



# First Quarter Fiscal Year 2022 Earnings Presentation

May 12, 2022



# Legal Disclaimer

## Forward-Looking Statements

This presentation includes “forward-looking statements” within the meaning of the “safe harbor” provisions of the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements may be identified by the use of words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “will,” “expect,” “anticipate,” “believe,” “seek,” “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, those related to the Company’s ability to scale and grow its business, source clean and renewable energy, the advantages and expected growth of the Company, future estimates of revenue, net income and adjusted EBITDA, future estimates of computing capacity and operating power, future demand for hosting capacity, future estimate of hashrate (including mix of self-mining and hosting), operating gigawatts and power, future projects in construction or negotiation and future expectations of operation location, orders for miners and critical infrastructure, future estimates of self-mining capacity, the public float of the Company’s shares, future infrastructure additions and their operational capacity, and operating power and site features of the Company’s operations center in Denton, Texas. These statements are provided for illustrative purposes only and are based on various assumptions and on the current expectations of the Company’s management. These forward-looking statements are not intended to serve, and must not be relied on by any investor, as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of the Company. These forward-looking statements are subject to a number of risks and uncertainties, including those identified in the Company’s reports filed with the U.S. Securities and Exchange Commission (“SEC”) from time to time, including the Company’s definitive proxy statement filed with the SEC on January 3, 2022, and other subsequent filings the Company files with the SEC from time to time, including its Annual Report on Form 10-K for the year ended December 31, 2021, and Current Report on Form 8-K filed on January 24, 2022, and Quarterly Report on form 10-Q for the first quarter ended March 31, 2022, to be filed with the SEC on or about May 13, 2022 . If any of these risks materialize or our assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. Accordingly, undue reliance should not be placed upon the forward-looking statements. Except as required by law, the Company assumes no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

Year over year comparisons are based on the combined results of Core Scientific and its acquired entities.

## Non-GAAP Financial Measures

This presentation also contains non-GAAP financial measures as defined by the SEC rules, including Adjusted EBITDA and adjusted earnings (loss) per diluted share. The Company believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and results of operations. The Company's management uses certain of these non-GAAP measures to compare the Company's performance to that of prior periods for trend analyses and for budgeting and planning purposes. The Company urges investors not to rely on any single financial measure to evaluate its business.

# Core Scientific Snapshot

Digital Asset Self-Mining | Hosting | Blockchain Technology

Nasdaq:  
**CORZ**

Nearly **300**  
**Employees**

**\$192.5M**

First Quarter 2022 Revenue

**37.4 BTC/Day**  
Avg. Mined in April 2022

**\$(466.2)M**

First Quarter 2022 Net Loss  
Driven by \$440M in Non-Cash,  
Mark-to-Market Adjustments

**31 EH/s**  
Expected 2022 Hashrate<sup>1</sup>

**\$93M**

First Quarter 2022  
Adjusted EBITDA

Approx. **1 GW**  
Expected 2022  
Power

<sup>1</sup> Represents midpoint of 30 EH/s to 32 EH/s guidance range for 2022E performance

