

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, DC 20549

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended **March 31, 2025**

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission File Number: **001-39625**

**Cipher Mining Inc.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or other jurisdiction of  
incorporation or organization)  
**1 Vanderbilt Avenue, Floor 54,**  
**New York, New York**  
(Address of principal executive offices)

**85-1614529**  
(I.R.S. Employer  
Identification No.)

**10017**  
(Zip Code)

Registrant's telephone number, including area code: **(332) 262-2300**

Former name, former address and former fiscal year, if changed since last report: **N/A**

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	CIFR	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of Common Stock at an exercise price of \$11.50 per whole share	CIFRW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

As of May 5, 2025, the registrant had 371,213,387 shares of Common Stock, \$0.001 par value per share, outstanding.

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## CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (the “Quarterly Report”) contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements contained in this Quarterly Report, other than statements of historical fact, including, without limitation, statements about our beliefs and expectations regarding our future results of operations and financial position, planned business model and strategy, our bitcoin mining and high-performance compute (“HPC”) data center development, timing and likelihood of success, capacity, functionality and timing of operation of data centers, expectations regarding the operation of data centers, potential strategic initiatives, such as joint ventures and partnerships, and management plans and objectives are forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “seeks,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “forecasts,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions, although not all forward-looking statements use these words or expressions. The forward-looking statements in this Quarterly Report are only predictions and are largely based on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following:

- We operate in a rapidly evolving industry and have an evolving business model and strategy, which includes our increasing focus on diversification into constructing and operating data centers for HPC companies, as well as bitcoin mining.
- If we fail to grow our hashrate, we may be unable to compete, and our results of operations could suffer.
- The further development and acceptance of digital asset networks and other digital assets, which represent a new and rapidly changing industry, are subject to a variety of factors that are difficult to evaluate. The slowing or stopping of the development or acceptance of digital asset systems may adversely affect an investment in us.
- We may face several risks due to disruptions in the digital asset markets, including but not limited to, financing risk, risk of increased losses or impairments in our investments or other assets, risks of legal proceedings and government investigations, and risks from price declines or price volatility of digital assets.
- Any unfavorable global economic, business or political conditions, such as geopolitical tensions, military conflicts, acts of terrorism, natural disasters, pandemics, trade restrictions, tariffs, or similar events could adversely affect our business, financial condition and results of operations.
- Bitcoin mining activities are energy-intensive, which may restrict the geographic locations of miners and have a negative environmental impact. Government regulators may potentially restrict the ability of electricity suppliers to provide electricity to mining operations, such as ours, increase taxes on the purchase of electricity used to mine bitcoin, or even fully or partially ban mining operations.
- We have concentrated our operations and, thus, are particularly exposed to the performance of the Odessa Facility and changes in the regulatory environment, market conditions and natural disasters in Texas.
- We depend on third parties, including electric grid operators, electric utility providers and manufacturers of certain critical and specialized equipment, and rely on components and raw materials that may be subject to price fluctuations or shortages, including application-specific integrated circuit (“ASIC”) chips that have been subject to periods of significant shortage and high innovation pace.
- We may be affected by price fluctuations in the wholesale and retail power markets.
- We are vulnerable to severe weather conditions and natural disasters, including severe heat, winter weather events, earthquakes, fires, floods, hurricanes, as well as power outages and other industrial incidents or mechanical failures, which could severely disrupt the normal operation of our business and adversely affect our results of operations.
- Bitcoin miners and other necessary hardware are subject to malfunction, technological obsolescence and physical degradation.

- If we or our third-party providers fail to protect confidential information and/or experience cybersecurity incidents, such as cyber-attacks, data breaches, hacking attacks or malware, there may be disruptions to our operations, triggering significant liability for us, which could harm our operating results and financial condition, and damage our reputation or otherwise materially harm our business.
- The value of bitcoin has historically been subject to wide swings, and our operating results may be adversely affected by our hedging activity.
- There is a potential that, in the event of a bankruptcy filing by a custodian, bitcoin held in custody could be determined to be property of a bankruptcy estate and we could be considered a general unsecured creditor thereof.
- Regulatory changes or actions may restrict the use of bitcoin in a manner that adversely affects our business, prospects or operations.
- Our sources of revenue are dependent on bitcoin and the Bitcoin ecosystem, which can be highly volatile.
- Any potential use of emerging technologies like artificial intelligence, machine learning and generative artificial intelligence could lead to unintended consequences and result in reputational harm and litigation.
- We have identified a material weakness in our internal control over financial reporting which, if not timely remediated, may adversely affect the accuracy and reliability of our future financial statements, and our reputation, business and the price of our common stock, as well as may lead to a loss of investor confidence in us.
- The important factors discussed in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the Securities and Exchange Commission (the “SEC”) on February 25, 2025 (the “2024 Form 10-K”), and our other reports filed with the SEC.

The forward-looking statements in this Quarterly Report are based upon information available to us as of the date of this Quarterly Report, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this Quarterly Report and the documents that we reference in this Quarterly Report and have filed as exhibits to this Quarterly Report with the understanding that our actual future results, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this Quarterly Report. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Quarterly Report, whether as a result of any new information, future events or otherwise.

## WHERE YOU CAN FIND MORE INFORMATION

Our corporate website address is <https://www.ciphermining.com> (“Corporate Website”). The contents of, or information accessible through, our Corporate Website are not part of this Quarterly Report.

The Company maintains a dedicated investor website at <https://investors.ciphermining.com/investors> (“Investors’ Website”) which is similarly not part of this Quarterly Report. We make our filings with the SEC, including our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and all amendments to those reports, available free of charge on our Investors’ Website as soon as reasonably practicable after we file such reports with, or furnish such reports to, the SEC.

We may use our Investors’ Website as a distribution channel of material information about the Company including through press releases, investor presentations, sustainability reports, and notices of upcoming events. We intend to utilize our Investors’ Website as a channel of distribution to reach public investors and as a means of disclosing material non-public information for complying with disclosure obligations under Regulation FD.

Any reference to our Corporate Website or Investors’ Website addresses do not constitute incorporation by reference of the information contained on or available through those websites, and you should not consider such information to be a part of this Quarterly Report or any other filings we make with the SEC.

## PART I - FINANCIAL INFORMATION

### Item 1. Financial Statements

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**CIPHER MINING INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands, except for share and per share amounts)  
(unaudited)

	<u>March 31, 2025</u>	<u>December 31, 2024</u>
<b>ASSETS</b>		
Current assets		
Cash and cash equivalents	\$ 23,173	\$ 5,585
Accounts receivable	758	596
Receivables, related party	300	2,090
Prepaid expenses and other current assets	2,970	3,387
Bitcoin	52,024	92,651
Receivable for bitcoin collateral	32,497	32,248
Derivative asset	42,835	31,648
<b>Total current assets</b>	<b>154,557</b>	<b>168,205</b>
Restricted cash	14,392	14,392
Property and equipment, net	477,972	480,865
Deposits on equipment	122,502	38,872
Intangible assets, net	9,043	8,881
Investment in equity investees	48,499	53,908
Derivative asset	50,165	54,022
Operating lease right-of-use asset	12,192	12,561
Security deposits	19,776	19,782
Other noncurrent assets	4,694	3,958
<b>Total assets</b>	<b>\$ 913,792</b>	<b>\$ 855,446</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities		
Accounts payable	\$ 29,879	\$ 22,699
Accrued expenses and other current liabilities	66,300	69,824
Finance lease liability, current portion	3,903	3,798
Operating lease liability, current portion	3,200	3,127
Short-term borrowings	35,459	32,330
<b>Total current liabilities</b>	<b>138,741</b>	<b>131,778</b>
Asset retirement obligations	20,801	20,282
Finance lease liability	6,315	7,331
Operating lease liability	9,506	9,833
Deferred tax liability	3,634	4,269
<b>Total liabilities</b>	<b>178,997</b>	<b>173,493</b>
Commitments and contingencies ( <i>Note 13</i> )		
Stockholders' equity		
Preferred stock, \$0.001 par value; 10,000,000 shares authorized, none issued and outstanding as of March 31, 2025, and December 31, 2024	-	-
Common stock, \$0.001 par value, 500,000,000 shares authorized, 371,313,598 and 361,432,449 shares issued as of March 31, 2025 and December 31, 2024, respectively, and 370,857,699 and 350,783,817 shares outstanding as of March 31, 2025, and December 31, 2024, respectively	371	361
Additional paid-in capital	954,812	863,015
Accumulated deficit	(220,387)	(181,412)
Treasury stock, at par, 455,899 and 10,648,632 shares at March 31, 2025 and December 31, 2024, respectively	(1)	(11)
<b>Total stockholders' equity</b>	<b>734,795</b>	<b>681,953</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 913,792</b>	<b>\$ 855,446</b>

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**CIPHER MINING INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except for share and per share amounts)  
(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Revenue - bitcoin mining	\$ 48,959	\$ 48,137
Costs and operating (expenses) income		
Cost of revenue	(14,894)	(14,820)
Compensation and benefits	(14,303)	(13,036)
General and administrative	(8,951)	(6,077)
Depreciation and amortization	(43,467)	(17,244)
Change in fair value of derivative asset	7,330	7,359
Power sales	991	1,173
Equity in income (losses) of equity investees	(5,292)	738
Unrealized (losses) gains on fair value of bitcoin	(20,178)	40,556
Realized gains on sale of bitcoin	12,196	-
Other gains	(479)	-
Total costs and operating expenses	(87,047)	(1,351)
Operating (loss) income	(38,088)	46,786
Other income (expense)		
Interest income	190	786
Interest expense	(777)	(400)
Change in fair value of warrant liability	-	250
Other expense	(156)	(1,958)
Total other expense	(743)	(1,322)
(Loss) income before taxes	(38,831)	45,464
Current income tax expense	(779)	(386)
Deferred income tax benefit (expense)	635	(5,178)
Total income tax expense	(144)	(5,564)
Net (loss) income	\$ (38,975)	\$ 39,900
(Loss) income per share - basic and diluted	\$ (0.11)	\$ 0.13
Weighted average shares outstanding - basic	360,514,620	296,641,499
Weighted average shares outstanding - diluted	360,514,620	304,397,979

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**CIPHER MINING INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)**  
(in thousands, except for share amounts)  
(unaudited)

**Three Months Ended March 31, 2025**

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Treasury Stock		Total Stockholders' Equity
	Shares	Amount			Shares	Amount	
<b>Balance as of December 31, 2024</b>	<b>361,432,449</b>	<b>\$ 361</b>	<b>\$ 863,015</b>	<b>\$ (181,412)</b>	<b>(10,648,632)</b>	<b>\$ (11)</b>	<b>\$ 681,953</b>
Issuance of common shares, net of offering costs - At-the-market offering	9,149,447	9	\$ 34,169	-	-	-	34,178
Treasury stock reissued for PIPE Investment	—	-	49,990	-	10,438,413	10	50,000
Delivery of common stock underlying restricted stock units, net of shares settled for tax withholding settlement	731,702	1	(1,144)	-	(245,680)	-	(1,143)
Share-based compensation	-	-	8,782	-	-	-	8,782
Net loss	-	-	-	(38,975)	-	-	(38,975)
<b>Balance as of March 31, 2025</b>	<b>371,313,598</b>	<b>\$ 371</b>	<b>\$ 954,812</b>	<b>\$ (220,387)</b>	<b>(455,899)</b>	<b>\$ (1)</b>	<b>\$ 734,795</b>

