

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549**

**FORM 10-Q**

(Mark One)

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2022

OR

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number: 001-40808

**Greenidge Generation Holdings Inc.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**

(State or other jurisdiction of  
incorporation or organization)

**135 Rennell Drive, 3rd Floor  
Fairfield, CT**

(Address of principal executive offices)

**86-1746728**

(I.R.S. Employer  
Identification No.)

**06890**

(Zip Code)

**Registrant's telephone number, including area code: (203) 718-5960**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Class A Common Stock, \$0.0001 par value	GREE	The Nasdaq Global Select Market
8.50% Senior Notes due 2026	GREEL	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Securities registered pursuant to Section 12(g) of the Act: None

As of August 12, 2022, the registrant had 13,392,448 shares of Class A common stock, \$0.0001 par value per share, outstanding and 28,526,372 shares of Class B common stock, \$0.0001 par value per share, outstanding.

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## CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q includes certain statements that may constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical fact are forward-looking statements for purposes of federal and state securities laws. These forward-looking statements involve uncertainties that could significantly affect our financial or operating results. These forward-looking statements may be identified by terms such as “anticipate,” “believe,” “continue,” “foresee,” “expect,” “intend,” “plan,” “may,” “will,” “would” “could” and “should” and the negative of these terms or other similar expressions. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties and are not guarantees of future performance. Forward-looking statements in this document include, among other things, statements regarding our business plan, business strategy and operations in the future. In addition, all statements that address operating performance and future performance, events or developments that are expected or anticipated to occur in the future, including statements relating to creating value for stockholders, are forward-looking statements.

Forward-looking statements are subject to a number of risks, uncertainties and assumptions. Matters and factors that could cause actual results to differ materially from those expressed or implied in such forward-looking statements include but are not limited to the matters and factors described in Part I, Item 1A. “*Risk Factors*” of Greenidge’s Form 10-K for the year ended December 31, 2021 filed with the Securities and Exchange Commission (“SEC”) on March 31, 2022 and in this Quarterly Report on Form 10-Q, as well as those described from time to time in our future reports filed with the SEC, which should be reviewed carefully. Please consider Greenidge’s forward-looking statements in light of those risks.

## PART I—FINANCIAL INFORMATION

## Item 1. Financial Statements

**Greenidge Generation Holdings Inc.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(Dollar amounts in thousands, except share data)

	June 30, 2022 (Unaudited)	December 31, 2021
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 66,382	\$ 82,599
Short term investments	-	496
Digital assets	323	476
Accounts receivable	6,520	5,524
Prepaid expenses	11,286	9,146
Emissions and carbon offset credits	1,260	2,361
Total current assets	85,771	100,602
<b>LONG-TERM ASSETS:</b>		
Property and equipment, net	249,202	217,091
Right-of-use assets	1,278	1,472
Intangible assets, net	3,073	3,537
Goodwill	3,062	3,062
Deferred tax assets	17	15,058
Other long-term assets	563	445
Total assets	\$ 342,966	\$ 341,267
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable	\$ 12,054	\$ 5,923
Accrued emissions expense	3,890	2,634
Accrued expenses	17,424	10,375
Income taxes payable	165	2,481
Long-term debt, current portion	65,016	19,577
Lease obligations, current portion	291	736
Total current liabilities	98,840	41,726
<b>LONG-TERM LIABILITIES:</b>		
Long-term debt, net of current portion and deferred financing fees	110,752	75,251
Lease obligations, net of current portion	166	193
Asset retirement obligations	-	2,691
Environmental liability	22,415	8,615
Other long-term liabilities	361	368
Total liabilities	232,534	128,844
<b>COMMITMENTS AND CONTINGENCIES (NOTE 13)</b>		
<b>STOCKHOLDERS' EQUITY:</b>		
Preferred stock, par value \$0.0001, 20,000,000 shares authorized, none outstanding	-	-
Common stock, par value \$0.0001, 3,000,000,000 shares authorized, 41,918,820 and 40,865,336 shares issued and outstanding as of June 30, 2022 and December 31, 2021, respectively	4	4
Additional paid-in capital	288,301	281,815
Cumulative translation adjustment	(166)	-
Accumulated deficit	(177,707)	(69,396)
Total stockholders' equity	110,432	212,423
Total liabilities and stockholders' equity	\$ 342,966	\$ 341,267

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Greenidge Generation Holdings Inc.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE (LOSS) INCOME (UNAUDITED)**  
(in thousands, except per share data)

	Three Months Ended June 30,		For the Six Months Ended June 30,	
	2022	2021	2022	2021
<b>REVENUE:</b>				
Cryptocurrency datacenter	\$ 20,067	\$ 14,064	\$ 43,300	\$ 23,061
Power and capacity	2,859	2,112	8,782	4,178
Services and other	8,413	-	16,912	-
Total revenue	<u>31,339</u>	<u>16,176</u>	<u>68,994</u>	<u>27,239</u>
<b>OPERATING COSTS AND EXPENSES:</b>				
Cost of revenue - cryptocurrency datacenter (exclusive of depreciation and amortization)	11,664	2,754	20,121	5,150
Cost of revenue - power and capacity (exclusive of depreciation and amortization)	3,172	1,970	7,195	3,996
Cost of revenue - services and other (exclusive of depreciation and amortization)	3,573	-	7,644	-
Selling, general and administrative	11,088	3,627	25,480	6,812
Merger and other costs	485	938	698	1,248
Depreciation and amortization	4,867	1,603	8,845	2,864
Impairment of long-lived assets	71,500	-	71,500	-
Remeasurement of environmental liability	11,109	-	11,109	-
Total operating costs and expenses	<u>117,458</u>	<u>10,892</u>	<u>152,592</u>	<u>20,070</u>
(Loss) income from operations	(86,119)	5,284	(83,598)	7,169
<b>OTHER INCOME (EXPENSE), NET:</b>				
Interest expense, net	(6,910)	(202)	(10,262)	(368)
Interest expense - related party	-	-	-	(22)
(Loss) gain on sale of digital assets	(10)	(154)	(15)	141
Gain on sale of assets	629	-	629	-
Other income (loss), net	17	(13)	57	6
Total other expense, net	<u>(6,274)</u>	<u>(369)</u>	<u>(9,591)</u>	<u>(243)</u>
(Loss) income before income taxes	(92,393)	4,915	(93,189)	6,926
Provision for income taxes	15,489	1,397	15,121	2,129
Net (loss) income	(107,882)	3,518	(108,310)	4,797
Foreign currency translation adjustment	(134)	-	(166)	-
Comprehensive (loss) income	<u>\$ (108,016)</u>	<u>\$ 3,518</u>	<u>\$ (108,476)</u>	<u>\$ 4,797</u>
<b>(Loss) earnings per share:</b>				
Basic	\$ (2.61)	\$ 0.12	\$ (2.62)	\$ 0.15
Diluted	\$ (2.61)	\$ 0.10	\$ (2.62)	\$ 0.12

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Greenidge Generation Holdings Inc.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)**  
(in thousands, except share and member unit data)

	Preferred Stock		Common Stock		Additional	Common Units		Preferred Units		Senior Priority Units		Total	Cumulativ	Accumulate	Total
	Shares	Amount	Shares	Amount	Paid - In Capital	Number of Units	Members' Capital	Number of Units	Members' Capital	Number of Units	Members' Capital	Member's Capital	Translation Adjustment	d Deficit	
<b>Balance at January 1, 2022</b>	-	\$ -	40,865,336	\$ 4	\$ 281,815	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ (69,396)	\$ 212,423
Stock-based compensation expense	-	-	-	-	362	-	-	-	-	-	-	-	-	-	362
Issuance of shares, net of issuance costs of \$147	-	-	415,000	-	3,791	-	-	-	-	-	-	-	-	-	3,791
Restricted shares award issuance, net of withholdings	-	-	82,601	-	(65)	-	-	-	-	-	-	-	-	-	(65)
Proceeds from stock options exercised	-	-	334	-	2	-	-	-	-	-	-	-	-	-	2
Foreign currency translation adjustment	-	-	-	-	-	-	-	-	-	-	-	-	(32)	-	(32)
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	(429)	(429)
<b>Balance at March 31, 2022</b>	-	\$ -	41,363,271	\$ 4	\$ 285,905	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ (32)	\$ (69,825)	\$ 216,052
Stock-based compensation expense	-	-	-	-	306	-	-	-	-	-	-	-	-	-	306
Issuance of shares, net of issuance costs of \$342	-	-	553,587	-	2,078	-	-	-	-	-	-	-	-	-	2,078
Proceeds from stock options exercised	-	-	1,962	-	12	-	-	-	-	-	-	-	-	-	12
Foreign currency translation adjustment	-	-	-	-	-	-	-	-	-	-	-	-	(134)	-	(134)
Net loss	-	-	-	-	-	-	-	-	-	-	-	-	-	(107,882)	(107,882)
<b>Balance at June 30, 2022</b>	-	\$ -	41,918,820	\$ 4	\$ 288,301	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ (166)	\$ (177,707)	\$ 110,432
<b>Balance at January 1, 2021</b>	-	\$ -	-	\$ -	\$ -	750	\$ -	39,228	\$ 39,074	10,000	\$ 30,202	\$ 69,276	\$ -	\$ (24,916)	\$ 44,360
Contribution of GGH Preferred Units, GGH Senior Priority Units, and notes payable to related party for GGHI Common Stock	-	-	26,800,300	3	72,888	-	-	(39,228)	(39,074)	(10,000)	(30,202)	(69,276)	-	-	3,615
Contribution of GGH Common Units for GGHI Common Stock	-	-	1,199,700	-	-	(750)	-	-	-	-	-	-	-	-	-
Proceeds from sale of preferred stock, net of stock issuance costs of \$3,387	1,620,000	1	-	-	37,112	-	-	-	-	-	-	-	-	-	37,112
Stock-based compensation expense	-	-	-	-	656	-	-	-	-	-	-	-	-	-	656
Proceeds from stock options exercised	-	-	160,000	-	1,000	-	-	-	-	-	-	-	-	-	1,000
Stock issued to purchase miners	-	-	160,000	-	991	-	-	-	-	-	-	-	-	-	991
Net income	-	-	-	-	-	-	-	-	-	-	-	-	-	1,279	1,279
<b>Balance at March 31, 2021</b>	1,620,000	\$ 1	28,320,000	\$ 3	\$ 112,647	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ (23,637)	\$ 89,014
Stock-based compensation expense	-	-	-	-	407	-	-	-	-	-	-	-	-	-	407
Net income	-	-	-	-	-	-	-	-	-	-	-	-	-	3,518	3,518
<b>Balance at June 30, 2021</b>	1,620,000	\$ 1	28,320,000	\$ 3	\$ 113,054	-	\$ -	-	\$ -	-	\$ -	\$ -	\$ -	\$ (20,119)	\$ 92,939