# First Quarter 2022 Key Highlights



**Strong operational results**



**Market-leading scale**



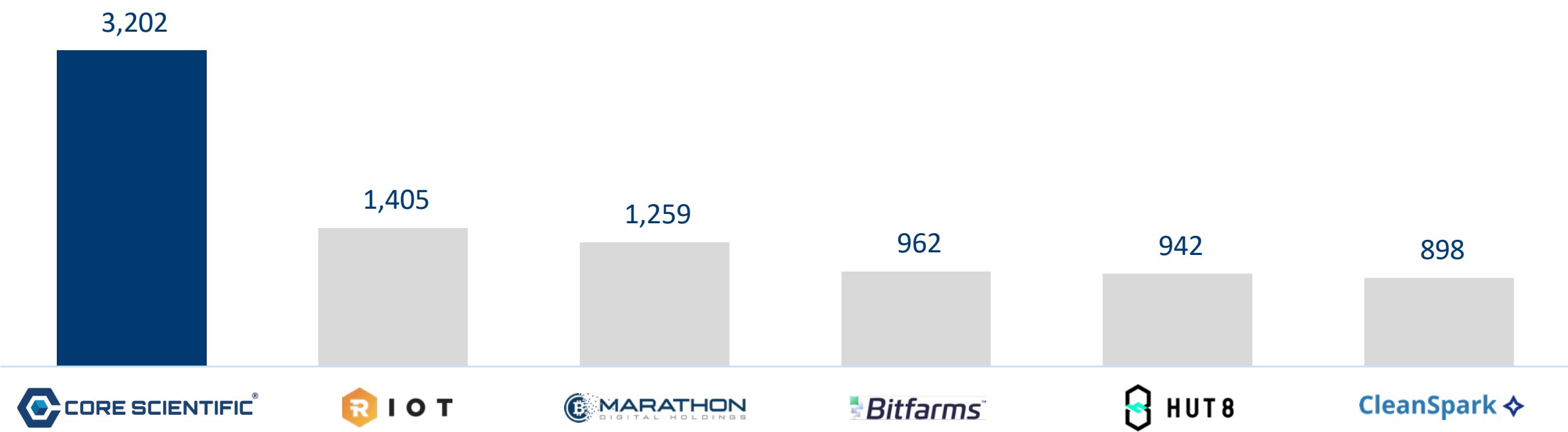
**Continued progress toward achieving 2022 growth projections**



**Strong market position**

# Core Scientific Mined More Bitcoins in the First Quarter than Other Publicly Traded Digital Asset Miners

BTC Mined First Quarter 2022



Sources - BTC mined from monthly update press releases dated:

- RIOT: 2/4/22, 3/3/22, 4/5/22
- MARA: 2/4/22, 3/4/22, 4/4/22
- Bitfarms: 2/1/22, 3/1/22, 4/1/22
- Hut8: 2/3/22, 3/10/22, 4/5/22
- Cleanspark: 2/3/22, 3/3/22, 4/5/22

# First Quarter 2022 Performance Summary

Metric (dollars in millions)	First Quarter 2022	Notes
<b>Total ending hashrate</b>	16.2 EH/s	Increased from 13.5 EH/s as of 12/31/21
<b>Bitcoins produced</b>	3,202	Produced 1,143 bitcoins in March
<b>Bitcoins held</b>	8,497	\$307.2 million carrying value as of 3/31/22, including effect of accounting impairment
<b>Revenue</b>	\$192.5	255% increase in revenue over prior year
<b>Net (loss) income</b>	\$(466.2)	\$(440) million in adjustments for fair market valuation of convertible securities and digital asset holdings
<b>Adjusted EBITDA <sup>1</sup></b>	\$93.0	644% increase in adjusted EBITDA over prior year
<b>Earnings (loss) per diluted share</b>	\$(1.52)	—
<b>Adjusted earnings (loss) per diluted share <sup>2</sup></b>	\$0.31	—

