



MARATHON[®]
DIGITAL HOLDINGS

Building the Bitcoin Mining Portfolio – The Acquisition of Marathon's First Fully Owned Sites

NASDAQ: MARA | DEC.19.2023

Safe Harbor Statement

Disclaimers

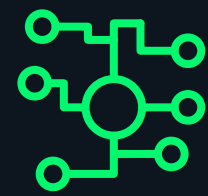
Statements made in this presentation include forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can be identified by the use of words such as “may,” “will,” “plan,” “should,” “expect,” “anticipate,” “estimate,” “continue,” or comparable terminology. Such forward-looking statements are inherently subject to certain risks, trends and uncertainties, many of which the Company cannot predict with accuracy and some of which the Company might not even anticipate and involve factors that may cause actual results to differ materially from those projected or suggested. Readers are cautioned not to place undue reliance on these forward-looking statements and are advised to consider the factors listed above together with the additional factors under the heading “Risk Factors” in the Company’s Annual Reports on Form 10-K, as may be supplemented or amended by the Company’s Quarterly Reports on Form 10-Q. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise.

This presentation is for illustrative purposes only to provide the reader with an estimate of the Company’s potential gross revenue, mining power and hosting costs, which might be attained if all miners were deployed as of a specific date and with certain parameters used, as set forth below.

Investing in our securities involves a high degree of risk. Before making an investment decision, you should carefully consider the risks, uncertainties and forward-looking statements described under “Risk Factors” in Item 1A of our most recent Annual Report on Form 10-K, as amended, for the fiscal year ended December 31, 2022. If any of these risks were to occur, our business, financial condition or results of operations would likely suffer. In that event, the value of our securities could decline, and you could lose part or all of your investment. The risks and uncertainties we describe are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. In addition, our past financial performance may not be a reliable indicator of future performance, and historical trends should not be used to anticipate results in the future.

Acquisition Boosts Capacity 56%, Creates Path to 50 EH/s

Strategic Benefits



Cements path to 50 EH/s over next 18-24 months



Boosts power capacity 56% to 910 MW, potential for 1.2 GW



Increases site ownership from 3% to 45%

Financial Impact



Boosts baseline 2024 revenue by over 50%



Increases gross margin by over 400 bps



Significantly accretive

MARA To Acquire Two Hosting Sites From Generate Capital

Proposed Transaction

- Acquire two datacenters with a total of 390 MW in power capacity
- Marathon currently represents 64 MW (2.2 EH/s) or 16% of the total
- Potential to add another 310 MW and grow MARA total to 1.2 GW

Financial Highlights

- Power cost expected to be ~\$0.04/KWh with optimization and demand response
- Immediately lowers direct cost per coin by over 30% on existing MARA-hosted 2.2 EH/s
- Near-term energization of vacant 82 MW, expect to fill with previously-announced miner orders
- Remaining 244 MW under hosting contracts with attractive terms (profitable)

Key Terms

- Cash consideration \$178.6M or approximately \$458,000 per MW, will be paid at closing
- Cash will be paid from the balance sheet, no additional debt or equity issuance required
- Expected closing mid-January 2024, pending regulatory and customary approvals

A Diversified, Portfolio Approach to Bitcoin Mining

Each Bitcoin mining deployment comes with its own set of constraints, and each requires a curated approach. We adapt accordingly. Over time, we have used different strategies and structures to build a portfolio of Bitcoin mining operations that is designed to diversify risk across our organization.