The accompanying notes are an integral part of these condensed consolidated financial statements.

**Greenidge Generation Holdings Inc.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (UNAUDITED)**  
(in thousands)

	Six Months Ended June 30,	
	2022	2021
<b>CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net (loss) income	\$ (108,310)	\$ 4,797
Adjustments to reconcile net (loss) income to net cash flow from operating activities:		
Depreciation and amortization	8,845	2,864
Deferred income taxes	15,040	482
Impairment of long-lived assets	71,500	-
Amortization of debt issuance costs	1,909	-
Accretion of asset retirement obligations	-	68
Loss (gain) on sale of digital assets	10	(141)
Gain on sale of assets	(629)	-
Remeasurement of environmental liability	11,109	67
Stock-based compensation expense	669	1,063
Changes in operating assets and liabilities:		
Accounts receivable	(996)	21
Emissions and carbon offset credits	1,102	258
Prepays and other assets	(2,272)	(2,129)
Accounts payable	(800)	(870)
Accrued emissions	1,256	(1,268)
Accrued expenses	7,038	2,623
Income taxes payable	(2,316)	1,567
Net cash flow provided by operating activities	<u>\$ 3,155</u>	<u>\$ 9,402</u>
<b>CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Purchases of and deposits for property and equipment	\$ (105,380)	\$ (29,581)
Proceeds from sale of assets	1,136	-
Proceeds from sale of marketable securities	496	-
Net cash flow used in investing activities	<u>\$ (103,748)</u>	<u>\$ (29,581)</u>
<b>CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from issuance of preferred stock, net of issuance costs	\$ -	\$ 37,112
Proceeds from issuance of common stock, net of issuance costs	5,869	-
Proceeds from stock options exercised	14	1,000
Restricted stock unit awards settled in cash for taxes	(65)	-
Proceeds from debt, net of issuance costs	96,605	15,686
Principal payments on debt	(17,574)	(1,760)
Proceeds from capital lease obligations	-	1,404
Repayments of capital lease obligations	(473)	(425)
Net cash flow provided by financing activities	<u>\$ 84,376</u>	<u>\$ 53,017</u>
<b>CHANGE IN CASH AND CASH EQUIVALENTS</b>	<u>\$ (16,217)</u>	<u>\$ 32,838</u>
CASH AND CASH EQUIVALENTS - beginning of year	82,599	5,052
CASH AND CASH EQUIVALENTS - end of year	<u>\$ 66,382</u>	<u>\$ 37,890</u>

The accompanying notes are an integral part of these condensed consolidated financial statements.

## 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Greenidge Generation Holdings Inc. (“Greenidge”) and its subsidiaries (collectively, the “Company”) own and operate a vertically integrated cryptocurrency datacenter and power generation company. The Company owns and operates facilities at two locations: the Town of Torrey, New York and Spartanburg, South Carolina. The Company’s cryptocurrency datacenter operations generate revenue in the form of bitcoin by earning bitcoin as rewards and transaction fees for supporting the global bitcoin network with application-specific integrated circuit computers (“ASICs” or “miners”) owned or leased by the Company. The earned bitcoin is then exchanged for U.S. dollars. The Company owns and operates a 106 megawatt (“MW”) power facility that is connected to the New York Independent System Operator (“NYISO”) power grid. The Company sells electricity to the NYISO at all times when its power plant is running and increases or decreases the amount of electricity sold based on prevailing prices in the wholesale electricity market and demand for electricity.

### ***Merger with Support.com, Inc.***

On September 14, 2021, GGH Merger Sub, Inc. (“Merger Sub”), a wholly owned subsidiary of Greenidge, merged with and into Support.com, Inc. (“Support.com”), with Support.com continuing as the surviving corporation (the “Merger”) and a wholly owned subsidiary of Greenidge, pursuant to the Agreement and Plan of Merger, dated March 19, 2021 (the “Merger Agreement”), among Greenidge, Support.com and Merger Sub.

The Merger combined the respective businesses of Greenidge and Support.com through an all-stock transaction and has been accounted for using the acquisition method of accounting in accordance with the provisions of Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) 805, *Business Combinations*, with Greenidge being deemed the acquiring company for accounting purposes (see Note 3). Prior to the Merger, Greenidge’s class A common stock (“class A common stock”) was registered pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and, upon completion of the Merger on September 15, 2021, began trading on The Nasdaq Global Select Market (“Nasdaq”) under the ticker symbol “GREE”. Concurrently, Support.com deregistered its shares pursuant to the Exchange Act.

Support.com provides solutions and technical programs to customers delivered by home-based employees. Support.com’s homesourcing model, which enables outsourced work to be delivered by people working from home, has been specifically designed for remote work, with attention to security, recruiting, training, delivery, and employee engagement. Since the consummation of the Merger, the Support.com business operates as a wholly-owned subsidiary and a segment of Greenidge.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### ***Presentation of Condensed Consolidated Financial Statements***

In the opinion of Greenidge management, the accompanying condensed consolidated financial statements include all adjustments necessary for a fair presentation of the results for the interim periods presented and such adjustments are of a normal recurring nature. The results for the unaudited interim condensed consolidated statements of operations and comprehensive (loss) income are not necessarily indicative of results to be expected for the year ending December 31, 2022 or for any future interim period. The unaudited condensed interim consolidated financial statements do not include all of the information and notes required by United States Generally Accepted Accounting Standards (“GAAP”) for complete financial statements.

The accompanying condensed consolidated financial statements should be read in conjunction with the notes to the consolidated financial statements of the Company in Greenidge’s 2021 Annual Report on Form 10-K. There have been no material changes to the Company’s significant accounting policies during 2022.

In accordance with the FASB Accounting Standards Update (“ASU”) 2014-15, *Presentation of Financial Statements – Going Concern*, the Company’s management evaluated whether there are conditions or events that pose risk associated with the Company’s ability to continue as a going concern within one year after the date these financial statements have been issued. The Company’s condensed financial statements have been prepared assuming that it will continue as a going concern.

During the three months ended June 30, 2022, the price of bitcoin decreased approximately 57% and the price of natural gas increased approximately 53%. The Company’s profit and cash flows are impacted significantly by volatility in the prices of bitcoin and natural gas, and the volatility in these commodity prices significantly impacted the Company’s results during the three months ended June 30, 2022. At June 30, 2022, the Company had \$66.4 million of cash and \$0.6 million of bitcoin holdings at fair value, while having \$33.4 million of accounts payable and accrued expenses, as well as \$65 million of principal payments plus interest payments on debt due within the next 12 months.



The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or obtaining the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management has evaluated different options to improve its liquidity to fund the Company's expenses and to support the Company's debt servicing requirements. These options include, but are not limited to:

- selling or monetizing certain assets, including but not limited to sales of additional miners, sales of surplus mining infrastructure equipment, or sales of unannounced and undeveloped locations the Company was evaluating for expansion;
- issuances of equity, including but not limited to issuances under the 2022 Purchase Agreement (as defined below);
- migrating certain of its equipment to lower cost locations; and
- negotiating with lenders to modify the terms of certain of the Company's existing financings.

