BTCS S.A.

INDIVIDUAL INTERIM REPORT

BTCS S.A.

SECOND QUARTER OF 2026

Warsaw, August 11, 2026

The BTCS S.A. report for the second quarter of 2026 was prepared in accordance with current legal regulations, specifically based on the Rules of the Alternative Trading System and Appendix No. 3 to the ATS Rules, "Current and Periodic Information Disclosed in the Alternative Trading System on the NewConnect Market."

spółka notowana na NEW/connect RYNEK AKCJI GPW

Name (Company):	BTCS Spółka Akcyjna
Country:	Poland
Headquarters:	Warsaw
Address:	2 Plac Powstańców Warszawy, 00-030 Warsaw
KRS Number:	0000390734
Court Designation:	District Court for the Capital City of Warsaw in Warsaw, 12th Commercial Division of the National Court Register
REGON:	301792620
Tax ID (NIP):	972-12-32-691
Email:	biuro@btcs.com.pl
Website:	www.btcs.com.pl

Composition of the Board of Directors as of August 11, 2026

- Marlena Lipińska—Chairwoman of the Management Board

Composition of the Supervisory Board as of August 11, 2026

- Lech Wilczyński – Chairman of the Supervisory Board
- Abdul Rafay Gadit – Vice Chairman of the Supervisory Board
- Katarzyna Andrusikiewicz – Member of the Supervisory Board
- Catherine Chan – Member of the Supervisory Board
- Anna Jędrasiak – Member of the Supervisory Board
- Daniel Kaska – Member of the Supervisory Board

Dear Shareholders,

I am pleased to present to you the quarterly report of BTCS S.A. for the second quarter of 2026, which also includes a summary of the first half of the current year. The past few months have been a period of of continued, consistent implementation of our growth strategy based on the **Digital Asset Treasury Company (DATCO)** model. During the period under review, we continued to build one of the most dynamically public entities implementing the Digital Asset Treasury Company model in Europe; we expanded our infrastructure activities in the field of blockchain technology; and strengthened our cooperation with institutional partners.

The **Active Treasury** strategy, which we have been implementing since last year, aims to build the Company's value over the long term through active management of our digital asset portfolio. In my view, this model represents the natural direction of development for modern treasury companies and aligns with the changes taking place in the global digital asset market, where institutional investors and professional managers are playing an increasingly significant role.

As of **June 30, 2026,** BTCS S.A.'s assets totaled **57.5 million PLN**, of which **56.2 million PLN** consisted of long-term investments, primarily comprising a portfolio of digital assets. Equity amounted to **PLN 18.4 million**, compared to just under **PLN 183,000** a year earlier. This represents an increase of **9,951%** year-over-year and clearly illustrates the scale of the changes that have taken place at the Company over the past dozen or so months.

Bitcoin remains the most important component of our portfolio, which we treat as a strategic long-term asset. As of the end of the second quarter of 2026, the Company's total exposure to Bitcoin stood at **201.475362 BTC**, encompassing both Bitcoins held directly and their representations used in Bitcoin Layer-2 solutions. At the same time, we are expanding our portfolio of infrastructure assets, including, among others, **CORE** and **ZIGChain** tokens, which support validation, staking, and the development of blockchain infrastructure.

The first half of 2026 also confirmed a steady improvement in operating results . In the second quarter alone, net sales revenue increased by over **212%** compared the same period of the previous year, reaching **1.24 million PLN**. At the same time, the Company generated **a profit on sales of 344,500 PLN** and **a positive operating result of PLN 657,900**, whereas a year earlier it had recorded an operating loss exceeding **PLN 2 million**. These results demonstrate that, alongside the growth of our investment activities, we are also effectively expanding our operating activities.

The Company's financial results continue to be largely determined by the applicable accounting principles regarding the valuation of digital assets and financial instruments. This means that a significant portion of financial revenues and expenses is unrealized and non-cash in nature, and the reported net income does not fully reflect the Company's actual of the Company's operations or its ability to generate cash. This is confirmed by the positive cash flows from operating activities achieved in the second quarter of 2026. For this reason, I assess BTCS's growth primarily through the lens of the increase in the value of assets under management assets, the development of blockchain infrastructure, the expansion of the scale of operations, and the ability to generate long-term cash flows.

One of the key elements of our strategy remains the active monetization of our holdings digital assets. This includes validation and staking activities, hedging strategies using derivatives, OTC transactions, liquidity provision programs, and the development of blockchain infrastructure. As a result, BTCS is not merely an entity that holds digital assets as a long-term investment, but a company that uses them to generate recurring revenue streams and build long-term value for shareholders.

The past quarter was also a period of intensive development of cooperation with institutional partners. We entered into an agreement with **IntellectEU NV** regarding the implementation of a validator on the **Canton Network**, signed a framework agreement with **STS Digital Ltd.** regarding the execution of OTC transactions on digital assets, and we began collaborating with **Keyrock SG PTE. Ltd.**, expanding our capabilities for professional management of exposure to digital assets. These partnerships strengthen the Company's capabilities and lay a solid foundation for further business growth in international markets.

Following the end of the second quarter, we continued to implement our adopted strategy, which resulted in the establishment of numerous partnerships. The Company entered into **Heads of Terms** with **Nomad Fulcrum Builders OÜ** and signed **an Investment Management Agreement** with **Crest Portfolio Management Limited** regarding the professional management of a portion of its digital asset portfolio under a **Separately Managed Account (SMA)** arrangement, and also entered into a **SAFE** investment agreement with **Recoveris AG** and a cooperation agreement in the areas of blockchain intelligence and digital asset recovery. I am convinced that these actions will have a significant impact on further strengthening BTCS's position as a partner for international financial institutions and entities operating in the digital asset sector.

I believe that the digital asset market is currently at a turning point in its development. Institutional investors, professional asset managers, and capital market infrastructure are playing an increasingly important role in this market. In such an environment, companies that are able not only to hold digital assets but, above all, to manage them effectively, utilize them operationally, and generate recurring revenue streams from them will build a competitive advantage. BTCS S.A. is business model is being consistently developed by BTCS S.A.

Looking at the Company's development over the past dozen or so months, I see an organization that has undergone a profound transformation. From a company operating under a traditional business model, we have created a company specializing in digital asset management, developing its own blockchain infrastructure, collaborating with recognized international partners, and consistently implementing a strategy to build long-term value for shareholders. I believe that the chosen direction of development will allow us to further expand the scale of our operations in the coming quarters, strengthen BTCS S.A.'s market position, and capitalize on the opportunities presented by the rapidly growing digital assets sector.

I would like to sincerely thank all Shareholders for their trust and support. I would also like to thank our employees, colleagues, and business partners for their dedication and daily efforts toward the development of BTCS S.A. I am convinced that the consistent implementation of our adopted strategy will contribute to further growth in the Company's value and strengthen its position as one of the leaders in the **Digital Asset Treasury Company** sector in Europe.

Sincerely,

Marlena Lipińska—President of the Management Board of BTCS S.A.

The first half of 2026 in numbers:

- **PLN 57.5 million in** assets (+7,919% year-over-year),
- **PLN 56.2 million in** long-term investments comprising digital assets,
- **201.475362 BTC** in total Bitcoin exposure,
- **PLN 18.4 million** in equity (+9,951% year-over-year),
- **36.60%** return on validation rewards,
- **212.16%** year-over-year increase in sales revenue in the second quarter,
- **PLN 344,500** in profit from sales in the second quarter,
- **PLN 657,900** in operating profit in the second quarter,
- **PLN 60,000 in** positive cash flow from operating activities in the second quarter,
- expansion of validation activities at **Canton Network**,
- collaboration with **STS Digital Ltd.** and **Keyrock SG PTE. Ltd.**,
- After the balance sheet date: **Heads of Terms with Nomad Fulcrum Builders OÜ**, **SMA with Crest Portfolio Management Limited,** and **SAFE with Recoveris AG**.

GLOSSARY OF KEY TERMS

This report describes the Company's activities in the area of blockchain infrastructure and digital assets. To ensure the report is fully understandable even to investors unfamiliar with the terminology of the digital asset market, the most important terms used in the remainder of this document are presented below.

Bitcoin (BTC) – the oldest and largest cryptocurrency by market capitalization, widely regarded as the digital equivalent of gold. Bitcoin is the primary strategic asset in the Digital Asset Treasury Company model implemented by the Company.

Digital assets – a collective term for assets operating on blockchain networks, including, among others, Bitcoin, ecosystem tokens such as CORE and ZIGChain, tokens representing Bitcoin on other networks (WBTC, BTC Hemi, cBTC), and stablecoins (e.g., USDC).

Blockchain—a distributed database maintained by a network of independent computers (nodes), ensuring the immutability of stored data without the need for a central administrator.

Validator – a specialized node in a blockchain network responsible for verifying transactions and creating new blocks. The validator operator receives compensation in the form of tokens from the given blockchain network.

Staking – a mechanism for securing a blockchain network that involves locking up tokens to participate in the validation process. In return, participants receive rewards paid out by the blockchain protocol.

DATCO (Digital Asset Treasury Company) – a model for a public company whose primary asset are digital assets held on its balance sheet, and whose primary business objective is to increase the value of its digital asset portfolio over the long term and generate additional revenue from the active use of those assets. Examples of global companies of this type include Strategy Inc. (formerly MicroStrategy), Metaplanet, and Semler Scientific.

Active Treasury – a digital asset management strategy developed by BTCS S.A., which combines investment activities (Bitcoin accumulation) with the active use of the portfolio to generate revenue from validation, staking, options strategies, liquidity provision programs, and other blockchain infrastructure services.

Cash-Secured PUT Option – an options strategy involving the issuance of a put option with full cash collateral. In exchange for assuming the obligation to purchase Bitcoin at a specified price, the Company receives an options premium, and if the option is exercised, it acquires BTC at a predetermined price.

CORE – the native token of the CoreDAO network used by the Company both for investment purposes and for operational purposes in its validation activities.

CoreDAO – a public Layer-1 blockchain network integrated with the Bitcoin ecosystem, in which the Company conducts its validation activities.

ZIGChain – a public blockchain network based on Cosmos SDK technology, designed, among other things, for applications related to the tokenization of real-world assets (RWA). The Company conducts validation activities on this network.

Canton Network – an institutional blockchain network designed for the financial sector, used to develop solutions related to asset tokenization and capital markets infrastructure.

Bitcoin Layer-2 – technological solutions built on top of the underlying Bitcoin network, enabling faster and more efficient transaction processing and the creation of financial services using Bitcoin as the underlying asset.

WBTC (Wrapped Bitcoin), BTC Hemi, and cBTC – tokens representing exposure to Bitcoin on other blockchain networks, used, among other things, in DeFi solutions, staking, and liquidity provision programs.

DeFi (Decentralized Finance) – decentralized financial services operating on blockchain networks, enabling, among other things, asset lending, liquidity provision, trading, and the generation of income without the involvement of traditional financial intermediaries.

OTC (Over-the-Counter) – transactions conducted outside of public exchanges, allowing for the execution of large orders while minimizing the impact on the current market price.

SMA (Separately Managed Account) – a professional asset management model in which the assets remain the property of the investor, while they are managed in accordance with an individually defined investment strategy.

SAFE (Simple Agreement for Future Equity) – a form of equity investment in which an investor funds a company's growth in exchange for the right to acquire shares or stock in the future upon fulfillment of specific conditions.

RWA (Real World Assets) – real-world assets (e.g., real estate, bonds, financial instruments) whose ownership rights are represented by tokens operating on blockchain networks.

MiCA (Markets in Crypto-Assets Regulation)—a regulation of the European Parliament and of the Council establishing uniform rules for the functioning of the crypto-asset market within the.

mNAV (market-to-NAV) – a metric used to value Digital Asset Treasury Companies, expressing the ratio of a company's market capitalization to its net asset value (NAV). A value above 1 indicates that the market is valuing the company at a premium relative to its net book value.

MARKET CONTEXT FOR THE SECOND QUARTER OF 2026

The second quarter of 2026 was marked by a gradual improvement in sentiment in the global following the sharp correction observed in the first quarter of the year. During the period under review, the Bitcoin market showed signs of stabilization, and as investor sentiment improved, activity among both institutional and retail participants increased.

However, the market environment remained influenced by heightened volatility in digital asset prices, which is a characteristic feature of the cryptocurrency market. Fluctuations in the prices of Bitcoin and other digital assets affected the balance sheet valuation of the portfolios of companies operating under the **Digital Asset Treasury Company (DATCO)** model, including BTCS S.A.

In the second quarter of 2026, global DATCO companies continued to implement their long-term Bitcoin accumulation strategy despite ongoing market volatility. The largest player in this segment—**Strategy Inc. (NASDAQ: MSTR)**—continued to increase its BTC holdings and develop a financing model based on the issuance of equity and debt instruments intended for the purchase of additional digital assets. This confirms the enduring conviction among the largest market participants regarding Bitcoin's long-term potential as a strategic balance sheet asset.

Against this backdrop, BTCS S.A.'s results for the first half of 2026 should be analyzed primarily through the lens of changes in the value of its digital asset portfolio and the effects of their balance sheet valuation. A significant portion of the financial income and expenses reported by the Company is unrealized and stems from the applicable accounting principles regarding the valuation of digital assets as of the the balance sheet date. Consequently, net income does not fully reflect the actual cash flows generated or the current operational efficiency of the Active Treasury model.

At the same time, BTCS S.A. is consistently developing revenue streams independent of the current market valuation of digital assets, including, in particular, validation and staking activities, option strategies, and liquidity provision programs for blockchain ecosystems. This model allows for the development of recurring revenue streams while maintaining long-term exposure to the digital asset market.

In the regulatory environment, the second quarter of 2026 continued to be dominated by the implementation of the European **Markets in Crypto-Assets (MiCA)** Regulation and the process of aligning market participants' operations with the new regulatory requirements. The Management Board believes that the ongoing harmonization of regulations at the European Union level promotes the professionalization of the digital assets market and increases the predictability of operating conditions for institutional entities. The Company continuously monitors developments in national and European regulations and adapts its business model to comply with applicable legal requirements.

After the end of the second quarter of 2026, the digital asset market continued its upward trend, and Bitcoin prices reached levels higher than those as of the balance sheet date. In the Management Board's opinion, this confirms continued institutional interest in the digital asset market and the further development of the global segment of Digital Asset Treasury Companies. At the same time, the Company emphasizes that high price volatility of digital assets remains a natural characteristic of these assets and will continue to affect the periodic financial results of entities operating under the DATCO model.

