



Q1 2023 Quarterly Update

May 10, 2023

Forward Looking Statements

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

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

Detailed information regarding the factors identified by the Company's management which they believe may cause actual results to differ materially from those expressed or implied by the forward-looking statements contained in this presentation may be found in the Company's filings with the U.S. Securities and Exchange Commission (the "SEC"), including the risks, uncertainties and other factors discussed under the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022, as amended, and the other filings the Company makes with the SEC, copies of which may be obtained from the SEC's website, www.sec.gov. In addition to these risks and those identified by the Company's management and disclosed in the Company's filings with the SEC, other risks, factors and uncertainties not identified by management, or which management does not presently believe to be material to the Company, its business or prospects, may also materially affect the Company's actual future results, including in ways adverse to the Company's business. All forward-looking statements included in this presentation are made only as of the date of this presentation, and the Company disclaims any intention or obligation to update or revise any such forward-looking statements to reflect events or circumstances that subsequently occur, or of which the Company hereafter becomes aware, except as required by law. Persons reading this presentation are cautioned not to place undue reliance on such forward-looking statements.

Riot Platforms (NASDAQ: RIOT) is the Leading Bitcoin-Driven Infrastructure Platform

1

Significant scale of operations

Total revenue¹:
\$73 million

94,176 miners
deployed / **10.5 EH/s**
hash rate deployed^{2,3}

2,115 Bitcoin mined¹ /
~23.5 Bitcoin
mined/day

2

Low-cost producer

Direct cost to produce
1 BTC^{1,4}:
\$9,438/BTC

Bitcoin Mining gross
margin^{1,4}:
58%

Cost of power^{1,4}:
4.20c/kWh

3

Strong financial and liquidity position

Cash balance^{2,5}:
\$188 million

Bitcoin held²:
7,094 BTC
(~\$202 million)

Long-term debt
outstanding²:
Zero



1. Three months ended March 31, 2023.

2. As of March 31, 2023. Estimated fair value based on applying the market price of one Bitcoin on March 31, 2023 of approximately \$28,478 to the Company's 7,094 Bitcoin held.

3. Excludes 17,040 miners that are offline as a result of damage to Building G from the severe winter weather in Texas in late December 2022.

4. Non-GAAP, net of \$1.9 million of power curtailment credits allocated to Bitcoin Mining. Direct cost to produce 1 BTC of \$10,354 based on GAAP cost of Bitcoin Mining revenues, resulting in GAAP 54% Bitcoin Mining gross margin.

5. Includes \$158.3 million of unrestricted cash and \$29.5 million of restricted cash.

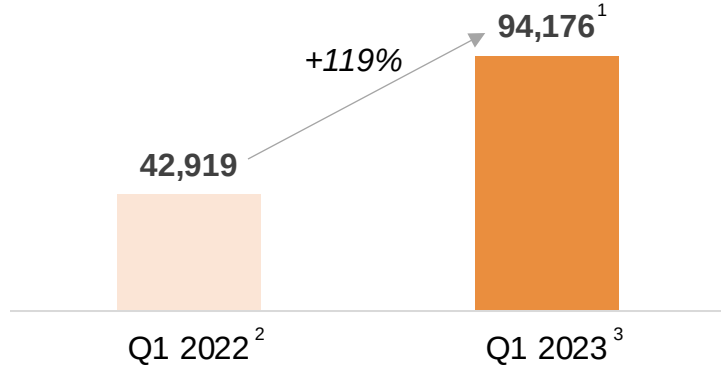
Q1 2023 Financial and Operational Results

Riot Platforms Q1 2023 Snapshot

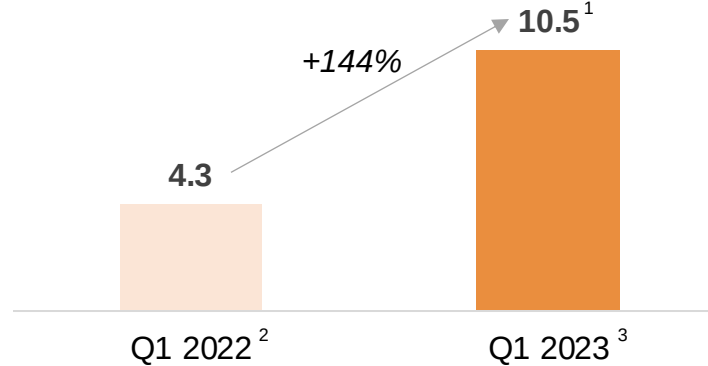
	Q1 2023	Notes
Ending hash rate deployed ¹	10.5 EH/s	144% increase year-over-year
Bitcoin produced	2,115 BTC	51% increase year-over-year
Bitcoin sold	1,975 BTC	\$44.4 million in proceeds received (avg. price of \$22,481 per BTC)
Bitcoin held	7,094 BTC	\$202.0 million (unaudited)²
Revenue	\$73.2 million	22% increase quarter-over-quarter
Adj. EBITDA ³	\$7.5 million	10% EBITDA margin
Net loss / Net loss per share	\$(55.7) million / \$(0.33)	Includes \$59.3 million in D&A and \$4.5 million in non-cash impairment of BTC