On March 18, 2022, Greenidge issued a secured promissory note, as borrower, in favor of B. Riley Commercial Capital, LLC, as noteholder (the "Noteholder"), evidencing a \$26.5 million aggregate principal amount loan by the Noteholder to Greenidge (the "Secured Promissory Note"). In the Company's efforts to further improve liquidity, Greenidge and the Noteholder amended the Secured Promissory Note on August 10, 2022. The amendment extended the maturity to June 2023, reduced scheduled monthly amortization payments and reduced mandatory prepayments. The Company has received proceeds of \$57.3 million since October 2021 from sales of common stock under the 2021 Purchase Agreement (as defined below) and the 2022 Purchase Agreement (as defined below), of which \$2.4 million of proceeds, net of discounts, was received during the three months ended June 30, 2022. Additionally, the Company has sold certain of its miners and equipment during the three months ended June 30, 2022 for proceeds of \$1.9 million.

While the Company believes it will be successful in its efforts to implement the options to improve liquidity, which will allow it to meet its financial commitments for at least the next twelve months, there can be no assurance that these efforts will be successful.

### ***Reclassifications***

Certain prior year amounts have been reclassified to conform to the current period presentation.

### ***Recent Accounting Pronouncements, Adopted***

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 2019-12"), which is intended to simplify various aspects related to accounting for income taxes. ASU 2019-12 removes certain exceptions to the general principles in Topic 740 and also clarifies and amends existing guidance to improve consistent application. This guidance is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2020, with early adoption permitted. As an emerging growth company, the Company has elected to adopt this pronouncement following the effective date for private companies beginning with periods beginning after December 15, 2021. The adoption of this standard did not materially impact the Company's condensed consolidated financial statements.

### **3. MERGER WITH SUPPORT.COM**

As described in Note 1, on September 14, 2021, Greenidge and Support.com combined their respective businesses through an all-stock merger transaction where Support.com became a wholly owned subsidiary of Greenidge. The Merger has been accounted for as a business combination using the acquisition method of accounting in accordance with the provisions of FASB ASC 805, *Business Combinations* ("ASC 805"). Greenidge was determined to be the acquiring company for accounting purposes.

### ***Results of Support.com Operations Since the Merger***

For the three months ended June 30, 2022, the acquired Support.com business contributed \$8.4 million in revenue and \$1.7 million of operating income, which includes approximately \$0.2 million of amortization expenses of acquired intangible assets. For the six months ended June 30, 2022, the acquired Support.com business contributed \$16.9 million in revenue and \$3.2 million of operating income, which includes approximately \$0.5 million of amortization expenses of acquired intangible assets.

### Supplemental Pro Forma Financial Information

In accordance with ASC 805, the following supplemental unaudited pro forma information gives effect to the Merger as if it had occurred on January 1, 2021. The unaudited pro forma financial information reflects certain adjustments related to the acquisition, such as:

- Conforming the accounting policies of Support.com to those applied by Greenidge;
- Recording certain incremental expenses resulting from purchase accounting adjustments, such as amortization expense in connection with fair value adjustments to intangible assets; and
- Recording the related tax effects of pro forma adjustments.

\$ in thousands	Three Months Ended	Six Months Ended
	June 30, 2021	June 30, 2021
Revenues	\$ 24,688	\$ 45,382
Net income	\$ 3,489	\$ 1,469

The pro forma results for three and six months ended June 30, 2021 include \$0.9 million and \$2.5 million, respectively, of transaction costs for both Greenidge and Support.com (\$0.6 million and \$1.8 million after tax, respectively), such as advisor fees, legal and accounting expenses. These costs will not affect the combined company's statement of operations beyond 12 months after the closing date, September 14, 2021.

The unaudited pro forma financial information should not be relied upon as being indicative of the historical results that would have been obtained if the Merger had actually occurred on that date, nor the results of operations of the Company in the future.

#### 4. SEGMENT INFORMATION

Effective September 14, 2021, following the completion of the Merger (see Notes 1 and 3), Support.com began operating within the Company as a separate operating and reporting segment; therefore, Greenidge has two operating and reporting segments since the Merger: (i) Cryptocurrency Datacenter and Power Generation and (ii) Support Services.

The Cryptocurrency Datacenter and Power Generation segment generates revenue primarily by earning bitcoin, with miners that are owned by the Company, as rewards and transaction fees for supporting the global bitcoin network. The Cryptocurrency Datacenter and Power Generation segment also sells surplus electricity generated by its power plant, and not consumed in cryptocurrency datacenter operations, to the NYISO power grid at prices set on a daily basis through the NYISO wholesale market. In addition, the Company receives revenues from the sale of its capacity and ancillary services in the NYISO wholesale market. The Cryptocurrency Datacenter and Power Generation segment operates in the United States.

The Support Services segment provides solutions and technical programs to customers delivered by home-based employees. The Support Services segment provides customer service, sales support, and technical support primarily to large corporations, businesses and professional services organizations. The Support Services segment also earns revenues for end-user software products provided through direct customer downloads and sales via partners. The Support Services segment operates primarily in the United States, but also has employees located in Philippines, India, Mexico, Colombia and Canada, including those staff providing support services.

The Company's measure of profit or loss for segment reporting is income (loss) before income taxes, interest and depreciation and amortization and adjusted for share based compensation and excluding items not indicative of ongoing business trends (referred to as "Segment Adjusted EBITDA"). This is the measure used by the Company's Chief Operating Decision Maker to assess performance and allocate resources.

The table below presents information about reportable segments for the three and six months ended June 30, 2022 and 2021, respectively:

\$ in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Revenues:</b>				
Cryptocurrency Datacenter and Power Generation	\$ 22,926	\$ 16,176	\$ 52,082	\$ 27,239
Support Services	8,413	-	16,912	-
Total Revenues	<u>\$ 31,339</u>	<u>\$ 16,176</u>	<u>\$ 68,994</u>	<u>\$ 27,239</u>
<b>Segment Adjusted EBITDA</b>				
Cryptocurrency Datacenter and Power Generation	\$ 835	\$ 8,065	\$ 8,181	\$ 12,491
Support Services	2,037	-	3,905	-
Total Segments Adjusted EBITDA	<u>\$ 2,872</u>	<u>\$ 8,065</u>	<u>\$ 12,086</u>	<u>\$ 12,491</u>

In addition, the table below provides a reconciliation of the total of the Segments Adjusted EBITDA to the consolidated (loss) income before income taxes:

\$ in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
Total Segments Adjusted EBITDA	\$ 2,872	\$ 8,065	\$ 12,086	\$ 12,491
Depreciation and amortization	(4,867)	(1,603)	(8,845)	(2,864)
Stock-based compensation	(306)	(407)	(669)	(1,063)
Merger and other costs	(485)	(938)	(698)	(1,248)
Expansion costs	(88)	-	(2,192)	-
Interest expense, net	(6,910)	(202)	(10,262)	(390)
Long-lived asset impairment	(71,500)	-	(71,500)	-
Remeasurement of environmental liability	(11,109)	-	(11,109)	-
Consolidated (loss) income before income taxes	<u>\$ (92,393)</u>	<u>\$ 4,915</u>	<u>\$ (93,189)</u>	<u>\$ 6,926</u>

## 5. PROPERTY AND EQUIPMENT

Property and equipment, net consisted of the following at June 30, 2022 and December 31, 2021:

\$ in thousands	Estimated Useful Lives	June 30, 2022		December 31, 2021	
Plant infrastructure	15 - 39 years	\$ 10,454	\$ 34,725		
Miners	5 years	107,431	48,121		
Miner facility infrastructure	15 years	30,950	15,143		
Land	N/A	8,460	8,460		
Equipment	5 years	821	1,660		
Software	3 years	569	636		
Coal ash impoundment	4 years	-	2,410		
Construction in process	N/A	21,950	25,856		
Miner deposits	N/A	92,019	98,110		
		272,654	235,121		
Less: Accumulated depreciation		(23,452)	(18,030)		
		<u>\$ 249,202</u>	<u>\$ 217,091</u>		

Total depreciation expense was \$4.9 million and \$1.6 million for the three months ended June 30, 2022 and 2021, respectively and \$8.8 million and \$2.9 million for the six months ended June 30, 2022 and 2021, respectively.

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. To determine recoverability of a long-lived asset, management evaluates whether the estimated future undiscounted net cash flows, based on prevailing market conditions, from the asset are less than its carrying amount. If impairment is indicated, the long-lived asset is written down to fair value.

As a result of the significant reduction in the price of bitcoin and increased energy prices during the three months ended June 30, 2022, the Company recognized a noncash impairment charge of \$71.5 million for the assets associated with the Cryptocurrency Datacenter and Power Generation segment to reduce the net book value of the long-lived assets to fair value. Fair value was

determined utilizing the market approach. The excess of the book value over the estimated fair value was allocated to the long-lived assets of the Cryptocurrency and Power Generation segment.

Additionally, as a result of the impairment assessment, the Company has reevaluated the useful lives of the assets and adjusted the lives of the miners from 5 years to 3 years and the lives of plant infrastructure from 15 - 39 years to 10 years effective July 1, 2022.

## 6. INTANGIBLE ASSETS

As described in Notes 1 and 3, on September 14, 2021, Greenidge and Support.com combined their respective businesses through an all-stock merger transaction that was accounted for as a business combination in accordance with ASC 805. Prior to the Merger, Greenidge did not have any intangible assets.