I. QUARTERLY CONDENSED FINANCIAL STATEMENTS (figures in PLN)

Since this report covers the second quarter of the fiscal year, the financial data presented is for the second quarter of 2026 (the period from April 1 to June 30, 2026) and on a cumulative basis for the period from January 1 to June 30, 2026, along with comparative data for the corresponding periods of the previous year.

Balance Sheet—Assets

	Contents	As of June 30, 2026	As of June 30, 2025
A.	**Non-current assets**	**56,173,901.53**	**182,445.46**
I.	**Intangible Assets**	**0.00**	**23,481.96**
	1. Costs of completed development work		
	2. Goodwill		
	3. Other intangible assets		23,481.96
	4. Advances for intangible assets		
II.	**Property, Plant, and Equipment**	**0.00**	**22,714.13**
	1. Fixed assets	0.00	22,714.13
	a) land (including perpetual usufruct rights to land)		
	b) buildings, premises, rights to premises, and civil engineering structures		
	c) technical equipment and machinery		13,475.00
	d) means of transportation		9,239.13
	e) other fixed assets		
	2. Fixed assets under construction		
	3. Advance payments for fixed assets under construction		
III.	**Long-term receivables**	**0.00**	**0.00**
	1. From related parties		
	2. From other entities in which the entity has an equity interest		
	3. From other entities		
IV.	**Long-term investments**	**56,173,901.53**	**0.00**
	1. Real Estate		
	2. Intangible Assets		
	3. Long-term financial assets	0.00	0.00
	a) in related entities	0.00	0.00
	- shares		
	- other securities		
	- loans granted		
	- other long-term financial assets		
	b) in other entities in which the entity has an equity interest	0.00	0.00
	- shares		
	- other securities		
	- loans granted		
	- other long-term financial assets		
	c) in other entities	0.00	0.00
	- shares		
	- other securities		
	- loans granted		
	- other long-term financial assets		

	4. Other long-term investments	56,173,901.53	
V	**Long-term deferred charges**	**0.00**	**136,249.37**
	1. Deferred income tax assets		136,249.37
	2. Other accruals and deferrals		
B.	**Current assets**	**1,328,379.77**	**534,663.71**
I.	**Inventories**	**0.00**	**420,223.73**
	1. Materials		
	2. Semi-finished goods and work in progress		
	3. Finished products		
	4. Goods		420,223.73
	5. Advances for goods and services		
II.	**Current receivables**	**718,322.57**	**107,679.24**
	1. Receivables from related parties	0.00	0.00
	a) for goods and services, with a repayment period of:	0.00	0.00
	- up to 12 months		
	- more than 12 months		
	b) other		
	2. Receivables from other entities in which the entity has an equity interest	0.00	0.00
	a) Trade receivables, with a repayment period of:	0.00	0.00
	- up to 12 months		
	- more than 12 months		
	b) other		
	3. Receivables from other entities	718,322.57	107,679.24
	a) for goods and services, with a repayment period of:	434,885.83	107,679.24
	- up to 12 months	434,885.83	107,679.24
	- over 12 months		
	b) for taxes, subsidies, customs duties, social security and health insurance contributions, and other public-law obligations	283,290.37	
	c) other	146.37	
	d) legal proceedings		
III.	**Short-term investments**	**109,764.64**	**3,319.27**
	1. Short-term financial assets	109,764.64	3,319.27
	a) in related entities	0.00	0.00
	- shares		
	- other securities		
	- loans granted		
	- other short-term financial assets		
	b) in other entities	0.00	0.00
	- shares		
	- other securities		
	- loans granted		
	- other short-term financial assets		
	c) cash and other monetary assets	109,764.64	3,319.27
	- cash on hand and in bank accounts	109,764.64	3,178.46
	- other cash		
	- other monetary assets		140.81
	2. Other short-term investments		
IV.	**Short-term accruals and deferrals**	**500,292.56**	**3,441.47**

C.	**Payments due to the common stock (capital)**		
D.	**Treasury shares**		
	Total assets	**57,502,281.30**	**717,109.17**

Balance Sheet – Liabilities

	Content	As of June 30, 2026	As of June 30, 2025
A.	**Equity (fund)**	**18,389,002.06**	**182,961.76**
I.	**Authorized capital (fund)**	**19,216,599.50**	**8,000,000.00**
II.	**Reserve capital (fund), including:**	**15,515,391.25**	
	- excess of the sales price (issue price) over the par value of shares	15,515,391.25	
III.	**Revaluation reserve, including:**	**659,908.97**	**0.00**
	- from fair value revaluation	659,908.97	
IV.	**Other reserve funds**		
	- including those established in accordance with the company's articles of association (bylaws)		
	- for treasury shares		
V.	**Retained earnings (losses)**	**-7,740,204.76**	**-5,344,818.81**
VI.	**Net income (loss)**	**-9,262,692.90**	**-2,472,219.43**
VII.	**Deductions from net income during the fiscal year (negative amount)**		
B.	**Liabilities and provisions for liabilities**	**39,113,279.24**	**534,147.41**
I.	**Provisions for liabilities**	**0.00**	**3,729.26**
	1. Deferred income tax provision		3,729.26
	2. Provision for retirement and similar benefits	0.00	0.00
	- long-term		
	- short-term		
	3. Other reserves	0.00	0.00
	- long-term		
	- short-term		
II.	**Long-term liabilities**	**25,701,286.05**	**10,152.23**
	1. To related parties		
	2. To other entities in which the entity has an equity interest		
	3. To other entities	25,701,286.05	10,152.23
	a) loans and borrowings		
	b) from the issuance of debt securities		
	c) other financial liabilities	25,701,286.05	10,152.23
	d) promissory note liabilities		
	e) other		
III.	**Current Liabilities**	**12,737,506.85**	**520,265.92**
	1. Liabilities to related parties	0.00	127,107.87
	a) Trade payables, with the following maturity dates:	0.00	0.00
	- up to 12 months		
	- more than 12 months		
	b) other		127,107.87

	2. Liabilities to other entities in which the entity has an equity interest	0.00	0.00
	a) Trade payables, with the following maturity dates:	0.00	0.00
	- up to 12 months		
	- more than 12 months		
	b) other		
	3. Liabilities to other entities	12,737,506.85	393,158.05
	a) loans and borrowings		
	b) from the issuance of debt securities		
	c) other financial liabilities	11,561,948.48	
	d) trade payables, with the following due dates:	445,483.32	324,017.86
	- up to 12 months	445,483.32	324,017.86
	- over 12 months		
	e) advance payments received for goods and services		
	f) promissory note liabilities		
	g) taxes, customs duties, social security and health insurance contributions, and other public-law obligations	9,818.82	17,242.61
	h) for salaries	6,000.00	41,312.27
	i) other	714,256.23	10,585.31
	4. Special Funds		
IV.	**Accruals and deferrals**	**674,486.34**	**0.00**
	1. Negative goodwill		
	2. Other accruals	674,486.34	0.00
	- long-term		
	- short-term	674,486.34	
	Total Liabilities	**57,502,281.30**	**717,109.17**

Income Statement (comparative format)

	Item	for the period April 1, 2026 – June 30, 2026	for the period April 1, 2025 – June 30, 2025
A.	**Net sales revenue and equivalent items, including:**	**1,235,766.24**	**395,872.77**
	- from related entities		
I.	Net revenue from product sales	1,222,300.00	
II.	Change in inventory (increase – positive value, decrease – negative value)		
III.	Cost of manufacturing products for the entity's own use		
IV.	Net revenue from the sale of goods and materials	13,466.24	395,872.77
B.	**Operating expenses**	**891,261.04**	**693,319.37**
I.	Depreciation		8,203.41
II.	Consumption of Materials and Energy		8,860.32
III.	External Services	732,081.36	179,960.66
IV.	Taxes and fees, including:	996.66	3,444.00
	- excise tax		
V.	Salaries	58,264.48	62,371.12
VI.	Social Security and Other Benefits, including:	8,686.24	11,449.80
	- retirement benefits	3,929.84	

VII.	Other costs by type	83,916.04	4,910.94
VIII.	Value of goods and materials sold	7,316.26	414,119.12
C.	**Profit (Loss) on Sales (A-B)**	**344,505.20**	**-297,446.60**
D.	**Other operating income**	**313,347.01**	**4,428.00**
I.	Gain on disposal of non-financial fixed assets		
II.	Grants		
III.	Revaluation of Non-Financial Assets		
IV.	Other operating income	313,347.01	4,428.00
E.	**Other operating expenses**	**1.38**	**1,761,186.51**
I.	Loss on disposal of non-financial fixed assets		
II.	Revaluation of non-financial assets		
III.	Other operating expenses	1.38	1,761,186.51
F.	**Operating income (loss) (C+D-E)**	**657,850.83**	**-2,054,205.11**
G.	**Financial income**	**11,608,109.63**	**293.95**
I.	Dividends and shares in profits, including:		
	a) from related entities, including:		
	- in which the entity has an equity interest		
	b) from other entities, including:		
	- in which the entity has an equity interest		
II.	Interest, including:		
	- from related entities		
III.	Gain on the disposal of financial assets, including:		
	- in related entities		
IV.	Revaluation of long-term assets	11,077,120.05	
V.	Other	530,989.58	293.95
H.	**Financial expenses**	**12,609,799.00**	**1,222.45**
I.	Interest, including:	192,653.76	1,219.26
	- for related entities		
II.	Loss on disposal of financial assets, including:		
	-in related entities		
III.	Revaluation of financial assets	12,417,145.24	
IV.	Other		3.19
I.	**Gross profit (loss) (F+G-H)**	**-343,838.54**	**-2,055,133.61**
J.	**Income tax**		
K.	**Other mandatory reductions in profit (increases in loss)**		
L.	**Net profit (loss) (I–J–K)**	**-343,838.54**	**-2,055,133.61**

Income Statement - Cumulative Data (in PLN)

Description	**for the period January 1, 2026 – June 30, 2026**	**for the period January 1, 2025 – June 30, 2025**
A. Net sales revenue and equivalent items	2,735,906.24	1,331,489.70
B. Operating expenses	2,640,742.91	2,027,863.83
C. Profit (Loss) on Sales (A-B)	95,163.33	−696,374.13
D. Other operating income	6,731,034.67	4,764.20

E. Other operating expenses	2.49	1,761,186.66
F. Operating income (loss) (C+D-E)	6,826,195.51	−2,452,796.59
G. Financial income	30,088,400.43	3,273.02
H. Financial Expenses	46,177,288.84	22,695.86
I. Gross profit (loss) (F+G-H)	−9,262,692.90	−2,472,219.43
J. Income tax	0.00	0.00
L. Net income (loss) (I-J-K)	−9,262,692.90	−2,472,219.43

Cash Flow Statement (Indirect Method)

No.	Description	for the period April 1, 2026 – June 30, 2026	for the period April 1, 2025 – June 30, 2025
A.	**Cash Flows from Operating Activities**		
I.	**Net income (loss)**	**-343,838.54**	**-2,055,133.61**
II.	**Total adjustments**	**403,820.50**	**1,882,050.85**
1	Depreciation		8,203.41
2	Foreign exchange gains (losses)	3,611,893.42	
3	Interest and share of profits (dividends)	192,653.76	264.33
4	Gain (Loss) on Investment Activities	1,587,712.13	
5	Change in provisions		
6	Change in inventory		1,720,061.51
7	Change in accounts receivable	125,211.18	111,634.78
8	Change in current liabilities, excluding loans and credits	15,886.12	42,764.53
9	Change in accruals and deferrals	-292,389.81	520.82
10	Other adjustments	-4,837,146.30	-1,398.53
III.	**Net cash flow from operating activities (I+/-II)**	**59,981.96**	**-173,082.76**
B.	**Cash flows from investing activities**		
I.	**Inflows**	**0.00**	**73,074.48**
1	Disposal of intangible assets and property, plant, and equipment		
2	Disposal of real estate investments and intangible assets		
3	From financial assets, including:	0.00	73,074.48
	a) in related entities		
	b) in other entities	0.00	73,074.48
	- disposal of financial assets		
	- dividends and profit shares		
	- repayment of long-term loans granted		73,074.48
	- interest		
	- other income from financial assets		
4	Other investment proceeds		
II.	**Expenditures**	**0.00**	**0.00**
1	Acquisition of intangible assets and property, plant, and equipment		
2	Investments in real estate and intangible assets		
3	Financial assets, including:	0.00	0.00
	a) in related entities		
	b) in other entities	0.00	0.00
	- acquisition of financial assets		

	- long-term loans granted		
4	Other investment expenses		
III.	**Net cash flows from investing activities (I-II)**	**0.00**	**73,074.48**
C.	**Cash flows from financing activities**		
I.	**Inflows**	**0.00**	**0.00**
1	Net proceeds from the issuance of shares and other equity instruments, and capital contributions		
2	Loans and borrowings		
3	Issuance of debt securities		
4	Other financial inflows		
II.	**Expenses**	**39,367.15**	**3,706.93**
1	Purchase of treasury shares		
2	Dividends and other distributions to owners		
3	Expenses related to profit distribution, other than distributions to owners		
4	Repayments of loans and borrowings		
5	Redemption of debt securities		
6	From other financial liabilities	39,367.15	
7	Payments of liabilities under finance lease agreements		3,442.60
8	Interest		264.33
9	Other financial expenses		
III.	**Net cash flows from financing activities (I-II)**	**-39,367.15**	**-3,706.93**
D.	**Total net cash flows (A.III+/-B.III+/-C.III)**	**20,614.81**	**-103,715.21**
E.	**Balance sheet change in cash, including:**	**20,614.81**	**-103,715.21**
	- change in cash due to exchange rate differences		
F.	**Cash at the beginning of the period**	**89,149.83**	**107,034.48**
G.	**Cash at the end of the period (F+/-D), including:**	**109,764.64**	**3,319.27**
	- restricted cash		

Cash Flow Statement - Cumulative Data (in PLN)

