



RIOT
NASDAQ: RIOT

Riot Platforms (NASDAQ: RIOT) FY 2023 Update

February 27, 2024

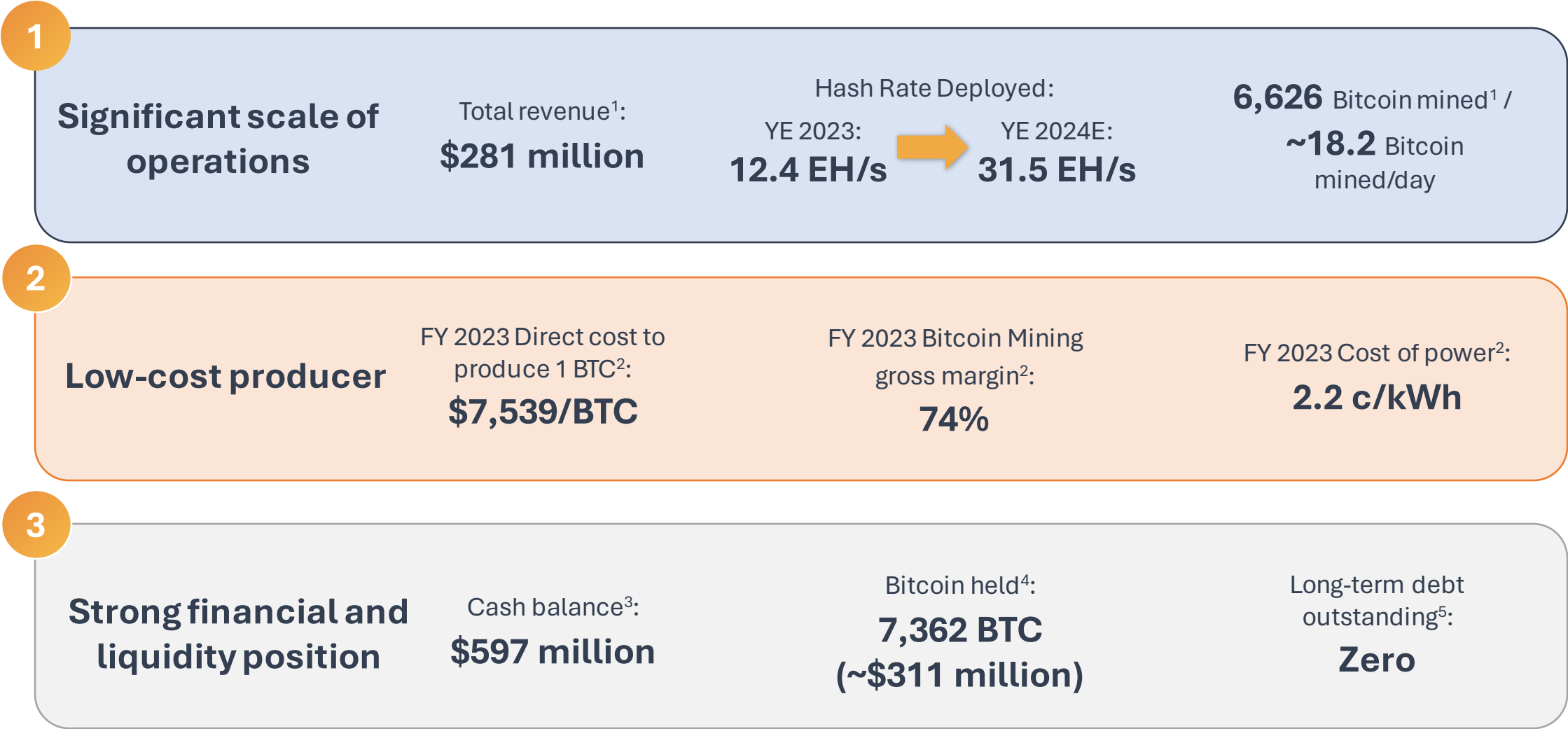
Forward Looking Statements

Statements in this presentation that are not statements of historical fact are forward-looking statements that reflect management's current expectations, assumptions, and estimates of future performance and economic conditions, and are not guarantees of future performance or actual results. Such statements are made in reliance on the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements may include, but are not limited to, statements about the benefits of acquisitions, including potential future financial and operating results, as well as the Company's plans, objectives, expectations, and intentions. Words such as "anticipates," "believes," "plans," "expects," "intends," "will," "potential," "hope," and similar expressions are intended to identify forward-looking statements; however, forward-looking statements may be made without such signifying expressions.

Because such forward-looking statements reflect management's current expectations, assumptions and estimates of future performance and economic conditions, they are subject to risks and uncertainties that may cause actual results to differ materially from those expressed or implied by such forward-looking statements. These risks and uncertainties include, but are not limited to: unaudited estimates of Bitcoin production; our future hash rate growth (EH/s); the anticipated benefits, construction schedule, and costs associated with the Corsicana Facility; our expected schedule of new miner deliveries; our ability to successfully deploy new miners; MW capacity under development; risks related to our realization of the benefits we anticipate from immersion-cooling; risks related to the success, schedule, cost and difficulty of integrating businesses we acquire; our failure to realize anticipated efficiencies and strategic and financial benefits from our acquisitions; and the impact that COVID-19 and other global events may have on us, our customers, our suppliers, and on economic conditions in connection with our estimated timelines, future performance and operations.

Detailed information regarding the factors identified by the Company's management which they believe may cause actual results to differ materially from those expressed or implied by the forward-looking statements contained in this presentation may be found in the Company's filings with the U.S. Securities and Exchange Commission (the "SEC"), including the risks, uncertainties and other factors discussed under the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, as amended, and the other filings the Company makes with the SEC, copies of which may be obtained from the SEC's website, www.sec.gov. In addition to these risks and those identified by the Company's management and disclosed in the Company's filings with the SEC, other risks, factors and uncertainties not identified by management, or which management does not presently believe to be material to the Company, its business or prospects, may also materially affect the Company's actual future results, including in ways adverse to the Company's business. All forward-looking statements included in this presentation are made only as of the date of this presentation, and the Company disclaims any intention or obligation to update or revise any such forward-looking statements to reflect events or circumstances that subsequently occur, or of which the Company hereafter becomes aware, except as required by law. Persons reading this presentation are cautioned not to place undue reliance on such forward-looking statements.

Riot Platforms is the Leading Vertically Integrated Bitcoin Mining Company



1. Twelve months ended as of December 31, 2023.
2. Twelve months ended as of December 31, 2023. Non-GAAP, net of \$46.6 million of power curtailment credits allocated to Bitcoin Mining. Direct cost to produce 1 BTC of \$14,578 based on GAAP cost of Bitcoin Mining revenues, resulting in GAAP 49% Bitcoin Mining gross margin.
3. As of December 31, 2023.
4. BTC balance as of December 31, 2023. Estimated fair value of 'Bitcoin held' based on applying the market price of one Bitcoin on December 31, 2023, of \$42,265 to the Company's 7,362 Bitcoin held.
5. As of December 31, 2023. Excluding net long-term balance of \$0.5 million on Equipment Term Loan at ESS Metron recognized within Other long-term liabilities on the Consolidated Balance Sheet.

