



Letter to Shareholders

November 6, 2025

Dear Shareholders,

November 2025 marks a pivotal milestone in Cango's history: the one-year anniversary of our strategic transformation.

Our long-term goal has always been to build energy-secured high-performance computing (HPC) services. What began as an exploration of new energy opportunities early last year led us to a practical on-ramp: Bitcoin mining as a first step to secure energy access, develop operational expertise, and create site optionality that can later support our energy and HPC goals.

While we began as an automotive transaction service platform in China, we embarked one year ago on a bold strategic transformation into the Bitcoin mining industry, not as an endpoint but as the foundation of our expansion into energy and HPC. This sequencing—Bitcoin mining, energy access, operational depth, then HPC—has guided every decision we made.

One year on, we have built a 50 EH/s global platform and begun acquiring selective energy infrastructure, positioning us for the next phase to transition from hosted hashpower to energy and HPC over time.

Today, in this letter, we are proud to showcase the remarkable progress we have made on our journey so far and how we will bridge Bitcoin mining into energy and HPC going forward.

Story of the Past Year: A Rapid and Creative Entry into Bitcoin Mining

Through a series of decisive actions over the past year, we executed an asset-light entry that balanced speed with discipline. We acquired on-rack machines to accelerate time-to-hash, deployed a treasury approach that preserved Bitcoin while funding operations, onboarded a new management team, and divested our legacy business.

Our entry into the Bitcoin mining sector was both swift and strategic. We began our transformation in November 2024 by **acquiring on-rack second-hand mining machines with an aggregate hashrate of 32 EH/s**. This was then followed by a **subsequent acquisition of 18 EH/s in June 2025**, allowing us to scale to 50 EH/s within eight months.

Then, we divested all our China-based assets by May 2025, in a decisive move which freed us to concentrate all our financial and operational capabilities on our Bitcoin mining business.

We also strengthened our company with **a new Board of Directors and senior management team** with deep expertise in digital-asset infrastructure, finance, and energy investments, giving us the right mix of skills to execute our next phase of growth. The financial impact of our transformation didn't take long to manifest. For the second quarter of 2025, our first full quarter following our strategic transformation, we reported:

- **Revenue totaling US\$139.8 million**, demonstrating the strong underlying performance of our core Bitcoin mining business.
- **Adjusted EBITDA of US\$99.1 million**, excluding a non-cash impairment item and the one-off loss from discontinued operations, underscoring the robust progress of our business transformation and the tangible positive impact on our operations.

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- **US\$117.8 million in cash and cash equivalents**, supported by our asset-light model which concentrates opex in hosting and power costs while preserving capital for future capex on strategic initiatives.

In only eight months, we established a new, highly competitive core business, and a scaled global footprint across the U.S., Oman, Ethiopia, and Paraguay. And this was just the beginning.

New Momentum: Recent Expansion Milestones

With our strong second quarter results and Bitcoin mining foundation already in place, it was time to take the next steps to realize our global vision.

Our strategy for the second half of 2025 is simple: strengthen operational excellence in Bitcoin mining while leveraging that foundation to expand globally into energy and HPC. To date, we've taken several steps to advance this goal:

- **Acquiring a fully operational 50 MW mining facility in the U.S. state of Georgia** for a total cash consideration of US\$19.5 million in August 2025. This acquisition was a critical first step towards strengthening our operational expertise, shifting capacity to better power terms, and building a proprietary portfolio of energy infrastructure essential for our future HPC ambitions.
- **Increasing our average hashrate efficiency to over 90%** while growing our Bitcoin holdings to a total of just **over 6,400 BTC** as of October 31, 2025, as part of our disciplined HODL strategy that creatively preserves Bitcoin for optionality and cash for future strategic initiatives.
- **Terminating our ADR program and transitioning to a direct listing on the NYSE**, approved by our Board of Directors in October and expected to go live when market opens on Monday, November 17, 2025. This transition was designed to optimize our capital structure, enhance corporate transparency, and align Cango with the global institutional investors required to support the next phase of growth.

By strengthening our core business and optimizing our financial structure for the long term, we have built an even more powerful platform for sustainable growth.

The Next Phase: Executing Our Energy and HPC Vision

The global Bitcoin mining platform, operational expertise, and global footprint we have established serve as the launchpad for a dual-track expansion into energy infrastructure and HPC. Our forward strategy will focus on:

- Executing **a phased expansion governed by strict financial discipline**, scaling new initiatives from small pilots to full operations that are tied to clear technical and IRR gates to build credibility step by step across both verticals.
- Pursue **a targeted entry into the AI HPC market**, leveraging the company's global footprint of mining sites and its capabilities in computational infrastructure operations, together with energy project resources.
- Continue to **acquire and develop dual-purpose energy infrastructure**, ensuring assets serve immediate Bitcoin mining needs while being architected to support future, higher-value HPC deployments.
- Maintain a relentless focus on **optimizing our core Bitcoin mining business over expansion** by improving uptime, lowering joules per terahash, refreshing roughly 6 EH/s, and shifting capacity toward better power and terms to strengthen unit economics.

We are standing at the threshold of a new technological frontier, where the convergence of energy and HPC will power the next era of compute. With the resilient foundation we have built, a world-class team, and a clear, disciplined strategy, we are confident in our ability to not only navigate this future but to help shape it, creating lasting value for our shareholders and partners.

Thank you for your continued trust. We are excited to have you with us.

A handwritten signature in black ink, consisting of a stylized 'P' and 'Y' followed by a long horizontal stroke.

Paul Yu

Chief Executive Officer, Cango Inc.