Breakdown	**for the period January 1, 2026 – June 30, 2026**	**for the period January 1, 2025 – June 30, 2025**
A. Net cash flows from operating activities	8,785,916.85	−104,804.12
B. Net cash flows from investing activities	−4,125,434.00	73,074.48
C. Net cash flows from financing activities	−4,698,004.90	−9,079.27
D. Total net cash flows	−37,522.05	−40,808.91
G. Cash at the end of the period	109,764.64	3,319.27

Statement of Changes in Equity

	Description	for the period January 1, 2026 – June 30, 2026	for the period January 1, 2025 – June 30, 2025
I.	Equity at the beginning of the period (BO)	28,427,127.33	2,655,181.19
I.a.	Equity (fund) at the beginning of the period (BO) after adjustments	28,427,127.33	2,655,181.19
1.	Common stock at the beginning of the period	19,216,599.50	8,000,000.00
1.1.	Changes in share capital (fund)	0.00	0.00
1.2.	Share capital (fund) at the end of the period	19,216,599.50	8,000,000.00
2.	Reserve capital (fund) at the beginning of the period	15,515,391.25	0.00
2.1.	Changes in reserve capital (fund)	0.00	0.00
2.2.	Balance of the reserve capital (fund) at the end of the period	15,515,391.25	0.00
3.	Revaluation reserve at the beginning of the period - changes in accounting principles (policies)	1,435,341.34	0.00
3.1.	Changes in the revaluation reserve	-775,432.37	0.00
3.2.	Revaluation reserve at the end of the period	659,908.97	0.00
4.	Other reserve capital (funds) at the beginning of the period	0.00	0.00
4.1.	Changes in other reserve capital (funds)	0.00	0.00
4.2.	Other reserve capital (funds) at the end of the period	0.00	0.00
5.	Retained earnings (losses) from prior years at the beginning of the period	-5,344,818.81	-5,082,086.83
5.1.	Retained earnings at the beginning of the period	0.00	0.00
5.2.	Retained earnings at the beginning of the period, after adjustments	0.00	0.00
5.3.	Retained earnings at the end of the period	0.00	0.00
5.4.	Loss carried forward at the beginning of the period	5,344,818.81	5,082,086.83
5.5.	Loss carried forward from prior years at the beginning of the period, after adjustments	5,344,818.81	5,082,086.83
5.6.	Loss carried forward from prior years at the end of the period	7,740,204.76	5,344,818.81
5.7.	Retained earnings (losses) at the end of the period	-7,740,204.76	-5,344,818.81
6.	Net income	-9,262,692.90	-2,472,219.43
II.	Equity at the end of the period (BZ)	18,389,002.06	182,961.76
III.	Equity (fund), after taking into account the proposed distribution of profit (coverage of loss)	18,389,002.06	182,961.76

II. INFORMATION ON THE PRINCIPLES ADOPTED IN PREPARING THIS REPORT, INCLUDING INFORMATION ON CHANGES TO THE APPLICABLE ACCOUNTING PRINCIPLES (POLICIES)

BTCS S.A., hereinafter referred to as the “Company,” operating since 2011, was entered in the National Court Register under KRS number 0000390734, District Court for the Capital City of Warsaw, 12th Commercial Division of the National Court Register. The Company’s registered office is located at Plac Powstańców Warszawy 2, 00-030 Warsaw.

The Company’s primary business activity is:

- Other service activities in the field of computing infrastructure, data processing, website management (hosting), and related activities (PKD 63.10.D)
- REGON: 301792620
- Tax ID (NIP): 972-12-32-691

1. The Company's duration is indefinite.
2. The Company's fiscal year is the calendar year beginning on January 1 and ending on December 31. The accounting books are closed as of the last day of the fiscal year. The fiscal year consists of interim reporting periods, which are consecutive calendar months.
3. The financial statements were prepared for the period **from January 1, 2026, to June 30, 2026, with separate data for the second quarter of 2026 (from April 1, 2026, to June 30, 2026).**
4. The financial statements were prepared on the assumption that the Company will continue as a going concern for the foreseeable future.
5. In 2025, the Company began transforming its business model, shifting from trading in electronics in favor of activities related blockchain technology and active digital asset management (Digital Asset Treasury Company – DATCO).
6. In connection with the implementation of the new business model, long-term investments comprising digital assets constitute a significant portion of the Company's assets.
7. As of August 21, 2025, the accounting records of BTCS S.A. (formerly Vakomtek S.A.) are being maintained by a new accounting firm, namely: Rachkart Beata Kamińska, 62 Hubala-Dobrzańskiego St., 05-082 Stare Babice.
8. **Accounting principles adopted:**

   The financial statements have been prepared in accordance with the accounting principles
   in force in the Republic of Poland, as set forth in the Act on Accounting of September 29, 1994, and the implementing regulations issued pursuant thereto.

   The Company has reviewed and updated its accounting policies regarding the principles classification, recording, measurement, and presentation of digital assets (cryptoassets), in connection with the commencement of operations in the area of digital assets and the recommendations presented during the audit of the 2025 financial statements by the independent auditor. The changes were of a clarifying and presentational nature and were applied to these financial statements prepared for the 2025 fiscal year. **As a result of these changes, the report for the first quarter of 2026 will be adjusted accordingly via a current report**.

   While preparing this interim report, the Company identified the need to adjust the financial data presented in the interim report for the first quarter of 2026. The planned adjustment will involve reducing the net loss for the period from January 1, 2026, to March 31, 2026, from **9,543,037.58 PLN** to **PLN 8,918,854.36** (i.e., by **PLN 624,183.22**), a corresponding reduction in revaluation reserve resulting from the reclassification of valuation effects in accordance with Article 35(4) of the on Accounting (consisting of a reduction of the revaluation reserve to the amount previously recognized in that reserve, before charging financial expenses) and an adjustment to the balance sheet total as of **March 31, 2026,** from **PLN 61,955,039.90** to **PLN 61,950,728.55**. As a result, equity as of **March 31, 2026,** will amount to **PLN 18,902,834.75**, compared to **PLN 18,884,089.75** reported in the published quarterly report for the first quarter of 2026. **The Company will publish a separate report correcting the interim report for the first quarter of 2026. To ensure the comparability of financial data, the cumulative figures presented in this report have been prepared taking into account the planned adjustments.**

The entity prepares its income statement in a comparative format. The entity uses the indirect method to prepare its statement of cash flows. Costs are recorded by nature.

The comparative data relate to the period from April 1, 2025, to June 30, 2025, and on a cumulative basis to the period from January 1, 2025, to June 30, 2025.

Net income consists of:

- profit from sales,
- profit from other operating activities,
- net income from financing activities,
- mandatory charges against net income.

Costs are recorded by type.

The entity uses the indirect method to prepare the cash flow statement.

If the conditions specified in Article 64(1) of the on Accounting, in conjunction with Article 45(3), the entity prepares a statement of changes in equity.

In its financial statements, the entity reports economic events in accordance with their economic substance, using the following measurement methods:

1. Intangible Assets and Property, Plant, and Equipment

   Intangible assets and property, plant, and equipment are measured at acquisition price or production cost, less accumulated depreciation and impairment losses. Depreciation is calculated based on the annual depreciation schedule. Assets with a value not exceeding 10,000 PLN are recorded on the balance sheet and written off in full at the time they are put into use.

   Fixed assets are depreciated using the straight-line method based on the depreciation rates set forth in the Act of February 15, 1992, on Corporate Income Tax (consolidated text: Journal of Laws of 2000, No. 54, item 654, as amended; § 16a–16m).

   The Company depreciates fixed assets used under lease agreements in proportion to the term of the agreement.

2. Long-Term Investments (Digital Assets)

   The Company defines digital assets (cryptoassets) as virtual currencies, including, in particular, blockchain tokens and other digital assets held by the Company.

   Given the nature of the Company's operations and its adopted digital asset management model—which involves maintaining a strategic portfolio of assets over the long term—cryptoassets are classified as long-term investments.

Cryptoassets are initially recognized at cost or fair value as of the date of receipt.

Rewards received for participating in blockchain network validation processes are recognized as other operating income.

As of the balance sheet date, cryptoassets are measured at fair value, which is determined based on market quotes from active trading platforms. Fair value is determined based on market rates published by reputable market data aggregation platforms and active cryptoasset trading platforms, in particular CoinMarketCap, CoinGecko, and active cryptocurrency exchanges.

Effects of revaluation:

- an increase in value above the initial value is recognized in equity from revaluation,
- a decrease in value below the acquisition cost is recognized in financial expenses,
- reversals of prior write-downs are recognized as financial income.

The exchange of one cryptoasset for another does not result in the recognition of a financial result at the time of the exchange.

3. Inventories

Inventories are reported on the balance sheet at net value, i.e., net of by impairment losses. Inventories are measured at cost.

If inventory has lost its functional characteristics or usefulness, the cost is written down to the net realizable value. The Company uses the FIFO (“first in, first out”) method to determine the value of inventory issued.

4. Receivables

Long-term receivables, short-term receivables, and claims are reported at the amount due, net of impairment charges.

Value adjustments were made based on an analysis of the aging structure of receivable balances, taking into account the degree of risk associated with a given receivable.

5. Foreign Currency Valuation Methods

Transactions denominated in foreign currencies are recognized in the accounting records as of the date they are conducted, at the exchange rate:

- the exchange rate actually applied on that date, resulting from the nature of the transaction—in the case of the sale or purchase of currencies and the payment of receivables or liabilities,

- the average exchange rate announced for the currency in question by the National Bank of Poland on the day preceding that date—in the case of other transactions, as well as in the case of payments of receivables or liabilities, if it is not reasonable to apply the actual exchange rate referred to above.

The Company has adopted the principle of valuing cash outflows denominated in foreign currencies using the FIFO ("first in, first out") method.

At least as of the balance sheet date, the following items denominated in foreign currencies are measured:

- assets (excluding investments in subsidiaries accounted for using the equity method) and liabilities—at the average exchange rate for that currency announced by the National Bank of Poland on that date,

- cash held by entities engaged in the purchase and selling foreign currencies—at the exchange rate at which it was purchased, but not exceeding the average exchange rate announced for that currency by the National Bank of Poland as of the valuation date.

6. Provisions and Accrued Expenses

The Company establishes provisions for certain or probable losses and for costs not yet incurred but attributable to the fiscal year (in accordance with the matching principle).

The Company establishes a deferred income tax provision in the amount of income tax expected to be payable in the future due to the existence of taxable temporary differences, that is, differences that will increase the income tax base in the future.

The Company recognizes deferred income tax assets in the amount expected to be deductible from income tax in the future, in connection with negative temporary differences that will result in a future reduction of the income tax base and a deductible tax loss, determined in accordance with the principle of prudence.

The amounts of deferred income tax liabilities and assets are determined based on the income tax rates in effect in the year the tax liability arises

III. BRIEF DESCRIPTION OF THE ISSUER'S SIGNIFICANT ACHIEVEMENTS OR SETBACKS DURING THE PERIOD COVERED BY THE REPORT, TOGETHER WITH A DESCRIPTION OF THE MOST IMPORTANT FACTORS AND EVENTS—ESPECIALLY THOSE OF AN UNUSUAL NATURE—THAT AFFECTED THE RESULTS ACHIEVED

The Company's Results for the Second Quarter of 2026
Statement of Income

	Item	for the period April 1, 2026 – June 30, 2026	for the period April 1, 2025 – June 30, 2025	Change June 30, 2026
A.	Net sales revenue and equivalent items, including:	1,235,766.24	395,872.77	212.16%
B.	Operating expenses	891,261.04	693,319.37	28.55%
C.	Profit (Loss) on Sales (A-B)	344,505.20	-297,446.60	n/a*
D.	Other operating income	313,347.01	4,428.00	6,976.60%
E.	Other operating expenses	1.38	1,761,186.51	-100.00%
F.	Operating income (loss) (C+D-E)	657,850.83	-2,054,205.11	n/a*

G.	**Financial income**	**11,608,109.63**	**293.95**	**n/a***
H.	**Financial expenses**	**12,609,799.00**	**1,222.45**	**n/a***
I.	**Gross profit (loss) (F+G-H)**	**-343,838.54**	**-2,055,133.61**	**-83.27%**
J.	**Income tax**	**0.00**	**0.00**	**n/a***
K.	**Other mandatory reductions in profit (increa-ses in loss)**	**0.00**	**0.00**	**n/a***
L.	**Net profit (loss) (I-J-K)**	**-343,838.54**	**-2,055,133.61**	**-83.27%**

** n/a – growth rate not presented due to a change in the sign of the result or an incomparable reference base (change in the Company's business model during 2025).*

In the second quarter of 2026, BTCS S.A. continued to operate under a business model based on the **Active Treasury** strategy and the management of a portfolio of digital assets and financial instruments. This model continues to significantly determine the structure of the income statement, in which financial activities related to the valuation of digital assets and financial instruments used as part of the Active Treasury strategy play a dominant role.

Net sales revenue and equivalent items amounted to **PLN 1.24 million**, compared to **PLN 0.40 million** in the corresponding period of the previous year, representing **an increase of 212.16**%. The main source of revenue remained operating activities in the areas of technology services and strategic consulting.

Operating expenses amounted to **PLN 0.89 million**, compared to **PLN 0.69 million** in the second quarter of 2025, representing an increase of **28.55**%. This increase was primarily due to the expansion of operating activities and the larger scale of projects undertaken. At the same time, the Company generated **a gross profit of PLN 344,500**, whereas in the corresponding period of the it recorded **a loss on sales of PLN 297,400**, which represents a significant improvement in the profitability of its core operating activities.

During the period under review, the Company generated **an operating profit of PLN 657,900**, compared to **an operating loss of PLN 2.05 million** in the second quarter of 2025. The improvement in operating results was due to a simultaneous increase in sales revenue, positive other operating income, and the absence of significant one-time other operating expenses that had weighed on the result in the comparable period.

The Management Board emphasizes that operating profit is not currently a key metric of the Company's operational efficiency, as its primary area of activity remains the management of and investment activities carried out under the Active Treasury model. The level of operating expenses is primarily related to maintaining the organizational, technological, and competency infrastructure necessary to conduct business in this area.

Financial activities had a decisive impact on the Company's financial results in the second quarter of 2026. Financial income amounted to **PLN 11.61 million**, while financial expenses reached **PLN 12.61 million**. The significant value of both items resulted primarily from the balance sheet valuation of digital assets and financial instruments used as part of the Active Treasury strategy, as well as from the recognition of financing costs and foreign exchange differences. Compared to the same period of the previous year, financial activities reflect a significant increase in the scale of the managed digital asset portfolio and the development of the Company's business model.

