assets either to obtain mining equipment configured to generate cryptocurrencies based on a PoW protocol or to post “stakes” to generate cryptocurrencies based on a PoS protocol. In addition, or in the alternative, we may trade our cryptocurrencies for other cryptocurrencies on centralized or decentralized exchanges. Optimization of such trades may vary depending on the exchange on which the trade is conducted because we may not have access to all exchanges on which such trades are available. Further, trading on centralized and decentralized exchanges may expose us to additional risks if such exchanges experience breaches of security measures, system errors or vulnerabilities, software corruption, hacking or other irregularities. Any new cryptocurrency obtained through generation or trading may be more volatile or fail to increase in value compared to cryptocurrencies we currently hold. As a result, any investment in different cryptocurrencies may not achieve our goals, may be viewed negatively by analysts or investors and may negatively affect our revenue and results of operations.

If the transaction fees for recording cryptocurrencies in a blockchain increase, demand for cryptocurrencies may be reduced and prevent the expansion of the networks to retail merchants and commercial businesses, resulting in a reduction in the acceptance or price of cryptocurrencies.

As the number of cryptocurrencies awarded for solving a block in a blockchain decreases, the incentive for mining participants to contribute processing power to networks will transition from a set reward to transaction fees. In order to incentivize mining participants to continue to contribute processing power to the networks, the network may transition from a set reward to transaction fees earned upon solving for a block.

If mining participants demand higher transaction fees to record transactions in a blockchain or a software upgrade automatically charges fees for all transactions, the cost of using cryptocurrencies may increase and the marketplace may be reluctant to accept cryptocurrencies as a means of payment. Existing users may be motivated to switch from one cryptocurrency to another or back to fiat currency. Decreased use and demand for cryptocurrencies may adversely affect their value and result in a reduction in the value of our Class A ordinary shares.

If the award of new cryptocurrencies and/or transaction fees for solving blocks is not sufficiently high to incentivize miners, such processors may reduce or cease expending processing power on a particular network, which could negatively impact the utility of the network, reduce the value of our cryptocurrencies and have a material adverse effect on our business, financial condition and results of operations.

As the number of cryptocurrencies rewarded to miners for validating blocks in a network decreases, the incentive for miners to continue contributing processing power to the network may shift toward transaction fees. Such a shift may increase the transaction fees on a network. Higher transaction fees may reduce the utility of a network for an end user, which may cause end users to reduce or stop their use of that network. In such case, the price of the relevant cryptocurrency may decline substantially and could go to zero. Such reduced price and demand for, and use of, the relevant cryptocurrency and network, either as it applies to our transaction processing services or to those of our potential hosting customers, may have a material adverse effect on our business, financial condition and results of operations.

Miners may sell a substantial number of cryptocurrencies into the market, which may exert downward pressure on the price of the applicable cryptocurrency and, in turn, could have a material adverse effect on our business, financial condition and results of operations.

Transaction processing requires the investment of significant capital for the acquisition of hardware, leasing or purchasing space, involves substantial electricity costs and requires the employment of personnel to operate the data facilities, which may lead transaction processing operators to liquidate their positions in cryptocurrencies to fund these capital requirements. In addition, if the reward of new cryptocurrencies for transaction processing declines, and/or if transaction fees are not sufficiently high, profit margins for transaction processing operators may be reduced, and such operators may be more likely to sell a higher percentage of their cryptocurrencies. Whereas it is believed that individual operators in past years were more likely to hold cryptocurrencies for more extended periods, the immediate selling of newly transacted cryptocurrencies by operators may increase the supply of such cryptocurrencies on the applicable exchange market, which could create downward pressure on the price of the cryptocurrencies and, in turn, could have a material adverse effect on our business, financial condition and results of operations.

To the extent that the profit margins of cryptocurrency mining operations are not high, mining participants are more likely to sell their earned Bitcoin, which could constrain Bitcoin prices.

Over the past few years, cryptocurrency mining operations have evolved from individual users mining with computer processors, graphics processing units and ASIC servers. Currently, new processing power is predominantly added by incorporated and unincorporated “professionalized” mining operations. These professionalized mining operations, including us, deploy sophisticated ASIC machines, require significant capital investment for hardware acquisition, datacenter operations, and energy costs, and operate with structured financial and operational strategies. Given the capital-intensive nature of professionalized mining, these operations have traditionally needed to maintain healthy profit margins to cover ongoing expenses. To the extent the price of cryptocurrencies declines and such profit margin is constrained, professionalized mining participants are incentivized to more immediately sell cryptocurrencies earned from mining operations, whereas it is believed that individual mining participants in past years were more likely to hold newly mined cryptocurrencies for more extended periods. The immediate selling of newly mined cryptocurrencies greatly increases the trading volume of the cryptocurrencies, creating downward pressure on the market price of cryptocurrency rewards. The extent to which the value of cryptocurrencies mined by a professionalized mining operation exceeds the allocable capital and operating costs determines the profit margin of such operation. A professionalized mining operation may be more likely to sell a higher percentage of its newly mined cryptocurrencies rapidly if it is operating at a low profit margin and it may partially or completely cease operations if its profit margin is negative. In a low profit margin environment, a higher percentage could be sold more rapidly, thereby potentially depressing cryptocurrency prices. Lower cryptocurrency prices could result in further tightening of profit margins for professionalized mining operations creating a network effect that may further reduce the price of cryptocurrencies until mining operations with higher operating costs become unprofitable forcing them to reduce mining power or cease mining operations temporarily. Although we are mitigating the risk by adopting a strategy of funding operational expenditure by securing financing through capital markets and maintaining a flexible posture between holding mined cryptocurrencies as assets and converting them to fiat, such circumstances could have a material adverse effect on our business, prospects or operations and potentially the value of Bitcoin and any other cryptocurrencies we mine or otherwise acquire or hold for our own account.

Risks Related to Regulatory Compliance and Other Legal Matters

We are subject to a highly-evolving regulatory landscape and any adverse changes to, or our failure to comply with, any laws and regulations could adversely affect our business, reputation, prospects or operations.

As crypto assets have grown in popularity and in market size, the U.S. regulatory regime, namely the Federal Reserve Board, U.S. Congress and certain U.S. agencies (e.g., the SEC, the U.S. Commodity Futures Trading Commission (the “CFTC”), the Financial Crimes Enforcement Network (the “FinCEN”) and the Federal Bureau of Investigation), and local and foreign governmental organizations, consumer agencies and public advocacy groups have been examining the operations of crypto networks, users and platforms, with a focus on how crypto assets can be used to launder the proceeds of illegal activities, fund criminal or terrorist enterprises, and the safety and soundness of platforms and other service providers that hold crypto assets for users. Many of these entities have called for heightened regulatory oversight, and have issued consumer advisories describing the risks posed by crypto assets to users and investors. For instance, in March 2022, Federal Reserve Chair Jerome Powell expressed the need for regulation to prevent “cryptocurrencies from serving as a vehicle for terrorist finance and just general criminal behavior”. On March 8, 2022, President Biden issued an executive order on cryptocurrencies that sought to establish a unified federal regulatory regime for cryptocurrencies. That order was subsequently revoked by Executive Order 14178, issued by President Trump on January 23, 2025, which set forth a new policy framework supporting the responsible growth and use of digital assets, blockchain technology and related technologies across all sectors of the economy. On March 17, 2026, the SEC issued an interpretive release applying federal securities laws to certain types of crypto assets and certain transactions involving crypto assets, which remains subject to public comment as of the date of this annual report. The complexity and evolving nature of our business and the significant uncertainty surrounding the regulation of the crypto assets industry requires us to exercise our judgment as to whether certain laws, rules, and regulations apply to us, and it is possible that governmental bodies and regulators may disagree with our conclusions. To the extent we have not complied with such laws, rules and regulations, we could be subject to significant fines, revocation of licenses, limitations on our products and services, reputational harm, and other regulatory consequences, each of which may be significant and could adversely affect our business, operating results, and financial condition.

Additionally, the bankruptcy filings of FTX Trading Ltd. (“FTX”), the third largest digital asset exchange by volume at the time of its filing, and its affiliated hedge fund Alameda Research LLC, in addition to other bankruptcy filings of crypto companies throughout calendar year 2022, contributed, at least in part, to heightened regulatory scrutiny from U.S. regulatory agencies such as the SEC and CFTC. Increasing regulation and regulatory scrutiny may result in additional costs for us and our management having to devote increased time and attention to regulatory matters, change aspects of our business or result in limits on the utility of Bitcoin. In addition, regulatory developments and/or our business activities may require us to comply with certain regulatory regimes. Increasingly strict legal and regulatory requirements and any regulatory investigations and enforcement may result in changes to our business, as well as increased costs, supervision and examination. Moreover, new laws, regulations, or interpretations may result in additional litigation, regulatory investigations, and enforcement or other actions. Adverse changes to, or our failure to comply with, any laws and regulations may have, an adverse effect on our reputation and brand and our business, operating results, and financial condition. Although we are not directly connected to the cryptocurrency market events in 2022, we may still suffer reputational harm due to our association with the cryptocurrency industry in light of the disruption in the crypto asset markets. Ongoing and future regulation and regulatory actions could significantly restrict or eliminate the market for, or uses of, Bitcoin and other cryptocurrencies, and may adversely affect our business, reputation, financial condition and results of operations.

The regulatory landscape for AI is developing rapidly across the jurisdictions in which we operate, and evolving compliance obligations could increase our costs and affect our operations.

In the European Union, the AI Act establishes a risk-based framework that imposes compliance obligations primarily on developers and deployers of AI systems, as well as providers of general-purpose AI models. While the AI Act does not currently impose direct obligations on providers of computing infrastructure, the extent to which its requirements may extend to infrastructure providers remains uncertain, as implementation guidance continues to evolve. In the United States, multiple states have enacted AI-related legislation addressing transparency, algorithmic discrimination and other areas, with certain provisions already in effect. At the federal level, the current Trump administration has issued executive orders seeking to establish a unified national AI policy framework and in March 2026 released legislative recommendations to guide Congress in developing comprehensive federal AI legislation. The scope of these regulations and the extent to which they will apply to infrastructure providers, as distinct from AI developers and deployers, remains uncertain. If we are deemed to have obligations under any of these frameworks, we may be required to implement new compliance measures, such as customer screening, use case monitoring, content moderation or reporting requirements, which could increase our operating costs and complexity. Failure to comply with applicable AI regulations could result in fines, restrictions on our operations, or reputational damage. For a discussion of export controls on AI-related hardware, see “— Risks Related to Our Business, Operations, Industry and Financial Condition — We are subject to various laws and regulations pertaining to export controls, sanctions, import, and investment which can impact our business activities and subject us to liability for noncompliance.”

The nature of our business requires the application of complex financial accounting rules. If financial accounting standards undergo significant changes, our operating results could be adversely affected.

The accounting rules and regulations that we must comply with are complex and subject to interpretation by the IASB, the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, and may even affect the reporting of transactions completed before the announcement or effectiveness of a change. Recent actions and public comments from the SEC have focused on the integrity of financial reporting and internal controls. In addition, many companies’ accounting policies are being subject to heightened scrutiny by regulators and the public. Further, there have been limited precedents for the financial accounting of cryptocurrency-related transactions. As such, there remains significant uncertainty on how companies can account for crypto assets transactions, crypto assets, and related revenue.

In addition, we intend to transition our financial reporting from IFRS to U.S. GAAP beginning with our annual report for the fiscal year ending December 31, 2026. This transition will require us to adopt new accounting policies, revise our financial reporting processes and internal controls, and restate prior-period financial statements for comparability. The transition may result in differences in the recognition, measurement or presentation of certain items, which could make period-over-period comparisons more difficult for investors. The transition will also require significant time and resources from our finance and accounting personnel, and any errors or delays in completing the transition could impair our ability to file our periodic reports on a timely basis. There can be no assurance that the transition will not have a material effect on our reported financial results.

Uncertainties in or changes to regulatory or financial accounting standards could result in the need to change our accounting methods and restate our financial statements and impair our ability to provide timely and accurate financial information, which could adversely affect the accuracy of our financial statements, result in a loss of investor confidence, and more generally impact our business, operating results, and financial condition.

Our interactions with a blockchain may expose us to specially designated nationals (“SDN”) or blocked persons or cause us to violate provisions of law that did not contemplate distributed ledger technology.

The OFAC requires us to comply with its sanction program and not conduct business with persons named on its SDN list. However, because of the pseudonymous nature of blockchain transactions, we may, inadvertently and without our knowledge, engage in transactions with persons named on OFAC’s SDN list. Our internal policies prohibit any transactions with such SDN individuals, but we may not be adequately capable of determining the ultimate identity of the individual with whom we transact with respect to our cryptocurrency mining-related products and services. In addition, in the future, OFAC or another regulator, may require us to screen transactions for OFAC addresses or other bad actors before including such transactions in a block, which may increase our compliance costs, decrease our anticipated transaction fees and lead to decreased traffic on our network. Any of these factors, consequently, could have a material adverse effect on our business, prospects, financial condition, and operating results.

Further, if certain of our customers or shareholders become the subject or target of applicable sanctions laws, we may be unable to engage in any further transactions or dealings with such persons, including making any distributions of dividends or other payments, and may be required to satisfy certain blocking or reporting obligations under the relevant sanctions laws. Failure to take all such action as necessary or appropriate under applicable sanctions laws could subject us to significant fines or other penalties and have a material adverse effect on our business, financial condition, and results of operations.

Moreover, federal law prohibits any U.S. person from knowingly or unknowingly possessing any visual depiction commonly known as child pornography. Media reports have suggested that persons have embedded such depictions on one or more blockchains. Because our business requires us to download and retain one or more blockchains to effectuate our ongoing business, it is possible that such digital ledgers contain prohibited depictions without our knowledge or consent. To the extent government enforcement authorities literally enforce these and other laws and regulations that are impacted by decentralized distributed ledger technology, we may be subject to investigation, administrative or court proceedings, and civil or criminal monetary fines and penalties, all of which could harm our reputation and could have a material adverse effect on our business, prospects, financial condition, and operating results.

As we continue to expand and localize our international activities, our obligations to comply with the laws, rules, regulations and policies of a variety of jurisdictions will increase and we may be subject to investigations and enforcement actions by U.S. and non-U.S. regulators and governmental authorities.

As we expand and localize our international activities, we have become increasingly obligated to comply with the laws, rules, regulations, policies and legal interpretations not only of the jurisdictions in which we operate but also those into which we offer services on a cross-border basis. Laws regulating financial services, the internet, mobile technologies, crypto, and related technologies outside the United States often impose different, more specific, or even conflicting obligations on us, as well as broader liability. Similarly, as we expand our AI infrastructure and AI cloud business, we are subject to an increasing range of regulatory requirements relating to data privacy, AI governance, export controls on AI-related hardware and energy consumption, which vary significantly across jurisdictions. For a more detailed discussion of the evolving AI regulatory landscape and its potential impact on our business, see the sections titled “—The regulatory landscape for AI is developing rapidly across the jurisdictions in which we operate, and evolving compliance obligations could increase our costs and affect our operations.” and “— Risks Related to Our Business, Operations, Industry and Financial Condition — We may be at a higher risk of litigation and other legal proceedings due to heightened regulatory scrutiny of the cryptocurrency and AI industries, which could ultimately be resolved against us, requiring material future cash payments or charges, and accordingly impair our financial condition and results of operations.”

Regulators worldwide frequently study each other's approaches to the regulation of the crypto economy and, increasingly, AI technology. Consequently, developments in any jurisdiction may influence other jurisdictions. New developments in one jurisdiction may be extended to additional services and other jurisdictions. As a result, the risks created by any new law or regulation in one jurisdiction are magnified by the potential that they may be replicated, affecting our business in another place or involving another service. Conversely, if regulations diverge worldwide, we may face difficulty adjusting our products, services, and other aspects of our business with the same effect. These risks are heightened as we face increased competitive pressure from other similarly situated businesses that engage in regulatory arbitrage to avoid the compliance costs associated with regulatory changes.

The complexity of U.S. federal and state and international regulatory and enforcement regimes, coupled with the global scope of our operations and the evolving global regulatory environment, could result in a single event prompting a large number of overlapping investigations and legal and regulatory proceedings by multiple government authorities in different jurisdictions. Any of the foregoing could, individually or in the aggregate, harm our reputation, damage our brands and business, and adversely affect our operating results and financial condition. Due to the uncertain application of existing laws and regulations, it is possible that, despite our regulatory and legal analysis concluding that certain products and services are currently not subject to licensing requirements in certain jurisdictions, such products or services may indeed be subject to financial regulation, licensing, or authorization obligations that we have not obtained or with which we have not complied. As a result, we may be at a heightened risk of enforcement action, litigation, regulatory, and legal scrutiny which could lead to sanctions, cease, and desist orders, or other penalties and censures which could significantly and adversely affect our continued operations and financial condition.

We may be involved in legal and other disputes from time to time arising out of our operations, including disputes with our suppliers, business partners, customers or employees. Our shareholders and business partners are also subject to risks relating to litigation and disputes, which could adversely affect our business or reputation.

We may from time to time be involved in disputes with various parties arising out of our operations, including disputes with suppliers of mining rig components, AI chips and related hardware, electricity, datacenter construction equipment and other goods and services, as well as with contract manufacturers, subcontractors, business partners, customers and employees. These disputes may lead to protests or legal or other proceedings and may result in damage to our reputation, substantial costs and diversion of resources and management's attention from our core business activities. For example, on February 2, 2026, one of our subsidiaries received notice that American Heavy Plate Solutions, LLC ("AHP") had filed a complaint in the Court of Common Pleas of Monroe County, Ohio against Monroe County Port Authority ("MCPA"), and several of our wholly-owned subsidiaries. AHP is seeking declaratory and injunctive relief concerning certain leasehold rights at an industrial property in Monroe County, Ohio of which MCPA is the landlord. In addition, we may encounter compliance issues with regulatory bodies in the course of our operations, in respect of which we may face administrative proceedings or unfavorable rulings that may result in liabilities and cause delays or disruptions to our services. We may be involved in other proceedings or disputes in the future that may have a material adverse effect on our business, financial condition, results of operations or cash flows. Furthermore, our shareholders and business partners, some of which are market players in the crypto industry, are also subject to risks relating to litigation and disputes. Such litigation and disputes are beyond our control and may adversely affect our business or reputation.

We may increasingly become a target for public scrutiny, including complaints to regulatory agencies, negative media coverage, and malicious allegations, all of which could severely damage our reputation and materially and adversely affect our business and prospects.

Certain features of cryptocurrency networks, such as decentralization, independence from sovereignty and anonymity of transactions, create the possibility of heightened attention from the public, regulators and the media. In addition, as we expand our AI infrastructure and AI cloud business, we may attract increased public and regulatory attention relating to energy consumption, the environmental impact of datacenter operations and the broader societal implications of AI technology. For a discussion of the regulatory risks specific to our AI infrastructure and AI cloud business, see the section titled "— The regulatory landscape for AI is developing rapidly across the jurisdictions in which we operate, and evolving compliance obligations could increase our costs and affect our operations." Heightened regulatory and public concerns over these issues may subject us to additional legal and social responsibilities and increased scrutiny and negative publicity, and could even result in boycotts or public opposition to our operations in certain jurisdictions which could delay our expansion plans or require us to find alternative sites. From time to time, allegations against us, regardless of their veracity, may result in consumer dissatisfaction, public protests or negative publicity, which could result in government inquiry or substantial harm to our brand, reputation and operations. Moreover, as our business expands and grows, we may be exposed to heightened public scrutiny in jurisdictions where we already operate as well as in new jurisdictions where we may operate. There is no assurance that we would not become a target for regulatory or public scrutiny in the future or that such scrutiny and public exposure would not severely damage our reputation as well as our business and prospects.

Our insurance coverage is limited and may not be adequate to cover potential losses and liabilities. A significant uninsured loss or a loss in excess of our insurance coverage could have a material adverse effect on our results of operations and financial condition.

Risks associated with our business and operations include, but are not limited to, business interruption due to regulatory changes, power shortages or network failure, product liability claims and losses of key personnel, any of which may result in significant costs or business disruption. In line with general market practice, we do not have any business liability or disruption insurance to cover our operations. However, our current insurance policies may be insufficient in the event of a prolonged or catastrophic event. The occurrence of any such event that is not entirely covered by our insurance policies may result in interruption of our operations, subject us to significant losses or liabilities and damage our reputation as a provider of business continuity services. In addition, the property, transit and director and officer insurance policies we have obtained may not cover all risks associated with our business. It may not be possible, either because of a lack of available policies, limits on coverage or prohibitive cost, for us to obtain insurance of any type that would cover losses associated with our cryptocurrency portfolio. The occurrence of certain incidents including severe weather, earthquake, fire, war, power outages, flooding and the consequences resulting from them may not be covered by our insurance policies adequately, or at all. If we were subject to substantial liabilities that were not covered by our insurance, we could incur costs and losses that could materially and adversely affect our results of operations and financial condition.

The cryptocurrencies held by us are not insured. Therefore, a loss may be suffered with respect to our cryptocurrencies which is not covered by insurance and for which no person is liable in damages which could adversely affect our operations and, consequently, an investment in us.

Our mining and AI datacenter operations are energy-intensive, which may restrict the geographic locations of our operations, give rise to community opposition and have a negative environmental impact.

Our cryptocurrency mining and AI datacenter operations are inherently energy-intensive and electricity costs account for a significant portion of our overall operating costs. The availability and cost of electricity will restrict the geographic locations of our operations. Any shortage of electricity supply or increase in electricity cost in a jurisdiction may negatively impact the viability and the expected economic return for our operations in that jurisdiction, which may in turn decrease the demand for our products and services in that jurisdiction.

In addition, the significant consumption of electricity may have a negative environmental impact, including contribution to climate change or increasing the cost of electricity for other users, which may give rise to public opinion against allowing the use of electricity for cryptocurrency mining or large-scale datacenter operations, or government measures restricting or prohibiting such use. Any such development in the jurisdictions where we operate datacenters or sell our products and services could have a material and adverse effect on our business, financial condition and results of operations.

More broadly, the large-scale energy consumption of our datacenter and mining operations may itself attract opposition from local communities, regulators or other stakeholders, which could delay or prevent planned projects, increase our costs or result in reputational harm. See “— Our datacenters and mining facilities in certain jurisdictions may face opposition from local communities or regulators, or be designated as critical national infrastructure, which could delay our operations, impose material compliance costs, or restrict foreign ownership of our assets.”

Our business operation and international expansion are subject to geopolitical risks.

Our business operation and international expansion are subject to geopolitical risks. Any significant deterioration in our business collaboration with our partners may have a negative impact on the ability of our business partners to produce or deliver the equipment or components we need, which could have a material and adverse effect on our business, financial condition and results of operations.

In addition, there might be significant changes to United States trade policies, treaties and tariffs, including trade policies and tariffs regarding the European Union or other major economy entities. Countries may respond by imposing retaliatory trade measures against the United States. For details about international trade relations, see the section titled “—Changes in international trade policies and international barriers to trade may have an adverse effect on our business and expansion plans.” Variations in the trade policies among different countries will significantly influence our worldwide business and regional business relationship, which will materially and adversely affect our business, financial condition and results of operations.

Our business operations and international expansion may have an intrinsic need for governmental interactions, which subject us to heightened corruption and bribery risks.

We require significant power resources and related infrastructure to support our cryptocurrency mining and AI datacenter operations, and our business operates under a fast-changing regulatory landscape encompassing cryptocurrency, AI and environmental regulations. The nature of our business may require us to frequently interact with government authorities in connection with, for example, obtaining permits and approvals for power supply and datacenter construction, accessing natural resources and engaging in lobbying activities with respect to relevant regulatory changes. Frequent governmental interactions may pose heightened corruption and bribery risks. In addition, our plan to expand internationally, including into jurisdictions that are considered high-risk from an anti-bribery and anti-corruption perspective, further heightens these risks. We have adopted an anti-corruption and anti-bribery compliance policy and related internal controls; however, there can be no assurance that these measures will be effective in preventing all instances of non-compliance by our employees, agents or business partners, and any violation of applicable anti-corruption or anti-bribery laws could result in significant penalties, reputational harm and an adverse effect on our business, financial condition and results of operations.

Our datacenters and mining facilities in certain jurisdictions may face opposition from local communities or regulators, or be designated as critical national infrastructure, which could delay our operations, impose material compliance costs, or restrict foreign ownership of our assets.

The development and operation of datacenters and mining facilities in certain jurisdictions may face opposition from local communities, environmental groups or regulators concerned about energy consumption, noise, water usage, strain on local power grids, property values or other environmental and social impacts. Such opposition may result in adverse media coverage, public protests, zoning or permitting challenges, moratoria on datacenter construction, litigation, political intervention or ballot initiatives. In recent years, a number of state and local governments in the United States have proposed or enacted moratoria, zoning restrictions or other measures targeting datacenter development in response to such concerns.

In addition, in certain jurisdictions, large-scale datacenters or energy-intensive computing facilities may be designated as critical national infrastructure, subjecting our operations to heightened governmental oversight, restrictions on foreign ownership, or mandatory cooperation obligations with local authorities. Such designation could impose material compliance costs and operational constraints that materially and adversely affect our business, financial condition and results of operations.

We require certain approvals, licenses, permits and certifications to operate. Any failure to obtain or renew any of these approvals, licenses, permits or certifications could materially and adversely affect our business and results of operations.

In accordance with the laws and regulations in the jurisdictions in which we operate, we are required to maintain certain approvals, licenses, permits and certifications, such as obtaining certificates of occupancy and passing electrical inspection for our datacenters. Complying with such laws and regulations may require substantial expense, and any non-compliance may expose us to liability. In the event of non-compliance, we may have to incur significant expenses and divert substantial management time to rectify the incidents. In the future, if we fail to obtain all the necessary approvals, licenses, permits and certifications, we may be subject to fines or the suspension of operations of the production facilities and research and development facilities that do not have all the requisite approvals, licenses, permits and certifications, which could materially and adversely affect our business and results of operations. We may also experience adverse publicity arising from non-compliance with government regulations, which would negatively impact our reputation.

There is no assurance that we will be able to fulfill all the conditions necessary to obtain the required government approvals, or that relevant government officials will always, if ever, exercise their discretion in our favor, or that we will be able to adapt to any new laws, regulations and policies. There may also be delays on the part of government authorities in reviewing our applications and granting approvals, whether due to the lack of human resources or the imposition of new rules, regulations, government policies or their implementation, interpretation and enforcement. In addition, certain of our business lines may be subject to additional licensing or regulatory requirements in specific jurisdictions. For example, the provision of AI cloud services may require licenses or authorizations in certain jurisdictions in which we operate or intend to operate, and our cloud hash rate business may be subject to U.S. jurisdiction under certain circumstances. See the section titled “— Our cloud hash rate business may be subject to U.S. jurisdiction if we are not able to avoid offering or selling our hash rate products to U.S. customers. Additionally, our cloud hash rate business may be deemed as securities offerings in other jurisdictions where it is offered.” If we are unable to obtain, or experience material delays in obtaining, necessary government approvals, licenses or authorizations, our operations may be substantially disrupted, which could materially and adversely affect our business, financial condition and results of operations.

We may be subject to fines and other administrative penalties resulting from the operation of our business, which could materially and adversely affect our business, financial condition and results of operation.

We are a world-leading technology company for AI and Bitcoin mining infrastructure. As of March 31, 2026, we operate ten datacenters across multiple countries including the United States, Norway, Bhutan, Ethiopia and Malaysia, and served users across around 100 countries and regions around the globe, and may continue to expand our operations to more countries and regions. We are subject to regulation by the multiple government authorities in countries or regions where we have presence, and various jurisdictions may from time to time adopt laws, regulations or directives that affect our businesses. Moreover, the relevant regulatory authorities possess significant powers to enforce applicable regulatory requirements in the event of our non-compliance, including the imposition of fines, sanctions or the revocation of licenses or permits to operate our business.

We are subject to regulatory risks with regards to mining, holding, using or transferring cryptocurrencies, and with respect to our AI infrastructure and AI cloud business, we are subject to evolving regulations governing data privacy, export controls on AI-related hardware, energy consumption and datacenter operations, and cross-border data transfers. The uncertainty of the regulatory environment and our ability to anticipate and respond to potential changes in government policies and regulations will have a significant impact on our business operations in the countries in which we operate and our overall results of operations. Regulations have impacted or could impact, among others, the nature of and scope of offerings we are able to make available, the pricing of offerings on our platform, our relationship with, and incentives, fees and commissions provided to or charged from our business partners, our ability to operate in certain segments of our business. We expect that our ability to manage our relationships with regulators in each of our markets, as well as existing and evolving regulations will continue to impact our results in the future. Any misunderstanding or misinterpretation of the law and regulation could subject us to, among others, the non-compliance investigation by the government authorities. There is no guarantee that we will not face administrative fines or penalties concerning our operations or our subsidiaries, which could have a material adverse impact on our results of operation.

If counterfeit products and services are provided under our brand names and trademarks, our reputation and financial results could be materially and adversely affected.

Third parties may manufacture, market or sell products or services using our brand names, trademarks or other intellectual property without our authorization. Such counterfeit products or services may be of inferior quality compared to our authentic offerings and could pose safety or performance risks to end users. If customers are unable to distinguish counterfeit products or services from our own, or are dissatisfied as a result of purchasing such counterfeit products or services, our brand and reputation could be significantly harmed. We believe our brand and reputation are important to our success and competitive position. Any proliferation of counterfeit products or services in the market could erode customer trust, reduce demand for our authentic products and services, and materially and adversely affect our business operations and financial results.

Our cloud hash rate business may be subject to U.S. jurisdiction if we are not able to avoid offering or selling our hash rate products to U.S. customers. Additionally, our cloud hash rate business may be deemed as securities offerings in other jurisdictions where it is offered.

To the extent that we are appropriately restricting U.S. persons from obtaining our hash rate products, such business should not be subject to U.S. securities laws. However, whether we are effective in avoiding U.S. jurisdiction by actually not offering or selling our hash rate products to U.S. customers would depend on, among others, the existence and effectiveness of measures adopted in practice against U.S. persons obtaining our services, such as screening mechanisms and/or contractual restrictions over transfers of the contracts to U.S. persons in the secondary market. If certain U.S. customers, or customers from other jurisdictions where our cloud hash rate may be deemed as securities offerings, end up obtaining access to our hash rate products, and we have not registered the offering of such products, we may be deemed in breach of applicable securities laws. Such breach may result in sizable fines, reputational harms, restrictions of certain businesses, and materially adversely affect our business operation and financial conditions.

If we were deemed an “investment company” under the Investment Company Act of 1940, as amended, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business.

An issuer will generally be deemed to be an “investment company” for purposes of the 1940 Act if:

- it is an “orthodox” investment company because it is or holds itself out as being engaged primarily, or proposes to engage primarily, in the business of investing, reinvesting or trading in securities; or
- it is an inadvertent investment company because, absent an applicable exemption, it owns or proposes to acquire “investment securities” having a value exceeding 40% of the value of its total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis.

We believe we are not and will not be primarily engaged in the business of investing, reinvesting or trading in securities, and we do not hold ourselves out as being engaged in those activities. We intend to hold ourselves out as a technology company engaged in Bitcoin mining and AI infrastructure operations. Accordingly, we do not believe that we are an “orthodox” investment company as described in the first bullet point above.

While certain cryptocurrencies may be deemed to be securities, we do not believe that certain other cryptocurrencies, in particular Bitcoin, are securities; therefore, we believe that less than 40% of our total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis will comprise cryptocurrencies that could be considered investment securities. Accordingly, we do not believe that we are an inadvertent investment company by virtue of the 40% inadvertent investment company test as described in the second bullet point above. Although we do not believe any of the cryptocurrencies we may own, acquire or mine are securities, there is still some regulatory uncertainty on the subject, see the section titled “—There is no one unifying principle governing the regulatory status of cryptocurrencies nor whether cryptocurrencies are securities in any particular context. Regulatory changes or actions in one or more countries may alter the nature of an investment in us or restrict the use of cryptocurrencies, such as Bitcoins, in a manner that adversely affects our business, prospects or operations.” While the SEC’s March 2026 interpretive release classified Bitcoin and certain other major cryptocurrencies as digital commodities rather than securities, such classification is not binding on courts and may be subject to change. If the regulatory or judicial classification of certain cryptocurrencies, including Bitcoin, were to change such that they are deemed securities, and consequently investment securities, we could be deemed an inadvertent investment company. Investment company registration is time consuming and would require a restructuring of our business. Moreover, the operation of an investment company is very costly and restrictive, as investment companies are subject to substantial regulation concerning management, operations, transactions with affiliated persons and portfolio composition, and the Investment Company Act filing requirements. The cost of such compliance would result in us incurring substantial additional expenses, and the failure to register if required would have a materially adverse impact on our operations.

We intend to conduct our operations so that we are not required to register as an investment company under the 1940 Act. Specifically, we do not believe that cryptocurrencies, in particular Bitcoin, are securities. The SEC Staff has not provided guidance with respect to the treatment of these assets under the 1940 Act. To the extent the SEC Staff publishes new guidance with respect to these matters, we may be required to adjust our strategy or assets accordingly. There can be no assurance that we will be able to maintain our exclusion from registration as an investment company under the 1940 Act. In addition, as a consequence of our seeking to avoid the need to register under the 1940 Act on an ongoing basis, we may be limited in our ability to engage in cryptocurrency mining operations or otherwise make certain investments, and these limitations could result in us holding assets we may wish to sell or selling assets we may wish to hold, which could materially and adversely affect our business, financial condition and results of operations.

If we were to be deemed an inadvertent investment company, we may seek to rely on Rule 3a-2 under the 1940 Act, which allows an inadvertent investment company a grace period of one year from the earlier of (a) the date on which the issuer owns securities and/or cash having a value exceeding 50% of the issuer's total assets on either a consolidated or unconsolidated basis or (b) the date on which the issuer owns or proposes to acquire investment securities having a value exceeding 40% of the value of such issuer's total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. We are putting in place policies that we expect will work to keep the investment securities held by us at less than 40% of our total assets, which may include acquiring assets with our cash, liquidating our investment securities or seeking no-action relief or exemptive relief from the SEC if we are unable to acquire sufficient assets or liquidate sufficient investment securities in a timely manner. As Rule 3a-2 is available to an issuer no more than once every three years, and assuming no other exclusion were available to us, we would have to keep within the 40% limit for at least three years after we cease being an inadvertent investment company. This may limit our ability to make certain investments or enter into joint ventures that could otherwise have a positive impact on our earnings. If we failed to take adequate steps within the one-year grace period for inadvertent investment companies, we would need to register with the SEC as an investment company under the Investment Company Act or cease almost all business, and our contracts would become voidable. In any event, we do not intend to become an investment company engaged in the business of investing and trading securities.

Finally, we believe we are not an investment company under Section 3(b)(1) of the 1940 Act because we are primarily engaged in a non-investment company business.

The 1940 Act and the rules thereunder contain detailed parameters for the organization and operations of investment companies. Among other things, the 1940 Act and the rules thereunder limit or prohibit transactions with affiliates, impose limitations on the issuance of debt and equity securities, prohibit the issuance of stock options, and impose certain governance requirements. We intend to continue to conduct our operations so that we will not be deemed to be an investment company under the 1940 Act. However, if anything were to happen that would cause us to be deemed to be an investment company under the 1940 Act, requirements imposed by the 1940 Act, including limitations on our capital structure, ability to transact business with affiliates and ability to compensate key employees, could make it impractical for us to continue our business as currently conducted, impair the agreements and arrangements between and among us and our senior management team and materially and adversely affect our business, financial condition and results of operations.

There is no one unifying principle governing the regulatory status of cryptocurrencies nor whether cryptocurrencies are securities in any particular context. Regulatory changes or actions in one or more countries may alter the nature of an investment in us or restrict the use of cryptocurrencies, such as Bitcoins, in a manner that adversely affects our business, prospects or operations.

As cryptocurrencies have grown in both popularity and market size, governments around the world have reacted differently, with certain governments deeming cryptocurrencies illegal, and others allowing their use and trade without restriction. In some jurisdictions, such as in the U.S., cryptocurrencies, such as Bitcoins, are subject to extensive, and in some cases overlapping, unclear and evolving regulatory requirements.

Bitcoin is the oldest and most well-known form of cryptocurrency. Bitcoin and other forms of cryptocurrencies have been the source of much regulatory consternation, resulting in differing definitional outcomes without a single unifying statement. Bitcoin and other cryptocurrencies are viewed differently by different regulatory and standards setting organizations globally as well as in the United States on the federal and state levels. For example, the Financial Action Task Force considers a cryptocurrency as currency or an asset, and the Internal Revenue Service ("IRS") considers a cryptocurrency as property and not currency. Further, the IRS applies general tax principles that apply to property transactions to transactions involving virtual currency.

Furthermore, while the SEC approved 11 spot Bitcoin ETF applications in January 2024, a clear and comprehensive regulatory framework for classifying and regulating cryptocurrencies has yet to emerge. While the SEC has pursued enforcement actions against a number of industry participants asserting that certain digital assets constitute securities, it dismissed many of those cases during 2025, underscoring that its enforcement posture continues to evolve. In January 2025, the SEC launched a dedicated crypto task force with a goal of developing a clearer regulatory framework for digital assets, recommending practical policies, fostering innovation, and protecting investors. In November 2025, SEC Chairman Atkins publicly stated that most crypto assets should not be considered securities and emphasized the SEC's intention to coordinate with the CFTC in developing a token taxonomy that would encompass "digital commodities." On March 17, 2026, the SEC issued an interpretive release applying federal securities laws to certain types of crypto assets and certain transactions involving crypto assets, which classified Bitcoin and certain other major cryptocurrencies as digital commodities rather than securities.

If regulatory changes or interpretations require the regulation of Bitcoin or other cryptocurrencies under the securities laws of the United States or elsewhere, including the Securities Act, the Exchange Act, the 1940 Act, and the Bank Secrecy Act or similar laws of other jurisdictions and interpretations by the SEC, the CFTC, the IRS, Department of Treasury or other agencies or authorities, we may be required to register and comply with such regulations, including at a state or local level. To the extent that we decide to continue operations, the required registrations and regulatory compliance steps may result in extraordinary expense or burdens to us. We may also decide to cease certain operations and change our business model. Any disruption of our operations in response to the changed regulatory circumstances may be at a time that is disadvantageous to us.

A determination that any cryptocurrency is a "security" may adversely affect the value of such cryptocurrency and could therefore adversely affect our business, prospects or operations.

Depending on its characteristics, a cryptocurrency may be considered a "security" under the federal securities laws. The test for determining whether a particular cryptocurrency is a "security" is complex and difficult to apply, and the outcome is difficult to predict. Whether a cryptocurrency is a security under the federal securities laws depends on whether it is included in the lists of instruments making up the definition of "security" in the Securities Act, the Exchange Act and the Investment Company Act. Cryptocurrencies as such do not appear in any of these lists, although each list includes the terms "investment contract" and "note," and the SEC has typically analyzed whether a particular cryptocurrency is a security by reference to whether it meets the tests developed by the federal courts interpreting these terms, known as the "Howey" and "Reves" tests, respectively. For many cryptocurrencies, whether or not the "Howey" or "Reves" tests are met is difficult to resolve definitively, and substantial legal arguments can often be made both in favor of and against a particular digital asset qualifying as a security under one or both of the "Howey" and "Reves" tests. Adding to the complexity, the SEC staff has indicated that the security status of a particular digital asset can change over time as the relevant facts evolve.

Current and future legislation and SEC-rulemaking and other regulatory developments, including interpretations released by a regulatory authority, in particular deriving from the SEC's March 17, 2026 interpretive release applying federal securities laws to certain types of crypto assets and certain transactions involving crypto assets, may impact the manner in which Bitcoin or other cryptocurrencies are viewed or treated for classification and clearing purposes. In particular, Bitcoin and other cryptocurrencies may not be excluded from the definition of "security" by SEC rulemaking or interpretation requiring registration of all transactions unless another exemption is available, including transacting in Bitcoin or other cryptocurrencies among owners and requiring registration of trading platforms as "exchanges." Accordingly, cryptocurrencies such as Zcash may currently be a security, based on the facts as they exist today, or may in the future be found by the SEC or a federal court to be a security under the federal securities laws. Historically, we have generated minimum amount of mining yields from Zcash and held minimum amount of Zcash. We do not intend to hold or generate mining yield from cryptocurrencies in violation of the federal securities laws. Accordingly, if Zcash or other cryptocurrencies involved in our business is determined by us, the SEC or other regulatory authorities to be a security under the federal securities laws, it could result in interruption of our business operations.

Furthermore, the SEC may determine that certain cryptocurrencies or interests, for example tokens offered and sold in ICOs, may constitute securities under the Howey test as stated by the United States Supreme Court. As such, ICO offerings would require registration under the Securities Act or an available exemption therefrom for offers or sales in the United States to be lawful. Section 5(a) of the Securities Act provides that, unless a registration statement is in effect as to a security, it is unlawful for any person, directly or indirectly, to engage in the offer or sale of securities in interstate commerce. Section 5(c) of the Securities Act provides a similar prohibition against offers to sell, or offers to buy, unless a registration statement has been filed.

Although we do not intend to be engaged in the offer or sale of securities in the form of ICO offerings, and we do not believe our planned mining activities would require registration for us to conduct such activities and accumulate cryptocurrencies, the SEC, CFTC, Nasdaq, IRS or other governmental or quasi-governmental agency or organization may conclude that our activities involve the offer or sale of “securities,” or ownership of “investment securities,” and we may be subject to regulation or registration requirements under various federal laws and related rules. Such regulation or the inability to meet the requirements to continue operations, would have a material adverse effect on our business and operations. We may also face similar issues with various state securities regulators who may interpret our actions as subjecting us to regulation, or requiring registration, under state securities laws, banking laws, or money transmitter and similar laws, which are also an unsettled area or regulation that exposes us to risks.

Regulatory changes or actions may restrict the use of cryptocurrencies or the operation of cryptocurrency networks in a manner that may require us to cease certain or all operations, which could have a material adverse effect on our business, financial condition and results of operations.

There has been a significant amount of regulatory attention directed toward cryptocurrencies, cryptocurrency networks and other industry participants by U.S. federal and state governments, foreign governments and self-regulatory agencies. For example, as cryptocurrencies such as Bitcoin have grown in popularity and in market size, the Federal Reserve Board, U.S. Congress and certain U.S. agencies (e.g., FinCEN, the SEC, the CFTC and the Federal Bureau of Investigation) have begun to examine the operations of the Bitcoin network, Bitcoin users and Bitcoin exchange markets. In May 2019, FinCEN issued guidance relating to how the Bank Secrecy Act and its implementing regulations relating to money services businesses apply to certain businesses that transact in convertible virtual currencies. Although the guidance generally indicates that certain mining and mining pool operations will not be treated as money transmission services, the guidance also addresses when certain activities, including certain services offered in connection with operating mining pools such as hosting convertible virtual currency wallets on behalf of pool members or purchasers of computer mining power, may be subject to regulation.

Although we believe that our mining activities do not presently trigger FinCEN registration requirements under the Bank Secrecy Act, if our activities cause us to be deemed a “money transmitter,” “money services business” or equivalent designation, under federal law, we may be required to register at the federal level and comply with laws that may include the implementation of anti-money laundering programs, reporting and recordkeeping regimes and other operational requirements. In such an event, to the extent we decide to proceed with some or all of our operations, the required registration and regulatory compliance steps may result in extraordinary, non-recurring expenses to us, as well as on-going recurring compliance costs, possibly affecting an investment in our Class A ordinary shares, operating results or financial condition in a material and adverse manner. While we have already adopted anti-money laundering programs and recordkeeping regimes, we may need to take additional steps to comply with the relevant requirements. Failure to comply with these requirements may expose us to fines, penalties and/or interruptions in our operations that could have a material adverse effect on our financial position, results of operations and cash flows.

In addition, various state regulators have initiated actions against, and investigations of, individuals and companies involved in cryptocurrencies, including in connection with the offering of unregistered securities in the form of cloud mining contracts or mining pool interests. Such state-level enforcement activity may increase as cryptocurrency markets continue to grow and regulatory frameworks develop further.

We also rely on third-party mining pool service providers for mining revenue payouts from our mining operation, and certain of our potential hosting customers could be involved in, or could issue, cloud mining contracts or mining pool shares, and any regulatory restrictions on their practices could significantly reduce demand for our hosting services. Furthermore, it is possible that laws, regulations or directives that affect cryptocurrencies, cryptocurrency transaction processing or blockchain server hosting may change in a manner that may adversely affect our ability to conduct our business and operations in the relevant jurisdiction.

In addition, various foreign jurisdictions either have adopted or may adopt laws, regulations or directives that affect cryptocurrencies, cryptocurrency networks and their users and hosting service providers that fall within such jurisdictions’ regulatory scope. Such laws, regulations or directives may conflict with those of the United States, may negatively impact the acceptance of cryptocurrencies by users, merchants and service providers outside of the United States and may therefore impede the growth of cryptocurrency use. A number of jurisdictions maintain restrictive regulatory frameworks for cryptocurrencies, including through outright prohibitions on use as a means of payment, punitive taxation or limitations on financial institutions’ ability to service crypto-related businesses, which have reduced the rate of expansion of cryptocurrency use and transaction processing in those jurisdictions.

Governments may in the future take regulatory actions that prohibit or severely restrict the right to acquire, own, hold, sell, use or trade cryptocurrencies or to exchange cryptocurrencies for fiat currency. Ownership of, holding or trading in cryptocurrencies may then be considered illegal and subject to sanction. Governments may also take regulatory action that may increase the cost and/or subject cryptocurrency mining companies to additional regulation.

By extension, similar actions by governments may result in the restriction of the acquisition, ownership, holding, selling, use or trading in the capital stock of cryptocurrency mining companies, including our Class A ordinary shares. Such a restriction could result in us liquidating our cryptocurrency inventory at unfavorable prices and may adversely affect our shareholders. The effect of any regulatory change, either by federal, state, local or foreign governments or any self-regulatory agencies, on us or our potential hosting customers is impossible to predict, but such change could be substantial and may require us or our potential hosting customers to cease certain or all operations and could have a material adverse effect on our business, financial condition and results of operations.

Current and future legislation and rulemaking regarding cryptocurrencies may result in extraordinary, non-recurring expenses and could have a material adverse effect on our business, financial condition and results of operations.

Current and future legislation and rulemaking by the CFTC and SEC or other regulators, including interpretive releases issued by a regulatory authority, may impact the manner in which cryptocurrencies are treated for regulatory purposes. The CFTC has taken the position that certain cryptocurrencies, including Bitcoin, fall within the definition of a commodity under the Commodity Exchange Act (the “CEA”). In addition, the SEC’s March 2026 interpretive release classified Bitcoin and certain other major cryptocurrencies as digital commodities, which may further clarify or expand the CFTC’s regulatory authority over spot cryptocurrency markets. To the extent any of our activities are deemed to fall within the regulatory jurisdiction of the CFTC, we may be required to register with the CFTC and comply with additional regulations under the CEA, including additional periodic reporting and disclosure standards and requirements. We may also be required to register as a commodity pool operator and to register as a commodity pool with the CFTC through the National Futures Association. If we are required to register with the CFTC or another governmental or self-regulatory authority, the scope of our business and operations may be constrained by the rules of such authority and we may be forced to incur additional expenses in the form of licensing fees, professional fees and other costs of compliance.

We cannot be certain as to how future regulatory developments will impact the treatment of cryptocurrencies under the law, including, but not limited to, whether cryptocurrencies will be classified as a security, commodity, currency and/or new or other existing classification. Such additional regulations may result in extraordinary, non-recurring expenses, thereby materially and adversely affecting investment in us. If we determine not to comply with such additional regulatory and registration requirements, we may seek to cease certain or all of our operations. Any such action could have a material adverse effect on our business, financial condition and results of operations.

Federal or state agencies may impose additional regulatory burdens on our business. Changing laws and regulations and changing enforcement policies and priorities have the potential to cause additional expenditures, restrictions, and delays in connection with our business operations.

Federal and state laws and regulations may be subject to change or changes in enforcement policies or priorities, including changes that may result from changes in the political landscape and changing technologies. Future legislation and regulations, changes to existing laws and regulations, or interpretations thereof, or changes in enforcement policies or priorities, could require significant management attention and cause additional expenditures, restrictions, and delays in connection with our business operations.

Increasing scrutiny and changing expectations from investors, lenders, customers, government regulators and other market participants with respect to our Environmental, Social and Governance (“ESG”) policies may impose additional costs on us or expose us to additional risks.

Companies across all industries and around the globe may face increasing scrutiny relating to their ESG policies. Investors, lenders and other market participants are increasingly focused on ESG practices and have placed increasing importance on the implications and social cost of their investments. In March 2024, the SEC adopted the final rule on the Enhancement and Standardization of Climate-Related Disclosures for Investors, which would require registrants, including foreign private issuers like us, to disclose extensive climate-related information in their registration statements and periodic reports (the “Final Rule”). However, the Final Rule was challenged in court and remains stayed pending the outcome of litigation before the U.S. Court of Appeals for the Eighth Circuit. In March 2025, the SEC voted to end its defense of the Final Rule, though it has not been formally rescinded, and companies are not currently required to comply with its provisions. Although the federal government in the United States has indicated a reversal of previous climate and ESG-related initiatives, regulatory initiatives to impose climate and ESG-reporting requirements continue to develop at the state and international levels and may resurface at the federal level in the future. The increased focus and activism related to ESG may hinder our access to capital, as investors and lenders may reconsider their capital allocation as a result of their assessment of our ESG practices. If we do not adapt to or comply with evolving investor, lender or other industry expectations and standards, or are perceived to have not responded appropriately to the growing concern for ESG issues, our reputation may suffer, which could have a material adverse effect on our business, financial condition and results of operations.

We may be subject to risks associated with misleading and/or fraudulent disclosure or use by the creators of cryptocurrencies.

While our business is primarily focused on Bitcoin, we hold and transact in other cryptocurrencies from time to time, and our cloud hash rate and hosting customers may mine cryptocurrencies other than Bitcoin. In evaluating our activities involving these cryptocurrencies, we may rely on white papers, public disclosures and other information prepared by the creators of such cryptocurrencies, as well as on our management’s ability to obtain adequate information to assess the potential implications of holding or transacting in these assets. However, such disclosures and information may contain misleading or fraudulent statements, or may not reveal unlawful activities by the creators. There has been an increasing number of investigations and enforcement actions by the SEC, the CFTC and FinCEN involving cryptocurrency creators for fraud, misappropriation and non-compliance with anti-money laundering and know-your-customer requirements. To the extent that any of these creators make misleading or fraudulent disclosures or fail to comply with applicable laws, or if we are unable to obtain all material information about these cryptocurrencies or their creators, we may not be able to make a fully informed business decision, which could have a material adverse effect on our business, financial condition and results of operations.

Our management and compliance personnel have limited experience handling a listed company operating at the intersection of cryptocurrency mining and AI infrastructure, and our compliance program has a recent history only.

Our management and compliance personnel have limited experience in handling regulatory and compliance matters relating to a listed company that operates across both the cryptocurrency mining and AI infrastructure industries. As we expand our AI infrastructure and AI cloud business, our compliance obligations are expected to grow in scope and complexity, including with respect to data privacy, export controls on AI-related hardware, energy regulation and customer onboarding. Our key compliance documents and compliance programs, such as AML and KYC procedures, also have a recent history only. While we have been devoting time and resources to various compliance initiatives and risk management measures, including but not limited to, recruiting a dedicated team of compliance expertise, we cannot assure you of the practical application and effectiveness of our compliance program and risk management measures, nor that there will not be a failure in detecting regulatory compliance issues or managing risk exposure, which may adversely affect our reputation, business, financial condition and results of operations.

Risks Related to Our Securities

We may issue additional Class A ordinary shares or other equity or convertible debt securities without approval of the holders of Class A ordinary shares, which would dilute existing ownership interests and may depress the market price of Class A ordinary shares.

We will continue to require significant capital investment to support our business, and we may issue additional Class A ordinary shares or other equity or convertible debt securities of equal or senior rank in the future without approval of the holders of the Class A ordinary shares in certain circumstances.

Our issuance of additional Class A ordinary shares or convertible debt securities of equal or senior rank would have the following effects: (i) our existing holders' of ordinary shares proportionate ownership interest in our company may decrease, (ii) the amount of cash available per ordinary share, including for payment of dividends in the future, may decrease, (iii) the relative voting power of each previously outstanding Class A ordinary shares may be diminished and (iv) the market price of Class A ordinary shares may decline. Under certain circumstances, each Class V ordinary share will automatically convert into one Class A ordinary share (as adjusted for share splits, share combination and similar transactions occurring), but as the conversion ratio is one-to-one, such mandatory conversion would not have a dilutive effect.

Furthermore, employees, directors and consultants of our company and our subsidiaries and affiliates hold, and are expected to be granted equity awards under our incentive plan. You will experience additional dilution when those equity awards become vested and exercised, for our ordinary shares.

The dual-class structure of our ordinary shares may adversely affect the price and liquidity of Class A ordinary shares.

S&P Dow Jones and FTSE Russell have announced changes to their eligibility criteria for inclusion of shares of public companies in certain indices, including the S&P 500, to exclude companies with multiple classes of shares and companies whose public shareholders hold no more than 5% of total voting power from being added to such indices. In addition, several shareholder advisory firms have announced their opposition to the use of multiple class capital structures. As a result, the dual-class structure of our ordinary shares may prevent the inclusion of the Class A ordinary shares in such indices and may cause shareholder advisory firms to publish negative commentary about our corporate governance practices or otherwise seek to cause us to change our capital structure. Any such exclusion from indices could result in a less active trading market for the Class A ordinary shares. Any actions or publications by shareholder advisory firms critical of our corporate governance practices or capital structure could also adversely affect the value of the Class A ordinary shares.

Future sales, or the possibility of future sales of, a substantial number of our ordinary shares may depress the price of such securities.

Future sales of a substantial number of our ordinary shares in the public market, or the perception that these sales might occur, could depress the market price of our ordinary shares and could impair our ability to raise capital through the sale of additional equity securities. For example, in the past we have entered into the following sales and future sales of our ordinary shares:

On August 8, 2023, we entered into an ordinary shares purchase agreement (the “Equity Financing Purchase Agreement”) and a registration rights agreement (the “Equity Financing Registration Rights Agreement”) with B. Riley Principal Capital II, LLC (“B. Riley Principal Capital II”). Pursuant to the Equity Financing Purchase Agreement, subject to the satisfaction of the conditions set forth in the Equity Financing Purchase Agreement, we have the right to sell to B. Riley Principal Capital II up to US\$150,000,000 of our Class A ordinary shares, subject to certain limitations and conditions set forth in the Equity Financing Purchase Agreement, from time to time during the term of the Equity Financing Purchase Agreement. We filed a registration statement, which was declared effective on September 20, 2023, to register the resale of up to 150,000,000 Class A ordinary shares. Given this substantial number of shares available for resale, the sale of shares by such holders, or the perception in the market that holders of a large number of shares intend to sell shares, could increase the volatility of the market price of our Class A ordinary shares or result in a significant decline in the public trading price of our Class A ordinary shares. Further, the purchase price for the shares that we may sell to B. Riley Principal Capital II under our committed equity financing will fluctuate based on the price of our Class A ordinary shares. Depending on market liquidity at the time, sales of such shares may cause the trading price of our Class A ordinary shares to fall. If and when we do sell Class A ordinary shares to B. Riley Principal Capital II, after B. Riley Principal Capital II has acquired the Class A ordinary shares, B. Riley Principal Capital II may resell all, some, or none of those shares at any time or from time to time in its discretion. Therefore, sales to B. Riley Principal Capital II by us could result in substantial dilution to the interests of other holders of our Class A ordinary shares. Additionally, the sale of a substantial number of our Class A ordinary shares to B. Riley Principal Capital II, or the anticipation of such sales, could make it more difficult for us to sell equity or equity-related securities in the future at a time and at a price that we might otherwise wish to effect sales. The decision to sell any of our Class A ordinary shares to sell to B. Riley Principal Capital II under the committed equity financing will depend on market conditions, the trading prices of our Class A ordinary shares and other considerations, and we cannot guarantee the extent to which we may utilize the committed equity financing.

On March 18, 2024, we entered into an At Market Issuance Sales Agreement with B. Riley Securities, Inc., Cantor Fitzgerald & Co., Needham & Company, LLC, Roth Capital Partners, LLC, StockBlock Securities LLC and Rosenblatt Securities Inc. (collectively, the “Sales Agents” for the purposes of this paragraph), pursuant to which we may offer and sell our Class A ordinary shares from time to time through or to the Sales Agents, as agent or principal.

On May 30, 2024, we entered into the Private Placement with Tether International Limited, a BVI company (“Tether”), pursuant to which we issued to Tether (i) 18,587,360 Class A ordinary shares, and (ii) a warrant to purchase up to 5,000,000 Class A ordinary shares (at an exercise price equivalent to US\$10.00 per Class A ordinary share).

On September 13, 2024, we completed the FreeChain Acquisition, pursuant to which we issued 20,000,000 Class A ordinary shares to the sellers as closing consideration and granted replacement share-based payment awards to certain shareholders and employees of FreeChain under our 2023 Share Incentive Plan. The shares issued to certain sellers vest in equal installments over a period of five or seven years and are subject to certain transfer restrictions.

On January 3, 2025, we entered into an At Market Issuance Sales Agreement (the “2025 At Market Issuance Sales Agreement”) with Barclays Capital Inc., Cantor Fitzgerald & Co., A.G.P./Alliance Global Partners, The Benchmark Company, LLC, B. Riley Securities, Inc., BTIG, LLC, Keefe, Bruyette & Woods, Inc., Needham & Company, LLC, Northland Securities, Inc., Rosenblatt Securities Inc., Roth Capital Partners, LLC and StockBlock Securities LLC as sales agents (collectively, the “Sales Agents” for the purposes of this paragraph), pursuant to which we may offer and sell our Class A ordinary shares from time to time through or to the Sales Agents, as agent or principal. It is not possible to predict the actual number of Class A ordinary shares, if any, we will sell under such agreement, or the actual gross proceeds resulting from those sales.

In November 2025, we completed the 2025 Equity Offering of 10,661,140 of our Class A ordinary shares at a price of US\$13.94 per share in connection with the November 2025 Convertible Notes. In February 2026, we completed the 2026 Equity Offering of 5,503,030 of our Class A ordinary shares at a price of US\$7.94 per share in connection with the February 2026 Convertible Notes. See “— Risks Related to Our Business, Operations, Industry and Financial Condition — Our business is capital intensive, including in particular our mining operations and our growing AI infrastructure and AI cloud business. We may need additional capital but may not be able to obtain it in a timely manner and on favorable terms or at all” and “Item 5. Operating and Financial Review and Prospects — A. Operating Results — Recent Developments” for details.

Volatility in the price of Class A ordinary shares could subject us to further securities class action litigation.

Securities class action litigation has often been brought against a company following a decline in the market price of its securities. We are particularly exposed to market price volatility driven by the price of Bitcoin, see “—Risks Related to Our Business, Operations, Industry and Financial Condition—Our results of operations have been and are expected to continue to be significantly impacted by Bitcoin price fluctuation”. We are currently and could in the future face such litigation, which could result in substantial costs and a diversion of management’s attention and resources, which could harm our business. For example, in December 2025 a putative securities class action lawsuit was filed against us and certain of our executives, in the U.S. District Court for the Southern District of New York alleging that the defendants violated federal securities laws by making false or misleading statements about our business, operations and prospects related to our launch of one of our new generation SEALMINER chips. Litigation outcomes are inherently uncertain, and unfavorable decisions may result in significant monetary damages. Further, any settlement payments we make may directly reduce our revenue and could negatively impact our results of operation. While we maintain insurance coverage, we cannot be certain that such coverage will continue to be available on acceptable terms or in sufficient amounts to cover potential liabilities. Accordingly, litigation and related proceedings could seriously affect our business, results of operations, financial condition, or cash flows.

The requirements of being a public company may strain our resources, divert our management’s attention and affect our ability to attract and retain qualified board members.

We are subject to the reporting requirements of the Securities Exchange Act, the Sarbanes-Oxley Act, the Dodd-Frank Act, Nasdaq listing requirements and other applicable securities rules and regulations. As such, we will incur additional legal, accounting and other expenses. The Exchange Act requires, among other things, that we file annual and current reports with respect to our business and operating results. The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We may need to hire more employees or engage outside consultants to comply with these requirements, which will increase our costs and expenses. In addition, we expect to incur substantial costs because we lost our emerging growth company status on December 31, 2024, see “—We lost our emerging growth company status on December 31, 2024. As a result, we incurred and anticipate incurring substantial costs and significant demands being placed upon management to comply with non-emerging growth company requirements” for more details.

Changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time-consuming. These laws, regulations and standards are subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We expect these laws and regulations to increase our legal and financial compliance costs and to render some activities more time-consuming and costly, although we are currently unable to estimate these costs with any degree of certainty.

Many members of our management team will have limited experience managing a publicly traded company, interacting with public company investors and complying with the increasingly complex laws pertaining to public companies. Our management team may not successfully or efficiently manage the transition to being a public company subject to significant regulatory oversight and reporting obligations under the federal securities laws and regulations and the continuous scrutiny of securities analysts and investors. The need to establish the corporate infrastructure demanded of a public company may divert the management’s attention from implementing its growth strategy, which could prevent us from improving our business, financial condition and results of operations. Furthermore, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and consequently we may be required to incur substantial costs to maintain the same or similar coverage. These additional obligations could have a material adverse effect on our business, financial condition, results of operations and prospects. These factors could also make it more difficult for us to attract and retain qualified members of our board of directors, particularly to serve on our finance and audit committee and nomination and compensation committee, and to attract and retain qualified executive officers.

As a result of disclosure of information in this annual report and in filings required of a public company, our business and financial condition will become more visible, which we believe may result in threatened or actual litigation, including by competitors and other third parties. If such claims are successful, our business and operating results could be adversely affected, and, even if the claims do not result in litigation or are resolved in our favor, these claims, and the time and resources necessary to resolve them, could cause an adverse effect on our business, financial condition, results of operations, prospects and reputation.

We have historically identified material weakness in our internal control over financial reporting and disclosure controls and procedure and could identify further material weaknesses in the future. In the event of any failure to maintain an effective system of disclosure controls and internal control over financial reporting in the future, we may not be able to accurately report its financial results or prevent fraud. As a result, holders of the Class A ordinary shares could lose confidence in our financial and other public reporting, which is likely to negatively affect our business and the market price of the Class A ordinary shares.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. For the year ended December 31, 2024, we identified a material weakness in internal control over financial reporting relating to a lack of adequate execution and monitoring of control activities resulting in insufficient review of the maintenance of the bill of materials in the inventory cycle and the lack of precise review of certain assumptions in the draft valuation model associated with convertible senior notes prepared by an external independent third-party valuation firm, combining with the insufficient controls aimed at verifying the reliability of external information and platforms, including information sourced from mining pools in the cloud hash rate sharing business and other websites in the self-mining business, cryptocurrency custodial platform and Employee Stock Ownership Plan (ESOP) platform, collectively constituted a material weakness. During 2025, we implemented changes and remediated the material weakness identified for the year ended December 31, 2024. However, if we identify additional material weaknesses in the future or otherwise fail to develop and maintain an effective system of internal controls, we may not be able to produce timely and accurate financial statements. The failure to implement and maintain effective internal control over financial reporting could result in errors in our financial statements that could result in a restatement of our financial statements, which in turn could have a material adverse effect on our financial condition and results of operations.

Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that we will eventually be required to include in our periodic reports that will be filed with the SEC. Ineffective internal control over financial reporting could expose us to increased risk of fraud or misuse of corporate assets and subject us to potential delisting from the stock exchange on which we are listed, regulatory investigations and civil or criminal sanctions. We may also be required to restate our financial statements from prior periods. If we fail to achieve and maintain an effective internal control environment, we could suffer material misstatements in our financial statements and fail to meet our reporting obligations, which would likely cause investors to lose confidence in our reported financial information. This could in turn limit our access to capital markets, harm our financial condition and results of operations, and lead to a decline in the market price of the Class A ordinary shares.

Market volatility could impact the stock price and trading volume of the Class A ordinary shares.

The trading market for our Class A ordinary shares could be impacted by market volatility. Global equity markets experienced significant volatility in 2025 and early 2026, and such volatility has affected and may continue to affect the trading price of our Class A ordinary shares. In January 2025, the release of DeepSeek's AI model, which claimed to deliver comparable performance to leading AI systems at a fraction of the development cost, triggered a broad selloff in technology and AI infrastructure stocks, raising questions about the sustainability of AI capital expenditure levels and the competitive positioning of companies in the AI supply chain. In April 2025, the announcement of sweeping new U.S. tariffs on imports from major trading partners, led to a sharp decline in global equity markets. These events, together with shifting monetary policy expectations and broader macroeconomic uncertainty, have contributed to heightened volatility in the market in which our Class A ordinary shares trade.

As a company with exposure to both cryptocurrency markets and AI infrastructure, we are particularly susceptible to such market dislocations. Bitcoin price movements, developments in the AI infrastructure sector, changes in U.S. trade policy affecting our supply chain, and evolving investor sentiment toward cryptocurrency and technology companies may all contribute to significant fluctuations in the trading price and volume of our Class A ordinary shares that are not necessarily correlated to our operating performance. High short interest or short squeezes may further amplify such price movements. There is no assurance that the market price of our Class A ordinary shares will not experience further significant declines during periods of broader market instability.

We have not paid any dividend in the past, and investors may be dependent entirely on price appreciation of Class A ordinary shares for return on their investment subject to our future dividend policy.

We have not paid any dividend in the past. It is expected that we will retain most, if not all, of our available funds and any future earnings to fund the development and growth of our business. Therefore, investors should not rely on an investment in Class A ordinary shares as a source for any future dividend income.

Our board of directors will have complete discretion as to whether to distribute dividends. Even if the board of directors decides to declare and pay dividends, the timing, amount and form of future dividends, if any, will depend on the future results of operations and cash flow, capital requirements and surplus, the amount of distributions, if any, received by us from subsidiaries, our financial condition, contractual restrictions and other factors deemed relevant by the board of directors. There is no guarantee that the Class A ordinary shares will appreciate in value or that the trading price of the Class A ordinary shares will not decline.

If securities and industry analysts do not publish research or publish inaccurate or unfavorable research or cease publishing research about us, the price and trading volume of Class A ordinary shares could decline significantly.

The trading market for Class A ordinary shares will depend, in part, on the research and reports that securities or industry analysts publish about us or our business. We may be unable to sustain coverage by well-regarded securities and industry analysts. If either none or only a limited number of securities or industry analysts maintain coverage of us, or if these securities or industry analysts are not widely respected within the general investment community, the demand for Class A ordinary shares could decrease, which might cause our price and trading volume to decline significantly. In the event that we obtain securities or industry analyst coverage, if one or more of the analysts who cover us downgrade their assessment of us or publish inaccurate or unfavorable research about our business, the market price and liquidity for Class A ordinary shares could be negatively impacted.

We are a foreign private issuer within the meaning of the rules under the Exchange Act, and as such we are exempt from certain provisions applicable to domestic public companies in the United States.

Because we are a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the securities rules and regulations in the United States that are applicable to U.S. domestic issuers, including: (i) the rules under the Exchange Act requiring the filing of quarterly reports on Form 10-Q or current reports on Form 8-K with the SEC; (ii) the sections of the Exchange Act regulating the solicitation of proxies, consents, or authorizations in respect of a security registered under the Exchange Act; (iii) the sections of the Exchange Act creating liability for insiders who profit from trades made in a short period of time; and (iv) the selective disclosure rules by issuers of material nonpublic information under Regulation FD.

We will be required to file an annual report on Form 20-F within four months of the end of each fiscal year. In addition, we intend to publish our results on a quarterly basis through press releases, distributed pursuant to the rules and regulations of Nasdaq. Press releases relating to financial results and material events will also be furnished to the SEC on Form 6-K. However, the information we are required to file with or furnish to the SEC will be less extensive and less timely compared to that required to be filed with the SEC by U.S. domestic issuers. As a result, you may not be afforded the same protections or information, which would be made available to you, were you investing in a U.S. domestic issuer.

As an exempted company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance listing standards; these practices may afford less protection to holders of Class A ordinary shares than they would enjoy if we complied fully with Nasdaq corporate governance listing standards.

We are an exempted company incorporated in the Cayman Islands listed on Nasdaq. Nasdaq market rules permit a foreign private issuer like us to follow the corporate governance practices of our home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from Nasdaq corporate governance listing standards applicable to domestic U.S. companies.

Among other things, we are not required to have: (i) a majority of the board of directors consist of independent directors; (ii) a compensation committee consisting of independent directors; (iii) a nominating committee consisting of independent directors; or (iv) regularly scheduled executive sessions with only independent directors each year. In addition, we follow home country practice with respect to annual shareholders meetings and did not hold an annual meeting of shareholders in 2025.

Although not required and as may be changed from time to time, we currently have and intend to maintain a majority-independent board of directors, and a majority-independent nominating committee. Subject to the foregoing, we intend to rely on the exemptions listed above. As a result, you may not be provided with the benefits of certain corporate governance requirements of Nasdaq applicable to U.S. domestic public companies.

You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under the law of the Cayman Islands, we conduct a substantial portion of our operations and a majority of our directors and executive officers reside outside of the United States.

We are an exempted company limited by shares incorporated under the laws of the Cayman Islands, and conduct a substantial portion of our operations through our subsidiaries outside the United States. A substantial portion of our assets are located outside of the United States. A majority of our officers and directors reside outside the United States and a substantial portion of the assets of those persons are located outside of the United States. As a result, it could be difficult or impossible for you to bring an action against us or against these individuals outside of the United States in the event that you believe that your rights have been infringed upon under the applicable securities laws or otherwise. Even if you are successful in bringing an action of this kind, the laws of the Cayman Islands and of the jurisdictions that comprise the Southeast Asian region could render you unable to enforce a judgment against our assets or the assets of our directors and officers.

In addition, our corporate affairs will be governed by the amended and restated memorandum and articles of association of our company, the Cayman Companies Act and the common law of the Cayman Islands. The common law of the Cayman Islands is derived in part from comparatively limited judicial precedent in the Cayman Islands as well as from the common law of England, the decisions of whose courts are of persuasive authority, but are not binding, on a court in the Cayman Islands. The rights of our ordinary shareholders and the fiduciary duties of our directors under Cayman Islands law may not be as clearly established as they would be under statutes or judicial precedent in some jurisdictions in the United States. In particular, the Cayman Islands has a different body of securities laws than the United States. Some U.S. states, such as Delaware, may have more fully developed and judicially interpreted bodies of corporate law than the Cayman Islands.

Shareholders of Cayman Islands exempted companies like us have no general rights under Cayman Islands law to inspect corporate records (other than the memorandum and articles of association, special resolutions, and the register of mortgages and charges of these companies) or to obtain copies of register of members of these companies. Our directors will have discretion under the amended and restated memorandum and articles of association of our company to determine whether or not, and under what conditions, our corporate records may be inspected by our ordinary shareholders, but we are not obliged to make them available to the ordinary shareholders. This may make it more difficult for you to obtain the information needed to establish any facts necessary for a shareholder to motion or to solicit proxies from other shareholders in connection with a proxy contest.

Certain corporate governance practices in the Cayman Islands, which is our home country, differ significantly from requirements for companies incorporated in other jurisdictions such as the United States. To the extent we choose to follow home country practice with respect to corporate governance matters, our shareholders may be afforded less protection than they otherwise would under rules and regulations applicable to U.S. domestic issuers.

As a result of all of the above, our shareholders may have more difficulty in protecting their interests in the face of actions taken by management, members of the board of directors or controlling shareholders than they would as public shareholders of a company incorporated in the United States.

We lost our emerging growth company status on December 31, 2024. As a result, we incurred and anticipate incurring substantial costs and expect significant demands to be placed upon management to comply with non-emerging growth company requirements.

We lost our emerging growth company status on December 31, 2024, due to becoming a large accelerated filer. This change has required us to significantly accelerate our compliance efforts, such as engaging our independent registered public accounting firm to attest to the effectiveness of our internal controls as required by Section 404(b) of the Sarbanes-Oxley Act in this annual report. Additionally, we are no longer eligible to delay the adoption of new or revised accounting pronouncements applicable to public companies. As a result, we incurred and expect to continue to incur significant additional costs beyond what we had planned as an emerging growth company. Also, due to the complexity and logistical difficulty of implementing the standards, rules, and regulations that apply to non-emerging growth companies, such as Section 404(b) of the Sarbanes-Oxley Act, on an accelerated timeframe, the risk of our non-compliance with such standards, rules, and regulations or of significant deficiencies or material weaknesses in our internal controls over financial reporting is increased. In addition, these public company requirements, including the enhanced requirements resulting from our loss of emerging growth company status, may divert management's attention from other business concerns, which could have a material adverse effect on our business, financial condition, and results of operations.

We are a "controlled company" within the meaning of the applicable Nasdaq listing rules and, as a result, will qualify for exemptions from certain corporate governance requirements. If we rely on these exemptions, you will not have the same protections afforded to shareholders of companies that are subject to such requirements.

We are a "controlled company" within the meaning of applicable Nasdaq listing rules as a result of Mr. Jihan Wu's controlling a majority of the voting power of our outstanding ordinary shares. Under these rules, a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company is a "controlled company." For so long as we remain a "controlled company," we may elect not to comply with certain corporate governance requirements, including the requirements:

- that a majority of the board of directors consists of independent directors;
- for an annual performance evaluation of the nominating, corporate governance and compensation committees;
- that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities; and
- that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibility.

We currently intend to use these exemptions as appropriate, and we may continue to use all or some of these exemptions in the future. As a result, you may not have the same protections afforded to shareholders of companies that are subject to all of the Nasdaq corporate governance requirements.