FY 2023 Financial Update



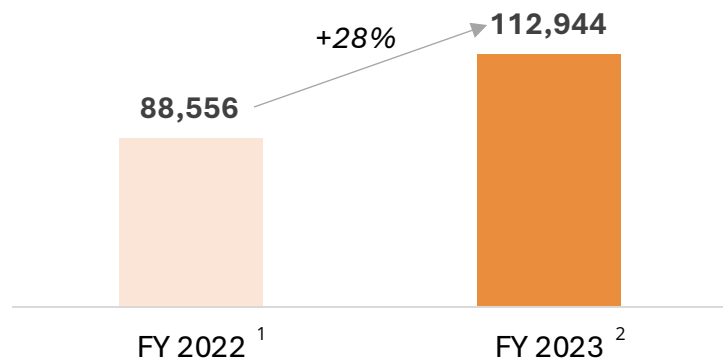
Rockdale Facility, Building G (Immersion-Cooled) – Rockdale, Texas

Riot Platforms FY 2023 Snapshot

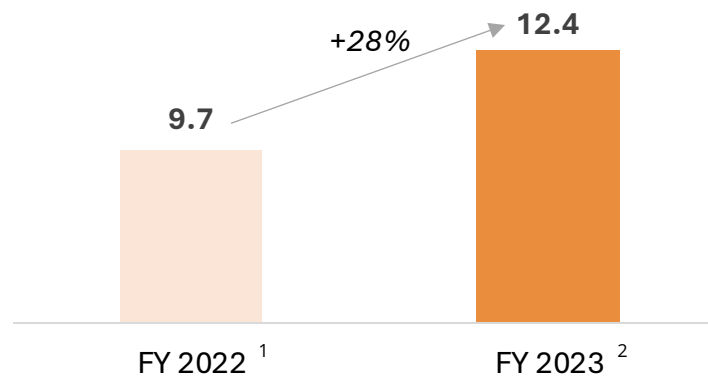
Ending hash rate deployed	12.4 EH/s	▪ 28% increase year-over-year
Bitcoin produced	6,626 BTC	▪ 19% increase year-over-year
Bitcoin sold	6,185 BTC	▪ \$176.2 million in proceeds received (avg. price of \$28,491 per BTC)
Bitcoin held	7,362 BTC	▪ \$311.2 million ¹
Revenue	\$280.7 million	▪ 8% increase year-over-year
Adj. EBITDA ^{2,3}	\$214.0 million	▪ 76% Adj. EBITDA margin
Power curtailment credits	\$71.2 million	▪ 260% increase year-over-year
Net loss / Net loss per share	\$(49.5) million / \$(0.28)	▪ Includes \$252.4 million in D&A

Riot Platforms – Continued Year-over-Year Growth in Production and Capacity

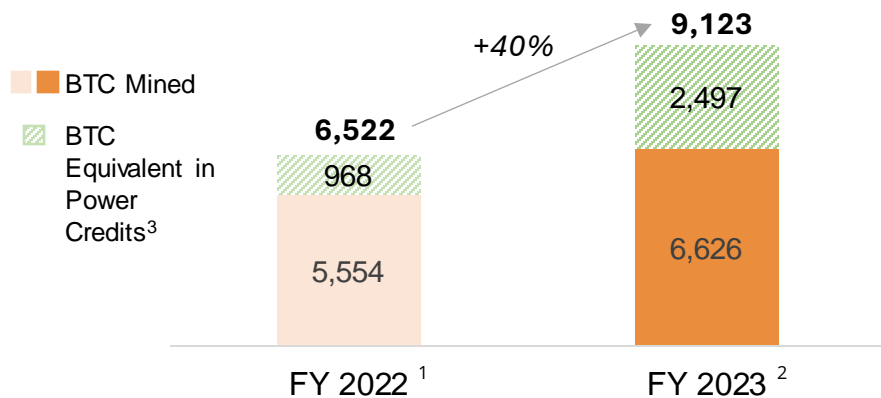
Ending miners deployed (# of miners)



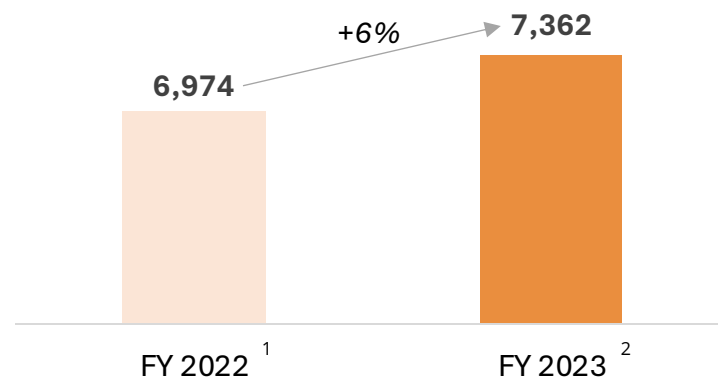
Ending hash rate deployed (EH/s)



Bitcoin produced (# of BTC) ³



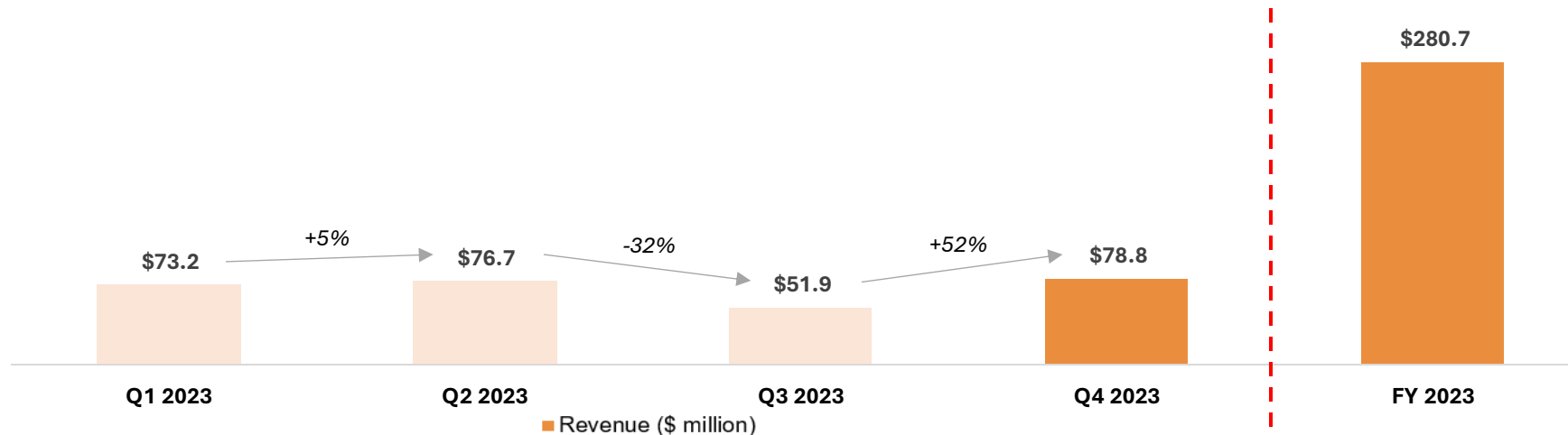
Bitcoin held (# of BTC)



- New all-time records in 112,944 miners deployed and 12.4 EH/s hash rate capacity achieved as of the end of Q4 2023
- Miners and hash rate deployed grew nearly 28% year-over-year
- 6,626 Bitcoin produced in FY 2023, +19% year-over-year due to increase in hash rate deployed, offset by large growth in the overall network hash rate
- Bitcoin held increased to 7,362 Bitcoin, +6% year-over-year

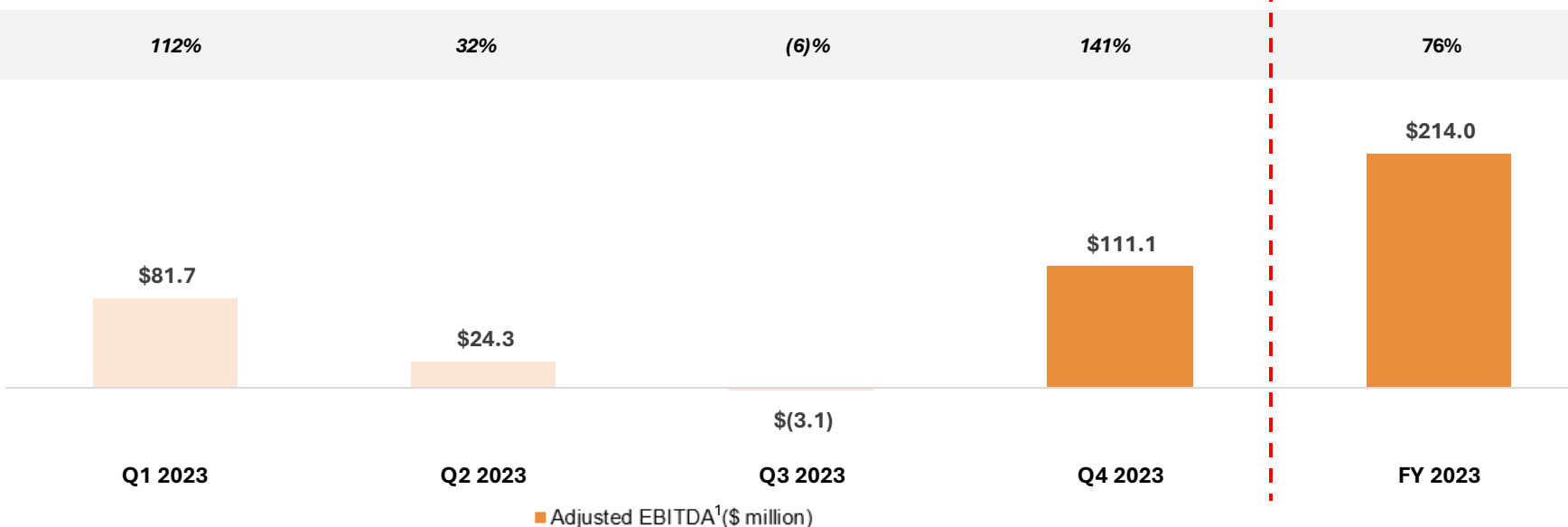
Riot Platforms – Company Wide Revenue Growth