Third-Party Hosting

- Optimizes for rapid deployment
- Optimizes for capex – shifts burden and risk to hosting provider, maximizes capex available to invest in mining rigs
- Optimizes for optionality – ability to move at end of term w/o abandoning infrastructure investment

Self-Hosting/Vertically Integrated/Joint Ventures

- Optimizes for bespoke design
- Optimizes for lowest operating cost
- Optimizes for optionality of scaling as needed

These Transactions Accelerate Our Strategic Priorities

Strategic Initiatives

Energize

Optimize

Diversify



Acquisition Impact

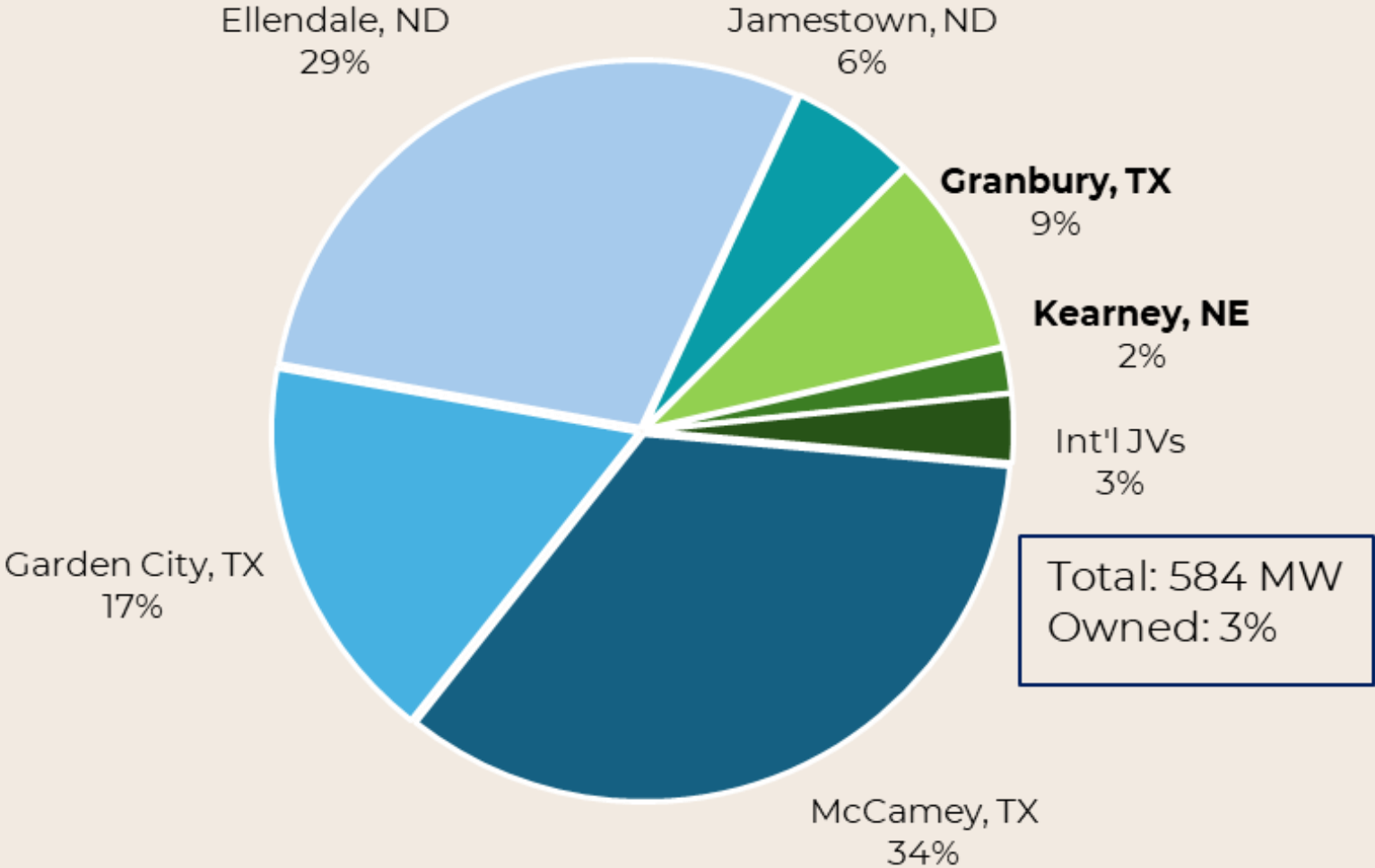
Increases power capacity from 584 MW to 910 MW, potential for over 1.2 GW