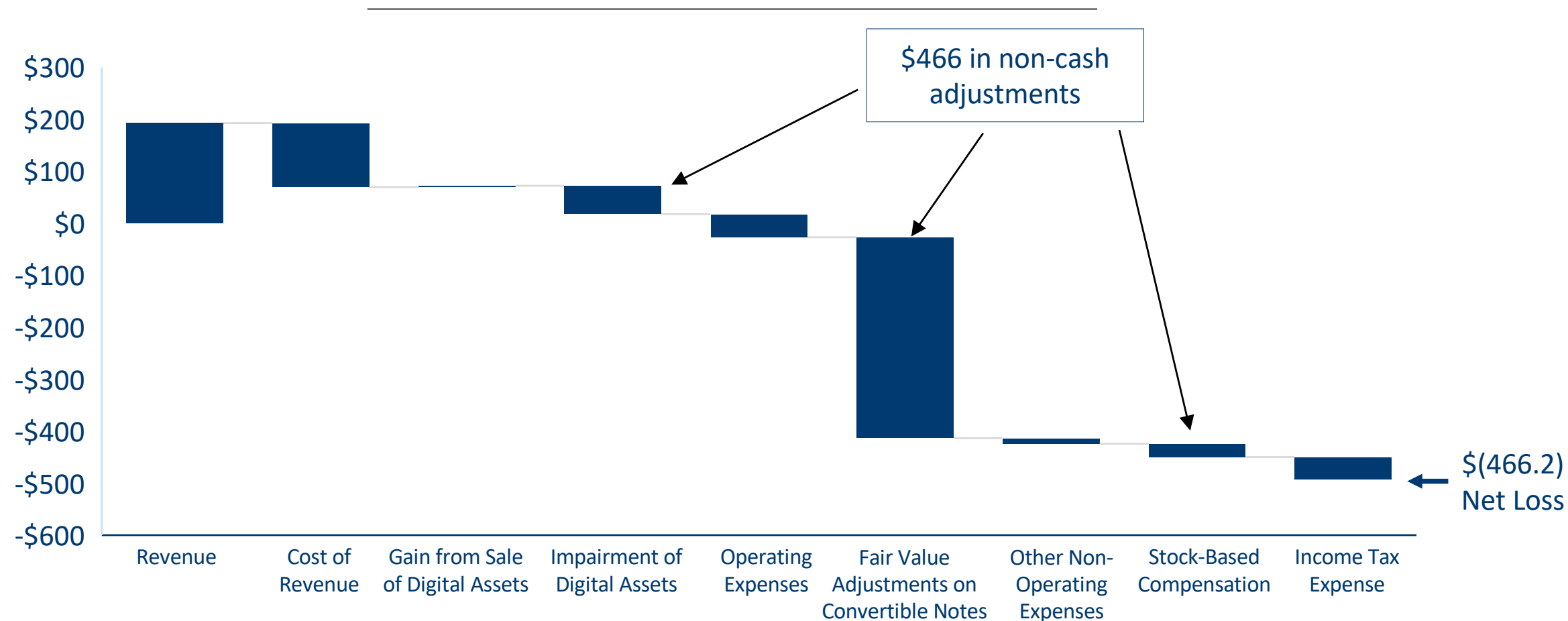
<sup>1</sup> Adjusted EBITDA is a non-GAAP financial measure. See slide 16 for a reconciliation of adjusted EBITDA to its most comparable GAAP figure.

<sup>2</sup> Adjusted earnings (loss) per diluted share is a non-GAAP financial measure. See slide 17 for a reconciliation of adjusted earnings (loss) per diluted share to its most comparable GAAP figure.

# First Quarter Net Loss Driven Primarily by \$440 Million in Non-Cash Adjustments

## First Quarter 2022 Income (loss) Drivers

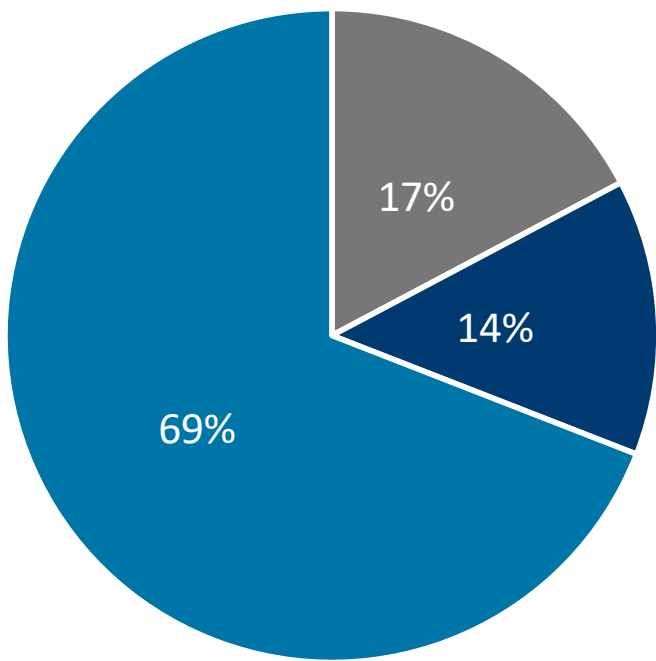
(In Millions, Unaudited)