Revenue /
Growth
per
Quarter
(%)



- Record revenues in Q4 2023 driven by increased Bitcoin production and a higher average price per Bitcoin

Adj. EBITDA
Margin



- Adjusted EBITDA positively impacted by early adoption of fair value accounting of Bitcoin held on balance sheet²



1. Indicates Non-GAAP measure. For a full reconciliation of the Non-GAAP measures we use to their comparable GAAP measures, see the discussion under the heading "Non-GAAP Measures" commencing on page 37, under Item 7, "Management's Discussion & Analysis" in our Form 10-K for the fiscal year ended December 31, 2023.

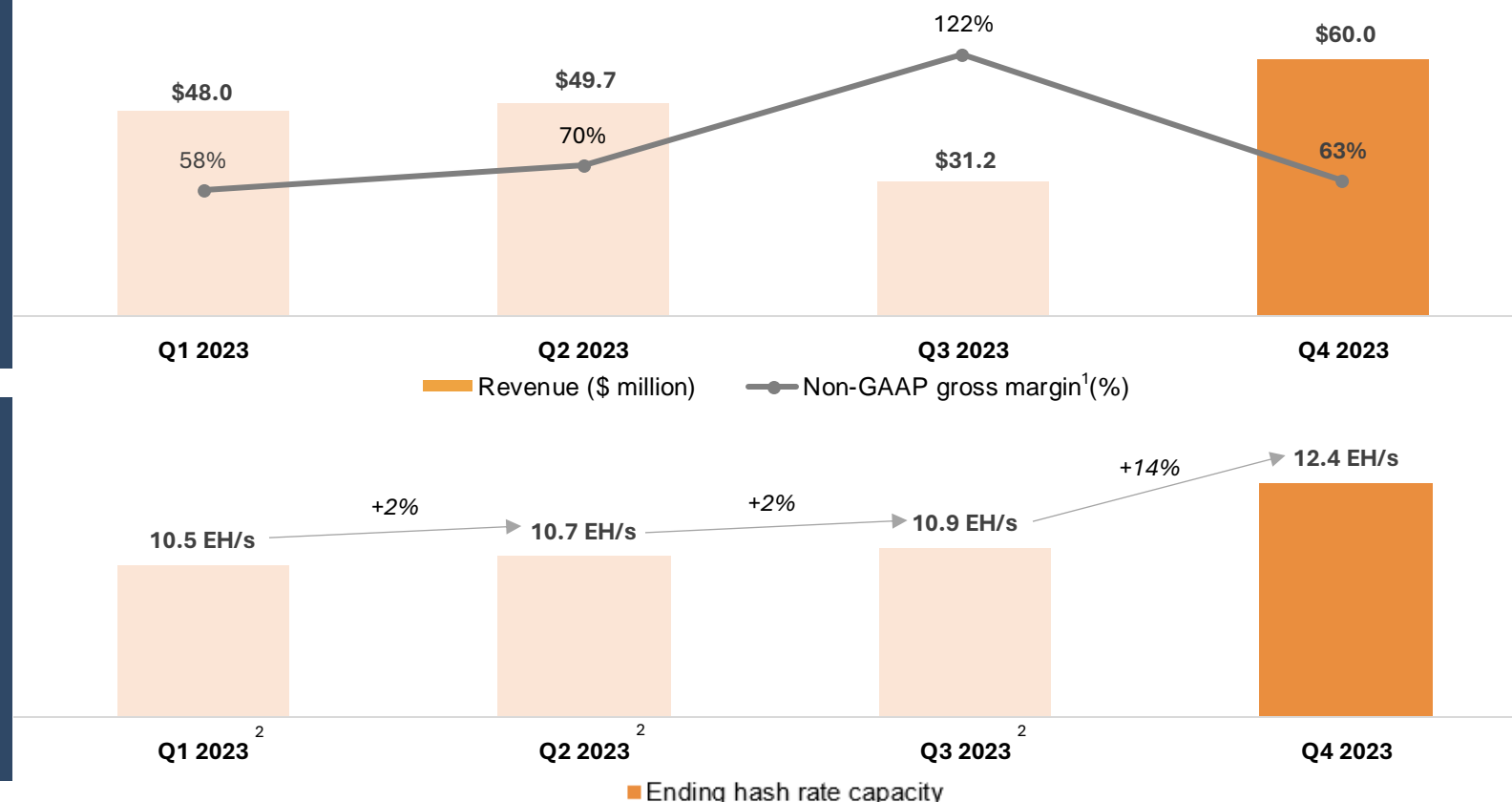
2. In December 2023, the FASB issued ASU 2023-08, under which Riot recognizes its Bitcoin held at fair value, with changes in the fair value recognized in income. Riot elected to early adopt this guidance in 2023.

Bitcoin Mining – Expanding Gross Margins

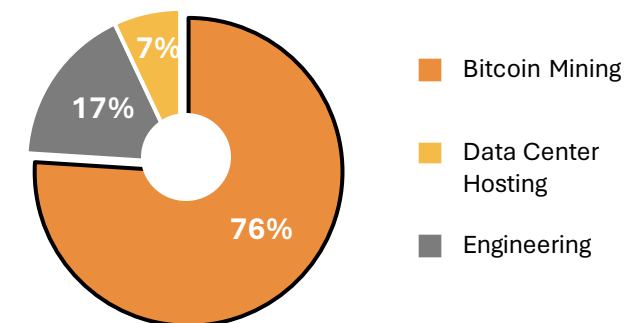
	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Avg. BTC price	\$22,704	\$28,024	\$28,230	\$36,815
# of BTC produced	2,115	1,775	1,106	1,630
Cost to Mine ¹	\$9,438	\$8,389	(\$6,141)	\$13,674

Revenue /
Non-
GAAP
Gross
Margin¹
(%)