Pro forma 2024 gross margin improves by over 400 bps

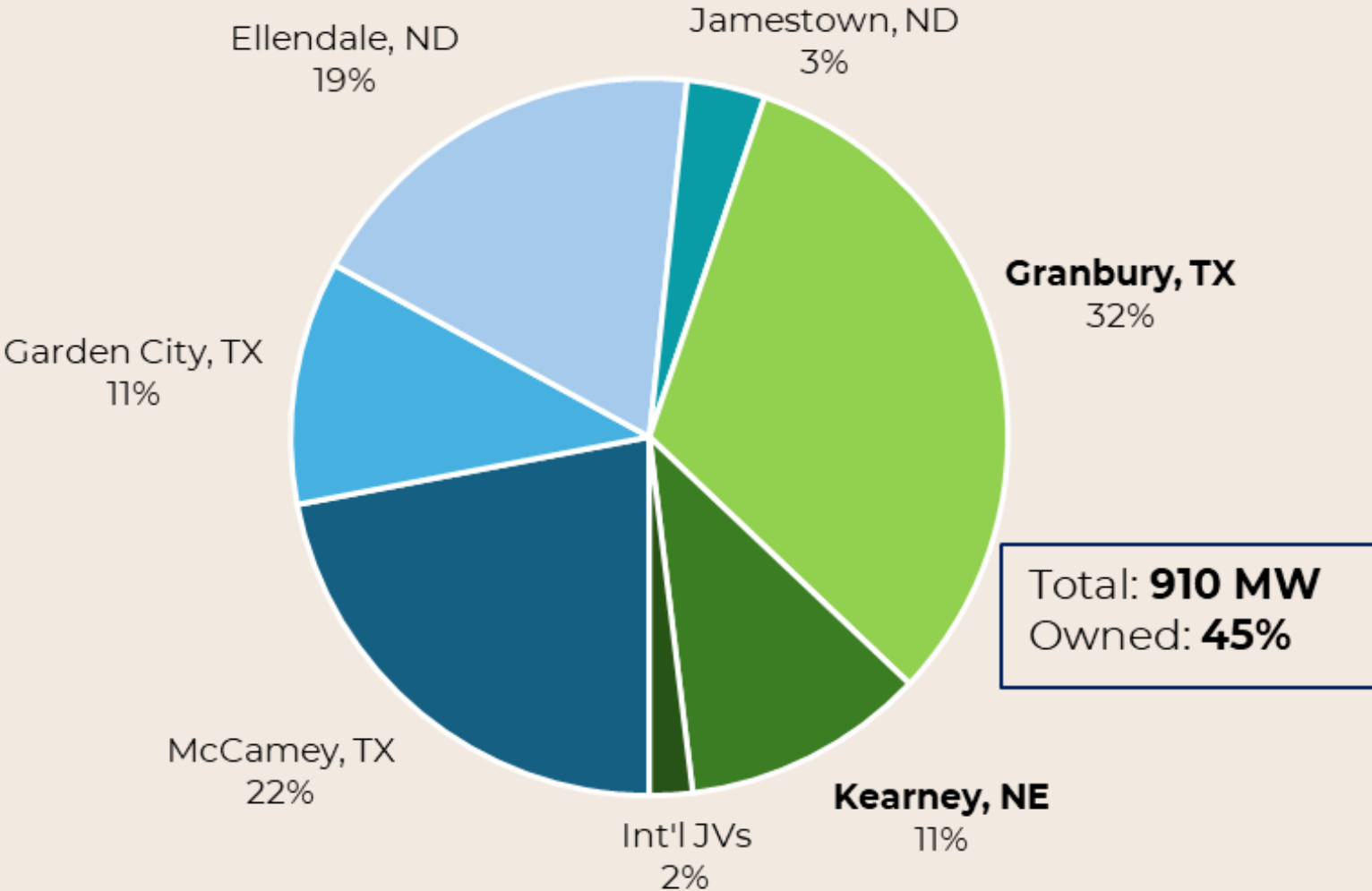
Accelerates transition away from asset-light, owned mix increases from 3% to 45% pro forma

