Bitdeer Technologies (Q2 2026 Earnings)
August 10, 2026

Corporate Speakers
- Tesh Dahya; Bitdeer Technologies Group; Head of Investor Relations
- Haris Basit; Bitdeer Technologies Group; Chief Strategy Officer
- Michael Potter; Bitdeer Technologies Group; Chief Financial Officer
- Jihan Wu; Bitdeer Technologies Group; Founder, Chairman and Chief Executive Officer

Participants
- Nick Giles; B. Riley Securities; Analyst
- Mike Grondahl; Northland Capital Securities; Analyst
- Kevin Cassidy; Rosenblatt Securities; Analyst
- John Todaro; Needham & Company; Analyst
- Brett Knoblauch; Cantor Fitzgerald; Analyst
- Michael Colonnese; H.C. Wainwright; Analyst
- Kevin Pimental; Alliance Global Partners; Analyst
- Benjamin Sommers; BTIG; Analyst

PRESENTATION

Operator

Good day. Thank you for standing by. Welcome to Bitdeer's Second Quarter 2026 Earnings Conference Call. Please be advised that today's conference is being recorded.

I would now like to turn the conference over to your first speaker today, Tesh Dahya, Head of Investor Relations. Please go ahead.

Tesh Dahya
Bitdeer Technologies Group Head of Investor Relations

Thank you, Operator. And good morning, everyone. Welcome to Bitdeer Technology Group's second quarter 2026 earnings conference call. Joining me today are Jihan Wu, Founder, Chairman and Chief Executive Officer; Haris Basit, Chief Strategy Officer; and Michael Potter, Chief Financial Officer. Today's call will begin with Haris providing a review of our recently announced Tydal, Norway colocation lease agreement, followed by Michael with a review of our business segments and second quarter financial results.

Before management begins their formal remarks, I would like to remind everyone that during today's call we may make certain forward-looking statements. These statements are based on management's current expectations and are subject to risks and uncertainties which may cause actual results to differ materially. For a more complete discussion of forward-looking statements and the risks and uncertainties related to Bitdeer's business and industry, please refer to the company's filings with the U.S. Securities and Exchange Commission.

I also want to note that we will be discussing certain non-GAAP financial measures and operating metrics today. A reconciliation of these measures to the most directly comparable GAAP measures is included in our earnings release issued earlier today. These non-GAAP measures should not be considered in isolation from or as a substitute for the most directly comparable measures prepared in accordance with GAAP. As a reminder, changes to the fair value of our digital assets are reflected in GAAP net income and may introduce noncash volatility into our reported results.

With that, I will now turn the call over to Haris.

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

Thank you, Tesh. And good morning, everyone. This is our first earnings call since we announced the execution of our $4.7 billion colocation lease at Tydal, Norway. And I would like to begin by putting that agreement in context. Over the past several years, we have worked to build a power infrastructure portfolio that we believe is well positioned to support both our Bitcoin mining operations and our expansion into AI infrastructure. Tydal represents an important step in converting that portfolio into long duration contracted revenue, and it establishes AI infrastructure colocation as an additional pillar of our business alongside our AI cloud, Bitcoin Mining and ASIC development and manufacturing operations. We are pleased with the terms of this agreement and with the caliber of Volta as our counterparty. We view Tydal as an important proof point for this strategy, and we intend to pursue additional opportunities of this kind as they arise.

Agreements of this scale and complexity reflect the work of our team over the past several years, and I want to thank everyone involved for their efforts in reaching this milestone. With that, let me walk through the terms of the Tydal transaction in more detail.

On August 4, we announced that our subsidiary, Tydal Data Center AS has executed a 16-year colocation lease and services agreement with Volta at our Tydal campus in Norway. Under the agreement, we are delivering 121 IT megawatts, supported by approximately 133 gross megawatts. This will be spread across four existing data halls and will be configured to run NVIDIA GPUs. The lease is expected to generate approximately $4.7 billion in contracted base term revenue over the initial 16-year term, an 8-year renewal option, if exercised, would increase the potential contract value to approximately $8 billion over 24 years with the tenant termination right at the end of year 10. The leases structured has a modified growth arrangement. Volta pays a combined base rent and service fee with a 3% annual escalator and electricity costs are fully reimbursed on a pass-through basis which protects our margin from energy price volatility and provides a highly predictable cash flow. Over the 16-year base term, we expect this agreement to generate average annual revenue of approximately $2.4 million per IT megawatts.