Risks Related to Taxation

We are subject to tax risks related to our multinational operations.

We are subject to taxes in various jurisdictions where we operate. Tax laws and practices applicable in the various jurisdictions where we operate are complex and sophisticated, and we face risks of tax non-compliance caused by misunderstanding of regional tax policies or different tax administration enforcement. Due to economic and political conditions, tax rates in various jurisdictions may be subject to significant changes. Our effective tax rates could be affected by changes in the mix of earnings in countries with different statutory tax rates, changes in the valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation.

We are also subject to the examination of tax returns and other tax matters by domestic and international tax authorities and governmental bodies. There can be no assurance as to the outcome of these examinations. If our effective tax rates were to increase or if the ultimate determination of our taxes owed is for an amount in excess of amounts previously accrued, our financial condition, operating results and cash flows could be adversely affected.

Future changes to tax laws could materially and adversely affect our company and reduce net returns to our shareholders.

Our company's tax treatment is subject to changes in tax laws, regulations, and treaties, or the interpretation thereof, tax policy initiatives and reforms under consideration, and the practices of tax authorities in jurisdictions in which our company operates. The income and other tax rules in the jurisdictions in which our company operates are constantly under review by taxing authorities and other governmental bodies. Changes to tax laws (which changes may have retroactive application) could adversely affect our company or our shareholders. We are unable to predict what tax proposals may be proposed or enacted in the future or what effect such changes would have on our business, but such changes, to the extent they are brought into tax legislation, regulations, policies or practices, could affect our financial position and overall or effective tax rates in the future in countries where our company has operations and where our company is organized or resident for tax purposes, and increase the complexity, burden and cost of tax compliance. We urge investors to consult with their legal and tax advisers regarding the implication of potential changes in tax laws on an investment in Class A ordinary shares.

Cryptocurrencies and transactions denominated in cryptocurrencies may be subject to further taxation in the future.

In recent years, the rise of cryptocurrency prices and transaction volume has attracted the attention of tax authorities. As the laws governing cryptocurrencies are still evolving, the tax treatment of cryptocurrencies in various jurisdictions is subject to change. Internationally, the Organization for Economic Co-operation and Development has developed the Crypto-Asset Reporting Framework, which establishes a standardized tax reporting regime for crypto-asset transactions across participating jurisdictions. A number of countries in which we operate or may operate have committed to implementing the framework, with initial exchanges of information expected to commence in 2027. In the United States, the IRS finalized regulations requiring custodial brokers to report gross proceeds from digital asset transactions on Form 1099-DA for transactions occurring on or after January 1, 2025, with cost basis reporting required for certain transactions beginning on or after January 1, 2026. While Congress repealed the extension of these reporting requirements to decentralized finance platforms in April 2025, centralized exchanges and custodial brokers remain subject to these obligations. As these and other reporting frameworks take effect across multiple jurisdictions, we and our customers may face increased compliance obligations and costs, and the scope of reporting requirements may continue to expand.

The regulatory trend toward more stringent reporting and surveillance of cryptocurrency transactions is expected to continue. While some countries have imposed taxation on cryptocurrencies and related transactions, the approach of other tax authorities remains uncertain. There is no guarantee that cryptocurrencies and transactions denominated in cryptocurrencies will not be subject to further taxation in the future, including additional taxes and increased tax rates. Any such developments could reduce the economic return of holding or transacting in cryptocurrencies, which could decrease demand for our products and services and materially and adversely affect our business, results of operations and financial condition.

We may be or become a PFIC, which could result in adverse U.S. federal income tax consequences to U.S. Holders of Class A ordinary shares.

In general, a non-U.S. corporation is a PFIC for U.S. federal income tax purposes for any taxable year in which (i) 50% or more of the average value of its assets (generally determined on the basis of a weighted quarterly average) during such year consists of assets that produce, or are held for the production of, passive income, or (ii) 75% or more of its gross income for such year consists of passive income. Passive income generally includes dividends, interest, royalties, rents, annuities, investment gains, net gains from the sales of property that does not give rise to any income and net gains from the sale of commodities (subject to certain exceptions, such as an exception for certain income derived in the active conduct of a trade or business). Cash and cash equivalents are, and cryptocurrency balances are likely, passive assets. The value of goodwill generally will be treated as an active or passive asset based on the nature of the income produced in the activity to which the goodwill is attributable. For purposes of the PFIC rules, a non-U.S. corporation that owns, directly, indirectly or constructively, at least 25% by value of the stock of another corporation is treated as if it held its proportionate share of the assets of the other corporation, and received directly its proportionate share of the income of the other corporation.

Based on our analysis of our income, assets, activities, and market capitalization, we believe that we were not a PFIC, for U.S. federal income tax purposes, for the taxable year ended December 31, 2025. However, our PFIC status for any taxable year is a factual annual determination that can be made only after the end of the year and will depend on the composition of our income and assets and the value of our assets from time to time (including the value of our goodwill, which may be determined in large part by reference to the market price of the Class A ordinary shares from time to time, which could be volatile). In addition, the risk of us being a PFIC for any taxable year will increase if our market capitalization declines substantially during that year. Furthermore, whether and to which extent our income and assets, including goodwill, will be characterized as active or passive will depend on various factors that are subject to uncertainty, including our future business plan and the application of laws that are subject to varying interpretation. For example, there is no authority that directly addresses the proper treatment of certain items of our income, such as income from cryptocurrency self-mining, cloud hash rate, or hosting for purposes of the PFIC rules and, although we currently treat these items of income as active, such treatment is uncertain. Moreover, certain of our business activities generate passive income and, although the amount of such income is currently small, our risk of being a PFIC will increase if the proportion of our revenue earned from such business activities increases in future taxable years. Accordingly, there can be no assurances that we will not be a PFIC for our current or any future taxable year, and our U.S. counsel expresses no opinion with respect to our PFIC status for any taxable year.

If we are (or are treated with respect to a U.S. Holder as) a PFIC for any taxable year during which a U.S. Holder owns Class A ordinary shares, the U.S. Holder generally will be subject to adverse U.S. federal income tax consequences, including increased tax liability on disposition gains and certain “excess distributions” and additional reporting requirements. Prospective U.S. Holders of Class A ordinary shares should consult their tax advisers regarding the application of the PFIC rules in their particular circumstances.

ITEM 4. INFORMATION ON THE COMPANY

A. History and Development of the Company

We were created as Bitdeer Technologies Holding Company in January 2021 to separate the cloud hash rate business, the self-mining business and the business of providing dynamic hosting solutions (collectively, the “Bitdeer Business”) and the mining pool business, including the ownership of and registration right to the domain name btc.com (the “BTC.com Pool Business” or “BTC”), following a corporate reorganization of BitMain Technologies Holding Company (collectively with its subsidiaries, “Bitmain”). The separation from Bitmain resulted in the transfer of certain assets, liabilities and contracts related to the Bitdeer Business and the BTC.com Pool Business at their historical book values from Bitmain to us on January 26, 2021, when Bitmain distributed by way of dividend in kind the shares of us to the then existing Bitmain shareholders and we and our subsidiaries began to operate on a stand-alone basis.

In February 2021, we established Blockchain Alliance Technologies Holding Company (“Blockchain Alliance”) to separate the BTC.com Pool Business following a corporate reorganization of our group. The separation was consummated on April 15, 2021, when we distributed by way of dividend in kind the shares of Blockchain Alliance to the then existing shareholders of our group.

In April 2023, the Business Combination was completed, upon which Bitdeer Technologies Group became the ultimate corporate parent of our group, and the Class A ordinary shares were listed on the Nasdaq under the symbol “BTDR.” Certain additional information about us is set forth in “Item 4. Information on the Company — B. Business Overview” and is incorporated herein by reference.

Our registered office is Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands. Our principal executive office is 08 Kallang Avenue, Aperia tower 1, #09-03/04, Singapore 339509 and our telephone number at this address is +65 62828220. Our agent for service of process in the United States in connection with our registration statements is Cogency Global Inc., located at 122 East 42nd Street, 18th Floor, New York, N.Y. 10168. Our principal website address is <https://www.bitdeer.com>. We do not incorporate the information contained on, or accessible through, our websites into this annual report, and you should not consider it a part of this annual report. The SEC maintains an Internet site that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The SEC’s website is www.sec.gov.

B. Business Overview

The following discussion reflects the business of Bitdeer. Unless the context otherwise requires, all references in this section to the “Company,” “we,” “us,” “our” or “Bitdeer” refer collectively to Bitdeer Technologies Group and its subsidiaries.

Overview

We are a world-leading technology company for AI and Bitcoin mining infrastructure. We are committed to providing comprehensive Bitcoin mining solutions for our customers and building AI computational infrastructure to support the AI revolution. We handle complex processes involved in computing, such as equipment design, procurement and manufacturing, transport logistics, datacenter design and construction, equipment management, and daily operations. We also provide advanced cloud capabilities to customers with high demand for AI.

Headquartered in Singapore, we currently operate ten datacenters across multiple countries including the United States, Norway, Bhutan, Ethiopia and Malaysia, with an aggregate electrical capacity of 1,744.0 MW as of March 31, 2026, having scaled rapidly from five datacenters with an aggregate electrical capacity of 795 MW as of March 31, 2023. From these datacenters, we generate hash rate under management which is categorized into proprietary and hosting hash rate. As of March 31, 2026, our proprietary hash rate was 70.9 EH/s. Together with the 7.2 EH/s hosting hash rate generated from mining rigs hosted in our mining datacenters, we possessed a total of 78.1 EH/s of hash rate under management as of March 31, 2026. We expect to continue increasing our hash rate through 2026 and beyond through conversion of our existing hosting capacity, executing on pipeline capacity, and pursuing expansion opportunities on a global scale. As of March 31, 2026, we possessed an aggregate pipeline capacity of 1,259.5 MW in the United States, Canada, and Malaysia. We are converting a significant proportion of our existing global datacenter capacity to dedicated AI cloud and colocation use, see “—Our Datacenters.”

We primarily operate five business lines – “self-mining,” “sale of mining rigs and accessories,” “cloud hash rate,” “hosting” as well as “AI infrastructure and AI cloud” business. Self-mining refers to cryptocurrency mining for our own account, which allows us to directly capture the high appreciation potential of cryptocurrency.

We leverage proprietary ASIC technology to develop and commercialize our SEALMINER mining rigs to support and expand our self-mining operations and to diversify our revenue streams through sales of mining rigs to third parties. We began generating revenue from our sale of SEALMINER mining rigs and accessories in 2025 and deployed proprietary rigs to our mining datacenters to expand our self-mining operations. We believe our ASIC technology platform will increase our vertical integration, enabling us to capture the upside of ASIC margins via self-mining and sales of mining rigs to third parties, and benefit from rapid hash rate development, a lower cost structure, enhanced capital efficiency, and an improved supply chain compared to the broader industry.

We are building out our AI infrastructure and AI cloud business, which includes AI cloud business and colocation business. Our AI infrastructure and AI cloud services offer advanced AI cloud capabilities, high performance computing services and colocation services to customers with high demand for AI and computing. We operate one of the first cloud service platforms in Asia that offers AI cloud services powered by NVIDIA DGX SuperPOD H100, H200, B200 systems and the recently deployed NVIDIA GB200 NVL72, helping customers accelerate their development of generative AI, LLMs and other AI workloads. We are also developing our colocation services business, which provides purpose-built, high-density datacenter capacity to customers seeking to deploy their own AI and computing equipment. We are in the process of converting certain of our existing mining datacenter facilities to support colocation services and are actively evaluating additional opportunities to expand our colocation capacity. While our colocation business has not yet generated any revenue, we believe our existing power assets, datacenter expertise and global operational footprint position us well to capture a share of this expanding market over time.

Through our primary cloud hash rate solution, we sell our proprietary hash rate to customers, offering hash rate subscription plans at fixed prices and sharing mining income with them under certain arrangements. Our hosting services offer customers one-stop mining rig hosting solutions encompassing deployment, maintenance and management services for efficient cryptocurrency mining. Among a wide selection of hosting services, customers can either subscribe to our Cloud Hosting service for the specified mining rigs from which they derive computing power under a “group-buying” model, or send their mining rigs to our mining datacenters for hosting under the General Hosting option or the Membership Hosting option. Our “self-mining,” “hosting” and “cloud hash rate” businesses are supported by our self-developed integrated intelligent software platform, which offers software support to significantly reduce time needed for daily maintenance and mining rig upgrade and substantially decrease operations and maintenance headcount.

For the years ended December 31, 2023, 2024 and 2025, our total net revenue was US\$368.6 million, US\$349.8 million and US\$620.3 million, respectively. We incurred a net loss of US\$56.7 million, US\$599.2 million and net profit of US\$65.6 million for the years ended December 31, 2023, 2024 and 2025, respectively. For the years ended December 31, 2023, 2024 and 2025, our adjusted EBITDA was US\$93.5 million, US\$37.4 million and US\$35.2 million, respectively, where adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, further adjusted to exclude listing expenses, share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of convertible senior notes, changes in fair value of cryptocurrency-settled receivables and payables, changes in fair value of cryptocurrencies- receivables, impairment of assets, other expenses – one off donation, changes in fair value of derivative assets, changes in fair value of financial assets at fair value through profit or loss, and changes in fair value of holdback shares for FreeChain Acquisition. We earned adjusted profit of US\$15.2 million for the year ended December 31, 2023, and incurred adjusted losses of US\$51.3 million and US\$229.9 million for the years ended December 31, 2024 and 2025, respectively, where adjusted profit/(loss) is defined as profit/(loss) adjusted to exclude the listing expenses, share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of convertible senior notes, changes in fair value of cryptocurrency-settled receivables and payables, changes in fair value of cryptocurrencies - receivables, impairment of assets, other expenses – one off donation, changes in fair value of derivative assets, changes in fair value of financial assets at fair value through profit or loss, and changes in fair value of holdback shares for FreeChain Acquisition.

The crypto asset market, especially the price of Bitcoin, has been highly volatile. In recent years, the cryptocurrency market has experienced significant volatility, shaped by macroeconomic conditions, regulatory developments, and major industry events. The previous market downturn, exacerbated by the collapse of FTX and other high-profile insolvencies, led to a period of subdued activity and increased regulatory scrutiny. However, Bitcoin prices experienced significant volatility during 2024 and 2025, reaching a peak of approximately US\$126,000 in October 2025 before trading at approximately US\$67,000 as of March 31, 2026. These fluctuations are influenced by various factors, including regulatory announcements, macroeconomic conditions, and shifts in investor sentiment. The regulatory landscape has also evolved in response to these market dynamics. The new administration has introduced a series of policy measures impacting the cryptocurrency sector since the 2024 U.S. presidential election. Notably, regulatory agencies have signaled a more structured approach to digital asset oversight, focusing on compliance, consumer protection, and integration within traditional financial systems. While some of these initiatives have been perceived as supportive of industry growth, others have raised concerns regarding increased oversight and potential restrictions. These regulatory shifts present both challenges and opportunities for market participants, as they navigate evolving compliance requirements while exploring new business models and market expansion strategies.

The AI infrastructure market has also experienced rapid growth during the same period. Enterprise demand for AI compute capacity accelerated substantially in 2024 and 2025, driven by the widespread adoption of LLMs and generative AI applications across industries. Major cloud providers and technology companies collectively invested hundreds of billions of dollars in AI datacenter construction, GPU procurement and related infrastructure. The U.S. government has also signaled strong support for domestic AI infrastructure development. At the same time, the market faces evolving challenges, including constrained supply of advanced GPUs and other specialized hardware, rising power costs and increasing difficulty in securing sufficient electricity capacity for new datacenter developments, and the emergence of more efficient AI training methodologies that may affect long-term demand for computing resources.

Our Business Operations and Software Infrastructure

To date, we primarily operate five business lines - “self-mining,” “sale of mining rigs and accessories,” “cloud hash rate,” “hosting” and “AI infrastructure and AI cloud services.” Our “self-mining,” “hosting” and “cloud hash rate” businesses are supported by our self-developed integrated intelligent software platform, to enhance operational efficiency.

In 2025, we strategically prioritized resources to the development of our proprietary SEALMINER ASIC technology, which supports both our self-mining operations and our mining rig sales to third parties. Owning and deploying our own mining ASICs is an integral part of our full vertical integration strategy. In addition, commercializing SEALMINER ASICs enables us to diversify our revenue streams into the ASICs market. To support our customers with high AI demands, we are also developing our AI infrastructure and AI cloud business to offer advanced AI cloud capabilities, HPC services and colocation services. We have initiated the conversion of several existing mining datacenter sites for our AI infrastructure and AI cloud business and are in active discussions with potential development partners and end users. We believe this positions us to participate in the growing demand for AI compute infrastructure while continuing to generate substantial revenue from our existing businesses and expect our AI infrastructure and AI cloud business to continue to expand, on both a nominal basis and as a percentage of our overall business throughout 2026 and the medium term.

Self-mining

We mine cryptocurrencies, primarily Bitcoins, for our own account. Self-mining allows us to capture the high appreciation potential of cryptocurrency to support our future expansion and operation. For the years ended December 31, 2023, 2024 and 2025, respectively, we generated US\$111.7 million, US\$163.1 million and US\$396.0 million in revenue from self-mining. Historically, around 60% to 100% of our proprietary hash rate was utilized to support our self-mining, with the rest available for sale to customers under our cloud hash rate business. However, we retain the flexibility to allocate our proprietary hash rate to either our self-mining business or cloud hash rate business, primarily based on our view of the Bitcoin market trends. To further expand our self-mining business, we have leveraged our proprietary SEALMINER mining rigs to increase our proprietary hash rate, enhancing both our mining capabilities and operational scalability.

ASIC and Mining Rig Business Operations

SEALMINER, a pioneering brand of our mining rigs, specializes in offering efficient and sustainable mining solutions. SEALMINER integrates our self-developed SEAL series of mining chips manufactured using advanced process nodes. By continuously improving power efficiency ratios, SEALMINER is dedicated to providing innovative, efficient, and reliable products and services, supporting both our self-mining operations and third-party customers.

In March 2024, we successfully announced our first Bitcoin mining chip, the SEAL01, achieving a chip-level power efficiency of 18.1 J/TH. The SEAL01 has been integrated into our SEALMINER A1 mining rigs, and production has been completed, with units deployed to our datacenters. In October 2024, we launched our second generation SEALMINER A2 mining rig series equipped with our SEAL02 chip. Our SEALMINER A2 series includes both an air-cooling and a hydro-cooling model and boasts a hash rate of 226 TH/s and 446 TH/s, with a power efficiency of 16.5 J/TH. We have sold a portion of SEALMINER A2 units to external customers.

In March 2025, we launched the SEALMINER A2 Pro series. As the updated version of the SEALMINER A2, the A2 Pro series includes two models: the air-cooling SEALMINER A2 Pro Air and the hydro-cooling SEALMINER A2 Pro Hyd. Both deliver a power efficiency of 14.9 J/TH, offering higher efficiency, advanced technologies, and enhanced stability. In the same month, we also tested our latest Bitcoin mining chip, SEAL03, which is integrated into our SEALMINER A3 series mining rigs that commenced mass production and deployment in the second half of 2025. The SEALMINER A3 series includes four models with machine-level power efficiency ranging from 12.5 J/TH to 14 J/TH and hash rates ranging from 260 TH/s to 660 TH/s.

Building on this momentum, in April 2026, we launched the SEALMINER A4 series, which integrates our proprietary SEAL04 chips and achieves power efficiency as low as 9.45 J/TH. Beyond Bitcoin, we launched the SEALMINER DL1 Air, achieving industry-leading power efficiency of 149 J/GH and a hash rate of 25 GH/s for Litecoin and Dogecoin mining in March 2026.

We have made significant purchases of raw materials to support our SEALMINER mining rig production in 2025 and expect to continue making purchases going forward. During the years ended December 31, 2023, 2024 and 2025, the prices of such raw materials remained relatively stable under normal market conditions, although they may be subject to fluctuations due to factors such as geopolitical tensions, trade restrictions or supply chain disruptions. Pricing for these raw materials is negotiated on a case-by-case basis. See the section entitled “Item 3. Key Information — D. Risk Factors — Risks Related to Our Business, Operations, Industry and Financial Condition — We rely on a limited number of third-party electricity providers, mining pool operators, supply chain suppliers, datacenter construction contractors and GPU and AI hardware suppliers, and any negative incidents caused by actions taken by them that are outside of our control may adversely impact our business and results of operations” for relevant risks.

Sale of Mining Rigs and Accessories

In addition to deploying SEALMINER rigs in our self-mining business, we generate revenue from the sale of our proprietary SEALMINER mining rigs and related accessories to third-party customers. This business became our second largest revenue source for the year ended December 31, 2025, representing approximately 17.5% of our total revenue for the year.

AI Infrastructure and AI Cloud Business

We operate one of the first cloud service platforms in Asia that offers AI cloud services powered by NVIDIA DGX SuperPOD H100, H200 and B200 systems and the recently deployed NVIDIA GB200 NVL72 system. Our AI cloud services provide customers with access to NVIDIA AI supercomputing infrastructure to help them accelerate their development of generative AI, LLMs and other AI workloads, without requiring customers to take possession of the underlying hardware. Our AI infrastructure and AI cloud business generated revenue of less than US\$0.1 million in 2023, US\$3.5 million in 2024, and US\$6.8 million in 2025, reflecting rapid and significant year-over-year growth.

We offer cloud-based computing, storage, and artificial intelligence services, which allow customers to use hosted software and hardware infrastructure without taking possession of the software or hardware. Growing customer adoption and expanding enterprise AI demand have led to a significant increase in customer orders and revenue, and we expect to achieve full utilization in the near term and to increase our deployment of GPUs further to meet the strong demand environment.

To support our AI cloud business, as of December 31, 2025, we had procured or placed the orders for the following equipment from certain suppliers, with a total purchase amount of approximately US\$56.0 million.

Equipment	Type	Quantity
NVIDIA DGX H100	Server	31
NVIDIA H200	Server	3
NVIDIA B200	Server	4
NVIDIA GB200 NVL72	Server	8
NVIDIA B300	Server	16
NVIDIA GB300 NVL72	Server	2

The following table sets forth certain key operational and financial metrics of our AI infrastructure and AI cloud business as of March 31, 2026:

Metric	As of March 31, 2026
Total GPUs deployed	2,128
GPU types deployed	H100, H200, B200, GB200
GPU utilization rate ⁽¹⁾	94%

Note:

- (1) GPU utilization rate as of the last day of the respective reporting period is calculated as the total number of GPUs under internal orders and external subscription divided by the total number of deployed GPUs. Internal orders refer to GPUs allocated for our internal use, including utilization for our AI cloud's own business operations or development activities within our Company. GPUs under external subscription refers to GPUs that are contractually subscribed by external customers.

For further discussion of these metrics, see "Item 5. Operating and Financial Review and Prospects—A. Operating Results—Key Performance Metrics."

We are in the process of converting a significant proportion of our existing global datacenter capacity to dedicated AI datacenters, see "—Our Datacenters." We are in ongoing discussions with potential development partners and potential end users for selecting large scale sites in the U.S. for our AI infrastructure and AI cloud business.

In addition, we are actively pursuing colocation opportunities across our global datacenter portfolio. We are in negotiations with potential colocation tenants for our datacenters in Tydal, Norway and remain in discussions with potential tenants and development partners in various other sites. Our colocation offering leverages the power infrastructure and datacenter capacity that we have developed for our mining operations, providing customers with access to large-scale, competitively priced power in strategic locations.

We have also invested in our software platform capabilities to support our AI infrastructure and AI cloud business. We recently launched a managed Kubernetes service with GPU-native orchestration, supporting scalable deployment of AI training and inference workloads. The platform includes integrated GPU management, intelligent job scheduling, and an AI application marketplace to streamline cluster operations and accelerate AI development for our customers. In addition, our AI cloud offering includes Model Studio, a platform that supports the deployment of over 50 open-source models for use cases ranging from basic inference to advanced multimodal applications. We have also integrated with the NVIDIA NemoClaw platform to support agentic AI workloads, enabling enterprise customers to execute complex, multi-step workflows in a managed environment.

Hosting

We offer three types of hosting services to meet customers' diverse demands for professional hosting solutions and lower the prohibitive upfront investment costs associated with mining datacenter construction, deployment and operations.

- General Hosting.** We offer hosting solutions to professional miner customers who send their mining rigs to our mining datacenters for hosting. Specifically, we provide server room, professional support from technical and managerial personnel, supporting power, network and security monitoring facilities, among others, and carry out routine maintenance, system configurations, troubleshooting and daily reporting to ensure a smooth operation of the hosted mining rigs. At the customers' option, we also provide assistance for deployment, installation and removal of hosted mining rigs and repair of mining rigs. Under the standard agreements with General Hosting customers, we charge monthly service fees, which include costs of operating and maintaining the mining rigs, costs of electricity and other costs mainly related to mining rig deployment and repair. In the arrangement with certain customers, we are also entitled to additional variable consideration based on the customers' mining yield during a period. We generated revenue of US\$97.3 million, US\$67.6 million and US\$35.0 million for the years ended December 31, 2023, 2024 and 2025, respectively, from General Hosting.
- Membership Hosting.** We offer a membership program for large-scale miner customers who seek stable, long-term hosting capacity. Unlike General Hosting, a Membership Hosting customer is designated certain capacity exclusive for use by such customer under a membership program agreement. We charge an upfront fee for program benefits, including early and priority access to newly available datacenter capacity and more favorable pricing terms. We also provide management services for the customer's mining rigs up to the designated capacity under a separate management services agreement, with fees charged monthly based on resource consumption. We generated revenue of US\$79.9 million, US\$64.0 million and US\$61.2 million for the years ended December 31, 2023, 2024 and 2025, respectively, from Membership Hosting.
- Cloud Hosting.** We provide retail miner customers with one-stop mining rig hosting solutions, enabling them to gain access to stable computing power from specified mining rigs in a capital-light manner. Customers pay an upfront fee for computing power produced by the specified mining rigs and subscribe to the hosting service for the same mining rigs over their useful life. We are responsible for the operation and maintenance of the mining datacenter and the mining rigs, including electricity supply and daily maintenance and repair. We also charge a periodic maintenance fee based on resource consumption. The major differences among General Hosting, Membership Hosting and Cloud Hosting are the sources of mining rigs, the target customers and the customers' payment of hosting fees, as summarized below.

Hosting service	Sources of mining rigs	Target customers	Fees
General Hosting	Mining rigs from target customers	Professional miners	<ul style="list-style-type: none"> Monthly payment for hosting service based on actual consumption of our mining datacenter resources, such as electricity. Additional variable consideration based on the customers' mining yield
Membership Hosting	Mining rigs from target customers	Large-scale miners	<ul style="list-style-type: none"> Upfront payment to secure our capacity Monthly payment for management service based on the actual consumption of our mining datacenter resources, such as electricity, after the delivery of capacity
Cloud Hosting	Mining rigs from our existing mining fleets	Retail miners	<ul style="list-style-type: none"> Upfront payment for subscription of computing power from our mining rigs Maintenance fees throughout the service process

Cloud Hash Rate

Through Cloud Hash Rate, customers enter into hash rate contracts with us to subscribe to the hash rate derived from our self-owned mining rigs, saving themselves from purchasing, installing or hosting mining rigs. Cloud Hash Rate features authentic and transparent hash rate products as users can track the hash rate output on their chosen third-party mining pool, easily ascertain that they receive the right value and receive payments directly from mining pools. With our hash rate slicing and hash rate scheduling technologies, we are able to provide our customers continuous online computing power. We use standard agreements with our customer for Cloud Hash Rate. We generated revenue of US\$67.9 million, US\$39.8 million and US\$2.1 million for the years ended December 31, 2023, 2024 and 2025, respectively, from Cloud Hash Rate.

Measures to prevent unauthorized or impermissible customer access

We have established comprehensive anti-money laundering (“AML”) processes, know-your-customer (“KYC”) procedures and IP address geo-blocking measures to prevent unauthorized and impermissible access to our products and services, including hash rate products, mining machines, AI cloud services and colocation services, by customers in jurisdictions where we have identified laws or regulations that restrict our offerings. These measures generally encompass the following key steps:

- (i) following IP address and customer identification, access from prohibited regions, including Cuba, Iran, North Korea, Syria, Russia, Belarus, Venezuela and Ukraine, is blocked, and customers in most other areas, including the United States, must complete AML and KYC procedures prior to purchasing our products and services;
- (ii) based on the results of our customer due diligence process, customers from the United States or other applicable jurisdictions will be denied the purchase of our hash rate products;
- (iii) based on the results of our customer due diligence and export control screening process, any individual or entity listed on U.S. export control and economic sanctions lists, including but not limited to the Denied Persons List, the Entity List and the Specially Designated Nationals and Blocked Persons List (SDN List), will be denied the purchase of any of our products or services; and
- (iv) all transactions and customer KYC statuses are subject to our ongoing monitoring and periodic review.

For a discussion of the risks relating to offering our hash rate products to U.S. customers and/or customers from other jurisdictions where such offering may be restricted, see the section entitled “Item 3. Key Information — D. Risk Factors — Risks Related to Regulatory Compliance and Other Legal Matters — Our cloud hash rate business may be subject to U.S. jurisdiction if we are not able to avoid offering or selling our hash rate products to U.S. customers. Additionally, our cloud hash rate business may be deemed as securities offerings in other jurisdictions where it is offered.”

Our Cryptocurrencies

Cryptocurrencies and Protocols Involved in Our Business

98.8%, 97.8% and 96.3% of our self-mining revenue for the years ended December 31, 2023, 2024 and 2025, respectively, were generated from Bitcoin mining. The remaining mining yield were generated from Ethereum Classic and other cryptocurrencies that are less mainstream, as illustrated below:

	For the Year Ended December 31,					
	2025		2024		2023	
	US\$	%	US\$	%	US\$	%
	(in thousands, except for percentages)					
BTC(Bitcoin)	381,330	96.3	159,401	97.8	110,386	98.8
ETC(Ethereum Classic)	14,177	3.6	2,715	1.7	9	0.0
ZIL(Zilliqa)	231	0.1	69	0.0	-	-
DOGE(Dogecoin)	160	0.0	278	0.2	371	0.4
FB(Fractal Bitcoin)	92	0.0	263	0.2	-	-
FIL(Filecoin)	28	0.0	195	0.1	183	0.2
LTC(Litecoin)	20	0.0	39	0.0	194	0.2
ZEC(Zcash)	-	-	49	0.0	454	0.4
Others	8	0.0	77	0.0	86	0.0
Total	396,046	100.0	163,086	100.0	111,683	100.0

99.1%, 99.5% and 100.0% of our Cloud Hash Rate revenue for the years ended December 31, 2023, 2024 and 2025, respectively, were generated from hash rate plans subscribed for Bitcoin mining.

Policies and Procedures Related to Our Cryptocurrencies

We obtain cryptocurrencies from self-mining and cryptocurrencies - receivables and also generally accept cryptocurrencies as payments for services available to customers, such as *Cloud Hash Rate*, *Cloud Hosting*, *General Hosting* and *Membership Hosting*. In response to the market dynamics, we applied a flexible internal strategy in 2025 for either converting cryptocurrencies obtained through our principal business into fiat currency to support its operations as needs, or holding the cryptocurrencies to capture potential higher appreciation in value in the future. We had fully liquidated our BTC treasury, reporting zero BTC held as of February 20, 2026. The cryptocurrencies held by us as of December 31, 2023, 2024 and 2025 were US\$ 15.4 million, US\$77.5 million and US\$83.1 million, respectively. The table below shows the type and amount of digital assets held as of the end of each year:

	As of December 31,					
	2025		2024		2023	
	US\$	%	US\$	%	US\$	%
	(in thousands, except for percentages)					
BTC	65,060	78.3	62,560	80.7	6,729	43.8
USDT(Tether)	7,490	9.0	5,096	6.6	3,733	24.3
ETH(Ethereum)	7,116	8.6	6,885	8.9	3,992	26.0
DOGE	3,350	4.0	634	0.8	5	0.0
ETC	41	0.1	1,482	1.9	0*	0.0
FIL	14	0.0	859	1.1	844	5.5
USDC(USD Coin)	2	0.0	2	0.0	34	0.2
Others	4	0.0	19	0.0	34	0.2
Total	83,077	100.0	77,537	100.0	15,371	100.0

* Less than US\$500 but not nil

We generally use BIT Group to custody our cryptocurrencies. Please see the section entitled “— Our Cryptocurrencies Storage and Custodial Practices” below for more details on the related procedures in this regard.

In September 2025, we entered into a loan agreement with BIT Group for a financing facility of up to US\$400.0 million (the “BTC Collateralized Loan”). Loans drawn under the facility bear a fixed interest rate of 8.35% per annum, payable monthly in arrears. Each drawdown has a tenor of 24 months from its drawdown date and is collateralized by Bitcoin, maintained based on a loan-to-value ratio. As of the date of this annual report, we had drawn down US\$118.0 million under the BTC Collateralized Loan, and all amounts outstanding have been repaid in full.

In February 2026, we entered into a loan agreement with BIT Group, pursuant to which we borrowed 800 Bitcoin from BIT Group (the “BTC Loan”). The agreement was amended in February and March 2026 to increase the financing facility from 800 Bitcoin to 3,000 Bitcoin and 6,000 Bitcoin, respectively. Loans drawn under the facility bear interest at 3.00% per annum, payable weekly in arrears. Each drawdown has a tenor as agreed between the parties. The loans are secured by collateral in the form of stablecoins or fiat currency and are subject to a loan-to-value ratio.

In the same month, we entered into a structured product master agreement (the “BIT Structured Product Agreement”) with BIT Group. Under the BIT Structured Product Agreement, BIT Group will provide a diverse suite of products, including collateralized financing, options, notes, accumulators/decumulators and other digital asset derivatives.

We are open to more options to generate additional income by leveraging our cryptocurrencies and fiat currencies in the future; however, we prioritize our operating activities in terms of cash usage. We believe that our cash, short-term investment, proceeds from our principal business, and anticipated proceeds from disposal of cryptocurrencies will be sufficient to meet our current and anticipated working capital requirements for at least the next 12 months from the date of this annual report. Consistent with our recent approach, we expect to opportunistically access sources of capital, including proceeds from the issuance of convertible notes, Class A ordinary shares and borrowing arrangements, to meet our current and anticipated capital expenditure requirements. We monitor our investments closely and limit our exposure to the investment risk by including in our operation strategy the requirements to invest only in robust wealth management products.

We will evaluate each digital asset in our portfolio, or that we propose to hold or acquire in the future, to determine whether it would likely be considered a security as defined in Section 2(a)(1) of the Securities Act and consequences thereof, in consultation with outside counsel, as applicable at the time. We will base our analysis on relevant case law, applying the frameworks established by the U.S. Supreme Court and taking into consideration relevant guidance by the SEC and its staff, including the SEC's "Framework for 'Investment Contract' Analysis of Digital Assets" issued by the Strategic Hub for Innovation and Financial Technology. Prior to holding or acquiring any digital assets, we would undertake customary due diligence regarding the digital asset in order to gather facts necessary to make such a determination.

However, such framework adopted by us to determine whether certain digital assets are "securities" involves risk-based judgements by us, is not based on a legal standard or determination binding on any regulatory body, and therefore is inherently associated with a number of risks. In March 2026, the SEC issued an interpretive release that classified Bitcoin and certain other major cryptocurrencies as digital commodities rather than securities. However, the interpretive release is not binding on courts, and classification under the framework is not permanent, as digital assets may move in or out of securities status over time. It is possible that future regulatory developments, judicial decisions or changes in the governing administration could substantially impact the classification of digital assets, including those we hold or mine.

Thus, a particular digital asset's status as a "security" in any relevant jurisdiction is subject to a high degree of uncertainty and if a regulator disagrees with our characterization of a digital asset, we may be subject to regulatory scrutiny, investigations, fines, and other penalties, which may adversely affect our business, operating results and financial condition. Current and future legislation and SEC-rulemaking and other regulatory developments, including interpretations released by a regulatory authority, may impact the manner in which Bitcoin or other cryptocurrencies are viewed or treated for classification and clearing purposes. In particular, Bitcoin and other cryptocurrencies may not be excluded from the definition of "security" by SEC rulemaking or interpretation requiring registration of all transactions unless another exemption is available, including transacting in Bitcoin or other cryptocurrencies among owners and requiring registration of trading platforms as "exchanges." It will then likely become difficult or impossible for the digital asset to be traded, cleared or custodied in the United States through the same channels used by non-security digital assets, which in addition to materially and adversely affecting the trading value of the digital asset is likely to cause substantial volatility and significantly impact its liquidity and market participants' ability to convert the digital asset into U.S. dollars.

For a more comprehensive discussion of the relevant risks, please see the sections entitled "Item 3. Key Information — D. Risk Factors — Risks Related to Cryptocurrencies — There is no one unifying principle governing the regulatory status of cryptocurrencies nor whether cryptocurrencies are securities in any particular context. Regulatory changes or actions in one or more countries may alter the nature of an investment in us or restrict the use of cryptocurrencies, such as Bitcoins, in a manner that adversely affects our business, prospects or operations" and "Item 3. Key Information — D. Risk Factors — Risks Related to Regulatory Compliance and Other Legal Matters — If we were deemed an 'investment company' under the Investment Company Act of 1940, as amended, applicable restrictions could make it impractical for us to continue our business as contemplated and could have a material adverse effect on our business."

Our Cryptocurrencies Storage and Custodial Practices

During the years ended December 31, 2025, 2024 and 2023, substantially all of our cryptocurrencies were held in custody by BIT Group. Our purchase and disposal of cryptocurrencies, at spot price on the date of transaction, were also primarily from and to BIT Group, a related party. Following our separation from BitMain Technologies Holding Company (collectively with its subsidiaries, “Bitmain”), we entered into two custody agreements with BIT Group on February 10, 2021 through our subsidiaries, pursuant to which we appointed BIT Group to (i) establish a custody account for the deposit of cryptocurrencies to be held by BIT Group on our behalf, and (ii) act as the custodian of the cryptocurrencies that are delivered to the designated blockchain address under our custody accounts. For more information, please see the section entitled “Item 3. Key Information — D. Risk Factors — Risks Related to Cryptocurrencies — We may not have adequate sources of recovery if the cryptocurrencies held by us are lost, stolen or destroyed due to third-party cryptocurrencies custodial services or if we cannot redeem or withdraw our cryptocurrencies invested in crypto lending or investing activities. Such incidents could have a material adverse effect on our business, financial condition and results of operations.”

Our custody accounts in BIT Group are protected by username, password, and hardware tokens. We are able to view the assets in the custody account and relevant transfers via BIT Group’s custody system. We are able to receive, withdraw and dispose of cryptocurrencies with the custody account. Each withdrawal request is subject to verification by a person designated by us, and if withdrawal is up to certain limit, to additional verification procedure applied by BIT Group, including calling a separately designated person or requesting additional written confirmation. We note that BIT Group offers a robust security infrastructure designed to safeguard its custody clients from crypto fraud. The generation and storage of, and the transaction signing by, the private keys are all under encryption in hardware security modules (HSMs) that provide tamper evidence, tamper resistance and tamper responsiveness features to safeguard the private keys and make sure no staff of BIT Group or anyone can have access to plain text of private keys. In extreme cases, private keys can be recovered by BIT Group’s disaster recovery measure. Private keys have been sharding into eight pieces that will be stored in an encrypted hard disk which will then be kept in physical safe deposit boxes in different banks. These sharding pieces are accessible only to certain qualified employees of BIT Group, who must obtain prior permission and must follow “Segregation of Duty and Least Knowledge Principle” under which such employees have right to recover the private keys but no right to trigger the withdrawal function from customers’ designated accounts. All crypto transactions will be monitored by BIT Group’s central security system. If an unusual transaction is identified, an alert will be issued to the relevant customer in real time for transaction verification purposes.

All withdrawal and transfer of assets shall be permitted by applicable laws and regulations and BIT Group’s internal policies and procedures. BIT Group is obligated to keep and maintain, or cause to be kept, accurate books and records with respect to any custody account and assets in accordance with applicable law. Statements of assets, along with a ledger of receipts and disbursements of assets is available to us via BIT Group’s custody system. Under the custody agreements, we are obligated to pay to BIT Group custody fees as a percentage of the value of the cryptocurrencies in U.S. Dollars under custody, monthly management fees as negotiated, and withdrawal fees if applicable. We incurred approximately US\$0.2 million, US\$0.2 million and US\$0.5 million service fees, respectively, including primarily custody fees, to BIT Group for the years ended December 31, 2023, 2024 and 2025.

Our Datacenters

We currently operate ten datacenters across multiple countries including the United States, Norway, Bhutan, Ethiopia and Malaysia, with an aggregate electrical capacity of 1,744.0 MW in use as of March 31, 2026. We are evaluating the use of certain datacenter sites for colocation or AI cloud arrangements, and have initiated the conversion of certain mining datacenter sites for AI cloud and colocation use. We expect to achieve access to a total electrical capacity of approximately 3,003.5 MW thereafter. The locations, electrical capacity, status, estimated timeline and intended use of our datacenters, as of March 31, 2026, are illustrated in the chart below:

Site / Location	Capacity (MW)	Energization Timing⁽¹⁾	Planned Usage
Electrical capacity			
- Rockdale, Texas	563	Online	Evaluation of crypto converting to colocation / AI cloud
- Knoxville, Tennessee – phase 1	37	Q4 2026	Crypto converting to AI cloud
- Knoxville, Tennessee – phase 2	49	Q1 2027	Crypto converting to AI cloud
- Wenatchee, Washington	13	Q4 2026	Crypto converting to AI cloud
- Molde, Norway	84	Online	Crypto and in early assessment of converting to AI cloud
- Tydal - 1, Norway	50	Q4 2026	Crypto converting to colocation
- Tydal - 2, Norway	175	Q4 2026	Crypto converting to colocation
- Gedu, Bhutan	100	Online	Crypto
- Jigmeling, Bhutan	500	Online	Crypto
- Oromia Region, Ethiopia	50	Online	Crypto
- Massillon, Ohio	121	Online	Crypto
- Cyberjaya, Malaysia ⁽²⁾	2	Online	AI cloud
Total electrical capacity	1,744		
Pipeline capacity⁽³⁾			
- Massillon, Ohio	74/26	Q2 2026/Q3 2026	Crypto
- Clarington, Ohio	570	To be updated	Colocation
- Niles, Ohio	300	Q4 2028	Colocation / AI cloud
- Rockdale, Texas	179	2026	Evaluation for colocation / AI cloud
- Alberta, Canada	101	Q2 2027	Crypto
- Cyberjaya, Malaysia ⁽²⁾	9.5	Q4 2026	AI cloud
Total pipeline capacity	1,259.5		
Total global electrical capacity	3,003.5		

Notes:

- (1) Indicative timing for completion of power. All timing references are to calendar quarters and years.
- (2) Capacity under lease arrangement.
- (3) “Pipeline capacity” refers to datacenters with power secured, currently under active construction or negotiation but not yet completed.

Datacenters in use

- **Texas Datacenter.** Our datacenter in Rockdale, Texas became operational in February 2019 and had 563 MW electrical capacity in use as of March 31, 2026. We are evaluating converting this site for colocation or AI cloud use.
- **Norway Datacenters.** Our datacenters in Fræna municipality (Molde datacenter, 84 MW) and Tydal municipality (Tydal Phase 1: 50 MW; Tydal Phase 2: 175 MW), Norway became operational in December 2019 and had 309 MW electrical capacity in use as of March 31, 2026. The Tydal facilities are being converted for colocation use, with planning and design continuing to advance and orders for critical long-lead equipment placed to support the targeted project timeline for completion around the end of 2026. We have engaged Data Center Installations AS as our design and construction partner for the Tydal AI datacenter conversion. Decommissioning of Bitcoin mining rigs at Tydal has begun to make room for the conversion. The Molde facility is in early assessment for potential conversion to AI cloud use.
- **Tennessee Datacenter.** Our datacenter in Knoxville, Tennessee became operational in May 2020 and had 86 MW electrical capacity in use as of March 31, 2026. This site is being converted for AI cloud use in two phases, with Phase 1 (37 MW) design work initiated and targeted for completion by the fourth quarter of 2026 and Phase 2 (49 MW) targeted for the first quarter of 2027.
- **Washington Datacenter.** Our datacenter in Pangborn, Washington became operational in May 2018 and had 13 MW electrical capacity in use as of March 31, 2026. This site is being converted for AI cloud use. AI datacenter design documents and building permit applications have been submitted for approval, and core equipment is being delivered in succession. We plan to begin with a GB300 cluster. Dismantling of the crypto mining datacenter started in March 2026, with completion targeted for the fourth quarter of 2026.
- **Bhutan Datacenters.** Our datacenter in Gedu (100 MW) became operational in the third quarter of 2023. Our datacenter in Jigmeling (500 MW) commenced phased operations in April 2025 and is expected to reach full-scale operations in 2026. Together, these datacenters had 600 MW electrical capacity in use as of March 31, 2026.
- **Ethiopia Datacenter.** Our datacenter in Oromia Region, Ethiopia became operational in 2025 and had 50 MW electrical capacity in use as of March 31, 2026.
- **Massillon Datacenter.** Our datacenter in Massillon, Ohio became operational in 2025 and had 121 MW electrical capacity in use as of March 31, 2026.
- **Malaysia Datacenter.** Our AI datacenter in Cyberjaya, Malaysia became operational in November 2025 and had 2 MW electrical capacity under a lease arrangement in use as of March 31, 2026.

Datacenters in the pipeline

We have accumulated knowledge and expertise in the global landscape of electric power supply, which enables us to select prime locations to construct datacenters for mining, colocation and AI cloud businesses.

- **Massillon Datacenter.** An additional approximately 74 MW is expected to be energized in phases during the second quarter of 2026. Approximately 26 MW in two fire-damaged buildings is expected to be rebuilt and energized by the end of the third quarter of 2026, with reconstruction currently underway. We anticipate that the total reconstruction cost will be substantially recovered through insurance coverage. See the section entitled “Item 3. Key Information — D. Risk Factors — Risks Related to Our Business, Operations, Industry and Financial Condition — Delays in the expansion of existing datacenters, the conversion of mining datacenters to AI datacenters or the construction of new datacenters, as well as any significant cost overruns, could present significant risks to our business and could have a material adverse effect on our business, financial condition and results of operations.”

- **Clarington Datacenter.** We have 570 MW of power under contract with a local utility. The timing of power availability and construction may be affected by ongoing legal proceedings filed by American Heavy Plate Solutions, LLC. Design and other preparation work continue. See the section entitled “Item 3. Key Information — D. Risk Factors — Risks Related to Regulatory Compliance and Other Legal Matters — We may be involved in legal and other disputes from time to time arising out of our operations, including disputes with our suppliers, business partners, customers or employees. Our shareholders and business partners are also subject to risks relating to litigation and disputes, which could adversely affect our business or reputation.”
- **Niles Datacenter.** We own 41.8 acres of land at a 300 MW grid-interconnected development site intended for colocation or AI cloud use, and have entered into a transmission line extension agreement with a local utility company.
- **Rockdale Datacenter.** An additional 179 MW is in planning, with estimated completion in 2026. We are evaluating this capacity for colocation or AI cloud use.
- **Alberta Datacenter.** We have acquired a 101 MW site in Fox Creek, Alberta, which is fully licensed and permitted for the construction of an on-site natural gas power plant. The site is currently being developed for cryptocurrency mining operations and we are assessing design schemes to accommodate potential future AI datacenter requirements. Energization is estimated by the second quarter of 2027.
- **Malaysia Datacenter.** An additional 9.5 MW pipeline capacity under a lease arrangement is currently in progress and expected to be energized in the fourth quarter of 2026. This site is intended to be used for AI cloud services.

We are also continually exploring other sites for power security and construction of our datacenters.

Agreements Related to Our Datacenters

Lease Agreement for the Datacenter in Rockdale, Texas

In June 2018, Dory Creek, LLC, our subsidiary, entered into the Lease Agreement with Alcoa USA Corp. (“Alcoa”), as amended by the First Amendment to Lease dated October 18, 2018, the Second Amendment to Lease dated May 1, 2019, the Third Amendment to Lease dated May 11, 2021, the Fourth Amendment to the Lease dated May 11, 2021, the Fifth Amendment to Lease dated August 30, 2021 and the Sixth Amendment to Lease dated October 25, 2021 (the “Texas Lease Agreement”), pursuant to which we lease land, certain buildings and improvements on the land, a certain portion of Alcoa’s power delivery network (“PUN”) and the non-exclusive right to use certain common areas in Rockdale, Texas, for the operation of a blockchain data processing software and hardware center (“Data Center”) as well as the office use and a technology repair facility related to the Data Center. Alcoa sells and conveys to us a 100% ownership interest in a certain PUN power circuit and the associated downstream components, subject to certain power delivery restrictions. Upon termination of the Texas Lease Agreement, our interest and ownership in the PUN will revert to Alcoa. We exercised the first of two automatic renewal options to extend the term of this lease for two successive periods of five years (each such period an “Extension Term”). If applicable, on each January 1 during the Extension Term, the annual fixed rent shall increase by the greater of 2.5% or the percentage of the change in the CPI, not to exceed 5% in any single year between the first month and the eleventh month during the previous year.

The Texas Lease Agreement was subsequently assigned by Alcoa to SLR Property I, LP (“SLR”), with whom Dory Creek, LLC entered into the Seventh Amendment to Lease and the Eighth Amendment to Lease, pursuant to which we lease certain buildings and access areas for storage/warehouse use (the “Storage Premises”, the premises under the Texas Lease Agreement except the Storage Premises, the “Remainder Premises”). Our lease with the Storage Premises (the “Storage Premises Lease”) automatically expires on the earlier of December 31, 2025 or the date that the Remainder Premises Lease expires or terminates. The Storage Premises Lease was not renewed beyond December 31, 2025.

Commercial Purchase and Sale Agreement for the Datacenter in Knoxville, Tennessee

In February 2018, we entered into the Commercial Purchase and Sale Agreement through Bitdeer Inc. (fka Bitmain Inc.) with Kemet Foil Manufacturing LLC, FKA Cornell Dublilier pursuant to which it purchased from Kemet Foil Manufacturing LLC, FKA Cornell Dublilier a tract of land of approximately 9.88 acres improved with a 77,678 square foot industrial building together with all fixtures, landscaping, improvements, and appurtenances, located at 5101 S. National Drive, Knoxville, Tennessee, 37914, for a consideration of US\$3.6 million. On March 20, 2018, Bitdeer Inc. transferred a quitclaim deed of the afore-mentioned track of land to Carpenter Creek LLC, our subsidiary, in consideration of the sum of one dollar and other good and valuable considerations.

Vacant Land Purchase and Sale Agreement for the Datacenter in Pangborn, Washington

In August 2017, we entered into the Vacant Land Purchase and Sale Agreement with Blackhawk Development Inc through Ant Creek, LLC, our subsidiary, pursuant to which we purchased from Blackhawk Development Inc a tract of land of 3 acres for a consideration of US\$0.4 million. We use the land to support the operation of our datacenter in Pangborn, Washington.

Land Lease Agreement for the Datacenter in Gedu, Bhutan

In August 2023, we entered into a land lease agreement (the “Gedu Lease Agreement”) with Druk Holding and Investments Limited (“DHI”) through Bitdeer Gedu Private Limited, our subsidiary, pursuant to which DHI demises and leases unto us the exclusive right to use the sites located at Gedu, Bhutan for purposes of constructing, developing, operating and maintaining our cryptocurrency datacenter in Bhutan with an operational hosting capacity of 100MW.

In January 2025, we entered into a master deed of novation with DHI and Green Digital Limited, pursuant to which DHI agreed to transfer by novation all of its rights and obligations under the Gedu Lease Agreement, and Green Digital Limited has acquired and assumed all rights, interests, benefits, liabilities and all obligations thereunder.

Property Purchase Agreement for the Datacenter in Massillon, Ohio

In August 2023, we entered into a contract of sale (“Contract of Sale”) with B&D Power Solutions, LLC through Whitetail Creek, LLC (“Whitetail Creek”), our subsidiary, pursuant to which B&D Power Solutions, LLC agrees to sell and convey to us certain property set forth in the Contract of Sale, including but not limited to the land situated in Stark County, Ohio, together with all improvements and related rights and interests, as well as certain personal property, for a total purchase price of US\$1.6 million.

Lease Agreement for the Datacenter in Monroe County, Ohio

In February 2024, we entered into a lease agreement with Monroe County Port Authority (“MCPA”) through Erie Creek LLC (“Erie Creek”), our subsidiary, as amended by the First Amendment to Lease Agreement (entered in April, 2024, the “First Amendment”) and the Second Amendment to Lease Agreement (entered in January, 2025), by and between the same parties (the “Monroe County Lease Agreement”). Pursuant to the Monroe County Lease Agreement, MCPA agrees to lease to Erie Creek a portion of certain land and improvements located in Ohio Township, Monroe County, Ohio for ten years (the “Primary Term”), with a portion of such leased premises to be used by AEP Energy Inc., for the construction of certain electric facilities. Through the First Amendment, the “Building Premises” under the lease are expanded to include an additional 94,723 square feet (referred to as the “New Building Premises”). Through the Second Amendment, (1) Erie Creek assigns its rights and obligations under the lease to Whitetail Creek; (2) The leased premises are expanded to include an additional 25.2-acre premises (referred to as the “Second Amendment Premises”). The total leased premises now include the original leased premises, the New Building Premises from the First Amendment, and the Second Amendment Premises; (3) tenant (Whitetail Creek) has the option to extend the lease for seven additional terms of ten lease years each after the Primary Term, provided that tenant is not in default; (4) tenant has the option to lease an additional portion of the project (the “Option Area”) by giving written notice within the option term (beginning on the execution date of the Second Amendment through the end of the 6th month thereafter).

Land Lease Agreement for the Datacenter in Jigmeling Bhutan

In May 2024, we entered into a land lease agreement (the “Jigmeling Lease Agreement”) with DHI through Bitdeer Jigmeling Private Limited, our subsidiary, pursuant to which DHI demises and leases unto us the exclusive right to use the sites located at Jigmeling, Bhutan for the sole purpose of constructing, operating and maintaining our datacenter in Bhutan with an operational hosting capacity of 500MW.

In January 2025, we entered into a master deed of novation with DHI and Green Digital Limited, pursuant to which DHI agreed to transfer by novation all of its rights and obligations under the Jigmeling Lease Agreement, and Green Digital Limited has acquired and assumed all rights, interests, benefits, liabilities and all obligations thereunder.

Sale and Purchase Agreement for the Datacenter in Fox Creek, Alberta, Canada

On February 3, 2025, we entered into a purchase and sale agreement through Bitdeer Energy Inc., a Canadian subsidiary of the Group with Alberta Limited to purchase a fully licensed and permitted 101 MW site and gas-fired power project situated on 19 acres of land near Fox Creek, Alberta, Canada, for a consideration of US\$21.7 million.

Energy

We have built, and will continue to make significant investment in building, strong partnerships with local electricity experts and power enterprises. Through these partnerships, we reached an average electricity cost of our datacenters of approximately US\$45/MWh for the year ended December 31, 2025. Through years of experience in and deep insight into the global power supply market, we are able to identify cost-efficient and environmentally sustainable sites for the construction and operation of our mining and AI datacenters, and have entered into electric power supply agreements with electricity suppliers to secure low electricity costs for our datacenters globally.

We consider environmental protection vitally important and have implemented measures in the operation of our business, in particular our datacenters, to ensure our compliance with all applicable laws and regulations in the United States, Bhutan, Norway, Ethiopia, Malaysia and other applicable jurisdictions. Our hash rate expansion strategy is energy conscious. We constantly monitor the operation of our mining rigs and replace older mining rigs models with newer ones periodically to optimize energy efficiency. As a result, we successfully lowered our average mining energy consumption from 31.7 J/TH as of December 31, 2023 to 30.4 J/TH as of December 31, 2024, and further to 17.9 J/TH as of December 31, 2025. We expect to further reduce our average energy consumption as we commence mass production and deployment of our SEALMINER A4 series, which integrates our proprietary SEAL04 chips and achieves power efficiency as low as 9.45 J/TH.

We stick with high environmental, social and governance (ESG) standards and strive to constantly increase the ratio of power supply generated from carbon-free energy. The ratio of our carbon-free power supply reached approximately 78% as of December 31, 2025, and is expected to remain at around 64% upon completing the construction of all datacenters “in the pipeline.” The ratio of our carbon-free power supply, as used herein, represents the weighted average ratio of carbon-free power supply at our datacenters, weighting in the respective electrical capacity at each datacenter. To be more specific, it is calculated by dividing (x) the sum of ratio of carbon-free power supply multiplied by electrical capacity at each of our datacenters, by (y) the total electrical capacity contributed by all our datacenters.

According to the latest available statistics regarding energy structure of power supply from respective local authorities or suppliers as of December 31, 2025, (i) the power supply in our datacenter in Pangborn, Washington was 100% carbon-free, almost entirely supported by hydroelectric resources, (ii) the power supply in our datacenters in Molde and Tydal, Norway was 100% carbon-free, primarily supported by wind and hydroelectric resources, (iii) the power supply in our datacenter in Rockdale, Texas was approximately 48% carbon-free, supported by clean energy resources such as wind, nuclear, solar and hydroelectric, as well as traditional energy resources such as gas and coal, (iv) the power supply in our datacenter in Knoxville, Tennessee was approximately 55% carbon-free, supported by clean energy resources, such as nuclear, hydroelectric and solar, as well as traditional energy resources such as natural gas units, (v) the power supply in our datacenters in Bhutan was 100% carbon-free, almost entirely supported by hydroelectric resources, and (vi) the power supply in our datacenters in Ohio was approximately 40% carbon-free, supported by clean energy resources such as nuclear, wind, solar, hydroelectric and biomass.

Sales and Marketing

In recent years, we have expanded our marketing and customer engagement efforts across all of our business lines. For our cryptocurrency mining business, we promote our products and services through participation in leading industry events, including keynote presentations and product demonstrations. We also showcase our infrastructure capabilities through datacenter tours, hardware performance testing and digital content. We continue to develop our digital marketing approach through structured product content, technical publications and search engine optimization to provide customers with transparent and data-driven information about our products and services. For our AI infrastructure and AI cloud business, we have expanded our brand presence by sponsoring and participating in AI industry conferences, hosting industry roundtables and hackathons, and providing HPC compute resources to research institutions. We have also built dedicated sales teams across North America, Southeast Asia and Europe to capture emerging demand and serve a growing base of multinational customers.

Technologies

We stay at the forefront of technology development and have built prominent research and development capabilities, including the progress we made on our ASIC technology roadmap. We benefit from our continuous investment in research and development as well as our strong and expanding research and development talent pool. Our core technical team has an average of over ten years of experience in relevant industries, including but not limited to cryptocurrency and AI. We have obtained patents to support key technologies underpinning our operations.

Our technology capabilities drive the differentiation of our business. In particular, the following technologies enable us to constantly improve our self-mining efficiency, effectively operate our AI related businesses, offer differentiated and quality products and services, and minimize impacts to the environment.

- **ASIC technology.** We leverage proprietary ASIC technology to develop, manufacture, and commercialize our SEALMINER mining rigs to diversify our revenue streams and accelerate the growth of our self-mining operations. Owning and deploying our own mining ASICs is an integral part of our full vertical integration strategy. It will provide us distinct advantages – such as rapid hash rate deployment, a lower cost structure, enhanced capital efficiency, and a dramatically improved supply chain compared to the broader industry.
- **Proprietary miner management software.** We developed our proprietary miner management software to serve as the centralized operating system for our global mining operations. The software integrates real-time monitoring and analytics, providing our operations team with detailed visibility into fleet-wide hash rate stability, hardware health and environmental metrics across multiple jurisdictions. The platform supports remote automation capabilities, enabling the efficient execution of firmware updates and configuration changes across our mining fleet, significantly reducing operational downtime and the need for manual intervention. To optimize electricity costs, which represent our largest operational cost, the software features an energy and power management module that enables automated power curtailment and demand-response participation, allowing us to dynamically adjust power consumption in response to fluctuating electricity prices and grid conditions. The software also incorporates maintenance and repair management tools that track the lifecycle of individual hashing components and support predictive maintenance workflows. By enabling a shift from reactive to predictive maintenance, this technology enhances the long-term durability of our hardware assets and improves the efficiency of both our self-mining and hosted hash rate operations.
- **AI cloud platform and software stack.** Our full-stack, vertically integrated AI cloud platform has evolved into an enterprise-grade ecosystem that bridges high-performance infrastructure with sophisticated AI orchestration. At the infrastructure layer, we have moved beyond standard virtual machines to deploy next-generation NVIDIA Blackwell GPU series capable of supporting trillion-parameter model training. At the platform layer, our enhanced Model Studio offers over 50 open-source models and integrated Jupyter Notebook instances for real-time development, and provides a unified environment for managing distributed training jobs and containerized workloads across industry-standard frameworks such as PyTorch and TensorFlow. At the application layer, customers can build and deploy agentic AI workflows utilizing our integration with the NVIDIA NeMo ecosystem to facilitate multi-step reasoning and complex task orchestration.
- **Clean energy.** We have taken various measures to increase the ratio of clean energy in support of the operations of our datacenters. As of December 31, 2025, our non-carbon energy supply ratio was approximately 78%. We have also spent considerable efforts in minimizing the impact on the local environment. For example, instead of building new plants from the ground, we renovated abandoned or deserted plants on sites when constructing our datacenters in Tennessee and Texas. See the section entitled “— Energy” above for more details.
- **Hash rate slicing.** We supply our customers the subscribed amount of hash rate by first dividing hash rate into “time slices,” each encompasses a certain number of calculations over a period of time. Through hash rate slicing, hash rate is divided into “time slices” by algorithm instead of by manual intervention and then submitted to multiple mining pool accounts to support multiple users. Our ability to generate a minimum hash rate unit of 1TH/s enables us to adjust hash rate allocation accurately and dynamically, and optimize operating metrics automatically in order to minimize fluctuations in terms of quantum in hash rate supply under Cloud Hash Rate.
- **Hash rate scheduling.** We are able to achieve redeployment of hash rate across different mining rigs through hash rate scheduling. When a single mining rig fails, hash rate from other mining rigs can be instantly dispatched to ensure timing stability of hash rate supply. As a result, we are able to maintain a hash rate online rate of 100% under Cloud Hash Rate.

Competition

For our self-mining business, we compete with mining operations throughout the world. We compete to solve new blocks on the basis of our total number of mining rigs, the degree of mining difficulty and the efficiency of our mining. In addition, we compete to develop, manufacture and deploy or acquire new mining rigs including ASICs of our own design, which we also compete to sell to other users, to obtain access to facilities and prime location of mining operations, to electricity, to develop or acquire new technologies and to raise capital.

For our ASIC and mining rig operations, we compete with established ASIC manufacturers and mining rig suppliers, who have longer operating histories, larger installed customer bases and more mature supply chains. In particular, some of our competitors have established relationships with semiconductor foundries and may be able to secure production capacity on more favorable terms or shorter lead times than we can. Our ability to compete effectively depends on the performance and power efficiency of our SEALMINER mining rigs, our ability to execute our chip development roadmap on schedule, the pricing of our products relative to competitors, and our capacity to scale manufacturing to meet customer demand.

For our AI infrastructure and AI cloud business, we compete with established hyperscale cloud providers, specialized AI infrastructure providers and datacenter operators offering colocation services. These competitors have significantly greater financial, technical and operational resources, more extensive datacenter footprints, deeper relationships with GPU suppliers and established power and land positions, and more mature software platforms for workload orchestration, monitoring and management. Our ability to compete effectively depends on our ability to obtain financing for AI datacenter construction and conversion and for the procurement of GPUs and other AI related equipment on acceptable terms, the speed at which we can convert and build out AI datacenter capacity, our ability to procure GPUs and other specialized hardware on competitive terms and in sufficient quantities, the availability and cost of power and land at our datacenter locations, the reliability and performance of our infrastructure, our ability to secure customer contracts, and the competitiveness of our pricing. The AI infrastructure market is evolving rapidly and is characterized by substantial capital investment and long lead times, and there can be no assurance that we will be able to establish a meaningful competitive position.

For our hosting service, we compete with other hosting operations globally. Our competitiveness depends on our ability to supply hosting space and power, our deployment, management and operation capabilities, the value of our service offering to customers, the availability of mining equipment and technologies, among other factors. We enjoy the first-mover advantage in mining datacenter deployment and operation as well as mining rig management. For our cloud hash rate business, we compete on both the quantity and the quality of our hash rate supply, which depends on our mining datacenter resources, the total number of our mining rigs, our ability to involve third-party hash rate suppliers and our access to technologies to maintain hash rate supply stability.

Our main competitors in the foregoing competitive industries include Applied Digital Corporation, Argo Blockchain PLC, Bit Digital, Inc., Bitfarms Ltd., Bitmain Technologies Ltd., Canaan Inc., Cipher Mining Inc., CleanSpark, Inc., Core Scientific, Inc., CoreWeave, Inc., Galaxy Digital Holdings Ltd., Greenidge Generation Holdings Inc., Hive Blockchain Technologies Inc., Hut 8 Mining Corp., Iris Energy Limited, Marathon Digital Holdings, Inc., MicroBT, Nebius Group N.V., Riot Blockchain, Inc. and TeraWulf Inc. Many of our competitors are well-known worldwide players and we face competitors that are larger than us and have advantages over us in terms of economies of scale and financial and other resources. Some of our competitors may also have stronger brand names, greater access to capital, longer histories, longer relationships with their suppliers or customers and more resources than we do. Furthermore, these competitors may be able to adapt to changes in the industry more promptly and efficiently. As such, we expect that competition in our markets will continue to be intense.

Intellectual Property

As of December 31, 2025, we owned 45 registered patents, 11 registered copyrights, 304 registered trademarks and 254 registered domain names. We are also in the process of applying for 116 registered patents. The protection of our intellectual property and all corresponding rights throughout the world, including our trademarks, service marks, trade dress, logos, trade names, domain names, goodwill, patents, copyrights, works of authorship (whether or not copyrightable), software and trade secrets, know-how, and proprietary and other confidential information, together with all applications, registrations, renewals, extensions, improvements and counterparts in connection with any of the foregoing, is important to the success of our business. We seek to protect our intellectual property rights by filing applications in various patent, trademark and other government offices, and relying on applicable laws and regulations in the U.S. and internationally, as well as a variety of administrative procedures. We have routinely entered into confidentiality and invention disclosure and assignment agreements with our employees and contractors, and non-disclosure agreements with external parties with whom we conduct business to control access to, and use and disclosure of, our proprietary information.

Government Regulation

Due to the relatively short history of cryptocurrencies and their emergence as a new asset class, government regulation of blockchain and cryptocurrencies is constantly evolving. In the United States, the SEC established a Crypto Task Force in January 2025 dedicated to developing a comprehensive regulatory framework for crypto assets, and in March 2026 issued an interpretive release applying federal securities laws to certain types of crypto assets and certain transactions involving crypto assets. State and local regulations may also apply to our activities. Other governmental or semi-governmental regulatory bodies have shown an interest in regulating or investigating companies engaged in blockchain or cryptocurrency businesses. Presently, we do not believe any U.S. federal or state regulatory body has taken any action or position adverse to Bitcoin with respect to its production, sale and use as a medium of exchange. Outside the United States, various foreign jurisdictions have adopted, or may adopt, laws, regulations or directives that affect cryptocurrencies, cryptocurrency networks and their users. Such laws, regulations or directives may conflict with those of the United States and may negatively impact the acceptance of cryptocurrencies by users, merchants and service providers outside of the United States. For example, in April 2023, European lawmakers approved the European Union's Markets in Crypto-Assets Regulation (MiCA), establishing a comprehensive regulatory framework for crypto-assets.

As we expand our AI infrastructure and AI cloud business, we are also subject to an evolving regulatory landscape governing the construction and operation of AI datacenters. In the United States, there is growing legislative interest at both the federal and state levels in regulating the energy consumption, environmental impact and community effects of AI datacenters. In March 2026, federal legislation was introduced that would impose a moratorium on the construction of new AI datacenters until comprehensive AI regulations are enacted, and over a dozen states have proposed or enacted similar moratorium measures at the state level. Separately, bipartisan legislative proposals have been introduced to mandate reporting of datacenter power usage and to impose penalties for non-compliance. While the federal moratorium proposal is not expected to advance in the current Congress, these developments reflect increasing public and legislative scrutiny of AI datacenter expansion. If adopted, such measures could delay or restrict the construction, conversion or expansion of our AI datacenters, increase our compliance costs, or limit the availability of electrical capacity for our operations. In addition, our AI infrastructure operations may be subject to regulations governing data privacy, export controls on AI-related hardware, and cross-border data transfers, each of which is evolving and could impose additional compliance obligations or restrict our ability to serve customers in certain markets. See "Item 3. Key Information — D. Risk Factors — Risks Related to Regulatory Compliance and Other Legal Matters — Our mining and AI datacenter operations are energy-intensive, which may restrict the geographic locations of our operations, give rise to community opposition and have a negative environmental impact" and "Item 3. Key Information — D. Risk Factors — Risks Related to Regulatory Compliance and Other Legal Matters — The regulatory landscape for AI is developing rapidly across the jurisdictions in which we operate, and evolving compliance obligations could increase our costs and affect our operations."

We continue to monitor regulatory developments affecting both our mining and AI operations in each of the jurisdictions where we operate and plan to expand.

C. Organizational Structure

The following table presents our principal subsidiaries as of the date of this annual report, which are also set forth in Exhibit 8.1 to this annual report.

Name*	Jurisdiction	% of Ownership Interest Held by Bitdeer Technologies Group
Bitdeer Technologies Holding Company	Cayman Islands	100%
Straitdeer Pte. Ltd.	Singapore	100%
Sharpening Technology Limited	British Virgin Islands	100%
Bitdeer Technologies Limited	Hong Kong	100%
Bitdeer Netherlands B.V.	Netherlands	100%
Bitdeer Norway AS	Norway	100%
Norwegian AI Technology AS	Norway	100%
Bitdeer Malaysia Sdn. Bhd.	Malaysia	100%
Bitdeer Inc.	United States of America	100%
Carpenter Creek, LLC	United States of America	100%
Ant Creek, LLC	United States of America	100%
Dory Creek, LLC	United States of America	100%
Bitdeer Sales (USA) Inc.	United States of America	100%
Whitetail Creek LLC	United States of America	100%
Asia Freeport Holdings Pte. Ltd.	Singapore	100%
Le Freeport Real Estate Pte. Ltd.	Singapore	100%
Le Freeport Management Pte. Ltd.	Singapore	100%
Singapura Technologies Limited	British Virgin Islands	100%
Tosummer Technologies HK Limited	Hong Kong	100%
Bitdeer Bhutan Equipment Limited	British Virgin Islands	100%
BITDEER GEDU PTE LTD	Bhutan	100%
BITDEER JIGMELING PTE LTD	Bhutan	100%
Bitdeer Semiconductor Technology Pte. Ltd.	Singapore	100%
Bitdeer Semiconductor Sales Pte. Ltd.	Singapore	100%

* Other subsidiaries of the Company, including BSGA, have been omitted because, in the aggregate, they would not be a “significant subsidiary” as defined in rule 1-02(w) of Regulation S-X as of the date of this annual report.

D. Property, Plants and Equipment

Our principal executive offices are located at Aperia tower 1, 08 Kallang Avenue, Singapore 339509, where we lease approximately 22,000 square feet of office space. This facility houses our administrative headquarters and research and development center. We believe that our existing facilities are suitable and adequate to meet our current needs. If we need to add new facilities or expand existing facilities as we add employees, we believe that suitable additional space will be available to accommodate any such expansion of our operations. For our datacenters, see the section entitled “Item 4. Information on the Company — B. Business Overview — Our Datacenters.”

ITEM 4A. UNRESOLVED STAFF COMMENTS

None.

ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS

A. Operating Results

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our consolidated financial statements and the related notes included elsewhere in this annual report. This discussion contains forward-looking statements that involve risks and uncertainties about our business and operations. Our actual results and the timing of selected events may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those we describe under “Item 3. Key Information — D. Risk Factors” and elsewhere in this annual report.

Recent Developments

Recent events impacting our business are as follows:

Tydal Data Center Contract for Design and Construction

In March 2026, Tydal Data Center AS, our subsidiary, entered into a contract for design and construction (the “Tydal EPC Agreement”) with Data Center Installations AS, a Norwegian limited company, for the conversion and upgrading of our existing datacenter in Tydal, Norway into an AI datacenter. The agreement is structured on an open-book, cost-plus basis. The project is expected to be completed in phases commencing in December 2026.

The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Tydal EPC Agreement, the English translation of which are incorporated herein by reference to Exhibit 4.43 to this annual report.

Financing Facility

In February 2026, we repaid an existing financing facility with a commercial bank (the “Financing Facility”) with a principal amount of US\$26.0 million, which was unsecured and bore interest at a rate of 10.31% per annum. We subsequently drew down US\$26.0 million from the Financing Facility, which is due in July 2026.

BTC Loan

In February 2026, we entered into a loan agreement with BIT Group, pursuant to which we borrowed 800 Bitcoin from BIT Group. The agreement was amended in February and March 2026 to increase the financing facility from 800 Bitcoin to 3,000 Bitcoin and 6,000 Bitcoin, respectively. Loans drawn under the facility bear interest at 3.00% per annum, payable weekly in arrears. Each drawdown has a tenor as agreed between the parties. The loans are secured by collateral in the form of stablecoins or fiat currency and are subject to a loan-to-value ratio. As of the date of this annual report, we have an outstanding balance of approximately 2,802 Bitcoin under the facility.

BIT Structured Product Agreement

In February 2026, we entered into the BIT Structured Product Agreement with BIT Group, pursuant to which BIT Group will provide a diverse suite of products, including collateralized financing, options, notes, accumulators/decumulators, and other digital asset derivatives. As of the date of this annual report, we have entered into put option transactions under the BIT Structured Product Agreement with total premium paid of approximately US\$6.4 million.