Ending
Hash
Rate
Capacity



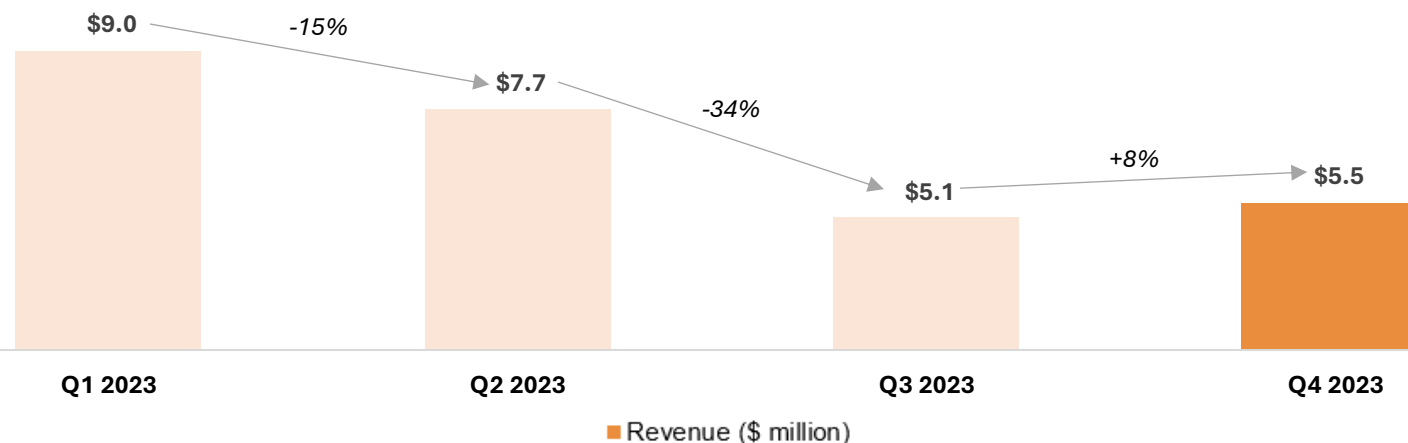
Riot Revenue Breakdown– Q4 2023³



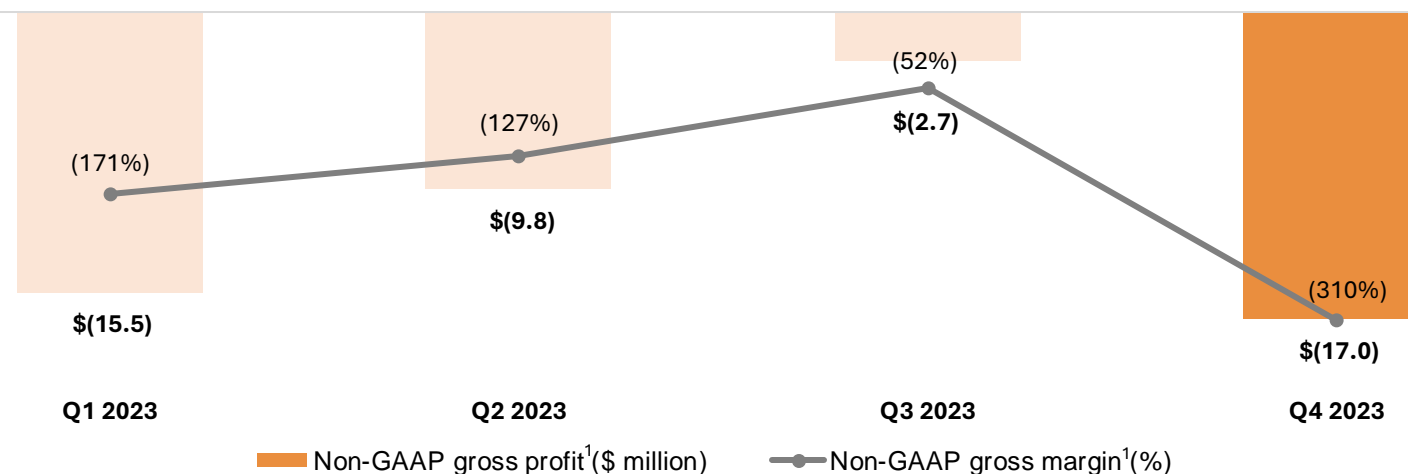
- 63% Non-GAAP Gross Margin for Q4 2023
- \$4.3MM in power credits allocated to the bitcoin mining business in Q4 2023
- Finished repairs to building G, increasing deployed hash rate to 12.4 EH/s
- Cost to mine of \$13,674 per Bitcoin for Q4 2023 increased over Q3 due to higher network difficulty and fewer power curtailment opportunities

Data Center Hosting – Continuing to Address Legacy Contracts

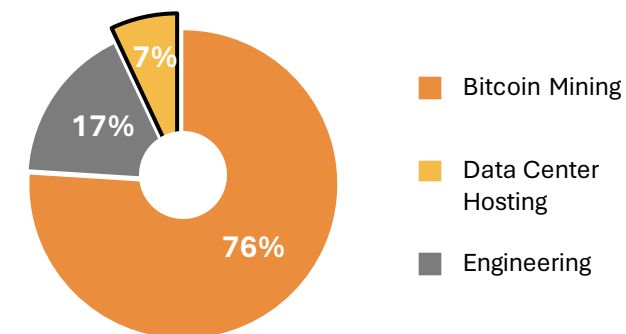
Revenue /
Change
per
Quarter
(%)



Non-
GAAP
Gross
Profit¹ /
Non-
GAAP
Gross
Margin¹
(%)



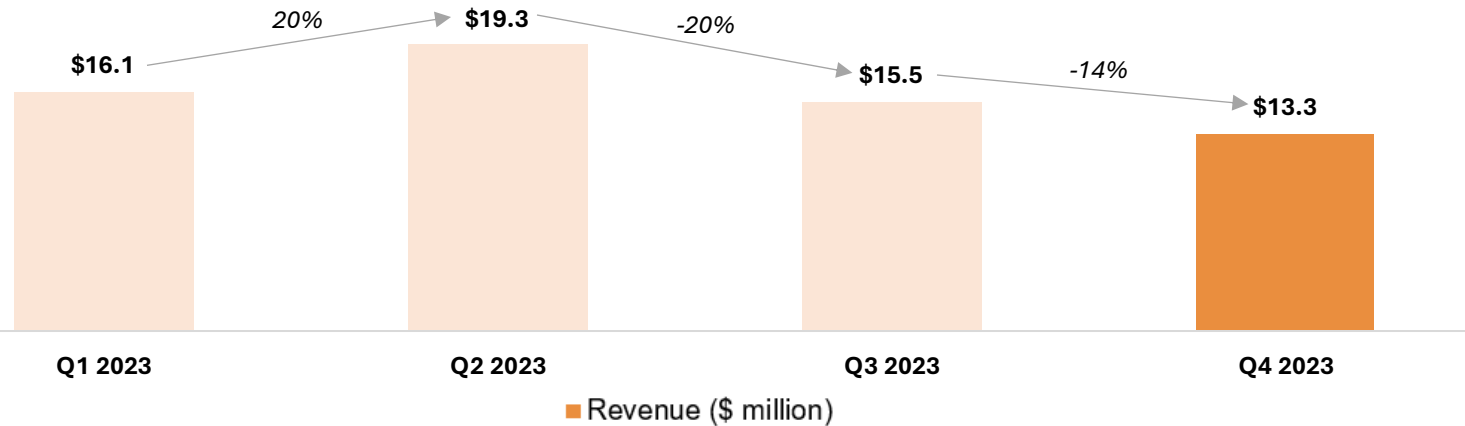
Riot Revenue Breakdown– Q4 2023²



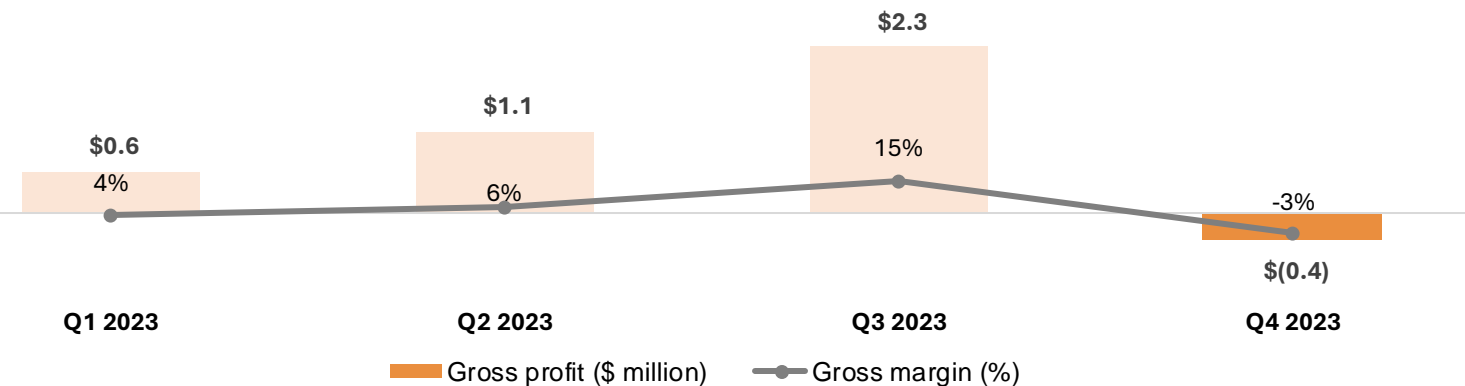
- Revenues marginally up vs. Q3 2023
- \$0.8MM in power credits allocated to the data center hosting business in Q4 2023
- The Company terminated contract with third-party hosting client, Rhodium