**Three Months Ended March 31, 2024**

	Common Stock		Additional Paid-in Capital	Accumulated Deficit	Treasury Stock		Total Stockholders' Equity
	Shares	Amount			Shares	Amount	
<b>Balance as of December 31, 2023</b>	<b>296,276,536</b>	<b>\$ 296</b>	<b>\$ 627,822</b>	<b>\$ (136,777)</b>	<b>(5,318,674)</b>	<b>\$ (5)</b>	<b>\$ 491,336</b>
Issuance of common shares, net of offering costs - At-the-market offering	14,246,235	14	64,532	-	-	-	64,546
Delivery of common stock underlying restricted stock units, net of shares settled for tax withholding settlement	2,059,390	3	(3,177)	-	(787,098)	(1)	(3,175)
Share-based compensation	66,941	-	8,317	-	-	-	8,317
Net income	-	-	-	39,900	-	-	39,900
<b>Balance as of March 31, 2024</b>	<b>312,649,102</b>	<b>\$ 313</b>	<b>\$ 697,494</b>	<b>\$ (96,877)</b>	<b>(6,105,772)</b>	<b>\$ (6)</b>	<b>\$ 600,924</b>

*The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.*

**CIPHER MINING INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)  
(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities</b>		
Net (loss) income	\$ (38,975)	\$ 39,900
Adjustments to reconcile net (loss) income to net cash provided by (used in) operating activities:		
Depreciation	43,277	17,097
Amortization of intangible assets	189	147
Amortization of operating right-of-use asset	369	254
Share-based compensation	9,132	8,317
Equity in losses (gains) of equity investees	5,292	(738)
Loss on disposal of assets	633	-
Non-cash lease expense	-	392
Other operating activities	-	1,958
Income taxes	144	5,564
Non-cash consideration received for services	(48,797)	(48,079)
Change in fair value of derivative asset	(7,330)	(7,359)
Change in fair value of warrant liability	-	(250)
Change in fair value of bitcoin collateral	2,755	-
Change in fair value of bitcoin loan	(1,046)	-
Unrealized loss (gains) on fair value of bitcoin	20,178	(40,556)
Realized gains on sale of bitcoin	(12,196)	-
Changes in assets and liabilities:		
Accounts receivable	(162)	(58)
Receivables, related party	1,790	(185)
Prepaid expenses and other current assets	418	760
Security deposits	7	-
Other non-current assets	(737)	-
Accounts payable	(8,745)	2,540
Accrued expenses and other current liabilities	(13,179)	(6,123)
Lease liabilities	(255)	(217)
Net cash used in operating activities	(47,238)	(26,636)
<b>Cash flows from investing activities</b>		
Proceeds from sale of bitcoin	90,005	-
Deposits on equipment	(75,105)	(4,536)
Purchases of property and equipment	(24,570)	(7,902)
Purchases and development of software	(352)	(200)
Investment in equity investees	(7,276)	(18,319)
Net cash used in provided by investing activities	(17,298)	(30,957)
<b>Cash flows from financing activities</b>		
Proceeds from treasury stock reissued for PIPE investment	50,000	-
Proceeds from the issuance of common stock	34,524	66,171
Offering costs paid for the issuance of common stock	(345)	(1,623)
Repurchase of common shares to pay employee withholding taxes	(1,144)	(3,177)
Principal payments on financing lease	(911)	(1,208)
Net cash provided by financing activities	82,124	60,163
Net increase in cash, cash equivalents, and restricted cash	17,588	2,570
Cash, cash equivalents, and restricted cash, beginning of the period	19,977	86,105
Cash and cash equivalents, and restricted cash, end of the period	\$ 37,565	\$ 88,675

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements

**CIPHER MINING INC.**  
**CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS - CONTINUED**  
(in thousands)  
(unaudited)

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Supplemental disclosure of noncash investing and financing activities</b>		
Bitcoin received as a loan	\$ 16,551	\$ -
Property and equipment purchases in accounts payable and accrued expenses	\$ 26,374	\$ -
Bitcoin loan payments	\$ 14,830	\$ -
Bitcoin received from equity investees	\$ 7,394	\$ 1,694
Bitcoin transferred for rehypothecated collateral	\$ 3,005	\$ -
Treasury stock reissued for PIPE investment	\$ 10	\$ -
Settlement of related party payable related to master services and supply agreement	\$ -	\$ 1,554
Reclassification of deposits on equipment to property and equipment	\$ -	\$ 5,161

The following table provides a reconciliation of Cash and cash equivalents together with Restricted cash as reported within the Consolidated Balance Sheets to the sum of the same such amounts shown in the Consolidated Statements of Cash Flows.

	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
Cash and cash equivalents	\$ 23,173	\$ 88,675
Restricted cash	14,392	-
Total cash, cash equivalents, and restricted cash shown in the statement of cash flows	<u>\$ 37,565</u>	<u>\$ 88,675</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

**CIPHER MINING INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

**NOTE 1. ORGANIZATION**

*Nature of operations*

Cipher Mining Inc. (“Cipher” or the “Company”) is focused on the development and operation of industrial-scale data centers for bitcoin mining and high-performance compute (“HPC”) hosting. The Company operates one wholly-owned bitcoin mining data center, and has equity investments in three partially-owned joint venture bitcoin mining data centers. The Company’s portfolio as of March 31, 2025 also includes four wholly-owned sites which have not commenced operations, and options to acquire three additional wholly-owned sites.

*Risks and uncertainties*

*Liquidity and capital resources*

The Company has historically experienced net losses and negative cash flows from operations; however, proceeds from sales of bitcoin are categorized as cash flows from investing activities to the extent bitcoin is sold after seven days of receipt. As of March 31, 2025, the Company had approximate balances of cash and cash equivalents of \$23.2 million, working capital of \$15.8 million, total stockholders’ equity of \$734.8 million and an accumulated deficit of \$220.4 million. The Company uses a combination of proceeds from sales of bitcoin earned by or received from its bitcoin mining data centers, short-term financing arrangements, and strategic sales of shares through “at-the-market” offerings to support its operating expenses and capital expenditures.

The Company monitors its balance sheet on an ongoing basis to determine the proper mix of bitcoin retention and bitcoin sales to support its cash requirements, ongoing operations, and capital expenditures. Bitcoin is classified as a current asset on the Company’s balance sheets due to its intent and ability to sell bitcoin to support operations when needed. Approximately \$47.2 million of cash was used for operating activities during the three months ended March 31, 2025.

During the three months ended March 31, 2025, the Company sold bitcoin for proceeds of approximately \$90.0 million, paid approximately \$75.1 million for deposits on equipment primarily related to new miner purchases, and paid approximately \$24.6 million for property and equipment primarily related to the build-out of the Black Pearl Facility.

The Company has a master loan agreement with Coinbase Credit, Inc., as Lender, and Coinbase, Inc., as Lending Service Provider (the “Coinbase Master Loan Agreement”). Pursuant to the master loan agreement, the Company has a secured line of credit up to \$25.0 million (the “Coinbase Overnight Credit Facility”), and a term loan facility with Coinbase with a limit of \$35.0 million and maximum period of one year (the “Term Loan Facility”). As described in more detail in *Note 18. Short-term borrowings*, the borrowings are collateralized by bitcoin transferred to the Lending Service Provider’s platform.

Management believes that the Company’s existing financial resources, combined with projected cash and bitcoin inflows from its data centers, its ability to sell bitcoin received or earned, and its intent and ability to sell common stock through at-the-market offerings will be sufficient to enable the Company to meet its operating and capital requirements for at least 12 months from the date these condensed consolidated financial statements are issued.

**NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

*Basis of presentation and principles of consolidation*

The Company prepares its unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the U.S. (“GAAP”) as determined by the FASB and pursuant to the accounting and disclosure rules and regulations of the Securities and Exchange Commission (“SEC”).

The unaudited condensed consolidated financial statements include the accounts of the Company and its controlled subsidiaries. All intercompany transactions and balances have been eliminated.

Certain prior year amounts have been reclassified for consistency with the current period presentation. Effective for the year ended December 31, 2024, the Company changed the presentation of its consolidated income statement to separately disclose Unrealized (losses) gains on fair value of bitcoin and Realized gains on sale of bitcoin. The Company believes this presentation provides increased transparency on the nature of the respective financial statement line items. As a result, the Company reported \$40.6 million, and \$0.0 million as Unrealized (losses) gains on fair value of bitcoin and Realized gains

**CIPHER MINING INC.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
(unaudited)

on sale of bitcoin, respectively, for the three months ended March 31, 2024, which was previously reported aggregated in Gains on fair value of bitcoin.

***Use of estimates***

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of expenses during the reporting period. The most significant estimates inherent in the preparation of the Company's financial statements include, but are not limited to, those related to equity instruments issued in share-based compensation arrangements, valuation of its derivative asset, useful lives of property and equipment, the asset retirement obligation and the valuation allowance associated with the Company's deferred tax assets, among others. Making estimates requires management to exercise significant judgment. It is at least reasonably possible that the estimate of the effect of a condition, situation or set of circumstances that existed at the date of the financial statements, which management considered in formulating its estimate, could change in the near term due to one or more future confirming events. Accordingly, the actual results could differ significantly from those estimates.

***Unaudited condensed consolidated financial statements***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with GAAP for interim financial information and the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of the Company's management, these unaudited condensed consolidated financial statements reflect all adjustments, which consist of only normal recurring adjustments necessary for the fair presentation of the balances and results for the periods presented. These unaudited condensed consolidated financial statement results are not necessarily indicative of results to be expected for the full fiscal year or any future period.

A detailed description of the Company's significant accounting policies is included in the Company's 2024 Form 10-K. You should read the unaudited condensed consolidated financial statements in conjunction with the Company's audited consolidated financial statements and accompanying notes in the Company's 2024 Form 10-K. There have been no material change in the information disclosed in the notes to the Company's audited consolidated financial statements included in the Company's 2024 Form 10-K.

***Revenue recognition***

The Company recognizes revenue under ASC 606, *Revenue from Contracts with Customers* ("ASC 606"). The core principle of the revenue standard is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the company expects to be entitled in exchange for those goods or services.

The Company recognizes revenue on the same day that the control of the contracted service of providing hashrate transfers to the mining pool operator, which is the same day as contract inception. The noncash consideration received in the form of bitcoin is measured at 0:00:00 Coordinated Universal Time ("UTC") using the Company's principal market for bitcoin.

The contract is terminable at any time by either party with no substantive termination penalty. The Company's enforceable right to compensation begins when, and lasts for as long as, the Company provides computing power to the mining pool operator; the Company's performance obligation extends over the contract term given the Company's continuous provision of hashrate. This period of time corresponds with the period of service for which the mining pool operator determines compensation due the Company. Given the terms of the contract, and the Company's customary business practice, the contract effectively provides the Company with a contract that continuously renews throughout the day.

***Segment information***

Operating segments are defined as components of an enterprise about which separate discrete information is available for evaluation by the chief operating decision maker, or decision-making group, in deciding how to allocate resources and in assessing performance. The Company has one operating segment, Bitcoin Mining, which through operations produce bitcoin to generate revenue. The Chief Operating Decision Maker ("CODM") for the Company consists of the chief executive officer ("CEO"), and chief financial officer ("CFO"). The CODM reviews the performance of its segment primarily based on operating income when deciding on allocating resources between reinvesting in Bitcoin Mining or exploring alternative deployment of resources.

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***Restricted cash***

Restricted cash represents amounts pledged as collateral to Luminant ET Services Company LLC (“Luminant”, and Vistra Operations Company, LLC (“Vistra”), a Luminant affiliate, primarily related to the Luminant Power Agreement (defined below in *Note 4. Derivative Asset*). The collateral restrictions related to the Luminant Power Agreement will lapse upon termination of the agreement.

***Earnings per share***

Basic earnings (loss) per share is computed by dividing net income (loss) allocated to common shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings (loss) per common share adjusts net income (loss) and net income (loss) per common share for the effect of all potentially dilutive shares of Common Stock. Potentially dilutive common shares consist of the Company’s outstanding warrants to purchase Common Stock, as well as unvested restricted stock units (“RSUs”).

The dilutive effect of RSUs was calculated using the treasury stock method. For warrants that are liability-classified, during periods when the impact is dilutive, the Company assumes share settlement of the instruments as of the beginning of the reporting period and adjusts the numerator to remove the change in fair value of the warrant liability and adjusts the denominator to include the dilutive shares calculated using the treasury stock method.