The following is a summary of finite-lived intangible assets:

\$ in thousands

As of June 30, 2022	Intangible Assets	Accumulated Amortization	Intangible Assets, Net
Customer relationships (Note 3)	3,320	(659)	2,661
Tradenname (Note 3)	490	(78)	412
Total	<u>\$ 3,810</u>	<u>\$ (737)</u>	<u>\$ 3,073</u>

As of December 31, 2021	Intangible Assets	Accumulated Amortization	Intangible Assets, Net
Customer relationships (Note 3)	3,320	(244)	3,076
Tradenname (Note 3)	490	(29)	461
Total	<u>\$ 3,810</u>	<u>\$ (273)</u>	<u>\$ 3,537</u>

Amortization expense was \$0.2 million and \$0.5 million for the three and six months ended June 30, 2022. There was no amortization expense for the three and six months ended June 30, 2021.

Future amortization expense is as follows:

\$ in thousands	Amortization
2022 (for the remainder of)	\$ 464
2023	928
2024	928
2025	684
Thereafter	69
Total	<u>\$ 3,073</u>

## 7. DEBT

The Company has entered into equipment finance agreements that are secured by the purchased miner equipment. These agreements generally require monthly payments of principal, interest and a risk premium fee. The following table provides information on the equipment financing agreements:

\$ in thousands

Note	Loan Date	Maturity Date	Interest Rate	Initial Financing	Balance as of:	
					June 30, 2022	December 31, 2021
Equipment Financings:						
A	December 2020	June 2022	17.0 %	\$ 4,482	\$ -	\$ 1,245
B	December 2020	June 2022	17.0 %	428	-	95
C	March 2021	November 2022	17.0 %	2,229	495	1,362
D	April 2021	December 2022	17.0 %	4,012	1,114	2,674
E - H	May 2021	October 2023	15.0 %	15,724	14,577	15,223
I	July 2021	January 2023	17.0 %	4,457	1,733	3,468
J	July 2021	March 2023	17.0 %	2,717	1,057	1,962
K	October 2021	June 2023	17.0 %	2,223	1,235	1,976
L	March 2022	April 2024	13.0 %	54,425	68,399	-
Bonds Payable	October 2021	October 2026	8.5 %	55,200	52,096	51,843
Bonds Payable	December 2021	October 2026	8.5 %	17,000	15,134	14,980
Secured Promissory Note	March 2022	August 2022 / December 2022	6.0 %	26,500	19,928	-
					175,768	94,828
Less: Current portion					(65,016)	(19,577)
					<u>\$ 110,752</u>	<u>\$ 75,251</u>

The Company incurred interest expense of \$6.9 million and \$0.2 million during the three months ended June 30, 2022 and 2021, respectively, and \$10.3 million and \$0.4 million during the six months ended June 30, 2022 and 2021, respectively, under the terms of these financings.

Minimum future principal payments on debt as of June 30, 2022 were as follows:

\$ in thousands

Remainder of 2022	\$	47,340
2023		49,181
2024		13,964
2025		-
2026		72,200
Total	<u>\$</u>	<u>182,685</u>

### Master Equipment Financing Agreement

On March 21, 2022, Greenidge, as guarantor, together with its wholly-owned subsidiaries GTX Gen 1 Collateral LLC, GNY Collateral LLC and GSC Collateral LLC (collectively, the "Borrowers"), entered into a Master Equipment Finance Agreement (the "NYDIG Financing Agreement") with NYDIG ABL LLC ("NYDIG"), as lender, whereby NYDIG agreed to lend to the Borrowers approximately \$81 million under loan schedules that were partially funded for approximately \$54 million in March 2022, with additional funding of \$17 million through June 30, 2022, to finance the acquisition of certain miners and related equipment (the "Financed Equipment"). The Borrowers' obligations under the NYDIG Financing Agreement are fully and unconditionally guaranteed by Greenidge. Outstanding borrowings under the NYDIG Financing Agreement are secured by all assets of the Borrowers, including without limitation, the Financed Equipment and proceeds thereof (including bitcoin). The partially funded loan schedules bear interest at a rate of 13% per annum and have terms of twenty-five months. Certain loan schedules are interest-only for a specified period and otherwise payments on loan schedules include both an interest and principal payment. Pursuant to the terms of the NYDIG Financing Agreement, the Borrowers and with certain exceptions, the Company, will be subject to certain covenants and restrictive provisions which will, among other things: limit the Borrowers' ability to incur additional indebtedness for borrowed money; limit additional liens on the collateral or the equity interests of any of the Borrowers; limit consolidations or mergers including the Borrowers or the Company unless such would not constitute a Change in Control (as defined therein); limit disposing of the collateral or any portion of the collateral with certain exceptions; limit the Borrowers' ability to make certain restricted payments and investments; and limit the

ability to create certain direct obligations of the Borrowers or the Company unless the NYDIG Financing Agreement is at least pari passu in right of payment; each of which are subject to customary and usual exceptions and baskets. The loans under the NYDIG Financing Agreement cannot be voluntarily partially prepaid, but may be prepaid in whole subject to a make-whole calculation. The NYDIG Financing Agreement is denoted in the table above as "Equipment Financings: L."

### **Secured Promissory Note**

As disclosed in Note 2, on March 18, 2022, Greenidge issued the Secured Promissory Note in favor of the Noteholder. The Secured Promissory Note is guaranteed by certain of Greenidge's wholly-owned subsidiaries: Greenidge South Carolina LLC, GSC RE LLC and 300 Jones Road LLC. The loan outstanding under the Secured Promissory Note originally bore interest at a rate of 6% per annum and originally matured on July 20, 2022, subject to up to five 30-day extensions, through December 2022, that may be elected by Greenidge provided no Event of Default (as defined therein) has occurred and is continuing and Greenidge pays an Exit Fee (as defined therein) to the Noteholder. Pursuant to the terms of the Secured Promissory Note, Greenidge and its subsidiaries will be subject to certain covenants and restrictive provisions which will, among other things, limit their ability to incur additional indebtedness for borrowed money or additional liens other than debt and liens permitted pursuant to the Secured Promissory Note; consolidate or merge unless Greenidge survives; or transfer all or substantially all of their assets; make certain restricted payments or investments; have a Change of Control (as defined therein); modify certain material agreements; and engage in certain types of transactions with affiliates; each of which are subject to customary and usual exceptions and baskets. The Secured Promissory Note is secured by a first priority mortgage lien on certain real property together with related improvements, fixtures and personal property located at Greenidge's South Carolina Facility. Greenidge's obligations under the Secured Promissory Note may be prepaid in whole or in part without penalties or fees.

On August 10, 2022, Greenidge and the Noteholder agreed to amend the terms of the Secured Promissory Note, by extending the maturity to June 2023, reducing scheduled monthly amortization payments and revising the interest rate to 7.5%. The Exit Fees (as defined therein) associated with the four 30-day extensions subsequent to August 10, 2022, were accelerated and added to the principal balance as of that date. The principal balance following the amendment was \$16.4 million as of August 10, 2022. Additionally mandatory repayments of the Secured Promissory Note were revised, such that 65% of the net cash proceeds received from sales of stock under the 2022 Purchase Agreement shall be paid to Noteholder to repay the Secured Promissory Note.

### **Fair Value Disclosure**

The notional value and estimated fair value of the Company's debt totaled \$182.7 million and \$175.8 million, respectively, at June 30, 2022. The notional value does not include unamortized discounts and debt issuance costs of \$6.9 million at June 30, 2022. The estimated fair value of the Bonds Payable, representing the fair value of our 8.50% senior secured notes due 2026, was measured using quoted market prices at the reporting date. Such instruments were valued using Level 1 inputs. For the Equipment Financings and Secured Promissory Note, the Company believes the notional values approximate their fair values.

## **8. RELATED PARTY TRANSACTIONS**

### **Letters of Credit**

The Company's controlling stockholder, Atlas Holdings LLC ("Atlas"), obtained a letter of credit from a financial institution in the amount of \$5.0 million at June 30, 2022, payable to the New York State Department of Environmental Conservation ("NYSDEC"). This letter of credit guarantees the current value of the Company's landfill environmental liability (see Note 13).

Atlas also obtained a letter of credit from a financial institution in the amount of \$3.6 million at June 30, 2022, payable to Empire Pipeline Incorporated ("Empire") in the event the Company should not make contracted payments for costs related to a pipeline interconnection project the Company has entered into with Empire (see Note 13).

### **Guarantee**

An affiliate of Atlas has guaranteed the payment obligation of Greenidge in favor of Emera Energy Services, Inc. ("Emera") under an Energy Management Agreement and an ISDA Master Agreement under which Greenidge may enter into various transactions involving the purchase and sale of natural gas, electricity and other commodities with Emera. This guaranty is limited to \$1.0 million.

## Other

Affiliates of Atlas from time to time incur certain expansion costs for the benefit of Greenidge, which are fully reimbursed by Greenidge. The amount of costs reimbursed by Greenidge during the three months ended June 30, 2022 was less than \$0.1 million.