Engineering – Continue to Work Through Record Backlog

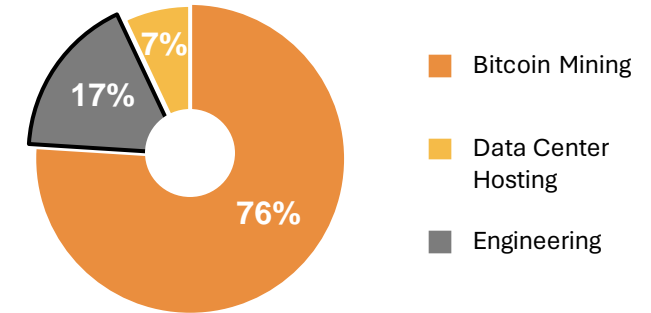
Revenue /
Growth
per
Quarter
(%)



Gross
Profit /
Gross
Margin
(%)



Riot Revenue Breakdown– Q4 2023¹



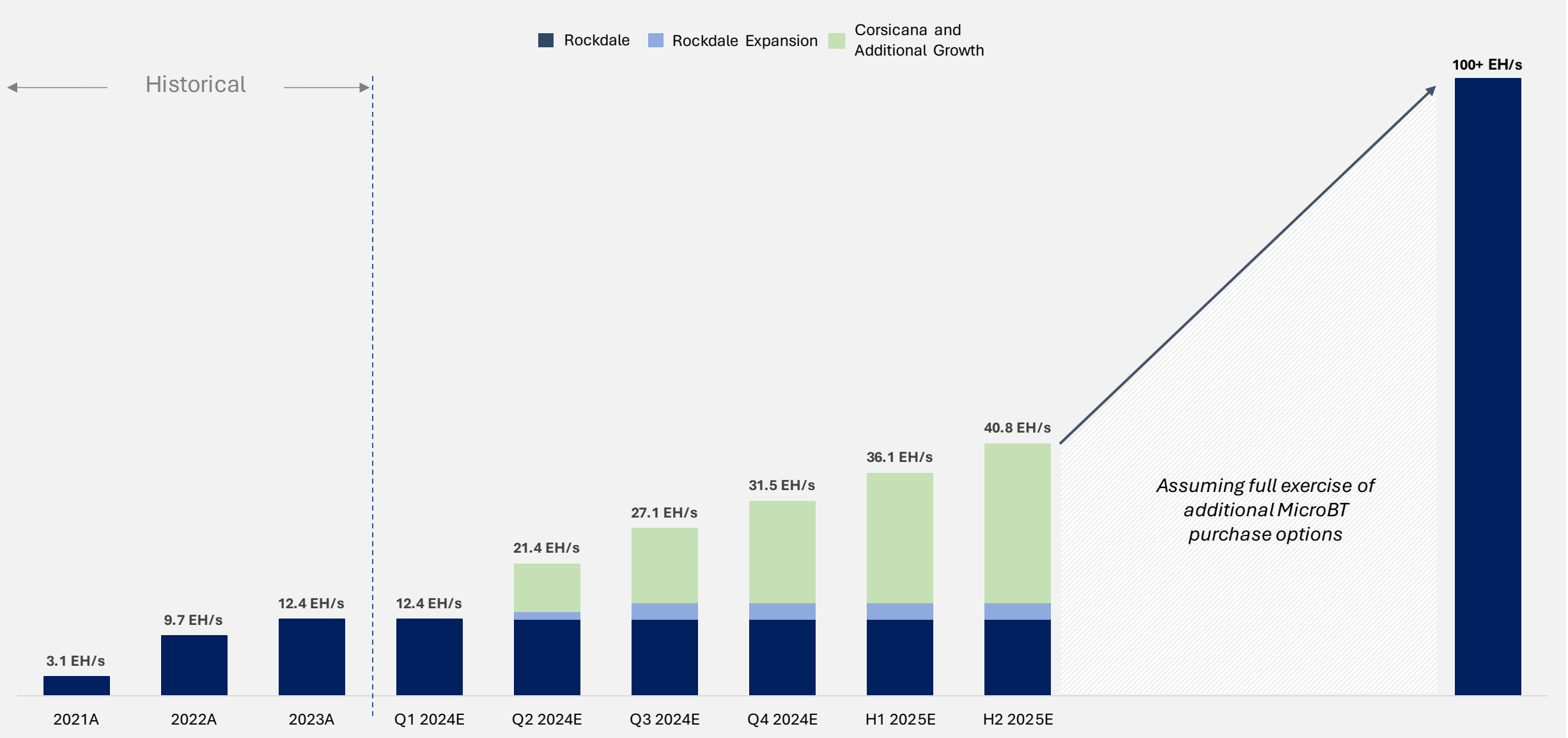
- Q4 2023 decline in revenues driven by supply chain issues that delayed fulfillment of large orders
- Continue to work through record backlog of ~\$150MM in orders
- Record backlog driven by increase in data center demand
- Positioned to drive higher margins in 2024 due to increased demand for products coupled with a slowing of cost inflation

Growth Plans – The Path to 100 EH/s



1 GW Corsicana Facility Development – Corsicana, Texas

MicroBT Miner Order Provides Clear Path to 100 EH/s in Self-Mining Capacity



MicroBT Miner Order Secures Future ASIC Miner Purchase Supply and Pricing

- Riot began testing MicroBT miners in Q4 of 2022
 - Consistently demonstrates high uptime
 - Purpose built for immersion-cooling use
 - Made in the USA
- Initial order of 33,280 miners for the first two buildings in the Corsicana facility
 - 33,280 @ \$21/TH
- Second order of 66,560 miners for next four buildings in the Corsicana facility
 - 66,560 @ \$16 /TH
- Third order of 34,000 miners for replacement miners and expansion of the Rockdale facility
 - 34,000 @ \$16.50/TH
- Purchase option for 75 EH/s of latest generation machines with a **price ceiling of \$16.50 /TH**

Provides Riot with a clear path to achieve 100 EH/s in self-mining capacity

Historical ASIC & BTC Price History¹

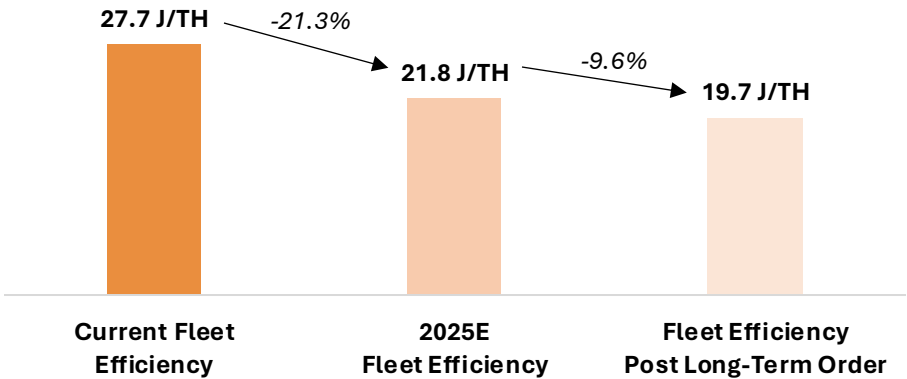


Recent MicroBT Order Significantly Upgrades Riot's Mining Fleet

MicroBT Combined Order Summary			
Model	Quantity	Hash Rate	Efficiency J/TH
M60S (Air-Cooled)	31,500	186 TH/s	18.5
M56S+ (Immersion-Cooled)	8,320	220 TH/s	24.0
M56S++ (Immersion-Cooled)	22,684	230 TH/s	22.0
M66 (Immersion-Cooled)	20,778	250 TH/s	19.9
M66S (Immersion-Cooled)	48,058	280 TH/s	18.5
Total / Weighted Average	131,340	32 EH/s	19.7