# Digital Asset Mining Revenue Represented 69% of First Quarter Revenue and Grew +13x Year-Over-Year

First Quarter 2022 Revenue Mix

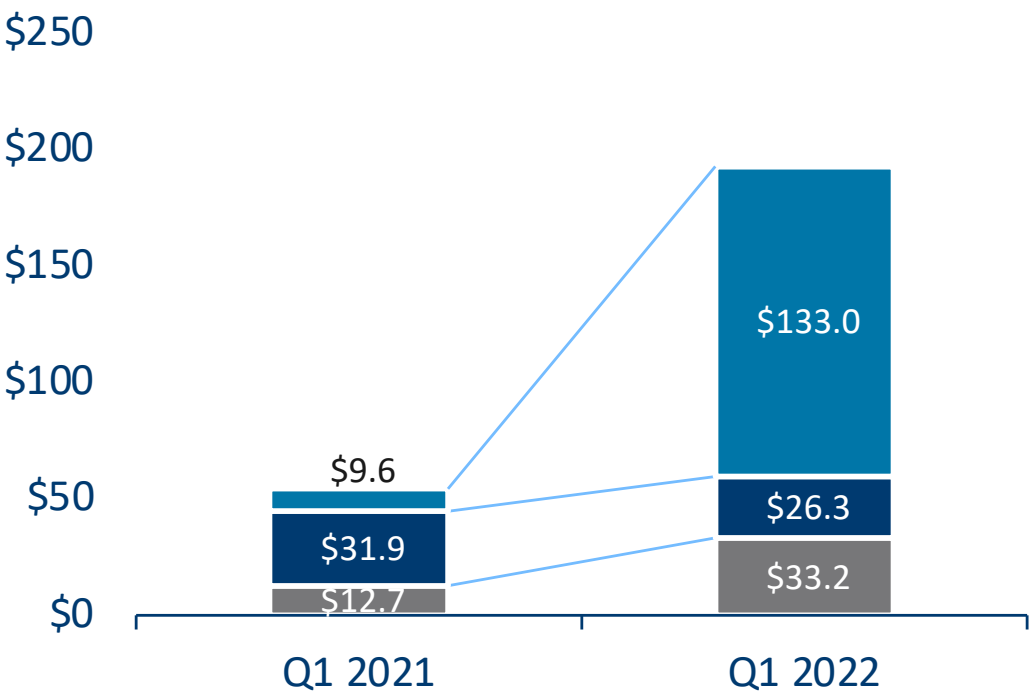
(Unaudited)