The Management Board notes that a significant portion of both financial revenues and expenses is **unrealized and non-cash** in nature, resulting from applicable accounting principles regarding the valuation of assets and liabilities as of the balance sheet date. Consequently, the reported net income does not fully reflect cash flows or the Company's ability to generate cash during the period under review.

The net loss for the second quarter of 2026 amounted to PLN 343,800, compared to **a loss of PLN 2.06 million** in the corresponding period of the previous year, representing **an improvement of approximately 83**%. The net result was significantly influenced by changes in the market value of digital assets, financial instruments, and the accounting principles applied to their valuation.

The Management Board emphasizes that the **Active Treasury** model assumes periodic volatility in accounting results while focusing on the long-term growth in the value of the managed asset portfolio and the systematic increase in revenue from their active utilization. For this reason, the income statement results should be analyzed in conjunction with the balance sheet and the statement of cash flows, which provide a more comprehensive picture of the Company's financial position.

In the second quarter of 2026, the Company continued to develop its **Active Treasury** model, focusing on further increasing the efficiency of its digital assets and expanding its infrastructure operations in the area of blockchain technology. The Issuer implemented its strategy, in particular, through:

- actively managing its portfolio of digital assets and derivatives based on Bitcoin,
- expanding its validation and staking operations and further developing its blockchain infrastructure,
- participation in liquidity provision programs and other solutions enabling the generation of revenue from held digital assets,
- developing cooperation with institutional partners and projects within the digital asset ecosystem
  digital assets

Structure and dynamics of selected asset items (data in PLN)

	Content	As of June 30, 2026	As of June 30, 2025	Structure June 30, 2026	Trends June 30, 2026
A.	**Non-current assets**	**56,173,901.53**	**182,445.46**	**97.69%**	**30,689.42%**
I.	**Intangible Assets**	**0.00**	**23,481.96**	**0.00%**	**-100.00%**
II.	**Property, Plant, and Equipment**	**0.00**	**22,714.13**	**0.00%**	**-100.00%**
III.	**Long-term receivables**	**0.00**	**0.00**	**0.00%**	**-**
IV.	**Long-term investments**	**56,173,901.53**	**0.00**	**97.69%**	**-**
V	**Long-term accruals**	**0.00**	**136,249.37**	**0.00%**	**-100.00%**
B.	**Current assets**	**1,328,379.77**	**534,663.71**	**2.31%**	**148.45%**
I.	**Inventory**	**0.00**	**420,223.73**	**0.00%**	**-100.00%**
II.	**Current receivables**	**718,322.57**	**107,679.24**	**1.25%**	**567.09%**
III.	**Short-term investments**	**109,764.64**	**3,319.27**	**0.19%**	**3,206.89%**
IV.	**Short-term accruals and deferrals**	**500,292.56**	**3,441.47**	**0.87%**	**14,437.18%**
C.	**Payments due to the authorized capital (fund)**	**0.00**	**0.00**	**0.00%**	**-**
D.	**Treasury shares**	**0.00**	**0.00**	**0.00%**	**-**

	Total Assets	**57,502,281.30**	**717,109.17**	**100.00%**	**7,918.62%**

An analysis of the balance sheet data as of June 30, 2026 confirms the consistent implementation of BTCS S.A.'s business model, which is based on concentrating assets in the area of financial investments, particularly digital assets. The Company's balance sheet structure directly reflects the **Active Treasury** strategy and is consistent with the long-term objectives of BTCS S.A. as **a Digital Asset Treasury Company (DATCO).**

As of June 30, 2026, total assets amounted to **PLN 57.50 million**, compared to **PLN 0.72 million** a year earlier, representing an increase of **7,918.62**%. The scale of assets reflects the Company's maintenance of a significant portfolio of digital assets classified as long-term investments and the consistent implementation of the **Active Treasury** strategy.

The asset structure remains clearly dominated by **fixed assets**, which at the end of the second quarter of 2026 amounted to **PLN 56.17 million** and accounted for **97.69%** of the balance sheet total. The key component of this group was long-term investments comprising a portfolio of digital assets held in accordance with the Company's **Active Treasury** strategy.

Current assets totaled **1.33 million PLN** and accounted for **2.31%** of the balance sheet total, compared to **0.53 million PLN** a year earlier. The largest component of current assets was **short-term receivables**, **amounting to 0.72 million PLN**, which represented **1.**25% of the balance sheet total. **Cash and short-term investments** totaled **PLN 109,800**, while **short-term prepaid expenses and deferred income** amounted to **PLN 500,300**.

The absence of inventory and the persistently high proportion of fixed assets confirm that the Company does not engages in any manufacturing or trading activities requiring the commitment of significant working capital working capital. BTCS S.A.'s business model is based on the long-term management of a portfolio digital assets and their active use in operational activities related to blockchain infrastructure.

As of the balance sheet date, digital assets remained the Company's primary asset class, serving both an investment and an operational function through their use in validation and staking processes, liquidity provision programs, options strategies, and other solutions developed as part of the **Active Treasury** model.

The Management Board notes that periodic changes in the value of assets are a natural part of the operations conducted under the **Digital Asset Treasury Company** model and are directly related to the market valuation of digital assets and financial instruments used as part of the **Active Treasury** strategy. A significant portion of the changes in the portfolio's value is unrealized and non-cash in nature, resulting from applicable accounting principles regarding the valuation of assets as of the balance sheet date; therefore, they do not directly affect the Company's liquidity position or its ability to conduct its operating activities.

Compared to the same period of the previous year, there is also a significant increase in short-term receivables and accruals, which results from the Company's ongoing operating activities and settlements related to projects in progress. At the same time, the level of cash remains adequate for the adopted business model, in which the majority of financial resources is invested in digital assets that form the basis of the Company's investment strategy and serve as a source of future operating and financial revenues.

Structure and trends of selected liability items (figures in PLN)

	Content	As of June 30, 2026	As of June 30, 2025	Structure June 30, 2026	Trends June 30, 2026
A.	**Equity (fund)**	**18,389,002.06**	**182,961.76**	**31.98%**	**9,950.74%**
I.	**Authorized Capital (Fund)**	**19,216,599.50**	**8,000,000.00**	**33.42%**	**140.21%**
II.	**Reserve capital (fund), including:**	**15,515,391.25**	**0.00**	**26.98%**	**-**
III.	**Revaluation reserve, including:**	**659,908.97**	**0.00**	**1.15%**	**-**
IV.	**Other reserve capital (funds)**	**0.00**	**0.00**	**0.00%**	**-**
V.	**Retained earnings (losses)**	**-7,740,204.76**	**-5,344,818.81**	**-13.46%**	**44.82%**
VI.	**Net income (loss)**	**-9,262,692.90**	**-2,472,219.43**	**-16.11%**	**274.67%**
VII.	**Deductions from net income during the fiscal year (negative amount)**	**0.00**	**0.00**	**0.00%**	**-**
B.	**Liabilities and provisions for liabilities**	**39,113,279.24**	**534,147.41**	**68.02%**	**7,222.56%**
I.	**Provisions for liabilities**	**0.00**	**3,729.26**	**0.00%**	**-100.00%**
II.	**Long-term liabilities**	**25,701,286.05**	**10,152.23**	**44.70%**	**253,059.02%**
III.	**Current Liabilities**	**12,737,506.85**	**520,265.92**	**22.15%**	**2,348.27%**
IV.	**Accruals and deferrals**	**674,486.34**	**0.00**	**1.17%**	**-**
	Total Liabilities	**57,502,281.30**	**717,109.17**	**100.00%**	**7,918.62%**

As of June 30, 2026, **BTCS S.A.'s equity amounted to PLN 18.39 million**, compared to **PLN 0.18 million** a year earlier, representing an increase of **9,950.74**%. This level is primarily the result of the Company's capital restructuring carried out in 2025, which included an increase in share capital and the creation of a share premium reserve, adjusted for the net income achieved in the first half of 2026 and retained earnings from prior years.

Share capital as of the balance sheet date amounted to **19.22 million PLN,** compared to **8.00 million PLN** a year earlier, while the reserve capital reached **PLN 15.52 million**. The Company also reported **revaluation reserve in the amount of PLN 0.66 million**, reflecting the effects of the balance sheet valuation of its portfolio of digital assets at fair value, in accordance with the adopted accounting policy.

The net loss for the first half of 2026 amounted to PLN 9.26 million, compared to **a loss of PLN 2.47 million**
in the corresponding period of the previous year. The Management Board emphasizes, however, that this result is largely a consequence of the balance sheet valuation of digital assets and financial instruments used as part of the **Active Treasury** strategy, as well as financing costs, a significant portion of which is unrealized and non-cash in nature.

In parallel with the reported financial results, the Company continued to develop its **Digital Asset Treasury Company** model, expanding the use of its digital asset portfolio in its operations. Revenue is generated not only through the appreciation of assets but also through their active use, particularly in the area of:

- Bitcoin-based options strategies,
- validation activities,
- staking,
- liquidity provision programs,
- lending solutions, and blockchain infrastructure services.

This model enables a gradual increase in the share of recurring operating revenue sources while maintaining long-term exposure to the digital asset market.

Liabilities and provisions for liabilities accounted for the dominant portion of the liability structure, whose value as of the balance sheet date amounted to **PLN 39.11 million,** compared to **PLN 0.53 million** a year earlier. This structure remains consistent with the adopted business financing model, which assumes the use of external financing to increase the scale of investment activities and develop infrastructure related to digital assets.

The largest component of liabilities was **long-term liabilities in the amount of PLN 25.70 million**, accounting for **44.70%** of the balance sheet total. **Current liabilities amounted to PLN 12.74 million**, representing **22.15%** of total liabilities, while **accruals and deferrals reached PLN 0.67 million**, accounting for **1.17%** of the balance sheet total. The structure of liabilities remains aligned with the nature of the Company's operations and its long-term investment horizon.

The Management Board emphasizes that external financing is an integral part of the and is utilized in a manner that enables effective management of the digital assets, the development of blockchain infrastructure, and the creation of long-term value for shareholders. In the **Digital Asset Treasury Company** model, a properly selected financing structure is one of the key elements in increasing capital efficiency and scaling operations.

The liability structure as of June 30, 2026, remains consistent with BTCS S.A.'s business model as **a Digital Asset Treasury Company (DATCO)**. In the Management Board's assessment, the current financing structure provides the Company with sufficient flexibility to continue implementing its growth strategy, which encompasses both the management and monetization of the digital asset portfolio, as well as the development of related to blockchain technology.

It is worth noting that despite the reported net loss, the Company's equity remains at PLN 18.39 million and account for nearly one-third of the balance sheet total. At the same time, the financing structure based on long-term liabilities remains consistent with the nature of the Company's investment activities, in which long-term digital assets constitute the primary asset.

SELECTED FINANCIAL DATA

Selected financial data for the Company for the second quarter of 2026, along with comparative data for the second quarter of 2025, are presented in the table below. The data are expressed in Polish zlotys (PLN). The conversion of selected items to EUR will be presented in accordance with the average exchange rates of the National Bank of Poland (NBP) in the full financial statements subject to audit or review by a certified public accountant for 2026.

Item (in PLN)	Second Quarter of 2026	Second Quarter of 2025
Net sales revenue	1,235,766.24	395,872.77
Operating income (loss)	657,850.83	-2,054,205.11
Gross profit (loss)	-343,838.54	-2,055,133.61
Net profit (loss)	-343,838.54	-2,055,133.61

Net cash flow from operating activities	59,981.96	-173,082.76
Item (as of, in PLN)	**June 30, 2026**	**June 30, 2025**
Total Assets	57,502,281.30	717,109.17
Equity	18,389,002.06	182,961.76
Total Liabilities	39,113,279.24	534,147.41
Number of shares	38,433,199	16,000,000
Book value per share (PLN)	0.48	0.01
Earnings (loss) per share (PLN)	-0.01	-0.13

Number of shares as of June 30, 2025 (16,000,000 shares) reflects the balance prior to the issuance of Series F shares registered in October 2025. Complete selected financial data converted to EUR at the average exchange rates of the National Bank of Poland will be presented in the Company's audited financial statements for 2026.

MANAGEMENT BOARD'S COMMENTARY ON CIRCUMSTANCES AND EVENTS SIGNIFICANTLY AFFECTING THE ISSUER'S OPERATIONS IN THE SECOND QUARTER OF 2026

Liquidity Position and External Financing Structure

Due to the specific nature of the **Digital Asset Treasury Company (DATCO)** model, implemented based on the **Active Treasury** strategy, traditional liquidity ratios calculated on the basis of current assets do not fully reflect BTCS S.A.'s actual ability to settle its liabilities. This is due to the fact that the Company's assets consist predominantly of digital assets classified as long-term investments, which are also characterized by high market liquidity.

As of **June 30, 2026, liabilities and provisions for liabilities totaled 39.11 million PLN**, of which **PLN 25.70 million** were long-term liabilities, **PLN 12.74 million** were short-term liabilities, and **PLN 0.67 million** were accruals. Excluding accruals, the total value of the Company's liabilities amounted to **PLN 38.44 million**.

Financial liabilities related to the implementation of the **Active Treasury** strategy constituted the dominant component of the liability structure. The remaining portion of liabilities consisted primarily of trade payables, public-law liabilities, and other liabilities arising from the Company's current operating activities.

As of the balance sheet date, **the Company's equity amounted to PLN 18.39 million**, which corresponded to **31.98%** of the balance sheet total, while liabilities and provisions for liabilities accounted for **68.02%** of total liabilities. This financing structure remains characteristic of the **Digital Asset Treasury Company's** business model, in which the use of external financing is part of a strategy to increase capital efficiency and build long-term value in the digital asset portfolio.

The Management Board emphasizes that external financing is an integral part of the **Digital Asset Treasury Company (DATCO)** and serves to expand the scale of investment activities and the effective management of the digital asset portfolio. The financing structure remains aligned with the nature of the Company's operations and its long-term investment horizon.

At the same time, the Management Board notes that the majority of the Company's assets consist of digital assets held as part of the **Active Treasury** strategy, which are characterized by high market liquidity. This enables this enables flexible management of the balance sheet structure and ongoing adjustment of the investment exposure to market conditions and liquidity needs, while maintaining the long-term nature of the investment strategy being pursued.

