



Sphere 3D Reports Second Quarter 2024 Financial Results

August 13, 2024

STAMFORD, Connecticut, August 13, 2024 - Sphere 3D Corp. (NASDAQ: ANY) ("Sphere 3D"), a Bitcoin mining company operating at an industrial scale, today reported financial results for the quarter ended June 30, 2024.

2024 Second Quarter Highlights

- Sphere 3D recognized a \$7.3 million unrealized gain on investment in equity securities acquired through the Core settlement.
- Sphere 3D mined 70.7 Bitcoin during the quarter.
- Sphere 3D ended the quarter with 1.2 EH/s.

CFO Comments

"Despite some challenges in the second quarter, including a 50% reduction in block rewards and temporary interruptions from certain hosting partners, we are excited to share that our first shipment of S21s were energized in July", said Kurt Kalbfleisch, Chief Financial Officer of Sphere 3D. "This marks an important milestone in our long-term strategy to refresh and enhance our fleet. As we continue to upgrade our equipment, we remain committed to pursuing strategic opportunities, including potential mergers, that will position us for sustained growth and success in the future."

Hashrate Update

Sphere 3D had approximately 1.2 EH/s hosted at June 30, 2024.

Bitcoin Asset and Value

As of June 30, 2024, the Company had Bitcoin holdings of 7.2, with a market value of \$0.5 million.

Second Quarter FY 2024 Financial Results

- Bitcoin production during the second quarter of 2024 was 70.7 Bitcoin, compared to 178.4 Bitcoin for the second quarter of 2023.
- Revenue for the second quarter was \$4.7 million, compared to \$5.5 million for the second quarter of 2023. Bitcoin mining revenue for the second quarter of 2024 was \$4.7 million, compared to \$5.0 million for the second quarter of 2023.
- Operating costs and expenses for the quarter were \$10.4 million, compared to \$10.2 million for the second quarter of 2023.
- Depreciation and amortization was \$1.8 million, compared to \$1.4 million for the second quarter of 2023.
- Net income was \$2.1 million, or \$0.11 basic earnings per share and \$0.10 diluted earnings per share, compared to a net loss of \$4.8 million, or a net loss of \$0.44 per share, for the second quarter of 2023.
- Unrealized gain of \$7.3 million recognized during the second quarter of 2024 on investment in equity securities acquired through the Core settlement.

About Sphere 3D

Sphere 3D Corp. (NASDAQ: ANY) is a cryptocurrency miner growing its industrial-scale Bitcoin mining operation through the capital-efficient procurement of next-generation mining equipment and partnering with best-in-class data center operators. Sphere 3D is dedicated to growing shareholder value while honoring its commitment to strict environmental, social, and governance standards. For more information about Sphere 3D, please visit Sphere3D.com.

Forward-Looking Statements

This communication contains forward-looking statements within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "project," "contemplates," "believes," "estimates," "predicts," "potential," or "continue" or the negative of these words or other similar terms or expressions. Expectations and beliefs regarding matters discussed herein may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from the projected. The forward-looking statements contained in this communication are also subject to other risks and uncertainties, including those more fully described in filings with the SEC, including Sphere 3D's reports filed on Form 10-K, Form 10-Q and Form 8-K and in other filings made by Sphere 3D with the SEC from time to time and available at www.sec.gov. These forward-looking statements are based on current expectations, which are subject to change.

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