Riot Achieved All-Time Records in Miners Deployed, Hash Rate Capacity, and Bitcoin Produced in Q1 2023

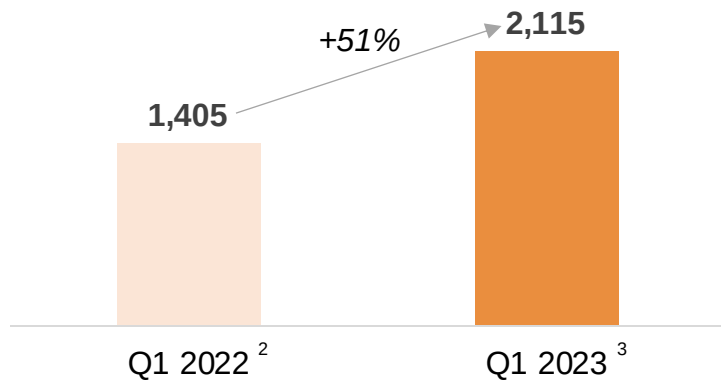
Ending miners deployed (# of miners)



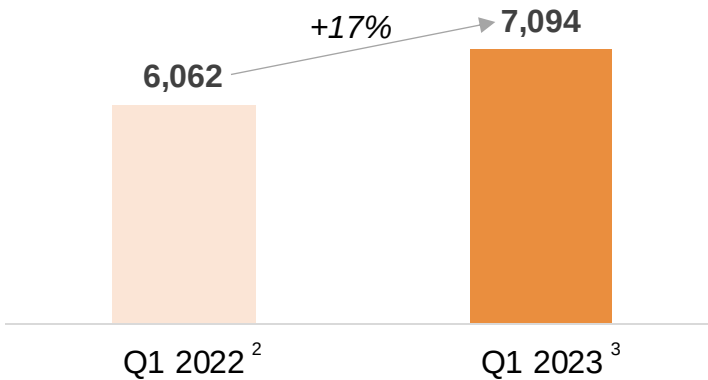
Ending hash rate deployed (EH/s)



Bitcoin produced (# of BTC)



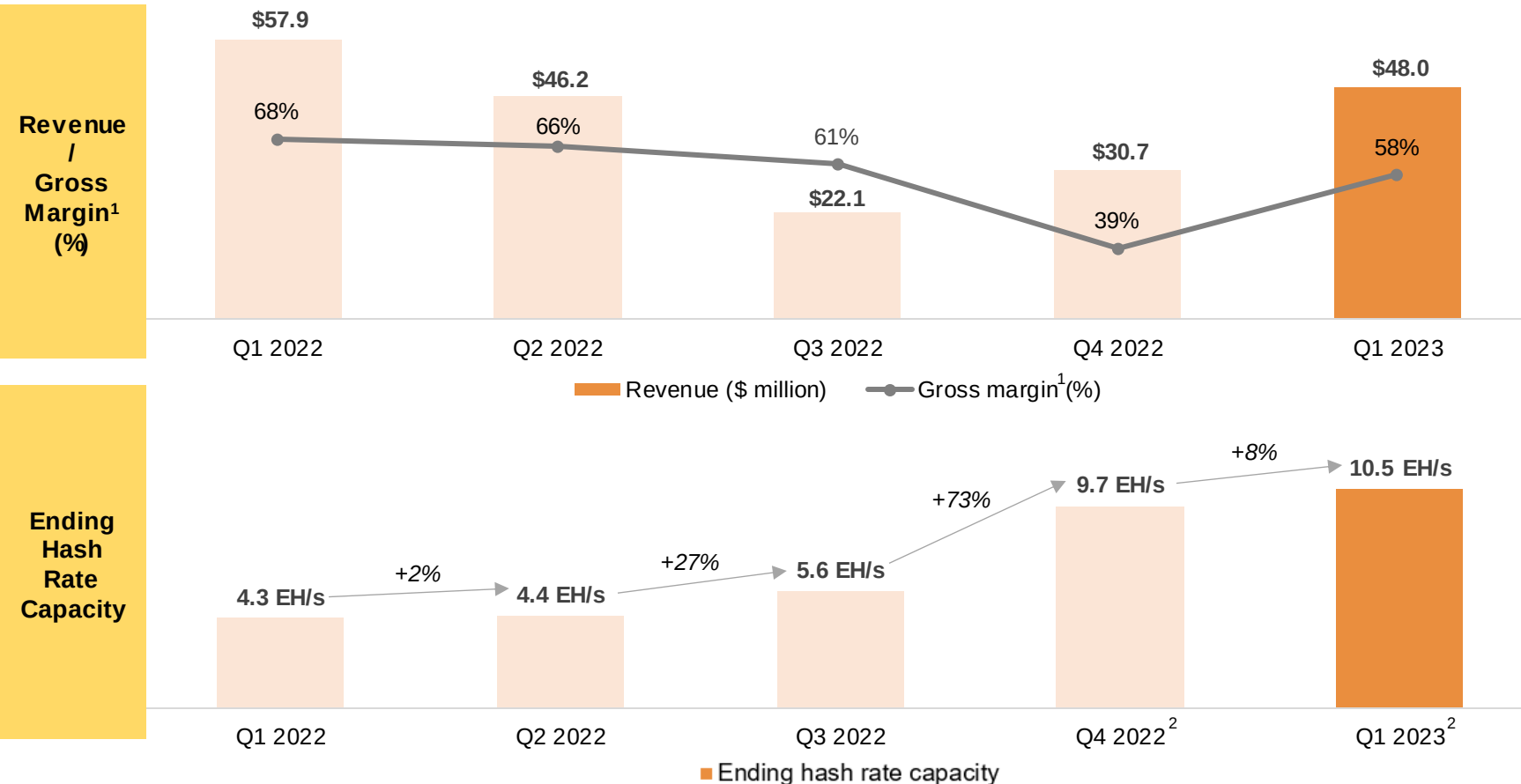
Bitcoin held (# of BTC)



