



# BTCS Reports Record 2024 Results

## 204% Year-Over-Year Revenue Growth Driven by Expansion in Ethereum Block-Building Operations

Silver Spring, MD – (Newsfile Corp. – March 20, 2025) – BTCS Inc. (Nasdaq: BTCS) (“BTCS” or the “Company”), a leader in blockchain infrastructure and technology, announced its financial results for the year ended December 31, 2024 (“2024”).

### 2024 Financial Highlights

- **2024 Revenue:** \$4.1 million, representing a 204% increase from \$1.3 million in 2023.
- **Quarterly Revenue Growth:** \$2.3 million Q4 2024 revenue, a 612% increase over Q4 2023, and a 214% quarterly increase from Q3 2024.
- **Gross Margin:** 23%, reflecting the scaling of Builder+, BTCS’s Ethereum block-building operations, compared to NodeOps, our ultra high-margin staking operations.
- **Net Income/Loss:** Reported net loss of \$1.3 million, or \$0.08 per share, compared to net income of \$7.8 million, or \$0.55 per share, in 2023, primarily driven by non-cash charges.
- **Cash and Cryptocurrency Holdings:** \$38.1 million as of December 31, 2024, up 43% from \$26.7 million at year-end 2023.



### Management Commentary

In 2024, BTCS solidified its position as the leading publicly traded Ethereum infrastructure company, pioneering block-building operations at scale. The success of Builder+, which optimizes block construction to maximize

transaction fee (gas) revenue, drove record growth, underscoring the strength of both our strategic direction and execution.

Our goal is simple: drive shareholder value by growing revenue and improving margins. We aim to achieve this goal in three ways: 1) enhance our tech stack, 2) increase order flow, and 3) control block space. The following table outlines our 2025 progress towards these initiatives.

Tech Improvements	Increase Order Flow	Control Block Space
Transitioned to Rust (January 2025)	Investment / Partnership with ETHgas (February 2025)	Introduced Stake Protection Plan (January 2025)
Moved Servers to Bare Metal (January 2025)	Added Rebates (March 2025)	Integrated with Rocket Pool (January 2025)
Implemented Data Lake (February 2025)	Multiple Private Order Flow Sources Added (February - March 2025)	Figment and WonderFi Join Staker Protection Plan (Anticipate going Live with Pectra Update)

In 2024, we were fully focused on building our operations, which culminated in several key developments—including the transition to [Rust](#), the adoption of [bare-metal servers](#), the implementation of a data lake, a partnership with and [investment](#) in [ETHGas](#), the introduction of rebates, multiple new sources of private order flow, the [launch](#) of the [Staking Protection Plan](#) (“SPP”) with [WonderFi](#) and [Figment](#), and our [scaled validator implementation](#) with [Rocket Pool](#).

As a result, our peak daily block-building market share accounted for over 1.5% of all transactions processed on Ethereum’s network and has averaged over 1% over the last 30 days.

With a strong foundation in place, BTCS is well-positioned to execute our strategy and maximize shareholder value.

## Industry & Market Commentary

The cryptocurrency market experienced significant developments in late 2024 and early 2025, including:

- Regulatory Tailwinds:** The new administration’s pro-crypto policies have fostered a constructive regulatory environment not seen in the last 10 years. With regulatory clarity and sensible oversight being the new norm, the stage is set for innovation and renewed confidence and growth across the industry. The change is marked by the SEC’s recent dismissal of several high-profile cases, including Coinbase, Robinhood, Uniswap, Gemini, Consensus, and Cumberland.
- Ethereum’s Network Growth:** The upcoming Pectra upgrade in 2025 is set to be a game-changer for Ethereum, enhancing speed, reducing costs, and simplifying transactions. Key features include the ability to pay transaction fees with tokens like USDC instead of just ETH, an increase in staking limits from 32 ETH to 2,048 ETH to improve efficiency, and expanded transaction capacity through blob technology. With these advancements, Ethereum is strengthening its competitive edge against Solana, positioning itself to remain the go-to blockchain for DeFi, NFTs, and beyond.
- Institutional Adoption:** Ethereum ETF approvals were officially granted in 2024, marking a major milestone for institutional investment in digital assets. This development has significantly increased accessibility for traditional investors and is expected to drive long-term capital inflows into Ethereum, reinforcing its position as the foundation of a growing global digital economy.

