

BITCOIN WELL REPORTS Q1 2024 FINANCIAL RESULTS

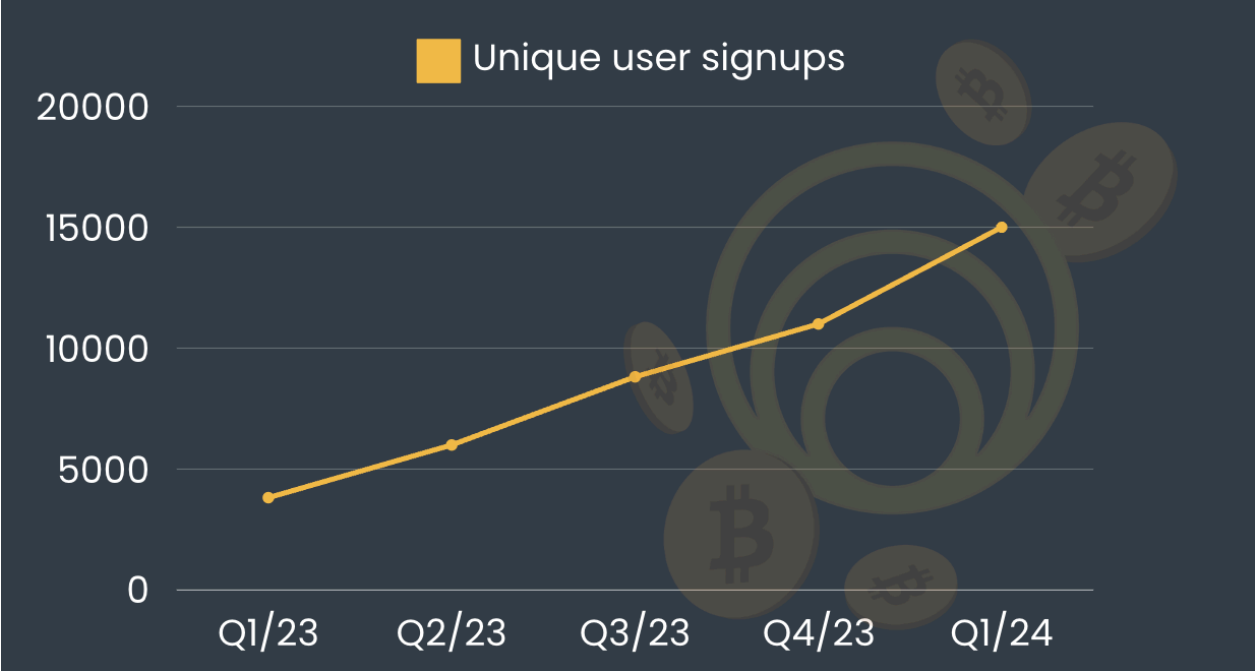
Edmonton, Alberta – May 22, 2024 – Bitcoin Well Inc. (“Bitcoin Well” or the “Company”) (TSXV: **BTCW**; OTCQB: **BCNWF**), the non-custodial bitcoin business on a mission to enable independence, today announced financial and operating results for the first quarter ended March 31, 2024.

Q1 2024 highlights

- Revenue: \$16.2 million for the 3-months ended March 31, 2024 (Q1 2023: \$12.4 million, +30% YoY)
- Gross profit: \$1.2 million for the 3-months ended March 31, 2024 (Q1 2023: \$1.1 million, +11% YoY)
- Adjusted EBITDA: Negative \$0.03 million for the 3-months ended March 31, 2024 (Q1 2023: negative \$0.2 million, an improvement of 88% YoY)
- Adjusted Cash Flow: Negative \$0.3 million for the 3-months ended March 31, 2024 (Q1 2023: negative \$0.6 million, an improvement of 59% YoY)
- Bitcoin Portal Growth
 - Revenues were \$9.7 million for the 3-months ended March 31, 2024
 - Q4 2023: \$5.4 million +80% QoQ
 - Q1 2023: \$0.9 million + 1,078% YoY
 - Approximately 15,000 unique user signups as of March 31, 2024

Further highlights

- Bitcoin Portal Growth
 - Revenues in April were approximately \$4.5 million (+136% increase compared to January 2024)
 - Approximately 17,850 unique user signups as of May 21, 2024



Financial overview

	For the three months ended,	
	Mar 31, 2024	Mar 31, 2023
Revenue	\$ 16,181,120	\$ 12,416,760
Gross Profit	1,207,426	1,085,754
Adjusted EBITDA ⁽¹⁾	(25,465)	(215,105)
Adjusted cash flow ⁽¹⁾	(271,036)	(664,907)
Total comprehensive loss	(1,541,738)	(1,006,079)

(1) See Non-IFRS Measures.

Overall revenue in the first quarter of 2024 was \$16.2 million, compared to \$12.4 million in Q1 2023 (+30%), driven by higher transaction volumes on the Online Bitcoin Portal in Q1 2024, which grew to \$9.7 million from \$5.3 million in Q4 2023 and \$0.9 million in Q1 2023. Due to the higher revenue, gross profit also improved to \$1.2 million in Q1 2024 from \$1.1 million last year (+11%).

“We are very pleased with the significant rate of growth we are experiencing with our Online Bitcoin Portal, which has now exceeded 17,850 unique signups,” said Adam O’Brien, Founder & CEO of Bitcoin Well. “We anticipate revenue growth from the Bitcoin Portal will continue to accelerate in 2024, which should generate more gross profit, and ultimately, positive recurring cash flow for our business”.