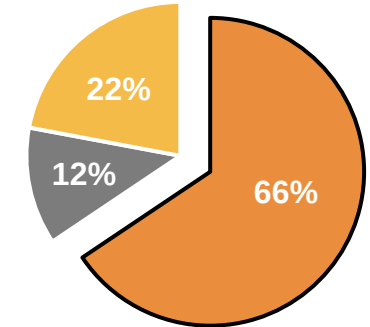
- New all-time records in 94,176 miners deployed and 10.5 EH/s hash rate capacity achieved at end of Q1 2023
- Ending miners and hash rate deployed grew >2x year-over-year
- New all-time record in 2,115 Bitcoin produced in Q1 2023, with a +51% increase year-over-year
- Bitcoin held increased +17% to 7,094 Bitcoin year-over-year

Bitcoin Mining – Gross Margins Recovering Alongside Q1 2023 Rebound in Bitcoin Price

Average BTC price	\$41,241	\$33,081	\$21,184	\$17,935	\$22,704
# of BTC produced	1,405	1,395	1,042	1,712	2,115



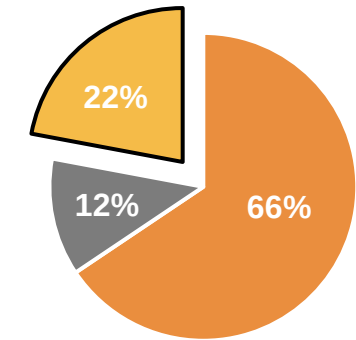
Riot Revenue Breakdown – Q1 2023³



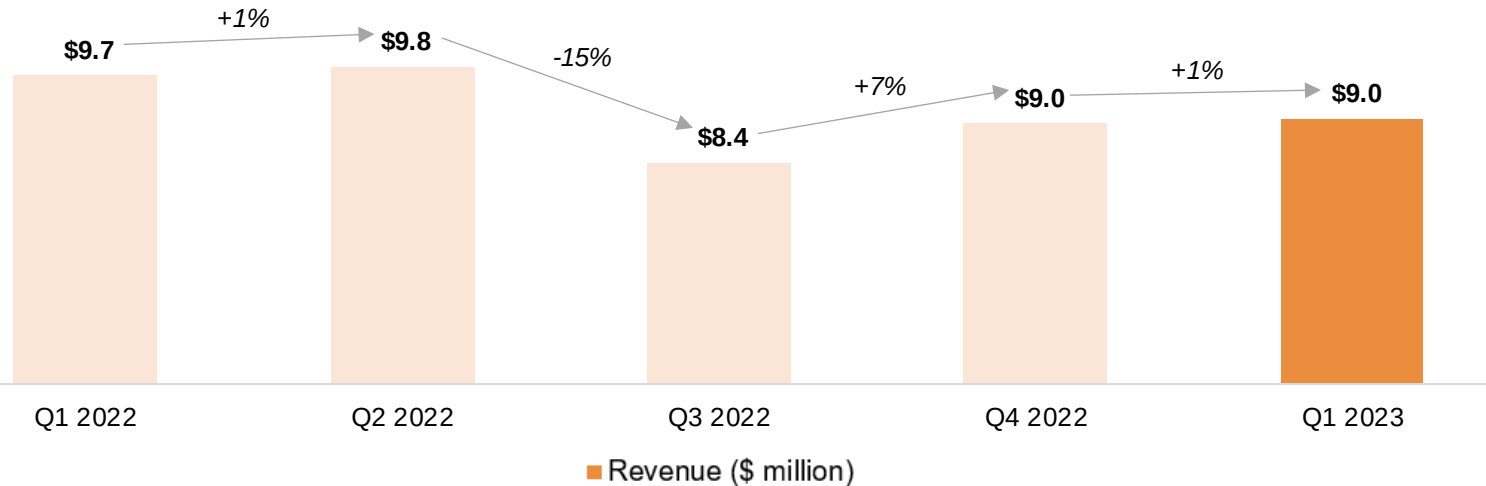
- \$9.9 million decrease in revenue year-over-year in Q1 2023, primarily due to a decrease of 44% in Bitcoin price year-over-year, offset by a 51% increase in Bitcoin mined year-over-year
- Strong Bitcoin Mining gross margins¹ recovery following drop in Q4 2022 when Bitcoin price averaged below \$18,000
- The Company anticipates to achieve its 12.5 EH/s hash rate capacity target in H2 2023, based on the ongoing repair to Building G

