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, 2024

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	Cayman Islands
(Translation of Registrant's name into English)	(Jurisdiction of incorporation or organization)

08 Kallang Avenue
Aperia tower 1, #09-03/04
Singapore 339509
(Address of principal executive offices)

Jihan Wu
Chief Executive Officer
08 Kallang Avenue
Aperia tower 1, #09-03/04
SG 339509
Telephone: +65 62828220
(Name, Telephone, Email and/or Facsimile number and Address of Company Contact Person)

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$0.0000001	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: 192,317,656 outstanding ordinary shares as of December 31, 2024 (excluding 145,762 class A ordinary shares that have been repurchased but not cancelled and 6,130,708 class A ordinary shares reserved for future issuances upon the exercise of awards granted under our share incentive plans), including 143,917,734 Class A ordinary shares and 48,399,922 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 by the International Accounting Standards Board	☒	Other	☐

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 ☒

TABLE OF CONTENTS

	Page
INTRODUCTION	3
CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS	5
PART I	7
ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS	7
ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE	7
ITEM 3. KEY INFORMATION	7
ITEM 4. INFORMATION ON THE COMPANY	58
ITEM 4A. UNRESOLVED STAFF COMMENTS	77
ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS	77
ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES	107
ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS	119
ITEM 8. FINANCIAL INFORMATION	120
ITEM 9. THE OFFER AND LISTING	122
ITEM 10. ADDITIONAL INFORMATION	122
ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK	133
ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES	135
PART II	136
ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES	136
ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS	136
ITEM 15. CONTROLS AND PROCEDURES	136
ITEM 16. [RESERVED]	137
ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT	137
ITEM 16B. CODE OF ETHICS	137
ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES	138
ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES	138
ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS	138
ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT	139
ITEM 16G. CORPORATE GOVERNANCE	139
ITEM 16H. MINE SAFETY DISCLOSURE	139
ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS	140
ITEM 16J. INSIDER TRADING POLICIES	140
ITEM 16K. CYBERSECURITY	140

TABLE OF CONTENTS
continued

PART III	142
ITEM 17. FINANCIAL STATEMENTS	142
ITEM 18. FINANCIAL STATEMENTS	142
ITEM 19. EXHIBITS	143
SIGNATURES	148

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" means 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" means 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.

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

"IFRS" means International Financial Reporting 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.

"ordinary shares" means 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.

"BCH" means Bitcoin Cash.

"BCHA" means Bitcoin Cash ABC.

"BELLS" means Bellscoin

"BTC" means Bitcoin.

"CKB" means Nervos Network.

"DASH" means Dash.

"DCR" means Decred.

"DOGE" means Dogecoin.

"DPoS" means Delegated Proof-of-Stake.

"EH/s" means exahash per second.

"ELA" means Elastos.

"ETC" means Ethereum Classic.

"ETH" means Ethereum.

"FB" means Fractal Bitcoin

"FIL" means Filecoin.

"HNS" means Handshake coin.

"HPC" means high performance computing.

"IO" means io.net

"j/T" means joule/terahash.

"LKY" means Luckycoin.

"LTC" means Litecoin.

"NMC" means Namecoin.

"PEP" means Pepecoin.

"PoC" means Proof-of-Capacity.

"PoS" means Proof-of-Stake.

"PoST" means Proof-of-Spacetime.

"PoW" means Proof-of-Work.

"QUBIC" means Qubic.

"SC" means Siacoin.

"SYS" means Syscoin.

"TH/s" means terahash per second.

"USDC" means USD Coin.

"USDT" means Tether, a cryptocurrency that is hosted on the Ethereum and Bitcoin blockchains, among others.

"XCH" means Chia.

"ZEC" means Zcash.

"ZIL" means Zilliqa.

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:

- 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 mining rigs at a lower cost;
- our ability to expand mining datacenters or begin or complete any project that is "in the pipeline," contracted or negotiated but not yet under active construction;
- 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 ASIC and mining rig and HPC 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 never develop or be sustained;
- our ability to maintain the listing of 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 Information."

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

- The cryptocurrency industry in which we operate is characterized by constant changes. If we fail to continuously innovate and to provide solutions or services that meet the expectations of our customers, we may not be able to attract new customers or retain existing customers, and hence our business and results of operations may be adversely affected.

- 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 mining datacenters or the construction of new mining datacenters or 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 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.

- Although we have an organic way of growing our mining fleets, our business is nevertheless capital intensive. 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.

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

- Issues in the development and use of AI may result in reputational or competitive harm or liability.

- If we fail to succeed in ASIC and mining rig business, HPC 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.

- Our ASIC and mining rig business currently depends 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.

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.

- 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.

- 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.

- 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.

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 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.

- 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 distribute ledger technology.
- Our mining datacenters may be located on property whose owner has not obtained the approval of relevant authorities, and we may be ordered to relocate from that property.
- 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.

Risks Related to Our Securities

- A market for Class A ordinary shares may not develop, which would adversely affect the liquidity and price of Class A ordinary shares.
- 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 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.

Risks Related to Taxation

- We are subject to tax risks related to our multinational operations.
- 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.
- Because under certain attribution rules the Company's non-U.S. subsidiaries may be treated as controlled foreign corporations for U.S. federal income tax purposes, there could be adverse U.S. federal income tax consequences to certain U.S. Holders of Class A ordinary shares who own, directly or indirectly, ten percent or more of Class A ordinary shares.

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

The cryptocurrency industry in which we operate is characterized by constant changes. If we fail to continuously innovate and to provide solutions or services that meet the expectations of our customers, we may not be able to attract new customers or retain existing customers, and hence our business and results of operations may be adversely affected.

The cryptocurrency industry in which we operate is characterized by constant changes, including rapid technological evolution, continual shifts in customer demands, frequent introductions of new products and solutions and constant emergence of new industry standards and practices. Thus, our success will depend, in part, on our ability to respond to these changes in a cost-effective and timely manner. Advances in Bitcoin mining-related technology have led to increased demand for higher speed and power efficiency for solving computational problems of increasing complexity. We need to invest significant resources in research and development in order to keep our services competitive in the market. Also, if we are unable to generate enough revenue or raise sufficient capital to make adequate research and development investments going forward, our service improvement and relevant research and development initiatives may be restricted or delayed, or we may not be able to keep pace with the latest market trends and satisfy our customers' needs, which could materially and adversely affect our results of operations.

Furthermore, research and development activities are inherently uncertain, and we might encounter practical difficulties in commercializing our research and development results, which could result in excessive research and development expenses or delays. Given the fast pace with which blockchain technologies have been and will continue to be developed, we may not be able to timely upgrade our technologies in an efficient and cost-effective manner, or at all. In addition, new developments relating to computing power (e.g., quantum computer), computing energy consumption, blockchain and cryptocurrency could render our services obsolete or unattractive. If we are unable to keep up with the technological developments and anticipate market trends, or if new technologies render our technologies or solutions obsolete, customers may no longer be attracted to our services. As a result, our business, results of operations and financial condition would be materially and adversely affected.

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 a 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.

The appreciation potential of Bitcoin is high in general, which is 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 Bitcoin mining is reduced in half every four years. The growing recognition of Bitcoin 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. Further, more countries are establishing clear and robust regulations to create a stable environment for Bitcoin mining and trading, which may facilitate the demand for Bitcoins and Bitcoin price appreciation.

Despite the general appreciation potential of Bitcoin, there are a number of other factors that contribute to changes in Bitcoin price and volatility, including, but not limited to, Bitcoin market sentiment, macroeconomic factors, utility of Bitcoin, and idiosyncratic events such as exchange outages or social media, some of which are beyond our control. For example, decentralization, or the lack of control by a central authority, is a key reason that cryptocurrencies like Bitcoin have attracted many committed users. However, the decentralized nature of Bitcoin is subject to growing discussion and suspicion. Some claim that most of the actual services and businesses built within the Bitcoin ecosystem are in fact centralized since they are run by specific people, in specific locations, with specific computer systems, and that they are susceptible to specific regulations. Individuals, companies or groups, as well as Bitcoin exchanges that own vast amounts of Bitcoins, can affect the market price of Bitcoin. For example, throughout calendar year 2022, a number of companies in the digital assets industry have declared bankruptcy, including cryptocurrency exchanges FTX Trading Ltd., et al. (“FTX”) (including its affiliated hedge fund Alameda Research LLC), crypto hedge fund Three Arrows Capital (“Three Arrows”), crypto miners Compute North LLC (“Compute North”) and Core Scientific Inc. (“Core Scientific”) and crypto lenders Celsius Network LLC, et al. (“Celsius Network”), Voyager Digital Ltd., et al. (“Voyager Digital”) and BlockFi Inc., et al. (“BlockFi”). Such bankruptcies have led, at least in part, to a drop in Bitcoin price. Furthermore, mining equipment production and mining pool locations are becoming centralized. Some argue that the decentralized nature of cryptocurrencies is a fundamental flaw rather than a strength. 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, particularly our self-mining business. A decline in Bitcoin prices would directly reduce the profitability of our self-mining operations, as mining rewards would be worth less while operating costs, such as electricity and equipment maintenance, remain fixed. In addition, there is no assurance that the Bitcoin price will remain high enough to sustain the demand for our hash rate sharing and hosting services or that the Bitcoin price will not decline significantly in the future. Furthermore, fluctuations in the Bitcoin price can have an immediate impact on the trading price of Class A ordinary shares. If the Bitcoin price drops, the expected economic return of Bitcoin mining activities will diminish, thereby resulting in a decrease in demand for our Bitcoin-related services, our ASIC and mining rig business and in value appreciation from our self-mining activities. We have allocated a portion of SEALMINER A2s to be manufactured for external sales, with shipment expected to begin in March 2025.When Bitcoin prices are high, mining becomes more profitable, leading to higher demand for mining rigs as miners seek to expand their operations to capitalize on the increased returns. Conversely, when Bitcoin prices fall, mining profitability declines, which may reduce demand for new rigs. Miners may postpone purchasing new equipment. For example, certain customers have requested to delay their final payment for SEALMINER A2s due to lower Bitcoin price. Furthermore, they have also requested alternative purchase options for future generations of SEALMINER machines.

For risks relating to the impact of Bitcoin price fluctuation on our growth trends, see the section titled “—We may be unable to execute our growth strategies or effectively maintain our rapid growth trends” below.

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. 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.

Although we have an organic way of growing our mining fleets, our business is nevertheless capital intensive. 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. Our operations may require additional capital or financing from time to time in order to achieve further growth. We may require additional cash resources due to the future growth and development of our business. Our future capital requirements may be substantial as we seek to expand our operations, 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 or enter into additional factoring arrangements.

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 it will have a negative impact on our share prices and thereby raising financing expenses. However, in light of conditions impacting the industry, it may be more difficult for us to obtain equity or debt financing currently and/or in the future. For instance, the crypto assets industry has been negatively impacted by events such as the bankruptcies of Compute North, Core Scientific, Alameda Research LLC, BlockFi, Celsius Network, Voyager Digital, Three Arrows and FTX throughout calendar year 2022. In response to these events, the digital asset markets, including the market for Bitcoin specifically, have experienced extreme price volatility and several other entities in the digital asset industry have been, and may continue to be, negatively affected, further undermining confidence in the digital assets markets and in Bitcoin. 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 ordinary shares. In August 2024, we completed an underwritten public offering of US$172,500,000 aggregate principal amount of 8.50% convertible senior notes due 2029. Subsequently, 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 issuance of these convertible notes introduces additional financial obligations, which may impact our liquidity position. Any failure to raise needed funds on terms favorable to us, or at all, could severely restrict our liquidity as well as have a material adverse effect on our business, financial condition and results of operations.

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 resources to 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. 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 to certain jurisdictions will restrict our sales of mining rigs in such jurisdictions, and have an adverse effect on our business and results of operations.

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$268.0 million, US$271.8 million and US$622.1 million for the years ended December 31, 2022, 2023 and 2024, respectively. We incurred a net loss of US$60.4 million, US$56.7 million and US$599.2 million for the years ended December 31, 2022, 2023 and 2024, respectively. We have generated negative cash flow from operating activities and incurred loss in the past, and there is no assurance that we will be able to generate positive cash flow from operating activities or achieve or subsequently maintain profitability in the future. We will need to generate and sustain increased revenue and net income levels in future periods in order to increase 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 achieve profitability and 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.

Our limited operating history may make it difficult for us to forecast our business and assess the seasonality and volatility in our business.

For the years ended December 31, 2022, 2023 and 2024, our total revenue amounted to US$333.3 million, US$368.6 million and US$349.8 million, respectively. We may experience negative growth or positive growth at a lower rate for a number of possible reasons, including decreasing market price of cryptocurrencies, increasing competition, declining growth of the cryptocurrency industry, unforeseeable technology innovation, emergence of alternative mainstream cryptocurrencies, or changes in government policies, regulations or general economic conditions. It is also difficult to forecast seasonality and volatility in our business, and as a result accurately allocating resources including hash rate, mining datacenter capacity, mining rigs or human capital to different business lines to achieve the best results in the medium or long term. If our growth rates decline, investors’ perceptions of our business and business prospects may be adversely affected and the market price of our ordinary shares could decline. In addition, given the volatile nature of cryptocurrencies and that our business and financial condition correlate with the market price of cryptocurrencies, it is difficult to evaluate our business and future prospects based on our limited operating history or historical performance.

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, unseen computer virus attack, etc. 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, to produce cloud hash rate and to provide hosting services such as powering and cooling our and our customers' servers and network equipment and operating critical mining and hosting infrastructure.

There has been a substantial increase in the demand for electricity for cryptocurrency mining, and this has had varying impacts on local electricity supply. Additionally, we currently rely on renewable sources of power and plan to 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.

The amount of power required by us and our customers will increase commensurately with the demand for our services and the increase in mining rigs we operate for ourself and our hosting customers. Should our operations require more electricity than can be supplied in the areas where our mining facilities 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 users (such as our Company). 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. Therefore, increased power costs and limited availability and curtailment of power resources will reduce our revenue and have a material and adverse effect on our cost of revenue and results of operations. 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. If we are unable to receive adequate power supply and is forced to reduce our operations due to the availability or cost of electrical power, our business would experience materially negative impacts.

Certain government actors have begun to intervene with the supply of electrical energy to cryptocurrency miners. For example, on March 9, 2023, the Department of the Treasury published General Explanations of the Administration's Fiscal Year 2024 Revenue Proposals, in which it proposed imposing a 30% excise tax on electricity usage by digital asset miners. On March 11, 2024, the Department of the Treasury published General Explanations of the Administration's Fiscal Year 2025 Revenue Proposals, in which it reintroduced the proposal of a phased 30% excise tax on electricity used by digital asset miners to both grid-connected and off-grid operations. Governments or government regulators may potentially restrict electricity suppliers from providing electricity to mining datacenter in times of electricity shortage increase the cost, including through taxation, of, electricity, or may otherwise potentially restrict or prohibit the provision of electricity to businesses like us. In the event government regulators issue moratoriums or impose bans or restrictions involving hosting operations or transaction processing in jurisdictions in which we operate, we will not be able to continue our operations in such jurisdictions. A moratorium ban or restriction could have a material adverse effect on our business, financial condition and results of operations.

Additionally, our cryptocurrency mining rigs 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 out of our control. Because the mining portion of our business consumes a large amount of energy, it is not practical or economical for our operations to run on back-up generators in the event of a power outage, which may be 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 of others. 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.

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 cloud hash rate and hosting contracts are generally priced taking into account various factors including the then 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. 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 and colocation capacity within the contracted time period. Our pricing of hash rates may cause significantly lower income than we could have generated through using the same hash rates for self-mining. 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.

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 mining resources. We take into account our estimates of market trends when determining pricing strategies. To achieve profitability in the long run, we may offer 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 proprietary hash rate between “self-mining” and “hash rate sharing” as well as the allocation of mining datacenter capacity among “self-mining,” “hash rate sharing” and “hosting.” While allocating more mining resources to “hash rate sharing” and “hosting” services may facilitate cash payback and mining datacenter expansion while lower risk exposure associated with Bitcoin price volatility, we have to forgo our huge 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 the Company’s best interest, taking into account Bitcoin price, network hash rate, the amount of cash we need and our view on the market opportunities for acquiring mining rigs or expanding mining datacenters at low cost, etc. However, we cannot guarantee that our decisions could generate the most revenue or offer the strongest downside protection for the Company. If we cannot accurately estimate any of the aforementioned factors upon which we base, our contract pricing could have a material adverse effect on our business, financial condition and results of operation.

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 and related services, 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 hash rate sharing or hosting services 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.

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 Bitcoin-related industry is 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 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, hash rate sharing services, and hosting solutions. Because we compete in an environment of rapidly evolving technology advancement and volatile market trends, 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.

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.

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 the 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 the Company 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 the 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. Our Chief Financial Officer currently serves as our interim anti-money laundering officer. We are actively searching for a new anti-money laundering officer, but we cannot guarantee that we will find a permanent anti-money laundering officer as quickly as we want. 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 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 *Minerplus*. There have been public backlashes surrounding the environmental impacts of Bitcoin mining, particularly the large consumption of electricity.

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 hash rate sharing 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.

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 through our ASIC and mining rigs business 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.

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 to certain jurisdictions will restrict our sales of mining rigs in such jurisdictions, and have an adverse effect on our business and results of operations.

We rely on a limited number of third-party electricity providers, mining pool services and supply chain suppliers for mining rigs production, 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 to customers. Our brand and reputation may be harmed by actions taken by such third parties that are outside of our control. For example, we are currently contracting with one electricity supplier to support each of our mining datacenters in Norway, as well as Texas, Tennessee and Washington in the United States, respectively. Pursuant to our agreement with our electricity supplier for the mining datacenter in Hustadvika municipality, Norway, we agree to purchase power at the amount and price designated in the contract, during the period from January 1, 2022 to December 31, 2024, which is the term of this agreement. Pursuant to our agreement with our electricity supplier for the mining datacenter in Tydal municipality, Norway, we agree to purchase power at the amount and price designated in the contract, during the period from September 1, 2022 to December 31, 2024, which is the term of this agreement. Both agreements can be completely terminated with zero load ending at midnight of the final day in each quarter. Pursuant to our agreement with our electricity supplier for the mining datacenter in Texas, the supplier shall provide electricity to meet full electricity requirements of the two electricity service accounts identified by us. This contract is effective through December 31, 2027 and is terminable in the event of default. Pursuant to our agreement with our electricity supplier for mining datacenter in Tennessee, the supplier shall make power available to us in the amount designated in the contract. Valid through July 31, 2026, this contract is automatically renewed for additional five years upon expiration of the initial term, unless either party notifies the other in writing not less than 60 days prior to the expiration date of the initial term or any renewal term of its desire to terminate this contract on such expiration date. Pursuant to our agreement with our electricity supplier for mining datacenter in Washington, the supplier shall provide power and associated energy to meet our demand at rates that are subject to adjustment, modification, change or replacement from time to time. This contract remains effective until terminated upon six months prior written notice by us. While we believe that alternative suppliers are readily available in the market, changing to a new supplier may require additional costs and time. We also depend on certain suppliers for raw material and supply chain services essential to the manufacturing of our mining rigs. The prices of raw materials and supply chain services were 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, these agreements may include indemnification provisions either for benefit of us, or for benefit of the suppliers. 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 our customers, which may be due to events that are beyond our or their control, such as manufacturing defects, we may suffer reputational damage, and our business, financial condition and results of operations may be materially and adversely affected. While we have not experienced such incidents that had a material adverse impact on our business as of the date of this annual report, as such incidents are beyond our control, there is no assurance that such incidents will not occur in the future regardless of the measures we have taken, and will take, to maintain the quality products and services provided by third-party suppliers and service providers. If we are unable to effectively address these risks, our brand image, reputation and financial performance may be materially and adversely affected.

Additionally, we utilize third-party mining pools to receive our mining rewards from a given network. Mining pools allow mining participants to combine their processing power, which increases the chances of solving a block and getting paid by the network. The rewards are distributed by the pool operators, proportionally to our contribution to the pools' overall mining power used to solve a block. We entered into agreements with mining pool operators who deliver cryptocurrency rewards to accounts of us or our customers in exchange for hash rate provided by us and our Cloud Hash Rate customers. The agreements are terminable through mutual agreement between both parties or due to a breach of the contract which is not cured within two days upon receiving notice from the non-breaching party. Due to the competitiveness of the global mining pool industry, we believe that we will be able to promptly access alternative mining pools if needed. Nevertheless, we are dependent on the accuracy of a mining pool operator's record keeping to accurately record the total processing power provided to the pool for a given Bitcoin or other cryptocurrency mining application in order to assess the proportion of that total processing power we provided. While we have internal methods of tracking both our power provided and the total power used by the pool, the mining pool operator uses its own record-keeping to determine our proportion of a given reward. We have little means of recourse against the mining pool operator if we determine the proportion of the reward paid out to us by a mining pool operator is incorrect, other than leaving the pools or entering into a lengthy negotiation with the third-party mining pools to get back the fair rewards. If we are unable to consistently obtain accurate proportionate rewards from our mining pool operators, we may experience reduced reward for our efforts, which would have an adverse effect on our business and operations.

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, to sustain large scale service when required. Furthermore, we are required to maintain an appropriate level of equipment for any unexpected emergency substitute or in preparation of potential outage and sudden service loss. However, forecasts are inherently uncertain. If our forecasted demand is lower than actual demand or our risk estimate is much sufficient, we may not be able to provide our customers with sufficient hash rate sharing or hosting services in a timely manner, and we may lose sales and market share to our competitors.

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

We recorded total revenue of US$333.3 million, US$368.6 million and US$349.8 million for the years ended December 31, 2022, 2023 and 2024, respectively. We incurred a net loss of US$60.4 million, US$56.7 million and US$599.2 million for the years ended December 31, 2022, 2023 and 2024, respectively. We may not be able to grow our revenue and achieve profitability in the future if we are not able to successfully execute our product development and diversification, geographic expansion and other growth plans. In addition, our rapid growth has placed and will continue to place significant demands on our management and our administrative, operational, research and development and financial resources.

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. Furthermore, we need to maintain and expand our relationships with our customers, suppliers, research institutions, third-party manufacturers and other third parties. Moreover, 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. In addition, the success of our growth strategies depends on a number of external factors, such as the development of the cryptocurrency market and the demand for Bitcoin, the level of competition we face and evolving customer behavior and preferences. If we are unable to execute our growth strategies or manage our growth effectively, we may not be able to capture market opportunities or respond to competitive pressures, which may materially and adversely affect our business prospects and results of operations.

Moreover, our ability to generate profits and/or positive cash flow is correlated to the current and future market prices of cryptocurrencies. A decline in the market prices for cryptocurrencies could negatively impact our future operations. However, our hash rate sharing and hosting businesses may help mitigate short-term price fluctuations. Additionally, our policy on holding or disposing of cryptocurrencies plays a key role in managing exposure to market fluctuations. If we choose to hold crypto for a period of time, extreme market conditions and significant price drops may force us to sell at unfavorable prices, resulting in disposal losses. Alternatively, if we decide not to sell at a low price and instead wait for a market recovery, we may incur impairment losses and potentially face liquidity risks. While we conduct self-mining business, we strategically manage our holdings based on market conditions, liquidity needs, and risk exposure.

In addition, we also 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.

Issues in the development and use of AI may result in reputational or competitive harm or liability.

With the completion of the deployment and successful testing of our NVIDIA DGX SuperPOD H100 system, we began to build AI into our infrastructure services. We expect this integration of AI into our offerings and our business in general to grow. However, AI presents risks and challenges that could affect its acceptance, and therefore our business. Our customers develop AI algorithms and training methodologies, and these may be flawed, rely on insufficient or biased datasets, or produce content that is offensive, illegal, or otherwise harmful. Ineffective AI development or deployment by our customers or other parties could lead to incidents that impair confidence in AI solutions, cause harm to individuals or society, or result in our infrastructure services being misused or not functioning as intended. Some AI applications may also require human oversight. As a result of these and other challenges associated with innovative technologies, our implementation of AI systems could subject us to competitive harm, regulatory action, legal liability, including under new proposed legislation regulating AI in jurisdictions, new applications of existing data protection, privacy, intellectual property, and other laws, and brand or reputational harm. Some AI scenarios present ethical issues or may have broad impacts on society. If we provide supporting/computing AI services that have unintended consequences, unintended usage or customization by our customers and partners, or are controversial because of their impact on human rights, privacy, employment, or other social, economic, or political issues, we may experience brand or reputational harm, adversely affecting our business and consolidated financial statements.

If we fail to succeed in ASIC and mining rig business, HPC 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 two new business lines – "ASIC and mining rig business" and "HPC and AI cloud business." In our ASIC and mining rig business, 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. The future revenue growth of our ASIC and mining rig business will depend largely on our ability to successfully manufacture and commercialize our mining rigs and penetrate into the market of Bitcoin mining rigs. In our HPC and AI cloud business, we offer advanced cloud capabilities and HPC services to customers with high demand for AI and computing. Our AI cloud services help customers accelerate their development of generative AI, large language models (LLMs), and other AI workloads. We cannot predict how or to what extent the demand for our mining rigs and/or our AI cloud services will develop going forward. If we are unable to penetrate into the market for mining rigs and/or AI cloud services, our future revenue and profits could be materially and adversely affected.

Our ASIC and mining rig business currently depends 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 did not make significant purchases of raw materials for the manufacturing of mining rigs from any third parties before March 2024, but expect to make significant purchases of such raw materials to build our ASIC and mining rig business 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 raise 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 is 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.

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, in 2024, we completed the Norway Acquisition and FreeChain Acquisition that further diversified our business portfolio. While these acquisitions are expected to create long-term synergies, they may also introduce integration challenges, regulatory 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;
- difficulty in ensuring the compliance with the sanctions imposed by The Office of Foreign Assets Control of the U.S. Department of Treasury (“OFAC”), the European Union or the United Nations Security Council 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.

Delays in the expansion of existing mining datacenters or the construction of new mining datacenters or 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 mining datacenters, with a 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. In order to meet our financial plan, we need to expand our existing mining datacenters or obtain suitable land to build new mining datacenters. We may face challenges in obtaining suitable land, as we need to work closely with the local power suppliers and local governments of the places where our proposed facilitates 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 timelines and budget or result in any new facilities not being completed at all.

We plan to expand our footprints to more mining datacenters across the globe to increase our total capacity to approximately 2,689MW, including 1,794 MW power supply in the pipeline, as of March 31, 2025. 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. We may also experience quality control issues as we implement any upgrades in our hosting capacity through the installation and maintenance of chipsets and servers or new cooling technologies such as immersion and hydro cooling. Our business will be negatively impacted if we are unable to run our mining operations in a way that is technologically advanced, economically and energy- efficient and temperature controlled. If we are unsuccessful, we will damage our mining rigs and the mining rigs of third parties and the profitability of our mining operations.

If we experience significant delays in the supply of power required to support any mining 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 supply cloud hash rate and deliver our hosting capacity, 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.

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 manufacturing service providers' 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 production or delays in production, as well as an increase in costs, which may negatively affect our abilities to fulfill orders or provide timely services to customers, as well as our customer relationships and profitability. Supplies shortages may also increase our costs of revenue because we may be required to pay higher prices for products in short supply, without being able to pass such cost to customers. As a result, our business, results of operations and reputation could be materially and adversely affected.

Power outage or shortages, labor disputes and other factors may result in constraints on our business activities.

Historically, we have not experienced constraints on our business activities, including at our mining datacenters, due to power outage or shortages, labor disputes or other factors. However, there can be no assurance that our operations will not be affected by power outage or shortages, labor disputes or other factors in the future, thereby causing material disruptions and delays in our delivery schedule. In such an event, our business, results of operations and financial condition 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. As we rely heavily on word-of-mouth branding, 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 industry, 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 could make us susceptible to various claims, both in litigation and binding arbitration proceedings, legal proceedings, and government investigations, due to the heightened regulatory scrutiny following the disruptions in the crypto asset markets in 2022. We believe that since cryptocurrency mining, and the digital asset industry generally, is a relatively new business sector, we are more likely subject to government investigation and regulatory determination, particularly following the cryptocurrency market participant bankruptcies throughout calendar year 2022 described elsewhere herein. Any claims, regulatory proceedings or litigation that could arise in the course of our business could have a material adverse effect on us, our business or operations, or the industry as a whole.

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, 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 our operations continue to grow in size and scale, 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 to disruption of products and services they subscribed 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 of us. As the technology in the cryptocurrency industry 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 security measures protecting our facilities could cause interruptions or malfunctions in our operations and misappropriate our property or the property of our customers. Such a compromise could be particularly harmful to our brand and reputation. 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. Any breaches that may occur 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.

In addition, any assertions of alleged security breaches or systems failure made against us, whether true or not, could harm our reputation, cause us to incur substantial legal fees and have a material adverse effect on our business, financial condition and results of operations. Whether or not any such assertion actually develops into litigation, our management may be required to devote significant time and attention to dispute resolution (through litigation, settlement or otherwise), which would detract from our management's ability to focus on our business. Any such resolution could involve the payment of damages or expenses by us, which may be significant. In addition, any such resolution could involve our agreement with terms that restrict the operation of our business. Any such resolution, including the resources exhausted in connection therewith, could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, 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 loss of our assets.

We may be exposed to cybersecurity threats and hacks, 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. 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 or in a loss of our cryptocurrencies, 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 or the incurrence of debt. 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/or customer insolvencies, and counterparty failures negatively impacting our operations. Any systemic economic or financial crisis could cause revenue for the mining industry as a whole to decline dramatically and could materially and adversely affect our results of operations.

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. 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), 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 13, 2025, the U.S. Department of Commerce's Bureau of Industry and Security (BIS) published an interim final rule, introducing a new control on artificial intelligence (AI) model weights for certain advanced closed-weight dual-use AI models and revising controls on advanced computing integrated circuits through national quotas and related mechanisms. Subsequently, on January 15, 2025, BIS issued another 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. 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.

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, 2023 and 2024, the balance of prepayments we made to our suppliers amounted to US$35.2 million and US$266.5 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 hosting facilities.

The lack of consistent climate legislation creates uncertainty for our industry, and Bitcoin mining's high energy usage makes it 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, in November 2024, Bitcoin miners in Texas have been required to disclose extensive information about their energy usage to the U.S. Energy Information Administration, which could lead to negative public perception and further regulatory scrutiny. Any further enactment of laws or promulgations of regulations regarding greenhouse gas emissions by the United States, Norway, or any other domestic or foreign jurisdiction in which we conduct business could have a material adverse effect on our business, financial condition or results of operations.

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, 2023 and 2024, our trade receivables amounted to US$17.3 million and US$9.6 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.

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 has 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 to in regulatory or financial accounting standards could result in the need to changing 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.

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 largely unregulated, 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, during the past three years, a number of Bitcoin exchanges have been closed 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 and, in most cases, largely unregulated. 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. During 2022, a number of companies in the crypto industry have declared bankruptcy, including Compute North, Core Scientific, Alameda Research LLC, Celsius Network, Voyager Digital, Three Arrows, BlockFi, and FTX. In June 2022, Celsius began pausing all withdrawals and transfers between accounts on its platform, and in July 2022, it filed for Chapter 11 bankruptcy protection. Further, in November 2022, FTX, one of the major cryptocurrency exchanges, also filed for Chapter 11 bankruptcy. 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. These events have also negatively impacted the liquidity of the digital assets markets as certain entities affiliated with FTX engaged in significant trading activity.

We have not been directly impacted by any of the bankruptcies in the crypto asset space throughout calendar year 2022, as we have no contractual privity or relationship to the relevant parties. However, 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. Cryptocurrency investments may be subject to losses or impairments if cryptocurrency values decrease as a result of failure of any digital asset exchange, however, we do not anticipate to actively participate in such activities in the foreseeable future.

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 Matrix Finance and Technologies Holding Group and its subsidiaries ("Matrixport Group"), a related party, and our disposal of cryptocurrencies, at spot price on the date of disposal, was primarily to Matrixport Group. We believe that the security procedures that Matrixport 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 Matrixport 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 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 Matrixport Group, for our crypto custodian needs.

Historically, we have also lent cryptocurrency loans to Matrixport Group and purchased cryptocurrency wealth management products from Matrixport Group. Historically, we have not experienced any excessive redemptions, withdrawals, or a suspension of redemptions or withdrawals, of crypto assets from Matrixport Group or other exchanges or platforms. Participation in cryptocurrency lending and/or investment may subject us to counterparty risk, which may result in us losing part or all of our cryptocurrencies lent or invested. However, to further limit our counterparty risk, we currently are not engaged in, and do not anticipate to engage in crypto lending or investing activities in the foreseeable future.

Any material transaction between us and Matrixport 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 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 Matrixport Group are held in segregated accounts such that they are segregated from the property of Matrixport Group and the assets of other Matrixport 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 Matrixport 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 Matrixport Group. If we are treated as a general unsecured creditor, we may not be able to recover our cryptocurrencies in the event of a Matrixport Group bankruptcy or a bankruptcy of any other custodian we may use in the future.

The "halving" of rewards available on the Bitcoin network, or the reduction of rewards on other networks, has had and in the future could have a negative impact on our ability to generate revenue as our customers may not have an adequate incentive to continue transaction processing and customers may cease transaction processing operations altogether, which could have a material adverse effect on our business, financial condition and results of operations.

Under the current protocols governing the Bitcoin network, the reward for validating a new block on that network is cut in half from time to time, which has been referred to in our industry as the "halving." 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, in May 2020, the reward was further reduced to 6.25 Bitcoins, and in April 2024, the reward was further reduced to 3.125 Bitcoins. In addition, other networks may operate under rules that, or may alter their rules to, limit the distribution of new cryptocurrencies. We, and to our knowledge, our potential hosting customers, currently rely on these rewards to generate a significant portion of our total revenue. If the award of cryptocurrencies for solving blocks and transaction fees are not sufficiently high, neither we nor our customers may have an adequate incentive to continue transaction processing and may cease transaction processing operations altogether, which as a result may significantly reduce demand for our hosting services. As a result, the halving of available rewards on the Bitcoin network, or any reduction of rewards on other networks, would have a negative impact on our revenue and may have a material adverse effect on our business, financial condition and results of operations.

In addition, the reduction of rewards may reduce our profit margins, which could result in us selling a substantial portion of our cryptocurrencies, which are subject to high volatility. If we are forced to sell cryptocurrencies at low prices, it could have a material adverse effect on our business, financial condition and results of operations.

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.

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, 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 potential hash rate sharing and hosting customers, are currently designed to primarily support a PoW consensus algorithm. 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.

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 reach consensus. There are several types of consensus algorithms, the most common among which are PoW, Proof- of-Stake (“PoS”), Delegated-Proof-of-Stake (“DPoS”), Proof-of-Space-Time (“PoST”), and Proof-of-Capacity (“PoC”). 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. On the contrary, according to PoS, the creator of a new block is chosen in a deterministic way based on his or her stake, which is the number of coins he or she owns. As validation under PoS does not depend on computing power, PoS reduces the need for electricity and mining hardware. DPoS works similarly to PoS except it involves a voting and delegation mechanism to incentivize users to secure the network with their staked collateral. PoST and PoC are consensus mechanism algorithm used in blockchains that allows for mining devices in the network to use their available storage space and time to decide mining rights and validate transactions. PoST and PoC emerged as some of the many alternative solutions to the problem of high energy consumption in PoW systems and cryptocurrency hoarding in PoS systems.

Currently, the original PoW cryptocurrency network, Bitcoin, enjoys a first-to-market advantage over other networks such as PoS networks and dominates the cryptocurrency markets as it was introduced by Satoshi Nakamoto back in 2009, way earlier than other cryptocurrencies, and since then grew into the most populator cryptocurrency. Bitcoin’s market capitalization and its share of the market capitalization of all cryptocurrencies fluctuate as other cryptocurrencies were introduced to the digital assets industry at a later time and became more mainstream for various reasons, and there is no guarantee that Bitcoin or other PoW cryptocurrency networks, will continue to enjoy such market leading position and could be overtaken by another virtual asset. For example, as the cryptocurrency community continues to develop and advance PoS technologies, PoS networks may offer actual or perceived advantages over PoW networks. 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 and the PoW related products mining services we offer, which could have a material adverse effect on our business and our prospects or operations as there is no guarantee that we will be able to adapt to new businesses swiftly enough, if at all.

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 ourself 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 ourself 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 recent introduction of a spot bitcoin exchange traded fund (“ETF”) and the pending approval of an ETH ETF may attract speculative traders who seek short-term gains based on price movements. This increased speculative activity could lead to short-term price volatility.

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 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 around 10,000 types of cryptocurrencies in existence as of December 2024. 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 common stock.

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, data center 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 announced an executive order on cryptocurrencies which seeks to establish a unified federal regulatory regime for cryptocurrencies. On June 28, 2024, the U.S. Department of Treasury and Internal Revenue Service issued a final rule requiring digital asset brokers to report the sales and exchanges of digital assets. On January 23, 2025, President Trump issued an executive order, indicating that it is the policy of the Trump Administration to "support the responsible growth and use of digital assets, blockchain technology, and related technologies across all sectors of the economy". 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, 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/or may adversely affect our business, reputation, financial condition and results of 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.

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 has 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. 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 result, 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 distribute 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.

Our mining datacenters may be located on property whose owner has not obtained the approval of relevant authorities, and we may be ordered to relocate from that property.

Our mining datacenters where mining rigs operate are located in different places around the world. Due to the unexpectable regulations that the governments may impose on the development of cryptocurrencies or cryptocurrency mining, the properties we are renting currently may not be in accordance with local zoning ordinance. Such mining datacenters may be considered to be in violation of relevant zoning laws and the government may order the demolition or relocation of such datacenters. If we are evicted from such property, we may need to find alternative properties and relocate our mining datacenters. Unless we are able to make timely alternative arrangements for relocating, we may not be able to fulfill purchase orders received, which may have a material and adverse effect on our business, results of operations and financial condition.

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 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.

Regulators worldwide frequently study each other's approaches to the regulation of the crypto economy. 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 mining rigs or electricity suppliers, business partners, customers or 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. 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 and 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. Heightened regulatory and public concerns over cryptocurrency-related issues may subject us to additional legal and social responsibilities and increased scrutiny and negative publicity over these issues and even boycott by the rest of the mining community, due to our leading position in the cryptocurrency mining industry. From time to time, these allegations, 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 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.

Bitcoin mining activities are energy-intensive, which may restrict the geographic locations of mining rigs and have a negative environmental impact.

Bitcoin mining activities are inherently energy-intensive and electricity costs account for a significant portion of the overall mining costs. The availability and cost of electricity will restrict the geographic locations of mining activities. Any shortage of electricity supply or increase in electricity cost in a jurisdiction may negatively impact the viability and the expected economic return for Bitcoin mining activities in that jurisdiction, which may in turn decrease the sales of our Bitcoin mining rigs in that jurisdiction.

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

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 Europe 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 operation and international expansion may have an intrinsic need for governmental interactions, and are therefore subject to higher corruption risks.

We require significant power resources and related infrastructures to support cryptocurrency mining, and that our business operates under a fast-changing regulatory landscape, both in terms of cryptocurrency and environmental regulations. Such business nature may pose an intrinsic need for us to frequently interact with government authorities by, for example, accessing natural resources and engaging in lobbying activities with respect to any relevant regulatory changes. Frequent governmental interactions may pose higher corruption and bribery risks to us. In addition, our plan to expand internationally, including into jurisdictions which are considered high-risk from an anti-bribery and anti-corruption perspective, also heightens the corruption risks for us.

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 mining 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. If we are unable to obtain, or experiences material delays in obtaining, necessary government approvals, our operations may be substantially disrupted, which could materially and adversely affect our business, financial condition and results of operations. We are not aware of any governmental licenses or authorizations required to offer our products and services to customers in the jurisdictions we offer such products and services. However, our hash rate sharing business may be subject to U.S. jurisdictions under certain circumstances. See the section titled "—Our hash rate sharing 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 hash rate sharing business may be deemed as securities offerings in other jurisdictions where it is offered."

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 leading cryptocurrency mining service provider with a strong global presence. As of March 31, 2025, we operate six prime mining datacenters in the United States, Norway and Bhutan 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, etc., and 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 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-party service providers and dealers are separately responsible for sourcing counterfeit services that are performed under our brand names and trademarks. Counterfeit services may be dissatisfying or inferior in quality as compared to authentic services. If our customers are not satisfied by counterfeit services provided under our brand names and trademarks, we may be subject to reputational damage. We believe our brand and reputation are important to our success and competitive position. The discovery of counterfeit services provided under our brand names and trademarks may severally damage our reputation and cause customers to refrain from making future purchases from us, which would materially and adversely affect our business operations and financial results.

Our hash rate sharing 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 hash rate sharing 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 hash rate sharing 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 ourself out as being engaged in those activities. We intend to hold ourself out as a cryptocurrency mining business. 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." If certain cryptocurrencies, including Bitcoin, were to be deemed securities, and consequently, investment securities by the SEC, 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, no clear principles have emerged from the regulators as to how they view these issues and how to regulate cryptocurrency under the applicable securities acts. On April 20, 2021, the U.S. House of Representatives passed a bipartisan bill titled “Eliminate Barriers to Innovation Act of 2021” (H.R. 1602). If passed by the Senate and enacted into law, the bipartisan bill would create a cryptocurrency working group to evaluate the current legal and regulatory framework around cryptocurrencies in the United States and define when the SEC may have jurisdiction over a particular token or cryptocurrency (i.e., when it is a security) and when the CFTC may have jurisdiction (i.e., on derivatives of a cryptocurrency when it is a commodity).

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, 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 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, local state regulators such as the Texas State Securities Board, the Massachusetts Securities Division of the Office of the Secretary of the Commonwealth, the New Jersey Bureau of Securities, the North Carolina Secretary of State's Securities Division and the Vermont Department of Financial Regulation have initiated actions against, and investigations of, individuals and companies involved in cryptocurrencies. In March 2018, the South Carolina Attorney General Office's Security Division issued a cease-and-desist order against Genesis Mining and Swiss Gold Global, Inc., stating that both companies were to stop doing business in South Carolina and are permanently barred from offering securities in the state in the future since they offered unregistered securities via cloud mining contracts under the South Carolina Uniformed Securities Act of 2005, S.C. Code Ann. § 35-1-101, et seq. (the order against Genesis Mining was subsequently withdrawn). Neither our company nor, to our knowledge, Matrixport Group, has any direct or indirect relationship with these two companies. Further, the North Carolina Secretary of State's Securities Division issued in March 2018 a Temporary Cease and Desist Order against Power Mining Pool (made permanent pursuant to a Final Order on April 19, 2018), ordering it to cease and desist, among other things, offering "mining pool shares," which were deemed "securities" under N.C. Gen. Stat. 78A-2(11), in North Carolina until they are registered with the North Carolina Secretary of State or are offered for sale pursuant to an exemption from registration under the North Carolina Securities Act, N.C. Gen. Stat. Chapter 78A.

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 countries, including India, South Korea and Russia, among others, currently have a more restrictive stance toward cryptocurrencies and, thereby, have reduced the rate of expansion of cryptocurrency use, as well as cryptocurrency transaction processing, in each of those countries.