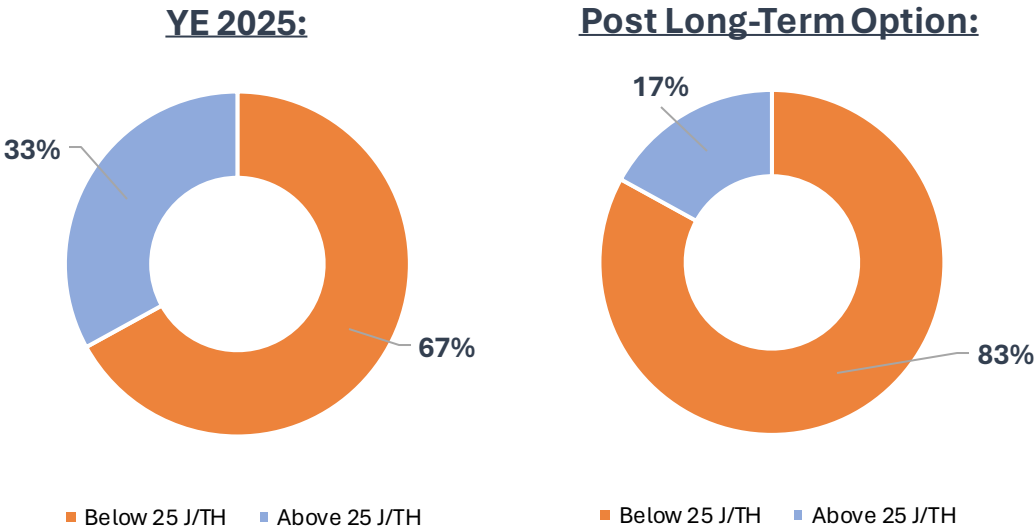
M66S (Long Term Option)	265,000	74 EH/s	18.5
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Fleet Efficiency Improvements

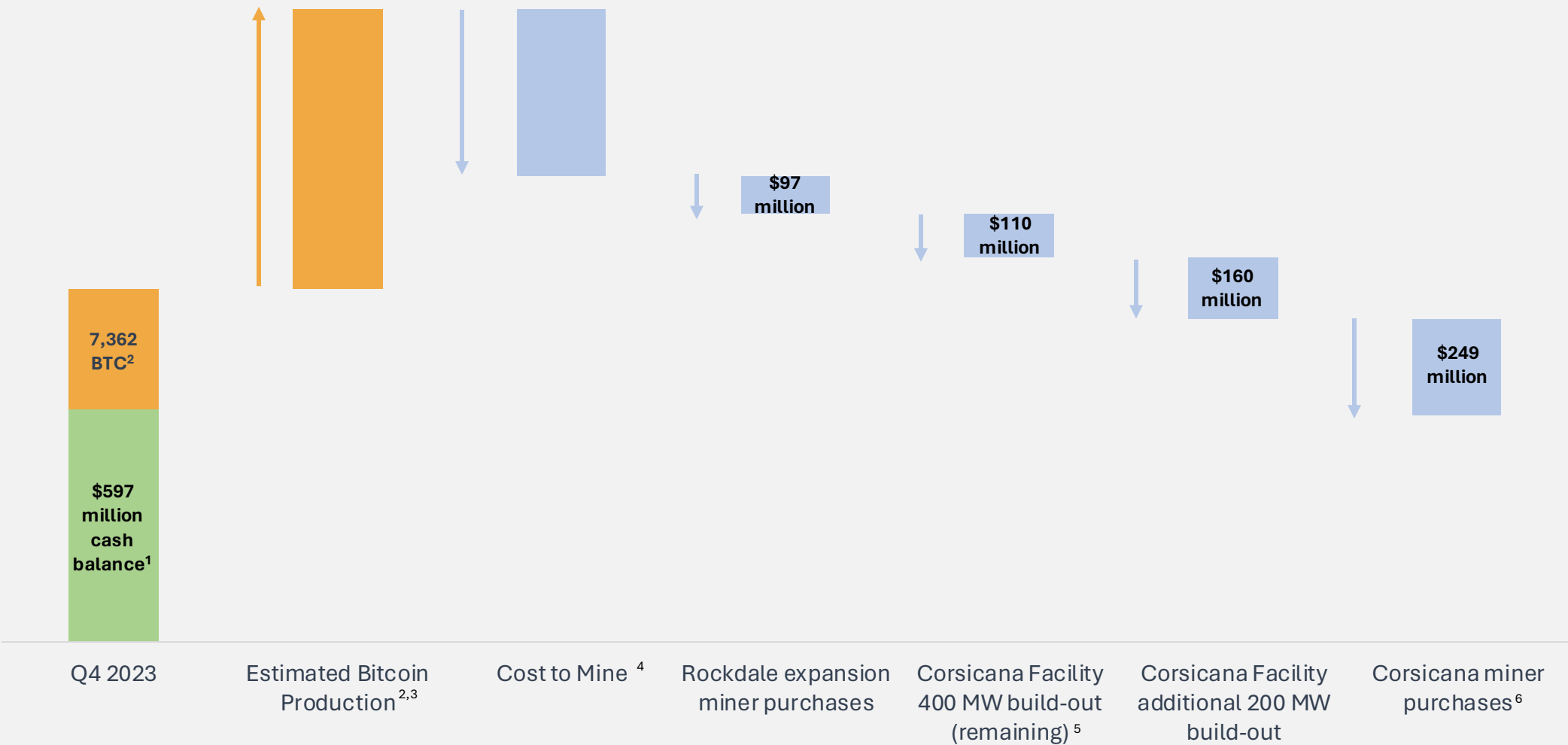


- Riot's purchases of 131,340 MicroBT miners have an average fleet efficiency of 19.7 J/TH
- Riot's total fleet efficiency will be 21.8 J/TH in 2025 after deployment of combined orders, 19.7 J/TH if entire option exercised

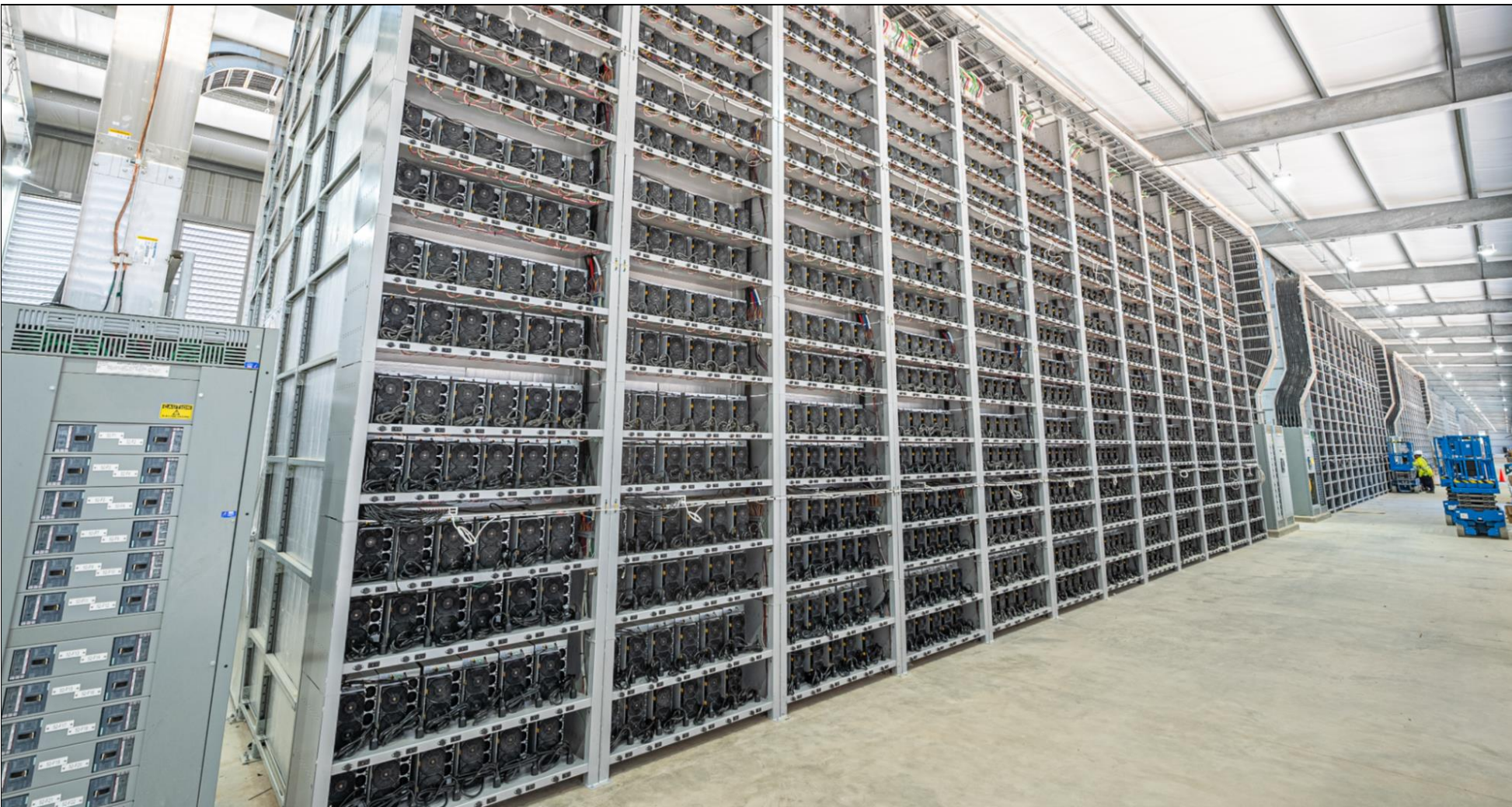
Hash Rate Contribution Mix



Fully-Funded Growth Plans Through Year-End 2025



Power Strategy in FY 2023



Air-Cooled Rack in Building D of Rockdale Facility

Long-Term Power Contracts Form the Basis of Riot's Power Strategy

Riot's 345MW Long-Term 24/7 Fixed-Price Power Contract is Utilized in 3 Ways...