The Company’s potentially dilutive common shares have been excluded from the computation of diluted net loss per common share when the effect would be to reduce the net loss per common share, or increase the net income per common share.

The following is a reconciliation of the numerator and denominator of the diluted earnings (loss) per share computations for the periods indicated below:

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Basic and diluted loss per share:</b>		
Net (loss) income	\$ (38,975)	\$ 39,900
Weighted average shares outstanding - basic	360,514,620	296,641,499
Add:		
RSUs	-	7,756,480
Weighted average shares outstanding - diluted	360,514,620	304,397,979
Net (loss) income per share - basic and diluted	\$ (0.11)	\$ 0.13

The following table presents the common share equivalents that are excluded from the computation of diluted earnings (loss) per common share at March 31, 2025 and 2024, because including them would have been antidilutive.

	<b>March 31,</b>	
	<b>2025</b>	<b>2024</b>
Public warrants	8,613,980	8,613,980
Unvested RSUs	29,298,979	—
	37,912,959	8,613,980

***Recently adopted accounting pronouncements***

In December 2023, the FASB issued ASU 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* (“ASU 2023-09”). ASU 2023-09 seeks to improve transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid disclosures. The

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Company adopted this standard on January 1, 2025 and it did not have a significant impact on its condensed consolidated financial statements.

**Recently issued accounting pronouncements**

The Company continually assesses any new accounting pronouncements to determine their applicability. When it is determined that a new accounting pronouncement affects the Company's financial reporting, the Company undertakes to determine the consequences of the change to its financial statements and assures that there are proper controls in place to ascertain that the Company's financial statements properly reflect the change. The Company reviewed all other recently issued accounting pronouncements and concluded that they were either not applicable or not expected to have a significant impact on its condensed consolidated financial statements.

**NOTE 3. BITCOIN**

The following table presents information about the Company's bitcoin (in thousands):

	<b>For the Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Opening balance</b>	\$ 92,651	\$ 32,978
Bitcoin received from equity investees	7,394	1,694
Bitcoin received from mining activities	36,496	48,079
Bitcoin received from loan	16,551	-
Proceeds from sales of bitcoin	(90,005)	-
Bitcoin loan payments	(76)	-
Realized gains on sales of bitcoin, net <sup>(1)</sup>	12,196	-
Unrealized (losses) gains on bitcoin	(20,178)	40,556
Bitcoin transferred to collateral, net	(3,005)	-
<b>Ending balance</b>	<b>\$ 52,024</b>	<b>\$ 123,307</b>

(1) Realized losses from sale of bitcoin was immaterial in all periods presented.

The Company held approximately 630 and 994 bitcoin at March 31, 2025, and December 31, 2024, respectively. The associated fair value and cost basis of bitcoin held was \$52.0 million, and \$59.2 million, respectively, at March 31, 2025, and \$92.7 million, and \$79.8 million, respectively at December 31, 2024. Fair value of bitcoin is estimated using the closing price at 23:59:59 UTC in the Company's principal market, which is a Level 1 input (i.e., an observable input such as a quoted price in an active market for an identical asset). The Company accounts for bitcoin on a first-in-first-out ("FIFO") basis.

As of March 31, 2025, 394 bitcoin with a fair value of \$32.5 million were pledged as collateral related to the Coinbase Overnight Credit Facility. As of December 31, 2024, 345 bitcoin with a fair value of \$32.2 million were pledged as collateral related to the Coinbase Overnight Credit Facility. Restrictions on this bitcoin pledged as collateral will lapse upon repayment of the outstanding balance drawn on this facility. The collateral pledged related to the Coinbase Overnight Credit Facility can be rehypothecated and therefore is derecognized from the Company's ending bitcoin balance, and recorded in Receivable for bitcoin collateral on the Company's consolidated balance sheet. Any difference in cost basis of the bitcoin transferred is recorded in Realized gains on sale of bitcoin on the Company's consolidated statement of operations.

Additionally, the Company may pledge bitcoin as collateral related to bitcoin trading strategies. As of March 31, 2025, we had 15 bitcoin with a fair value of \$1.2 million pledged relating to bitcoin trading strategies. Restrictions on this collateral will lapse in June 2025. As of December 31, 2024 the Company had no bitcoin pledged as part of trading strategies.

**NOTE 4. DERIVATIVE ASSET**

*Luminant Power Agreement*

On June 23, 2021, the Company entered into a power purchase agreement with Luminant, which was subsequently amended and restated on July 9, 2021, and further amended on February 28, 2022, August 26, 2022, and August 23, 2023

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(as amended, the “Luminant Power Agreement”), for the supply of a fixed amount of electric power to the Odessa Facility at a fixed price for a term of five years, subject to certain early termination exemptions. The Luminant Power Agreement provides for subsequent automatic annual renewal unless either party provides written notice to the other party of its intent to terminate the agreement at least six months prior to the expiration of the then current term.

The Company’s management determined that the Luminant Power Agreement meets the definition of a derivative under ASC 815, *Derivatives and Hedging* (“ASC 815”). Accordingly, the Luminant Power Agreement is recorded at its estimated fair value each reporting period with the change in the fair value recorded in change in fair value of derivative asset in the consolidated statements of operations. See additional information regarding valuation of the Luminant Power Agreement derivative in *Note 17. Fair Value Measurements*.

The Company may opportunistically sell electricity in the ERCOT market in exchange for cash payments, rather than utilizing the power to mine for bitcoin at the Odessa Facility to manage the Company’s operating costs. From Power sales, the Company earned approximately \$1.0 million and \$1.2 million for the three months ended March 31, 2025, and 2024, respectively, and recorded this amount within Costs and operating (expenses) income on the condensed consolidated statement of operations, with the corresponding cost of the power sold recorded in Cost of revenue.

**NOTE 5. PROPERTY AND EQUIPMENT**

Property and equipment, net consisted of the following (in thousands):

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Miners and mining equipment	\$ 340,327	\$ 342,111
Leasehold improvements	137,582	137,582
Land	51,297	49,021
Infrastructure	28,166	28,166
Other	611	606
Construction-in-progress	120,234	82,017
Total cost of property and equipment	<u>678,217</u>	<u>639,503</u>
Less: accumulated depreciation	(200,245)	(158,638)
Property and equipment, net	<u>\$ 477,972</u>	<u>\$ 480,865</u>

As of March 31, 2025, the Company has added approximately \$120.2 million of construction-in-progress related to the build-out of the Black Pearl Facility.

Depreciation expense was approximately \$43.3 million and \$17.1 million, respectively, for the three months ended March 31, 2025 and 2024, respectively, and included approximately \$0.5 million and \$0.8 million for the three months ended March 31, 2025 and 2024, of accretion expense related to the Company’s asset retirement obligation for the Odessa Facility.

**NOTE 6. DEPOSITS ON EQUIPMENT**

In the fourth quarter of 2023, the Company entered into an agreement with Bitmain to purchase 7.1 EH/s of miners to be delivered in the first half of 2025 (the “Future Sales and Purchase Agreement”). The Company has a deposit of \$1.1 million remaining on this order. In addition to amending the agreement on June 5, 2024 (such amendment, the “Supplemental Agreement”) to upgrade the miners and accelerate the delivery from the first half of 2025 to the fourth quarter of 2024, the Future Sales and Purchase Agreement also has an option to purchase an additional 8.7 EH/s in 2024. The Company paid \$12.2 million upon signing the agreement in the fourth quarter of 2023 as a deposit, which can be used towards purchases under this option. On July 10, 2024, the Company entered into an agreement to further amend the Future Sales and Purchase agreement (the “Amendment Agreement”). The Amendment Agreement upgraded the miners to be purchased under the option, and extended the option expiration from December 31, 2024 to June 30, 2025. The Company subsequently executed the option under this agreement and has paid nonrefundable deposits of \$93.4 million for this order as of March 31, 2025.

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In the second quarter of 2024, the Company entered into an agreement with Canaan to purchase 1.25 EH/s of miners to be delivered in the fourth quarter of 2024, all of which have been delivered with no remaining amount to be paid. Additionally, the contract included an option to purchase 160 MW of miners which the Company can exercise on or before June 30, 2025. The Company paid a deposit of \$5.3 million associated with the option.

In the fourth quarter of 2024, the Company made a nonrefundable deposit with American Electric Power Company, Inc. (“AEP”) for \$5.3 million related to construction costs to energize a wholly-owned site in LaSalle, Texas (the “Reveille Facility”), as a Contributions in Aid of Construction (“CIAC”) payment.

**NOTE 7. INVESTMENT IN EQUITY INVESTEES**

The Company accounts for its 49% equity ownership in each of Alborz LLC, Bear LLC and Chief Mountain LLC (the “Data Center LLCs”) using the equity method of accounting. The Company’s joint venture partner holds the remaining equity in each Data Center LLC entity.

During fiscal year 2022, the Company contributed miners and mining equipment to the Data Center LLCs. The contributed miners had a fair value that was below the cost paid by the Company to obtain them. As such, the Company recognized a loss at the time of the contributions, resulting in basis differences of the miners between the Company and the Data Center LLCs, which recorded the contributions of equipment from the Company at historical cost. The Company accretes these basis differences over the life of the miners and records the accretion amount for each reporting period within Equity in losses of equity investees on its statements of operations. As of March 31, 2025, the Company had remaining basis differences totaling approximately \$7.8 million that have not yet been accreted.

Activity in the Company’s investments in equity investees during the three months ended March 31, 2025, and 2024, consisted of the following (in thousands):

	<b>For the Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Opening balance</b>	\$ 53,908	\$ 35,258
Cost of contributed mining equipment and other capital contributions	7,276	18,319
Accretion of basis differences related to miner contributions	2,471	1,671
Bitcoin received from equity investees	(7,394)	(1,694)
Equity in net losses of equity investees	(7,762)	(933)
<b>Ending Balance</b>	<b>\$ 48,499</b>	<b>\$ 52,621</b>

**NOTE 8. INTANGIBLE ASSETS**

The Company’s intangible assets consisted of the following (in thousands):

	<b>March 31, 2025</b>		
	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Amount</b>
Strategic contract	\$ 7,000	\$ (467)	\$ 6,533
Capitalized software	3,005	(495)	2,510
<b>Total</b>	<b>\$ 10,005</b>	<b>\$ (962)</b>	<b>\$ 9,043</b>

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	<b>December 31, 2024</b>		
	<b>Gross Carrying Amount</b>	<b>Accumulated Amortization</b>	<b>Net Carrying Amount</b>
Strategic contract	\$ 7,000	\$ (379)	\$ 6,621
Capitalized software	2,653	(393)	2,260
<b>Total</b>	<b>\$ 9,653</b>	<b>\$ (772)</b>	<b>\$ 8,881</b>

The Company recorded amortization expense related to intangible assets of \$0.2 million for the three months ended March 31, 2025, and \$0.1 million for the three months ended March 31, 2024. The Company expects to record amortization expense as follows over the next five subsequent years:

	<b>(in thousands)</b>
Remaining Year Ended December 31, 2025	\$ 584
Year Ended December 31, 2026	779
Year Ended December 31, 2027	779
Year Ended December 31, 2028	688
Year Ended December 31, 2029	\$ 477

**NOTE 9. SECURITY DEPOSITS**

The Company's security deposits consisted of the following (in thousands):

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Oncor Facility Extension security deposit related to Black Pearl Facility	\$ 6,269	\$ 6,269
Oncor Facility Extension security deposit related to Barber Lake Facility	8,297	8,297
Oncor Facility Extension security deposit related to Stingray Facility	4,244	4,244
Other deposits	966	972
<b>Total security deposits</b>	<b>\$ 19,776</b>	<b>\$ 19,782</b>

As part of various transactions to acquire wholly-owned sites, the Company has paid deposits to Oncor Electric Delivery Company LLC ("Oncor") to construct infrastructure to provide the ability to energize each data center. These deposits are eligible to be returned to the Company if the data centers energize an agreed upon capacity within an agreed upon timeframe. As of March 31, 2025 the Company believes these deposits will be returned.