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 common stock. 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 interpretations released by a regulatory authority, may impact the manner in which cryptocurrencies are treated. For example, cryptocurrencies derivatives are not excluded from the definition of “commodity future” by the CFTC. Furthermore, according to the CFTC, cryptocurrencies fall within the definition of a commodity under the Commodities Exchange Act (the “CEA”) and as a result, we may be required to register 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.

The SEC has issued guidance and made numerous statements regarding the application of securities laws to cryptocurrencies. For example, on July 25, 2017, the SEC issued a Report of Investigation (the “Report”) which concluded that tokens offered and sold by the Decentralized Autonomous Organization (“DAO”), a digital decentralized autonomous organization and investor-directed venture capital fund for cryptocurrencies, were issued for the purpose of raising funds. The Report concluded that these tokens were “investment contracts” within the meaning of Section 2(a)(1) of the Securities Act and Section 3(a)(10) of the Exchange Act, and therefore securities subject to the federal securities laws. In December 2017, the SEC issued a cease-and-desist letter to Munchee Inc., ordering that the company stop its initial coin offering of MUN Tokens on the grounds that it failed to file a registration statement or qualify for an exemption from registration. Similar to the tokens issued by the DAO, the SEC found that the MUN Tokens satisfied the definition of an “investment contract,” and were therefore subject to the federal securities laws. In February 2018, both the SEC and CFTC further reiterated their concerns regarding cryptocurrencies in written testimony to the Senate Banking, Housing and Urban Affairs Committee. On March 7, 2018, the SEC released a “Statement on Potentially Unlawful Online Platforms for Trading Digital Assets,” and reiterated that, if a platform “offers trading of cryptocurrencies that are securities” and “operates as ‘exchange,’ as defined by the federal securities laws,” the platform must register with the SEC as a national securities exchange or be exempt from registration. The SEC’s statement serves as a notice to operators of any platforms, including secondary market trading platforms, which the SEC is actively monitoring for potentially fraudulent or manipulative behavior in the market for security tokens, as the SEC has cautioned recently in the context of ICOs. On November 16, 2018, the SEC released a “Statement on Digital Asset Securities Issuance and Trading,” and emphasized that market participants must adhere to the SEC’s well-established and well-functioning federal securities law framework when dealing with technological innovations, regardless of whether the securities are issued in certificated form or using new technologies, such as blockchain. This has all been followed by additional statements and guidance from the SEC including no-action letters relating to specific blockchain-based projects, and a Framework for “Investment Contract” Analysis of Digital Assets published by the Division of Corporation Finance on April 3, 2019. In an August 2021 interview, SEC Chairman Gensler signaled the SEC is contemplating a robust regulatory regime for cryptocurrencies and reiterated the SEC’s position that many cryptocurrencies are unregulated securities.

The SEC has been active in asserting its jurisdiction over ICOs and cryptocurrencies and in bringing enforcement cases. The SEC has directed enforcement activity toward cryptocurrencies, and more specifically, ICOs. In September 2017, the SEC created a new division known as the “Cyber Unit” to address, among other things, violations involving distributed ledger technology and ICOs, and filed a civil complaint in the Eastern District of New York charging a businessman and two companies with defrauding investors in a pair of so-called ICOs purportedly backed by investments in real estate and diamonds (see Securities and Exchange Commission v. REcoin Group Foundation, LLC, et al., Civil Action NO. 17-cv- 05725 (E.D.N.Y, filed Sept. 29, 2017)). Subsequently, the SEC has filed several orders instituting cease-and-desist proceedings against (i) Carrier EQ, Inc., d/b/a AirFox and Paragon Coin, Inc. in connection with their unregistered offerings of tokens (see CarrierEQ, Inc., Rel. No. 33-10575 (Nov. 16, 2018) and Paragon Coin, Inc., Rel. No. 33-10574 (Nov. 16, 2018), respectively), (ii) Crypto Asset Management, LP for failing to register a hedge fund formed for the purpose of investing in cryptocurrencies as an investment company (see Crypto Asset Management, LP and Timothy Enneking, Rel. No. 33-10544 (Sept. 11, 2018)), (iii) TokenLot LLC for failing to register as a broker-dealer, even though it did not meet the definition of an exchange (see Tokenlot LLC, Lenny Kugel, and EliL. Lewitt, Rel. No. 33-10543 (Sept. 11, 2018)) and (iv) EtherDelta’s founder for failing either to register as a national securities exchange or to operate pursuant to an exemption from registration as an exchange after creating a platform that clearly fell within the definition of an exchange (see Zachary Coburn, Rel. No. 34-84553 (Nov. 8, 2018)).

On June 4, 2019, the SEC filed a complaint in the U.S. District Court for the Southern District of New York against Kik Interactive, Inc. with respect to its September 2017 offering of Kin. According to articles published by various news outlets, the SEC has allegedly issued numerous subpoenas and information requests to technology companies, advisers and individuals involved in the cryptocurrency space and ICOs, as part of a broad inquiry into the cryptocurrency market.

A number of proposed ICOs have sought to rely on Regulation A and have filed with the SEC a Form 1-A covering a distribution of a digital token. Two such offerings were qualified in July 2019. In addition, some token offerings have been commenced as private securities offerings intended to be exempt from SEC registration. While the SEC historically declined to approve exchange-traded products (such as ETFs) holding cryptocurrencies, it has since authorized the listing and trading of spot Bitcoin ETFs in January 2024 and spot Ethereum ETFs in May 2024. These approvals, however, are subject to ongoing compliance reviews focused on custody practices, investor protections, and technological risks associated with blockchain infrastructure. Besides, The SEC continues to take various actions against persons or entities that have allegedly misused cryptocurrencies, engaged in fraudulent schemes (i.e., Ponzi scheme) and/or engaged in the sale of tokens that were deemed securities by the SEC.

Although our activities are not focused on raising capital or assisting others that do so, the federal securities laws are very broad. We cannot provide assurance as to whether the SEC will continue or increase its enforcement with respect to cryptocurrencies or ICOs, including taking enforcement action against any person engaged in the sale of unregistered securities in violation of the Securities Act or any person acting as an unregistered investment company in violation of the Investment Company Act. Because the SEC has held that certain cryptocurrencies are securities based on the current rules and law, we may be required to register and comply with the rules and regulations under federal securities laws.

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 in recent years have placed increasing importance on the implications and social cost of their investments. In February 2021, the Acting Chair of the SEC issued a statement directing the Division of Corporation Finance to enhance its focus on climate-related disclosure in public company filings and in March 2021 the SEC announced the creation of a Climate and ESG Task Force (the "Task Force") in the Division of Enforcement. The Task Force's goal was to develop initiatives to proactively identify ESG-related misconduct consistent with increased investor reliance on climate and ESG-related disclosure and investment. To implement the Task Force's purpose, the SEC took several enforcement actions and proposed and/or adopted new rules. For example, on March 21, 2022, the SEC proposed rules that will require all public companies to include extensive climate-related information in their SEC filings. On March 6, 2024, the SEC adopted the long-awaited final rule, The Enhancement and Standardization of Climate-Related Disclosures for Investors, which would require registrants, including foreign private issuers ("FPIs"), to disclose extensive climate-related information in their registration statements and periodic reports (the "Final Rule"). The Final Rule was intended to facilitate the disclosure of "complete and decision-useful information about the impacts of climate-related risks on registrants" and to improve "the consistency, comparability, and reliability of climate-related information for investors". The fate of the Final Rule is uncertain. The Final Rule was challenged and litigation concerning the challenge is pending before the US Court of Appeals for the Eighth Circuit. On February 11, 2025, the Acting Chair of the SEC issued a statement indicating that SEC staff was directed to request the Eighth Circuit to delay scheduling oral arguments on the Final Rule pending a decision by the SEC whether to continue defending the rule. 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 have occurred and continue to be expected at the state and international levels and may resurface in the United Stated 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 investment allocation as a result of their assessment of our ESG practices. If we do not adapt to or comply with investor, lender or other industry shareholder expectations and standards and potential government regulations, which are evolving but may relate to the suitable deployment of electric power, or which are perceived to have not responded appropriately to the growing concern for ESG issues, our reputation may suffer which would 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.

Generally, we rely primarily on a combination of white papers and other disclosure documents prepared by the creators of applicable cryptocurrencies, as well as on our management's ability to obtain adequate information to evaluate the potential implications of transacting in these cryptocurrencies. However, such white papers and other disclosure documents and information may contain misleading and/or fraudulent statements (which may include statements concerning the creators' ability to deliver in a timely fashion the product and/or service disclosed in their white papers and other disclosure documents) and/or may not reveal any unlawful activities by the creators. Recently, there has been an increasing number of investigations and lawsuits by the SEC and the CFTC involving cryptocurrency creators for fraud and misappropriation, among other charges. Additionally, FinCEN has increased its enforcement efforts involving cryptocurrency creators regarding compliance with anti-money laundering and Know-Your-Customer laws.

To the extent that any of these creators make misleading and/or fraudulent disclosures or do not comply with federal, state or foreign laws, or if we are unable to uncover all material information about these cryptocurrencies and/or their creators, we may not be able to make a fully informed business decision relating to our transacting in or otherwise involving such cryptocurrencies, 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 cryptocurrency mining- related services company, 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 cryptocurrency mining-related services company. Our key compliance documents and compliance programs, such as AML and KYC procedures, also have a recent history only. We believe that we have measures designed to limit our counterparty risks. For example, we have been monitoring our investments closely and limiting our exposure to the investment risk by including in our operation strategy the requirements to invest only in robust wealth management products and that the investments need to be redeemed within the same fiscal quarter. In order to further limit our exposure to counterparty risk, we adopted an operation strategy in December 2022, pursuant to which we shall not enter into any digital asset based lending or wealth management products in the foreseeable future. While we have been devoting a substantial amount of 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 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

A market for Class A ordinary shares may not develop, which would adversely affect the liquidity and price of Class A ordinary shares.

An active trading market for Class A ordinary shares may never develop or, if developed, it may not be sustained. You may be unable to sell your Class A ordinary shares unless a market can be established and sustained.

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 price and liquidity of Class A ordinary shares.

S&P Dow Jones and FTSE Russell have recently 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.

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 shares 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 shares 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 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"), 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 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 anticipate incurring substantial costs and significant demands being placed upon management to comply with non-emerging growth company requirements earlier than planned" 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.

For the year ended December 31, 2024, we identified material weakness in our internal control over financial reporting. In the event of any failure to remediate such material weakness or 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.

Prior to the closing of the Business Combination, Bitdeer has been a private company with limited accounting personnel and other resources with which to address Bitdeer's internal controls and procedures.

For the year ended December 31, 2024, 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 and concluded that our internal control over financial reporting was not effective as of December 31, 2024, due to the material weakness in internal control over financial reporting as described below. 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. The following material weakness has been identified: lack of adequate execution and monitoring of control activities resulted 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.

We have instituted plans to remediate the material weakness, 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. 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.

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

The trading market for the Class A ordinary shares could be impacted by recent market volatility. While we do not believe that we are more likely to be affected by market volatility than other public companies, recent stock run-ups, divergences in valuation ratios relative to those seen during traditional markets, high short interest or short squeezes, and strong and atypical retail investor interest in the markets may impact the demand for the Class A ordinary shares.

A possible "short squeeze" due to a sudden increase in demand of Class A ordinary shares that largely exceeds supply may lead to price volatility in the Class A ordinary shares. Investors may purchase Class A ordinary shares to hedge existing exposure or to speculate on the price of the Class A ordinary shares. Speculation on the price of Class A ordinary shares may involve both long and short exposures. To the extent aggregate short exposure exceeds the number of Class A ordinary shares available for purchase (for example, in the event that large redemption requests dramatically affect liquidity), investors with short exposure may have to pay a premium to repurchase Class A ordinary shares for delivery to lenders. Those repurchases may in turn, dramatically increase the price of the Class A ordinary shares. This is often referred to as a "short squeeze." A short squeeze could lead to volatile price movements in the Class A ordinary shares that are not directly correlated to the operating performance of us.

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 requiring insiders to file public reports of their stock ownership and trading activities and 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 2024.

Although not required and as may be changed from time to time, we intend to have a majority-independent board of directors, a majority-independent compensation committee and a 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 will conduct a substantial portion of our operations through our subsidiary, Bitdeer, 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 our memorandum and articles of association, special resolutions, and our register of mortgages and charges) or to obtain copies of lists of shareholders 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 anticipate incurring substantial costs and significant demands being placed upon management to comply with non-emerging growth company requirements earlier than planned.

As an "emerging growth company," as defined in the Securities Act before December 31, 2024, we benefited from certain temporary exemptions from various reporting requirements. However, 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.

As an emerging growth company, we had elected under the Jumpstart Our Business Startups Act of 2012 (the "JOBS Act") to delay (i) adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies, and (ii) provision of an auditor attestation of internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act. Given that we ceased being an emerging growth company on December 31, 2024, we are no longer eligible to delay the adoption of such new or revised accounting pronouncements applicable to public companies. In addition, we are required to provide an auditor attestation of internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act.

As a result, we expect 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 we operate in are complex and sophisticated, and we face risks of tax incompliance 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.

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) consists of assets that produce, or are held for the production of, passive income, or (ii) 75% or more of its gross income consists of passive income. Passive income generally includes dividends, interest, royalties, rents, 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 or indirectly, 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 our company was not a PFIC for its taxable year ended December 31, 2024. 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 company's income and assets and the value of its assets from time to time (including the value of its 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 our company being a PFIC for any taxable year will increase if its market capitalization declines substantially during that year. Furthermore, whether and to which extent our company's 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, hash rate sharing, or hosting for purposes of the PFIC rules and, although our company currently treats 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, the risk of us 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.

Because under certain attribution rules our non-U.S. subsidiaries may be treated as controlled foreign corporations for U.S. federal income tax purposes, there could be adverse U.S. federal income tax consequences to certain U.S. Holders of Class A ordinary shares who own, directly or indirectly, ten percent or more of Class A ordinary shares.

For U.S. federal income tax purposes, each "Ten Percent Shareholder" (as defined below) in a non-U.S. corporation that is classified as a "controlled foreign corporation" (a "CFC") generally is required to include in income such Ten Percent Shareholder's pro rata share of the CFC's "Subpart F income," investment of earnings in U.S. property, and "global intangible low-taxed income," even if the CFC has made no distributions to its shareholders. Subpart F income generally includes dividends, interest, rents, royalties, gains from the sale of securities and income from certain transactions with related parties, and "global intangible low-taxed income" generally consists of net income of the CFC, other than Subpart F income and certain other types of income, in excess of certain thresholds. A non-U.S. corporation generally will be classified as a CFC if Ten Percent Shareholders own, directly, indirectly or constructively (through attribution), more than 50% of either the total combined voting power of all classes of stock entitled to vote of such corporation or of the total value of the stock of such corporation. A "Ten Percent Shareholder" is a United States person (as defined by the Code) who owns or is considered to own, directly, indirectly or constructively, 10% or more of either the total combined voting power of all classes of stock entitled to vote of such corporation or the total value of the stock of such corporation. The determination of CFC status is complex and includes certain "downward attribution" rules pursuant to which our non-U.S. subsidiaries may be treated as constructively owned by our U.S. subsidiaries and, therefore, our non-U.S. subsidiaries may be treated as CFCs. Prospective holders of Class A ordinary shares that may be or become Ten Percent Shareholders should consult their tax advisors with respect to the application of the CFC rules in their particular circumstances.

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. For instance, the Inflation Reduction Act of 2022 imposes, among other rules, a 15% minimum tax on the book income of certain large corporations and a 1% excise tax on certain corporate stock repurchases. 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 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. New laws or legislations, such as the ones introduced in the United States under the "Infrastructure Investment and Jobs Act," commonly referred to as the "infrastructure bill," which was signed into law on November 15, 2021, will include tax reporting provisions that apply to cryptocurrencies. This reporting requirement took effect on January 1, 2023, and the implementation of these requirements is ongoing. We are closely monitoring the situation and waiting for more issuance of updated guidance from government agencies. Introductions of more stringent provisions on reporting or surveillance of cryptocurrencies and cryptocurrencies will likely be an ongoing trend from authorities worldwide. We caution that these new provisions may direct or indirectly impact scrutiny and assessments in relation to taxation. While some countries have expressed an intention to or have imposed taxation on cryptocurrencies and transactions, other tax authorities have been silent. As there is considerable uncertainty over the taxation of cryptocurrencies, there is no guarantee that the cryptocurrencies and transactions denominated in cryptocurrencies will not be subject to further taxation in the future, including but not limited to additional taxes and increased tax rate. These events could reduce the economic return of cryptocurrency and increase the holding costs of cryptocurrencies, rendering the cryptocurrency mining solutions we provide less attractive to customers, which could materially and adversely affect our business, results of operations and financial condition.

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, and our principal executive office is 08 Kallang Avenue, Aperia tower 1, #09-03/04, Singapore 339509. 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 Holding Company and its subsidiaries.

Overview

We are a world-leading technology company for blockchain and high-performance computing. We are committed to providing comprehensive computing solutions for our customers. We handle complex processes involved in computing, such as equipment procurement, transport logistics, datacenter design and construction, equipment management, and daily operations. Additionally, we offer advanced cloud capabilities to support customers with high demand for artificial intelligence (AI).

Headquartered in Singapore, we currently operate six mining datacenters in the United States, Norway and Bhutan with an aggregate electrical capacity of 895 MW as of March 31, 2025. From these mining datacenters, we generate hash rate under management which is categorized into proprietary and hosting hash rate. As of March 31, 2025, our proprietary hash rate was 12.1 EH/s. Together with the 12.1 EH/s hosting hash rate generated from mining rigs hosted in our mining datacenters, we possessed a total of 24.2 EH/s of hash rate under management as of March 31, 2025. We expect to continue increasing our hash rate through 2025 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, 2025, we possessed an aggregate pipeline capacity of 1,794 MW in the United States, Norway Bhutan, Canada and Ethiopia.

We primarily operate three business lines – "self-mining," "hash rate sharing" and "hosting." Self-mining refers to cryptocurrency mining for our own account, which allows us to directly capture the high appreciation potential of cryptocurrency. We offer two types of hash rate sharing solutions – Cloud Hash Rate and Hash Rate Marketplace. Through Cloud Hash Rate, 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. Through our Hash Rate Marketplace solution, we connect reliable third-party hash rate suppliers with hash rate users to facilitate hash rate sales and generate revenue from charging service fees. 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. All of our three business lines are supported by *Minerplus*, 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.

In addition, we are developing two new business lines to supplement and support our existing business lines – "application-specific integrated circuit (ASIC) and mining rig business" and "HPC and AI cloud business." In our ASIC and mining rig business, 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. While we did not generate sales revenue from our ASIC and mining rig business in 2024, some rigs were deployed to our mining datacenters during the year for performance testing and to expand our self-mining operations. We believe our ASIC technology platform will allow vertical integration and enable us to capture the upside ASIC margins via self-mining and sales of mining rigs to third parties, such as rapid hash rate development, a lower cost structure, enhanced capital efficiency, and an improved supply chain compared to the broader industry. In our HPC and AI cloud business, we offer advanced cloud capabilities and HPC services to customers with high demand for AI and computing. We operate the first cloud service platform in Asia that offers AI cloud services powered by NVIDIA DGX SuperPOD H100 system. Our AI cloud services help customers accelerate their development of generative AI, large language models (LLMs), and other AI workloads.

For the years ended December 31, 2022, 2023 and 2024, our total net revenue was US$333.3 million, US$368.6 million and US$349.8 million, respectively. We incurred net loss of US$60.4 million, US$56.7 million and US$599.2 million for the years ended December 31, 2022, 2023 and 2024. For the years ended December 31, 2022, 2023 and 2024, our adjusted EBITDA was US$93.2 million, US$97.0 million and US$39.4 million, respectively, where adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, further adjusted to exclude the listing fee and share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of convertible notes, changes in fair value of holdback shares issued in connection with the FreeChain Acquisition, and changes in fair value of cryptocurrency-settled receivables and payables. We incurred adjusted profits of US$30.3 million, US$18.7 million for the years ended December 31, 2022 and 2023, respectively, and incurred adjusted loss of US$49.3 million for the year ended December 31, 2024, where adjusted profit/(loss) is defined as profit/(loss) adjusted to exclude the listing fee and share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of convertible notes, changes in fair value of holdback shares issued in connection with the FreeChain Acquisition, and changes in fair value of cryptocurrency-settled receivables and payables.

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, 2024 witnessed a substantial market rebound, with Bitcoin surpassing US$100,000 at its peak before recently settling back above US$80,000. 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. Following the 2024 U.S. presidential election, the new administration has introduced a series of policy measures impacting the cryptocurrency sector. 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.

Our Business Lines and Software Infrastructure

To date, we primarily operate three business lines - "self-mining," "hash rate sharing" and "hosting," all of which are supported by *Minerplus*, our self-developed integrated intelligent software platform, to enhance operational efficiency. In 2024, we have strategically prioritized resources to the development of our proprietary ASIC technology. While this has temporarily limited our hash rate growth, 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 cloud HPC and AI cloud business to offer advanced cloud capabilities and HPC services.

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, 2022, 2023 and 2024, respectively, we generated US$62.4 million, US$111.7 million and US$163.1 million in revenue from self-mining. Historically, around 50% to 100% of our proprietary hash rate was utilized to support our self-mining, with the rest available for sale to customers through Cloud Hash Rate. However, we retain the flexibility to allocate our proprietary hash rate to either self-mining or Cloud Hash Rate, primarily based on our view of the Bitcoin market trends. To further expand our self-mining business, we intend to leverage our SEALMINER mining rigs to increase our proprietary hash rate, enhancing both our mining capabilities and operational scalability.

Hash rate sharing

We offer two types of hash rate sharing solutions, Cloud Hash Rate and Hash Rate Marketplace, to support cryptocurrency mining activities globally with convenient, transparent and reliable hash rate.

- ***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 for series of cryptocurrencies, including Bitcoin, Filecoin, etc., subject to stable electricity supply. We offer our customers various hash rate subscription plans, primarily under (i) “classic mode” and (ii) “accelerator mode”, which enables customers to shorten investment costs recovery cycle. After a user subscribes to a cloud hash rate plan, mining pool operators connect the cloud hash rate generated from our mining rigs to blockchain network for a period specified in the cloud hash rate plan subscribed to and cryptocurrency rewards are delivered directly to the crypto wallet of the Cloud Hash Rate customer. For plans under “classic mode”, we generate revenue from fees paid to subscribe the hash rate as well as electricity, which maintains the mining rigs that produce the subscribed hash rate. For hash rate subscription plans under “accelerator mode”, while customers enjoy lower hash rate subscription fees compared to “classic mode”, on top of the aforementioned hash rate and electricity subscription fees, we are also entitled to sharing part of the mining rewards net of the electricity cost the customer paid for once that customer’s investment cost is recovered, which is defined as the cumulative mining reward received from the mining pool equals the amount of hash rate subscription fees paid upfront and the electricity fee paid and used to date. This unique model of selling cloud hash rate allows us to smooth the impact of Bitcoin price volatility as our income from hash rate sales are less directly related to cryptocurrency price compared to self-mining. When Bitcoin price appreciates, we can capture part of the benefits as the demand of hash rate will be driven up; when Bitcoin price depreciates, we are still able to recover costs or generate revenue from hash rate sales. We use standard agreement with our customer for Cloud Hash Rate. We generated revenue of US$121.3 million, US$67.9 million and US$39.8 million for the years ended December 31, 2022, 2023 and 2024, respectively, from Cloud Hash Rate.

- ***Hash Rate Marketplace***. We connect supply of hash rate from mining rigs owned by third parties, such as miners or mining datacenter owners, with our user base with hash rate demands, allowing such hash rate suppliers to access our large base of high-quality customers. With Hash Rate Marketplace, we offer a marketplace that is able to utilize excessive hash rate in the network and expand ways of monetization for third-party hash rate suppliers, accelerating their cash payback to support future expansion. For transactions completed on Hash Rate Marketplace, the third-party hash rate suppliers will be responsible for providing hash rate and post-sale services, pursuant to the negotiated terms between these third-party hash rate suppliers and customers, with which we have no involvement and we generate revenue by charging service fees. We did not generate revenue from Hash Rate Marketplace for the years ended December 31, 2022, 2023 and 2024.

Hosting

We offer three types of hosting services, Cloud Hosting, General Hosting and Membership Hosting, to meet customers’ diverse demands for professional hosting solutions and lower the prohibitive upfront investment costs associated with mining datacenter construction, deployment and operation.

- ***Cloud Hosting***. We provide retail miner customers with one-stop mining rig hosting solutions, enabling them to gain access to stable supply of computing power from specified mining rigs in a capital-light manner. Through Cloud Hosting, users participate in a customer group, pay an upfront fee for the computing power produced by the specified mining rigs, and subscribe to the hosting service for the same mining rigs. As such, customers may enjoy the computing power derived from specified mining rigs over the life of such mining rigs to generate cryptocurrency rewards. Traditionally, a miner has to purchase and physically possess a mining rig, deploy and operate it in a mining datacenter in order to gain access to all the computing power generated from that specified mining rig. Cloud Hosting provides an innovative alternative by providing hosting service for the specified mining rigs that produce computing power for the Cloud Hosting customers, saving the customers the need to pick up the mining rig, construct one’s own mining datacenter, and operate and deploy the mining rig. Specifically, we are responsible for the operation and maintenance of mining datacenter that hosts the mining rigs, as well as mining rigs operation, maintenance and repair. As such, we significantly lower the upfront investment and expertise threshold for retail miners, providing them with the same opportunity of cryptocurrency returns as major and sophisticated miners. We also provide complete set of cloud hosting technical solutions and resources to ensure operational efficiency. Our first-of-its-kind “group-buying” model allows retail miners to purchase the computing service from and maintenance service for as little as one mining rig, further lessening the upfront investment burden. Similar to the Cloud Hash Rate “accelerator mode” subscription plans, in 2021, we launched the “accelerated payback mode” for Cloud Hosting, where customers can enjoy a favorable rate for the upfront fee compared to “classic mode” (i.e., the traditional arrangement). Under the standard agreements with our customers for Cloud Hosting, we charge customers an upfront fee so they can secure the procurement of computing power from the specified mining rigs. We also charge a maintenance fee for our electricity supply and daily maintenance and repair care. We are entitled to a portion of the mining profit of an “accelerated payback mode” customer after the customer recovers the investment cost, which is defined as the mining reward earned from the mining pool equals the upfront fee paid and the maintenance fee and other fees incurred to date. We generated revenue of US$12.7 million, US$3.2 million and US$1.1 million for the years ended December 31, 2022, 2023 and 2024, respectively, from Cloud Hosting. We did not generate any revenue from mining profit sharing from plans under Cloud Hosting’s “accelerated payback mode” for the years ended December 31, 2022, 2023 and 2024.

- ***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 repairment 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$99.3 million, US$97.3 million and US$67.6 million for the years ended December 31, 2022, 2023 and 2024, respectively, from General Hosting.

- ***Membership Hosting.*** We offer a membership program for large-scale miner customers who seek stable, long-term supply of hosting capacity and send their mining rigs to our mining datacenters for hosting purpose. 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. For our Membership Hosting contracts, payment terms are individually negotiated and may differ among customers. Through this membership program, we seek to facilitate risk control and stable hosting income from large-scale miner customers by providing them reliable and long-term hosting capacity. We generated revenue of US$26.1 million, US$79.9 million and US$64.0 million for the years ended December 31, 2022, 2023 and 2024, from Membership Hosting.

The major differences among Cloud Hosting, General Hosting and Membership 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
Cloud Hosing	Mining rigs from our existing mining fleets	Retail miners	• Upfront payment for subscription of computing power from our mining rigs • Maintenance fees throughout the service process
General Hosting	Mining rigs from target customers	Professional miners	• 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	• 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

We believe that hosting services will enable us to maximize assets utilization with minimal capital expenditure for our growing mining datacenter capacity, maximize overall scale of hash rate supported by our software platform *Minerplus* which may lead to future business opportunities, and improve the operational efficiency by serving professional customers.

Minerplus is our self-developed integrated intelligent software platform that offers software support to significantly reduce time needed for daily maintenance and mining rig upgrade and substantially decrease operation and maintenance headcount. The functions of *Minerplus* mainly encompasses real-time mining datacenter and hash rate monitoring as well as virus detection and removal. *Minerplus* enables intelligent management of our self-mining business and enhances product and service quality of Cloud Hash Rate and our hosting services. We also provide standalone *Minerplus* service to third-party mining datacenters.

ASIC and Mining Rig Business – SEALMINER Mining Rigs

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 to customers.

In March 2024, we successfully tested our first Bitcoin mining chip, the SEAL01, which has been integrated into our new SEALMINER A1 mining rigs. The first sample batch was energized and production of approximately 3.8 EH/s has been substantially completed as of March 2025, with units currently in batch transportation to our datacenters in Texas, Bhutan and Norway.

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 ratio of 16.5 J/TH.

In March 2025, we launched our latest self-developed mining rigs, 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 ratio of 14.9 J/TH, offering higher efficiency ratios, advanced technologies, and enhanced stability. In the same month, we also tested our latest Bitcoin mining chip, SEAL03, with a power efficiency ratio of 9.7J/TH while running at low voltage, ultra power-saving mode. SEAL03 uses one of the most advanced process nodes in partnership with the world-leading semiconductor foundry and will be integrated into our upcoming SEALMINER A3 series mining rigs. The research and development of SEAL04 remains on track.

HPC and AI Cloud Business

We completed the deployment and testing of our Bitdeer AI Cloud, powered by NVIDIA DGX SuperPOD with H100 system, in March 2024, becoming the first cloud service platform in the Asian region to offer NVIDIA DGX SuperPOD H100 service. The service provides our customers with access to NVIDIA AI supercomputing to help them accelerate their development of generative AI, large language models (LLMs), and other AI workloads. For the year ended December 31, 2024, revenue generated from AI Cloud Service was immaterial.

To support our HPC and AI cloud business, as of the year ended December 31, 2024, we have procured the following equipment from NVIDIA Corporation, with a total purchase amount of approximately US$13.2 million. The equipment are currently physically located in Singapore.

Equipment	Type	Quantity
Nvidia DGX H100	Server	31
Nvidia HGX H200	Server	3

In addition, we engaged TLM Group, a leading consultant in AI and HPC datacenter engineering and construction to conduct a review of our infrastructure portfolio to assess suitability for AI and HPC applications at our U.S. sites. TLM Group confirmed the suitability of several of our U.S. sites for Tier 3 HPC and AI datacenters, as these sites have power available in a short time frame, low-latency fiber and water resources. We are in discussions with potential development partners and potential end users for selecting large scale sites in the U.S. for HPC and AI datacenters.

Measures to prevent unauthorized or impermissible customer access

We have established anti-money laundering ("AML") processes, know your customer ("KYC") procedures and IP address geo-blocking measures, to prevent unauthorized and impermissible access to our hash rate products by U.S. customers and customers from other jurisdictions where we have identified laws or regulations that restrict the offering of our hash rate products. These measures generally encompass the following key steps: (i) following IP address and customer identification, IP addresses located in regions such as Cuba, Iran, North Korea, Syria, and Crimea Area, will be blocked, and IP addresses in most other areas, including the United States, will be asked to complete AML and KYC procedures prior to purchasing our products and services; (ii) following and based on the results of customer due diligence process, customers from the United States or other applicable jurisdictions will be denied purchase of our hash rate products; (iii) following and based on the results of customer due diligence process, any entity listed on U.S. export control and economic sanctions lists, including but not limited to the Denied Persons List, the Entity List and Specially Designated Nationals and Blocked Persons List (SDN List), will be denied purchase any of our products; and (iv) transactions and the KYC status of the customers will be subject to our 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.D - Key Information - Risk Factors - Risks Related to Regulatory Compliance and Other Legal Matters - Our hash rate sharing 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 hash rate sharing business may be deemed as securities offerings in other jurisdictions where it is offered."

Our Cryptocurrencies

Cryptocurrencies and Protocols Involved in Our Business

96.1%, 98.8% and 97.8% of our self-mining revenue for the years ended December 31, 2022, 2023 and 2024 respectively were generated from Bitcoin mining. The remaining mining yield were generated from Ethereum Classic, Dogecoin, Filecoin and other cryptocurrencies that are less mainstream, as illustrated below:

	For the Year Ended December 31,					
	2024		2023		2022	
	US$	%	US$	%	US$	%
	(in thousands, except for percentages)					
BTC	159,401	97.8	110,386	98.8	59,845	96.1
ETC	2,715	1.7	9	0.00	4	0.00
DOGE	278	0.2	371	0.4	590	0.9
FB	263	0.2	-	-	-	-
FIL	195	0.1	183	0.2	458	0.7
ZIL	69	0.0	-	-	-	-
ZEC	49	0.0	454	0.4	902	1.4
IO	46	0.0	-	-	-	-
LTC	39	0.0	194	0.2	248	0.4
ELA	7	0.0	4	0.0	4	0.0
BCH	5	0.0	9	0.0	22	0.0
QUBIC	5	0.0	6	0.0	-	-
BELLS	4	0.0	-	-	-	-
NMC	2	0.0	2	0.0	11	0.0
SC	2	0.0	1	0.0	-	-
SYS	2	0.0	-	-	-	-
CKB	1	0.0	9	0.0	41	0.1
LKY	1	0.0	-	-	-	-
PEP	1	0.0	-	-	-	-
XCH	1	0.0	37	0.0	73	0.1
DCR	-	-	13	0.0	106	0.2
ETH	-	-	-	-	8	0.0
HNS	-	-	5	0.0	47	0.1
Total	**163,086**	**100.0**	**111,683**	**100.0**	**62,359**	**100.0**

95.7%, 99.1% and 99.5% of our *Cloud Hash Rate* revenue for the years ended December 31, 2022, 2023 and 2024 respectively were generated from hash rate plans subscribed for Bitcoin mining. We have commenced mining operation on a proprietary basis for Filecoin, which adopted PoST protocol, and also offered computing power sharing solutions regarding Filecoin mining under our *Cloud Hash Rate* business.

Policies and Procedures Related to Our Cryptocurrencies

We obtain cryptocurrencies from self-mining and cryptocurrency 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*. We generally do not hold cryptocurrencies obtained through business operation, including mining and otherwise, and promptly convert them into fiat currency prior to December 31, 2023. In response to the market dynamics, we applied a flexible internal strategy in 2024 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. The cryptocurrencies held by us as of December 31, 2022, 2023 and 2024 were US$2.2 million, US$ 15.4 million and US$77.5 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,					
	2024		2023		2022	
	US$	%	US$	%	US$	%
	(in thousands, except for percentages)					
BTC	62,560	80.7	6,729	43.8	208	9.6
ETH	6,885	8.9	3,992	26.0	5	0.2
USDT	5,096	6.6	3,733	24.3	162	7.4
ETC	1,482	1.9	0*	0.0	0*	0.0
FIL	859	1.1	844	5.5	1,692	77.8
DOGE	634	0.8	5	0.0	6	0.4
LMR	13	0.0	13	0.1	-	-
LTC	4	0.0	8	0.1	8	0.4
USDC	2	0.0	34	0.2	89	4.1
BCH	1	0.0	7	0.0	2	0.1
ZEC	1	0.0	3	0.0	1	0.0
ELA	0*	0.0	3	0.0	1	0.0
DASH	0*	0.0	0*	0.0	0*	0.0
DCR	0*	0.0	0*	0.0	0*	0.0
BCHA	0*	0.0	0*	0.0	-	-
XCH	0*	0.0	0*	0.0	1	0.0
NMC	0*	0.0	0*	0.0	0*	0.0
ETHW	0*	0.0	-	-	-	-
USDV	0*	0.0	-	-	-	-
FB	0*	0.0	-	-	-	-
PEP	0*	0.0	-	-	-	-
ZIL	0*	0.0	-	-	-	-
JKC	0*	0.0	-	-	-	-
CKB	-	-	0*	0.0	0*	0.0
SC	-	-	-	-	0*	0.0
Total	**77,537**	**100**	**15,371**	**100.0**	**2,175**	**100.0**

* Less than US$500 but not nil

We generally use service provided by Matrix Finance and Technologies Holding Group and its subsidiaries ("Matrixport Group") for cryptocurrencies custody purpose. Please see the section entitled "— Our Cryptocurrencies Storage and Custodial Practices" below for more details on the related procedures in this regard.

During the year ended December 31, 2022, we lent loans in a total amount of approximately US$150 million to Matrixport Group and received approximately US$1.5 million interest income. We also purchased wealth management products in a total amount of approximately US$150.0 million from Matrixport Group and received approximately US$0.3 million in return. Both the loans and the wealth management products were fully collected and redeemed as of December 31, 2022. To date, we have not experienced, either directly or indirectly, prohibitions from redeeming or withdrawing crypto assets. All of our cryptocurrency loans and cryptocurrency wealth management products had been fully redeemed by December 31, 2022, and we do not anticipate to actively participate in such activities in the foreseeable future.

As of the date of this annual report, we do not have any outstanding cryptocurrency lending to Matrixport Group or any outstanding wealth management product purchased from Matrixport Group or otherwise. All lending or wealth management products previously purchased from Matrixport Group had been fully collected or redeemed by December 31, 2022. In light of recent concerns over the lack of regulations with regards to digital asset based products in general, we do not anticipate entering into any digital asset based lending or wealth management products with Matrixport Group or otherwise in the foreseeable future.

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 and will ensure that our cash, short-term investment and anticipated proceeds from disposal of cryptocurrencies in connection with our principal business will be sufficient to meet our current and anticipated working capital requirements and capital expenditures for at least the next 18 months from the date of this annual report. We do not anticipate to engage in crypto lending or investing activities in the foreseeable future. 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. As of the date of this annual report, with the exception of certain centrally issued digital assets that have received "no-action" letters from the SEC staff, Bitcoin and Ethereum are the only digital assets which senior officials at the SEC have publicly stated are unlikely to be considered securities. However, such statements are not official policy statements by the SEC and reflect only the speakers' views, which are not binding on the SEC or any other agency or court and cannot be generalized to any other digital asset. It is possible that a change in the governing administration or the appointment of new SEC commissioners could substantially impact the views of the SEC and its staff.

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 Cryptocurrencies — 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, 2022, 2023 and 2024, substantially all of our cryptocurrencies were held in custody by Matrixport Group and our disposal of cryptocurrencies, at spot price on the date of disposal, was primarily to Matrixport Group, a related party. Following our separation from BitMain Technologies Holding Company (collectively with its subsidiaries, "Bitmain"), we entered into two custody agreements with Matrixport Group on February 10, 2021 through our subsidiaries, pursuant to which we appointed Matrixport Group to (i) establish a custody account for the deposit of cryptocurrencies to be held by Matrixport 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 it us are lost, stolen or destroyed due to third-party cryptocurrencies custodial services or if we cannot redeem or withdraw its 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 Matrixport Group are protected by username, password, and hardware tokens. We are able to view the assets in the custody account and relevant transfers via Matrixport 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 Matrixport Group, including calling a separately designated person or requesting additional written confirmation. We note that Matrixport 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 Matrixport Group or anyone can have access to plain text of private keys. In extreme cases, private keys can be recovered by Matrixport 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 Matrixport 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 Matrixport 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 Matrixport Group's internal policies and procedures. Matrixport 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 Matrixport Group's custody system. Under the custody agreements, we are obligated to pay to Matrixport 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$0.4 million, US$0.2 million and US$0.2 million service fees, respectively, including primarily custody fees, to Matrixport Group for the years ended December 31, 2022, 2023 and 2024.

Our Mining Datacenters

We have built and currently operate three mining datacenters in the United States, two in Norway and one in Bhutan with an aggregate electrical capacity of 895MW in use as of March 31, 2025. We have initiated the expansion of our existing mining datacenters and expect to achieve access to a total electrical capacity of 2,689 MW thereafter. The locations, electrical capacity, status and estimated timeline of our mining datacenters in use and in the pipeline, as of March 31, 2025, are illustrated in the chart below.

Site/Location	Capacity (MW)	Estimated Completion Timeline[1]
Mining datacenters in use		
Rockdale, Texas	563	Completed
Knoxville, Tennessee	86	Completed
Wenatchee, Washington	13	Completed
Molde, Norway	84	Completed
Tydal, Norway	50	Completed
Gedu, Bhutan	100	Completed
Subtotal	**895[2]**	
Mining datacenters in the pipeline[3]		
Tydal, Norway Phase 1	40	April 2025
Tydal, Norway Phase 2	135	Mid 2025
Massillon, Ohio	221	Q3-Q4 2025
Clarington, Ohio Phase 1	266	Q3 2025
Clarington, Ohio Phase 2	304	Estimate 2026
Jigmeling, Bhutan	500	Q2 2025
Rockdale, Texas	179	Estimate 2026
Alberta, Canada	99	Q4 2026
Oromia Region, Ethiopia	50	Q4 2025
Subtotal	**1,794**	
Total	**2,689**	

Note:
(1)The estimated completion timeline is indicative only, with all timing references referring to calendar quarters and years.
(2)Minor discrepancies in figures may occur due to rounding.
(3)"In the pipeline" refers to datacenters with power secured, currently under active construction or negotiation but not yet completed.

Mining datacenters in use

- ***Texas Mining Datacenter.*** Our mining datacenter in Rockdale, Texas became operational in February 2019 and had 563MW electricity capacity in use as of March 31, 2025.

- ***Norway Mining Datacenters.*** Our mining datacenters in Fræna municipality (Molde mining datacenter) and Tydal municipality (Tydal mining datacenter), Norway became operational in December 2019 and had 134MW electrical capacity in use as of March 31, 2025.

- ***Tennessee Mining Datacenter.*** Our mining datacenter in Knoxville, Tennessee became operational in May 2020 and had 86MW electrical capacity in use as of March 31, 2025.

- ***Washington Mining Datacenter.*** Our mining datacenter in Pangborn, Washington became operational in May 2018 and had 13MW electrical capacity in use as of March 31, 2025.

- ***Bhutan Mining Datacenter.*** Our mining datacenter in Gedu, Bhutan became operational in the third quarter of 2023 and had 100MW electrical capacity in use as of March 31, 2025.

Mining 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 mining datacenters.

- ***Tydal Mining Datacenter***. As of March 31, 2025, the regulatory approval has been obtained for the 175MW hydro cooling datacenter at our mining facility in Tydal, Norway, with 70 MW set for energization and commissioning in early April, 2025 and the remaining 105 MW scheduled for completion by mid-2025 to be completed in mid-2025.

- ***Massillon Mining Datacenter***. Substation construction is underway for a 221MW datacenter in Massillon, Ohio, the construction of which is expected to be completed between third and fourth quarter of 2025.

- ***Clarington Mining Datacenter.*** We are progressing with the construction of Phase 1 of a 266MW mining datacenter in Clarington, Ohio, expected to finish by the third quarter of 2025, while Phase 2 of the same facility, with a capacity of 304MW, is currently pending approval and in negotiation with the landlord.

- ***Jigmeling Mining Datacenter***. We have made progress in the construction of a 500MW mining datacenter in Jigmeling, Bhutan, which is expected to be energized in phases beginning in April through June 2025.

- ***Rockdale Mining Datacenter***. We are developing a 179MW mining datacenter in Rockdale, Texas, with estimated completion in 2026. As of March 31, 2025, approximately 1.4 EH/s of SEALMINER A1 hydro mining rigs have been energized**.**

- ***Alberta Mining Datacenter***. We have acquired a site for the construction of a 99MW datacenter in Alberta, Canada, with estimated energization by the fourth quarter of 2026.