February 2026 Convertible Notes

In February 2026, we issued US\$325.0 million in aggregate principal amount of 5.00% Convertible Senior Notes due 2032 (the “February 2026 Convertible Notes”) and an additional US\$50.0 million principal amount of the February 2026 Convertible Notes pursuant to the initial purchasers’ exercise of their option, for a total of US\$375.0 million in aggregate principal amount. In connection with the February 2026 Convertible Notes, we entered into privately negotiated capped call transactions with certain of the initial purchasers or affiliates thereof and certain other financial institutions.

2026 Equity Offering

In February 2026, we completed a registered direct offering of 5,503,030 of our Class A ordinary shares at a price of US\$7.94 per share. In connection with the 2026 Equity Offering, we entered into individually negotiated share purchase agreements with certain institutional investors holding our November 2024 Convertible Notes. We used the net proceeds from the 2026 Equity Offering, together with a portion of the net proceeds from the February 2026 Convertible Notes, to repurchase for cash US\$135.0 million aggregate principal amount of the November 2024 Convertible Notes.

Barclays Capital Inc. acted as the exclusive placement agent (the “2026 Placement Agent”) in connection with the 2026 Equity Offering pursuant to that certain placement agency agreement dated as of February 19, 2026, by and between us and the 2026 Placement Agent.

BIT Assets Collateralized Loan

In April 2025, we entered into a loan agreement with BIT Group for a financing facility of up to US\$200.0 million (the “BIT Assets Collateralized Loan”). Loans drawn under the facility bear a variable interest rate equal to 9.0% plus a market-based reference rate and are repayable in fixed monthly instalments over a 24-month term. The facility is collateralized by our SEALMINERS, and is maintained in compliance with an agreed loan-to-value ratio. In July and October 2025, we entered into amendments to the BIT Assets Collateralized Loan, pursuant to which the total maximum financing facility was increased from US\$200.0 million to US\$400.0 million and the definition of collateral was expanded to include mining rigs, inventories, datacenter assets and such other collateral as may be mutually agreed between the parties. As of the date of this annual report, we had drawn down US\$400.0 million under the BIT Assets Collateralized Loan.

In October, December 2025, January, February and March 2026, we entered into additional loan agreements with BIT Group similar to the BIT Assets Collateralized Loan arrangement, pursuant to which additional financing facilities of US\$100.0 million were made available in October 2025 and US\$50.0 million were made available in each respective month from December 2025 to March 2026, for an aggregate of US\$300.0 million, on substantially the same terms. As of the date of this annual report, we had fully drawn down US\$300.0 million under these additional facilities.

BTC Collateralized Loan

In September 2025, we entered into the BTC Collateralized Loan with BIT Group for a financing facility of up to US\$400.0 million. Loans drawn under the facility bear a fixed interest rate of 8.35% per annum, payable monthly in arrears. Each drawdown has a tenor of 24 months from its drawdown date and is collateralized by Bitcoin, maintained based on a loan-to-value ratio. As of the date of this annual report, we had drawn down US\$118.0 million under the BTC Collateralized Loan, and all amounts outstanding have been repaid in full.

November 2025 Convertible Notes

In November 2025, we closed a private placement of US\$400.0 million principal amount of 4.00% Convertible Senior Notes due 2031 (i.e., the November 2025 Convertible Notes). In connection with the November 2025 Convertible Notes, we entered into privately negotiated capped call transactions with certain of the initial purchasers or affiliates thereof and certain other financial institutions.

2025 Equity Offering

In November 2025, we completed a registered direct offering of 10,661,140 of our Class A ordinary shares at a price of US\$13.94 per share (i.e., the 2025 Equity Offering). In connection with the 2025 Equity Offering, we entered into individually negotiated share purchase agreements with certain institutional investors holding the November 2024 Convertible Notes. We used the net proceeds from the 2025 Equity Offering, together with a portion of the net proceeds from the November 2025 Convertible Notes, to fund certain note repurchase transactions with respect to US\$200.0 million aggregate principal amount of the November 2024 Convertible Notes.

Barclays Capital Inc. acted as the exclusive placement agent (the “2025 Placement Agent”) in connection with the 2025 Equity Offering pursuant to that certain placement agency agreement dated as of November 12, 2025, by and between our Company and the 2025 Placement Agent.

Digital Asset Collateralized Financing

In August 2025, we entered into a structured product master agreement with BIT Group, to facilitate a digital assets-backed financing arrangement. Under the agreement, we may pledge Bitcoin (BTC) or other digital assets as collateral in exchange for financing in USDT, subject to loan-to-value ratios and option-based payoff terms as specified in each transaction confirmation. The arrangement includes settlement mechanisms based on reference prices of BTC within a predetermined strike range and provides renewal options upon maturity. As of the date of this annual report, no transactions had been executed under this agreement.

Expansion into Ethiopia

In April 2025, we signed a sale and purchase agreement and a turnkey agreement for the acquisition and construction of a datacenter in the Oromia region of Ethiopia for US\$7.5 million, including a local company with a mining permit, a substation connection, and a 4-year power purchase agreement with Ethiopian Electric Power Company. We are collaborating with an Engineering, Procurement and Construction (“EPC”) contractor with specialized experience in Bitcoin mining. Construction of the site has been completed, with 50 MW energized as of March 31, 2026.

2025 At Market Issuance

On January 3, 2025, we entered into an At Market Issuance Sales Agreement (the “2025 At Market Issuance Sales Agreement”; the program under the 2025 At Market Issuance Sales Agreement, the “2025 ATM Program”) with Barclays Capital Inc., Cantor Fitzgerald & Co., A.G.P./Alliance Global Partners, The Benchmark Company, LLC, B. Riley Securities, Inc., BTIG, LLC, Keefe, Bruyette & Woods, Inc., Needham & Company, LLC, Northland Securities, Inc., Rosenblatt Securities Inc., Roth Capital Partners, LLC and StockBlock Securities LLC as sales agents (collectively, the “Sales Agents” for the purposes of this paragraph), pursuant to which we may offer and sell our Class A ordinary shares from time to time through or to the Sales Agents, as agent or principal. It is not possible to predict the actual number of Class A ordinary shares, if any, we will sell under such agreement, or the actual gross proceeds resulting from those sales. The timing and extent of the use of the 2025 ATM Program will be at our discretion. As of the date of this annual report, we had offered and sold an aggregate of 9,051,180 Class A ordinary shares under the 2025 At Market Issuance Sales Agreement for total net proceeds of approximately US\$160.7 million.

The foregoing descriptions of the 2025 At Market Issuance Sales Agreement do not purport to be complete and are qualified in their entirety by the full text of such agreements, which are incorporated herein by reference to Exhibit 4.36 to this annual report.

2024 At Market Issuance

We have fully utilized the capacity available under our at market issuance sales agreement entered into in March 2024 (the “2024 At Market Issuance Sales Agreement”) with B. Riley Securities, Inc., Cantor Fitzgerald & Co., Needham & Company, LLC, Roth Capital Partners, LLC, StockBlock Securities LLC and Rosenblatt Securities Inc. as sales agents.

Committed Equity Financing

On August 8, 2023, we entered into the Equity Financing Purchase Agreement and the Equity Financing Registration Rights Agreement with B. Riley Principal Capital II. Pursuant to the Equity Financing Purchase Agreement, we have the right to sell to B. Riley Principal Capital II, up to US\$150,000,000 of our Class A ordinary shares, subject to certain limitations and conditions set forth in the Equity Financing Purchase Agreement, from time to time during the term of the Equity Financing Purchase Agreement. Sales of our Class A ordinary shares pursuant to the Equity Financing Purchase Agreement, and the timing of any sales, are solely at our option, and we are under no obligation to sell any securities to B. Riley Principal Capital II under the Equity Financing Purchase Agreement.

The per share purchase price for the Class A ordinary shares that we elect to sell to B. Riley Principal Capital II pursuant to the Equity Financing Purchase Agreement, if any, will be determined by reference to the volume weighted average price of our Class A ordinary shares (the “VWAP”) as defined in the Equity Financing Purchase Agreement, less a fixed 3% discount to the VWAP for such Purchase Valuation Period (as defined in the Equity Financing Purchase Agreement).

The net proceeds under the Equity Financing Purchase Agreement to us will depend on the frequency and prices at which we sell shares of our stock to B. Riley Principal Capital II. See “Item 3. Key Information — D. Risk Factors — Risks Related to Our Securities — Future sales, or the possibility of future sales of, a substantial number of our ordinary shares may depress the price of such securities.”

As of the date of this annual report, we have sold 9,510,344 Class A ordinary shares to B. Riley Principal Capital II under the Equity Financing Purchase Agreement for an aggregate purchase price of US\$86.4 million.

The Equity Financing Purchase Agreement and the Equity Financing Registration Rights Agreement contain customary representations, warranties, conditions and indemnification obligations of the parties. The foregoing descriptions of the Equity Financing Purchase Agreement and the Equity Financing Registration Rights Agreement do not purport to be complete and are qualified in their entirety by the full text of such agreements, which are incorporated herein by reference to Exhibits 4.24 and 4.25, respectively, to this annual report.

Key Performance Metrics

We regularly review a number of metrics, including the key metrics presented below, to evaluate our business and performance.

Cryptocurrency Mining Metrics

Hash Rate

We believe hash rate is an important metric for assessing the strength of our business. “Hash rate” is a measure of computational power that is being used to mine and process transactions on a PoW blockchain, such as Bitcoin, representing the number of calculations per second that can be performed. Cryptocurrency mining is a competitive process in that only the first miner who solves a particular mining puzzle through numerous calculations can get the mining reward. Accordingly, the more hash rate we possess, as a percentage of the entire network hash rate for a particular cryptocurrency, the higher possibility we have in resolving a block on the network blockchain, and hence a greater chance of success in obtaining cryptocurrency rewards. We calculate and report our hash rate in EH/s. One exahash equals one quintillion hashes per second. As of March 31, 2026, we possessed proprietary hash rate of 70.9 EH/s.

Electricity Cost

As our business operations consume a large amount of electricity and electricity cost in operating mining rigs accounts for a significant portion of our overall cost of revenue, we strive to maintain our leadership position in the global electricity cost curve by building datacenters worldwide, where low electricity cost supports stable operations. As such, we see electricity cost as a key indicator of our business performance. Our datacenters allowed us to achieve an average electricity cost of approximately US\$45/MWh for the year ended December 31, 2025.

AI Infrastructure and AI Cloud Metrics

GPU Capacity

We track the number and type of GPUs deployed across our AI datacenter infrastructure as a measure of our available compute capacity. GPU capacity is a key indicator of our ability to serve customer workloads, win new contracts and scale our AI infrastructure and AI cloud business. Different GPU models offer varying levels of performance for AI training and inference tasks, and our deployment strategy reflects both current customer requirements and anticipated demand for next-generation hardware. As of March 31, 2026, we had deployed 2,128 GPUs across our datacenters, including NVIDIA DGX SuperPOD H100, H200 and B200 systems and the NVIDIA GB200 NVL72 system. We expect to continue expanding our GPU fleet as we convert additional datacenter capacity for AI use and procure additional hardware to support growing customer demand.

GPU Utilization Rate

We monitor the utilization rate of our deployed GPU fleet as an indicator of customer demand, revenue generation potential and the operational efficiency of our AI infrastructure. GPU utilization rate as of the last day of the respective month is calculated as the total number of GPUs under internal orders and external subscription divided by the total number of deployed GPUs. Internal orders refer to GPUs allocated for our internal use, including utilization for our AI cloud's own business operations or development activities within our Company. Higher utilization rates generally indicate stronger customer demand and more efficient use of our capital-intensive GPU infrastructure, while lower utilization may reflect capacity that has been recently deployed and is awaiting customer onboarding, or periods of reduced demand. As our AI infrastructure and AI cloud business is at an early stage, we expect utilization rates to fluctuate as we scale our GPU deployments and build out our customer base. As of March 31, 2026, our GPU utilization rate was approximately 94%.

Metrics Applicable Across Our Business

Electrical Capacity

Electrical capacity is another key metric to evaluate our business and operations given the energy-intensive nature of cryptocurrency mining and AI infrastructure and AI cloud services. Both cryptocurrency mining and high-performance computing require large amounts of electricity. As a result, the growth of our business relies on a sustainable and increasing supply of electrical capacity, which is currently supported by our datacenters. As of March 31, 2026, our electrical capacity in operation was 1,744 MW.

Key Factors Affecting Our Results of Operations

The following factors are the principal factors that have affected and will continue to affect our business, financial condition, results of operations and prospects.

Price and volatility of Bitcoin

We derive, and expect to continue to derive, a significant portion of revenue from self-mining of cryptocurrency, primarily Bitcoin. Hence, our ability to generate revenue from this business line is directly affected by the market price of Bitcoin. The Bitcoin price may also impact the use of our mining rigs. Our self-mining business breaks even so long as it is economically beneficial for us to continue to operate our mining rigs, and that is essentially when the mining rigs contribute positive cash flow (i.e., when the variable cost to mine one Bitcoin, namely the electricity cost, equals the market price of a Bitcoin, which we refer to as “shutdown Bitcoin price” for our self-mining business). So long as the Bitcoin price is higher than the “shutdown Bitcoin price,” we would continue to operate our mining rigs and such operation would be economically beneficial to us. See the section entitled “Item 3. Key Information — D. Risk Factors — Risks Related to Our Business, Operations, Industry and Financial Condition — Our results of operations have been and are expected to continue to be significantly impacted by Bitcoin price fluctuation.” In addition, the depreciation and impairment potential of our mining rigs may be affected by the volatility of the market prices of Bitcoin and other cryptocurrencies. See the section entitled “— Our ability to procure and/or manufacture mining rigs at a lower cost” below. We also generate revenue from Cloud Hash Rate, which offers hash rate to be utilized by third-party miners. As a result, revenue from this business line is also correlated with Bitcoin price and volatility.

The prices of Bitcoin have experienced substantial volatility and have in the past and may in the future be driven by speculation and incomplete information, subject to rapidly changing investor sentiment, and influenced by factors such as technology, macroeconomic conditions, regulatory void or changes, fraudulent actors, manipulation, and media reporting. Further, the value of Bitcoin and other digital assets may be significantly impacted by factors beyond our control, including consumer trust in the market acceptance of Bitcoin as a means of exchange by consumers and merchants. For example, the approval of spot Bitcoin exchange-traded funds by the SEC in January 2024 initially drove substantial price appreciation, but this was followed by periods of sharp correction, with Bitcoin declining by more than 50% from its October 2025 high to its February 2026 low. In calendar year 2022, a number of companies in the digital assets industry declared bankruptcy, including cryptocurrency exchanges, hedge funds, miners and lenders, which also led, at least in part, to a significant drop in the Bitcoin price.

Despite the market volatility, the appreciation potential of Bitcoin remains high due to several factors. Bitcoins are inherently scarce, given they are designed to have a finite supply of 21 million associated with a depreciating rewarding mechanism, termed “halving,” under which the reward for mining Bitcoin transactions is reduced in half every four years. The growing recognition of Bitcoins also attracts large investment into the Bitcoin economy, as evidenced by an increasing installed network hash rate of Bitcoin globally, and increasing adoption of Bitcoin as an investment instrument and a payment method. For example, President Donald Trump established a Strategic Bitcoin Reserve to maintain government-owned Bitcoin as a national reserve asset, alongside a Digital Asset Stockpile for other cryptocurrencies. Further, more countries are establishing clear and robust regulations to create a more stable environment for Bitcoin mining and trading, which may facilitate the demand for Bitcoins and Bitcoin price appreciation.

While we have seen clear growth in our self-mining historically, we have limited ability to predict Bitcoin price and its volatility, which we expect to continue to affect our future earnings and cash flows.

Our ability to maintain our leadership position in proprietary hash rate

A prevailing strategy to profit from proprietary hash rate is mining. The cryptocurrencies mined can be sold at a profit when their market value is high enough to cover the cost of mining rigs, electricity fees and other mining-related expenses. Bitcoins are intentionally designed to be resource-intensive and difficult to mine, rendering hash rate critical in the mining industry. Possessing a higher share of network hash rate translates to a higher likelihood of generating mining awards.

We strive to maintain our leadership position in proprietary hash rate. In particular, we have established a business model that allows us to constantly reinforce our market-leading position and outpace our competitors in terms of scaling up our proprietary hash rate. For the years ended December 31, 2023 and 2024, we allocated proprietary hash rate to hash rate sales through our cloud hash rate business, to enable instant cash payback upon customers' subscription to our hash rate plans. We generated proceeds from hash rate sales under long-term hash rate subscription plans that approximate the purchase cost of mining rigs. We were able to achieve such a premium against mining rig purchase cost as our hash rate subscription plans save hash rate buyers the efforts from complex mining operation and maintenance and have built brand recognition among customers. Therefore, we were able to continuously grow our proprietary hash rate by funding the purchase of additional mining fleets with the instant cash collected from hash rate sales using our existing mining fleets, significantly reducing our payback period to one month, compared to the long payback period associated with cryptocurrency mining activities, which is typically from 6 to 24 months. During 2023 and 2024, we strategically prioritized resources to the development of our proprietary ASIC technology, which temporarily limited our hash rate growth. In 2024, we announced a mining expansion plan centered on the deployment of our SEALMINER rigs, and our proprietary hash rate subsequently grew from 8.9 EH/s as of December 31, 2024 to 70.9 EH/s as of March 31, 2026. However, this investment resulted in progress in our ASIC technology roadmap. We intend to continuously scale up our infrastructure and proprietary hash rate in this efficient manner in order to maintain and reinforce our leading position in proprietary hash rate. However, whether we can achieve a premium through this model depends on various factors, such as technology advancements, including our ASIC technology, our ability to continually expand our datacenters, our partnership with semiconductor foundry suppliers and our cash and capital limitations. Short-term Bitcoin price fluctuations are another contributing factor as quickly adjusting the pricing of our hash rate subscription plans to reflect such price change is difficult, if not impossible. In addition, sustained declines in Bitcoin prices may extend the payback period for mining rig deployments, which could affect the pace at which we deploy new mining rigs and expand our hash rate capacity. As we continue expanding our infrastructure and hash rate capacity, we remain focused on balancing short-term operational efficiency with long-term growth driven by our ASIC development strategy.

Our ability to develop, manufacture and/or procure mining rigs at a lower cost

Depreciation of mining rigs remained one of the largest costs we incurred in our business operations for the years ended December 31, 2023, 2024 and 2025. This depreciation expense is directly influenced by the production cost and purchase price of mining rigs. In 2024, we made a strategic decision to invest in proprietary ASIC technology, leading to the development of our SEALMINER series mining rigs. This initiative allows us to develop and install our own mining rigs in our mining datacenters across multiple countries including North America, Norway, Bhutan and Ethiopia, thereby reducing reliance on external suppliers and potentially lowering procurement costs.

While we are still open to the option to source certain mining rigs from suppliers to complement our self-manufactured mining rigs, our ability to procure mining rigs at favorable prices is subject to factors such as purchase channels, and overall supply and demand dynamics in the mining rig market. Additionally, fluctuations in cryptocurrency market values can impact the demand and pricing for mining rigs. An increase in cryptocurrency prices may lead to higher demand and costs for mining equipment, while a decrease may present opportunities to acquire rigs at lower prices.

We may need to reconsider the appropriateness of the current useful life, the residual value and the depreciation method of our mining rigs based on the change in cryptocurrency prices on a yearly or more frequently basis. In addition to the reassessment of depreciation, we may also need to assess whether any indications are present which will result in impairments of our mining rigs. For example, impairments may be necessary if the expected operating profits from the mining rigs show a significant decline from previous forecasts, which may be caused if the market price of Bitcoin drops below the mining rig shut-down price.

Our ability to sell our existing and future models of mining rigs

In 2025, we commenced commercial sales of our proprietary SEALMINER mining rigs and accessories to our customers. Revenue from this segment increased from approximately US\$0.6 million in 2024 to US\$108.3 million in 2025, making it our second largest revenue segment for 2025. We believe our vertically integrated ASIC technology platform enables us to compete effectively in the broader mining rig market, offering customers access to our latest-generation SEALMINERs at a competitive price without the need to manage their own chip design and manufacturing supply chain.

Our revenue from sale of mining rigs and accessories is affected by a number of factors. First, external demand for mining rigs is highly correlated with the market price of Bitcoin and miners' expected profitability. A sustained decline in Bitcoin prices or network hash rate economics tends to reduce miners' capital expenditure appetite, which could materially reduce demand for new mining rigs and our ability to sell both existing and future-generation SEALMINERs at commercially reasonable prices. Second, our ability to generate revenue from this segment depends on executing our chip development roadmap on schedule. Our SEALMINER A3 series commenced mass production and deployment in the second half of 2025, and in April 2026 we launched the SEALMINER A4 series, which integrates our proprietary SEAL04 chips and achieves power efficiency as low as 9.45 J/TH. Any delay in the development, testing or mass production of future SEALMINER models could adversely affect our competitiveness and revenue from this segment. Third, our revenue from sale of mining rigs depends on our manufacturing capacity and supply chain management. Our ability to produce mining rigs at scale requires securing sufficient raw materials from foundry and supply chain partners and sourcing other key components on a timely basis. Any disruption or constraint in our supply chain could limit production volumes and delay deliveries to customers, which in turn could adversely affect revenue from this segment. Finally, as we sell SEALMINERs externally, we also need to manage the balance between external sales and internal deployment, as directing more mining rigs to self-mining business reduces the inventory available for sale, and vice versa.

Our ability to effectively maintain our leadership position in the global electricity cost curve

Electricity cost was the largest cost that we incurred in our business operations for the years ended December 31, 2023, 2024 and 2025.

Our ability to secure ample power supply with low electricity cost is underpinned by our top-notch global datacenters deployment and operation experience and capabilities. We have pioneered the deployment and operation of datacenters globally. Our dedicated global team for datacenter construction understands the critical needs of mining and AI infrastructure and AI cloud services as well as the complex and continuously evolving global landscape of electricity supply. They also have extensive connections with local electricity experts and power enterprises around the world, giving us a clear advantage in datacenter construction and in securing competitive electrical capacity and electricity costs relative to our competitors. We were able to optimize our electricity cost structure and achieve an average electricity cost of approximately US\$45/MWh for our datacenters for the year ended December 31, 2025. As we allocate a portion of our existing electrical capacity to support our growing AI infrastructure and AI cloud business, our ability to secure additional power resources becomes increasingly important. The growth of both our mining and AI infrastructure and AI cloud businesses depends on our continued success in identifying and securing new sources of electrical capacity on competitive terms. Failure to do so could constrain our ability to expand either business line. Whether our current cost-saving efforts or our forward strategy in this regard is effective for maintaining our leadership position in the global electricity cost curve will affect our ability to control our costs.

Our business judgments regarding pricing strategy and resource allocation

Our business operations involve constant and important decision-making regarding the pricing of our products and services as well as the allocation of resources across our business lines. Key allocation decisions include how we distribute electrical capacity, capital expenditures and technical resources among our self-mining, sale of mining rigs and accessories, and AI infrastructure and AI cloud businesses. As we allocate a growing portion of our power and infrastructure resources to support AI infrastructure and AI cloud business, these decisions have an increasingly direct impact on the scale and growth trajectory of each business line. Within our mining-related businesses, we must also determine the allocation of proprietary hash rate between self-mining (and within self-mining, between Bitcoin and other cryptocurrencies) and cloud hash rate offerings, as well as the balance between internal deployment and external sales of our SEALMINER rigs. While allocating more resources to cloud hash rate and hosting services may facilitate cash payback and datacenter expansion, we forgo Bitcoin's appreciation potential to some extent, as we could earn more Bitcoin by allocating the same resources to self-mining, and vice versa.

Our pricing strategy is based on our estimates of market trends. We devote significant effort to making decisions in our Company's best interest, taking into account the pace and timing of our datacenter conversions for AI cloud and colocation use, the demand for our AI infrastructure and AI cloud services, our ability to secure GPU supply and AI customer contracts, Bitcoin price, network hash rate, the amount of cash we need and our view on the market opportunities for acquiring mining rigs or expanding datacenters at low cost. However, we cannot guarantee that our decisions will yield the best results every time, and we anticipate our business judgments will continue to affect the results of our operations.

Our ability to upgrade and expand our offerings

The crypto-economy is characterized by continuous fluctuations and frequent innovations. Therefore, our future success is dependent on our ability to diversify our income structure to reduce exposure to fluctuations of the price of Bitcoin, the most significant type of cryptocurrency involved in our business operations, and maintain our market-leading position by upgrading and expanding our offerings. We have made significant progress in developing our proprietary SEALMINER mining rigs, from SEALMINER A1 through our latest SEALMINER A4 series. We have also commenced the conversion of certain datacenter sites for our AI infrastructure and AI cloud business.

Although we have accumulated extensive expertise and know-how in the cryptocurrency industry, we are only at an earlier stage of executing our offering expansion plan. Our AI infrastructure and AI cloud business is also at an early stage of development and is subject to similar execution risks. Upgrading existing offerings and commencing new businesses may incur significant costs and experience a prolonged ramp-up period. Although we expect these investments to benefit our business over the long term, we also expect our total operating expenses will increase for the foreseeable future. If any adverse development in such new businesses arises, we may not be able to develop those new businesses as successfully as contemplated, or at all, and our results of operations and prospects may be significantly and negatively affected as a result.

Demand for AI compute infrastructure and our ability to capture a share of this market

The rapid growth in demand for AI compute infrastructure represents both an opportunity and a challenge for our business. The proliferation of LLMs, generative AI applications and enterprise AI adoption has driven significant demand for purpose-built, high-density datacenter capacity equipped with advanced GPUs and high-speed interconnects. We have begun positioning ourselves to participate in this market by initiating the conversion of certain mining datacenter sites for AI cloud use and by deploying NVIDIA GPU systems. While self-mining and sale of mining rigs and accessories currently account for the substantial majority of our revenue, our ability to develop our AI cloud business over the medium term may become an increasingly important factor in our results of operations. Our success in this area will depend on a number of factors, including our ability to obtain financing for AI datacenter construction and conversion and for the procurement of GPUs and other AI related equipment on acceptable terms, our ability to secure customer contracts, access sufficient GPU supply, complete datacenter conversions on time and within budget, and compete effectively against established hyperscale cloud providers and specialized AI cloud companies. The AI cloud market is also subject to rapid technological change, and a shift in customer demand toward newer GPU architectures or different deployment models could require us to make additional capital investments. In addition, we must balance the allocation of our power and datacenter resources between our established mining operations, which remain our primary revenue driver, and our emerging AI infrastructure and AI cloud business. How effectively we manage this transition, and the pace at which we are able to scale our AI cloud offerings, will affect our future results of operations and financial condition.

Our ability to attract colocation customers

In addition to our AI cloud services, we are pursuing colocation opportunities by converting portions of our existing datacenter capacity to provide customers with dedicated space, power and cooling infrastructure for their own computing equipment. Demand for colocation services is driven by enterprises and AI companies seeking access to large-scale, reliable power supply at competitive rates without the lead time and capital expenditure associated with constructing their own datacenter facilities. Our ability to grow this part of our business will depend on, among other things, the availability and cost of power at our datacenter sites, the pace at which we can complete datacenter conversions, and the competitiveness of our pricing relative to established datacenter operators. As we continue to convert datacenter capacity from cryptocurrency mining to colocation use, the revenue contribution from colocation services and the pace at which we are able to secure tenant commitments will become additional factors affecting our results of operations.

Regulatory environment

We are a world-leading technology company for AI and Bitcoin mining infrastructure with a strong global presence. As of March 31, 2026, we operated ten datacenters across multiple countries including the United States, Norway, Bhutan, Ethiopia and Malaysia, and had served users across geographically diverse countries and regions worldwide, and may continue to expand our operations to more countries and regions. Each of our business lines is subject to government regulation in each jurisdiction in which we operate and various jurisdictions may from time to time adopt laws, regulations or directives that affect our businesses. We are subject to regulatory risks with regards to mining, holding, using or transferring cryptocurrencies, and with respect to our AI infrastructure and AI cloud business, we are subject to evolving regulations governing data privacy, export controls on AI-related hardware, energy consumption and datacenter operations, and cross-border data transfers. The uncertainty of the regulatory environment and our ability to anticipate and respond to potential changes in government policies and regulations will have a significant impact on our business operations in countries we operate in and our overall results of operations.

Regulations have impacted or could impact, among others, the nature and scope of offerings we are able to make available, the pricing of offerings on our platform, our relationship with and incentives, fees and commissions provided to or charged from our business partners, our ability to operate in certain segments of our business, and our ability to procure and deploy AI hardware such as GPUs in certain jurisdictions. We expect that our ability to manage our relationships with regulators in each of our markets, as well as existing and evolving regulations, will continue to impact our results in the future.

Key Components of Our Results of Operations

Revenue

We generate revenue from (i) self-mining, (ii) sale of mining rigs and accessories, (iii) cloud hash rate, (iv) General Hosting, (v) Membership Hosting, (vi) Cloud Hosting arrangements, (vii) AI cloud services, and (viii) others, which mainly consist of the provision of technical and human resources service, repair services of hosted mining rigs, lease of investment properties, the sale of mining rig peripherals, and the sale of containerized solution products.

Self-Mining

We enter into contracts with mining pool operators to provide hash calculation services using our own mining rigs. We consider the mining pool operators as the customers under this type of arrangement and can decide when to start providing services. Our enforceable right to consideration begins when, and continues as long as, we provide hash calculation services to the mining pool operators. Each party to the contract has the unilateral right to terminate the contract at any time without any compensation to the other party for such a termination. As such, the duration of a contract is less than a day and the contract continuously renews throughout the day. The implied renewal option is not a material right because there are no upfront or incremental fees in the initial contract and the terms, conditions, and compensation amount for the renewal options are at the then market rates.

In exchange for providing hash calculation services, we are entitled to non-cash consideration in the form of, cryptocurrency, which is variable consideration based on the mining pool operators' distribution mechanisms. For the periods presented, we primarily participated in Bitcoin mining to generate our self-mining revenues, and the payment mechanisms used by the mining pool operators were Full-Pay-Per-Share ("FPPS"), Pay-Per-Share-Plus ("PPS+") and Transparent Index of Distinct Extended Shares ("TIDES"). We mainly participate in mining pool operators that use the FPPS payment mechanism.

The non-cash consideration includes block rewards and transaction fees, less mining pool fees. For FPPS and PPS+ pools, we are entitled to non-cash consideration even if a block is not successfully validated by the mining pool operators. For the TIDES payment mechanism, our entitlement to non-cash consideration is variable and dependent upon the successful validation of a block by the mining pool operator, and is not included in the transaction price until the uncertainty is resolved.

The non-cash consideration is variable since the amount of block reward earned depends on the amount of hash calculations we perform, and the amount of transaction fees depends on the total actual fees paid by the transaction requestor to each block placed in the Bitcoin Blockchain under FPPS, and the actual transaction fees paid to the specific blocks a mining pool operator successfully mined over the daily period under PPS+ and TIDES; and the operator fees for the same period are variable since they are determined based on the total block rewards and transaction fees in accordance with the pool operator's agreement. While the non-cash consideration is variable, we have the ability to estimate the variable consideration when we begin to provide hash calculation services with reasonable certainty without the risk of significant revenue reversal. We recognize the non-cash consideration on the same day that control of the contracted service transfers to the mining pool operator and measure the non-cash consideration at the spot rate of the underlying cryptocurrency at midnight UTC on the date of service, as described in Note 2(i) to the consolidated financial statements included elsewhere in this annual report.

Although the non-cash consideration the mining pool operators receive from the blockchain networks includes both the block rewards and the transaction fees, the transaction price we receive is an aggregate amount and primarily includes the block rewards. As a result, we do not present disaggregated revenue information on block rewards and transaction fees.

Sale of Mining Rigs and Accessories

We generate revenue from the sale of mining rigs and accessories to customers at the point in time when control of the mining rigs is transferred to the customer, which generally occurs upon shipment of the mining rigs as defined in the revenue contract. Sale of mining rigs and accessories is the sole performance obligation in this type of arrangement. We accept both cryptocurrency and fiat currency as payment for the sale of mining rigs and accessories.

Cloud Hash Rate

Through Cloud Hash Rate, customers can subscribe to a specified amount of computing power derived from the mining rigs held by us for a period of time through a wide selection of hash rate subscription plans offered by us, differentiated by plan duration. By subscribing to the hash rate subscription plan, the customers are able to direct the computing power provided by us to be connected to a customer-designated mining pool for a period of time. As a result of directing the connection of such computing power to the mining pools, the customers are entitled to the mining rewards, which are directly transferred from mining pools to the customer-designated cryptocurrency wallets. Customers pay a fixed amount for the subscribed hash rate at the commencement of the plans. The revenue related to hash rate subscriptions is amortized ratably throughout the duration of the plan. The customer also needs to separately pay for electricity subscriptions to maintain the mining rigs that produce the subscribed hash rate. The revenue related to electricity subscriptions is recognized ratably throughout the duration of each respective electricity subscription. The price of electricity subscription is fixed at the commencement of each electricity subscription. The hash rate subscription plans are offered under two modes. Under the classic mode, the customer receives all of the mining rewards from the mining pool. Under the accelerator mode, the customer pays a relatively lower computing power subscription fee. In exchange, we are entitled to additional consideration once the customer's cost is recovered. The additional consideration is determined as a percentage of a customer's mining profit derived from the subscribed computing power. We accept both cryptocurrency and fiat currency as payments under the Cloud Hash Rate arrangements.

General Hosting

We provide General Hosting service, which is a combined service package including custody of the customers' mining rigs, electricity and network maintenance and other services, that enable our customers to run blockchain computing operations. The customer is only able to benefit from the General Hosting service as a package. The service fee is charged to our customers monthly on a consumption basis, such as the amount of electricity used in a period, based on the customer's use of such resources. In the arrangement with certain customers, we are also entitled to additional variable consideration based on the customers' mining yield during a period. Revenue from the General Hosting service is recognized across each service cycle. We accept both cryptocurrency and fiat currency as payments for the hosting service.

Membership Hosting

We offer Membership Hosting services to our large-scale miner customers by entering into a series of contracts, which includes a membership program agreement and a management services agreement. These contracts are signed with the same customer at or near the same time, and they are combined and accounted for as a single contract.

Unlike General Hosting where the customer's access to mining datacenter capacity is subject to the availability of such capacity at the time the request was raised, a customer under Membership Hosting will be designated of certain capacity (i.e., designated capacity) exclusive for use by such customer, by signing a standard membership program agreement. We also provide other program benefits, if available, to customers under Membership Hosting, including, among other things, (i) early, priority and exclusive access to the newly available mining datacenter capacity that is sufficient for large-scale miners, upon a new mining datacenter becomes available and (ii) more favorable pricing terms for our services, such as mining rig management services, than the prevailing price in the local market. We charge an upfront fee for such program benefits.

We also provide management services, such as infrastructure, custody, and utility, for the mining rigs of a Membership Hosting customer up to designated capacity, pursuant to a separate management services agreement, and charge management services fee. We also charge additional fee, at our stand-alone selling price, for the subscription of our mining rigs operation service. The management services fee and the mining rigs operation fee, as applicable, are charged to the customer monthly based on the customer's consumption of resources, such as the amount of electricity used in a period.

Our promises offered in the membership program agreement and management services agreement are not separately identifiable and treated as a single performance obligation recognized over a period of time. Revenue associated with the upfront fee for the program benefits is recognized over the program subscription period and revenue associated with the management services is recognized over each distinct service period. The promise to provide the mining rigs operation service, if subscribed to by a customer, is accounted for as a separate performance obligation and the associated revenue is recognized over each distinct service period at their respective stand-alone selling price. We accept both cryptocurrency and fiat currency as payments for the Membership Hosting arrangements.

Cloud Hosting

Through Cloud Hosting, we provide our customers one-stop mining rigs hosting solution that integrates the provision of computing power generated from the specified second-hand mining rigs and the provision of maintenance service, which primarily includes electricity supply and daily maintenance and repair care. We charge our customers an upfront amount at the commencement of the Cloud Hosting arrangements so the customers can secure the procurement of the computing power from the specified mining rigs and the corresponding revenue is recognized ratably over the term of the service, which approximates to the life of the specified mining rigs and is estimated to be two years, and maintenance service fee, based on the consumption of resources, such as electricity, and the corresponding revenue is recognized across each service cycle. The estimated life of these mining rigs is reviewed at least at each financial year-end and adjusted if the expectation of the realization of economic benefits from the specified mining rigs is different from the previous estimate.

The Cloud Hosting arrangements are offered under two modes. Under the classic mode, the customer receives all of the mining rewards from the mining pool. Under the accelerator mode, the customer is charged with a lower upfront amount and enjoys a quicker recovery of the costs. In exchange, we are entitled to additional consideration once a customer's cost is recovered. The additional consideration, which is variable, is determined as a percentage of a customer's mining profit derived from the computing power of the specified mining rigs and constrained until the mining pool operator finishes the calculation of the mining reward related to the mining activity in a given day. We include such additional consideration in the transaction price and recognize revenues when we can reasonably calculate the amount and determine it is probable a significant reversal will not occur. We did not generate any revenue from the additional consideration from Cloud Hosting arrangements offered under the "accelerator mode" for the years ended December 31, 2023, 2024 and 2025. We historically only accept cryptocurrency as payments for services under the Cloud Hosting arrangements. Under the Cloud Hosting arrangements, our customers' ability to direct the use of, and to obtain substantially all of the remaining benefits from, the mining rigs is limited while the mining rigs are in our possession. We have determined that we still retain control over the mining rigs and consequently, the mining rigs under the Cloud Hosting arrangements were not derecognized from our book.

We offer cloud-based computing, storage, and artificial intelligence services, which allow customers to use hosted software and hardware infrastructure without taking possession of the software or hardware. We have a single performance obligation in offering the use of software and hardware as a bundle to customers as both software and hardware are interdependent in our service delivery. Revenue is measured based on the transaction price, which represents the amount of consideration we expect to be entitled to in exchange for providing services, exclusive of discounts and, where applicable, sales taxes collected on behalf of third parties. Revenue related to subscription-based cloud services is recognized over the subscription contract period. Revenue related to on-demand cloud services based on usage is recognized as usage occurs. We accept both cryptocurrency and fiat currency as payments for these services.

Others

We also generate revenue from other operations, mainly including the provision of technical and human resources service, repair services of hosted mining rigs, lease of investment properties, the sale of mining rig peripherals, and the sale of containerized solution products. The revenue generated from these operations was individually immaterial for all periods under discussion.

Cost of Revenue

Our cost of revenue consists primarily of (i) electricity expenses incurred for operating our mining rigs in our revenue-generating activities, (ii) depreciation expense from the mining rigs, datacenters hosting those mining rigs and AI cloud business related equipment, (iii) costs of mining rigs and accessories sold to customers, (iv) compensation expenses incurred by mining datacenter personnel and (v) AI cloud service fees.

Electricity Cost in Operating Mining Rigs

We incur electricity costs when (i) operating mining rigs for cryptocurrency mining, (ii) generating hash rate for sales under Cloud Hash Rate, (iii) operating specified mining rigs for customers under Cloud Hosting and (iv) operating customer-owned mining rigs during the provision of General Hosting and Membership Hosting services.

Depreciation of Mining Rigs, Mining Datacenters and AI Cloud Business Related Equipment

Depreciation on our mining rigs is calculated using the straight-line method to allocate costs up to residual values over the estimated useful lives of the assets. We review the useful lives and residual values at least at each financial year-end and adjusted, if appropriate, to ensure that the method and rates of depreciation are consistent with the expected pattern of realization of economic benefits from mining rigs. We estimate the useful lives of mining rigs based on historical experience, taking into account anticipated technological changes. If there are significant changes from previously estimated useful lives, the amount of depreciation expenses may change. Effective from July 2025, substantially all mining rigs were estimated to have a useful life of two to three years. Prior to July 2025, the estimated useful lives were consistent with those applied in the years ended December 31, 2024 and 2023, whereby mining rigs had useful lives ranging from two to five years.

Depreciation of mining datacenters is calculated using the straight-line method based on the estimated useful lives of the assets comprised thereof, such as buildings, machinery, electronic equipment, leasehold improvements and property improvements, and is recorded under depreciation of property, plant, and equipment. The depreciation method, useful lives and residual value of these assets are reviewed at least at each financial year-end and adjusted if appropriate.

Depreciation of AI cloud business related equipment, primarily consisting of GPU equipment, is calculated using the straight-line method over an estimated useful life of four to five years. The depreciation method, useful life and residual value of these assets are reviewed at least at each financial year-end and adjusted if appropriate.

Cost of Mining Rigs and Accessories Sold

We incur costs of mining rigs and accessories sold in connection with the sale of such products to customers. Such costs primarily consist of inventory costs, including direct materials, processing fees, direct labor and other costs attributable to the production of mining rigs and related accessories.

Compensation Expenses Incurred by Mining Datacenter Personnel

The compensation expenses incurred by mining datacenter personnel consists primarily of (i) share-based payment expenses related to mining datacenter personnel as a result of the grant of options under the 2023 Share Incentive Plan and (ii) staff costs, including salaries, wages and other benefits in relation to mining datacenter personnel.

AI Cloud Service Fees

AI cloud service fees primarily represent service fees incurred for the use of third-party cloud computing infrastructure and related services. We utilize these cloud services to support the delivery of our AI-related solutions to customers.

Gross Profit/(Loss)

Our gross profit or loss is primarily affected by (i) Bitcoin prices, which have a significant and direct effect on the amount of revenue we recognized from our operations, (ii) depreciation of mining rigs, which is directly related to the mining rig purchases we made, (iii) electricity costs, (iv) staff cost, including salaries, wages and other benefits and (v) share-based payment expenses.

Operating Income/(Expenses)

Selling Expenses

Our selling expenses primarily consist of (i) staff costs, including salaries, wages and other benefits to sales personnel, (ii) promotional expenses, which primarily represent expenses incurred for online and offline marketing activities and other promotional activities to reach more customers, and (iii) share-based payment expenses related to sales personnel.

General and Administrative Expenses

Our general and administrative expenses primarily consist of (i) staff costs, including salaries, wages and other benefits to general and administrative personnel, (ii) consulting service expenses, (iii) share-based payment expenses related to general and administrative personnel, (iv) insurance expenditure, and (v) travel expenses and office expenses incurred during our daily operation.

Research and Development Expenses

Our research and development expenses primarily consist of (i) staff costs, including salaries, wages and other benefits to research and development personnel, (ii) share-based payment expenses related to research and development personnel, (iii) one-off incremental development expense, (iv) technical service fee and (v) amortization expenses of intangible assets acquired from the FreeChain Acquisition. We invest significant research and development resources in (i) the research and development of our ASIC and mining rig business as well as AI infrastructure and AI cloud business and (ii) developing and testing our Bitcoin mining chip and improving our software platform features like virus detection and hash rate monitoring, improving technology related to our cloud hash rate business including hash rate slicing.

Other Operating Income/(Expenses)

Our other operating income/(expenses) primarily consist of (i) net gains on disposal of cryptocurrencies, (ii) change in fair value of cryptocurrencies - receivables, (iii) change in fair value of cryptocurrency-settled receivables and payables, and (iv) impairment loss on cryptocurrencies.

Other Net Gains/(Losses)

Other net gains/(losses) primarily consist of (i) changes in fair value of derivative liabilities, (ii) loss on extinguishment of convertible notes, (iii) impairment of mining rigs, property, plant and equipment and other assets, and (iv) changes in fair value of financial assets at fair value through profit or loss.

Results of Operations

The following tables summarize our results of operations, revenue breakdown, and expenses by nature for the years ended December 31, 2025, 2024 and 2023. This information should be read together with our consolidated financial statements and related notes included elsewhere in this annual report. The results of operations in any particular period are not necessarily indicative of our future trends.

The following table summarizes our results of operations for the years indicated:

	For the Years Ended December 31		
	2025	2024	2023
	US\$	US\$	US\$
	(in thousands)		
Revenue	620,253	349,782	368,554
Cost of revenue	(559,261)	(283,382)	(290,745)
Gross profit	60,992	66,400	77,809
Selling expenses	(6,667)	(8,044)	(8,246)
General and administrative expenses	(84,415)	(64,317)	(66,454)
Research and development expenses	(153,876)	(76,946)	(29,534)
Listing fee	-	-	(33,151)
Other operating incomes / (expenses)	(21,352)	727	3,791
Other net gains/(losses)	365,038	(507,479)	3,538
Profit / (Loss) from operations	159,720	(589,659)	(52,247)
Finance income / (expenses)	(88,890)	(11,935)	1,276
Profit / (Loss) before taxation	70,830	(601,594)	(50,971)
Income tax benefits / (expenses)	(5,233)	2,443	(5,685)
Profit / (Loss) for the years	65,597	(599,151)	(56,656)

The following table sets forth a breakdown of our revenue for the years indicated.

	For the Years Ended December 31,					
	2025		2024		2023	
	US\$	%	US\$	%	US\$	%
	(in thousands, except for percentages)					
Revenue						
Self-mining	396,046	63.9	163,086	46.6	111,683	30.3
Sale of mining rigs and accessories	108,328	17.5	585	0.2	2	0.0
Cloud hash rate						
Hash rate subscription	845	0.1	27,470	7.8	40,290	11.0
Electricity subscription	1,258	0.2	12,069	3.5	27,419	7.4
Additional consideration from <i>Cloud Hash Rate</i> arrangements offered under accelerator mode	-	0.0	229	0.1	172	0.0
General Hosting	35,009	5.6	67,643	19.3	97,321	26.4
Membership Hosting	61,182	9.9	63,981	18.3	79,906	21.7
Cloud Hosting arrangements ⁽¹⁾	70	0.0	1,058	0.3	3,248	0.9
AI cloud services	6,769	1.1	3,450	1.0	1	0.0
Others ⁽²⁾	10,746	1.7	10,211	2.9	8,512	2.3
Total revenue	620,253	100.0	349,782	100.0	368,554	100.0

Notes:

- (1) We did not generate any revenue from the additional consideration from Cloud Hosting arrangements offered under the “accelerator mode” for the years ended December 31, 2023, 2024 and 2025.
- (2) “Others” include revenue generated primarily from providing technical and human resources service, repair services of hosted mining rigs, lease of investment properties, the sale of mining rigs peripherals and the sale of containerized solution products.

The following table sets forth a breakdown by nature of our cost of revenue, selling, general and administrative, and research and development expenses for the years indicated.

	For the Year Ended December 31,					
	2025		2024		2023	
	US\$	%	US\$	%	US\$	%
	<i>(in thousands, except for percentages)</i>					
<i>Staff costs: salaries, wages and other benefits</i>	83,138	10.3	63,434	14.7	52,873	13.4
Share-based payments	38,493	4.8	33,968	7.9	45,488	11.5
Amortization – intangible assets	23,507	2.9	8,382	1.9	754	0.2
Depreciation						
- mining rigs	82,967	10.3	19,470	4.5	25,663	6.5
- property, plant and equipment	45,740	5.7	42,120	9.7	39,899	10.1
- investment properties	2,793	0.3	2,717	0.6	2,601	0.7
- right-of-use assets	13,112	1.6	8,407	1.9	6,624	1.7
Electricity cost in operating mining rigs	273,004	33.9	179,765	41.5	180,565	45.7
Cost of mining rigs and accessories sold	89,302	11.1	1,652	0.4	4	0.0
One-off incremental development expense	72,060	9.0	29,017	6.7	-	-
AI cloud service fee	5,331	0.7	1,747	0.4	*	-
Consulting service fee	15,863	2.0	8,953	2.1	9,757	2.5
Research and development technical service fees	9,011	1.1	5,102	1.2	2,854	0.7
Office expenses	5,777	0.7	4,302	1.0	3,987	1.0
Travel expenses	5,749	0.7	3,853	0.9	2,843	0.7
Expenses of low-value consumables	4,833	0.6	2,326	0.5	2,557	0.6
Tax and surcharge	4,378	0.5	1,090	0.3	5,442	1.4
Write-down of inventories	3,885	0.5	-	-	-	-
Insurance fee	3,279	0.4	2,591	0.6	2,427	0.6
Advertising expenses	3,005	0.4	2,998	0.7	1,383	0.4
Logistic expenses	512	0.1	334	0.1	557	0.1
Research and development material expenses	489	0.1	926	0.2	-	-
Expenses of short-term leases	455	0.1	303	0.1	286	0.1
Expenses of variable payment lease	159	0.0	197	0.0	224	0.1
Others	17,377	2.2	9,035	2.1	8,191	2.0
Total cost of revenue, selling, general and administrative and research and development expenses	804,219	100.0	432,689	100.0	394,979	100.0

* Amount lesser than US\$1,000.

Comparison of Years Ended December 31, 2024 and 2025

Revenue

Our revenue increased by 77.3% from US\$349.8 million for the year ended December 31, 2024 to US\$620.3 million for the year ended December 31, 2025, primarily driven by a significant increase in self-mining revenue and sale of mining rigs and accessories, partially offset by decreases in cloud hash rate and hosting revenues.

- Revenue generated from our self-mining business increased by 142.8% from US\$163.1 million for the year ended December 31, 2024 to US\$396.0 million for the year ended December 31, 2025. The change was primarily due to the substantial increase in the average self-mining hash rate deployed during 2025 following the mass production and deployment of SEALMINER mining rigs, and higher average Bitcoin prices, partially offset by the effect of the April 2024 halving and increased network mining difficulty. The hash rate used for self-mining, calculated on a twelve-month monthly average basis, was approximately 25.1 EH/s for the year ended December 31, 2025, compared to 7.5 EH/s for the year ended December 31, 2024.
- Revenue generated from sale of mining rigs and accessories increased significantly from US\$0.6 million for the year ended December 31, 2024 to US\$108.3 million for the year ended December 31, 2025, which was primarily due to the mass production and sales of SEALMINER A2 and A2 Pro series mining rigs started from 2025.
- Revenue generated from Membership Hosting remained relatively stable at US\$64.0 million for the year ended December 31, 2024 and US\$61.2 million for the year ended December 31, 2025.
- Revenue generated from General Hosting decreased by 48.2% from US\$67.6 million for the year ended December 31, 2024 to US\$35.0 million for the year ended December 31, 2025, which was primarily due to the expiration of certain hosting customer contracts as well as a decline in capacity utilization caused by the removal of older and less efficient mining rigs by hosting customers following the April 2024 halving as a result of reduced mining economics.
- Revenue generated from AI cloud services increased by 96.2% from US\$3.5 million for the year ended December 31, 2024 to US\$6.8 million for the year ended December 31, 2025, primarily due to the expansion of our GPU server deployment and increased customer demand for AI computing services.
- Revenue generated from cloud hash rate decreased by 94.7% from US\$39.8 million for the year ended December 31, 2024 to US\$2.1 million for the year ended December 31, 2025, which was primarily due to the expiration of long-term cloud hash rate contracts and subsequent reallocation of nearly all hash rate of the mining rigs to self-mining operations by the end of 2024. The hash rate allocated to Cloud Hash Rate, calculated on a twelve-month monthly average basis, was approximately 0.2 EH/s for the year ended December 31, 2025, compared to 1.0 EH/s for the year ended December 31, 2024.
- Revenue generated from cloud hosting arrangements decreased by 93.4% from US\$1.1 million for the year ended December 31, 2024 to approximately US\$0.1 million for the year ended December 31, 2025, primarily due to the expiration of existing cloud hosting contracts.
- Revenue generated from others increased by 5.2% from US\$10.2 million for the year ended December 31, 2024 to US\$10.7 million for the year ended December 31, 2025.

Cost of Revenue

Our cost of revenue increased by 97.4% from US\$283.4 million for the year ended December 31, 2024 to US\$559.3 million for the year ended December 31, 2025, primarily driven by higher electricity costs associated with the expanded self-mining fleet, increased depreciation expenses from newly deployed SEALMINER mining rigs, and the cost of products sold related to SEALMINER sales.

- Electricity cost in operating mining rigs increased by approximately 51.9% from US\$179.8 million for the year ended December 31, 2024 to approximately US\$273.0 million for the year ended December 31, 2025, primarily due to the significant expansion of self-mining hash rate and total power consumption, as well as an increase in the average unit cost of electricity at certain of our datacenter sites.
- Depreciation of mining rigs increased significantly from US\$19.5 million for the year ended December 31, 2024 to approximately US\$83.0 million for the year ended December 31, 2025, primarily due to the deployment of a large number of new SEALMINER mining rigs for self-mining business during 2025, as well as a revision in the estimated useful lives of mining rigs from two to five years to two to three years, effective from July 2025, which resulted in higher depreciation charges for the second half of the year.
- Cost of products sold related to mining rig sales was US\$89.3 million for the year ended December 31, 2025, compared to US\$1.7 million in 2024, reflecting the commencement of commercial SEALMINER sales.
- Depreciation of property, plant and equipment and right-of-use assets attributed to cost of revenue increased by 14.2% from US\$47.5 million for the year ended December 31, 2024 to US\$54.2 million for the year ended December 31, 2025, primarily as a result of the expansion of our datacenters and mining facilities.
- Salaries, wages and other benefits attributed to cost of revenue increased by 19.0% from US\$20.6 million for the year ended December 31, 2024 to US\$24.5 million for the year ended December 31, 2025, which was due to the increase in employees and in salaries, wages and other benefits to attract and retain quality employees for our datacenter operations.

Selling Expenses

Our selling expenses decreased by 17.1% from US\$8.0 million for the year ended December 31, 2024 to US\$6.7 million for the year ended December 31, 2025, primarily due to lower advertising expenses and share-based payment expenses for sales personnel.

General and Administrative Expenses

Our general and administrative expenses increased by 31.2% from US\$64.3 million for the year ended December 31, 2024 to US\$84.4 million for the year ended December 31, 2025, primarily due to an increase in staff costs for general and administrative personnel, higher consulting fees for capital market and compliance activities and increased travel and administrative office expenses.

Research and Development Expenses

Our research and development expenses increased significantly by 100.0% from US\$76.9 million for the year ended December 31, 2024 to US\$153.9 million for the year ended December 31, 2025, primarily due to higher one-off incremental development expenses for the ASIC chips, higher engineering costs and technical service fees related to our ASIC development roadmap, and non-cash amortization of intangible assets arising from FreeChain Acquisition.

Other Operating Income / (Expenses)

We incurred other operating expenses of US\$21.4 million for the year ended December 31, 2025, compared to other operating income of US\$0.7 million for the year ended December 31, 2024. This change was primarily driven by a loss on change in the fair value of cryptocurrencies – receivables of US\$26.7 million coming from the Bitcoins collateralized for the BTC Collateralized Loan with BIT Group and an impairment loss on cryptocurrencies of US\$3.8 million, partially offset by net gains on disposal of cryptocurrencies of US\$9.7 million.

Other Net Gains/(Losses)

We recorded other net gains of US\$365.0 million for the year ended December 31, 2025, compared to other net losses of US\$507.5 million for the year ended December 31, 2024. The 2025 gain was primarily attributable to a US\$444.9 million gain on fair value changes of the derivative liabilities in connection with the convertible notes issued and the Tether warrants, partially offset by (i) a US\$60.4 million loss on extinguishment of convertible notes, (ii) a US\$14.7 million impairment loss of assets including impairments of US\$4.7 million related to the fire accident in Massillon Ohio site, US\$8.7 million related to old model of mining rigs, and US\$1.3 million related to our other assets, (iii) a US\$3.7 million net loss on changes in fair value of financial assets at fair value through profit or loss and (iv) a US\$3.5 million net loss on changes in fair value of derivative assets.

Profit / (Loss) from Operations

As a result of the foregoing, we recorded a profit from operations of US\$159.7 million for the year ended December 31, 2025, compared to a loss from operations of US\$589.7 million for the year ended December 31, 2024.

Finance Income / (Expenses)

We recorded net finance expenses of US\$88.9 million for the year ended December 31, 2025, compared to net finance expenses of US\$11.9 million for the year ended December 31, 2024. The increase was primarily driven by higher interest expense on borrowings, including interest on our convertible senior notes and borrowings from BIT Group.

Income Tax Benefits/(Expenses)

We recorded income tax expenses of US\$5.2 million for the year ended December 31, 2025, compared to income tax benefits of US\$2.4 million for the year ended December 31, 2024.

Net Profit/(Loss)

As a result of the foregoing, we recorded a net profit of US\$65.6 million for the year ended December 31, 2025, compared to a net loss of US\$599.2 million for the year ended December 31, 2024.

Comparison of Years Ended December 31, 2023 and 2024

Revenue

Our revenue decreased by 5.1% from US\$368.6 million for the year ended December 31, 2023 to US\$349.8 million for the year ended December 31, 2024, primarily driven by (i) a decrease in revenue generated from Cloud Hash Rate, (ii) a decrease in revenue generated from General Hosting, (iii) a decrease in revenue generated from Membership Hosting, partially offset by (i) an increase in revenue generated from self-mining and (ii) an increase in revenue generated from others.

- Revenue generated from our self-mining business increased by 46.0% from US\$111.7 million for the year ended December 31, 2023 to US\$163.1 million for the year ended December 31, 2024. The change was primarily due to higher average price of Bitcoin, the most significant type of cryptocurrency involved in our business operation, offset by less Bitcoin production with the effect of the April 2024 halving and higher global network hash rate. The hash rate used for self-mining, calculated on a twelve-month monthly average basis, was approximately 7.5 EH/s for the year ended December 31, 2024, which increased compared to 5.1 EH/s for the year ended December 31, 2023. We expect to remain flexible in allocating hash rate between self-mining and cloud hash rate sales, depending on the market condition.
- Revenue generated from Cloud Hash Rate decreased by 41.4% from US\$67.9 million for the year ended December 31, 2023 to US\$39.8 million for the year ended December 31, 2024, which was primarily due to a decrease in revenue from hash rate subscription and revenue from electricity subscription. Sales price of hash rate subscription is primarily priced with reference to Bitcoin price and overall network hash rate at the time of sales and revenue generated from the subscription is recognized evenly over the duration of the subscription. Revenue from hash rate subscription did not only consist of new sales during the year ended December 31, 2024 but also the amortized revenue from sales before 2024. The decrease in revenue from hash rate subscription was due to (i) the decrease of revenue contributed from the active historical subscription orders along with the gradually expiration of the orders and (ii) the lower average sales unit price of hash rate subscription orders that are effective for the year ended December 31, 2024. The hash rate allocated to Cloud Hash Rate, calculated on a twelve-month monthly average basis, was approximately 1.0 EH/s for the year ended December 31, 2024, which decreased compared to 1.6 EH/s for the year ended December 31, 2023. The decrease in revenue from electricity subscription was attributable to the expiration of long-term Cloud Hash Rate contracts over the course of 2024.
- Revenue generated from General Hosting decreased by 30.5% from US\$97.3 million for the year ended December 31, 2023 to US\$67.6 million for the year ended December 31, 2024, which was primarily due to a decrease of the average hosting capacity caused by the expiration of certain hosting customer contracts as well as the removal of older and less efficient machines by other hosting customers following the April 2024 halving as a result of reduced mining economics.
- Revenue generated from Membership Hosting decreased by 19.9% from US\$79.9 million for the year ended December 31, 2023 to US\$64.0 million for the year ended December 31, 2024. Similar to General Hosting, the decline was primarily driven by customers scaling down operations for older and less efficient rigs following the April 2024 halving as a result of reduced mining economics.
- Revenue generated from others increased by 60.5% from US\$8.5 million for the year ended December 31, 2023 to US\$13.7 million for the year ended December 31, 2024, primarily due to an increase in revenue from AI cloud services and lease of investment properties.

Cost of Revenue

Our cost of revenue decreased from US\$290.7 million for the year ended December 31, 2023 to US\$283.4 million for the year ended December 31, 2024, primarily driven by (i) a decrease in electricity expenses incurred for operating mining rigs, (ii) a decrease in depreciation of mining rigs, (iii) a decrease in share-based payments expenses incurred by mining datacenter personnel, offset by (i) an increase in depreciation of property, plant and equipment and right-of-use assets, and (ii) an increase in staff costs, including salaries, wages and other benefits to mining datacenter personnel.

- Electricity cost in operating mining rigs decreased slightly by 0.4% from US\$180.6 million for the year ended December 31, 2023 to US\$179.8 million for the year ended December 31, 2024, which was primarily due to the decreased energy consumption related to the reduced hosted mining rigs, partially offset by the slightly higher average electricity price in 2024.
- Depreciation of mining rigs decreased by 24.1% from US\$25.7 million for the year ended December 31, 2023 to US\$19.5 million for the year ended December 31, 2024, primarily due to (i) mining rigs procured prior to 2023 being fully depreciated gradually, (ii) lower depreciation cost attributed by these mining rigs procured in 2023 being depreciated over a longer useful life, and (iii) a decrease in the amount of new mining rigs deployed during 2024 compared to 2023, because we were focused on the research and development of our SEALMINER mining rigs and the launching of mining rigs by ourselves from the second half of the 2024.
- Share-based payment expenses attributed to cost of revenue decreased by 49.9% from US\$4.7 million for the year ended December 31, 2023 to US\$2.4 million for the year ended December 31, 2024, due to a decrease in expense recognized according to graded vesting schedules for outstanding share awards for the year ended December 31, 2024 as compared to the year ended December 31, 2023.
- Depreciation of property, plant and equipment and right-of-use assets attributed to cost of revenue increased by 6.4% from US\$44.6 million for the year ended December 31, 2023 to US\$47.5 million for the year ended December 31, 2024, primarily as a result of the expansion of our mining datacenters and mining facilities in North America, Norway and Bhutan.
- Salaries, wages and other benefits attributed to cost of revenue increased by 4.4% from US\$19.7 million for the year ended December 31, 2023 to US\$20.6 million for the year ended December 31, 2024, which was due to the increase in employees and in salaries, wages and other benefits to attract and retain quality employees for our mining datacenter operations.

Selling Expenses

Our selling expenses decreased by 2.4% from US\$8.2 million for the year ended December 31, 2023 to US\$8.0 million for the year ended December 31, 2024, primarily due to (i) a decrease in staff costs, including salaries, wages and other benefits to sales personnel, and (ii) a decrease in share-based payment expenses recognized according to graded vesting schedules for outstanding share awards for the year ended December 31, 2024, partially offset by an increase in advertising expenses.

General and Administrative Expenses

Our general and administrative expenses decreased by 3.2% from US\$66.5 million for the year ended December 31, 2023 to US\$64.3 million for the year ended December 31, 2024, primarily due to (i) a decrease in share-based payment expenses recognized according to graded vesting schedules for outstanding share awards for the year ended December 31, 2024, and (ii) a decrease in consulting service fee, partially offset by (i) an increase in staff costs, including salaries, wages and other benefits to general and administrative personnel, and (ii) an increase in traveling expenses.

Research and Development Expenses

Our research and development expenses increased significantly by 160.5% from US\$29.5 million for the year ended December 31, 2023 to US\$76.9 million for the year ended December 31, 2024, primarily due to (i) a US\$29.0 million one-off incremental development expense related to the SEAL01 and SEAL02 chips for the year ended December 31, 2024 and (ii) an increase in staff costs, including salaries, wages and other benefits to research and development personnel related to our ASIC and mining rig development roadmap, (iii) an increase in share-based payments expenses recognized and amortization expenses of intangible assets related to the FreeChain Acquisition, and (iv) an increase in research and development technical service fees along with our expansion of research and development activities.

Listing Fee

We recorded listing fee of US\$33.2 million for the year ended December 31, 2023 in relation to the Business Combination with Blue Safari Group Acquisition Corp., compared to nil for the year ended December 31, 2024.

Other Operating Income

We generated other operating income of US\$3.8 million for the year ended December 31, 2023 and US\$0.7 million for the year ended December 31, 2024, respectively. This change was primarily driven by the loss on change in fair value of cryptocurrency-settled receivables and payables, and partially offset by the increase of net gain on disposal of cryptocurrencies.

Other Net Gains/(Losses)

We recorded other net gain of US\$3.5 million for the year ended December 31, 2023, primarily due to the net gains on the changes in fair value of financial assets at fair value through profit or loss. We recorded other net loss of US\$507.5 million for the year ended December 31, 2024, primarily due to (i) a US\$498.2 million loss on fair value changes of the derivative liabilities in connection with the convertible notes issued in August and November and the Tether warrants, (ii) a US\$8.2 million loss on extinguishment of convertible notes issued in August, (iii) a US\$3.2 million loss on change in fair value of holdback share issued in connection with the FreeChain Acquisition, partially offset by the net gains on the changes in fair value of financial assets at fair value through profit or loss.

Loss from Operations

As a result of the foregoing, we recorded a loss from operations of US\$52.2 million and US\$589.7 million for the years ended December 31, 2023 and 2024, respectively.

Finance Income / (Expenses)

We recorded net finance expenses of US\$11.9 million for the year ended December 31, 2024, compared to net finance income of US\$1.3 million for the year ended December 31, 2023. The change was primarily driven by higher interest expense on borrowings in connection with our convertible senior notes issued in August and November 2024.

Income Tax Benefits/(Expenses)

We recorded income tax expenses of US\$5.7 million and income tax benefits of US\$2.4 million for the years ended December 31, 2023 and 2024, respectively.

Net Loss

As a result of the foregoing, we incurred a net loss of US\$56.7 million and US\$599.2 million for the years ended December 31, 2023 and 2024, respectively.

Non-IFRS Financial Measures

In evaluating our business, we consider and use non-IFRS measures, adjusted EBITDA and adjusted loss, as supplemental measures to review and assess our operating performance.

We define adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, further adjusted to exclude share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of convertible senior notes, changes in fair value of cryptocurrency-settled receivables and payables, changes in fair value of cryptocurrencies - receivables, impairment of assets, other expenses – one off donation, changes in fair value of derivative assets, changes in fair value of financial assets at fair value through profit or loss, and changes in fair value of holdback shares for FreeChain Acquisition. We define adjusted profit/(loss) as profit/(loss) adjusted to exclude share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of convertible senior notes, changes in fair value of cryptocurrency-settled receivables and payables, changes in fair value of cryptocurrencies - receivables, impairment of assets, other expenses – one off donation, changes in fair value of derivative assets, changes in fair value of financial assets at fair value through profit or loss, and changes in fair value of holdback shares for FreeChain Acquisition.

We present these non-IFRS financial measures because they are used by our management to evaluate our operating performance and formulate business plans. We also believe that the use of these non-IFRS measures facilitates investors' assessment of our operating performance. These measures are not necessarily comparable to similarly titled measures used by other companies. As a result, investors should not consider these measures in isolation from, or as a substitute analysis for, our profit/(loss) for the periods, as determined in accordance with IFRS.

We compensate for these limitations by reconciling these non-IFRS financial measures to the nearest IFRS performance measure, all of which should be considered when evaluating our performance. We encourage investors to review our financial information in its entirety and not rely on a single financial measure.

The following table presents a reconciliation of profit/(loss) for the relevant period to adjusted EBITDA and adjusted profit, for the years ended December 31, 2025, 2024 and 2023.

	For the Years Ended December 31		
	2025	2024	2023
	US\$	US\$	US\$
	(in thousands)		
Adjusted EBITDA			
Profit / (Loss) for the year	65,597	(599,151)	(56,656)
Add:			
Depreciation and amortization	168,119	81,096	75,541
Income tax (benefits)/expenses	5,233	(2,443)	5,685
Interest (income)/expenses, net	91,725	10,050	(2,872)
Listing fee	-	-	33,151
Share-based payment expenses	38,493	33,968	45,488
Changes in fair value of derivative liabilities	(444,861)	498,167	-
Loss on extinguishment of convertible senior notes	60,403	8,172	-
Changes in fair value of cryptocurrency-settled receivables and payables	631	6,362	(3,305)
Changes in fair value of cryptocurrencies - receivables	26,710	-	-
Impairment of assets	14,699 ⁽¹⁾	-	-
Other expenses – one off donation	1,250	-	-
Changes in fair value of derivative assets	3,543	-	-
Change in fair value of financial assets at fair value through profit or loss	3,662	(1,970)	(3,527)
Changes in fair value of holdback shares for acquisition of FreeChain	-	3,186	-
Total of adjusted EBITDA	35,204	37,437⁽²⁾	93,505⁽²⁾
Adjusted Profit/(loss)			
Profit / (Loss) for the year	65,597	(599,151)	(56,656)
Add:			
Listing fee	-	-	33,151
Share-based payment expenses	38,493	33,968	45,488
Changes in fair value of derivative liabilities	(444,861)	498,167	-
Loss on extinguishment of convertible senior notes	60,403	8,172	-
Changes in fair value of cryptocurrency-settled receivables and payables	631	6,362	(3,305)
Changes in fair value of cryptocurrencies - receivables	26,710	-	-
Impairment of assets	14,699 ⁽¹⁾	-	-
Other expenses - one off donation	1,250	-	-
Changes in fair value of derivative assets	3,543	-	-
Change in fair value of financial assets at fair value through profit or loss	3,662	(1,970)	(3,527)
Changes in fair value of holdback shares for acquisition of FreeChain	-	3,186	-
Adjusted profit/(loss)	(229,873)	(51,266)⁽²⁾	15,151⁽²⁾

Notes:

- (1) In the year ended December 31, 2025, we recorded an impairment of US\$4.7 million related to the fire accident in Massillon Ohio site, impairment of US\$8.7 million related to old model of mining rigs, and US\$1.3 million related to our other assets, which we expect to be nonrecurring.
- (2) In the year ended December 31, 2025, we revised definition of our previously reported non-IFRS Adjusted Profit / (Loss) and Adjusted EBITDA and recast the prior period for comparability. This revision, which resulted in a US\$2.0 million and US\$3.5 million reduction to the Adjusted Profit / (Loss) and Adjusted EBITDA results for the years ended December 31, 2024 and 2023, respectively, reflects non-cash fair value changes in financial assets at fair value through profit or loss as they do not represent normal operating expenses (or income) necessary to operate our business.

Liquidity and Capital Resources

As of December 31, 2025, we had cash and cash equivalents of US\$149.4 million, cryptocurrencies of US\$83.1 million, cryptocurrencies - receivables of US\$135.6 million, and fiat currency investment of US\$1.1 million in an unlisted debt instrument, redeemable on demand. We have financed our operations primarily with cash flow from disposal of cryptocurrencies earned from principal business operations as well as through the issuance of convertible notes and Class A ordinary shares and entering into borrowing arrangements. We believe that our cash, short-term investment, proceeds from our principal business, and anticipated proceeds from disposal of cryptocurrencies will be sufficient to meet our current and anticipated working capital requirements for at least the next 12 months from the date of this annual report. Consistent with our recent approach, we expect to opportunistically access sources of capital, including proceeds from the issuance of convertible notes, Class A ordinary shares and borrowing arrangements to meet our current and anticipated capital expenditure requirements. Our cash and cash equivalents decreased to US\$149.4 million as of December 31, 2025 from US\$476.3 million as of December 31, 2024, primarily due to significant working capital requirements associated with SEALMINER manufacturing and inventory procurement, as well as capital expenditures for datacenter infrastructure expansion, partially offset by proceeds from convertible note issuances, borrowings from a related party, equity financing and proceeds from disposal of cryptocurrencies. Our cash and cash equivalents increased to US\$476.3 million as of December 31, 2024 from US\$144.7 million as of December 31, 2023, primarily from our financing activities for the year ended December 31, 2024.

Our material cash requirements as of December 31, 2025 and any subsequent interim period primarily include our purchase of property, plant and equipment, investment properties and intangible assets, lease obligations, and borrowings. Other than those discussed below, we did not have any significant capital and other commitments, long-term obligations or guarantees as of December 31, 2025.

Purchase of property, plant and equipment, investment properties and intangible assets. Purchase of property, plant and equipment, investment properties and intangible assets primarily consist of the purchase of machinery, equipment and other expenditure associated with datacenter construction and operations. The total cash outflow for the purchase of property, plant and equipment, investment properties and intangible assets were US\$63.3 million, US\$119.5 million and US\$232.2 million for the years ended December 31, 2023, 2024 and 2025, respectively. As of December 31, 2025, we had commitments that are scheduled to be paid within 12 months for the datacenters construction of approximately US\$65.3 million, of which approximately US\$23.6 million was recognized in payables as of December 31, 2025.

Lease obligations. We occupy most of our office premises and certain datacenters under lease arrangements, which generally have an initial lease term between two to thirty years. Lease contracts are typically made for fixed periods but may have extension options. Any extension options in these leases have not been included in the lease liabilities unless we are reasonably certain to exercise the extension option. Periods after termination options are only included in the lease term if the lease is reasonably certain not to be terminated. The total cash outflow for leases, including the capital element of lease rentals paid and interests paid on leases for the years ended December 31, 2023, 2024 and 2025 were approximately US\$7.8 million, US\$13.1 million and US\$12.0 million, respectively. As of December 31, 2025, lease liabilities mature based on contractual undiscounted payments within 12 months and over 12 months were US\$13.6 million and US\$106.6 million, respectively.

Borrowings. Our borrowings as of December 31, 2025 represented a total commitment of approximately US\$1.0 billion relating to (i) the balance of US\$93.6 million relates to November 2024 Convertible Notes with the outstanding US\$200.0 million aggregate principal amount, (ii) the balance of US\$160.4 million relates to June 2025 Convertible Notes with US\$375.0 million aggregate principal amount, (iii) the balance of US\$198.7 million relates to November 2025 Convertible Notes, with US\$400.0 million aggregate principal amount, (iv) bank loans of US\$26.5 million, and (v) the loans from BIT Group, a related party, of US\$521.8 million (comprising current portion of US\$275.0 million and non-current portion of US\$246.8 million).

For additional information regarding (i) the February 2026 Convertible Notes, (ii) the November 2025 Convertible Notes, and (iii) loans from BIT Group, see “— Recent Developments.”

