

Northern Data AG sees substantial demand for its bitcoin mining services

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PRESS RELEASE

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- Rise in bitcoin price leads to strong increase in customer demand
- Expansion of existing mining locations as well as short-term development of new sites
- Additional upside through performance-linked remuneration from bitcoin mining clients

Frankfurt am Main - December 18, 2020 - Northern Data AG (XETRA: NB2, ISIN: DE000A0SMU87) is currently seeing a substantial increase in demand for its bitcoin mining infrastructure services.

Bitcoin mining is the most important high-performance computing (HPC) application to date. Consequently, with its global infrastructure solutions in the field of HPC, Northern Data serves many customers in the field of bitcoin mining, including several multibillion-dollar listed corporations.

With the rise of Bitcoin as an essential asset class and the associated need for computing capacity for bitcoin mining, Northern Data benefits in two ways: First, the Company experiences a sharp increase in customer demand. Second, Northern Data has performance-linked remuneration in place with some of its clients, such that Northern Data is now directly profiting from the rise in the bitcoin price.

In addition to the existing facility in Texas, the capacities in the Lefdal mine in Norway, which launched in May 2018, are also about to be further expanded. And in Scandinavia alone, five new locations for high-performance computing and bitcoin mining are expected to begin operations over the coming months. Furthermore, multiple locations in North America, especially Canada, are in final stages of negotiation.

In addition to the further expansion of its bitcoin mining activities, the Company is also expanding into other applications of high-performance computing. The Company's GPU-based distributed computing cluster began operating earlier in December.

This GPU cluster will be scaled to computing power of 404 petaflops (FP64) by the end of Q1/2021, well ahead of the currently second fastest supercomputer in the world, the US "Summit", which has a computing power of 148.8 petaflops. Only the Japanese supercomputer Fugaku will be ahead of Northern Data's GPU cluster, at 537 petaflops.

CEO Aroosh Thillainathan comments: "With more than seven years of experience in bitcoin mining and innovative solutions for both mobile units and large-scale facilities, Northern Data has a technological edge over the competition like no other company in the market. This is the basis of our success. In addition to the basic remuneration model, our performance-driven revenues, with which we participate in a rising bitcoin price, give us additional upside that we have not yet taken into account in our guidance."

Earlier this week Northern Data released its guidance for the financial year 2021. The Company expects sales of EUR 350 million to EUR 400 million and EBITDA of EUR 100 million to EUR 125 million in 2021, based on contracts that have already been executed or are in the process of being concluded and without considering any additional upside from performance-linked revenues and earnings.

About Northern Data:

Northern Data AG develops and operates global infrastructure solutions in the field of high-performance computing (HPC). With its customer-specific solutions, the company provides the infrastructure for various HPC applications in areas such as bitcoin mining, artificial intelligence, blockchain, big data analytics, IoT or rendering. The internationally active company is today a leading provider of HPC solutions worldwide. Northern Data offers its HPC solutions both in large, stationary data centers and in mobile high-tech data centers that can be set up at any location worldwide. The company combines its self-developed software and hardware with a sustainable energy supply. The Northern Data group currently employs about 150 members of staff.

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