These transformational developments far outweigh any short-term price fluctuations in the crypto market. Enhanced scalability, improved regulatory clarity, and increasing institutional participation create a strong foundation for long-term growth. As blockchain adoption accelerates, Ethereum’s ongoing advancements position it as the premier network for decentralized applications, reinforcing the bullish outlook for the sector.

### About BTCS:

BTCS Inc. (Nasdaq: BTCS) is a U.S.-based blockchain infrastructure technology company currently focused on driving scalable revenue growth through its blockchain infrastructure operations. BTCS has honed its expertise

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

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### **Forward-Looking Statements:**

Certain statements in this press release constitute “forward-looking statements” within the meaning of the federal securities laws, including statements regarding growing revenue, improving margins, increasing order flow, expected results from the upcoming Pectra upgrade, expectations from the Ethereum ETF approval. Words such as “may,” “might,” “will,” “should,” “believe,” “expect,” “anticipate,” “estimate,” “continue,” “predict,” “forecast,” “project,” “plan,” “intend” or similar expressions, or statements regarding intent, belief, or current expectations, are forward-looking statements. While the Company believes these forward-looking statements are reasonable, undue reliance should not be placed on any such forward-looking statements, which are based on information available to us on the date of this release. These forward-looking statements are based upon assumptions and are subject to various risks and uncertainties, including without limitation regulatory issues, unexpected issues with Builder+ and ChainQ, as well as risks set forth in the Company’s filings with the Securities and Exchange Commission including its Form 10-K for the year ended December 31, 2024 which was filed on March 20, 2025. Thus, actual results could be materially different. The Company expressly disclaims any obligation to update or alter statements, whether as a result of new information, future events, or otherwise, except as required by law.

*Investor Relations:*

Charles Allen – CEO

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## Financials

The tables below are derived from the Company's financial statements included in its Form 10-K filed on March 20, 2025, with the Securities and Exchange Commission. Please refer to the Form 10-K for complete financial statements and further information regarding the Company's results of operations and financial condition relating to the fiscal quarter and fiscal year ended December 31, 2024 and 2023. The Company's Form 10-K also includes a discussion of risk factors applicable to the Company and its business.

### BTCS Inc. Balance Sheets

	December 31, 2024	December 31, 2023
	<u>2024</u>	<u>2023</u>
<b>Assets:</b>		
Current assets:		
Cash and cash equivalents	\$ 1,977,778	\$ 1,458,327
Stablecoins	39,545	21,044
Crypto assets	646,539	302,783
Staked crypto assets	35,410,144	24,900,146
Prepaid expenses	63,934	62,461
Receivable for capital shares sold	-	291,440
Total current assets	<u>38,137,940</u>	<u>27,036,201</u>
Other assets:		
Investments, at value (Cost \$100,000)	100,000	100,000
Property and equipment, net	7,449	10,490
Total other assets	<u>107,449</u>	<u>110,490</u>
<b>Total Assets</b>	<b>\$ 38,245,389</b>	<b>\$ 27,146,691</b>
<b>Liabilities and Stockholders' Equity:</b>		
Accounts payable and accrued expenses	\$ 70,444	\$ 55,058
Accrued compensation	3,907,091	712,092
Warrant liabilities	267,900	213,750
Total current liabilities	<u>4,245,435</u>	<u>980,900</u>

Stockholders' equity:

Preferred stock: 20,000,000 shares authorized at \$0.001 par value:

Series V preferred stock: 15,033,231 and 14,567,829 shares issued and outstanding at December 31, 2024 and December 31, 2023, respectively	2,646,314	2,563,938
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Common stock, 975,000,000 shares authorized at \$0.001 par value, 18,717,743 and 15,320,281 shares issued and outstanding at December 31, 2024 and December 31, 2023, respectively	18,718	15,322
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Additional paid-in capital	171,283,199	162,263,634
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Accumulated deficit	(139,948,277)	(138,677,103)
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Total stockholders' equity	33,999,954	26,165,791
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<b>Total Liabilities and Stockholders' Equity</b>	<b>\$ 38,245,389</b>	<b>\$ 27,146,691</b>
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**BTCS Inc.**  
**Statements of Operations**

For the Year Ended

December 31,

2024

2023

**Revenues**

Blockchain infrastructure revenues (net of fees)	\$ 4,073,518	\$ 1,339,628
<b>Total revenues</b>	<b>4,073,518</b>	<b>1,339,628</b>

**Cost of revenues**

Blockchain infrastructure costs	3,127,509	359,778
<b>Gross profit</b>	<b>946,009</b>	<b>979,850</b>

**Operating expenses:**

General and administrative	1,672,276	1,450,724
Research and development	755,813	687,288
Compensation and related expenses	6,598,348	2,542,336
Marketing	80,993	12,153
Realized losses on crypto asset transactions	767,375	604,269
<b>Total operating expenses</b>	<b>9,874,805</b>	<b>5,296,770</b>

**Other income (expenses):**

Change in unrealized appreciation on crypto assets	7,683,772	12,135,648
Change in fair value of warrant liabilities	(54,150)	-
Other income	28,000	-
<b>Total other income (expenses)</b>	<b>7,657,622</b>	<b>12,135,648</b>

**Net income (loss)** \$ (1,271,174) \$ 7,818,728

**Basic net income (loss) per share attributable to common stockholders** \$ (0.08) \$ 0.55

**Diluted net income (loss) per share attributable to common stockholders** \$ (0.08) \$ 0.45

<b>Basic weighted average number of common shares outstanding</b>	16,263,702	14,092,233
<b>Diluted weighted average number of common shares outstanding, basic and diluted</b>	16,263,702	17,546,339

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

For the Year Ended

December 31,

2024

2023

**Net cash flows used from operating activities:**

Net income (loss)	\$ (1,271,174)	\$ 7,818,728
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Adjustments to reconcile net income to net cash used in operating activities:

Depreciation expense	5,689	5,033
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Stock-based compensation	2,423,560	1,341,729
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Blockchain infrastructure revenue	(4,073,518)	(1,339,628)
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Builder payments (non-cash)	2,765,731	-
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Change in fair value of warrant liabilities	54,150	-
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Realized losses on crypto assets transactions	767,375	604,269
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Change in unrealized appreciation on crypto assets	(7,683,772)	(12,135,648)
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Changes in operating assets and liabilities:

Stablecoins	(18,501)	(21,044)
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Prepaid expenses and other current assets	(1,473)	61,266
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Receivable for capital shares sold	291,440	(291,440)
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Accounts payable and accrued expenses	15,386	(21,669)
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Accrued compensation	3,194,999	416,157
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Net cash used in operating activities	<u>(3,530,108)</u>	<u>(3,562,247)</u>
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**Cash flows from investing activities:**

Purchase of productive crypto assets for validating	(3,531,550)	(1,804,482)
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Sale of productive crypto assets	901,980	1,994,851
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Purchase of property and equipment	(2,648)	(5,276)
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Sale of property and equipment	-	904
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Net cash provided by (used in) investing activities	<u>(2,632,218)</u>	<u>185,997</u>
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**Cash flow from financing activities:**



Net proceeds from issuance common stock/ At-the-market offering	6,681,777	2,687,794
Net cash provided by financing activities	<u>6,681,777</u>	<u>2,687,794</u>
Net (decrease)/increase in cash	519,451	(688,456)
Cash, beginning of period	1,458,327	2,146,783
Cash, end of period	<u>\$ 1,977,778</u>	<u>\$ 1,458,327</u>

**Supplemental disclosure of non-cash financing and investing activities:**

Series V Preferred Stock Distribution	\$ 82,376	\$ 2,559,533
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