We intend to fund our existing and future material cash requirements primarily with our cash, short-term investments, proceeds from our principal business, anticipated proceeds from disposal of cryptocurrencies, proceeds from the issuance of convertible notes and entering into borrowing arrangements. However, our future capital requirements will depend on many factors, including our rate of revenue growth and the market acceptance of our offerings, the timing and magnitude of capital expenditures for AI datacenter construction and conversion, GPU and AI business related equipment procurement and mining rig development and manufacturing, the pace at which we scale our infrastructure and hash rate capacity, our ability to obtain financing on acceptable terms for these capital investments, expansion of our sales and marketing activities, our ability to effectively control costs, and overall economic conditions. To the extent that current and anticipated future sources of liquidity are insufficient to fund our future business activities and requirements, we may be required to seek additional equity or debt financing. The sale of additional equity would result in additional dilution to our shareholders. The incurrence of debt financing would result in debt service obligations and the instruments governing such debt could provide for operating and financing covenants that would restrict our operations. In the event that additional financing is required from outside sources, there is a possibility we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital when desired, our business, operations and financial condition could be adversely affected.

We have not entered into any financial guarantees or other commitments to guarantee the payment obligations of any third parties. We have not entered into any derivative contracts that are indexed to our shares and classified as shareholders’ equity or that are not reflected in our financial statements. Furthermore, we do not have any retained or contingent interest in assets transferred to an unconsolidated entity that serves as credit, liquidity or market risk support to such entity. We do not have any variable interest in any unconsolidated entity that provides financing, liquidity, market risk or credit support to us or engages in leasing, hedging or product development services with us.

Cash Flows

The following table presents our consolidated statements of cash flows for the years ended December 31, 2025, 2024 and 2023:

	For the Years Ended December 31,		
	2025	2024	2023
	US\$	US\$	US\$
	(in thousands)		
Net cash used in operating activities	(1,738,678)	(622,073)	(271,787)
Net cash generated from investing activities	38,857	112,700	199,854
Net cash generated from/ (used in) financing activities	1,369,002	844,267	(13,493)
Net increase / (decrease) in cash and cash equivalents	(330,819)	334,894	(85,426)
Cash and cash equivalents at the beginning of the year	476,270	144,729	231,362
Effect of movements in exchange rates on cash and cash equivalents held	3,901	(3,353)	(1,207)
Cash and cash equivalents at the end of the year	149,352	476,270	144,729

Operating Activities

Net cash used in operating activities was US\$1,738.7 million for the year ended December 31, 2025. The difference between our net profit of US\$65.6 million and the net cash used in operating activities was primarily attributable to (i) changes in inventories of US\$786.9 million driven by our SEALMINERs mass volume production, (ii) changes in prepayments and other assets of US\$408.2 million primarily associated with advanced payments to inventories procurement for our SEALMINERs mass volume production, (iii) adjustments for revenue recognized on acceptance of cryptocurrencies of US\$560.5 million and (iv) an adjustment for the gain on change in fair value of derivative liabilities of US\$444.9 million, partially offset by (i) an adjustment for depreciation and amortization of US\$168.1 million primarily relating to the depreciation of mining rigs used in our principal business operations and property, plant and equipment used in connection with the expansion of our datacenters during this year, (ii) an adjustment for interest expense on borrowings including borrowings from a related party of US\$95.5 million, (iii) an increase in trade payables of US\$67.7 million driven by higher electricity payables, elevated logistics and import duties payables associated with the deployment of SEALMINERs at our datacenters, and increased supply chain payables associated with SEALMINER production, (iv) an adjustment for loss on extinguishment of convertible senior notes of US\$60.4 million and (v) an adjustment for share-based payment expenses of US\$38.5 million for the issuance of options pursuant to our share incentive plans.

Net cash used in operating activities was US\$622.1 million for the year ended December 31, 2024. The difference between our net loss of US\$599.2 million and the net cash used in operating activities was primarily attributable to (i) adjustments for revenue recognized on acceptance of cryptocurrencies of US\$324.5 million, (ii) changes in prepayments and other assets of US\$219.2 million primarily associated with advanced payments to inventories procurement for our SEALMINERs mass volume production, and (iii) changes in inventories of US\$81.2 million related to our manufacturing of SEALMINER, partially offset by (i) an adjustment for depreciation and amortization of US\$81.1 million primarily relating to the depreciation of mining rigs used in our principal business operations and property, plant and equipment used in connection with our mining datacenters during this year, (ii) an adjustment for share-based payment expenses of US\$34.0 million for the issuance of options pursuant to our share incentive plans and (iii) change in fair value of derivative liabilities of US\$498.2 million.

Net cash used in operating activities was US\$271.8 million for the year ended December 31, 2023. The difference between our net loss of US\$56.7 million and the net cash used in operating activities was primarily attributable to (i) adjustments for revenue recognized on acceptance of cryptocurrencies of US\$342.3 million, (ii) changes in prepayments and other assets of US\$49.0 million primarily associated with deposits and prepayments made to suppliers following the expansion of our business during this period, and (iii) changes in other payables and accruals of US\$5.1 million, partially offset by (i) an adjustment for depreciation and amortization of US\$75.5 million primarily relating to the depreciation of mining rigs used in our principal business operations and property, plant and equipment used in connection with the expansion of our mining datacenters during this year, (ii) an adjustment for share-based payment expenses of US\$45.5 million for the issuance of options pursuant to our share incentive plans and (iii) an adjustment for listing fee of US\$33.2 million.

Investing Activities

Net cash generated from investing activities was US\$38.9 million for the year ended December 31, 2025, primarily attributable to proceeds from disposal of cryptocurrencies of US\$352.0 million, partially offset by (i) purchase of property, plant and equipment, investment properties and intangible assets of US\$232.2 million, (ii) payment for mining rigs of US\$35.4 million, (iii) cash paid for the Alberta, Canada site acquisition of US\$21.9 million and (iv) cash paid for purchase of cryptocurrencies of US\$18.2 million.

Net cash generated from investing activities was US\$112.7 million for the year ended December 31, 2024, primarily attributable to proceeds from disposal of cryptocurrencies of US\$248.4 million, partially offset by (i) purchase of property, plant and equipment, investment properties and intangible assets of US\$119.5 million, (ii) payment for mining rigs of US\$7.7 million and (iii) cash paid for business combinations, net of cash acquired of US\$6.1 million.

Net cash generated from investing activities was US\$199.9 million for the year ended December 31, 2023, primarily attributable to proceeds from disposal of cryptocurrencies of US\$299.1 million and proceeds from disposal of financial assets at fair value through profit or loss US\$31.1 million, partially offset by (i) purchase of property, plant and equipment, investment properties and intangible assets of US\$63.3 million, (ii) payment for mining rigs of US\$63.0 million and (iii) purchase of financial assets at fair value through profit or loss of US\$4.4 million.

Financing Activities

Net cash generated from financing activities was US\$1,369.0 million for the year ended December 31, 2025, which was primarily attributable to (i) proceeds from convertible senior notes, net of transaction costs, of US\$751.0 million, (ii) borrowings from a related party of US\$668.0 million, and (iii) proceeds from issuance of ordinary shares and warrants, net of transaction costs, of US\$351.3 million, partially offset by (i) payment in connection with the extinguishment of convertible senior notes of US\$147.9 million, (ii) purchase of zero-strike call option of US\$129.6 million, (iii) repayments of borrowings to a related party of US\$95.4 million, and (iv) acquisition of treasury shares of US\$65.0 million.

Net cash generated from financing activities was US\$844.3 million for the year ended December 31, 2024, which was primarily attributable to (i) proceeds from issuance of ordinary shares and warrants, net of transaction costs, of approximately US\$485.1 million and (ii) proceeds from convertible senior notes, net of transaction costs, of US\$554.2 million, offset by (i) purchase of zero-strike call option of US\$160.0 million in connection with the convertible senior notes issued in November, (ii) payment in connection with the extinguishment of convertible senior notes issued in August of US\$14.9 million, and (iii) payment related to the senior secured notes issued for the Norway Acquisition of US\$15.0 million.

Net cash used in financing activities was US\$13.5 million for the year ended December 31, 2023, which was primarily attributable to (i) net payment related to the Business Combination of US\$7.7 million, (ii) payments of convertible debt redemption of US\$7.0 million and (iii) capital element of lease rentals paid of US\$5.2 million, offset by proceeds from issuance of ordinary shares, net of transaction costs, of approximately US\$9.5 million.

Recent Accounting Pronouncements

As from January 1, 2025, we adopted the following recently issued or amended standards. These new standards are not expected to have any significant impact on our financial statements:

Standard/Interpretation	Application Date of Standard	Application Date for our group
Amendments to IAS 21, Lack of Exchangeability	January 1, 2025	January 1, 2025

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, which are not yet effective for the year ended December 31, 2025 and which have not been adopted in these financial statements. We are in the process of making an assessment of what the impact of these new and amended standards and interpretations would be in the period of initial application. So far, we have concluded that the adoption of them is unlikely to have a significant impact on our financial position but will have disclosure impacts.

Standard/Interpretation	Application Date for our group
Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7, Annual improvements to IFRS Accounting Standards Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7, Contracts referencing Nature-dependent Electricity	January 1, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21, Translation to a Hyperinflationary Presentation Currency	January 1, 2027

Critical Accounting Policies and Significant Judgments and Estimates

We prepared our consolidated financial statements for the years ended December 31, 2023, 2024 and 2025 in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IASB").

In preparing the financial statements, our management has made judgments and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, profit and loss. Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. We make estimates and assumptions concerning the future. The resulting accounting estimates may not be equal to the related actual results.

The judgments and estimates that have a significant risk of causing a material adjustment to the carry amounts of assets and liabilities within the next financial year, which we consider to be critical, are outlined below.

Valuation of the recoverable amount of the indefinite-lived intangible assets and goodwill for impairment analysis

The recoverable amount of the Cash-generating units (“CGUs”) is determined by the use of valuation models and unobservable inputs that are subject to significant estimates and assumptions. These estimates and assumptions can include, among others, the cash flows that an asset is expected to generate in the future and discount rates. The judgments and estimates used are disclosed in Note 14 to the consolidated financial statements included elsewhere in this annual report.

Other estimates and assumptions utilized in the preparation of our consolidated financial statements are income taxes, share-based payments, fair value of financial instruments, impairment of property, plant and equipment, mining rigs and other assets, and depreciation of mining rigs. Our use of judgments and estimates are disclosed in Note 3 to the consolidated financial statements included elsewhere in this annual report, and the related accounting policies are disclosed in Note 2 to the consolidated financial statements included elsewhere in this annual report. When reviewing our financial statements, you should consider our selection of critical accounting policies, our significant judgments and other uncertainties affecting our applications of those policies and the sensitivity of reported results to changes of such policies, judgments and uncertainties. You should read the descriptions of these significant judgments and estimates in conjunction with other disclosures included in this annual report.

We believe that the following are the material accounting policies.

Cryptocurrencies

Cryptocurrencies includes USD Coin (“USDC”) and cryptocurrencies other than USDC held in our cryptocurrency wallets. We classify the cryptocurrencies as current assets based on the intention to actively utilize or convert them within the normal operating cycle.

USDC

USDC is accounted for as a financial instrument as one USDC can be redeemed for one U.S. dollar on demand from the issuer. USDC, classified as a debt investment, is measured at fair value through profit or loss.

Cryptocurrencies other than USDC

Cryptocurrencies other than USDC are, by their nature, identifiable non-monetary assets that lack physical substance. Future economic benefits attributable to these cryptocurrencies are expected to flow to us because these cryptocurrencies can be exchanged for fiat currencies. Furthermore, the cost of our cryptocurrencies other than USDC can be measured using the quoted price of such cryptocurrencies at the time the fair value is being measured, which we consider to be predominantly a Level 1 fair value input under IFRS 13 Fair Value Measurement fair value hierarchy.

We account for the cryptocurrencies other than USDC as intangible assets with indefinite useful lives in our consolidated statements of financial position because, at the time of assessment, there is no foreseeable limit to the period over which such assets are expected to generate cash flows.

We further adopt the cost model to account for cryptocurrencies other than USDC and review their useful life and impairment at each reporting date in accordance with IAS 38 Intangible Assets. We account for cryptocurrencies other than USDC at cost. If circumstances indicate that the carrying amount of cryptocurrencies other than USDC may not be recoverable, the assets may be considered impaired, and an impairment loss may be recognized in accordance with the accounting policy for impairment of cryptocurrencies other than USDC as disclosed in Note 2(x) to the consolidated financial statements included elsewhere in this annual report.

Gains or losses arising from the disposal of cryptocurrencies other than USDC are determined as the difference between the net disposal proceeds and the carrying amount of the assets. We recognize realized gains or losses on the date of the disposal using the first-in-first-out method of accounting.

Receivables and payables settled in cryptocurrencies

We measure receivables and payables settled in cryptocurrencies (including cryptocurrencies-receivables) at the fair value of the underlying cryptocurrencies, based initially on their respective quoted prices and subsequently on the measurement date. Changes in the fair value of the underlying cryptocurrencies are recognized in other operating income/(expenses) in our consolidated statements of operations and comprehensive income/(loss). Receivables settled in cryptocurrencies are further adjusted for expected credit losses.

We present revenue recognized upon the acceptance of cryptocurrencies, which is a non-cash item, as an adjustment to remove the non-cash item in the cash flows from operating activities. Disposals of cryptocurrencies received in revenue arrangements are presented as cash flows from investing activities in our consolidated statements of cash flows.

Revenue recognition

Our revenues are derived principally from the self-mining arrangements, the sale of mining rigs and accessories, cloud hash rate arrangements, hosting arrangements (including general, membership and cloud hosting arrangements) and AI cloud services.

Revenue is recognized when control over goods or services is transferred to the customer, at the amount of promised consideration to which we are expected to be entitled. Revenue excludes value-added tax ("VAT") or other sales taxes and is after deduction of trade discount, if any.

Revenue is recognized applying the following five steps:

- i) Identify the contract with a customer;
- ii) Identify the performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations in the contract; and
- v) Recognize revenue when (or as) we satisfy a performance obligation.

For arrangements priced at fiat currency, we recognize revenue based on the contract price. For arrangements priced at cryptocurrency, we recognize revenue based on the spot price of the cryptocurrency to fiat currency on the date when it is earned.

When another party is involved in providing services to a customer, we are the principal if we control the specified services before those services are transferred to the customer.

The primary sources of our revenues are recognized as follows:

Self-mining

We enter into contracts with mining pool operators to provide a service to the mining pool operators to perform hash calculations using our own mining rigs. We consider the mining pool operators as the customers under this type of arrangement and can decide when to start providing services. Our enforceable right to consideration begins when, and continues as long as, we provide hash calculation services to the mining pool operators. Each party to the contract has the unilateral right to terminate the contract at any time without any compensation to the other party for such a termination. As such, the duration of a contract is less than a day and the contract continuously renews throughout the day. The implied renewal option is not a material right because there are no upfront or incremental fees in the initial contract and the terms, conditions, and compensation amount for the renewal options are at the then market rates.

In exchange for providing hash calculation service to the mining pool operators, we are entitled to non-cash compensation, cryptocurrency, from the mining pool operators, which is a variable consideration based on the mining pool operators' distribution mechanisms, which can differ depending on the specific mining pools. For the periods presented, we primarily participated in Bitcoin mining to generate our self-mining revenues, and the payment mechanisms used by the mining pool operators were FPPS, PPS+ and TIDES. We mainly participate in mining pools operators that use the FPPS payment mechanism.

The non-cash consideration includes block rewards and transaction fees, less mining pool fees. For FPPS and PPS+ pools, we are entitled to non-cash consideration even if a block is not successfully validated by the mining pool operators. For the TIDES payment mechanism, our entitlement to non-cash consideration is variable and dependent upon the successful validation of a block by the mining pool operator, and is not included in the transaction price until the uncertainty is resolved.

FPPS Mining Pools

We are entitled to compensation once we begin to perform hash calculations for the mining pool operator in accordance with the operator's specifications over a 24-hour period beginning mid-night UTC and ending at 23:59:59 UTC on a daily basis. The non-cash consideration that we are entitled to for providing hash calculations to the mining pool operator under the FPPS payment mechanism is made up of block rewards and transaction fees less pool operator fees determined as follows:

- The non-cash consideration referred to as the block reward is based on the total blocks expected to be generated on the Bitcoin Network for the daily 24-hour period beginning midnight UTC and ending 23:59:59 UTC in accordance with the following formula: the daily hash calculations that we provide to the pool operator as a percent of the Bitcoin network's implied hash calculations as determined by the network difficulty, multiplied by the total Bitcoin network block rewards expected to be generated for the same daily period.
- The non-cash consideration referred to as the transaction fees is based on the share of total actual fees paid by the transaction requestor to each block placed in the Bitcoin blockchain over the daily 24-hour period beginning midnight UTC and ending 23:59:59 UTC in accordance with the following formula: total actual transaction fees generated on the Bitcoin network during the daily 24-hour period as a percent of the total block rewards the Bitcoin network actually generated during the same 24-hour period, multiplied by the block rewards we earned for the same 24-hour period.
- The gross non-cash compensation, consisting of the block reward and transaction fees, earned by us is reduced by the mining pool fees charged by the operator for operating the pool based on a rate schedule per the mining pool contract. The mining pool fee is only incurred to the extent we perform hash calculations and generate revenue in accordance with the pool operator's payout formula during the same daily period as discussed above.

PPS+ Mining Pool

We also participate in one PPS+ mining pool that provides non-cash consideration determined in a manner similar to the FPPS mining pools except the amount of transaction fees from the PPS+ mining pool operator is determined based on the share of actual transaction fees paid to the specific blocks the mining pool successfully mined in the Bitcoin blockchain in a daily 24-hour period in accordance with the operator's specifications. The transaction fees are determined using the following formula: the hash calculations that we provide to the pool operator as a percent of the total relevant hash calculations performed by the mining pool operator under PPS+, multiplied by actual transaction fees paid to the specific blocks a mining pool operator successfully mined under PPS+ in the Bitcoin blockchain.

Our entitlement to non-cash consideration, referred to as block rewards, is determined by our proportion of hash calculation contributions to a specific window of hash calculations at the time a block is successfully validated. The pool operator defines this “latest number of shares” (the window size) within its reward policy. The non-cash consideration under the TIDES payment mechanism is calculated using the following formula: our submitted shares as a proportion of the total shares in this window, multiplied by the block rewards and transaction fees earned on the Bitcoin blockchain. Transaction fees are determined in a manner consistent with the PPS+ mining pool, based on the actual fees attributable to successfully validated blocks.

The above non-cash consideration is variable since the amount of block reward earned depends on the amount of hash calculations we perform; the amount of transaction fees depends on the total actual fees paid by the transaction requestor to each block placed in the Bitcoin Blockchain under FPPS, and the actual transaction fees paid to the specific blocks a mining pool operator successfully mined over the daily period under PPS+ and TIDES; and the operator fees for the same period are variable since it is determined based on the total block rewards and transaction fees in accordance with the pool operator’s agreement.

While the non-cash consideration is variable, we have the ability to estimate the variable consideration when we begin to provide hash calculation service with reasonable certainty without the risk of significant revenue reversal. We recognize the non-cash consideration on the same day that control of the contracted service transfers to the mining pool operator and measure the non-cash consideration based on the spot rate of the underlying cryptocurrency determined using the quoted price of such cryptocurrency, at midnight UTC, on the date on which we provide the hash calculation service.

Although the non-cash consideration the mining pool operators receive from the blockchain networks includes both the block rewards and the transaction fees, the transaction price we receive is an aggregate amount and primarily includes the block rewards. As a result, we do not present disaggregated revenue information on block rewards and transaction fees.

Sale of Mining Rigs and Accessories

We recognize revenue from sale of mining rigs and accessories to customers at the point in time when control of the mining rigs is transferred to the customer, which generally occurs upon shipment of the mining rigs as defined in the revenue contract. Sale of mining rigs and accessories is the sole performance obligation in this type of arrangement. We accept both cryptocurrency and fiat currency as payments for sale of mining rigs and accessories.

Cloud Hash Rate

We enter into Cloud Hash Rate arrangements with our customers by offering hash rate subscription plans to provide computing power in a specified quantity, measured by computing power per second, or hash rate, derived from the mining rigs held by us, for a specified period of time. The customer also needs to pay for electricity subscriptions, which are billed separately, to maintain the mining rigs that produce the subscribed hash rate over the contract period. We connect such computing power to a customer-designated mining pool under the instructions of the customer to simplify the customer’s mining experiences. As a result of directing the connection of such computing power to the mining pools, the customers are entitled to the mining rewards, which are directly transferred from mining pools to the customer-designated cryptocurrency wallets.

We offer a number of different hash rate subscription plans by plan duration and type of cryptocurrency to be mined. We offer electricity subscriptions in short durations and a customer needs to purchase electricity subscriptions multiple times to cover the duration of the hash rate subscription plan. The price of the electricity subscription is fixed at the commencement of each electricity subscription period but subject to adjustment from period to period. Both cryptocurrency and fiat currency are accepted as payments under the Cloud Hash Rate arrangements. Furthermore, the hash rate subscription plans are offered under two modes. Under the classic mode, the customer receives all of the mining rewards from the mining pool. Under the accelerator mode, the customer pays a relatively lower computing power subscription fee. In exchange, we are entitled to additional consideration once the customer’s cost is recovered.

We offer two promises under the Cloud Hash Rate arrangement. One is to provide a specified quantity of computing power during a period of time and the other is to provide maintenance services for computing power generation for a period of time. The two promises are highly interrelated and are not separately identifiable because the customers expect to receive the computing power as a combined output from the hash rate subscription plan and the electricity subscription plan. The two promises provide a series of distinct services, which are substantially the same and have the same pattern of transfer to the customer, over a period of time. As a result, the promises are treated as a single performance obligation satisfied over time.

The transaction price of the performance obligation includes the subscription prices for the hash rate subscription plans and the electricity subscription plans. As the price for the electricity subscription plans may change each electricity subscription period, we allocate the variable consideration to each electricity subscription period.

The control of the computing power has been transferred to the customers simultaneously as the customers consume the benefits from the computing power. The revenue is recognized over time where the consideration related to the hash rate subscription is recognized evenly over the contract term and the electricity subscription is allocated to and recognized evenly over each electricity subscription period.

For plans under the accelerator mode, besides the aforementioned subscription prices, the transaction price also includes the additional consideration once the customer's cost is recovered. The additional consideration, which is variable, is determined as a percentage of a customer's mining profit derived from the subscribed computing power and constrained until the mining pool operator finishes the calculation of the mining reward related to the mining activity in a given day. We include such additional consideration in the transaction price and recognize the revenue when we can reasonably calculate the amount and determine it is probable a significant reversal will not occur.

General Hosting

We provide general hosting services, which is a combined service package including custody of the customers' mining rigs, electricity and network maintenance and other services, that enable customers to run blockchain computing operations. The customer is only able to benefit from the hosting service as a package and we have a single performance obligation. The hosting service fee is charged to the customer based on the customer's consumption of resources, such as the amount of electricity used in a period. In the arrangement with certain customers, we are also entitled to additional variable consideration based on the customer's mining yield during a period. Revenue from the general hosting service is recognized across each service cycle. We accept both cryptocurrency and fiat currency as payments for the hosting services.

Membership Hosting

We offer our large-scale miner customers Membership Hosting services by entering into a series of contracts, which includes a membership program agreement and a management services agreement. These contracts are signed with the same customer at or near the same time, and they are combined and accounted for as a single contract.

Pursuant to the membership program agreement, a customer subscribing the program is entitled to the program benefit of receiving maintenance services within a predetermined capacity measured by energy consumption (i.e., Kilowatts, or KW) (the "hosting capacity"). We provide such designated capacity in a leased mining datacenter and the program subscription period ends when we no longer operate the mining datacenter. In addition, we also agree to provide other program benefits to the customer when such benefits are readily available to the customer during the program term, including, among other things, (i) early, priority and exclusive access to the newly available hosting capacity that is sufficient for large-scale miners, upon a new mining datacenter becomes available and (ii) more favorable pricing terms for our services, such as mining rigs management services, than the prevailing price in the local market. We charge an upfront fee for the program benefits subscribed.

Pursuant to the management services agreement, we provide management services for the customer's mining rigs up to the capacity subscribed in the membership program agreement. In exchange for the management services fee, we promise to deliver a package of services to provide an infrastructure for the mining rigs, such as a premise for the custody of mining rigs, and network and utility to support the operation of the mining rigs. Unlike the general hosting service where we include in our service package to host or operate the customer's mining rigs under the customer's instructions so that the mining rigs keep running and remain connected to the customer designated mining pools (the "mining rigs operation service"), under the management services agreement, a customer has the discretion to subscribe to the mining rigs operation service or choose to operate the mining rigs using the customer's own personnel. We charge additional fee, at our stand-alone selling price, for the subscription of our mining rigs operation service. The management services fee and the mining rigs operation fee, as applicable, are charged to the customer monthly based on the customer's consumption of resources, such as the amount of electricity used in a period.

Our promise associated with the membership program agreement is to stand ready to provide services, and our promise associated with the management services agreement is to provide an infrastructure for the mining rigs through the set of services provided under the management services agreement. The two promises are not separately identifiable because the customer expects to receive mining rigs management services for the mining rigs up to the designated capacity, which is a combined output of the program benefit and management services provided by us as a package. The two promises provide a series of distinct services that have the same pattern of transfer to the customer over a period of time. As a result, the promises are treated as a single performance obligation satisfied over time. Revenue associated with the upfront fee for the program benefits is recognized over the program subscription period and revenue associated with the management services is recognized over each distinct service period. The promise to provide the mining rigs operation service, if subscribed to by a customer, is accounted for as a separate performance obligation and the associated revenue is recognized over each distinct service period at their respective stand-alone selling price. We accept both cryptocurrency and fiat currency as payments for the Membership Hosting arrangements. The contract term approximates the lease term of the mining datacenter and is estimated to be 13 years. The estimated lease term is adjusted when there is an indication that we are reasonably certain to renew or terminate the lease.

Cloud Hosting

We provide our customers, through subscription of Cloud Hosting orders, one-stop mining rigs hosting solution which integrates the provision of computing power generated from specified second-hand mining rigs and the provision of maintenance service, primarily including electricity supply and daily maintenance and repair care. We charge the customer an upfront fixed amount at the commencement of the Cloud Hosting arrangement for the customer to secure the procurement of the computing power from the specified mining rigs, as well as the variable fees for the provision of maintenance service based on the consumption of resources such as electricity throughout the duration of the service. We historically only accept cryptocurrency as payments for services under the Cloud Hosting arrangement.

The Cloud Hosting arrangements are offered under two modes. Under the classic mode, the customer receives all of the mining rewards from the mining pool. Under the accelerator mode, the customer is charged with a lower upfront amount and enjoys a quicker recovery of the costs. In exchange, we are entitled to additional consideration once a customer's cost is recovered.

Two promises are offered under the Cloud Hosting arrangements. One is to provide the computing power generated from the specified mining rigs and the other is to perform maintenance services over the life of the mining rigs. The two promises are not separately identifiable because the customer expects to receive a steady operation of the mining rigs specified in the Cloud Hosting order, which is a combined output of the provision of computing power from the specified mining rigs and the provision of maintenance service of the specified mining rigs. The two promises provide a series of distinct services, which are substantially the same and have the same pattern of transfer to the customer, over a period of time. As a result, the promises are treated as a single performance obligation satisfied over time.

The transaction price of the performance obligation includes an upfront fee paid upon placement of the Cloud Hosting order and periodical maintenance fees. The periodical maintenance fee is variable in each maintenance period based on the electricity consumption. We allocate the variable consideration to each distinct maintenance service period.

The revenue is recognized over time where the fixed upfront fee is recognized evenly over the contract term and the periodical maintenance fee is recognized over each respective service period. The contract term approximates to the life of the specified mining rigs and is estimated to be two years. The estimated life of these mining rigs is reviewed at least at each financial year-end and adjusted if the expectation of the realization of economic benefits from the specified mining rigs is different from the previous estimate.

For plans under the accelerator mode, besides the aforementioned fees, the transaction price also includes the additional consideration once the customer's cost is recovered. The additional consideration, which is variable, is determined as a percentage of a customer's mining profit derived from the computing power of the specified mining rigs and constrained until the mining pool operator finishes the calculation of the mining reward related to the mining activity in a given day. We include such additional consideration in the transaction price and recognize revenues when we can reasonably calculate the amount and determine it is probable a significant reversal will not occur. For all the periods presented, no revenue was generated from the additional consideration from Cloud Hosting arrangements offered under the accelerator mode.

AI Cloud Services

We offer cloud-based computing, storage, and artificial intelligence services, which allow customers to use hosted software and hardware infrastructure without taking possession of the software or hardware. We have a single performance obligation in offering the use of software and hardware as a bundle to customers as both software and hardware are interdependent in our service delivery. Revenue is measured based on the transaction price, which represents the amount of consideration we expect to be entitled to in exchange for providing services, exclusive of discounts and, where applicable, sales taxes collected on behalf of third parties. Revenue related to subscription-based cloud services is recognized over the subscription contract period. Revenue related to on-demand cloud services based on usage is recognized as usage occurs. We accept both cryptocurrency and fiat currency as payments for these services.

Impairment of indefinite-lived intangible assets and goodwill

Intangible assets with indefinite life as well as goodwill are subject to impairment tests annually or whenever there is an indication at the end of a reporting period that the asset may be impaired. Impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The determination of recoverable amount requires significant judgment and the use of estimates in respect of forecast cash flows, discount rates and other management judgments. The impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in a CGU. An impairment loss recognized for goodwill is not reversed in a subsequent period.

SEC Filing Status

Based on our public float as of June 30, 2024, we became a large accelerated filer, and lost emerging growth company status as of December 31, 2024. Consequently, we were required to adopt new or revised accounting standards applicable to public companies that are not emerging growth companies and to comply with the auditor attestation of internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act.

Holding Company Structure

Bitdeer Technologies Group is an exempted company with limited liability incorporated in the Cayman Islands on December 8, 2021 with no material operations of its own. We currently conduct our operations primarily through our subsidiaries. As a result, our ability to pay dividends primarily depends upon dividends paid by our subsidiaries. If our existing subsidiaries or any newly formed ones incur debt on their own behalf in the future, the instruments governing their debt may restrict their ability to pay dividends to us.

ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES

A. Directors and Senior Management

Our board of directors and executive officers as of the date of this annual report are as follows.

Name	Age	Position
Jihan Wu	40	Chairman of the Board and Chief Executive Officer
Linghui Kong	44	Chief Business Officer
Chao Suo	40	Director and Chief Operating Officer
Jianchun Liu	48	Chief Financial Officer, Business Operations
Naphat Sirimongkolkasem	36	Director
Sheldon Trainor-DeGirolamo	62	Director
Guang Yang	43	Director
Lars Eivind Haugnes Naas	54	Director
Yeow Beng Lim	68	Director
Haris Basit	64	Chief Strategy Officer
Yuling Ma	58	Chief Technology Officer

Jihan Wu is the founder of our company and has served as Chairman of our board of directors since January 2021 and as our Chief Executive Officer since March 2024. Mr. Wu is also the founder of BIT Group and has been its director since 2019. Prior to founding Bitdeer, Mr. Wu co-founded BitMain Technologies Holding Company in 2013. Mr. Wu left Bitmain in January 2021 and has not held any management role at Bitmain since then. Mr. Wu obtained dual bachelor's degrees in both Economics and Psychology from Peking University in 2009. Mr. Wu has been residing in Singapore since 2019.

Linghui Kong has served as our Chief Business Officer since March 2024. He served as the Chief Executive Officer of Bitdeer and then our Chief Executive Officer from January 2021 to March 2024. Mr. Kong also served on our board of directors from March 2023 to June 2025. He served as the head of Application Software Department of BitMain from April 2018 to December 2020. Prior to that, Mr. Kong served as a senior software architect of Tencent Technology Beijing Co., Ltd. from April 2011 to March 2018. Mr. Kong obtained a master's degree in Telecommunication and Information System from Beijing University of Posts and Telecommunications in 2008 and a bachelor's degree in Telecommunication Engineering from Beijing University of Posts and Telecommunications in 2005.

Jianchun Liu has served as the Chief Financial Officer of Bitdeer and then our Chief Financial Officer since January 2021, responsible for business operations. Mr. Liu also served on our board of directors from March 2023 to March 3, 2025. Mr. Liu obtained an MBA from University of Chinese Academy of Sciences in 2017 and a bachelor's degree in Economics from Renmin University of China in 2000.

Chao Suo has served on our board of directors since October 2023 and our Chief Operating Officer since September 2024. She has over ten years of experience in human resources, including HR strategy framework, recruitment, performance management, competency development, compensation & benefit, and labor compliance. Ms. Suo has served as the HR Director of Bitdeer since March 2021. Prior to that, she served as the HR Director of BitMain from 2015 to 2021. Ms. Suo obtained a master's degree in Corporate Management from Communication University of China in 2010 and a bachelor's degree in Business Administration from Beijing Forestry University in 2008.

Naphat Sirimongkolkasem has served on our board of directors since April 2023. He previously served as the Chief Financial Officer and as a member of the board of directors of Blue Safari Group Acquisition Corp. (Nasdaq: BSGA) from April 2021 until the Business Combination in April 2023. Mr. Sirimongkolkasem is experienced in management, business development and capital market transactions, including M&A, fundraising, initial public offering, and restructuring in Asia. Since June 2025, he has served as the Chief Executive Officer, Chief Financial Officer and Chairman of White Pearl Acquisition Corp. (NYSE: WPAC). Since 2023, Mr. Sirimongkolkasem has served as a director of First Sino-Asia (Thailand) and First Euro Investment Limited. At First Sino-Asia, he is responsible for operations, business development, and investment activities; at First Euro Investment Limited, he focuses on business development and operations. From 2021 to 2024, Mr. Sirimongkolkasem was a co-founder of Collis Capital, where he managed operational activities and oversaw the analysis and evaluation of investment opportunities. From 2017 to 2021, he served as Investment Director of Sapiientia Capital Limited. Mr. Sirimongkolkasem was a consultant at Vision Skill Consulting Limited from 2014 to 2017, a firm specializing in strategy, management and engineering advisory for the infrastructure, transportation, and hospitality sectors. Mr. Sirimongkolkasem obtained his Bachelor's Degree of Arts in Economics from Durham University (United Kingdom) in 2012.

Sheldon Trainor-DeGirolamo has served on our board of directors since April 2023. He served as the Non-Executive Director of Foxconn Interconnect Technology Ltd (6088.HK), a publicly traded company on the Hong Kong Stock Exchange, between May 2019 and June 2024. He has also served as the Director of Experiential Media Group and Linksys Holdings, Inc. since May 2021 and June 2021, respectively. Since January 2026, Mr. Trainor-DeGirolamo has served as a director of Muzero Acquisition Corp (NASDAQ: MUZEU), a special purpose acquisition company. From May 2012 to November 2020, he served as the Executive Director of Macau Legend Development Company Ltd., a publicly traded company on the Hong Kong Stock Exchange. He also served as the Director of Athenex (NASDAQ: ATNX), a biopharmaceutical company publicly traded on Nasdaq, from June 2017 to May 2019. He is the Founder and Managing Director of PacBridge Capital Partners (HK) Limited, a principal investment firm based in Hong Kong, which he founded in 2009. Prior to establishing PacBridge, Mr. Trainor-DeGirolamo spent more than 20 years in the financial services industry, including with Credit Suisse Australia, Morgan Stanley Asia and as the Head of Investment Banking for Asia and as Vice Chairman of Merrill Lynch Asia. Mr. Trainor-DeGirolamo received a Bachelor of Commerce from the University of British Columbia.

Guang Yang has served on our board of directors since April 2023. He has 16 years of experiences in global wealth management, private equity, venture capital and investment banking. He is a co-founder of PSZC Asset Management, a leading multi-family office established 2015. During 2011-2015, Mr. Yang served as a partner for CGP Investment, one of the leading Asia based fund of funds. Prior to that, he served various financial advisory and investment roles at Macquarie Capital Group, China Renaissance, and CVC Capital from 2006 to 2010. Mr. Yang obtained his bachelor's degree of Commerce and bachelor's degree of Law from Melbourne University in 2006.

Lars Eivind Haugnes Naas has served on our board of directors since February 2025. He is the founder, Chairman of the board of directors, and CEO of TROLL HOUSING AS, as well as the founder and a member of the board of directors of TYDAL DATA CENTER AS, both of which are our subsidiaries. Additionally, Mr. Naas is the co-owner and Chairman of the board of directors of Renol Invest AS, a private minor family office for his father's and brothers' fortunes, and also the founder, Chairman of the board of directors and a co-owner of Hana AS, a joint venture real estate investment vehicle. Prior to those, from 2018 to 2024, he served as a co-owner and member of the board of directors of Landbruksteknikk AS, a company specializing in field construction work; from 2012 to 2024, as a co-owner and member of the board of directors of Anleggsdeler AS, a company specializing in machinery and plant sale and lease; and from 2009 to 2024, as a co-owner and member of the board of directors of Bergtatt Opplevelser AS, a company doing adventure tours into the family mine which is now closed, where he also acted as the general manager from 2014 to 2024. Furthermore, he was a co-owner and member of the board of directors of Naas Kalksteinbrudd AS, a previous family business doing mining operations, from 1991 to 2022, serving as the Chairman of the Board of Directors from 2017. Earlier in his career, Mr. Naas received his certification and degree in construction, groundwork, and concrete in 1990, and his certification in rock blasting special education in 1991. He holds professional certifications as a rock blaster and rock blasting supervisor.

Yeow Beng Lim has served on our board of directors since June 2025. He has more than 30 years of experience across logistics, engineering, and healthcare industry. He currently serves as an advisor or director to several companies in these sectors and as an independent director and chairman of the board of directors of Advanced Holdings Ltd (BLZ.SI), a Singapore Exchange-listed Company. Mr. Lim has held various leadership roles in the ST Logistics, Toll Global Logistics (formerly known as SembCorp Logistics) as well as various directorships at more than 25 commercial companies spanning North America, Europe, Middle East and Asia. Prior to joining the private sector, Brigadier-General (Retired) Lim held various command and staff appointments in his career with the Singapore Armed Forces. Mr. Lim obtained his Bachelor of Engineering Degree in Mechanical Engineering (Hons) in 1983 and Master of Science in Industrial Engineering in 1987 from the National University of Singapore. He has attended Executive Development Programme by IMD, Switzerland in 1997 and was certified as a Senior Accredited Director by the Singapore Institute of Directors in January 2024.

Haris Basit has served as our Chief Strategy Officer since June 2023. Mr. Basit previously worked as the Chief Executive Officer of Averatek Corporation from August 2017 to May 2023. Prior to that, he was the Chief Executive Officer and Director of VIASPACE Inc. from July 2016 to July 2017 and Director from August 2017 to April 2018. He co-founded Almaden Energy Group (AEG), LLC which partners with VIASPACE to grow Giant King Grass in the United States for animal feed. Since 2012, Mr. Basit has been providing Corporate Strategy Consulting to senior executives of publicly traded companies to help identify new growth opportunities and partnerships. He was a consultant to Liebman and Associates, the premier clean energy lobbying firm in Washington, DC. He has provided entrepreneurship mentoring for University of California Berkeley MBA students. He started his career as a Staff Engineer at IBM moving on to become a Manager at Rockwell International, a Manager at Bell Labs, Vice President of Business Development for OEA International and then Founder/CEO of both Multigig, Inc. and Mobius Power, LLC. He received his MSEE from the University of Illinois, Urbana-Champaign in 1986. He also earned a BSEE from University of Illinois, Urbana-Champaign in 1984.

Yuling Ma has served as our Chief Technology Officer since January 2025. Ms. Ma is a seasoned technology executive with extensive international experience. She served as Chief Technology Officer of FreeWheel from January 2021 to September 2024, and as the senior vice president of engineering and general manager of FreeWheel's Beijing office from December 2018 to January 2021. From January 2015 to December 2018, Ms. Ma served as the Head of data product and platform at JD.COM, Chief Technology Officer of Stealth Startup and the vice president of technology and general manager of Pegasus Inc.'s Beijing office. Prior to that, Ms. Ma successively served in various software engineering positions at MicroStrategy Inc from March 1998 to December 2014, including vice president, software engineering and general manager of Beijing research and development center and director of software engineering. Ms. Ma received her bachelor's degree and master's degree in computer science from Tsinghua University in 1991 and 1994, respectively. She also received a master's degree in computer science from University of Maryland in 1996.

B. Compensation

Historical Compensation of Bitdeer's Directors and Executive Officers

For the year ended December 31, 2025, an aggregate of approximately US\$10.8 million in cash and benefits was provided to Bitdeer's executive officers and directors. For awards granted to Bitdeer's executive officers and directors, see the section entitled "2023 Share Incentive Plan." Bitdeer has not set aside or accrued any amount to provide pension, retirement or other similar benefits to its executive officers and directors.

Employment Agreements and Indemnification Agreement

We have entered into employment agreements with each of our executive officers. Under these agreements, each of our executive officers is employed for a specified time period. We may terminate employment for cause, at any time, for certain acts of the executive officer, such as continued failure by the executive officer to satisfactorily perform his/her duties, or the executive officer's conviction or entry of a guilty or nolo contendere plea of any felony or any misdemeanor involving moral turpitude. We may also terminate an executive officer's employment without cause upon 60-day advance written notice. In such case of termination by our company, we will (i) continue to provide to the executive officer all compensation, base salary and previously earned but unpaid incentive compensation, if any, and to allow the executive officer to participate in any benefit plans in accordance with the terms of such plans during the notice period, and (ii) pay to the executive officer, in lieu of benefits under any severance plan or policy of our company, any such amount as may be agreed between our company and the executive officer.

Each executive officer has agreed to hold, both during and after the termination or expiry of his or her employment agreement, in strict confidence and not to use, except as required in the performance of his or her duties in connection with the employment or pursuant to applicable law, any of our confidential information or trade secrets, any confidential information or trade secrets of our clients or prospective clients, or the confidential or proprietary information of any third party received by our company and for which we have confidential obligations. The executive officers have also agreed to disclose in confidence to our company all inventions, designs and trade secrets which they conceive, develop or reduce to practice during the executive officer's employment with us and to assign all rights, title and interest in them to us, and assist us in obtaining and enforcing patents, copyrights and other legal rights for these inventions, designs and trade secrets.

In addition, each executive officer has agreed to be bound by non-competition and non-solicitation restrictions during the term of his or her employment and typically for one year following the last date of employment. Specifically, each executive officer has agreed not to (i) engage in, or otherwise directly or indirectly being employed by or acting as a consultant or lender to, or being a director, officer, employee, principal, agent, stockholder, member, owner or partner of, or permitting the executive officer's name to be used in connection with the activities of, any other business or organization which competes, directly or indirectly, with us; (ii) solicit from any customer doing business with us during the term; or (iii) otherwise interfere with the business or accounts of us.

We have also entered into indemnification agreements with each of our directors and executive officers. Under these agreements, we agree to indemnify our directors and executive officers against certain liabilities and expenses incurred by such persons in connection with claims made by reason of their being a director or executive officer of our company.

2023 Share Incentive Plan

A share incentive plan was adopted in connection with the Business Combination, approved by both shareholders of Bitdeer and shareholders of BSGA prior to the consummation of the Business Combination, effective in April 2023 (the "2023 Plan"). As of April 21, 2026, the maximum aggregate number of Class A ordinary shares that may be granted under the 2023 Plan is 21,877,912. As of April 21, 2026, awards covering a total of 18,263,184 Class A ordinary shares have been granted and outstanding, excluding awards that were forfeited or cancelled after the relevant grant dates. The following paragraphs summarize the principal terms of our 2023 Plan.

Shares Available for Awards

Subject to adjustment for specified changes in our capitalization as set forth in the 2023 Plan, the maximum aggregate number of shares of common share that may be issued under the 2023 Plan will be equal to 21,877,912.

The following shares of common shares will become available again for the grant of a share award under the 2023 Plan: (i) any share issued pursuant to a share award that terminates, expires, or lapses for any reason; (ii) any share delivered by the participant or withheld by us upon the exercise of any award under the 2023 Plan, in payment of the exercise price thereof or tax withholding thereon; and (iii) any share issued pursuant to a share award that is forfeited.

Administration

The 2023 Plan will be administered by a committee (the "Committee") of one or more members of our board of directors to whom our board of directors shall delegate the authority to grant or amend awards to participants other than any of the Committee members. Subject to the terms of the 2023 Plan, the Committee has full and final power and authority to make all decisions and determinations that may be required pursuant to the 2023 Plan or as the Committee deems necessary or advisable to administer the 2023 Plan, including: determine participants to receive awards; the type and number of awards to be granted; the terms and conditions of any award granted pursuant to the 2023 Plan, including, but not limited to, the exercise price, grant price, or purchase price, any restrictions or limitations on the award, any schedule for lapse of forfeiture restrictions or restrictions on the exercisability of an award, and accelerations or waivers thereof, any provisions related to non-competition and recapture of gain on an award; prescribe the form of each notice of grant; and correct any defect, supply any omission and reconcile any inconsistency in the 2023 Plan. The Committee also has the authority to reduce the exercise price per share underlying an option, and establish, adopt, waive, or revise any rules and regulations as it may deem necessary or advisable to administer the 2023 Plan.

Types of Awards

The terms of the 2023 Plan provide for the grant of share options, restricted share units, and restricted shares.

Options. The Committee will be authorized to grant options to purchase shares of common share that are either "qualified," meaning they are intended to satisfy the requirements of Section 422 of the Code for incentive share options ("ISOs"), or "nonqualified," meaning they are not intended to satisfy the requirements of Section 422 of the Code. Options granted under the 2023 Plan will be subject to terms, including the exercise price and the conditions and timing of exercise, determined by the Committee and specified in the applicable award agreement. In general, the exercise price per share of common share for each non-qualified share option ("NSO") granted under the 2023 Plan will be a fixed or variable price related to the fair market value. The exercise price per share of common share for each ISO granted under the 2023 Plan will be equal to the fair market value (or 110% of the fair market value, in the case of ISOs granted to a more than 10% shareholder) of the share at the time of grant. The maximum term of an option granted under the 2023 Plan will be ten years from the date of grant. Payment in respect of the exercise of an option may be made in cash or by check, or the Committee may, in its discretion and to the extent permitted by law, allow the payment to be made through a broker-assisted cashless exercise mechanism, a share tender exercise, or by any other method that the Committee determines to be appropriate.

Restricted Share Awards. The Committee will be authorized to award restricted shares under the 2023 Plan. Each award of restricted share will be subject to the terms and conditions established by the Committee, including any dividend or voting rights. Restricted share awards are shares of common share that generally are non-transferable and subject to other restrictions determined by the Committee for a specified period. Unless the Committee determines otherwise or specifies otherwise in an award agreement, if the participant terminates employment or services during the restricted period, then any unvested restricted share is forfeited.

Restricted Share Units. The Committee will be authorized to award restricted share unit awards under the 2023 Plan. The Committee will determine the terms of the restricted share units, including any dividend rights (and any performance goals and/or criteria upon whose attainment the restricted period shall lapse in part or full). Unless the Committee determines otherwise or specifies otherwise in an award agreement, if the participant terminates employment or services during the period of time over which all or a portion of the units are to be earned, then any unvested units will be forfeited.

Plan Amendment or Termination.

With the approval of our board of directors, at any time and from time to time, the Committee has the authority to terminate, amend, modify, alter, suspend, or discontinue the 2023 Plan or any portion thereof.

Eligibility

Persons eligible to participate in the 2023 Plan include persons recognized by the Committee, such as directors, employees and consultants, as determined by the Committee.

Terms and Conditions of Awards

All Awards

Generally, the Committee will determine the terms of all awards under the 2023 Plan, including the vesting and acceleration of vesting of awards, provisions for the withholding of taxes, and payment of amounts in lieu of cash dividends or other cash distributions with respect to our common share subject to awards.

Awards Requiring Exercise

Incentive share options and, except as provided in the award agreement, nonqualified share options, may not be transferred other than by will or the laws of descent and distribution, and during an employee's lifetime may be exercised only by the employee or the employee's guardian or legal representative. Upon the cessation of a participant's employment with us, an award requiring exercise will cease to be exercisable and will terminate and all other unvested awards will be forfeited, except that:

- All share options held by the participant which were exercisable immediately prior to the participant's termination of service with us other than for Cause (as defined in the 2023 Plan) will, except as otherwise set forth in the option award agreement, remain exercisable until the tenth anniversary of the grant date to the extent that such options were vested and exercisable on the date of the participant's termination of employment or service;
- All share options held by the participant which were exercisable immediately prior to the participant's termination of service with us due to death or disability will remain exercisable until the tenth anniversary of the grant date to the extent that such options were vested and exercisable on the date of the participant's termination of employment on account of death or disability.

The exercise price of each award requiring exercise will be determined by the Committee and set forth in the notice of grant which may be a fixed or variable price related to the fair market value of the shares; provided that the exercise price of incentive share options shall be equal to the fair market value on the date of grant; and incentive share options granted to participants who own share of our company possessing more than 10% of the total combined voting power of all classes of share of our company or any parent corporation, subsidiary corporation or affiliate of our company (a "Ten Percent Holder") must have an exercise price per share not less than 110% of the fair market value of a share of common share on the effective date the incentive share option is granted. Fair market value will be determined by the Committee consistent with the applicable requirements of Section 409A of the Code.

Awards requiring exercise will have a maximum term not to exceed ten years from the date of grant.

Effect of a Change in Capital Structure

In the event of a change in capital structure, the Committee may make such proportionate and equitable adjustments as it may deem appropriate to reflect such change with respect to (a) the aggregate number and type of shares that may be issued under the 2023 Plan; (b) the terms and conditions of any issued and outstanding awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and (c) the grant or exercise price per share for any issued and outstanding awards under the 2023 Plan.

The following table summarizes, as of April 21, 2026, the options granted under our share incentive plans to several of our executive officers, excluding awards that were forfeited or cancelled after the relevant grant dates.

Name	Class A Ordinary Shares Underlying Awards	Exercise Price (US\$/Share)	Date of Grant	Date of Expiration
Jihan Wu	-	-	-	-
Linghui Kong	*	3.5	August 1, 2021	August 1, 2031
	*	3.5	January 1, 2022	January 1, 2032
	*	3.5	January 1, 2023	January 1, 2033
	*	6.96	April 1, 2024	April 1, 2034
Chao Suo	*	3.5	August 1, 2021	August 1, 2031
	*	3.5	January 1, 2022	January 1, 2032
	*	3.5	January 1, 2023	January 1, 2033
	*	6.96	April 1, 2024	April 1, 2034
Jianchun Liu	*	3.5	August 1, 2021	August 1, 2031
	*	3.5	January 1, 2022	January 1, 2032
	*	6.96	April 1, 2024	April 1, 2034
Naphat Sirimongkolkasem	*	7.03	July 1, 2023	July 1, 2033
	*	10.59	July 1, 2024	July 1, 2034
	*	11.3	July 1, 2025	July 1, 2035
Sheldon Trainor-DeGirolamo	*	7.03	July 1, 2023	July 1, 2033
	*	10.59	July 1, 2024	July 1, 2034
Guang Yang	*	7.03	July 1, 2023	July 1, 2033
	*	10.59	July 1, 2024	July 1, 2034
	*	11.3	July 1, 2025	July 1, 2035
Lars Eivind Haugnes Naas	*	21.67	January 1, 2025	January 1, 2035
Yeow Beng Lim	*	11.30	July 1, 2025	July 1, 2035
Haris Basit	*	5.51	July 1, 2023	July 1, 2033
	*	6.96	April 1, 2024	April 1, 2034
	*	8.96	April 1, 2025	April 1, 2035
Yuling Ma	*	8.96	April 1, 2025	April 1, 2035
	*	11.3	July 1, 2025	July 1, 2035

* Less than 1% of our total issued and outstanding ordinary shares.

2023 Performance Share Plan

In June 2023, our board of directors approved our 2023 Performance Share Plan (the “2023 Performance Plan”), which became effective on October 11, 2023.

The 2023 Performance Plan provides for the issuance of initially up to an aggregate of 1,112,886 Class A ordinary shares (the “Share Limit”), representing 1% of the total ordinary shares of our company outstanding as of the consummation of the Business Combination on April 13, 2023. The Share Limit will be adjusted along with the market capitalization of our Company as set forth in the 2023 Performance Share Plan and will not be more than 11,128,861, representing ten percent (10%) of the total ordinary shares of our company as of closing of the Business Combination. As of the date of this annual report, no awards have been granted under the 2023 Performance Plan.

The following paragraphs summarize the principal terms of the 2023 Performance Plan.

Types of Awards. The 2023 Performance Plan permits the awards of options, restricted shares or restricted share units or any award that may consist of one such security or benefit, or two or more than them in any combination or alternative.

Plan Administration. The 2023 Performance Plan will be administered by the Chairman of our company. The compensation committee of our board of directors or any member of our compensation committee as designated by our board of directors, as applicable, will determine the participants to receive awards, the type and number of awards to be granted to each participant, and the terms and conditions of each grant.

Notice of Grant. Awards granted under the 2023 Performance Plan are evidenced by a notice of grant that sets forth the terms, conditions and limitations for each award, which may include the term of the award, the provisions applicable in the event that the grantee’s employment or service terminates, and our authority to unilaterally or bilaterally amend, modify, suspend, cancel or rescind the award.

Eligibility. Persons eligible to participate in the 2023 Performance Plan include persons recognized by the plan administrator, such as directors, officers and other persons as determined by the plan administrator.

Vesting Schedule. The vesting schedule of each award granted under 2023 Performance Plan will be set forth in the relevant notice of grant.

Transfer Restrictions. Awards may not be transferred in any manner by the participant other than in accordance with the exceptions provided in the 2023 Performance Plan or the relevant notice of grant or otherwise determined by the plan administrator.

Amendment, Modification and Termination of the 2023 Performance Plan. Our board of directors has the authority to terminate, amend, modify, alter, suspend or discontinue the 2023 Performance Plan or any portion thereof in accordance with our articles of association. However, no such action shall adversely affect in any material way any award previously granted pursuant to the 2023 Performance Plan without the prior written consent of the plan participants, except to the extent any such action is made to cause the 2023 Performance Plan to comply with applicable law, stock market or exchange rules and regulations or accounting or tax rules and regulations.

Change in Capital Structure. In the event of a change in capital structure, the plan administrator may make such proportionate and equitable adjustments as it may deem appropriate to reflect such change with respect to (a) the aggregate number and type of shares that may be issued under the 2023 Performance Plan; (b) the terms and conditions of any issued and outstanding awards (including, without limitation, any applicable performance targets or criteria with respect thereto); and (c) the grant or exercise price per share for any issued and outstanding awards under the 2023 Performance Plan.

C. Board Practices

Board of Directors

Our board of directors consists of seven directors as of the date of this annual report. Of these initial seven directors, three are independent. A director is not required to hold any shares in our company by way of qualification. A director may vote with respect to any contract, proposed contract or arrangement in which he or she is materially interested provided (i) such director, if his or her interest in such contract or arrangement is material, has declared the nature of his or her interest at the earliest meeting of the board at which it is practicable for him or her to do so, either specifically or by way of a general notice, (ii) such director has not been disqualified by the chairman of the relevant board meeting, and (iii) if such contract or arrangement is a transaction with a related party, such transaction has been approved by the audit committee in accordance with the Nasdaq rules. The directors may exercise all the powers of our company to borrow money, mortgage its undertaking, property and uncalled capital, and issue debentures or other securities whenever money is borrowed or as security for any obligation of our company or of any third party. None of our non-executive directors has a service contract with us that provides for benefits upon termination of service.

Committees of the Board of Directors

We have established an audit committee, a compensation committee and a nominating and corporate governance committee. We have adopted a charter for each of these committees. Each committee's members and functions are described below.

Audit Committee

Our audit committee consists of Guang Yang, Sheldon Trainor-DeGirolamo and Naphat Sirimongkolkasem. Sheldon Trainor-DeGirolamo is the chairperson of our audit committee. Each of Guang Yang, Sheldon Trainor-DeGirolamo and Naphat Sirimongkolkasem satisfies the independence requirements under Rule 5605(c)(2) of the Nasdaq Stock Market Rules and meets the criteria for independence set forth in Rule 10A-3 of the Exchange Act, as well as the criteria of an audit committee financial expert as set forth under the applicable rules of the SEC.

Our audit committee will oversee our company's accounting and financial reporting processes and the audits of our financial statements. The audit committee will be responsible for, among other things:

- selecting the independent auditor;
- pre-approving auditing and non-auditing services permitted to be performed by the independent auditor;
- annually reviewing the independent auditor's report describing the auditing firm's internal quality control procedures, any material issues raised by the most recent internal quality control review, or peer review, of the independent auditors and all relationships between the independent auditor and our company;
- reviewing responsibilities, budget, compensation and staffing of our internal audit function;
- reviewing with the independent auditor any audit problems or difficulties and management's response;
- reviewing and, if material, approving all related party transactions on an ongoing basis;
- reviewing and discussing the annual audited financial statements with management and the independent auditor;
- reviewing and discussing with management and the independent auditors major issues regarding accounting principles and financial statement presentations;
- reviewing reports prepared by management or the independent auditors relating to significant financial reporting issues and judgments;

- discussing earnings press releases with management, as well as financial information and earnings guidance provided to analysts and rating agencies;
- reviewing with management and the independent auditors the effect of regulatory and accounting initiatives, as well as off-balance sheet structures, on our financial statements;
- discussing policies with respect to risk assessment and risk management with management and internal auditors;
- timely reviewing reports from the independent auditor regarding all critical accounting policies and practices to be used by us, all alternative treatments of financial information within IFRS that have been discussed with management and all other material written communications between the independent auditor and management;
- establishing procedures for the receipt, retention and treatment of complaints received from our employees regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by our employees of concerns regarding questionable accounting or auditing matters;
- such other matters that are specifically delegated to our audit committee by our board of directors from time to time; and
- meeting separately, periodically, with management, internal auditors and the independent auditor.

Compensation Committee

Our compensation committee consists of Jihan Wu, Chao Suo and Guang Yang. Jihan Wu will be the chairperson of the compensation committee. Guang Yang satisfies the independence requirements under Rule 5605(a)(2) of the Nasdaq Stock Market Rules.

Our compensation committee will be responsible for, among other things:

- reviewing, evaluating and, if necessary, revising our overall compensation policies;
- reviewing and evaluating the performance of our directors and relevant executive officers and determining the compensation of relevant executive officers;
- reviewing and approving our executive officers' employment agreements with our company;
- setting performance targets for relevant executive officers with respect to our incentive compensation plan and equity-based compensation plans;
- administering our equity-based compensation plans in accordance with the terms thereof; and
- such other matters that are specifically delegated to the compensation committee by our board of directors from time to time.

Nominating and Corporate Governance Committee

Our nominating and corporate governance committee will initially consist of Jihan Wu, Yeow Beng Lim and Sheldon Trainor-DeGirolamo. Jihan Wu will be the chairperson of the nominating and corporate governance committee. Each of Sheldon Trainor-DeGirolamo and Yeow Beng Lim satisfies the independence requirements under Rule 5605(a)(2) of the Nasdaq Stock Market Rules.

Our nominating and corporate governance committee will be responsible for, among other things:

- selecting and recommending to our board of directors nominees for election by the shareholders or appointment by the board;
- reviewing annually with our board of directors the current composition of our board of directors with regards to characteristics such as independence, knowledge, skills, experience and diversity;
- making recommendations on the frequency and structure of our board of directors meetings and monitoring the functioning of the committees of our board of directors; and
- advising our board of directors periodically with regards to significant developments in the law and practice of corporate governance as well as our compliance with applicable laws and regulations, and making recommendations to the board on all matters of corporate governance and on any remedial action to be taken.

Duties of Directors

Under the laws of the Cayman Islands, our directors have a fiduciary duty to act honestly in good faith with a view to the company's best interests. Our directors also have a duty to exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. In fulfilling their duty of care to us, our directors must ensure compliance with our memorandum and articles of association, as amended and restated from time to time. A shareholder has the right to seek damages if a duty owed by the directors is breached.

Terms of Directors and Executive Officers

Our directors may be appointed by an ordinary resolution of our shareholders. In addition, our board of directors may, by the affirmative vote of a simple majority of the directors present and voting at a board meeting appoint any person as a director either to fill a casual vacancy on our board or as an addition to the existing board. Unless otherwise determined by our company in general meeting, we shall have no less than three (3) and no more than twelve (12) directors. A director will cease to be a director automatically if the director (i) becomes bankrupt or makes any arrangement or composition with his creditors; (ii) dies or is found to be or becomes of unsound mind; (iii) resigns his office by notice in writing to our company; (iv) without special leave of absence from our board, is absent from three consecutive board meetings and our directors resolve that his office be vacated; or (v) is removed from office pursuant to any other provisions of our amended and restated memorandum and articles of association.

Our officers are elected by and serve at the discretion of our board of directors.

D. Employees

Following and as a result of the contemplation of the Business Combination, our business is conducted through Bitdeer Technologies Holding Company.

We had approximately 211, 246 and 471 full-time employees as of December 31, 2023, 2024 and 2025, respectively. We also hire part-time employees from time to time. Of the 471 full-time employees as of December 31, 2025, approximately 91 were engaged in research and development activities and 380 were engaged in business development, finance, information system, facilities, human resources or administrative support. Most of our employees are located in Singapore and United States. None of our employees is represented by a labor union or subject to a collective bargaining agreement. We believe that we maintain a good working relationship with our employees, and we have not experienced any material disputes with our employees in our history.

E. Share Ownership

The following table sets forth information regarding the beneficial ownership of ordinary shares as of April 21, 2026.

- each person known by us to be the beneficial owner of more than 5% of ordinary shares;

- each of our directors and executive officers; and
- all our directors and executive officers as a group.

Beneficial ownership is determined according to the rules of the SEC, which generally provide that a person has beneficial ownership of a security if that person possesses sole or shared voting or investment power over that security. A person is also deemed to be a beneficial owner of securities that person has a right to acquire within 60 days including, without limitation, through the exercise of any option, warrant or other right or the conversion of any other security. Such securities, however, are deemed to be outstanding only for the purpose of computing the percentage beneficial ownership of that person but are not deemed to be outstanding for the purpose of computing the percentage beneficial ownership of any other person. Under these rules, more than one person may be deemed to be a beneficial owner of the same securities.

As of April 21, 2026, there are 198,913,731 Class A ordinary shares (excluding nil Class A ordinary shares that have been repurchased but not cancelled and 8,468,649 Class A ordinary shares reserved for future issuances upon the exercise of awards granted under our share incentive plans) and 44,399,922 Class V ordinary shares issued and outstanding.

Unless otherwise indicated, as of April 21, 2026, we believe that all persons named in the table below have sole voting and investment power with respect to all voting shares beneficially owned by them.

	Class A Ordinary Shares	% of Total Class A Ordinary Shares	Class V Ordinary Shares	% of Total Ordinary Shares	% of Voting Power⁽²⁾
Directors and Executive Officers⁽¹⁾					
Jihan Wu ⁽³⁾	2,946,206	1.5	44,399,922	19.5	69.5
Linghui Kong	*	*	-	*	*
Jianchun Liu	*	*	-	*	*
Chao Suo	*	*	-	*	*
Naphat Sirimongkolkasem	*	*	-	*	*
Sheldon Trainor-DeGirolamo	*	*	-	*	*
Guang Yang	*	*	-	*	*
Lars Eivind Haugnes Naas ⁽⁴⁾	*	*	-	*	*
Yeow Beng Lim	-	-	-	-	-
Haris Basit	*	*	-	*	*
Yuling Ma	*	*	-	*	*
All executive officers and directors as a group (eleven individuals)	5,710,768	2.8	44,399,922	20.5	69.8
5.0% Shareholders					
Giancarlo Devasini and his affiliated entities ⁽⁵⁾	38,356,531	19.3	-	15.8	6.0

Notes:

* Less than one percent (1%).

- (1) The business address for our directors and executive officers of our company is 08 Kallang Avenue, Aperia tower 1, #09-03/04, Singapore 339509.
- (2) For each person and group included in this column, the percentage of voting power is calculated by dividing the voting power beneficially owned by such person or group by the voting power of all of ordinary shares as a single class. In respect of matters requiring a shareholder vote, each Class A ordinary share will be entitled to one vote and each Class V ordinary share will be entitled to ten (10) votes. Each Class V ordinary share shall automatically convert into one (1) Class A ordinary share if transferred from a Founder Entity to a non-Founder Entity, except under certain circumstances.
- (3) Represents 44,399,922 Class V ordinary shares directly held by Victory Courage Limited (“Victory Courage”). Victory Courage is a British Virgin Islands company wholly owned by Cosmic Gains Global Limited, a company incorporated in the British Virgin Islands wholly owned and managed by VISTRA Trust (Hong Kong) Limited as trustee of an irrevocable trust, with Mr. Jihan Wu as the settlor and Mr. Wu and his family members as the beneficiaries. Under the terms of such trust, Mr. Wu has the power to direct the trustee with respect to the retention or disposal of, and the exercise of any voting and other rights attached to the shares held by Victory Courage in our company.

- (4) Includes Class A ordinary shares held through a family investment vehicle, over which Mr. Naas shares voting and investment power with certain family members, and Class A ordinary shares held through a personal investment vehicle, over which Mr. Naas has sole voting and investment power.
- (5) Represents 38,356,531 Class A ordinary shares held by Tether Investments, S.A. de C.V. (“Tether Investment”), a wholly owned subsidiary of Tether Holdings, S.A. de C.V. (“Tether Holdings”). Giancarlo Devasini (together with Tether Investment and Tether Holdings, the “Reporting Persons”) has a greater than 50% voting interest in Tether Holdings. Mr. Devasini disclaims beneficial ownership of these shares except to the extent of his pecuniary interest. The information above is reported on Schedule 13D/A filed by the Reporting Persons on February 20, 2026.

As of April 21, 2026, to our knowledge, approximately 89.5% of our total issued and outstanding Class A ordinary shares were held by three record shareholders in the United States, and none of our Class V ordinary shares were held by record shareholders in the United States.

We are not aware of any arrangement that may, at a subsequent date, result in a change of control of our company.

ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS

A. Major Shareholders

See the section entitled “Item 6. Directors, Senior Management and Employees—E. Share Ownership.”

B. Related Party Transactions

Employment Agreements and Indemnification Agreements

See the section entitled “Item 6. Directors, Senior Management and Employees—B. Compensation.”

Share Incentive Plan

See the section entitled “Item 6. Directors, Senior Management and Employees—B. Compensation.”

Other Related Party Transactions

Cryptocurrency services provided by BIT Group

BIT Group and its subsidiaries are entities over which Bitdeer’s controlling person has significant influence, as Mr. Jihan Wu, Bitdeer’s founder and Chairman of the board of directors, is the co-founder and chairman of the board of directors of BIT Group. During the years ended December 31, 2023, 2024 and 2025, substantially all of Bitdeer’s cryptocurrencies were held in custody by BIT Group and Bitdeer’s purchase and disposal of cryptocurrencies, at spot price on the date of transaction, was primarily from and to BIT Group. The service fees charged by BIT Group for the years ended December 31, 2023, 2024 and 2025 were approximately US\$0.2 million, US\$0.2 million and US\$0.5 million, respectively.

Services provided to BIT Group

During the years ended December 31, 2023, 2024 and 2025, we provided services to BIT Group, including technical and human resources services and, for the year ended December 31, 2024, hosting services. The service fees charged to BIT Group for the years ended December 31, 2023, 2024 and 2025 were approximately US\$0.8 million, US\$18.7 million and US\$1.3 million, respectively.

Other transactions with BIT Group

Limited Partnership Investment

In July 2022, we entered into an agreement with BIT Group to subscribe for a limited partner interest in a limited partnership established by BIT Group, with a capital commitment of US\$20.0 million. We, as a limited partner, do not have control or significant influence over the limited partnership. As of December 31, 2025, the capital contribution made by us to the limited partnership was approximately US\$17.3 million. As of December 31, 2025 and 2024, the fair value of the limited partnership interest was US\$20.3 million and US\$21.8 million, respectively. We recorded approximately US\$1.5 million loss, US\$1.9 million gain and US\$3.5 million gain on change in fair value of financial assets at fair value through profit or loss for the years ended December 31, 2025, 2024 and 2023, respectively.

BIT Assets Collateralized Loan

In April 2025, we entered into the BIT Assets Collateralized Loan with BIT Group for a financing facility of up to US\$200.0 million. Loans drawn under the facility bear a variable interest rate equal to 9.0% plus a market-based reference rate and are repayable in fixed monthly instalments over a 24-month term. The facility is collateralized by our SEALMINERS, and is maintained in compliance with an agreed loan-to-value ratio. In July and October 2025, we entered into amendments to the BIT Assets Collateralized Loan, pursuant to which the total maximum financing facility was increased from US\$200.0 million to US\$400.0 million and the definition of collateral was expanded to include mining rigs, inventories, datacenter assets and such other collateral as may be mutually agreed between the parties. As of the date of this annual report, we had drawn down US\$400.0 million under the BIT Assets Collateralized Loan.

In October, December 2025, January, February and March 2026, we entered into additional loan agreements with BIT Group similar to the BIT Assets Collateralized Loan arrangement, pursuant to which additional financing facilities of US\$100.0 million were made available in October 2025 and US\$50.0 million were made available in each respective month from December 2025 to March 2026, for an aggregate of US\$300.0 million, on substantially the same terms. As of the date of this annual report, we had fully drawn down US\$300.0 million under these additional facilities.

BTC Collateralized Loan

In September 2025, we entered into the BTC Collateralized Loan with BIT Group for a financing facility of up to US\$400.0 million. Loans drawn under the facility bear a fixed interest rate of 8.35% per annum, payable monthly in arrears. Each drawdown has a tenor of 24 months from its drawdown date and is collateralized by Bitcoin, maintained based on a loan-to-value ratio. As of the date of this annual report, we had drawn down US\$118.0 million under the BTC Collateralized Loan, and all amounts outstanding have been repaid in full.

BTC Loan

In February 2026, we entered into a loan agreement with BIT Group, pursuant to which we borrowed 800 Bitcoin from BIT Group. The agreement was amended in February and March 2026 to increase the financing facility from 800 Bitcoin to 3,000 Bitcoin and 6,000 Bitcoin, respectively. Loans drawn under the facility bear interest at 3.00% per annum, payable weekly in arrears. Each drawdown has a tenor as agreed between the parties. The loans are secured by collateral in the form of stablecoins or fiat currency and are subject to a loan-to-value ratio. As of the date of this annual report, we have an outstanding balance of approximately 2,802 Bitcoin under the facility.

BIT Structured Product Agreement

In February 2026, we entered into the BIT Structured Product Agreement with BIT Group, pursuant to which BIT Group will provide a diverse suite of products, including collateralized financing, options, notes, accumulators/decumulators, and other digital asset derivatives. As of the date of this annual report, we have entered into put option transactions under the BIT Structured Product Agreement with total premium paid of approximately US\$6.4 million.

Related Person Transaction Policy

We have adopted an amended and restated policy and procedures with respect to related person transactions, effective July 29, 2025. Under the policy, a related person transaction is a transaction, arrangement, relationship or loan in which we or any of our subsidiaries is a participant, the amount involved exceeds US\$120,000, and any related person has a direct or indirect material interest. The audit committee of our board of directors is responsible for reviewing and approving related person transactions. In evaluating a proposed transaction, the audit committee considers all relevant facts and circumstances, including the benefits to us, the impact on a director's independence, the availability of other sources for comparable products or services, and whether the terms are no less favorable to us than those available from unrelated third parties. The audit committee approves only those transactions that are entered into on an arm's length basis and are in our best interests and the best interests of our shareholders. No member of the audit committee may participate in the review or approval of any transaction in which such member is a related person.

C. Interests of Experts and Counsel

None.

ITEM 8. FINANCIAL INFORMATION

A. Consolidated Statements and Other Financial Information

Financial Statements

Consolidated financial statements have been filed as part of this annual report. See the section entitled “Item 18. Financial Statements.”

Legal Proceedings

In January 2026, American Heavy Plate Solutions, LLC filed a lawsuit against our subsidiaries Erie Creek, Whitetail Creek and Bitdeer, Inc. in the Court of Common Pleas of Monroe County, Ohio, alleging that our planned datacenter construction at our Clarington, Ohio site would interfere with the plaintiff’s operations and violate a restrictive covenant in its lease with the Monroe County Port Authority. The timing of power availability and construction at our Clarington site may be affected by these proceedings. We intend to vigorously defend against the claims.

We are unable to predict the outcome of this matter or estimate the possible loss or range of loss, if any, at this time. We may from time to time in the future be subject to various other legal and administrative proceedings arising in the ordinary course of our business. Such claims or legal actions, even if without merit, could result in the expenditure of significant financial and management resources and potentially result in civil liability for damages.

Dividend Policy

Our board of directors has discretion on whether to distribute dividends, subject to the amended and restated memorandum and articles of association of our company and certain requirements of Cayman Islands law. In addition, our shareholders may by ordinary resolution declare a dividend, but no dividend may exceed the amount recommended by our board of directors. In either case, all dividends are subject to certain restrictions under Cayman Islands law, namely that our company may only pay dividends out of profits or the credit standing in our company’s share premium account, and provided always that in no circumstances may a dividend be paid if this would result in our company being unable to pay its debts as they fall due in the ordinary course of business immediately following the date on which the distribution or dividend is proposed to be paid. Even if we decide to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that the board of directors may deem relevant.