Data Center Hosting – Ongoing Efforts to Resolve Legacy Contracts

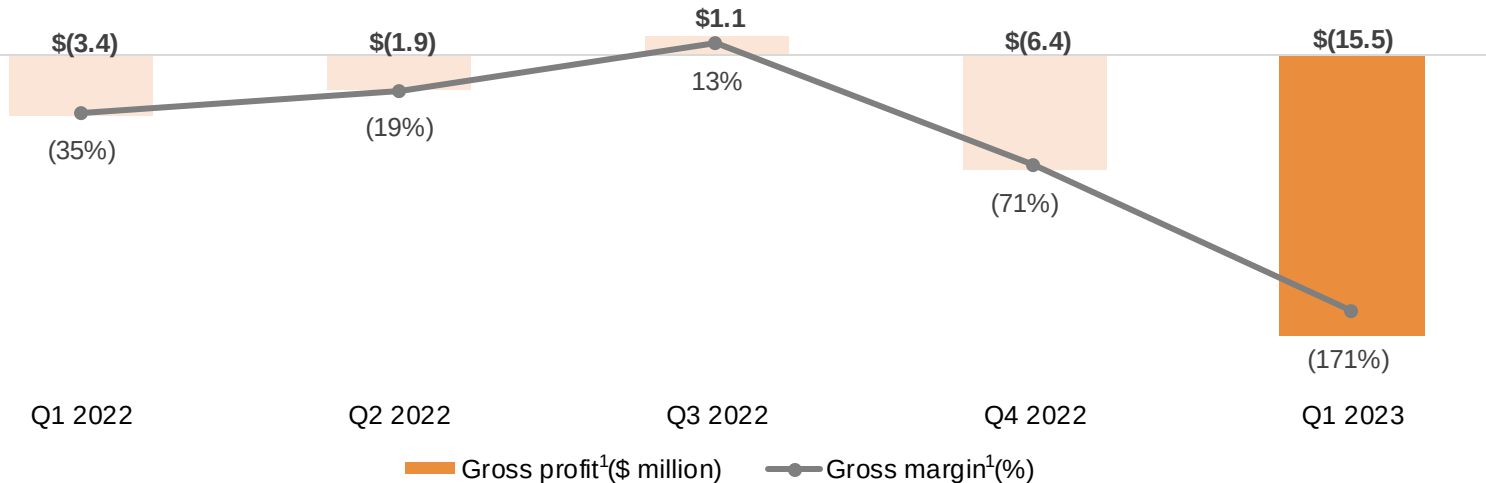
Riot Revenue Breakdown – Q1 2023²



Revenue / Growth per Quarter (%)



Gross Profit¹ / Gross Margin¹ (%)