## 9. STOCKHOLDERS' EQUITY

### Equity Purchase Agreement with B. Riley Principal Capital, LLC

On September 15, 2021, Greenidge entered into a common stock purchase agreement (the "2021 Purchase Agreement") with B. Riley Principal Capital, LLC (the "Investor") pursuant to which Greenidge has the right to "put" or sell to the Investor up to \$500 million of shares of class A common stock, subject to certain limitations and conditions set forth in the 2021 Purchase Agreement, from time to time during the term of the 2021 Purchase Agreement. The per share purchase price for the shares of class A common stock that Greenidge elected to sell to the Investor pursuant to the 2021 Purchase Agreement were determined by reference to the volume weighted average price of class A common stock during the applicable purchase date on which Greenidge had timely delivered written notice to the Investor directing it to purchase shares under the 2021 Purchase Agreement, less a fixed 5% discount, which was to be increased to a fixed 6% discount at such time that the Company received aggregate cash proceeds of \$200 million as payment for all shares of class A common stock purchased by the Investor in all prior sales of class A common stock made under the 2021 Purchase Agreement. The Investor had no obligation to purchase shares pursuant to the 2021 Purchase Agreement to the extent that such purchase would have caused the Investor to own more than 4.99% of the Company's issued and outstanding shares of class A common stock.

Greenidge and the Investor entered into a mutual termination agreement on April 6, 2022 (the "Mutual Termination"), which became effective immediately upon signing. Prior to the termination, the Company had sold an aggregate of 2,547,500 shares of class A common stock pursuant to the 2021 Purchase Agreement representing proceeds of \$54.9 million, net of discounts, under the 2021 Purchase Agreement. The Company did not incur any early termination penalties as a result of the Mutual Termination.

On April 7 2022, Greenidge entered into a new common stock purchase agreement, as amended by Amendment No. 1 to Common Stock Purchase Agreement, dated as of April 13, 2022 (as amended, the "2022 Purchase Agreement") with the Investor. Pursuant to the 2022 Purchase Agreement, Greenidge has the right to sell to the Investor up to \$500 million in shares of its class A common stock, subject to certain limitations and the satisfaction of specified conditions in the 2022 Purchase Agreement, from time to time over the 24-month period commencing on April 28, 2022.

The per share purchase price for the shares of class A common stock that Greenidge elects to sell to the Investor pursuant to the 2022 Purchase Agreement will be determined by reference to the volume weighted average price of the class A common stock ("VWAP") during the full primary (or "regular") trading session on Nasdaq on the applicable purchase date, calculated in accordance with the 2022 Purchase Agreement, or, if the total aggregate number (or "volume") of class A common stock traded on Nasdaq reaches a certain threshold amount (calculated in accordance with the 2022 Purchase Agreement) prior to the official close of the regular trading session on Nasdaq on such purchase date, then the VWAP will be calculated only for the period beginning at the official open (or "commencement") of the regular trading session and ending at the time the volume of class A common stock traded on Nasdaq reaches such threshold amount (such period for each purchase, the "Purchase Valuation Period"), less a fixed 5% discount to the VWAP for the Purchase Valuation Period, which shall be increased to 6% at such time that Greenidge has received aggregate cash proceeds of \$200,000,000 from all prior sales of class A common stock to the Investor under the 2021 Purchase Agreement and the 2022 Purchase Agreement.

The per share purchase price for the shares of class A common stock that Greenidge elects to sell to the Investor in an intraday purchase pursuant to the 2022 Purchase Agreement will be calculated in the same manner as in the case of a regular purchase, provided that the VWAP for such intraday purchase will be measured during the portion of the normal trading hours on Nasdaq on the applicable purchase date that will begin 30 minutes after the latest of (i) the time that the applicable intraday purchase notice is timely received by the Investor, (ii) the time that the Purchase Valuation Period for any prior regular purchase effected on the same purchase date (if any) has ended and (iii) the time that the Intraday Purchase Valuation Period (defined below) for the most recent prior intraday purchase effected on the same purchase date (if any) has ended, and ending at the earlier of (x) the official close of the regular trading session on Nasdaq on such purchase date and (y) the time the volume of shares of class A common stock traded on Nasdaq reaches a certain threshold amount calculated in accordance with the 2022 Purchase Agreement (such period for each intraday purchase, the "Intraday Purchase Valuation Period"), less a fixed 5% discount to the VWAP for the Intraday Purchase Valuation Period, which shall be increased to 6% at such time that Greenidge has received aggregate cash proceeds of \$200,000,000 from all prior sales of class A common stock to the Investor under the 2021 Purchase Agreement and the 2022 Purchase Agreement.

In addition, on April 13, 2022, Greenidge entered into Amendment No. 1 to the 2022 Purchase Agreement (the "Amendment") with the Investor. The Amendment provides for an additional feature that would cause the period used to determine the applicable purchase

price to be paid by the Investor for shares elected to be sold by Greenidge to terminate on the applicable purchase date if the trading price of the class A common stock falls below a minimum price threshold. The Amendment also modifies the maximum amount of shares of Greenidge's class A common stock that Greenidge can elect to sell to the Investor in any single purchase effected by Greenidge.

Under the applicable Nasdaq rules, unless stockholder approval is obtained, Greenidge may not sell more than 19.99% of the total number of shares of its class A common stock and class B common stock issued and outstanding immediately prior to the execution of the 2022 Purchase Agreement, which number of shares shall be reduced on a share-for-share basis by the number of shares of class A common stock that may be aggregated with the transactions contemplated by the 2022 Purchase Agreement under the applicable Nasdaq rules. Sales of common stock pursuant to the 2022 Purchase Agreement, and the timing of any sales, are solely at the option of the Company, and the Company is under no obligation to sell any securities to the Investor under the 2022 Purchase Agreement.

In connection with the 2022 Purchase Agreement, Greenidge entered into a registration rights agreement with the Investor, pursuant to which Greenidge agreed to prepare and file a registration statement registering the resale by the Investor of those shares of Greenidge's class A common stock to be issued under the 2022 Purchase Agreement. The registration statement became effective on April 28, 2022 (the "Effective Date"), relating to the resale of 5,720,951 shares of Greenidge's class A common stock in connection with the 2022 Purchase Agreement.

From the Effective Date to June 30, 2022, Greenidge issued 553,587 shares of class A common stock to the Investor pursuant to the 2022 Purchase Agreement for aggregate proceeds of approximately \$2.4 million, net of discounts.

## 10. EQUITY BASED COMPENSATION

In February 2021, Greenidge adopted an equity incentive plan and reserved 3,831,112 shares of class A common stock for issuance under the plan (the "2021 Equity Plan"), applicable to employees and non-employee directors.

### Restricted Common Stock Unit Awards

During the six months ended June 30, 2022, the Company awarded 55,870 restricted common stock units ("RSUs") under the 2021 Equity Plan to employees, which are generally eligible to vest over a three-year period.

The Company's unvested RSU awards activity for the six months ended June 30, 2022 is summarized below:

	RSUs		Weighted Average Grant Date Fair Value
Unvested at December 31, 2021	516,987	\$	6.80
Granted	55,870	\$	5.70
Vested	(90,704)	\$	6.25
Unvested at June 30, 2022	482,153	\$	6.77

The value of RSU grants is measured based on their fair market value on the date of grant and amortized over their requisite service periods. During the six months ended June 30, 2022, the fair market value of the awards granted totaled \$0.3 million, and as of June 30, 2022, there was approximately \$2.4 million of total unrecognized compensation cost related to unvested restricted stock rights, which is expected to be recognized over a remaining weighted-average vesting period of approximately 1.27 years.

### Common Stock Options

The Company's common stock options activity for the six months ended June 30, 2022 is summarized below:

	Options	Weighted Average Exercise Price Per Share	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Outstanding at December 31, 2021	583,080	\$ 6.01	9.2	\$ 5,854
Granted	-	-		
Exercised	(2,296)	\$ 6.25		
Forfeited	(4,221)	\$ 6.25		
Outstanding at June 30, 2022	576,563	\$ 6.01	8.7	\$ —
Exercisable as of June 30, 2022	437,263	\$ 5.85	8.7	\$ 8,386



The value of common stock option grants is measured based on their fair market value on the date of grant and amortized over their requisite service periods. As of June 30, 2022, there was approximately \$0.2 million of total unrecognized compensation cost related to unvested common stock options, which is expected to be recognized over a remaining weighted-average vesting period of approximately 1.78 years.

## Stock-based Compensation

The Company recognized stock-based compensation expense of \$0.3 million and \$0.4 million during the three months ended June 30, 2022 and 2021, respectively and \$0.7 million and \$1.1 million during the six months ended June 30, 2022 and 2021, respectively. Stock-based compensation expense is included in selling, general and administrative expenses in the accompanying unaudited condensed consolidated statements of operations and comprehensive (loss) income.

## 11. INCOME TAXES

The income tax provision for interim periods is determined using an estimate of the annual effective tax rate, adjusted for discrete items, if any, that are taken into account in the relevant period. Each quarter, the estimate of the annual effective tax rate is updated, and if the estimated effective tax rate changes, a cumulative adjustment is made. In addition, the effect of changes in enacted tax laws or rates or tax status is recognized in the interim period in which the change occurs.