Share Repurchase Programs

On June 16, 2023, subject to a 10b5-1 Stock Repurchase Agreement dated June 16, 2023, our board of directors authorized the repurchase of up to US\$1,000,000 of the Class A ordinary shares (the “Repurchase Program”), effective until September 15, 2023. The Repurchase Program was subsequently extended by our board of directors to be effective until December 15, 2023. We may repurchase all or a portion of our authorized repurchase amount. The Repurchase Program does not obligate us to repurchase any specific number of the Class A ordinary shares and the Repurchase Program may be suspended or terminated at any time at our management’s discretion. On October 18, 2023, subject to a 10b5-1 Stock Repurchase Agreement dated October 18, 2023, our board of directors authorized the repurchase of up to US\$2,000,000 of our Class A ordinary shares, effective until April 17, 2024. During the year ended December 31, 2023, we purchased 606,756 Class A ordinary shares for approximately US\$2.6 million under these repurchase programs. These shares were cancelled during the year ended December 31, 2024.

In September 2024, our board of directors approved a share repurchase program under which we may repurchase up to US\$10.0 million worth of our Class A ordinary shares, effective from September 9, 2024 through September 8, 2025. As of the date of this annual report, we have fully utilized the US\$10.0 million under the foregoing share repurchase program.

In February 2025, our board of directors approved a share repurchase program under which we may repurchase up to US\$20.0 million worth of our Class A ordinary shares, effective from February 28, 2025 through February 28, 2026. As of the date of this annual report, we have fully utilized the US\$20.0 million under the foregoing share repurchase program.

In May 2025, our board of directors approved a new share repurchase program to repurchase up to additional US\$40.0 million worth of our Class A ordinary shares, effective from May 30, 2025 and ending on May 29, 2026. As of the date of this annual report, we have fully utilized the US\$40.0 million under the foregoing share repurchase program.

B. Significant Changes

Except as disclosed elsewhere in this annual report, we have not experienced any significant changes since the date of our audited consolidated financial statements included in this annual report.

ITEM 9. THE OFFER AND LISTING

A. Offer and Listing Details

Class A ordinary shares are listed on Nasdaq under the symbol “BTDR.” Holders of Class A ordinary shares should obtain current market quotations for their securities.

B. Plan of Distribution

Not applicable.

C. Markets

Class A ordinary shares are listed on Nasdaq under the symbol “BTDR.”

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

ITEM 10. ADDITIONAL INFORMATION

A. Share Capital

As of April 21, 2026, there were 198,913,731 Class A ordinary shares (excluding nil Class A ordinary shares that have been repurchased but not cancelled and 8,468,649 Class A ordinary shares reserved for future issuances upon the exercise of awards granted under our share incentive plans) and 44,399,922 Class V ordinary shares issued and outstanding.

B. Memorandum and Articles of Association

The following are summaries of material provisions of our current amended and restated memorandum and articles of association (“Memorandum and Articles of Association”), insofar as they relate to the material terms of our ordinary shares. The summary is not complete and should be read together with the Memorandum and Articles of Association, a copy of which is set forth in Exhibit 1.1 to this annual report.

Our authorized share capital is US\$50,000.00 divided into 500,000,000,000 shares of a par value of US\$0.0000001 each comprising 499,600,000,000 Class A ordinary shares, 200,000,000 Class V ordinary shares and 200,000,000 undesignated shares of a par value of US\$0.0000001 each.

General. Holders of Class A ordinary shares and Class V ordinary shares will generally have the same rights except for voting and conversion rights. We will maintain a register of its shareholders. Every shareholder whose name is entered in such register may, without payment and upon written request, request a share certificate within two calendar months after allotment or lodgement of transfer.

Mr. Jihan Wu controls the voting power of all of the outstanding Class V ordinary shares. Upon any transfer of Class V ordinary shares by a holder thereof to any person which is not a Founder Entity, those shares will automatically convert into Class A ordinary shares.

Dividends. The holders of ordinary shares are entitled to such dividends as may be declared by our board of directors. In addition, our shareholders may declare dividends by ordinary resolution, but no dividend may exceed the amount recommended by our directors. The Memorandum and Articles of Association provide that our directors may, before recommending or declaring any dividend, set aside out of the funds legally available for distribution such sums as they think proper as a reserve or reserves which shall, in the absolute discretion of the directors, be applicable for meeting contingencies or for equalizing dividends or for any other purpose to which those funds may be properly applied. Under the laws of the Cayman Islands, we may pay a dividend out of either profit or the credit standing in our share premium account, provided that in no circumstances may a dividend be paid if this would result in us being unable to pay its debts as they fall due in the ordinary course of business immediately following the date on which the distribution or dividend is proposed to be paid.

Voting Rights. Holders of ordinary shares have the right to receive notice of, attend and vote at our general meetings. Holders of ordinary shares shall, at all times, vote together as one class on all matters submitted to a vote by the members at any such general meeting, provided that Class A ordinary shares and Class V ordinary shares shall each vote as a separate class on any proposed variation of rights affecting Class A ordinary shares only or Class V ordinary shares only (as the case may be). On all matters subject to a vote at our general meetings, (1) on a show of hands and/or (2) on a poll, each of our shareholders shall be entitled to one vote for each Class A ordinary share and ten (10) votes for each Class V ordinary share of which such shareholder is the holder. Voting at any shareholders’ meeting is by show of hands unless a poll is demanded (before or on the declaration of the result of the show of hands). A poll may be demanded by the chairman of such meeting or any of our shareholders holding not less than 10% of the votes attaching to the total ordinary shares which are present in person or by proxy at the meeting.

An ordinary resolution to be passed at a meeting by the shareholders requires the affirmative vote of a simple majority of the votes of the ordinary shares which are cast by those of our shareholders who are entitled to do so attend and vote at the meeting, while a special resolution requires the affirmative vote of no less than two-thirds of the votes of ordinary shares which are cast by those of our shareholders who are entitled to do so attend and vote at the meeting. Under the Cayman Companies Act, a special resolution will be required in order for us to effect certain important matters as stipulated in the Cayman Companies Act, such as a change of name or making changes to the Memorandum and Articles of Association. Holders of the ordinary shares may, among other things, divide or combine their shares by ordinary resolution.

General Meetings of Shareholders. As a Cayman Islands exempted company, we are not obliged by the Cayman Companies Act to call shareholders' annual general meetings. The Memorandum and Articles of Association provide that we may (but are not obliged to) in each year hold a general meeting as our annual general meeting in which case we shall specify the meeting as such in the notices calling it, and the annual general meeting shall be held at such time and place as may be determined by our directors.

Shareholders' general meetings may be convened by the chairman of our board of directors or by a majority of our board of directors. Advance notice of at least ten (10) calendar days is required for the convening of our annual general shareholders' meeting (if any) and any other general meeting of our shareholders. A quorum required for any general meeting of shareholders consists of at least one shareholder present or by proxy, who alone or together hold not less than 50% of all votes attaching to all of our shares in issue and entitled to vote at such general meeting.

The Cayman Companies Act provides our shareholders with only limited rights to requisition a general meeting, and does not provide shareholders with any right to put any proposal before a general meeting. However, these rights may be provided in a company's articles of association. The Memorandum and Articles of Association provide that upon the requisition of any one or more of our shareholders who alone or together hold shares which carry in aggregate not less than one-third of the total number of votes attaching to all issued and outstanding shares of our company entitled to vote at general meetings on the date of deposit of the requisition, our board of directors will be required to convene an extraordinary general meeting. However, the Memorandum and Articles of Association do not provide our shareholders with any right to put any proposals before annual general meetings or extraordinary general meetings not called by such shareholders.

Transfer of Ordinary Shares. Subject to the restrictions set out below, any of our shareholders may transfer all or any of his or her ordinary shares by an instrument of transfer in the usual or common form or any other form approved by our board of directors.

Our board of directors may, in its absolute discretion, decline to register any transfer of any ordinary share which is not fully paid up or on which we have a lien. Our board of directors may also decline to register any transfer of any ordinary share unless:

- the instrument of transfer is lodged with us, accompanied by the certificate for the ordinary shares to which it relates and such other evidence as our board of directors may reasonably require to show the right of the transferor to make the transfer;
- the instrument of transfer is in respect of only one class of ordinary shares;
- the instrument of transfer is properly stamped, if required;
- in the case of a transfer to joint holders, the number of joint holders to whom the ordinary share is to be transferred does not exceed four; and
- a fee of such maximum sum as the Nasdaq may determine to be payable or such lesser sum as our directors may from time to time require is paid to us in respect thereof.

If our directors refuse to register a transfer they shall, within three calendar months after the date on which the instrument of transfer was lodged, send to each of the transferor and the transferee notice of such refusal.

The registration of transfers may, after compliance with any notice required of the Nasdaq, be suspended and the register closed at such times and for such periods as our board of directors may from time to time determine, provided, however, that the registration of transfers shall not be suspended nor the register closed for more than 30 days in any calendar year.

Liquidation. On the winding up of our company, if the assets available for distribution among our shareholders shall be more than sufficient to repay the whole of the share capital at the commencement of the winding up, the surplus shall be distributed among our shareholders in proportion to the par value of the shares held by them at the commencement of the winding up, subject to a deduction from those shares in respect of which there are monies due, of all monies payable to our company for unpaid calls or otherwise. If our assets available for distribution are insufficient to repay the whole of the share capital, the assets will be distributed so that the losses are borne by our shareholders in proportion to the par value of the shares held by them.

Calls on Shares and Forfeiture of Shares. Our board of directors may from time to time make calls upon shareholders for any amounts unpaid on their shares in a notice served to such shareholders at least 14 calendar days prior to the specified time and place of payment. The shares that have been called upon and remain unpaid are subject to forfeiture.

Redemption, Repurchase and Surrender of Shares. We may issue shares on terms that such shares are subject to redemption, at our option or at the option of the holders of these shares, on such terms and in such manner as may be determined, before the issue of such shares, by our board of directors or a special resolution of our shareholders, and we may also repurchase any of our shares on such terms and in such manner as have been approved by our board of directors or by an ordinary resolution of our shareholders. Under the Cayman Companies Act, the redemption or repurchase of any share may be paid out of our profits or out of the proceeds of a fresh issue of shares made for the purpose of such redemption or repurchase, or out of capital (including share premium account) if we can, immediately following on which such payment is proposed to be made, pay its debts as they fall due in the ordinary course of business. In addition, we may accept the surrender of any fully paid share for no consideration.

Variations of Rights of Shares. If at any time our share capital is divided into different classes of shares, the rights attached to any class of shares (unless otherwise provided by the terms of issue of the shares of that class), whether or not we are being wound-up, may be varied with the consent in writing of the holders of two-thirds of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of the class. The rights conferred upon the holders of the shares of any class issued shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking *pari passu* with or subsequent to such existing class of shares, or the redemption or purchase of any shares of any class by us. The rights of the holders of shares shall not be deemed to be varied by the creation or issue of shares with preferred or other rights including, without limitation, the creation of shares with enhanced or weighted voting rights.

Issuance of Additional Shares. The Memorandum and Articles of Association authorizes our board of directors to issue additional ordinary shares from time to time as our board of directors shall determine, to the extent of available authorized but unissued shares.

The Memorandum and Articles of Association also authorizes our board of directors to establish from time to time one or more series of preferred shares and to determine, with respect to any series of preferred shares, the terms and rights of that series, including:

- the designation of the series;
- the number of shares of the series;
- the dividend rights, conversion rights, voting rights;
- the rights and terms of redemption and liquidation preferences; and
- any other powers, preferences and relative, participating, optional and other special rights.

Our board of directors may issue preferred shares without action by our shareholders to the extent authorized but unissued. Issuance of these shares may dilute the voting power of holders of ordinary shares.

Inspection of Books and Records. Holders of our ordinary shares will have no general right under Cayman Islands law to inspect or obtain copies of our corporate records (other than our memorandum and articles of association, special resolutions, and our register of mortgages and charges). However, we will provide our shareholders with annual audited financial statements.

Anti-Takeover Provisions. Some provisions of the Memorandum and Articles of Association may discourage, delay or prevent a change of control of our company or management that our shareholders may consider favorable, including provisions that:

- authorize our board of directors to issue preferred shares in one or more series and to designate the price, rights, preferences, privileges and restrictions of such preferred shares without any further vote or action by our shareholders; and
- limit the ability of shareholders to requisition and convene general meetings of shareholders.

However, under Cayman Islands law, our directors may only exercise the rights and powers granted to them under the Memorandum and Articles of Association for a proper purpose and for what they believe in good faith to be in the best interests of our company.

Exempted Company. We are an exempted company with limited liability under the Cayman Companies Act. The Cayman Companies Act distinguishes between ordinary resident companies and exempted companies. Any company that is registered in the Cayman Islands but conducts business mainly outside of the Cayman Islands may apply to be registered as an exempted company. The requirements for an exempted company are essentially the same as for an ordinary company except that an exempted company:

- is not required to open its register of members for inspection;
- does not have to hold an annual general meeting;
- may issue shares with no par value;
- may obtain an undertaking against the imposition of any future taxation (such undertakings are usually given for 20 years in the first instance);
- may register by way of continuation in another jurisdiction and be deregistered in the Cayman Islands;
- may register as a limited duration company; and
- may register as a segregated portfolio company.

C. Material Contracts

Other than in the ordinary course of business and other than those described in “Item 3. Key Information — D. Risk Factors — Risks Related to Our Business, Operations, Industry and Financial Condition,” “Item 4. Information on the Company,” “Item 5. Operating and Financial Review and Prospects,” “Item 7. Major Shareholders and Related Party Transactions—B. Related Party Transactions” or elsewhere in this annual report, we have not entered into any material contract during the two years immediately preceding the date of this annual report.

D. Exchange Controls

There are no governmental laws, decrees, regulations or other legislation in the Cayman Islands that may affect the import or export of capital, including the availability of cash and cash equivalents for our use, or that may affect the remittance of dividends, interest, or other payments by us to non-resident holders of our ordinary shares, assuming the absence of applicable United Nations sanctions as implemented or otherwise adopted under the laws of the Cayman Islands. There is no limitation imposed by laws of Cayman Islands or in our articles of association on the right of non-residents to hold or vote shares.

E. Taxation

Material U.S. Federal Income Tax Considerations for U.S. Holders

The following is a discussion of certain material U.S. federal income tax considerations generally applicable to the acquisition, ownership, and disposition of Class A ordinary shares by a “U.S. Holder” (as defined below). This discussion applies only to Class A ordinary shares that are held by a U.S. Holder as “capital assets” within the meaning of Section 1221 of the Code (generally, property held for investment). For purposes of this discussion, “ordinary shares” refer to Class A ordinary shares. This discussion does not describe all U.S. federal income tax considerations that may be relevant to a U.S. Holder in light of such U.S. Holder’s particular circumstances, nor does it address any state, local, or non-U.S. tax considerations, any non-income tax (such as gift or estate tax) considerations, any alternative minimum tax, the special tax accounting rules under Section 451(b) of the Code, the Medicare contribution tax on net investment income, or any tax consequences that may be relevant to U.S. Holders that are subject to special tax rules, including, without limitation:

- banks or other financial institutions;
- insurance companies;
- mutual funds;
- pension or retirement plans;
- S corporations;
- broker or dealers in securities or currencies;
- traders in securities that elect mark-to-market treatment;
- regulated investment companies;
- real estate investment trusts;
- trusts or estates;
- tax-exempt organizations (including private foundations);
- persons that hold ordinary shares as part of a “straddle,” “hedge,” “conversion,” “synthetic security,” “constructive sale,” or other integrated transaction for U.S. federal income tax purposes;
- persons that have a functional currency other than the U.S. dollar;
- certain U.S. expatriates or former long-term residents of the United States;
- persons owning (directly, indirectly, or constructively) 5% (by vote or value) or more of our shares;
- persons that acquired ordinary shares pursuant to an exercise of employee stock options or otherwise as compensation;
- partnerships or other entities or arrangements treated as pass-through entities for U.S. federal income tax purposes and investors in such entities;
- “controlled foreign corporations” within the meaning of Section 957(a) of the Code;
- “passive foreign investment companies” within the meaning of Section 1297(a) of the Code; and
- corporations that accumulate earnings to avoid U.S. federal income tax.

If a partnership (including an entity or arrangement treated as a partnership for U.S. federal income tax purposes) holds ordinary shares, the tax treatment of a partner in such partnership generally will depend on the status of the partner and the activities of the partnership and the partner. Partnerships holding ordinary shares should consult their tax advisors regarding the tax consequences in their particular circumstances.

This discussion is based on the Code, the U.S. Treasury regulations promulgated thereunder, administrative rulings, and judicial decisions, all as currently in effect and all of which are subject to change or differing interpretation, possibly with retroactive effect. Any such change or differing interpretation could alter the tax consequences described herein. Furthermore, there can be no assurance that the Internal Revenue Service (the “IRS”) will not challenge the tax considerations described herein and that a court will not sustain such challenge.

For purposes of this discussion, a “U.S. Holder” is a beneficial owner of Class A ordinary shares, that is, for U.S. federal income tax purposes:

- an individual who is a U.S. citizen or resident of the United States;
- a corporation (including an entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- an estate the income of which is subject to U.S. federal income taxation regardless of its source; or
- a trust (i) if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more “United States persons” within the meaning of Section 7701(a)(30) of the Code have the authority to control all substantial decisions of the trust or (B) that has in effect a valid election under applicable U.S. Treasury regulations to be treated as a United States person.

THIS DISCUSSION IS FOR GENERAL INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF ORDINARY SHARES IN THEIR PARTICULAR CIRCUMSTANCES.

Distributions on Ordinary Shares

Subject to the PFIC rules discussed below under “-Passive Foreign Investment Company Rules,” distributions on ordinary shares generally will be taxable as a dividend for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Such distributions in excess of our current and accumulated earnings and profits will constitute a return of capital that will be applied against and reduce (but not below zero) the applicable U.S. Holder’s adjusted tax basis in its ordinary shares. Any remaining excess will be treated as gain realized on the sale or other taxable disposition of the ordinary shares and will be treated as described below under “—Sale or Other Taxable Disposition of Class A ordinary shares.” The amount of any such distributions will include any amounts required to be withheld by us (or another applicable withholding agent) in respect of any non-U.S. taxes. Any such amount treated as a dividend will be treated as foreign-source dividend income. Any such dividends received by a corporate U.S. Holder generally will not qualify for the dividends-received deduction generally allowed to U.S. corporations in respect of dividends received from other U.S. corporations. With respect to non-corporate U.S. Holders, any such dividends generally will be taxed at currently preferential long-term capital gains rates only if (i) ordinary shares are readily tradable on an established securities market in the United States or we are eligible for benefits under an applicable tax treaty with the United States, (ii) we are not treated as a PFIC with respect to the applicable U.S. Holder at the time the dividend was paid or in the preceding year, and (iii) certain holding period and other requirements are met. Any such dividends paid in a currency other than the U.S. dollar generally will be the U.S. dollar amount calculated by reference to the exchange rate in effect on the date of actual or constructive receipt, regardless of whether the payment is in fact converted into U.S. dollars at that time. A U.S. Holder may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of actual or constructive receipt.

As noted above and subject to applicable limitations, taxing jurisdictions other than the United States may withhold taxes from distributions on ordinary shares, and a U.S. Holder may be eligible for a reduced rate of withholding to the extent there is an applicable tax treaty between the applicable taxing jurisdiction and the United States and/or may be eligible for a foreign tax credit against the U.S. Holder's U.S. federal income tax liability. Recently issued U.S. Treasury regulations, which apply to foreign taxes paid or accrued in taxable years beginning on or after December 28, 2021, may in some circumstances prohibit a U.S. Holder from claiming a foreign tax credit with respect to certain foreign taxes that are not creditable under applicable tax treaties. In lieu of claiming a foreign tax credit, a U.S. Holder may, at such U.S. Holder's election, deduct foreign taxes in computing such U.S. Holder's taxable income, subject to generally applicable limitations under U.S. tax law. An election to deduct foreign taxes in lieu of claiming a foreign tax credit applies to all foreign taxes paid or accrued in the taxable year in which such election is made. The foreign tax credit rules are complex and U.S. Holders should consult their tax advisors regarding the application of such rules, including the creditability of foreign taxes, in their particular circumstances.

Sale or Other Taxable Disposition of Class A Ordinary Shares

Subject to the PFIC rules discussed below under “—Passive Foreign Investment Company Rules,” upon any sale or other taxable disposition of Class A ordinary shares, a U.S. Holder generally will recognize gain or loss in an amount equal to the difference, if any, between (i) the sum of (A) the amount of cash and (B) the fair market value of any other property received in such sale or disposition and (ii) the U.S. Holder's adjusted tax basis in the Class A ordinary shares. Any such gain or loss generally will be capital gain or loss and will be long-term capital gain or loss if the U.S. Holder's holding period for such ordinary shares exceeds one year. Long-term capital gain recognized by non-corporate U.S. Holders generally will be taxed at currently preferential long-term capital gains rates. The deductibility of capital losses is subject to limitations. Any such gain or loss recognized by a U.S. Holder will generally be treated as U.S. source gain or loss for foreign tax credit limitation purposes. Consequently, a U.S. Holder may not be able to use any foreign tax credit arising from any foreign tax imposed on the disposition of our Class A ordinary shares unless such credit can be applied (subject to applicable limitations) against tax due on other income treated as derived from non-U.S. sources.

If the consideration received by a U.S. Holder upon a sale or other taxable disposition of ordinary shares is not paid in U.S. dollars, the amount realized will be the U.S. dollar value of such payment calculated by reference to the exchange rate in effect on the date of such sale or disposition. A U.S. Holder may have foreign currency gain or loss to the extent of the difference, if any, between (i) the U.S. dollar value of such payment on the date of such sale or disposition and (ii) the U.S. dollar value of such payment calculated by reference to the exchange rate in effect on the date of settlement. However, if our Class A ordinary shares are treated as traded on an “established securities market” and the U.S. Holder is either a cash basis taxpayer or an accrual basis taxpayer that has made a special election (which must be applied consistently from year to year and cannot be changed without the consent of the IRS), the U.S. Holder will determine the U.S. dollar value of the amount realized in a non-U.S. dollar currency by translating the amount received at the spot rate of exchange on the settlement date of the sale. Any such foreign currency gain or loss will be U.S.-source for foreign tax credit purposes.

U.S. Holders should consult their tax advisors regarding the tax consequences of a sale or other taxable disposition of Class A ordinary shares, including the creditability of foreign taxes imposed on such sale or disposition by a taxing jurisdiction other than the United States, in their particular circumstances.

Passive Foreign Investment Company Rules

The U.S. federal income tax treatment of U.S. Holders could be materially different from that described above if we are treated as a PFIC for U.S. federal income tax purposes. In general, a non-U.S. corporation is a PFIC for U.S. federal income tax purposes for any taxable year in which (i) 50% or more of the average value of its assets (generally determined on the basis of a weighted quarterly average) during such year consists of assets that produce, or are held for the production of, passive income, or (ii) 75% or more of its gross income for such year consists of passive income. Passive income generally includes dividends, interest, royalties, rents, annuities, investment gains, net gains from the sales of property that does not give rise to any income and net gains from the sale of commodities (subject to certain exceptions, such as an exception for certain income derived in the active conduct of a trade or business). Cash and cash equivalents are, and cryptocurrency balances are likely, passive assets. The value of goodwill will generally be treated as an active or passive asset based on the nature of the income produced in the activity to which the goodwill is attributable. For purposes of the PFIC rules, a non-U.S. corporation that owns, directly, indirectly, or constructively, at least 25% by value of the stock of another corporation is treated as if it held its proportionate share of the assets of the other corporation, and received directly its proportionate share of the income of the other corporation.

Based on our analysis of our income, assets, activities, and market capitalization, we believe that we were not a PFIC, for our taxable year ended December 31, 2025. However, our PFIC status for any taxable year is a factual annual determination that can be made only after the end of that year and will depend on the composition of our income and assets and the value of our assets from time to time (including the value of our goodwill, which may be determined in large part by reference to the market price of our Class A ordinary shares from time to time, which could be volatile). In addition, the risk of us being a PFIC for any taxable year will increase if our market capitalization declines substantially during that year. Furthermore, whether and to which extent our income and assets, including goodwill, will be characterized as active or passive will depend on various factors that are subject to uncertainty, including our future business plan and the application of laws that are subject to varying interpretation. For example, there is no authority that directly addresses the proper treatment of certain items of our income, such as income from cryptocurrency self-mining, cloud hash rate, or hosting for purposes of the PFIC rules and, although we currently treat these items of income as active, such treatment is uncertain. Moreover, certain of our business activities generate passive income and, although the amount of such income is currently small, our risk of being a PFIC will increase if the proportion of our revenue earned from such business activities increases in future taxable years. Accordingly, there can be no assurances that we will not be a PFIC for our current or any future taxable year, and our U.S. counsel expresses no opinion with respect to our PFIC status for any taxable year.

Although PFIC status is generally determined annually, if we are determined to be a PFIC for any taxable year (or portion thereof) that is included in the holding period of a U.S. Holder in the U.S. Holder's ordinary shares and the U.S. Holder did not make either a mark-to-market election or a qualifying electing fund ("QEF") election, which are referred to collectively as the "PFIC Elections" for purposes of this discussion, for the first taxable year in which we are treated as a PFIC, and in which the U.S. Holder held (or was deemed to hold) Class A ordinary shares, or the U.S. Holder does not otherwise make a purging election, as described below, the U.S. Holder generally will be subject to special and adverse rules with respect to (i) any gain recognized by the U.S. Holder on the sale or other taxable disposition of Class A ordinary shares, and (ii) any "excess distribution" made to the U.S. Holder (generally, any distributions to the U.S. Holder during a taxable year of the U.S. Holder that are greater than 125% of the average annual distributions received by the U.S. Holder in respect of its Class A ordinary shares during the three preceding taxable years of the U.S. Holder or, if shorter, the U.S. Holder's holding period in its Class A ordinary shares).

Under these rules:

- the U.S. Holder's gain or excess distribution will be allocated ratably over the U.S. Holder's holding period in its Class A ordinary shares;
- the amount allocated to the U.S. Holder's taxable year in which the U.S. Holder recognized the gain or received the excess distribution, and to any period in the U.S. Holder's holding period before the first day of the first taxable year in which we are treated as a PFIC, will be taxed as ordinary income;
- the amount allocated to other taxable years (or portions thereof) of the U.S. Holder and included in the U.S. Holder's holding period will be taxed at the highest tax rate in effect for that year and applicable to the U.S. Holder; and
- an additional tax equal to the interest charge generally applicable to underpayments of tax will be imposed on the U.S. Holder with respect to the tax attributable to each such other taxable year of the U.S. Holder.

PFIC Elections

If we are treated as a PFIC and our Class A ordinary shares constitute "marketable stock," a U.S. Holder may avoid the adverse PFIC tax consequences discussed above if such U.S. Holder makes a mark-to-market election with respect to its Class A ordinary shares for the first taxable year in which the U.S. Holder holds (or is deemed to hold) the Class A ordinary shares and each subsequent taxable year. Such U.S. Holder generally will include for each of its taxable years as ordinary income the excess, if any, of the fair market value of its Class A ordinary shares at the end of such year over its adjusted tax basis in its Class A ordinary shares. The U.S. Holder also will recognize an ordinary loss in respect of the excess, if any, of its adjusted tax basis in its Class A ordinary shares over the fair market value of its Class A ordinary shares at the end of its taxable year (but only to the extent of the net amount of previously included income as a result of the mark-to-market election). The U.S. Holder's adjusted tax basis in its Class A ordinary shares will be adjusted to reflect any such income or loss amounts, and any further gain recognized on a sale or other taxable disposition of its Class A ordinary shares will be treated as ordinary income.

The mark-to-market election is available only for “marketable stock,” generally, stock that is regularly traded on a national securities exchange that is registered with the Securities and Exchange Commission, including the Nasdaq (on which Class A ordinary shares are currently listed), or on a foreign exchange or market that the IRS determines has rules sufficient to ensure that the market price represents a legitimate and sound fair market value. As such, such election generally will not apply to any of our non-U.S. subsidiaries, unless the shares in such subsidiaries are themselves “marketable stock.” As such, U.S. Holders may continue to be subject to the adverse PFIC tax consequences discussed above with respect to any lower-tier PFICs, as discussed below, notwithstanding their mark-to-market election with respect to Class A ordinary shares.

If made, a mark-to-market election would be effective for the taxable year for which the election was made and for all subsequent taxable years unless Class A ordinary shares cease to qualify as “marketable stock” for purposes of the PFIC rules or the IRS consents to the revocation of the election. U.S. Holders should consult their tax advisors regarding the availability and tax consequences of a mark-to-market election with respect to Class A ordinary shares in their particular circumstances.

The tax consequences that would apply if we were a PFIC and a U.S. Holder made a valid QEF election would also be different from the adverse PFIC tax consequences described above. In order to comply with the requirements of a QEF election, however, a U.S. Holder generally must receive a PFIC Annual Information Statement from us. If we are determined to be a PFIC for any taxable year, we do not currently intend to provide the information necessary for U.S. Holders to make or maintain a QEF election. As such, U.S. Holders should assume that a QEF election will not be available with respect to ordinary shares.

If we are treated as a PFIC and a U.S. Holder failed or was unable to timely make a PFIC Election for prior periods, the U.S. Holder might seek to make a purging election to rid its Class A ordinary shares of the PFIC taint. Under the purging election, the U.S. Holder will be deemed to have sold its Class A ordinary shares at their fair market value and any gain recognized on such deemed sale will be treated as an excess distribution, as described above. As a result of the purging election, the U.S. Holder will have a new adjusted tax basis and holding period in the U.S. Holder’s Class A ordinary shares solely for purposes of the PFIC rules.

Related PFIC Rules

If we are treated as a PFIC and, at any time, have a non-U.S. subsidiary that is treated as a PFIC, a U.S. Holder generally would be deemed to own a proportionate amount of the shares of such lower-tier PFIC, and generally could incur liability for the deferred tax and interest charge described above if we receive a distribution from, or sell or otherwise dispose of all or part of our interest in, such lower-tier PFIC, or the U.S. Holder otherwise was deemed to have sold or otherwise disposed of an interest in such lower-tier PFIC. U.S. Holders should consult their tax advisors regarding the application of the lower-tier PFIC rules in their particular circumstances.

A U.S. Holder that owns (or is deemed to own) shares in a PFIC during any taxable year may have to file an IRS Form 8621 (whether or not a QEF election or a mark-to-market election is made) and to provide such other information as may be required by the U.S. Treasury Department. Failure to do so, if required, will extend the statute of limitations applicable to such U.S. Holder until such required information is furnished to the IRS and could result in penalties.

THE PFIC RULES ARE VERY COMPLEX AND U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE APPLICATION OF SUCH RULES IN THEIR PARTICULAR CIRCUMSTANCES.

Information Reporting and Backup Withholding

Payments of dividends and sales proceeds that are made within the United States or through certain U.S.-related financial intermediaries are subject to information reporting, and may be subject to backup withholding, unless (i) the U.S. Holder is a corporation or other exempt recipient or (ii) in the case of backup withholding, the U.S. Holder provides a correct taxpayer identification number and certifies that it is not subject to backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding from a payment to a U.S. Holder will be allowed as a credit against the U.S. Holder's U.S. federal income tax liability and may entitle the U.S. Holder to a refund, provided that the required information is timely furnished to the IRS.

Individuals and certain entities that own "specified foreign financial assets" with an aggregate value in excess of certain thresholds generally are required to file an information report with respect to such assets with their tax returns.

U.S. Holders should consult their tax advisors regarding the information reporting requirements and the application of the backup withholding rules in their particular circumstances.

THIS DISCUSSION IS FOR GENERAL INFORMATIONAL PURPOSES ONLY AND IS NOT TAX ADVICE. U.S. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE U.S. FEDERAL, STATE, AND LOCAL AND NON-U.S. INCOME AND NON-INCOME TAX CONSEQUENCES OF THE ACQUISITION, OWNERSHIP, AND DISPOSITION OF CLASS A ORDINARY SHARES, INCLUDING THE IMPACT OF ANY POTENTIAL CHANGE IN LAW, AND THE EFFECT OF ANY TAX TREATIES, IN THEIR PARTICULAR CIRCUMSTANCES.

Cayman Islands Tax Considerations

The following summary contains a description of certain Cayman Islands income tax consequences of the acquisition, ownership and disposition of ordinary shares, but it does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase ordinary shares. The summary is based upon the tax laws of Cayman Islands and regulations thereunder as of the date hereof, which are subject to change.

Prospective investors should consult their professional advisors on the possible tax consequences of buying, holding or selling any shares under the laws of their country of citizenship, residence or domicile.

The following is a discussion on certain Cayman Islands income tax consequences of an investment in the Class A ordinary shares. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider any investor's particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under Existing Cayman Islands Laws:

Payments of dividends and capital in respect of our securities will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal or a dividend or capital to any holder of Class A ordinary shares, nor will gains derived from the disposal of the Class A ordinary shares be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

No stamp duty is payable in respect of the issue of our securities or on an instrument of transfer in respect of our securities, except for stamp duties which may be applicable on instruments executed in, or, after execution, brought within the jurisdiction of the Cayman Islands.

The Cayman Islands currently levy no taxes on individuals or corporations based upon profits, income, gains or appreciations and there is no taxation in the nature of inheritance tax or estate duty. There are no other taxes likely to be material to us levied by the Government of the Cayman Islands save certain stamp duties which may be applicable, from time to time, on certain instruments executed in or brought within the jurisdiction of the Cayman Islands.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to certain of the informational filing requirements of the Exchange Act. Since we are a “foreign private issuer,” we are exempt from the rules and regulations under the Exchange Act prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and “short-swing” profit recovery provisions contained in Section 16 of the Exchange Act, with respect to their purchase and sale of our shares. In addition, we are not required to file reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we are required to file with the SEC an annual report on Form 20-F containing financial statements audited by an independent accounting firm. We may, but are not required, to furnish to the SEC, on Form 6-K, unaudited financial information after each of our first three fiscal quarters. The SEC also maintains a website at <http://www.sec.gov> that contains reports and other information that we file with or furnish electronically with the SEC. You may read and copy any report or document we file, including the exhibits, at the SEC’s public reference room located at 100 F Street, N.E., Washington, D.C. 20549. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Cryptocurrency Risk

We are exposed to cryptocurrency risk as we yield cryptocurrencies from certain revenue arrangements. We recognize revenue based on the spot fair value of cryptocurrencies on the day they are earned, but the value of the cryptocurrencies is subject to change on the date they are disposed of for fiat currency.

Cryptocurrency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. Our profitability is highly correlated to the current and future market price of cryptocurrencies and a decline in the market prices for cryptocurrencies could negatively impact our future operations. In addition, we may not be able to liquidate our holdings of cryptocurrencies at our desired price if required, or, in extreme market conditions, we may not be able to liquidate our holdings of cryptocurrencies at all.

Cryptocurrencies have a limited history, and the fair value of cryptocurrencies has been very volatile. The historical performance of cryptocurrencies is not indicative of their future price performance. The cryptocurrencies involved in our operation are currently primarily based on Bitcoin and USDT. During the years ended December 31, 2023, 2024 and 2025, we did not use any derivative contracts to hedge our exposure to cryptocurrency risk, but our management closely monitors the impact of the mainstream cryptocurrency exchange market on the change of exchange rates from cryptocurrency to fiat currency. To limit our exposure to cryptocurrency risk, we apply a flexible internal strategy for either converting cryptocurrencies we obtain through our principal business into fiat currency to support our operations as needs, or holding the cryptocurrencies to capture potential higher appreciation in value in the future.

Fluctuations in the market price of Bitcoin and/or other cryptocurrencies may have a more linear and quantifiable impact on some of our businesses than others. A 10% increase or decrease in the average market price of Bitcoin and/or other cryptocurrencies over 2023, 2024 and 2025, without considering other factors, would have had the following impact on our revenue: (i) an increase or decrease in our revenue from self-mining by 10%; (ii) an increase or decrease in our revenue from Cloud Hash Rate in general, as the price of Bitcoin is a key factor in determining the hash rate subscription fee, provided however, the precise impact is subject to other factors, such as the hash rate allocated to Cloud Hash Rate, the expected mining rewards at the time of subscription, contract terms, and electricity price, etc.; (iii) an increase or decrease in our revenue from General Hosting in general, as we are entitled to additional variable consideration based on the customers' mining yield under arrangement with certain customers and we accept cryptocurrencies as payments for the hosting services; and (iv) an increase or decrease in revenue from Cloud Hosting, provided that the overall impact is less linear as compared to in the case of self-mining. The impact on the revenue from sale of mining rigs and accessories depends on market sentiments towards Bitcoin at the relevant point in time, in addition to the actual price of Bitcoin. A change in the market price of Bitcoin and/or other cryptocurrencies would not have had a material effect on our revenue from other sources.

In addition, Bitcoin and other cryptocurrencies (including cryptocurrencies - receivables) accounted for 5.0% and 7.8% of our total assets as of December 31, 2024 and 2025, respectively. A 10% increase or decrease in the market price of Bitcoin and other cryptocurrencies (including cryptocurrencies - receivables) as of December 31, 2024 and 2025, respectively, would have resulted in an increase or decrease of approximately US\$7.8 million and US\$21.9 million on our cryptocurrency balance at those dates.

Interest Rate Risk

Our interest rate risk is primarily attributable to bank deposits, restricted cash and borrowings. Bank deposits, restricted cash and borrowings at variable rates and at fixed rates expose us to cash flow interest rate risk and fair value interest rate risk respectively. Our management closely monitors the fluctuation of such rates periodically. If the interest rates had been higher or lower by 1% with all other variables including tax rate being held constant, the profit/(loss) before tax would have been higher or lower by US\$1.3 million for the year ended December 31, 2023, and would have been lower or higher by US\$0.2 million and US\$13.5 million for the years ended December 31, 2024 and 2025, respectively, considering bank deposits, restricted cash and the principal amount of the borrowing.

Investment Risk

We are exposed to investment risk from investment transactions such as the investment in financial assets at fair value through profit or loss. These investments are not principal-guaranteed, and we may suffer material loss from such investments. We monitor our investments closely and limit our exposure to investment risk by including in our operation strategy the requirement to perform due diligence on prospective investees to evaluate the business soundness before making an investment, and to communicate regularly with the investee, review management reports and the latest financial statements, if any, to evaluate the stage of investment and whether any action should be taken regarding the investment.

Foreign Currency Risk

We are exposed to foreign currency risk as we conduct transactions which give rise to payables and cash balances that are denominated in foreign currencies and the fair value or future cash flows of our financial instrument may fluctuate due to movement in foreign exchange rates of these foreign currencies. The volatility of exchange rates depends on many factors that we are not able to accurately forecast. Our management is closely monitoring our exposure to currency risk and seeks to minimize our exposure to such risk. We were not exposed to material foreign currency risk during the years ended December 31, 2023, 2024 and 2025.

Credit Risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to us. Credit risk arises mainly from cash deposited in the banks and cryptocurrencies held in custody, trade receivables, and amounts due from related parties.

Cash deposited in the banks

To manage risk arising from cash, cash equivalents and restricted cash, we only transact with reputable financial institutions, which have no recent history of default. As such, we are not subject to material credit risk arising from cash, cash equivalents and restricted cash.

Cryptocurrencies held in custody

For the years ended December 31, 2023, 2024 and 2025, substantially all of our cryptocurrencies were held in the custody of BIT Group, a related party. To limit exposure to credit risk relating to cryptocurrencies under custody, we evaluate the system security design of the custody service provider and regularly review the exposure of cryptocurrencies held in custody. We have further implemented internal controls to ensure the appropriate access to the cryptocurrencies under custody. We expect that there is no significant credit risk from non-performance by BIT Group.

However, Bitcoin and other blockchain-based cryptocurrencies have been, and may in the future be, subject to security breaches, cyberattacks, or other malicious activities. A successful security breach or cyberattack could result in a partial or total loss of our cryptocurrencies and such a loss could have a material adverse effect on our financial condition and results of operations.

Trade receivables

Our exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, we also consider the factors that may influence the credit risk of the customer base, including the customers' financial condition.

We have a receivables management process that facilitates initial and ongoing analysis of customer creditworthiness individually. This analysis comprises payment frequency and timeliness, payment method and payment amount. For customers with relatively short history, we limit our exposure to credit risk by collecting deposits from these customers, which will be used to offset against outstanding trade receivables in case of default.

Amounts due from related parties

Our receivable from BIT Group, including cryptocurrency receivables used as collateral in connection with the borrowing arrangements, is subject to similar financial risk management procedures as our cryptocurrencies held in custody and trade receivables.

Liquidity Risk

Liquidity risk arises in situations where we have difficulties in fulfilling financial liabilities when they become due. Prudent liquidity risk management implies maintaining sufficient cash in order to meet our financial obligations. We manage our liquidity risk by monitoring cash flow generated from operations and available borrowing capacity, and by managing the maturity profiles of our long-term loans.

As of December 31, 2025, borrowings from a related party totaled US\$521.8 million, comprising current portion of US\$275.0 million and non-current portion of US\$246.8 million. In addition, in January 2025, we executed the Financing Facility with a commercial bank, which was subsequently increased to US\$26.0 million in September 2025. The Financing Facility was repaid in full at maturity on February 6, 2026 and subsequently redrawn in the same amount, due on July 10, 2026.

In June 2025, we issued the June 2025 Convertible Notes in a private placement to certain initial purchasers therein. In November 2025, we issued the November 2025 Convertible Notes in a private placement to qualified institutional buyers. In the same month, we completed the 2025 Equity Offering of 10,661,140 of our Class A ordinary shares. In connection with the 2025 Equity Offering, we entered into individually negotiated share purchase agreements with certain institutional investors holding the November 2024 Convertible Notes. We used the net proceeds from the 2025 Equity Offering, together with a portion of the net proceeds from the November 2025 Convertible Notes, to fund certain note repurchase transactions with respect to US\$200.0 million aggregate principal amount of the November 2024 Convertible Notes. In February 2026, we issued February 2026 Convertible Notes in a private placement to qualified institutional buyers. In the same month, we completed the 2026 Equity Offering of 5,503,030 of our Class A ordinary shares. In connection with the 2026 Equity Offering, we entered into individually negotiated share purchase agreements with certain institutional investors holding the November 2024 Convertible Notes. We used the net proceeds from the 2026 Equity Offering, together with a portion of the net proceeds from the February 2026 Convertible Notes, to fund note repurchase transactions with respect to US\$135.0 million aggregate principal amount of the November 2024 Convertible Notes.

The issuance of these convertible notes introduces additional financial obligations, which may impact our liquidity position. We believe that our cash, short-term investment, proceeds from our principal business, and anticipated proceeds from disposal of cryptocurrencies will be sufficient to meet our current and anticipated working capital requirements for at least the next 12 months from the date of this annual report. Consistent with our recent approach, we expect to opportunistically access sources of capital, including proceeds from the issuance of convertible notes, Class A ordinary shares and borrowing arrangements, to meet our current and anticipated capital expenditure requirements. The added obligations from the convertible notes necessitate careful liquidity management.

ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES

A. Debt Securities

Not applicable.

B. Warrants and Rights

Not applicable.

C. Other Securities

Not applicable.

D. American Depositary Shares

Not applicable.

PART II

ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES

None.

ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS

Not applicable.

ITEM 15. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our management, under the supervision and with the participation of our chief executive officer and chief financial officer, carried out an evaluation of the effectiveness of our disclosure controls and procedures, which is defined in Rules 13a-15(e) of the Exchange Act, as of December 31, 2025.

Based upon that evaluation, our management, with the participation of our chief executive officer and chief financial officer, has concluded that, as of December 31, 2025, our disclosure controls and procedures are effective to provide reasonable assurance that material information required to be disclosed in this annual report is recorded, processed, summarized and reported within the time period specified in Securities and Exchange Commission rules and forms, and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rules 13a-15(f) under the Securities Exchange Act of 1934, as amended). Our management evaluated the effectiveness of our internal control over financial reporting based on criteria established in the framework in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on the evaluation, our management concluded that our internal control over financial reporting was effective as of December 31, 2025.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness of our internal control over financial reporting to future periods are subject to the risks that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Attestation Report of Independent Registered Public Accounting Firm

The attestation report of our independent registered public accounting firm on the effectiveness of our internal control over financial reporting is furnished in Item 18 of this Form 20-F.

Changes in Internal Control over Financial Reporting

For the year ended December 31, 2024, our management had identified a material weakness in internal control over financial reporting relating to a lack of adequate execution and monitoring of control activities resulting in insufficient review of the maintenance of the bill of materials in the inventory cycle and the lack of precise review of certain assumptions in the draft valuation model associated with convertible senior notes prepared by an external independent third-party valuation firm, combining with the insufficient controls aimed at verifying the reliability of external information and platforms, including information sourced from mining pools in the cloud hash rate sharing business and other websites in the self-mining business, cryptocurrency custodial platform and Employee Stock Ownership Plan (ESOP) platform.

During 2025, we implemented changes and remediated the material weakness identified for the year ended December 31, 2024, including (i) enhance the review process on the assumptions used in the valuation report of convertible senior notes prepared by an external valuation firm, foster a closer communication loop with the external valuer to ensure the review process is sufficiently robust, and maintain appropriate evidence to support such reviews; (ii) enhance the monitoring on the accuracy verification of Bill of Materials (BOM) entry; and (iii) develop a set of control activities specifically aimed at verifying the reliability of external information, such as cross checking on the information from the mining pools and other websites with independent source, obtaining and performing an appropriate review on the system and organization controls (“SOC”) reports from the external vendors.

Management has completed the remediation plan and the relevant controls have been appropriately designed, implemented, and tested for operating effectiveness. Our external auditors have evaluated management’s assessment and did not identify any material weakness.

Other than as described above, there were no changes in our internal controls over financial reporting that occurred during the period covered by this annual report on Form 20-F that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 16. [RESERVED]

Not applicable.

ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT

Our board of directors has determined that each of Guang Yang, Sheldon Trainor-DeGirolamo, Naphat Sirimongkolkasem and Yeow Beng Lim satisfies the independence requirements under Rule 5605(c)(2) of the Nasdaq Stock Market Rules and meets the criteria for independence set forth in Rule 10A-3 of the Exchange Act, and each of Guang Yang, Sheldon Trainor-DeGirolamo and Naphat Sirimongkolkasem meets the criteria of an audit committee financial expert as set forth under the applicable rules of the SEC.

ITEM 16B. CODE OF ETHICS

Our board of directors adopted a code of business conduct and ethics that applies to our directors, officers and employees in March 2023, which was effective in April 2023 and amended in October 2023. We have posted a copy of our code of business conduct and ethics on our website at <https://ir.bitdeer.com/>.

ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our company has retained MaloneBailey, LLP to act as our company’s independent registered accountants.

The following table sets forth the aggregate fees by categories specified below in connection with certain professional services rendered by MaloneBailey, LLP, for the periods indicated.

	For the Year Ended December 31,	
	2025	2024
Audit fees ⁽¹⁾	US\$ 1,910,650	US\$ 1,850,693
Audit-related fees ⁽²⁾	US\$ -	US\$ -

(1) “Audit fees” are fees billed for professional services rendered by the principal accountant for the audit of the registrant’s annual financial statements or services that are normally provided by the accountant in connection with statutory and regulatory filings or engagements for those fiscal years. It includes the audits of our consolidated financial statements, services that normally would be provided by the accountant in connection with statutory and regulatory filings or engagements, and other services that generally only the independent accountant reasonably can provide, such as comfort letters, statutory audits, attest services, consents and assistance with and review of documents filed with the Commission.

(2) “Audit-related fees” are the aggregate fees billed for professional services rendered by our principal external auditor, which are reasonably related to the audit or review of our financial statements but are not categorized under “Audit fees”.

The policy of our audit committee is to pre-approve all audit, audit-related and non-audit services provided by MaloneBailey, LLP, including audit services, audit-related services, tax services and other services as described above, other than those for de minimis services which are approved by the audit committee prior to the completion of the audit.

ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES

Not applicable.

ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS

On June 16, 2023, subject to a 10b5-1 Stock Repurchase Agreement dated June 16, 2023, our board of directors authorized the repurchase of up to US\$1,000,000 of the Class A ordinary shares (the “Repurchase Program”), effective until September 15, 2023. The Repurchase Program was subsequently extended by our board of directors to be effective until December 15, 2023. We may repurchase all or a portion of our authorized repurchase amount. The Repurchase Program does not obligate us to repurchase any specific number of the Class A ordinary shares and the Repurchase Program may be suspended or terminated at any time at our management’s discretion. On October 19, 2023, subject to a 10b5-1 Stock Repurchase Agreement dated October 18, 2023, our board of directors authorized the repurchase of up to US\$2,000,000 of our Class A ordinary shares, effective until April 17, 2024. During the year ended December 31, 2023, we purchased 606,756 Class A ordinary shares for approximately US\$2.6 million under the share repurchase programs. These shares were cancelled during the year ended December 31, 2024.

In September 2024, our board of directors approved a share repurchase program under which we may repurchase up to US\$10.0 million worth of our Class A ordinary shares, effective from September 9, 2024 through September 8, 2025. As of the date of this annual report, we have fully utilized the US\$10.0 million under the share repurchase program.

In February 2025, our board of directors approved a share repurchase program under which we may repurchase up to US\$20.0 million worth of our Class A ordinary shares, effective from February 28, 2025 through February 28, 2026. As of the date of this annual report, we have fully utilized the US\$20.0 million under the share repurchase program.

In May 2025, our board of directors approved a new share repurchase program to repurchase up to additional US\$40.0 million worth of our Class A ordinary shares, effective from May 30, 2025 and ending on May 29, 2026. As of the date of this annual report, we have fully utilized the US\$40.0 million under the share repurchase program.

The following table sets forth information regarding purchases of our equity securities by us and affiliated purchasers during the year ended December 31, 2025.

Period	Total number of shares purchased	Average price paid per share (US\$)	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs ⁽¹⁾ (US\$)
February 1 – February 28, 2025	790,000	11.45	790,000	9,827
March 1 – March 31, 2025	1,056,500	11.34	1,056,500	7,999,213
May 1 – May 31, 2025	543,500	14.66	543,500	23,351
June 1 – June 30, 2025	72,200	13.83	72,200	38,999,835
November 1 – November 30, 2025	2,800,000	10.69	2,800,000	9,016,906
December 1 – December 31, 2025	492,511	10.14	492,511	4,010,581
Total	5,754,711	11.28	5,754,711	4,010,581

Note:

- (1) For a description of each share repurchase program, see discussion above in this section. We utilized each share repurchase program sequentially, commencing purchases under a subsequent program only after the prior program’s authorized amount was fully utilized. Purchases in February 2025 were made under the program approved in September 2024, purchases from March through May 2025 were made under the program approved in February 2025, and purchases from June through December 2025 were made under the program approved in May 2025. The last column of the table above reflects the remaining authorized amount under the then-active program at each month end.

ITEM 16F. CHANGE IN REGISTRANT’S CERTIFYING ACCOUNTANT

Not applicable.

ITEM 16G. CORPORATE GOVERNANCE

As a Cayman Islands exempted company listed on the Nasdaq Capital Market, we are subject to the Nasdaq corporate governance listing standards. However, Nasdaq Stock Market Rules permit a foreign private issuer like us to follow the corporate governance practices of its home country. Certain corporate governance practices in the Cayman Islands, which is our home country, may differ significantly from the Nasdaq Stock Market Rules. See the section entitled “Item 3. Key Information—D. Risk Factors—Risks Related to Our Securities —You may face difficulties in protecting your interests, and your ability to protect your rights through U.S. courts may be limited, because we are incorporated under the law of the Cayman Islands, we conduct a substantial portion of our operations and a majority of our directors and executive officers reside outside of the United States.”

Nasdaq Rule 5620 requires each issuer to hold an annual meeting of shareholders no later than one year after the end of the issuer’s fiscal year-end. However, Nasdaq Rule 5615(a)(3) permits foreign private issuers like us to follow “home country practice” in certain corporate governance matters. Our Cayman Islands counsel has provided a letter to the Nasdaq Stock Market certifying that under Cayman Islands law, we are not required to hold annual shareholders meetings every year. We followed home country practice and did not hold an annual meeting of shareholders in 2025. We may, however, hold annual shareholders meetings in the future.

While we voluntarily follow most Nasdaq corporate governance rules, we may choose to take advantage of exemptions afforded to us. See the section entitled “Item 3. Key Information—D. Risk Factors— Risks Related to Our Securities —As an exempted company incorporated in the Cayman Islands, we are permitted to adopt certain home country practices in relation to corporate governance matters that differ significantly from Nasdaq corporate governance listing standards; these practices may afford less protection to holders of Class A ordinary shares than they would enjoy if we complied fully with Nasdaq corporate governance listing standards.”

We may elect to follow home country practice in lieu the following requirements:

- the requirement that each member of the compensation committee must be an independent director as set forth in Nasdaq Rule 5605(d)(2)(A);
- the requirement that director nomination should be made by a vote in which only independent directors participate or by a nominations committee comprised solely of independent directors as set forth in Nasdaq Rule 5605(e)(1);
- the requirement to obtain shareholder approval for certain issuances of securities, including shareholder approval of stock option plans;
- the requirement that the board of directors shall have regularly scheduled meetings at which only independent directors are present as set forth in Nasdaq Rule 5605(b)(2); and
- the requirement that an annual shareholders meeting must be held no later than one year after the end of the company’s fiscal year-end as set forth in Nasdaq Rule 5620(a).

Other than the home country practices described above, we are not aware of any significant differences between our corporate governance practices and those followed by U.S. domestic companies under Nasdaq Stock Market Rules.

ITEM 16H. MINE SAFETY DISCLOSURE

Not applicable.

ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

ITEM 16J. INSIDER TRADING POLICIES

We have adopted insider trading policies and procedures governing the purchase, sale and other dispositions of our securities by directors, senior management and employees to promote compliance with applicable insider trading laws, rules and regulations. These insider trading policies and procedures are filed as Exhibit 11.2 to this annual report on Form 20-F.

ITEM 16K. CYBERSECURITY

Risk management and strategy

We recognize the critical importance of developing, implementing, and maintaining robust cybersecurity measures to safeguard our information systems and protect the confidentiality, integrity, and availability of our data.

Managing Material Risks & Integrated Overall Risk Management

We have strategically integrated cybersecurity incident management team (the “CSI management team”) into our broader risk management framework to promote a company-wide culture of cybersecurity risk management. This integration ensures that cybersecurity considerations are an integral part of our decision-making processes at every level. Our CSI management team works closely with our information security (“IS”) department to continuously evaluate and address cybersecurity risks in alignment with our business objectives and operational needs.

Oversee Third-party Risk

Because we are aware of the risks associated with third-party service providers, we implement stringent processes to oversee and manage these risks. We conduct thorough security assessments of all third-party providers before engagement and maintain ongoing monitoring to ensure compliance with our cybersecurity standards, including risk assessment for each service provider and strict control of privileged access granted to service providers. This approach is designed to mitigate risks related to data breaches or other security incidents originating from third-parties.

Frameworks and Certifications

Our cybersecurity risk management program is informed by the ISO 27001 framework, and our Group had obtained ISO 27001 certification in 2025. Additionally, our AI infrastructure and AI cloud services successfully completed a SOC 2 audit in 2025, covering the trust service criteria for security, availability, confidentiality, processing integrity and privacy, with no material exceptions noted.

Risks from Cybersecurity Threats

We have not encountered cybersecurity challenges that have materially impaired our operations or financial standing.

Governance

The board of directors is acutely aware of the critical nature of managing risks associated with cybersecurity threats. The board has established robust oversight mechanisms to ensure effective governance in managing risks associated with cybersecurity threats because we recognize the significance of these threats to our operational integrity and stakeholder confidence.

Board of Directors Oversight

Our audit committee is central to the board's oversight of cybersecurity risks and bears the primary responsibility for this domain. Our audit committee is composed of board members with diverse expertise including, risk management, technology, and finance, equipping them to oversee cybersecurity risks effectively.

Management's Role Managing Risk

The CSI management team play a pivotal role in informing the audit committee on cybersecurity risks. In consultation with our legal department and our senior management, they determine whether notification of a cybersecurity incident to the audit committee is necessary or advisable. Upon determining that such notification should occur, they provide prompt notification to our audit committee.

Our audit committee actively participates in strategic decisions related to cybersecurity, offering guidance and approval for major initiatives. This involvement ensures that cybersecurity considerations are integrated into our broader strategic objectives. Our audit committee conducts an annual review of our cybersecurity posture and the effectiveness of its risk management strategies. This review helps in identifying areas for improvement and ensuring the alignment of cybersecurity efforts with the overall risk management framework.

Risk Management Personnel

Primary responsibility for assessing, monitoring and managing our cybersecurity risks rests with our IS Emergency Contact. With almost 10 years of experience in cybersecurity, our IS Emergency Contact has extensive cybersecurity expertise and in-depth knowledge and experience instrumental in developing and executing our cybersecurity strategies.

Monitor Cybersecurity Incidents

The lead of our IS department (the "IS lead") is continually informed about the latest developments in cybersecurity, including potential threats and innovative risk management techniques. This ongoing knowledge acquisition is crucial for the effective prevention, detection, mitigation, and remediation of cybersecurity incidents. The IS lead implements and oversees processes for the regular monitoring of our information systems. This includes the deployment of advanced security measures and regular system audits to identify potential vulnerabilities. In the event of a cybersecurity incident, the IS lead is equipped with a well-defined incident response plan. This plan includes immediate actions to mitigate the impact and long-term strategies for remediation and prevention of future incidents.

Reporting to Board of Directors and Senior Management

The IS lead, in his capacity, regularly informs the Chief Executive Officer, Chief Operating Officer and Chief Financial Officer of all aspects related to cybersecurity risks and incidents. This ensures that the highest levels of management are kept abreast of the cybersecurity posture and potential risks facing us. Furthermore, significant cybersecurity matters, and strategic risk management decisions are escalated to the board of directors, ensuring that they have comprehensive oversight and can provide guidance on critical cybersecurity issues.

PART III

ITEM 17. FINANCIAL STATEMENTS

See the section entitled “Item 18. Financial Statements.”

ITEM 18. FINANCIAL STATEMENTS

The consolidated financial statements and the related notes required by this Item are included in this annual report on Form 20-F beginning on page F-1.

ITEM 19. EXHIBITS

EXHIBIT INDEX

Exhibit No.	Description of Documents
1.1	<u>Amended and Restated Memorandum and Articles of Association of the Company, effective on April 13, 2023 (incorporated herein by reference to Exhibit 1.1 to the Company's Shell Company Report on Form 20-F (File No. 001-41687), filed with the SEC on April 19, 2023).</u>
2.1	<u>Specimen Ordinary Share Certificate of the Company (incorporated herein by reference to Exhibit 4.1 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
2.2	<u>Description of Securities Registered under Section 12 of the Securities Exchange Act of 1934 (incorporated herein by reference to Exhibit 2.2 to the Company's Annual Report for the year ended December 31, 2022 on Form 20-F (File No. 001-41687), filed with the SEC on April 28, 2023).</u>
4.1	<u>Amended and Restated Agreement and Plan of Merger, dated as of December 15, 2021, by and among the Company, Bitdeer, Blue Safari Merge Limited, Blue Safari Merge II Limited, Bitdeer Merge Limited, BSGA and Blue Safari Mini Corp. (incorporated herein by reference to Exhibit 2.1 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.2	<u>First Amendment to Amended and Restated Agreement and Plan of Merger, dated as of May 30, 2022, by and among the Company, Bitdeer, Blue Safari Merge Limited, Blue Safari Merge II Limited, Bitdeer Merge Limited, BSGA and Blue Safari Mini Corp. (incorporated herein by reference to Exhibit 2.2 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.3	<u>Second Amendment to Amended and Restated Agreement and Plan of Merger, dated as of December 2, 2022, by and among the Company, Bitdeer, Blue Safari Merge Limited, Blue Safari Merge II Limited, Bitdeer Merge Limited, BSGA and Blue Safari Mini Corp. (incorporated herein by reference to Exhibit 2.3 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.4	<u>Third Amendment to Amended and Restated Agreement and Plan of Merger, dated as of March 7, 2023, by and among the Company, Bitdeer, Blue Safari Merge Limited, Blue Safari Merge II Limited, Bitdeer Merge Limited, BSGA and Blue Safari Mini Corp. (incorporated herein by reference to Exhibit 2.4 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.5	<u>Voting and Support Agreement, dated as of December 15, 2021, by and among BSGA, Bitdeer and certain shareholder of Bitdeer (incorporated herein by reference to Exhibit 10.1 to BSGA's Current Report on Form 8-K filed with the SEC on December 15, 2021).</u>
4.6†	<u>Bitdeer Technologies Group 2023 Share Incentive Plan, effective on April 13, 2023 (incorporated herein by reference to Exhibit 2.2 to the Company's Annual Report for the year ended December 31, 2022 on Form 20-F (File No. 001-41687), filed with the SEC on April 28, 2023).</u>

Exhibit No.	Description of Documents
4.7†	<u>Form of Employment Agreement between the Company and its executive officers (incorporated herein by reference to Exhibit 10.3 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.8†	<u>Form of Indemnification Agreement between the Company and its executive officers (incorporated herein by reference to Exhibit 10.4 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.9#	<u>Lease Agreement, dated as of June 6, 2018, between Alcoa USA Corp. and Dory Creek, LLC (incorporated herein by reference to Exhibit 10.5 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.10#	<u>First Amendment to the Lease Agreement, dated as of October 18, 2018, between Alcoa USA Corp. and Bitdeer Inc. (formerly known as Bitmain Inc.) (incorporated herein by reference to Exhibit 10.6 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.11#	<u>Second Amendment to the Lease Agreement, dated as of May 1, 2019, between Alcoa USA Corp. and Dory Creek, LLC (incorporated herein by reference to Exhibit 10.7 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.12#	<u>Third Amendment to the Lease Agreement, dated as of May 1, 2019, between Alcoa USA Corp. and Dory Creek, LLC (incorporated herein by reference to Exhibit 10.8 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.13#	<u>Fourth Amendment to the Lease Agreement, dated as of May 11, 2021, between Alcoa USA Corp. and Dory Creek, LLC (incorporated herein by reference to Exhibit 10.9 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.14#	<u>Fifth Amendment to the Lease Agreement, dated as of August 30, 2021, between Alcoa USA Corp. and Dory Creek, LLC (incorporated herein by reference to Exhibit 10.10 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.15#	<u>Sixth Amendment to the Lease Agreement, dated as of October 25, 2021, between Alcoa USA Corp. and Dory Creek, LLC (incorporated herein by reference to Exhibit 10.11 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.16#	<u>Seventh Amendment to the Lease Agreement, dated as of October 1, 2022, between SLR Property I, LP and Dory Creek, LLP (incorporated herein by reference to Exhibit 4.16 to the Shell Company Report on Form 20-F (File No. 001-41687) filed with the SEC on April 19, 2023).</u>
4.17#	<u>Eighth Amendment to the Lease Agreement, dated as of June 12, 2023, between SLR Property I, LP and Dory Creek, LLP (incorporated herein by reference to Exhibit 4.17 to the Company's Annual Report for the year ended December 31, 2024 on Form 20-F (File No. 001-41687), filed with the SEC on April 21, 2025).</u>
4.18#	<u>Commercial Purchase and Sale Agreement, dated as of February 26, 2018, between Bitmain Inc. and Kemet Foil Manufacturing LLC (FKA Cornell Dublilier, Foil, LLC) (incorporated herein by reference to Exhibit 10.17 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.19#	<u>Indenture, dated as of March 20, 2018, between Bitmain Inc. and Carpenter Creek, LLC (incorporated herein by reference to Exhibit 10.18 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>

Exhibit No.	Description of Documents
4.20#	<u>Vacant Land Purchase and Sale Agreement, dated as of August 3, 2017, between Blackhawk Development Inc and Ant Creek, LLC (incorporated herein by reference to Exhibit 10.19 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.21#	<u>English translation of Custody Agreement, dated as of February 10, 2021, between Sharpening Technology Limited, Bitdeer Sales (USA) Inc, Carpenter Creek LLC and Matrix Guard Limited (incorporated herein by reference to Exhibit 10.20 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.22#	<u>Custody Agreement, dated as of February 10, 2021, between Bitdeer Technologies Limited, Straitdeer Pte. Ltd. and Matrix Trust Company (incorporated herein by reference to Exhibit 10.21 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).</u>
4.23	<u>2023 Performance Share Plan (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on June 20, 2023).</u>
4.24#	<u>Ordinary Share Purchase Agreement, dated as of August 8, 2023, by and between Bitdeer Technologies Group and B. Riley Principal Capital II, LLC (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on August 9, 2023).</u>
4.25	<u>Registration Rights Agreement, dated as of August 8, 2023, by and between Bitdeer Technologies Group and B. Riley Principal Capital II, LLC (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on August 9, 2023).</u>
4.26#	<u>Land Lease Agreement, by and between Bitdeer Gedu and DHI (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on August 22, 2023).</u>
4.27#	<u>Contract of Sale by and between Whitetail Creek and B&D (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on August 22, 2023).</u>
4.28#	<u>Master Agreement between Bitdeer and NVIDIA (incorporated herein by reference to Exhibit 99.2 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on October 19, 2023).</u>
4.29^	<u>Call Option Agreement, dated April 15, 2024 by and among Bitdeer Technologies Group, BRYHNI.COM AS and RENOL INVEST AS (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on April 19, 2024).</u>
4.30#	<u>Lease Agreement, dated as of February 5, 2024, by and between Monroe County Port Authority and Erie Creek LLC (incorporated herein by reference to Exhibit 99.3 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on September 23, 2024).</u>

Exhibit No.	Description of Documents
4.31#	<u>Amendment to Lease Agreement, dated as of April 19, 2024, by and between Monroe County Port Authority and Erie Creek LLC (incorporated herein by reference to Exhibit 99.4 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on September 23, 2024).</u>
4.32#	<u>Second Amendment to Lease Agreement, dated as of January 2025, by and among Monroe County Port Authority, Erie Creek LLC and Whitetail Creek LLC (incorporated herein by reference to Exhibit 4.47 to the Company's Annual Report for the year ended December 31, 2024 on Form 20-F (File No. 001-41687), filed with the SEC on April 21, 2025).</u>
4.33#	<u>Land Lease Agreement, dated as of May 30, 2024, by and between Bitdeer Jigmeling Private Limited and Druk Holding and Investments Limited (incorporated herein by reference to Exhibit 99.5 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on September 23, 2024).</u>
4.34#	<u>Master Deed of Novation, dated January 9, 2025, by and among Bitdeer Jigmeling Private Limited, Druk Holding and Investments Limited, Bitdeer Technologies Holding Company, Bitdeer Gedu Private Limited, Bitdeer Bhutan Management Limited and Green Digital Limited (incorporated herein by reference to Exhibit 4.49 to the Company's Annual Report for the year ended December 31, 2024 on Form 20-F (File No. 001-41687), filed with the SEC on April 21, 2025).</u>
4.35#	<u>Opal Project Asset Purchase and Sale Agreement, dated as of February 3, 2025, by and between 2519492 Alberta Limited and Bitdeer Energy Inc (incorporated herein by reference to Exhibit 4.50 to the Company's Annual Report for the year ended December 31, 2024 on Form 20-F (File No. 001-41687), filed with the SEC on April 21, 2025).</u>
4.36^	<u>At Market Issuance Sales Agreement, dated January 3, 2025, by and among the Company and Barclays Capital Inc., Cantor Fitzgerald & Co., A.G.P./Alliance Global Partners, The Benchmark Company, LLC, B. Riley Securities, Inc., BTIG, LLC, Keefe, Bruyette & Woods, Inc., Needham & Company, LLC, Northland Securities, Inc., Rosenblatt Securities Inc., Roth Capital Partners, LLC and StockBlock Securities LLC (incorporated herein by reference to Exhibit 1.1 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on January 21, 2025).</u>
4.37	<u>Indenture, dated November 17, 2025, by and between Bitdeer Technologies Group and U.S. Bank Trust Company, National Association (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on November 19, 2025).</u>
4.38	<u>Form of Capped Call Confirmation (incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on November 19, 2025).</u>
4.39^	<u>Form of Global Note, representing Bitdeer Technologies Group's 4.00% Convertible Senior Notes due 2031 (included in Exhibit 4.37).</u>
4.40	<u>Indenture, dated February 24, 2026, by and between Bitdeer Technologies Group and U.S. Bank Trust Company, National Association (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on February 26, 2026).</u>
4.41	<u>Form of Capped Call Confirmation (incorporated herein by reference to Exhibit 99.1 to the Company's Current Report on Form 6-K (File No. 001-41687), furnished to the SEC on February 26, 2026).</u>
4.42	<u>Form of Global Note, representing Bitdeer Technologies Group's 5.00% Convertible Senior Notes due 2032 (included in Exhibit 4.40).</u>

Exhibit No.	Description of Documents
4.43*^#	English Translation of Tydal Data Center – Agreement on design and execution, dated as of March 27, 2026, between Tydal Data Center AS and Data Center Installations AS.
8.1*	List of significant subsidiaries of the Company
11.1	Code of Business Conduct and Ethics of the Company (incorporated herein by reference to Exhibit 99.1 to Post-Effective Amendment No. 1 to the Registration Statement on Form F-1 (File No. 333-273905), filed with the SEC on October 10, 2023).
11.2	Statement of Policies Governing Material Non-public Information and the Prevention of Insider Trading of the Registrant (incorporated herein by reference to Exhibit 11.2 to the Company’s Annual Report on Form 20-F for the year ended December 31, 2024 (File No. 001-41687), filed with the SEC on April 21, 2025).
12.1*	Certification of our Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
12.2*	Certification of our Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
13.1**	Certification of our Chief Executive Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
13.2**	Certification of our Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
15.1*	Consent of Malone Bailey
97.1	Executive Compensation Clawback Policy (incorporated herein by reference to Exhibit 97.1 to the Company’s Annual Report for the year ended December 31, 2023 on Form 20-F (File No. 001-41687), filed with the SEC on March 28, 2024).
101.INS*	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File – the cover page XBRL tags are embedded within the Exhibit 101 Inline XBRL document set

* Filed herewith.

** Furnished herewith.

† Indicates a management contract or any compensatory plan, contract or arrangement.

Portions of this exhibit have been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K on the basis that the Company customarily and actually treats that information as private or confidential and the omitted information is not material.

^ Schedules and exhibits of this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. A copy of any omitted schedule and/or exhibit will be furnished to the SEC upon request.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

April 30, 2026

Bitdeer Technologies Group

By: /s/ Jihan Wu

Name: Jihan Wu

Title: Director and Chairman of the Board

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Bitdeer Technologies Group

Opinion on the Financial Statements

We have audited the accompanying consolidated statements of financial position of Bitdeer Technologies Group and its subsidiaries (collectively, the “Company”) as of December 31, 2025 and 2024, and the related consolidated statements of operations and comprehensive income / (loss), changes in equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the “financial statements”).

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”) and our report dated April 30, 2026 expressed an unqualified opinion on the Company’s internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matter does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Self-mining Revenue – Refer to Notes 2 to the financial statements

The Company provides a service to the mining pool operators to perform hash calculations using the Company’s own mining rigs in exchange for cryptocurrency rewards, which are non-cash considerations. The Company recognizes self-mining revenue as it fulfills its performance obligation over time by providing hash calculation services to the mining pools. The service proceeds are variable considerations determined by a contractual formula. Self-mining revenue consists of block rewards and transaction fees, net of the mining pool fees charged by the mining pool operator. For the year ended December 31, 2025, total self-mining revenue was approximately US\$396 million.

We identified the auditing of self-mining revenue as a critical audit matter due to the nature and extent of audit effort required to address the matter, which includes a significant involvement of more experienced engagement team members. Subjective auditor judgment was required in determining the nature and extent of audit procedures to test the occurrence of the revenues recognized by the Company.

The primary procedures we performed to address this critical audit matter included:

- Evaluated the design and operating effectiveness of controls over financial reporting relevant to the self-mining revenue;
- Performed site visits of the facilities where the Company's mining rigs were located, which included an observation of the physical and environmental controls and mining rigs observation procedures;
- Evaluated management's rationale for the application of IFRS 15 to account for its self-mining revenue, which included evaluating the contracts between the Company and the mining pool operators;
- Evaluated and tested management's rationale and supporting documentation associated with the valuation of cryptocurrency awards earned, including independently developing the self-mining revenue recognized according to the calculation formula prescribed in the contractual payout method using the hashrate provided to the mining pool operators and comparing it to the Company's records, and independently obtained blockchain inputs and cryptocurrency prices, and confirming with the mining pool operators the significant contractual terms used in the determination of self-mining revenue and total self-mining revenue earned by the Company;
- With the assistance of our Information Technology ("IT") professionals, we identified the key systems used to monitor hashrate, tested the IT general controls over the systems and validated the hashrate provided to the mining pools;
- Compared the Company's records related to self-mining revenue to the wallet custodian's records and evaluated the completeness and accuracy of such records, including considering the System and Organization Control ("SOC") 1 Type II report and SOC 2 Type II report over the custodian's controls and the relevance and reliability of the information obtained; and
- Evaluated management's disclosures of its self-mining revenue in the financial statement footnotes.

/s/ MaloneBailey, LLP
www.malonebailey.com

We have served as the Company's auditor since 2021.