Significantly Grows Power Capacity and Ownership

Current Capacity (MW) By Location



Pro Forma Capacity (MW) By Location



Distributed Operations With A Global Presence

Setting The Pace For The Bitcoin Mining Industry

Diversified Portfolio

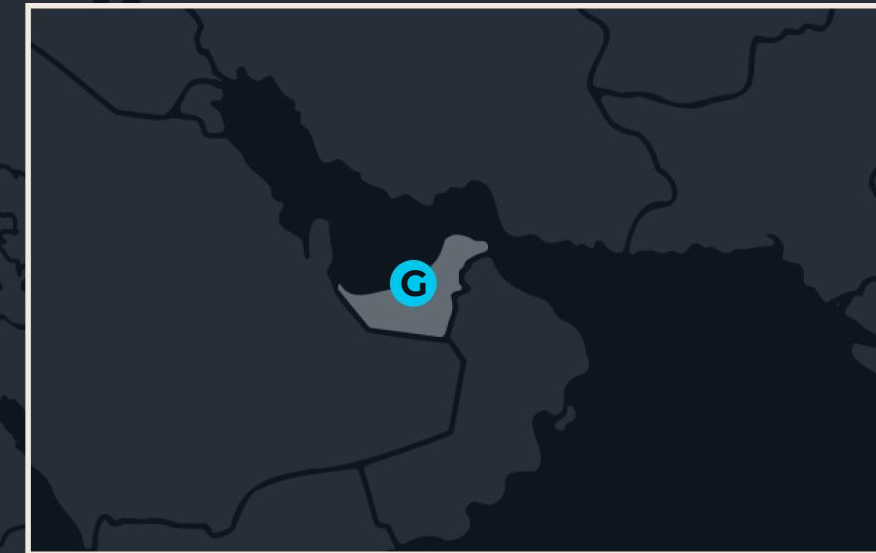
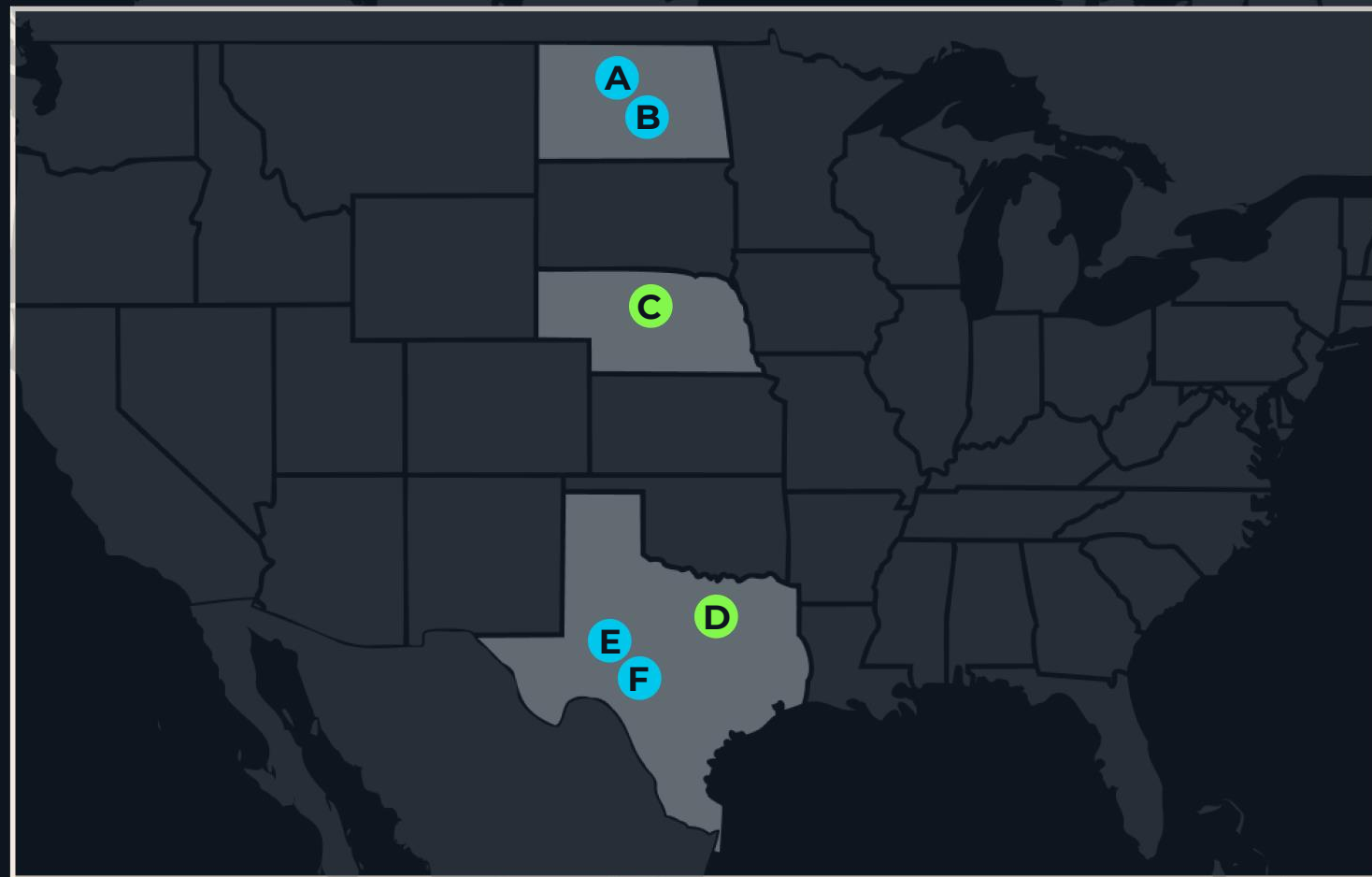
- 8 Bitcoin mining sites across multiple states & countries