The Company's effective tax rate was (16.8%) and (16.2%) for the three and six months ended June 30, 2022, respectively. The effective tax rates for the three and six months ended June 30, 2022 were different from the U.S. federal statutory rate of 21% primarily due to a charge of \$15.0 million for the recognition of a valuation allowance during the three months ended June 30, 2022 for deferred tax assets, primarily related to historical net operating loss carryforwards of the Support.com business that was acquired in 2021, due to the reduced profitability caused by the declines in the price of bitcoin and the increased power costs. The Company's effective tax rate was 28.4% and 30.7% for the three and six months ended June 30, 2021, respectively. The effective tax rates for the three and six months ended June 30, 2021 include the recognition of a deferred tax liability caused by the reorganization from a limited liability company to a corporation during the three months ended March 31, 2021.

The Company continues to evaluate the realizability of its deferred tax assets on a quarterly basis and will adjust such amounts in light of changing facts and circumstances. In making such an assessment, management would consider all available positive and negative evidence, including the level of historical taxable income, future reversals of existing temporary differences, tax planning strategies, and projected future taxable income.

## 12. EARNINGS PER SHARE

The Company calculates basic earnings per share by dividing the net income (loss) by the weighted average number of shares of common stock outstanding for the period. The diluted earnings per share is computed by assuming the exercise, settlement, and vesting of all potential dilutive common stock equivalents outstanding for the period using the treasury stock method.

The following table sets forth a reconciliation of the numerator and denominator used to compute basic earnings and diluted per share of common stock.

\$ in thousands, except per share amounts	Three Months Ended June 30:		Six Months Ended June 30:	
	2022	2021	2022	2021
<b>Numerator</b>				
Net (loss) income	\$ (107,882)	\$ 3,518	\$ (108,310)	\$ 4,797
Less: Net income attributable to the member units before the reorganization	-	-	-	(648)
Net (loss) income attributable to Greenidge	\$ (107,882)	\$ 3,518	\$ (108,310)	\$ 4,149
<b>Denominator</b>				
Basic weighted average shares outstanding	41,555	28,320	41,308	28,283
Dilutive effect of equity awards	-	625	-	482
Dilutive effect of convertible preferred stock	-	6,480	-	6,480
Diluted weighted average shares outstanding	41,555	35,425	41,308	35,245
<b>(Loss) earnings per share</b>				
Basic	\$ (2.61)	\$ 0.12	\$ (2.62)	\$ 0.15
Diluted	\$ (2.61)	\$ 0.10	\$ (2.62)	\$ 0.12

For the three and six months ended June 30, 2021, basic earnings per share is applicable only for the period from January 29, 2021 through June 30, 2021, which is the period following the reorganization of Greenidge Generation Holdings LLC ("GGH") into Greenidge and presents the period that the Company had outstanding common stock. Prior to the reorganization, there were no shares of common stock outstanding, and the limited liability structure of GGH consisted of member units. The Company analyzed the calculation of earnings per unit for periods prior to the reorganization and determined that it resulted in values that would not be meaningful to the users of these condensed consolidated financial statements.

For the three and six months ended June 30, 2022, there was no impact of dilution from any of the outstanding 482,153 RSUs or 576,563 common stock options due to the net loss, since inclusion of any impact from these awards would be antidilutive. For the three and six months ended June 30, 2021, there were no shares excluded from the calculation of diluted earnings per share.

### 13. COMMITMENTS AND CONTINGENCIES

#### *Legal Matters*

From time to time, the Company may be involved in various lawsuits and legal proceedings that arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in such matters may arise and harm the Company's business. The Company is currently not aware of any such legal proceedings or claims that it believes will have a material adverse effect on its business, financial condition or operating results.

#### *Environmental Liabilities*

The Company owns and operates a fully permitted landfill that also acts as a leachate treatment facility. In accordance with ASC 410-30, *Environmental Obligations* ("ASC 410-30"), the Company has recorded an environmental liability of \$8.6 million as of June 30, 2022 and December 31, 2021. As required by NYSDEC, companies with landfills are required to fund a trust to cover closure costs and expenses after the landfill has stopped operating or, in lieu of a trust, may negotiate to maintain a letter of credit guaranteeing the payment of the liability. Estimates are based on various assumptions including, but not limited to, closure and post-closure cost estimates, timing of expenditures, escalation factors, and requirements of granted permits. Additional adjustments to the environment liability may occur periodically due to potential changes in estimates and assumptions.

The Company has coal combustion residual ("CCR") liabilities associated with the closure of a coal ash pond located on the Company's property in the Town of Torrey, New York. In accordance with ASC 410-30, the Company has a liability of \$13.8 million as of June 30, 2022, which includes a charge of \$11.1 million during the three months ended June 30, 2022 as a result of an update to the cost estimates as part of the ongoing evaluation of the site. CCRs are subject to federal and state requirements. Estimates are based on various assumptions including, but not limited to, closure and post-closure cost estimates, timing of expenditures, escalation factors, and requirements of granted permits. Additional adjustments to the environment liability may occur periodically due to potential changes in remediation requirements regarding coal combustion residuals which may lead to material changes in estimates and assumptions.

#### *Other Matters*

Support.com has received and may in the future receive additional requests for information, including subpoenas, from other governmental agencies relating to the subject matter of a Consent Order and Civil Investigative Demands. The Company intends to cooperate with these information requests and is not aware of any other legal proceedings against the Company by governmental authorities at this time.

#### *Commitments*

As of June 30, 2022, the Company had \$92.0 million of cash on deposit recorded within Property and equipment, net associated with future deliveries of miners under non-fixed price purchase agreements with Bitmain Technologies, Ltd. ("Bitmain") that would require up to an additional \$31.7 million of payments to be made associated with such miners, but the additional payments, if any, may be lower, but not higher, than this based on final pricing determined by Bitmain. Contractually, the Company is able to cancel delivery of these future miners upon receipt of the final pricing of the miners approximately a month in advance of planned delivery. If the order is cancelled at the time of final pricing the value of the deposits would be refundable no later than two years from cancellation.

The Company entered into a contract with Empire in September 2020 that provides for the transportation to its pipeline of 15,000 dekatherms of natural gas per day, approximately \$158,000 per month. The contract ends in September 2030 and may be terminated by either party with 12 months' notice after the initial 10-year period.

#### 14. CONCENTRATIONS

The Company has one power customer, NYISO, that accounted for 9% and 13% of consolidated revenue for the three months ended June 30, 2022 and 2021, respectively. NYISO accounted for 13% and 15% of consolidated revenue for the six months ended June 30, 2022 and 2021, respectively.

For cryptocurrency datacenter operations, Greenidge considers its mining pool operators to be its customers. Greenidge has historically used a limited number of pool operators that have operated under contracts with a one-day term, which allows Greenidge the option to change pool operators on a daily basis. Revenue from one of the Company's pool operator customers accounted for approximately 52% and 75% of total revenue for the three months ended June 30, 2022 and 2021, respectively, and 51% and 73% for the six months ended June 30, 2022 and 2021, respectively. Revenue from a different pool operator customer accounted for approximately 8% and 12% of total revenue for the three months ended June 30, 2022 and 2021, respectively, and 10% and 12% for the six months ended June 30, 2022 and 2021, respectively.

The Support Services segment's largest customer accounted for approximately 20% and 18% of the Company's consolidated revenue during the three and six months ended June 30, 2022 and also accounted for approximately 64% and 67% of the Company's consolidated accounts receivable balance at June 30, 2022 and December 31, 2021, respectively.

The Company has one natural gas vendor that accounted for approximately 51% and 56% of cost of revenue for the three months ended June 30, 2022 and 2021, respectively and 48% and 59% of revenue for the six months ended June 30, 2022 and 2021, respectively.

#### 15. SUPPLEMENTAL CASH FLOW INFORMATION

Greenidge had the following noncash investing and financing activities:

\$ in thousands	Six Months Ended June 30,	
	2022	2021
Property and equipment purchases financed with common stock	\$ -	\$ 991
Property and equipment purchases in accounts payable	\$ 9,701	\$ 876
Contribution of GGH Preferred Units and Senior Priority Units for common stock	\$ -	\$ 69,276
Contribution of related party notes payable and accrued interest for common stock	\$ -	\$ 3,615

#### 16. SUBSEQUENT EVENTS

Subsequent events have been evaluated through August 15, 2022, the date at which the condensed consolidated financial statements were available to be issued, and the Company has concluded that no such events or transactions took place that would require disclosure herein except as stated directly below.

On August 10, 2022, Greenidge and the Noteholder agreed to amend the terms of the Secured Promissory Note. Refer to Note 7 for a further discussion.

## Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The following discussion should be read together with the audited financial statements and the related notes thereto of Greenidge Generation Holdings Inc. (“Greenidge”), together with its consolidated subsidiaries (the “Company”) for the years ended December 31, 2021 and 2020 included in our Annual Report on Form 10-K and the unaudited interim financial statements and related notes thereto of the Company for the three and six months ended June 30, 2022 and 2021 included elsewhere in this Quarterly Report on Form 10-Q. This discussion contains certain forward-looking statements that reflect plans, estimates and beliefs and involve numerous risks and uncertainties, including but not limited to those described in the “Risk Factors” disclosed in Item 1A to Part I of Greenidge’s Annual Report on Form 10-K for the year ended December 31, 2021 and “Cautionary Statement Regarding Forward-Looking Statements” sections of this Quarterly Report on Form 10-Q. Actual results may differ materially from those contained in any forward-looking statements. For purposes of this section, “the Company,” “we,” “us” and “our” refer to Greenidge Generation Holdings Inc. together with its consolidated subsidiaries. You should carefully read “Cautionary Statement Regarding Forward-Looking Statements” in this Quarterly Report on Form 10-Q.

### Overview

#### **Cryptocurrency Datacenter and Power Generation Segment**

We own cryptocurrency datacenter operations in the Town of Torrey, New York (the “New York Facility”) and in Spartanburg, South Carolina (the “South Carolina Facility” and, together with the New York Facility, the “facilities”). The New York Facility is a vertically integrated cryptocurrency datacenter and power generation facility with an approximately 106 megawatt (“MW”) natural gas power generation facility. We generate all the power we require for our cryptocurrency datacenter operations in the New York Facility, where we enjoy relatively lower market prices for natural gas due to our access to the Millennium Gas Pipeline price hub. At the South Carolina Facility, we purchase power from a supplier of approximately 60% zero-carbon sourced energy. We believe our competitive advantages include relatively low fixed costs, an efficient mining fleet and in-house operational expertise. We are currently mining bitcoin and contributing to the security and transactability of the bitcoin ecosystem while concurrently supplying power to assist in meeting the power needs of homes and businesses in the region served by our New York Facility.

As of June 30, 2022, we powered approximately 83 MW of mining capacity capable of producing an estimated aggregate hash rate of 2.5 EH/s at our facilities, substantially all of which is dedicated to bitcoin mining. Our Cryptocurrency Datacenter and Power Generation segment generates revenue i) through the exchange of bitcoins earned by application-specific integrated circuit computers (“ASICs” or “miners”) as rewards and transaction fees for U.S. dollars and, to a much lesser extent, through revenue earned from third parties for hosting ASICs owned by third parties and providing operations, maintenance and other blockchain related services to third parties and ii) through the sale of electricity generated by our power plant, and not consumed in cryptocurrency datacenter operations, to New York State’s power grid at prices set on a daily basis through the New York Independent System Operator (“NYISO”) wholesale market. We opportunistically increase or decrease the total amount of electricity sold by the power plant based on prevailing prices in the wholesale electricity market.

We believe that, over the long-term, behind-the-meter power generation capability provides a stable, cost-effective source of power for cryptocurrency datacenter activities. Our behind-the-meter power generation capability provides us with stable delivery due to the absence of any contract negotiation risk with third-party power suppliers, the absence of transmission and distribution cost risk and the firm delivery of natural gas for our New York Facility via our captive pipeline. Furthermore, our New York Facility has operated with minimal downtime for maintenance and repairs over recent years. Notwithstanding the structural stability of our behind-the-meter capabilities, we do however procure natural gas at our New York Facility through a third-party energy manager which schedules delivery of our natural gas needs from the wholesale market which is subject to price volatility. We procure the majority of our natural gas at spot prices and enter into fixed price forward contracts from time to time for the purchase of a portion of anticipated natural gas purchases based on prevailing market conditions to partially mitigate the financial impacts of natural gas price volatility and to manage commodity risk. These forward contracts qualify for the normal purchases and sales exception under Accounting Standards Codification (“ASC”) 815, *Derivatives and Hedging*, as it is probable that these contracts will result in physical delivery.

Volatility in the natural gas market has impacted and will continue to impact our results of operations and financial performance. Natural gas prices have been on an upward trajectory since June of 2021 and are expected to continue at elevated levels during 2022. During the three months ended June 30, 2022, the price of natural gas increased approximately 53%, which is currently affecting, and has affected, the performance of our business. Volatility in the natural gas market may be caused by disruption in the delivery of fuel, including disruptions as a result of the outbreak or escalation of military hostilities, weather, transportation difficulties, global demand and supply dynamics, labor relations, environmental regulations or the financial viability of fuel suppliers. See “Risk Factors—Risks Related to Our Business—Risks Related to our Power Generation Operations” in Part I, Item 1A of our Annual Report on Form 10-K for the year ended December 31, 2021 and in this Quarterly Report on Form 10-Q.

### **Support Services Segment**

Effective September 14, 2021, following the completion of the Merger (see Notes 1 and 3 in this Quarterly Report on Form 10-Q), Support.com began operating within the Company as a separate operating and reporting segment. Our Support Services segment provides solutions and technical programs to customers delivered by home-based employees. The Support Services segment provides customer service, sales support, and technical support primarily to large corporations, businesses and professional services organizations. The Support Services segment also earns revenues for end-user software products provided through direct customer downloads and sale via partners. The Support Services segment operates primarily in the United States, but also has employees located in Philippines, India, Mexico, Columbia and Canada, including staff providing support services.

### **Development Plan Update**

The Company had mining capacity of approximately 2.5 EH/s from approximately 27,500 miners at June 30, 2022. The Company has revised its development plan and now expects to have at least 3.6 EH/s of mining capacity by the first quarter of 2023. The Company expects to have ample mining infrastructure available at its locations in New York and South Carolina to accommodate this capacity and has substantially all of the mining infrastructure equipment on hand including the required transformers, switchgear, PDUs and portable mining structures. Following a planned upgrade of the electrical service at its location in Spartanburg, South Carolina in late 2022 or early 2023, the Company expects to have 50 megawatts of electrical service available at the site.

In the second quarter of 2022, the Company began to reduce its inventory of older, less efficient mining equipment in order to free up mining capacity for newer more, efficient miners in its order book. The Company expects this trend to continue during the second half of 2022, and the Company may also consider other assets sales, including but not limited to sales of surplus mining infrastructure equipment, to further enhance its liquidity position.

### **Title V Air Permit**

In late June 2022, the New York State Department of Environmental Conservation (“NYDEC”), announced its denial of the Title V air permit renewal for our New York Facility. The Company filed a notice with the NYDEC on July 28, 2022 requesting a hearing on NYDEC’s decision. Having timely completed its application to renew its Title V air permit, the Company is permitted to operate uninterrupted under a State Administrative Procedures Act extension, in full compliance with its existing Title V Air Permit, until four months after final resolution of the adjudicatory hearing process. While no adjudicatory proceedings have been scheduled to date, the Company expects that the appeals process may take a number of years to fully resolve.

## Results of Operations - Three Months Ended June 30

The following should be read in conjunction with our condensed consolidated financial statements and related notes. All comparisons below refer to the second quarter 2022 versus the second quarter 2021, unless otherwise specified.

\$ in thousands	Three Months Ended June 30,		Variance	
	2022	2021	\$	%
Total revenue	\$ 31,339	\$ 16,176	\$ 15,163	94 %
Cost of revenue (exclusive of depreciation and amortization shown below)	18,409	4,724	13,685	290 %
Selling, general and administrative expenses	11,088	3,627	7,461	206 %
Merger and other costs	485	938	(453)	(48 %)
Depreciation and amortization	4,867	1,603	3,264	204 %
Remeasurement of environmental liability	11,109	-	11,109	N/A
Impairment of long-lived assets	71,500	-	71,500	N/A
(Loss) income from operations	(86,119)	5,284	(91,403)	(1730 %)
Other (expense) income:			-	
Interest expense, net	(6,910)	(202)	(6,708)	(3321 %)
Loss on sale of digital assets	(10)	(154)	144	94 %
Gain on sale of assets	629	-	629	N/A
Other income (loss), net	17	(13)	30	N/A
Total other expense, net	(6,274)	(369)	(5,905)	(1600 %)
(Loss) income before income taxes	(92,393)	4,915	(97,308)	N/A
Provision for income taxes	15,489	1,397	14,092	1009 %
Net (loss) income	\$ (107,882)	\$ 3,518	\$ (111,400)	N/A
<b>Adjusted Amounts (a)</b>				
Adjusted (loss) income from operations	\$ (2,937)	\$ 6,222	\$ (9,159)	N/A
Adjusted operating margin	(9.4 %)	38.5 %		
Adjusted net (loss) income	\$ (9,644)	\$ 4,198	\$ (13,842)	N/A
<b>Other Financial Data (a)</b>				
EBITDA (loss)	\$ (80,616)	\$ 6,720	\$ (87,336)	N/A
as a percent of revenues	(257.2 %)	41.5 %		
Adjusted EBITDA	\$ 2,872	\$ 8,065	\$ (5,193)	N/A
as a percent of revenues	9.2 %	49.9 %		

- (a) Adjusted Amounts and Other Financial Data are non-GAAP performance measures. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Measures and Reconciliations" section of this Management's Discussion and Analysis ("MD&A").