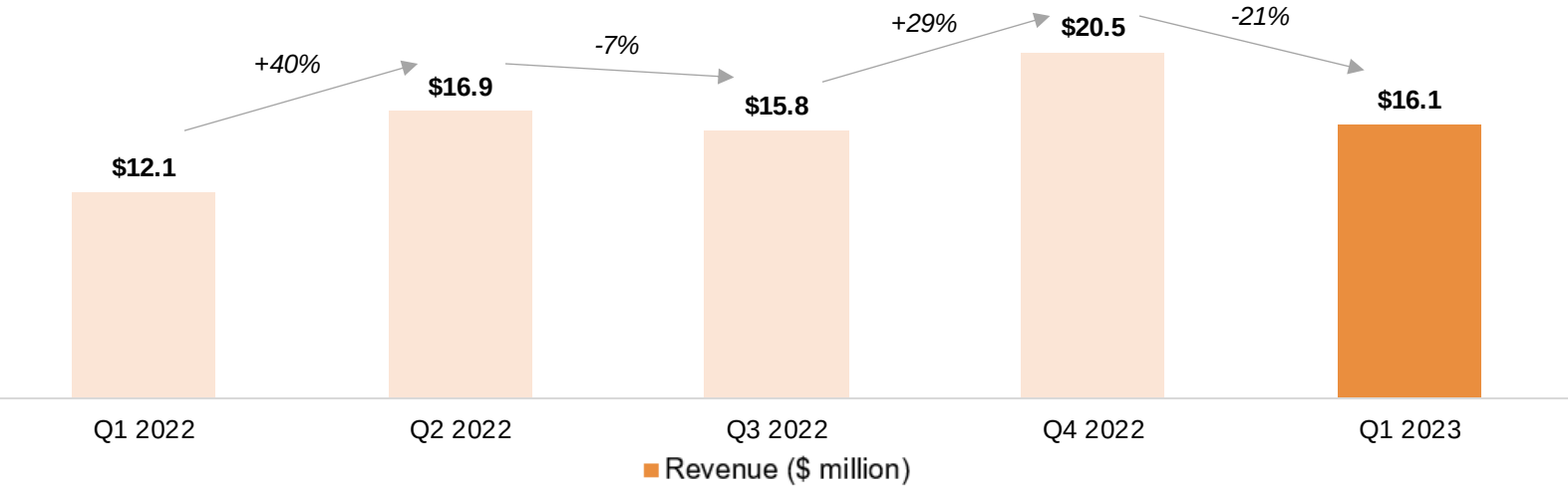


- \$0.7 million decrease in revenue year-over-year in Q1 2023, driven by reduced customer billings as a result of lower revenue share from customers due to lower BTC prices
- Data Center Hosting clients inherited through Whinstone acquisition under hosting agreements originally negotiated on below-market terms
- Hosting clients have breached the terms of hosting agreements and the Company is actively pursuing litigation
- We are working to protect and advance the value of our Data Center Hosting business

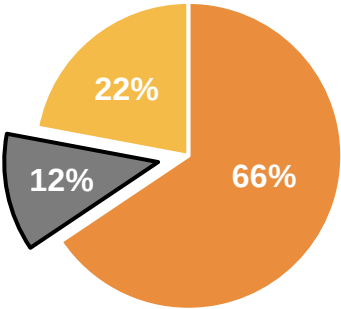
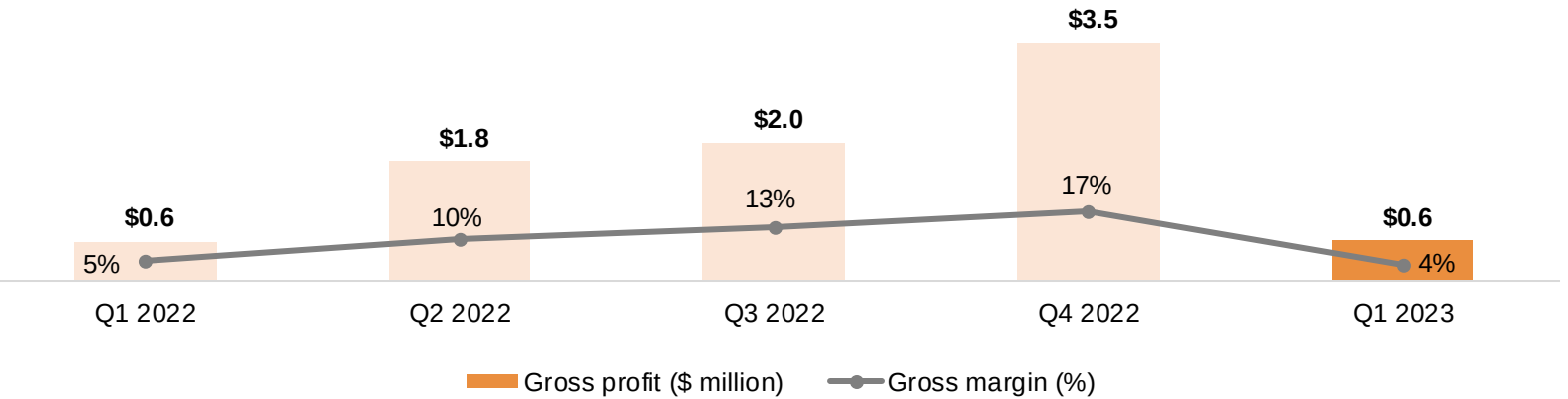
Electrical Engineering – Strong Increase in Demand from Third-Party Data Center Customers

Riot Revenue Breakdown – Q1 2023¹

Revenue / Growth per Quarter (%)



Gross Profit / Gross Margin (%)