■ Hosting ■ Equipment Sales ■ Digital Asset Mining

First Quarter Revenue by Segment

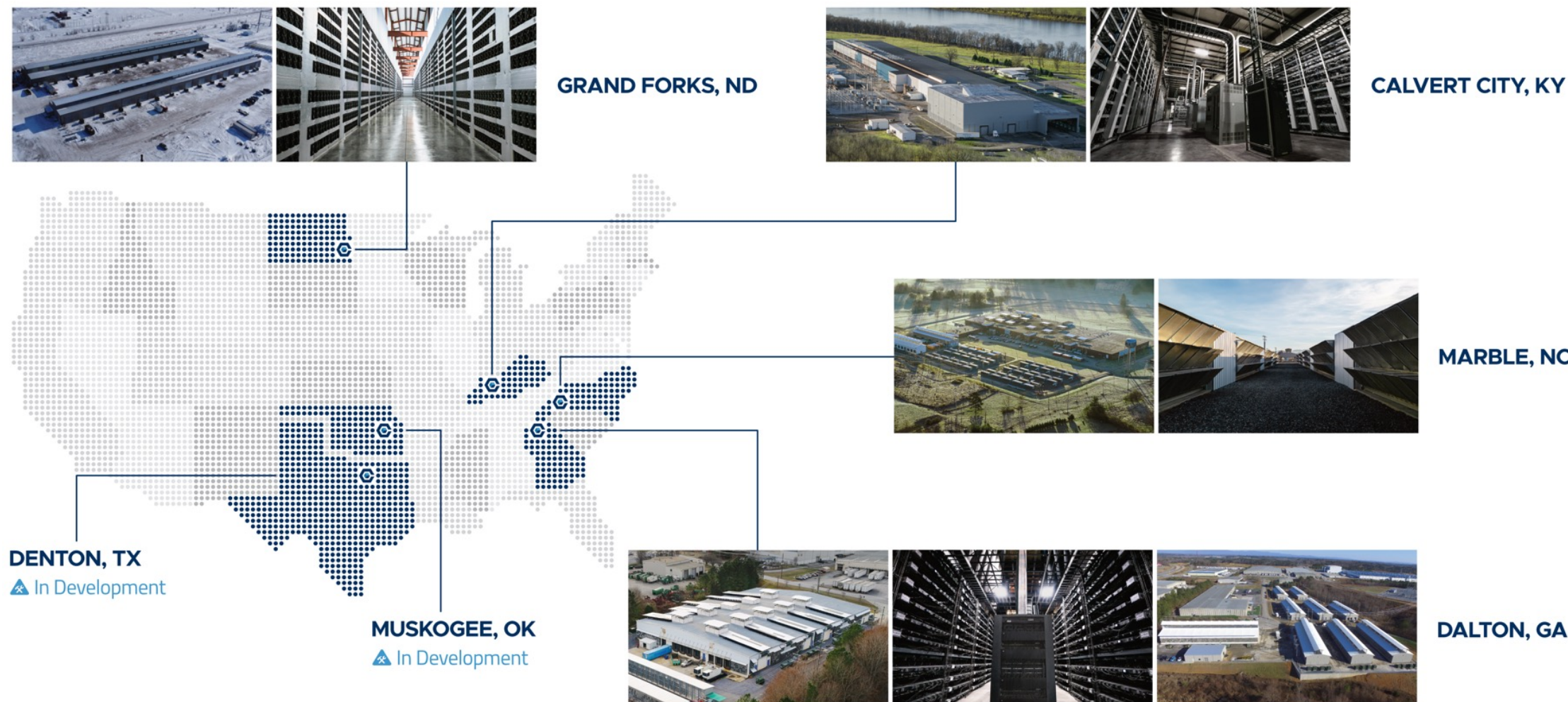
(In Millions, Unaudited)



■ Hosting ■ Equipment Sales ■ Digital Asset Mining



# Expanding Our Distributed Footprint Across Multiple Geographies





# Denton, Texas Data Center Development Progress



# Select First Quarter 2022 Results

(Thousands)