As part of the asset acquisition to acquire the Barber Lake Facility, the Company acquired a deposit with Oncor of \$8.3 million which had previously been paid by the seller. As part of the transaction, the Company must remit the deposit to the seller upon receipt. As such the Company has recorded a corresponding liability in Accrued expenses and other liabilities on the condensed consolidated balance sheet as of March 31, 2025.

**NOTE 10. SUPPLEMENTAL FINANCIAL INFORMATION**

Prepaid expenses and other current assets were \$3.0 million and \$3.4 million as of March 31, 2025 and December 31, 2024, respectively, primarily consisting of prepaid insurance as of March 31, 2025, and December 31, 2024.

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The Company's accrued expenses and other current liabilities consisted of the following (in thousands):

	<b>March 31, 2025</b>	<b>December 31, 2024</b>
Remaining payments for miners in service	\$ 27,979	\$ 30,221
Taxes (primarily sales tax)	14,765	14,607
Barber Lake site deposit payable	8,297	8,297
Power costs	4,052	—
Professional fees	3,753	4,449
Construction costs	3,560	2,675
Employee compensation	3,407	8,246
Other	487	1,329
<b>Total accrued expenses and other current liabilities</b>	<b>\$ 66,300</b>	<b>\$ 69,824</b>

**NOTE 11. RELATED PARTY TRANSACTIONS**

***Related party receivables***

The Company recorded related party receivables of approximately \$0.3 million and \$2.1 million, as of March 31, 2025 and December 31, 2024, respectively, representing amounts owed to the Company from its equity method investees.

**NOTE 12. LEASES**

***Odessa Facility Lease***

The Company entered into a series of agreements with affiliates of Luminant, including the Lease Agreement dated June 29, 2021, with amendment and restatement on July 9, 2021 and August 23, 2023 (as amended and restated, the "Luminant Lease Agreement"). The Luminant Lease Agreement leases a plot of land to the Company for the data center, ancillary infrastructure and electrical system (the "Interconnection Electrical Facilities" or "substation") of the Odessa Facility. The Company entered into the Luminant Lease Agreement and the Luminant Purchase and Sale Agreement to build the infrastructure necessary to support its Odessa Facility operations. The Company determined that the Luminant Lease Agreement and the Luminant Purchase and Sale Agreement should be combined for accounting purposes under ASC 842 (collectively, the "Combined Luminant Lease Agreement") and that amounts exchanged under the combined contract should be allocated to the various components of the overall transaction based on relative fair values. The Combined Luminant Lease Agreement is classified as a finance lease.

The Combined Luminant Lease Agreement commenced on November 22, 2022 and has an initial term of five years, with renewal provisions that are aligned with the Luminant Power Agreement. Financing for use of the land and substation is provided by Luminant affiliates.

At the end of the lease term for the Interconnection Electrical Facilities, the substation will be sold back to Luminant's affiliate, Vistra Operations Company, LLC at a price to be determined based upon bids obtained in the secondary market.

***Black Pearl Facility Lease***

The Company and its wholly-owned subsidiary, Cipher Black Pearl LLC ("Black Pearl"), assumed a lease for a 70 acre plot of land in Winkler County, Texas, for the purpose of constructing a data center, and ancillary infrastructure to construct the Black Pearl Facility. The initial term of the lease is ten years, and includes four years consecutive renewal options for ten years each.

***Reveille Facility Lease***

The Company and its wholly-owned subsidiary, Cipher Reveille LLC ("Reveille"), assumed a lease for a 52 acre plot of land in LaSalle, Texas, for the purpose of constructing a data center, and ancillary infrastructure to construct the Reveille Facility. The initial term of the lease is ten years, and includes two consecutive renewal options for ten years each.

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**Office leases**

The Company leases office space for its headquarters in New York, New York, and office space in Charleston, South Carolina, and Denver, Colorado. All of the Company's office leases are classified as operating leases.

**Additional lease information**

Components of the Company's lease expenses are as follows (in thousands):

	Three Months Ended March 31,	
	2025	2024
<b>Finance leases:</b>		
Amortization of ROU assets <sup>(1)</sup>	\$ 761	\$ 761
Interest on lease liability	298	392
Total finance lease expense	1,059	1,153
<b>Operating leases:</b>		
Operating lease expense	627	439
Total operating lease expense	627	439
Total lease expense	\$ 1,686	\$ 1,592

<sup>(1)</sup> Amortization of finance lease ROU asset is included within depreciation expense.

The Company did not incur any variable lease costs during any of the periods presented.

Other information related to the Company's leases is shown below (dollar amounts in thousands):

	Three Months Ended March 31,	
	2025	2024
Operating cash flows - operating lease	\$ 513	\$ 401

	March 31, 2025	December 31, 2024
Weighted-average remaining lease term – finance lease (in years)	2.4	2.7
Weighted-average remaining lease term – operating lease (in years)	7.9	8.0
Weighted-average discount rate – finance lease	11.0 %	11.0 %
Weighted-average discount rate – operating lease	8.0 %	8.0 %
Finance lease ROU assets <sup>(1)</sup>	\$ 7,356	\$ 8,117

<sup>(1)</sup> As of March 31, 2025, the Company recorded accumulated amortization of \$5.1 million for the finance lease ROU asset. Finance lease ROU assets are recorded within property and equipment, net on the Company's consolidated balance sheets.

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As of March 31, 2025, future minimum lease payments during the next five years are as follows (in thousands):

	<b>Finance Lease</b>	<b>Operating Lease</b>	<b>Total</b>
Remaining Year Ended December 31, 2025	\$ 3,625	\$ 3,599	\$ 7,224
Year Ended December 31, 2026	4,834	2,293	7,127
Year Ended December 31, 2027	3,223	2,304	5,527
Year Ended December 31, 2028	—	2,284	2,284
Year Ended December 31, 2029	—	1,111	1,111
Thereafter	—	6,668	6,668
Total lease payments	11,682	18,259	29,941
Less present value discount	(1,464)	(5,553)	(7,017)
<b>Total</b>	<b>\$ 10,218</b>	<b>\$ 12,706</b>	<b>\$ 22,924</b>

**NOTE 13. COMMITMENTS AND CONTINGENCIES**

***Commitments***

In the normal course of business, the Company enters into contracts that contain a variety of indemnifications with its employees, licensors, suppliers and service providers. The Company's maximum exposure under these arrangements, if any, is unknown as of March 31, 2025.

***Contingencies***

The Company, and its subsidiaries, are subject at times to various claims, lawsuits and governmental proceedings relating to the Company's business and transactions arising in the ordinary course of business. The Company cannot predict the final outcome of such proceedings. Where appropriate, the Company vigorously defends such claims, lawsuits and proceedings. Some of these claims, lawsuits and proceedings seek damages, including consequential, exemplary or punitive damages, in amounts that could, if awarded, be significant. Certain of the claims, lawsuits and proceedings arising in the ordinary course of business are covered by the Company's insurance program. The Company maintains property and various types of liability insurance in an effort to protect the Company from such claims. In terms of any matters where there is no insurance coverage available to the Company, or where coverage is available and the Company maintains a retention or deductible associated with such insurance, the Company may establish an accrual for such loss, retention or deductible based on current available information. In accordance with accounting guidance, if it is probable that an asset has been impaired or a liability has been incurred as of the date of the financial statements, and the amount of loss is reasonably estimable, then an accrual for the cost to resolve or settle these claims is recorded by the Company in the accompanying consolidated balance sheets. If it is reasonably possible that an asset may be impaired as of the date of the financial statements, then the Company discloses the range of possible loss. Expenses related to the defense of such claims are recorded by the Company as incurred and included in the accompanying consolidated statements of operations. Management, with the assistance of outside counsel, may from time to time adjust such accruals according to new developments in the matter, court rulings, or changes in the strategy affecting the Company's defense of such matters. On the basis of current information, the Company does not believe there is a reasonable possibility that a material loss, if any, will result from any claims, lawsuits and proceedings to which the Company is subject to either individually, or in the aggregate.

***Litigation***

The Company is not a party to any material legal proceedings and is not aware of any pending or threatened claims. From time to time, the Company may be subject to various legal proceedings and claims that arise in the ordinary course of its business activities.

**NOTE 14. STOCKHOLDERS' EQUITY**

As of March 31, 2025, 510,000,000 shares with a par value of \$0.001 per share are authorized, of which, 500,000,000 shares are designated as Common Stock and 10,000,000 shares are designated as preferred stock ("Preferred Stock").

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***Common Stock***

Holders of each share of Common Stock are entitled to dividends when, as and if declared by the Board. As of the issuance of these consolidated financial statements, the Company had not declared any dividends. The holder of each share of Common Stock is entitled to one vote. The voting, dividend, liquidation and other rights and powers of the Common Stock are subject to and qualified by the rights, powers and preferences of any outstanding series of Preferred Stock, for which there currently are none outstanding.

During the three months ended March 31, 2025, the Company issued 731,702 shares of Common Stock to officers, employees and consultants in settlement of an equal number of fully vested RSUs awarded to these individuals pursuant to grants made under the Cipher Mining Inc. 2021 Incentive Award Plan (the "Incentive Award Plan"). The Company immediately repurchased 245,680 of these shares of Common Stock from officers and employees, with a fair value of approximately \$1.1 million, to cover taxes related to the settlement of vested RSUs, as permitted by the Incentive Award Plan. The Company placed the repurchased shares in treasury stock.

***At-the-Market Sales Agreement***

On September 21, 2022, the Company filed with the SEC a shelf registration statement on Form S-3, which was declared effective on October 6, 2022 (the "Registration Statement").

On August 3, 2023, the Company entered into a Controlled Equity Offering<sup>SM</sup> Sales Agreement (the "Sales Agreement") with Cantor Fitzgerald & Co., Canaccord Genuity LLC, Needham & Company, LLC and Compass Point Research & Trading, LLC (each, an "Original Agent" and, together, the "Original Agents"), pursuant to which the Company may offer and sell, from time to time through or to the Agents, shares of its Common Stock, for aggregate gross proceeds of up to \$250.0 million. The offering and sale of up to \$250.0 million of the shares has been registered under the Registration Statement, the base prospectus contained within the Registration Statement, and a prospectus supplement that was filed with the SEC on August 4, 2023 (the "Prospectus Supplement").

On March 6, 2024, the Company entered into an amendment (the "Amendment") to the Sales Agreement (as amended, the "Amended Sales Agreement") by and among the Original Agents, Stifel, Nicolaus & Company, Incorporated ("Stifel") and Virtu Americas LLC ("Virtu"). The Amendment modifies the Sales Agreement to include Stifel and Virtu as additional agents under the Amended Sales Agreement. On March 6, 2024, the Company also filed an amendment to the Prospectus Supplement (i) increasing the dollar amount of shares available to be sold pursuant to the Amended Sales Agreement, to \$296,560,661, which consists of \$96,560,661 remaining as originally authorized under the Prospectus Supplement and an additional \$200,000,000, and (ii) including Stifel and Virtu as additional agents.

On September 3, 2024, the Company amended and restated the Amended Sales Agreement (as amended and restated, the "Amended and Restated Sales Agreement") with the Original Agents, Keefe, Bruyette & Woods, Inc. ("KBW"), Virtu and BTIG, LLC ("BTIG") (each, an "Agent" and, together, the "Agents"). The Amended and Restated Sales Agreement modified the Amended Sales Agreement to, among other things, include BTIG as an additional Agent under the Amended and Restated Sales Agreement and to replace Stifel with KBW as an Agent under the Amended and Restated Sales Agreement.