Importantly, Volta's obligations are anticipated to be backed by an institutional grade credit structure. This anticipated credit enhancement meaningfully reduces our counterparty risk and improves the financeable quality of these contracted cash flows which supports our plan to access attractive debt financing terms to fund the remaining development like Tydal. Our remaining capital expenditure is approximately $500 million which we believe is significantly more capital efficient than a typical greenfield data center build. We expect to raise project level financing to fully fund our remaining Tydal capital needs and to provide significant additional capital. Delivery is structured across two equal-sized phases targeting December 31, 2026, for the first phase and March 31, 2027, for the second.

A word on our tenant. Volta is a compute infrastructure developer focused on large-scale AI and data center deployments in power advantage markets. Volta has announced a $10 billion strategic partnership with an AI lab and a broader development pipeline exceeding 1 gigawatt. In selecting Volta as our partner at Tydal, we evaluated their technical ability to execute a large-scale GPU deployment, the quality and enforceability of their anticipated credit support and their ability to move rapidly to match the anticipated Tydal construction timeline. It is important to note that Tydal will incorporate leading-edge NVIDIA GPUs has one of the highest reliability grid connections in Europe, is 100% powered by renewable energy and has an extremely high energy efficiency with a PUE of approximately 1.1.

Our broader power and infrastructure portfolio stands at approximately 3 gigawatts of total global electrical capacity at the end of the second quarter, up approximately 12% year-over-year. Furthermore, we continue to evaluate opportunities for additional grid connected and behind-the-meter expansion sites globally across both new and existing sites. Our objective is straightforward. Continue acquiring, building and converting powered infrastructure. We will share updates on our progress here when appropriate.

I will now turn the call over to Michael to walk through our business segment updates and second quarter financial results.

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

Thank you, Haris. And good morning. I'm happy to join everyone for the first time as Bitdeer's CFO. Execution remains our top priority. While the Tydal lease that Haris described has now been executed. There is significant work ahead to prepare for the first RFS date. We will update as appropriate as those milestones are achieved. The focus in our view is on the quality of altered demand, robustness of the financing structure and contractual protections. We believe this transaction compares very favorably on these dimensions, and we look forward to demonstrating that through continued execution.

Looking ahead, we see plenty of interest in various sites within our portfolio that could potentially be used as AI/HPC data centers. A key advantage of our model is the ability to utilize capacity for crypto mining until an AI data center is ready, ensuring our power assets remain productive and secure.

Turning to our Bitcoin mining business. Self-mining hash rate reached approximately 73 exahash per second at the end of the second quarter, up approximately 342% year-over-year, supported by approximately 243,000 active self-mining rigs. This is an increase of approximately 113% year-over-year. We mined 783 Bitcoin in April, 921 Bitcoin in May and 990 Bitcoin in June. Total second quarter production was approximately 2,694 Bitcoin, an increase of approximately 377% year-over-year.

Our co-mining hash rate also continued to accelerate meaningfully during the quarter. This reflects our continued deployment of SEALMINERs into third-party facilities. It grew over 260% sequentially. We believe our combination of self-mining, co-mining and hosting gives us multiple channels to monetize our growing SEALMINER production. We have the flexibility to allocate hardware to the channel that offers the best returns as market conditions evolve.

Our SEALMINER platform continues to reinforce our structural cost advantage. The commercial launch of our A4 Ultra Hydro unit operating at 9.45 joules per terahash at the chip level continues to lower our internal cost per exahash. During the quarter, we also launched the SEALMINER DL1 Hydro, our first machine designed for script algorithm mining. This broadens our product line beyond Bitcoin-focused hardware.

Our internal manufacturing capability means that we're not subject to third-party markups when deploying SEALMINER rigs into our own fleet. This remains a structural cost advantage relative to other mining operators. In July, we broke ground on our first U.S.-based manufacturing site, a 187,000 square foot SEALMINER manufacturing facility in Sparks, Nevada. This is expected to be completed by the end of 2026 and will be capable of producing 10,000 units per month. It is expected to create approximately 70 high-quality local jobs.

