



## BTCS Reports Q2 2025 Results

**Record Quarterly Revenue of \$2.77 million**

**Post-Quarter ETH Holdings Surpass \$321 Million**

**Silver Spring, MD – (Globe Newswire – August 14, 2025)** – BTCS Inc. (Nasdaq: BTCS) ("BTCS" or the "Company"), a blockchain technology-focused company, short for Blockchain Technology Consensus Solutions, today announced its financial results for the three and six months ended June 30, 2025 ("Q2 2025"). Further, the Company updated its investor presentation, which can be found on its refreshed website at [www.btcs.com](http://www.btcs.com).

"BTCS delivered record quarterly and year-to-date revenues in Q2 2025, surpassing our prior annual revenue record in the first six months of 2025," said Charles Allen, CEO of BTCS. "Builder+ operations focused on Ethereum drove a 394% year-over-year revenue increase. These achievements are a testament to our successful execution of an Ethereum-first growth strategy that combines scaling infrastructure with disciplined ETH accumulation to strengthen our balance sheet and position BTCS for sustained long-term value creation."

"Our Q2 margins reflect the strategic investments we've made to scale Builder+ and capture market share," said Allen. "These costs were necessary to establish a powerful block-building engine on Ethereum. With the infrastructure built, more than 70,140 ETH on our balance sheet today, and meaningful capital behind us, we believe we are positioned to realize the full impact of our strategy and expect to see improving margins and increasing ETH generation as our operations reach the next phase of scale and efficiency."

### Financial Highlights – Q2 2025

#### **Profit and Loss**

- Record quarterly revenue of \$2.77 million, up 394% YoY from \$0.56 million in Q2 2024, and up 64% QoQ from \$1.69 million in Q1 2025.
- Record six-month revenue of \$4.46 million, exceeding the Company's full-year 2024 revenue and representing a 341% YoY increase from \$1.01 million in the first half of 2024.
- Builder+ revenue grew to \$2.51 million in Q2 2025 from just \$76,000 in Q2 2024, reflecting both increased transaction volumes and infrastructure enhancements.
- Gross margin for Q2 2025 was negative (2.9%), compared to 7.1% in Q1 2025 and 69.9% in Q2 2024, as the Company prioritized market share expansion and ETH accumulation through aggressively scaling block-building operations. Margin improvement remains a key focus as operations optimize and should be driven by the recent scale achieved with the recent financings subsequent to the period end.
- Net income of \$3.88 million in Q2 2025, driven by an \$8.8 million increase in the fair value of crypto assets, was a significant improvement compared to a net loss of \$6.73 million in Q2 2024.
- A net loss of \$13.39 million for the six-month period was primarily driven by \$5.74 million in unrealized depreciation on retained crypto assets due to broader market volatility, and \$4.16 million in realized losses from the strategic divestiture of non-Ethereum crypto assets as part of the Company's then ongoing operational shift.

#### **Financing Activities**

- \$4.1 million in net proceeds raised from ATM common stock sales during Q2, providing funding flexibility at prevailing market prices.
- \$4.0 million in net proceeds from ETH-backed DeFi borrowing through Aave, delivering flexible, on-demand liquidity while retaining full ownership and control of the underlying ETH collateral.

- \$7.3 million in net proceeds from the issuance of a \$7.81 million principal amount senior secured convertible note, featuring an above-market \$5.85 conversion price and a 6% annual interest rate, minimizing dilution while bolstering liquidity.

### **Balance Sheet**

- Total assets of \$40.8 million at June 30, 2025, up 173% YoY from \$14.9 million at Q2 2024.
- \$39.4 million in crypto assets, including \$36.4 million in Ethereum, representing 92% of total crypto holdings and aligning with the Company's Ethereum-first strategy.

### **Post-Quarter Financial Updates (July 1 – August 12, 2025)**

- Raised more than \$192 million in aggregate gross proceeds since quarter-end from additional ATM sales, an incremental convertible note issuance, and expanded ETH-backed DeFi borrowings on Aave.
- Increased Ethereum holdings to 70,140 valued at more than \$321 million as of August 12, 2025.
- Given BTCS shares have been trading below the value of cash and crypto assets on hand, the number of common shares outstanding is unchanged at 48 million since the last reporting, with the current ATM facility remaining untapped.