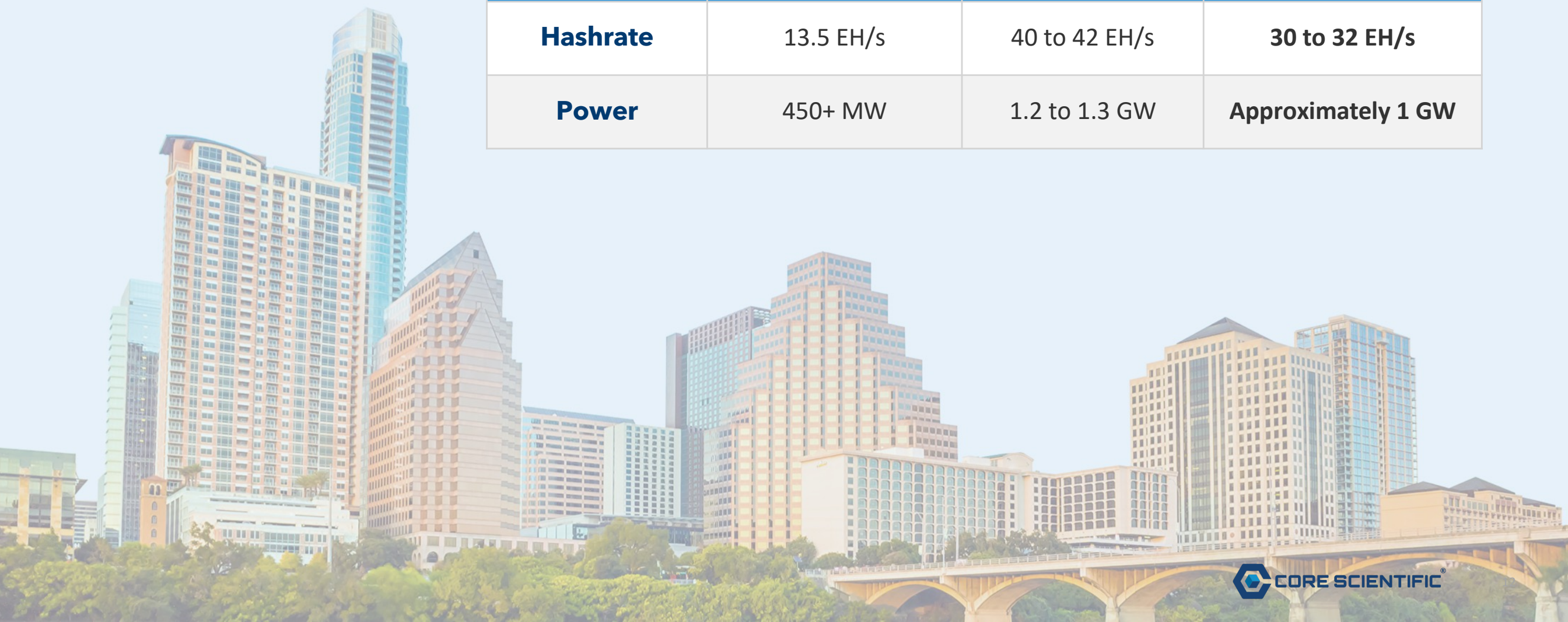
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Fiscal Year 2022 YTD	Fiscal Year 2021
	Unaudited					
<b>Revenue</b>	\$192,519	-	-	-	\$192,519	\$544,483
<b>Cost of Revenue</b>	122,516	-	-	-	122,516	305,621
<b>Gross Profit</b>	70,003				70,003	238,862
<b>Research and Development</b>	3,340	-	-	-	3,340	7,674
<b>Sales, Marketing, G&amp;A</b>	41,558	-	-	-	41,558	64,666
<b>Operating (Loss) Income</b>	(26,717)				(26,717)	131,494
<b>Net (Loss) Income</b>	(466,204)	-	-	-	(466,204)	47,312
<b>Adjusted EBITDA <sup>1</sup></b>	93,041	-	-	-	93,041	238,940
<b>Adjusted EBITDA Margin</b>	48.3%	-	-	-	48.3%	43.9%

<sup>1</sup> Adjusted EBITDA is a non-GAAP financial measure. See slide slide #16 for a reconciliation of adjusted EBITDA to its most comparable GAAP figure.