Despite the reported accounting loss for the first half of 2026, the Company's liquidity position remains stable. The financial result continues to be significantly determined by the unrealized effects of the valuation of digital assets and financial instruments as of the balance sheet date, which do not result in a cash outflow. In the Management Board's assessment, the current financing structure provides the Company with sufficient flexibility to continue implementing its **Active Treasury** strategy, which encompasses both the development of blockchain infrastructure and the active management and monetization of its digital asset portfolio portfolio.

Characteristics of the Key Long-Term Liability

The most significant item among long-term liabilities remains the obligation arising from **the Digital Asset Access Agreement** entered into with **BIOINFO CORPORATION**, the detailed terms of which are presented in ESPI's current reports and in the interim report for the first quarter of 2026. In the second quarter of 2026, there were no changes to the material provisions of this agreement.

As of **June 30, 2026,** the carrying amount of this liability was **PLN 25,701,286.05**, corresponding to the valuation of the liability denominated in **115 BTC**, determined in accordance with applicable accounting principles.

Due to the fact that the liability is denominated in Bitcoin units, its carrying amount is subject to periodic changes resulting from the market valuation of BTC. At the same time, the corresponding digital assets remain a component of the Company's investment portfolio and are used as part of its **Active Treasury** strategy, which includes, among other things, validation activities, staking, options strategies, and participation in liquidity provision programs.

In the Management Board's assessment, this mechanism constitutes **a natural hedge**, as changes in the value of the Bitcoin-denominated liability remain highly correlated with changes in the value of the corresponding digital assets held in the Company's portfolio.

Pursuant to the provisions **of the Digital Asset Provision Agreement**, the liability may be settled by returning **115 BTC** or by converting it into shares of the Company under the terms specified in the transaction documentation.

In none of the above scenarios is the Company required to raise funds in traditional currencies to settle this liability, which, in the Management Board's assessment, significantly limits its impact on the Company's current financial liquidity. At the same time, the nature of this liability remains consistent with the business model pursued by **Digital Asset Treasury Company (DATCO)**, in which both assets and a portion of the sources of financing are linked to the digital asset market.

Management's Assessment

As of the date of this report, the Management Board views the financial and liquidity position of BTCS S.A. and the financing structure of its operations favorably.

The Digital Asset Treasury Company (DATCO) model implemented by the Company is based on the long-term management of a digital asset portfolio while simultaneously using those assets to generate revenue from operating activities, including, among others, staking, validation activities, options strategies, liquidity provision programs, and other forms of monetizing . At the same time, the Company is expanding its operations in the area of blockchain infrastructure and services related to digital technologies, thereby diversifying its revenue streams.

The Management Board continuously monitors the level of risk associated with the volatility of digital asset valuations, the financing structure, market liquidity, and liabilities denominated in digital assets

. In the Management Board's assessment, the current balance sheet structure, the level of equity, and the nature of of the assets held provide the Company with adequate conditions for the continued implementation of the **Active Treasury** strategy.

As of the date of this report, the Management Board has not identified any circumstances that could indicate a threat to the Company's ability to continue as a going concern in the foreseeable future. In the Management Board's assessment, the adopted business model remains appropriate for the nature of the Company's business and enables the Company's further development, the building of value in its digital asset portfolio, and the increase in the share of recurring revenue streams.

Key Financial Ratios of BTCS S.A.

	Content	**As of June 30, 2026**	**As of June 30, 2025**
1	**Ratios Characterizing the Profitability of Operations**		
1.1.	**Return on Assets** net income / total assets	-16.11%	-344.75%
1.2.	**Return on Equity** net income / equity	-50.37%	-1,351.22%
1.3.	**Net Profit Margin** Net income / revenue from sales of products and merchandise	-749.55%	-185.67%
1.4.	**Gross profit margin** Profit on sales of products and merchandise / Net revenue from sales of products and merchandise	7.70%	-52.30%
2	**Ratios Characterizing Financial Liquidity**		
2.1.	**Liquidity – Current Ratio I** Total current assets / Current liabilities	0.10	1.03
2.2.	**Liquidity - Current Ratio II** Total current assets – inventory / current liabilities	0.10	0.22
2.3.	**Liquidity - Current Ratio III** Cash and other monetary assets / current liabilities	0.01	0.01
2.4.	**Long-Term Liquidity** Total assets / short- and long-term liabilities	1.50	1.35
3	**Asset Management Efficiency Ratios**		
3.1.	**Receivables Turnover Ratio** accounts receivable from sales of goods and services × number of days in the period / net revenue from sales of products and goods (in days)	64	15
3.2.	**Speed of Repayment of Liabilities** trade payables × number of days in the period / value of goods and materials sold + cost of goods sold (in days)	11021	41
3.3.	**Inventory turnover ratio** inventory × number of days in the period / value of goods and materials sold + cost of goods sold (in days)	0	53
	excluding advance payments for deliveries	0	53
4	**Ratios Characterizing Capital Commitment and Return on Capital**		
4.1.	**Return on Equity Ratios (in years)** Equity / Net Income	-1.99	-0.07

4.2.	**Equity-to-Assets Ratio** equity / total assets	31.98%	25.51%
4.3.	**Equity-to-Fixed-Assets Ratio** Equity / Fixed Assets	32.74%	100.28%
4.4.	**Stability of the Financing Structure** Equity + long-term reserves + long-term liabilities / total liabilities	76.68%	26.93%
5	**Net asset ratios**		
5.1.	**Net Assets** Total Assets - Total Liabilities	18,389,002.06	182,961.76
5.2.	**Profitability ratio of validation rewards** Rewards received / Net assets	36.60%	0.00%

Ratio Analysis

The first half of 2026 was a period of continued implementation of the **Active Treasury** strategy and development of BTCS S.A.'s business model as **a Digital Asset Treasury Company (DATCO)**, based on active management of a digital asset portfolio. The financial ratios presented reflect the Company's current operations, with a significant impact from market factors, particularly changes in the valuation of digital assets and liabilities denominated in Bitcoin.

Ratios characterizing the profitability of operations remain negative, which results primarily from the net loss for the first half of 2026. **Return on assets stood at -16.11% compared to -344.75% a year earlier**, while **return on equity stood at -50.37% compared to -1,351.22%** in the corresponding period of the previous year. The significant improvement in both ratios stems primarily from a substantial increase in the value of the Company's assets and equity, while maintaining its ability to generate operating revenue.

Sales profitability ratios reflect a marked improvement in the efficiency of core operating activities. **Gross profit margin reached a positive level of 7.70%**, compared to **-52.30%** a year earlier, confirming the achievement of a positive net sales result. **Net sales profitability stood at -749.55%, compared to -185.67%** in the corresponding period of the previous year, remaining significantly influenced by financial activities and the mandatory balance sheet valuation of digital assets and liabilities denominated in Bitcoin.

As of June 30, 2026, the current and quick ratios both stood at **0.10**, while the cash ratio remained at **0.01**. The low level of traditional liquidity ratios stems primarily from the adopted balance sheet structure, in which digital assets classified as long-term investments constitute the dominant position.

The Management Board emphasizes that traditional liquidity ratios have limited analytical value in the context of the Company's business model. A significant portion of the digital asset portfolio, despite being classified on the balance sheet as non-current assets, is characterized by high market liquidity and can be used to settle liabilities. Consequently, the Company's actual liquidity remains higher than indicated by the balance sheet ratios presented.

The long-term liquidity ratio stood at 1.50, compared to 1.35 a year earlier, confirming that the Company maintains its ability to cover its liabilities with the value of its assets despite the continued expansion of its investment activities.

Asset management efficiency ratios are limited in their interpretation due to the specific nature of the Company's operations and the absence of manufacturing and trading activities. The Company does not report inventory, while **the accounts receivable turnover cycle was 64 days**, reflecting the structure of settlements resulting from its operating activities. **The high accounts payable turnover ratio**, amounting to **11,021 days**, is a consequence of the adopted calculation methodology and the specific nature of the Company's business model, in particular the small share of cost of sales relative to trade payables; therefore, it should not be analyzed in isolation from the nature of the business.

In terms of the financing structure, the share of long-term capital remains high. **The equity-to-assets ratio stood at 31.98% compared to 25.51% a year earlier**, while **the equity-to-fixed-assets ratio stood at 32.74**%. **The financing structure stability ratio reached 76.68%**, confirming the stable structure of the Company's financing and the predominant share of long-term financing.

As of June 30, 2026, **the Company's net assets amounted to PLN 18.39 million,** compared to **PLN 0.18 million** a year earlier. **The return on validation rewards reached 36.60%**, confirming the growing importance of validation, staking, and other blockchain infrastructure services as one of the key elements of the Company's value creation model.

In summary, the financial ratios for the first half of 2026 reflect the specific nature of of BTCS S.A.'s operations conducted under the **Digital Asset Treasury Company (DATCO)** model, in which changes in the valuation of digital assets and the effectiveness of their use in operations. Consequently, traditional profitability and liquidity ratios require supplementary interpretation in the context of the balance sheet structure, cash flows, and the nature of the Company's investment and infrastructure activities related to blockchain technology.

Statement of Cash Flows

No.	Description	for the period April 1, 2026 – June 30, 2026	For the period April 1, 2025 – June 30, 2025
A.	Cash flows from operating activities		
III.	Net cash flows from operating activities (I+/-II)	59,981.96	-173,082.76
B.	Cash flows from investing activities		
III.	Net cash flows from investing activities (I-II)	0.00	73,074.48
C.	Cash flows from financing activities		
III.	Net cash flows from financing activities (I–II)	-39,367.15	-3,706.93

In the second quarter of 2026, BTCS S.A. reported **positive cash flows from operating activities in the amount of 59.98 thousand PLN**, compared to **negative cash flows of 173.08 thousand PLN** in the corresponding period of 2025. Positive operating cash flows confirm the Company's ability to generate cash from its core operations, despite the reported net loss, which—as in previous periods—remains largely the result of the balance sheet valuation of digital assets and financial liabilities and is predominantly non-cash in nature.

During the period under review, the Company **did not record any cash flows from investing activities**. Net cash flows from investing activities amounted to **0.00 PLN**, compared to **positive cash flows of PLN 73.07 thousand** in the corresponding period of the previous year.

Cash flows from financing activities were **negative and amounted to PLN 39.37 thousand**, compared to **PLN 3.71 thousand** a year earlier. The negative cash flows resulted primarily from the ongoing servicing of liabilities and settlements related to the Company's operations.

The structure of cash flows in the second quarter of 2026 reflects the Company's stable business model and its focus on the effective utilization of its digital asset portfolio. There were no significant capital expenditures during the period under review, while operating activities remained a source of positive cash flows.

The Management Board emphasizes that, within the **Digital Asset Treasury Company (DATCO)** model, a traditional analysis of the cash flow statement should be conducted in conjunction with an analysis of the balance sheet and the structure of assets. This is because a significant portion of the Company's economic value is concentrated in its portfolio of digital assets recognized as long-term investments, whose changes in value are not directly reflected in cash flows.

Positive cash flows from operating activities confirm the Company's ability to generate cash from its operations despite the significant impact of unrealized valuation adjustments on the reported net income. At the same time, the absence of capital expenditures and the maintenance of positive operating cash flows confirm the continued implementation of the **Active Treasury** strategy, which focuses on the effective use of accumulated digital assets and the creation of long-term value for the Company.

In particular, positive operating cash flows were supported by:

- the execution of option strategies based on digital assets,
- revenues from validation and staking activities,
- the use of lending mechanisms and other solutions for monetizing the digital asset portfolio,
- the development of validation infrastructure and activities related to blockchain technology.

The Company's Sales Results for the Second Quarter of 2026

In the second quarter of 2026, BTCS S.A. generated **net sales revenue and equivalent income of PLN 1.24 million**, compared to **PLN 0.40 million** in the same period of the previous year, representing a year-over-year increase of **212.16**%. This growth confirms the continued expansion of operating activities conducted under the **Digital Asset Treasury Company (DATCO)** model, as well as the growing scale of the services provided.

At the same time, sales activities do not constitute the primary area of value creation for the Company, which is consistent with its adopted strategy of focusing on the management of a portfolio of financial assets—in particular, digital assets—implemented under the **Active Treasury** model.

Operating expenses amounted to **PLN 0.89 million**, compared to **PLN 0.69 million** a year earlier, which was primarily due to the expansion of the Company's operations and the development of the organizational and technological infrastructure necessary to implement the Company's strategy. Despite the increase in operating costs, the Company generated **a profit on sales of PLN 0.34 million**, whereas in the corresponding period of the previous year it reported **a loss on sales of PLN 0.30 million**. This represents a significant improvement in the profitability of core operating activities.

Other operating income of PLN 0.31 million also had a significant impact on the operating result, while **other operating expenses remained at** a marginal level **of PLN 1.38**. As a result, the Company achieved **a positive operating result of PLN 0.66 million**, compared to **an operating loss of PLN 2.05 million** in the second quarter of 2025.

The Management Board emphasizes that achieving a positive result in both sales and operating performance confirms the Company's growing ability to generate revenue from operating activities conducted in parallel with investment activities. At the same time, the current level of revenue and sales results should be assessed in the context of BTCS S.A.'s target business model, in which operating activities serve a complementary role to investment and financial activities related to the management of the digital asset portfolio and its active monetization.

The second quarter of 2026 was characterized by the Company's stable performance within its target , with no significant one-time events affecting revenue or operating costs. The sales results achieved reflect the current structure of BTCS S.A.'s operations and the development of services provided in the areas of blockchain technology, validation infrastructure, and digital asset management.

The Management Board of BTCS S.A. notes that the limited role of sales revenue in the structure of total
results does not constitute a risk factor for the Company's operations, and an assessment of its prospects should primarily take into account the results of financial activities, the value of the managed digital asset portfolio, the ability to generate cash flows, and the effectiveness of monetizing held digital assets.

In summary, the second quarter of 2026 confirmed the effectiveness of the business model implemented by **Digital Asset Treasury Company (DATCO)**. The Company is consistently developing its ability to generate revenue both from operating activities and from the active use of its digital assets, while maintaining exposure to potential growth in their market value.
The **Active Treasury** strategy being implemented involves the integration of the investment and operational functions of the asset portfolio, which, in the Management Board's assessment, forms the basis for building long-term value for the Company's shareholders.