At the Massillon, Ohio site, we have 174 megawatts of capacity currently online for mining. With reconstruction of two previously fire damaged buildings underway, a significant portion of that cost has been recovered through supplier insurance coverage. We believe the associated capacity could be energized in phases during the third quarter. In June, we broke ground on our Fox Creek, Alberta site, a $155 million investment includes a fully permitted 101-megawatt on-site natural gas power plant with grid interconnection. The site uses a closed-loop dry cooling system. Alberta's Bring Your Own Generation framework gives us the flexibility to curtail compute workloads and sell power back to the grid.

Our AI business continued to scale during the quarter. AI cloud annual recurring revenue reached approximately $76 million at the end of June, an increase of approximately 77% quarter-over-quarter. Utilization was approximately 95% across 4,248 deployed GPUs. We also signed a new 10-year lease for 21.7 IT megawatts of capacity in Malaysia with handover expected in the first quarter of 2027. It is designed to support 128 NVIDIA GV300 NVL72 systems.

On the product side, we deployed NVIDIA's Nemotron three model onto our Bitdeer AI model studio on the first day of its launch.

Turning to our financial results. Second quarter revenue was approximately $228.8 million, an increase of approximately 47% year-over-year and approximately 21% sequentially. The year-over-year growth was driven primarily by the continued expansion of our self-mining hash rate and the associated increase in Bitcoin production, along with accelerating contribution from our AI cloud business which contributed $14 million, an increase of approximately 284% sequentially. Total gross profit was negative $8.5 million with a gross margin of approximately negative 3.7%. Importantly, this represents a $30.5 million sequential improvement that demonstrates the operating leverage of our vertically integrated model. This recovery was driven by two key factors: normalized seasonal power costs which dropped approximately 15% sequentially and an improvement in our blended fleet efficiency to 15.8 joules per terahash. On a year-over-year basis, our gross margins reflect continued but moderating pressure from the additional depreciation expense from our expanding mining fleet and the still challenging hash price environment.

Adjusted EBITDA was approximately $31.1 million, an increase of approximately 575% over the year and approximately 116% sequentially. This sequential improvement illustrates the operating leverage of our vertically integrated model as both hash price and power cost dynamics continue to stabilize. Operating loss in the quarter was $101.7 million and net loss per share was $0.37.

Turning to the balance sheet and cash flow. Net cash used in operating activities was approximately $158.5 million, an improvement of approximately $188 million sequentially. This was driven by the capitalization of SEALMINER-related inventory to PP&E as we're allocating those rigs for internal use. We ended the quarter with approximately $496 million in cash, cash equivalents and restricted cash compared to approximately $298 million at the end of the first quarter. Total long-term debt was approximately $1.8 billion, a reduction of approximately $78 million sequentially. The increase in cash primarily reflects $457 million in proceeds from our at-the-market equity program during the quarter. We view this as a prudent capital raise, establishing the liquidity reserve necessary to execute on our AI/HPC pipeline, powered land acquisition priorities and to help ensure that our Tydal site progresses on schedule.

Today, we filed a new shelf registration statement since our previous shelf which was about 1.5 years old, had largely used up its capacity. We now qualify as a well-known seasoned issuer which makes us eligible for automatic shelf registration. Considering the increased size and scale of our business, we also filed a prospectus supplement to move our existing ATM program to the new shelf and take down $1 billion for offering under that program.

Looking ahead, we expect to broaden our sources of capital with much of our remaining 2026 financing needs to be met through project level debt financing, anchored by our previously discussed goals of accessing the debt markets for Tydal. We expect this debt financing will also unlock significant incremental liquidity to support our broader AI/HPC pipeline.

Our preference is to prioritize non-dilutive project level financing over equity issuance wherever the underlying contracted cash flow support it. Consistent with this, in Q2, our Bitcoin wafer spend was funded entirely through cash generated by our mining operations and debt collateralized by our wafer bank, not equity issuance.

In terms of guidance, we are revising our full year crypto mining infrastructure capital expenditures to $200 million to $280 million, driven by additional infrastructure development opportunities we see in North America. As a reminder, this guidance excludes CapEx for SEALMINER hardware, GPUs, AI cloud or colocation development. On expenses, we continue to actively manage our overhead as we scale the organization to support our expanding colocation and AI cloud businesses alongside our core mining and ASIC manufacturing operations. And we expect our general and administrative expense run rate in the second half to reflect the incremental headcount and infrastructure needed to support that growth.