Houston, Texas
April 30, 2026

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and Board of Directors of
Bitdeer Technologies Group

Opinion on Internal Control Over Financial Reporting

We have audited the internal control over financial reporting of Bitdeer Technologies Group and its subsidiaries (the “Company”) as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the accompanying consolidated statements of financial position of the Company as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive income / (loss), changes in equity, and cash flows for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the “financial statements”), and our report dated April 30, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company’s management is responsible for these financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
April 30, 2026

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in tables are stated in thousands of U.S. Dollar)

	<u>Note</u>	<u>December 31, 2025</u>	<u>December 31, 2024</u>
ASSETS			
Current assets			
Cash and cash equivalents	6	149,352	476,270
Restricted cash	6	22,366	9,144
Cryptocurrencies	7	83,077	77,537
Cryptocurrencies – receivables	7	135,558	-
Trade receivables		31,374	9,627
Amounts due from related parties	24	9,654	15,512
Prepayments and other assets	8	698,291	291,929
Inventories	9	251,999	64,888
Financial assets at fair value through profit or loss	10	4,976	4,540
Total current assets		<u>1,386,647</u>	<u>949,447</u>
Non-current assets			
Restricted cash	6	6,159	8,212
Prepayments and other assets	8	24,681	18,244
Financial assets at fair value through profit or loss	10	39,309	37,981
Mining rigs	11	620,667	67,324
Right-of-use assets	15	83,292	69,273
Property, plant and equipment	12	441,797	251,377
Investment properties	13	29,826	30,723
Intangible assets	14	93,432	83,235
Goodwill	14	35,818	35,818
Derivative assets	17	31,857	-
Deferred tax assets	23	11,087	6,220
Total non-current assets		<u>1,417,925</u>	<u>608,407</u>
TOTAL ASSETS		<u><u>2,804,572</u></u>	<u><u>1,557,854</u></u>

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in tables are stated in thousands of U.S. Dollar)

	<u>Note</u>	<u>December 31,</u> <u>2025</u>	<u>December 31,</u> <u>2024</u>
LIABILITIES			
Current liabilities			
Trade payables	18	119,818	31,471
Other payables and accruals	19	54,655	40,617
Amounts due to a related party	24	4,340	8,747
Income tax payables		13,355	2,729
Derivative liabilities	17	501,085	763,939
Deferred revenue		64,391	39,029
Borrowings	16	478,792	208,127
Borrowings from a related party	24	275,000	-
Lease liabilities	15	9,226	5,460
Total current liabilities		<u>1,520,662</u>	<u>1,100,119</u>
Non-current liabilities			
Other payables and accruals	19	2,413	1,650
Deferred revenue		63,255	90,200
Borrowings	16	468	-
Borrowings from a related party	24	246,831	-
Lease liabilities	15	88,980	72,673
Deferred tax liabilities	23	14,115	16,614
Total non-current liabilities		<u>416,062</u>	<u>181,137</u>
TOTAL LIABILITIES		<u>1,936,724</u>	<u>1,281,256</u>
NET ASSETS			
		<u>867,848</u>	<u>276,598</u>
EQUITY			
Share capital	22	*	*
Treasury equity	22	(325,597)	(160,926)
Accumulated deficit	22	(583,407)	(649,004)
Reserves	22	1,776,852	1,086,528
TOTAL EQUITY		<u>867,848</u>	<u>276,598</u>

* Amount less than US\$1,000

The accompanying notes form an integral part of these consolidated financial statements.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME / (LOSS)
(Amounts in tables are stated in thousands of U.S. Dollar, except for per share data)

	Note	Years ended December 31,		
		2025	2024	2023
Revenue from external parties		618,952	331,026	367,800
Revenue from related party customers	24	1,301	18,756	754
Total revenue	2(t)	620,253	349,782	368,554
Cost of revenue	20(a)	(559,261)	(283,382)	(290,745)
Gross profit		60,992	66,400	77,809
Selling expenses	20(a)	(6,667)	(8,044)	(8,246)
General and administrative expenses	20(a)	(84,415)	(64,317)	(66,454)
Research and development expenses	20(a)	(153,876)	(76,946)	(29,534)
Listing fee	5(a)	-	-	(33,151)
Other operating income / (expenses)	20(b)	(21,352)	727	3,791
Other net gains / (losses)	20(c)	365,038	(507,479)	3,538
Profit / (Loss) from operations		159,720	(589,659)	(52,247)
Finance income / (expenses)	20(d)	(88,890)	(11,935)	1,276
Profit / (Loss) before taxation		70,830	(601,594)	(50,971)
Income tax benefits / (expenses)	23	(5,233)	2,443	(5,685)
Profit / (Loss) for the year		65,597	(599,151)	(56,656)
Other comprehensive income / (loss)				
Profit / (Loss) for the year		65,597	(599,151)	(56,656)
Other comprehensive income / (loss) for the year				
<i>Item that may be reclassified to profit or loss</i>				
- Exchange differences on translation of financial statements		431	(218)	(26)
Other comprehensive income / (loss) for the year, net of tax		431	(218)	(26)
Total comprehensive income / (loss) for the year		66,028	(599,369)	(56,682)
Earnings / (Loss) per share				
Basic	25	0.32	(4.36)	(0.51)
Diluted	25	(1.43)	(4.36)	(0.51)
Weighted average number of shares outstanding (thousand shares)				
Basic	25	204,679	137,426	110,494
Diluted	25	234,319	137,426	110,494

The accompanying notes form an integral part of these consolidated financial statements.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in tables are stated in thousands of U.S. Dollar)

	Note	Share Capital	Treasury Equity	Retained Earnings / (Accumulated Deficit)	Exchange Reserve	Other Reserve	Total Equity
Balance at January 1, 2023		*	-	6,803	(217)	311,753	318,339
Issuance of shares through Business Combination		*	-	-	-	18,096	18,096
Loss for the year		-	-	(56,656)	-	-	(56,656)
Other comprehensive loss		-	-	-	(26)	-	(26)
Share-based payments	21	-	-	-	-	45,488	45,488
Issuance of shares for exercise of share awards	21	*	-	-	-	412	412
Acquisition of treasury shares	22	*	(2,604)	-	-	-	(2,604)
Issuance of shares for cash, net of transaction costs	22	*	-	-	-	9,517	9,517
Balance at December 31, 2023 and January 1, 2024		*	(2,604)	(49,853)	(243)	385,266	332,566
Loss for the year		-	-	(599,151)	-	-	(599,151)
Other comprehensive loss		-	-	-	(218)	-	(218)
Share-based payments	21	-	-	-	-	33,968	33,968
Issuance of shares for exercise of share awards	21	*	-	-	-	5,170	5,170
Cancellation of treasury shares	22	-	2,604	-	-	(2,604)	-
Acquisition of treasury shares	22	*	(926)	-	-	-	(926)
Issuance of shares for cash, net of transaction costs	22	*	-	-	-	473,843	473,843
Issuance of shares in connection with business combinations	22	*	-	-	-	77,251	77,251
Issuance of share options as consideration for business combinations	22	-	-	-	-	2,600	2,600
Issuance of shares in connection with conversion of convertible notes	22	*	-	-	-	111,495	111,495
Purchase of zero-strike call option in connection with issuance of convertible senior notes	22	-	(160,000)	-	-	-	(160,000)
Balance at December 31, 2024 and January 1, 2025		*	(160,926)	(649,004)	(461)	1,086,989	276,598

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in tables are stated in thousands of U.S. Dollar)

	<u>Note</u>	<u>Share Capital</u>	<u>Treasury Equity</u>	<u>Accumulated Deficit</u>	<u>Exchange Reserve</u>	<u>Other Reserve</u>	<u>Total Equity</u>
Balance at December 31, 2024 and January 1, 2025		*	(160,926)	(649,004)	(461)	1,086,989	276,598
Profit for the year		-	-	65,597	-	-	65,597
Other comprehensive income		-	-	-	431	-	431
Share-based payments	21	-	-	-	-	38,493	38,493
Issuance of shares for exercise of share awards	21	*	-	-	-	3,517	3,517
Cancellation of treasury shares	22	-	29,967	-	-	(29,967)	-
Acquisition of treasury shares	22	*	(65,031)	-	-	-	(65,031)
Issuance of shares for cash, net of transaction costs	22	*	-	-	-	351,283	351,283
Issuance of shares for exercise of warrant	22	*	-	-	-	74,182	74,182
Issuance of shares in connection with settlement of convertible notes	22	*	-	-	-	252,385	252,385
Purchase of zero-strike call option in connection with issuance of convertible senior notes	22	-	(129,607)	-	-	-	(129,607)
Balance at December 31, 2025		*	(325,597)	(583,407)	(30)	1,776,882	867,848

* Amount less than US\$1,000

The accompanying notes form an integral part of these consolidated financial statements.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in tables are stated in thousands of U.S. Dollar)

	Years ended December 31,		
	2025	2024	2023
Cash flows from operating activities			
Profit / (Loss) for the year	65,597	(599,151)	(56,656)
Adjustments for:			
Revenues recognized on acceptance of cryptocurrencies	(560,506)	(324,503)	(342,250)
Depreciation and amortization	168,119	81,096	75,541
Listing fee	-	-	33,151
Share-based payment expenses	38,493	33,968	45,488
(Gains) / losses on disposal of property, plant and equipment and investment properties	144	(108)	11
Changes in fair value of financial assets at fair value through profit or loss	3,662	(1,970)	(3,527)
Change in fair value of derivative liabilities	(444,861)	498,167	-
Change in fair value of derivative assets	3,543	-	-
Change in fair value of holdback shares issued in connection with the FreeChain Acquisition	-	3,186	-
Net losses on disposal of mining rigs	-	13	1,573
Net gains on disposal of cryptocurrencies	(9,741)	(8,188)	(2,061)
Change in fair value of cryptocurrencies – receivables	26,710	-	-
Change in fair value of cryptocurrency-settled receivables and payables	631	6,362	(3,305)
Impairment charges	18,451	936	2
Write-down of inventories	3,885	-	-
(Gain) / Loss on foreign currency transactions	(3,442)	1,585	1,016
Loss on extinguishment of convertible senior notes	60,403	8,172	-
Gain on modification of convertible notes	-	-	(481)
Loss on disposal of subsidiaries	-	-	74
Interest income	(7,605)	(7,871)	(7,953)
Interest accretion on lease liabilities	3,775	3,473	2,605
Interest expense on borrowings	68,797	14,310	2,476
Interest expense on borrowings from a related party	26,750	-	-
(Gain) / Loss on lease termination	(68)	197	-
Income tax (benefits) / expenses	5,233	(2,443)	5,685
Changes in:			
Restricted cash	(10,123)	(7,818)	1,956
Trade receivables	(26,540)	12,371	381
Prepayments and other assets	(408,231)	(219,162)	(49,032)
Inventories	(786,891)	(81,196)	(204)
Mining rigs held for sale	-	1,652	4
Amounts due from related parties	(77)	(5,984)	(111)
Trade payables	67,651	(11,260)	13,603
Deferred revenue	18,449	1,306	3,542
Amounts due to a related party	17	(2)	(283)
Other payables and accruals	695	(10,305)	(5,113)
Cash used in operating activities:	<u>(1,677,080)</u>	<u>(613,167)</u>	<u>(283,868)</u>
Interest paid on leases	(4,028)	(3,473)	(2,605)
Interest paid on borrowings and borrowings from a related party	(64,325)	(3,952)	(2,181)
Interest received	7,797	7,115	7,572
Income tax paid	(1,886)	(8,596)	(1,500)
Income tax refunded	844	-	10,795
Net cash used in operating activities	<u>(1,738,678)</u>	<u>(622,073)</u>	<u>(271,787)</u>

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in tables are stated in thousands of U.S. Dollar)

	Years ended December 31,		
	2025	2024	2023
Cash flows from investing activities			
Purchase of property, plant and equipment, investment properties and intangible assets	(232,242)	(119,487)	(63,305)
Payment for mining rigs	(35,441)	(7,731)	(63,041)
Purchase of financial assets at fair value through profit or loss	(5,426)	(2,776)	(4,400)
Proceeds from disposal of financial assets at fair value through profit or loss	-	-	31,111
Purchase of cryptocurrencies	(18,159)	-	-
Repayments from a related party	-	-	322
Lending to a third party	-	-	(61)
Proceeds from disposal of property, plant and equipment	-	298	73
Proceeds from disposal of mining rigs	-	-	27
Proceeds from disposal of cryptocurrencies	352,006	248,447	299,128
Cash paid for the site and gas-fired power project in Alberta, Canada	(21,881)	-	-
Cash paid for business combinations, net of cash acquired	-	(6,051)	-
Net cash generated from investing activities	38,857	112,700	199,854
Cash flows from financing activities			
Capital element of lease rentals paid	(7,995)	(9,676)	(5,191)
Net payment related to Business Combination	-	-	(7,662)
Proceeds from borrowings	43,472	-	-
Repayments of borrowings	(17,009)	(15,000)	(7,000)
Borrowings from a related party	668,000	-	-
Repayments of borrowings to a related party	(95,417)	-	-
Proceeds from issuance of shares for exercise of share awards	3,517	5,170	412
Proceeds from issuance of ordinary shares and warrants, net of transaction costs	351,347	485,108	9,494
Proceeds from issuance of shares for exercise of warrants	50,000	-	-
Payment for the future issuance cost	-	-	(942)
Acquisition of treasury shares	(65,010)	(617)	(2,604)
Proceeds from convertible senior notes, net of transaction costs	750,958	554,214	-
Repayments made in connection with the extinguishment of convertible senior notes	(147,854)	(14,932)	-
Purchase of capped call instrument	(35,400)	-	-
Purchase of zero-strike call option	(129,607)	(160,000)	-
Net cash generated from / (used in) financing activities	1,369,002	844,267	(13,493)
Net increase / (decrease) in cash and cash equivalents	(330,819)	334,894	(85,426)
Cash and cash equivalents at January 1	476,270	144,729	231,362
Effect of movements in exchange rates on cash and cash equivalents held	3,901	(3,353)	(1,207)
Cash and cash equivalents at December 31	149,352	476,270	144,729

The accompanying notes form an integral part of these consolidated financial statements.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION

General information

Bitdeer Technologies Group (the “Company” or “BTG”) is a limited liability company incorporated in the Cayman Islands on December 8, 2021. The address of its registered office is 89 Nexus Way, Camana Bay, Grand Cayman KY1-9009, Cayman Islands. The Company was incorporated for the purpose of effectuating the Business Combination (as defined below). Prior to Business Combination, the Company owned no material assets and did not operate any business.

Bitdeer Technologies Holding Company (“Bitdeer”) is a limited liability company incorporated in the Cayman Islands on November 18, 2020. On April 13, 2023, Bitdeer completed the business combination with Blue Safari Group Acquisition Corp. (“BSGA”) via a multiple-merger structure (the “Business Combination”). Upon completion of the Business Combination, with Bitdeer being the surviving entity, both Bitdeer and its subsidiaries, and BSGA became wholly-owned subsidiaries of BTG, the ultimate holding company. BTG is listed on Nasdaq Capital Market and commenced trading under symbol “BTDR”. Refer to Note 5(a) for more information.

The Company does not conduct any substantive operations on its own but conducts its primary operations through its subsidiaries. The Company and its subsidiaries (together, the “Group”) are principally engaged in the following business activities:

- Using the Group’s mining rigs to provide hash calculation service to mining pool operators in exchange for cryptocurrencies rewards (the “Self-mining business”);
- Developing and manufacturing mining rigs with proprietary application-specific integrated circuit technology for both the Self-mining business and sale of mining rigs and accessories to external parties (the “Application-specific integrated circuit (ASIC) and mining rig business”);
- Offering to its customers plan subscriptions, from which the customers receive computing service in quantity measured in hash rate and benefit from such service as a result of directing the computing service to mining pools and receiving cryptocurrency rewards (the “Cloud Hash Rate business”);
- Providing dynamic hosting solutions in the Group’s mining datacenters (the “Hosting business”); and
- Offering advanced cloud capabilities and high-performance computing services to customers with high demand for artificial intelligence (“AI”) and computing (the “AI cloud business” together with Self-mining business, ASIC and mining rig business, Cloud Hash Rate business, Hosting business, AI cloud business, the “Bitdeer Business”).

2. MATERIAL ACCOUNTING POLICY INFORMATION

a. Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (“IASB”).

The Group’s financial information is prepared on a consolidated basis, for which the consolidation policies are described below.

Subsidiaries are all entities over which the Group has control. The Group controls an entity where the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Inter-company transactions, balances and unrealized gains on transactions between the Company and its subsidiaries are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

b. Basis of accounting

The consolidated financial statements, except for the consolidated statements of cash flows, are prepared on the accrual basis. The measurement basis used is historical cost, except for certain accounts which are measured using the basis mentioned in the relevant notes herein.

The consolidated statements of cash flows are prepared using the indirect method and present the changes in cash from operating, investing, and financing activities.

The consolidated financial statements provide comparative information in respect of the previous period.

c. Business combinations

Business combinations are accounted for under IFRS 3 using the acquisition method as of the acquisition date, which is the date on which the Group obtains control of the acquiree. Under the acquisition method, the Group allocates the excess of the consideration transferred over the fair value of identifiable net assets acquired to goodwill. A bargain purchase gain will be recognized under the circumstance where the consideration transferred is less than the identified net assets acquired. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interest issued by the Group in exchange for control of the acquiree. Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently remeasured to fair value, with changes in fair value recognized in other net gains / (losses). Acquisition-related costs are recognized in profit or loss as incurred. Identifiable assets acquired and liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date.

d. Foreign currency translation

Functional and presentation currency

Items included in the consolidated financial statements of each of the Group's subsidiaries are measured using the currency of the primary economic environment in which the subsidiary operates (the "functional currency"). The Group presents its consolidated financial statements in United States Dollars ("USD", "US\$", or "\$").

Transactions and balances

Foreign currency transactions during the year are translated at the foreign exchange rates ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the foreign exchange rates ruling at the end of the reporting period. Exchange gains and losses are recognized in profit or loss.

Non-monetary assets and liabilities that are measured in terms of historical cost in a foreign currency are translated using the foreign exchange rates ruling at the transaction dates. The transaction date is the date on which the Group initially recognizes such non-monetary assets or liabilities.

Foreign currency translation

The results and financial position of foreign operations that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each consolidated statement of financial position presented are translated at the closing rate at the date of that balance sheet,
- income and expenses for each consolidated statement of operations and comprehensive income / (loss) are translated at average exchange rates, and
- all resulting exchange differences are recognized in reserves.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

e. Use of estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Judgments made by management in the application of IFRS Accounting Standards that have significant effects on the financial statements and major sources of estimation uncertainty are discussed in Note 3.

f. Related parties

A party is considered to be related to the Group if:

- (a) the party is a person or a close member of that person's family and that person
 - i) has control or joint control over the Group;
 - ii) has significant influence over the Group; or
 - iii) is a member of the key management personnel of the Group or a parent of the Group;
- (b) the party is an entity where any of the following conditions applies:
 - i) the entity and the Group are members of the same Group;
 - ii) one entity is an associate or joint venture of the other entity (or of a parent, subsidiary or fellow subsidiary of the other entity);
 - iii) the entity and the Group are joint ventures of the same third party;
 - iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity;
 - v) the entity is a post-employment benefit plan for the benefit of employees of either the Group or an entity related to the Group;
 - vi) the entity is controlled or jointly controlled by a person identified in (a);
 - vii) a person identified in (a)(i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity); or
 - viii) the entity, or any member of the Group of which it is a part, provides key management personnel services to the Group or the parent of the Group.

Close members of the family of a person are those family members who may be expected to influence, or be influenced by, that person in their dealings with the entity.

Transactions involving related parties cannot be presumed to be carried out on an arm's-length basis, as the requisite conditions of competitive, free-market dealings may not exist. Representations about transactions with related parties, if made, shall not imply that the related party transactions were consummated on terms equivalent to those that prevail in arm's-length transactions unless such representations can be substantiated.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

g. Cash, cash equivalents and restricted cash

Cash and cash equivalents comprise cash in banks and short-term, highly liquid investments that are readily convertible into known amounts of cash which are subject to an insignificant risk of changes in value and are within three months of maturity at acquisition. Cash and cash equivalents are assessed for expected credit losses. See further discussion regarding expected credit loss in Note 2(x).

The Group is required to hold a defined amount of cash as security under the terms of standby letters of credits arrangement, certain cash balances are pledged as security for other contractual obligations and bank guarantees. See further discussion in Note 6.

h. Trade receivables

Trade receivables are recognized when the Group has an unconditional right to receive consideration. A right to receive consideration is unconditional if only the passage of time is required before payment of that consideration is due. Trade receivables are stated at amortized cost, less a loss allowance based on lifetime expected credit losses at each reporting date, except for balances settled in cryptocurrencies, which are subsequently measured at fair value, see Note 2(i). See further discussion regarding expected credit loss in Note 2(x).

i. Cryptocurrencies

Cryptocurrencies include USD Coin (“USDC”) and cryptocurrencies other than USDC held in the Group’s cryptocurrency wallets. The Group classifies the cryptocurrencies as current assets based on the intention to actively utilize or convert them within the normal operating cycle.

USDC

USDC is accounted for as a financial instrument as one USDC can be redeemed for one U.S. dollar on demand from the issuer. USDC, classified as a debt investment, is measured at fair value through profit or loss.

Cryptocurrencies other than USDC

Cryptocurrencies other than USDC are, by their nature, identifiable non-monetary assets that lack physical substance. Future economic benefits attributable to these cryptocurrencies are expected to flow to the Group because these cryptocurrencies can be exchanged for fiat currencies. Furthermore, the cost of the Group’s cryptocurrencies other than USDC can be measured using the quoted price of such cryptocurrencies at the time the fair value is being measured, which the Group considers to be predominantly a Level 1 fair value input under IFRS 13 *Fair Value Measurement* fair value hierarchy.

The Group accounts for the cryptocurrencies other than USDC as intangible assets with indefinite useful lives in its consolidated statements of financial position because, at the time of assessment, there is no foreseeable limit to the period over which such assets are expected to generate cash flows.

The Group further adopts the cost model to account for cryptocurrencies other than USDC and reviews their useful life and impairment at each reporting date in accordance with IAS 38 *Intangible Assets*. The Group accounts for cryptocurrencies other than USDC at cost. If circumstances indicate that the carrying amount of cryptocurrencies other than USDC may not be recoverable, the assets may be considered impaired, and an impairment loss may be recognized in accordance with the accounting policy for impairment of cryptocurrencies other than USDC as described in Note 2(x).

Gains or losses arising from the disposal of cryptocurrencies other than USDC are determined as the difference between the net disposal proceeds and the carrying amount of the assets. The Group recognizes realized gains or losses on the date of the disposal using the first-in-first-out method of accounting.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Receivables and payables settled in cryptocurrencies

Receivables and payables settled in cryptocurrencies (including cryptocurrencies – receivables) are measured at the fair value of the underlying cryptocurrencies based on their respective quoted prices initially and subsequently on the measurement date. The change in fair value of the underlying cryptocurrencies, are recognized in other operating income / (expenses) on the consolidated statements of operations and comprehensive income / (loss). Receivable settled in cryptocurrencies is further adjusted for expected credit losses. See further discussion regarding expected credit loss from receivables settled in cryptocurrencies in Note 2(x).

The Group presents the revenue recognized on the acceptance of cryptocurrencies, which is a non-cash item, as an adjustment to remove the non-cash item for the cash flows from operating activities and the disposals of cryptocurrencies received in revenue arrangements are presented as cash flows from investing activities in the consolidated statements of cash flows.

j. Prepaid expenses and other assets

Prepaid expenses and other assets primarily consist of prepayments for manufacturing and operational activities, including inventory procurement and utility fees, and for property, plant and equipment and intangible assets acquisitions, together with deposits paid to various service providers such as lessors and electricity vendors, and certain non-financial assets. Prepaid expenses are recognized as assets when payments are made in advance of receiving the related goods or services and are expensed over the periods in which the related benefits are consumed, either on a straight-line basis or at a point in time upon receipt of the underlying goods or services.

k. Inventories

Inventories, consisting of raw materials, work-in-progress and finished goods, which are stated at the lower of cost and net realizable value. Cost is calculated using the standard cost method, approximating actual cost, and comprises all costs of purchase, costs of conversion, and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

At each reporting date, inventories are reviewed for obsolescence, damage, or slow-moving stock. A write-down is recorded as the cost of revenue if the carrying amount exceeds the estimated net realizable value. The amount of any reversal of any write-down of inventories is recognized as a reduction in the amount of cost of revenue recognized in the period in which the reversal occurs.

l. Intangible assets

Intangible assets acquired by the Group are stated at cost less accumulated amortization (where the estimated useful life is finite) and impairment losses. The intangible assets acquired as part of a business combination transaction are recognized at their fair value at the acquisition date.

Amortization of intangible assets with finite useful lives is charged to profit or loss on a straight-line basis over the assets' estimated useful life, which is the period over which an asset is expected to be available for use. The estimates and associated assumptions of useful life determined by the Group are based on technical or commercial obsolescence, legal or contractual limits on the use of the asset, and other relevant factors. The intangible assets with finite useful lives are amortized from the date they are available for use.

Intangible assets are not amortized while their useful lives are assessed to be indefinite. Any conclusion that the useful life of an intangible asset is indefinite is reviewed annually to determine whether events and circumstances continue to support the indefinite useful life assessment for that asset. If they do not, the change in the useful life assessment from indefinite to finite is accounted for prospectively from the date of change and in accordance with the policy for amortization of intangible assets with finite lives.

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The estimated useful lives are as follows:

- Software	3 -10 years
- Patents, trademarks, royalties and other rights	3 - 5 years
- Technologies	3 years
- Rights to electrical capacity	Lease term of the datacenter or the access rights period

Both the period and method of amortization are reviewed annually.

m. Goodwill

Goodwill arising from business combination is not amortized but tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses.

Goodwill is allocated to each of the Cash-generating units (“CGUs”), or groups of CGUs, that are expected to benefit from the synergies of the business combination, using a relative value method. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

An impairment loss is recognized to the extent that the carrying value of goodwill exceeds the recoverable amount, which is the higher of fair value less costs of disposal and value in use. The impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro-rata on the basis of the carrying amount of each asset in a CGU. An impairment loss recognized for goodwill is not reversed in a subsequent period.

n. Property, plant and equipment

Property, plant and equipment are measured at cost, less accumulated depreciation and impairment losses, if any.

Property, plant and equipment are recorded at purchase cost. Direct labor and other directly attributable costs incurred to construct new assets and upgrade existing assets are capitalized. Repairs and maintenance expenditures are recognized in the consolidated statements of operations and comprehensive income / (loss) as incurred. Significant renewals and betterments are capitalized.

Property, plant and equipment are depreciated using the straight-line method based on the estimated useful lives of the assets as follows:

- Buildings	15 - 20 years
- Land	Unlimited
- Machinery	3 – 15 years
- Electronic equipment	3 – 15 years
- Leasehold improvements and property improvements	3 – 15 years
- Containerized solution	8 years
- Graphics Processing Unit (“GPU”) equipment	4 years

Land acquired by the Group has an unlimited useful life and therefore is not depreciated.

The depreciation method, useful life and residual value of an asset are reviewed at least at each financial year-end and adjusted, if appropriate.

When assets are retired or otherwise disposed of, their cost and the related accumulated depreciation are derecognized from the consolidated statements of financial position and the resulting gains or losses on the disposal or sale of the assets are recognized in the consolidated statements of operations and comprehensive income / (loss).

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An asset under construction is stated at cost until the construction is completed, at which time it is reclassified to the property, plant and equipment account to which it relates. During the construction period until the asset is ready for its intended use or sale, borrowing costs, which include interest expense and foreign currency exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest expense, are capitalized in proportion to the average amount of accumulated expenditures during the period. Capitalization of borrowing costs ceases when the construction is completed, and the asset is ready for its intended use or sale.

o. Investment properties

Investment properties are properties owned or leased to earn rental income or for capital appreciation. Investment properties include right-of-use assets relating to properties that meet the definition of investment properties.

Investment properties other than the ones acquired through leases are measured, under the cost model, initially at cost, including transaction costs and subsequently at cost less accumulated depreciation and impairment loss.

Investment properties acquired through leases are initially measured at cost, which comprises the initial measurement of lease liabilities adjusted for lease payments made on or before the commencement date, plus initial direct costs incurred and an estimate of costs needed to restore the underlying assets, less any lease incentives received. These investment properties are subsequently measured at cost less accumulated depreciation and accumulated impairment loss and adjusted for any remeasurement of the lease liabilities.

Depreciation begins when the investment property is available for use and is calculated using a straight-line method to allocate the depreciable amounts over the estimated useful lives as follows:

- Buildings	15 years
- Leasehold land	15 years
- Machinery, fixtures as part of the buildings	3 – 10 years

The residual values, useful lives and depreciation method of investment properties are reviewed at least at each financial year-end and adjusted, if appropriate.

An investment property is derecognized when either it has been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the disposal or retirement of an investment property are recognized in the consolidated statement of operations and comprehensive income / (loss) in the year of disposal or retirement. A transfer to, or from, an investment property is made when, and only when, there is evidence of a change in use.

p. Mining rigs

Mining rigs refer to the electronic equipment designed for the sole purpose of completing complex mathematical functions to verify transactions on the blockchain. Mining rigs are stated at cost less accumulated depreciation and impairment losses, if any. Depreciation is recorded on a straight-line basis over the estimated useful lives. The Group estimates the useful lives primarily based on the historical measures of (i) the period when each mining rigs is able to deliver expected performance and (ii) the frequency of technological advancement, which leads to a new generation of mining rigs. The Group also estimates the residual value of the mining rigs at the expected time of disposal, taking into consideration factors such as make and model. The depreciation method, useful life and residual value of the mining rigs are reviewed at least at each financial year-end and adjusted, if appropriate, to ensure that the method and rates of depreciation are consistent with the expected pattern of realization of economic benefits from mining rigs. Effective from July 2025, substantially all mining rigs were estimated to have a useful life of two to three years. Prior to July 2025, the estimated useful lives were consistent with those applied in the years ended December 31, 2024 and 2023, whereby mining rigs had useful lives ranging from two to five years.

The net carrying values of the associated mining rigs were reclassified as inventories when the Group identified such mining rigs for sale and were recognized as cost of revenue on the consolidated statements of operations and comprehensive income / (loss) upon the sale. See Note 2(t).

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When mining rigs are retired, their costs and the related accumulated depreciation are derecognized from the consolidated statements of financial position and the resulting gains or losses on the disposal of the assets are recognized in the consolidated statements of operations and comprehensive income / (loss).

q. Leases

As a lessee

The Group accounts for leases under IFRS 16 *Leases*. At the inception of a contract, the Group assesses whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

At inception or on a reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.

At the lease commencement date, the Group recognizes a right-of-use asset and a lease liability, except for short-term leases that have a lease term of 12 months or less and leases of low-value assets which, for the Group, are primarily vehicles. When the Group enters into a lease in respect of a low-value asset, the Group decides whether to capitalize the lease on a lease-by-lease basis. The lease payments associated with those leases which are not capitalized are recognized as an expense on a systematic basis over the lease term.

Where the lease is capitalized, the lease liability is initially recognized at the present value of the lease payments payable over the lease term, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, using a relevant incremental borrowing rate. After initial recognition, the lease liability is measured at amortized cost and interest expense is calculated using the effective interest method. Variable lease payments linked to the use of an underlying asset are excluded from the measurement of lease liabilities.

The right-of-use asset recognized when a lease is capitalized is initially measured at cost, which comprises the initial amount of the lease liability plus any lease payments made at or before the commencement date, and any initial direct costs incurred. The right-of-use asset is subsequently stated at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the unexpired term of the lease. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment.

Provisions for the costs to restore leased assets to their original condition, as required by the terms and conditions of the lease, are recognized and included in the related right-of-use asset when the obligation is incurred, either at the commencement date or as a consequence of having used the underlying asset during a particular period of the lease, at the Group's best estimate of the expenditure that would be required to restore the assets. Estimates are regularly reviewed and adjusted as appropriate for new circumstances.

The lease liability is remeasured when there is a change in future lease payments arising from a change in an index or rate, or there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, or there is a change arising from the reassessment of whether the Group will be reasonably certain to exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

As a lessor

At the commencement date of the lease, leases in which the Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the consolidated statement of operations and comprehensive income / (loss).

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r. Trade payables and other payables and accruals

Trade payables are obligations to pay for goods and/or services that have been acquired from suppliers in the ordinary course of business. Other payables and accruals primarily represent obligations to repay deposits received from customers, to pay staff costs, surtaxes and value-added tax, interest and other operating service providers.

Trade payables and other payables and accruals are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, except for balances settled in cryptocurrencies, which are subsequently measured at fair value. See Note 2(i).

s. Share-based payments

Employees (including senior executives and members of the board of directors) and certain service providers of the Group receive remuneration in the form of share-based payment transactions, whereby they render services as consideration for equity instruments (“equity-settled transactions”).

The cost of equity-settled transactions is measured by reference to the fair value at the date on which they are granted.

The cost of equity-settled transactions is recognized, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the beneficiary becomes fully entitled to the equity-settled transactions (the “vesting date”). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group’s best estimate of the number of equity-settled transactions that will ultimately vest which includes assumptions on the number of equity-settled transactions to be forfeited due to the grantees’ failing to fulfil the service condition, and forfeitures following the non-completion of performance conditions.

When a modification to the equity-settled instruments occurs, the Group measures the incremental fair value to the equity-settled instruments resulting from the modification as the difference between the fair value of the modified equity-settled instrument and that of the original instrument on the modification date. If a modification increases the fair value of the equity-settled instruments, the incremental fair value is recognized as an expense in addition to any amount in respect of the original instrument, and the original amount is recognized over the remainder of the original vesting period. The Group does not recognize the effect of modification which reduces the fair value of the equity-settled instrument.

t. Revenue recognition

The Group’s revenues are derived principally from self-mining arrangements, sales of mining rigs and accessories, cloud hash rate arrangements, hosting arrangements (including general, membership and cloud hosting) and AI cloud services.

Revenue is recognized when control over goods or services is transferred to the customer, at the amount of promised consideration to which the Group is expected to be entitled. Revenue excludes value-added tax (“VAT”) or other sales taxes and is after deduction of trade discount, if any.

Revenue is recognized applying the following five steps:

- i) Identify the contract with a customer;
- ii) Identify the performance obligations in the contract;
- iii) Determine the transaction price;
- iv) Allocate the transaction price to the performance obligations in the contract; and
- v) Recognize revenue when (or as) the Group satisfies a performance obligation.

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For arrangements priced at fiat currency, the Group recognizes revenue based on the contract price. For arrangement priced at cryptocurrency, the Group recognizes revenue based on the spot price of the cryptocurrency to fiat currency on the date when it is earned.

When another party is involved in providing services to a customer, the Group is the principal if it controls the specified services before those services are transferred to the customer.

The primary sources of Group's revenues are recognized as follows:

Self-mining

The Group enters into contracts with mining pool operators to provide a service to the mining pool operators to perform hash calculations using the Group's own mining rigs. The Group considers the mining pool operators as the customers under this type of arrangement and can decide when to start providing services. The Group's enforceable right to consideration begins when, and continues as long as, the Group provides hash calculation services to the mining pool operators. Each party to the contract has the unilateral right to terminate the contract at any time without any compensation to the other party for such a termination. As such, the duration of a contract is less than a day and the contract continuously renews throughout the day. The implied renewal option is not a material right because there are no upfront or incremental fees in the initial contract and the terms, conditions, and compensation amount for the renewal options are at the then market rates.

In exchange for providing hash calculation service to the mining pool operators, the Group is entitled to non-cash compensation, cryptocurrency, from the mining pool operators, which is a variable consideration based on the mining pool operators' distribution mechanisms, which can differ depending on the specific mining pools. For the periods presented, the Group primarily participated in Bitcoin mining to generate its self-mining revenues, and the payment mechanisms used by the mining pool operators were Full-Pay-Per-Share ("FPPS"), Pay-Per-Share-Plus ("PPS+") and Transparent Index of Distinct Extended Shares ("TIDES"). The Group mainly participates in mining pools operators that use the FPPS payment mechanism.

The non-cash consideration includes block rewards and transaction fees, less mining pool fees. For FPPS and PPS+ pools, the Group is entitled to non-cash consideration even if a block is not successfully validated by the mining pool operators. For the TIDES payment mechanism, the Group's entitlement to non-cash consideration is variable and dependent upon the successful validation of a block by the mining pool operator, and is not included in the transaction price until the uncertainty is resolved.

FPPS Mining Pools

The Group is entitled to compensation once it begins to perform hash calculations for the mining pool operator in accordance with the operator's specifications over a 24-hour period beginning mid-night UTC and ending at 23:59:59 UTC on a daily basis. The non-cash consideration that the Group is entitled to for providing hash calculations to the mining pool operator under the FPPS payment mechanism is made up of block rewards and transaction fees less pool operator fees determined as follows:

- The non-cash consideration referred as the block reward is based on the total blocks expected to be generated on the Bitcoin Network for the daily 24-hour period beginning midnight UTC and ending 23:59:59 UTC in accordance with the following formula: the daily hash calculations that the Group provides to the pool operator as a percent of the Bitcoin Network's implied hash calculations as determined by the network difficulty, multiplied by the total Bitcoin Network block rewards expected to be generated for the same daily period.
- The non-cash consideration referred as the transaction fees is based on the share of total actual fees paid by the transaction requestor to each block placed in the Bitcoin Blockchain over the daily 24-hour period beginning midnight UTC and ending 23:59:59 UTC in accordance with the following formula: total actual transaction fees generated on the Bitcoin Network during the daily 24-hour period as a percent of the total block rewards the Bitcoin Network actually generated during the same 24-hour period, multiplied by the block rewards the Group earned for the same 24-hour period.
- The gross non-cash compensation, consisting of the block reward and transaction fees, earned by the Group is reduced by the mining pool fees charged by the operator for operating the pool based on a rate schedule per the mining pool contract. The mining pool fee is only incurred to the extent the Group performs hash calculations and generates revenue in accordance with the pool operator's payout formula during the same daily period as discussed above.

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PPS+ Mining Pool

The Group also participates in one PPS+ mining pool that provides non-cash consideration determined in a manner similar to the FPPS mining pools except the amount of transaction fees from the PPS+ mining pool operator is determined based on the share of actual transaction fees paid to the specific blocks the mining pool successfully mined in the Bitcoin Blockchain in a daily 24-hour period in accordance with the operator's specifications. The transaction fees are determined using the following formula: the hash calculations that the Group provides to the pool operator as a percent of the total relevant hash calculations performed by the mining pool operator under PPS+, multiplied by actual transaction fees paid to the specific blocks a mining pool operator successfully mined under PPS+ in the Bitcoin Blockchain.

TIDES Mining Pool

The Group's entitlement to non-cash consideration referred as the block rewards is determined by its proportion of hash calculation contributions to a specific window of hash calculations at the time a block is successfully validated. The pool operator defines this 'latest number of shares' (the window size) within its reward policy. The non-cash consideration under the TIDES payment mechanism is calculated with the following formula: the Group's submitted share of the total shares in this window, multiplied by the block rewards and transaction fees earned on the Bitcoin Blockchain. Transaction fees are determined in a manner consistent with the PPS+ mining pool, based on the actual fees attributable to successfully validated blocks.

The above non-cash consideration is variable since the amount of block reward earned depends on the amount of hash calculations the Group performs; the amount of transaction fees depends on the total actual fees paid by the transaction requestor to each block placed in the Bitcoin Blockchain under FPPS, and the actual transaction fees paid to the specific blocks a mining pool operator successfully mined over the daily period under PPS+ and TIDES; and the operator fees for the same period are variable since it is determined based on the total block rewards and transaction fees in accordance with the pool operator's agreement.

While the non-cash consideration is variable, the Group has the ability to estimate the variable consideration when the Group begins to provide hash calculation service with reasonable certainty without the risk of significant revenue reversal. The Group recognizes the non-cash consideration on the same day that control of the contracted service transfers to the mining pool operator and measures the non-cash consideration based on the spot rate of the underlying cryptocurrency determined using the quoted price of such cryptocurrency, as described in Note 2(i), at midnight UTC, on the date on which the Group provides the hash calculation service.

Although the non-cash consideration the mining pool operators receive from the blockchain networks includes both the block rewards and the transaction fees, the transaction price the Group receives is an aggregate amount and primarily includes the block rewards. As a result, the Group does not present disaggregated revenue information on block rewards and transaction fees.

Sale of mining rigs and accessories

The Group recognizes revenue from sale of mining rigs and accessories to customers at the point in time when control of the mining rigs is transferred to the customer, which generally occurs upon shipment of the mining rigs as defined in the revenue contract. Sale of mining rigs and accessories is the sole performance obligation in this type of arrangement. The Group accepts both cryptocurrency and fiat currency as payments for sale of mining rigs and accessories.

Cloud Hash Rate

The Group enters into Cloud Hash Rate arrangements with its customers by offering hash rate subscription plans to provide computing power in a specified quantity, measured by computing power per second, or hash rate, derived from the mining rigs held by the Group, for a specified period of time. The customer also needs to pay for electricity subscriptions, which are billed separately, to maintain the mining rigs that produce the subscribed hash rate over the contract period. The Group connects such computing power to a customer-designated mining pool under the instructions of the customer to simplify the customer's mining experiences. As a result of directing the connection of such computing power to the mining pools, the customers are entitled to the mining rewards, which are directly transferred from mining pools to the customer-designated cryptocurrency wallets.

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The Group offers a number of different hash rate subscription plans by plan duration and type of cryptocurrency to be mined. The Group offers electricity subscriptions in short durations and a customer needs to purchase electricity subscriptions multiple times to cover the duration of the hash rate subscription plan. The price of the electricity subscription is fixed at the commencement of each electricity subscription period but subject to adjustment from period to period. Both cryptocurrency and fiat currency are accepted as payments under the Cloud Hash Rate arrangements. Furthermore, the hash rate subscription plans are offered under two modes. Under the classic mode, the customer receives all of the mining rewards from the mining pool. Under the accelerator mode, the customer pays a relatively lower computing power subscription fee. In exchange, the Group is entitled to additional consideration once the customer's cost is recovered.

The Group offers two promises under the Cloud Hash Rate arrangement. One is to provide a specified quantity of computing power during a period of time and the other is to provide maintenance services for computing power generation for a period of time. The two promises are highly interrelated and are not separately identifiable because the customers expect to receive the computing power as a combined output from the hash rate subscription plan and the electricity subscription plan. The two promises provide a series of distinct services, which are substantially the same and have the same pattern of transfer to the customer, over a period of time. As a result, the promises are treated as a single performance obligation satisfied over time.

The transaction price of the performance obligation includes the subscription prices for the hash rate subscription plans and the electricity subscription plans. As the price for the electricity subscription plans may change each electricity subscription period, the Group allocates the variable consideration to each electricity subscription period.

The control of the computing power has been transferred to the customers simultaneously as the customers consume the benefits from the computing power. The revenue is recognized over time where the consideration related to the hash rate subscription is recognized evenly over the contract term and the electricity subscription is allocated to and recognized evenly over each electricity subscription period.

For plans under the accelerator mode, besides the aforementioned subscription prices, the transaction price also includes the additional consideration once the customer's cost is recovered. The additional consideration, which is variable, is determined as a percentage of a customer's mining profit derived from the subscribed computing power and constrained until the mining pool operator finishes the calculation of the mining reward related to the mining activity in a given day. The Group includes such additional consideration in the transaction price and recognizes the revenue when the Group can reasonably calculate the amount and determine it is probable a significant reversal will not occur.

General Hosting

The Group provides general hosting services, which is a combined service package including custody of the customers' mining rigs, electricity and network maintenance and other services, that enable customers to run blockchain computing operations. The customer is only able to benefit from the hosting service as a package and the Group has a single performance obligation. The hosting service fee is charged to the customer based on the customer's consumption of resources, such as the amount of electricity used in a period. In the arrangement with certain customers, the Group is also entitled to additional variable consideration based on the customer's mining yield during a period. Revenue from the general hosting service is recognized across each service cycle. The Group accepts both cryptocurrency and fiat currency as payments for the hosting services.

Membership Hosting

The Group offers its large-scale miner customers membership hosting services by entering into a series of contracts, which includes a membership program agreement and a management services agreement. These contracts are signed with the same customer at or near the same time, and they are combined and accounted for as a single contract.

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Pursuant to the membership program agreement, a customer subscribing the program is entitled to the program benefit of receiving maintenance services within a predetermined capacity measured by energy consumption (i.e., Kilowatts, or KW) (the “hosting capacity”). The Group provides such designated capacity in a leased mining datacenter and the program subscription period ends when the Group no longer operates the mining datacenter. In addition, the Group also agrees to provide other program benefits to the customer when such benefits are readily available to the customer during the program term, including, among other things, (i) early, priority and exclusive access to the newly available hosting capacity that is sufficient for large-scale miners, upon a new mining datacenter becomes available and (ii) more favorable pricing terms for the Group’s services, such as mining rigs management services, than the prevailing price in the local market. The Group charges an upfront fee for the program benefits subscribed.

Pursuant to the management services agreement, the Group provides management services for the customer’s mining rigs up to the capacity subscribed in the membership program agreement. In exchange for the management services fee, the Group promises to deliver a package of services to provide an infrastructure for the mining rigs, such as a premise for the custody of mining rigs, and network and utility to support the operation of the mining rigs. Unlike the general hosting service where the Group includes in its service package to host or operate the customer’s mining rigs under the customer’s instructions so that the mining rigs keep running and remain connected to the customer designated mining pools (the “mining rigs operation service”), under the management services agreement, a customer has the discretion to subscribe to the mining rigs operation service or choose to operate the mining rigs using the customer’s own personnel. The Group charges additional fee, at its stand-alone selling price, for the subscription of the Group’s mining rigs operation service. The management services fee and the mining rigs operation fee, as applicable, are charged to the customer monthly based on the customer’s consumption of resources, such as the amount of electricity used in a period.

The Group’s promise associated with the membership program agreement is to stand ready to provide services, and the Group’s promise associated with the management services agreement is to provide an infrastructure for the mining rigs through the set of services provided under the management services agreement. The two promises are not separately identifiable because the customer expects to receive mining rigs management services for the mining rigs up to the designated capacity, which is a combined output of the program benefit and management services provided by the Group as a package. The two promises provide a series of distinct services that have the same pattern of transfer to the customer over a period of time. As a result, the promises are treated as a single performance obligation satisfied over time. Revenue associated with the upfront fee for the program benefits is recognized over the program subscription period and revenue associated with the management services is recognized over each distinct service period. The promise to provide the mining rigs operation service, if subscribed to by a customer, is accounted for as a separate performance obligation and the associated revenue is recognized over each distinct service period at their respective stand-alone selling price. The Group accepts both cryptocurrency and fiat currency as payments for the membership hosting arrangements. The contract term approximates the lease term of the mining datacenter and is estimated to be 13 years. The estimated lease term is adjusted when there is an indication that the Group is reasonably certain to renew or terminate the lease.

Cloud Hosting

The Group provides its customers, through subscription of Cloud Hosting orders, one-stop mining rigs hosting solution which integrates the provision of computing power generated from specified second-hand mining rigs and the provision of maintenance service, primarily including electricity supply and daily maintenance and repair care. The Group charges the customer an upfront fixed amount at the commencement of the Cloud Hosting arrangement for the customer to secure the procurement of the computing power from the specified mining rigs, as well as the variable fees for the provision of maintenance service based on the consumption of resources such as electricity throughout the duration of the service. The Group historically only accepts cryptocurrency as payments for services under the Cloud Hosting arrangement.

The Cloud Hosting arrangements are offered under two modes. Under the classic mode, the customer receives all of the mining rewards from the mining pool. Under the accelerator mode, the customer is charged with a lower upfront amount and enjoys a quicker recovery of the costs. In exchange, the Group is entitled to additional consideration once a customer’s cost is recovered.

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Two promises are offered under the Cloud Hosting arrangements. One is to provide the computing power generated from the specified mining rigs and the other is to perform maintenance services over the life of the mining rigs. The two promises are not separately identifiable because the customer expects to receive a steady operation of the mining rigs specified in the Cloud Hosting order, which is a combined output of the provision of computing power from the specified mining rigs and the provision of maintenance service of the specified mining rigs. The two promises provide a series of distinct services, which are substantially the same and have the same pattern of transfer to the customer, over a period of time. As a result, the promises are treated as a single performance obligation satisfied over time.

The transaction price of the performance obligation includes an upfront fee paid upon placement of the Cloud Hosting order and periodical maintenance fees. The periodical maintenance fee is variable in each maintenance period based on the electricity consumption. The Group allocates the variable consideration to each distinct maintenance service period.

The revenue is recognized over time where the fixed upfront fee is recognized evenly over the contract term and the periodical maintenance fee is recognized over each respective service period. The contract term approximates to the life of the specified mining rigs and is estimated to be two years. The estimated life of these mining rigs is reviewed at least at each financial year-end and adjusted if the expectation of the realization of economic benefits from the specified mining rigs is different from the previous estimate.

For plans under the accelerator mode, besides the aforementioned fees, the transaction price also includes the additional consideration once the customer's cost is recovered. The additional consideration, which is variable, is determined as a percentage of a customer's mining profit derived from the computing power of the specified mining rigs and constrained until the mining pool operator finishes the calculation of the mining reward related to the mining activity in a given day. The Group includes such additional consideration in the transaction price and recognizes revenues when the Group can reasonably calculate the amount and determine it is probable a significant reversal will not occur. For all the periods presented, no revenue was generated from the additional consideration from Cloud Hosting arrangements offered under the accelerator mode.

AI cloud services

The Group offers cloud-based computing, storage, and artificial intelligence services, which allow customers to use hosted software and hardware infrastructure without taking possession of the software or hardware. The Group has a single performance obligation in offering the use of software and hardware as a bundle to the customers as both software and hardware are interdependent in the Group's service delivery. Revenue is measured based on the transaction price, which represents the amount of consideration the Group expects to be entitled to in exchange for providing services, exclusive of discounts and, where applicable, sales taxes collected on behalf of third parties. Revenue related to subscription-based cloud services is recognized over the subscription contract period. Revenue related to on-demand cloud services based on usage is recognized as usage occurs. The Group accepts both cryptocurrency and fiat currency as payments for these services.

Details of revenues for each category are as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Self-mining	396,046	163,086	111,683
Sale of mining rigs and accessories	108,328	585	2
Cloud hash rate			
Hash rate subscription	845	27,470	40,290
Electricity subscription	1,258	12,069	27,419
Additional consideration from Cloud Hash Rate arrangements under acceleration mode	-	229	172
General hosting	35,009	67,643	97,321
Membership hosting	61,182	63,981	79,906
Cloud hosting arrangements ⁽¹⁾	70	1,058	3,248
AI cloud services	6,769	3,450	1
Others ⁽²⁾	10,746	10,211	8,512
Total revenues	620,253	349,782	368,554

(1) The Group did not generate any revenue from the additional consideration from Cloud Hosting arrangements offered under accelerator mode for the years ended December 31, 2025, 2024 and 2023.

(2) Others include revenue generated primarily from providing technical and human resources service, repairment services of hosted mining rigs, lease of investment properties, the sale of mining rigs peripherals and the sale of containerized solution product.

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Revenue concentration for the years ended December 31, 2025, 2024 and 2023 is as below:

	Years ended December 31,		
	2025	2024	2023
Customer A	-	*	19.05%
Customer B	16.65%	*	*
Customer C	15.81%	*	*
Customer D	12.20%	*	*
Customer E	10.28%	*	*

* Less than 10%

Contract assets and liabilities

A contract asset is recognized when the Group recognizes revenue before being unconditionally entitled to the consideration under the payment terms set out in the contract. Contract assets are assessed for expected credit losses and are reclassified to receivables when the right to the consideration has become unconditional. As of December 31, 2025 and 2024, the Group did not have any contract assets.

A contract liability is recognized when the customer pays consideration for goods or services before the Group recognizes the related revenue. A contract liability would also be recognized if the Group has an unconditional right to receive non-refundable consideration before the Group recognizes the related revenue. In such cases, a corresponding receivable would also be recognized. As of December 31, 2025 and 2024, the Group had contract liabilities, presented as deferred revenue on the consolidated statements of financial position, of approximately US\$127.6 million and US\$129.2 million. Approximately US\$25.8 million, US\$48.6 million, and US\$54.2 million, included in the deferred revenue balance at January 1, 2025, 2024 and 2023, respectively, was recognized as revenue during the years ended December 31, 2025, 2024 and 2023.

u. Cost of revenue

Cost of revenue consists primarily of electricity expenses incurred for operating the Group's mining rigs in its revenue-generating activities, depreciation expense from the mining rigs, datacenters hosting those mining rigs and AI cloud business related equipment, costs of mining rigs and accessories sold to customers, and compensation expenses incurred by mining datacenter personnel and AI cloud service fee.

v. Taxes

Income tax

Current and deferred income taxes are recognized as income or expense and included in the consolidated statements of operations and comprehensive income / (loss), except to the extent that the income tax relates to items recognized in comprehensive income / (loss) or directly in equity, in which case the relevant amounts of tax are recognized in comprehensive income / (loss) or directly in equity, respectively.

Current income tax assets and liabilities are measured at the amounts expected to be recovered or paid by using the tax rates and tax laws that have been enacted or substantively enacted at each reporting date. Management periodically evaluates positions taken in the tax reporting process with respect to situations in which applicable tax regulation is subject to interpretation. Where appropriate, management establishes provisions based on the amounts expected to be paid to the tax authorities.

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Deferred tax

Deferred tax assets and liabilities arise from deductible and taxable temporary differences respectively, being the differences between the carrying amounts of assets and liabilities for financial reporting purposes and their tax bases. Deferred tax assets also arise from unused tax losses and unused tax credits.

Apart from the temporary differences arising from goodwill not deductible for tax purposes, all deferred tax liabilities, and all deferred tax assets to the extent that it is probable that future taxable profits will be available against which the asset can be utilized, are recognized. Deferred tax assets and liabilities are measured using enacted or substantively enacted tax rates and tax laws at each reporting date which are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced if it is no longer probable that sufficient taxable profit will be available to compensate part or all of the benefits of deferred tax assets. Unrecognized deferred tax assets are re-assessed at each reporting date and recognized if it is probable that future taxable profits will be available for recovery. Tax deductions arising from the reversal of deferred tax assets are excluded from estimates of future taxable income.

Deferred taxes on transactions which are recognized outside profit or loss are recognized outside profit or loss. Therefore, deferred taxes on these transactions are recognized either in comprehensive income / (loss) or recognized directly in equity.

Deferred tax assets and liabilities are offset in the consolidated statements of financial position, if and only if it has a legally enforceable right to set off current tax assets and liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same Tax Authority on either the same taxable entity or different taxable entities which intend either to settle current tax liabilities and assets on a net basis, or to realize the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

Uncertainty over income tax treatments

The Group determines the recognition and measurement of tax assets and liabilities that contain uncertainty over income tax by considering the assumptions used in the examination of tax treatments by the tax authorities, the probability that the tax authorities will accept uncertain tax treatment and re-consideration or estimation if there is a change in facts and circumstances.

If the acceptance of tax treatment is probable, the measurement is in line with income tax filings. If the acceptance of tax treatment is not probable, the Group uses tax amounts using the method that provides a better prediction of resolution (i.e., most likely amount or expected value). Due to the complexity of some of these uncertainties, their ultimate resolution may result in payments that are materially different from current estimates. Any such differences will be reflected as adjustments to income tax expenses in the periods in which they are determined.

w. Financial instruments

Financial assets

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those to be measured at amortized cost.

The classification depends on the Group's business model for managing the financial assets and the contractual cash flow characteristics.

Purchases and sales of financial assets are recognized on trade-date, the date on which the Group commits to purchase or sell the assets. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or the Group has transferred substantially all the risks and rewards of ownership of the assets.

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At initial recognition, the Group measures a financial asset at its fair value, plus in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt instruments

Initial recognition and subsequent measurement of debt instruments depend on the Group's business model for managing the asset and the contractual cash flow characteristics of the asset, and the Group reclassifies debt investments only when its business model for managing those assets changes. There are three categories into which the Group classifies its debt instruments:

- Amortized cost: Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are classified as and measured at amortized cost. A gain or loss on a debt investment measured at amortized cost which is not part of a hedging relationship is recognized in profit or loss when the asset is derecognized or impaired. Interest income from these financial assets is recognized using the effective interest rate method.
- Fair value through other comprehensive income: Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are classified as and measured at fair value through other comprehensive income. Movements in the carrying amount of these financial assets are taken through other comprehensive income, except for the recognition of impairment losses or reversals, interest income and foreign exchange gains and losses which are recognized in profit or loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in other comprehensive income is reclassified from equity to profit or loss. Interest income from these financial assets is recognized using the effective interest rate method.
- Fair value through profit or loss: Financial assets that do not meet the criteria for amortized cost or fair value through other comprehensive income are classified as and measured at fair value through profit or loss. A gain or loss on a debt investment measured at fair value through profit or loss which is not part of a hedging relationship is recognized in profit or loss for the period in which it arises.

Equity instruments

The Group subsequently measures all equity investments at fair value through profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income. Dividends from such investments continue to be recognized in profit or loss when the Group's right to receive payments is established.

- Changes in the fair value of financial assets at fair value through profit or loss are recognized in profit or loss as applicable.

Financial liabilities

Financial liabilities are classified and measured at amortized cost or at fair value through profit or loss. Financial liabilities are classified as at fair value through profit or loss when the financial liability is either held for trading or is designated as at fair value through profit or loss.

Financial liabilities at fair value through profit or loss are stated at fair value, with any gains or losses arising on remeasurement recognized in profit or loss.

Financial liabilities other than those held for trading purposes and designated as at fair value through profit or loss are subsequently measured at amortized cost using the effective interest method at the end of each reporting period.

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Financial liabilities are derecognized when, and only when, the Group's obligations are discharged, cancelled or expired. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

A substantial modification of the terms of an existing financial liability or a part of it is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, calculated using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. If the modification does not result in extinguishment, the modification gain or loss, measured to be the difference between the original gross carrying value of the financial liability and that calculated using the new contractual cash flows using the original effective interest rate is recognized immediately in profit or loss.

Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Convertible notes

The Group classifies the convertible notes it issues in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A convertible note is accounted for as a compound financial instrument if it is a non-derivative financial instrument that contains both a liability and an equity component from the perspective of the Group. A conversion option that will be settled by the exchange of a fixed amount of cash or another financial asset for a fixed number of equity instruments issued by the Group is classified as an equity instrument. The liability component in a compound financial instrument is initially recognized at the fair value of a similar liability that does not have an equity conversion option. The equity component is initially measured as the difference between the fair value of the convertible notes as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts. Subsequent to initial recognition, the liability component of the convertible notes is measured at amortized cost using the effective interest method. The equity component is not remeasured.

A convertible note is accounted for as a hybrid instrument if it contains an embedded derivative and a non-derivative debt host. An embedded derivative causes some of the cash flows of the hybrid instrument vary in a way similar to a stand-alone derivative. An embedded derivative that is required to be separated from the host contract (that is, if it is not closely related to the host contract) is carried at fair value, with changes in fair value recognized through profit or loss. The host contract's carrying value at initial recognition is the difference between the fair value of the entire instrument as a whole and the embedded derivative's fair value. In the case where the fair value of the embedded derivative cannot be determined reliably on the basis of its terms and conditions, the fair value of the embedded derivative is measured as the difference between the fair value of the entire instrument and the fair value of the host contract. The host contract, as a financial liability, is subsequently measured at amortized cost using the effective interest method. Any directly attributable transaction costs are allocated to the host contract. The Group accounts for convertible notes that include contingent settlement features following the requirements for compound financial instruments.

Interest related to financial liability is recognized in profit or loss. Upon any conversion, exchange and redemption, the financial liability and the associated derivative liability are derecognized with a corresponding increase in equity for any shares issued and a gain or loss on extinguishment of the financial liability will be recognized, if any. Convertible notes accounted for as a compound financial instrument is classified on the statements of financial positions following the maturity of the note. Convertible notes containing conversion options accounted for as embedded derivatives are classified as current liabilities if the Group does not have the right to defer settlement for at least 12 months after the reporting date.

Derivative assets and liabilities

The Group uses derivative financial instruments, such as options and warrants, to hedge its financial risk exposures. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

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The Group has entered into the capped call instrument arrangement in connection with the issuance of its convertible notes. The capped call instrument is a derivative that provides the Group with the right, but not the obligation, to receive shares (or cash value) to economically offset potential dilution arising from the conversion of the associated convertible instruments. This capped call instrument is classified as a derivative asset which is measured at fair value at the issuance date and subsequently remeasured at each reporting date, with changes in fair value recognized in the profit or loss.

The Group also issued warrants that provide for potential adjustments to the exercise price or number of shares in response to, among other events, future equity issuances, resulting in the Group's obligation to issue a variable number of shares in exchange for a fixed total consideration. These warrants are classified as derivative liabilities, which are measured at fair value at the issuance date and subsequently remeasured at each reporting date, with changes in fair value recognized in profit or loss.

For each reporting period, any changes in the fair value of the derivative assets and liabilities are recognized in other net gains / (losses). The Group classifies derivative assets and liabilities within Level 3 of the fair value hierarchy due to the use of unobservable inputs in the valuation process.

x. Credit losses and impairment of assets

(i) Credit losses from financial instruments at amortized cost

The Group recognizes a loss allowance for expected credit losses ("ECL") on financial assets, such as cash and cash equivalents, restricted cash, trade receivables and amounts due from related parties, which are measured at amortized cost;

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all expected cash shortfalls (i.e., the difference between the cash flows due to the Group in accordance with the contract and the cash flows that the Group expects to receive). The expected cash shortfalls are discounted using the following discount rates where the effect of discounting is material:

- fixed-rate financial assets, trade and other receivables: effective interest rate determined at initial recognition or an approximation thereof;
- variable-rate financial assets: current effective interest rate.

The maximum period considered when estimating ECLs is the maximum contractual period over which the Group is exposed to credit risk.

In measuring ECLs, the Group takes into account reasonable and supportable information that is available without undue cost or effort. This includes information about past events, current conditions and forecasts of future economic conditions.

ECLs are measured on either of the following bases:

- 12-month ECLs: these are losses that are expected to result from possible default events within the 12 months after the reporting date; and
- lifetime ECLs: these are losses that are expected to result from all possible default events over the expected lives of the items to which the ECL model applies.

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Loss allowances for trade receivables are always measured at an amount equal to lifetime ECLs. ECL on this type of financial asset is estimated using a provision matrix based on the Group's historical credit loss experience, adjusted for factors that are specific to the debtors and an assessment of both the current and forecast general economic conditions at the reporting date.

For all other financial instruments, the Group recognizes a loss allowance equal to 12-month ECLs unless there has been a significant increase in the credit risk of the financial instrument since initial recognition, in which case the loss allowance is measured at an amount equal to lifetime ECLs.

Significant increases in credit risk

In assessing whether the credit risk of a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument assessed at the reporting date with that assessed at the date of initial recognition. In making this reassessment, the Group considers that a default event occurs when the borrower is unlikely to pay its credit obligations to the Group in full and without recourse. The Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort.

In particular, the following information is taken into account when assessing whether credit risk has increased significantly since initial recognition:

- failure to make payments of principal or interest on their contractually due dates;
- an actual or expected significant deterioration in a financial instrument's external or internal credit rating (if available);
- an actual or expected significant deterioration in the operating results of the debtor; and
- existing or forecast changes in the technological, market, economic or legal environment that have a significant adverse effect on the debtor's ability to meet its obligation to the Group.

Depending on the nature of the financial instruments, the assessment of a significant increase in credit risk is performed on either an individual basis or a collective basis. When the assessment is performed on a collective basis, the financial instruments are grouped based on shared credit risk characteristics, such as past-due status and credit risk ratings.

ECLs are remeasured at each reporting date to reflect changes in the financial instrument's credit risk since initial recognition. Any change in the ECL amount is recognized as an impairment gain or loss in profit or loss.

The Group recognizes an impairment gain or loss for all financial instruments with a corresponding adjustment to their carrying amount through a loss allowance account.

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Impairment and write-off policy

At each reporting date, the Group assesses whether a financial asset is credit-impaired. A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable events:

- significant financial difficulties of the debtor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- is becoming probable that the borrower will enter into bankruptcy or other financial reorganization;
- significant changes in the technological, market, economic or legal environment that have an adverse effect on the debtor; or
- the disappearance of an active market for a security because of financial difficulties of the issuer.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Group determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off.

Subsequent recoveries of an asset that was previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

(ii) Credit losses from receivables settled in cryptocurrencies

The Group recognizes an allowance for receivables settled in cryptocurrencies using the general expected credit losses model in manner a similar to the model and consideration used for assessing credit losses from financial instruments discussed above. Under this model, the Group calculates the allowance for credit losses by considering on a discounted basis, all expected shortfalls which are the difference between the quantity of cryptocurrency due to the Group in accordance with the contract and the quantity of cryptocurrency that the Group expects to receive, in various default scenarios for prescribed future periods and multiplying the shortfalls by the probability of each scenario occurring. The allowance on the financial asset is the sum of these probability-weighted outcomes.

The Group considers both internal and external, and quantitative and qualitative factors when estimating ECL for receivables settled in cryptocurrencies such as the creditworthiness of the counterparty, the result of the historical transactions with the counterparty, the business practice of the counterparty, regulatory development relating to the industry, liquidity of the underlying cryptocurrency, and the trend of the general economy.

The Group recognizes an impairment gain or loss for expected credit losses from receivables settled in cryptocurrencies with a corresponding adjustment to their carrying amount through a loss allowance account. Subsequent recoveries of receivables settled in cryptocurrencies previously written off are recognized as a reversal of impairment in profit or loss in the period in which the recovery occurs.

No allowance, write-offs or recoveries were recognized against the receivables settled in cryptocurrencies for the years ended December 31, 2025, 2024 and 2023.

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(iii) Impairment of other assets

Internal and external sources of information are reviewed at the end of each reporting period to identify indications that the following assets may be impaired or, an impairment loss previously recognized no longer exists or may have decreased:

- mining rigs;
- property, plant and equipment;
- lease right-of-use assets;
- investment properties;
- intangible assets and goodwill;
- cryptocurrencies other than USDC; and
- other non-financial assets.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for cryptocurrencies other than USDC, indefinite-lived intangible assets and goodwill, the recoverable amount is estimated at each reporting date whether or not there is any indication of impairment.

- Calculation of recoverable amount

The recoverable amount of an asset is the greater of its fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Where an asset does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the smallest group of assets that generates cash inflows independently (i.e., a cash-generating unit).

The recoverable amount of cryptocurrencies other than USDC is based on the fair value less costs of disposal. The fair value of these cryptocurrencies is measured using the quoted price of these cryptocurrencies at the time the fair value is being measured.

- Recognition of impairment losses

An impairment loss is recognized in profit or loss if the carrying amount of an asset, or the cash-generating unit to which it belongs, exceeds its recoverable amount. Impairment losses recognized in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash-generating unit (or group of units) and then, to reduce the carrying amount of the other assets in the unit (or group of units) on a pro-rata basis, except that the carrying value of an asset will not be reduced below its individual fair value less costs of disposal (if measurable) or value in use (if determinable).

- Reversals of impairment losses

An impairment loss is reversed if there has been a favorable change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is limited to the asset's carrying amount that would have been determined had no impairment loss been recognized in prior years. Reversals of impairment losses are credited to profit or loss in the year in which the reversals are recognized.

An impairment loss recognized for goodwill is not reversed in a subsequent period.

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y. Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The timing or amount of the outflow may still be uncertain. Provisions are measured using the best estimate of the expenditure required to settle the present obligation at the end of the reporting period, taking into account risks and uncertainties associated with the obligation. Provisions are discounted where the time value of money is considered material.

z. Segment information

Operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performances.

An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to the transactions with other components of the same entity);
- whose operating results are reviewed regularly by the entity's chief operating decision maker to make decisions about resources to be allocated to the segments and assess its performance; and
- for which discrete financial information is available.

The chief operating decision maker makes resource allocation decisions based on internal management functions and assesses the Group's business performance as one integrated business instead of by separate business lines or geographical regions. Accordingly, the Group has only one operating segment and therefore, no segment information is presented.

Disaggregated revenue data by geographical region in terms of the location where services are provided or where the customers are based within the operating segment is as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Singapore	16,559	12,429	8,041
United States	247,825	199,654	281,781
Bhutan	202,463	75,441	33,393
Norway	99,156	62,258	45,339
Finland	26,760	-	-
Ethiopia	9,804	-	-
Others	17,686	-	-
Total	620,253	349,782	368,554

Selected assets of mining rigs, property, plant and equipment, investment properties, right-of-use assets and intangible assets by geographical region within the operating segment is as follows:

In thousands of USD	At December 31,	
	2025	2024
Singapore	107,664	120,765
United States	461,027	150,352
Bhutan	444,902	133,425
Norway	165,998	97,388
Malaysia	40,182	-
Canada	29,334	-
Ethiopia	19,906	-
Others	1	2
Total	1,269,014	501,932

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aa. Earnings per share

Basic earnings per share is computed by dividing the income attributable to equity shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, excluding these ordinary shares that are contingently returnable.

Diluted earnings per share is computed by dividing the income attributable to equity shareholders of the Group by the weighted average number of ordinary shares outstanding during the period, after adjusting for the effects of the dilutive potential ordinary shares.

ab. Asset acquisition

Asset acquisitions are acquisitions that do not qualify as business combinations under IFRS 3. IFRS 3 allows the use of an optional concentration test to determine if an acquisition is a business combination or an asset acquisition. Under the optional concentration test, if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets, the test is met, and the integrated asset of assets and activities acquired is not a business.

Assets acquired in an asset acquisition are initially recognized, at the date of acquisition, at cost. Costs directly attributable to the acquisition of such assets are included in the initial carrying amount.

ac. Initial application of new or amended standards during the reporting periods

As from January 1, 2025, the Group adopted the following recently issued or amended standards. These new standards are not expected to have any significant impact on the Group's financial statements:

Standard/Interpretation	Application Date of Standard	Application Date for the Group
Amendments to IAS 21, Lack of Exchangeability	January 1, 2025	January 1, 2025

ad. New standards and interpretations not yet adopted

Up to the date of issue of these financial statements, the IASB has issued a number of amendments, which are not yet effective for the year ended December 31, 2025 and which have not been adopted in these financial statements.

Standard/Interpretation	Application Date for the Group
Amendments to IFRS 9 and IFRS 7, Amendments to the Classification and Measurement of Financial Instruments	January 1, 2026
Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7, Annual improvements to IFRS Accounting Standards Volume 11	January 1, 2026
Amendments to IFRS 9 and IFRS 7, Contracts referencing Nature-dependent Electricity	January 1, 2026
IFRS 18 Presentation and Disclosure in Financial Statements	January 1, 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027
Amendments to IAS 21, Translation to a Hyperinflationary Presentation Currency	January 1, 2027

The Group is in the process of making an assessment of what the impact of these new and amended standards and interpretations would be in the period of initial application. The Group has concluded that the adoption of these standards and interpretations is unlikely to have a significant impact on the Group's operating results and financial position but will have disclosure impacts.

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3. USE OF JUDGMENTS AND ESTIMATES

Estimates and judgments are continuously evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates may not be equal to the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Income taxes

Income tax expense, deferred tax assets and liabilities, and reserves for uncertain tax positions reflect management's best assessment of estimated future taxes to be paid. The Group is subject to income taxes in Singapore and numerous other jurisdictions. Significant judgments and estimates are required in determining the income tax expense.

In determining the current income tax provision, management assesses temporary differences resulting from differing treatments of items for tax and accounting purposes. These differences result in deferred tax assets and liabilities, which are recorded in the consolidated statements of financial position. When management assesses deductible temporary differences, including those originating from tax losses carried forward, management must assess the probability that these will be recovered through adjustments to future taxable income. To the extent the management believes recovery is not probable, no deferred tax asset is recognized.

Forecasting future income requires the use of a significant amount of judgment. In estimating future income, management uses internal operating budgets and long-range planning projections. Management develops its budgets and long-range projections based on recent results, trends and economic and industry forecasts influencing the Group's performance. Significant changes in management's judgment related to the expected realizability of deductible temporary differences result in an adjustment to the associated deferred tax asset.

The calculation of income tax expense involves dealing with uncertainties in the application of complex tax laws and regulations in numerous jurisdictions in which the Group operates. Management recognizes tax benefits related to uncertain tax positions when, in management's judgment, it is more likely than not that such positions will be sustained on examination, including resolutions of any related appeals or litigation, based on the technical merits. Management adjusts liabilities for uncertain tax positions when its judgment changes as a result of new information previously unavailable. Due to the complexity of some of these uncertainties, their ultimate resolution may result in payments that are materially different from current estimates. Any such differences will be reflected as adjustments to income tax expenses in the periods in which they are determined.

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Share-based payments

The determination of the fair value of the Group's ordinary shares and the share awards involves significant judgment and estimates. The Group determined the fair value of the share awards using the Binomial option valuation model. Estimates such as stock price, volatility of the Group's ordinary shares, risk-free interest rate, exercise multiple and the expected dividend yield were used in the valuation model.

During the period from January 1, 2023 to April 13, 2023, the Group determined the fair value of the Group's ordinary shares, or the stock price, used in the determination of the fair value of the share awards, using the discounted cash flow model. Estimates such as the Group's stage of development, financial condition and operating results, general market conditions and the lack of marketability of the Group's ordinary shares were used in the valuation model.

After April 13, 2023, the Group determined the fair value of the Group's ordinary shares, or the stock price, used in the determination of the fair value of the share awards, using the market approach based on the closing price of the Group on the grant date.

The fair value of the Group's ordinary shares and the share awards were determined by the Group with the assistance of an independent third-party valuation firm.

Fair value of financial instruments

Fair value measurements are categorized into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety. The type and level of judgment required is dependent on the amount of observable market-based data available to the Group. For financial instruments valued using valuation models and techniques that use significant unobservable inputs and are therefore classified within level 3 of the fair value hierarchy, judgments used to estimate fair value are more significant than those required when estimating the fair value of instruments classified within levels 1 and 2.

In determining the estimate of fair value for an instrument within level 3, the management firstly determines the appropriate and reasonable valuation model and technique to use. Second, the lack of availability of market-based data requires management to assess relevant empirical data in deriving valuation inputs with significant judgements and assumption. Details of the significant unobservable inputs used in the level 3 valuation are presented in Note 4.

Estimation of unobservable market inputs or other factors can affect the amount of gain or loss recorded in the reporting period and the amount of the position as at year end. The Group believes the estimates applied to be based on reasonable assumptions, but which are inherently uncertain. As a result, actual results may differ from the assumptions and judgments used to determine fair value of the financial instruments acquired. Changes in these estimates and assumptions and valuation model or techniques may have a material effect on the Group's financial condition and results of operations.