Pursuant to the Amended and Restated Sales Agreement, the Company may offer and sell, from time to time through or to the Agents, shares of the Company's Common Stock, for aggregate gross proceeds of up to \$725.7 million (the "Shares"), which consists of (i) up to \$125.7 million remaining as authorized under the Company's Registration Statement, the base prospectus contained within the Registration Statement, and the Prospectus Supplement, as amended on September 3, 2024 and (ii) up to \$600.0 million of Shares, which can be issued and sold pursuant to the Company's shelf registration statement on Form S-3ASR, filed with the SEC on September 3, 2024, which became immediately effective upon filing, and a prospectus supplement dated September 3, 2024, filed by the Company with the SEC.

Pursuant to the Amended and Restated Sales Agreement, the Agent selected by the Company (such Agent, the "Designated Agent") may sell the Shares in sales deemed to be "at-the-market offerings" as defined in Rule 415(a)(4) promulgated under the Securities Act. The Company has no obligation to sell any of the Shares under the Amended and Restated Sales Agreement and may at any time suspend or terminate the offering of the Shares pursuant to the Amended and Restated Sales Agreement upon notice and subject to other conditions. The Agents will act as sales agents and will use commercially reasonable efforts to sell on the Company's behalf all of the Shares requested to be sold by it, on mutually agreed terms between the Agents and the Company. Under the terms of the Amended and Restated Sales Agreement, the Company

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agreed to pay the Designated Agent a commission up to 3.0% of the aggregate gross proceeds from any Shares sold through such Designated Agent pursuant to the Amended and Restated Sales Agreement. In addition, the Company agreed to reimburse certain expenses incurred by the Agents in connection with the Amended and Restated Sales Agreement. During the three months ended March 31, 2025, in connection with the Amended and Restated Sales Agreement, the Company received proceeds of \$34,178,334, net of issuance costs, from the sale of 9,149,447 shares of common stock, with an average net selling price of \$3.74 per share.

**NOTE 15. WARRANTS**

The Company assumed Common Stock warrants that were originally issued in GWAC’s initial public offering (the “Public Warrants”), as well as warrants that were issued in a private placement that closed concurrently with GWAC’s initial public offering (the “Private Placement Warrants”). The Public and Private Placement Warrants entitle the holder to purchase one share of Common Stock at an exercise price of \$11.50 per share, subject to adjustment. There were 8,613,980 Public Warrants and no Private Placement Warrants outstanding as of December 31, 2024, and March 31, 2025. The exercise price and number of shares of Common Stock issuable on exercise of the warrants may be adjusted in certain circumstances including in the event of a stock dividend, extraordinary dividend or the Company’s recapitalization, reorganization, merger or consolidation. However, the warrants will not be adjusted for issuances of shares of Common Stock at a price below their respective exercise prices. Additionally, in no event will the Company be required to net cash settle the warrants.

**NOTE 16. SHARE-BASED COMPENSATION**

The Cipher Mining Inc. 2021 Incentive Award Plan (the “Incentive Award Plan”) provides for the grant of stock options, including incentive stock options and nonqualified stock options, stock appreciation rights, RSUs and other stock or cash-based awards to employees, consultants and directors. Upon vesting of an award, the Company may either issue new shares or reissue treasury shares.

Initially, up to 19,869,312 shares of Common Stock were available for issuance under awards granted pursuant to the Incentive Award Plan. In addition, the number of shares of Common Stock available for issuance under the Incentive Award Plan is increased on January 1 of each calendar year beginning in 2022 and ending in 2031 by an amount equal to the lesser of (a) three percent (3%) of the total number of shares of Common Stock outstanding on the final day of the immediately preceding calendar year and (b) such smaller number of shares determined by the Board. On January 1, 2025, this resulted in an increase of 10,523,515 shares of Common Stock available for issuance under the Incentive Award Plan. As of March 31, 2025, 12,678,674 shares of Common Stock were available for issuance under the Incentive Award Plan.

The Company recognized total share-based compensation in Compensation and benefits on the condensed consolidated statements of operations for the following categories of awards as follows (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
Service-based RSUs	\$ 8,241	\$ 6,136
Performance-based RSUs	891	1,947
Common stock, fully-vested	—	234
Total share-based compensation expense	\$ 9,132	\$ 8,317

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***Service-based RSUs***

A summary of the Company's unvested Service-Based RSU activity for the three months ended March 31, 2025 is shown below:

	Number of Shares	Weighted Average Grant Date Fair Value
<b>Unvested at December 31, 2024</b>	15,922,220	\$ 2.65
Granted	4,246,129	\$ 4.19
Vested <sup>(1)</sup>	(731,702)	\$ 2.48
<b>Unvested at March 31, 2025</b>	19,436,647	\$ 2.99

(1) Does not include RSUs that have not settled as of March 31, 2025

As of March 31, 2025, there was approximately \$31.4 million of unrecognized compensation expense related to unvested Service-Based RSUs, which is expected to be recognized over a weighted-average vesting period of approximately 1.4 years.

If not fully vested upon grant, service-based RSUs awarded generally vest over a period ranging from three to four years in installments as determined by the Board.

Vesting is subject to the award recipient's continuous service on the applicable vesting date; provided, that if the award recipient's employment is terminated by the Company without "cause", by award recipient for "good reason" (if applicable, as such term or similar term may be defined in any employment, consulting or similar service agreement between award recipient and the Company) or due to award recipient's death or permanent disability, all unvested service-based RSUs will vest in full (unless otherwise specified in the agreement between the award recipient and the Company). In addition, in the event of a change in control, any unvested service-based RSUs will vest subject to the award recipient's continuous service to the Company through such change in control. In addition, if the Company achieves a \$10 billion market capitalization milestone (described further below) and the CEO remains in continuous service through such achievement, any then-unvested service-based RSUs awarded to the CEO will also vest.

***Performance-Based RSUs***

In 2021, the Company issued 4,257,710 performance-based RSUs (the "2021 Performance-Based RSUs") at a weighted average grant date fair value of \$7.76. None of the 2021 Performance-Based RSUs were vested as of March 31, 2025. There was no unrecognized compensation expense related to unvested performance-based RSUs at March 31, 2025.

One-third of the outstanding 2021 Performance-Based RSUs will vest upon the Company achieving a market capitalization equal to or exceeding \$5 billion, \$7.5 billion and \$10 billion, in each case over a 30-day lookback period and subject to the CEO's continuous service through the end of the applicable 30-day period. In the event of a change in control and CEO's continuous service through such change in control, the per share price (plus the per share value of any other consideration) received by the Company's stockholders in such change in control will be used to determine whether any of the market capitalization milestones are achieved (without regard to the 30-day lookback period). Any 2021 Performance-Based RSUs that do not vest prior to the CEO's termination of service or, if earlier, in connection with a change in control will be forfeited for no consideration.

On February 26, 2025, the Company issued an additional 2,490,943 Performance-Based RSUs (the "2025 Performance-Based RSUs") to the Company's senior management team under the Incentive Award Plan at a weighted average grant date fair value of \$5.01. None of the 2025 Performance-Based RSUs were vested as of March 31, 2025. There was approximately \$11.6 million in unrecognized compensation expense related to the 2025 Performance-Based RSUs at March 31, 2025, which is expected to be recognized over a weighted-average vesting period of approximately 1.5 years, regardless of whether the market conditions required for vesting are achieved.

On December 31, 2025 the Company will calculate the number of PSUs expected to vest (the "Earned PSUs"), based upon the Company's common stock achieving certain Total Shareholder Return (TSR) relative to the TSR of peer companies identified in the grant agreements and the overall TSR of the Company for the 2025 calendar year. The number of Earned PSUs will range from 0% to 225% of the number of 2025 Performance-Based RSU's originally granted. Subject to the employee's continuous service through the vesting date, one-third of the Earned PSUs will vest on December 31, 2025 and

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the remaining two-thirds of the Earned PSUs will vest in equal quarterly installments over the following two years with the first such vesting date occurring on March 31, 2026.

The grant date fair value of the 2025 Performance-Based RSUs was measured using a Monte Carlo simulation model based on the following assumptions:

Risk-free interest rate	4.14%
Expected volatility	111.5%

**NOTE 17. FAIR VALUE MEASUREMENTS**

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets and liabilities measured at fair value are classified and disclosed in one of the following categories based on the inputs used to derive the fair value:

Level 1 — Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;

Level 2 — Quoted prices in markets that are not active and financial instruments for which all significant inputs are observable, either directly or indirectly; or

Level 3 — Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable

The Company's financial assets and liabilities subject to fair value measurement on a recurring basis and the level of inputs used for such measurements were as follows as of the dates indicated (in thousands):

	Fair Value Measured as of March 31, 2025			
	Level 1	Level 2	Level 3	Total
<b>Assets included in:</b>				
Cash and cash equivalents				
Money market securities	\$ 1,400	\$ -	\$ -	\$ 1,400
Restricted cash				
Money market securities	14,392	-	-	14,392
Bitcoin	52,024	-	-	52,024
Receivable for bitcoin collateral	-	32,497	-	32,497
Accounts receivable	758	-	-	758
Derivative asset	-	-	93,000	93,000
	<u>\$ 68,574</u>	<u>\$ 32,497</u>	<u>\$ 93,000</u>	<u>\$ 194,071</u>
<b>Liabilities included in:</b>				
Short-term borrowings				
Bitcoin loan payable	\$ 10,459	\$ -	\$ -	\$ 10,459
	<u>\$ 10,459</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 10,459</u>

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	Fair Value Measured as of December 31, 2024			
	Level 1	Level 2	Level 3	Total
<b>Assets included in:</b>				
Cash and cash equivalents				
Money market securities	\$ 4,314	\$ -	\$ -	\$ 4,314
Restricted cash				
Money market securities	14,392	-	-	14,392
Bitcoin	92,651	-	-	92,651
Receivable for bitcoin collateral	-	32,248	-	32,248
Accounts receivable	596	-	-	596
Derivative asset	-	-	85,670	85,670
	\$ 111,953	\$ 32,248	\$ 85,670	\$ 229,871
<b>Liabilities included in:</b>				
Short-term borrowings				
Bitcoin loan payable	\$ 7,330	\$ -	\$ -	\$ 7,330
	\$ 7,330	\$ -	\$ -	\$ 7,330

The carrying values reported in the Company's consolidated balance sheets for cash (excluding cash equivalents which are recorded at fair value on a recurring basis), accounts payable and accrued expenses and other current liabilities are reasonable estimates of their fair values due to the short-term nature of these items.

There were no transfers of financial instruments between Level 1, Level 2 and Level 3 during the periods presented.

**Level 3 asset**

The Company's derivative asset, related to the Luminant Power Agreement, is divided between current and noncurrent assets, and was initially recorded on its consolidated balance sheets on the derivative asset's effective date of July 1, 2022, with an offsetting amount recorded to change in fair value of derivative asset in costs and operating expenses on the consolidated statements of operations. Subsequent changes in fair value are also recorded to change in fair value of derivative asset. The Luminant Power Agreement was not designated as a hedging instrument. The estimated fair value of the Company's derivative asset was derived from Level 2 and Level 3 inputs (i.e., unobservable inputs) due to a lack of quoted prices for similar type assets and as such, is classified in Level 3 of the fair value hierarchy. Specifically, the discounted cash flow estimation models contain quoted spot and forward prices for electricity, as well as estimated usage rates consistent with the terms of the Luminant Power Agreement, the initial term of which is five years, and a remaining term of approximately 2.3 years. The valuations performed by the third-party valuation firm engaged by the Company utilized pre-tax discount rates of 5.86% and 5.96% as of March 31, 2025 and December 31, 2024, respectively, and include observable market inputs, but also include unobservable inputs based on qualitative judgment related to company-specific risk factors. Unrealized gains associated with the derivative asset within the Level 3 category include changes in fair value that were attributable to amendments to the Luminant Power Agreement, changes to the quoted forward electricity rates, as well as unobservable inputs (e.g., changes in estimated usage rates and discount rate assumptions).