Total operational expenses (excluding depreciation, accretion and financing fees) improved to \$1.2 million in Q1 2024 from \$1.3 million last year due to cost containment in areas across the business. The decrease was partially offset by higher marketing and advertising expenses as the Company launched several new marketing initiatives in Q1 2024 to promote the Online Bitcoin Portal.

Adjusted EBITDA was basically neutral in Q1 2024 (negative \$25 thousand), reflecting a \$0.2 million improvement over Q1 2023 adjusted EBITDA of negative \$0.2 million. The improved Adjusted EBITDA was due to the higher gross profit and lower operating expenses as discussed above.

Non-IFRS measures

The Company uses certain terms in this news release, such as ‘Adjusted EBITDA’ and ‘Adjusted Cash Flow’, which do not have a standardized or prescribed meaning under International Financial Reporting Standards (IFRS), and accordingly, these measurements may not be comparable with the calculation of similar measurements used by other companies.

See the table below for a reconciliation of each non-IFRS measure to its nearest IFRS measure or refer to the “Non-IFRS Financial Measures” section in the Company’s Management Discussion & Analysis for the period ended March 31, 2024 (“MD&A”) for applicable definitions, calculations, rationale for use and reconciliations to the most directly comparable measure under IFRS. Non-IFRS measures are provided as supplementary information by which readers may wish to consider the Company’s performance, but should not be relied upon for comparative or investment purposes.

Reconciliation of net loss to Adjusted EBITDA & Adjusted cash flow

	Three months ended	
	Mar 31, 2024	Mar 31, 2023
Net loss	\$ (8,124,693)	\$ (3,523,368)
Financing fees	644,147	449,802
Depreciation and accretion	262,453	385,133
Fair value change – crypto loans ⁽¹⁾	7,876,112	3,453,925
Share based compensation	67,583	80,680
Foreign exchange loss	121,512	19,130
(Gain) loss on debt settlement	(20,000)	5,177
Fair value change – crypto inventory	-	(12,955)
Realized gain on digital assets	(852,579)	(405,502)
Income tax recovery	-	(667,127)
Adjusted EBITDA	\$ (25,465)	\$ (215,105)
Less: financing fees	(644,147)	(449,802)
Add: non-cash interest items ⁽²⁾	398,576	-
Adjusted Cash Flow	\$ (271,036)	\$ (664,907)

(1) Non-cash, fair value change on the revaluation of cryptocurrency loans, which are offset by a revaluation gain on digital assets recorded in Other Comprehensive Income.

(2) Non-cash interest items include the amortization of prepaid interest on cryptocurrency loans that were funded in conjunction with an equity financing as well as non-cash interest on the line of credit where the accrued interest is added to the principal balance of the loan.

This news release should be read in concert with the full disclosure documents. The Bitcoin Well condensed consolidated interim financial statements and MD&A for the three months ended March 31, 2024 and 2023 will be available on the Bitcoin Well website (www.bitcoinwell.com), via SEDAR+ (www.sedarplus.ca) or can be requested from the Company.

About Bitcoin Well

Bitcoin Well is on a mission to enable independence. We do this by making bitcoin useful to everyday people to give them the convenience of modern banking and the benefits of bitcoin. We like to think of it as future-proofing money. Our existing Bitcoin ATM and Online Bitcoin Portal business units drive cash flow to help fund this mission.

Join our [investor community](#) and follow us on [Nostr](#), [LinkedIn](#), [Twitter](#) and [YouTube](#) to keep up to date with our business.

Bitcoin Well contact information

To book a virtual meeting with our Founder & CEO Adam O'Brien please use the following link: <https://bitcoinwell.com/meet-adam>

For additional investor & media information, please contact:

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Forward-looking information

Certain statements contained in this news release may constitute forward-looking information. Forward-looking information is often, but not always, identified by the use of words such as "anticipate", "plan", "estimate", "expect", "may", "will", "intend", "should", or the negative thereof and similar expressions.

All statements herein other than statements of historical fact constitute forward-looking information including, but not limited to statements in respect of: the Company's cash flow improving; revenue growth from the Online Bitcoin Portal in 2024; and Bitcoin Well's business plans, strategy and outlook.

Forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking information, including, but not limited to the following: economic and financial conditions, volatility in the capital or credit markets; the level of demand and financial performance of the cryptocurrency and digital asset industry, the occurrence of force majeure events; the extent to which the Company is successful on gaining new long-term users or retaining existing users; developments and changes in laws and regulations, disruptions to the Company's technology network; inability to obtain financing; competitive factors; and such other factors as discussed in the "Risk Factors" section of the Company's MD&A for the year ended December 31, 2023.

Bitcoin Well actual results could differ materially from those anticipated in this forward-looking information as a result of the foregoing risk factors and other factors, many of which are beyond the control of Bitcoin Well.

Bitcoin Well believes that the expectations reflected in the forward-looking information are reasonable, but no assurance can be given that these expectations will prove to be correct and such forward-looking information should not be unduly relied upon. Any forward-looking information contained in this news release represents Bitcoin Well expectations as of the date hereof, and is subject to change after such date. Bitcoin Well disclaims any intention or obligation to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required by applicable securities legislation.

For more information, see the Cautionary Note Regarding Forward Looking Information found in the Bitcoin Well Management Discussion and Analysis.