- ***Oromia Region, Ethiopia.*** We have acquired a site for the construction of a 50 MW mining datacenter in Ethiopia, with estimated energization by the fourth quarter of 2025.

We will develop and construct the power plant in partnership with a leading Engineering, Procurement and Construction ("EPC") company and is expected to be energized by the fourth quarter of 2026.

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

Agreements Related to Our Mining Datacenters

Lease Agreement for the Mining 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 have an option 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 Initial Term"). To the extent the Remainder Premises Lease remains in effect beyond the expiration of the Storage Premises Initial Term, we have the option to extend the Storage Premises Lease for one successive renewal period (the "First Storage Premises Renewal Term") till the earlier of December 31, 2030 or the date that the Remainder Premises Lease expires or terminates. To the extent the Remainder Premises Lease remains in effect beyond the expiration of the First Storage Premises Renewal Term, we have the option to extend the Storage Premises Lease for another successive renewal period till the earlier of December 31, 2035 or the date that the Remainder Premises Lease expires or terminates.

Share Purchase Agreement for the Molde Mining Datacenter in Fræna Municipality and the Tydal Mining Datacenter in Tydal Municipality, Norway

In April 2024, we designated our wholly-owned indirect subsidiary, Norwegian AI Technology AS ("Norwegian AI"), as our transferee and entered into a share purchase agreement (the "Agreement"), with BRYHNI.COM AS and RENOL INVEST AS (collectively, the "Sellers"). Pursuant to the Agreement, we agreed to acquire all the shares in TROLL HOUSING AS and TYDAL DATA CENTER AS (collectively, the "Acquisition"), each a private limited liability company incorporated and existing under the laws of Norway, from the Sellers, to support our Molde and Tydal mining datacenters. The closing consideration for the Acquisition consisted of (i) US$15,000,000 in cash, (ii) 417,130 Class A ordinary shares , (iii) a secured and freely tradable consideration loan note of US$15,000,000 with a maturity of five years, and with a coupon rate of six percent per annum, accompanied by collateral in the form of a first priority share pledge to be granted by Norwegian AI and (iv) a call option to acquire US$15,000,000 worth of Class A ordinary shares at a strike price of US$35.96 per Class A Ordinary Share. The loan note was fully repaid in December 2024 and the share pledge consequently discharged.

Commercial Purchase and Sale Agreement for the Mining 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 Mining 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 located at BLA of Parent Parcel 93700000002, East Wenatchee, WA 98802 for a consideration of US$0.4 million. We use the land to support the operation of our mining datacenter in Pangborn, Washington.

Land Lease Agreement for the Mining 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 mining 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 Mining Datacenter in Ohio

In August 2023, we entered into a contract of sale ("Contract of Sale") with B&D Power Solutions, LLC through White Tail Creek, LLC ("While Tail Creek"), our subsidiary, pursuant to which B&D 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 Mining 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 LLC ("Whitetail Creek", also one of our subsidiary); (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 Mining 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 cryptocurrency mining 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 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 Mining 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 mining datacenters to US$42/MWh for the year ended December 31, 2024. We entered into electric power supply agreements with electricity suppliers to secure low electricity costs for our mining datacenters in Rockdale, Texas and in Norway.

We consider environmental protection vitally important and have implemented measures in the operation of our business, in particular mining datacenters, to ensure our compliance with all applicable laws and regulations in the United States, Bhutan, Norway and other applicable jurisdictions. Our hash rate expansion strategy is energy conscious. We constantly monitor the operation of our mining rigs and replace old mining rigs models with new ones periodically to optimize energy efficiency. As a result, we successfully lowered our average energy consumption from 36.5j/T as of December 31, 2022 to 31.7j/T as of December 31, 2023, and further to 30.4j/T as of December 31, 2024. Our latest self-developed mining rigs, the SEALMINER A2 and A2 Pro series, which were launched in October 2024 and March 2025, are designed to enhance energy efficiency upon development. Our latest mining chip, SEAL03, achieved an energy efficiency of 9.7 J/TH at the chip level during chip verification and prototype testing while running at low voltage, ultra power-saving mode. Once mass production of the related mining rigs begins, we anticipate a further reduction in our average energy consumption. Through years of experience in and deep insight into the global power supply market, we are able to discover outstanding mining construction resources that are both cost-efficient and environmentally friendly.

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 62% as of December 31, 2024, and is expected to be remain at around 65% upon completing the construction of all mining 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 multiple 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, 2024, (i) the power supply in our mining datacenter in Pangborn, Washington was 100% carbon-free, almost entirely supported by hydroelectric resources, (ii) the power supply in our mining datacenters in Molde and Tydal, Norway was 100% carbon-free, primarily supported by wind and hydroelectric resources, (iii) the power supply in our mining datacenter in Rockdale, Texas was approximately 46% 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 mining datacenter in Knoxville, Tennessee was approximately 60% carbon-free, supported by clean energy resources, such as unclear, hydroelectric and solar, as well as traditional energy resources such as clean- burning natural gas units, and (v) the power supply in our mining datacenter in Gedu, Bhutan was 100% carbon-free, almost entirely supported by hydroelectric resources. To further improve the ratio of our carbon-free power supply, we intend to engage a carbon offset strategy consultant to formulate a carbon emissions offsetting plan for our mining datacenters in Texas.

Sales and Marketing

Historically, we attracted and retained our customers by offering high-quality products and services, without heavily relying on online or offline advertising campaigns to promote the sales of our products and services.

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 major market players in the cryptocurrency industry. 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, offer differentiated and quality products and services, and minimize impacts to the environment.

- ***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.

- ***Real-time monitoring.*** *Minerplus* supports efficient and constant monitoring, automated operation and maintenance as well as data analysis for mining rigs of different models under different brands, located in mining datacenters of different sizes in different locations. We have developed a highly efficient monitoring model adopting a procedure of *prediction - feature analysis - data processing - reverse operation*, which is able to accurately identify and quickly scan the monitored objects, and return operating data of the mining rig in real-time.

- ***Clean energy.*** We have taken various measures to increase the ratio of clean energy in support of the operations of our mining datacenters. As of December 31, 2024, our non-carbon energy supply ratio was approximately 62%. Our research and development team has started the feasibility assessment of the use of solar power to support our mining datacenters. 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 mining datacenters in Tennessee and Texas. See the section entitled "— Energy" above for more details.

- ***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.

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. We also compete to develop, manufacture and deploy or acquire new mining rigs, 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 hash rate sharing business line, 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. While we face competition from hash rate suppliers, we also seek cooperation with these third-party hash rate suppliers and build synergy-generating relationships by introducing them to our Hash Rate Marketplace and connecting them to our hash rate users. Together with other market players, we make available diverse and quality hash rate products on our Hash Rate Marketplace, facilitate the growth of our user base, and both third-party hash rate suppliers and ourselves can enjoy the faster cash payback enabled by a thriving Hash Rate Marketplace.

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, etc. Our innovative computing and hosting service "group-buying" model under Cloud Hosting gives us a clear advantage. We also enjoy the first-mover advantage in mining datacenter deployment and operation as well as mining rig management.

We operate in highly competitive industries for cryptocurrency mining and related services. Our main competitors include Applied Digital Corporation, Argo Blockchain PLC, Bit Digital, Inc., Bitfarms Ltd., Bitmain Technologies Ltd., Canaan Inc., Cipher Mining Inc., CleanSpark, Inc., Coinbase, Inc., Core Scientific, Inc., Greenidge Generation Holdings Inc., Hive Blockchain Technologies Inc., Hut 8 Mining Corp., Iris Energy Limited, Marathon Digital Holdings, Inc., MicroBT, Riot Blockchain, Inc. and TeraWulf Inc., etc. 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, 2024, we owned 21 registered patents, 11 registered copyrights, 288 registered trademarks and 233 registered domain names. We are also in the process of applying for 47 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, with increased interest expressed by U.S. and internal regulators. For example, the Cyber-Digital Task Force of the U.S. Department of Justice published a report entitled “Cryptocurrency: An Enforcement Framework” in October 2020 that detailed the Department’s view with respect to cryptocurrencies and the tools at the Department’s disposal to deal with threats posed by cryptocurrencies. In March 2021, the nominee for Chair of the SEC expressed the need for investor protection along with promotion of innovation in the cryptocurrency space. In January 2025, the SEC established a Crypto Task Force dedicated to developing a comprehensive regulatory framework for crypto assets. We are unable to predict the impact that any new regulations may have on our business at the time of filing this Annual Report. We continue to monitor and proactively engage in dialogue on legislative matters related to our industry.

Government regulation of blockchain and cryptocurrencies is under active consideration by the U.S. federal government via its agencies and regulatory bodies, as well as by similar entities in other countries and transnational organizations, such as the European Union. State and local regulations also may apply to our activities and other activities in which we may participate in the future. Other governmental or semi- governmental regulatory bodies have shown an interest in regulating or investigating companies engaged in blockchain or cryptocurrency businesses. For instance, the SEC has taken an active role in regulating the use of public offerings of proprietary coins (so-called “initial coin offerings”) and has made statements and official promulgations as to the status of certain cryptocurrencies as “securities” subject to regulation by the SEC.

The effect of any regulatory change, either by the Federal, state, local or foreign governments or any self-regulatory agencies on us is impossible to predict, but such change could be substantial and may have a material adverse effect on our business, financial condition and results of operations. While we are unaware of significant adverse governmental or regulatory action adverse to Bitcoin or Ethereum mining in the United States, there is no guarantee that future regulation or adverse action will not take place and interpretation of existing regulations in a manner adverse to our business is possible.

In addition, various foreign jurisdictions either have adopted, or may adopt, laws, regulations or directives that affect cryptocurrencies, cryptocurrency networks, and their users and participants. 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 cryptocurrencies. A number of Eastern European and Asian countries currently have a more restrictive stance toward cryptocurrencies and, thereby, have reduced the rate of expansion of cryptocurrency use, as well as cryptocurrency transaction processing, in each of those countries. For example, in April 2023, European lawmakers approved European Union’s Markets in Crypto-Assets Regulation (MiCA), establishing a comprehensive regulatory framework for crypto-assets. Presently, we do not believe any U.S. or State regulatory body has taken any action or position adverse to our main cryptocurrency, Bitcoin, with respect to its production, sale, and use as a medium of exchange; however, future changes to existing regulations or entirely new regulations may affect our business in ways it is not presently possible for us to predict with any reasonable degree of reliability.

As the regulatory and legal environment evolves, we may become subject to new laws, such as further regulation by the SEC and other agencies, which may affect our mining and other activities.

C. Organizational Structure

The following diagram depicts a simplified organizational structure of our company as of the date of this annual report. These subsidiaries 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 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%
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 Private Limited	Bhutan	100%
Bitdeer Semiconductor Technology 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 #09-03/04, Aperia Tower 1, 8 Kallang Avenue, Singapore 339509, where we lease an approximately 440 square meters facility. 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 mining datacenters, see the section entitled "Item 4. Information on the Company — B. Business Overview—Our Mining 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:

2025 Strategic Acquisition of the 101 MW Site and Gas-fired Power Project in Alberta

On February 3, 2025, we signed the agreement for the acquisition of a fully licensed and permitted 101 MW site and gas-fired power project situated on 19 acres of land near Fox Creek, Alberta in an all-cash transaction for approximately $21.7 million. The site has potential to scale to 1 GW of power, reflecting Alberta's abundant energy resources, supportive regulatory posture and pro-business environment. The 101 MW gas-fired power project includes all permits and licenses required to construct an on-site natural gas power plant, as well as approval for a 99 MW grid interconnection with Alberta Electric System Operator ("AESO"). We will develop and construct the power plant in partnership with a leading Engineering, Procurement and Construction ("EPC") company and is expected to be energized by the fourth quarter of 2026.

2025 Share Repurchase Program

On February 28, 2025, the board of directors of the Company has approved a new share repurchase program to repurchase up to additional US$20.0 million worth of its Class A ordinary shares, effective from February 28, 2025 through February 28, 2026. As of the date of this annual report, we have repurchased 1,056,500 Class A ordinary shares for approximately US$12.0 million under the share repurchase program.

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, the 2025 ATM Program has not become effective.

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 4.50 to this annual report.

Loan Agreement

In April 2025, we entered into a loan agreement with Matrix Finance and Technology Holding Company for a financing facility of up to US$200 million. Loans drawn under the facility bear a variable interest rate equal to 9.0% plus a market-based reference rate. Each drawdown is repayable in fixed monthly installments over a 24-month term and is secured by a pledge of SEALMINER, maintained based on a loan-to-value ratio. As of April 21, 2025, we drew down US$43 million under the facility.

Private Placement of 5.25% Convertible Senior Notes due 2029

On November 26, 2024, we issued US$400,000,000 aggregate principal amount of 5.25% convertible senior notes due 2029 (“5.25% Convertible Notes”) in a private placement to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Securities Act”), including US$40,000,000 aggregate principal amount of 5.25% Convertible Notes pursuant to the exercise in full by the initial purchasers in that private placement of their option to purchase additional 5.25% Convertible Notes.

In connection with the pricing of the 5.25% Convertible Notes, we entered into a privately negotiated zero-strike call option transaction with one of the initial purchasers or its affiliate (the “option counterparty”). Pursuant to the zero-strike call option transaction, we paid a premium equal to approximately US$160.0 million for the right to receive, without further payment, approximately 14.3 million Class A ordinary shares (subject to customary adjustment), with delivery thereof by the option counterparty at expiry, subject to early settlement of the zero-strike call option transaction in whole or in part at the option counterparty’s discretion.

Acquisition of FreeChain Business

On September 13, 2024, we completed the acquisition (the “FreeChain Acquisition”) of all the issued and outstanding shares of FreeChain Inc., an exempted company with limited liability incorporated under the laws of Cayman Islands (“FreeChain”) from certain individuals and the individuals’ holding companies (collectively, the “FreeChain Sellers”). Pursuant to the agreement, we agreed to acquire 100% shares of FreeChain in exchange for 20 million Class A ordinary shares. Bitdeer Shares issued to certain FreeChain Sellers will vest in equal instalments over a period of five or seven years, subject to the terms and conditions therein. Certain FreeChain Sellers also agreed not to transfer 50% of the issued Bitdeer Shares for a period of six months and the remaining 50% of the issued Bitdeer Shares for a period of 12 months, each following the closing.

2024 Share Repurchase Program

On September 6, 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 February 27, 2025, we have fully utilized the US$10.0 million share repurchase program approved in September 2024.

Offering of 8.50% Convertible Senior Notes due 2029

On August 20, 2024, we issued US$172,500,000 aggregate principal amount of 8.50% convertible senior notes due 2029 (the “8.50% Convertible Notes”), including US$22,500,000 aggregate principal amount of 8.50% Convertible Notes pursuant to the exercise in full by the underwriters in that offering of their over-allotment option to purchase additional 8.50% Convertible Notes.

In connection with our private placement of 5.25% Convertible Notes, we entered into privately negotiated transactions with certain holders of our 8.50% Convertible Notes, pursuant to which these holders received approximately US$16.6 million in cash and approximately 9.2 million Class A ordinary shares in exchange for approximately US$74.8 million aggregate principal amount of the 8.50% Convertible Notes.

Private Placement

On May 30, 2024, we entered into a Subscription Agreement for a private placement (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 (the “Warrant”) at an exercise price equivalent to US$10.00 per Class A ordinary share. We received US$100,000,000 in proceeds from the Private Placement, and will receive up to an additional US$50,000,000 if the Warrant is fully exercised. The Warrant is subject to customary anti-dilution provisions reflecting share dividends and splits or other similar transactions, and weighted average anti-dilution protection with respect to the issuance of ordinary shares or ordinary share equivalents for consideration per share less than the initial exercise price of the Warrant. The Warrant will remain exercisable at the election of Tether within 12 months after the closing of the Private Placement on May 30, 2024.

Acquisition of Norway Business

On April 15, 2024, we completed the acquisition (the "Norway Acquisition") of all the shares in TROLL HOUSING AS and TYDAL DATA CENTER AS from BRYHNI.COM AS and RENOL INVEST AS (collectively, the "Norway Sellers"). In connection with the completion of the Norway Acquisition, on April 15, 2024, we entered into: (1) a US$15,000,000 secured and freely tradable consideration loan note (the "Note Purchase Agreement") with a maturity date of five years from April 15, 2024, and with a coupon rate of 6% per annum, accompanied by collateral in the form of a first priority share pledge over the shares in TROLL HOUSING AS and TYDAL DATA CENTER AS; and (2) a call option agreement which granted the Norway Sellers the option to acquire US$15,000,000 worth of Class A ordinary shares at a strike price of US$35.96 per Class A ordinary share. Besides above, the closing consideration for Norway Acquisition also includes (i) US$15,000,000 in cash, and (ii) 417,130 Class A ordinary shares.

As of the date of this annual report, we have made full repayment of the outstanding principal balance under the Note Purchase Agreement and the pledged shares in TROLL HOUSING AS and TYDAL DATA CENTER AS have been fully released.

2024 At Market Issuance

On March 18, 2024, we 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. (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. As of the date of this annual report, we offered and sold an aggregate of 29,389,735 Class A ordinary shares under the 2024 At Market Issuance Sales Agreement for a total net proceeds of approximately US$455.0 million.

The foregoing descriptions of the 2024 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 4.32 to this annual report.

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 the Company 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 8,089,181 Class A ordinary shares to B. Riley Principal Capital II under the Equity Financing Purchase Agreement.

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 4.28 and 4.29, respectively, to this annual report.

Business Combination

We consummated the Business Combination on April 13, 2023. Our Class A ordinary shares commenced trading on the Nasdaq on April 14, 2023, under the symbol "BTDR."

Key Performance Metrics

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

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, 2025, we possessed proprietary hash rate of 12.1 EH/s.

Electrical Capacity

Electrical capacity is another key metric to evaluate our business and operation given the energy intensive nature of cryptocurrency mining. Cryptocurrency mining is conducted through intensive computations, and the generation of the hash rate used in such computations requires large amounts of electricity. As a result, the growth of our business, such as self-mining and hash rate sales, relies on a sustainable and increasing supply of a significant amount of electricity, which is currently supported by our mining datacenters. As of March 31, 2025, our electrical capacity was 895MW.

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 mining datacenters worldwide, where low electricity cost supports stable operations. As such, we see electricity cost a key indicator of our business performance. Our premier mining datacenters allowed us to reach an average electricity cost of our mining datacenters to US$42/MWh for the year ended December 31, 2024.

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, throughout calendar year 2022, a number of companies in the digital assets industry have declared bankruptcy, including cryptocurrency exchanges FTX (including its affiliated hedge fund Alameda Research LLC), crypto hedge fund Three Arrows, crypto miners Compute North and Core Scientific and crypto lenders Celsius Network, Voyager Digital and BlockFi. Such bankruptcies have led, at least in part, to a drop in 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, 2022 and 2023, 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 18 months. For the year ended December 31, 2024, we strategically prioritized resources to the development of our proprietary ASIC technology, which temporarily limited our hash rate growth. 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 expanding our mining datacenters, our partnership with semiconductor foundry supplier and our cash and capital limitations, etc. Short-term Bitcoin price fluctuations is another contributing factor as quickly adjusting the pricing of our hash rate subscriptions plans to reflect such price change is difficult, if not impossible. 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 procure and/or manufacture mining rigs at a lower cost

Depreciation of mining rigs remained one of the few largest costs we incurred in our business operations for the years ended December 31, 2022, 2023 and 2024. This depreciation expense is directly influenced by the 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 manufacture our own mining rigs and use our mining rigs in mining datacenters in North America, Norway and Bhutan, thereby reducing reliance on external suppliers and potentially lowering procurement costs.

While we are still open 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 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, 2022, 2023 and 2024.

Our ability to secure ample power supply with low electricity cost is underpinned by our top-notch global mining datacenters deployment and operation experience and capabilities. We pioneer in deploying and operating mining datacenters globally. Our dedicated global team for mining datacenter construction understands the critical needs of mining 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 mining datacenter construction, and hence in electrical capacity and electricity costs among our competitors. We were able to optimize our electricity cost structure and reach an average electricity cost of our mining datacenters to US$42/MWh for the year ended December 31, 2024. 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 allocation of mining resources. Our pricing strategy is based on our estimates of market trends. We have to decide the allocation of proprietary hash rate between "self-mining" and "hash rate sharing" as well as the allocation of mining datacenter capacity among "self-mining", "hash rate sharing" and "hosting". While allocating more mining resources to "hash rate sharing" and "hosting" services may facilitate cash payback and mining datacenter expansion, we have to forgo Bitcoin's huge 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 have now developed proprietary ASIC technology and manufacturing capabilities, 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 decisions in our company's best interest, taking into account Bitcoin price, network hash rate, the amount of cash we need and our view on the market opportunities for acquiring mining rigs or expanding mining datacenters at low cost, etc. However, we cannot guarantee that our decisions could bring the Company 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

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 operation, and maintain our market-leading position by upgrading and expanding our offerings. We launched *Minerplus* in January 2021 to improve operational efficiency for our self-mining business and miner customers. In March 2024, we successfully tested our first Bitcoin mining chip which has been integrated into our SEALMINER A1 mining rigs. We plan to install our own SEALMINER A1 mining rigs at our mining datacenters in North America, Norway and Bhutan as part of our plan to expand our hash rate. Building on this success, we have since developed SEALMINER A2 and SEALMINER A2 Pro, which are engineered for enhanced performance and efficiency. 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. 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.

Regulatory environment

We are a leading cryptocurrency mining service provider with a strong global presence. As of March 31, 2025, we operated six prime mining datacenters in the United States, Norway and Bhutan and had served users across around 100 countries and regions around the globe, 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, etc., and 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 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.

Key Components of Our Results of Operations

Revenue

We generate revenue from (i) self-mining, (ii) hash rate sales through Cloud Hash Rate, (iii) Cloud Hosting, (iv) General Hosting, (v) Membership Hosting, (vi) sales of mining rigs and (vii) others, which mainly consist of the provision of technical and human resources service, repairment services of hosted mining rigs, lease of investment properties, the sale of mining rig peripherals, the sale of containerized solution products and the provision of cloud HPC and AI services. Historically, we only accepted cryptocurrency for Cloud Hosting. For lease of investment properties, we only accept fiat currency. For our other products and services available to customers, we accept both fiat currency and cryptocurrencies as payments.

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. Full-Pay-Per-Share ("FPPS") and Pay-Per-Share-Plus ("PPS+") pools pay 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 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 primarily FPPS and PPS+.

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 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, as described in Note 2(i) to the consolidated financial statements included elsewhere in this annual report, 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.

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 and the type of cryptocurrency to be mined. 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.

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 recognizes 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 "accelerated payback mode" for the years ended December 31, 2022, 2023 and 2024. 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.

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 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 provision of custody and 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 service 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.

Sales of Mining Rigs

We may engage in the sales of mining rigs on hand from time to time, depending on market conditions, capacity availability in our mining datacenters and the availability of new-generation mining rigs that are more efficient. While not part of our primary business lines, we sell mining rigs on hand when, based on our judgement, selling mining rigs of older models can (i) facilitate cash payback while maintaining a reasonable profit range compared to utilizing them for our own operations and (ii) optimize the efficiency of our mining fleets. Factors we considered include market conditions, capacity availability in our mining datacenters and the availability of new-generation mining rigs that are more efficient. Going forward, we also intend to generate revenue from mining rig sales under our ASIC and mining rig business. We recognize revenue from sales of mining rigs to customers at the point in time when control of the mining rigs is transferred to our customers, which generally occurs upon shipment of the mining rigs as defined in the contract. We accept both cryptocurrency and fiat currency as payments for mining rig purchase.

Others

We also generate from other operations, mainly including the provision of technical and human resources service, repairment services of hosted mining rigs, lease of investment properties, the sale of mining rig peripherals, the sale of containerized solution products and the provision of Cloud HPC and AI services. 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 its revenue-generating activities, (ii) depreciation expense from the mining rigs and mining datacenters hosting those mining rigs, (iii) compensation expenses incurred by mining datacenter personnel, and (iv) share-based payment expenses related to mining datacenter personnel.

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 and Mining Datacenters

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. We estimated the useful lives of our mining rigs to be one 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.

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.

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 acquisition of FreeChain. We invest significant research and development resources in (i) improving technology related to our Cloud Hash Rate business including hash rate slicing, developing and testing our Bitcoin mining chip and improving our *Minerplus* features like virus detection and hash rate monitoring and (ii) the research and development of our ASIC and mining rig business. We also spent research and development efforts on utilizing renewable energy and increasing energy efficiency.

Other Operating Income/(Expenses)

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

Other Net Gains/(Losses)

Other net gains/(losses) primarily consist of (i) changes in fair value of financial assets at fair value through profit or loss, (ii) loss on extinguishment of convertible notes and (iii) loss from change in fair value of derivatives liabilities.

Results of Operations

The following tables summarizes our results of operations, revenue breakdown, and expenses by nature for the years ended December 31, 2024, 2023 and 2022. 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		
	2024	2023	2022
	US$	US$	US$
		(in thousands)	
Revenue	**349,782**	**368,554**	**333,342**
Cost of revenue	(283,382)	(290,745)	(250,090)
Gross profit	**66,400**	**77,809**	**83,252**
Selling expenses	(8,044)	(8,246)	(11,683)
General and administrative expenses	(64,317)	(66,454)	(93,453)
Research and development expenses	(76,946)	(29,534)	(35,430)
Listing fee	-	(33,151)	-
Other operating incomes / (expenses)	727	3,791	(3,628)
Other net gains/(losses)	(507,479)	3,538	357
Loss from operations	**(589,659)**	**(52,247)**	**(60,585)**
Finance income / (expenses)	(11,935)	1,276	(4,181)
Loss before taxation	**(601,594)**	**(50,971)**	**(64,766)**
Income tax benefits / (expenses)	2,443	(5,685)	4,400
Loss for the year	**(599,151)**	**(56,656)**	**(60,366)**

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

	For the Years Ended December 31,					
	2024		2023		2022	
	US$	%	US$	%	US$	%
	(in thousands, except for percentages)					
Revenue						
Self-mining	163,086	46.6	111,683	30.3	62,359	18.7
Cloud Hash Rate	39,768	11.4	67,881	18.4	121,341	36.4
Hash rate subscription	27,470	7.8	40,290	11.0	77,862	23.3
Electricity subscription	12,069	3.5	27,419	7.4	39,525	11.9
Additional consideration from *Cloud Hash Rate* arrangements offered under accelerator mode	229	0.1	172	0.0	3,954	1.2
Sales of mining rigs	585	0.2	2	0.0	705	0.2
Cloud Hosting arrangements[1]	1,058	0.3	3,248	0.9	12,723	3.8
General Hosting	67,643	19.3	97,321	26.4	99,251	29.8
Membership Hosting	63,981	18.3	79,906	21.7	26,056	7.8
Others[2]	13,661	3.9	8,513	2.3	10,907	3.3
Total revenue	**349,782**	**100.0**	**368,554**	**100.0**	**333,342**	**100.0**

(1) We did not generate any revenue from the additional consideration from Cloud Hosting arrangements offered under “accelerated payback mode” for the years ended December 31, 2024, 2023 and 2022.

(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, the sale of containerized solution product and providing Cloud HPC and AI services.

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 Years Ended December 31,					
	2024		2023		2022	
	US$	%	US$	%	US$	%
	(in thousands, except for percentages)					
Staff costs: salaries, wages and other benefits	63,434	14.7	52,873	13.4	50,132	12.8
Share-based payments	33,968	7.9	45,488	11.5	90,648	23.2
Amortization of intangible assets	8,382	1.9	754	0.2	97	0.0
Depreciation:						
Mining rigs	19,470	4.5	25,663	6.5	29,281	7.5
Property, plant and equipment	42,120	9.7	39,899	10.1	30,438	7.8
Investment properties	2,717	0.6	2,601	0.7	1,237	0.3
Right-of-use assets	8,407	1.9	6,624	1.7	5,371	1.4
Electricity cost in operating mining rigs	179,765	41.5	180,565	45.7	139,469	35.7
One-off incremental development expense	29,017	6.7	-	-	-	-
Cost of mining rigs sold	1,652	0.4	4	0.0	1,002	0.3
Consulting service fee	8,953	2.1	9,757	2.5	6,797	1.7
Advertising expenses	2,998	0.7	1,383	0.4	737	0.2
Office expenses	4,302	1.0	3,987	1.0	3,124	0.8
Research and development technical service fees	5,102	1.2	2,854	0.7	1,313	0.3
Expenses of low-value consumables	2,326	0.5	2,557	0.6	4,025	1.0
Expenses of variable payment lease	197	0.0	224	0.1	639	0.2
Expenses of short-term leases	303	0.1	286	0.1	527	0.1
Research and development material expenses	926	0.2	-	-	-	-
Logistic expenses	334	0.1	557	0.1	3,060	0.8
Travel expenses	3,853	0.9	2,843	0.7	3,202	0.8
Insurance fee	2,591	0.6	2,427	0.6	3,446	0.9
Others	11,872	2.8	13,633	3.4	16,111	4.2
Total cost of revenue, selling, general and administrative and research and development expenses	**432,689**	**100**	**394,979**	**100.0**	**390,656**	**100.0**

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 hashrate. 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 hash rate sales through Cloud Hash Rate, 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 Hashrate 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 the Cloud HPC and AI 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 acquisition of FreeChain, 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.

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.

Comparison of Years Ended December 31, 2022 and 2023

Revenue

Our revenue increased by 10.6% from US$333.3 million for the year ended December 31, 2022 to US$368.6 million for the year ended December 31, 2023, primarily driven by the increase of revenue generated from our self-mining and Membership Hosting, which began to generate revenue in the second half of 2022.

- Revenue generated from our self-mining business increased by 79.1% from US$62.4 million for the year ended December 31, 2022 to US$111.7 million for the year ended December 31, 2023. The change was mainly driven by (i) the increased self-mining hash rate from the operation of Gedu mining datacenter which started in the second half of 2023 and resulted in more Bitcoin production, and (ii) the appreciation of Bitcoin price in the last quarter of 2023. The hash rate used for self-mining, calculated on a twelve-month monthly average basis, was approximately 5.1EH/s for the year ended December 31, 2023, which increased compared to 2.4EH/s for the year ended December 31, 2022. We expect to remain flexible in allocating hash rate between self-mining and hash rate sales through *Cloud Hash Rate*, depending on the market condition.

- Revenue generated from Cloud Hash Rate decreased by 44.1% from US$121.3 million for the year ended December 31, 2022 to US$67.9 million for the year ended December 31, 2023, which was mainly attributable to a decrease in revenue from (i) hash rate subscription, (ii) electricity subscription, and (iii) additional consideration from acceleration plan arrangements. 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. As a result, revenue from hash rate subscription for the year ended December 31, 2023 did not only consist of new sales during the year ended December 31, 2023 but also the amortized revenue from sales before 2023. With the gradual expiration of the hash rate subscription, we have also slightly decreased hash rate allocated to Cloud Hash Rate, calculated on a twelve-month monthly average basis, from 1.8EH/s for the year ended December 31, 2022 to 1.6EH/s for the year ended December 31, 2023. The decrease in revenue from electricity subscription was attributable to the decrease of active hash rate subscription orders. The decrease in revenue from additional consideration from Cloud Hash Rate arrangements offered under accelerator mode was due to the expiration of our existing revenue sharing arrangements subscribed in the prior year and a delay in reaching the condition for revenue sharing due to generally longer subscription periods and lower-than-expected mining rewards.

- Revenue generated from Cloud Hosting decreased by 74.5% from US$12.7 million for the year ended December 31, 2022 to US$3.2 million for the year ended December 31, 2023, which was primarily attributable to the decrease in capacity allocated for Cloud Hosting and completion of most orders of Cloud Hosting by the end of 2022.

- Revenue generated from General Hosting decreased by 1.9% from US$99.3 million for the year ended December 31, 2022 to US$97.3 million for the year ended December 31, 2023, primarily because of a slight decrease in the capacity of General Hosting.

- Revenue generated from Membership Hosting increased significantly by 206.7% from US$26.1 million for the year ended December 31, 2022 to US$79.9 million for the year ended December 31, 2023, which was because our mining datacenter in North America began to deliver capacity in the second half of 2022.

Cost of Revenue

Our cost of revenue increased by 16.3% from US$250.1 million for the year ended December 31, 2022 to US$290.7 million for the year ended December 31, 2023, primarily driven by an increase in electricity expenses incurred for operating our mining rigs, compensation expenses incurred by mining datacenter personnel and depreciation of property, plant and equipment, partially offset by a decrease in (i) depreciation of mining rigs, and (ii) share-based payments incurred by mining datacenter personnel.

- Electricity cost in operating mining rigs increased by 29.5% from US$139.5 million for the year ended December 31, 2022 to US$180.6 million for the year ended December 31, 2023, which was attributed to the increased overall energy consumption related to the expansion of our mining datacenter operations in North America, Norway and Bhutan since second half of 2022, partially offset by the average lower electricity price in 2023.

- Depreciation of mining rigs decreased by 12.4% from US$29.3 million for the year ended December 31, 2022 to US$25.7 million for the year ended December 31, 2023, primarily due to mining rigs procured prior to 2022 being fully depreciated gradually and our procurement of mining rigs of newer models in 2023 being depreciated over a longer useful life.

- Depreciation of property, plant and equipment attributed to cost of revenue increased by 29.7% from US$30.0 million for the year ended December 31, 2022 to US$39.0 million for the year ended December 31, 2023, 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 10.6% from US$17.8 million for the year ended December 31, 2022 to US$19.7 million for the year ended December 31, 2023, which was due to the increase in employees and in salaries, wages and other benefits to attract and retain quality employees as a result of the expansion of our mining datacenter operations in North America, Norway and Bhutan.

- Share-based payment expenses attributed to cost of revenue decreased by 53.0% from US$10.1 million for the year ended December 31,2022 to US$4.7 million for the year ended December 31, 2023, as a result of the decrease in the new grant of share awards to mining datacenter personnel in the year ended December 31, 2023 and the decrease in expense recognized according to graded vesting schedules for outstanding share awards for the year ended December 31, 2023.

Selling Expenses

Our selling expenses decreased by 29.4% from US$11.7 million for the year ended December 31, 2022 to US$8.2 million for the year ended December 31, 2023, primarily due to the decrease in share-based payment expenses, as a result of (i) a decrease in the new grant of share awards to sales personnel in the year ended December 31, 2023 and (ii) the decrease in expense recognized according to graded vesting schedules for outstanding share awards for the year ended December 31, 2023, partially offset by the increase in marketing and advertising expenses.

General and Administrative Expenses

Our general and administrative expenses decreased by 28.9% from US$93.5 million for the year ended December 31, 2022 to US$66.5 million for the year ended December 31, 2023, primarily due to (i) the decrease in share-based payment expenses, as a result of the decrease in the new grant of share awards to general and administrative personnel in the year ended December 31, 2023 and the decrease in expense recognized according to graded vesting schedules for outstanding share awards for the year ended December 31, 2023 and (ii) the decrease in staff costs, including wages, bonuses and other benefits to general and administrative personnel, partially offset by the increase in consulting service fee.

Research and Development Expenses

Our research and development expenses decreased by 16.6% from US$35.4 million for the year ended December 31, 2022 to US$29.5 million for the year ended December 31, 2023, primarily attributable to the decrease in share-based payment expenses as a result of the decrease in the new grant of share awards to research and development personnel in the year ended December 31, 2023 and the decrease in expense recognized according to graded vesting schedules for outstanding share awards for the year ended December 31, 2023 partially offset by (i) the increase in staff costs, including wages, bonuses and other benefits to research and development personnel, and (ii) the increase in research and development technical service fees.

Listing Fee

We recorded listing fee of US$33.2 million for the year ended December 31, 2023 in relation to the Business Combination, compared to nil for the year ended December 31, 2022.

Other Operating Income/(Expenses)

We incurred other operating expenses of US$3.6 million and generated other operating income of US$3.8 million for the years ended December 31, 2022 and 2023, respectively. This change was primarily driven by the net gain on disposal of cryptocurrencies and the change in fair value of cryptocurrency-settled receivables and payables, partially offset by the loss on disposal of mining rigs.

Other Net Gain

We recorded other net gain of US$0.36 million for the year ended December 31, 2022, which primarily included (i) net gains on disposal of property, plant and equipment and intangible assets of US$0.66 million and (ii) other gains of US$0.5 million, which mainly included return of wealth management product and other minor gains from disposal of investments in unlisted debt instruments, partially offset by the loss of US$0.8 million which mainly included the fair value change of investments in unlisted equity and debt instruments. We recorded other net gain of US$3.5 million for the year ended December 31, 2023, which primarily included (i) net gains on the changes in fair value of financial asset at fair value through profit or loss of US$3.5 million and (ii) gain on convertible debt modification of US$0.5 million.

Profit/(Loss) from Operations

As a result of the foregoing, we recorded a loss from operations of US$60.6 million for the year ended December 31, 2022 and US$52.2 million for the year ended December 31, 2023.

Income Tax Benefit/(Expenses)

We recorded income tax benefit of US$4.4 million and income tax expenses of US$5.7 million for the years ended December 31, 2022 and 2023.

Net Profit/(Loss)

As a result of the foregoing, we incurred a net loss of US$60.4 million for the year ended December 31, 2022 and a net loss of US$56.7 million for the year ended December 31, 2023.

Non-IFRS Financial Measures

In evaluating our business, we consider and use non-IFRS measures, adjusted EBITDA and adjusted profit/(loss), as supplemental measures to review and assess our operating performance. We revised definition of our previously reported non-IFRS adjusted EBITDA and adjusted profit/(loss) and recast the prior period for comparability. This revision, which resulted in a US$3.3 million revision for the year ended December 31, 2023, reflects non-cash fair value changes in cryptocurrency-settled receivables and payables as they do not represent normal operating expenses or income necessary to operate our business.

We define adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, further adjusted to exclude the listing fee and share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of debt, changes in fair value of holdback shares for acquisition of FreeChain, and changes in fair value of cryptocurrency-settled receivables and payables, and define adjusted profit/(loss) as profit/(loss) adjusted to exclude the listing fee and share-based payment expenses under IFRS 2, changes in fair value of derivative liabilities, loss on extinguishment of debt, changes in fair value of holdback shares for acquisition of FreeChain, and changes in fair value of cryptocurrency-settled receivables and payables. 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 facilitate investors’ assessment of our operating performance. These measures are not necessarily comparable to similarly titled measures used by other companies. As a result, you 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 you 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, 2024, 2023 and 2022.

	For the Years Ended December 31		
	2024	2023	2022
	US$	US$	US$
		(in thousands)	
Adjusted EBITDA			
Loss for the year	(599,151)	(56,656)	(60,366)
Add:			
Depreciation and amortization	81,096	75,541	66,424
Income tax (benefits)/expenses	(2,443)	5,685	(4,400)
Interest (income)/expenses, net	10,050	(2,872)	912
Listing fee	-	33,151	-
Share-based payment expenses	33,968	45,488	90,648
Changes in fair value of derivative liabilities	498,167	-	-
Loss on extinguishment of convertible senior notes	8,172	-	-
Changes in fair value of holdback shares for issued in connection with the FreeChain Acquisition	3,186	-	-
Changes in fair value of cryptocurrency-settled receivables and payables	6,362	(3,305)	-
Adjusted EBITDA	39,407	97,032	93,218
Adjusted Profit/(loss)			
Loss for the year	(599,151)	(56,656)	(60,366)
Add:			
Listing fee	-	33,151	-
Share-based payment expenses	33,968	45,488	90,648
Changes in fair value of derivative liabilities	498,167	-	-
Loss on extinguishment of convertible senior notes	8,172	-	-
Changes in fair value of holdback shares issued in connection with the FreeChain Acquisition	3,186	-	-
Changes in fair value of cryptocurrency-settled receivables and payables	6,362	(3,305)	-
Adjusted profit/(loss)	(49,296)	18,678	30,282

Liquidity and Capital Resources

As of December 31, 2024, we had cash and cash equivalents of US$476.3 million and fiat currency investment of US$1.0 million in an unlisted debt instrument, redeemable on demand. Since our separation from Bitmain, we have financed our operations primarily with cash flow from disposal of cryptocurrencies earned from principal business operations and issuance of convertible notes and Class A ordinary shares. We believe that our cash, short-term investment and anticipated proceeds from disposal of cryptocurrencies in connection with our principal business will be sufficient to meet our current and anticipated working capital requirements and capital expenditures for at least the next 18 months from the date of this annual report. 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 cash and cash equivalents decreased to US$144.7 million as of December 31, 2023 from US$231.4 million as of December 31, 2022, primarily attributable to the construction and purchase of mining fleets for our mining datacenter in Gedu, Bhutan and deposit paid to electricity suppliers.

Our material cash requirements as of December 31, 2024 and any subsequent interim period primarily include our purchase of plant, property and equipment, lease obligations, and borrowings. Other than those as discussed below, we did not have any significant capital and other commitments, long-term obligations or guarantees as of December 31, 2024.

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 mining datacenter construction and operations. The total cash outflow for the purchase of property, plant and equipment, investment properties and intangible assets were US$63.2 million, US$63.3 million and US$119.5 million for the years ended December 31, 2022, 2023 and 2024. As of December 31, 2024, we had commitments that are scheduled to be paid within 12 months for the construction of mining datacenters of approximately US$46.5 million, of which approximately US$1.6 million was recognized in payables as of December 31, 2024.

Lease obligations. We occupy most of our office premises and certain mining datacenters under lease arrangements, which generally have an initial lease term between 13 months to 30 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, 2022, 2023 and 2024 was approximately US$6.3 million, US$7.8 million and US$13.1 million, respectively. As of December 31, 2024, lease liabilities mature based on contractual undiscounted payments within 12 months and over 12 months were US$8.7million and US$91.6 million, respectively.

Borrowings. Our borrowings as of December 31, 2024 represented a commitment of US$208.1 million relating to (i) Promissory note of US$14.9 million, which is in connection with the issuance of the Bitdeer Convertible Note, a US$30 million convertible note, on July 23, 2021, bearing an annual interest rate of 8%, which will mature on July 23, 2023. On July 22, 2023, we amended the Bitdeer Convertible Note, pursuant to which we have repaid US$7 million in principal (and interest accrued thereon from July 1, 2023) of the then outstanding notes, and extended the maturity of the Bitdeer Convertible Note to July 21, 2025, by when we will pay the remainder of the notes. During the year ended December 31, 2024, an additional US$8 million of the Bitdeer Convertible Note was converted into Class A ordinary shares, (ii) Balance of US$32.5 million relates to August 2024 convertible senior notes, which represents the issuance of US$172.5 million aggregate principal amount of the 8.5% Convertible Senior Notes due 2029 and (iii) Balance of US$160.7 million relates to November 2024 convertible senior notes, which represents the issuance of US$400.0 million aggregate principal amount of the 5.25% Convertible Senior Notes due 2029.

For additional information regarding (i) the 2025 At Market Issuance Sales Agreement dated January 3, 2025, (ii) the US$400,000,000 aggregate principal amount of 5.25% convertible senior notes due 2029 issued on November 26, 2024, (iii) the US$172,500,000 aggregate principal amount of 8.5% convertible senior notes due 2029 issued on August 20, 2024, (iv) the Private Placement on May 30, 2024, (v) 2024 At Market Issuance Sales Agreement dated March 18, 2024, and (vi) Equity Financing Purchase Agreement dated August 8, 2023, see "—Recent Developments."