To summarize, the second quarter was a solid quarter for Bitdeer. In the past few months, we have clearly demonstrated our ability to deliver against our HPC/AI objectives. We executed our first major AI infrastructure colocation lease agreement at Tydal, officially launching our colocation data center business as a core pillar of our company. We reached this milestone on compelling terms and with the partner, Volta, we are excited to work with. Our underlying power portfolio continues to scale. Our AI cloud business is demonstrating strong momentum, and our Bitcoin mining and SEALMINER platforms illustrate the benefits of vertical integration.

Thank you for joining us this morning. Operator, please open the call for questions.

QUESTIONS AND ANSWERS

Operator

Our first question coming from the line of Nick Giles with B. Riley Securities.

Nick Giles
Analyst B. Riley Securities

Guys, congrats on getting the first deal done here. You spoke to the pipeline and looking at new opportunities globally. I was just hoping you could frame up kind of some of the opportunities you're seeing outside of the U.S., how near term these opportunities could be?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

I want to make sure I understand your question. You want to know what our opportunities are outside the U.S.?

Nick Giles
Analyst B. Riley Securities

Exactly. Yes. Just hoping to get a better sense for the pipeline ex U.S. How many megawatts are you assessing today? And what's the earliest that some of these megawatts could be brought online?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

So I'm sure Jihan could give some additional color on this. But we do have a lot of large Asia-based potential customers that are slowly starting to turn online. Our existing GPUs in Asia are quite used up, and we're expecting to add more capacity as customers come online. I don't know if Jihan has anything additionally you want to talk about.

Jihan Wu
Chief Executive Officer

On the GPU deployment, I think in the near future, mostly in Malaysia. We have data center already signed up, and we also have other opportunities in active discussion. And the demand side is also very strong. And it is multiyear, highly profitable contract. And the bottleneck right now is our execution. So we are quite busy on executing those AI contract in Malaysia.

And then Norway will be the next. We reserved like 50 megawatts, a little bit less than 50 megawatts I think in Norway ourselves that will be a little bit later than in Malaysia. And it is expected within next year.

And then we will have some of our U.S. data center activated in Tennessee and Washington.

Nick Giles
Analyst B. Riley Securities

That's helpful. Would you consider any new sites outside of the U.S. for colocation purposes? Or are you seeing any opportunities for expansion in your European footprint on the colocation side?

Jihan Wu
Chief Executive Officer

We are actively looking for other power assets opportunities in Europe. But since we haven't done any deal yet, so I think it's too early to really talk about our plan in Europe. And right now our focus should be on execute the deal in Tydal. I think that's very important for us. If we can execute that, we will generate revenue and cash flows. I think that's -- and it will also generate kind of credibility of our data center execution. So I think that's super important for us right now.

Nick Giles
Analyst B. Riley Securities

Understood. And then maybe one more, if I could. I saw, if I read correctly, just at the Knoxville site, there was a full redesign of the project, and I believe ready for service time was slightly pushed out. Can you just talk about -- maybe provide some additional background on what drove that? Was that potential customer driven? Was that just kind of better fit NVIDIA architectures? What was the reason for that?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

I don't know if you want to talk about that, Haris or you want me to jump in on it.

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

I think probably best for you, Michael.

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

So when we have been going to market and looking at the requirements around our Tydal, Norway site, originally, we had expected Tennessee to be two different projects, but the market demand is more for a single more monolithic amount of megawatts offered in one place. So we redesigned it instead of having two separate smaller sites inside our bigger site to just be one data hall complex. So that was the redesign we did, and it's reflected from the discussions we've had with potential customers and what their requirements are.

Jihan Wu
Chief Executive Officer

Yeah. And the expectation actually aligns with the second phase. So there will be low Phase I, Phase II as only one phase, and it will all be online at the same time. So if we look at the expected Phase II actually pushed out a lot, but there will be low Phase I early activation.

Operator

Our next question in queue coming from the line of Mike Grondahl with Northland Capital.

Mike Grondahl
Analyst Northland Securities

Could you spend a minute on how you decided on Volta and kind of what maybe their ultimate demand is? And then secondly, Rockdale and kind of Clarington, what are next steps at both of those sites?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

Maybe I'll start with the Volta side and then have Michael or Jihan speak to the other sites. So why we chose Volta was really they have done a great job actually in finding innovative ways of addressing this business in both the capital markets, the customers that they have obtained and their contracts with the customer. They also were able to move rapidly which is something that we wanted to see at the Tydal site since that site is coming online in just a few months. And in general, the commercial terms were also very favorable. So we thought that they were the right choice for us at the Tydal site. Their ultimate demand can be much larger, but of course, they're just getting started. And so we -- the initial lease is for 121 IT megawatts.