Key metrics for DATCO (Digital Asset Treasury Company) firms

Traditional financial metrics, such as return on sales or inventory turnover, have limited analytical value for companies operating under the **Digital Asset Treasury Company (DATCO)** model. The international market has developed a set of metrics tailored to such entities, which more accurately reflect the specific nature of operations based on managing a portfolio of digital assets and their active use to generate value.

To enhance comparability with international entities operating under a digital-asset-based treasury model (including **Strategy, Metaplanet, Semler Scientific, and LM Funding America**), BTCS S.A. presents selected metrics characteristic of the DATCO sector. These metrics complement traditional financial analysis and allow for a better assessment of the effectiveness of digital asset portfolio management and the implementation of the **Active Treasury** strategy

Ratio	Value as of June 30, 2026	Definition
Number of BTC in the portfolio	201.475362 BTC	The Company's total exposure to Bitcoin
Value of the BTC portfolio (PLN)	44,987,513.04 PLN	The total value of the Company's exposure to Bitcoin based on the balance sheet valuation as of June 30, 2026.

BTC's share of the digital asset port-folio	80.09%	Share of Bitcoin exposure in the value of the digital asset portfolio
BTC per share (BTC/share)	0.00524 BTC	Number of BTC / number of shares outstanding (38,433,199)
NAV (net assets) per share	0.48 PLN	Net assets (18.39 mln) / number of shares
Digital assets to liabilities ratio	1.44x	Long-term investments (56.17 mln) / liabilities and provisions for liabilities (39.11 mln)
Operating Cash Flow / Net Loss	+ 59,98 thousand PLN / - 343,84 thousand PLN	Comparison of cash flow from operating activities with net income, illustra-ting the impact of non-cash items on financial results.

The most important metrics used to evaluate the operations of **Digital Asset Treasury Company (DATCO)** remain the size and structure of the digital asset portfolio, Bitcoin expo-sure per share (**BTC/share**), net asset value per share (**NAV/share**), and the effectiveness of monetizing the managed digital asset portfolio. These metrics provide a more accurate assessment of the Co pany's business model than the traditional profitability metrics of profitability used by companies en-gaged in manufacturing or trading activities.

As of June 30, 2026, BTCS S.A.'s total exposure to Bitcoin amounted to **201.475362 BTC**, including both Bitcoins held directly and assets representing exposure to Bitcoin in other blockchain ecosystems (including WBTC, cBTC/BTCB, and HemiBTC). The total value of the Bitcoin exposure was **PLN 44.99 million**, which accounted **for 80.09%** of the value of the Company's digital asset portfolio. The remainder of the portfolio consisted primarily of **CORE** and **ZIGChain** tokens, used both as invest-ment assets and in operational activities including blockchain network validation, staking, and other blockchain infrastructure services.

As of the balance sheet date, the **BTC per share** ratio **(BTC/share)** was **0.00524 BTC**, while the net asset value per share (**NAV/share**) reached **PLN 0.48**. The ratio of long-term investments to total liabilities was **1.44x**, which confirms that the Company maintains a digital asset portfolio value excee-ding the level of its liabilities and reflects the financing structure characteristic of the **Digital Asset Treasury Company** model.

An important supplement to the assessment of the company's performance is the ratio of operating cash flow to net income. In the second quarter of 2026, BTCS S.A. generated **59.98 thousand zł in positive cash flow from operating activities,** while reporting **a net loss of 343.84 thousand** This difference stems primarily from the non-cash nature of certain financial revenues and expenses related to the balance sheet valuation of digital assets and financial instruments in accordance with applicable accounting principles. Consequently, net income does not fully reflect the Company's ability to generate cash from operating activities.

The Management Board emphasizes that in the DATCO model, the following factors are of key impor-tance for assessing the Company's operations:

- the systematic increase in Bitcoin exposure per share (**BTC/share**),

- the growth in the value of the managed digital asset portfolio,
- the effectiveness of asset monetization through validation, staking, **Active Treasury,** and other blockchain infrastructure services,
- the ability to generate positive cash flows from operating activities,
- maintaining a safe ratio of digital asset value to the level of
- long-term growth in net asset value (**NAV**) per share.

The Management Board intends to gradually expand the scope of key performance indicators presented for the DATCO sector, aligning them with the best reporting practices used by international digital asset management companies. In subsequent reporting periods, the Company plans to expand the data presented to include, among other things, the **BTC Accretion**, **BTC Growth per Share**, and **BTC Cost Basis** ratios, as well as the profitability of validation and staking operations, the effectiveness of the **Active Treasury** strategy, and the debt-to-market-value ratio of digital assets.

Structure of the Company's Digital Asset Portfolio

	As of June 30, 2026	**As of August 11, 2026**
ALT Coins	**ALT Coins in PLN**	**ALT Coins in PLN**
97,096,804.490737	11,179,788.73	9,375,165.89
BTC	**BTC in PLN**	**BTC in PLN**
201.475362	44,987,513.04	47,937,778.66
USDC	**USDC in PLN**	**USDC in PLN**
1,750.22	6,599.72	6,513.10

As of **June 30, 2026,** BTCS S.A.'s digital asset portfolio consisted primarily of **Bitcoin**, which is the Company's core strategic asset and the foundation of its **Active Treasury** strategy. The Company's total exposure to Bitcoin amounted to **201.475362 BTC**, the book value as of June 30, 2026, was **44,987,513.04 PLN**, according to the data presented in the table above.

Infrastructure assets also constituted a significant component of the portfolio, comprising **66,416,440.290000 CORE tokens** and **30,680,364.200737 ZIGChain tokens**, with a total book value of **11,179,788.73 PLN**. These assets serve both an investment and an operational function, supporting the development of blockchain infrastructure activities, in particular through validation, staking, and other services provided within blockchain ecosystems.

The CORE tokens are subject to an agreement entered into with the Core Foundation (Transition Services Agreement), under which the Core Foundation has committed to maintaining the value of the CORE token holdings held by the Company at a level of no less than $2,550,000, through monthly top-ups made whenever the value of the holdings falls below this threshold at the end of a given month, as reported by the Company in Current Report ESPI No. 1/2026. The top-ups for January and February 2026 were completed on time; the top-up for March 2026 was partially completed (30,558,800 CORE were delivered out of the required 61,117,604.55 CORE), whereas the top-ups due for subsequent monthly measurement dates have not yet been fulfilled. As of the date of this report, the Core Foundation remains behind schedule in fulfilling this obligation. As a result of a significant decline in the CORE token price—which stemmed from reduced liquidity and a market-wide sell-off in the so-called altcoin market—the value of the Company's holding of 66,416,440.29 CORE amounted to 6,286,122.15 PLN (approx. $1.67 million) as of June 30, 2026, and approx. PLN 4.3 million (approx. $1.1 million) as of the date of this report, compared to the contractual threshold of

$2,550,000. The Company is engaged in an active dialogue with the Core Foundation to resolve the situation and is taking steps to protect its interests, including analyzing its contractual rights. The Core Foundation is also a shareholder of the Company, holding a 15.70% stake in the share capital; therefore, this information is also disclosed as part of the information on transactions with related parties.

The portfolio also included funds in the amount of **1,750.22 USDC**, with a book value of **6,599.72 PLN**. These funds are used primarily for day-to-day operations, liquidity management, and settlements carried out in the digital asset market.

The portfolio structure confirms BTCS S.A.'s focus on Bitcoin as its primary, while maintaining exposure to selected infrastructure projects that support the development of blockchain technology and enable the generation of additional revenue streams as part of the **Digital Asset Treasury Company (DATCO)** strategy**.**

The Management Board emphasizes that the diversification of part of the portfolio through infrastructure tokens is complementary to the Bitcoin-focused strategy and serves primarily to increase the operational utilization of digital assets, including generating revenue from validation activities, staking, liquidity provision programs, and other blockchain infrastructure services.

As of **August 11, 2026,** the structure of the digital asset portfolio remained consistent with the Company's investment strategy. The current values of the digital asset portfolio are presented in the table above, allowing investors to assess the changes that have occurred since the balance sheet date.

IV. TIMELINE OF KEY CORPORATE AND OPERATIONAL EVENTS IN THE SECOND QUARTER OF 2026

Below, the Company presents a chronological summary of significant events in the second quarter of 2026, along with references to the relevant EBI/ESPI current reports in which these events were d scribed in detail:

April 8, 2026 – BTCS S.A. entered into an agreement with **IntellectEU NV** regarding the implementation and operation of a validator on the **Canton Network**. The agreement covers the preparation, launch, and operational support of the validator and represents the next stage in the implementation of the Company's strategy for developing its infrastructure business in the field of blockchain technology. The Company expects to begin generating revenue from its participation in the Canton Network starting in the third quarter of 2026 (**ESPI Current Report No. 17/2026 dated April 8, 2026**).

April 8, 2026 – The Company entered into a framework agreement with **STS Digital Ltd.** regarding the execution of OTC transactions in digital assets and derivatives. The agreement expanded the possibilities for executing spot transactions, options, and other OTC structures, providing a basis for the further development of tools for managing the Issuer's digital asset portfolio (**ESPI Current Report No. 18/2026 dated April 8, 2026**).

May 26, 2026 – The Company published its 2025 annual report along with the opinion of an independent auditor (**EBI Report – 2025 Annual Report**).

June 3, 2026 – The Management Board of BTCS S.A. convened an Ordinary General Meeting for **June 29, 2026**, publishing a notice convening the General Meeting along with draft resolutions concerning, among other things, the approval of the financial statements and the management report for 2025, the granting of discharge to members of the Company's governing bodies, and changes in the composition of the Supervisory Board (**ESPI Current ReportNo. 19/2026 dated June 3, 2026**).

June 17, 2026 – BTCS S.A. entered into a framework agreement with **Keyrock SG PTE. Ltd.** based on the ISDA standard regarding the execution of OTC transactions in digital assets and derivatives. This collaboration expands the Company's capabilities in the professional management of digital asset portfolios and the implementation of advanced investment strategies (**ESPI Current Report No. 20/2026 dated June 17, 2026**).

June 29, 2026 – The Annual General Meeting of BTCS S.A. was held, during which the financial statements and the report on operations for 2025 were approved, a resolution was adopted regarding the Company's continued existence, discharge was granted to the members of the governing bodies, and resolutions were adopted regarding changes in the composition of the (**EBI Current Report – Information on the content of resolutions adopted by the AGM on June 29, 2026**).

June 29, 2026 – The Annual General Meeting removed **Ms. Monika Magierska** from the Supervisory Board and appointed **Ms. Katarzyna Andrusikiewicz** as a member of the Supervisory Board for the current term. The resolutions took effect on the date they were adopted. Information regarding changes in the composition of the Supervisory Board and details about the newly appointed member of the Supervisory Board were disclosed in separate EBI current reports dated **June 29** and **July 2, 2026.**

V. KEY OPERATING AND INVESTMENT INDICATORS OF THE DATCO MODEL

As the first **Digital Asset Treasury Company (DATCO)** on the Polish , presents a set of indicators characteristic of this business model, which complement traditional financial analysis. These indicators better reflect the effectiveness of digital asset management and the implementation of the **Active Treasury** strategy than the classic profitability or liquidity metrics applied to companies conducting operations of a traditional nature.

The metrics presented are consistent with the reporting practices used by international companies operating under the Digital Asset Treasury Company model, including **Strategy Inc., Metaplanet, Semler Scientific**, and **LM Funding America**, among others, enabling investors to compare BTCS S.A.'s operations with entities that serve as a global benchmark for this sector.

Ratio	Definition / Calculation Method	Value as of June 30, 2026 (as of the balance sheet date)
Number of BTC in the treasury (units)	Bitcoin held by the Company	201.475362 BTC
Value of the digital asset portfolio (PLN)	Balance sheet valuation of BTC + altcoins + USDC	56,173,901.49 PLN
BTC's share of the digital asset portfolio	Value of BTC / Value of digital asset portfolio	80.09%
Digital assets / external debt (ratio)	Value of digital asset portfolio / total financial liabilities	1.44x
Number of shares issued	As of the date of this report	38,433,199
BTC per 1,000 shares	Number of BTC / (number of shares / 1,000)	0.00524 BTC
Value of BTC per share (PLN)	BTC value in PLN / number of shares	1.17 PLN
Net asset value per share (NAV/share, PLN)	Net assets / number of shares	0.48 PLN

Operating cash flow (PLN)	Cash flows from operating activities	59,981.96 PLN
Return on validation rewards*	Cumulative validation and staking rewards received since the beginning of the year / net assets as of the balance sheet date	36.60%**
Average acquisition cost of 1 BTC (PLN)***	Initial value of the BTC portfolio / number of BTC	calculation in progress

* This ratio applies to validation rewards on Proof-of-Stake networks (CoreDAO, ZIGChain) and does not include revenue from option premiums (BTC) or from Bitcoin Layer-2 liquidity programs.

** The ratio is calculated according to the methodology used in the Company's previous periodic reports, i.e., as the ratio of cumulative validation and staking rewards received since the beginning of the year (**6,731,031.84 PLN**) to the Company's net asset value as of the balance sheet date (**18,389,002.06 PLN**). The Company is simultaneously working on a target methodology for the ratio based on a stable calculation basis (the average value of staked Proof-of-Stake assets during the period), consistent with the practice followed by global entities such as DATCO. The ratio, as calculated under the target methodology, will be presented once the methodology is finalized.

*** The Company is considering publishing the average acquisition cost of 1 BTC in subsequent reporting periods to provide investors with more comprehensive information regarding the Bitcoin accumulation process and to enhance comparability with international companies operating under the DATCO model.

The most important metrics used to evaluate the performance of **Digital Asset Treasury Companies (DATCOs)** remain the size and structure of the digital asset portfolio, Bitcoin exposure per share (**BTC/share**), net asset value per share (**NAV/share**), and the effectiveness of monetizing the managed digital asset portfolio. These metrics allow for a more accurate assessment of the Company's business model than the traditional profitability metrics of profitability used by companies engaged in manufacturing or trading activities.

As of June 30, 2026, BTCS S.A.'s total exposure to Bitcoin amounted to **201.475362 BTC**, including both Bitcoins held directly and assets representing exposure to Bitcoin in other blockchain ecosystems (including WBTC, cBTC/BTCB, and HemiBTC). The total value of the Bitcoin exposure was **44,987,513.04 PLN**, which accounted for **80.09%** of the value of the Company's digital asset portfolio. The remainder of the portfolio consisted primarily of **CORE** and **ZIGChain** tokens, used both as investment assets and in operational activities including blockchain network validation, staking, and other blockchain infrastructure services.