We intend to fund our existing and future material cash requirements primarily with our cash, short-term investment and anticipated proceeds from disposal of cryptocurrencies in connection with our principal business, which is classified as an investing activity. However, our future capital requirements will depend on many factors, including market acceptance of cryptocurrency, our growth, our ability to scale up our infrastructure and hash rate, our ability to effectively control costs, our ability to attract and retain customers, the continuing market acceptance of our offerings, expansion of sales and marketing activities 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 term 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 shareholder's 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, 2024, 2023 and 2022:

	For the Years Ended December 31,		
	2024	2023	2022
	US$	US$	US$
		(in thousands)	
Net cash used in operating activities	(622,073)	(271,787)	(268,037)
Net cash generated from investing activities	112,700	199,854	133,793
Net cash generated from/ (used in) financing activities	844,267	(13,493)	(3,884)
Net increase / (decrease) in cash and cash equivalents	334,894	(85,426)	(138,128)
Cash and cash equivalents at the beginning of the year	144,729	231,362	372,088
Effect of movements in exchange rates on cash and cash equivalents held	(3,353)	(1,207)	(2,598)
Cash and cash equivalents at the end of the year	476,270	144,729	231,362

Operating Activities

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 period, (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$49.2 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 period, (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.

Net cash used in operating activities was US$268.0 million for the year ended December 31, 2022. The difference between our net loss of US$60.4 million and the net cash used in operating activities was primarily attributable to (i) adjustments for revenues recognized on acceptance of cryptocurrencies of US$305.0 million, (ii) changes in prepayments and other assets of US$21.9 million primarily associated with deposits and prepayments made to suppliers following the expansion of our business during this period, (iii) changes in deferred revenue of US$9.2 million primarily associated with the recognition of revenue, (iv) income tax prepaid of US$20.0 million, and (v) an adjustment for income tax benefit of US$4.4 million, partially offset by (i) an adjustment for share-based payment expenses of US$90.6 million for the issuance of options following the adoption of our 2021 Share Incentive Plan in July 2021, and (ii) an adjustment for depreciation and amortization of US$66.4 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 period.

Investing Activities

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) purchase of 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) purchase of 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.

Net cash generated from investing activities was US$133.8 million for the year ended December 31, 2022, primarily attributable to proceeds from disposal of cryptocurrencies of US$561.0 million, partially offset by (i) purchase of cryptocurrencies of US$286.0 million for investment (lending and purchase of wealth management product) purposes, (ii) purchase of property, plant and equipment and intangible assets of US$63.2 million, (iii) net fiat currency investment cash outflow of US$30.8 million in unlisted debt instruments, redeemable on demand, (iv) investment in unlisted equity instruments of US$29.5 million and (v) cash paid for asset acquisition, net of cash acquired of US$26.7 million.

Financing Activities

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.

Net cash used in financing activities was US$3.9 million for the year ended December 31, 2022, which was entirely attributable to capital element of lease rentals paid.

Recent Accounting Pronouncements

As from January 1, 2024, 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 1, Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies	January 1, 2024	January 1, 2024
Amendments to IAS 1, Classification of Debt with Covenants	January 1, 2024	January 1, 2024
Amendments to IFRS 16, Subsequent Measurement of Sale and Leaseback Transactions by a Seller-lessee	January 1, 2024	January 1, 2024
Amendments to IAS 7 and IFRS 7, Supplier Finance Arrangements	January 1, 2024	January 1, 2024

The following standards apply to the preparation of sustainability reports and are effective for annual reporting periods beginning on or after January 1, 2024. The authority of the Company's jurisdiction has not yet mandated these standards; however, the Company is continuing to review the impact of the standards on its financial reporting.

- IFRS S1, General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2, Climate-related Disclosures

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, 2024 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.

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

Critical Accounting Policies and Significant Judgments and Estimates

We prepare our consolidated financial statements for the years ended December 31, 2022, 2023 and 2024 in accordance with International Financial Reporting Standards ("IFRS") 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, is outlined below.

Fair value of identified intangible assets acquired in connection with the FreeChain acquisition

The fair value of identified intangible assets acquired from business combinations 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 the Note 6(c).

Other estimates and assumptions utilized in the preparation of our consolidated financial statements are: income taxes, share-based payments, fair value of financial instruments, assessment of the asset acquisition, identified intangible assets acquired in connection with the Norway Acquisition, and impairment of indefinite-lived intangible assets and goodwill. Our use of judgments and estimates are disclosed in the Note 3 and the related accounting policies are disclosed in Note 2. 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 critical 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.

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.

We present 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. The purchases and disposals of cryptocurrencies associated with investment or lending transactions are presented as investing activities in the consolidated statements of cash flows.

Revenue recognition

Our revenues are derived principally from the cloud hash rate arrangements, the self-mining arrangements, the cloud hosting arrangements, the sales of mining rigs, the general hosting arrangements and the membership hosting arrangements.

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 arrangement 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:

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 recognizes the revenue when we can reasonably calculate the amount and determine it is probable a significant reversal will not occur.

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. Full-Pay-Per-Share ("FPPS") and Pay-Per-Share-Plus ("PPS+") pools pay 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 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 primarily FPPS and PPS+.

FPPS Mining Pools

We mainly participate in mining pools that use the FPPS payment mechanism. 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 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 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 generates 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.

The above non-cash consideration is variable since the amount of block reward earned depends on the amount of hash calculations we 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 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 measures 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.

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 recognizes 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.

Sale of Mining Rigs

We recognize revenue from sales of mining rigs 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 is the sole performance obligation in this type of arrangement. We accept both cryptocurrency and fiat currency as payments for sales of mining rigs.

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 its 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.

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 we obtain control of the acquiree. Under the acquisition method, we allocate 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 us, liabilities incurred by us to the former owners of the acquiree and the equity interest issued by us 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.

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. As of December 31, 2024, we are required to adopt new or revised accounting standards when they are applicable to public companies that are not emerging growth companies and are required 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	39	Chairman of the Board and Chief Executive Officer
Linghui Kong	43	Director and Chief Business Officer
Chao Suo	39	Director and Chief Operating Officer
Jianchun Liu	47	Chief Financial Officer, Business Operations
Naphat Sirimongkolkasem	35	Director
Sheldon Trainor-Degirolamo	61	Director
Guang Yang	42	Director
Lars Eivind Haugnes Naas	53	Director
Haris Basit	63	Chief Strategy Officer
Yuling Ma	57	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 Matrixport 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 position at Bitmain. 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 the Chief Executive Officer of Bitdeer and then our Chief Executive Officer since January 2021. He transitioned from our Chief Executive Officer to the role of Chief Business Officer since March 2024. Mr. Kong also served on our board of directors since March 2023. 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 as 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 served as the Chief Financial Officer and as a member of the board of directors of BSGA from April 2021 to 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 2023, Mr. Sirimongkolkasem has been the director of First Sino-Asia (Thailand), responsible for the operation, business development as well as the investment activities of First Sino-Asia (Thailand). Mr. Sirimongkolkasem has been the co-Founder of Collis Capital and was responsible for the operation activities of Collis Capital, including overseeing the analysis and evaluation of opportunities from 2021 to 2024. From 2017 to 2021, Mr. Sirimongkolkasem was investment director of Sapientia Capital Limited. From 2014 to 2017, Mr. Sirimongkolkasem was a consultant at Vision Skill Consulting limited, which specializes in strategy, management and engineering advisory in areas that cover infrastructure, transportation and hospitality. 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. 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 fathers 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.

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 degree in computer science from Tsinghua University in 1991 and 1994, respectively. She also received a master 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, 2024, an aggregate of approximately US$9.1 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 March 31, 2025, the maximum aggregate number of Class A ordinary shares that may be granted under the 2023 Plan is 21,877,912. As of March 31, 2025, awards to purchase a total of 16,234,787 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 by the participant or repurchased by us.

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 Incentive 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 March 31, 2025, 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
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
Lars Eivind Haugnes Naas	*	21.67	January 1, 2025	January 1, 2035
Haris Basit	*	5.51	July 1, 2023	July 1, 2033
	*	6.96	April 1, 2024	April 1, 2034
Yuling Ma	-	-	-	-

* 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 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, Linghui Kong 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, Linghui Kong and Sheldon Trainor-DeGirolamo. Jihan Wu will be the chairperson of the nominating and corporate governance committee. Sheldon Trainor-DeGirolamo 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 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, the business of the Company is conducted through Bitdeer Technologies Holding Company.

We had approximately 183, 211 and 246 full-time employees as of December 31, 2022, 2023 and 2024, respectively. We also hire part-time employees from time to time. Of the 246 full-time employees as of December 31, 2024, approximately 57 were engaged in research and development activities and 189 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 March 31, 2025.

- 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 March 31, 2025, there are 152,346,227 Class A ordinary shares (excluding 1,846,500 Class A ordinary shares that have been repurchased but not cancelled and 7,175,993 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 March 31, 2025, we believe that all persons named in the table below have sole voting and investment power with respect to all shares of 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]	4,000,000	2.6	44,399,922	24.6	75.1
Linghui Kong	*	*	-	*	*
Jianchun Liu	*	*	-	*	*
Chao Suo	*	*	-	*	*
Naphat Srimongkolkasem	*	*	-	*	*
Sheldon Trainor-Degriolamo	*	*	-	*	*
Guang Yang	*	*	-	*	*
Lars Eivind Haugnes Naas	*	*	-	*	*
Haris Basit	*	*	-	*	*
Yuling Ma	-	-	-	-	-
All executive officers and directors as a group (ten individuals)	6,245,845	4.1	44,399,922	25.7	75.5
5.0% Shareholders					
Giancarlo Devasini and his affiliated entities[4]	31,891,689	20.2	-	15.8	5.3
Zhaofeng Zhao[5]	15,326,416	10.1	-	7.8	2.6
Yishuo Hu[6]	8,692,053	5.7	-	4.4	1.5

* Less than one percent (1%).

(1) The business address for our directors and executive officers of the Company will be 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 shares 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) Represents (i) 8,117,702 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"), (ii) 18,587,360 Class A ordinary shares held by Tether International, S.A. de C.V. ("Tether International"), a wholly owned subsidiary of Tether Holdings, and (iii) 5,186,627 Class A ordinary shares that may be acquired upon the exercise of the warrants held by Tether International. Giancarlo Devasini (together with Tether Investment, Tether Holdings and Tether International, 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 March 17, 2025.

(5) Represents 15,326,416 Class A ordinary shares directly held by Shinning Stone Invest Co., Ltd ("Shinning Stone") as reported on Schedule 13D filed by Shinning Stone on March 27, 2024. Shinning Stone is a British Virgin Islands company wholly-owned by Mr. Zhaofeng Zhao. Mr. Zhao is also the sole director of Shinning Stone.

(6) Represents 8,692,053 Class A ordinary shares directly held by Golden Navigate Investments Limited ("Golden Navigate") as reported on Schedule 13G/A filed by Golden Navigate on February 13, 2025. Golden Navigate is a British Virgin Islands company wholly owned by Blessing Surplus Limited, a company incorporated in the British Virgin Islands, which is wholly owned and managed by VISTRA Trust (Hong Kong) Limited as trustee of The Zizai Trust, a Hong Kong reserved powers trust. Mr. Yishuo Hu is the settlor of such trust and Mr. Hu and his family members are the beneficiaries. Under the terms of such trust, Mr. Hu 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 Golden Navigate in our company.

As of March 31, 2025, to our knowledge, approximately 78.2% 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 Matrixport Group

Matrix Finance and Technologies Holding Group and its subsidiaries ("Matrixport Group") are entities over which Bitdeer's controlling person has significant influence, as Mr. Jihan Wu, Bitdeer's founder and sole director, is the co-founder and chairman of the board of directors of Matrixport Group. During the years ended December 31, 2022, 2023 and 2024, substantially all of Bitdeer's cryptocurrencies were held in custody by Matrixport Group and Bitdeer's disposal of cryptocurrencies, at spot price on the date of disposal, was primarily to Matrixport Group. The service fees charged by Matrixport Group for the years ended December 31, 2022, 2023 and 2024 were approximately US$0.4 million, US$0.2 million and US$0.2 million, respectively.

Services provided to Matrixport Group

During the years ended December 31, 2022, 2023 and 2024, we provided technical and human resources service to Matrixport Group. The service fees charged to Matrixport Group for the years ended December 31, 2022, 2023 and 2024 were approximately US$3.1 million, US$0.8 million and US$18.7 million, respectively.

Other transactions with Matrixport Group

In July 2022, Bitdeer signed an agreement with Matrixport Group to subscribe a limited partner interest in a limited partnership set up by the Matrixport Group and the capital commitment is amounting to US$20 million. We, as a limited partner, do not have control or significant influence over the limited partnership. As of December 31, 2024, the capital contribution made by us to the limited partnership is US$17.3 million. We recorded approximately US$1.9 million gain, US$3.5 million gain and US$1.0 million loss on change in fair value of financial assets at fair value through profit or loss for the years ended December 31, 2024, 2023 and 2022, respectively.

During 2022, Bitdeer lent loans in a total amount of approximately US$150.0 million to Matrixport Group and received approximately US$1.5 million interest income. Bitdeer also purchased wealth management products in a total amount of approximately US$150.0 million from Matrixport Group and received approximately US$0.3 million in return. Both the loans and the wealth management products were fully collected and redeemed as of December 31, 2022.

As of the date of this annual report, we do not have any outstanding cryptocurrency lending to Matrixport Group or any outstanding wealth management product purchased from Matrixport Group or otherwise. All lending or wealth management products previously purchased from Matrixport Group had been fully collected or redeemed by the end of December 2022.

In April 2025, Bitdeer entered into a loan agreement with Matrix Finance and Technology Holding Company for a financing facility of up to US$200 million. Loans drawn under the facility bear a variable interest rate equal to 9.0% plus a market-based reference rate. Each drawdown is repayable in fixed monthly installments over a 24-month term and is secured by a pledge of SEALMINER, maintained based on a loan-to-value ratio. As of April 21, 2025, Bitdeer drew down US$43.0 million under the facility.

Related Person Transaction Policy

We have adopted a related person transaction policy that sets forth the policies procedures for the identification, review, and approval or ratification of related person transactions. Related person transaction is any transaction involving any "related person", as defined in the policy, and the Company or its subsidiaries. The policy sets forth policies and procedures designed to minimize potential conflicts of interest arising from any dealings it may have with its affiliates and provides appropriate procedures for the disclosure of any real or potential conflicts of interest that may exist from time to time. Specifically, the audit committee is responsible for keeping and updating a list of related persons and the principals of different departments are responsible for identifying and monitoring related party transactions. The policy details the authority of the board of directors and shareholders to review and approve different related party transactions. For any related person transaction with a transactional value no less than US$5 million and accounting for more than 1% of the total audited assets or market value of the most recent audited period, the same committee shall review and submit a written report to the board of directors for review and the transaction shall be approved in shareholding meetings. Directors are required to disclose interests in the related party transaction and only disinterested directors can vote for a related person transaction in a board meeting. The price terms of all related party transactions shall be fair, taking into account prices in the comparable independent third-party market, price terms of non-related party transactions, and relevant cost and revenue. In addition, no loan shall be made to the Company's directors, officers or supervisors directly or indirectly.

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

We are currently not a party to any material legal or administrative proceedings. We have been, and may from time to time in the future, be subject to various 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 the Class A ordinary shares of the Company, 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.

On September 6, 2024, our board of directors approved a share repurchase program under which we may repurchase up to US$10 million worth of its 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 million under the share repurchase program.

In February 2025, the board of directors of the Company has approved a new share repurchase program to repurchase up to additional US$20 million worth of its Class A ordinary shares, effective from February 28, 2025 through February 28, 2026. As of the date of this annual report, we have repurchased 1,056,500 Class A ordinary shares for approximately US$12.0 million under the 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 March 31, 2025, there are 152,346,227 Class A ordinary shares (excluding 1,846,500 Class A ordinary shares that have been repurchased but not cancelled and 7,175,993 Class A ordinary shares reserved for future issuances upon the exercise of awards granted under our share incentive plans) and 44,399,222 Class V ordinary shares issued and outstanding.

B. Memorandum and Articles of Association

The following are summaries of material provisions of our current 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 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 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 s 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 Relating 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, including the below, 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 use by the Company, or that may affect the remittance of dividends, interest, or other payments by the Company to non-resident holders of its 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 the Company's 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, the 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 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 Ordinary Shares

Subject to the PFIC rules discussed below under "-Passive Foreign Investment Company Rules," upon any sale or other taxable disposition of 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 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. For foreign tax credit purposes, any such gain or loss generally will be treated as U.S. source gain or loss.

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.

U.S. Holders should consult their tax advisors regarding the tax consequences of a sale or other taxable disposition of 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) consists of assets that produce, or are held for the production of, passive income, or (ii) 75% or more of its gross income consists of passive income. Passive income generally includes dividends, interest, royalties, rents, 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 or indirectly, 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, 2024. 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 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, hash rate sharing, 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 its ordinary shares and the U.S. Holder did not make either a mark-to-market election or a qualifying electing fund (“QEF”) election or, 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) 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 its 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 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 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 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 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 ordinary shares for the first taxable year in which the U.S. Holder holds (or is deemed to hold) the 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 ordinary shares at the end of such year over its adjusted tax basis in its 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 ordinary shares over the fair market value of its 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 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 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 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 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 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 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 ordinary shares of the PFIC taint. Under the purging election, the U.S. Holder will be deemed to have sold its 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 ordinary shares solely for purposes of the PFIC rules.

Related PFIC Rules

If we are treated as a PFIC and, at any time, has 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.

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 ORDINARY SHARES, INCLUDING THE IMPACT OF ANY POTENTIAL CHANGE IN LAW, 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 the Company 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 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. We currently do 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 the cryptocurrency risk, we 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.

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 2022, 2023 and 2024, 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 sales of mining rigs 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 accounted for 2.4% and 5.0% of our total assets as of December 31, 2023 and 2024, respectively. A 10% increase or decrease in the market price of Bitcoin and other cryptocurrencies as of December 31,2023 and 2024, respectively, would have resulted in an increase or decrease of approximately $1.5 million and $7.8 million on our cryptocurrency balance at these days.

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$2.1 million and US$1.3 million for the years ended December 31, 2022 and 2023, and would have been lower or higher by US$0.2 million for the year ended December 31, 2024, respectively.

Investment Risk

We are exposed to investment risk from investment transactions such as the purchase of cryptocurrency denoted wealth management products and 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 limits our exposure to the investment risk by including in its operation strategy the requirements to, with regard to the purchase of cryptocurrency-denoted wealth management products, invest only in robust wealth management products and the investments need to be redeemed within the same fiscal quarter, and, with regard to the investment in financial assets at fair value through profit or loss, perform due diligence on the prospective 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.

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 its exposure to such risk. We were not exposed to material foreign currency risk during the years ended December 31, 2022 and 2023 and 2024.

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, cryptocurrency lending transactions and cryptocurrency-denoted wealth management product purchases.

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, 2022, 2023 and 2024, substantially all of our cryptocurrencies are stored in wallets held in the custody by Matrix Finance and Technologies Holding Company (“Matrixport 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 reviews 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 Matrixport 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. We limit our credit risk from trade receivables by determining a maximum, which is the carrying amount of the trade receivables as of the date of the consolidated statement of financial position.

Cryptocurrency lending transactions and cryptocurrency-denoted wealth management product purchases

We also have credit exposure to cryptocurrency lending transactions and cryptocurrency-denoted wealth management product purchases. We assess such credit risk both at contract inception and each quarter or in shorter interval by considering the past collection experience and any indications that the corresponding amount may not be fully collected. To manage such exposure, we continuously monitor the relevant factors, such as the liquidity of the underlying cryptocurrencies, negative report related to the counterparty, and deal only with creditworthy counterparties and include in our operation strategy that the lending needs to be collected, and the wealth management products need to be redeemed within the same fiscal quarter. We historically only conduct such transactions with the Matrixport Group and we did not conduct such transaction in the years ended December 31, 2023 and 2024. We had never experienced credit losses and have no existing exposures to such credit risk as of each end date of the consolidated statement of financial position. Consequently, credit exposure to these transactions is not considered material.

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. In August 2024, we completed an underwritten public offering of US$172.5 million aggregate principal amount of 8.50% convertible senior notes due 2029. Subsequently, in November 2024, we priced US$400.0 million principal amount of 5.25% convertible senior notes due 2029 in a private placement to qualified institutional buyers. The issuance of these convertible notes introduces additional financial obligations, which may impact our liquidity position. While we believe that our cash, short-term investment and anticipated proceeds from disposal of cryptocurrencies in connection with our principal business will be sufficient to meet our current and anticipated working capital requirements and capital expenditures for at least the next 18 months from the date of this annual report, the added obligations from the convertible notes necessitate careful liquidity management. We manage our liquidity risk by monitoring cash flow generated from operations, available borrowing capacity, and by managing the maturity profiles of our long-term loans.

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, 2024.

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, 2024, as a result of the material weaknesses in internal control over financial reporting as described below, our disclosure controls and procedures were not effective as of December 31, 2024.

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.

We have excluded (i) TROLL HOUSING AS and TYDAL DATA CENTER AS and (ii) FreeChain Inc. (the "Acquired Business"), which was acquired on April 15, 2024 and September 13, 2024, respectively, from our assessment on the effectiveness of our internal control over financial reporting as of December 31, 2024. Such exclusion was in accordance with the SEC guidance that an assessment of a recently acquired business may be omitted in management's report on internal controls over financial reporting in the year of acquisition if it is not possible to conduct an assessment of an acquired business's internal controls over financial reporting in the period between consummation date and the date of management's assessment. As of and for fiscal year ended December 31, 2024, the Acquired Business represented approximately 1.5% and 0.0% of total assets and total revenue of our group. There has been no material change to our company's internal control over financial reporting due to these acquisitions. We will include the Acquired Business in our report on the effectiveness of our internal control over financial reporting as of December 31, 2025.

Based on this evaluation, our management has concluded that the Company's internal control over financial reporting was not effective as of December 31, 2024 due to the material weaknesses in internal control over financial reporting, described below.

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. The following material weakness has been identified: lack of adequate execution and monitoring of control activities resulted 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.

We have instituted plans to remediate the material weakness, 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.

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

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 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.

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,			
	2024		2023	
Audit fees[1]	US$	1,850,693	US$	1,292,650
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 the Class A ordinary shares of the Company, 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.

On September 6, 2024, our board of directors approved a share repurchase program under which we may repurchase up to US$10,000,000 worth of its 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 million under the share repurchase program.

In February 2025, the board of directors of the Company has approved a new share repurchase program to repurchase up to additional US$20 million worth of its Class A ordinary shares, effective from February 28, 2025 through February 28, 2026. As of the date of this annual report, we have repurchased 1,056,500 Class A ordinary shares for approximately US$12.0 million under the share repurchase program.

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 2024. 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 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.

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

The Audit Committee is central to the Board's oversight of cybersecurity risks and bears the primary responsibility for this domain. The 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 the Audit Committee.

The 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. The 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 Business 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 the Company. 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	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).
2.1	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).
2.2	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).
4.1	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).
4.2	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).
4.3	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).
4.4	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).
4.5	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)
4.6†	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).
4.7†	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).
4.8†	Form of Indemnification Agreement between the Company's 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).
4.9#	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).
4.10#	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).

Exhibit No.	Description of Documents
4.11#	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).
4.12#	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).
4.13#	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).
4.14#	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).
4.15#	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).
4.16#	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).
4.17#*	Eighth Amendment to the Lease Agreement, dated as of June 12, 2023, between SLR Property I, LP and Dory Creek, LLP.
4.18#	Land Lease Agreement, dated as of November 15, 2019, between Norway Hash Technologies AS and Troll Housing AS (incorporated herein by reference to Exhibit 10.12 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).
4.19#	Addendum No. 1 to the Land Lease Agreement, dated as of December 6, 2020, between Norway Hash Technologies AD and Troll Housing AS (incorporated herein by reference to Exhibit 10.13 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).
4.20#	Addendum No. 2 to the Land Lease Agreement, dated as of March 22, 2021, between Norway Hash Technologies AD and Troll Housing AS (incorporated herein by reference to Exhibit 10.14 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).
4.21#	Addendum No. 3 to the Land Lease Agreement, dated as of March 22, 2021, between Norway Hash Technologies AD and Troll Housing AS (incorporated herein by reference to Exhibit 10.15 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).
4.22#	Land Lease Agreement, dated as of April 8, 2021, between Norway Hash Technologies AS and Tydal Data Center AS (incorporated herein by reference to Exhibit 10.16 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).
4.23#	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).

Exhibit No.	Description of Documents
4.24#	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).
4.25#	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).
4.26#	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).
4.27#	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).
4.28	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).
4.29#	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).
4.30	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).
4.31#	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).
4.32#	Contract of Sale by and between White Tail 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).
4.33^	At Market Issuance Sales Agreement, dated as of March 18, 2024, by and among the Company and Sales Agent (incorporated herein by reference to Exhibit 1.2 to the Registration Statement on Form F-3 (File No. 333-278027), filed with the SEC on March 18, 2024).
4.34#	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).
4.35#	Agreement, dated as of April 3, 2024, by and among BRYHNI.COM AS, RENOL INVEST AS, and the Company (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 April 8, 2024).
4.36^	Senior Secured Note Purchase Agreement, dated April 15, 2024, by and among the Company, various investors from time to time, Norwegian AI Technology AS and Nordic Trustee AS (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 April 19, 2024).

Exhibit No.	Description of Documents
4.37^#	Share Pledge Agreement, dated April 15, 2024 by and between Norwegian AI Technology AS and Nordic Trustee AS (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 April 19, 2024)
4.38^	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).
4.39^	Subscription Agreement, dated as of May 30, 2024, by and between the Company and Tether International Limited (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 May 31, 2024).
4.40	Form of Warrant to Purchase Ordinary Shares (included in Exhibit 4.38).
4.41	Form of Registration Rights Agreement (included in Exhibit 4.38).
4.42^	Share Purchase Agreement, dated as of June 3, 2024, by and among the Company, Bitdeer Technologies Holding Company, FreeChain Inc., Desiwe Technology Limited, DESIWE TECHNOLOGY PTE. LTD., certain individuals and the individuals' holding companies and Desiwe Team Ltd (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 June 3, 2024).
4.43	Indenture, dated as of August 20, 2024, by and between the Company 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 August 20, 2024).
4.44	First Supplemental Indenture, dated as of August 20, 2024, by and between the Company and U.S. Bank Trust Company, National Association (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 August 20, 2024).
4.45#	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).
4.46#	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).
4.47#*	Second Amendment to Lease Agreement, dated as of January, 2025, by and among Monroe County Port Authority, Erie Creek LLC and Whitetail Creek LLC.
4.48#	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).
4.49#	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.
4.50#*	Opal Project Asset Purchase and Sale Agreement, dated as of February 3, 2025, by and between 2519492 Alberta Limited and Bitdeer Energy Inc.
4.51^	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).
8.1	List of significant subsidiaries of the Company (incorporated herein by reference to Exhibit 21.1 to Amendment No. 2 to the Registration Statement on Form F-4 (File No. 333-270345), filed with the SEC on March 23, 2023).
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), field 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

Exhibit No.	Description of Documents
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.

Bitdeer Technologies Group

April 21, 2025

By: /s/ Jihan Wu
Name: Jihan Wu
Title: Director and Chairman of the Board

INDEX TO FINANCIAL STATEMENTS

Consolidated Financial Statements as of December 31, 2024 and 2023 and for each of the Three Years in the Period Ended December 31, 2024	Page
Reports of Independent Registered Public Accounting Firm (PCAOB ID: 206)	F-2
Consolidated Statements of Financial Position	F-4
Consolidated Statements of Operations and Comprehensive Loss	F-5
Consolidated Statements of Changes in Equity	F-6
Consolidated Statements of Cash Flows	F-7
Notes to the Consolidated Financial Statements	F-9

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 (the "Company") as of December 31, 2024 and 2023, and the related consolidated statements of operations and comprehensive loss, changes in equity, and cash flows for each of the three years in the period ended December 31, 2024, 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, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, 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, 2024, 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 21, 2025 expressed an adverse 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, 2024, total self-mining revenue was approximately US$163 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 IRFS 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 recalculating 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 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 system used to monitor hashrate, tested the IT general controls over the system and validated the hashrate provided to the mining pools;
- Compared the wallet records related to the self-mining revenue received to publicly available blockchain records and evaluated the relevance and reliability of audit evidence obtained from public blockchains; 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 21, 2025

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, 2024, 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, because of the effect of the material weakness described below on the achievement of the objectives of the control criteria, the Company did not maintain effective internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control - Integrated Framework (2013) issued by the COSO.

We do not express an opinion or any other form of assurance on management's statements referring to any corrective actions taken by the Company after the date of management's assessment.

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, 2024 and 2023, and the related consolidated statements of operations and comprehensive loss, changes in equity, and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the "financial statements"), and our report dated April 21, 2025 expressed an unqualified opinion on those financial statements.

As described in Management's Annual Report on Internal Control over Financial Reporting, management excluded from its assessment of the internal control over financial reporting at Troll Housing AS, Tydal Data Center AS, and FreeChain Inc. (collectively, the "Excluded Acquisitions") acquired during the year ended December 31, 2024, which represented 1.5% and 0% of the total assets and total revenues of the Company as of and for the year ended December 31, 2024. Accordingly, our audit did not include the internal control over financial reporting of the Excluded Acquisitions.

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.

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. The following material weakness has been identified as included in management's assessment: lack of adequate execution and monitoring of control activities resulted 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. The material weakness was considered in determining the nature, timing, and extent of audit tests applied in our audit of the 2024 consolidated financial statements, and this report does not affect our report on those financial statements.

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 21, 2025

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Amounts in tables are stated in thousands of U.S. Dollar)

	Note	December 31, 2024	December 31, 2023
ASSETS			
Current assets			
Cash and cash equivalents	7	476,270	144,729
Restricted cash	7	9,144	9,538
Cryptocurrencies	8	77,537	15,371
Trade receivables		9,627	17,277
Amounts due from a related party	24	15,512	187
Prepayments and other assets	9	291,929	71,876
Inventories	10	64,888	346
Financial assets at fair value through profit or loss	11	4,540	1,000
Total current assets		949,447	260,324
Non-current assets			
Restricted cash	7	8,212	-
Prepayments and other assets	9	18,244	25,211
Financial assets at fair value through profit or loss	11	37,981	36,775
Mining rigs	12	67,324	63,477
Right-of-use assets	16	69,273	58,626
Property, plant and equipment	13	251,377	154,860
Investment properties	14	30,723	34,346
Intangible assets	15	83,235	4,777
Goodwill	15	35,818	-
Deferred tax assets	23	6,220	991
Total non-current assets		608,407	379,063
TOTAL ASSETS		1,557,854	639,387
LIABILITIES			
Current liabilities			
Trade payables		31,471	32,484
Other payables and accruals	19	40,617	30,495
Amounts due to a related party	24	8,747	33
Income tax payables		2,729	3,367
Derivative liabilities	18	763,939	-
Deferred revenue		39,029	49,512
Borrowings	17	208,127	-
Lease liabilities	16	5,460	5,288
Total current liabilities		1,100,119	121,179
Non-current liabilities			
Other payables and accruals	19	1,650	1,656
Deferred revenue		90,200	94,825
Borrowings	17	-	22,618
Lease liabilities	16	72,673	64,923
Deferred tax liabilities	23	16,614	1,620
Total non-current liabilities		181,137	185,642
TOTAL LIABILITIES		1,281,256	306,821
NET ASSETS		276,598	332,566
EQUITY			
Share capital	22	*	*
Treasury equity	22	(160,926)	(2,604)
Accumulated deficit	22	(649,004)	(49,853)
Reserves	22	1,086,528	385,023
TOTAL EQUITY		276,598	332,566

* 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 LOSS
(Amounts in tables are stated in thousands of U.S. Dollar, except for per share data)

	Note	Years ended December 31,		
		2024	**2023**	**2022**
Revenue from contract with customers		331,026	367,800	330,266
Revenue from a related party customer	24	18,756	754	3,076
Total revenue	2(t)	**349,782**	**368,554**	**333,342**
Cost of revenue	20(a)	(283,382)	(290,745)	(250,090)
Gross profit		**66,400**	**77,809**	**83,252**
Selling expenses	20(a)	(8,044)	(8,246)	(11,683)
General and administrative expenses	20(a)	(64,317)	(66,454)	(93,453)
Research and development expenses	20(a)	(76,946)	(29,534)	(35,430)
Listing fee	6(a)	-	(33,151)	-
Other operating income / (expenses)	20(b)	727	3,791	(3,628)
Other net gains / (losses)	20(c)	(507,479)	3,538	357
Loss from operations		**(589,659)**	**(52,247)**	**(60,585)**
Finance income / (expenses)	20(d)	(11,935)	1,276	(4,181)
Loss before taxation		**(601,594)**	**(50,971)**	**(64,766)**
Income tax benefits / (expenses)	23	2,443	(5,685)	4,400
Loss for the year		**(599,151)**	**(56,656)**	**(60,366)**
Other comprehensive loss				
Loss for the year		(599,151)	(56,656)	(60,366)
Other comprehensive loss for the year				
Item that may be reclassified to profit or loss				
- Exchange differences on translation of financial statements		(218)	(26)	(22)
Other comprehensive loss for the year, net of tax		**(218)**	**(26)**	**(22)**
Total comprehensive loss for the year		**(599,369)**	**(56,682)**	**(60,388)**
Loss per share				
Basic	25	(4.36)	(0.51)	(0.56)
Diluted	25	(4.36)	(0.51)	(0.56)
Weighted average number of shares outstanding (thousand shares)				
Basic	25	137,426	110,494	108,681
Diluted	25	137,426	110,494	108,681

The accompanying notes form an integral part of these consolidated financial statements.

Table of Contents

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, 2022		*	-	**67,169**	**(195)**	**221,105**	**288,079**
Loss for the year		-	-	(60,366)	-	-	(60,366)
Other comprehensive loss		-	-	-	(22)	-	(22)
Share-based payments	21	-	-	-	-	90,648	90,648
Balance at December 31, 2022 and 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 the 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		*	**(160,926)**	**(649,004)**	**(461)**	**1,086,989**	**276,598**

* 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,		
	2024	**2023**	**2022**
Cash flows from operating activities			
Loss for the year	(599,151)	(56,656)	(60,366)
Adjustments for:			
Revenues recognized on acceptance of cryptocurrencies	(324,503)	(342,250)	(304,962)
Depreciation and amortization	81,096	75,541	66,424
Listing fee	-	33,151	-
Share-based payment expenses	33,968	45,488	90,648
(Gains) / losses on disposal of property, plant and equipment	(108)	11	(662)
Changes in fair value of financial assets at fair value through profit or loss	(1,970)	(3,527)	841
Change in fair value of derivative liabilities	498,167	-	-
Change in fair value of holdback shares issued in connection with the FreeChain Acquisition	3,186	-	-
Net gain on disposal of financial assets at fair value through profit or loss	-	-	(213)
Net losses on disposal of mining rigs	13	1,573	497
Net (gains) / losses on disposal of cryptocurrencies	(8,188)	(2,061)	3,131
Change in fair value of cryptocurrency-settled receivables and payables	6,362	(3,305)	-
Impairment charges	936	2	-
Loss on foreign currency transactions	1,585	1,016	2,881
Loss on extinguishment of convertible senior notes	8,172	-	-
Gain on modification of convertible notes	-	(481)	-
Loss on disposal of subsidiaries	-	74	-
Interest income	(7,871)	(7,953)	(4,291)
Interest accretion on lease liabilities	3,473	2,605	2,425
Interest expense on borrowings	14,310	2,476	2,778
Loss on lease termination	197	-	-
Income tax (benefits) / expenses	(2,443)	5,685	(4,400)
Changes in:			
Restricted cash	(7,818)	1,956	(1,184)
Trade receivables	12,371	381	(5,350)
Prepayments and other assets	(219,162)	(49,032)	(22,629)
Inventories	(81,196)	(204)	716
Mining rigs held for sale	1,652	4	1,002
Amounts due from a related party	(5,984)	(111)	337
Trade payables	(11,260)	13,603	(6,018)
Deferred revenue	1,306	3,542	(9,159)
Amounts due to a related party	(2)	(283)	297
Other payables and accruals	(10,305)	(5,113)	1,299
Cash used in operating activities:	(613,167)	(283,868)	(245,958)
Interest paid on leases	(3,473)	(2,605)	(2,425)
Interest paid on borrowings	(3,952)	(2,181)	(2,433)
Interest received	7,115	7,572	2,791
Income tax paid	(8,596)	(1,500)	(20,012)
Income tax refunded	-	10,795	-
Net cash used in operating activities	(622,073)	(271,787)	(268,037)

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,		
	2024	**2023**	**2022**
Cash flows from investing activities			
Purchase of property, plant and equipment, investment properties and intangible assets	(119,487)	(63,305)	(63,200)
Purchase of mining rigs	(7,731)	(63,041)	-
Purchase of financial assets at fair value through profit or loss	(2,776)	(4,400)	(61,550)
Proceeds from disposal of financial assets at fair value through profit or loss	-	31,111	1,213
Purchase of cryptocurrencies	-	-	(285,990)
Loans to a related party	-	-	(322)
Repayments from a related party	-	322	1,087
Lending to a third party	-	(61)	(2,546)
Proceeds from disposal of property, plant and equipment	298	73	962
Proceeds from disposal of mining rigs	-	27	-
Proceeds from disposal of cryptocurrencies	248,447	299,128	560,988
Disposal of subsidiaries, net of cash disposed of	-	-	9,881
Cash paid for asset acquisition, net of cash acquired	-	-	(26,730)
Cash paid for business combinations, net of cash acquired	(6,051)	-	-
Net cash generated from investing activities	112,700	199,854	133,793
Cash flows from financing activities			
Capital element of lease rentals paid	(9,676)	(5,191)	(3,884)
Net payment related to Business Combination	-	(7,662)	-
Repayments of borrowings	(15,000)	(7,000)	-
Proceeds from issuance of shares for exercise of share awards	5,170	412	-
Proceeds from issuance of ordinary shares and warrants, net of transaction costs	485,108	9,494	-
Payment for the future issuance cost	-	(942)	-
Acquisition of treasury shares	(617)	(2,604)	-
Proceeds from convertible senior notes, net of transaction costs	554,214	-	-
Repayments made in connection with the extinguishment of convertible senior notes	(14,932)	-	-
Purchase of zero-strike call option	(160,000)	-	-
Net cash generated from/ (used in) financing activities	844,267	(13,493)	(3,884)
Net increase / (decrease) in cash and cash equivalents	334,894	(85,426)	(138,128)
Cash and cash equivalents at January 1	144,729	231,362	372,088
Effect of movements in exchange rates on cash and cash equivalents held	(3,353)	(1,207)	(2,598)
Cash and cash equivalents at December 31	476,270	144,729	231,362

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 6(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:

- 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");
- Using the Group's mining rigs to provide hash calculation service to mining pool operators in exchange for cryptocurrencies rewards (the "Self-mining business");
- Providing dynamic hosting solutions in the Group's mining datacenters (the "Hosting business"); and
- Developing and manufacturing mining rigs with proprietary application-specific integrated circuit technology for both the Self-mining business and sales of mining rigs to external parties (the "Application-specific integrated circuit (ASIC) and mining rig business" together with Cloud Hash Rate business, Self-mining business, Hosting business, ASIC business, the "Bitdeer Business").

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. Basis of preparation

The accompanying consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") 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.

Certain prior year amounts have been reclassified to conform to the current year presentation. These reclassifications had no impact on net earnings and financial position.

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.

e. Use of estimates and judgments

The preparation of financial statements in conformity with IFRSs 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 IFRSs 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.

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 and certain cash balances are pledged as security for other contractual obligations. See further discussion in Note 7.

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 includes 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.

Receivables and payables settled in cryptocurrencies

Receivables and payables settled in cryptocurrencies 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).

Cryptocurrency lending arrangements

The Group enters into arrangements with counterparties to lend cryptocurrencies on an unsecured basis. No collateral is held for the cryptocurrencies lent. Upon lending, the Group derecognizes the cryptocurrencies lent and concurrently recognizes receivables settled in cryptocurrencies which are measured at the fair value of the cryptocurrencies lent based on their respective quoted prices initially and subsequently on the measurement date and adjusted for expected credit losses. Any differences between the carrying amount of the derecognized cryptocurrencies and the initial measurement of the receivables settled in cryptocurrencies, if applicable, and the change in fair value of the cryptocurrencies lent, are recognized in other operating income / (expenses) on the consolidated statements of operations and comprehensive income / (loss). See further discussion regarding credit losses from receivables settled in cryptocurrencies in Note 2(x). Also refer to Note 24 for more information.

Cryptocurrency-denoted wealth management products

The Group historically purchased two types of wealth management products:

Wealth management product type A

The Group enters into arrangements with the Matrixport Group, a related party, to purchase cryptocurrency-denoted wealth management products which represent units of interest in the underlying cryptocurrency trading account and the value of the units is based on the performance of the trading account managed by the Matrixport Group. The Group derecognizes the cryptocurrencies paid and concurrently recognizes receivables settled in cryptocurrencies which gives rise to a variable return linked to the performance of the underlying trading account. The receivable contains an embedded derivative which is accounted for separately as an asset or liability based on the change in the fair value of the trading account. The receivables settled in cryptocurrencies are measured at the fair value of the cryptocurrencies invested based on their respective quoted prices on the measurement date and adjusted for expected credit losses. Any differences between the carrying amount of the derecognized cryptocurrencies and the initial measurement of the receivables settled in cryptocurrencies, if applicable, and the change in fair value of the cryptocurrencies invested, are recognized in other operating income / (expenses) on the consolidated statements of operations and comprehensive income / (loss).

Wealth management product type B

The Group enters into arrangements with the Matrixport Group, a related party, to purchase cryptocurrency-denoted wealth management products which represent variable-interest cryptocurrency deposit at Matrixport Group. The deposit is not protected by any deposit insurance scheme and non-secured, and the Group may lose some or all of the amount deposited in extreme market conditions. Upon withdrawal, the Group receives the same type of cryptocurrency in the same quantity in principal plus additional interest returns. The deposit can be withdrawn on demand and is generally delivered to the Group within 72 hours. The nature of the wealth management product type B is, in essence, a cryptocurrency lending arrangement. Refer to the discussion on the accounting of cryptocurrency lending arrangements above.

See further discussion regarding credit losses from receivables settled in cryptocurrencies in Note 2(x). Also refer to Note 24 for more information.

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. The purchases and disposals of cryptocurrencies associated with investment or lending transactions are presented as investing activities in the consolidated statements of cash flows.

j. Prepaid expenses and other assets

Prepaid expenses represent prepayments made for manufacturing and operational purposes, such as prepaid inventories procurement, utility fees and insurance expenses. Prepaid expenses are amortized over their future beneficial periods using the straight-line method or at a point in time upon the Group's receipt of the underlying goods or service.

Other assets primarily consist of deposits paid to various service providers, such as lessors and electricity vendors.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 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.