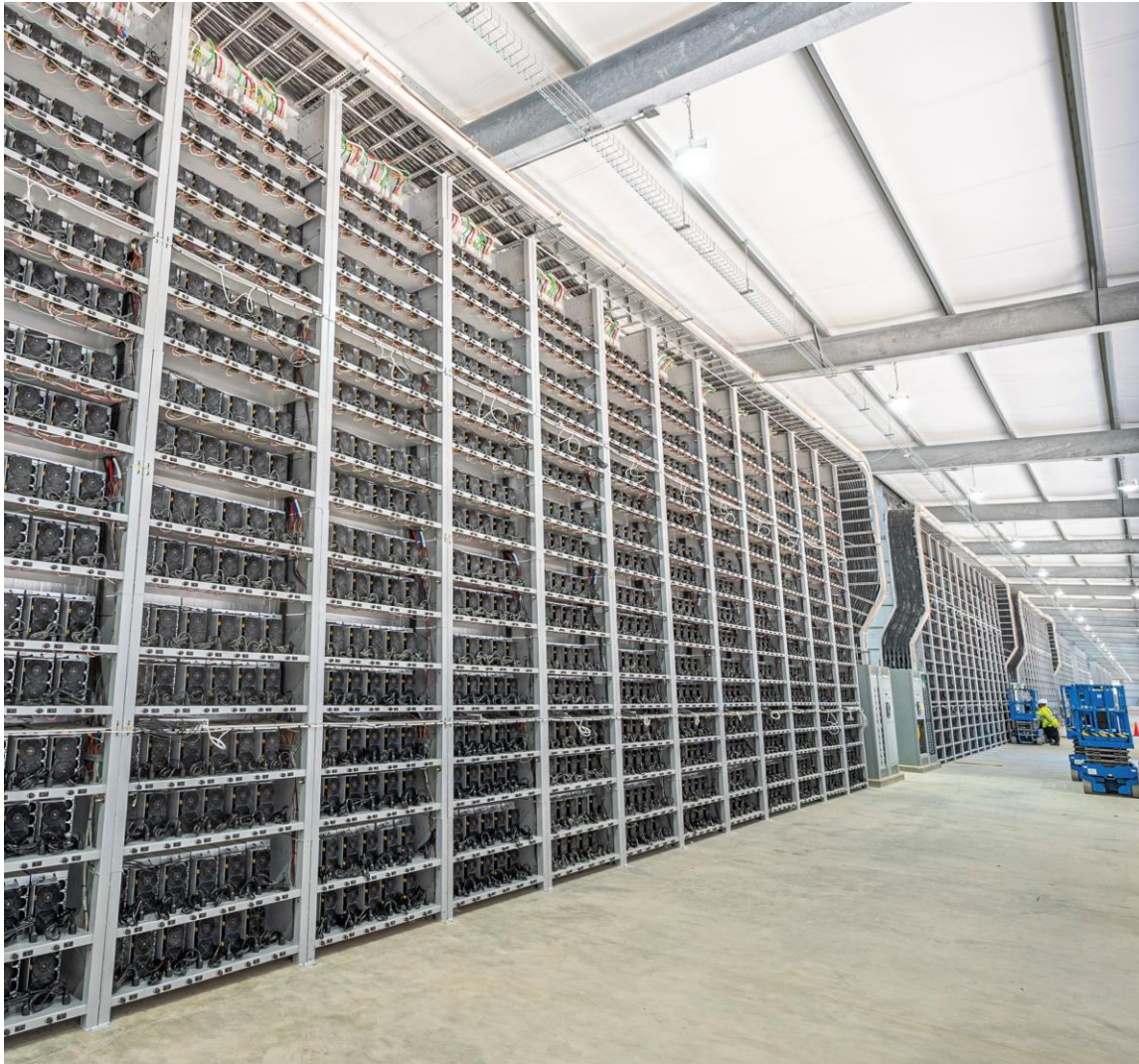


- \$4.0 million increase in revenue year-over-year in Q1 2023, primarily driven by increased demand from third-party Data Center Hosting developers and Engineering customers
- \$4.0 million increase in cost of revenues year-over-year in Q1 2023, attributable to an increase in purchase of direct materials and labor associated with an increased amount of revenue, and inflationary pressures impacting labor costs

1. Three months ended March 31, 2023.

Q1 2023 Operational Highlights

Rockdale Facility – Largest Bitcoin Mining Facility in North America¹



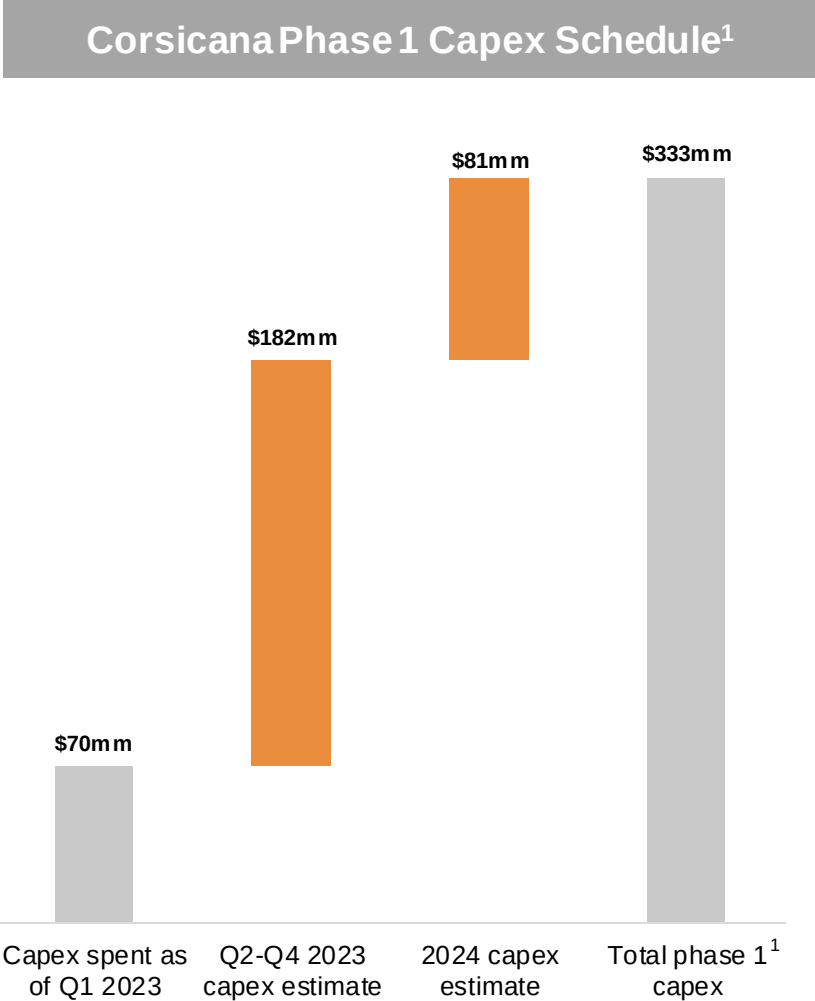
Rockdale Facility – Interior of Building D

