



BTCS Inc. Arranges financing to buy up to \$57.8 Million of Ether (\$ETH) for continued strategy

First tranche of \$7.8 million - CEO Participates in Funding

Silver Spring, MD – (Newsfile Corp. – May 14, 2025) – BTCS Inc. (Nasdaq: [BTCS](#)) (“BTCS” or the “Company”), a blockchain technology-focused company, today announced that it has entered into an agreement for the issuance of convertible notes (the “Agreement”) through a facility of up to \$57.8 million led by ATW Partners LLC (“ATW”). Capital from the financing is exclusively earmarked for purchasing Ethereum tokens (ETH) as part of its digital asset and validator node operations strategy.

Pursuant to the financing, the Company issued the initial tranche of notes in the aggregate principal amount of \$7.8 million, with additional capacity of up to \$50 million, subject to the mutual consent of the Company and ATW.

The notes are convertible into common stock at a fixed conversion price of \$5.85 per share, representing a 194% premium over the Company’s stock price of \$1.99 per share on May 13, 2025 (the “Closing Date”). The issued notes have a two-year maturity date of May 13, 2027, include a 5% original issue discount, and bear interest at a rate of 6% per annum. In connection with the issuance of the notes, the investors also received five-year warrants to purchase 1,901,916 shares of common stock with an exercise price of \$2.75 per share, representing a 38% premium to the Company’s closing stock price on the Closing Date.

Charles Allen, Chairman and CEO of BTCS, personally invested \$95,000 in the offering. An additional \$200,000 was invested by a trust for which Mr. Allen is a beneficiary. An independent committee of the BTCS Board of Directors approved Mr. Allen’s participation in the offering.

“This capital infusion is expected to enable us to scale our validator node operations by increasing our ETH holdings at what we believe is a critical inflection point in Ethereum’s growth trajectory,” said Charles Allen, CEO of BTCS. *“Similar to how MicroStrategy leveraged its balance sheet to accumulate Bitcoin, we are executing a disciplined strategy to increase our Ethereum exposure and drive recurring revenue through staking and our block building operations—while positioning BTCS for meaningful appreciation should ETH continue to rise in value.”*

Strategic Ethereum Accumulation to Drive Revenue and Long-Term Value

This transaction follows BTCS’s recent strategic move to borrow through AAVE, a decentralized finance protocol, to acquire additional ETH. Both financing initiatives reflect the Company’s conviction in Ethereum as a foundational digital asset and its role as a core revenue-generating engine for BTCS. By increasing ETH holdings, BTCS aims to deploy additional validators, expand staking rewards, and further optimize block production economics through its Builder+ platform.

H.C. Wainwright & Co. acted as the exclusive placement agent for the offering. The foregoing description does not purport to be complete and is qualified in its entirety by reference to the full text of the Company’s current report on the Company’s Form 8-K filed with the Securities and Exchange Commission on May 14, 2025, available at www.sec.gov.

About BTCS:

BTCS Inc. (Nasdaq: BTCS) is a U.S.-based blockchain infrastructure technology company currently focused on driving scalable revenue growth through its blockchain infrastructure operations. BTCS has honed its expertise in blockchain network operations, particularly in block building and validator node management. Its branded block-building operation, Builder+, leverages advanced algorithms to

optimize block construction for on-chain validation, thus maximizing gas fee revenues. BTCS also supports other blockchain networks by operating validator nodes and staking its crypto assets across multiple proof-of-stake networks, allowing crypto holders to delegate assets to BTCS-managed nodes. In addition, the Company has developed ChainQ, an AI-powered blockchain data analytics platform, which enhances user access and engagement within the blockchain ecosystem. Committed to innovation and adaptability, BTCS is strategically positioned to expand its blockchain operations and infrastructure beyond Ethereum as the ecosystem evolves. **Explore how BTCS is revolutionizing blockchain infrastructure in the public markets by visiting www.btcs.com.**

Forward-Looking Statements:

Certain statements in this press release constitute “forward-looking statements” within the meaning of the federal securities laws, including statements regarding investment opportunities from Ethereum, expectations from our capital infusion, and our ability to capitalize on Ethereum’s growth. Words such as “may,” “might,” “will,” “should,” “believe,” “expect,” “anticipate,” “estimate,” “continue,” “predict,” “forecast,” “project,” “plan,” “intend” or similar expressions, or statements regarding intent, belief, or current expectations, are forward-looking statements. While the Company believes these forward-looking statements are reasonable, undue reliance should not be placed on any such forward-looking statements, which are based on information available to us on the date of this release. These forward-looking statements are based upon assumptions and are subject to various risks and uncertainties, including without limitation regulatory issues (including potential SEC enforcement actions and changes in federal and state securities laws), cybersecurity risks, technological challenges, market adoption risks, changes in blockchain protocols, continued volatility in the cryptocurrency markets, smart contract risks, risks related to digital asset custody, and other risks inherent to blockchain technology and cryptocurrency operations, as well as risks set forth in the Company’s filings with the Securities and Exchange Commission including its Form 10-K for the year ended December 31, 2024 which was filed on March 20, 2025. Thus, actual results could be materially different. The Company expressly disclaims any obligation to update or alter statements, whether as a result of new information, future events, or otherwise, except as required by law.

This press release does not constitute an offer to sell or the solicitation of an offer to buy these securities, nor shall it constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale is unlawful. These securities have not been, and will not be, registered under the United States Securities Act of 1933, or any state securities laws, and may not be offered or sold in the United States or to U.S. persons unless registered or exempt therefrom.

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Investor Relations:

Charles Allen – CEO

X (formerly Twitter): [@Charles_BTCS](https://twitter.com/Charles_BTCS)

Email: ir@btcs.com