The estimated useful lives are as follows:

• Software	3 -10 years
• Patents, trademarks and other rights	3 -5 years
• Technologies	3 years
• Rights to electrical capacity	Indefinite

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

Land acquired by the Group has an unlimited useful life and therefore is not depreciated.

The depreciation method, useful lives 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).

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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. Substantially all of the mining rigs were estimated to have a useful life of two to five years.

The Group routinely sells used mining rigs to customers. 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).

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).

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 the cloud hash rate arrangements, the self-mining arrangements, the cloud hosting arrangements, the sales of mining rigs, the general hosting arrangements and the membership hosting arrangements.

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.

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:

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.

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 an 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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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. Full-Pay-Per-Share ("FPPS") and Pay-Per-Share-Plus ("PPS+") pools pay 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 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 primarily FPPS and PPS+.

FPPS Mining Pools

The Group mainly participates in mining pools that use the FPPS payment mechanism. 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.

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.

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 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.

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.

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

Sale of mining rigs

The Group recognizes revenue from sales of mining rigs 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 is the sole performance obligation in this type of arrangement. The Group accepts both cryptocurrency and fiat currency as payments for sales of mining rigs.

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.

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.

Details of revenues for each category are as follows:

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Self-mining	163,086	111,683	62,359
Cloud hash rate			
Hash rate subscription	27,470	40,290	77,862
Electricity subscription	12,069	27,419	39,525
Additional consideration from Cloud Hash Rate arrangements under acceleration mode	229	172	3,954
Sales of mining rigs	585	2	705
Cloud hosting arrangements [2]	1,058	3,248	12,723
General hosting	67,643	97,321	99,251
Membership hosting	63,981	79,906	26,056
Others [1]	13,661	8,513	10,907
Total revenues	349,782	368,554	333,342

(1) 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, the sale of containerized solution product and providing Cloud HPC and AI services.

(2) 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, 2024, 2023 and 2022.

Revenue concentration for the years ended December 31, 2024, 2023 and 2022 is as below:

	Years ended December 31,		
	2024	**2023**	**2022**
Cloverpool (formerly known as BTC.com pool)	*	*	14.94%
Customer A	*	19.05%	20.07%

* 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, 2024 and 2023, 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, 2024 and 2023, the Group had contract liabilities, presented as deferred revenue on the consolidated statements of financial position, of approximately US$129.2 million and US$144.3 million. Approximately US$48.6 million, US$54.2 million and US$102.3 million, included in the deferred revenue balance at January 1, 2024, 2023 and 2022, respectively, was recognized as revenue during the years ended December 31, 2024, 2023 and 2022.

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 and datacenters hosting those mining rigs, costs of mining rigs sold to customers, and compensation expenses incurred by mining datacenter personnel.

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.

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 fillings. 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.

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.

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 the financial liability is recognized in profit or loss. Upon conversion, the financial liability and the associated derivative liability are reclassified to equity and no gain or loss will be recognized. 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 deter settlement for at least 12 months after the reporting date.

Derivative liabilities

The Group accounts for financial instruments, such as warrants, as either equity-classified or liability-classified instruments based on an assessment of the specific terms of the instrument and applicable authoritative guidance in accordance with IAS 32.

Warrants issued by the Group that provide for potential adjustments to the exercise price or number of shares in response to, among other events, future equity issuances, result in the Group's obligation to issue 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 the profit or loss.

For each reporting period, any changes in the fair value of the derivative liabilities are recognized in other net gains / (losses). The Group classifies derivative 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 and trade receivables, 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.

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.

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, 2024, 2023 and 2022.

(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:

- property, plant and equipment;
- lease right-of-use assets;
- investment properties;
- intangible assets and goodwill; and
- cryptocurrencies other than USDC.

If any such indication exists, the asset's recoverable amount is estimated. In addition, for cryptocurrencies other than USDC, 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.

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 within the operating segment is as follows:

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Singapore	12,429	8,041	19,572
United States	199,654	281,781	259,310
Bhutan	75,441	33,393	-
Norway	62,258	45,339	54,460
Total	349,782	368,554	333,342

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:

	At December 31,	
In thousands of USD	**2024**	**2023**
Singapore	120,765	54,442
United States	150,352	148,021
Bhutan	133,425	63,180
Norway	97,388	50,443
Others	2	-
Total	501,932	316,086

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, 2024, 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 1, Classification of Liabilities as Current or Non-current and Disclosure of Accounting Policies	January 1, 2024	January 1, 2024
Amendments to IAS 1, Classification of Debt with Covenants	January 1, 2024	January 1, 2024
Amendments to IFRS 16, Subsequent Measurement of Sale and Leaseback Transactions by a Seller-lessee	January 1, 2024	January 1, 2024
Amendments to IAS 7 and IFRS 7, Supplier Finance Arrangements	January 1, 2024	January 1, 2024

ad. New standards and interpretations not yet adopted

The following standards apply to the preparation of sustainability reports and are effective for annual reporting periods beginning on or after January 1, 2024. The authority of the Company's jurisdiction has not yet mandated these standards; however, the Company is continuing to review the impact of the standards on its financial reporting.

- IFRS S1, General Requirements for Disclosure of Sustainability-related Financial Information
- IFRS S2, Climate-related Disclosures

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, 2024 and which have not been adopted in these financial statements.

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

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. So far, the Group has concluded that the adoption of these standards and interpretations is unlikely to have a significant impact on the Group's financial position but will have disclosure impacts.

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.

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 and the years ended December 31, 2022, 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.

Assessment of the asset acquisition

The acquisition of Asia Freeport Holdings Pte. Ltd. was assessed as an asset acquisition by applying the optional concentration test described in Note 2(ab). Management applied judgment in identifying the assets acquired, their relative fair value, and if the "substantially all" criterion has been met, based on the previous elements.

To apply the optional concentration test, the Group estimated the fair value of investment properties at the closing date using the discounted cash flow model under the income approach with the assistance of an independent valuation specialist. The key input to the model used for determining the value of the investment properties include the operation projection and the discount rate, which is 7.75%.

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.

Impairment of indefinite-lived intangible assets and goodwill

Fair value of indefinite-lived intangible assets and goodwill 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.

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. The Group currently 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 limits 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. The Group intends to actively utilize or convert them within the normal operating cycle.

ii. Interest rate risk

The Group’s interest rate risk is primarily attributable to bank deposits, restricted cash and borrowings. 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 purchase of cryptocurrency-denoted wealth management products and 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 purchase of cryptocurrency-denoted wealth management products, invest only in robust wealth management products and the investments need to be redeemed within the same fiscal quarter, and, 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, 2024, 2023 and 2022.

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, cryptocurrency lending transactions and cryptocurrency-denoted wealth management product purchases.

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, 2024, 2023 and 2022, substantially all of the Group's cryptocurrencies are stored in wallets held in the custody of Matrix Finance and Technologies Holding Company ("Matrixport 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 Matrixport 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.

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.

Cryptocurrency lending transactions and cryptocurrency-denoted wealth management product purchases

The Group also has credit exposure to cryptocurrency lending transactions and cryptocurrency-denoted wealth management product purchases. The Group assesses such credit risk both at contract inception and each quarter or in shorter interval by considering the past collection experience and any indications that the corresponding amount may not be fully collected. To manage such exposure, the Group continuously monitors the relevant factors, such as the liquidity of the underlying cryptocurrencies, negative report related to the counterparty, and deals only with creditworthy counterparties and includes in its operation strategy that the lending needs to be collected, and the wealth management products need to be redeemed within the same fiscal quarter. The Group historically only conducts such transactions with the Matrixport Group and the Group did not conduct such transaction in the year ended December 31, 2024 and 2023. The Group had never experienced credit losses and has no existing exposures to such credit risk as of each end date of the consolidated statement of financial position. Consequently, credit exposure to these transactions is not considered material.

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The following is the maturity profile of the Group's financial liabilities based on contractual undiscounted payments:

	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 at December 31**
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	15,000	-	497,750	-	512,750	905,262
Lease liabilities	8,655	8,807	27,105	55,693	100,260	78,133
	104,490	8,919	524,908	57,178	695,495	1,065,880

	At December 31, 2023					
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 at December 31**
Trade payables	32,484	-	-	-	32,484	32,484
Other payables and accruals	30,495	48	116	1,492	32,151	32,151
Amount due to a related party	33	-	-	-	33	33
Borrowings	-	23,000	-	-	23,000	22,618
Lease liabilities	7,835	7,787	22,217	48,862	86,701	70,211
	70,847	30,835	22,333	50,354	174,369	157,497

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, 2024 and 2023, except for the investments in financial assets at fair value through profit or loss, cryptocurrency-settled receivables and payables, USDC, and derivative 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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

For the year ended December 31, 2022, the fair value of the cryptocurrencies lent or invested is measured on a recurring basis at quoted price at the time the fair value of the underlying cryptocurrencies is being measured, which the Group considers to be a Level 1 fair value input. The fair value of the embedded derivative relating to the wealth management product is measured on a recurring basis by taking the net asset value provided by the counterparty, which the Group considers to be a Level 2 fair value input. The Group did not enter into such transactions in the years ended December 31, 2024 and 2023.

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.

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, 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

In thousands of USD	Valuation technique(s) and key input	December 31, 2023	Level 1	Level 2	Level 3
USDC	Quoted price	35	35	-	-
Cryptocurrency-settled receivables	Quoted price	1,892	1,892	-	-
Investments A, B, D and E in unlisted equity instruments	Net asset value	23,375	-	-	23,375
Investments F in unlisted equity instruments	Recent transaction price	400	-	-	400
Investments C in unlisted equity instruments	Market calibration method	10,000	-	-	10,000
Investment G in unlisted debt instruments	Net asset value	1,000	-	-	1,000
Investment H in unlisted debt instruments	Recent transaction price	3,000	-	-	3,000
Cryptocurrency-settled payables	Quoted price	5,636	5,636	-	-

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the years ended December 31, 2024, 2023 and 2022, there was no transfer between levels. Transfers between levels of the fair value hierarchy, if any, are deemed to occur at the end of each reporting period.

The following table presents the changes in level 3 financial instruments for the years ended December 31, 2024, 2023 and 2022:

In thousands of USD	Unlisted equity instruments and debt instruments	Derivative liabilities
At January 1, 2022	1,250	-
Additions	61,550	-
Disposals	(1,213)	-
Net gain on disposal of financial assets at fair value through profit or loss	213	-
Net fair value changes recognized in profit or loss	(841)	-
At December 31, 2022	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

5. ASSET ACQUISITION

On June 17, 2022, the Group entered into a sale and purchase agreement with Worldwide VGS B.V. and Yves Charles Edgar Bouvier, the ultimate beneficial owner of Worldwide VGS B.V., pursuant to which the Group agreed to purchase the 100% equity interest of Asia Freeport Holdings Pte., Ltd. and its subsidiaries (collectively, “AFH”), which was previously controlled by Worldwide VGS B.V., and the sculpture “Cage Sans Frontieres” created by Ron Arad, which was previously owned by Yves Charles Edgar Bouvier. The acquisition was closed on July 1, 2022.

As the sculpture was placed in an investment property building owned by AFH and cannot be removed or used separately without incurring significant costs, the sculpture is considered attached to the building of AFH. In addition, because Yves Charles Edgar Bouvier is the ultimate beneficial owner of Worldwide VGS B.V., the acquisition of AFH and the sculpture is treated as a single transaction. AFH is based in Singapore and conduct business in providing leases to customers. This transaction has been accounted for as an asset acquisition as the optional concentration test under IFRS 3 has been met.

The total purchase consideration of approximately US$27 million consisted of cash payment of approximately US$6 million and settlement of liabilities in the amount of approximately US$21 million. The Group has measured the group of assets and liabilities acquired based on their fair value at the date of the transaction and allocated the purchase consideration of the group of assets and liabilities to the individual identifiable assets and liabilities acquired on the basis of their relative fair value at the date of purchase.

Details of the net identifiable assets acquired, and purchase consideration are as follows:

Net identifiable assets **In thousands of USD**	At July 1, 2022
Investment properties	34,986
Other assets	529
Other liabilities	8,727
Net identifiable assets	26,788

Purchase consideration **In thousands of USD**	At July 1, 2022
Cash consideration paid	5,187
Liabilities settled	21,107
Transaction costs	494
Total consideration	26,788

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. 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.

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The details of the purchase price allocation of the identifiable assets acquired and liabilities assumed are as follows:

In thousands of USD, except for the closing price of BSGA's share and the number of ordinary shares information	**At April 13, 2023**
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.

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%, 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$525,000. 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 the date of acquisition.

(5) Acquisition-related cost amount to approximately US$270,000 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.

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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$302,000 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**

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$227,000, 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$671,000 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.

7. CASH, CASH EQUIVALENTS AND RESTRICTED CASH

The breakdown of cash and cash equivalents is as follows:

	At December 31,	
In thousands of USD	**2024**	**2023**
US dollar	462,316	137,917
Singapore dollar	2,786	2,991
Chinese renminbi	189	585
Norwegian krone	7,943	2,487
Euro	2,611	701
Hongkong dollar	5	7
Bhutan ngultrum	420	41
Total cash and cash equivalents by currency	476,270	144,729
Restricted cash		
Current	9,144	9,538
Non-current	8,212	-
Total restricted cash	17,356	9,538

The Group classifies short-term deposits as cash equivalents. As of December 31, 2024, the Group owed 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%. As of December 31, 2023, the Group owed short-term deposit in an amount of approximately US$12.4 million with maturities in January 2024 with interest ranging from 2.40% to 4.80%.

The Group's restricted cash primarily relates to the following:

(a) *Standby letters of credits ("SLCs")*

The Group has applied a total of two standby letters of credits ("SLCs") from the CTBC Bank associated with the electricity service subscribed.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,	
	2024	**2023**
Draw Amount (In thousands of USD)	9,144	9,538
Range of expiration dates	July 2025 to August 2025	July 2024 to August 2024

The amount and expiration dates of the SLCs are amended, from time to time, by the Group and beneficiaries, as a result of the amendments to the associated service agreements. 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, 2024 and 2023, none was utilized by the beneficiaries from the standby letters of credits.

(b) *Pledged cash*

During the year ended December 31, 2024, the Group deposited approximately US$8.2 million in escrow accounts with a commercial bank. These funds 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 instalments.

8. CRYPTOCURRENCIES

As of December 31, 2024 and 2023, the Group's cryptocurrencies consist of the following:

	At December 31,	
In thousands of USD	**2024**	**2023**
Cryptocurrencies other than USDC	77,535	15,336
USDC	2	35
Total cryptocurrencies	**77,537**	**15,371**

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The details of cryptocurrencies are as follows:

	At December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Cost:			
Beginning balances	15,377	2,179	6,697
Additions	311,966	310,265	865,333
Disposals	(248,864)	(297,067)	(569,854)
Purchase of cryptocurrency-denoted wealth management product from a related party(1)	-	-	(149,972)
Loan to a related party(2)	-	-	(150,025)
Ending balances	78,479	15,377	2,179
Impairment:			
Beginning balances	(6)	(4)	(510)
Additions	(936)	(2)	-
Disposals	-	-	506
Ending balances	(942)	(6)	(4)
Net book value:			
Beginning balances	15,371	2,175	6,187
Ending balances	77,537	15,371	2,175

The supplemental information of cryptocurrencies other than USDC is as follows:

	At December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Cost:			
Beginning balances	15,342	2,090	6,598
Additions	307,661	302,621	586,117
Disposals	(244,526)	(289,369)	(425,649)
Purchase of cryptocurrency-denoted wealth management product from a related party(1)	-	-	(149,972)
Loan to a related party (2)	-	-	(15,004)
Ending balances	78,477	15,342	2,090
Impairment:			
Beginning balances	(6)	(4)	(510)
Additions	(936)	(2)	-
Disposals	-	-	506
Ending balances	(942)	(6)	(4)
Net book value:			
Beginning balances	15,336	2,086	6,088
Ending balances	77,535	15,336	2,086

(1) Represent cryptocurrency-denoted wealth management products purchased from the Matrixport Group, a related party, for the year ended December 31, 2022. All such wealth management products were fully redeemed as of December 31, 2022 and the redemptions are included in the additions of cryptocurrencies above. Also see Note 24.

(2) Represent cryptocurrency loans made to the Matrixport Group, a related party. All loans were fully collected as of December 31, 2022 and the collections are included in the additions of cryptocurrencies above. Also see Note 24.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

9. PREPAYMENTS AND OTHER ASSETS

The breakdown of prepayments and other assets is as follows:

	At December 31,	
In thousands of USD	**2024**	**2023**
Prepayments to suppliers	266,478	35,219
Deposits [1]	31,372	54,304
Deductible input value-added tax	5,407	3,425
Prepayments of income tax	2,459	15
Others	4,457	4,124
Total	**310,173**	**97,087**
Current	291,929	71,876
Non-current	18,244	25,211
	310,173	**97,087**

(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.

During the years ended December 31, 2024 and 2023, the Group did not recognize any allowance for expected credit losses for prepayments and other assets.

10. INVENTORIES

As of December 31, 2024 and 2023, the details of inventories are as follows:

	At December 31,	
In thousands of USD	**2024**	**2023**
Raw materials	28,661	231
Work-in-progress	26,277	115
Finished goods	9,950	-
Total	**64,888**	**346**

During the years ended December 31, 2024 and 2023, there were no inventory recognized as expense and included in cost of sales. Approximately US$16.7 million and nil of inventories, respectively, was transferred to mining rigs. The Group did not record any write-down or reverse of write-down of inventories during the years ended December 31, 2024 and 2023.

11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

The breakdown of financial assets at fair value through profit or loss is as follows:

	At December 31,	
In thousands of USD	**2024**	**2023**
Investments in unlisted equity instruments		
- Investment A	300	1,000
- Investment B	1,000	1,000
- Investment C	10,284	10,000
- Investment D – investment in a limited partnership set up by Matrixport Group (1)	21,795	19,875
- Investment E	1,500	1,500
- Investment F	726	400
- Investment I	1,876	-
- Investment J	500	-
Investments in unlisted debt instruments		
- Investment G	1,000	1,000
- Investment H	3,540	3,000
Total	**42,521**	**37,775**
Current	4,540	1,000
Non-current	37,981	36,775
	42,521	**37,775**

(1) See Note 24.

The above investments in unlisted debt and equity instruments at December 31, 2024 and 2023 were investments in funds and privately-held enterprises. These financial assets at fair value through profit or loss are measured at fair value using Levels 3 inputs with the assistance of an independent valuation specialist. Refer to Note 4 for more information. The Group does not have control or significant influence over the funds and privately-held enterprises.

12. MINING RIGS

The details of mining rigs are as follows:

In thousands of USD	Mining rigs
Cost:	
At January 1, 2022	123,136
Additions	12,016
Disposals	(12,949)
At December 31, 2022	122,203
Accumulated depreciation:	
At January 1, 2022	(76,561)
Charge for the year	(29,281)
Disposals	11,443
At December 31, 2022	(94,399)
Impairment:	
At January 1, 2022	(106)
Disposal	5
At December 31, 2022	(101)
Net book value:	
At December 31, 2022	27,703
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)
Disposal	-
At December 31, 2024	(101)
Net book value:	
At December 31, 2024	67,324

(1) Approximately US$16.7 million of addition to mining rigs in the year ended December 31, 2024 was transferred from inventories.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

13. 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	Others	Total
Cost:								
At January 1, 2022	33,589	23,449	484	15,734	5,335	48,425	3,522	130,538
Additions	54,107	-	-	1,228	4,681	2,431	4,295	66,742
Additions related to asset acquisition (See Note 5)	-	-	-	-	1	-	14	15
Construction in progress transferred in	(71,184)	-	-	16,132	794	53,661	597	-
Disposals	-	-	-	(222)	(187)	-	-	(409)
At December 31, 2022	16,512	23,449	484	32,872	10,624	104,517	8,428	196,886
Accumulated depreciation:								
At January 1, 2022	-	(2,388)	-	(2,427)	(1,034)	(21,111)	(961)	(27,921)
Charge for the year	-	(1,137)	-	(4,392)	(1,532)	(21,892)	(1,485)	(30,438)
Disposals	-	-	-	16	93	-	-	109
At December 31, 2022	-	(3,525)	-	(6,803)	(2,473)	(43,003)	(2,446)	(58,250)
Net book value:								
At December 31, 2022	16,512	19,924	484	26,069	8,151	61,514	5,982	138,636
Cost:								
At January 1, 2023	16,512	23,449	484	32,872	10,624	104,517	8,428	196,886
Additions	49,421	-	1,574	459	3,789	876	88	56,207
Construction in progress transferred in	(35,838)	3,915	-	15,476	909	12,424	3,114	-
Disposals	-	-	-	(69)	(36)	(9)	(50)	(164)
At December 31, 2023	30,095	27,364	2,058	48,738	15,286	117,808	11,580	252,929
Accumulated depreciation:								
At January 1, 2023	-	(3,525)	-	(6,803)	(2,473)	(43,003)	(2,446)	(58,250)
Charge for the year	-	(1,106)	-	(6,678)	(1,994)	(27,978)	(2,143)	(39,899)
Disposals	-	-	-	19	18	3	40	80
At December 31, 2023	-	(4,631)	-	(13,462)	(4,449)	(70,978)	(4,549)	(98,069)
Net book value:								
At December 31, 2023	30,095	22,733	2,058	35,276	10,837	46,830	7,031	154,860
Cost:								
At January 1, 2024	30,095	27,364	2,058	48,738	15,286	117,808	11,580	252,929
Additions	118,253	642	-	230	18,144	16	187	137,472
Acquired through the business combinations (Note 6(b) and 6(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	33,264	120,342	11,708	391,246
Accumulated depreciation:								
At January 1, 2024	-	(4,631)	-	(13,462)	(4,449)	(70,978)	(4,549)	(98,069)
Charge for the year	-	(1,466)	-	(6,854)	(4,914)	(26,269)	(2,617)	(42,120)
Disposals	-	-	-	11	200	-	105	316
Exchange adjustments	-	2	-	-	1	-	1	4
At December 31, 2024	-	(6,095)	-	(20,305)	(9,162)	(97,247)	(7,060)	(139,869)
Net book value:								
At December 31, 2024	144,098	22,673	3,133	29,628	24,102	23,095	4,648	251,377

Construction in progress primarily represents the construction of 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$44.9 million and US$7.5 million as of the years ended December 31, 2024 and 2023, respectively.

14. INVESTMENT PROPERTIES

The details of investment properties are as follows:

In thousands of USD	Leasehold land	Building	Others	Total
Cost:				
At July 1, 2022 *	-	-	-	-
Acquisition of assets	4,833	29,773	380	34,986
Additions	730	-	-	730
Exchange adjustments	183	906	14	1,103
At December 31, 2022	5,746	30,679	394	36,819
Accumulated depreciation:				
At January 1, 2022	-	-	-	-
Charge for the year	(192)	(1,019)	(26)	(1,237)
Exchange adjustments	(7)	(32)	(1)	(40)
At December 31, 2022	(199)	(1,051)	(27)	(1,277)
Net book value:				
At December 31, 2022	5,547	29,628	367	35,542
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	5,915	31,273	1,101	38,289
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	(601)	(3,205)	(137)	(3,943)
Net book value:				
At December 31, 2023	5,314	28,068	964	34,346
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	5,175	30,555	1,304	37,034
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	(733)	(5,241)	(337)	(6,311)
Net book value:				
At December 31, 2024	4,442	25,314	967	30,723

* The investment properties were acquired from the acquisition of AFH, which was closed on July 1, 2022. See Note 5.

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 16.

The Group leases the investment properties to its customers under operating leases for terms ranging from one to 12 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.

The maturity analysis of lease payments receivable under operating leases of investment properties was as follows:

In thousands of USD	At December 31, 2024
2025	3,367
2026	3,350
2027	2,389
2028	2,371
2029	2,396
Thereafter	3,669
Total	**17,542**

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, 2024 and 2023 was approximately US$35.4 million and US$36.4 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, 2024 and 2023.

15. 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 and other rights	Others	Total intangible assets	Goodwill
Cost:						
At January 1, 2022	-	-	3	137	140	-
Additions	-	-	-	304	304	-
At December 31, 2022	-	-	3	441	444	-
Accumulated amortization:						
At January 1, 2022	-	-	-	(25)	(25)	-
Charge for the year	-	-	(1)	(96)	(97)	-
At December 31, 2022	-	-	(1)	(121)	(122)	-
Net book value:						
At December 31, 2022	-	-	2	320	322	-
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 6(b) and 6(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

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The Group had entered into contractual commitments, which were not recognized in payables, for the acquisition of intangible assets amounting to nil and approximately US$8,000 as of December 31, 2024 and December 31, 2023, respectively.

As of December 31, 2024, 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	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. The pre-tax discount rate applied to the cash flow projections is 19.4%, 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. 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.

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 the upcoming expansion, with revenue generation expected from the 175MW site expansion, which is anticipated to be fully energized in 2025.

As of December 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount by approximately US$11.1 million.

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. The pre-tax discount rate applied to cash flow projections is 19.0%, 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. 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.

Budgeted EBIT is projected to increase at an average of 25.4% per annum and was estimated taking into account past experiences and expectations of futures.

As of December 31, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount by approximately US$7.4 million.

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 categorized 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. The pre-tax discount rate applied to cash flow projections is 37.3%, 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. 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.

Budgeted revenue is projected to increase at an average of 5.0% per annum 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, 2024, the estimated recoverable amount of the CGU exceeded its carrying amount by approximately US$518.6 million.

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 %	Tydal Data Center AS	Troll Housing AS	FreeChain
Discount rate	6.8	6.5	nm*
EBIT	(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.

16. LEASES

The Group occupies most of its office premises and certain mining datacenters under lease arrangements, which generally have an initial lease term between 13 months to 30 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, 2024	At December 31, 2023
Right-of-use assets		
- Land and buildings	69,273	58,626
Investment properties		
- Leasehold land	4,442	5,314

Addition to the right-of-use assets and investment properties of leasehold land, including the increase in the right-of-use assets and investment properties of leasehold land as a result of lease modification, for the years ended December 31, 2024, 2023 and 2022 was approximately US$23.5 million, US$5.1 million and US$7.3 million, respectively. In addition, approximately US$4.8 million of investment properties of leasehold land for the year ended December 31, 2022 was acquired as a result of the acquisition of AFH (See Note 5), the balance of the underlying right-of-use asset was included in investment properties. See Note 14.

The Group has an obligation to complete the site restoration of its leased land held by AFH in Singapore in relation to the Group's acquisition of AFH in July 2022 (See Note 5). 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, 2022	-
Recognition through asset acquisition	1,343
Change in provision	-
Restoration provision at December 31, 2022	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

The consolidated statements of financial position show the following amounts relating to the lease liabilities:

	At December 31,	
In thousands of USD	2024	2023
Lease liabilities mature within 12 months	5,460	5,288
Lease liabilities mature over 12 months	72,673	64,923
Total lease liabilities *	**78,133**	**70,211**

* Lease liabilities in amount of approximately US$3.8 million and US$4.6 million was related to the leasehold land included in the investment properties as of December 31, 2024 and 2023, respectively. See Note 14.

Amounts recognized in profit or loss:

	Years ended December 31,		
In thousands of USD	2024	2023	2022
Depreciation expense of right-of-use assets	8,407	6,624	5,371
Interest expense *	3,473	2,605	2,425
Expenses relating to variable payment leases	197	224	639
Expenses relating to short-term leases	303	286	527
Loss on lease termination	197	-	-
Total	**12,577**	**9,739**	**8,962**

* The interest expense includes the amount related to the leasehold land included in the investment properties for the years ended December 31, 2024, 2023 and 2022 of approximately US$0.2 million, US$0.2 million and US$0.1 million, respectively. See Note 14.

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, 2024, 2023 and 2022 was approximately US$13.1 million, US$7.8 million and US$6.3 million, respectively.

17. BORROWINGS

Borrowings consist of the following:

	At December 31	
In thousands of USD	2024	2023
Promissory note (a)	14,907	22,618
August 2024 convertible senior notes (b)	32,503	-
November 2024 convertible senior notes (c)	160,717	-
Total	**208,127**	**22,618**

(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.

(b) August 2024 convertible senior notes

In August 2024, the Group issued US$172.5 million in aggregate principal amount of 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.

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.

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.

The following table reconciles the carrying value of the August 2024 convertible senior notes as of December 31, 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 18)	(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

As of December 31, 2024, the unamortized debt discount was US$65.2 million.

For the year ended December 31, 2024, the Group recognized interest expense of US$7.6 million.

(c) *November 2024 convertible senior notes*

In November 2024, the Group issued US$400.0 million in aggregate principal amount of 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 the August 2024 convertible senior note, 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.

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, on December 6, 2027 (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, 2024.

Unamortized debt discount and transaction costs were reported as a direct deduction from the face amount of the November 2024 convertible senior notes.

The following table reconciles the carrying value of the November 2024 convertible senior notes for the year ended December 31, 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 18)	(228,298)
Carrying value of convertible notes at inception	158,488
Amortized debt discount	2,229
Balance at December 31, 2024	160,717

As of December 31, 2024, the unamortized debt discount was US$239.3 million.

For the year ended December 31, 2024, the Group recognized interest expense of US$4.2 million.

18. DERIVATIVE LIABILITIES

The details of derivative liabilities are as follows:

In thousands of USD	
Balance at January 1, 2024	-
Issuance of Tether warrants (a)	11,106
Issuance of August 2024 convertible senior note (b)	112,205
Issuance of November 2024 convertible senior note (c)	228,298
Change in fair value of derivative liabilities	498,167
Derecognition of derivative liabilities on conversion (d)	(85,837)
Balance at December 31, 2024	763,939

(a) *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. As of December 31, 2024, the number of warrants has increased to 5,186,627, with the exercise price adjusted to US$9.64 per share as a result of the repricing adjustments.

The warrants are accounted for as a derivative instrument 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, 2024, the Group recognized changes in fair value of derivative liability of US$55.7 million. 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.

The following table provides the inputs used in the model for determining the value of the warrant derivative:

	Initial recognition - At May 30, 2024	At December 31, 2024
Share price	5.82	21.67
Dividend yield (%)	-	-
Expected volatility (%)	136%	116%
Risk-free interest rate (%)	5.19%	4.28%

(b) *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 17 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:

	Initial recognition - At August 20, 2024	At December 31, 2024
Share price	6.73	21.67
Dividend yield (%)	-	-
Expected volatility (%)	125%	123%
Risk-free interest rate (%)	3.70%	4.36%

For the year ended December 31, 2024, the Group recognized changes in fair value of derivative liability of US$202.6 million.

(c) *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 17 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:

	Initial recognition - At November 26, 2024	At December 31, 2024
Share price	11.16	21.67
Dividend yield (%)	-	-
Expected volatility (%)	124%	125%
Risk-free interest rate (%)	4.17%	4.38%

For the year ended December 31, 2024, the Group recognized changes in fair value of derivative liability of US$239.9 million.

(d) As disclosed in Note 17, a portion of the August 2024 convertible senior notes with principal amount of US$74.8 million was extinguished during the year ended December 31, 2024. In connection with this extinguishment, the corresponding portion of the derivative liability associate with the conversion feature embedded was reclassified to equity and included in other reserves within shareholders' equity.

19. OTHER PAYABLES AND ACCRUALS

Other payables and accruals consist of the following:

	At December 31,	
In thousands of USD	**2024**	**2023**
Deposits from customers	12,561	8,114
Accrued operating expenses	9,537	9,732
Payables for surtaxes	8,164	9,952
Interest payable	5,018	-
Payable to the former owners in Norway Acquisition[1]	2,657	-
Payables for staff-related costs	1,932	2,554
Restoration provision for leasehold land	1,361	1,363
Others	1,037	436
Total	**42,267**	**32,151**
Current	40,617	30,495
Non-current	1,650	1,656
	42,267	**32,151**

(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 6(b), and listed in other payables.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

20. EXPENSES BY NATURE AND OTHER INCOME AND EXPENSES ITEMS

(a) Expenses by nature

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Staff cost			
- salaries, wages and other benefits	63,434	52,873	50,132
Share-based payments	33,968	45,488	90,648
Amortization			
- intangible assets	8,382	754	97
Depreciation			
- mining rigs	19,470	25,663	29,281
- property, plant and equipment	42,120	39,899	30,438
- investment properties	2,717	2,601	1,237
- right-of-use assets	8,407	6,624	5,371
Electricity cost in operating mining rigs	179,765	180,565	139,469
One-off incremental development expense	29,017	-	-
Cost of mining rigs sold	1,652	4	1,002
Consulting service fee	8,953	9,757	6,797
Research and development technical service fees	5,102	2,854	1,313
Office expenses	4,302	3,987	3,124
Travel expenses	3,853	2,843	3,202
Advertising expenses	2,998	1,383	737
Insurance fee	2,591	2,427	3,446
Expenses of low-value consumables	2,326	2,557	4,025
Research and development material expenses	926	-	-
Logistic expenses	334	557	3,060
Expenses of short-term leases	303	286	527
Expenses of variable payment lease	197	224	639
Others	11,872	13,633	16,111
Total cost of revenue, selling, general and administrative and research and development expenses	**432,689**	**394,979**	**390,656**

(b) Other operating income / (expenses)

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Net gains / (losses) on disposal of cryptocurrencies	8,188	2,061	(3,131)
Net losses on disposal of mining rigs	(13)	(1,573)	(497)
Impairment loss of cryptocurrencies	(936)	(2)	-
Change in fair value of cryptocurrency-settled receivables and payables	(6,362)	3,305	-
Others	(150)	-	-
Total	**727**	**3,791**	**(3,628)**

(c) Other net gains / (losses)

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Changes in fair value of financial assets at fair value through profit or loss	1,970	3,527	(841)
Net gains / (losses) on disposal of property, plant and equipment	108	(11)	662
Government grants	47	48	42
Loss on lease termination	(197)	-	-
Change in fair value of holdback shares issued in connection with the FreeChain Acquisition	(3,186)	-	-
Loss on extinguishment of convertible notes	(8,172)	-	-
Change in fair value of derivative liabilities	(498,167)	-	-
Net gains on disposal of financial assets at fair value through profit or loss	-	-	213
Gain on modification of convertible debt	-	481	-
Others	118	(507)	281
Total	**(507,479)**	**3,538**	**357**

(d) Finance income / (expenses)

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Interest income	7,871	7,953	4,291
Cryptocurrency transaction service fee	(27)	(233)	(159)
Other interest expenses	(138)	-	-
Loss on foreign currency transactions	(1,585)	(1,016)	(2,881)
Interest expenses on lease liabilities	(3,473)	(2,605)	(2,425)
Interest expense on borrowings	(14,310)	(2,476)	(2,778)
Others	(273)	(347)	(229)
Total	**(11,935)**	**1,276**	**(4,181)**

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

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, and 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, 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 and US$0.01 to US$10.59 per share for the years ended December 31, 2023 and 2024, respectively. The majority of the share awards vest from three 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 6(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 year ended December 31, 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, 2022	9,419	3.50	26.16
Granted	1,198	3.50	18.34
Forfeited	(219)	3.50	25.68
As at December 31, 2022	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
Vested and exercisable at December 31, 2024	**6,141**	**3.62**	**23.00**

(1) The total proceeds received from the exercised shares under the 2023 plan during the years ended December 31, 2024 and 2023 was approximately US$5.2 million and US$0.4 million, respectively.

The weighted average contractual life for the remaining options at December 31, 2024 and 2023 was 7.87 years and 8.29 years, respectively.

The expense recognized for share awards during the years ended December 31, 2024, 2023 and 2022 was approximately US$34.0 million, US$45.5 million and US$90.6 million, respectively. The breakdown is as follows:

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Cost of revenue	2,368	4,722	10,050
Selling expenses	1,982	3,592	7,490
General and administrative expenses	14,881	23,797	48,850
Research and development expenses	14,737	13,377	24,258
Total	**33,968**	**45,488**	**90,648**

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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, 2024, 2023 and 2022:

	Years ended December 31,		
	2024	**2023**	**2022**
Dividend yield (%)	-	-	-
Expected volatility (%)	118% - 119%	118% - 124%	120% - 128%
Risk-free interest rate (%)	3.74% - 4.48%	3.81% - 4.59%	1.618% - 3.886%
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 6(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.

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.

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 year ended December 31, 2024 and 2023, the Group newly issued 6,922,648 and 1,166,533 Class A ordinary shares with net proceeds, after transaction costs, of approximately US$51.6 million and US$9.5 million, respectively.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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 year ended December 31, 2024, the Group newly issued 23,313,347 Class A ordinary shares with net proceeds, after transaction costs, of approximately US$335.1 million.

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 6(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 as described in Note 18. The residual net transaction amount of US$87.4 million was recognized as an equity component.

In July and November 2024, the holder of promissory note converted principal amount of US$8.0 million for 1,086,070 Class A ordinary shares at a conversion price of US$7.3660 per share. Also see Note 17.

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 6(c).

In November 2024, the Group issued 9,160,220 Class A ordinary shares in connection with the extinguishment of certain principal amount associated with the August 2024 convertible notes. Also see Note 17.

As of December 31, 2024 and 2023, the Group issued 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, 2024 and 2023, 6,130,708 and 5,436,385 of these shares, respectively, were considered not outstanding.

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$10,000,000 worth during the period from September 9, 2024 to September 8, 2025. During the year ended December 31, 2024, the Group purchased 145,762 Class A ordinary share for approximately US$0.9 million under the share repurchase program.

In connection with the issuance of the November 2024 convertible senior notes, the Group entered into a zero-strike call option transaction ("Zero-Strike Call Option") with Barclays Bank PLC ("Barclays") to purchase an option to call for 14,298,480 Class A ordinary shares of the Group for approximately US$160.0 million in November 2024. The Zero-Strike Call Option expires on the 41st non-disrupted day following December 1, 2029, or earlier if Barclays requests early settlement. The settlement method of the Zero-Strike Call Option is physical settlement. The Group will receive the fixed number of Class A ordinary shares determined at the commencement date of the transaction upon expiration or for the portion thereof being settled early, provided that the Zero-Strike Call Option is exercised. The economic substance of the Zero-Strike Call Option is the same as a traditional forward repurchase contract. Because the Zero-Strike Call Option permits physical settlement, it is classified as a reduction from equity and included in treasury equity without any subsequent remeasurement. If Zero-Strike Call Option is not exercised, the initial premium paid, which is recorded as a reduction from equity, will remain in equity.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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.

	Class A Ordinary Shares	Amount in USD	Class V Ordinary Shares	Amount in USD
At January 1, 2022, shares issued and outstanding	**60,281,184**	**6**	**48,399,922**	**5**
At December 31, 2022, 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**

* 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, 2024, 2023, and 2022.

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.

The Group's business and financial condition are highly correlated with the market price of cryptocurrencies. For the years ended December 31, 2024, 2023 and 2022, 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.

In order to maintain or adjust the capital structure, the Group reviews and manages its capital structure actively and regularly to ensure optimal capital structure and shareholder returns, taking into account the future capital requirements of the Group and capital efficiency, prevailing and projected profitability, projected operating cash flows, projected capital expenditures and projected strategic investment opportunities.

The Group is not subject to externally imposed capital requirements.

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.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The provisions for income taxes for the years ended December 31, 2024, 2023 and 2022 are summarized as follows:

	Years ended December 31,		
In thousands of USD	**2024**	**2023**	**2022**
Current income tax (benefits) / expenses	3,672	11,825	(8,244)
Deferred income tax (benefits) / expenses	(6,115)	(6,140)	3,844
Total	**(2,443)**	**5,685**	**(4,400)**

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, 2024, 2023 and 2022 is as follows.

	Years ended December 31,		
	2024	**2023**	**2022**
Statutory income tax rate	17.00%	17.00%	17.00%
Effect of expenses not deductible for tax purpose	(14.70%)	(24.21%)	(22.71%)
Effect of income tax difference under different tax jurisdictions	(0.77%)	0.53%	(4.03%)
Effect of tax losses not recognized in deferred tax assets	(1.07%)	0.49%	0.75%
Prior year true-ups	(0.16%)	(5.06%)	16.05%
Effect of non-taxable income	0.05%	-	-
Others	0.06%	0.10%	(0.27%)
Total	**0.41%**	**(11.15%)**	**6.79%**

Deferred tax assets / (liabilities) as of December 31, 2024 and 2023 comprise the following:

	At December 31,	
In thousands of USD	**2024**	**2023**
Deferred tax assets		
Net operating losses	1	136
Share-based payments	3,925	3,573
Deferred revenue	4,184	4,184
Property, plant and equipment, intangible assets and right-of-use assets	2,520	1,120
Impairment charges	69	-
Total deferred tax assets	10,699	9,013
Set-off of deferred tax positions relate to income taxes levied by the same tax authority	(4,479)	(8,022)
Deferred tax assets	6,220	991
Deferred tax liabilities		
Property, plant and equipment and intangible assets	(21,093)	(9,642)
Set-off of deferred tax positions relate to income taxes levied by the same tax authority	4,479	8,022
Deferred tax liabilities	(16,614)	(1,620)
Net deferred tax liabilities	(10,394)	(629)

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

The movements in the net deferred tax assets / (liabilities) during the years ended December 31, 2024, 2023 and 2022 are as follows:

In thousands of USD	January 1, 2024	Recognized in profit or loss	Acquired through the business combinations (Note 6)	December 31, 2024
Tax losses carried forward	136	(135)	-	1
Share-based payments	3,573	352	-	3,925
Deferred revenue	4,184	-	-	4,184
Property, plant and equipment, intangible assets and right-of-use assets	(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
Property, plant and equipment, intangible assets and right-of-use assets	(13,765)	5,243	(8,522)
Net deferred tax assets / (liabilities)	**(6,769)**	**6,140**	**(629)**

In thousands of USD	January 1, 2022	Recognized in profit or loss	December 31, 2022
Tax losses carried forward	4,362	(38)	4,324
Share-based payments	-	2,672	2,672
Property, plant and equipment	(7,287)	(6,478)	(13,765)
Net deferred tax liabilities	**(2,925)**	**(3,844)**	**(6,769)**

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
Singapore	59,689	Indefinitely
United States	19,272	Indefinitely
Hong Kong	4,775	Indefinitely
Bhutan	229	2027
Netherlands	14	Indefinitely
Thailand	4	2028
Total	**83,983**	

24. RELATED PARTY TRANSACTIONS

Compensation for key management and Board of Directors

In thousands of USD	Years ended December 31, 2024	2023	2022
Salaries and other emoluments	9,064	8,986	11,969
Total	9,064	8,986	11,969

The following set forth the significant related party and the relationship with the Group:

Name of related parties	Relationship with the Group
Matrix Finance and Technologies Holding Group and its subsidiaries (“Matrixport Group”)	The Group’s controlling person is the co-founder and chairman of the board of directors of Matrixport Group and has significant influence over Matrixport Group.

