

Cathedral Bitcoin Announces Fourth Quarter and Full-Year 2024 Financial Results; Filing of Restated Q3-2024 Interim Filings

Toronto, Ontario--(Newsfile Corp. - May 1, 2025) - Cathedral Bitcoin Inc. (TSXV: CBIT) (OTCQB: CBTTF) ("**Cathedral**," the "**Company**," or "**we**"), a bitcoin company that develops and operates digital infrastructure assets with the goal of maximizing its per-share bitcoin holdings, today announces our fourth quarter ("**Q4**") and full-year financial results for 2024:

Fiscal Year 2024 Financial Highlights

- Total revenues for the year ended December 31, 2024, of C\$23.1 million, compared to C\$15.0 million during the year ended December 31, 2023, an increase of 55%.
- Total shareholders' equity as of December 31, 2024, of C\$28.3 million, compared to C\$2.3 million as of December 31, 2023, an increase of 1,134%.
- Subsequent to year end, on March 19, 2025, we agreed to prepay the outstanding principal on our 3.5% senior secured convertible debentures due November 11, 2025 (the "**Debentures**"). We paid C\$4.6 million to retire the entire C\$5.7 million of principal outstanding, plus accrued interest, representing a 20% discount to par. Additionally, the creditor surrendered for cancellation 10.9 million warrants to purchase subordinate voting shares of the Company. Each warrant was exercisable for one subordinate voting share of the Company at a price of C\$0.12 per warrant share until November 11, 2026, subject to acceleration in certain circumstances. To partially fund the repayment of the Debentures, we entered into a new loan for US\$2.5 million, which is secured by approximately 50 of our bitcoin; carries interest at a rate of 13.0% per annum, payable monthly; and is interest-only until maturity on March 18, 2026.
- As of April 30, 2025, we hold approximately C\$0.2 million of cash and C\$7.0 million of bitcoin (53.2 bitcoin) for total liquidity of C\$7.2 million. Our 53.2 bitcoin translates to approximately 6 satoshis (or "sats") per share.

Fiscal Year 2024 Operational Highlights

- We completed our business combination with Kungsleden, Inc., (the "**Kungsleden Merger**") on July 23, 2024, creating a developer and operator of high-density compute infrastructure and adding 45 megawatts of owned bitcoin mining data center capacity.
- Following the completion of the Kungsleden Merger, we relocated approximately 1,129 of our mining machines from a third-party facility to a Cathedral-owned and -operated data center in Tennessee, resulting in a greater than 30% improvement in cash operating margins for the machines. Additionally, we enrolled three of our data centers in a new demand-response program in the Tennessee Valley Authority. Under this program, we are compensated for curtailing our 30 megawatts of data center load for up to 1% of the year. The compensation will consist of a fixed credit of approximately US\$10 per megawatt-hour for participating in the program plus additional compensation for each curtailment event.
- Throughout the second half of the year, we entered into multiple new profit-sharing agreements with institutional hosting clients with the intent of increasing our exposure to bitcoin upside, including a 10-megawatt hosting partnership with Compass Mining at one of our data centers in Kentucky.
- On December 18, 2024, the shareholders of Tirpitz Technology Holdco LLC (the "**JV**"), a joint venture that owns and operates a 60-megawatt bitcoin mining data center in North Dakota and in

which Cathedra holds a minority interest, entered into a binding agreement to sell 100% of the membership units in the JV to a third-party bitcoin miner for total cash consideration of approximately US\$21.0 million. The agreement was contingent upon the completion of several performance milestones which were recently achieved, and we expect the transaction to close in the coming weeks (subject to closing conditions and customary regulatory approvals).

- On December 1, 2024, we entered into a new 10-megawatt power purchase agreement in connection with a potential greenfield bitcoin mining data center development in Tennessee. This would mark our second site in Tennessee and is expected to achieve a cost of power of approximately US\$30 per megawatt-hour. Upon final regulatory approvals, we intend to begin construction on the new site, which could be fully operational in as little as three months thereafter. We are capable of fully funding the construction using our existing balance sheet resources.
- Subsequent to year end, on January 21, 2025, we announced a new partnership with Synota Inc. ("**Synota**"), a software company that provides automated payments for C&I energy and hosting contracts to reduce financial risk and deliver consistent cash flow. Under the partnership, we utilize Synota's tools to facilitate daily or weekly settlement of hosting bills, thereby improving cash flow cycles, reducing risk and simplifying back-office processes. This partnership will also provide added flexibility for Cathedra to accumulate bitcoin, by providing us the option to receive daily hosting payments in the form of U.S. dollars or bitcoin.

Management Commentary

"We spent much of 2024 reorienting our business through our combination with Kungsleden, away from volatile bitcoin mining and toward the more predictable model of developing and operating data centers on behalf of third-party miners," remarked Antonin Scalia, CEO of Cathedra.