Mike Grondahl
Analyst Northland Securities

Got it. Then just an update on next steps at Rockdale and Clarington?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

I don't know if Jihan wants to add some further color, but we're continuing to build out the power infrastructure as per our previously discussed timeline in Rockdale. That was something that was predating the batch or the allocator of the power in the site. And we're preparing in the background what we believe we need to do if we want to do an AI data center at that site. Clarington, we're developing it for crypto mining right now. The power is available coming up soon, and we'd like to be able to make sure we use it fully. There's no big update on the lawsuit in Clarington now. The motion to dismiss that we had filed was turned down by the judge which is pretty common in these pretrial things, and it's gone into a discovery now. We continue to believe that the lawsuit doesn't have any merit, and we continue to work on that.

Operator

Our next question coming from the line of Kevin Cassidy with Rosenblatt Securities.

Kevin Cassidy
Analyst Rosenblatt Securities

Thanks for taking my question and congratulations on landing Volta. Two things on that. Well maybe with the Texas government putting a pause on the new data center grid, maybe Haris, you might have touched on that, but how does that affect your colocation opportunities in Texas?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

Michael, do you want to answer that one?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

It's still a little bit early to make strong comments on that because the actual criteria haven't come out yet. The one big site we have in Texas which is Rockdale, that site, all the activity there is pre-batch 0 and not related to that, that we're working on.

As the actual news gets out and the criteria come out, I think we'll be in a better position to be more specific in our comments.

Kevin Cassidy
Analyst Rosenblatt Securities

Okay. Great. And with Volta is a large Neo cloud and worldwide, is there a chance to just expand your relationship with them to other sites?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

I mean there is that potential, of course, with Volta, but we haven't released any information on that yet.

Kevin Cassidy
Analyst Rosenblatt Securities

Okay. Maybe I'll ask one other is how should we be model SEALMINER rigs going forward and for external sales?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

So right now the existing wafer inventory that we have, we've designated for internal use with the very challenging hash rate and our desire to expand our ability to do self-mining and co-mining, we made the decision to use it internally. We have the capability and the capacity to deploy it, and that's the best way to get that working and earning us some cash. It is an example of our model being extremely flexible in that we do have a fair amount of powered land that's in earlier stages of development for other uses that we can quickly deploy cryptocurrency mining into it and make sure we generate cash off the power. Also if you keep using the power, it's less likely that the utility will try and move it away from the land. So it's important that we can quickly react when we do get land into our portfolio and use it and the crypto mining that we do is a big advantage there.

Operator

Our next question in queue coming from the line of John Todaro with Needham.

John Todaro
Analyst Needham

Hey and thanks for taking my question and congrats on the lease. First question, just as it relates to the lease, it was 133 gross megawatts signed. I think we have that site going for 225. Just trying to understand why Volta didn't go for the full amount and are you keeping some for cloud? And if so, I guess, why in the strategy there? And then I have a follow-up.

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

So the full amount of power there is actually 180 gross megawatts. And so of that 180 gross megawatts, so we're leasing 133 gross which would be 121 IT megawatts to Volta and then retaining 47 megawatts gross for our own AI cloud use there. So as you know this market is dynamic. There's a lot of activity in the -- both the colocation and AI cloud space. We think there's still a lot of opportunities for us in Norway with the 47 megawatts that we've retained. And we haven't made final decisions on exactly how that would be deployed and for whose benefit in terms of the ultimate tenants there. So we think that's a significant potential upside for us, and we felt it would be beneficial for us to retain that power for ourselves.

John Todaro
Analyst Needham

Understood. And then just one on the credit guarantee. And then just one on the credit guarantee. We've seen some in the past where you have kind of a Neo cloud and your offtaker is like an Anthropic-like entity, but there's still either the chip manufacturer or a hyperscaler involved in the credit guarantee. I guess can you just walk us through a bit more how that process worked and what maybe some of the other avenues you were looking at before ultimately settling on the way it's structured now?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

Yes. So I don't want to speak about the alternatives that we looked at since those are proprietary in many cases. But the letter of credit structure here, I think, is quite useful, and it might be quite useful to the industry as a whole because for the first time it has backing or credit backing from someone other than, as you said, someone who's a chip vendor or a hyperscaler. So it opens up additional funding opportunities. And it is a very high level of very high rating for letters of credit from the types of banks that we expect these letters of credit to come from. So we know this is innovative and new to the industry, but we think it's going to be something that catches on.