## **Operational Update**

As the only publicly-listed Ethereum treasury company with vertically-integrated operations, BTCS further differentiated itself by significantly enhancing its blockchain infrastructure in Q2, driving improved performance and scale. The Company successfully expanded its Builder+ block-building operations with new builder order flow from partners like Blink and Merkle. BTCS also completed successful pre-confirmation integrations with Primev and ETH Gas, giving the Company priority access to block transactions. These technical improvements, combined with a smooth transition through the Pectra upgrade, allowed the Company to streamline validator operations and cut server overhead, validating our growth strategy and commitment to operational excellence.

“Our Q2 results reflect the compounding impact of scaling Builder+ on Ethereum,” said Allen. “Ethereum continues to be the cornerstone of our infrastructure strategy and revenue growth. We remain focused on deepening our presence within the Ethereum ecosystem and continuing to enhance our infrastructure to support its long-term growth.”

## **Financial Discussion**

BTCS delivered another quarter of significant revenue growth, setting new records for both quarterly and six-month revenues. Revenue for the quarter was \$2.77 million, up 394% year-over-year and 64% sequentially from Q1 2025, reflecting the continued success of the Company's strategic focus on Ethereum-first infrastructure through Builder+. Builder+ accounted for more than 90% of revenue in Q2, validating the scalability of the block-building model across multiple chains.

While Q2 2025 gross margin was negative at (2.9%), compared to 69.9% in Q2 2024, this outcome was consistent with and reflects management's plan to scale Ethereum block building to capture market share and accelerate its ETH accumulation. Elevated validator payments and infrastructure expenses in the current period are viewed as short-term trade-offs for longer-term revenue and margin expansion. The Company expects margins to improve over time as operations are further optimized and as economies of scale take hold.

Net income for Q2 2025 was \$3.88 million, compared to a net loss of \$6.73 million in Q2 2024, primarily driven by an \$8.8 million increase in the fair value of crypto assets. For the first six months of 2025, the Company incurred a net loss of \$13.39 million, primarily driven by \$5.74 million in unrealized depreciation on retained crypto assets due to broader market volatility, and \$4.16 million in realized losses from the strategic divestiture of non-Ethereum crypto assets as part of the Company's ongoing transition away from legacy staking operations.

The Company significantly strengthened its balance sheet during Q2 2025 through financing activities that provided flexible liquidity and, in the case of the convertible note, were structured with a modest interest rate

of 6% conversion price of \$5.85, which was approximately 200% favorable to the share price at the time of issuance, minimizing shareholder dilution. Total assets grew to \$40.8 million at June 30, 2025, up 173% from the prior year, with crypto assets representing \$39.4 million of the total.

Following quarter-end, BTCS expanded its ETH-backed DeFi borrowing capacity to further enhance optionality, capital efficiency, and liquidity for ongoing infrastructure scaling under Builder+ and other blockchain initiatives. The Company significantly enhanced its ETH position, raising \$135 million capital through ATM sales, an incremental \$10m of convertible note issuance, and expanded Aave borrowing. These efforts increased ETH holdings to 70,140 ETH valued at more than \$321 million as of August 12, 2025, a 478% increase from the quarter-end holdings.

The capital deployment following the end of the second quarter aligns with BTCS's Ethereum-first strategy and DeFi/TradFi ETH Accumulation Flywheel, positioning BTCS to further scale revenue-generating infrastructure while maintaining an aggressive ETH accumulation posture.

"Growing our Ethereum holdings remains a fundamental pillar of our strategy as ETH generates recurring revenue while providing shareholders with direct exposure to the long-term growth of the ecosystem," said Michael Prevoznik, Chief Financial Officer of BTCS. "Through disciplined capital deployment, DeFi borrowing strategies that generate a net positive yield, and favorable financing terms, we've expanded our ETH position from \$36 million at the end of June to over \$321 million today. We believe our strategic ETH reserve, combined with our Builder+ and NodeOps infrastructure, positions BTCS to successfully participate in and benefit from the long-term growth of Ethereum's ecosystem, both operationally and from a balance sheet perspective."