Details of assets and liabilities with the related party are as follows:

In thousands of USD	At December 31, 2024	2023
Due from a related party		
- Trade receivables[1]	6,171	187
- Other receivables[1]	9,341	-
Total due from related party	15,512	187
Due to a related party		
- Other payables[2]	8,747	33
Total due to a related party	8,747	33

Details of transactions with the related party are as follows:

In thousands of USD	Years ended December 31, 2024	2023	2022
- Provide service to a related party[1]	18,715	754	3,076
- Sales of goods to a related party	41	-	-
- Receive service from a related party	182	228	425
- Interest earned from a related party	-	-	1,499
- Return of wealth management products from a related party	-	-	283
- Loss on disposal of business to a related party	-	74	-
- Changes in fair value of financial assets at fair value through profit or loss	1,920	3,527	(952)

(1) Mainly related to the hosting service provided by the Group.

(2) Other payables represent the deposit received related to the hosting service provided and the accrued service expense related to the custody and other services provided by the related party.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

During the years ended December 31, 2024, 2023 and 2022, substantially all of the Group's cryptocurrencies were held in custody by Matrixport Group, and the Group's disposal of cryptocurrencies, at spot price on the date of disposal, was primarily to Matrixport Group.

In July 2022, the Group signed an agreement with Matrixport Group, which is the general partner of a limited partnership set up by the Matrixport Group, to subscribe a limited partner interest in the limited partnership and the capital commitment is US$20 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. See Note 11.

During the year ended December 31, 2022, the Group made non-secured lending to, and purchased non-principal guaranteed wealth management products from Matrixport Group in cryptocurrencies. The Group did not incur such transactions during the years ended December 31, 2024 and 2023. The summary of transactions is as follows:

	Type of cryptocurrency	Amount in thousands of cryptocurrencies	Date of purchase / lending	Date of redemption / collection	Effective annual yield of return / interest rate
Wealth management product - type A	USDT	80,000	January 14, 2022	March 27, 2022	1.00%
Loan	USDT	15,000	April 1, 2022	June 28, 2022	5.83%
Loan	USDC	5,000	April 1, 2022	June 28, 2022	7.00%
Wealth management product - type A	USDT	10,000	April 15, 2022	June 17, 2022	3.06%
Loan	USDC	30,000	May 12, 2022	May 19, 2022	15.00%
Wealth management product - type B	USDT	10,000	June 17, 2022	June 28, 2022	5.70%
Wealth management product - type B	USDT	50,000	June 20, 2022	June 28, 2022	5.92%
Loan	USDC	80,000	July 1, 2022	September 28, 2022	4.13%
Loan	USDC	20,000	October 11, 2022	December 28, 2022	3.50%

The Group purchased two types of wealth management products during the year ended December 31, 2022. Wealth management product type A represents the Group's units of interest in the underlying cryptocurrency trading account and the value of the units is based on the performance of the trading account. The Group has the right to redeem the units with Matrixport Group based on the value on the redemption date during certain days of each month. See Note 2(i) regarding the accounting policy for cryptocurrency-denoted wealth management products.

Wealth management product type B represents the Group's variable-interest cryptocurrency deposit at Matrixport Group. The deposit is not protected by any deposit insurance scheme and non-secured, and the Group may lose some or all of the amount deposited in extreme market conditions. Upon withdrawal, the Group receives the same type of cryptocurrency in the same quantity in principal plus additional interest returns. The deposit can be withdrawn on demand and is generally delivered to the Group within 72 hours. The nature of the wealth management product type B is, in essence, a cryptocurrency lending arrangement. See Note 2(i) regarding the accounting policy for cryptocurrency lending arrangements.

As of December 31, 2022, corresponding to the above transactions, the balances of receivables settled in cryptocurrencies and embedded derivative were both nil. The change in fair value of the cryptocurrencies lent or invested, and the embedded derivative relating to the wealth management product type A are immaterial as the arrangements are short term in nature and the quoted prices of USDT and USDC are relatively stable.

To facilitate the lending and wealth management products purchases, the Group purchased the aforementioned cryptocurrencies using approximately US$286.0 million during the year ended December 31, 2022. The total receipts from the collection of lending and redemption of wealth management products were disposed of by the Group for approximately US$302.2 million during the year ended December 31, 2022.

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, 2024, 2023 and 2022.

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 incurred losses for the years ended December 31, 2024, 2023 and 2022, the potential ordinary shares related to: (i) the outstanding share awards exercisable into approximately 13.9 million, 11.7 million and 10.4 million ordinary shares; (ii) the promissory note convertible into approximately 2.0 million, 3.1 million and 4.1 million ordinary shares; (iii) share options issued in connection with the Norway Acquisition exercisable into approximately 0.4 million, nil and nil ordinary shares; (iv) the Tether Warrant exercisable into approximately 5.2 million, nil and nil ordinary shares; (v) the August and November 2024 convertible senior notes convertible into approximately 36.5 million, nil 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 loss and share data used in the basic and diluted loss per ordinary share computations:

	Years ended December 31,		
In thousands of USD, except for the per share data	**2024**	**2023**	**2022**
Loss attributable to ordinary equity shareholders of the Group	(599,151)	(56,656)	(60,366)
Weighted average number of ordinary shares outstanding (thousand shares)	137,426	110,494	108,681
Basic and diluted loss per share (In USD)	**(4.36)**	**(0.51)**	**(0.56)**

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.

26. SUPPLEMENTAL CASH FLOW INFORMATION

The non-cash investing and financing activities are as follows:

In thousands of USD	Years ended December 31, 2024	2023	2022
NON-CASH INVESTING AND FINANCING TRANSACTIONS			
Operating lease right-of-use assets and leasehold land obtained in exchange for operating lease liabilities	23,197	4,492	7,270
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 purchase of mining rigs in form of cryptocurrencies	-	-	4,805
Lending made to related party in form of cryptocurrencies	-	-	150,025
Collection of lending from related party in form of cryptocurrencies	-	-	151,525
Purchase of wealth management products using cryptocurrencies	-	-	149,972
Redemption of wealth management products in form of cryptocurrencies	-	-	150,268
Liabilities assumed in connection with acquisition of property, plant and equipment and intangible assets	18,355	8,205	-
Prepayments realized as additions to property, plant and equipment	9,058	-	-
Transfer of inventory to mining rigs	16,655	-	-
Receivable on the proceeds from issuance of ordinary shares	-	23	-
Cancellation of repurchased treasury shares	2,604	-	-
Prepayment utilized for repurchase of ordinary share	309	-	-
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 6(b))	17,952	-	-
Issuance of Class A ordinary shares and share options in connection with the FreeChain Acquisition (Note 6(c))	76,990	-	-
Issuance of Class A ordinary shares in connection with conversion of convertible notes	111,495	-	-

27. SUBSEQUENT EVENTS

In January 2025, the Group executed a financing facility of US$17.0 million with a commercial bank. During the period from January 1, 2025 to April 21, 2025, the Group had withdrawn the full amount. The facility is unsecured, bears interest at a rate of 10.22% per annum, and is due on September 5, 2025.

BITDEER TECHNOLOGIES GROUP AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

During the period from January 1, 2025 to April 21, 2025, the Group granted a total of approximately 0.9 million share awards 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$0.01 to US$21.67 per share. The share awards vest up to five years, and the recipient shall continue to provide services to the Group by each vesting date. The share awards expire on the tenth anniversary from the date of grant.

In February 2025, the Group entered into a purchase and sale agreement with Alberta Limited to purchase 100% ownership of a series of assets related to a 101MW natural gas-fired power development project for a total consideration of approximately US$21.7 million. As of April 21, 2025, the transaction is still in the process of being finalized.

In February 2025, the Group repurchase 790,000 Class A ordinary shares under 2024 Share Repurchase Program for consideration of US$9.1 million.

In February 2025, the board of directors of the Group approved a share purchase program (the "2025 Share Repurchase Program") under which the Group may repurchase up to US$20.0 million worth of the Group's Class A ordinary shares, effective from February 28, 2025 through February 28, 2026. By the end of April 21, 2025, the Group repurchase 1,056,500 Class A ordinary shares under 2025 Share Repurchase Program for consideration of US$12.0 million.

In February 2025, holders of the August 2024 convertible senior notes converted aggregate principal amount of US$2,000 for issuance of 247 Class A ordinary shares.

In April 2025, the Group entered into a loan agreement with Matrixport 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. Each drawdown is repayable in fixed monthly installments over a 24-month term and is secured by a pledge of SEALMINER, maintained based on a loan-to-value ratio. As of April 21, 2025, the Group drew down US$43.0 million under the facility.

During the period from January 1, 2025 to April 21, 2025, the Group newly issued 6,076,388 Class A ordinary shares with net proceeds of US$118.8 million.

There were no other material subsequent events during the period from December 31, 2024 to the approval date of this consolidated financial statements on April 21, 2025.

Exhibit 4.17

Certain confidential information contained in this document, market by [***], has been omitted because such information is both not material and is the type that the Company customarily and actually treats that as private or confidential.

DORY CREEK
LEASE AGREEMENT
EIGHTH LEASE AMENDMENT

This Eighth Lease Amendment ("**Eighth Amendment**") is entered into and effective as of June 12 , 2023 (the "**Effective Date**"), by and between SLR Property I, LP ("**Landlord**"), and Dory Creek LLC, a wholly owned subsidiary of Bitdeer Inc. (formerly known as Bitmain Inc.) ("**Tenant**"). Landlord and Tenant are individually referred to as a "**Party**" and collectively referred to as "**Parties**."

RECITALS

WHEREAS, Alcoa USA Corp. (as the original landlord) and Tenant entered into a Lease Agreement dated June 6, 2018 (the "**Original Lease**") along with a First Lease Amendment dated October 18, 2018 ("**First Amendment**"), a Second Lease Amendment dated May 1, 2019 ("**Second Amendment**"), a Third Amendment of Lease dated May 11, 2021 ("**Third Amendment**"), a Fourth Amendment to the Lease dated May 11, 2021("**Fourth Amendment**"), a Fifth Amendment to Lease dated August 30, 2021 ("**Fifth Amendment**"), a Sixth Amendment to Lease dated October 25, 2021 ("**Sixth Amendment**"), and a Seventh Amendment to Lease dated October 1, 2022 (the "**Seventh Amendment**") (collectively together called the "**Lease**"), whereby Tenant leased certain real estate and associated facilities owned by Landlord as more fully-described in the Lease;

WHEREAS, effective as of October 29, 2021, Alcoa USA Corp. assigned the Lease to Landlord;

WHEREAS, Landlord and Tenant wish to amend the Lease as set forth in this Eighth Amendment.

NOW THEREFORE, in consideration of the mutual promises herein, and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the Parties agree to modify the Lease as follows:

1. Security Deposit.

   a. At the request of Landlord: (i) Tenant canceled the Letter of Credit issued by Signature Bank, and (ii) in lieu of the Letter of Credit required by Section 1.13 of the Original Lease, Tenant deposited with Landlord a security deposit in the amount of [***] (the "**Security Deposit**"). Landlord deposited the Security Deposit into a money market account held by [***] (the "**Account**").

   b. On a quarterly basis, within seven (7) days of the beginning of each of the quarterly months, Landlord will distribute to Tenant a portion of the interest generated from the Account in an amount equal to the lesser of: (i) [***] per annum, and (ii) the annual percentage interest rate generated from the Account. For the avoidance of doubt, the starting date of the interest generated from the Account shall be the date when the Security Deposit is deposited in the Account. If Landlord fails to distribute such interest to Tenant, Tenant shall have the right to deduct such interest in the following monthly Fixed Rent. In the event the annual percentage interest rate generated from the Account is less than [***] per annum, either Party shall have the right to request to the other Party that the Security Deposit be transferred to a replacement account or replacement bank and, following such request, the Parties will cooperate in good faith to agree upon a mutually acceptable replacement bank account and/or a replacement bank for the Security Deposit.

c. Landlord shall be entitled to apply the Security Deposit in its full amount or any portion thereof if Tenant shall fail to perform any of its obligations under the Lease after the expiration of any applicable notice and cure period (or immediately following a failure to perform any of its obligations under the Lease if the transmittal of a default notice or the running of any cure period is barred or tolled by applicable law). Without limiting the generality of the foregoing, Landlord may, but shall not be obligated to, apply the Security Deposit from time to time in the event of a bankruptcy filing by or against Tenant and/or to compensate Landlord, in such order as Landlord may determine, for all or any part of any unpaid rent, any damages arising from any termination of the Lease in accordance with the terms of the Lease, and/or any damages arising from any rejection of the Lease in a bankruptcy proceeding commenced by or against Tenant. Landlord may, but shall not be obligated to, apply the Security Deposit to the extent necessary to cure Tenant's failure. After any such application by Landlord of the Security Deposit, Tenant shall, upon demand, advance additional funds to Landlord to replenish the Security Deposit to the full amount required by the Lease.

d. Provided that Tenant is not then in default under the Lease, and no condition exists or event has occurred which after the expiration of any applicable notice or cure period would constitute such a default, within thirty (30) days after the expiration or sooner termination of the Term of the Lease, the Security Deposit, to the extent not applied, shall be returned to the Tenant, without interest.

e. Landlord will have right, at any time and in Landlord's sole discretion, to require Tenant to provide a Letter of Credit in accordance with Section 1.13 of the Original Lease (in lieu of the Security Deposit). In such event, Landlord will release the Security Deposit to Tenant upon the issuance of the Letter of Credit.

2. Except as specifically amended herein, all other terms and conditions of the Lease remain in full force and effect.

3. This Eighth Amendment is binding upon the successors and assigns of the respective Parties.

4. This Eighth Amendment may be executed in counterparts, each of which shall be deemed to be an original, but which together shall be deemed to constitute a single document. Signed copies of this Eighth Amendment exchanged by electronic pdf signatures via email shall be binding as if the same were an original signature.

Signature page to follow.

IN WITNESS WHEREOF, the Parties have caused this Eighth Amendment to be executed by its duly authorized representative as of the day and year first above written.

LANDLORD:

SLR Property I, LP

By: SLR Property I GP, LLC,
a Delaware limited liability company,
its general partner

By: /s/ Jay Soni

Name: Jay Soni

Title: Authorized Signatory

TENANT:

Dory Creek LLC

By: /s/ Dory Creek LLC

Certain confidential information contained in this document, market by [***], has been omitted because such information is both not material and is the type that the Company customarily and actually treats that as private or confidential.

SECOND AMENDMENT TO LEASE AGREEMENT

THIS SECOND AMENDMENT TO LEASE AGREEMENT (this "**Amendment**") is made and entered into as of this ___ day of January, 2025 ("**Amendment Execution Date**") by and among **MONROE COUNTY PORT AUTHORITY** ("**Lessor**"), **ERIE CREEK LLC** ("**Old Lessee**") and **WHITETAIL CREEK LLC** ("**New Lessee**").

RECITALS:

A. Lessor owns certain land and improvements located in Ohio Township, Monroe County, Ohio commonly known as 42722 OH-7, Clarington, OH 43915 (the "**Project**").

B. Lessor (as successor to Hannibal Real Estate, LLC) and Old Lessee entered into a lease dated February 5, 2024 (the "**Original Lease**") for (a) a portion of the Project consisting of a 345,000 square feet building and the portion of land shown as "Building Premises" on Exhibit A to the Lease (the "**Original Building Premises**"), (b) a portion of the Project consisting of approximately 12,432 square feet of office space as shown as "Office Premises" on Exhibit A to the Lease (the "**Office Premises**"); and (c) a portion of the Project consisting of approximately fourteen (14) acres of land and any improvements located thereon (subject to adjustment as set forth in the Lease) shown as "Ground Premises" on Exhibit A attached to the Lease (the "**Ground Premises**"; and together with the "Original Building Premises" and the "Office Premises", the "**Original Leased Premises**").

C. Lessor and Old Lessee entered into a First Amendment to Lease Agreement dated April 19, 2024 (the "**First Amendment**"; and together with the Original Lease, the "**Lease**"), the Original Leased Premises was expanded to include additional premises consisting of approximately 94,723 square feet (the "**New Building Premises**"; and together with the Original Leased Premises, the "**Current Leased Premises**").

D. In addition, Old Lessee desires to assign its rights and obligations under the Lease to New Lessee, which is a related entity within the same group.

E. Old Lessee and New Lessee have agreed to the terms and conditions of such assignment with the consent of Lessor.

F. Lessor has agreed to recognize New Lessee as the assignee of the Lease.

G. Lessor and New Lessee desire to amend the Lease upon the terms and conditions set forth below.

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and in consideration of the mutual promises and covenants herein contained, the parties hereto, intending to be legally bound hereby, do covenant and agree as follows:

1. DEFINED TERMS. All capitalized terms used herein but not otherwise defined in this Amendment shall have the meanings ascribed to them in the Lease.

2. ASSIGNMENT. Old Lessee hereby irrevocably assigns, transfers, and sets over to New Lessee all of its right, title, and interest in and to the Lease, including all rights to the possession and use of the Leased Premises and all obligations thereunder. New Lessee hereby irrevocably assumes and agrees to perform and fulfill all of the obligations of Old Lessee under the Lease. The Parties acknowledge that Lessor has consented to this assignment (the "**Consent**"), and the Consent is hereby made a part of this Amendment and the Lease.

3. EXPANSION.

A. The "Leased Premises" under the Lease shall be amended to refer to the Current Leased Premises and the approximately 25.2 acre premises shown crosshatched on Appendix A hereto (the "**Second Amendment Premises**"), and the "Leased Premises" under the Lease shall be amended to refer to the Original Leased Premises and the Second Amendment Premises.

B. Lessee acknowledges by execution of this Amendment that Lessee has inspected the Second Amendment Premises and accepts the Second Amendment Premises "AS IS" and agrees that neither Lessor nor any of its agents or employees have made any other representations or warranties, either written or oral, express or implied, with respect to the condition, suitability, state of repair or zoning of the Second Amendment Premises.

4. PRIMARY TERM; EXTENDED TERMS. Section 3.2 of the Lease is hereby deleted in its entirety and replaced with the following: "This Lease Agreement shall be in force and effect for a period of ten (10) Lease Years (as defined below) (the "Primary Term") beginning with the Commencement Date. Lessee shall have the right to extend the term for seven (7) additional terms of ten (10) Lease Years each (each, an "Extended Term"), provided Lessee is not in default (beyond any applicable grace or cure periods) under this Lease at the time Lessee exercises such option or at the commencement of any Extended Term. Lessee shall give Lessor written notice of its desire to extend the term of the Lease for an Extended Term no less than 270 days prior to the end of the Primary Term (with respected to the first Extended Term) and no less than 270 days prior to the end of the then applicable Extended Term (with respect to the second and any subsequent Extended Term). The "Term" as used in this Lease Agreement shall mean the Primary Term, as the same may be extended by any Extended Term(s). The first "Lease Year" is the twelve (12) month period beginning (i) on the Commencement Date if the Commencement Date is the first day of a month, or (ii) on the first day of the first month after the Commencement Date. Each successive period of twelve calendar months after the first Lease Year is also a "Lease Year."

5. RENT COMMENCEMENT; LEASE YEAR. Lessor and Lessee acknowledge and agree that each Lease Year is the period from January 1 through December 31, and the first Lease Year commenced on January 1, 2024. Accordingly, the second Lease Year and the payment of Rent shall commence on January 1, 2025.

6. RENT - SECOND AMENDMENT PREMISES. Rent for the Second Amendment Premises for the Primary Term, shall be:

Period	Annual Rent	Monthly Rent
Lease Year 1	[***]	[***]
Lease Year 2	[***]	[***]
Lease Year 3	[***]	[***]
Lease Year4	[***]	[***]
Lease Year 5	[***]	[***]
Lease Year 6	[***]	[***]
Lease Year 7	[***]	[***]
Lease Year 8	[***]	[***]
Lease Year 9	[***]	[***]
Lease Year 10	[***]	[***]

Rent during any Extended Terms shall continue to increase by [***] percent ([***]%) on the commencement of each Lease Year.

7. RENT - ENTIRE PREMISES. Rent for the Current Leased Premises and the Second Amendment Premises in the aggregate for the Primary Term, shall be:

Period	Annual Rent	Monthly Rent
Lease Year 1	[***]	[***]
Lease Year 2	[***]	[***]
Lease Year 3	[***]	[***]
Lease Year 4	[***]	[***]
Lease Year 5	[***]	[***]
Lease Year 6	[***]	[***]
Lease Year 7	[***]	[***]
Lease Year 8	[***]	[***]
Lease Year 9	[***]	[***]
Lease Year 10	[***]	[***]

Rent during any Extended Terms shall continue to increase by [***] percent ([***]%) on the commencement of each Lease Year.

8. SECURITY DEPOSIT. Within five (5) business days after the Amendment Execution Date, Lessee shall deposit with Lessor $[***] , which shall be added to the Security Deposit, resulting in a total Security Deposit of $[***] .

9. OPTION TO TERMINATE. The second clause (a) of Section 13.17 of the Lease is hereby deleted in its entirety and replaced with the following:

(a) Within ten (10) business days after the Termination Date, Lessee shall pay to Lessor a termination fee as set forth below (the "**Termination Fee**").

(i) In the event that the Lessee has demolished any Building(s) on the Leased Premises, the Termination Fee shall be an amount equal to the Rent for the remaining duration of the Term.

(ii) In the event that the Lessee has not demolished any Building(s) on the Leased Premises, the Termination Fee shall be an amount equal to the lesser of: (i) the Rent for the twelve (12) calendar months following the month in which the Termination Option is exercised, or (ii) the Rent for the remainder of the Term.

10. OPTION TO PARTIALLY TERMINATE. In addition to Tenant's Termination Option as set forth in Section 13.17 of the Lease (as amended by Section 9 above), Lessee may terminate the Lease as to the Second Amendment Premises only (the "**Partial Termination Option**") subject to and in accordance with the following terms and conditions:

(a) Lessee shall give Lessor written notice ("**Partial Termination Notice**") of Lessee's election to exercise the Partial Termination Option at any time prior to December 31, 2025, and Lessee shall not thereafter be entitled to revoke such election. A Partial Termination Notice, once given by Lessee, is irrevocable by Lessee.

(b) If Lessee properly and timely exercises its Partial Termination Notice, the Lease shall terminate solely as to the Second Amendment Premises on the date that is thirty (30) days after the date Lessor receives the Partial Termination Notice (the "**Partial Termination Date**").

(c) There shall not have occurred and be continuing any default by Lessee under this Lease beyond the expiration of any applicable grace or cure period, either on the date that Lessee exercises the Partial Termination Option or the Partial Termination Date.

(d) Within ten (10) days after the Termination Date, Lessee shall pay to Lessor a termination fee as set forth below (the "**Partial Termination Fee**").

(i) In the event that the Lessee has demolished any Building(s) on the Second Amendment Premises, the Partial Termination Fee shall be an amount equal to the Rent for the remaining duration of the Term unless any such demolition has been authorized by Lessor.

(ii) In the event that the Lessee has not demolished any Building(s) on the Second Amendment Premises, the Partial Termination Fee shall be an amount equal to the Rent for Second Amendment Premises for the period between the Partial Termination Date and December 31, 2025.

(e) No exercise of the Partial Termination Option shall release or relieve Lessee of its obligation to pay Lessor all rent and other charges with respect to the Second Amendment Premises under the Lease, as and when due under the terms of the Lease, through the Partial Termination Date.

(f) This Lease shall be terminated solely as to the Second Amendment Premises effective as of the Partial Termination Date as if the term of this Lease expired with respect to the Second Amendment Premises by the passage of time on such date, and neither Lessor or Lessee shall have any further rights or obligations under this Lease with respect to the Second Amendment Premises, except for those that expressly survive the expiration or termination of this Lease. Effective on the Partial Termination Date, the rent for the Current Leased Premises (as defined in the Recital) shall revert to the terms and conditions as set forth in the Original Lease and the First Amendment. The Second Amendment shall not impact the rent for the Current Leased Premises in any way as if it had never been executed, and the rent calculation shall be based solely on the Original Lease and the First Amendment.

(g) On the Partial Termination Date, Lessee shall surrender possession of the Second Amendment Premises to Lessor in the condition required at the expiration of the Term of this Lease, failing which Lessee shall be deemed to be holding over and the provisions of this Lease with regard to holdover shall apply.

11. OPTION TO LEASE ADDITIONAL SPACE. For the period beginning on the Amendment Execution Date, through the end of the sixth (6th) month thereafter (the "**Option Term**"), Lessee shall have the option to lease the portion of the Project depicted on Appendix B hereto (the "**Option Area**") at the following rental and on the following terms. In consideration of this Option, within ten (10) business days after the Amendment Execution Date, Lessee shall pay Lessor a non-refundable option fee equal to $20,000.00. If Lessee exercises its option with respect to the Option Area, Rent for the Option Area will be fixed at $[***] per month for a whole lease year (the "**Monthly Rent for the Option Area**"), which shall increase by [***] percent ([***] %) upon the commencement of Lease Year 3, and the commencement of each Lease Year thereafter. Lessee may exercise its option to add the Option Area to the Premises, if at all, by giving written notice ("**Lessee's Notice**") to on or prior to the expiration of the Option Term. The Option Area shall be added to the Premises in its then condition, "as is," effective on the date that it is fifteen (15) days after delivery of Lessee's Notice. Lessor shall prepare and deliver to Lessee an amendment to this Lease which adds the Option Area to the Premises at the Monthly Rent for the Option Area set forth in this Section 11, but otherwise on the same terms and conditions as provided in this Lease. Lessee shall promptly execute and deliver the amendment to Lessor. If Lessee fails to exercise its option during the Option Term, Lessee shall have no further option to lease the Option Area and this Section shall have no further force and effect.

12. MISCELLANEOUS. Except as hereby expressly amended by this Amendment, all of the terms, covenants and conditions of the Lease shall remain in full force and effect. This Amendment shall be deemed effective as of the Effective Date (as defined in the Lease). Each party represents and warrants to the other parties that it has the authority and all requisite approvals to enter into this Amendment. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. This Amendment may be executed in three counterparts, each of which shall be deemed an original but which together shall constitute one agreement. This Amendment may be executed by electronic signature, which shall be considered as an original signature for all purposes and shall have the same force and effect as an original signature. For these purposes, "electronic signature" shall mean electronically scanned and transmitted versions (e.g., via pdf file) of an original signature, signatures electronically inserted and verified by software such as Adobe Sign, or faxed versions of an original signature. This Amendment contains all agreements, understandings and arrangements between the parties hereto with regard to the amendment and modification of the Lease. Section 2 (assignment) of this Amendment may not be modified except in writing signed by all three parties. Additionally, this Amendment, with respect to the Lease terms (excluding the assignment clause of this Amendment), may only be modified in writing and signed by both Lessor and New Lessee.

[**REMAINDER OF PAGE INTENTIONALLY LEFT BLANK**]

IN THE WITNESS WHEREOF, the parties hereto have executed this amendment as of the Amendment Execution Date.

LESSOR:

MONROE COUNTY PORT AUTHORITY

By: /s/ Brian D. Turner
Name:Brian D. Turner
Title: Chair

NEW LESSEE:

WHITETAIL CREEK LLC

By: /s/ Yanyun Xia
Name: Yanyun Xia
Title: Director

OLD LESSEE:

ERIE CREEK LLC

By: /s/ Yanyun Xia
Name: Yanyun Xia
Title:General Manager

STATE OF OHIO)

COUNTY OF MONROE)

The foregoing instrument was acknowledged before me this 14th day of January 2025 by Brian D. Turner, [***] Chair **MONROE COUNTY PORT AUTHORITY** on behalf of the port authority. This is an acknowledgement clause. No oath or affirmation was administered to the signer.

/s/ Helen M. Yoho
Notary Public

STATE ____________________ OF)

COUNTY __________________ OF)

The foregoing instrument was acknowledged before me this _____day of__________ , 2025 by__________ , ____________ **WHITETAIL CREEK LLC**, an Ohio limited liability company, on behalf of the company. This is an acknowledgement clause. No oath or affirmation was administered to the signer.

____
Notary Public

STATE OF)
____

COUNTY OF)
____

The foregoing instrument was acknowledged before me this_____day of ______, 2025 by____________, _____________**ERIE CREEK LLC**, an Ohio limited liability company, on behalf of the company. This is an acknowledgement clause. No oath or affirmation was administered to the signer.

____
Notary Public

GUARANTOR'S CONSENT

The undersigned ("**Guarantor**") consents to the foregoing Amendment to Lease and the transactions contemplated thereby and reaffirms its obligations under the Guaranty of the Lease ("**Guaranty**"). Guarantor further reaffirms that its, his or her obligations under the Guaranty are separate and distinct from Lessee's obligations.

BITDEER, INC.

By: /s/ Bitdeer, Inc.

APPENDIX A

Second Amendment Premises

[***]

APPENDIX B

Option Area

[***]

Exhibit 4.49

Certain confidential information contained in this document, market by [***], has been omitted because such information is both not material and is the type that the Company customarily and actually treats that as private or confidential.

THIS MASTER DEED ("Deed") is made the 9th day of January 2025

BETWEEN:

1. **BITDEER TECHNOLOGIES HOLDING COMPANY** (Company Number: 368330), a company incorporated in the Cayman Islands and having its registered address at 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands ("**Bitdeer Parent**");

2. **BITDEER GEDU PRIVATE LIMITED** (Company Number: U20230222BHU0693), a company incorporated under the Companies Act of Kingdom of Bhutan 2016 and having its registered address at the Thim Throm Village, Thim Throm Block, Thimphu District, Bhutan ("**Bitdeer Gedu**");

3. **BITDEER JIGMELING PRIVATE LIMITED** (Company Number: U20240104BHU0740), a company incorporated under the Companies Act of Kingdom of Bhutan 2016 and having its registered address at the Thim Throm Village, Thim Throm Block, Thimphu District, Bhutan ("**Bitdeer Jigmeling**");

4. **BITDEER BHUTAN MANAGEMENT LIMITED** (Company Number: 397811), a Cayman Islands exempted company with limited liability ("**Bitdeer Bhutan Management**");

5. **DRUK HOLDING AND INVESTMENTS LIMITED** (Company Number: U20071116THI0198), a company incorporated in Bhutan and having its registered address at 18 Norzin Lam -II, Thimphu, 11001 ("**Transferor**"); and

6. **GREENDIGITAL LIMITED** (Company Number: U20240801BHU0771), a company incorporated in Bhutan and having its registered address at Chhimchukha Zur Lam 2 NW, Motithang, Thimphu ("**Transferee**").

(each, a "**Party**", collectively, the "**Parties**)

WHEREAS:

(A) The Bitdeer Parent and the Transferor entered into a cooperation agreement on 3 May 2023 and amended and restated the same on 26 March 2024 (such amended and restatement agreement, the "**Cooperation Agreement**"), a copy of which is appended hereto under Schedule 1;

(B) Pursuant to the Cooperation Agreement, the following key transaction agreements ("**Key Transaction Agreements**") were entered into:

a. [***], a copy of which is appended hereto under Schedule 2;

b. [***], a copy of which is appended hereto under Schedule 3;

c. On 11 August 2023, Bitdeer Gedu and the Transferor had entered into the **Gedu Land Lease Agreement**, a copy of which is appended hereto under Schedule 4;

d. [***], a copy of which is appended hereto under Schedule 5;

e. [***], a copy of which is appended hereto under Schedule 6;

f. [***], a copy of which is appended hereto under Schedule 7;

g. On 5 June 2024, Bitdeer Jigmeling and the Transferor had entered into the **Jigmeling Land Lease Agreement**, a copy of which is appended hereto under Schedule 8;

(C) Under this Deed, the Transferor has agreed to transfer by novation all of its rights and obligations under, and the Transferee has agreed to assume the benefits and obligations of the Transferor, under (i) the Cooperation Agreement, and (ii) each of the Key Transaction Agreements (each an "**Underlying Agreement**" and collectively, the "**Underlying Agreements**").

(D) The Transferor wishes to be released and discharged from the Underlying Agreements, and each of the Remaining Parties under the respective Underlying Agreements has agreed to release and discharge the Transferor from the respective Underlying Agreement and has agreed that the Transferee shall become a party thereto in place of the Transferor upon the terms set out in this Deed.

(E) The Transferee undertakes to perform the Underlying Agreements and be bound by its terms in the place of the Transferor.

NOW IT IS AGREED, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, as follows:

1. INTERPRETATION

1.1 In this Deed:

"**Bitdeer Bhutan Management**" has the meaning given to such term in the recital;

"**Bitdeer Gedu**" has the meaning given to such term in the recital;

"**Bitdeer Jigmeling**" has the meaning given to such term in the recital;

"**Cooperation Agreement**" has the meaning given to such term in recital (A);

"**Dispute**" has the meaning given to such term in Clause 16.2;

"**Dispute Notice**" has the meaning given to such term in Clause 16.2(A);

"**Effective Date**" means the date of this Deed;

"**Key Transaction Agreements**" has the meaning given to such term in the recital (B);

"**Relevant Person**" has the meaning given to such term in Clause 8.1;

"**Remaining Party**" means a party to an Underlying Agreement, which is not the Transferor;

"**SIAC**" has the meaning given to such term in Clause 16.2(D);

"**SIAC Rules**" has the meaning given to such term in Clause 16.2(D);

"**Transferee**" has the meaning given to such term in the recital;

"**Transferor**" has the meaning given to such term in the recital; and

"**Underlying Agreement**" has the meaning set forth in recital (C).

1.2 In this Deed, unless otherwise specified:

(i) a reference to this "**Deed**" or to any other agreement or document referred to in this Deed is a reference to this Deed or such other deed or document as varied, superseded or novated (in each case, other than in breach of the provisions of this Deed or the provisions of the agreement or document in question, as appropriate) from time to time;

(ii) references to "**clauses**", "**sub-clauses**", "**paragraphs**" and "**sub-paragraphs**" are to clauses, sub-clauses, paragraphs and sub-paragraphs of this Deed;

(iii) the words "**include**", "**including**", "**in particular**" and "**for example**" and any similar words or expressions are by way of illustration and emphasis only and do not operate to limit the generality or extent of any other words or expressions;

(iv) "**person**" shall include an individual, corporation, company, partnership, firm, trustee, trust, executor, administrator or other legal personal representative, unincorporated association, joint venture, syndicate or other business enterprise, any governmental, administrative or regulatory authority or agency (notwithstanding that "person" may be sometimes used herein in conjunction with some of such words), and their respective successors, legal personal representatives and assigns, as the case may be, and pronouns shall have a similarly extended meaning;

(v) "**written**" and "**in writing**" include any means of visible reproduction; and

(vi) headings to clauses and schedules are for convenience only and do not affect the interpretation of this Deed.

1.3 Unless the context otherwise requires, words in the singular shall include the plural and vice versa, and a reference to one gender shall include a reference to the other genders (male, female or neuter).

1.4 Without prejudice to Clause 12, this Deed shall be binding on, and enure to the benefit of, the Parties to this Deed and their respective personal representatives, successors and permitted assigns, and references to a Party shall include that Party's successors, permitted assigns and permitted transferees.

2. CONSENT AND NOTICE

2.1 By executing this Deed each Party consents to the novation described in Clause 3.

2.2 Each Party confirms that all consents it requires with respect to itself under the Underlying Agreements to which it is a party to effect the transactions contemplated by this Deed have been obtained and are in full force and effect.

2.3 The Parties agree to waive in full, each of the following notice requirements under the relevant Underlying Agreements, in each case in relation to the transactions contemplated by this Deed:

(A) clause 7.5 of the Gedu Land Lease Agreement; and
(B) clause 7.5 of the Jigmeling Land Lease Agreement.

3. NOVATION

3.1 The Parties agree that on and from the Effective Date:

(A) subject to each Party's undertakings in Clauses 4 to 6, the Transferee shall acquire and assume all rights, interests and benefits, liabilities and all obligations towards each Remaining Party under the Underlying Agreements as if the Transferee had been the Transferor;
(B) each Remaining Party and the Transferor shall be released from further obligations towards one another under the relevant Underlying Agreements and their respective rights against one another under the relevant Underlying Agreements shall be cancelled; and
(C) the Transferee shall be substituted for the Transferor as a party to and be bound by the terms of the Underlying Agreements, and all references to the Transferor under the Underlying Agreements are to be read and construed as references to the Transferee.

4. TRANSFEREE'S UNDERTAKINGS

4.1 With effect on and from the Effective Date, and in consideration of the undertakings given by each of the Remaining Parties under the respective Underlying Agreements in Clause 5, the Transferee hereby undertakes to observe, perform, discharge and be bound by the Underlying Agreements as if the Transferee were a party to the Underlying Agreements Agreement in the place of the Transferor.

4.2 Particularly, the Transferee undertakes to each Remaining Party to:

(A) observe, perform or discharge any obligation created by or arising under or in connection with the Underlying Agreements falling due for performance, or which should have been performed, whether before, on or after the Effective Date;
(B) be liable for any act, neglect, default or omission in respect of the Underlying Agreements committed by the Transferor or occurring whether before, on or after the Effective Date; and
(C) be subject to any obligations for or in respect of any product delivered by the Transferor or any service performed by the Transferor whether before, on or after the Effective Date.

5. REMAINING PARTIES' UNDERTAKINGS AND RELEASE OF TRANSFEROR

5.1 With effect from the Effective Date, and in consideration of the undertakings given by the Transferee in Clause 4 and the Transferor in Clause 6, each of the Remaining Parties under the respective Underlying Agreements hereby:

(A) irrevocably and unconditionally releases and discharges the Transferor from all obligations to observe, perform, discharge and be bound by the Underlying Agreements and from all liabilities, claims and demands, whether present or future, actual or contingent, arising under or in connection with the Underlying Agreements on or after the Effective Date;

(B) accepts the Transferee's undertaking to observe, perform, discharge and be bound by the Underlying Agreements (such undertaking being set out in Clause 4); and

(C) agrees to observe, perform, discharge all liabilities arising under or in connection with and be bound by the Underlying Agreements as if the Transferee were party to the Underlying Agreements in the place of the Transferor on or after the Effective Date.

6. TRANSFEROR'S UNDERTAKINGS AND RELEASE OF THE REMAINING PARTY

6.1 With effect from the Effective Date, and in consideration of the undertakings given by the relevant Remaining Party under the each of the respective Underlying Agreements in Clause 5, the Transferor hereby:

(A) irrevocably and unconditionally releases and discharges such Remaining Party from all obligations to observe, perform, discharge and be bound by the Underlying Agreements with respect to the Transferor and from all liabilities, claims and demands, whether present or future, actual or contingent, with respect to the Transferor arising under or in connection with the Underlying Agreements whether before, on or after the Effective Date; and

(B) acknowledges and agrees remain liable and to observe, perform, discharge all liabilities arising under or in connection with the Underlying Agreements prior to the Effective Date.

7. REPRESENTATIONS AND WARRANTIES

7.1 The Transferee confirms to the Transferor that it has received such information as it deems appropriate under the circumstances to make an informed decision regarding the execution of this Deed.

7.2 The Transferee acknowledges that it has made its own independent analysis and decision to enter into this Deed, based on such information as it has deemed appropriate under the circumstances, and without reliance on the Transferor except for reliance on any express representations and warranties made by the Transferor in this Deed.

7.3 On the Effective Date, each of the Transferor and the Transferee represents and warrants (with respect to itself, other than paragraph (C) below in case of the Transferee), to each other and to each of the Remaining Parties, that:

(A) it is a duly incorporated company validly existing under the law of its jurisdiction of incorporation;

(B) it has the power and authority to enter into, deliver and perform, and has taken all necessary action to authorise the entry into, delivery and performance of, this Deed and the Underlying Agreements and the transactions contemplated by them;

(C) it is not in breach of any of its obligations in relation to the Underlying Agreements;

(D) all actions will have been taken so that the execution and delivery of, and the performance by it of its obligations under, this Deed and the Underlying Agreements shall not (i) conflict with or result in a breach of its constitution or other constitutive documents, (ii) infringe, or constitute a default under, any instrument, contract, document or agreement to which it is a party or by which its assets are bound, or (iii) result in a breach of any Applicable Law (as defined in the Cooperation Agreement) or rule, regulation, ordinance, order, judgment or decree of or undertaking to any court, government body, statutory authority or regulatory, administrative or supervisory body (including without limitation, any relevant stock exchange or securities council) to which it is a party or by which it or its assets are bound;

(E) all relevant statutory, governmental or other approvals for the transactions contemplated hereunder and the execution of this Deed have been obtained;

(F) this Deed and all such other agreements and obligations entered into and undertaken in connection with the transactions contemplated hereby constitute its valid and legally binding obligations, enforceable against it in accordance with their respective terms; and

(G) all rights, benefits and obligations which the Parties have agreed to novate or transfer to the Transferee under this Deed are capable of being novated or transferred.

7.4 Subject to Clause 7.3, the Transferor does not make, and the Transferee does not rely upon, any representation, warranty or condition (express or implied) about, and the Transferor shall have no liability or responsibility to the Transferee for:

(A) the effectiveness, validity or enforceability of the Underlying Agreements or any other documents delivered by the Transferor to the Transferee, or any of the terms or conditions contained in Underlying Agreements, or such other documents;

(B) the performance or non-performance by any Party to the Underlying Agreements or such other documents; or

(C) the financial condition, creditworthiness, status or nature of each of the Remaining Parties under the Underlying Agreements and any other related Party.

8. CONFIRMATION AND INDEMNITY

The Transferor and the Transferee agree and confirm that, with effect on and from the Effective Date**,** the Transferee shall not take any actions or proceedings against the Transferor or any officer, employee or agent of the Transferor (each a "**Relevant Person**") in respect of any claim it might have against a Relevant Person for any cost, loss or liability incurred by the Transferee as a result of its execution of this Deed or which arises in connection with this Deed (except for any such actions and proceedings for any such cost, loss or liability incurred by the Transferee by reason of a Relevant Person's gross negligence or willful misconduct);

9. NOTICES

For the purposes of any notice requirements under the Underlying Agreements, a notice sent to the Transferee shall follow these details:

Party	Attention	Address	Email
Bitdeer Parent	[***]	[***]	[***]@bitdeer.com, [***]@bitdeer.com, [***]@bitdeer.com
Bitdeer Gedu			
Bitdeer Jigmeling			
Bitdeer Bhutan Management	Fund Management		[***]@bitdeer.com
Transferor	[***]	[***]	[***]@dhi.bt
Transferee	[***]	[***]	[***]@gdl.bt

10. COSTS

10.1 Subject to Clause 10.2, each party shall pay its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Deed (and any documents referred to in it).

The Transferee shall pay any stamp duty, and other similar duties and taxes (if any), to which this Deed (and any documents referred to in it) or the transactions contemplated by this Deed may be subject or give rise.

11. COUNTERPARTS

11.1 This Deed may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart.

11.2 Each counterpart shall constitute an original of this Deed, but all the counterparts shall together constitute but one and the same instrument.

12. ASSIGNMENT

12.1 No Party shall (nor shall purport to) assign, transfer, charge or otherwise deal with all or any of its rights under this Deed nor grant, declare or dispose of any right or interest in it without the prior written consent of the relevant Remaining Party under each respective Underlying Agreement.

13. FURTHER ASSURANCE

Each Party shall at its own cost, from time to time on request, do or procure the doing of all acts and/or execute or procure the execution of all documents in a form satisfactory to the other parties which the other parties may reasonably consider necessary for giving full effect to this Deed and securing to each of the parties the full benefit of the rights, powers and remedies conferred upon each of the parties in this Deed.

14. INVALIDITY

If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction that shall not affect or impair:

(A) the legality, validity or enforceability in that jurisdiction of any other provision of this Deed; or
(B) the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Deed.