The following table presents the changes in the estimated fair value of the derivative asset measured using significant unobservable inputs (Level 3) for the three months ended March 31, 2025 and 2024 (amounts in thousands):

	Three Months Ended March 31,	
	2025	2024
<b>Opening balance</b>	\$ 85,670	\$ 93,591
Change in fair value	7,330	7,359
<b>Ending balance</b>	\$ 93,000	\$ 100,950

**Level 3 liability**

The Company's Private Placement Warrants (as defined in *Note 15. Warrants*) were its only liability classified within Level 3 of the fair value hierarchy because the fair value is based on significant inputs that are unobservable in the market.

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The valuation of the Private Placement Warrants used assumptions and estimates the Company believes would be made by a market participant in making the same valuation. As of March 31, 2024, all Private Placement Warrants were converted to Public Warrants, and as such no Private Placement Warrants were outstanding as of March 31, 2025.

The Company engaged a valuation firm to determine the fair value of the Private Placement Warrants using a Black-Scholes option-pricing model and the quoted price of Common Stock. The following table presents significant assumptions utilized in the valuations of the Private Placement Warrants as of the dates indicated:

	<b>December 31, 2023</b>
Risk-free rate	4.00%
Dividend yield rate	0.00%
Volatility	124.0%
Contractual term (in years)	2.7
Exercise price	\$11.50

The following table presents changes in the estimated fair value of the Private Placement Warrants (amounts in thousands):

<b>Balance as of December 31, 2024</b>	\$	—
Change in fair value		—
<b>Balance as of March 31, 2025</b>	\$	—
<b>Balance as of December 31, 2023</b>	\$	250
Change in fair value		(250)
<b>Balance as of March 31, 2024</b>	\$	—

**NOTE 18. SHORT-TERM BORROWINGS**

*Coinbase Master Loan Agreement*

The Company has the Coinbase Master Loan Agreement, under which the Company established the Coinbase Overnight Credit Facility of \$25.0 million. The Company will not incur commitment fees for unused portions of the Coinbase Overnight Credit Facility. The borrowing rate on amounts drawn against the Credit Facility is determined based on the Federal Funds Target Rate - Upper Bound, plus 2.5%, calculated daily based on a 365-day year and payable monthly for the duration of the loan, and market demand. Borrowings under the Coinbase Overnight Credit Facility are available on demand, open term, and collateralized by bitcoin transferred to the Lending Service Provider's platform. Since the Lender has the right to rehypothecate the bitcoin held as collateral, the Company derecognized the bitcoin transferred. The Company has the right to receive the bitcoin back from the Lender upon repayment of the Coinbase Overnight Credit Facility, and as such recognized a receivable for bitcoin collateral measured at fair value of the bitcoin to be received upon repayment. The Company may also withdraw bitcoin if the loan becomes over-collateralized due to increases in bitcoin price.

Under the Coinbase Master Loan Agreement, the Company also established the "Term Loan Facility" with a limit of \$35.0 million and maximum period of one year, with an interest rate to be determined upon drawdown. Coinbase has the right to terminate loans under the Term Loan Facility if the price of bitcoin falls below \$40,000.

As of March 31, 2025, the Company had \$25.0 million outstanding on the Coinbase Overnight Credit Facility, at a weighted average interest rate of 8.8%. The Company had \$25.0 million balance outstanding on the Coinbase Overnight Credit Facility as of December 31, 2024. The Company had no balance outstanding on the Term Loan Facility as of March 31, 2025 or December 31, 2024.

*Luxor Purchase and Sale Agreement*

The Company has the ability to enter into agreements with Luxor Technology Corporation ("Luxor") to borrow bitcoin to be repaid at a fixed amount of bitcoin per day over fixed periods. The Company records the outstanding balance at fair value in Short-term borrowings based on the current bitcoin price, with changes in fair value recorded in Other income.

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As of March 31, 2025, the Company owed approximately 128.2 bitcoin valued at \$10.5 million related to these agreements. As of December 31, 2024 the Company owed approximately 80.3 bitcoin valued at \$7.3 million related to this agreement.

**NOTE 19. SEGMENT REPORTING**

The Company has one operating segment, Bitcoin Mining, which through operations produce bitcoin to generate revenue. The Chief Operating Decision Maker (“CODM”) for the Company consists of the CEO and CFO. The CODM reviews the performance of its segment primarily based on operating income when deciding on allocating resources between reinvesting in Bitcoin Mining or exploring alternative deployment of resources. Asset information is not regularly provided to the CODM for resource allocation as a large portion of assets are property and equipment that cannot be repurposed for other revenue streams.

The Company’s revenues, significant expenses, operating income, and net income by segment for the three months ended March 31, 2025 and 2024 is summarized in the following table (in thousands):

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**Three Months Ended March 31, 2025**

	<b>Bitcoin Mining</b>	<b>Consolidated</b>
Revenue - bitcoin mining	\$ 48,959	\$ 48,959
Costs and operating (expenses) income		
Cost of revenue	(14,894)	
Depreciation and amortization	(43,467)	
Change in fair value of derivative asset	7,330	
Unrealized gains on fair value of bitcoin	(20,178)	
Realized gains on sale of bitcoin	12,196	
Equity in losses of equity method investees	(5,292)	
Other segment items <sup>(1)</sup>	512	
Segment operating income	(14,834)	(14,834)
Adjustments <sup>(2)</sup>		(23,254)
Operating loss		(38,088)
Interest income		190
Interest expense		(777)
Other non-operating items <sup>(3)</sup>		(156)
Loss before taxes		<u>\$ (38,831)</u>

**Three Months Ended March 31, 2024**

	<b>Bitcoin Mining</b>	<b>Consolidated</b>
Revenue - bitcoin mining	\$ 48,137	\$ 48,137
Costs and operating (expenses) income		
Cost of revenue	(14,820)	
Depreciation and amortization	(17,244)	
Change in fair value of derivative asset	7,359	
Unrealized gains on fair value of bitcoin	40,556	
Realized gains on sale of bitcoin	—	
Equity in losses of equity method investees	738	
Other segment items <sup>(1)</sup>	1,173	
Segment operating income	65,899	65,899
Adjustments <sup>(2)</sup>		(19,113)
Operating loss		46,786
Interest income		786
Interest expense		(400)
Other non-operating items <sup>(3)</sup>		(1,708)
Loss before taxes		<u>\$ 45,464</u>

(1) Other segment items included in Bitcoin Mining include Power sales, and Other gains.

(2) Other operating items included in adjustments include Compensation and benefits, and General and administrative.

(3) Other non-operating items include Change in fair value of warrant liability, and Other expense.

**NOTE 20. INCOME TAXES**

The determination of income tax expense in the unaudited condensed consolidated statements of operations is based upon the estimated effective tax rate for the year, adjusted for the impact of any discrete items which are accounted for in the

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period in which they occur. The Company recorded an income tax expense of approximately 0.4% of loss before taxes for the three months ended March 31, 2025 and 12.2% of income before taxes for the three months ended March 31, 2024 respectively.

**NOTE 21. SUBSEQUENT EVENTS**

The Company has evaluated subsequent events for adjustment to or disclosure in its consolidated financial statements through the date of this report. No subsequent events have been identified other than those disclosed in these consolidated financial statements.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of our financial condition and results of operations together with our unaudited condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report. This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in Part II, Item 1A, “Risk Factors” and other factors set forth in other parts of this Quarterly Report.

Unless the context otherwise requires, references in this Quarterly Report to the “Company,” “Cipher,” “Cipher Mining,” “we,” “us” or “our” refers to Cipher Mining Inc. and its consolidated subsidiaries, unless otherwise indicated.

### Overview

We develop and operate industrial-scale data centers. Our active portfolio and development pipeline is expected to consist of more than 3.0 GW of capacity across 11 sites. We currently operate one wholly-owned 207 MW bitcoin mining data center, have equity investments in three partially-owned 40 MW bitcoin mining data centers, and have a pipeline of approximately 2.8 GW across seven additional sites in Texas, including one 300 MW data center at which we plan to energize 150 MW of bitcoin mining in 2025. As we develop the sites in our pipeline and source future sites, locations and partnerships, we evaluate their suitability for either bitcoin mining or high-performance computing (“HPC”).

Our current intention is to continue expanding our business by developing and operating industrial-scale data centers for bitcoin mining and HPC, expanding capacity at our current data centers, continuing to execute our treasury management strategy and entering into other strategic arrangements, such as joint ventures, data center hosting and leasing agreements, or software licensing arrangements. We aim to be a market leader in innovation, including in bitcoin mining growth, data center construction and as a hosting partner to HPC companies.

As of April 30, 2025, the hashrate capacity of the Odessa Facility was 11.3 EH/s. Our joint ventures, in which we have a 49% equity interest, have a hashrate capacity of 4.4 EH/s.

### Factors Affecting Our Results of Operations

There have been no material changes to the “Factors Affecting Our Results of Operations” in the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section of our 2024 Form 10-K. Our financial position and results of operations depend to a significant extent on those factors.

### Summary of Bitcoin Inventory

The following table presents information about our Bitcoin inventory for the three months ended March 31, 2025, including bitcoin production and sales of bitcoin (dollar amounts in thousands):

	Quantity	Amounts
<b>Opening balance</b>	994	\$ 92,651
Bitcoin received from equity investees	78	7,394
Bitcoin received from mining activities	388	36,496
Bitcoin received from loan	180	16,551
Bitcoin loan payments	(2)	(76)
Proceeds from sales of bitcoin	(960)	(90,005)
Realized gains on sale of bitcoin	—	12,196
Unrealized losses on bitcoin	—	(20,178)
Bitcoin transferred to collateral, net	(48)	(3,005)
<b>Ending balance</b>	<b>630</b>	<b>\$ 52,024</b>

## Components of our Results of Operations

For a description of the components of our results of operations, refer to the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” section of our 2024 Form 10-K.

## Results of Operations

The following table sets forth our results of operations for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2025	2024
Revenue - bitcoin mining	\$ 48,959	\$ 48,137
Costs and operating (expenses) income		
Cost of revenue	(14,894)	(14,820)
Compensation and benefits	(14,303)	(13,036)
General and administrative	(8,951)	(6,077)
Depreciation and amortization	(43,467)	(17,244)
Change in fair value of derivative asset	7,330	7,359
Power sales	991	1,173
Equity in income (losses) of equity investees	(5,292)	738
Unrealized (losses) gains on fair value of bitcoin	(20,178)	40,556
Realized gains on sale of bitcoin	12,196	-
Other gains	(479)	-
Total costs and operating expenses	(87,047)	(1,351)
Operating (loss) income	(38,088)	46,786
Other income (expense)		
Interest income	190	786
Interest expense	(777)	(400)
Change in fair value of warrant liability	-	250
Other expense	(156)	(1,958)
Total other expense	(743)	(1,322)
(Loss) income before taxes	(38,831)	45,464
Current income tax expense	(779)	(386)
Deferred income tax benefit (expense)	635	(5,178)
Total income tax expense	(144)	(5,564)
Net (loss) income	\$ (38,975)	\$ 39,900

## Comparative Results for the Three Months Ended March 31, 2025 and 2024

### Revenue

Revenue for the three months ended March 31, 2025 was \$49.0 million, compared to \$48.1 million for the three months ended March 31, 2024, and was generated entirely from bitcoin mining operations at the Odessa Facility. The increase year over year was primarily driven by an increase in the average bitcoin price in the current year, partially offset by a decrease in the amount of bitcoin mined as a result of the bitcoin halving in April 2024.

### Cost of revenue

Cost of revenue for the three months ended March 31, 2025 was \$14.9 million, compared with \$14.8 million for the three months ended March 31, 2024, and consisted primarily of power costs at the Odessa Facility. The consistency is primarily due to our fixed cost of power under our Power Purchase Agreement.

### *Compensation and benefits*

Compensation and benefits for the three months ended March 31, 2025 was \$14.3 million, an increase of \$1.3 million compared to \$13.0 million for the three months ended March 31, 2024. The increase was primarily due to an increase in headcount year-over-year.