- As of April 30, 2023, we had a deployed fleet of 94,176 miners with hash rate capacity of 10.5 EH/s (excluding 17,040 miners currently offline in Building G)
- As of April 30, 2023, 800 miners staged for deployment, upon which Riot expects to have 94,976 miners deployed with a hash rate capacity of approximately 10.6 EH/s
- Continued the ongoing 400 MW expansion at our Rockdale Facility, which is expected to be fully completed in Q2 2023
 - In Building D, the installation of water cooling pads has been completed
 - In Building E, the evaporative water wall system framing has been installed
- Due to damage incurred to Buildings F and G during the severe winter storms in Texas in late December 2022, Riot now anticipates achieving a total self-mining hash rate capacity of 12.5 EH/s in H2 2023

Corsicana Facility – Riot's Second Large-Scale Facility [1 GW]



Aerial shot of Corsicana Facility development site



1. Phase 1 of the Corsicana Facility development is comprised of the buildout of an initial 400 MW of immersion-cooled data center infrastructure.

Industry-Leading Financial Strength, with Growth Plans Through Year-End 2023 Fully-Funded



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

Appendix

Statement of Operations (Unaudited)

	Three Months Ended March 31,	
	2023	2022
(in \$ thousands)		
<u>Revenue:</u>		
- Bitcoin Mining	\$ 48,023	\$ 57,945
- Data Center Hosting	9,042	9,694
- Engineering	16,147	12,124
- Other revenue	24	24
Total revenue	73,236	79,787
<u>Costs and expenses:</u>		
Cost of revenue:		
- Bitcoin Mining	21,899	19,094
- Data Center Hosting	25,660	14,985
- Engineering	15,563	11,549
Selling, general and administrative	12,675	10,910
Depreciation and amortization	59,340	14,245
Change in fair value of derivative asset	5,778	(43,683)
Power curtailment credits	(3,075)	(2,552)
Realized gain on sale/exchange of Bitcoin	(13,775)	(9,665)
Impairment of Bitcoin	4,472	25,870
Other expenses	1,526	176
Total costs and expenses	130,063	40,929
Operating income (loss)	(56,827)	38,858
Total other income (expense)	(3,830)	(1,968)
Net income (loss) before taxes	(60,657)	36,890
Total income tax benefit (expense)	4,969	(312)
Net income (loss)	\$ (55,688)	\$ 36,578
Basic and diluted net income (loss) per share	\$ (0.33)	\$ 0.31
Basic and diluted weighted average number of shares outstanding	167,342,500	117,042,347



Restatement of Previously Issued Financial Statements: The Company determined, during the preparation of its Annual Report on Form 10-K for the year ended December 31, 2022 (the "2022 Form 10-K"), that its former method of calculating impairment charges to its Bitcoin assets, on a daily basis using a spot price at a standard cutoff time, was not in compliance with FASB ASC 350-30-35-19, which the Company determined effectively requires such calculations to be made on a daily basis based on the intraday low price of Bitcoin. Updating of the Company's historical calculations resulted in material changes to its consolidated financial statements and results of operations as of March 31, 2022. Accordingly, the Company restated its previously issued consolidated financial statements for such period, as described in detail in Notes 2 and 23 to the Company's 2022 Form 10-K.

Balance Sheet (Unaudited)

	As of March 31,	As of December 31,
	2023	2022
(in \$ thousands)		
<u>Assets:</u>		
Current assets:		
Cash and cash equivalents	\$ 158,272	\$ 230,328
Restricted cash	29,498	-
Accounts receivable, net	19,837	26,932
Costs and estimated earnings in excess of billings	13,718	19,743
Prepaid expenses and other current assets	22,233	32,661
Bitcoin	121,850	109,420
Future power credits, current portion	271	24,297
Total current assets	365,679	443,381
Property and equipment, net	717,310	692,555
Deposits	32,205	42,433
Finite-lived intangible assets, net	20,072	21,477
Derivative asset	91,719	97,497
Operating lease right-of-use assets	21,769	21,673
Future power credits, less current portion	638	638
Other long-term assets	923	310
Total assets	\$ 1,250,315	\$ 1,319,964