#### **About BTCS:**

BTCS Inc. ("BTCS" or the "Company"), short for Blockchain Technology Consensus Solutions, is a U.S.-based Ethereum-first blockchain technology company committed to driving scalable revenue and ETH accumulation through its hallmark strategy, the DeFi/TradFi Accretion Flywheel, an integrated approach to capital formation and blockchain infrastructure. By combining decentralized finance ("DeFi") and traditional finance ("TradFi") mechanisms with its blockchain infrastructure operations, comprising NodeOps (staking) and Builder+ (block building), BTCS offers one of the most sophisticated opportunities for leveraged ETH exposure, driven by scalable revenue generation and a yield-focused ETH accumulation strategy. **Discover how BTCS offers operational and financial leveraged exposure to Ethereum through the public markets at [www.btcs.com](http://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 growing revenue, improving margins, capturing market share, increasing order flow, and increased ETH generation. 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, volatility in the market price for ETH, competition, unexpected issues with Builder+, and other technological implementations, 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.

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#### **Investor Relations:**

Charles Allen – CEO

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## Financials

The tables below are derived from the Company's financial statements included in its Form 10-Q filed on August 13, 2025, with the Securities and Exchange Commission. Please refer to the Form 10-Q for complete financial statements and further information regarding the Company's results of operations and financial condition relating to the fiscal quarter ended June 30, 2025 and 2024. Please also refer to the Company's Form 10-K for a discussion of risk factors applicable to the Company and its business.

### BTCS Inc. Condensed Consolidated Balance Sheets

	June 30, 2025 (Unaudited)	December 31, 2024
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	\$ 639,189	\$ 1,977,778
Stablecoins	2,850	39,545
Crypto assets	10,837,423	646,539
Staked crypto assets	28,588,212	35,410,144
Receivable for capital shares sold	156,299	-
Prepaid expenses	228,218	63,934
Total current assets	<u>40,452,191</u>	<u>38,137,940</u>
Other assets:		
Investments, at value (Cost \$350,000)	350,000	100,000
Property and equipment, net	7,367	7,449
Total other assets	<u>357,367</u>	<u>107,449</u>
<b>Total Assets</b>	<b><u>\$ 40,809,558</u></b>	<b><u>\$ 38,245,389</u></b>
<b>Liabilities and Stockholders' Equity:</b>		
Current liabilities:		
Accounts payable and accrued expenses	\$ 102,607	\$ 70,444
Accrued compensation	621,017	3,907,091
Accrued interest	6,621	-
Loan payable - DeFi protocol	4,000,000	-
Warrant liabilities	208,050	267,900
Total current liabilities	<u>4,938,295</u>	<u>4,245,435</u>
Non-current liabilities:		
Convertible notes payable, net	4,801,098	-
Total non-current liabilities	<u>4,801,098</u>	<u>-</u>
<b>Total liabilities</b>	<b><u>9,739,393</u></b>	<b><u>4,245,435</u></b>
Stockholders' equity:		
Preferred Stock, \$0.001 par value per share; 20,000,000 shares authorized, of which:		
Series V Preferred Stock; 16,004,738 and 15,033,231 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	2,818,271	2,646,314
Common Stock, \$0.001 par value per share; 975,000,000 shares authorized; 21,968,566 and 18,717,743 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	21,969	18,718
Additional paid-in capital	181,565,367	171,283,199
Accumulated deficit	(153,335,442)	(139,948,277)
Total stockholders' equity	<u>31,070,165</u>	<u>33,999,954</u>
<b>Total Liabilities and Stockholders' Equity</b>	<b><u>\$ 40,809,558</u></b>	<b><u>\$ 38,245,389</u></b>