Collaborative Efforts

- Partnerships with multiple hosting providers
- Working with renewable energy companies

Resulting Strengths:

- Broadened mining expertise
- Adaptable business model



A
Jamestown, ND
• Grid
• 33MW

B
Ellendale, ND
• Grid
• 180MW

C
Kearney, NE
• Grid
• 100MW

D
Granbury, TX
• Grid
• 100MW

E
Garden City, TX
• Co-Located on a Wind Farm
• 100MW

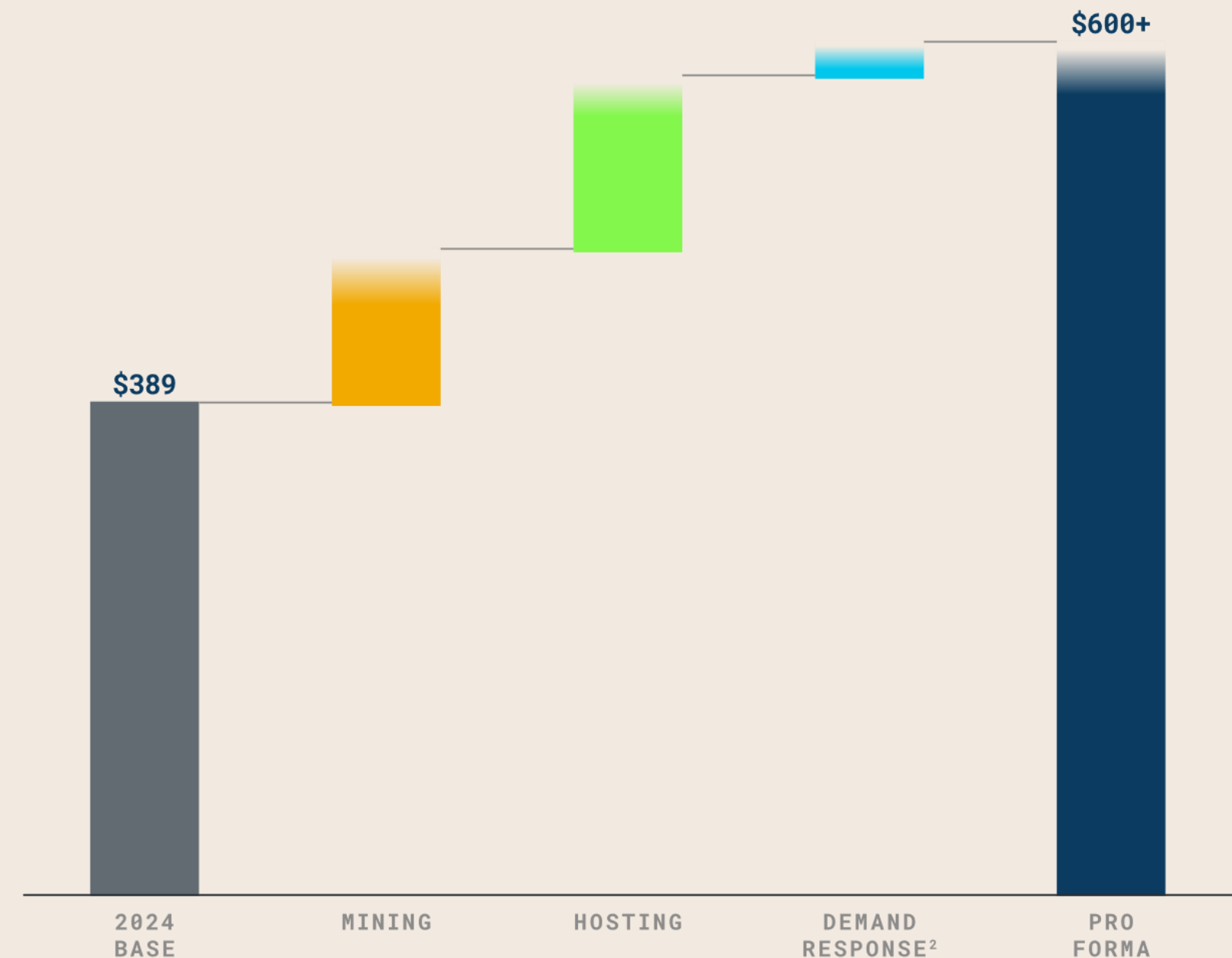
F
McCamey, TX
• Co-Located on a Wind Farm
• 200MW

G
Abu Dhabi, UAE
• 64MW Online
• 250MW Total

H
Hernandias, Paraguay
• Co-Located at Itaipu hydroelectric dam
• 27MW

Financially Attractive Transaction¹

- **Significant Revenue Boost:** Expect acquisitions to add over \$200M to 2024 revenues. Material contribution from Mining and Hosting
- **Additional Financial Contribution:** In addition to revenue boost, significant contribution through demand response management and curtailment
- **Increased Ownership:** Hosted operations helped us scale but come with extra costs. Transaction increases owned facilities from 3% to 45% and increases power capacity by 56% to 910 MW
- **Lower Costs:** More ownership improves cost per coin, increases control/efficiency, and expands our ability to optimize with MARA's proprietary technology



Expected Financial Impact

¹Base 2024 based on latest disclosed energized hash rate of 23.7 EH/s, 90% average uptime, average hashprice of \$0.05/TH/day and \$0.065 per kWh average hosting cost

² Demand response included in expected financial impact on a pro forma basis. For financial reporting purposes, the demand response will be reflected as a separate line item in the consolidated statement of operations.



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Securing and Supporting the Bitcoin Ecosystem

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