### *General and administrative*

General and administrative expenses for the three months ended March 31, 2025 was \$9.0 million, an increase of \$2.9 million compared to \$6.1 million for the three months ended March 31, 2024. The increase was primarily driven by an increase in legal fees related to strategic initiatives, and professional fees related to SOX 404 compliance as a result of losing Emerging Growth Company status during 2024.

### *Depreciation and amortization*

Depreciation and amortization for the three months ended March 31, 2025 was \$43.5 million, an increase of \$26.3 million compared to Depreciation and amortization of \$17.2 million for the three months ended March 31, 2024. The increase was primarily due to increased miners, and mining equipment at the Odessa Facility, as well as the change in the estimated useful life of our miners from five years to three years.

### *Change in fair value of derivative asset*

Change in fair value of derivative asset was a \$7.3 million decrease for the three months ended March 31, 2025 and was driven by the fair value of the Luminant Power Agreement. The estimated fair value of our derivative asset was derived from Level 2 and Level 3 inputs, and, due to a lack of quoted prices for similar type assets, is classified in Level 3 of the fair value hierarchy. Specifically, the discounted cash flow estimation models contain quoted spot and forward prices for electricity, as well as estimated usage rates consistent with the terms of the Luminant Power Agreement, the initial term of which is five years.

### *Power sales*

At our Odessa Facility, we sell excess electricity that was available under the Luminant Power Agreement, but not needed in our mining operations, back to the ERCOT market through Luminant. We sold power for proceeds of \$1.0 million and \$1.2 million for the three months ended March 31, 2025, and 2024, respectively. Power sales fluctuate each period based on power and bitcoin prices, which are volatile.

### *Equity in income (losses) of equity investees*

Equity in losses of equity investees totaled \$5.3 million for the three months ended March 31, 2025 compared to income of \$0.7 million for the three months ended March 31, 2024. Equity in losses of equity investees consists of our 49% share in the earnings (losses) generated by our three partially-owned mining sites, and the accretion of the basis differences in our investments in the equity investees that resulted from contributions of miners during the year ended December 31, 2022. We are accreting these basis differences over the five-year useful life of the miners. For the three months ended March 31, 2025, we recognized roughly \$4 million as our 49% share of a one-time impairment charge on the miners of Alborz LLC, net of accretion.

### *Unrealized (losses) gains on fair value of bitcoin*

Unrealized losses on fair value of bitcoin totaled \$20.2 million for the three months ended March 31, 2025, compared to Unrealized gains on fair value of bitcoin of \$40.6 million for the three months ended March 31, 2024. Unrealized (losses) gains on fair value of bitcoin is driven by the cost of bitcoin mined compared to the price of bitcoin at the end of the period.

### *Realized gains on sale of bitcoin*

Realized gains on sale of bitcoin totaled \$12.2 million for the three months ended March 31, 2025. In the current period this was related to gains recognized on bitcoin sales. We did not sell bitcoin in the prior year period.

### *Other expense*

Other expense totaled \$0.7 million for the three months ended March 31, 2025, compared to \$1.3 million of Other expense for the three months ended March 31, 2024. In the prior year period we experienced losses from hedging strategies as part of treasury management.

### *Income tax benefit (expense)*

For the three months ended March 31, 2025, we recorded a provision for income taxes of \$0.1 million as a result of projected income for the current year in the jurisdictions which we operate. For the three months ended March 31, 2024, we recorded a provision for income taxes of \$5.6 million.

### **Liquidity and Capital Resources**

We had cash used in operations of \$47.2 million for the three months ended March 31, 2025. As of March 31, 2025, we had cash and cash equivalents of \$23.2 million, total stockholders' equity of \$734.8 million and an accumulated deficit of \$220.4 million. We fund operations primarily through a combination of at-the-market stock issuances and bitcoin sales.

We have established an at-the-market sales agreement with Cantor Fitzgerald & Co., Canaccord Genuity LLC, Needham & Company, LLC, Compass Point Research & Trading, LLC, Keefe, Bruyette & Woods, Inc., Virtu Americas LLC, and BTIG, LLC (each, an "Agent" and, together, the "Agents"), pursuant to which we may, from time to time, sell shares of our common stock having an aggregate offering price of up to \$725.7 million. For the three months ended March 31, 2025, we received net proceeds on sales of 9.1 million shares of common stock under the Amended and Restated Sales Agreement of approximately \$34.2 million (net of commissions and expenses) at an average net selling price of \$3.74 per share. For more information on our at-the-market sales agreement and our at-the-market offerings, see "Note 14, *Stockholders' Equity — At-the-Market Sales Agreement.*"

On August 14, 2023, we entered into a master loan agreement with Coinbase Credit, Inc., as lender, and Coinbase, Inc., as lending service provider. Pursuant to the master loan agreement, we currently have a secured line of credit up to \$25.0 million (the "Coinbase Overnight Credit Facility"). We will not incur commitment fees for unused portions of the Coinbase Overnight Credit Facility. The borrowing rate on amounts drawn against the Coinbase Overnight Credit Facility is determined on the basis of the Federal Funds Target Rate - Upper Bound, plus 2.5%, calculated daily based on a 365-day year and payable monthly for the duration of the loan. Borrowings under the Coinbase Overnight Credit Facility are available on demand, open term, and collateralized by bitcoin transferred to the lending service provider's platform. As of March 31, 2025 we had \$25.0 million drawn from the Coinbase Overnight Credit Facility, \$15 million of which was repaid prior to February 25, 2025. Additionally, we established a term loan facility with Coinbase with a limit of \$35.0 million and maximum period of one year (the "Term Loan Facility"). Coinbase has the right to terminate loans under the Term Loan Facility if the price of bitcoin falls below \$40,000. As of March 31, 2025, we were in compliance with the covenants under the Coinbase Overnight Credit Facility.

We enter into agreements with Luxor Technology Corporation ("Luxor") when needed to borrow bitcoin for short-term periods, which we are able to use as a source of short-term financing.

Management believes that our existing financial resources, combined with projected cash and bitcoin inflows from our data centers, our intent and ability to sell bitcoin received or earned, and our intent and ability to sell common stock through at-the-market offerings will be sufficient to enable us to meet our operating and capital requirements for at least 12 months from the date the condensed consolidated financial statements included in this Quarterly Report are issued and the foreseeable future.

## Cash Flows

The following table summarizes our sources and uses of cash for the periods indicated (in thousands):

	Three Months Ended March 31,	
	2025	2024
Net cash used in operating activities	\$ (47,238)	\$ (26,636)
Net cash used in investing activities	(17,298)	(30,957)
Net cash provided by financing activities	82,124	60,163
Net increase (decrease) in cash and cash equivalents	\$ 17,588	\$ 2,570

### *Operating Activities*

Net cash used in operating activities increased by \$20.6 million to \$47.2 million for the three months ended March 31, 2025 from \$26.6 million for the three months ended March 31, 2024. We incurred a net loss of \$39.0 million for the three months ended March 31, 2025, compared to net income of \$39.9 million for the three months ended March 31, 2024, representing a decrease of \$78.9 million. Cash flows used in operating activities was impacted by a \$78.9 million decrease in Net income, and \$75.9 million increase in non-cash items, primarily driven a \$48.5 million increase in gains on the fair value of bitcoin, and a \$26.2 million increase in Depreciation. Additionally, changes in assets and liabilities resulted in an increase in cash used of \$17.6 million between the three months ended March 31, 2025 and 2024.

### *Investing Activities*

Cash used in investing activities decreased by \$13.7 million to \$17.3 million of net cash used in investing activities for the three months ended March 31, 2025 compared to \$31.0 million of net cash used in investing activities for the three months ended March 31, 2024. This change primarily related to \$90.0 million of proceeds from sale of Bitcoin, an \$11.0 million decrease in contributions to equity investees related to capital expenditures and operations at the Alborz, Bear and Chief facilities, partially offset by a \$70.6 million increase in deposits related to new miner purchases, and a \$16.7 million increase in purchases of Property and equipment related to building out the Black Pearl facility.

### *Financing Activities*

Cash flows provided by financing activities increased by \$22.0 million to \$82.1 million net cash provided by financing activities for the three months ended March 31, 2025 from \$60.2 million net cash provided by financing activities for the three months ended March 31, 2024. This change was primarily driven by a \$50.0 million increase in proceeds from treasury stock reissued for PIPE investment, partially offset by a \$31.6 million decrease in proceeds from the issuance of common stock during the three months ended March 31, 2025.

### *Contractual Obligations and Other Commitments*

On December 17, 2021, we entered into a lease agreement for office space, amended in the second quarter of 2024, with a term through May 2029. Monthly rent payments associated with the amended lease are approximately \$0.2 million.

We also entered into a series of agreements with affiliates of Luminant ET Services Company LLC ( "Luminant"), including the Lease Agreement dated June 29, 2021, with amendment and restatement on July 9, 2021 (as amended and restated, the "Luminant Lease Agreement"). The Luminant Lease Agreement leases a plot of land to us where our data center, ancillary infrastructure and electrical system (the "Interconnection Electrical Facilities" or "substation") have been set up for our Odessa Facility. We entered into the Luminant Lease Agreement and the Luminant Purchase and Sale Agreement to build the infrastructure necessary to support our planned operations. Management determined that the Luminant Lease Agreement and the Luminant Purchase and Sale Agreement should be combined for accounting purposes under ASC 842 (collectively, the "Combined Luminant Lease Agreement") and that amounts exchanged under the combined contract should be allocated to the various components of the overall transaction based on relative fair values.

Our management determined that the Combined Luminant Lease Agreement contains two lease components; and the components should be accounted for together as a single lease component, because the effect of accounting for the land lease separately would be insignificant.

The Combined Luminant Lease Agreement commenced on November 22, 2022 and has an initial term of five years, with renewal provisions that are aligned with the Luminant Power Agreement. Financing for use of the land and substation is provided by Luminant affiliates. Despite lease commencement in November 2022, we had not been required by Luminant to make any lease payments for the substation prior to July 2023, therefore we accrued amounts due under the Combined Luminant Lease Agreement in accrued expenses and other current liabilities on its consolidated balance sheet.

On August 23, 2023, we entered into a second amendment of the Luminant Lease Agreement, the terms of which included an amended payment schedule, reflecting monthly installments of principal and interest totaling \$19.7 million on an undiscounted basis, due over the remaining four-year period starting in July 2023. This amendment did not have a material impact on our condensed consolidated financial statements.

At the end of the lease term for the Interconnection Electrical Facilities, the substation will be sold back to Luminant's affiliate, Vistra Operations Company, LLC at a price to be determined based upon bids obtained in the secondary market.

### Non-GAAP Financial Measures

We are providing supplemental financial measures for Adjusted Earnings (Loss) and Adjusted Earnings (Loss) per share - diluted, in each case that exclude the impact of (i) the non-cash change in fair value of derivative asset, (ii) share-based compensation expense, (iii) depreciation and amortization, (iv) deferred income tax expense, (v) nonrecurring gains and losses and (vi) the non-cash change in fair value of warrant liability. These supplemental financial measures are not measurements of financial performance under accounting principles generally accepted in the United States ("GAAP") and, as a result, these supplemental financial measures may not be comparable to similarly titled measures of other companies. Management uses these non-GAAP financial measures internally to help understand, manage, and evaluate our business performance and to help make operating decisions. We believe the use of these non-GAAP financial measures can also facilitate comparison of our operating results to those of our competitors by excluding certain items that vary in our industry based on company policy.

Non-GAAP financial measures are subject to material limitations as they are not in accordance with, or a substitute for, measurements prepared in accordance with GAAP. For example, we expect that share-based compensation expense, which is excluded from the non-GAAP financial measure, will continue to be a significant recurring expense over the coming years and is an important part of the compensation provided to certain employees, officers and directors. Similarly, we expect that depreciation and amortization will continue to be a recurring expense over the term of the useful life of the related assets. Our non-GAAP financial measures are not meant to be considered in isolation and should be read only in conjunction with our condensed consolidated financial statements included elsewhere in this Quarterly Report, which have been prepared in accordance with GAAP. We rely primarily on such condensed consolidated financial statements to understand, manage and evaluate our business performance and use the non-GAAP financial measures only supplementally.