**BTCS Inc.**  
**Condensed Consolidated Statements of Operations**

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
<b>Revenues</b>				
Blockchain infrastructure revenues	\$ 2,772,198	\$ 561,192	\$ 4,461,133	\$ 1,012,578
Total revenues	<u>2,772,198</u>	<u>561,192</u>	<u>4,461,133</u>	<u>1,012,578</u>
<b>Cost of revenues</b>				
Blockchain infrastructure costs	2,853,133	168,848	4,421,792	329,473
Gross profit	<u>(80,935)</u>	<u>392,344</u>	<u>39,341</u>	<u>683,105</u>
<b>Operating expenses:</b>				
General and administrative	659,645	538,956	1,218,033	\$ 1,026,555
Compensation and related expenses	793,400	875,491	1,481,602	1,331,270
Research and development	193,543	163,777	402,794	310,326
Marketing	22,861	28,477	268,033	86,079
Realized (gains) losses on crypto asset transactions	2,777,620	(287,327)	4,159,908	(298,014)
Total operating expenses	<u>4,447,069</u>	<u>1,319,374</u>	<u>7,530,370</u>	<u>2,456,216</u>
<b>Other income (expenses):</b>				
Interest income	3,569	-	3,569	-
Interest expense	(221,894)	-	(221,894)	-
Change in unrealized appreciation (depreciation) of crypto assets	8,793,161	(5,943,339)	(5,737,661)	7,159,328
Change in fair value of warrant liabilities	(165,300)	142,500	59,850	142,500
Total other income (expenses)	<u>8,409,536</u>	<u>(5,800,839)</u>	<u>(5,896,136)</u>	<u>7,301,828</u>
<b>Net income (loss)</b>	<b>\$ 3,881,532</b>	<b>\$ (6,727,869)</b>	<b>\$ (13,387,165)</b>	<b>\$ 5,528,717</b>
<b>Net income (loss) per share attributable to common stockholders</b>				
Basic	\$ 0.18	\$ (0.43)	\$ (0.65)	\$ 0.35
Diluted	\$ 0.14	\$ (0.43)	\$ (0.65)	\$ 0.28
<b>Weighted-average shares of common stock used to compute net income per share:</b>				
Basic	21,259,682	15,758,157	20,616,935	15,724,917
Diluted	27,938,660	15,758,157	20,616,935	19,447,348

**BTCS Inc.**  
**Condensed Consolidated Statements of Cash Flows**

	<b>For the Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Net cash flows used in operating activities:</b>		
Net income (loss)	\$ (13,387,165)	\$ 5,528,717
Adjustments to reconcile net income to net cash used in operating activities:		
Depreciation expense	1,778	2,990
Stock-based compensation	3,844,980	1,178,084
Blockchain infrastructure revenue	(4,461,133)	(1,012,578)
Builder payments (non-cash)	4,301,615	158,112
Blockchain network fees (non-cash)	6,907	-
Change in fair value of warrant liabilities	(59,850)	(142,500)
Amortization on debt discount and issuance costs	150,963	-
Realized losses on crypto assets transactions	4,159,908	(298,014)
Change in unrealized (appreciation) depreciation of crypto assets	5,737,661	(7,159,328)
Changes in operating assets and liabilities:		
Stablecoins	36,695	6,247
Prepaid expenses and other current assets	(164,284)	(118,458)
Receivable for capital shares sold	(156,299)	291,440
Accounts payable and accrued expenses	32,163	75,792
Accrued compensation	(3,286,074)	(203,603)
Accrued interest	6,621	-
Net cash used in operating activities	<u>(3,235,514)</u>	<u>(1,693,099)</u>
<b>Cash flows from investing activities:</b>		
Purchase of productive crypto assets for validating	(14,179,117)	(19,212)
Sale of productive crypto assets	1,065,207	550,361
Purchase of investments	(250,000)	-
Purchase of property and equipment	(3,446)	-
Sale of property and equipment	1,750	-
Net cash provided by (used in) investing activities	<u>(13,365,606)</u>	<u>531,149</u>
<b>Cash flow from financing activities:</b>		
Net proceeds from issuance common stock/ At-the-market offering	4,079,085	240,305
Proceeds from issuance of convertible notes, net	7,306,000	-
Proceeds from Defi borrowing	5,447,000	-
Payments to Defi borrowing	(1,447,000)	-
Payments of debt issuance costs	(122,554)	-
Net cash provided by financing activities	<u>15,262,531</u>	<u>240,305</u>
Net (decrease)/increase in cash	(1,338,589)	(921,645)
Cash, beginning of period	1,977,778	1,458,327
Cash, end of period	<u>\$ 639,189</u>	<u>\$ 536,682</u>
<b>Supplemental disclosure of non-cash financing and investing activities:</b>		
Series V Preferred Stock Distribution	\$ 180,688	\$ -
Cash paid for interest	\$ 64,310	\$ -
Non-cash discount on convertible notes	\$ 504,526	\$ -