Operator

Our next question moves you coming from Brett Knoblauch Cantor Fitzgerald.

Brett Knoblauch
Analyst Cantor Fitzgerald

I just have a few, Haris on the Tydal lease, I kind of talked about an additional $500 million of CapEx needed. Curious how much money you guys have put into that site, call it, excluding the additional CapEx you need?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

Actually, let me ask Michael to answer that question for how much has actually been put in.

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

I mean we've put hundreds of millions of dollars of development into the site already, some of which has actually been spent around the AI data center and originally developing the site to be used as a cryptocurrency site. So we made a reasonably significant investment in there in the past which prepared us so that we could act very quickly when this opportunity came up. This is more of a brownfield or semi-developed site than a complete greenfield. So it allowed us to act very quickly and meet the timelines that Volta was hoping for.

Brett Knoblauch
Analyst Cantor Fitzgerald

Understood. And then just high level, how should we think about how you're going to allocate capital between maybe leasing some of the power land you have and building your own AI or expanding your AI cloud business? I guess if we think about Volta and your AI cloud, to some extent, they probably compete against each other, you're both selling compute. Is there a preference for you to want to be bigger on the cloud side? Is it going to be a mixed approach? I guess how are you guys thinking of it internally?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

I think Jihan can give some deeper color on that. But we're remaining flexible. If there's a good colocation deal that we feel it's in the best interest of the company to do, we can still execute on something like that. And if we look at what we can do around owning the GPUs ourselves or providing the GPUs ourselves and serving a customer ourselves, it's something that we strongly consider as well. We have said that we're going to do one or the other as the exclusive way to do it.

Brett Knoblauch
Analyst Cantor Fitzgerald

Awesome. And then maybe if I can just follow up with one more. As I look at kind of three gigs of kind of existing power and power coming online over the next several quarters, I guess, is there a site that we should be focusing on that is kind of most ready or the next catalyst to either be leased or either to be converted? Or anything we should think about the future catalyst ramp here?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

I think Jihan talked about this a little bit earlier that in Asia, we have ability to grow quickly in Malaysia because of the new site that we're signed up in Malaysia. So in the very short term, I think Malaysia is the one you see the most activity on. If you look at the table, we provide Washington State and Tennessee are the two that are sort of designated specifically for that, that we're actively working on and doing construction and such. So in terms of any like soon news, those are two that are most likely to come out. The other site is really depending on where we are with our discussions with customers and what we decide to turn on that. And as that happens, we'll make sure we'll update everybody.

Operator

Our next question in the queue coming from the line of Mike Colonnese with H.C. Wainwright.

Michael Colonnese
Analyst H.C. Wainwright

Hi. Good morning, guys. Congrats on the Tydal deal. Great to see. I have two. First on the AI/HPC business. So Haris, you touched on this a bit earlier, but I just wanted to follow up on it. So if you could just talk about the preferred use for the additional 47 megawatts of gross capacity at Tydal at this stage. It sounds like you're considering either the GPU as a service type model or another colocation deal. If you were to do a colocation type of contract, would Volta be interested in this incremental capacity? Or would you be marketing that out to new prospective tenants?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

I mean I don't really want to speak for Volta here on this call but there is a lot of interest from Volta in expanding our relationship, and we will consider it along with other options.

Michael Colonnese
Analyst H.C. Wainwright

And then just given where GPU pricing is, obviously you guys have had some success in that business as well. Would you say you're more or less likely to deploy your own GPUs to use that additional 47? Or do you think at this juncture, colocation model would be the preferred way?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

We haven't made any final decisions for the 47 megawatts, but if you're looking for a forward-looking comment there, I don't know Jihan, if you want to add some color there.

Jihan Wu
Chief Executive Officer

Actually, there are already some interested customers talking with us on those capacities. So for any GPU deal, we need to consider about the financing and the deployment technical together. So I think right now it's not quite the right time to talk about too much. Our execution line, I think Malaysia right now is more in the front of it. So which means we got a lot of interest from customers, and we will focus them to discussing with some initial capacity. And after that, we will start to execute those Tydal's 47 megawatts of AI cloud.