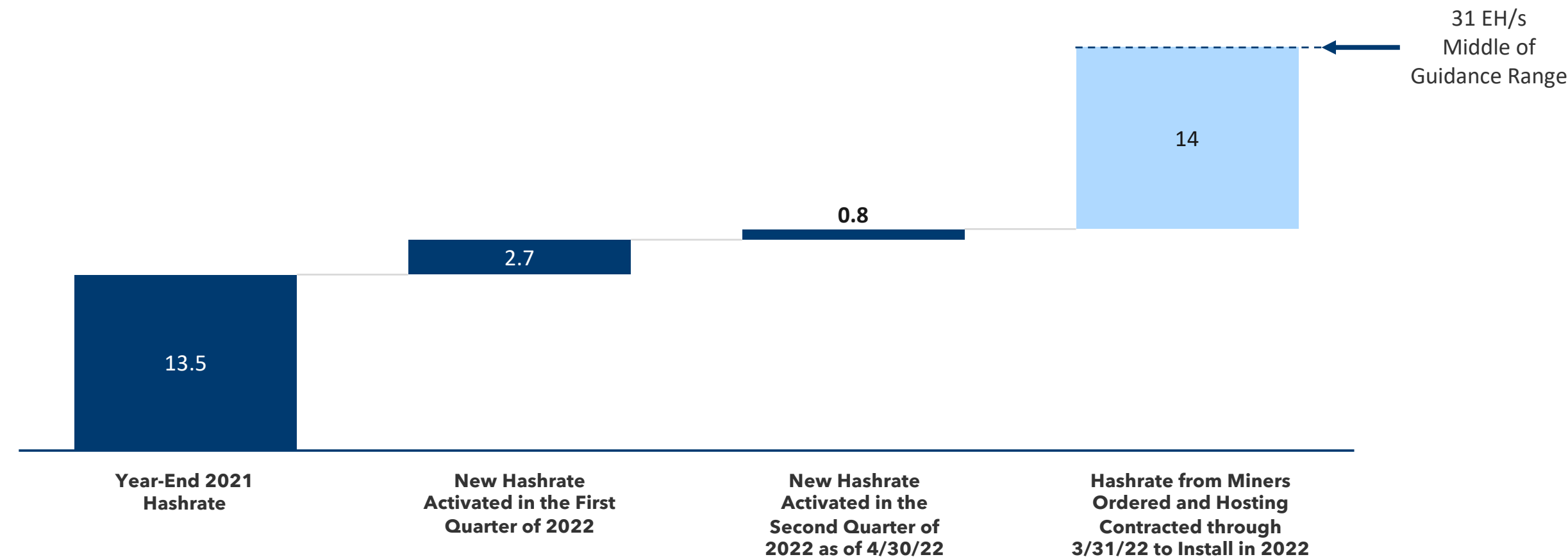
# Revised Expectations For Fiscal Year 2022

Metric	2021 Results	Initial 2022 Expectations	Revised 2022 Expectations
Hashrate	13.5 EH/s	40 to 42 EH/s	30 to 32 EH/s
Power	450+ MW	1.2 to 1.3 GW	Approximately 1 GW



# Visibility toward Revised 2022 Hashrate Goal

## Build-Up to Projected Year-End 2022 Hashrate (EH/s)



# Why Core Scientific?



## A MARKET LEADER



A Blockchain  
Infrastructure  
Developer at  
Leading Scale



## FULL SPECTRUM



Integrated Self-  
Mining and  
Hosting



## TRACK RECORD



Consistent  
Growth in  
Capacity and  
Capability



## TEAM



Deep,  
Experienced  
Team



## IP



Proprietary  
Technology







# Infrastructure to Power the World's New Financial System

# Appendix A

## Reconciliation of First Quarter Fiscal Year 2021-2022 Adjusted EBITDA (Unaudited, Thousands)

Three Months Ended March 31,		
	2022	2021
Net (loss) income	\$ (466,204)	\$ 6,849
Adjustments:		
Interest expense, net	21,676	2,135
Income tax expense	42,406	—
Depreciation and amortization	42,139	2,916
Loss on debt from extinguishment	—	42
Stock-based compensation expense	25,797	588
Fair value adjustments on derivative warrant liabilities	(10,275)	—
Fair value adjustment on convertible notes	386,037	—
Gain from sales of digital assets	(2,163)	(30)
Impairment of digital assets	53,985	—
Other non-cash and non-recurring items	(357)	—
Adjusted EBITDA	\$ 93,041	\$ 12,500



# Appendix B

## Reconciliation of First Quarter Fiscal Year 2021-2022 Adjusted earnings per share (Unaudited, Thousands)

Three Months Ended March 31,		
	2022	2021
Net (loss) income per diluted share	\$ (1.52)	\$ 0.04
Adjustments:		
Interest expense, net	0.07	0.01
Income tax expense	0.14	—
Depreciation and amortization	0.14	0.01
Stock-based compensation expense	0.08	—
Fair value adjustments on derivative warrant liabilities	(0.03)	—
Fair value adjustment on convertible notes	1.26	—
Gain from sales of digital assets	(0.01)	—
Impairment of digital assets	0.18	—
Adjusted earnings per diluted share	\$ 0.31	\$ 0.06
Weighted average shares outstanding - diluted	307,475	175,964