15. CONTRACTS (RIGHTS OF THIRD PARTIES) ACT 2001

The parties to this Deed do not intend that any term of this Deed should be enforceable, by virtue of the Contracts (Rights of Third Parties) Act 2001, by any person who is not a party to this Deed.

16. GOVERNING LAW AND JURISDICTION

16.1 This Deed shall be governed by and construed in accordance with the laws of Singapore.

16.2 In the event of any dispute, difference or controversy of whatever nature arising out of or relating to this Agreement, including any question regarding its existence, validity or termination ("**Dispute**"), the Parties shall resolve the Dispute in accordance with the procedures in this Clause 16.

(A) In the event that a Dispute arises between the Parties, either Party may in the first instance give written notice to the other Party, notifying it that a Dispute has arisen and requiring that the Dispute be resolved in accordance with this Clause 16 ("**Dispute Notice**").
(B) Within fourteen (14) days of the date of issuance of the Dispute Notice to the other Parties, the Parties' authorised representatives shall meet and use their best efforts to promptly settle such dispute, difference or controversy amicably at the management level.
(C) In the event that the Dispute cannot be resolved pursuant to Clause 16.2(B) within thirty (30) days after the date of issuance of the Dispute Notice, the Dispute shall be referred to the Parties' respective senior management officers for amicable settlement.

(D) In the event that the Dispute cannot be amicably settled within forty-five (45) days after the date of issuance of the Dispute Notice, the Dispute shall be referred to and finally resolved by arbitration in Singapore administered by the Singapore International Arbitration Centre ("**SIAC**") in accordance with the Arbitration Rules of the Singapore International Arbitration Centre ("**SIAC Rules**") for the time being in force, which rules are deemed to be incorporated by reference in this clause.

(E) The juridical seat of the arbitration shall be Singapore and the law of the arbitration agreement shall be the laws of the Republic of Singapore.

(F) The Tribunal shall consist of three (3) arbitrator(s), one to be appointed by each Party and the third to be appointed by the President of the SIAC.

(G) The language of the arbitration shall be English.

16.3 Notwithstanding the existence of any dispute or arbitration, the Parties shall not suspend performance of any of their obligations under this Deed pending resolution of such dispute or arbitration.

16.4 This Clause 16 shall survive the termination or expiry of this Deed.

IN WITNESS of which this Deed has been executed and delivered on the date first written above.

Executed as a Deed by	)	
BITDEER TECHNOLOGIES HOLDING COMPANY	)	
acting by a director in the presence of:	)	/s/ Jihan Wu
	)	Director

Witness's signature:	/s/ Xingmei Liao
Name (print):	Xingmei Liao
Occupation:	Secretary
Address:	[***]

Executed as a Deed by)
BITDEER GEDU PRIVATE LIMITED)
acting by a director in the presence of:) /s/ Ling Hui Kong
) Director

Witness's signature: /s/ Xingmei Liao
Name (print): Xingmei Liao
Occupation: Secretary
Address: [***]

Executed as a Deed by	)	
BITDEER JIGMELING PRIVATE LIMITED	)	
acting by a director in the presence of:	)	/s/ Ling Hui Kong
	)	Director

Witness's signature:	/s/ Xingmei Liao
Name (print):	Xingmei Liao
Occupation:	Secretary
Address:	[***]

Executed as a Deed by	)	
BITDEER BHUTAN MANAGEMENT LIMITED	)	
acting by a director in the presence of:	)	/s/ Ling Hui Kong
	)	Director

Witness's signature:	/s/ Xingmei Liao
Name (print):	Xingmei Liao
Occupation:	Secretary
Address:	[***]

Executed as a Deed by	)	
DRUK HOLDING AND INVESTMENTS LIMITED	)	
acting by a director in the presence of:	)	/s/ Ujjwal Deep Dahal
	)	Director

Witness's signature:	/s/ Karma Choden
Name (print):	Karma Choden
Occupation:	General Counsel
Address:	[***]

Executed as a Deed by	)	
GREENDIGITAL LIMITED	)	
acting by a director in the presence of:	)	/s/ Ngawang Norbu
	)	Director

Witness's signature:	/s/ Kesang Wangmo
Name (print):	Kesang Wangmo
Occupation:	Company Secretary
Address:	[***]

Schedule 1
Cooperation Agreement
[***]

Schedule 2

[***]

[***]

Schedule 3

[***]

[***]

Schedule 4
Gedu Land Lease Agreement
[***]

Schedule 5

[***]

[***]

Schedule 6

[***]

[***]

Schedule 7

[***]

[***]

Schedule 8
Jigmeling Land Lease Agreement
[***]

Exhibit 4.50

Certain confidential information contained in this document, market by [***], has been omitted because such information is both not material and is the type that the Company customarily and actually treats that as private or confidential.

OPAL PROJECT ASSET PURCHASE AND SALE AGREEMENT

This **OPAL PROJECT ASSET PURCHASE AND SALE AGREEMENT**, dated as of February 3, 2025, by and between **2519492 ALBERTA LIMITED**, a corporation formed under the laws of the Federal laws of Canada, Canada ("Seller"), and **BITDEER ENERGY INC.**, a corporation formed under the laws of Alberta ("Buyer"). Seller and Buyer shall each individually be referred to herein as a "Party" and collectively as the "Parties".

RECITALS

WHEREAS, Seller is developing a [***] MW natural gas fired power generation development project named "Opal" to be located in in the Province of Alberta, Canada, as described in Schedule 1.1 (the "Project");

WHEREAS, Seller is the owner of one hundred percent (100%) of the Project Assets (as defined herein); and

WHEREAS, Seller wishes to sell to Buyer, and Buyer wishes to purchase from Seller, the Project Assets on the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference herein, and the mutual promises, representations, warranties, and covenants hereinafter set forth and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties, intending to be legally bound, hereby agree as follows:

ARTICLE 1.
DEFINITIONS AND CONSTRUCTION

1.1 Specific Definitions.

As used in this Agreement, the following terms shall have the meanings ascribed to them below: "Abandonment and Reclamation Obligations" means all past, present and future duties and obligations, whether arising under contract or Applicable Laws or otherwise, to:

(a) abandon, close-in, decommission, dismantle and remove any and all structures, foundations, buildings, erections, pipelines, equipment and other facilities located on the surface and subsurface of the Leased Real Property or in which the structures, foundations, buildings, erections, pipelines, equipment and other applicable facilities referenced above in this clause (a) of this definition are or were located; and

(b) restore, remediate and reclaim the surface and subsurface of the lands on or in which the structures, foundations, buildings, erections, pipelines, equipment and other applicable facilities referenced in clause (a) of this definition are or were located and any other lands which are or were used to gain access thereto, including the remediation, restoration and reclamation of any other surface and sub-surface lands affected by any Environmental damage, contamination or other Environmental issues emanating from or relating to the sites for any Project Assets, together with all associated Losses and Liabilities, all in accordance with generally accepted power practice in Alberta and in compliance with Applicable Laws.

"Affiliate" of a specified Person shall mean any other Person that directly, or indirectly through one or more intermediaries, controls, is controlled by, or is under common control with, the Person specified. As used in this definition, "control" (including, its correlative meaning "controlled by" and "under common control with") means possession, directly or indirectly, of power to direct or cause the direction of management or policies (whether through ownership of more than fifty percent (50%) of outstanding voting securities or partnership or other ownership interests, by contract or otherwise).

"Agreement" means this Opal Project Asset Purchase and Sale Agreement, including all Exhibits and Schedules, as amended, restated, or otherwise modified from time to time.

"Ancillary Documents" shall mean the Assignment and Assumption Agreements and any additional closing transfers, assignments, conveyances, deliverables or documents necessary to record any transfer or assignment of the Project Assets from Seller to Buyer as contemplated by this Agreement or any of the foregoing documents.

"Anti-Corruption Laws" means: (a) the *Corruption of Foreign Public Officials Act* (Canada); (b) the *Foreign Corrupt Practices Act of 1977* of the United States of America; (c) the Organization for Economic Co-operation and Development (OECD) Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, 1997; and (d) such other anti-corruption or anti-bribery laws, regulations or requirements applicable to Seller or the Project.

"Anti-Money Laundering Laws" means the anti-money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Authority to which it is subject, including the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada).

"Applicable Law" shall mean all Canadian federal, provincial, local, county or municipal laws, including any common law, statutes, codes, acts, treaties, ordinances, Orders, judgements, decrees, writs injunctions, rules, regulations, Permits, directives, and requirements of all Governmental Authorities having jurisdiction over a Person, this Agreement, the Purchase and Sale, the Project or the Project Assets, as applicable.

"Arbitration Award" shall have the meaning given to it in Section 8.5.2(e).

"Arbitrator" shall have the meaning given to it in Section 8.5.2(a).

"Assignment and Assumption Agreement" shall mean the agreements to be entered into on the Closing Date between KEC and Buyer in respect of the assignment, assumption and novation of the Project Permits, all Contracts and the Project Real Property Leases, substantially in the form provided to Buyer in advance, in each case, as of the Effective Time.

"Assumed Liabilities" shall have the meaning given to it in Section 2.9.

"Business Day" shall mean any day of the year, other than a Saturday or Sunday, on which banks in Calgary, Alberta are open for commercial banking business during normal banking hours.

"Buyer" shall have the meaning given to it in the preamble to this Agreement.

"Buyer Indemnified Party" shall have the meaning given to it in Section 7.2.

"Buyer Limit of Liability" shall have the meaning given to it in Section 7.5.3.

"Closing" shall have the meaning given to it in Section 2.4.

"Closing Date" shall mean the date upon which the Closing occurs, or such other date as the Parties agree to in writing.

"Closing Escrow Agreement" means the tri-partite Closing Escrow Agreement between Seller, Buyer and KEC to be entered into as of the Closing Date.

"Confidentiality Agreement" shall have the meaning given to it in Section 8.3.

"Contract" means any agreement, contract, licence, undertaking, engagement or commitment of any nature related to the Project or the Project Assets, including any: (a) Project Real Property Lease; (b) unfilled purchase order; (c) forward commitment for supplies or materials entered into in the ordinary course; (d) restrictive agreement or negative covenant agreement; or (f) undertaking or commitment with any Governmental Authority.

"Decarbonization Collaboration Agreement" or "DCA" means the agreement to be entered into at Closing by and between the Buyer and the Seller, which outlines the terms and conditions under which the Parties agree to collaborate and make joint efforts to achieve the qualification for carbon tax exemption for the Project.

"Deposit" means C$[***] paid by Buyer or its Affiliate to Seller on December 10th, 2024.

"Development Permit" means development permit issued in the name of the Seller in respect of the Project.

"Dispute" shall have the meaning given to it in Section 8.5.1.

"Dispute Notice" shall have the meaning given to it in Section 8.5.1.

"Dollar" or "$" shall mean Canadian dollars.

"Effective Time" shall mean 12:01 a.m. (Calgary time) on the Closing Date.

"Environment" shall mean the components of the earth, alone or in combination, and includes soil, land surface or subsurface strata, surface waters, ground waters, stream sediments, ambient air, all layers of the atmosphere, plant and animal life, and any other natural resource.

"Environmental Laws" shall mean any Applicable Law designed to: (a) protect or relate in any way to the Environment, or human health or safety, including those relating to occupational health and safety, product safety, transportation of dangerous goods, or Hazardous Substances; (b) protect, minimize, prevent, remedy, remediate, or impose penalties for the consequences of actions that damage or threaten the Environment or human health or safety, including those relating to occupational health and safety, product safety, transportation of dangerous goods, or Hazardous Substances; or (c) protect, minimize, prevent, remedy, remediate or impose penalties for any adverse impacts or damage to the Environment or natural resources (including protection of species formally listed or designated under Applicable Law as threatened, endangered or species of special concern), and includes the *Environmental Protection and Enhancement Act* (Alberta) and the *Environmental Protection Act* (Canada), in each case as amended from time to time, and all Permits, guidelines and policies issued pursuant to such laws, agreements or statutory requirements.

"Environmental Liabilities" means all Losses and Liabilities arising on or after the Effective Time, whether arising under contract, tort based on negligence or strict liability, Applicable Laws (now or in the future) or otherwise, arising from or associated with:

(a) any Abandonment and Reclamation Obligations;

(b) any damage to, contamination of or other adverse situations pertaining to the Environment and/or Environmental damage or contamination to or of property (including with respect to any Release or other emission of any greenhouse gas or other substance that has directly or indirectly any effect on the Environment (where through climate, weather or otherwise)), howsoever and by whomsoever caused, and regardless of whether such damage, contamination or other adverse situations occur or arise in whole or in part prior to, on or subsequent to the Effective Time;

(c) the presence, collection, accumulation, use, storage, recycling, treatment, generation, transportation, processing, handling, labeling, management, Release or threatened Release, emission, discharge or disposal of Hazardous Substances;

(d) compliance with or Liability under or the consequences of any non-compliance with, or violation or breach of, any Environmental Law;

(e) sampling, monitoring or assessing the Environment or any potential impacts thereon from any past, present or future activities or operations;

(f) Losses suffered by third parties as a result of any of the occurrences in paragraphs (a) through above, in each case, to the extent relating or arising by virtue of the Project Assets or the ownership or operation thereof, including by an operator, or any past, present or future operations and activities conducted in connection therewith or on or in respect of the lands upon which any of the Project Assets are or were located and any other lands which are or were used to gain access thereto.

"Environmental Reports" shall have the meaning given to it in Section 3.15.2.

"Fundamental Representations" means Seller's representations and warranties in Sections 3.1 through 3.5, inclusive and Section 3.16.

"Governmental Authority" shall mean any: (a) federal, provincial, county, municipal or other local government and any political subdivision thereof; (b) any court or administrative tribunal; (c) any other governmental, quasi-governmental, judicial, public or statutory instrumentality, authority, body, department, agency, bureau or entity of competent jurisdiction; or (d) any non-governmental agency, tribunal, or entity that is vested by a governmental agency with applicable jurisdiction.

"GST" shall mean the Tax levied on the sales of goods and services under Part IX of the *Excise Tax Act of Canada.*

"Hazardous Substances" shall mean any hazardous materials, substances, wastes, pollutants, or contaminants, or words of similar import or regulatory effect that are regulated under Environmental Laws, including: (a) any material, substance, chemical, waste, product, derivative, compound, mixture, solid, liquid, mineral or gas, in each case, whether naturally occurring or manmade, that is hazardous, acutely hazardous, toxic, or words of similar import or regulatory effect under Environmental Laws; and (b) any petroleum or petroleum-derived products, radon, radioactive materials or wastes, asbestos in any form, lead or lead-containing materials, urea formaldehyde foam insulation, and polychlorinated biphenyls.

"Indemnification Claim" shall have the meaning given to it in Section 7.1.

"KEC" shall mean Kiwetinohk Energy Corp.

"Leased Real Property" shall mean the lands and premises which are leased, subleased, licensed to or otherwise occupied by Seller for the Project, or which Seller has an option or interest to lease, sublease, license or otherwise occupy for the Project, pursuant to the Project Real Property Leases.

"Liabilities" shall mean, with respect to a Person, any and all debts, liabilities and obligations, of any kind whatsoever, whether absolute, accrued, contingent, fixed, known or unknown, or whether due or to become due, including without limitation all Taxes.

"Lien" shall mean any mortgage, deed of trust, lien (choate or inchoate), pledge, charge, security interest, assessment, reservation, absolute assignment, collateral assignment, hypothecation, option, purchase right, defects in title, encroachment, restrictive covenant, option, right of first refusal, zoning or land use restriction or requirements, claim or other burden, encumbrance, or right of any kind that has the same or a similar effect to the granting of security or secures the payment or performance of an obligation.

"Limit of Liability" means the Seller Limit of Liability or the Buyer Limit of Liability, as the context so requires.

"Losses" shall mean any and all losses, Liabilities, claims, damages (including any governmental penalty or punitive damages), deficiencies, actions, interest, costs and expenses, including reasonable attorneys' fees and all other reasonable expenses incurred in investigating, preparing or defending any litigation or Proceeding arising from or resulting from this Agreement.

"Material Adverse Change" means any change in or effect on (or any condition, event or development involving a prospective change in or effect on) the business, operations, results of operations, assets, capitalization, financial condition, licenses, permits, concessions, rights, liabilities or privileges, whether contractual or otherwise, of a Person and its Affiliates which is materially adverse to the business of that Person and its Affiliates.

"Material Contracts" shall mean any Contract to which Seller is a party or under which Seller is bound that (a) provides for the expenditure of $[***] or more during any twelve month period; or (b) has a term of six months or more and cannot be cancelled on notice of 90 days or less, in each case as identified in Schedule 3.7.1(a).

"Nova Agreement" shall collectively mean the: [***].

"Order" shall mean any order, writ, injunction, judgment, decree, ruling, assessment, settlement, determination, or arbitration award of any Governmental Authority or arbitrator.

"Party" or "Parties" shall have the meaning given to them in the Preamble to this Agreement.

"Permit" shall mean any approval, consent, waiver, exemption, variance, franchise, order, judgment, decree, permit, authorization, right, registration, tariff, rate, certification, plan or license of, with or from a Governmental Authority.

"Permitted Liens" shall mean: (a) (i) Liens for Taxes not yet due and payable or (ii) Liens for Taxes that the taxpayer is contesting in good faith through appropriate proceedings; (b) inchoate or statutory Liens (including construction, materialmen's, warehousemen's, mechanic's, repairmen's, landlord's and other similar Liens) arising in the ordinary course of business securing payments provided that such Liens are related to obligations not due or delinquent, are not registered against title to any assets and in respect of which adequate holdbacks are being maintained as required by Applicable Law; (c) as of any time prior to the Closing hereunder, any Liens that are discharged in full before or at the Closing; (d) Liens related to zoning, building, development, subdivision and other generally applicable bylaws, ordinances or land use restrictions existing as of the date of this Agreement that would not, individually or in the aggregate, reasonably be expected to materially and adversely affect the use of the Project; (e) Liens registered against title to the Leased Real Property at Closing that would not, individually or in the aggregate, reasonably be expected to materially and adversely affect the use of the Project; (f) such other Liens, imperfections in title, easements, restrictions, licenses, covenants, leases, and other matters of a similar nature that would not, individually or in the aggregate, reasonably be expected to materially and adversely affect the development, use or value of the Project; (g) Liens created by this Agreement; (h) Liens arising under any Contracts related to the Project, the Project Real Property Leases, or any Project Permit that have been disclosed to Buyer in writing; (i) mineral rights, sub-surface easements, rights-of-way, restrictions, reservations, leases, including oil and gas leases, and other similar sub-surface encumbrances and exceptions to title existing as of the date of this Agreement which are not, individually or in the aggregate, of such a nature as to materially adversely affect the use of the Project; and (j) Liens, instruments and interests generally implied or provided for by the applicable land titles statutes that need not be registered against the title to the fee simple property (including exceptions to indefeasibility of title provided for in applicable land titles statutes and any subsisting reservations, limitations, provisions and conditions contained in any original grants from the Crown of any land or interests therein), provided that no Lien shall be a "Permitted Lien" if it arose as a result of a breach of Seller's (or any of Seller's predecessor's) obligations.

"Person" shall mean any natural person, corporation, company, voluntary association, limited liability company, partnership, firm, association, joint venture, trust, unincorporated organization, Governmental Authority, or any other entity whether acting in an individual, fiduciary or other capacity.

"Post-Closing Consents" means each of the consents marked and designated as a "Post-Closing Consent" in Schedule 3.12.

"Post-Closing Notices" means each of the notices marked and designated as a "Post-Closing Notice" in Schedule 3.12.

"Proceeding" shall mean any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), prosecution, claim for refund, contest, hearing, inquiry, inquest, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any Governmental Authority, arbitrator or any other Person.

"Project" shall have the meaning given to it in the preamble to this Agreement.

"Project Assets" shall mean all right, title, interest and estate of Seller in and to all assets, property, undertaking, rights and entitlements relating to the Contracts, the Project Real Property Leases, the Leased Real Property, the Project Permits and the Reports, the refundable Generating Unit Owners Contribution payment, in the amount of $[***], including as more specifically set forth in Schedule 3.5.1(a) to this Agreement.

"Project Permits" shall have the meaning given to it in Section 3.9.

"Project Real Property Leases" shall mean the leases and any amendments, extensions and restatements thereof, pursuant to which Seller uses or occupies the Leased Real Property, as identified in Schedule 3.8.

"Purchase and Sale" shall have the meaning given to it in Section 2.1.

"Purchase Price" shall have the meaning given to it in Section 2.20.

"Release" has the meaning prescribed in any Environmental Law and includes any release, spill, emission, leaking, pumping, pouring, dumping, emptying, injection, deposit, disposal, discharge, dispersal, escape, leaching, spraying, burial, abandonment, incineration, seepage, placement, introduction, or migration on or into the Environment or into or out of any property.

"Reports" shall mean all reports, proposals, memorandums, assessments, studies, technical notes, designs, layouts, plans, cost assessments, EPCs, specifications and other information (including those of a technical, geotechnical, engineering, design, Environmental, solar or construction related nature or otherwise) received from third party consultants or other arm's length parties relating to the Project.

"Rights Held in Trust" shall have the meaning given to it in Section 6.1.1.

"Seller" shall have the meaning given to it in the Preamble to this Agreement.

"Seller Indemnified Party" shall have the meaning given to it in Section 7.3.

"Seller Limit of Liability" shall have the meaning given to it in Section 7.5.2.

"Seller's Knowledge" shall mean the knowledge of the current directors and officers of Seller (provided that such directors and officers of Seller shall have no personal liability therefore) and the knowledge that such Persons would have gained after having made reasonable inquiries regarding the relevant subject matter.

"Specific Conveyances" means all conveyances, assignments, transfers, novations, directions to pay, transfers of caveats, notices and other documents or instruments that are reasonably required or desirable, in accordance with normal energy industry practices, to convey, assign and transfer the Project Assets to Buyer and to novate Buyer into the Contracts in the place and stead of Seller with respect to the Project Assets.

"Survival Period" shall have the meaning given to it in Section 7.1.

"Tax" or "Taxes" shall mean any Canadian federal, provincial, foreign, or local gross income, net income, estimated, gross receipts, ad valorem, license, payroll, employment, unemployment, disability, social security, excise, severance, stamp, occupation, premium, windfall profit, environmental, carbon, fuel, customs, duty, capital stock, franchise, profit, withholding, real property, personal property, sales, use, transfer, registration, value added, alternative or add-on minimum, estimated, or other tax, impost, levy, assessment, charge, fee or duty of any kind whatsoever that is payable to a Governmental Authority that is

responsible for the administration and collection of tax, including any interest, penalty, addition to tax or additional amounts with respect thereto, whether disputed or not.

"Tax Act" shall mean the *Income Tax Act* (Canada) and all regulations promulgated thereunder, each as amended.

"Transaction Documents" shall mean this Agreement and the Ancillary Documents.

"Unassigned Right" means any right, title or interest in a Project Asset that is subject to a Post- Closing Consent.

ARTICLE 2.

PURCHASE AND SALE; CLOSING

2.1 Purchase and Sale.

Subject to Section 2.9, Seller agrees to sell, assign, transfer, convey and deliver to Buyer, and Buyer agrees to purchase, acquire and accept from Seller, all of the right, title and interest in the Project Assets free and clear of all Liens other than Permitted Liens (collectively, the "Purchase and Sale").

2.2 Payment of Purchase Price.

In full consideration for the sale, assignment, transfer, conveyance and delivery of the Project Assets and the assumption by the Buyer of the Assumed Liabilities, on the Closing Date, Buyer (or an Affiliate of Buyer) shall pay to the Seller the sum of [***] (CAD$[***]) (inclusive of applicable taxes) (the "Purchase Price"). The Parties acknowledge the payment of the Deposit by Buyer to Seller prior to entering into this Agreement, which is a deduction against the Purchase Price.

2.3 Payments.

All payments required to be made pursuant to this Section 2.3 shall be made in immediately available funds by wire transfer to the bank account designated in writing by Seller at least three Business Day prior to such payment. For clarity, the account designated by Seller may be the bank account of Seller's counsel.

2.4 Closing.

The closing of the Purchase and Sale (the "Closing") shall take place virtually via the electronic exchange of the Transaction Documents and signatures and other deliverables identified in Section 2.5 and Section 2.6, and the Parties may separately agree in writing to effect Closing in escrow pending confirmation of the completion of all steps contemplated for Closing hereunder, including the delivery of applicable Transaction Documents at or prior to the Closing Date. The Parties shall execute and deliver all other documents, and take all other actions, necessary or appropriate to consummate the transactions contemplated by the Transaction Documents. Notwithstanding the foregoing, the Parties acknowledge and agree that the Closing will be deemed to have occurred effective as of the Effective Time.

2.5 Buyer Deliverables at Closing.

At Closing, Buyer shall deliver the following to Seller, or its counsel as Seller directs:

2.5.1 a copy of such resolutions of the directors of Buyer as may be required in order to authorize the execution, delivery and performance of this Agreement and the agreements ancillary hereto, as applicable, by Buyer;

2.5.2 a certificate of status, compliance, good standing or like certificate with respect to Buyer issued by the appropriate government official of the jurisdiction of its formation and of each jurisdiction in which the Buyer carries on business;

2.5.3 the Purchase Price referred to in Section 2.2, less the Deposit;

2.5.4 the Assignment and Assumption Agreements, signed by Buyer;

2.5.5 the DCA, signed by Buyer;

2.5.6 the Closing Escrow Agreement, duly executed by Buyer;

2.5.7 a duly executed certificate of Buyer confirming (a) self-assessment of GST pursuant to and in accordance with Section 2.7.2; (b) the amount of GST Buyer will self-assess; and (c) the reasonability of such self-assessment, a form of which is attached hereto as Schedule 2.5.7; and

2.5.8 all other documents required to be entered into or delivered by Buyer at Closing pursuant to the terms of this Agreement.

2.6 Seller Deliverables at Closing.

At Closing, Seller shall deliver the following to Buyer, or its counsel as Buyer directs:

2.6.1 a copy of such resolutions of the directors of Seller as may be required in order to authorize the execution, delivery and performance of this Agreement and the agreements ancillary hereto, as applicable, by Seller;

2.6.2 a certificate of status, compliance, good standing or like certificate with respect to Seller issued by the appropriate government official of the jurisdiction of its formation and of each jurisdiction in which the Seller carries on business;

2.6.3 possession of the Project Assets, free and clear of all Liens other than Permitted Liens;

2.6.4 releases and registerable discharges, or no interest letters, in respect of all registered security interests encumbering the interest of Seller in the Project Assets or any of them, if any;

2.6.5 the Assignment and Assumption Agreement, signed by KEC, and all other necessary deeds, conveyances, assurances, transfers, assignments and any other instruments necessary to transfer and assign the Project Assets to Buyer with a good title and interest, free and clear of all Liens other than Permitted Liens, excluding any of the foregoing to the extent that the transfer and assignment of such specific Project Asset is the subject of a Post-Closing Consent;

2.6.6 the Specific Conveyances, including a transfer of caveat in respect of the Project Real Property Leases in the form required by the Alberta Land Titles Registrar under Applicable Law signed by Seller;

2.6.7 the DCA, signed by Seller;

2.6.8 a receipt for payment of the Purchase Price;

2.6.9 the Closing Escrow Agreement, duly executed by Seller and KEC; and

2.6.10 all other documents required to be entered into or delivered by Seller at Closing pursuant to the terms of this Agreement, except for the Post-Closing Consents.

2.7 GST.

2.7.1 Notwithstanding any other provision of this Agreement, the Parties acknowledge and agree that: (a) the Purchase Price will be subject to GST; and (b) Seller will collect and remit, or Buyer will self-assess, GST in respect of the Project Assets in accordance with the provisions of this Section 2.7.

2.7.2 Buyer will self-assess and duly and timely account for and remit GST pursuant to paragraphs 221(2)(b) and subsection 228(4) of the *Excise Tax Act* (Canada) in respect of the portion of the Purchase Price that is allocated to the Project Real Property Leases under Section 2.8, and upon delivery by Buyer of that certificate referenced in Section 2.5.7, Seller will not charge or collect GST in respect of such portion of the Purchase Price and Seller will be relieved of all liability for GST, penalties, interest and Losses in respect of the portion of the Purchase Price allocated to the Project Real Property Leases or which may be imposed by a Governmental Authority in respect of the Project Real Property Leases.

2.7.3 Buyer will pay GST to Seller in respect of the portion of the Purchase Price that is not allocated to the Project Real Property Leases, and Seller will duly and timely account for and remit such GST in accordance with the *Excise Tax Act* (Canada), and Buyer will be relieved of all liability for GST in respect of the portion of the Purchase Price that is not allocated to the Project Real Property Leases in accordance with Section 2.8 to the extent that such amounts have been paid to Seller on account of GST.

2.7.4 Buyer and Seller agree to retain documentation supporting GST allocations, including: (a) the Buyer's self-assessment certificate for GST under Section 2.7.1; (b) Seller's proof of remittance for the GST collected on non-real property assets; and; (c) the allocation schedule set forth in Schedule 2.8, detailing taxable and non-taxable components. Both Parties shall maintain these records for a period of seven years post-Closing, and make them available to tax authorities upon request.

2.8 Allocation of Purchase Price.

Buyer and Seller agree to allocate the Purchase Price among the Project Assets in accordance with the allocation set forth in Schedule 2.8 for all purposes, including Tax and financial accounting, and to not take any filing position inconsistent with such allocation.

2.9 Assumed Liabilities.

2.9.1 From and after Closing, Buyer agrees to assume, accept, discharge, perform, be liable for and fulfill the following obligations, liabilities, and responsibilities relating to the Project Assets (collectively, the "Assumed Liabilities") and shall indemnify, defend and hold harmless Seller and each of Seller Indemnified Party from and against any and all Assumed Liabilities:

(a) all Losses, Liabilities, debts, obligations, commitments and claims (other than the Environmental Liabilities), whether direct or indirect, known or unknown, present or future, absolute, accrued or contingent, arising out of or in respect of the Project Assets which are incurred, accrued or relating to the period on or after the Effective Time;

(b) all Environmental Liabilities, whether occurring or accruing on or after the Effective Time; and

(c) any other obligations or liabilities expressly assumed by Buyer under this Agreement,

provided that all Losses, Liabilities, debts, obligations, commitments and claims which are existing prior to the Effective Time shall not be assumed by Buyer.

Buyer and its Affiliates hereby waive, and acknowledge and agree that none of them shall exercise, any right or remedy against any of the Seller Indemnified Parties in respect of any Environmental Liabilities relating to the Project Assets that Buyer or any of its Affiliates may otherwise have under any Applicable Law (including strict liability and rights to contribution and cost recovery under Environmental Law), including any right to name any of the Seller Indemnified Parties as a third party under any action commenced or enforcement proceeding by or against Seller or any of its Affiliates and Buyer and its Affiliates hereby release each of the Seller Indemnified Parties from any and all Proceedings whatsoever Buyer or any of its Affiliates may have against any of the Seller Indemnified Parties with respect to any and all Environmental Liabilities relating to the Project Assets.

ARTICLE 3.
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows. Such representations and warranties are made as of the Closing Date, unless otherwise specified.

3.1 Seller Organization.

Seller (a) has been duly formed, is validly existing and is in good standing under its jurisdiction of formation, (b) has been duly qualified to do business in and is in good standing in all jurisdictions in which its properties (or the character of its business) requires such qualification, and (c) has full power, capacity and authority to own its property, including the Project Assets, and to carry on its business in each jurisdiction where it operates.

3.2 Authority.

Seller has the requisite power and authority to execute and deliver the Transaction Documents to which Seller is or will be a party, to consummate each of the transactions contemplated thereunder, and to perform fully its obligations thereunder.

3.3 Binding Effect.

Seller has taken all necessary company action to authorize, effect and approve the transactions set forth in Transaction Documents. The Transaction Documents to which Seller is a party have been duly executed and delivered by Seller and each of them constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, except as enforceability may be limited by: (a) applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights generally or by general principles of equity relating to enforceability (regardless of whether considered in a Proceeding at law or in equity); or (b) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

3.4 No Violations.

Subject to receipt of all Post-Closing Consents, Seller's execution and delivery of the Transaction Documents to which Seller is or will be a party, together with the consummation and performance of each of its obligations thereunder:

3.4.1 do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) result in a breach of, default under or a violation of, or conflict with, or allow any other Person to exercise any rights under any of the terms or provisions of, its constating documents or by-laws, or any Material Contracts or Project Permits;

3.4.2 will not, under any Contract or Project Permit, conflict with, violate or constitute a default under, or impose or create any Lien, acceleration of remedies, any buy-out right or any rights of first offer or refusal, or give rise to any right of termination (partial or complete), cancellation, imposition of fees or penalties; and

3.4.3 will not constitute a default under, materially conflict with or violate any Applicable Law or Order applicable to Seller, the Project or any of the Project Assets.

3.5 Project Assets.

3.5.1 Schedule 3.5.1(a) contains a true, correct and complete list of the Project Assets. Seller has good and marketable title to, and is the sole legal and beneficial owner of, the Project Assets free and clear of any Liens other than Permitted Liens.

3.5.2 The Project Assets constitute all the assets, property and undertakings currently owned, used or held by Seller in connection with the Project.

3.5.3 Except pursuant to this Agreement, Seller has not granted to any Person any right or entitlement (whether pre-emptive or contingent), or any option, warrant, right or privilege capable of becoming such, for the purchase, transfer, sale or acquisition of any of the Project Assets.

3.6 Condition of Project Assets.

3.6.1 The Project Assets are in good working order, free of any material defect and are adequate and suitable for the uses to which they are being put or will be put, normal wear and tear excepted. None of the Project Assets is in need of maintenance or repairs except for ordinary, routine maintenance and repairs that are not significant in nature or cost.

3.6.2 All Project Assets have been operated and maintained in a skillful manner consistent with sound industry practice in accordance with Applicable Laws and all current inspection certificates necessary to operate such Project Assets have been obtained.

3.7 Material Contracts.

3.7.1 Schedule 3.7.1(a) contains a true, correct and complete list of all Material Contracts. With respect to such Material Contracts:

(a) Complete copies of each Material Contract and any amendments and supplements thereto have been provided to Buyer.

(b) Each Material Contract has been duly authorized, executed, and delivered by Seller, and each Material Contract constitutes a legal, valid, binding and enforceable agreement of Seller and, to Seller's Knowledge, the respective counterparties thereto (subject to applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws affecting the enforcement of creditors' rights generally or, as to enforceability, by general equitable principles).

(c) Subject to Applicable Laws, each Material Contract is in good standing and Seller has performed all of the obligations required to be performed by it prior to the Closing Date and is entitled to all benefits under any Material Contract.

(d) Except as set forth on Schedule 3.7.1(d):

(i) no waiver, indulgence or postponement of the obligations of any other party to any Material Contract has been granted by Seller;

(ii) to Seller's knowledge, there exists no event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become a default under any Material Contract; and

(iii) to Seller's Knowledge, no breaches or defaults of any parties to the Material Contracts have occurred or are continuing thereunder.

(e) The Material Contracts and the Project Real Property Leases are the only Contracts to which Seller is a party in connection with the Project.

3.8 Project Real Property Leases.

3.8.1 Seller has provided correct and complete copies of the Project Real Property Leases to Buyer. Schedule 3.8 identifies the Project Real Property Leases setting out: (i) the names of the other Persons party to the Project Real Property Leases; (ii) a description of the lands (by municipal address and/or legal description) comprising the Leased Real Property, (iii) the term of the Project Real Property Leases; (iv) any rights of renewal; and (v) the rental payments and other amounts payable under the Project Real Property Leases, as applicable. Seller has a legal and beneficial interest in the Project Real Property Leases and the Project Real Property Leases are in good standing. The Leased Real Property and the Project Real Property Leases represent all of the land rights necessary to carry out the Project as currently contemplated.

3.8.2 With respect to each of the Project Real Property Leases: (i) Seller is exclusively entitled to all rights and benefits as tenant; (ii) all payments, rents and additional rents or amounts which are due and owing by Seller up to and including the Closing Date have or will have been paid; (iii) except as disclosed in Schedule 3.8, no waiver, indulgence or postponement of the obligations of the tenant or grantee (as applicable) has been granted by the landlord or grantor (as applicable); (iv) Seller has not sublet, assigned or otherwise conveyed any rights in the Leased Real Property or in the Project Real Property Leases to any Person; (v) Seller has not been, and is not currently in breach of any Applicable Laws, covenants, restrictions or official plans pertaining to the Leased Real Property; (v) there exists no event of default or event, occurrence, condition or act which, with the giving of notice, the lapse of time or the happening of any other event or condition, would become an event of default under the Project Real Property Leases; (vi) Seller has performed all covenants and obligations required by it; and (vii) all of the covenants to be performed by any other party under the Project Real Property Leases have been fully performed.

3.9 Permits.

3.9.1 Schedule 3.9.1 contains a true, correct and complete list of the Permits relating to the Project (the "Project Permits"), and the Project Permits are the only Permits and authorizations that are held, or that have been submitted for approval with or from any Governmental Authority, by Seller in connection with the Project. Complete copies of each Project Permit have been provided to Buyer. Subject to the terms of the Closing Escrow Agreement, the Seller has the right to transfer the Project Permits to Buyer.

3.9.2 Except as set forth in Schedule 3.9.2, Seller is in material compliance with all terms, conditions and expectations of each such Project Permit and, no act, condition or event has occurred which would constitute a default or breach under any such Project Permit, or which would permit (whether immediately or with the giving of notice or the lapse of time or both) the Governmental Authority or Person issuing or granting such Project Permit to terminate or vary adversely the terms, conditions or expectations of, or exercise any right or remedy under, or impose any penalty with respect to, any such Project Permit.

3.10 Reports.

Schedule 3.10 and Schedule 3.15.2 collectively contain a true, correct and complete list of the Reports. Complete copies of each Report and any amendments or supplements thereto have been provided to Buyer.

3.11 Taxes.

3.11.1 There is no Proceeding now pending or, to Seller's Knowledge, threatened or proposed in writing with respect to the Project Assets in respect of any Taxes. There are no Liens for Taxes on any of the Project Assets.

3.11.2 Seller is a registrant for the purposes of the *Excise Tax Act* (Canada) and its registration number is [***].

3.11.3 Seller is not a "non-resident" within the meaning of the Tax Act.

3.11.4 As of the Closing Date and provided Buyer has made full payment of the Purchase Price, Seller has / shall have complied with all GST and withholding tax obligations under Applicable Laws related to the Project Assets. The Seller has no outstanding tax liabilities or obligations that could result in reassessments or penalties impacting the Buyer or for which Buyer might otherwise become responsible.

3.12 Consents and Approvals.

Except for the Post-Closing Consents, Seller is not required to give any notice to or obtain any consent, approval, permission, order or authorization of or registration, declaration or filing with or exemption from any Governmental Authority or any other Person in connection with the execution and delivery of Transaction Documents or the consummation of the transactions contemplated by the Transaction Documents, except: (a) as would not prevent or materially delay or impair the ability of Seller to consummate the transactions contemplated by the Transaction Documents and its failure to be obtained would not materially and adversely impair, the use, operation or value of the Project Assets; (b) as may be required as a result of any facts or circumstances relating solely to Buyer; or (c) in relation to the Ancillary Documents.

3.13 Compliance with Law.

3.13.1 Seller has complied with Applicable Laws, including Environmental Laws, related to the Project and the Project Assets and the Project Permits.

3.13.2 Neither Seller nor any of its directors, officers, employees or representatives acting on behalf of Seller, has, in relation to the Project: (i) made any unlawful contribution, gift, entertainment or expense relating to political activity; (ii) made any unlawful payment from corporate funds to any Governmental Authority official, or anyone else acting in an official capacity, in violation of any Anti-Corruption Laws; (iii) violated or is in violation of any Anti-Corruption Laws; or (iv) employed any government or political official of any country to act in connection with the Project.

3.13.3 The Project has been conducted in compliance with all Anti-Money Laundering Laws.

3.13.4 No Proceeding by or before any Governmental Authority or any arbitrator involving: (i) the Seller with respect to the Anti-Money Laundering Laws; or (ii) the Project with respect to Anti-Corruption Laws, is in progress, pending or, to Seller's Knowledge, threatened.

3.13.5 Seller has, and is in compliance with, all the Project Permits required for the development and the operation of the Project pursuant to applicable export controls or

economic sanctions laws. Within the past five years, Seller has not made any voluntary disclosure to any Governmental Authority under economic sanctions laws, freezing of assets laws or export control laws and, to Seller's Knowledge, Seller has not been the subject of any investigation or inquiry by a Governmental Authority regarding its compliance with any such laws and nor has it been assessed any fine or penalty in regard to such compliance.

3.14 Proceedings; Orders; Litigation.

Except as set forth on Schedule 3.14, there are no Proceedings by any Person pending before any Governmental Authority, or, to Seller's Knowledge, threatened against, or adversely affecting Seller or the Project or any of the Project Assets, and to Seller's Knowledge, there is no valid basis or grounds for any such Proceeding, nor has Seller settled any Proceeding prior to being prosecuted in respect thereof.

3.15 Environmental Matters.

3.15.1 The ownership, use and maintenance of the Project and the Project Assets have been carried on and are in compliance in all material respects with all Environmental Laws and Seller has complied with all applicable reporting and monitoring requirements under all Environmental Laws. No Proceeding is pending before a Governmental Authority, or, to Seller's Knowledge, threatened in respect of non-compliance with Environmental Laws or any Release of Hazardous Substances in relation to the Project or the Project Assets and, to Seller's Knowledge, there is no basis for any such Proceeding.

3.15.2 Schedule 3.15.2 lists all environmental studies and reports prepared for Seller in respect of the Project (the "Environmental Reports"), and Seller has made available to Buyer complete copies of each Environmental Report.

3.15.3 There have not been any material Releases of Hazardous Substances for which Seller is responsible that requires remedial action pursuant to any Environmental Laws. Seller has not used any of the Project Assets to produce, generate, store, handle, transport or dispose of any Hazardous Substances.

3.16 Brokers or Finders.

Seller has not incurred any obligation or liability, contingent or otherwise, for any brokerage or finder's fee, agent's commission, or other similar payment in connection with the transactions contemplated by the Transaction Documents for which Buyer or any of its Affiliates will be liable.

3.17 Disclosure.

No representation or warranty contained in this Article 3 or other disclosure document provided, or to be provided, to Buyer in connection with any of the Transaction Documents and related transactions, contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact necessary to make the statements contained in this Agreement not misleading in light of the circumstances in which they were made. Seller has no knowledge of any fact that has specific application to Seller (other than general economic or industry conditions) that may significantly adversely affect the Project, condition of the Project Assets, the Project Assets or the Liabilities of Seller that has not been described in this Agreement.

No Other Warranties.

EXCEPT FOR THE REPRESENTATIONS AND WARRANTIES SET FORTH IN THIS AGREEMENT AND THE ANCILLARY DOCUMENTS, THE PROJECT ASSETS ARE BEING SOLD HEREUNDER ON AN "AS IS", "WHERE IS" BASIS. SELLER PROVIDES NO OTHER REPRESENTATIONS OR WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WARRANTIES ARISING FROM COURSE OF DEALING OR USAGE OF TRADE, OR ANY OTHER REPRESENTATIONS OR WARRANTIES, WHETHER STATUTORY, EXPRESS OR IMPLIED, ALL OF WHICH ARE EXPRESSLY DISCLAIMED. SELLER MAKES NO REPRESENTATION OR WARRANTY TO BUYER WITH RESPECT TO ANY FINANCIAL PROJECTIONS, FORECASTS OR FORWARD LOOKING STATEMENTS OF ANY KIND OR NATURE WHATSOEVER RELATING TO THE PROJECT ASSETS.

