

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): **May 11, 2023**

**SPHERE 3D CORP.**

(Exact name of registrant as specified in its charter)

**Ontario**  
(State or other jurisdiction  
of incorporation)

**001-36532**  
(Commission  
File Number)

**98-1220792**  
(IRS Employer  
Identification No.)

**895 Don Mills Road  
Bldg. 2, Suite 900  
Toronto, Ontario, Canada M3C 1W3**  
(Address of principal executive offices) (ZIP Code)

Registrant's telephone number, including area code: **(647) 952 5049**

**4 Greenwich Office Park  
1st Floor  
Greenwich, Connecticut, 06831 United States**  
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<b>Title of each class</b>	<b>Trading Symbols</b>	<b>Name of each exchange on which registered</b>
Common Shares	ANY	NASDAQ Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, 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.

**Item 2.02. Results of Operations and Financial Condition.**

On May 11, 2023, we issued a press release announcing our financial results for our first fiscal quarter ended March 31, 2023. The information contained in the press release is incorporated herein by reference and furnished as Exhibit 99.1.

The information in this Item 2.02 and Exhibit 99.1 is being furnished and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section.

**Item 9.01. Financial Statements and Exhibits**

(d) Exhibits

[99.1](#) [Press release dated May 11, 2023](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: May 11, 2023

**SPHERE 3D CORP.**

By: /s/ Patricia Trompeter  
Patricia Trompeter  
Chief Executive Officer

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## Sphere 3D Reports First Quarter 2023 Financial Results and Operational Updates

**TORONTO, Ontario, Canada, May 11, 2023-** Sphere 3D Corp. ("Sphere 3D" or the "Company") (Nasdaq: ANY), dedicated to becoming the leading carbon-neutral Bitcoin mining company operating at an industrial scale, today reported financial results for the first quarter of FY 2023 ended March 31, 2023. The Company is also providing results of its Bitcoin Mining Operation and operational updates.

### **2023 First Quarter Highlights and Recent Developments**

- Revenue increased by \$1.6 million, to \$3.0 million during the quarter ended March 31, 2023.
- The Company mined 110.25 Bitcoin in during the quarter ended March 31, 2023.
- The Company ended the quarter with 446 PH/s.
- 3,900 miners began hashing in May with an additional 6,500 expected in the next 60 days.

### **CFO Comments**

"As we bring exahash online, growing our revenue, we are simultaneously reducing our cost structure. We have made great strides and are well positioned in 2023," said Kurt Kalbfleisch, CFO.

### **Hashrate Update**

Sphere 3D had approximately 0.45 EH/s hashing at March 31, 2023, with a total of 1.5 EH/s expected to be hashing in 60 days.

### **Bitcoin Asset and Value**

As of March 31, 2023, the Company had Bitcoin holdings of 22.0 with a market value of \$0.6 million.

### **First Quarter FY 2023 Financial Results:**

- Bitcoin production during the first quarter of 2023 was 110.25 coins, compared to 18.15 coins for the first quarter of 2022.
  - Revenue was \$3.0 million, compared to \$1.4 million for the first quarter of 2022, an increase of 114%.
  - Operating costs and expenses for the quarter were \$6.8 million, compared to \$16.5 million for the first quarter of 2022, a reduction of 59%.
  - Other income (expense), net, for the period totaled \$0.3 million, compared to \$0.5 million, net, of other income, for the first quarter of 2022.
  - Digital mining revenue for the first quarter was \$2.5 million, compared to \$0.7 million for the first quarter of 2022, an increase of 257%.
  - Depreciation and amortization was \$1.0 million, compared to \$6.4 million for the first quarter of 2022.
  - Net loss from operations was \$3.5 million, or a net loss of \$0.05 per share, compared to a net loss from operations of \$14.6 million, or a net loss of \$0.23 per share, for the first quarter of 2022.
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## **About Sphere 3D**

Sphere 3D Corp. (Nasdaq: ANY) is a net carbon-neutral cryptocurrency miner with decades of proven enterprise data-services expertise. The Company is growing its industrial-scale digital asset 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 increasing shareholder value while honoring its commitment to strict environmental, social, and governance standards. For more information about the Company, please visit [Sphere3D.com](http://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. Forward-looking statements generally relate to future events, including the timing of the proposed transaction and other information related to the proposed transaction. In some cases, you can identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "target," "projects," "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 those 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 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](http://www.sec.gov). These forward-looking statements are based on current expectations, which are subject to change.

## **Sphere 3D Contact**

Kurt Kalbfleisch, CFO, Sphere 3D  
[Investor.relations@sphere3d.com](mailto:Investor.relations@sphere3d.com)

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**SPHERE 3D CORP.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
*(In thousands of U.S. dollars, except share and per share amounts)*

	Three Months Ended March 31,	
	2023	2022
Revenues:	(Unaudited)	
Digital mining revenue	\$ 2,524	\$ 747
Service and product revenue	502	625
Total revenues	3,026	1,372
Operating costs and expenses:		
Cost of digital mining revenue	1,965	355
Cost of service and product revenue	298	359
Sales and marketing	274	231
Research and development	270	114
General and administrative	3,471	8,969
Depreciation and amortization	1,025	6,364
Realized gain on sale of digital assets	(633)	(3)
Impairment of digital assets	96	91
Total operating expenses	6,766	16,480
Loss from operations	(3,740)	(15,108)
Other income (expense):		
Interest income and other, net	251	461
Net loss	(3,489)	(14,647)
Less: Non-controlling interest - income	16	-
Net loss attributable to common shareholders	\$ (3,505)	\$ (14,647)
Net loss per share:		
Basic and diluted	\$ (0.05)	\$ (0.23)
Shares used in computing net loss per share:		
Basic and diluted	72,042,612	63,841,403

**SPHERE 3D CORP.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands of U.S. dollars)

	March 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)
<b>ASSETS</b>		
Cash and cash equivalents	\$ 2,713	\$ 1,337
Digital assets, net	590	1,695
Other current assets	3,030	7,252
Total current assets	6,333	10,284
Property and equipment, net	30,534	34,259
Intangible assets, net	9,066	9,477
Funds held in trust account	10,576	10,297
Other assets	18,393	18,699
Total assets	<u>\$ 74,902</u>	<u>\$ 83,016</u>
<b>LIABILITIES, TEMPORARY EQUITY AND SHAREHOLDERS' EQUITY</b>		
Current liabilities	\$ 5,140	\$ 6,200
Other long-term liabilities	5,557	5,784
Total temporary equity	34,532	36,467
Total shareholders' equity	29,673	34,565
Total liabilities, temporary equity, and shareholders' equity	<u>\$ 74,902</u>	<u>\$ 83,016</u>