Identified intangible assets acquired from business combinations

The identified intangible assets acquired from business combinations typically do not have observable prices and measuring their fair values typically involves the use of valuation models and unobservable inputs that are subject to significant estimates and assumptions. These estimates and assumptions can include, among others, the cash flows that an asset is expected to generate in the future and discount rates. The Group believes the estimates applied to be based on reasonable assumptions, but which are inherently uncertain and, as a result, actual results may differ from estimates.

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Impairment of indefinite-lived intangible assets, goodwill, property plant and equipment, mining rigs and other assets

Fair value of indefinite-lived intangible assets, goodwill, property plant and equipment, mining rigs and other assets is estimated to determine the recoverable amount in an impairment test. The determination of fair value requires the use of estimates in respect of forecast cash flows, discount rates and other management judgments. The Group believes the estimates applied to be based on reasonable assumptions, but which are inherently uncertain and, as a result, actual results may differ from estimates.

Depreciation of mining rigs

During the year ended December 31, 2025, the Group made the following changes in accounting estimates in respect of mining rigs, all accounted for prospectively in accordance with IAS 8. The Group revised the estimated useful lives of substantially all of its mining rigs from two to five years to three years and reduced the estimated residual values following reviews performed in the second half of 2025. These revisions apply only to mining rigs held by the Group as of the respective effective dates; mining rigs deployed subsequently continue to be depreciated based on the useful lives and residual values determined at the time of deployment. In aggregate, these revisions resulted in an increase in depreciation expense of approximately US\$20.3 million and a corresponding decrease in profit before income tax for the year.

4. FINANCIAL RISK MANAGEMENT AND FAIR VALUES OF FINANCIAL INSTRUMENTS

Financial risk factors

The Group is exposed to various market risks including cryptocurrency risk, interest rate risk, investment risk and foreign currency risk, as well as credit risk and liquidity risk associated with financial assets and liabilities. The Group has designed and implemented various risk management strategies, discussed further below, to ensure the exposure to these risks is consistent with its risk tolerance and business objectives.

- a. Market risk
 - i. Cryptocurrency risk

The Group is exposed to cryptocurrency risk as it yields cryptocurrencies from certain revenue arrangements. The Group recognizes revenue based on the spot fair value of cryptocurrencies on the day they are earned, but the value of the cryptocurrencies is subject to change on the date they are disposed of for fiat currency.

Cryptocurrency prices are affected by various forces including global supply and demand, interest rates, exchange rates, inflation or deflation and the global political and economic conditions. The profitability of the Group is highly correlated to the current and future market price of cryptocurrencies and a decline in the market prices for cryptocurrencies could negatively impact the Group's future operations. In addition, the Group may not be able to liquidate its holdings of cryptocurrencies at its desired price if required, or, in extreme market conditions, the Group may not be able to liquidate its holdings of cryptocurrencies at all.

Cryptocurrencies have a limited history, and the fair value of cryptocurrencies has been very volatile. The historical performance of cryptocurrencies is not indicative of their future price performance. The cryptocurrencies involved in the Group's operation are currently primarily based on Bitcoin and USDT. For the years ended December 31, 2025, 2024 and 2023, the Group does not use any derivative contracts to hedge its exposure to cryptocurrency risk, but management closely monitors the impact of the mainstream cryptocurrency exchange market on the change of exchange rates from cryptocurrency to fiat currency. To limit its exposure to cryptocurrency risk the Group applied a flexible internal strategy for either converting of cryptocurrencies it obtains through its principal business into fiat currency to support its operations as needs, or holding the cryptocurrencies to capture potential higher appreciation in value in the future.

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ii. Interest rate risk

The Group's interest rate risk is primarily attributable to bank deposits, restricted cash and borrowings, including borrowings from a related party. Bank deposits, restricted cash and borrowings at variable rates and fixed rates expose the Group to cash flow interest rate risk and fair value interest rate risk respectively. Management closely monitors the fluctuation of such rates periodically.

iii. Investment risk

The Group is exposed to investment risk from investment transactions such as the investment in financial assets at fair value through profit or loss. These investments are not principal-guaranteed, and the Group may suffer material loss from such investments. The Group monitors its investments closely and limits its exposure to the investment risk by including in its operation strategy the requirements to, with regard to the investment in financial assets at fair value through profit or loss, perform due diligence on the prospect investees to evaluate the business soundness before making an investment, and communicate regularly with the investee, review management report and the latest financial statements, if any, to evaluate the stage of investment and whether any action should be taken regarding the investment.

iv. Foreign currency risk

The Group is exposed to foreign currency risk as it conducts transactions which give rise to payables and cash balances that are denominated in foreign currencies and the fair value or future cash flows of the Group's financial instrument may fluctuate due to movement in foreign exchange rates of these foreign currencies. The volatility of exchange rates depends on many factors that the Group is not able to accurately forecast. Management is closely monitoring the Group's exposure to currency risk and seeks to minimize its exposure to such risk. The Group was not exposed to material foreign currency risk during the years ended December 31, 2025, 2024 and 2023.

b. Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Group. Credit risk arises mainly from cash deposited in the banks and cryptocurrencies held in custody, trade receivables and amounts due from related parties, including cryptocurrency receivables.

Cash deposited in the banks

To manage risk arising from cash, cash equivalents and restricted cash, the Group only transacts with reputable financial institutions. There has been no recent history of default in relation to these financial institutions.

Cryptocurrencies held in custody

For the years ended December 31, 2025, 2024 and 2023, substantially all of the Group's cryptocurrencies are stored in wallets held in the custody of Matrix Finance and Technologies Holding Company ("Matrixport Group", rebranded as the "BIT Group"), a related party. To limit exposure to credit risk relating to cryptocurrencies under custody, the Group evaluates the system security design of the custody service provider and regularly reviews the exposure of cryptocurrencies held in custody. The Group has further implemented internal controls to ensure the appropriate access to the cryptocurrencies under custody. The Group expects that there is no significant credit risk from non-performance by BIT Group.

However, Bitcoin and other blockchain-based cryptocurrencies have been, and may in the future be, subject to security breaches, cyberattacks, or other malicious activities. A successful security breach or cyberattack could result in a partial or total loss of the Group's cryptocurrencies and such a loss could have a material adverse effect on the Group's financial condition and results of operations.

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Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, the Group also considers the factors that may influence the credit risk of the customer base, including the customers' financial condition.

The Group has a receivables management process that facilitates initial and ongoing analysis of customer creditworthiness individually. This analysis comprises payment frequency and timeliness, payment method and payment amount. For customers with relatively short history, the Group limits its exposure to credit risk by collecting deposits from these customers, which will be used to offset against outstanding trade receivables in case of default.

Amounts due from a related party

The Group's receivable from BIT Group, including cryptocurrency receivables used as collateral in connection with the borrowing arrangements, is subject to similar financial risk management procedures as its cryptocurrencies held in custody and trade receivables.

c. Liquidity risk

Liquidity risk arises in situations where the Group has difficulties in fulfilling financial liabilities when they become due.

Prudent liquidity risk management implies maintaining sufficient cash in order to meet the Group's financial obligations. The Group manages its liquidity risk by monitoring cash flow generated from operations and available borrowing capacity, and by managing the maturity profiles of its long-term loans. Certain borrowings of the Group may be settled using cryptocurrency at the option of the Group; however, the underlying contractual obligations remain denominated in USD. Therefore, the maturity analysis is presented based on contractual undiscounted cash flows in USD.

The following is the maturity profile of the Group's financial liabilities based on contractual undiscounted payments (including interest payments computed using contracted rates or, if floating, based on rates current at the end of each reporting period presented):

In thousands of USD	At December 31, 2025					Total	Carrying amount
	Within 1 year or on-demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	More than 5 years		
Trade payables	119,818	-	-	-	-	119,818	119,818
Other payables and accruals	54,655	-	163	2,250	-	57,068	57,068
Amounts due to a related party	4,340	-	-	-	-	4,340	4,340
Borrowings and derivative liabilities	68,238	44,794	323,889	800,462	-	1,237,383	980,345
Borrowings from a related party	319,893	256,479	-	-	-	576,372	521,831
Lease liabilities	13,562	14,410	41,776	50,426	-	120,174	98,206
	<u>580,506</u>	<u>315,683</u>	<u>365,828</u>	<u>853,138</u>	<u>-</u>	<u>2,115,155</u>	<u>1,781,608</u>

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At December 31, 2024

In thousands of USD	Within 1 year or on-demand	More than 1 year but less than 2 years	More than 2 years but less than 5 years	More than 5 years	Total	Carrying amount
Trade payables	31,471	-	-	-	31,471	31,471
Other payables and accruals	40,617	112	53	1,485	42,267	42,267
Amount due to a related party	8,747	-	-	-	8,747	8,747
Borrowings and derivative liabilities	39,975	29,309	585,794	-	655,078	905,262
Lease liabilities	8,655	8,807	27,105	55,693	100,260	78,133
	<u>129,465</u>	<u>38,228</u>	<u>612,952</u>	<u>57,178</u>	<u>837,823</u>	<u>1,065,880</u>

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are estimated at a specific point in time, by discounting expected cash flows at rates for assets and liabilities of the same remaining maturities and conditions. These estimates are subjective in nature and involve uncertainties and significant judgment, and therefore, cannot be determined with precision. Changes in assumptions could significantly affect the estimates.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:

- Level 1 valuation: unadjusted quoted prices in active markets for identical assets or liabilities at the measurement date.
- Level 2 valuation: inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly.
- Level 3 valuation: fair value measured using significant unobservable inputs.

The fair value hierarchy also requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value.

As of December 31, 2025 and 2024, except for the investments in financial assets at fair value through profit or loss, cryptocurrency-settled receivables and payables, USDC, cryptocurrencies – receivables, derivative assets and liabilities, substantially all of the Group's financial assets and financial liabilities are carried at amortized costs and the carrying amounts approximate their fair values.

The fair value of financial instruments traded in active markets is determined with reference to quoted market prices at the end of the reporting period. A market is regarded as active if quoted prices are readily and regularly available from an exchange, dealer, broker, industry group, pricing service, or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis. These instruments are included in Level 1.

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. These valuation techniques maximize the use of observable market data where it is available and rely as little as possible on entity specific estimates. If all significant inputs required for evaluating the fair value of a financial instrument are observable, the instrument is included in Level 2. If one or more of the significant inputs are not based on observable market data, the instrument is included in Level 3.

The Group's finance department performs valuations of financial instruments. The finance department reports directly to the chief financial officer and discusses valuation processes and results with the chief financial officer in order to comply with the Group's accounting and reporting requirements.

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The valuation procedures applied include consideration of recent transactions in the same security or financial instrument, recent financing of the investee companies, economic and market conditions, current and projected financial performance of the investee companies, and the investee companies' management team as well as potential future strategies to realize the investments. Certain information used in the valuation procedures is obtained through the assistance of independent third-party valuation firm.

The fair value measurement hierarchy for the Group's financial instruments measured at fair value is as follows:

In thousands of USD	Valuation technique(s) and key input	December 31, 2025	Level 1	Level 2	Level 3
USDC	Quoted price	2	2	-	-
Cryptocurrency-settled receivables	Quoted price	1,921	1,921	-	-
Cryptocurrencies - receivables	Quoted price	135,558	135,558	-	-
Investment A, B, D and E in unlisted equity instrument	Net asset value	22,781	-	-	22,781
Investment F, I, K and M in unlisted equity instrument	Recent transaction price	6,928	-	-	6,928
Investment C in unlisted equity instrument	Guideline company method	9,600	-	-	9,600
Investment G in unlisted debt instrument	Recent transaction price	1,100	-	-	1,100
Investment H in unlisted debt instrument	Recent transaction price	3,000	-	-	3,000
Investment J and L in listed equity instrument	Quoted price	876	876	-	-
Cryptocurrency-settled payables	Quoted price	24,775	24,775	-	-
Derivative assets	Binomial model	31,857	-	-	31,857
Derivative liabilities	Binomial model	501,085	-	-	501,085

In thousands of USD	Valuation technique(s) and key input	December 31, 2024	Level 1	Level 2	Level 3
USDC	Quoted price	2	2	-	-
Cryptocurrency-settled receivables	Quoted price	974	974	-	-
Investment A, B, D and E in unlisted equity instrument	Net asset value	24,595	-	-	24,595
Investment F, I and J in unlisted equity instrument	Recent transaction price	3,102	-	-	3,102
Investment C in unlisted equity instrument	Market calibration method	10,284	-	-	10,284
Investment G in unlisted debt instrument	Net asset value	1,000	-	-	1,000
Investment H in unlisted debt instrument	Binomial model	3,540	-	-	3,540
Cryptocurrency-settled payables	Quoted price	21,372	21,372	-	-
Derivative liabilities	Binomial model	763,939	-	-	763,939

For the year ended December 31, 2025, the Group transferred approximately US\$0.5 million from Level 3 to Level 1 in the fair value hierarchy. Investment J was transferred from Level 3 to Level 1 following the availability of observable market prices upon the listing of the instrument. For the years ended December 31, 2024 and 2023, there was no transfer between levels.

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The following table presents the changes in Level 3 financial instruments for the years ended December 31, 2025, 2024 and 2023:

In thousands of USD	Unlisted equity instruments and debt instruments	Derivative assets	Derivative liabilities
At January 1, 2023	60,959	-	-
Additions	4,400	-	-
Disposals	(31,111)	-	-
Net fair value changes recognized in profit or loss	3,527	-	-
At December 31, 2023	37,775	-	-
Additions	2,776	-	351,609
Derecognition of derivative liabilities on conversion	-	-	(85,837)
Net fair value changes recognized in profit or loss	1,970	-	498,167
At December 31, 2024	42,521	-	763,939
Additions	4,426	35,400	403,509
Transfer from Level 3 to Level 1	(500)	-	-
Derecognition of derivative liabilities on conversion	-	-	(221,502)
Net fair value changes recognized in profit or loss	(3,038)	(3,543)	(444,861)
At December 31, 2025	43,409	31,857	501,085

5. BUSINESS COMBINATION

(a) Business combination between BTG, Bitdeer and BSGA (the “Business Combination”)

On December 15, 2021, Bitdeer entered into an Amended and Restated Agreement and Plan of Merger, which was subsequently amended on May 30, 2022, December 2, 2022 and March 7, 2023 (the “Merger Agreement”), pursuant to which BTG, Bitdeer and BSGA entered into a Business Combination transaction via a multiple-merger structure, where (i) Blue Safari Merge Limited, a British Virgin Islands business company and a wholly-owned subsidiary of BTG merged with and into BSGA, with BSGA being the surviving entity, (ii) BSGA merges with and into Blue Safari Merge II Limited, a British Virgin Islands business company and a wholly-owned subsidiary of BTG, with Blue Safari Merge II Limited being the surviving entity, and (iii) Bitdeer Merge Limited, an exempted company with limited liability incorporated under the laws of Cayman Islands and a direct wholly-owned subsidiary of BTG, merged into and with Bitdeer, with Bitdeer being the surviving company and becoming a wholly-owned subsidiary of BTG.

On April 13, 2023, the Business Combination was completed in accordance with the Merger Agreement. Upon completion of the Business Combination, (i) each ordinary share of BSGA issued and outstanding were cancelled in exchange for one BTG Class A ordinary shares, of which 2,607,498 Class A ordinary shares were issued, (ii) each ordinary share and preferred share of Bitdeer issued and outstanding were cancelled in exchange for BTG Class A ordinary shares, and, in the case of the ordinary share and preferred share of Bitdeer held by Jihan Wu, founder of Bitdeer, or the entity controlled by him, namely Victory Courage Limited, BTG Class V ordinary shares, at an exchange ratio of approximately 0.00858, of which 60,281,185 BTG Class A ordinary shares and 48,399,922 Class V ordinary shares were issued, (iii) each share award to acquire ordinary shares of Bitdeer granted under Bitdeer’s 2021 Share Incentive Plan outstanding, whether vested or unvested, were assumed by BTG and converted into a share award representing the same rights to receive BTG Class A ordinary shares, except that the number of BTG Class A ordinary shares subject to such share awards shall equal to the product of (A) the number of Bitdeer ordinary shares that were subject to such Bitdeer share awards, multiplied by (B) an exchange ratio of approximately 0.00858.

The share capital, other reserve, weighted average number of shares outstanding and loss per share calculations have been retrospectively restated to the equivalent number of shares reflecting the exchange ratio as a result of the Business Combination.

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The Business Combination is accounted for as a “reverse recapitalization” in accordance with IFRS as issued by IASB, as defined below. Under this method of accounting, Bitdeer has been identified as the acquirer and BSGA and BTG have been treated as the “acquired” company for financial reporting purposes. This determination was primarily based on the fact that subsequent to the Business Combination, Bitdeer’s shareholders have a majority of the voting power of the Company, Bitdeer comprises all of the ongoing operations of the combined company, Bitdeer comprises a majority of the governing body of the combined company, and Bitdeer’s senior management comprises all of the senior management of the combined company. As BSGA does not meet the definition of a business as defined in IFRS 3, “Business Combinations”, the transaction is outside the scope of IFRS 3 and is accounted for as an equity settled, share-based payment transaction in accordance with IFRS 2, “Share-based Payment”. Accordingly, for accounting purposes, the Business Combination was treated as the equivalent of Bitdeer issuing ordinary shares at the fair value in order for the ownership interest in the combined entity to be the same as if the transaction had taken the legal form of Bitdeer acquiring 100% of BSGA and BTG, accompanied by a recapitalization. Any difference between the fair value of the ordinary shares deemed to have been issued by Bitdeer and the amount of pre-existing debtor relationship between Bitdeer and BSGA, and the fair value of BSGA’s and BTG’s net liabilities assumed represents a listing fee through profit or loss. No goodwill or other intangible assets was recorded. Operations prior to the Business Combination was those of Bitdeer.

As a result of this reverse recapitalization, a listing fee of US\$33.2 million has been recorded to reflect the difference between the fair value of ordinary shares deemed to be issued to the shareholders of BSGA, the settlement of pre-existing debtor relationship with BSGA, and the fair value of net liabilities of BSGA and BTG assumed. Bitdeer’s transaction-related costs of US\$8.0 million, such as commissions, professional fees and regulatory fees are directly attributable to this transaction were recorded in equity as a deduction of other reserve. Net payment related to Business Combination is US\$7.7 million, which comprises of the transaction-related costs of US\$8.0 million offset against with cash and cash equivalents of US\$0.3 million acquired.

The details of the purchase price allocation of the identifiable assets acquired and liabilities assumed are as follows:

	At April 13, 2023
In thousands of USD, except for the closing price of BSGA’s share and the number of ordinary shares information	
Number of outstanding ordinary shares held by BSGA’s shareholders on acquisition date (thousand shares)	2,607
Closing price of BSGA’s ordinary shares on acquisition date (in USD)	10
Fair value of BSGA’s ordinary shares on acquisition date	26,075
Settlement of pre-existing debtor relationship with BSGA *	2,607
Total fair value of consideration transferred	28,682
Fair value of assets acquired and liabilities assumed:	
Cash and cash equivalents	317
Prepayments and other assets	48
Other payables and accruals	(4,834)
Total fair value of assets acquired and liabilities assumed	(4,469)
Excess of fair value of consideration transferred over fair value of assets acquired and liabilities assumed, recognized as listing fee	33,151

* Settlement of pre-existing debtor relationship with BSGA represent lending made to BSGA.

(b) Acquisition of Troll Housing AS and Tydal Data Center AS (the “Norway Acquisition”)

In April 2024, the Group entered into a share purchase agreement with Renol Invest AS and Bryhni.com AS, the owners of both Troll Housing AS and Tydal Data Center AS (collectively, the “Target Companies” or “Troll and Tydal”), to purchase 100% of the equity interest, thereby obtaining control of the Target Companies. Troll and Tydal are private limited liability companies incorporated in Norway, and conduct business for the management and operation of datacenter. The acquisition was closed on April 15, 2024.

The Group accounted for the acquisition as a business combination under IFRS 3, using the acquisition method.

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The details of the purchase consideration, the net assets acquired, and goodwill are as follows:

In thousands of USD	At April 15, 2024
Purchase consideration	
Cash consideration paid	15,000
Senior secured notes ⁽¹⁾	15,091
417,130 Class A ordinary shares ⁽²⁾	2,357
Class A ordinary share call options ⁽³⁾	504
Total purchase consideration	32,952
Settlement of pre-existing debtor relationship with the Target Companies ⁽⁴⁾	(10,061)
Fair value of consideration transferred	22,891

- (1) The Group issued US\$15.0 million in aggregate principal amount of senior secured notes on April 15, 2024, in relation to the business combination. The senior secured notes bear an annual interest of 6.0%, mature five years after April 15, 2024, and are secured by 100% of the shares of the Target Companies. The fair value of the senior secured notes is measured by calculating the present value of the notes using the effective interest rate. For the year ended December 31, 2024, the Group recognized interest expense of approximately US\$0.5 million. In December 2024, the Group fully repaid the outstanding amount and the pledged shares were subsequently released following the settlement of the outstanding principal balance.
- (2) The fair value of the Class A ordinary shares is determined based on the number of shares transferred and the closing price on April 15, 2024. The shares are transferred upon the completion of the acquisition.
- (3) The Group issued Class A ordinary share call options at a strike price of US\$35.96 per share, with the expiry date set as the later of April 15, 2029, or six months after all principal and interest accrued under the senior secured notes have been repaid. The fair value was recognized on April 15, 2024 based on the binomial model with the assistance of an independent valuation specialist. The following table provides the key inputs used in the model for determining the value of the option:

	At April 15, 2024
Share price	5.65
Dividend yield (%)	-
Expected volatility (%)	126%
Risk-free interest rate (%)	4.65%

- (4) Settlement of pre-existing debtor relationship with the Target Companies represents the payable amount of approximately US\$16.4 million from the Group to the Target Companies in relation to the services provided and offset against a prepayment made by the Group to the Target Companies of approximately US\$6.3 million. The services provided by the Target Companies, include electricity supply, construction services, and daily operational management for the mining datacenters prior to April 15, 2024.
- (5) Acquisition-related cost amount to approximately US\$0.3 million are included in general and administrative expenses.

For financial reporting purposes, the fair value of the net assets acquired from the Target Companies is based on their financial statements as of March 31, 2024, which is the most recent financial statement available at the time of the fair value assessment on April 15, 2024. There were no material transactions occurring between March 31, 2024 and April 15, 2024.

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The assets and liabilities recognized as a result of the acquisition are as follows:

In thousands of USD	At April 15, 2024
Fair value of assets acquired and liabilities assumed	
Cash and cash equivalents	8,723
Trade receivables	49
Prepayments and other assets	2,690
Right-of-use assets	122
Property, plant and equipment	1,323
Identified intangible assets: rights to electrical capacity	22,429
Deferred tax assets	32
Trade payables	(3,367)
Other payables and accruals	(16,384)
Income tax payables	(1,962)
Lease liabilities	(122)
Deferred tax liabilities	(5,093)
Net identifiable assets acquired	8,440
Goodwill	14,451
Net assets acquired	22,891

The fair value of the land on April 15, 2024, of which the amount was included in property, plant and equipment, was measured using the sales comparison method under the market approach with the assistance of an independent valuation specialist and amounted to US\$1.1 million.

The rights to electrical capacity acquired in the Norway Acquisition are recognized at fair value and the fair value on April 15, 2024 was US\$22.4 million using the multi-period excess earnings method under the income approach, with assistance from an independent valuation specialist. The key inputs include operation projection and the discount rate. The rights to electrical capacity are granted by the Norwegian state and regional electricity grid operator and do not expire as long as they are being utilized. The Group intends to fully utilize the capacity in its operations and considers this intangible asset to have indefinite useful lives. The intangible asset is tested for impairment annually or whenever there is an indication at the end of a reporting period that the asset may be impaired.

The above goodwill is primarily attributable to the ability and experience in regional operations and cannot be recognized as separate intangible assets. The goodwill is not deductible for tax purposes.

Deferred tax liabilities relating to temporary differences between the tax bases and accounting bases of the assets acquired on April 15, 2024 were recognized in an amount of US\$5.1 million.

For the period from April 15, 2024, to December 31, 2024, the Target Companies contributed revenue and net income of nil and US\$3.9 million, respectively. On an unaudited pro forma basis, assuming this business combination had occurred on January 1, 2024, the Target Companies would have contributed revenue and net income of approximately nil and US\$5.0 million for the year ended December 31, 2024. The Target Companies generated revenue solely from providing services to the Group. The Group achieved cost and expense savings from the acquisition, as a result of retaining the margins the Target Companies would have charged if they were not acquired.

(c) Acquisition of FreeChain Inc. (the “FreeChain Acquisition”)

In June 2024, the Group entered into a share purchase agreement with the shareholders of FreeChain Inc. (“FreeChain”) to purchase 100% of the equity interest, thereby obtaining control of FreeChain. FreeChain is an exempted company with limited liability incorporated under the laws of the Cayman Islands and conducts development in mining rigs. The acquisition was closed on September 13, 2024.

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The Group accounted for the acquisition as a business combination under IFRS 3, using the acquisition method.

The details of the purchase consideration, the net assets acquired, and goodwill are as follows:

In thousands of USD	At September 13, 2024
Purchase consideration	
12,514,600 Class A ordinary shares ⁽¹⁾	70,274
255,400 Holdback shares ⁽²⁾	1,434
Class A ordinary share awards ⁽³⁾	2,096
Total purchase consideration	73,804

- (1) The Group issued 18,786,600 Class A ordinary shares as part of the acquisition proceeds, of which 12,514,600 Class A ordinary shares were included as part of the purchase consideration. The shares included as part of the purchase consideration had a price of US\$5.6154 per share, representing the fair value determined based on the number of shares transferred and the closing price on September 13, 2024 and adjusted for a discount reflecting the lock-up period associated with the share issuance. The remaining portion of the shares were accounted for as remuneration cost under IFRS 2, as the recipients of those shares are subject to continued employment after the acquisition, see Note 21. All shares were transferred upon the completion of the acquisition.
- (2) Holdback shares refer to the Group's Class A ordinary shares that may be issued depending on the post-closing adjustment amount, as defined in the share purchase agreement, to be determined within 60 days after September 13, 2024. Of the total 383,400 Class A ordinary shares issuable as the holdback shares, 255,400 shares were included as part of the purchase consideration. The shares included as part of the purchase consideration had a price of US\$5.6154 per share, representing the fair value determined based on the number of shares reserved and the closing price on September 13, 2024 and adjusted for a discount reflecting the lock-up period associated with the reserved shares. The subsequent change in fair value of these shares between September 13, 2024 and the date of issuance in the amount of US\$3.2 million was included in other net gains / (losses). The remaining portion of the holdback shares were accounted for as remuneration cost under IFRS 2, as the recipients of those shares are subject to continued employment after the acquisition, see Note 21. The holdback shares were issued to the shareholders in December 2024.
- (3) The Group exchanged equity-settled share-based payment awards held by the shareholders and employees issued by FreeChain (the "acquiree's awards") for equity-settled share-based payment awards issued by the Group under the 2023 Plan (the "replacement awards"). The fair value of the replacement awards was US\$5.7 million. The purchase consideration includes US\$2.1 million of the fair value of replacement awards, representing the replacement rewards transferred to the shareholders and employees of FreeChain when the acquiree's awards were substituted by the replacement awards, which relates to pre-acquisition service compensation. The remaining replacement rewards with a fair value of US\$3.6 million will be recognized as post-acquisition service compensation. See Note 21.

The fair value of the replacement awards was determined on September 13, 2024 using the binomial model with the assistance of an independent valuation specialist. The following table provides the key inputs used in the model for determining the value of the option:

	At September 13, 2024
Share price	6.89
Dividend yield (%)	-
Expected volatility (%)	114%
Risk-free interest rate (%)	3.66%

- (4) Acquisition-related cost amount to approximately US\$0.3 million are included in general and administrative expenses.

The assets and liabilities recognized as a result of the acquisition are as follows:

In thousands of USD	At September 13, 2024
Fair value of assets acquired and liabilities assumed	
Cash and cash equivalents	226
Prepayments and other assets	50
Property, plant and equipment	55
Identified intangible assets: technologies	63,633
Trade payables	(708)
Deferred tax liabilities	(10,819)
Net identifiable assets acquired	52,437
Goodwill	21,367
Net assets acquired	73,804

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The technologies acquired in the business combination are recognized at fair value and the fair value on September 13, 2024 was US\$63.6 million using the multi-period excess earnings method under the income approach, with assistance from an independent valuation specialist. The key inputs include operation projection and the discount rate. The Group estimates each of the intangible assets to have a respective useful life of three years.

The above goodwill is primarily attributable to the assembled workforce and the synergy effect it brings to the Group's mining rig development and cannot be recognized as separate intangible assets. The Goodwill is not deductible for tax purposes.

Deferred tax liabilities relating to temporary differences between the tax bases and accounting bases of the assets acquired on September 13, 2024 were recognized in an amount of US\$10.8 million.

For the period from September 13, 2024 to December 31, 2024, FreeChain contributed revenue and net loss of approximately nil and US\$0.2 million, respectively. On an unaudited pro forma basis, assuming this business combination had occurred on January 1, 2024, FreeChain would have contributed revenue and net loss of approximately nil and US\$0.7 million for the year ended December 31, 2024. The mining rigs developed by FreeChain have not yet been mass delivered by the end of 2024, and no external revenue was generated for the year ended December 31, 2024.

6. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The breakdown of cash and cash equivalents is as follows:

In thousands of USD	At December 31,	
	2025	2024
US dollar	120,243	462,316
Singapore dollar	8,235	2,786
Norwegian krone ("NOK")	8,678	7,943
Euro	10,016	2,611
Others	2,180	614
Total cash and cash equivalents by currency	149,352	476,270
Restricted cash		
Current	22,366	9,144
Non-current	6,159	8,212
Total restricted cash	28,525	17,356

The Group classifies short-term deposits and other highly liquid investments as cash equivalents. As of December 31, 2025, the Group owned short-term deposit in an amount of approximately US\$26.9 million with maturities in January 2026 with interest ranging from 1.37% to 3.67% and other highly liquid investments of approximately US\$11.5 million. As of December 31, 2024, the Group owned short-term deposit in an amount of approximately US\$91.6 million with maturities in January 2025 with interest ranging from 2.01% to 4.28% and other highly liquid investments of approximately US\$239.5 million.

The Group's restricted cash primarily relates to the following:

(a) *Standby letters of credits ("SLCs")*

The Group had outstanding standby letters of credit ("SLCs") issued in connection with electricity supply, datacenter construction, custom bond requirements and lease commitments. The SLCs provide the beneficiaries, which are the service providers, the ability to draw from the banks for a designated maximum aggregate amount (the "Draw Amount"). The details of SLCs are as follows:

	At December 31,	
	2025	2024
Draw Amount (In thousands of USD)	18,912	9,144
Range of expiration dates	April 2026 to December 2026	July 2025 to August 2025

The amount and expiration dates of the SLCs are amended, from time to time, by the Group and beneficiaries in accordance with the underlying agreement. In connection with the issuance of the SLCs, the banks held the Group's cash balance equal to the Draw Amount as security. As of December 31, 2025 and 2024, none was utilized by the beneficiaries from the standby letters of credits.

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(b) *Pledged cash*

As of December 31, 2025, the Group held approximately US\$9.6 million (NOK 96.6 million equivalent) in escrow accounts with a commercial bank, compared to US\$8.2 million (NOK 93.0 million equivalent) as of December 31, 2024. These funds, originally deposited in 2024, are held under arrangements with an electricity service provider to secure a fixed electricity price for three years commencing January 1, 2025. The deposited amount will be released in annual installments. The changes in balance between 2025 and 2024 balance sheet dates arise from interest earned on the pledged cash.

7. CRYPTOCURRENCIES

As of December 31, 2025 and 2024, the Group's cryptocurrencies consist of the following:

In thousands of USD	At December 31,	
	2025	2024
Cryptocurrencies other than USDC	83,075	77,535
USDC	2	2
Total cryptocurrencies	83,077	77,537

In thousands of USD	At December 31,	
	2025	2024
Bitcoin – receivables	135,558	-
Total cryptocurrencies – receivables	135,558	-

Cryptocurrencies

The details of cryptocurrencies are as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Cost:			
Beginning balances	78,479	15,377	2,179
Additions	596,742	311,966	310,265
Disposals and payments	(374,429)	(248,864)	(297,067)
Transfer for collateral ⁽¹⁾	(213,021)	-	-
Ending balances	<u>87,771</u>	<u>78,479</u>	<u>15,377</u>
Impairment:			
Beginning balances	(942)	(6)	(4)
Additions	(3,752)	(936)	(2)
Ending balances	<u>(4,694)</u>	<u>(942)</u>	<u>(6)</u>
Net book value:			
Beginning balances	77,537	15,371	2,175
Ending balances	<u>83,077</u>	<u>77,537</u>	<u>15,371</u>

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The supplemental information of cryptocurrencies other than USDC is as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Cost:			
Beginning balances	78,477	15,342	2,090
Additions	569,626	307,661	302,621
Disposals and payments	(347,313)	(244,526)	(289,369)
Transfer for collateral ⁽¹⁾	(213,021)	-	-
Ending balances	<u>87,769</u>	<u>78,477</u>	<u>15,342</u>
Impairment:			
Beginning balances	(942)	(6)	(4)
Additions	(3,752)	(936)	(2)
Ending balances	<u>(4,694)</u>	<u>(942)</u>	<u>(6)</u>
Net book value:			
Beginning balances	77,535	15,336	2,086
Ending balances	<u>83,075</u>	<u>77,535</u>	<u>15,336</u>

(1) Represents Bitcoin pledged to BIT Group, a related party for loan collateral purposes.

The management's estimates of impairment provision of cryptocurrencies other than USDC are made based on the current market prices of cryptocurrencies as of each balance sheet date. Fluctuations in the market price of cryptocurrencies after the balance sheet date is not considered in determining the provision for impairment of cryptocurrencies other than USDC.

Cryptocurrencies – receivables

As of December 31, 2025, the Group has pledged 1,533.5 Bitcoin (US\$135.6 million equivalent) to BIT Group, a related party in connection with borrowings facility drawdowns. Refer to Note 24 for more details.

The details of cryptocurrencies – receivables are as follows:

In thousands of USD	Year ended December 31, 2025
Beginning balances	-
Transfer from cryptocurrencies	213,021
Repayment of borrowings from a related party	(50,753)
Net fair value changes recognized in profit or loss	(26,710)
Ending balances	<u>135,558</u>

8. PREPAYMENTS AND OTHER ASSETS

The breakdown of prepayments and other assets is as follows:

In thousands of USD	At December 31,	
	2025	2024
Prepayments to suppliers	667,462	266,478
Deposits ⁽¹⁾	35,650	31,372
Value-added and goods and services taxes recoverable	12,059	5,407
Prepayments of income tax	2,459	2,459
Others	5,342	4,457
Total	<u>722,972</u>	<u>310,173</u>
Current	698,291	291,929
Non-current	24,681	18,244
	<u>722,972</u>	<u>310,173</u>

(1) The Group pays deposits to certain electricity service providers. In order to minimize the deposit paid to the electricity supplier, in April 2023, Bitdeer Inc., a subsidiary of the Group, has entered into a guaranty agreement (the "2023 Guaranty Agreement") with one of the electricity suppliers to act as a guarantor to provide the assurance for the payment obligation of another subsidiary of the Group in connection with electricity service subscribed. The total liability of the guarantor is limited to the lesser of the guaranteed obligations under all agreements or US\$13.0 million in each case. In February 2024, Bitdeer and Bitdeer, Inc. together entered into a guaranty agreement with the electricity supplier to amend the 2023 Guaranty Agreement and limit the guarantor's total liability to the lesser of the guaranteed obligations under all agreement or US\$30.0 million in each case.

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During the years ended December 31, 2025 and 2024, the Group did not recognize any allowance for expected credit losses for prepayments and other financial assets. During the year ended December 31, 2025, the Group recognized an impairment loss of US\$1.3 million on a non-financial asset classified within other assets, recorded in profit or loss. No such impairment was recognized in 2024 and 2023.

9. INVENTORIES

As of December 31, 2025 and 2024, the details of inventories are as follows:

In thousands of USD	At December 31,	
	2025	2024
Raw materials	118,400	28,661
Work-in-progress	128,182	26,277
Finished goods	5,417	9,950
Total	251,999	64,888

During the years ended December 31, 2025 and 2024, an amount of US\$89.3 million and nil, respectively was transferred from inventories and recognized as expense in cost of sales. Approximately US\$595.9 million and US\$16.7 million of inventories, respectively, was transferred to mining rigs. The Group recorded a write-down of inventories amounting to US\$3.9 million and nil during the years ended December 31, 2025 and 2024.

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The breakdown of financial assets at fair value through profit or loss is as follows:

In thousands of USD	At December 31,	
	2025	2024
Investments in unlisted equity instruments		
- Investment A	129	300
- Investment B	824	1,000
- Investment C	9,600	10,284
- Investment D – investment in a limited partnership set up by BIT Group ⁽¹⁾	20,328	21,795
- Investment E	1,500	1,500
- Investment F	1,125	726
- Investment I	2,803	1,876
- Investment J	_ ⁽²⁾	500
- Investment K	2,000	-
- Investment M	1,000	-
Investments in unlisted debt instruments		
- Investment G	1,100	1,000
- Investment H	3,000	3,540
Investments in listed equity instruments		
- Investment J	563	_ ⁽²⁾
- Investment L	313	-
Total	44,285	42,521
Current	4,976	4,540
Non-current	39,309	37,981
Total	44,285	42,521

(1) See Note 24.

(2) During the year ended December 31, 2025, Investment J became publicly listed and is accordingly presented as a listed equity instrument.

Except for investments J and L, which are investments in listed equity instruments measured at Level 1, the investments in unlisted debt and unlisted equity instruments as at December 31, 2025 and 2024 mainly represent investments in funds and privately held enterprises. The Group does not have control or significant influence over these investments.

These investments are measured at fair value using Level 3 inputs. Except for Investment C, the fair values are determined based on net asset value or recent transaction prices, which approximate fair value and do not involve significant unobservable inputs. Refer to Note 4 for more information. Accordingly, no quantitative information on key inputs or sensitivity analysis is presented for these investments.

For Investment C, there was a change in valuation approach from the prior year due to limited recent market transactions. The valuation involves significant unobservable inputs, with the assistance of an independent valuation specialist where appropriate. Significant unobservable inputs include valuation multiples and a discount for lack of marketability. Higher multiples increase fair value, while higher discounts decrease fair value.

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11. MINING RIGS

The details of mining rigs are as follows:

In thousands of USD	Mining rigs
Cost:	
At January 1, 2023	122,203
Additions	63,041
Disposals	(16,731)
At December 31, 2023	168,513
Accumulated depreciation:	
At January 1, 2023	(94,399)
Charge for the year	(25,663)
Disposals	15,127
At December 31, 2023	(104,935)
Impairment:	
At January 1, 2023	(101)
Disposal	-
At December 31, 2023	(101)
Net book value:	
At December 31, 2023	63,477
Cost:	
At January 1, 2024	168,513
Additions ⁽¹⁾	24,982
Disposals	(8,590)
At December 31, 2024	184,905
Accumulated depreciation:	
At January 1, 2024	(104,935)
Charge for the year	(19,470)
Disposals	6,925
At December 31, 2024	(117,480)
Impairment:	
At January 1, 2024	(101)
Disposals	-
At December 31, 2024	(101)
Net book value:	
At December 31, 2024	67,324
Cost:	
At January 1, 2025	184,905
Additions ⁽¹⁾	644,975
Disposals	(2,389)
At December 31, 2025	827,491
Accumulated depreciation:	
At January 1, 2025	(117,480)
Charge for the year	(82,967)
Disposals	2,338
At December 31, 2025	(198,109)
Impairment:	
At January 1, 2025	(101)
Additions ⁽²⁾	(8,665)
Disposals	51
At December 31, 2025	(8,715)
Net book value:	
At December 31, 2025	620,667

(1) Approximately US\$595.9 million and US\$16.7 million of addition to mining rigs in the year ended December 31, 2025 and 2024 were transferred from inventories.

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(2) During the year ended December 31, 2025, the Group recognized impairment losses of approximately US\$8.7 million on certain mining rigs, predominantly older-generation rigs. This reflects changes in market conditions, including reduced expected economic performance, increased network hash rates and lower observable market prices for comparable rigs. The Group assessed the recoverable amount of these assets based on the higher of fair value less costs of disposal and value in use. Fair value less costs of disposal was determined with reference to recent transaction prices and available secondary market listings for comparable rigs, while value in use was estimated using discounted cash flow models based on expected future cash flows from mining operations. The value in use assessment involves significant judgment and is based on assumptions such as cryptocurrency prices, network hash rate, operating costs and discount rates. Following this assessment, the carrying amounts of the affected rigs were written down to their recoverable amounts, and the resulting impairment loss was recognized in profit or loss. No impairment losses were recognized for the years ended December 31, 2024 and 2023.

As of December 31, 2025, the Group has provided certain mining rigs as collateral in connection with certain loan arrangements with BIT Group. The carrying amount of the mining rigs provided as collateral amounted to approximately US\$599.6 million. Refer Note 24 for details of the loan arrangements.

12. PROPERTY, PLANT AND EQUIPMENT

The details of property, plant and equipment are as follows:

In thousands of USD	Construction in progress	Building	Land	Machinery	Electronic equipment	Leasehold improvements and property improvements	Containerized solution	GPU equipment	Others	Total
Cost:										
At January 1, 2023	16,512	23,449	484	32,872	10,624	104,517	5,962	-	2,466	196,886
Additions	49,421	-	1,574	459	1,514	876	-	2,275	88	56,207
Construction in progress transferred in	(35,838)	3,915	-	15,476	909	12,424	3,086	-	28	-
Disposals	-	-	-	(69)	(36)	(9)	-	-	(50)	(164)
At December 31, 2023	30,095	27,364	2,058	48,738	13,011	117,808	9,048	2,275	2,532	252,929
Accumulated depreciation:										
At January 1, 2023	-	(3,525)	-	(6,803)	(2,473)	(43,003)	(1,491)	-	(955)	(58,250)
Charge for the year	-	(1,106)	-	(6,678)	(1,922)	(27,978)	(1,402)	(72)	(741)	(39,899)
Disposals	-	-	-	19	18	3	-	-	40	80
At December 31, 2023	-	(4,631)	-	(13,462)	(4,377)	(70,978)	(2,893)	(72)	(1,656)	(98,069)
At December 31, 2023	30,095	22,733	2,058	35,276	8,634	46,830	6,155	2,203	876	154,860
Cost:										
At January 1, 2024	30,095	27,364	2,058	48,738	13,011	117,808	9,048	2,275	2,532	252,929
Addition	118,253	642	-	230	8,135	16	175	10,009	12	137,472
Acquired through the business combinations (Note 5(b) and 5(c))	-	99	1,091	34	73	-	-	-	81	1,378
Construction in progress transferred in	(4,250)	667	-	948	1	2,518	-	-	116	-
Disposals	-	-	-	(15)	(239)	-	-	-	(252)	(506)
Exchange adjustments	-	(4)	(16)	(2)	(1)	-	-	-	(4)	(27)
At December 31, 2024	144,098	28,768	3,133	49,933	20,980	120,342	9,223	12,284	2,485	391,246
Accumulated depreciation:										
At January 1, 2024	-	(4,631)	-	(13,462)	(4,377)	(70,978)	(2,893)	(72)	(1,656)	(98,069)
Charge for the year	-	(1,466)	-	(6,854)	(2,862)	(26,269)	(2,236)	(2,052)	(381)	(42,120)
Disposals	-	-	-	11	200	-	-	-	105	316
Exchange adjustments	-	2	-	-	1	-	-	-	1	4
At December 31, 2024	-	(6,095)	-	(20,305)	(7,038)	(97,247)	(5,129)	(2,124)	(1,931)	(139,869)
At December 31, 2024	144,098	22,673	3,133	29,628	13,942	23,095	4,094	10,160	554	251,377

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In thousands of USD	Construction in progress	Building	Land	Machinery	Electronic equipment	Leasehold improvements and property improvements	Containerized solution	GPU equipment	Others	Total
Cost:										
At January 1, 2025	144,098	28,768	3,133	49,933	20,980	120,342	9,223	12,284	2,485	391,246
Additions ⁽¹⁾	227,673	576	3,438	939	5,405	373	-	1,372	1,048	240,824
Construction in progress transferred in	(236,130)	38,292	-	74,117	5,490	80,063	37,455	-	713	-
Disposals	-	-	-	(557)	(592)	(2)	-	-	(15)	(1,166)
Exchange adjustments	146	13	49	4	3	-	-	-	10	225
At December 31, 2025	<u>135,787</u>	<u>67,649</u>	<u>6,620</u>	<u>124,436</u>	<u>31,286</u>	<u>200,776</u>	<u>46,678</u>	<u>13,656</u>	<u>4,241</u>	<u>631,129</u>
Accumulated depreciation:										
At January 1, 2025	-	(6,095)	-	(20,305)	(7,038)	(97,247)	(5,129)	(2,124)	(1,931)	(139,869)
Charge for the year	-	(2,445)	-	(9,575)	(4,165)	(23,297)	(3,167)	(2,667)	(424)	(45,740)
Disposals	-	-	-	458	561	2	-	-	11	1,032
Exchange adjustments	-	(6)	-	(1)	(1)	-	-	-	(3)	(11)
At December 31, 2025	<u>-</u>	<u>(8,546)</u>	<u>-</u>	<u>(29,423)</u>	<u>(10,643)</u>	<u>(120,542)</u>	<u>(8,296)</u>	<u>(4,791)</u>	<u>(2,347)</u>	<u>(184,588)</u>
Impairment:										
At January 1, 2025	-	-	-	-	-	-	-	-	-	-
Additions ⁽²⁾	(4,744)	-	-	-	-	-	-	-	-	(4,744)
At December 31, 2025	<u>(4,744)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(4,744)</u>
Net book value:										
At December 31, 2025	<u>131,043</u>	<u>59,103</u>	<u>6,620</u>	<u>95,013</u>	<u>20,643</u>	<u>80,234</u>	<u>38,382</u>	<u>8,865</u>	<u>1,894</u>	<u>441,797</u>

(1) For the year ended December 31, 2025, the additions of construction in progress are inclusive of capitalized interest from borrowings, comprising convertible senior notes and borrowings from a related party, amounting to US\$11.1 million and capitalized interest from lease liabilities amounting to US\$0.2 million. Interest were capitalized at a capitalization rate of 11.7% per annum, which represents the weighted average of the borrowing costs applicable to the Group's borrowings that were outstanding during the year. There was no interest capitalized for the years ended December 31, 2024 and 2023.

(2) During the year ended December 31, 2025, the Group recognized an impairment loss of approximately US\$4.7 million related to certain property, plant and equipment at its Massillon development site in Ohio. The impairment was triggered by a fire incident in November 2025 at the under-construction facility, which resulted in damage to certain buildings and related assets, with no mining equipment installed at the time. Following the incident, management assessed the recoverable amount of the affected assets and determined that their carrying amounts exceeded their recoverable amounts due to the physical damage sustained. The recoverable amount was determined based on fair value less costs of disposal, considering the extent of damage, expected restoration or replacement costs, and current market conditions.

Construction in progress primarily represents the construction of AI and mining datacenters.

The Group had entered into contractual commitments, which was not recognized in payables, for the acquisition of property, plant and equipment amounting to approximately US\$41.7 million and US\$44.9 million as of the years ended December 31, 2025 and 2024, respectively.

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13. INVESTMENT PROPERTIES

The details of investment properties are as follows:

In thousands of USD	Leasehold land	Building	Others	Total
Cost:				
At January 1, 2023	5,746	30,679	394	36,819
Additions	82	224	701	1,007
Exchange adjustments	87	370	6	463
At December 31, 2023	<u>5,915</u>	<u>31,273</u>	<u>1,101</u>	<u>38,289</u>
Accumulated depreciation:				
At January 1, 2023	(199)	(1,051)	(27)	(1,277)
Charge for the year	(390)	(2,104)	(107)	(2,601)
Exchange adjustments	(12)	(50)	(3)	(65)
At December 31, 2023	<u>(601)</u>	<u>(3,205)</u>	<u>(137)</u>	<u>(3,943)</u>
Net book value:				
At December 31, 2023	<u>5,314</u>	<u>28,068</u>	<u>964</u>	<u>34,346</u>
Cost:				
At January 1, 2024	5,915	31,273	1,101	38,289
Additions	38	-	241	279
Disposals	(616)	-	-	(616)
Exchange adjustments	(162)	(718)	(38)	(918)
At December 31, 2024	<u>5,175</u>	<u>30,555</u>	<u>1,304</u>	<u>37,034</u>
Accumulated depreciation:				
At January 1, 2024	(601)	(3,205)	(137)	(3,943)
Charge for the year	(371)	(2,139)	(207)	(2,717)
Disposals	218	-	-	218
Exchange adjustments	21	103	7	131
At December 31, 2024	<u>(733)</u>	<u>(5,241)</u>	<u>(337)</u>	<u>(6,311)</u>
Net book value:				
At December 31, 2024	<u>4,442</u>	<u>25,314</u>	<u>967</u>	<u>30,723</u>
Cost:				
At January 1, 2025	5,175	30,555	1,304	37,034
Additions	111	316	-	427
Disposals	-	-	(67)	(67)
Exchange adjustments	309	1,446	76	1,831
At December 31, 2025	<u>5,595</u>	<u>32,317</u>	<u>1,313</u>	<u>39,225</u>
Accumulated depreciation:				
At January 1, 2025	(733)	(5,241)	(337)	(6,311)
Charge for the year	(387)	(2,187)	(219)	(2,793)
Disposals	-	-	57	57
Exchange adjustments	(50)	(279)	(23)	(352)
At December 31, 2025	<u>(1,170)</u>	<u>(7,707)</u>	<u>(522)</u>	<u>(9,399)</u>
Net book value:				
At December 31, 2025	<u>4,425</u>	<u>24,610</u>	<u>791</u>	<u>29,826</u>

Leasehold land included in investment properties were right-of-use assets associated with leasehold land under operating leases where the building was constructed on. See Note 15.

The Group leases the investment properties to its customers under operating leases for terms ranging from one to twelve years, with an option to extend for an additional lease term. The lease contracts contain market review clauses in the event that the lessees exercise their options to extend. The lessees do not have bargain purchase options to acquire the investment properties at the expiry of the lease term.

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The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

In thousands of USD	At December 31, 2025
2026	3,178
2027	2,951
2028	2,950
2029	2,928
2030	2,336
Thereafter	3,102
Total	17,445

The Group has no restrictions on the use of its investment properties and no contractual obligations to each investment property purchased or for repairs, maintenance and enhancements.

The fair value of investment properties of the Group as of December 31, 2025 and 2024 was approximately US\$33.8 million and US\$35.4 million, respectively, determined using the income approach based on the operation projection and the discount rate with the assistance of an independent valuation specialist. The investment properties were classified as Level 3 in the fair value hierarchy.

The Group did not record any impairment related to investment properties as of December 31, 2025 and 2024.

14. INTANGIBLE ASSETS AND GOODWILL

The details of intangible assets and goodwill are as follows:

In thousands of USD	Rights to electrical capacity	Technologies	Patents, trademarks, royalties and other rights	Others	Total intangible assets	Goodwill
Cost:						
At January 1, 2023	-	-	3	441	444	-
Additions	-	-	4,896	313	5,209	-
At December 31, 2023	-	-	4,899	754	5,653	-
Accumulated amortization:						
At January 1, 2023	-	-	(1)	(121)	(122)	-
Charge for the year	-	-	(572)	(182)	(754)	-
At December 31, 2023	-	-	(573)	(303)	(876)	-
Net book value:						
At December 31, 2023	-	-	4,326	451	4,777	-
Cost						
At January 1, 2024	-	-	4,899	754	5,653	-
Additions	-	-	119	659	778	-
Acquired through the business combinations (Note 5(b) and 5(c))	22,429	63,633	-	-	86,062	35,818
At December 31, 2024	22,429	63,633	5,018	1,413	92,493	35,818
Accumulated amortization:						
At January 1, 2024	-	-	(573)	(303)	(876)	-
Charge for the year	-	(7,070)	(1,007)	(305)	(8,382)	-
At December 31, 2024	-	(7,070)	(1,580)	(608)	(9,258)	-
Net book value:						
At December 31, 2024	22,429	56,563	3,438	805	83,235	35,818
Cost:						
At January 1, 2025	22,429	63,633	5,018	1,413	92,493	35,818
Additions	29,281	-	4,150	273	33,704	-
At December 31, 2025	51,710	63,633	9,168	1,686	126,197	35,818
Accumulated amortization:						
At January 1, 2025	-	(7,070)	(1,580)	(608)	(9,258)	-
Charge for the year	-	(21,211)	(2,185)	(111)	(23,507)	-
At December 31, 2025	-	(28,281)	(3,765)	(719)	(32,765)	-
Net book value:						
At December 31, 2025	51,710	35,352	5,403	967	93,432	35,818

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The Group had entered into contractual commitments, which were not recognized in payables, for the acquisition of intangible assets amounting to US\$1.8 million and nil as of December 31, 2025 and December 31, 2024, respectively.

As of December 31, 2025, the Group identified three Cash-generating units (“CGUs”) to which indefinite useful life intangible assets and goodwill are allocated for impairment testing. The carrying amounts have been allocated to the CGUs as follows:

In thousands of USD	At December 31, 2025 and 2024	
	Rights to electrical capacity	Goodwill
Tydal Data Center AS	14,285	4,389
Troll Housing AS	8,144	10,062
FreeChain	-	21,367
Total	22,429	35,818

Tydal Data Center AS

The recoverable amount of Tydal Data Center AS has been determined based on a value in use calculation using cash flow projections. The key assumptions underlying this estimation reflect management’s assessment of future industry trends, drawing from both internal and external historical data. As of December 31, 2025 and 2024, the pre-tax discount rate applied to the cash flow projections is 18.9% and 19.4%, respectively derived from market-based inputs, with adjustments made to account for CGU-specific risk premiums.

The cash flow projections included specific estimates of five years and a terminal growth rate thereafter. As of December 31, 2025 and 2024, the terminal growth rate of 3.0% aligns with the inflation rate applicable to the CGU’s location, reflecting assumptions that a market participant would reasonably make.

As of December 31, 2024, the budgeted EBIT is projected to increase at an average rate of 21.0% per annum and was estimated based on past experience, taking into account of the revenue generation expected from the 175MW site expansion plan. During the year ended December 31, 2025, the Group has assessed to convert the plan into AI infrastructure commencing in 2026 and onwards. As of December 31, 2025, following the conversion plan, budgeted EBIT is projected to increase at an average rate of 80.2% per annum.

As of December 31, 2025 and 2024, the estimated recoverable amount of the CGU exceeded its carrying amount by approximately US\$44.9 million and US\$11.1 million, respectively.

Troll Housing AS

The recoverable amount of Troll Housing AS has been determined based on a value in use calculation using cash flow projections. The key assumptions underlying this estimation reflect management’s assessment of future industry trends, drawing from both internal and external historical data. As of December 31, 2025 and 2024, the pre-tax discount rate applied to cash flow projections is 18.8% and 19.0%, respectively derived from market-based inputs, with adjustments made to account for CGU-specific risk premiums.

The cash flow projections included specific estimates of five years and a terminal growth rate thereafter. As of December 31, 2025 and 2024, the terminal growth rate of 3.0% aligns with the inflation rate applicable to the CGU’s location, reflecting assumptions that a market participant would reasonably make.

As of December 31, 2025 and 2024, budgeted EBIT is projected to increase at an average of 33.8% and 25.4% per annum, respectively and was estimated taking into account past experiences and expectations of futures.

As of December 31, 2025 and 2024, the estimated recoverable amount of the CGU exceeded its carrying amount by approximately US\$28.6 million and US\$7.4 million, respectively.

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FreeChain

The recoverable amount of FreeChain has been determined based on a fair value less costs of disposal calculation using cash flow projections. The fair value measurement was categorised as a level 3 fair value based on the inputs in the valuation technique used. The key assumptions underlying this estimation reflect management's assessment of future industry trends, drawing from both internal and external historical data. As of December 31, 2025 and 2024, the pre-tax discount rate applied to cash flow projections is 37.4% and 37.3%, respectively derived from market-based inputs, with adjustments made to account for CGU-specific risk premiums.

The cash flow projections included specific estimates of five years and a terminal growth rate thereafter. As of December 31, 2025 and 2024, the terminal growth rate is 2.0% aligns with the inflation rate applicable to the CGU's location, reflecting assumptions that a market participant would reasonably make.

As of December 31, 2025 and 2024, budgeted revenue is projected to increase at an average of 2.3% and 5.0% per annum, respectively and was estimated based on expected future outcomes and anticipated revenue growth. Revenue growth was projected considering the estimated production and sales volume, particularly the involvement in mining rig development within the ASIC and mining rig business.

As of December 31, 2025 and 2024, the estimated recoverable amount of the CGU exceeded its carrying amount by approximately US\$840.4 million and US\$518.6 million, respectively.

The following table shows the amount by which the key assumptions would need to increase/ (decrease) individually for the estimated recoverable amount to be equal to the carrying amount.

In %	At December 31, 2025		
	Tydal Data Center AS	Troll Housing AS	FreeChain
Discount rate	23.1	17.6	47.3
EBIT margin	(60.2)	(54.6)	N/A
Revenue	N/A	N/A	(17.5)

In %	At December 31, 2024		
	Tydal Data Center AS	Troll Housing AS	FreeChain
Discount rate	6.8	6.5	Nm*
EBIT margin	(26.0)	(28.4)	N/A
Revenue	N/A	N/A	(19.2)

* FreeChain has substantial recoverable amount, and it is unlikely that a change in the discount rate that will result in the amount fair value less cost of disposal of FreeChain equal to the carrying amount would occur under reasonable scenarios for the year ended December 31, 2024.

15. LEASES

The Group occupies most of its office premises and certain AI and mining datacenters under lease arrangements, which generally have an initial lease term between two to thirty years. Lease contracts are typically made for fixed periods but may have extension options. The Group accounts for lease and non-lease components separately, where the non-lease component is charged to expenses as they incur. Any extension options in these leases have not been included in the lease liabilities unless the Group is reasonably certain to exercise the extension option. In addition, periods after termination options are only included in the lease term if the lease is reasonably certain not to be terminated. The Group does not have an option to purchase these leased assets at the expiration of the lease periods.

The consolidated statements of financial position show the following amounts relating to the right-of-use assets:

In thousands of USD	At December 31,	
	2025	2024
Right-of-use assets		
- Land and buildings	83,292	69,273
Investment properties		
- Leasehold land	4,425	4,442

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Addition to the right-of-use assets and investment properties of leasehold land for the years ended December 31, 2025, 2024 and 2023 was approximately US\$28.4 million, US\$23.5 million and US\$5.1 million, respectively.

The Group is obligated to complete site restoration for certain leased properties, including leasehold land of investment properties, as required under the respective lease agreements. The provision for the site restoration is updated annually.

The following table represents the movement of the restoration provision:

In thousands of USD

Restoration provision at January 1, 2023	1,343
Change in provision	-
Exchange adjustments	20
Restoration provision at December 31, 2023	1,363
Change in provision	-
Exchange adjustments	(2)
Restoration provision at December 31, 2024	1,361
Change in provision	778
Unwind of discount	5
Exchange adjustments	80
Restoration provision at December 31, 2025	2,224

The consolidated statements of financial position show the following amounts relating to the lease liabilities:

In thousands of USD	At December 31,	
	2025	2024
Lease liabilities mature within 12 months	9,226	5,460
Lease liabilities mature over 12 months	88,980	72,673
Total lease liabilities *	98,206	78,133

* Lease liabilities in amount of approximately US\$3.8 million and US\$3.8 million was related to the leasehold land included in the investment properties as of December 31, 2025 and 2024, respectively. See Note 13.

Amounts recognized in profit or loss:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Depreciation expense of right-of-use assets	13,112	8,407	6,624
Interest expense *	3,775	3,473	2,605
Expenses relating to variable payment leases	159	197	224
Expenses relating to short-term leases	455	303	286
(Gain) / Loss on lease termination	(68)	197	-
Total	17,433	12,577	9,739

* The interest expense includes the amount related to the leasehold land included in the investment properties for the years ended December 31, 2025, 2024 and 2023 of approximately US\$0.2 million, US\$0.2 million and US\$0.2 million, respectively. See Note 13.

The total cash outflow for leases, including the capital element of lease rentals paid and interests paid on leases for the years ended December 31, 2025, 2024 and 2023 was approximately US\$12.0 million, US\$13.1 million and US\$7.8 million, respectively.

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16. BORROWINGS

Borrowings consist of the following:

In thousands of USD	At December 31	
	2025	2024
Promissory note (a)	-	14,907
August 2024 convertible senior notes (b)	-	32,503
November 2024 convertible senior notes (c)	93,630	160,717
June 2025 convertible senior notes (d)	160,409	-
November 2025 convertible senior notes (e)	198,740	-
Bank loans	26,481	-
Total	479,260	208,127
Current	478,792	208,127
Non-current	468	-
Total	479,260	208,127

For the years ended December 31, 2025, 2024 and 2023, the interest arising from borrowings including the interest capitalized to property, plant and equipment was approximately US\$106.6 million, US\$14.3 million and US\$2.5 million, respectively.

(a) Promissory note

The Group issued a US\$30.0 million promissory note on July 23, 2021. The promissory note is non-secured, bears an annual interest rate of 8%, matures on July 23, 2023 and provides the holder an option to convert all or any portion of the note into the ordinary shares of Bitdeer at US\$0.0632 per share at any time from the issuance of the note to the second anniversary of the date of issuance. Approximately US\$683,000 was recognized as an equity component. During the year ended December 31, 2023, the Group repaid US\$7.0 million in principal and amended the promissory note to extend the maturity of the promissory note to July 21, 2025. In addition, to reflect the reverse recapitalization effectuated in April 2023, the shares of the promissory note is convertible into was changed from the ordinary shares of Bitdeer to the Class A ordinary shares of the Group, and the per-share conversion price was adjusted to US\$7.3660 from US\$0.0632. The extension of the maturity date is accounted for as a debt modification, and a gain from modification of approximately US\$481,000 was recognized in earnings. During the year ended December 31, 2024, the holder of promissory note converted principal amount of US\$8.0 million for 1,086,070 Class A ordinary shares. The unamortized discount as of December 31, 2024 and 2023 was approximately US\$93,000 and US\$382,000, respectively. Upon maturity in July 2025, the holder converted the remaining principal amount of US\$15.0 million into 2,036,383 Class A ordinary shares, resulting in the full settlement of the promissory note.

(b) August 2024 convertible senior notes

In August 2024, the Group issued US\$172.5 million in aggregate principal amount of the 8.5% Convertible Senior Notes due 2029 (the “August 2024 convertible senior notes”). The August 2024 convertible senior notes are senior and unsecured obligations of the Group. The notes rank senior in right of payment to all of the Group’s indebtedness that is expressly subordinated in right of payment to the notes, equal in right of payment with all of the Group’s liabilities that are not so subordinated, effectively junior to any of the Group’s secured indebtedness to the extent of the value of the assets securing such indebtedness and structurally junior to all indebtedness and other liabilities, including trade payables, of the Group’s subsidiaries.

The August 2024 convertible senior notes accrue interest at a rate of 8.5% per annum, payable semi-annually in arrears on February 15 and August 15 of each year, beginning on February 15, 2025. The August 2024 convertible senior notes will mature on August 15, 2029, unless earlier repurchased, redeemed or converted. At any time prior to the close of business on the second scheduled trading day immediately preceding the maturity date, holders may convert their August 2024 convertible senior notes at their option. The Group is able to settle the conversion using shares, cash or a combination at its own discretion. The conversion rate is initially 117.0207 Class A ordinary shares per US\$1,000 principal amount of August 2024 convertible senior notes, and the number of Class A ordinary shares issuable upon conversion is subject to customary adjustments upon the occurrence of certain events, such as the interest make-whole conversion rate adjustment, or conversion upon a make-whole fundamental change, as defined in the agreement of the August 2024 convertible senior notes.

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Under the interest make-whole conversion rate adjustment, the holders of the August 2024 convertible senior notes are able to convert at any time during the period from, and including, the date that is six months after the last date of original issuance of the notes until the close of business on the business day immediately preceding August 1, 2027 (other than a conversion in connection with a make-whole fundamental change or a cleanup redemption or a tax redemption). During the period, the Group will increase the conversion rate per US\$1,000 principal amount of notes to be converted by a number of additional Class A ordinary shares.

The Group is able to call for redemption of the August 2024 convertible senior notes based on the terms and conditions specified in the agreement of the August 2024 convertible senior notes at a redemption price equal to the principal amount of the notes to be redeemed, plus any accrued and unpaid interest. In addition, upon the occurrence of a fundamental change, as defined in the agreement of the August 2024 convertible senior notes, holders may require the Group to repurchase their August 2024 convertible senior notes at a cash repurchase price equal to the principal amount of the August 2024 convertible senior notes to be repurchased, plus accrued and unpaid interest.

The conversion features embedded to the August 2024 convertible senior notes met the criteria to be separated from the host contract and recognized separately at fair value. The total proceeds received were first allocated to the fair value of the derivative liability, and the remaining proceeds allocated to the host. The host is subsequently measured using the effective interest method, and the derivative liability is measured at fair value, with changes in fair value recorded in profit or loss. The borrowings and associated derivative liabilities arising from the August 2024 convertible senior notes are classified as current liabilities as of December 31, 2024. As of December 31, 2025, the August 2024 convertible senior notes have been fully redeemed and extinguished.

Unamortized debt discount and transaction costs were reported as a direct deduction from the face amount of the August 2024 convertible senior notes.

During the year ended December 31, 2024, the Group issued 9,160,220 Class A ordinary shares and paid cash of US\$16.6 million to certain holders of the August 2024 convertible senior notes for the settlement of an aggregate principal amount of US\$74.8 million. The settlement was accounted for as an extinguishment of the August 2024 convertible senior notes and resulted in a loss on extinguishment of convertible notes of US\$8.2 million for the year ended December 31, 2024.

During the year ended December 31, 2025, there were 3 types of settlements of the August 2024 convertible senior notes:

- The holders of the August 2024 convertible senior notes with aggregate principal amount of approximately US\$14.4 million have converted their notes, in accordance with the terms specified in the August 2024 convertible senior notes, into 1,968,760 of the Group's Class A ordinary shares, with no cash consideration.
- The holders of the August 2024 convertible senior notes with aggregate principal amount of approximately US\$75.7 million have exchanged their notes into 8,093,427 of the Group's Class A ordinary shares and cash consideration of US\$36.1 million, which included accrued interest. The exchange of notes was accounted as an extinguishment of the August 2024 convertible senior notes and resulted in a loss on extinguishment of convertible notes of US\$16.2 million.
- The Group redeemed the remaining outstanding US\$7.7 million aggregate principal amount of its August 2024 convertible senior notes at a conversion rate of 127.9743 Class A ordinary shares per US\$1,000 principal amount, adjusted pursuant to the agreement for a total of 985,400 Class A ordinary shares.

The following table reconciles the carrying value of the August 2024 convertible senior notes as of December 31, 2025 and 2024:

In thousands of USD

Proceeds from issuance of convertible notes	172,500
Less: transaction costs	(6,204)
Less: fair value of embedded derivative (see Note 17)	(112,205)
Carrying value of convertible notes at inception	54,091
Amortized debt discount	2,902
Debt extinguishment	(24,490)
Balance at December 31, 2024	32,503
Amortized debt discount	2,738
Debt extinguishment	(35,241)
Balance at December 31, 2025	-

As of December 31, 2025 and 2024, the unamortized debt discount was nil and US\$65.2 million.

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(c) November 2024 convertible senior notes

In November 2024, the Group issued US\$400.0 million in aggregate principal amount of the 5.25% Convertible Senior Notes due 2029 (the “November 2024 convertible senior notes”). The November 2024 convertible senior notes are senior and unsecured obligations of the Group. The notes rank senior in right of payment to all of the Group’s indebtedness that is expressly subordinated in right of payment to the notes, equal in right of payment with all of the Group’s liabilities that are not so subordinated, including other convertible senior notes issued by the Group from time to time, and effectively junior to any of the Group’s secured indebtedness to the extent of the value of the assets securing such indebtedness and structurally junior to all indebtedness and other liabilities, including trade payables, of the Group’s subsidiaries.

The November 2024 convertible senior notes accrue interest at a rate of 5.25% per annum, payable semi-annually in arrears on June 1 and December 1 of each year, beginning on June 1, 2025. The November 2024 convertible senior notes will mature on December 1, 2029, unless earlier repurchased, redeemed or converted. Holders may convert their November 2024 convertible senior notes at their option upon satisfaction of certain conditions as defined in the conversion privilege section of the agreement of the November 2024 convertible senior notes, or any time after September 1, 2029, and prior to the close of business on the second scheduled trading day immediately preceding the maturity date. The Group is able to settle the conversion using shares, cash or a combination at its own discretion. The initial conversion rate is 62.7126 Class A ordinary shares per US\$1,000 principal amount of November 2024 convertible senior notes, and the number of Class A ordinary shares issuable upon conversion is subject to customary adjustments upon the occurrence of certain events, such as the conversion upon a make-whole fundamental change, as defined in the agreement of the November 2024 convertible senior notes.

On December 6, 2027 (the “specified repurchase date”), the holders of the November 2024 convertible senior notes may require the Group to repurchase all or a portion of their notes for cash, in principal amounts of US\$1,000 or any integral multiple thereof. The repurchase price will be equal to 100% of the principal amount of the notes being repurchased, plus accrued and unpaid interest up to, but excluding, the specified repurchase date.

The Group is able to call for redemption of the November 2024 convertible senior notes based on the terms and conditions specified in the agreement of the November 2024 convertible senior notes at a redemption price equal to the principal amount of the notes to be redeemed, plus any accrued and unpaid interest. In addition, upon the occurrence of a fundamental change, as defined in the agreement of the November 2024 convertible senior notes, holders may require the Group to repurchase their November 2024 convertible senior notes at a cash repurchase price equal to the principal amount of the November 2024 convertible senior notes to be repurchased, plus accrued and unpaid interest.

The conversion features embedded to the November 2024 convertible senior notes met the criteria to be separated from the host contract and recognized separately at fair value. The total proceeds received were first allocated to the fair value of the derivative liability, and the remaining proceeds allocated to the host. The host is subsequently measured using the effective interest method, and the derivative liability is measured at fair value, with changes in fair value recorded in profit or loss. The borrowings and associated derivative liabilities arising from the November 2024 convertible senior notes are classified as current liabilities as of December 31, 2025 and 2024.

Unamortized debt discount and transaction costs were reported as a direct deduction from the face amount of the November 2024 convertible senior notes.

During the year ended December 31, 2025, the Group has repurchased an outstanding US\$200.0 million aggregate principal amount of its November 2024 convertible senior notes by way of cash consideration of US\$119.3 million and 10,661,140 Class A ordinary shares through the registered direct offering, resulting in a loss on extinguishment of convertible notes of US\$44.2 million.

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The following table reconciles the carrying value of the November 2024 convertible senior notes as of December 31, 2025 and 2024:

In thousands of USD

Proceeds from issuance of convertible notes	400,000
Less: transaction costs	(13,214)
Less: fair value of embedded derivative (see Note 17)	(228,298)
Carrying value of convertible notes at inception	158,488
Amortized debt discount	2,229
Balance at December 31, 2024	160,717
Amortized debt discount	24,842
Debt extinguishment	(91,929)
Balance at December 31, 2025	93,630

As of December 31, 2025 and 2024, the unamortized debt discount was US\$106.4 million and US\$239.3 million, respectively.

(d) June 2025 convertible senior notes

In June 2025, the Group issued US\$375.0 million in aggregate principal amount of 4.875% Convertible Senior Notes due 2031 (the “June 2025 convertible senior notes”). The June 2025 convertible senior notes are senior and unsecured obligations of the Group. The notes rank senior in right of payment to all of the Group’s indebtedness that is expressly subordinated in right of payment to the notes, equal in right of payment with all of the Group’s liabilities that are not so subordinated, including other convertible senior notes issued by the Group from time to time, effectively junior to any of the Group’s secured indebtedness to the extent of the value of the assets securing such indebtedness and structurally junior to all indebtedness and other liabilities, including trade payables, of the Group’s subsidiaries.

The June 2025 convertible senior notes accrue interest at a rate of 4.875% per annum, payable semi-annually in arrears on January 1 and July 1 of each year, beginning on January 1, 2026. The June 2025 convertible senior notes will mature on July 1, 2031, unless earlier repurchased, redeemed or converted. Holders may convert their June 2025 convertible senior notes at their option upon satisfaction of certain conditions as defined in the conversion privilege section of the agreement of the June 2025 convertible senior notes, or any time after April 1, 2031, and prior to the close of business on the second scheduled trading day immediately preceding the maturity date. The Group is able to settle the conversion using shares, cash or a combination at its own discretion. The initial conversion rate is 62.9921 Class A ordinary shares per US\$1,000 principal amount of June 2025 convertible senior notes, and the number of Class A ordinary shares issuable upon conversion is subject to customary adjustments upon the occurrence of certain events, such as the conversion upon a make-whole fundamental change, as defined in the agreement of the June 2025 convertible senior notes.

On July 6, 2029 (the “specified repurchase date”), the holders of the June 2025 convertible senior notes may require the Group to repurchase all or a portion of their notes for cash, in principal amounts of US\$1,000 or any integral multiple thereof. The repurchase price will be equal to 100% of the principal amount of the notes being repurchased, plus accrued and unpaid interest up to, but excluding, the specified repurchase date.