As of the balance sheet date, the **BTC per share** ratio **(BTC/share)** was **0.00524 BTC**, while the net asset value per share (**NAV/share**) reached **PLN 0.48**. The ratio of the value of the digital asset portfolio to liabilities and provisions for liabilities was **1.44x**, which confirms that the Company maintains a value of digital assets exceeding the level of liabilities and reflects the financing structure characteristic of the **Digital Asset Treasury Company** model.

An important supplement to the assessment of operations is the ratio of operating cash flow to net income. In the second quarter of 2026, BTCS S.A. generated **PLN 59.98 thousand in positive cash flow from operating activities**, while **reporting a net loss of PLN 343.84 thousand**. This difference stems primarily from the non-cash nature of certain financial revenues and expenses related to the balance sheet valuation of digital assets and financial instruments in accordance applicable accounting principles. Consequently, the net result does not fully reflect the Company's ability to generate cash from operating activities.

The Management Board emphasizes that in the DATCO model, the following factors are of key importance for assessing the Company's operations:

- the systematic increase in Bitcoin exposure per share (BTC/share),
- the growth in the value of the managed digital asset portfolio,
- the effectiveness of asset monetization through validation and staking activities, **Active Treasury,** and other blockchain infrastructure services,
- the ability to generate positive cash flow from operating activities,
- maintaining a secure ratio of digital asset value to the level of
- long-term growth in net asset value (NAV) per share.

The Management Board intends to gradually expand the scope of key performance indicators specific to the DATCO sector, aligning them with the best reporting practices used by international digital asset management companies. In subsequent reporting periods, the Company plans to expand the data presented to include, among other things, the **BTC Accretion**, **BTC Growth per Share**, and **BTC Cost Basis** ratios, as well as the profitability of validation and staking activities, the effectiveness of the **Active Treasury** strategy, and the debt-to-market-value ratio of digital assets.

Comparison with the global benchmark.

Strategy Inc. (NASDAQ: MSTR), the world's largest company operating under the **Bitcoin Treasury Company** model, held **846,000 BTC** as of **June 30, 2026,** with a total acquisition cost **of** approximately **$63.94 billion**, corresponding to an average cost basis **of $75,578 per 1 BTC**. **The** book value of Strategy's digital asset portfolio as of the balance sheet date was **$49.67 billion**.

In the second quarter of 2026, Strategy reported **a loss on digital assets of $8.32 billion**, of which **$8.31 billion** was an unrealized loss resulting from the balance sheet valuation of the Bitcoin portfolio in accordance with applicable accounting principles, while approximately **$0.9 million** was a realized loss.

At the same time, during the period under review, Strategy continued to develop its digital asset management model, expanding it to include solutions for active liquidity management, including **the BTC Monetization Program**, which enables the periodic monetization of a portion of the Bitcoin portfolio for the purposes of maintaining a liquidity reserve and financing liabilities related to equity instruments.

Strategy's example confirms that significant fluctuations in financial results resulting from the on-balance-sheet valuation of digital assets are a natural part of the operations of companies operating under the **Digital Asset Treasury Company (DATCO)** model and do not undermine the long-term strategic assumptions based on accumulation, active management, and monetization of digital assets. From an investor's perspective, the size of the managed digital asset portfolio, the ability to generate cash flows, and the efficiency of utilizing held than periodic fluctuations in accounting results resulting from their balance sheet valuation.

VI. STRUCTURE OF LIABILITIES AND FINANCIAL LIQUIDITY

The nature of the **Active Treasury** model—in which long-term investments in digital assets constitute the dominant position on BTCS S.A.'s balance sheet—means that traditional liquidity ratios (current ratio **of 0.10** and quick ratio **of 0.10**) have limited analytical value. The Company's , despite their balance sheet classification as long-term investments, are characterized by high market liquidity and the ability to be liquidated relatively quickly.

As of **June 30, 2026,** the Company's assets consisted primarily of long-term investments comprising a portfolio of digital assets valued at **56.17 million PLN**, representing **97.69%** of total balance sheet total. The detailed structure and valuation of the portfolio are presented in a separate section of this report.

As of the balance sheet date, current liabilities amounted to **PLN 12.74 million**, while non-current liabilities totaled **PLN 25.70 million**. The total value of liabilities and provisions for liabilities was **PLN 39.11 million**, with shareholders' equity at **PLN 18.39 million**. This structure is consistent with the Company's current financing strategy and the long-term nature of its investments.

In practice, the Company's liquidity should be assessed through the lens of several complementary sources:

- the ability to liquidate the digital asset portfolio, in particular Bitcoin and other digital assets used in operations,
- regular revenue streams generated from validation activities, staking, the **Active Treasury** strategy, OTC transactions, and liquidity provision programs,
- access to long-term external financing, the value of which as of the balance sheet date amounted to **PLN 25.70 million**.

In the second quarter of 2026, the Company generated **positive cash flow from operating activities in the amount of PLN 59.98 thousand**, despite reporting **a net loss of PLN 343.84 thousand**. This confirms that the financial result remains significantly determined by the mandatory balance sheet valuation of digital assets and financial instruments, while the core operating activities generate positive cash flows.

The Management Board emphasizes that assessing the Company's financial liquidity solely on the basis of traditional balance sheet ratios does not fully reflect the specific nature of the **Digital Asset Treasury Company (DATCO)** model. The majority of the Company's assets consist of digital assets with high market liquidity, which—despite being classified as long-term investments—can be used to settle liabilities, secure financing, or implement an active portfolio management strategy.

The Company continuously monitors the maturity dates of its financial liabilities and maintains an active dialogue with financing institutions regarding refinancing or extending financing terms. At the same time, the value of the digital asset portfolio remains higher than the level of liabilities and provisions for liabilities, which is reflected in the **digital assets to liabilities** ratio **of 1.44x**.

As of the date of this report, the Management Board does not identify any risks to the timely servicing of
financial liabilities or to the Company's ability to continue as a going concern. In the Management Board's assessment, the current balance sheet structure and the maintained liquidity of digital assets provide the Company with sufficient financial flexibility to continue implementing its **Active Treasury** strategy and to develop its infrastructure operations in the field of blockchain technology.

RISK FACTORS

Given the specific nature of the Company's operations conducted under the **Digital Asset Treasury Company (DATCO)** model, the most significant risk factors are presented below; their materialization could affect the Company's financial position, operating results, and the implementation of the Active

Treasury strategy. The list provided is not exhaustive and reflects the Management Board's assessment as of the date of this report.

Risk of Volatility in the Valuation of Digital Assets

The value of the Company's digital asset portfolio is subject to significant market fluctuations. Changes in the prices in Bitcoin and other digital assets affect the financial results due to the requirement periodic balance sheet valuation in accordance with adopted accounting principles. The Management Board treats price volatility as a natural element of operations conducted under the Active Treasury model, which is based on the long-term accumulation and active management of the digital asset portfolio.

Validator Risk (Slashing)

Conducting validation activities on Proof-of-Stake blockchain networks involves the risk of protocol penalties (slashing) resulting, among other things, from infrastructure failures or violations of network operating rules. The Company mitigates this risk by using redundant infrastructure, monitoring procedures, and solutions aligned with industry best practices.

Ecosystem Concentration Risk

The Company's infrastructure activities are currently focused primarily on the ecosystems of **CoreDAO**, **ZIGChain,** and the developing collaboration within the **Canton Network**. A deterioration in the market conditions for any of these ecosystems or a limitation on their growth could affect the level of revenue generated. The Company's strategy calls for further diversification of its cooperation with additional blockchain networks.

Contractual risk

The Company collaborates with a number of specialized partners, including, among others, entities providing OTC services, infrastructure partners, validator operators, custody providers, and participants in the digital asset market. Failure by counterparties to fulfill or improper fulfillment of their obligations may negatively impact the Company's operations. Management mitigates this risk by collaborating with entities with an established market position and by gradually diversifying its business partners. This risk partially materialized in 2026 with respect to Core Foundation's obligation, described in this report, to top up the value of the CORE token package to the contractual threshold of $2,550,000.

Regulatory Risk (MiCA)

Since 2025, the provisions **of the MiCA (Markets in Crypto-Assets Regulation)** have been gradually implemented across the European Union, establishing a uniform legal framework for the digital asset market. Adjustments to supervisory practices, the issuance of guidelines by European supervisory authorities, and the implementation of national regulations may affect how participants in the digital asset market conduct their business. The Company continuously monitors developments in the regulatory environment and adapts its operations to comply with applicable legal requirements.

Currency Risk

A significant portion of the Company's assets and transactions is denominated in foreign currencies, primarily in U.S. dollars and USD-pegged stablecoins. Fluctuations in exchange rates affect the value of assets presented in the financial statements prepared in Polish zlotys and may impact the financial result.

Liquidity Risk of Selected Digital Assets

Some of the digital assets in the Company's portfolio are less liquid than Bitcoin. If it becomes necessary to sell large blocks of assets in a short period of time, there may be a risk of obtaining a price that deviates from current market quotes.

Cybersecurity Risk

The Company's operations require ensuring a high level of IT infrastructure security, protection of cryptographic keys, and the continuity of systems used to manage digital assets. To mitigate this risk, the Company employs multi-level security procedures, collaborates with specialized custody service providers, and uses multi-signature solutions.

Operating Financing Risk

The Active Treasury model involves the partial use of external financing to scale up investment activities. A deterioration in financing conditions or a reduction in the availability of capital could affect the pace of implementing the investment strategy. The Management Board continuously monitors the debt structure and the maturity dates of liabilities.

Liquidity Risk in Share Trading

The Company's shares are listed on the NewConnect market and on the Open Market (Freiverkehr) of the Frankfurt Stock Exchange. Despite the expansion of the investor base through dual listing, trading liquidity may remain limited at times, which may affect price volatility and investors' ability to execute larger transactions.

EVENTS AFTER THE BALANCE SHEET DATE

Issuance of Series G Shares

On **July 2, 2026,** the Issuer's Management Board set the issue price of Series G shares at **PLN 6.00 per share** and decided to initiate the process of increasing the share capital as part of the authorized capital. The offering was directed at qualified investors.

On **July 6, 2026**, the Management Board established the detailed terms and conditions for the private subscription of Series G shares, including the process timeline, rules for submitting offers to subscribe for shares, and criteria for investor participation.

On **July 20, 2026**, the private subscription was completed, and the Management Board allocated **1,000 Series G shares** to one qualified investor. At the same time, a consolidated text of the Articles of Association reflecting the share capital increase was adopted. As of the date of this report, the share capital increase is pending registration by the competent registry court.

Development of Cooperation with Institutional Partners

On July 10, 2026, the Company entered into a term sheet (**Heads of Terms**) with Nomad Fulcrum Builders OÜ, setting out the framework for planned cooperation regarding the professional management of a portion of the Issuer's digital assets and a potential equity investment. The document sets the direction for further negotiations between the parties and does not constitute an obligation to enter into definitive agreements. The cooperation model provides for the possibility of using the Company's Bitcoin portfolio as collateral for financing while maintaining full ownership and control over the assets by the Issuer.

On **July 13, 2026,** BTCS S.A. entered into a **SAFE** investment agreement with **Recoveris AG,** as well as a cooperation agreement covering the provision of services in the areas of blockchain intelligence, blockchain transaction analysis, and digital asset recovery. In the Management Board's assessment, this cooperation is part of building long-term strategic partnerships and expanding the Company's expertise in the area of digital asset market infrastructure.

On **July 21, 2026**, the Issuer entered into an **Investment Management Agreement** with **Crest Portfolio Management Limited** regarding the professional management of a portion of the Company's digital asset portfolio under a **Separately Managed Account (SMA)** arrangement. Management will be conducted in accordance the agreed-upon investment policy, while the Issuer retains full ownership of the assets. In the Management Board's assessment, the conclusion of this agreement represents the next stage in the professionalization of digital asset management and the development of cooperation with institutional market participants.

In the Management Board's opinion, all of the events described above are consistent with the Company's **Active Treasury** strategy and the development of the **Digital Asset Treasury Company** model, strengthening the Company's operational potential, expanding its network of business partners, and laying the groundwork for further business growth and increased shareholder value.

VII. OUTLOOK FOR THE THIRD QUARTER OF 2026 AND BEYOND

This section contains a general description of the Company's business outlook and does not constitute a forecast financial results within the meaning of applicable regulations regarding issuers' disclosure obligations. The information presented reflects the Management Board's current assumptions as of the date of this report and may change depending on market conditions and the regulatory environment.

Continued implementation of the Active Treasury strategy.

The Company intends to continue developing the Digital Asset Treasury Company model through active management of its digital asset portfolio, including the accumulation of Bitcoin, the use of derivatives to generate option premiums, and the development of revenue streams based on validation activities and blockchain infrastructure services. The Management Board anticipates further diversification of revenue sources while maintaining a conservative approach to risk management.

Expansion of institutional business.

Following the signing of agreements with institutional partners, including Crest Portfolio Management Limited, Recoveris AG, and Nomad Fulcrum Builders OÜ, the Company intends to expand its cooperation with specialized entities in the digital asset market. The goal is to further professionalize asset management, broaden the scope of services offered, and create new opportunities for utilizing the Bitcoin portfolio while maintaining full ownership control over the assets.

Expansion of blockchain infrastructure.

The Company continues to develop its validation activities on the CoreDAO, ZIGChain, and Canton Network. The Management Board is analyzing the possibility of participating in further infrastructure projects related to blockchain technology, particularly in the area of real-world asset (RWA) tokenization and solutions designed for institutional clients.

Expansion of investment activities.

The Company's strategy involves selectively investing capital in technology projects operating within the digital asset ecosystem that can support the growth of our operating activities or generate long-term value for shareholders. The agreements entered into after the balance sheet date with Recoveris AG and Nomad Fulcrum Builders OÜ are in line with this development strategy.

Regulatory Environment.

In the second half of 2026, the continued implementation of the MiCA Regulation and the development of national regulations governing the cryptocurrency market remain key elements of the market environment. The Management Board monitors legislative changes on an ongoing basis and adapts the Company's business model to applicable regulatory requirements, viewing the growing transparency of the legal environment as a factor conducive to the development of an institutional market for digital assets.