ARTICLE 4.
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to Seller as follows. Such representations and warranties are made as of the Closing Date, unless otherwise specified.

4.1 Organization.

Buyer (a) has been duly formed, is validly existing and is in good standing under its jurisdiction of formation, and (b) has been duly qualified to do business in and is in good standing in all jurisdictions in which its properties (or the character of its business) requires such qualification.

4.2 Authority.

Buyer has the requisite power and authority to execute and deliver the Transaction Documents to which it is or will be a party, and to perform fully its obligations hereunder and thereunder, and to consummate the transactions contemplated hereby and thereby.

4.3 Binding Effect.

Buyer has taken all necessary corporate action to authorize, effect and approve the transactions set forth in the Transaction Documents. The Transaction Documents to which it is or will be a party have been duly executed and delivered by Buyer and constitute a legal, valid and binding obligation of Buyer, enforceable against it in accordance with its terms, except as enforceability may be limited by: (a) applicable bankruptcy, insolvency, reorganization, fraudulent conveyance or transfer, moratorium or similar laws affecting the enforcement of creditors' rights generally or by general principles of equity relating to enforceability (regardless of whether considered in a Proceeding at law or in equity); or (b) the discretion that a court may exercise in the granting of equitable remedies such as specific performance and injunction.

4.4 No Violations.

Buyer's execution and delivery of the Transaction Documents to which Buyer is or will be a party, together with the consummation and performance of its obligations hereunder and thereunder:

4.4.1 do not (or would not with the giving of notice, the lapse of time or the happening of any other event or condition) require any consent or approval under, result in a breach of, default under or a violation of, or conflict with, or allow any other Person to exercise

any rights under any of the terms or provisions of, its constating documents or by-laws, or any material contracts or instruments to which it is a party other than those consents or approvals which have been obtained by Buyer on or prior to Closing; and

4.4.2 will not result in the violation of any Applicable Law.

4.5 Proceedings Orders; Litigation.

There are no Proceedings, at Applicable Law or in equity, by any Person pending, or, to Buyer's knowledge, threatened against, or adversely affecting Buyer that relates to or challenges the legality, validity or enforceability of this Agreement or that (individually or in the aggregate) reasonably could be expected to impair the ability or obligation of Buyer to perform fully on a timely basis its obligations under the Transaction Agreements, and to Buyer's knowledge, there is no valid basis or grounds for any such Proceeding, nor has Buyer settled any Proceeding prior to being prosecuted in respect thereof.

4.6 Compliance with Laws.

Neither Buyer nor, to the knowledge of Buyer, any director, officer, agent, employee or other Person authorized by it or any of its Affiliates to act on its behalf has (a) directly or indirectly used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity, (b) made any direct or indirect unlawful payment to any foreign or domestic government official or employee from corporate funds, directly or indirectly, (c) violated or is in violation of any applicable provision of the United States Foreign Corrupt Practices Act of 1977 or the Corruption of Foreign Public Officials Act (Canada), the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada), or any other similar applicable anti-corruption or anti-money laundering law of any jurisdiction; or (d) made any bribe, rebate, payoff, influence payment, kickback or other unlawful payment, in each case related to this Agreement or the transactions contemplated herein.

4.7 Consents and Waivers.

No authorization, consent, approval, waiver, license, qualification or written exemption from, nor any filing, declaration (other than applicable foreign ownership of land declarations), qualification or registration with, any Governmental Authority or any other Person is required to be obtained by Buyer in connection with the execution and delivery of the Transaction Agreements to which Buyer is a party or the consummation of the transactions contemplated thereunder.

4.8 Buyer's Financing.

Buyer has all funds on hand or irrevocable committed financing in place, necessary to pay or cause to be paid the Purchase Price. No funds to be paid to Seller have derived from or will have been derived from, or constitute, either directly or indirectly, the proceeds of any criminal activity under Applicable Laws respecting anti-money laundering.

4.9 GST.

Buyer is currently in the process of registering for the purposes of the *Excise Tax Act* (Canada).

Brokers or Finders.

Buyer has not incurred any obligation or liability, contingent or otherwise, for any brokerage or finder's fee, agent's commission, or other similar payment in connection with the transactions contemplated by the Transaction Documents for which Seller or any of its Affiliates will be liable.

ARTICLE 5.
MAINTENANCE OF THE PROJECT ASSETS

5.1 Maintenance of the Project Assets Prior to Closing.

5.1.1 From the Closing Date until such time as all of the Post-Closing Consents are received and the Seller is recognized as the legal and beneficial owner of the Project Assets, subject to the terms of the Closing Escrow Agreement, Seller shall, to the extent that the nature of its interest permits, and subject to Applicable Laws, the Contracts, the Project Permits, the Project Real Property Leases, the Leased Real Property and the other agreements and documents to which the Project Assets are subject:

(a) operate and maintain the Project Assets in a proper and prudent manner in accordance with good energy industry practices and in material compliance with all Applicable Law;

(b) pay or cause to be paid all costs and expenses relating to the Project Assets which become due from the Closing Date;

(c) perform and comply with all covenants and conditions contained in the Contracts, the Project Permits and the other agreements and documents to which the Project Assets are subject; and

(d) provide Buyer on a timely basis with copies of all operations notices, AFEs, requests for consents and similar notices received by Seller.

5.2 Consent of Buyer.

5.2.1 Notwithstanding Section 5.1, from the Closing Date until such time as all of the Post-Closing Consents are received and the Seller is recognized as the legal and beneficial owner of the Project Assets, and subject to the terms of the Closing Escrow Agreement, Seller shall not, without the written consent of Buyer, which consent shall not be unreasonably withheld or delayed by Buyer:

(a) make any commitment or propose, initiate or authorize any capital expenditure with respect to the Project Assets of which Seller's share is in excess of $[***], except in case of an emergency;

(b) surrender or abandon any of the Project Assets;

(c) amend or terminate any Material Contract or enter into any material new agreement relating to the Project Assets; or

(d) sell, encumber or otherwise dispose of any of the Project Assets.

5.3 Specific Conveyances.

5.3.1 Seller shall prepare the Specific Conveyances at its cost and as required in accordance with Applicable Law. None of the Specific Conveyances shall confer or impose upon a Party any greater rights or obligations than contemplated in this Agreement. The Specific Conveyances shall be prepared and circulated to Buyer prior to the Closing Date and shall be executed and delivered by the Parties at Closing. Buyer shall bear all costs to register the Specific Conveyances. If Seller has not prepared, executed and delivered at Closing all of the Specific Conveyances, and if Closing occurs, Seller shall use all reasonable efforts to forthwith following the Closing Date, complete, execute and deliver all remaining Specific Conveyances.

ARTICLE 6.
POST-CLOSING COVENANTS

6.1 Post-Closing Notices and Consents.

6.1.1 In order that Buyer or its assignee may realize the full benefit of the Project Assets, Seller will (a) deliver all Post-Closing Notices to the applicable Governmental Authority, or applicable counter parties to any Material Contracts, promptly following Closing; (b) use reasonable commercial efforts to seek and obtain the Post-Closing Consents from the applicable Persons as soon as reasonably practical following the Closing Date; and (c) use all reasonable efforts to enforce any rights of Seller against KEC pursuant to the KEC-MVA PSA to ensure legal and beneficial right, title, interest and estate in and to the Project Assets passes from KEC to Seller in accordance with the terms thereof. In the event Seller fails to fulfil its obligations in this Section 6.1 (including the enforcement of its rights vis-à-vis KEC), in Buyer's sole discretion acting reasonably, then effective upon written notice from Buyer to Seller, Seller irrevocably constitutes and appoints Buyer as the Seller's true and lawful attorney in their name and stead to do all acts, matters and things contemplated by this Section 6.1 in the place and stead of the Seller, including the right to do all acts or things necessary to obtain, or cause KEC to obtain, the Post-Closing Consents.

6.1.2 Until the applicable Post-Closing Consent in respect of an Unassigned Right has been obtained, Seller will hold such Unassigned Right as bare trustee in trust for the benefit of and as agent or as directed by for Buyer for no additional consideration if, but only if, such holding in trust would not constitute a violation that would permit the other party or issuer thereof to terminate such Unassigned Right (the "Rights Held in Trust"). In furtherance of this Section 6.1.1:

(a) Seller will, at the request, expense (except for the expenses to be borne by Seller as set forth above in this Section) and direction of Buyer, and in the name of Seller or otherwise as Buyer may specify, take all lawful action and do or cause to be done all lawful things that are, in the opinion of Buyer, necessary or proper in order that the obligations of Seller may be performed in such a manner that the value of the Rights Held in Trust are preserved and enure to the benefit of Buyer;

(b) Seller will carry out all reasonable and lawful instructions of Buyer with respect to a Right Held in Trust, all at Buyer's request and cost (except for the costs to be borne by Seller as set forth above in this Section);

(c) Buyer will cooperate with Seller in carrying out and complying with all directions or instructions relating to Rights Held in Trust given by Buyer to Seller;

(d) Buyer will use commercially reasonable to take any and all actions necessary to avoid, eliminate and resolve any and all impediments that may be asserted by any Governmental Authority or counterparty to an Unassigned Right with respect to the Purchase and Sale and to obtain all Post-Closing Consents and to effect all necessary registrations, filings and submissions of information required by any or Governmental Authority relating to the Purchase and Sale as soon as reasonably practicable following Closing, including either: (i) posting security in favour of Seller sufficient to satisfy Seller's Liabilities under the Nova Agreement; or (ii) posting security in favour of Nova Gas Transmission Ltd. sufficient to obtain the consent of Nova Gas Transmission Ltd. to the transfer of the Nova Agreement from Seller to or as directed by Buyer;

(e) if Seller receives any notice, invoice, cheque or other communication relating to a Right Held in Trust, Seller will promptly supply a copy of the same (or, in the case of cheques, the original) to Buyer;

(f) until the consent, approval or waiver to the assignment of each Unassigned Right is obtained, Buyer shall promptly pay all Liabilities, invoices, fees, costs and expenses payable in connection with such Unassigned Right, including all fees payable to Nova Gas Transmission Ltd. pursuant to the Nova Agreement and all rental amounts payable to the landlords under the Project Real Property Leases;

(g) Seller will promptly pay over to or as directed by Buyer all moneys collected by or paid to Seller in respect of each Right Held in Trust; and

(h) once the consent, approval or waiver to the assignment of an Unassigned Right is obtained, such Unassigned Right is deemed to be assigned to or as directed by Buyer.

6.1.3 In the case of Rights Held In Trust for a period of greater than ninety (90) days after Closing, the Parties further agree that:

(a) [***]

6.1.4 Buyer will indemnify and save harmless Seller in respect of any Losses suffered, sustained or incurred by Seller as a result of: (a) Seller exercising any rights relating to a Right Held in Trust in accordance with Buyer's written instructions; (b) Seller carrying out any written instructions of Buyer relating to a Right Held in Trust; and (c) Buyer's failure to comply with Section 6.1.2(f), provided that Seller shall will indemnify and save harmless Buyer in respect of any Losses suffered, sustained or incurred by Buyer where proximately caused by Seller's gross negligence or willful misconduct in acting as a bare trustee pursuant to this Section 6.1.

6.2 Failure to Obtain the Post-Closing Consents.

If, within [***] of the Closing Date, Buyer has not received the consents, approvals, notices, orders, rulings, authorizations, declarations, filings, submissions of information, waivers or exemptions that are necessary or otherwise required to be obtained from any Governmental Authority, including the Alberta Utilities Commission, Alberta Environment and Protected Areas and Alberta Electric System Operator, pursuant to any Applicable Law in connection with construction and operation of the Project.

[***].

6.3 Public Announcements.

6.3.1 Except to the extent provided in Section 6.3.2 and Section 6.3.3, no Party will make any press release or public statement or announcement with respect to this Agreement:

(a) without the prior written consent of the other Party, not to be unreasonably withheld, conditioned or delayed;

(b) unless:

(i) the Party desiring to make the press release or other public announcement is advised by its counsel that the release or announcement is required to comply with any Applicable Laws with which the disclosing Party or any Affiliate of any Party is bound to comply; and

(ii) that press release or other public announcement does not disclose more information regarding this Agreement or the subject matter hereof than is required to comply with any Applicable Laws with which the disclosing Party or any Affiliate of any Party is bound to comply; and

(iii) Each Party shall use reasonable efforts to furnish the other Party with the proposed content of all press releases concerning this Agreement with reasonably sufficient time for the other Party to review, comment and provide its consent.

6.3.2 Notwithstanding the foregoing, nothing contained herein or in the Confidentiality Agreement shall prevent a Party from furnishing any information: (i) to any Governmental Authority if required by Applicable Laws; (ii) in accordance with applicable securities laws, including in connection with making SEDAR+ filings, other filings and submissions under all applicable securities laws; (iii) any Governmental Authority if required to obtain any Post-Closing Consents; or (iv) from making an announcement regarding this Agreement or the Transaction to its employees.

6.3.3 The Parties acknowledge that any of them may make press releases concerning the Parties' entry into this Agreement promptly after Closing; provided that no Party shall disclose the name of the other Party in any such press release or other form of written disclosure without the prior written consent of the other Party.

6.4 Further Assurances and Cooperation.

Upon the reasonable request of any other Party, each Party agrees to execute and deliver, or cause its respective Affiliates to execute and deliver, such further documents and instruments and to take such further actions after the Closing Date as may be necessary and reasonably requested by any other Party: (a) to give effect to the transactions contemplated by this Agreement, and (ii) in the case of Seller, to transfer and assign the Project Assets (including the Material Contracts or the Project Real Property Leases) to Buyer; provided, however, no Party shall be required to take any action that, in the opinion of its counsel, acting reasonably, could constitute a violation of any Applicable Law.

Seller shall provide reasonable assistance to Buyer in resolving any tax inquiries or disputes related to the Project Assets for periods prior to the Effective Time. This includes providing documentation, records, or testimony required to respond to audits or reassessment.

ARTICLE 7.
SURVIVAL; INDEMNIFICATION

7.1 Survival Periods.

No claim (an "Indemnification Claim") by a Party for indemnification pursuant to this Agreement (other than in respect of Section 2.7) will be made or be enforceable whether by legal Proceedings or otherwise, unless written notice of such Indemnification Claim is given by such Party to the other Party from whom indemnification is sought within the applicable Survival Period. For the purposes of this Agreement, "Survival Period" means:

7.1.1 means a period of [***] following the Closing Date; and

7.1.2 for any Indemnification Claims based on gross negligence, fraud, intentional misrepresentation, willful misconduct of the Parties or breach of a Fundamental Representation, an indefinite period following the Closing Date.

7.2 Indemnification by Seller.

Subject to the limitations set forth in this Article 7, Seller hereby agrees to indemnify and hold harmless Buyer, Buyer's Affiliates and its and their respective officers, managers, shareholders, members, directors, successors, assigns, employees, representatives and agents (each, a "Buyer Indemnified Party") from and against, without duplication, any and all Losses suffered or incurred by any Buyer Indemnified Party arising out of, relating to or resulting from: (a) any misrepresentation or breach or inaccuracy of any representations or warranties made by Seller in this Agreement; (b) a failure of Seller to perform or observe in any material respect any of the covenants or agreements to be performed by it under this Agreement; (c) any gross negligence, fraud, intentional misrepresentation or willful misconduct by Seller or any Seller Indemnified Party in connection with the Transaction Documents, the Project Assets or the Purchase and Sale; and (d) all Losses, Liabilities, debts, obligations, commitments and claims related to the Project or the Project Assets and which are existing, accrued or incurred prior to the Effective Time which have not been disclosed to Buyer by Seller in writing prior to the Closing Date.

7.3 Indemnification by Buyer.

Subject to the limitations set forth in this Article 7, Buyer hereby agrees to indemnify and hold harmless Seller, Seller's Affiliates and its and their respective officers, managers, members, shareholders, directors, successors, assigns, employees, representatives and agents (each, a "Seller Indemnified Party") from and against, without duplication, any and all Losses suffered or incurred by any Seller Indemnified Party arising out of, relating to or resulting from: (a) any misrepresentation or breach or inaccuracy of any representations and warranties made by Buyer in this Agreement; (b) a failure of Buyer to perform or observe in any material respect any of the covenants or agreements to be performed by it under this Agreement; (c) any gross negligence, fraud, intentional misrepresentation or willful misconduct by Buyer or any Buyer Indemnified Party in connection with the Transaction Documents or the Purchase and Sale; or (d) pursuant to and in accordance with Section 2.7.

7.4 Exclusive Remedy.

Except as otherwise provided in this Article 7, the indemnification obligations of the Parties contained in this Agreement shall be the sole and exclusive remedy of the Parties with respect to any and all claims for Losses arising out of this Agreement. Each Party hereby expressly waives and disclaims, and agrees that it shall not assert, any right, remedy (including the remedy of rescission) or claim in respect of any such breach or Losses based on any cause or form of action whatsoever, except as and to the extent permitted in this Article 7. Nothing in this Section is intended to constitute a waiver or limitation of any rights that either Party may have to assert claims against third parties.

7.5 Limits on Indemnification.

7.5.1 No indemnified Party shall be entitled to make an Indemnification Claim, pursuant to Section 7.2 or Section 7.3, unless written notice of such claim is received by the other Party on or prior to the expiration of any applicable Survival Period describing in reasonable detail the facts and circumstances with respect to the subject matter of such claim.

7.5.2 The aggregate amount of all Losses for which Buyer shall be liable to Seller pursuant to Section 7.3 (excluding Losses accruing pursuant to Section 2.7), shall not exceed an amount equal [***] (the "Buyer Limit of Liability").

7.5.3 In respect of Losses for which Seller is liable to Buyer pursuant to [***]

7.6 Section 7.2:

(a) if and to the extent such Losses are attributable to a breach by KEC under the KEC-MVA PSA, or are otherwise attributable to the acts or omissions of KEC, the aggregate amount for which Seller shall be liable to Buyer pursuant to Section 7.2 shall not exceed [***] and in such case Seller shall use all reasonable efforts to recover from KEC all Losses suffered as a result of such breach, act or omission; and

(b) if and to the extent such Losses are attributable to the acts or omissions of Seller, the aggregate amount for which Seller shall be liable to Buyer pursuant to Section 7.2 shall not exceed [***], provided that the limitations on Seller's liability in this Section 7.5.2(b) shall not apply in respect of any breach of a Fundamental Representation.

7.6.2 No Party shall be liable in respect of any Indemnification Claim for Losses to the extent such Losses:

(a) are not a reasonably foreseeable result of, or reasonably attributable to, the applicable facts, matters, circumstances, acts, events, actions or omissions causing or giving rise to such Indemnification Claim; or

(b) are punitive, aggravated or exemplary damages, provided that the foregoing limitations (including the Survival Period and the Limit of Liability) will not apply in respect of any Indemnification Claim which is based upon gross negligence, fraud, intentional misrepresentation, willful misconduct or a breach of a Fundamental Representation by a Party.

7.7 Materiality.

The Parties acknowledge that certain representations and warranties in Article 3 and Article 4 are qualified by materiality. For the purpose of this Article 7 and for determining whether there has been a breach and the amount of Losses that are the subject matter of a claim for indemnification, each representation and warranty in this Agreement will be read without regard and without giving effect to the words "material", "materially", "in all material respects" or other similar qualification contained in such representation or warranty.

ARTICLE 8.
MISCELLANEOUS

8.1 Notices.

All notices and other communications hereunder shall be in writing and shall be given by personal delivery, reputable overnight courier, registered or certified mail, postage prepaid, or email, and shall be deemed delivered on the date of delivery if delivered personally, or by reputable overnight courier, or by registered or certified mail; provided however that notices sent by email must be acknowledged by reply email (at which point in time they shall be deemed delivered). All notices hereunder shall be delivered to the addresses set forth below, or pursuant to such other instructions as may be designated in writing by the Party to receive such notice:

To Seller: [***]
[***]
Attention: [***]
Email: [***]@mvagroup.ca

To Buyer: **BITDEER ENERGY INC.**
[***]
[***]
Attention: [***]
Email: [***]@bitdeer.com

With a copy to [***]

[***]
Attention: [***]
Email: [***]

8.2 Expenses.

Except as otherwise provided in this Agreement or any Schedule, each Party shall pay its own costs and expenses incurred by it in connection with the negotiation, execution and delivery of the Transaction Documents and the transactions contemplated hereby, including the fees and expenses of legal counsel, accountants, consultants and advisors employed by the respective Parties in connection with the transactions contemplated by this Agreement.

8.3 Confidentiality.

With respect to the treatment of confidential information, the Parties shall remain subject to that certain Non-Disclosure Agreement, effective as of January 24, 2024, by and between Seller and Buyer (the "Confidentiality Agreement").

8.4 Governing Law.

This Agreement and all claims or causes of action (whether in contract, in tort or by statute) that may be based upon, arise out of or relate to this Agreement, or the negotiation, execution or performance of this Agreement (including any claim or cause of action based upon, arising out of or related to any representation or warranty made in or in connection with this Agreement or as an inducement to enter into this Agreement) shall be governed by and construed in accordance with the laws of the Province of Alberta, and the federal laws of Canada applicable therein (without giving effect to conflicts of law principles).

8.5 Disputes and Arbitration.

8.5.1 Save as set out in Section 8.5.3, if any controversy, dispute, claim, question or difference arises with respect to this Agreement or any Ancillary Document (a "Dispute"), a Party shall be entitled to deliver to the other Party a written notice (a "Dispute Notice"), which notice shall include detailed particulars describing the nature of the Dispute. Upon receipt of a Dispute Notice, the Parties shall use all reasonable commercial efforts to settle the Dispute and to this end, they shall consult and negotiate with each other in good faith and understanding of their mutual interests to reach a just and equitable solution satisfactory to all Parties.

8.5.2 If the Parties do not reach a mutually acceptable solution to the Dispute pursuant to Section 8.5.1. within a period of ten (10) Business Days following the receipt of a Dispute Notice, then upon written notice by a Party to the other Party, the Dispute shall be finally settled by arbitration in accordance with the provisions of the *Arbitration Act* (Alberta), based upon the following:

(a) the arbitration tribunal shall consist of a single arbitrator (the "Arbitrator"), appointed by mutual agreement of the Parties, or in the event of failure to agree within five (5) Business Days following delivery of the written notice to arbitrate, a Party may apply to a judge of the Court of King's Bench of Alberta to appoint the Arbitrator. The Arbitrator shall be qualified by education and training to pass upon the particular matter to be decided;

(b) the Arbitrator shall be instructed that time is of the essence in the arbitration proceeding and, in any event, the arbitration award must be made within thirty (30) Business Days of the submission of the Dispute to arbitration;

(c) after written notice is given to refer any Dispute to arbitration, the Parties will meet (or convene a conference call) within five (5) Business Days of delivery of the notice and will negotiate in good faith any changes in the arbitration provisions and the rules of arbitration which are herein adopted, in an effort to expedite the process and otherwise ensure that the process is appropriate given the nature of the Dispute and the values at risk, failing which, these arbitration provisions shall apply without any changes;

(d) the arbitration shall take place in Calgary, Alberta under the UNCITRAL Rules;

(e) the arbitration award shall be given in writing (the "Arbitration Award") and shall be final and binding on the Parties, not subject to any appeal, and shall deal with the question of costs of arbitration and all related matters;

(f) judgment upon any Arbitration Award may be entered in any court having jurisdiction or application may be made to the court for a judicial recognition of the Arbitration Award or an order of enforcement, as the case may be;

(g) all Disputes referred to arbitration (including without limitation the scope of the agreement to arbitrate, any statute of limitations, conflict of laws rules, tort claims and interest claims) shall be governed by the substantive law of Alberta and the federal laws of Canada applicable therein;

(h) the Parties hereby irrevocably waive and exclude the jurisdiction of the Courts under the *Arbitration Act* (Alberta) to review or consider an Arbitration Award on any grounds;

(i) no Party shall bring any motion or action for the review of an Arbitration Award by the Courts on any basis, and any such motion or action shall constitute a breach of this Agreement; and

(j) the Parties agree that the arbitration shall be kept confidential and that the existence of the proceeding and any element of it (including any pleadings, briefs or other documents submitted or exchanged, any testimony or other oral submissions and any awards) shall not be disclosed beyond the Arbitrator, the Parties, their counsel and any Person necessary to the conduct of the proceeding, except as may lawfully be required in judicial proceedings relating to the arbitration or otherwise.

8.5.3 The Parties acknowledge and agree that the provisions of Sections 8.5.1 and 8.5.2 shall not apply in the event of any breach or violation of the provisions of this Agreement which, in the sole opinion of the non-breaching Party, would result in damages which could not adequately be compensated by monetary reward and accordingly require application to the courts of the Province of Alberta for relief by way of restraining order, injunction, decree or otherwise, and each of the Parties irrevocably submits and attorns to the jurisdiction of the courts of the Province of Alberta in respect of any such matters but only for such matters.

8.6 Assignment; Successors.

Neither this Agreement nor any of the rights, interests or obligations under this Agreement may be assigned or delegated, in whole or in part, by operation of law or otherwise, by a Party without the prior written consent of the other Party and any such assignment without such prior written consent shall be null and void.

8.7 Entire Agreement.

This Agreement (including the Exhibits and Schedules) and the Ancillary Documents constitute the entire agreement of the Parties, and supersede all prior written agreements, arrangements, communications and understandings and all prior and contemporaneous oral agreements, arrangements, communications and understandings between the Parties with respect to the subject matter hereof and thereof. There are no representations, warranties, covenants, conditions or other agreements, express or implied, collateral, statutory or otherwise, between the Parties in connection with the subject matter of this Agreement, except as specifically set forth herein and therein and no Party has relied or is relying on any other information, discussion or understanding in entering into and completing the transactions contemplated by this Agreement and the Ancillary Documents. Unless specifically stated otherwise in any Ancillary Document, if there is any conflict or inconsistency between the provisions of this Agreement and the provisions of any Ancillary Document, the provisions of this Agreement will govern.

8.8 Amendment.

Buyer and Seller may only amend, supplement or modify this Agreement, in such manner as may be agreed upon, by a written instrument duly executed by or on behalf of each Party.

8.9 Severability.

Any provision of this Agreement, which is invalid, illegal or unenforceable shall be ineffective to the extent of such invalidity, illegality or unenforceability, without affecting in any way the remaining provisions hereof or rendering that or any other provision of this Agreement invalid, illegal or unenforceable. Upon such determination that any provision is invalid, illegal or unenforceable, the Parties shall negotiate in good faith to modify this Agreement so as to effect the original intent of the Parties as closely as possible in an acceptable manner to the end that the transactions contemplated hereby are fulfilled to the fullest extent possible.

8.10 Section Headings.

The section headings are for the convenience of the Parties only and in no way alter, modify, amend, limit, or restrict the contractual obligations of the Parties.

8.11 Counterparts.

This Agreement may be executed in counterparts, all of which shall be considered one and the same instrument and shall become effective when one or more counterparts have been signed by each Party and delivered to the other Parties.

8.12 Waiver.

No failure or delay of either Party in exercising any right or remedy hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right or power, or any abandonment or discontinuance of steps to enforce such right or power, or any course of conduct, preclude any other or further exercise thereof or the exercise of any other right or power. Any agreement on the part of either Party to any such waiver shall be valid only if set forth in a written instrument executed and delivered by a duly authorized officer on behalf of such Party.

8.13 Time of the Essence.

Time will be of the essence in this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, this Agreement has been duly executed by the Parties as of the date first written above.

SELLER:

2519492 ALBERTA LIMITED

By: /s/Heidi Lindgren (Dyck)
Heidi Lindgren (Dyck)
President

BUYER:

BITDEER ENERGY INC.

By: /s/Yanyun (Stephanie) Xia
Yanyun (Stephanie) Xia
Director

[Signature Page to the Opal Project Asset Purchase and Sale Agreement]

Schedule 1.1 Description of Project

[***]

Schedule 2.5.7 Form of GST Certificate

[***]

Schedule 2.8 Allocation of Purchase Price

[***]

Schedule 3.5.1(a) Project Assets

[***]

Schedule 3.7.1(a)   Material Contracts

[***]

Schedule 3.7.1(d) Exceptions to Material Contracts

[***]

Schedule 3.8 Project Real Property Leases

[***]

Schedule 3.9.1 Project Permits

[***]

Schedule 3.9.2 Exceptions to Project Permits

[***]

Schedule 3.10 Reports

[***]

Schedule 3.12 Consents and Approvals for Closing

[***]

Schedule 3.14 Proceedings, Orders and Litigation

[***]

Schedule 3.15.2 Environmental Reports

[***]

Schedule 3.15.3 Hazardous Substances

[***]

Schedule 6.1.1 Post-Closing Notice and Post-Closing Consents

[***]

Exhibit A Form of Assignment and Assumption of Project Permits

[***]

Exhibit B Form of Assignment and Assumption of Material Contracts Project Real Property Leases

[***]

Exhibit 11.2

BITDEER TECHNOLOGIES GROUP

STATEMENT OF POLICIES GOVERNING MATERIAL NON-PUBLIC INFORMATION AND THE PREVENTION OF INSIDER TRADING

(Adopted by the board of directors of the Company on March 8, 2023, effective on April 13, 2023, as amended on October 7, 2023, effective on October 7, 2023)

I. PURPOSE

This Statement of Policies Governing Material Non-Public Information and the Prevention of Insider Trading (this "**Statement**") applies to all directors, officers and employees of Bitdeer Technologies Group and its subsidiaries and affiliated entities (collectively, the "**Company**"). As used herein, "**employee**" of the Company refers to any person who works for or provides services to the Company.

This Statement consists of three sections: Section II provides an overview; Section III sets forth the Company's policies prohibiting insider trading; and Section IV explains insider trading.

II. SUMMARY

Preventing insider trading is necessary to comply with United States or non-United States securities laws and to preserve the reputation and integrity of the Company, as well as that of all persons affiliated with it. "**Insider trading**" occurs when any person purchases or sells any securities while in possession of inside information relating to the securities. As explained in Section III below, **"securities"** includes the shares of the Company and of our partners and other companies as well, and "**inside information**" is information which is considered to be both "**material**" and "**non-public**."

The Company considers strict compliance with the policies set forth in this Statement (collectively, the "**Policy**") to be a matter of utmost importance. Violation of the Policy could cause extreme reputational damage and possible legal liability to you and the Company. Knowing or willful violations of the letter or spirit of the Policy will be grounds for immediate dismissal from the Company. Violation of the Policy might expose the violator to severe criminal penalties, as well as civil liability to any person harmed by the violation. The monetary damages flowing from a violation could be multiple times the profit realized by the violator, not to mention the attorney's fees of the persons harmed.

This Statement applies to all directors, officers and employees of the Company, whether they work for the Company on a full-time, part-time, or temporary basis **and extends to all of such persons' activities within and outside their duties at the Company**. Every director, officer and employee of the Company must review this Statement, and upon commencement of their relationships with the Company and/or when requested by the Company, certify to the Head of Compliance that he or she has done so, either electronically, or by executing and returning the Certificate of Compliance attached hereto. Questions regarding this Statement should be directed to the Head of Compliance by e-mail at Compliance@bitdeer.com.

III. POLICIES PROHIBITING INSIDER TRADING

For purposes of this Statement, the terms "**purchase**" and "**sell**" of securities exclude the acceptance of options or other share-based awards granted by the Company and the exercise of options or vesting of other share-based awards, if applicable, that does not involve the sale of securities. Among other things, the cashless exercise of options does involve the sale of securities and therefore is subject to the policies set forth below. The Policy does not apply to the exercise of a tax withholding right pursuant to which you elect to have the Company withhold ordinary shares (or American Depositary Shares ("**ADSs**"), if applicable) subject to an option or other award to satisfy tax withholding requirements.

A. *No Trading* – **No director, officer or employee of the Company may purchase or sell any ADSs, ordinary shares or other securities of the Company or any other securities to which inside information relates or enter into a binding security trading plan in compliance with Rule 10b5-1 under the U.S. Securities Exchange Act of 1934, as amended (a "Trading Plan") while in possession of material non-public information relating to the Company or its ADSs, ordinary shares or Company or any other securities to which inside information relates (the "Material Information")**.

In the event that the Material Information possessed by you relates to the ordinary shares, ADSs or other securities of the Company or any other securities to which such Material Information relates, the above policy will require waiting for at least forty-eight (48) hours after public disclosure of the Material Information by the Company, which forty-eight (48) hours shall include in all events at least one full Trading Day on the stock exchange where the Company's ordinary shares or other securities are listed and traded (the "**Stock Exchange**") following such public disclosure. The term "**Trading Day**" is defined as a day on which the Stock Exchange is open for trading. Except for public holidays in the United States, the Stock Exchange's regular trading hours are from 9:30 a.m. to 4:00 p.m., New York City time, Monday through Friday.

In addition, no director, officer or employee of the Company may purchase or sell any securities of the Company or enter into a Trading Plan, without the prior clearance by the board of directors of the Company (the "Board"), during any period designated as a "limited trading period" by the Board, regardless of whether such director, officer or employee possesses any Material Information. Such clearance may be granted and revoked by the Board at any time in order to ensure compliance with the Policy.

Furthermore, all transactions in the securities of the Company (including without limitation, acquisitions and dispositions of the ordinary shares or ADSs, the sale of ordinary shares issued upon exercise of options or vesting of other share-based awards and the execution of a Trading Plan, but excluding the acceptance of options or other share-based awards granted by the Company and the exercise of options or vesting of other share-based awards that does not involve the sale of securities) by directors and officers of the Company from time to time, must be pre-approved by the Head of Compliance or by another person as designated by the Chief Executive Officer. Such pre-approval may be granted or revoked by the Head of Compliance or such person as designated by Chief Executive Officer at any time in order to ensure compliance with the Policy.

Please see Section IV below for an explanation of the Material Information.

B. ***Trading Window*** **– Assuming none of the "no trading" restrictions set forth in Section III-A above applies, no director, officer or employee of the Company, may purchase or sell any securities of the Company or enter into a Trading Plan other than during a Trading Window.**

A "**Trading Window**" is the period in any fiscal quarter or half year (depending on the Company's reporting practices) of the Company commencing at the close of business on the second Trading Day following the date of the Company's public disclosure of its financial results for the prior quarter or half year, as applicable, and ending one week before the end of the next quarter or half year, as applicable.

If the Company's public disclosure of its financial results for the prior period occurs on a Trading Day more than four hours before the Stock Exchange closes, then such date of disclosure shall be considered the first Trading Day following such public disclosure.

Please note that trading in any securities of the Company during the Trading Window is not a "safe harbor," and all directors, officers and employees of the Company should strictly comply with the Policy.

When in doubt, do not trade and do not disclose the information to others! Check with the Head of Compliance first.

Notwithstanding the foregoing, sale of securities of the Company pursuant to an existing Trading Plan which was entered into in accordance with the Policy and in compliance with applicable law is not subject to the restrictions on trading in Sections II-A and II-B above.

C. ***No Tipping*** – No director, officer or employee of the Company may directly or indirectly disclose any non-public Material Information to anyone outside the Company (so-called "**tipping**").

D. ***Confidentiality*** – No director, officer or employee of the Company may communicate any non-public Material Information to anyone outside the Company under any circumstances unless approved by the Head of Compliance in advance, or to anyone within the Company other than on a need-to-know basis.

E. ***No Comment*** – No director, officer or employee of the Company may discuss any non-public internal matters or developments of the Company with anyone outside the Company, except as required for the performance of regular corporate duties. Unless you are expressly authorized to the contrary, if you receive any inquiries about the Company or its securities by the financial press, research analysts or others, or any requests for comments or interviews, you are required to decline comment and direct the inquiry or request to the Company's Chief Financial Officer and Head of Corporate Finance, who are responsible for coordinating and overseeing the release of Company information to the investing public, analysts and others in compliance with applicable laws and regulations.

F. ***Corrective Action*** – If you become aware that any potential Material Information has been or may have been inadvertently disclosed, you must notify the Head of Compliance immediately so that the Company can determine whether or not corrective action, such as general disclosure to the public, is warranted.

IV. EXPLANATION OF INSIDER TRADING

As noted above, "**insider trading**" refers to the purchase or sale of a security while in possession of "**material**" "**non-public**" information relating to the security. "**Securities**" include not only stocks, bonds, notes and debentures, but also options, warrants and similar instruments. "**Purchase**" and "**sale**" are defined broadly under the U.S. federal securities laws. "**Purchase**" includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security. "**Sale**" includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions, including conventional cash-for-stock transactions, the grant and exercise of stock options and acquisitions and exercises of warrants or puts, calls or other options related to a security. It is generally understood that "**insider trading**" includes the following:

- trading by insiders while in possession of material non-public information;
- trading by persons other than insiders while in possession of material non-public information where the information either was given in breach of an insider's fiduciary duty to keep it confidential or was acquired inappropriately; and
- communicating or tipping material non-public information to others, including recommending the purchase or sale of a security while in possession of material non-public information.

As noted above, for purposes of this Statement, the terms "**purchase**" and "**sell**" securities do not include the acceptance of options or other share-based awards granted by the Company or the exercise of options or vesting of other share-based awards that does not involve the sale of securities. Among other things, the cashless exercise of options does involve the sale of securities and therefore is subject to the Policy.

<u>What Facts are Material?</u>

The materiality of a fact depends upon the circumstances. A fact is considered "**material**" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a company's business or to any type of security, debt or equity.

Although it is not possible to list all types of material information, the following types of information would often be considered material:

- corporate earnings or earnings forecasts;
- status of progress toward achieving business forecasts;

- customer, product, service, pricing, geography and market strategies and shifts;
- significant developments regarding customers, vendors, suppliers, partners or financing sources, such as the acquisition or loss of a significant contract;
- entry into new strategic relationships, and cancellation of existing strategic relationships;
- introduction of new products and services or significant changes in products, services, research or technologies;
- significant cybersecurity incidents or data breaches;
- stock splits, public or private securities or debt offerings, or changes in dividend policies or amounts;
- potential tender offers, joint ventures, mergers, acquisitions, or material sales of assets or subsidiaries or other strategic transactions;
- significant changes in senior management or the Board;
- initiation or resolution of significant litigation or regulatory proceedings;
- new equity or debt offerings;
- potential defaults under credit agreements or indentures, or the existence of material liquidity deficiencies; and
- potential restatements of financial statements, a change in auditors or notification that the auditor's report may no longer be relied upon.

There is no bright-line standard for determining materiality; rather materiality is based on an assessment of the facts and circumstances, and is often evaluated by enforcement authorities with the benefit of hindsight. Even very small quantitative changes can be qualitatively material if they would result in a movement in the price of the Company's securities.

A good general rule of thumb: **when in doubt, do not trade**, and **do not disclose such information to others**.

What is Non-public?

Information is "**non-public**" if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, Reuters Economic Services, The Wall Street Journal, Bloomberg, Associated Press, PR Newswire or United Press International. Circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination.

In addition, even after a public announcement, a reasonable period of time must lapse in order for the market to react to the information. Generally, one should allow approximately forty-eight (48) hours following publication as a reasonable waiting period before such information is deemed to be public.

Who is an Insider?

"**Insiders**" include directors, officers and employees of a company and anyone else who has material non-public information about a company. Insiders have independent fiduciary duties to their company and its shareholders not to trade on material non-public information relating to a company's securities. All directors, officers and employees of the Company are considered insiders with respect to material non-public information about business, activities and securities of the Company. The directors, officers and employees of the Company may not trade the Company's securities or any other securities to which such material non-public information relates while in possession of material non-public information relating to the Company or such other company as the material non-public information relates or tip (or communicate except on a need-to-know basis) such information to others.

It should be noted that trading by members of a director's, officer's or employee's household can be the responsibility of such director, officer or employee under certain circumstances and could give rise to legal and Company-imposed sanctions.

Trading by Persons Other than Insiders

Insiders may be liable for communicating or tipping material non-public information to a third party (a "**tippee**"), and insider trading violations are not limited to trading or tipping by insiders. Persons other than insiders also can be liable for insider trading, including tippees who trade on material non-public information tipped to them or individuals who trade on material non-public information which has been unlawfully used.

Tippees inherit an insider's duties and are liable for trading on material non-public information tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the material non-public information along to others who trade on such information. In other words, a tippee's liability for insider trading is no different from that of an insider. Tippees can obtain material non-public information by receiving overt tips from others or through, among other things, conversations at social, business, or other gatherings.

Penalties for Engaging in Insider Trading

Penalties for trading on or tipping material non-public information can extend significantly beyond any profits made or losses avoided, both for individuals engaging in the unlawful conduct and their employers. The United States Securities and Exchange Commission and the United States Department of Justice have made the civil and criminal prosecution of insider trading violations a top priority. Enforcement remedies available to the government or private plaintiffs under the U.S. federal securities laws include:

- administrative sanctions;

- sanctions by self-regulatory organizations in the securities industry;

- civil injunctions;
- damage awards to private plaintiffs;
- disgorgement of profits gained by the violator;
- civil fines for the violator of up to three times the amount of profit gained or loss avoided by the violator;
- civil fines for the employer or other controlling person of a violator (i.e., where the violator is an employee or other controlled person) of up to the greater of US$1,000,000 or three times the amount of profit gained or loss avoided by the violator;
- criminal fines for individual violators of up to US$5,000,000 (US$25,000,000 for an entity); and
- jail sentences of up to 20 years.

In addition, insider trading could result in serious sanctions by the Company, including immediate dismissal. Insider trading violations are not limited to violations of the U.S. federal securities laws. Other U.S. federal and state civil or criminal laws, such as the laws prohibiting mail and wire fraud and the Racketeer Influenced and Corrupt Organizations Act (RICO), and equivalent non-U.S. laws also may be violated upon the occurrence of insider trading.

Inside Information Regarding Other Companies

This Policy and the guidelines described herein also apply to material and non-public information relating to other companies, including the Company's customers, vendors, suppliers and other business partners ("**Business Partners**"), particularly when that information is obtained in the course of employment with, or other services performed by, or on behalf of, the Company. Civil and criminal penalties, and discipline, including termination of employment for cause, may result from trading on inside information regarding the Company's Business Partners. Each individual should treat material nonpublic information about the Company's Business Partners with the same care required with respect to information related directly to the Company.

Exhibit 12.1

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 21, 2025

/s/ Jihan Wu

Name: Jihan Wu
Title: Chief Executive Officer

Exhibit 12.2

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 21, 2025

/s/ Jianchun Liu

Name: Jianchun Liu
Title: Chief Financial Officer

Exhibit 13.1

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, 2024 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 21, 2025

/s/ Jihan Wu

Name: Jihan Wu
Title: Chief Executive Officer

Exhibit 13.2

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, 2024 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 21, 2025

/s/ Jianchun Liu

Name: Jianchun Liu
Title: Chief Financial Officer

Exhibit 15.1

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 and 333-283732) of our report dated April 21, 2025 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, 2024.

/s/ MaloneBailey, LLP
www.malonebailey.com
Houston, Texas
April 21, 2025