"Our strategic priorities for the next twelve months include:

- continuing to expand our data center portfolio by developing new locations with a focus on the Tennessee Valley Authority region;
- continuing to grow our per-share bitcoin holdings through our proprietary mining operations, hosting business, and opportunistic capital market activities (if/when accretive); and
- listing our shares on a major U.S. stock exchange to improve our liquidity, access to capital, and public profile.

"Our industry has enormous tailwinds at its back, with regulatory clarity finally established in the U.S. and accelerating bitcoin adoption among institutions, corporates, and nation states. Meanwhile, the breakthroughs in artificial intelligence that began in 2022 continue apace, and with them the demand for more compute infrastructure.

"Cathedra is well positioned to capitalize on these trends over the next several years to the benefit of our shareholders, and we are excited to continue growing our portfolio of data centers and bitcoin holdings. We thank our shareholders for their continued support."

Restatement of Q3-2024 Interim Filings

The Company also announces that, further to its press release dated April 27, 2025 (the "**April 27 Press Release**"), the Company has filed restated financial statements, CEO and CFO certifications, and management discussion and analysis for the three and nine-month period ended September 30, 2024 (the "**2024 Q3 Filings**"), which amends and restates the 2024 Q3 Filings which were filed on November 28, 2024.

As discussed in the April 27 Press Release, in the course of preparation of the Company's financial

statements for the year ended December 31, 2024, and related management discussion and analysis (the "**Annual Filings**"), the Company discovered certain errors in the historical financial statements of Kungsleden, Inc. ("**Kungsleden**") for the twelve months ended December 31, 2023, and December 31, 2022, the three-month period ended March 31, 2024, and the three and six-month period ended June 30, 2024 (collectively, the "**Kungsleden Historical Financial Statements**"). The Company acquired Kungsleden pursuant to a business combination transaction which closed on July 23, 2024. The Kungsleden Historical Financial Statements were prepared and finalized prior to the closing of the Kungsleden Merger.

Due to the errors in accounting treatment of certain items in the Kungsleden Historical Financial Statements and the Company's reliance thereon, the Company's financial statements for the three and nine-month period ended September 30, 2024 also contained certain misstatements, which have been corrected in the restated 2024 Q3 Filings. The misstatements are summarized as follows:

(i) the Company and its auditors determined that the Company's North Dakota data center joint venture, in which the Company owns a minority interest and which the Company has agreed to sell, as disclosed in the Company's press release dated March 4, 2025, was controlled by the Company as of and for the year ended December 31, 2024, and therefore should have been consolidated into the Company's financial statements in the 2024 Q3 Filings. The investment in associate balance of \$1,092,844, the related investment loss of \$285,509 and the gain on disposal of subsidiary of \$404,640 were de-recognized accordingly;

(ii) the Company and its auditors applied different judgments in accounting estimates pertaining to lease arrangements in the Kungsleden Historical Financial Statements, which in turn affected the Company's financial statement balances in the 2024 Q3 Filings. As a result, right-of-use assets and lease liabilities balances as of December 31, 2023 were overstated by \$645,154 and \$621,683, respectively, with corresponding understatements to depreciation expense and net finance costs in the statements of income or loss for the three and nine months ended September 30, 2024; and

(iii) the Company and its auditors identified misstatements of certain opening balances in the Kungsleden Historical Financial Statements, which in turn affected the Company's financial statement balances in the 2024 Q3 Filings. The notable adjustments include: (a) the income tax payable balance as of December 31, 2023 was overstated by \$760,073, with a corresponding overstatement of current income expense and an additional overstatement of current income tax expense of \$1,185,591 for the nine months ended September 30, 2024, due to the opening tax position; (b) amounts due to related parties as of December 31, 2023 was understated by \$341,667; and (c) various other discrepancies which are not significant individually or in aggregate.

Shareholders and users of the Company's financial statements should note that the restatement is not a result of any change to its operations, business or financial operating performance for the restated period. The restatement did not result in any changes to the Company's cash balance as of September 30, 2024, nor to the Company's net change in cash flows for the nine months ended September 30, 2024. Management has revised the accounting treatment in its Annual Filings, which are reflective of the corrective disclosure with respect to the restated 2024 Q3 Filings. Due to the error in the 2024 Q3 Filings, the 2024 Q3 Filings filed on November 28, 2024, and accompanying earnings news release issued on November 28, 2024, should no longer be relied on.

The Restatement has been approved by the Board of Directors on the recommendation of the Audit Committee and management. Management considers these restatements to result from errors in the Kungsleden Historical Financial Statements, as discussed above, and did not result from any weaknesses in the Company's internal controls over financial statements.