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Balance Sheet (Unaudited)

	As of March 31, 2023	As of December 31, 2022
(in \$ thousands)		
<u>Liabilities and stockholder's equity:</u>		
Current liabilities:		
Accounts payable	19,685	18,445
Billings in excess of costs and estimated earnings	5,345	8,446
Accrued expenses	82,666	65,464
Deferred revenue, current portion	2,776	2,882
Contingent consideration liability - future power credits, current portion	271	24,297
Operating lease liability, current portion	1,323	2,009
Total current liabilities	112,066	121,543
Deferred revenue, less current portion	17,365	17,869
Operating lease liability, less current portion	20,997	20,242
Contingent consideration liability - future power credits, less current portion	638	638
Other long-term liabilities	7,104	8,230
Total liabilities	\$ 158,170	\$ 168,522
<u>Stockholders' equity:</u>		
Preferred stock, no par value, 15,000,000 shares authorized:		
2% Series A Convertible Preferred stock; 2,000,000 shares authorized; no shares issued and outstanding as of March 31, 2023 and December 31, 2022	-	-
0% Series B Convertible Preferred stock; 1,750,001 shares authorized; no shares issued and outstanding as of March 31, 2023 and December 31, 2022	-	-
Common stock, no par value; 340,000,000 shares authorized; 166,966,763 and 167,751,112 shares issued and outstanding as of March 31, 2023 and December 31, 2022,	1,904,175	1,907,784
Accumulated deficit	(812,030)	(756,342)
Total stockholder's equity	1,092,145	1,151,442
Total liabilities and stockholders' equity	\$ 1,250,315	\$ 1,319,964



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Non-GAAP Adjusted EBITDA (Unaudited)

	Three Months Ended March 31,	
	2023	2022
(in \$ thousands)		
Net income (loss)	\$ (55,688)	\$ 36,578
Interest (income) expense	3,830	357
Income tax expense (benefit)	(4,969)	312
Depreciation and amortization	59,340	14,245
EBITDA	2,513	51,492
<u>Non-cash/non-recurring operating expenses adjustments:</u>		
Stock-based compensation expense	(2,296)	3,042
Acquisition-related costs	-	78
Change in fair value of derivative asset	5,778	(43,683)
Change in fair value of contingent consideration	-	176
Unrealized (gain) loss on marketable equity securities	-	1,611
Casualty-related charges (recoveries), net	1,526	-
<u>Other revenue, (income) expense adjustments:</u>		
License fees	(24)	(24)
Total adjustments	4,984	(38,800)
Adjusted EBITDA	\$ 7,497	\$ 12,692

* Indicates Non-GAAP measure. We use Adjusted EBITDA to eliminate the effects of certain non-cash and/or non-recurring items, that do not reflect our ongoing strategic business operations. Adjusted EBITDA includes impairment of Bitcoin charges. Adjusted EBITDA is provided in addition to, and not as a substitute for, or as superior to, the comparable GAAP measure, Net Income. For a full reconciliation of the Non-GAAP measures we use to their comparable GAAP measures, see the discussion under the heading "Non-GAAP Measures" commencing on page 25, under Item 2, "Management's Discussion & Analysis" in our March 31, 2023 Form 10-Q.

Non-GAAP Cost of Revenues (Unaudited)

	Three Months Ended March 31,	
	2023	2022
(in \$ thousands)		
<u>Bitcoin Mining</u>		
Revenue	\$ 48,023	\$ 57,945
Cost of revenues	21,899	19,094
Power curtailment credits	(1,937)	(611)
Cost of revenues, net of power curtailment credits	19,962	18,483
Bitcoin Mining revenue in excess of cost of revenues, net of power curtailment credits	\$ 28,061	\$ 39,462
Bitcoin Mining revenue in excess of cost of revenues, net of power curtailment credits as a percentage of revenue	58.4%	68.1%
<u>Data Center Hosting</u>		
Revenue	\$ 9,042	\$ 9,694
Cost of revenues	25,660	14,985
Power curtailment credits	(1,138)	(1,941)
Cost of revenues, net of power curtailment credits	24,522	13,044
Data Center Hosting revenue in excess of cost of revenues, net of power curtailment credits	\$ (15,480)	\$ (3,350)
Data Center Hosting revenue in excess of cost of revenues, net of power curtailment credits as a percentage of revenue	(171.2)%	(34.6)%
Total power curtailment credits	\$ (3,075)	\$ (2,552)

* Indicates Non-GAAP measure. We use these Non-GAAP measures to evaluate the performance of our core business operations, Bitcoin Mining and Data Center Hosting, after including the impact of our power management strategy. They are provided in addition to, and not as a substitute for, or superior to, their comparable GAAP measures, Revenue and Cost of Revenues. For a full reconciliation of the Non-GAAP measures we use to their comparable GAAP measures, see the discussion under the heading "Non-GAAP Measures" commencing on page 25, under Item 2, "Management's Discussion & Analysis" in our March 31, 2023 Form 10-Q.