Michael Colonnese
Analyst H.C. Wainwright

And then one more for me, just on the Bitcoin mining side. So Bitdeer has been one of the few miners that has continued to aggressively expand capacity in this environment, really positioning you well for the next stage of the cycle here. Just curious how we should think about hash rate growth in the back half of the year? It sounds like you have the wafer inventory to develop, deploy and manufacture your own SEALMINERs for your proprietary use. Just trying to think through the best way to model hash rate expansion from here?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

I think in general, for modeling purposes, if you look at the steady increase we've had over the last few quarters, it will be similar to that where we're deploying about the same amount of mining machines per month going forward. So it will be -- I don't think it'll be greatly accelerating from where we are, but I think steady deployment at a reasonably high rate as we've shown over the last few quarters.

Operator

Our next question coming from the line of Brian Kinstlinger with Alliance Global Partners.

Kevin Pimental

This is Kevin for Brian. For the Tydal, what tasks does the Bitdeer need to accomplish between now and the beginning of both Phases one and 2?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

Well I mean Phases one and two are full RFS, right? So they will be completely ready for the customers' GPUs at that time. And so effectively, we have all of the long lead time items have been ordered. They will arrive -- the scheduled arrivals are before the respective RFS dates. We have to finish installing those. There's a commissioning part of it that is also very critical. So it's in a very good state right now. We've had an engineering analysis, and it looks like it's --

we're going to hit our target dates. There's probably 100 things to do off the top of my head, I can't name what they are, but there's hundreds of people on site working on this, and it's moving ahead. There's no specific item that stands out that is more critical than the others that could potentially cause a problem. So we feel like we're in a pretty good position to hit those dates.

Kevin Pimental

Got it. And then Bitdeer recently announced it will lease a 21.7 megawatt data center in Malaysia for AI cloud. Can you share some more details like the cost and how you finance the GPUs and any other infrastructure needed? When you expect this data center will be ready for your customers? And then maybe could you share a range at full capacity of what the annual revenue run rate would be for this data center?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

Yes. It's a little bit early to talk about specifics and forward forecast on that. I'm sure that Jihan can give some additional color, but we do have several customers that are interested in it. And the GPU financing will depend on whatever contract we have and how it needs to be done based on that contract. When you have a good quality customer backstopping the use of the GPU, it's normally much more straightforward to find financing for GPUs.

Operator

Last question are coming from the line of Ben Sommers with BTIG.

Benjamin Sommers

So Haris, you mentioned some exploring behind-the-meter opportunities there. I know you guys are doing some on-site generation in Alberta, but any additional color you can provide on preliminary conversations or steps you've taken to develop some behind-the-meter power moving forward?

Haris Basit
Bitdeer Technologies Group Chief Strategy Officer

I think it's -- other than us talking about Alberta in the past, I think it's too early to talk about that at any other site. So if any of those things develop further, we can mention it in the future.

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

We have talked about this being the first site, but that we do have the ability to expand it.
So this is sort of a test of concept for us in Alberta underneath the program they have there of bring your own power and the availability of stranded gas in quite a few locations in Alberta which sort of ensures you get reasonable supply at reasonable costs.

It is a site that if Fox Creek works well for us, we can expand in. Using the same model and the capability we've been developing internally, we have looked at other sites that we can do more in. And if we decide to do it, we'll update everybody at that time.

Benjamin Sommers

Super helpful. And then just on the AI cloud business quickly, we touched on the expansion there. Just curious what you're seeing in terms of term length for new GPU cloud contracts and maybe how that's compared or how that's changed over the past 90 days?

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

Haris or Jihan, do you have any comments on that?

Jihan Wu
Chief Executive Officer

Right now when we are discussing with our customers on the GPU contract, mostly focusing on those long-term contracts, I mean five years, we are not spending very much time on talking contracts that are shorter than that. And we will -- our expansion will mostly be supported by this kind of long-term.

Operator

I will now turn the call over to Michael Potter for any closing comments.

Michael Potter
Bitdeer Technologies Group Chief Financial Officer

Thanks everyone, for joining us. And we look forward to speaking again soon.

Operator, you can end the call.

Operator

This concludes today's conference call. Thank you for your participation.

You may now disconnect.