The following is a reconciliation of our Adjusted Earnings to the most directly comparable GAAP measure for the periods indicated (in thousands):

	<b>Three Months Ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Reconciliation of Adjusted Earnings:</b>		
Net (loss) income	\$ (38,975)	\$ 39,900
Change in fair value of derivative asset	(7,330)	(7,359)
Share-based compensation expense	9,132	8,317
Depreciation and amortization	43,467	17,244
Deferred income tax (benefit) expense	(635)	5,178
Other losses - nonrecurring	479	—
Change in fair value of warrant liability	—	(250)
<b>Adjusted (loss) earnings</b>	<b>\$ 6,138</b>	<b>\$ 63,030</b>

The following is a reconciliation of our Adjusted Earnings (loss) per share - diluted to the most directly comparable GAAP measure for the periods indicated:

	Three Months Ended March 31,	
	2025	2024
<b>Reconciliation of Adjusted Earnings per share - diluted:</b>		
Net loss per share - diluted	\$ (0.11)	\$ 0.13
Change in fair value of derivative asset per diluted share	(0.02)	(0.03)
Share-based compensation expense per diluted share	0.03	0.03
Depreciation and amortization per diluted share	0.12	0.06
Deferred income tax (benefit) expense per diluted share	—	0.02
Other losses - nonrecurring per diluted share	—	—
Change in fair value of warrant liability per diluted share	—	—
<b>Adjusted (loss) earnings per diluted share</b>	<b>\$ 0.02</b>	<b>\$ 0.21</b>

### Critical Accounting Policies, and Use of Estimates

For a description of our policies regarding our critical accounting estimates, see "Critical Accounting Policies and Estimates" of Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2024 Form 10-K. During the three months ended March 31, 2025, there were no significant changes in our critical accounting policies and estimates or the application or the results of the application of those policies to our unaudited condensed consolidated financial statements from those previously disclosed in our 2024 Form 10-K.

### Recent Accounting Pronouncements

Information regarding recent accounting pronouncements applicable to us, adopted and not yet adopted as of the date of this report, is included in Note 2 to our unaudited condensed consolidated financial statements located in "Part I - Financial Information, Item 1. Financial Statements" in this Quarterly Report.

### **Item 3. Quantitative and Qualitative Disclosures About Market Risk.**

The following discussion of our market risks involves forward-looking statements. Actual results could differ materially from those projected in our forward-looking statements. For more information regarding the forward-looking statements used in this section and elsewhere in this Quarterly Report, see the Cautionary Note Regarding Forward-Looking Statements at the forepart of this Quarterly Report.

Our primary market risks are described below. We use various strategies to manage these risks; however, they may still from time to time impact our condensed consolidated financial statements

#### *Bitcoin Price Risk*

We hold bitcoin on our inventory at fair value, and as such we are exposed to the impact of the change in bitcoin price. As of March 31, 2025, we had 630 bitcoin in inventory, of which 150 bitcoin were hedged through trading strategies. A 10% decrease in the price of bitcoin would result in an estimated \$3.9 million increase in Net loss for the three months ended March 31, 2025.

#### *Power Price Risk*

The estimated fair value of our Derivative asset related to our power purchase agreement is derived from Level 2 and Level 3 inputs. Specifically, the discounted cash flow estimation models contain quoted spot and forward prices for electricity. A 10% decrease in power prices would result in an estimated \$17.1 million decrease in the estimated fair value of the Derivative asset and increase in Net loss for the three months ended March 31, 2025.

### **Item 4. Controls and Procedures.**

#### **Limitations on Effectiveness of Controls and Procedures**

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

#### **Evaluation of Disclosure Controls and Procedures**

We conducted an evaluation of the effectiveness of our “disclosure controls and procedures”, as defined by Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as of March 31, 2025, the end of the period covered by this Quarterly Report. This evaluation was done under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. There are inherent limitations to the effectiveness of any system of disclosure controls and procedures. Accordingly, even effective disclosure controls and procedures can only provide reasonable assurance of achieving their control objectives. Based upon this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, our disclosure controls and procedures were not effective at the reasonable assurance level as of March 31, 2025.

#### **Remediation of Material Weakness**

As noted in the 2024 Form 10-K, during management’s assessment of internal controls over financial reporting, a material weakness was identified related to certain Information Technology General Controls (“ITGCs”) over change management controls.

As management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, we understand the importance of developing a resolution plan aligned with management and overseen by the Audit Committee of our Board of Directors.

Since the material weakness related to certain ITGCs over change management controls and lack of related compensating automated process-level and manual controls was identified, management began implementing and has continued to implement and refine measures designed to ensure that control deficiencies contributing to the material weakness are remediated, such that these controls are designed, implemented, and operating effectively. During the three months ended

March 31, 2025, management enhanced its existing program change management controls for certain systems impacting the Company's processes around revenue recognition and design of manual key reconciliation processes. The Company made progress but work remains to ensure reliability of such controls. Our plan includes the following, and management will continue to assess additional opportunities for remediation on an ongoing basis:

- Enhance our remediation efforts by continuing to devote resources in 2025 in key financial reporting and information technology areas, including hiring additional employees.
- Continue using an external third-party internal audit and SOX 404 implementation consulting firm to improve the Company's controls related to the material weakness described above.
- Continue to implement new processes and controls and engage external resources when required in connection with remediating this material weakness, such that these controls are designed, implemented, and operating effectively.

We recognize that the material weakness in our internal control over financial reporting will not be considered remediated until the remediated controls operate for a sufficient period of time and can be tested and concluded by management to be designed and operating effectively. Because our remediation efforts involve our outsourced service providers, we cannot provide any assurance that these remediation efforts will be successful or that our internal control over financial reporting will be effective as a result of these efforts.

We continue to evaluate and work to improve our internal control over financial reporting related to the identified material weakness and management may determine to take additional measures to address control deficiencies or determine to modify the remediation plan described above. In addition, we report the progress and status of the above remediation efforts to the Audit Committee on a periodic basis.

#### **Changes in Internal Control over Financial Reporting**

Other than the remediation efforts described above, there were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended March 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II - OTHER INFORMATION

### Item 1. Legal Proceedings.

We are not a party to any material pending legal proceedings. From time to time, we may be subject to legal proceedings and claims arising in the ordinary course of business. The outcome of any such claims or proceedings, regardless of the merits, is inherently uncertain. There have been no material changes to such proceedings previously disclosed in our 2024 Form 10-K.

### Item 1A. Risk Factors.

Our business, financial condition and operating results can be affected by a number of factors, whether currently known or unknown, including but not limited to the risk factors as previously disclosed in Part I, Item 1A, "Risk Factors" of our 2024 Form 10-K, which is incorporated herein by reference. There have been no material changes to the risk factors previously disclosed in our 2024 Form 10-K.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

During the three months ended March 31, 2025, there were no other unregistered sales of our securities except as previously reported in our Current Reports on Form 8-K.

### Item 3. Defaults Upon Senior Securities.

None.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

(a) Disclosure in lieu of reporting on a Current Report on Form 8-K.

None.

(b) Material changes to the procedures by which security holders may recommend nominees to the board of directors.

None.

(c) Insider trading arrangements and policies.

Our officers and directors from time to time may adopt trading plans to transact in our common stock for a variety of reasons, including tax considerations, investment diversification, or other personal reasons. During the three months ended March 31, 2025, certain of our officers and directors adopted a pre-arranged stock trading plan intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Securities Exchange Act of 1934, as amended (each such plan, a "Rule 10b5-1 Plan"), as described below. On March 14, 2025, Tyler Page, Chief Executive Officer and director, adopted a Rule 10b5-1 Plan that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 900,000 shares of our common stock until November 13, 2025. No other directors or "officers" (as defined in Section 16a-1(f) of the Securities Exchange Act of 1934, as amended) adopted, terminated, or modified a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K, during the three months ended March 31, 2025.

**Item 6. Exhibits.**

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/ Furnished Herewith
		From	File No	Exhibit	Filing Date	
2.1†	<a href="#">Agreement and Plan of Merger, dated as of March 4, 2021, by and among Good Works Acquisition Corp., Currency Merger Sub, Inc. and Cipher Mining Technologies Inc.</a>	8-K	001-39625	2.1	3/5/21	
3.1	<a href="#">Second Amended and Restated Certificate of Incorporation of Cipher Mining Inc.</a>	8-K	001-39625	3.1	8/31/21	
3.2	<a href="#">Amended and Restated Bylaws of Cipher Mining Inc.</a>	8-K	001-39625	3.2	8/31/21	
4.1	<a href="#">Specimen Warrant Certificate of Good Works Acquisition Corp.</a>	S-1/A	333-248333	4.3	10/9/21	
4.2	<a href="#">Warrant Agreement, dated as of October 19, 2020, by and between Continental Stock Transfer &amp; Trust Company and Good Works Acquisition Corp.</a>	8-K	001-39625	4.1	10/28/20	
10.1^	<a href="#">Subscription Agreement, dated January 30, 2025, by and between Cipher Mining Inc. and Star Beacon LLC</a>	8-K	001-39625	10.1	1/30/25	
10.2	<a href="#">Registration Rights Agreement, dated January 30, 2025, by and between Cipher Mining Inc. and Star Beacon LLC</a>	8-K	001-39625	10.2	1/30/25	
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).</a>					*
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).</a>					*
32.1	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.</a>					**
32.2	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.</a>					**
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					*
101.SCH	Inline XBRL Taxonomy Extension Schema Document					*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)					*

\* Filed herewith.

\*\* Furnished herewith.

† Certain confidential portions (indicated by brackets and asterisks) have been omitted from this exhibit pursuant to Item 601(b)(10)(iv) of Regulation S-K because such information is (i) non-material, (ii) is of the type that the registrant customarily and actually treats as private or confidential and (iii) would be competitively harmful if publicly disclosed.

^ Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant undertakes to provide copies of any of the omitted schedules or exhibits upon request by the Securities and Exchange Commission.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

### CIPHER MINING INC.

Date: May 6, 2025

By: /s/ Tyler Page  
**Tyler Page**  
**Chief Executive Officer**  
*(Principal Executive Officer)*

Date: May 6, 2025

By: /s/ Edward Farrell  
**Edward Farrell**  
**Chief Financial Officer**  
*(Principal Financial Officer and Principal Accounting Officer)*

## CERTIFICATION

I, Tyler Page, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cipher Mining Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

By: \_\_\_\_\_ /s/ Tyler Page

**Tyler Page**

**Chief Executive Officer**  
*(Principal Executive Officer)*

## CERTIFICATION

I, Edward Farrell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Cipher Mining Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

- (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: May 6, 2025

By: \_\_\_\_\_ /s/ Edward Farrell

**Edward Farrell**

**Chief Financial Officer**  
*(Principal Financial Officer)*

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Cipher Mining Inc. (the "Company") for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Tyler Page, principal executive officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2025

By: \_\_\_\_\_ /s/ Tyler Page

**Tyler Page**

**Chief Executive Officer**  
*(Principal Executive Officer)*

This certification accompanies each Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of § 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by § 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by § 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Cipher Mining Inc. (the "Company") for the period ended March 31, 2025 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Edward Farrell, principal financial officer, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: May 6, 2025

By: \_\_\_\_\_ /s/ Edward Farrell

**Edward Farrell**

**Chief Financial Officer**

*(Principal Financial Officer)*

This certification accompanies each Report pursuant to § 906 of the Sarbanes-Oxley Act of 2002 and shall not, except to the extent required by the Sarbanes-Oxley Act of 2002, be deemed filed by the Company for purposes of § 18 of the Securities Exchange Act of 1934, as amended.

A signed original of this written statement required by § 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement required by § 906, has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.