Manual Curtailment

- Riot powers down operations and returns power back to the utility when market prices are higher than Bitcoin mining revenues
- Riot receives power credits for difference between market power price and Riot's fixed power price
- Economic maximization between Bitcoin mining and electricity markets

Power Credits Received	
Q1 2023	\$1.2 Million
Q2 2023	\$8.4 Million
Q3 2023	\$38.5 Million
Q4 2023	\$1.2 Million
FY 2023 Total	\$49.3 Million

ERCOT Ancillary Services

- Riot competitively bids to sell ERCOT the option to control Riot's electrical load in certain hours
- ERCOT compensates in the form of Demand Response Credits, which are received whether or not ERCOT calls to power down

Demand Response Credits Received	
Q1 2023	\$1.9 Million
Q2 2023	\$5.1 Million
Q3 2023	\$11.1 Million
Q4 2023	\$3.8 Million
FY 2023 Total	\$21.9 Million

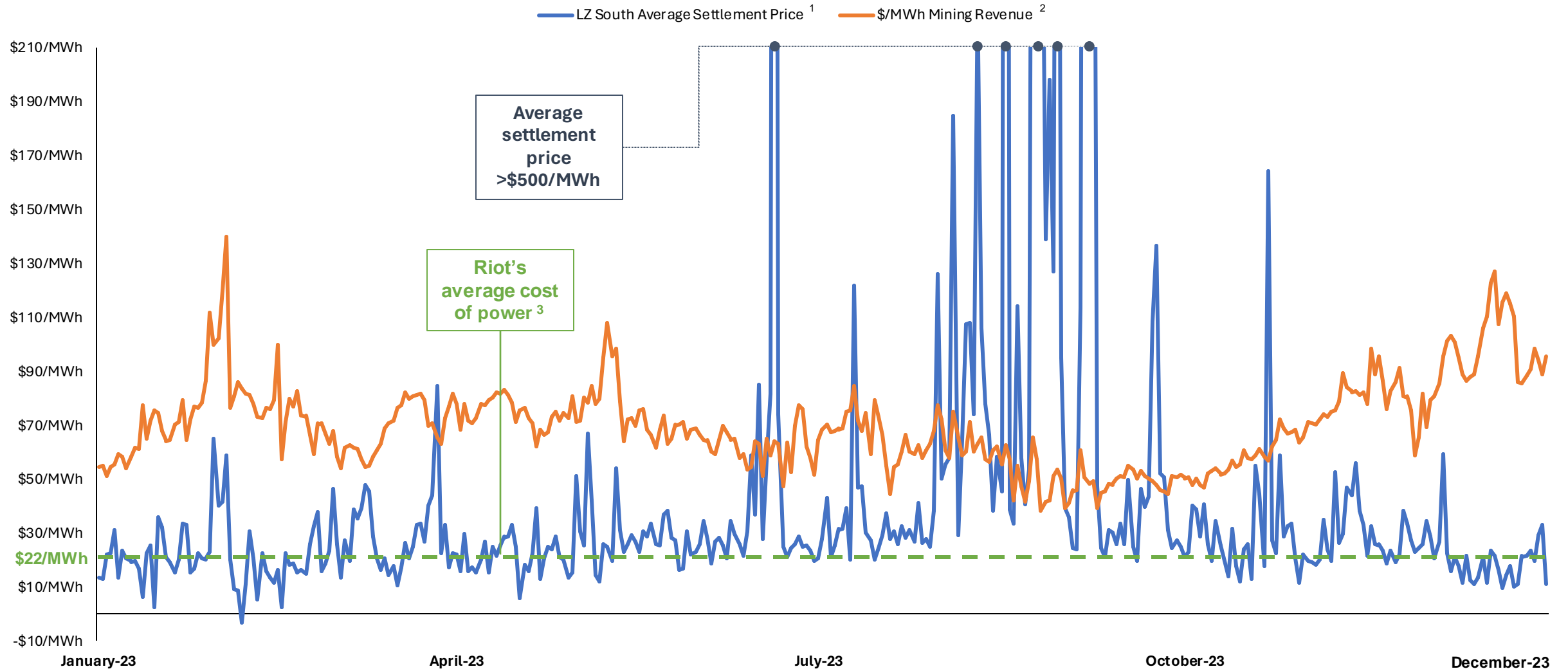
ERCOT

4 Coincident Peak ("4CP") Program

- Riot voluntarily powers down operations during times of peak demand in summer months
- Participation gives substantial savings on transmission costs in future power bills, reducing overall power costs
- Saves Riot ~\$1MM per month on transmission costs

...Resulting in a FY 2023 Cost of Power of 2.2 c/kWh ¹

Riot's Power Strategy in FY 2023 – Sell Power When Prices exceed Bitcoin Price



Riot's vision is to be the world's leading Bitcoin-driven infrastructure platform

2024 Hash Rate Growth

+154%

12.4 EH/s ► 31.5 EH/s

New Large-Scale Facility
Energized in

Q1 2024

2025 Hash Rate Growth

+30%

31.5 EH/s ► 40.8 EH/s

2023 Cost to Mine¹

\$7,539

Per Bitcoin

2024 Cap Ex

**Fully
Funded**

1. Twelve months ended as of December 31, 2023. Non-GAAP, net of \$46.6 million of power curtailment credits allocated to Bitcoin Mining. Direct cost to produce 1 BTC of \$14,578 based on GAAP cost of Bitcoin Mining revenues, resulting in GAAP 49% Bitcoin Mining gross margin.

Appendix

Management Team and Board of Directors

- ✓ Unique, Bitcoin-focused strategic vision
- ✓ Veteran public company expertise



Benjamin Yi
Executive Chairman of the Board



Jason Les
Chief Executive Officer; Director

- ✓ Supported by industry-leading infrastructure expansion capabilities
- ✓ Highly experienced independent directors