The restated 2024 Q3 Filings and the Annual Filings have been filed under the Company's issuer profile on SEDAR+ at www.sedarplus.ca.

About Cathedra Bitcoin Inc.

Cathedra Bitcoin Inc. develops and operates digital infrastructure assets across North America with the goal of maximizing its per-share bitcoin holdings. The Company hosts bitcoin mining clients across its portfolio of three data centers (30 megawatts total) in Tennessee and Kentucky and recently developed and sold a 60-megawatt data center in North Dakota, a joint venture in which Cathedra held a minority interest. Cathedra also operates a fleet of proprietary bitcoin mining machines at its own and third-party data centers, producing approximately 400 PH/s of hash rate. Cathedra is headquartered in Vancouver and its shares trade on the TSX Venture Exchange under the symbol CBIT and in the OTC market under the symbol CBTTF. For more information about Cathedra, visit cathedra.com or follow Company news on Twitter at @CathedraBitcoin or on Telegram at @CathedraBitcoin.

At time of publishing, the Company holds approximately 53.2 bitcoin worth approximately US\$5.0 million and amounting to approximately 6 satoshis (or "sats") per share.

For more information about Cathedra, visit cathedra.com or follow Company news on Twitter at [@CathedraBitcoin](https://twitter.com/CathedraBitcoin) or on Telegram at [@CathedraBitcoin](https://t.me/CathedraBitcoin).

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Forward-Looking Statements

This news release contains certain "forward-looking information" and "forward-looking statements" within the meaning of applicable Canadian securities laws that are based on expectations, estimates and projections as at the date of this news release. The information in this release about future plans and objectives of the Company, including statements and information regarding the 2024 Q3 Filings, are forward looking information. Additional forward-looking information contained in this news release includes but is not limited to the goal of maximizing its per-share bitcoin holdings. Any statements that involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking information and are intended to identify forward-looking information. This forward-looking information is based on reasonable assumptions and estimates of management of the Company at the time it was made, including assumptions regarding the Company's ability to work effectively with its auditors and regulators, the timelines required to resolve the identified issues, and the ability to comply with applicable regulatory requirements. However, forward-looking information is subject to numerous risks, uncertainties, and other factors that could cause actual results to differ materially from those anticipated. The Company has also assumed that no significant events occur outside of its normal course of business.

Additionally, these forward-looking statements may be affected by risks and uncertainties in the business of Cathedra and general market conditions. Investors are cautioned that forward-looking statements are not based on historical facts but instead reflect Cathedra's management's expectations, estimates or projections concerning future results or events based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made. Although Cathedra believes that the expectations reflected in such forward-looking statements

are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed thereon, as unknown or unpredictable factors could have material adverse effects on future results, performance or achievements of the Company. Among the key factors that could cause actual results to differ materially from those projected in the forward-looking statements are the following: the reliance of the Company on its auditors and management with respect to the Annual Filings and restated Q3 2024 Filings, the Company's ability to address and avoid delays or additional findings during the preparation of future financial reports; risks associated with regulatory reviews and investigations, including potential enforcement actions or penalties; the potential impact on investor confidence, market perception, and the Company's reputation, and broader economic and industry conditions affecting the Company's operations and financial performance, changes in the Company's relationships, including with regulatory bodies, employees, customers and competitors; changes in general economic, business and political conditions, including changes in the financial markets; changes in applicable laws and regulations both locally and in foreign jurisdictions; compliance with extensive government regulation and the costs associated with compliance; unanticipated costs; changes in market conditions impacting the average revenue per MWh; the risks and uncertainties associated with foreign markets; the construction and operation of new facilities may not occur as currently planned, or at all; expansion of existing facilities may not materialize as currently anticipated, or at all; new miners may not perform up to expectations; revenue may not increase as currently anticipated, or at all; the ongoing ability to successfully mine Bitcoin is not assured; failure of the equipment upgrades to be installed and operated as planned; the availability of additional power may not occur as currently planned, or at all; and the power purchase agreements and economics thereof may not be as advantageous as expected. Additionally, the forward-looking statements contained herein may be affected by risks and uncertainties in the business of Cathedra and general market conditions. For further information concerning these risks and uncertainties and other risks and uncertainties, please see the Company's filings under the Company's SEDAR+ profile on www.sedarplus.ca, including but not limited to the Company's management information circular dated June 18, 2024 and the Company's most recent interim and annual management discussion and analysis. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Although the Company has attempted to identify important risks, uncertainties and factors which could cause actual results to differ materially from those expressed in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended and such changes could be material, including factors that are currently unknown to or deemed immaterial by the Company. Readers should not place undue reliance on forward-looking information. The Company undertakes no obligation to revise or update any forward-looking information other than as required by law.

Trading in the securities of the Company should be considered highly speculative. No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained herein. Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.



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