The market environment for digital assets.

At the end of the first half of 2026, the digital asset market remained on an upward trend, and Bitcoin was trading at levels higher than those as of June 30, 2026 (approximately $59,400 as of the balance sheet date, compared to approximately $62,000–$65,000 in July and early August 2026). The Management Board believes that continued institutional interest in the digital asset market and the growth of the global segment of Digital Asset Treasury Companies may support the further development of BTCS S.A.'s business model. At the same time, the Company emphasizes that high volatility in the cryptocurrency market remains a persistent feature, and the assessments presented above do not constitute a forecast of the Company's future financial results.

VIII. STATEMENT REGARDING THE FEASIBILITY OF ACHIEVING THE PUBLISHED FORECASTS FOR THE YEAR IN LIGHT OF THE RESULTS PRESENTED IN THE QUARTERLY REPORT

The Issuer did not publish forecasts for the second quarter of 2026.

IX. DESCRIPTION OF THE STATUS OF THE ISSUER'S ACTIVITIES AND INVESTMENTS, AS WELL AS THE TIMELINE FOR THEIR IMPLEMENTATION

In the first half of 2026, the Company continued to implement its **Active Treasury** strategy, which is a core component of **the Digital Asset Treasury Company (DATCO)** business model. The strategy focuses on building long-term value through the accumulation of digital assets, the development of blockchain infrastructure, active portfolio management, and collaboration with institutional partners.

Bitcoin Accumulation (Digital Treasury).

As of **June 30, 2026,** BTCS S.A.'s total exposure to Bitcoin stood at **201.475362 BTC**, compared to **137.742210 BTC** as of **December 31**, **2025**, representing an increase in exposure of **63.733152 BTC** in the first half of 2026. After the balance sheet date, the Company's Bitcoin exposure continued to grow and, as of July 31, 2026, stood at 201.475362 BTC. The accumulation strategy is implemented both through direct purchases of Bitcoin and through the use of **cash-secured PUT** options strategies, conducted in cooperation with specialized institutional partners. This model enables the simultaneous generation of option premiums and the systematic increase of Bitcoin exposure while maintaining a conservative approach to risk management.

Development of validation activities.

In the first half of 2026, the Company continued its validation activities on the **CoreDAO** and **ZIGChain**, generating revenue from validation and staking rewards. At the same time, the Company began preparations to launch operations on **the Canton Network**, an institutional blockchain network designed for the financial sector, which represents the next stage in the development of the Issuer's blockchain infrastructure.

Active management of the digital asset portfolio.

As part of its Active Treasury strategy, the Company actively managed its digital assets, including OTC transactions, options strategies, and activities aimed at increasing the efficiency of asset utilization. After the balance sheet date, the Company entered into an agreement with **Crest Portfolio Management Limited** for the professional management of a portion of its digital asset portfolio under a **Separately Managed Account (SMA)** arrangement, marking the next stage in the professionalization of the asset management process.

Expansion of cooperation with institutional partners.

After the balance sheet date, the Company entered into a series of agreements supporting the implementation of DATCO's strategy, including, among others, cooperation with **Nomad Fulcrum Builders OÜ** regarding digital asset management and a planned capital investment, as well as agreements with **Recoveris AG** concerning SAFE investments and cooperation in the areas of blockchain intelligence and digital asset recovery. These activities are part of a long-term plan to build an ecosystem of institutional partners supporting the Company's business development.

Liquidity programs and digital market instruments.

The company continued to participate in liquidity provision programs for Bitcoin Layer-2 ecosystems and developed strategies utilizing derivatives to enhance the efficiency of its digital asset portfolio management. Management anticipates further growth in this business segment as the emergence of new market opportunities.

Strategy Implementation.

The Company does not publish a fixed timeline for implementing individual elements of the Active Treasury strategy. Specific actions depend on market conditions, the availability of attractive investment opportunities, and the regulatory environment. In the Management Board's assessment, the implementation of the strategy is proceeding as planned, and all material events affecting the Issuer's operations are disclosed to the public on an ongoing basis in the form of ESPI and EBI reports.

X. INFORMATION ON ACTIVITIES RELATED TO THE IMPLEMENTATION OF INNOVATIVE SOLUTIONS WITHIN THE COMPANY

BTCS S.A. continues to develop the **Digital Asset Treasury Company (DATCO)** model, being one of the first entities on the Polish public market whose operations focus on the professional management of digital assets, the development of blockchain infrastructure, and the implementation of innovative financial solutions based on distributed ledger technology (DLT). In the first half of 2026, the Company carried out activities aimed at further professionalizing the Active Treasury model and developing new areas of business related to the digital asset market.

In particular, the Company:

a) continued to develop its validation activities on the **CoreDAO** and **ZIGChain** networks, utilizing its own Proof-of-Stake blockchain infrastructure, and began preparations to launch validation activities on **the** institutional **Canton Network**, designed for the financial sector and real-world asset (RWA) tokenization projects;

b) developed a strategy for actively managing its Bitcoin portfolio through the use of derivatives, in particular the **cash-secured PUT** strategy, which enables the simultaneous generation of option premiums and the accumulation of BTC at predefined price levels;

c) continued its participation in liquidity provision programs for **Bitcoin Layer-2** ecosystems, developing additional sources of revenue while maintaining exposure to the underlying asset;

d) entered into an agreement with **Crest Portfolio Management Limited** regarding the professional management of a portion of its digital asset portfolio under a **Separately Managed Account (SMA)** arrangement, marking one of the first instances of the use of an institutional digital asset management model by a public company listed on the NewConnect market;

e) began developing a model for cooperation with financial institutions that would enable the use of the Bitcoin portfolio as potential collateral for financing, by entering into a letter of intent with **Nomad Fulcrum Builders OÜ**, while maintaining the Issuer's full ownership and control over its digital assets;

f) expanded its investment activities to include the venture capital segment in the field of blockchain technology by entering into a **SAFE** investment agreement with **Recoveris AG**, combining an equity investment with the establishment of an operational partnership in the areas of blockchain intelligence, blockchain analysis, and digital asset recovery;

g) developed cooperation with international institutional partners in the field of professional services related to digital asset management, OTC transactions, custody, and blockchain infrastructure, thereby strengthening the institutional nature of its operations;

h) continued to expand the Issuer's international presence by listing its shares on the **Open Market (Freiverkehr)** segment of **the Frankfurt Stock Exchange**, thereby increasing the Company's visibility among foreign investors and participants in the digital asset market.

In the Management Board's assessment, the implemented solutions represent the next stage in building a modern business model **Digital Asset Treasury Company**, combining strategic management of a digital assets with the development of blockchain infrastructure, professional asset management, and cooperation with institutional participants in the global digital asset market. The measures undertaken are aimed at further diversifying revenue sources, increasing the efficiency of portfolio management, and strengthening the position of BTCS S.A. as one of the pioneers of the DATCO market in Europe.

XI. DESCRIPTION OF THE ISSUER'S CAPITAL GROUP ORGANIZATION, INCLUDING ENTITIES SUBJECT TO CONSOLIDATION

Not applicable—The Issuer does not form a corporate group.

XII. REASONS FOR NOT PREPARING CONSOLIDATED FINANCIAL STATEMENTS

Not applicable—The Issuer does not form a corporate group.

XIII. SELECTED FINANCIAL DATA OF THE ISSUER'S CONSOLIDATED SUBSIDIARIES

Not applicable

XIV. INFORMATION ON THE ISSUER'S SHAREHOLDING STRUCTURE, INCLUDING SHAREHOLDERS HOLDING, AS OF THE DATE OF SUBMISSION OF THIS REPORT, AT LEAST 5% OF THE VOTES AT THE GENERAL MEETING

Shareholder structure as of the date of this report, listing shareholders holding more than 5% of the total number of votes at the General Shareholders' Meeting:

Shareholders	Total Shares	Share of Capital	Number of Votes	Share of votes
TTP Limited	14,684,633	38.21%	14,684,633	38.21%
Bioinfo Corporation	7,051,533	18.35%	7,051,533	18.35%
Core Foundation	6,033,333	15.70%	6,033,333	15.70%
Disrupt Capital SPV Ltd.	4,550,000	11.84%	4,550,000	11.84%
Hype Tech Ltd.	3,008,333	7.83%	3,008,333	7.83%
Others	3,105,367	8.07%	3,105,367	8.07%
Total	**38,433,199**	**100%**	**38,433,199**	**100.00%**

On October 15, 2025, the Company completed the issuance of Series F shares, carried out through a private placement, as previously reported in current reports. The issuance was registered by the competent District Court, as a result of which the Company's share capital was increased to PLN 19,216,599.50 and is divided into 38,433,199 shares with a par value of PLN 0.50 each.

On July 20, 2026, the Management Board allocated 1,000 Series G shares as part of a private placement conducted on the basis of the authorized capital.

As of the date of this report, the increase in the share capital resulting from the issuance of Series G shares may still be pending registration by the competent Registry Court. Upon entry into the KRS Business Register, the Company's share capital will increase to PLN 19,217,099.50 and will be divided into 38,434,199 shares with a par value of PLN 0.50 each. Consequently, the number of shares and the percentage share of individual shareholders in the share capital and the total number of votes.

XV. INFORMATION REGARDING THE NUMBER OF EMPLOYEES OF THE ISSUER, CONVERTED TO FULL-TIME EQUIVALENTS

The form and structure of the Issuer's employment are as follows:

Form of employment	2024	2025	Q2 2026
Employment contract	4	3	3
Civil Law Contracts	14	5	1
TOTAL	**18**	**8**	**4**

Data as of the end of the second quarter of the years indicated above.

The gradual reduction in headcount from 18 employees at the end of 2024 to 4 employees at the end of the second quarter of 2026 is an intended outcome of the Company's business model transformation from commercial operations (Vakomtek S.A.) to a Digital Asset Treasury Company (DATCO) model. The DATCO model is characterized by low demand for in-house personnel, as key operational functions (digital asset custody, validator infrastructure, derivatives) are carried out in collaboration with specialized external partners under an outsourcing model. Thus, the reduction in staffing reflects the Company's high level of operational efficiency under the new model, rather than a reduction in the scale of operations.

XVI. HOLDINGS OF THE ISSUER'S SHARES BY THE ISSUER'S MANAGEMENT AND SUPERVISORY BODIES IN THE SECOND QUARTER OF 2026

To the best of the Company's knowledge, as of the date of this report, members of the Company's governing bodies hold the following shares of BTCS S.A.:

The Company's Management Board: Ms. Marlena Lipińska—President of the Management Board—holds 7,464 shares of the Company.

The Company's Supervisory Board: To the best of the Company's knowledge, members of the Supervisory Board do not hold any shares of the Issuer directly.

In the second quarter of 2026, there were no changes in the holdings of the Issuer's shares by management and supervisory personnel of which the Company was aware based on notifications received pursuant to disclosure obligations.

XVII. PROCEEDINGS PENDING BEFORE A COURT, PUBLIC ADMINISTRATION BODY, OR ARBITRATION BODY

As of the date of this report, there are no proceedings pending before a court, public administration body, or arbitration body concerning the Issuer's liabilities or claims whose value would constitute at least 10% of the Company's equity, nor are there any proceedings in which the total value of the Issuer's liabilities or receivables would be material from the perspective of its financial position. The Company is also not a party to any litigation or arbitration dispute whose outcome could have a material adverse effect on the Company's operations, financial position, or results.

XVIII. REMUNERATION OF THE ENTITY AUTHORIZED TO AUDIT FINANCIAL STATEMENTS

On January 9, 2026, the Company entered into an agreement with the auditing firm Quantum Audyt Sp. z o.o. Dawid Cholewiński for the audit and review of the Company's financial statements for the 2025 fiscal year (RB EBI dated January 9, 2026). The remuneration of the entity authorized to audit financial statements was determined on market terms and covers the audit of the annual financial statements for 2025. Detailed information on the auditor's remuneration is presented in the Company's 2025 annual report, in accordance with the requirements of Article 49(2)(8) of the Accounting Act.

XIX. INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

In the first half of 2026, the Company did not enter into any new material transactions with related parties that would go beyond the scope of its operating activities or were concluded on terms deviating from market conditions.

The most significant transactions with related parties, the effects of which are reflected in this report, remain the agreements entered into in September 2025, described in detail in the section **"Characteristics of the Key Long-Term Liability—Agreement on the Provision of Digital Assets with BIOINFO CORPORATION,"** namely:

a) The Digital Asset Access Agreement entered into with **BIOINFO CORPORATION** (a shareholder holding an **18.35%** stake in the Company's share capital), under which the Company uses the made-available digital assets. The liability arising from this agreement was recognized on the balance sheet as of **June 30, 2026,** as a long-term liability.

b) A Tripartite Guarantee Agreement under which **TTP Limited** (a shareholder holding a **38.21%** stake in the Company's share capital) acts as a guarantor of the Company's obligations to **BIOINFO CORPORATION** up to a maximum amount of **USD 15,525,000**.

c) Cooperation with **Core Foundation** (a shareholder holding a **15.70%** stake in the Company's share capital) carried out within the **CoreDAO** ecosystem, covering, in particular, validation, staking, and settlements conducted using **CORE** tokens. In addition, the parties are bound by a Transition Services Agreement, under which the Core Foundation is obligated to maintain the value of the Company's CORE token holdings at a level of no less than USD 2,550,000 through monthly top-ups. As of the date of this report, Core Foundation remains behind schedule in fulfilling part of this obligation; detailed information, including the current value of the CORE token portfolio, is presented in the section of the report describing the structure of the digital asset portfolio.

All of the transactions listed were entered into on terms consistent with market conditions. In the Management Board's assessment, the terms of these transactions do not differ from those that would have been agreed upon between unrelated parties. The Company discloses the above information to ensure full transparency for shareholders and investors regarding its relationships with related parties.

As of the date of this report, **Wojciech Kaszycki**, who serves as **Strategy Advisor to BTCS S.A.**, also serves as **a Director of TTP Limited**, which constitutes a personal relationship disclosed by the Company in accordance with applicable regulations and the transparency rules applicable to public issuers.

Warsaw, August 11, 2026.

Signature Not Verified
Dokument podpisany przez Marlena Lipińska
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Marlena Lipińska
– President of the Management Board