Jason Chung
Executive Vice President, Head of
Corporate Development
& Strategy



William Jackman
Executive Vice President,
General Counsel



Colin Yee
Executive Vice President, Chief
Financial Officer



Hannah Cho
Independent Director



Lance D'Ambrosio
Independent Director



Hubert Marleau
Lead Independent Director

Statement of Operations

	Years Ended December 31,		
	2023	2022	2021
Revenue:			
Bitcoin Mining	\$ 188,996	\$ 156,870	\$ 184,422
Data Center Hosting	27,282	36,862	24,546
Engineering	64,303	65,342	4,178
Other revenue	97	97	97
Total revenue	280,678	259,171	213,243
Costs and expenses:			
Cost of revenue:			
Bitcoin Mining	96,597	74,335	45,513
Data Center Hosting	97,122	61,906	32,998
Engineering	60,614	57,455	3,582
Acquisition-related costs	—	78	21,198
Selling, general, and administrative	100,346	67,452	87,429
Depreciation and amortization	252,354	107,950	26,324
Change in fair value of Bitcoin	(184,734)	—	—
Change in fair value of derivative asset	(6,721)	(71,418)	(12,112)
Power curtailment credits	(71,215)	(27,345)	(6,514)
Change in fair value of contingent consideration	—	(159)	975
Realized gain on sale of Bitcoin	—	(30,346)	(253)
Loss (gain) on sale/exchange of equipment	5,336	(16,281)	—
Casualty-related charges (recoveries), net	(5,974)	9,688	—
Impairment of Bitcoin	—	147,365	43,973
Impairment of goodwill	—	335,648	—
Impairment of miners	—	55,544	—
Total costs and expenses	343,725	771,872	243,113
Operating income (loss)	(63,047)	(512,701)	(29,870)
Other income (expense):			
Interest income (expense)	8,222	454	(296)
Realized loss on sale of marketable equity securities	—	(8,996)	—
Realized gain on sale/exchange of long-term investment	—	—	26,260
Unrealized gain (loss) on marketable equity securities	—	—	(13,655)
Other income (expense)	260	(59)	2,378
Total other income (expense)	8,482	(8,601)	14,687
Net income (loss) before taxes	(54,565)	(521,302)	(15,183)
Current income tax benefit (expense)	48	(789)	(254)
Deferred income tax benefit (expense)	5,045	12,538	—
Total income tax benefit (expense)	5,093	11,749	(254)
Net income (loss)	\$ (49,472)	\$ (509,553)	(15,437)
Basic and diluted net income (loss) per share	\$ (0.28)	\$ (3.65)	\$ (0.17)
Basic and diluted weighted average number of shares outstanding	175,026,051	139,433,901	93,452,764

Balance Sheet

	December 31, 2023	December 31, 2022
ASSETS		
Current assets		
Cash and cash equivalents	\$ 597,169	\$ 230,328
Accounts receivable, net	24,706	26,932
Contract assets, including retainage of \$3,166 and \$3,012, respectively	15,359	19,743
Prepaid expenses and other current assets	29,107	32,661
Bitcoin	311,178	109,420
Derivative asset, current portion	30,781	—
Future power credits, current portion	271	24,297
Total current assets	1,008,571	443,381
Property and equipment, net	704,194	692,555
Deposits	215,009	42,433
Finite-lived intangible assets, net	15,697	21,477
Derivative asset, less current portion	73,437	97,497
Operating lease right-of-use assets	20,413	21,673
Future power credits, less current portion	638	638
Other long-term assets	13,121	310
Total assets	\$ 2,051,080	\$ 1,319,964
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable	\$ 23,157	\$ 18,445
Contract liabilities	4,073	8,446
Accrued expenses	62,628	65,464
Deferred gain on acquisition post-close dispute settlement	26,007	—
Deferred revenue, current portion	2,458	2,882
Contingent consideration liability - future power credits, current portion	271	24,297
Operating lease liability, current portion	2,421	2,009
Total current liabilities	121,015	121,543
Deferred revenue, less current portion	15,801	17,869
Operating lease liability, less current portion	18,924	20,242
Contingent consideration liability - future power credits, less current portion	638	638
Other long-term liabilities	6,680	8,230
Total liabilities	163,058	168,522
Commitments and contingencies - Note 17		
Stockholders' equity		
Preferred stock, no par value, 15,000,000 shares authorized:		
2% Series A Convertible Preferred stock, 2,000,000 shares authorized; no shares issued and outstanding as of December 31, 2023 and December 31, 2022	—	—
0% Series B Convertible Preferred stock, 1,750,001 shares authorized; no shares issued and outstanding as of December 31, 2023 and December 31, 2022	—	—
Common stock, no par value; 340,000,000 shares authorized; 230,836,624 and 167,751,112 shares issued and outstanding as of December 31, 2023 and December 31, 2022, respectively	2,687,692	1,907,784
Accumulated deficit	(799,820)	(756,342)
Accumulated other comprehensive income (loss), net	150	—
Total stockholders' equity	1,888,022	1,151,442
Total liabilities and stockholders' equity	\$ 2,051,080	\$ 1,319,964

Non-GAAP Adjusted EBITDA (Unaudited)

	Years Ended December 31,		
	2023	2022	2021
Net income (loss)	\$ (49,472)	\$ (509,553)	\$ (15,437)
Interest (income) expense	(8,222)	(454)	296
Income tax expense (benefit)	(5,093)	(11,749)	254
Depreciation and amortization	252,354	107,950	26,324
EBITDA	189,567	(413,806)	11,437
Adjustments:			
Stock-based compensation expense	32,170	24,555	68,491
Acquisition-related costs	—	78	21,198
Change in fair value of derivative asset	(6,721)	(71,418)	(12,112)
Change in fair value of contingent consideration	—	(159)	975
Realized gain on sale/exchange of long-term investment	—	—	(26,260)
Realized loss on sale of marketable equity securities	—	8,996	—
Unrealized (gain) loss on marketable equity securities	—	—	13,655
Loss (gain) on sale/exchange of equipment	5,336	(16,281)	—
Casualty-related charges (recoveries), net	(5,974)	9,688	—
Impairment of goodwill	—	335,648	—
Impairment of miners	—	55,544	—
Other (income) expense	(260)	59	(2,378)
License fees	(97)	(97)	(97)
Adjusted EBITDA	<u>\$ 214,021</u>	<u>\$ (67,193)</u>	<u>\$ 74,909</u>

* Indicates Non-GAAP measure. We use Adjusted EBITDA to eliminate the effects of certain non-cash and/or non-recurring items, that do not reflect our ongoing strategic business operations. Adjusted EBITDA includes impairment of Bitcoin charges. Adjusted EBITDA is provided in addition to, and not as a substitute for, or as superior to, the comparable GAAP measure, Net Income. For a full reconciliation of the Non-GAAP measures we use to their comparable GAAP measures, see the discussion under the heading "Non-GAAP Measures" commencing on page 37, under Item 7, "Management's Discussion & Analysis" in our December 31, 2023, Form 10-K.

Non-GAAP Cost of Revenues (Unaudited)

	Years Ended December 31,		
	2023	2022	2021
Bitcoin Mining			
Revenue (A)	\$ 188,996	\$ 156,870	\$ 184,422
Cost of revenue	96,597	74,335	45,513
Bitcoin Mining revenue in excess of cost of revenue (B)	92,399	82,535	138,909
Power curtailment credits allocated to Bitcoin Mining	46,646	11,991	—
Bitcoin Mining revenue in excess of cost of revenue, net of power curtailment credits (C)	\$ 139,045	\$ 94,526	\$ 138,909
Bitcoin Mining revenue in excess of cost of revenue, as a percentage of revenue (B/A)	48.9%	52.6%	75.3%
Bitcoin Mining revenue in excess of cost of revenue, net of power curtailment credits, as a percentage of revenue (C/A)	73.6%	60.3%	75.3%
Data Center Hosting			
Revenue (A)	\$ 27,282	\$ 36,862	\$ 24,546
Cost of revenue	97,122	61,906	32,998
Data Center Hosting revenue in excess of cost of revenue (B)	(69,840)	(25,044)	(8,452)
Power curtailment credits allocated to Data Center Hosting	24,569	15,354	6,514
Data Center Hosting revenue in excess of cost of revenue, net of power curtailment credits (C)	\$ (45,271)	\$ (9,690)	\$ (1,938)
Data Center Hosting revenue in excess of cost of revenue, as a percentage of revenue (B/A)	(256.0)%	(67.9)%	(34.4)%
Data Center Hosting revenue in excess of cost of revenue, net of power curtailment credits, as a percentage of revenue (C/A)	(165.9)%	(26.3)%	(7.9)%
Allocation of Power Curtailment Credits			
Consolidated power curtailment credits	71,215	27,345	6,514
Percentage of consolidated power curtailment credits allocated to Bitcoin Mining	65.5%	43.9%	0.0%
Percentage of consolidated power curtailment credits allocated to Data Center Hosting	34.5%	56.1%	100.0%

* Indicates Non-GAAP measure. We use Adjusted EBITDA to eliminate the effects of certain non-cash and/or non-recurring items, that do not reflect our ongoing strategic business operations. Adjusted EBITDA includes impairment of Bitcoin charges. Adjusted EBITDA is provided in addition to, and not as a substitute for, or as superior to, the comparable GAAP measure, Net Income. For a full reconciliation of the Non-GAAP measures we use to their comparable GAAP measures, see the discussion under the heading "Non-GAAP Measures" commencing on page 37, under Item 7, "Management's Discussion & Analysis" in our December 31, 2023, Form 10-K.