The Group is able to call for redemption of the June 2025 convertible senior notes based on the terms and conditions specified in the agreement of the June 2025 convertible senior notes at a redemption price equal to the principal amount of the notes to be redeemed, plus any accrued and unpaid interest. In addition, upon the occurrence of a fundamental change, as defined in the agreement of the June 2025 convertible senior notes, holders may require the Group to repurchase their June 2025 convertible senior notes at a cash repurchase price equal to the principal amount of the June 2025 convertible senior notes to be repurchased, plus accrued and unpaid interest.

The conversion features embedded to the June 2025 convertible senior notes met the criteria to be separated from the host contract and recognized separately at fair value. The total proceeds received were first allocated to the fair value of the derivative liability, and the remaining proceeds allocated to the host. The host is subsequently measured using the effective interest method, and the derivative liability is measured at fair value, with changes in fair value recorded in profit or loss. The borrowings and associated derivative liabilities arising from the June 2025 convertible senior notes are classified as current liabilities as of December 31, 2025.

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Unamortized debt discount and transaction costs were reported as a direct deduction from the face amount of the June 2025 convertible senior notes.

The following table reconciles the carrying value of the June 2025 convertible senior notes for the year ended December 31, 2025:

In thousands of USD

Proceeds from issuance of convertible notes	375,000
Less: transaction costs	(11,403)
Less: fair value of embedded derivative (see Note 17)	(212,026)
Carrying value of convertible notes at inception	151,571
Amortized debt discount	8,838
Balance at December 31, 2025	160,409

As of December 31, 2025, the unamortized debt discount was US\$214.6 million.

(e) November 2025 convertible senior notes

In November 2025, the Group issued US\$400.0 million in aggregate principal amount of 4.00% Convertible Senior Notes due 2031 (the “November 2025 convertible senior notes”). The November 2025 convertible senior notes are senior and unsecured obligations of the Group. The notes rank senior in right of payment to all of the Group’s indebtedness that is expressly subordinated in right of payment to the notes, equal in right of payment with all of the Group’s liabilities that are not so subordinated, including other convertible senior notes issued by the Group from time to time, effectively junior to any of the Group’s secured indebtedness to the extent of the value of the assets securing such indebtedness and structurally junior to all indebtedness and other liabilities, including trade payables, of the Group’s subsidiaries.

The November 2025 convertible senior notes accrue interest at a rate of 4.00% per annum, payable semi-annually in arrears on May 15 and November 15 of each year, beginning on May 15, 2026. The November 2025 convertible senior notes will mature on November 15, 2031, unless earlier repurchased, redeemed or converted. Holders may convert their November 2025 convertible senior notes at their option upon satisfaction of certain conditions as defined in the conversion privilege section of the agreement of the November 2025 convertible senior notes, or any time after August 15, 2031, and prior to the close of business on the second scheduled trading day immediately preceding the maturity date. The Group is able to settle the conversion using shares, cash or a combination at its own discretion. The initial conversion rate is 56.2635 Class A ordinary shares per US\$1,000 principal amount of November 2025 convertible senior notes, and the number of Class A ordinary shares issuable upon conversion is subject to customary adjustments upon the occurrence of certain events, such as the conversion upon a make-whole fundamental change, as defined in the agreement of the November 2025 convertible senior notes.

On November 20, 2029 (the “specified repurchase date”), the holders of the November 2025 convertible senior notes may require the Group to repurchase all or a portion of their notes for cash, in principal amounts of US\$1,000 or any integral multiple thereof. The repurchase price will be equal to 100% of the principal amount of the notes being repurchased, plus accrued and unpaid interest up to, but excluding, the specified repurchase date.

The Group is able to call for redemption of the November 2025 convertible senior notes based on the terms and conditions specified in the agreement of the November 2025 convertible senior notes at a redemption price equal to the principal amount of the notes to be redeemed, plus any accrued and unpaid interest. In addition, upon the occurrence of a fundamental change, as defined in the agreement of the November 2025 convertible senior notes, holders may require the Group to repurchase their November 2025 convertible senior notes at a cash repurchase price equal to the principal amount of the November 2025 convertible senior notes to be repurchased, plus accrued and unpaid interest.

The conversion features embedded to the November 2025 convertible senior notes met the criteria to be separated from the host contract and recognized separately at fair value. The total proceeds received were first allocated to the fair value of the derivative liability, and the remaining proceeds allocated to the host. The host is subsequently measured using the effective interest method, and the derivative liability is measured at fair value, with changes in fair value recorded in profit or loss. The borrowings and associated derivative liabilities arising from the November 2025 convertible senior notes are classified as current liabilities as of December 31, 2025.

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Unamortized debt discount and transaction costs were reported as a direct deduction from the face amount of the November 2025 convertible senior notes.

The following table reconciles the carrying value of the November 2025 convertible senior notes for the year ended December 31, 2025:

In thousands of USD	
Proceeds from issuance of convertible notes	400,000
Less: transaction costs	(12,247)
Less: fair value of embedded derivative (see Note 17)	(191,483)
Carrying value of convertible notes at inception	196,270
Amortized debt discount	2,470
Balance at December 31, 2025	198,740

As of December 31, 2025, the unamortized debt discount was US\$201.3 million.

17. DERIVATIVES

The details of derivative assets are as follows:

In thousands of USD	At December 31	
	2025	2024
Capped call instrument (a)	31,857	-
Balance at end of the year	31,857	-

The details of derivative liabilities are as follows:

In thousands of USD	At December 31	
	2025	2024
Tether warrants (b)	-	66,803
August 2024 convertible senior notes (c)	-	228,932
November 2024 convertible senior notes (d)	94,721	468,204
June 2025 convertible senior notes (e)	208,039	-
November 2025 convertible senior notes (f)	198,325	-
Balance at end of the year	501,085	763,939

(a) Capped call instrument

In November 2025, the Group entered into capped call instrument arrangement with certain financial institutions in connection with the issuance of the November 2025 convertible senior notes with the objective of hedging against the effect of shareholder dilution upon the exercise of the embedded conversion feature of the convertible senior notes, subject to a cap. The Group paid a total premium of US\$35.4 million for the capped call instrument, which was recorded as the fair value of the capped call instrument at the issuance date, November 12, 2025.

Pursuant to the arrangement, the strike price of the capped call instrument is US\$17.77 per Class A ordinary share, which was determined based on the initial conversion price of the November 2025 convertible senior notes. The cap price of the capped call instrument is US\$27.88 per Class A ordinary share, representing 100% increase from the Group's last reported sale price of Class A ordinary shares on the pricing date, November 12, 2025 of the November 2025 convertible senior notes. The capped call instrument are generally expected to settle in net shares, although the Group may elect cash or a combination of cash and shares, subject to the terms of the arrangement.

The capped call instrument are accounted for as derivative instruments and measured at fair value at the issuance date and subsequently remeasured at each reporting date, with changes in fair value recognized in the profit or loss. For the year ended December 31, 2025, the Group recognized a loss on changes in fair value of derivative asset of approximately US\$3.5 million.

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The fair value of the capped call instrument was determined using binomial model, with the assistance of an independent valuation specialist. The model incorporates the following key inputs and assumptions on the measurement date:

	Year ended December 31, 2025
Share price	11.21
Dividend yield (%)	-
Expected volatility (%)	110% - 131%
Risk-free interest rate (%)	3.81%

(b) Tether warrants

In May 2024, the Group entered into a subscription agreement with Tether International Limited (“Tether”). Pursuant to the agreement, the Group agreed to issue and sell to Tether (i) 18,587,360 Class A ordinary shares and (ii) a warrant to purchase up to 5,000,000 Class A ordinary shares at an exercise price of US\$10.00 per share (the “Tether Warrant”), for a total consideration of US\$100,000,000. The warrant includes repricing adjustments for offerings at a price lower than the existing exercise price of the warrant and as a result, the Group has the obligation to issue a variable number of shares for a fixed total consideration upon exercise of the warrants.

The warrants are accounted for as derivative instruments and measured at fair value at the issuance date and subsequently remeasured at each reporting date, with changes in fair value recognized in the profit or loss. The fair value of the warrant derivative was determined using the binomial model, with the assistance of an independent valuation specialist. Inputs to the model include assumptions about the expected volatility of the Group’s stock, the expected life of the warrants, the risk-free interest rate, and other factors.

In May 2025, the derivative liability related to the Tether Warrant was extinguished upon exercise, with the exercise price adjusted to US\$9.64 per share as a result of the repricing adjustments by issuance of 5,186,627 Class A ordinary shares to Tether. The carrying amount of approximately US\$24.2 million included in the liabilities was derecognized.

The following table provides the inputs used in the model for determining the value of the warrant derivative on the respective measurement dates:

	Years ended December 31,	
	2025	2024
Share price	14.30	5.82 - 21.67
Dividend yield (%)	-	-
Expected volatility (%)	94%	116% - 136%
Risk-free interest rate (%)	4.35%	4.28% - 5.19%

For the years ended December 31, 2025 and 2024, the Group recognized a gain on changes in fair value of derivative liability of approximately US\$42.6 million and a loss on changes in fair value of derivative liability of approximately US\$55.7 million, respectively.

(c) Embedded derivative for August 2024 convertible senior notes

In connection with the issuance of the August 2024 convertible senior notes, the Group recognized a derivative liability related to the embedded conversion feature. See Note 16 for further details on the accounting treatment of the convertible notes and associated derivative liability.

During the years ended December 31, 2025 and 2024, the August 2024 convertible senior notes underwent conversions, exchanges and redemptions, pursuant to which, the corresponding derivative liabilities associated with the embedded conversion features, amounting to approximately US\$111.0 million and US\$85.8 million, respectively, were derecognized. As a result, the derivative liabilities have been fully extinguished.

The fair value of the derivative liability was determined using a binomial model, with the assistance of an independent valuation specialist. The model incorporates the following key inputs and assumptions on the respective measurement dates:

	Years ended December 31,	
	2025	2024
Share price	9.84 - 16.92	6.73 - 21.67
Dividend yield (%)	-	-
Expected volatility (%)	110% - 118%	123% - 126%
Risk-free interest rate (%)	3.60% - 4.05%	3.70% - 4.36%

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For the years ended December 31, 2025 and 2024, the Group recognized a gain on changes in fair value of derivative liability of approximately US\$118.0 million and a loss on changes in fair value of derivative liability of approximately US\$202.6 million, respectively.

(d) Embedded derivative for November 2024 convertible senior notes

In connection with the issuance of the November 2024 convertible senior notes, the Group recognized a derivative liability related to the embedded conversion feature. See Note 16 for further details on the accounting treatment of the convertible notes and associated derivative liability.

During the year ended December 31, 2025, the November 2024 convertible senior notes underwent repurchase, pursuant to which, the corresponding derivative liabilities associated with the embedded conversion features, amounting to approximately US\$86.4 million were derecognized.

The fair value of the derivative liability was determined using a binomial model, with the assistance of an independent valuation specialist. The model incorporates the following key inputs and assumptions on the respective measurement dates:

	Years ended December 31,	
	2025	2024
Share price	10.17 - 11.21	11.16 - 21.67
Dividend yield (%)	-	-
Expected volatility (%)	108% - 109%	124% - 125%
Risk-free interest rate (%)	3.63% - 3.65%	4.17% - 4.38%

For the years ended December 31, 2025 and 2024, the Group recognized a gain on changes in fair value of derivative liability of approximately US\$287.1 million and a loss on changes in fair value of derivative liability of approximately US\$239.9 million, respectively.

(e) Embedded derivative for June 2025 convertible senior notes

In connection with the issuance of the June 2025 convertible senior notes, the Group recognized a derivative liability related to the embedded conversion feature. See Note 16 for further details on the accounting treatment of the convertible notes and associated derivative liability.

The fair value of the derivative liability was determined using a binomial model, with the assistance of an independent valuation specialist. The model incorporates the following key inputs and assumptions on the respective measurement dates:

	Year ended December 31, 2025
Share price	10.91 - 11.21
Dividend yield (%)	-
Expected volatility (%)	119% - 122%
Risk-free interest rate (%)	3.78% - 4.01%

For the year ended December 31, 2025, the Group recognized a gain on changes in fair value of derivative liability of approximately US\$4.0 million.

(f) Embedded derivative for November 2025 convertible senior notes

In connection with the issuance of the November 2025 convertible senior notes, the Group recognized a derivative liability related to the embedded conversion feature. See Note 16 for further details on the accounting treatment of the convertible notes and associated derivative liability.

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The fair value of the derivative liability was determined using a binomial model, with the assistance of an independent valuation specialist. The model incorporates the following key inputs and assumptions on the respective measurement dates:

	Year ended December 31, 2025
Share price	10.63 - 11.21
Dividend yield (%)	-
Expected volatility (%)	121%
Risk-free interest rate (%)	3.81% - 3.82%

For the year ended December 31, 2025, the Group recognized a loss on changes in fair value of derivative liability of approximately US\$6.8 million.

18. TRADE PAYABLES

Trade payables consist of the following:

In thousands of USD	At December 31,	
	2025	2024
Electricity payables	50,155	12,457
Production and supply chain payables	34,027	3,666
Construction and infrastructure-related payables	23,342	14,015
Logistics and import duties payables	12,165	824
Others	129	509
Total	119,818	31,471

19. OTHER PAYABLES AND ACCRUALS

Other payables and accruals consist of the following:

In thousands of USD	At December 31,	
	2025	2024
Deposits from customers	25,571	12,561
Accrued operating expenses	10,242	9,537
Payables for surtaxes	8,357	8,164
Interest payable	3,682	5,018
Payable to the former owners in Norway Acquisition ⁽¹⁾	2,168	2,657
Payables for staff-related costs	3,484	1,932
Restoration provision	2,224	1,361
Others	1,340	1,037
Total	57,068	42,267
Current	54,655	40,617
Non-current	2,413	1,650
	57,068	42,267

(1) Represent balance due to former owners in Norway Acquisition, which is a normal annual dividend authorized prior to the acquisition. It is thus accounted for as part of the liabilities assumed from the business combination described in Note 5(b), and listed in other payables.

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20. EXPENSES BY NATURE AND OTHER INCOME AND EXPENSES ITEMS

(a) Expenses by nature

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Staff cost			
- salaries, wages and other benefits	83,138	63,434	52,873
Share-based payments	38,493	33,968	45,488
Amortization			
- intangible assets	23,507	8,382	754
Depreciation			
- mining rigs	82,967	19,470	25,663
- property, plant and equipment	45,740	42,120	39,899
- investment properties	2,793	2,717	2,601
- right-of-use assets	13,112	8,407	6,624
Electricity cost in operating mining rigs	273,004	179,765	180,565
Cost of mining rigs and accessories sold	89,302	1,652	4
One-off incremental development expense	72,060	29,017	-
AI cloud service fee	5,331	1,747	*
Consulting service fee	15,863	8,953	9,757
Research and development technical service fees	9,011	5,102	2,854
Office expenses	5,777	4,302	3,987
Travel expenses	5,749	3,853	2,843
Expenses of low-value consumables	4,833	2,326	2,557
Tax and surcharge	4,378	1,090	5,442
Write-down of inventories	3,885	-	-
Insurance fee	3,279	2,591	2,427
Advertising expenses	3,005	2,998	1,383
Logistic expenses	512	334	557
Research and development material expenses	489	926	-
Expenses of short-term leases	455	303	286
Expenses of variable payment lease	159	197	224
Others	17,377	9,035	8,191
Total cost of revenue, selling, general and administrative and research and development expenses	804,219	432,689	394,979

* Amount lesser than US\$1,000.

(b) Other operating income / (expenses)

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Net gains on disposal of cryptocurrencies	9,741	8,188	2,061
Change in fair value of cryptocurrency-settled receivables and payables	(631)	(6,362)	3,305
Impairment loss on cryptocurrencies	(3,752)	(936)	(2)
Change in fair value of cryptocurrencies – receivables	(26,710)	-	-
Net losses on disposal of mining rigs	-	(13)	(1,573)
Others	-	(150)	-
Total	(21,352)	727	3,791

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(c) Other net gains / (losses)

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Change in fair value of derivative liabilities	444,861	(498,167)	-
Gain / (Loss) on lease termination	68	(197)	-
Government grants	28	47	48
Net gains / (losses) on disposal of property, plant and equipment and investment properties	(144)	108	(11)
Impairment loss on other assets	(1,290)	-	-
Donations	(2,397)	(188)	(440)
Change in fair value of derivative assets	(3,543)	-	-
Changes in fair value of financial assets at fair value through profit or loss	(3,662)	1,970	3,527
Impairment loss on property, plant and equipment	(4,744)	-	-
Impairment loss on mining rigs	(8,665)	-	-
Loss on extinguishment of convertible notes	(60,403)	(8,172)	-
Change in fair value of holdback shares issued in connection with the FreeChain Acquisition	-	(3,186)	-
Gain on modification of convertible debt	-	-	481
Others	4,929	306	(67)
Total	365,038	(507,479)	3,538

(d) Finance income / (expenses)

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Interest income	7,605	7,871	7,953
Gain / (Loss) on foreign currency transactions	3,442	(1,585)	(1,016)
Cryptocurrency transaction service fee	(7)	(27)	(233)
Other interest expenses	(10)	(138)	-
Interest expenses on lease liabilities	(3,775)	(3,473)	(2,605)
Interest expense on borrowings from a related party	(26,750)	-	-
Interest expense on borrowings	(68,797)	(14,310)	(2,476)
Others	(598)	(273)	(347)
Total	(88,890)	(11,935)	1,276

21. SHARE-BASED PAYMENTS

In July 2021, the board of directors of Bitdeer approved the adoption of the 2021 Share Incentive Plan (the “2021 Plan”). Bitdeer granted a total of 1,097,852,000 share awards (before the effects of reverse recapitalization) in two batches in August and November 2021 in the year ended December 31, 2021, a total of 139,690,400 share awards (before the effects of reverse recapitalization) in four batches in January, April, July and October 2022 in the year ended December 31, 2022, and a total of 46,805,600 share awards (before the effects of reverse recapitalization) in two batches in January and April 2023, to the designated recipients under the 2021 Plan. Each share award grants an option for the recipient to purchase one share of Bitdeer’s ordinary shares at an exercise price of US\$0.03 per share (before the effects of reverse recapitalization). The majority of the share awards vest from two to seven years and certain share awards vest immediately upon issuance. The recipient shall continue to provide services to the Group by each vesting date. All share awards granted expire on July 20, 2031.

In March 2023, the board of directors of BTG approved the 2023 Share Incentive Plan (the “2023 Plan”), which was effective upon the completion of the Business Combination on April 13, 2023.

Upon completion of the Business Combination, the share awards granted under 2021 Plan of Bitdeer were assumed by BTG and converted into the share awards under the 2023 Plan at an exchange ratio of approximately 0.00858 with rounded down to the nearest whole share, and the exercise price of the Bitdeer share awards was also adjusted at an exchange ratio of approximately 0.00858. In April 2023, the Group modified the expiration date of all outstanding share awards to be the tenth anniversary from the date of grant. The modification had no impact to the overall financial presentation.

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Under the 2023 Plan, the Group is able to issue up to an aggregate of 21,877,912 Class A ordinary shares to the designated recipients. BTG granted a total of 1,256,122 shares awards in two batches in July and October 2023 for the year ended December 31, 2023, a total of 4,443,271 shares awards in five batches in January, April, July, September and October 2024 for the year ended December 31, 2024, and a total of 1,754,512 shares awards in four batches in January, April, July, and October 2025 for the year ended December 31, 2025 to the designated recipients under the 2023 Plan. Each share award grants an option for the recipient to purchase one share of the Group's ordinary shares at exercise prices ranging from US\$3.50 to US\$11.49, US\$0.01 to US\$10.59 and US\$0.01 to US\$21.67 per share for the years ended December 31, 2023, 2024 and 2025, respectively. The majority of the share awards vest from two to seven years and certain share awards vest immediately upon issuance. The recipient shall continue to provide services to the Group by each vesting date. All share awards granted expire on the tenth anniversary from the date of grant.

The share awards issued in September 2024 includes 830,000 share awards, which are replacement awards, to exchange for the acquiree's awards in connection with the FreeChain Acquisition. In addition, the Group also issued 6,400,000 Class A ordinary shares, including 128,000 holdback shares, to certain shareholders of FreeChain. These shares are subject to a vesting period ranging from five to seven years, during which the recipients must continue to provide services to the Group through each vesting date. The fair value was determined based on the number of shares transferred and the closing price on the date of issuance. See Note 5(c).

In June 2023, the board of directors of BTG approved the 2023 Performance Share Plan (the "2023 Performance Plan"), which was effective in October 2023. Under the 2023 Performance Plan, the Group is able to issue up to an aggregate of 1,112,886 Class A ordinary shares to the designated recipients. The number of Class A ordinary shares available for issuance under the 2023 Performance Plan could be subsequently adjusted to be no more than 11,128,861 based on the Group's market capitalization as set forth in the 2023 Performance Plan. The Group did not issue any award under the 2023 Performance Plan for the years ended December 31, 2025, 2024 and 2023.

The following table illustrates the number of shares and weighted average exercise prices of, and movements in, share awards. For retrospective presentation, the number of Bitdeer's share awards have been scaled by the exchange ratio of approximately 0.00858 for periods prior to the completion of the Business Combination on April 13, 2023.

	Number of options (^{'000})	Average exercise price per share award (US\$)	Average fair value per share award (US\$)
As at January 1, 2023	10,398	3.50	25.27
Granted	1,658	4.58	8.15
Exercised ⁽¹⁾	(118)	3.50	19.23
Forfeited	(194)	3.68	17.96
As at December 31, 2023	11,744	3.65	23.04
Granted	4,443	5.60	5.66
Exercised ⁽¹⁾	(1,840)	2.81	17.45
Forfeited	(481)	4.37	17.30
As at December 31, 2024	13,866	4.36	18.41
Granted	1,755	14.31	11.49
Exercised ⁽¹⁾	(1,063)	3.31	22.58
Forfeited	(253)	9.46	17.02
As at December 31, 2025	14,305	5.57	17.28
Vested and exercisable at December 31, 2025	7,268	3.90	21.82

(1) The total proceeds received from the exercised shares under the 2023 plan during the years ended December 31, 2025, 2024 and 2023 was approximately US\$3.5 million, US\$5.2 million and US\$0.4 million, respectively.

The weighted average contractual life for the remaining options at December 31, 2025 and 2024 was 7.37 years and 7.87 years, respectively.

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The expense recognized for share awards during the years ended December 31, 2025, 2024 and 2023 was approximately US\$38.5 million, US\$34.0 million and US\$45.5 million, respectively. The breakdown is as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Cost of revenue	3,304	2,368	4,722
Selling expenses	1,164	1,982	3,592
General and administrative expenses	11,983	14,881	23,797
Research and development expenses	22,042	14,737	13,377
Total	38,493	33,968	45,488

The fair value of the share awards is estimated at the grant date using the binomial model with the assistance of an independent valuation specialist. The following table provides the inputs range to the model used for determining the value of the grant for the years ended December 31, 2025, 2024 and 2023:

	Years ended December 31,		
	2025	2024	2023
Dividend yield (%)	-	-	-
Expected volatility (%)	116%-119%	118% - 119%	118% - 124%
Risk-free interest rate (%)	4.12%-4.58%	3.74% - 4.48%	3.81% - 4.59%
Exercise multiple	2.20-2.80	2.20 - 2.80	2.20 - 2.80

The incremental fair value related to the modification of expiration date of the share awards is estimated at the modification date using the binomial model with the assistance of an independent valuation specialist. The following table provides the inputs range to the model used for determining the incremental fair value of the modification for the year ended December 31, 2023:

	Year ended December 31, 2023
Dividend yield (%)	-
Expected volatility (%)	119% - 124%
Risk-free interest rate (%)	3.45% - 3.47%
Exercise multiple	2.20-2.80

The above inputs for the binomial model have been determined based on the following:

- Dividend return is estimated by reference to the Group's plan to distribute dividends in the near future. Currently, this is estimated to be zero as the Group plans to retain all profit for corporate expansion;
- Expected volatility is estimated based on the daily close price volatility of a number of comparable companies to the Group;
- Risk-free interest rate is based on the yield to maturity of U.S. treasury bills denominated in US\$ at the option valuation date;
- Exercise multiple is based on empirical research on typical share award exercise behavior.

22. EQUITY

Issued share capital

On April 13, 2023, Bitdeer completed the Business Combination described in Note 5(a), upon which the Group's equity structure changed to that of BTG and the authorized share capital is US\$50,000 divided into: (i) 499,600,000,000 Class A ordinary shares with a par value of US\$0.0000001 each, (ii) 200,000,000 Class V ordinary shares with a par value of US\$0.0000001 each, (iii) 200,000,000 undesignated shares with a par value of US\$0.0000001 each. Upon completion of the Business Combination, all issued and outstanding 4,384,796,703 Class A ordinary shares, 453,892,313 Series A preferred shares, 870,232,230 Series B preferred shares and 1,314,267,705 Series B+ preferred shares of Bitdeer were cancelled in exchange for newly issued 60,281,185 Class A ordinary shares of BTG at an exchange ratio of approximately 0.00858. All issued and outstanding 5,631,795,619 Class B ordinary shares and 7,141,236 Series A preferred shares were cancelled in exchange for newly issued 48,399,922 Class V ordinary shares of BTG at an exchange ratio of approximately 0.00858. All issued and outstanding 2,607,498 ordinary shares of BSGA were cancelled in exchange for newly issued 2,607,498 Class A ordinary shares of BTG.

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In August 2023, the Group entered into a purchase agreement with B. Riley Principal Capital II, LLC (“B. Riley Principal Capital II”). Pursuant to the purchase agreement, the Group has the right to sell to B. Riley Principal Capital II, up to US\$150,000,000 of its Class A ordinary shares with a par value US\$0.0000001 per share. The purchase agreement has the maturity date of up to 36-month anniversary from the commencement date or on the date which B. Riley Principal Capital II shall have purchased Class A ordinary shares of an aggregate gross purchase price of US\$150,000,000 or other termination conditions stated in the purchase agreement. During the years ended December 31, 2025, 2024 and 2023, the Group newly issued 1,421,163, 6,922,648 and 1,166,533 Class A ordinary shares with net proceeds, after transaction costs, of approximately US\$24.4 million, US\$51.6 million and US\$9.5 million, respectively.

In March 2024, the Group entered into an At Market Issuance Sales Agreement (the “2024 At Market Issuance Sales Agreement”) with B. Riley Securities, Inc., Cantor Fitzgerald & Co., Needham & Company, LLC, Roth Capital Partners, LLC, StockBlock Securities LLC and Rosenblatt Securities Inc. (the “Sales Agents”). Pursuant to the sales agreement, the Group has the right to sell to the Sales Agents from time to time of its Class A ordinary shares with a par value US\$0.0000001 per share. During the years ended December 31, 2025 and 2024, the Group newly issued 13,158,453 and 23,313,347 Class A ordinary shares with net proceeds, after transaction costs, of approximately US\$226.4 million and US\$335.1 million, respectively.

In April 2024, the Group issued 417,130 Class A ordinary shares to Renol Invest AS and Bryhni.com AS in connection with the Norway Acquisition, as described in Note 5(b). The fair value of the Class A ordinary shares was determined based on the number of shares transferred and the closing price on the acquisition date, amounting to US\$2.4 million.

In May 2024, the Group issued 18,587,360 Class A ordinary shares in connection with the private placement with Tether. The residual net transaction amount of US\$87.4 million was recognized as an equity component. In May 2025, the Group issued 5,186,627 Class A ordinary shares in connection with the exercise of Tether Warrant for a total consideration of US\$50.0 million. See Note 17.

In July and November 2024 and upon maturity in July 2025, the holder of the promissory note converted US\$8.0 million and the remaining principal amount of US\$15.0 million into 1,086,070 and 2,036,383 Class A ordinary shares, respectively, at a conversion price of US\$7.3660 per share. See Note 16.

In September and December 2024, the Group issued 18,786,600 and 383,400 Class A ordinary shares, respectively. Of these, 12,514,600 and 255,400 shares, respectively, were included as part of the purchase consideration to the shareholders of FreeChain in connection with the FreeChain Acquisition, with a fair value of US\$74.9 million, as described in Note 5(c).

In January 2025, the Group entered into an At Market Issuance Sales Agreement (the “2025 At Market Issuance Sales Agreement”) with Barclays Capital Inc., Cantor Fitzgerald & Co., A.G.P./Alliance Global Partners, The Benchmark Company, LLC, B. Riley Securities, Inc., BTIG, LLC, Keefe, Bruyette & Woods, Inc., Needham & Company, LLC, Northland Securities, Inc., Rosenblatt Securities Inc., Roth Capital Partners, LLC, and StockBlock Securities LLC (the “2025 Sales Agents”). Pursuant to the sales agreement, the Group has the right to sell to the 2025 Sales Agents from time to time of its Class A ordinary shares with a par value US\$0.0000001 per share. During the year ended December 31, 2025, the Group newly issued 4,415,116 Class A ordinary shares with net proceeds, after transaction costs, of approximately US\$100.4 million.

In March 2025, 4,000,000 Class V ordinary shares were converted into an equal number of Class A ordinary shares. This transfer did not change the total number of shares issued and outstanding.

During the years ended December 31, 2025 and 2024, the Group issued 11,047,587 and 9,160,220 Class A ordinary shares, respectively, in connection with the settlement of the August 2024 convertible senior notes through conversion, exchange, and redemption. The notes were fully settled in September 2025. See Note 16.

In November 2025, the Group issued 10,661,140 of the Group’s Class A ordinary shares to settle the repurchase of a certain principal amount of the November 2024 convertible senior notes. Also see Note 16.

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As of December 31, 2025, 2024 and 2023, the Group issued 10,279,108, 8,088,970 and 5,554,302 shares, respectively, which were reserved for future issuance upon the exercise of awards granted under the share incentive plans. As of December 31, 2025, 2024 and 2023, 7,258,176, 6,130,708 and 5,436,385 of these shares, respectively, were considered not outstanding.

Each share of Class A ordinary shares is granted 1 vote and each share of Class V ordinary shares is granted 10 votes. All classes of ordinary shares are entitled to dividend and rank *pari passu* except for voting rights.

Treasury equity

In June and October 2023, the board of directors of the Group approved the adoption of two share repurchase programs which authorized to repurchase Class A ordinary shares of the Group up to US\$1.0 million worth during the period from June 16, 2023 to December 15, 2023 (as amended) and up to US\$2.0 million worth during the period from October 18, 2023 to April 17, 2024, respectively. During the year ended December 31, 2023, the Group purchased 606,756 Class A ordinary shares for approximately US\$2.6 million under the share repurchase programs. These shares were cancelled during the year ended December 31, 2024.

In September 2024, the board of directors of the Group approved the adoption of a share repurchase program (the “2024 Share Repurchase Program”) which authorized to repurchase Class A ordinary share of the Group up to US\$10.0 million worth during the period from September 9, 2024 to September 8, 2025. During the years ended December 31, 2025 and 2024, the Group purchased 790,000 and 145,762 Class A ordinary share for consideration of approximately US\$9.1 million and US\$0.9 million, respectively, under 2024 Share Repurchase Program. These shares were cancelled during the year ended December 31, 2025.

In February and May 2025, the board of directors of the Group approved the adoption of two share purchase programs (the “2025 Share Repurchase Program”) which authorized to repurchase Class A ordinary share of the Group up to US\$20.0 million worth during the period from February 28, 2025 to February 28, 2026 and up to US\$40.0 million worth during the period from May 30, 2025 to May 29, 2026. During the year ended December 31, 2025, the Group repurchased 4,964,711 Class A ordinary shares for consideration of approximately US\$56.0 million and cancelled 1,600,000 treasury shares purchased under 2025 Share Repurchase Program.

In connection with the issuance of the November 2024 convertible senior notes and June 2025 convertible senior notes, the Group entered into zero-strike call option transactions (the “Zero-Strike Call Options”) with Barclays Bank PLC (“Barclays”) to purchase options to call for Class A ordinary shares of the Group. In November 2024 and June 2025, the Group paid approximately US\$160.0 million and US\$129.6 million, respectively, for options over 14,298,480 and 10,205,300 Class A ordinary shares. The Zero-Strike Call Options expire on the 41st non-disrupted day following December 1, 2029 and July 1, 2031, respectively, or earlier if Barclays requests early settlement. The settlement method is physical settlement, and the Group will receive a fixed number of Class A ordinary shares determined at the commencement date of each transaction upon expiration or early settlement, provided the options are exercised. The economic substance of the Zero-Strike Call Options is similar to a traditional forward repurchase contract. As the options permit physical settlement, they are classified as a reduction of equity and included in treasury equity without subsequent remeasurement. If the options are not exercised, the initial premium paid, which is recorded as a reduction of equity, will remain in equity.

The following table illustrates the movements in shares and share capital for the years ended December 31, 2025, 2024 and 2023. For retrospective presentation, the number of the Group’s ordinary shares and preferred shares on the consolidated statements of changes in equity have been scaled by the exchange ratio of approximately 0.00858 for periods prior to the completion of the Business Combination on April 13, 2023.

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	Class A Ordinary Shares	Amount in USD	Class V Ordinary Shares	Amount in USD
At January 1, 2023, shares issued and outstanding	60,281,184	6	48,399,922	5
Issuance of shares through Business Combination	2,607,498	*	-	-
Issuance of shares for exercise of share awards	117,917	*	-	-
Acquisition of treasury shares	(606,756)	*	-	-
Issuance of shares for cash	1,166,533	*	-	-
At December 31, 2023, shares issued and outstanding	63,566,376	6	48,399,922	5
Issuance of shares for exercise of share awards	1,840,345	*	-	-
Issuance of shares for cash	48,823,355	5	-	-
Issuance of shares in connection with the business combinations	19,587,130	2	-	-
Acquisition of treasury shares	(145,762)	*	-	-
Issuance of shares in connection with conversion of convertible notes	10,246,290	1	-	-
At December 31, 2024, shares issued and outstanding	143,917,734	14	48,399,922	5
Issuance of shares for exercise of share awards	1,062,670	*	-	-
Acquisition of treasury shares	(5,754,711)	(1)	-	-
Issuance of shares for cash	18,994,732	2	-	-
Issuance of shares for exercise of warrant	5,186,627	1	-	-
Issuance of shares in connection with settlement of convertible notes	23,745,110	2	-	-
Conversion of Class V to Class A ordinary shares	4,000,000	*	(4,000,000)	*
At December 31, 2025, shares issued and outstanding	191,152,162	19	44,399,922	4

* Amount below US\$1

Retained earnings / (Accumulated deficit)

The Group's retained earnings / (accumulated deficit) include the result of the Group's operations for the years ended December 31, 2025, 2024, and 2023.

Reserves

The Group's reserves mainly include the following:

- (i) Share premium, which effectively represents the share subscription amount paid over the par value of the shares. The application of the share premium account is governed by Section 34 of the Companies Law, Cap. 22 (Law 3 of 1961, as consolidated and revised) of the Cayman Islands as amended, supplemented or otherwise modified from time to time.
- (ii) All foreign exchange differences arising from the translation of the financial statements of foreign operations.
- (iii) The value of the conversion option of the equity component embedded in the convertible debt.
- (iv) The accumulated share-based payment expenses.
- (v) The amount of derivative liabilities reclassified due to de-recognition of the associated instruments.
- (vi) The amount of treasury shares cancelled.

Capital management

The Group's primary objective in terms of managing capital is to:

- safeguard the Group's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, mainly by pricing products and services commensurately with the level of risk.
- To support the Group's stability and growth.
- To provide capital for the purpose of strengthening the Group's risk management capability.

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For the years ended December 31, 2025, 2024 and 2023, the Group's business and financial condition are highly correlated with the market price of cryptocurrencies, the Group's revenue is substantially generated from cryptocurrency-related operations. The Group has adopted various measures to minimize the risk associated with the fluctuation in the market price of cryptocurrencies. In response to the market dynamics, the Group applied a flexible internal strategy for either converting of cryptocurrencies it obtains through its principal business into fiat currency to support its operations as needs, or holding the cryptocurrencies to capture potential higher appreciation in value in the future.

The Group actively and regularly reviews and manages its capital structure to ensure optimal balance between capital structure and shareholder returns, taking into account the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected cash flows, projected capital expenditures and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Group may issue new shares, raise new debts, repurchase shares or convert debt into equity.

The Group is subject to certain externally imposed capital requirements under its loan agreements, with which it has complied as at December 31, 2025.

23. TAXATION

The subsidiaries of the Group incorporated in the Cayman Islands and British Virgin Islands ("BVI") are not subject to tax on income or capital gain. In addition, payments of dividends by the Group to its shareholders are not subject to withholding tax in the Cayman Islands.

The subsidiaries of the Group incorporated in other countries are subject to income tax pursuant to the rules and regulations of their respective countries of incorporation.

The provisions for income taxes for the years ended December 31, 2025, 2024 and 2023 are summarized as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Current income tax expenses	12,599	3,672	11,825
Deferred income tax benefits	(7,366)	(6,115)	(6,140)
Total	5,233	(2,443)	5,685

The reconciliation between the income tax benefits / (expenses) calculated by applying the applicable tax rate of 17% to the profit / (loss) before income tax and the net income tax benefits / (expenses) as shown in the statements of operations and comprehensive income / (loss) for the years ended December 31, 2025, 2024 and 2023 is as follows.

	Years ended December 31,		
	2025	2024	2023
Statutory income tax rate	17.00%	17.00%	17.00%
Effect of expenses not deductible for tax purpose	8.71%	(14.70)%	(24.21)%
Effect of income tax difference under different tax jurisdictions	2.37%	(0.77)%	0.53%
Effect of tax losses not recognized in deferred tax assets	4.30%	(1.07)%	0.49%
Effect of non-taxable income	(24.84)%	0.05%	-
Prior year true-ups	(1.08)%	(0.16)%	(5.06)%
Others	0.93%	0.06%	0.10%
Total	7.39%	0.41%	(11.15)%

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Deferred tax assets / (liabilities) as of December 31, 2025 and 2024 comprise the following:

In thousands of USD	At December 31,	
	2025	2024
Deferred tax assets		
Net operating losses	2,750	1
Share-based payments	4,241	3,925
Deferred revenue	4,184	4,184
Long-lived assets ⁽¹⁾	8,491	2,520
Impairment charges	3,005	69
Total deferred tax assets	22,671	10,699
Set-off of deferred tax positions relate to income taxes levied by the same tax authority	(11,584)	(4,479)
Deferred tax assets	11,087	6,220
Deferred tax liabilities		
Long-lived assets ⁽¹⁾	(25,699)	(21,093)
Set-off of deferred tax positions relate to income taxes levied by the same tax authority	11,584	4,479
Deferred tax liabilities	(14,115)	(16,614)
Net deferred tax liabilities	(3,028)	(10,394)

The movements in the net deferred tax assets / (liabilities) during the years ended December 31, 2025, 2024 and 2023 are as follows:

In thousands of USD	January 1, 2025	Recognized in profit or loss	December 31, 2025
Tax losses carried forward	1	2,749	2,750
Share-based payments	3,925	316	4,241
Deferred revenue	4,184	-	4,184
Long-lived assets ⁽¹⁾	(18,573)	1,365	(17,208)
Impairment charges	69	2,936	3,005
Net deferred tax assets / (liabilities)	(10,394)	7,366	(3,028)

In thousands of USD	January 1, 2024	Recognized in profit or loss	Acquired through the business combinations (Note 5)	December 31, 2024
Tax losses carried forward	136	(135)	-	1
Share-based payments	3,573	352	-	3,925
Deferred revenue	4,184	-	-	4,184
Long-lived assets ⁽¹⁾	(8,522)	5,829	(15,880)	(18,573)
Impairment charges	-	69	-	69
Net deferred tax assets / (liabilities)	(629)	6,115	(15,880)	(10,394)

In thousands of USD	January 1, 2023	Recognized in profit or loss	December 31, 2023
Tax losses carried forward	4,324	(4,188)	136
Share-based payments	2,672	901	3,573
Deferred revenue	-	4,184	4,184
Long-lived assets ⁽¹⁾	(13,765)	5,243	(8,522)
Net deferred tax assets / (liabilities)	(6,769)	6,140	(629)

(1) Long-lived assets include mining rigs, property, plant and equipment, intangible assets and right-of-use assets, which give rise to temporary differences from differences between accounting and tax depreciation and amortization.

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The Group has not recognized deductible temporary differences and a portion of the tax loss carry forward because the criteria for recognition (i.e., the probability of future taxable profits) were not met. The amount of such unused tax losses will expire as follows:

Tax Jurisdiction	Amount in thousands of USD	Earliest year of expiration if not utilized
United States	103,876	Indefinitely
Singapore	2,961	Indefinitely
Hong Kong	3,873	Indefinitely
United Arab Emirates	423	Indefinitely
Ethiopia	327	2030
Thailand	7	2028
Total	111,467	

24. RELATED PARTY TRANSACTIONS

Compensation for key management and Board of Directors

In thousands of USD	Years ended December 31,		
	2025	2024	2023
Salaries and other emoluments	10,798	9,064	8,986
Total	10,798	9,064	8,986

Besides key management personnel and the Board of Directors, the following set forth the significant related party and the relationship with the Group:

Name of related party	Relationship with the Group
Matrix Finance and Technologies Holding Group and its subsidiaries ("Matrixport Group", rebranded as the "BIT Group")	The Group's controlling person is the co-founder and chairman of the board of directors of BIT Group and has significant influence over BIT Group.

Details of assets and liabilities with the related parties are as follows:

In thousands of USD	At December 31,	
	2025	2024
Due from related parties		
- Trade receivables ⁽¹⁾	313	6,171
- Other receivables ⁽¹⁾	9,341	9,341
Total due from related parties	9,654	15,512
Cryptocurrency receivable from a related party		
- Cryptocurrency – receivables ⁽²⁾	135,558	-
Total due from a related party	135,558	-
Due to a related party		
- Other payables ⁽³⁾	4,340	8,747
Total due to a related party	4,340	8,747
Borrowings from a related party		
- Borrowings ⁽²⁾	521,831	-
Total borrowings from a related party	521,831	-

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Details of transactions with the related party are as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
- Provide service to related parties ⁽¹⁾	1,301	18,715	754
- Sales of goods to a related party	-	41	-
- Receive service from a related party	486	182	228
- Interest expense on borrowings from a related party ⁽⁴⁾	29,895	-	-
- Loss on disposal of business to a related party	-	-	74
- Changes in fair value of financial assets at fair value through profit or loss	(1,467)	1,920	3,527

(1) Mainly related to the hosting service provided by the Group for year ended December 31, 2024. The Group did not provide any hosting service to a related party for the years ended December 31, 2025 and 2023.

(2) On April 15, 2025, the Group entered into a loan agreement (the “BIT Assets Collateralized Loan”) with BIT Group for a financing facility of up to US\$200.0 million. Subsequently, in July and October 2025, the Group entered into amendments to the BIT Assets Collateralized Loan, pursuant to which total maximum financing facility was increased from US\$200.0 million to US\$400.0 million and the definition of collateral was expanded to include mining rigs, inventories, datacenter assets and such other collateral as may be mutually agreed between the parties. Loans drawn under the facility bear a variable interest rate equal to 9.0% plus a market-based reference rate and are repayable in fixed monthly instalments over a 24-month term. The facility is collateralized by assets of the Group, including mining rigs, and is maintained in compliance with an agreed loan-to-value ratio. Refer to Note 11 for further details.

In October and December 2025, the Group entered into additional loan agreements with BIT Group similar to the BIT Assets Collateralized Loan arrangement, pursuant to which additional financing facilities of US\$100.0 million and US\$50.0 million were made available in each respective month, for an aggregate of US\$150.0 million, on substantially the same terms.

In September 2025, the Group entered into a loan agreement (the “BIT BTC Collateralized Loan”) with BIT Group for a financing facility of up to US\$400.0 million. Loans drawn under the facility bear interest at 8.35% per annum, payable monthly in arrears. Each drawdown has a tenor of 24 months from its drawdown date and is collateralized by Bitcoin, maintained based on a loan-to-value ratio. The fair value of the Bitcoin provided as collateral for this financial facility is disclosed in Note 7.

(3) As of December 31, 2025, other payables primarily represent interest payable on borrowings and accrued service expenses related to custody services. As of December 31, 2024, other payables primarily represent deposits received in connection with hosting services and accrued service expenses. The deposits related to hosting services were released in September 2025 upon settlement of the related receivable.

(4) Interest expense on borrowings from a related party includes capitalized borrowing costs.

During the years ended December 31, 2025, 2024 and 2023, substantially all of the Group’s cryptocurrencies were held in custody by BIT Group. The Group’s purchase and disposal of cryptocurrencies, at spot price on the date of transaction, were also primarily from and to BIT Group.

In July 2022, the Group signed an agreement with BIT Group, which is the general partner of a limited partnership set up by the BIT Group, to subscribe a limited partner interest in the limited partnership and the capital commitment is US\$20.0 million. The Group does not have control or significant influence over the limited partnership. The capital contribution made by the Group to the limited partnership is US\$17.3 million. As of December 31, 2025 and 2024, the fair value of the limited partnership interest was US\$20.3 million and US\$21.8 million, respectively. See Note 10.

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25. EARNINGS / (LOSS) PER SHARE

The calculation of basic earnings / (loss) per share is based on the profit or loss attributable to ordinary equity shareholders of the Group and the weighted average number of ordinary shares outstanding for the years ended December 31, 2025, 2024 and 2023.

Diluted earnings / (loss) per share is computed using the weighted average number of ordinary shares and dilutive potential ordinary shares outstanding during the respective periods.

As the Group generated profits for the year ended December 31, 2025, the potential ordinary shares related to: (i) the outstanding share awards exercisable into approximately 14.3 million; (ii) share options issued in connection with the Norway Acquisition exercisable into approximately 0.4 million; (iii) the June 2025 convertible senior notes convertible into approximately 23.6 million; (iv) the November 2025 convertible senior notes convertible into approximately 22.5 million were excluded from the calculation of diluted loss per share as their effect would have been anti-dilutive.

As the Group incurred losses for the years ended December 31, 2024 and 2023, the potential ordinary shares related to: (i) the outstanding share awards exercisable into approximately 13.9 million and 11.7 million ordinary shares; (ii) the promissory note convertible into approximately 2.0 million and 3.1 million ordinary shares; (iii) share options issued in connection with the Norway Acquisition exercisable into approximately 0.4 million and nil ordinary shares; (iv) the Tether Warrant exercisable into approximately 5.2 million and nil ordinary shares; (v) the August and November 2024 convertible senior notes convertible into approximately 36.5 million and nil ordinary shares respectively, were not included in the calculation of dilutive loss per share, as their inclusion would be anti-dilutive.

The following reflects the profit / (loss) and share data used in the basic and diluted earnings / (loss) per ordinary share computations:

In thousands of USD, except for the per share data	Years ended December 31,		
	2025	2024	2023
Profit / (Loss) attributable to ordinary equity shareholders of the Group	65,597	(599,151)	(56,656)
Weighted average number of ordinary shares outstanding (thousand shares)	204,679	137,426	110,494
Basic earnings / (loss) per share (In USD)	0.32	(4.36)	(0.51)
Profit / (loss) attributable to ordinary equity shareholders of the Group	65,597	(599,151)	(56,656)
Adjustments for potential dilutive instruments:			
- Impact of derivative liabilities related to the warrants	(42,622)	-	-
- Impact of derivative liabilities related and interest expense to the August 2024 and November 2024 convertible senior notes	(359,156)	-	-
Loss attributable to ordinary equity shareholders of the Group for diluted EPS	(336,181)	(599,151)	(56,656)
Weighted average number of ordinary shares outstanding (thousand shares)	204,679	137,426	110,494
Effect of potential dilutive ordinary shares:			
- Assumed exercise of warrants (thousand shares)	581	-	-
- Assumed conversion of the August 2024 and November 2024 convertible senior notes (thousand shares)	29,059	-	-
Weighted average number of shares outstanding for diluted EPS (thousand shares)	234,319	137,426	110,494
Diluted loss per share (In USD)	(1.43)	(4.36)	(0.51)

Each Class A ordinary share carries 1 vote and each Class V ordinary share carries 10 votes. All classes of shares are entitled to dividend and rank pari passu except for voting rights. They are included in the ordinary shares and the shareholders of the shares are referred to as the ordinary equity shareholders in the context of notes and presentations of earnings per share.

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26. SUPPLEMENTAL CASH FLOW INFORMATION

The non-cash investing and financing activities are as follows:

In thousands of USD	Years ended December 31,		
	2025	2024	2023
NON-CASH INVESTING AND FINANCING TRANSACTIONS			
Operating lease right-of-use assets and leasehold land obtained in exchange for operating lease liabilities	28,350	23,197	4,492
Operating lease right-of-use assets resulted from lease modification	-	-	646
Settlement of pre-existing debtor relationship in the business combination	-	10,061	2,607
Payment for mining rigs in form of cryptocurrencies	1,883	-	-
Payment for purchase of property, plant and equipment in form of cryptocurrencies	8,000	-	-
Borrowing costs capitalized as additional to property, plant and equipment and intangible assets	11,313	-	-
Liabilities assumed in connection with production and supply chain payments for mining rigs	11,756	-	-
Liabilities assumed in connection with acquisition of property, plant and equipment and intangible assets	9,063	18,355	8,205
Prepayments realized as additions to property, plant and equipment and intangible assets	5,916	9,058	-
Transfer of inventory to mining rigs	595,895	16,655	-
Receivable on the proceeds from issuance of ordinary shares	-	-	23
Cancellation of repurchased treasury shares	29,967	2,604	-
Transaction cost-related liabilities assumed in connection with the issuance of the convertible senior notes	-	1,132	-
Issuance of senior secured notes, Class A ordinary shares and share options in connection with the Norway Acquisition (Note 5(b))	-	17,952	-
Issuance of Class A ordinary shares and share options in connection with the FreeChain Acquisition (Note 5(c))	-	76,990	-
Issuance of Class A ordinary shares in connection with the settlement of convertible notes	252,385	111,495	-
Repayment of borrowings from a related party in cryptocurrencies	50,753	-	-

27. SUBSEQUENT EVENTS

In January and April 2026, the Group granted a total of approximately 1.0 million share awards to the designated recipients under the 2023 Plan. Each share award either entitles the recipient to purchase one ordinary share of the Group at an exercise price ranging from US\$9.34 to US\$11.21 per share, or entitles the recipient to receive one ordinary share of the Group upon vesting. The share awards vest over periods ranging from two to seven years, and the recipient shall continue to provide services to the Group by each vesting date. The options granted expire on the tenth anniversary of the date of grant.

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In January, February and March 2026, the Group entered into additional loan agreements with BIT Group under the BIT Assets Collateralized Loan arrangement, pursuant to which additional financing facilities of US\$50.0 million were made available in each respective month, resulting in an aggregate increase of US\$150.0 million. Loans drawn under these facilities bear a variable interest rate equal to 9.0% plus a market-based reference rate and are repayable in fixed monthly instalments over a 24-month term. The facilities are collateralized by assets of the Group, including mining rigs and other assets as agreed between the parties, and are maintained in compliance with agreed loan-to-value requirements. As of April 30, 2026, the Group had an aggregate outstanding balance of approximately US\$516.4 million under the facilities.

In January and February 2026, the Group fully repaid the outstanding balance of US\$67.2 million under the BIT BTC Collateralized Loan.

In February 2026, the Group repaid an existing financing facility with a commercial bank with a principal amount of US\$26.0 million which was unsecured and bore interest at a rate of 10.31% per annum. The Group subsequently drawn down US\$26.0 million from the same financing facility which is then due in July 2026.

In February 2026, the Group issued US\$375.0 million in aggregate principal amount of 5.00% Convertible Senior Notes due 2032 (“the February 2026 convertible senior notes”). In connection with the issuance of February 2026 convertible senior notes, the Group entered into capped call transactions with certain holders of the February 2026 convertible senior notes for a premium of approximately US\$33.7 million. The Group also completed a registered direct offering of 5,503,030 Class A ordinary shares at a price of US\$7.94 per share with certain holders of the November 2024 convertible senior notes. The Group used the net proceeds from the registered direct offering and a portion of the net proceeds from the issuance of the February 2026 convertible senior notes to repurchase US\$135.0 million in aggregate principal amount of the November 2024 convertible senior notes.

In February 2026, the Group entered into a loan agreement with BIT Group for a financing facility of up to 800 Bitcoin. The facility was subsequently amended to increase the maximum facility to 3,000 Bitcoin and was further amended and restated in March 2026 to increase the maximum facility to 6,000 Bitcoin. Loans drawn under the facility bear interest at 3.00% per annum, payable weekly in arrears. Each drawdown has a tenor as agreed between the parties. The loans are secured by collateral in the form of stablecoins or fiat currency and are subject to a loan-to-value ratio. As of April 30, 2026, the Group had an outstanding balance of approximately 2,802 Bitcoin under the facility.

In February 2026, the Group entered into the BIT Structured Product Agreement with BIT Group, pursuant to which the Group entered into put option transactions with total premium paid amounted to approximately US\$6.4 million.

In March 2026, the Group entered into an agreement with Data Center Installations AS (“DCI”), a Norwegian data center and critical infrastructure specialized contractor for the design and execution of the conversion of its existing mining datacenter in Tydal, Norway into an AI datacenter.

For the period from January 1, 2026 to April 30, 2026, the Group newly issued 4,636,064 Class A ordinary shares with net proceeds of US\$60.0 million.

There were no other material subsequent events during the period from December 31, 2025 to the approval date of these consolidated financial statements on April 30, 2026.

THE SYMBOL “[***]” DENOTES PLACES WHERE CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH (i) NOT MATERIAL, AND (ii) IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. THE APPENDICES TO THIS AGREEMENT HAVE BEEN OMITTED PURSUANT TO ITEM 601(a)(5) OF REGULATION S-K. THE REGISTRANT AGREES TO FURNISH A COPY OF ANY OMITTED SCHEDULE OR APPENDIX TO THE SEC UPON REQUEST.

Tydal Data Center – Agreement on design and execution

27 March 2026

between

**Tydal Data Center AS
as Client**

and

**Data Center Installations AS
as Contractor**

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This agreement (“**the Agreement**”) was entered into on 27 March 2026 between

- (1) **Tydal Data Center AS**, company registration number 927 050 188 (“**TDC**”); and
- (2) **Data Center Installations AS**, company registration number 827 291 072 (“**DCI**”)

(each a “**Party**”, collectively the “**Parties**”).

1. GENERAL

1.1 Background and subject matter of the Agreement

This Agreement concerns the conversion and upgrading of the existing data center at land number [***] title number [***] in Tydal into an AI data center (“**the Project**”). The Project is described in more detail in Appendix A .

The Project broadly consists of (i) deliverables within DCI’s design and execution scope (“**DCI’s Scope**”), and (ii) other deliverables outside DCI’s Scope (“**External Scope**”). DCI’s Scope is described in more detail in clause 3 and Appendix A .

The total refurbishment costs are currently estimated at approximately NOK 4.5 billion excluding VAT for both DCI’s Scope and the External Scope.

The planned completion date for the Project is 31 December 2026.

TDC, in collaboration with DCI, has drawn up a general and preliminary concept. The concept has not yet been fully detailed. The final specifications and interfaces are to be determined in parallel with the detailed design and execution. This requires a high degree of flexibility and close collaboration in line with the implementation model.

DCI shall be responsible for all design and design management, all construction, site management, and the procurement of equipment for the Project. (collectively, **the “Works”**).

The Project shall be developed through decisions taken in the project group (“**PG**”).

1.2 Purpose

The purpose of the Agreement is to facilitate the realization of the Project in accordance with the Parties’ assumptions regarding progress, costs and quality. The Agreement shall ensure TDC control and transparency, whilst DCI is responsible for the practical implementation within the framework of the Agreement and decisions made in the PG.

1.3 Implementation model

The Project shall be implemented based on a collaborative model where DCI’s remuneration is determined based on agreed hourly rates and documented costs with and without mark-ups (open book).

Customer agreements entered into on an ongoing basis by TDC mean that a high degree of changes to the Project is to be expected. The equipment to be supplied, final technical solutions and delivery interfaces shall be decided on an ongoing basis by resolutions of PG, in which representatives from both Parties shall participate. The PG’s mandate and organization are further regulated in Appendix A.

DCI will engage subcontractors, sub-suppliers and sub-consultants (“**Contract Assistants**”) to carry out the Works relating to design and execution. DCI’s liability and risk shall not be altered by the use of Contract Assistants.

DCI shall procure equipment and materials for the Project. This includes equipment that DCI shall purchase in its own name and re-invoice to TDC, and equipment that DCI shall purchase in TDC’s name and which shall be paid for directly by TDC. DCI shall not bear any liability or risk for any delays or defects in the equipment supplied, nor shall it claim any mark-up on the purchases.

2. CONTRACT DOCUMENTS AND RULES OF INTERPRETATION

The following contract documents form part of the Agreement:

- (i) This contract document with the following appendices:
 - (a) Appendix A : Project and project organization
 - (b) Appendix B : Remuneration provisions
 - (c) Appendix C : Progress and decision-making plan
 - (d) Appendix D : Overview Drawings
 - (e) Appendix E: Tydal AI Data Center – High Level Design Requirements
 - (f) Appendix E : Performance Guarantee Sparc Group AB
 - (g) Appendix G : Financial Guarantee Norwegian Ai Technologies AS
- (ii) NS 8406
- (iii) NS 8402

Appendix D and E form the basis for further design work and decisions regarding the final technical scope in the PG. The appendices may be revised during the project period. Updated versions shall be made available in the agreed project repository and referenced in the PG minutes.

The execution is governed by NS 8406 and the design is governed by NS 8402. If a matter is governed by both contracts, it shall be governed by NS 8406.

The documents forming part of the Agreement are complementary. If the three contract documents contain provisions that conflict with one another, they shall apply in the order specified above.

3. DCI’S LIABILITY AND RISK

3.1 General

The Works require a high degree of specialization, and TDC has therefore assigned DCI responsibility for design, execution, procurement, quality assurance and coordination of all disciplines, in addition to construction and design management.

DCI shall be responsible for its own design and execution and that of its subcontractors.

DCI shall exercise due care and diligence on behalf of TDC with a view to completing the Project in accordance with the purpose set out in clause 1.2.

3.2 Design

The Works shall be designed in a professional manner and DCI shall ensure that the design provides an adequate and suitable basis for fulfilling the requirements of the Agreement and decisions in the PG.

In the event of design errors, liability shall be assessed in accordance with NS 8402. Design liability entails responsibility for professional design in accordance with generally accepted professional standards.

For design errors attributable to design work carried out by DCI itself (not sub-consultants), liability is limited to [***], cf. NS 8402.

For design errors attributable to a sub-consultant's design work, DCI's liability to TDC is limited to the amount DCI may claim as compensation from the sub-consultant in accordance with the sub-consultancy contract.

Reference is also made to NS 8402 clause 10.3.

3.3 Execution

The Works shall be carried out in a professional manner, on time and in accordance with the design and other requirements of the Agreement and decisions in the PG. DCI shall not bear the risk of unexpected developments in the Project attributable to circumstances for which TDC bears the risk.

If a defect is caused by the execution, including the coordination of Contract Assistants, liability shall be assessed in accordance with NS 8406. If a defect is caused by a design error, the matter shall be governed by NS 8402, cf. clause 3.2 above.

3.4 Design and construction management

3.4.1 Design management

DCI shall be responsible for the management and supervision of all design work in the Project and shall perform all tasks normally associated with design management. This includes planning and progress management of design deliverables, interdisciplinary coordination and clarification of interfaces between the designers within DCI's Scope and between DCI's Scope and the External Scope, resource and capacity management, cost control, quality assurance and control of the design work, as well as the handling of changes and deviations in the design work. DCI shall ensure that the design material is delivered on time and of sufficient quality to meet the requirements of the Agreement and decisions in the PG.

The Parties may propose engaging independent third parties to ensure the quality of the designed solutions.

Liability is governed by NS 8402.

3.4.2 Construction management

DCI shall be responsible for the management and supervision of the construction works and shall carry out all tasks normally associated with construction management, cf. NS 8406, clause 16. This includes planning and progress management of production, interdisciplinary coordination and clarification of interfaces between contractors within DCI's Scope and between DCI's Scope and the External Scope, resource and capacity management, cost control, quality assurance and inspection of completed work, as well as the handling of changes and deviations. DCI shall ensure that the Works are carried out efficiently, professionally and in accordance with the applicable design documentation, the requirements of the Agreement and decisions in the PG. TDC shall obtain permits which, in accordance with laws and regulations, are to be issued to TDC as the client, whilst DCI shall obtain other permits necessary for the implementation of the Project. DCI shall ensure that the Works are carried out on time and to a sufficient standard to meet the requirements of the Agreement and decisions in the PG.

Liability is governed by NS 8402.

3.5 Equipment supplies

DCI shall be responsible for the procurement of equipment and materials in accordance with decisions made by the PG and without any mark-up.

A small proportion of the equipment shall be purchased by DCI in its own name (estimated at MNOK [***] excl. VAT) and re-invoiced to TDC. A larger proportion of the equipment supplies shall be purchased in TDC's name, based on contracts to be entered into directly between the equipment supplier and TDC.

DCI shall prepare the basis for procurement, obtain quotations, negotiate the contracts and be responsible for all other follow-up in connection with these purchases. The basis for procurement decisions shall be distributed by DCI in advance of PG meetings with an advisory recommendation. Where rational and feasible, the documentation shall be based on multiple suppliers and include price and time implications for alternative solutions.

DCI shall then place the order in accordance with the PG's decision.

DCI shall not bear the risk of delay, defect or failure resulting from equipment faults. If purchased equipment is defective, DCI shall lodge a complaint on behalf of TDC and ensure appropriate follow-up with the supplier.

4. TDC'S LIABILITY AND RISK

TDC bears the risk associated with its own performance and choices, including decisions made contrary to DCI's recommendations regarding design. TDC's review and approval of DCI's recommendations in the PG does not mean that TDC assumes the risk associated with the choices made. The risk associated with equipment deliveries is governed by clause 3.5 above.

NS 8406 clause 18.1 a) and f) concerning, respectively, the risk for drawings and progress-related coordination, etc., are waived.

5. DEADLINES

Further provisions regarding preliminary milestones and decision points are set out in Appendix C .

All dates, milestones and timeframes in the Agreement are indicative until they are determined by the PG, which prepares, maintains and revises the Project's progress and decision plan.

Neither the interim deadlines nor the final deadline is subject to daily penalties, but is linked to a bonus, cf. Appendix B .

6. CHANGES

All claims for compensation for time or cost consequences relating to the agreements with Contract Assistants must be submitted to and approved by the PG before DCI can accept them vis-à-vis the individual Contract Assistant.

The Parties agree to handle claims for changes and extensions of time limits in the PG. The rules on notification of changes in NS 8402 and NS 8406 shall not apply.

The restrictions in NS 8406 clause 19.1, first and second paragraphs, regarding the client's authority to make changes shall not apply.

7. REMUNERATION, SUPERVISION AND INVOICING

7.1 Cost-plus work – open book

Purchases of equipment shall be invoiced by DCI based on documented supplier invoices, and without any mark-up. Equipment purchased in TDC's name shall be invoiced by the supplier directly to TDC.

DCI shall otherwise be reimbursed for necessary and documented costs incurred in carrying out the Works, plus a mark-up as set out in Appendix B . Agreed hourly rates and charges shall be applied insofar as this has been agreed, cf. Appendix B.

The cost-plus work shall be carried out in a rational and prudent manner. TDC is entitled to full access to and control over the basis of DCI's claims for remuneration. Reference is otherwise made to NS 8402, clause 14.1, and NS 8406, clause 23.4.

DCI shall rectify design errors or defects at its own expense.

Reference is also made to the provisions regarding remuneration and invoicing thereof in Appendix B.

7.2 Project accounts

Project accounts, including an overview of accrued costs and any discrepancies, shall be submitted to TDC by the 10th of each month, or on the last working day before the 10th if this falls on a weekend or public holiday. The Project accounts shall be reviewed in the PG for the purposes of inspection, clarification and any discussions regarding discrepancies.

The PG shall approve all costs for the coming month on a monthly basis. Costs exceeding the original decision by more than 10% shall be considered at the next PG meeting and subsequently approved or rejected.

7.3 Audit

TDC shall, at any time up to and including 31 December 2030, have the right to conduct an audit of the documentation necessary to verify invoiced fees, the cost basis and compliance with the Agreement. The audit shall include, but is not limited to, correspondence, quotations, orders, agreements, change orders, invoices, credit notes, delivery confirmations, timesheets, and documentation relating to discounts, price reductions, bonus schemes, refunds and other financial benefits (including kickbacks) agreed or obtained within the supply chain for deliveries to the Project.

DCI shall include provisions to this effect in the contracts with Contract Assistants which ensure that TDC, or a third party engaged by TDC, has access to carry out checks as mentioned, including the right to be provided with relevant documentation as mentioned above.

The cost of the audit shall be borne by TDC if the audit does not reveal any material non-conformities, and by DCI if the audit reveals material non-conformities.

DCI shall include provisions in the Subcontracts that ensure the right to audit. If a Contract Assistant does not accept any of these provisions, this shall be submitted to PG for assessment and decision before any agreement is entered into.

Subcontracts that have been submitted to and approved by PG shall be deemed to meet the requirements of this clause, and in such cases, DCI shall not be liable for the relevant provisions not being included, in whole or in part, in the Subcontract.

7.4 Project Bonus

DCI shall be awarded a Project bonus upon achievement of milestones to be decided by PG as further regulated in Appendix B and Appendix C .

7.5 Invoicing

Invoicing by DCI shall take place monthly in arrears based on the project accounts and in accordance with the Agreement.

The Parties shall, on the 10th of each month, review the Project accounts and the associated pro forma invoice for the preceding period. Any errors or omissions in the invoice basis shall, as far as practicable, be identified and clarified during this review.

Should TDC identify any unresolved issues following the review, TDC shall notify DCI without undue delay to ensure clarification before the due date.

A final, itemized invoice shall be issued with a payment deadline of the 22nd of the same month in which the project accounts are submitted. If the 22nd falls on a Saturday, Sunday or public holiday, payment shall be made no later than the first working day thereafter.

The payment arrangement shall be implemented in such a way that DCI remains cash neutral in the Project at all times, so that DCI does not finance Project costs on behalf of TDC.

7.6 DCI's right to suspend work

If TDC fails to pay an undisputed invoice by the agreed payment deadline, and payment is not made within 7 days of a written notice from DCI, DCI shall be entitled to suspend the Works in whole or in part for as long as payment remains outstanding.

If DCI suspends the Works lawfully, the suspension may give rise to a claim for an extension of time and compensation for documented additional costs.

8. SUBCONTRACTS

8.1 General

DCI shall ensure that agreements with Contract Assistants and equipment suppliers ("Subcontracts") safeguard TDC's interests to the greatest extent possible. Subcontracts shall, to the greatest extent possible, be entered into based on recognized market standards without significant changes to the detriment of the client. Subcontracts shall, as a minimum, contain:

- A provision regarding TDC's right of audit, cf. clause 7.3,
- Direct claim rights for TDC, cf. clause 8.2,

- A subrogation clause in favour of TDC, cf. clause 8.3,
- Provisions regarding the transfer of title, see clause 8.4.
- Requirement for customary security for the Contract Assistant's deliveries

DCI shall endeavor to ensure that the Sub-Contracts contain the provisions set out in this clause 8 . If a supplier or Contract Assistant does not accept any of these provisions, this shall be submitted to the PG for assessment and decision before any agreement is entered into.

Subcontracts that have been submitted to and approved by the PG are deemed to meet the requirements of this clause 8 , and in such cases DCI shall not be liable for the relevant provisions not being included, in whole or in part, in the Subcontract.

8.2 Further details on the right to direct claims

DCI shall ensure that TDC has the right to make direct claims to the same extent that DCI may make claims under the respective Subcontracts.

TDC shall have a corresponding right to make direct claims against guarantors and other security providers under the security provided in the Subcontracts. TDC's right to make direct claims under this provision shall apply independently of, and shall not be limited by, the terms of the contract between DCI and TDC, including any limitations of liability, monetary caps, disclaimers or other limitations on DCI's liability towards TDC.

8.3 Right of Subrogation

DCI shall ensure that TDC, upon written notice, has the right to step into the Subcontracts, and thereby assume DCI's rights and obligations under the relevant contracts.

8.4 Ownership

DCI shall ensure that the Subcontracts contain provisions ensuring that title to materials, equipment, etc. passes to TDC no later than at the time of payment. DCI shall also ensure that materials, equipment, etc. are secured to the greatest extent possible against seizure by creditors before they are delivered to TDC, e.g. through marking and separate storage at the supplier's premises.

9. SECURITY

As security for DCI's obligations, a parent company guarantee shall be provided by Sparc Group AB with the content described in Appendix E . As security for TDC's obligations, a parent company guarantee shall be provided by Norwegian Ai Technology AS with the content described in Appendix G.

10. INSURANCE

The Parties shall at all times hold the insurance cover required by law.

DCI shall also take out liability insurance in accordance with NS 8402 and NS 8406 for the design and execution scopes respectively. The insurance under NS 8406 shall have a liability limit of NOK [***].

DCI shall ensure that Contract Assistants insure their supplies in accordance with industry practice.

TDC shall keep insured the work carried out under the contract at any given time, materials for which TDC has paid in advance, and materials that TDC has handed over to DCI. DCI shall be co-insured.

11. HANDOVER

The Parties shall agree on detailed procedures for handover in the PG.

12. FINAL SETTLEMENT

DCI shall submit a final statement and final invoice no later than one month after handover. The final invoice shall be due for payment one month after TDC has received the final invoice.

13. DISPUTES

The Agreement is governed by Norwegian law.

Disputes shall be resolved amicably. If the dispute is not resolved, either Party may request that the dispute be settled by arbitration in accordance with the Norwegian Arbitration Act of 14 May 2004 No. 25.

The arbitral tribunal shall have its seat in Oslo. The language of the arbitration shall be Norwegian. The arbitral tribunal shall consist of three arbitrators.

[Signature page follows]

For Tydal Data Center AS

Signature: /s/ Haakon Bryhni
Name: Haakon Bryhni
Title: Chairman of the Board at TDC
Date: 27 March 2026

For Data Center Installations AS

Signature: /s/ Arne Thomas Stranden
Name: Arne Thomas Stranden
Title: Managing Director of DCI
Date: 27 March 2026

Signature: /s/ Bjørn Arve Olsen
Name: Bjørn Arve Olsen
Title: Board member of DCI
Date: 27 March 2026

Signature: /s/ Erik Björklund
Name: Erik Björklund
Title: CEO of Spare Group AB and Chairman of the Board of DCI
Date: 27 March 2026

The signature on the agreement by Tydal Data Center AS, represented by Chairman Haakon Bryhni, shall only be valid following confirmation by the board of the parent company, Bitdeer Technologies Group Ltd. The confirmation shall be attached to the Agreement.

[**]

Appendix B: Remuneration provisions

[***]

[**]

[***]

[**]

[***]

[**]

List of Principal Subsidiaries of Bitdeer Technologies Group*

Subsidiaries	Place of Incorporation
Bitdeer Technologies Holding Company	Cayman Islands
Straitdeer Pte. Ltd.	Singapore
Sharpening Technology Limited	British Virgin Islands
Bitdeer Technologies Limited	Hong Kong
Bitdeer Netherlands B.V.	Netherlands
Bitdeer Norway AS	Norway
Norwegian AI Technology AS	Norway
Bitdeer Malaysia Sdn. Bhd.	Malaysia
Bitdeer Inc.	United States of America
Carpenter Creek, LLC	United States of America
Ant Creek, LLC	United States of America
Dory Creek, LLC	United States of America
Bitdeer Sales (USA) Inc.	United States of America
Whitetail Creek LLC	United States of America
Asia Freeport Holdings Pte. Ltd.	Singapore
Le Freeport Real Estate Pte. Ltd.	Singapore
Le Freeport Management Pte. Ltd.	Singapore
Singapura Technologies Limited	British Virgin Islands
Tosummer Technologies HK Limited	Hong Kong
Bitdeer Bhutan Equipment Limited	British Virgin Islands
BITDEER GEDU PTE LTD	Bhutan
BITDEER JIGMELING PTE LTD	Bhutan
Bitdeer Semiconductor Technology Pte. Ltd.	Singapore
Bitdeer Semiconductor Sales Pte. Ltd.	Singapore

* Other subsidiaries of Bitdeer Technologies Group have been omitted because, in the aggregate, they would not be a “significant subsidiary” as defined in rule 1-02(w) of Regulation S-X as of the date of this annual report.

**Certification by the Principal Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jihan Wu, certify that:

1. I have reviewed this annual report on Form 20-F of Bitdeer Technologies Group;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30, 2026

/s/ Jihan Wu

Name: Jihan Wu

Title: Chief Executive Officer

**Certification by the Principal Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002**

I, Jianchun Liu, certify that:

1. I have reviewed this annual report on Form 20-F of Bitdeer Technologies Group;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;
4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and
5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: April 30, 2026

/s/ Jianchun Liu

Name: Jianchun Liu

Title: Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Bitdeer Technologies Group (the "Company") on Form 20-F for the fiscal year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jihan Wu, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ Jihan Wu

Name: Jihan Wu

Title: Chief Executive Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the annual report of Bitdeer Technologies Group (the "Company") on Form 20-F for the fiscal year ended December 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Jianchun Liu, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to my knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ Jianchun Liu

Name: Jianchun Liu

Title: Chief Financial Officer

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in the Registration Statements on Form S-8 (File No. 333-272858 and 333-275342) and Form F-3 (File No. 333-273905, 333-278027, 333-278029, 333-280041, 333-283732 and 333-289855) of our report dated April 30, 2026 with respect to the audited consolidated financial statements of Bitdeer Technologies Group (the “Company”) and the effectiveness of the Company’s internal control over financial reporting, appearing in this Annual Report on Form 20-F for the year ended December 31, 2025.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
April 30, 2026