## Revenue

\$ in thousands	Three Months Ended June 30,		Variance	
	2022	2021	\$	%
Cryptocurrency datacenter	\$ 20,067	\$ 14,064	\$ 6,003	43 %
Power and capacity	2,859	2,112	747	35 %
Services and other	8,413	-	8,413	N/A
Total revenue	\$ 31,339	\$ 16,176	\$ 15,163	94 %

The components of revenue, expressed as a percentage of total revenue were:

	Three Months Ended June 30,	
	2022	2021
Cryptocurrency datacenter	64 %	87 %
Power and capacity	9 %	13 %
Services and other	27 %	N/A
Total revenue	100 %	100 %

Total revenue increased \$15.2 million, or 94%, to \$31.3 million during the three months ended June 30, 2022 as compared to the prior year period. The increase in revenue was driven primarily by the Cryptocurrency Datacenter and Power Generation segment, specifically our cryptocurrency datacenter operations. The revenue from our cryptocurrency datacenter operations increased due to our

significantly expanded miner fleet over the last year; however, the growth from the miner fleet expansion was significantly offset by lower bitcoin prices. The Support Services segment contributed revenue \$8.4 million during the three month period ended June 30, 2022 as compared to the prior year period in which there was no related revenue included as it was prior to the Merger.

Refer to the "Segment Results of Operations - Three Months Ended June 30" of this MD&A for a more detailed discussion of revenues from the Cryptocurrency Datacenter and Power Generation segment and the Support Services segment.

**Cost of revenue (exclusive of depreciation and amortization)**

\$ in thousands	Three Months Ended June 30,		Variance	
	2022	2021	\$	%
Cryptocurrency datacenter	\$ 11,664	\$ 2,754	\$ 8,910	324 %
Power and capacity	3,172	1,970	1,202	61 %
Services and other	3,573	-	3,573	N/A
Total cost of revenue	\$ 18,409	\$ 4,724	\$ 13,685	290 %
As a percentage of total revenue	58.7 %	29.2 %		

Total cost of revenue, exclusive of depreciation and amortization, increased \$13.7 million, or 290%, to \$18.4 million in the three months ended June 30, 2022 as compared to the prior year period due to the significant increase in cryptocurrency datacenter fleet requiring an increase in the use of megawatt hours ("MWh"). Additionally, the cost of revenue per MWh (exclusive of depreciation and amortization) increased significantly for both cryptocurrency datacenter operations and power and capacity operations primarily due to a significant increase in the natural gas cost per dekatherm, which increased approximately 212% in the three months ended June 30, 2022 as compared to the same period of 2021. The Support Services segment added \$3.6 million to total cost of revenue for the three months ended June 30, 2022 as compared to the prior year period, in which there were no comparable costs as it was prior to the Merger.

Total cost of revenue as a percentage of total revenue increased due primarily to due to the impact of the higher cost of natural gas combined with the lower price of bitcoin on the Cryptocurrency Datacenter and Power Generation segment.

**Selling, general and administrative expenses**

Selling, general and administrative expenses increased \$7.5 million, or 206%, to \$11.1 million for the three months ended June 30, 2022 as compared to the prior year period. The increased costs are a result of higher headcount and administrative expenses including professional fees associated with being a public company. The Company has also incurred increased costs associated with permits for the Company's New York facility. The Support Services segment added \$2.8 million to Selling, general and administrative expenses for the three months ended June 30, 2022 as compared to the prior year period, in which there were no comparable costs as it was prior to the Merger.

**Merger and other costs**

Merger and other costs represented costs associated with the Merger, as well as professional and other fees associated with becoming a publicly traded company during 2021.

**Depreciation and amortization**

Depreciation and amortization increased \$3.3 million, or 204%, to \$4.9 million for the three months ended June 30, 2022 as compared to the prior year period primarily due to the purchase and deployment of additional miners. Additionally, the Merger increased depreciation and amortization by \$0.3 million for the three months ended June 30, 2022 as compared to the prior year period.

**Impairment of long-lived assets**

As a result of the significant reduction in the price of bitcoin and increased energy prices during the three months ended June 30, 2022, the Company recognized a nonrecurring, noncash impairment of \$71.5 million for the assets associated with the Cryptocurrency Datacenter and Power Generation segment to reduce the net book value of the long-lived assets to fair value. Fair value was determined utilizing the market approach. The excess of the book value over the fair value was allocated to the long-lived assets of the Cryptocurrency and Power Generation segment.

As a result of the impairment assessment, the Company has reevaluated the useful lives of the long-lived assets and adjusted the lives of the miners from 5 to 3 years and the lives of plant infrastructure from 15 - 39 years to 10 years effective July 1, 2022.

### **Remeasurement of environmental liabilities**

During the three months ended June 30, 2022, the Company recognized a charge of \$11.1 million for the remeasurement of an environmental liability as a result of an update in the cost estimates associated to coal combustion residual ("CCR") liabilities associated with the property of our New York Facility as part of our continuing evaluation of the site.

### **Income (loss) from operations**

Greenidge reported a loss from operations of \$(86.1) million for the three months ended June 30, 2022 as compared to income from operations of \$5.3 million for the three months ended June 30, 2021. The decline in the income (loss) from operations during the three months ended June 30, 2022 as compared to the prior year period was driven by the nonrecurring, noncash charge of \$71.5 million for the impairment of long-lived assets and the \$11.1 million charge for the remeasurement of an environmental liability described above, as well as lower gross profit from the cryptocurrency datacenter operations caused by the increased natural gas cost, higher depreciation due to the expansion of the datacenter operations and higher costs to support the growth and cost of becoming a public company.

Adjusted loss from operations was \$(2.9) million for the three months ended June 30, 2022 as compared to adjusted income from operations of \$6.2 million in the three months ended June 30, 2021. The decline in the Adjusted (loss) income from operations during the three months ended June 30, 2022 of \$9.2 million in adjusted operating (loss) income as compared to the same period of 2021 is primarily attributable to higher costs of revenues relative to revenue due to the increased cost of natural gas combined with the decline in the price of bitcoin. Additionally, adjusted (loss) income from operations declined due to higher depreciation and amortization, partially offset by the increased bitcoin mining hash rate. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Measures and Reconciliations" section of this MD&A.

### **Other expense, net**

During the three months ended June 30, 2022, Greenidge incurred an increase of \$5.9 million of other expense, primarily due to increased interest expense associated with the incurrence of debt to finance the expansion of the mining fleet.

### **Provision for income taxes**

The Company recognized an income tax provision of \$15.5 million, or an effective tax rate of (16.8%) during the three months ended June 30, 2022 and a provision for income taxes of \$1.4 million, or an effective tax rate of 28.4%, during the three months ended June 30, 2021 due to the recording of a \$15.0 million charge for a valuation allowance during the three months ended June 30, 2022 for deferred tax assets, primarily related to historical net operating loss carryforwards of the Support.com business that was acquired in 2021, due to the reduced profitability caused by the declines in the price of bitcoin and the increased power costs. The effective tax rates for the three months ended June 30, 2021 include the recognition of a deferred tax liability caused by the reorganization from a limited liability company to a corporation during the three months ended March 31, 2021.

### **Net (loss) income**

As a result of the factors described above, Greenidge incurred a net loss of \$(107.9) million for the three months ended June 30, 2022 as compared to net income of \$3.5 million for the three months ended June 30, 2021.

On an adjusted basis, excluding the impact of the impairment of long-lived assets, the remeasurement of environmental liabilities, Merger and other costs, expansions costs and the tax charge for a valuation allowance, adjusted net (loss) income during the three months ended June 30, 2022 would have been (\$9.6) million as compared to \$4.2 million in the same period in 2021. Adjusted net (loss) income is a non-GAAP performance measure. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Measures and Reconciliations" section of this MD&A.

### **Segment Results of Operations - Three Months Ended June 30**

The following summary of Segment revenue and Segment Adjusted EBITDA provides a basis for the discussion that follows. Greenidge evaluates the performance of its reportable segments based on Adjusted EBITDA, which excludes items not indicative of



ongoing business trends. The reported amounts in the table below are from the Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income.

\$ in thousands	Three Months Ended June 30,		Variance	
	2022	2021	\$	%
<b>REVENUE</b>				
Cryptocurrency Datacenter and Power Generation	\$ 22,926	\$ 16,176	\$ 6,750	42 %
Support Services	8,413	-	8,413	N/A
Total Revenue	<u>\$ 31,339</u>	<u>\$ 16,176</u>	<u>\$ 15,163</u>	<u>94 %</u>
<b>SEGMENT ADJUSTED EBITDA</b>				
Cryptocurrency Datacenter and Power Generation	\$ 835	\$ 8,065	\$ (7,230)	(90 %)
Support Services	2,037	-	2,037	N/A
Total Adjusted EBITDA	<u>\$ 2,872</u>	<u>\$ 8,065</u>	<u>\$ (5,193)</u>	<u>(64 %)</u>
<i>Reconciliation to (loss) income before income taxes:</i>				
Depreciation and amortization	(4,867)	(1,603)		
Stock-based compensation	(306)	(407)		
Merger and other costs	(485)	(938)		
Expansion costs	(88)	-		
Interest expense, net	(6,910)	(202)		
Long-lived asset impairment	(71,500)	-		
Remeasurement of environmental liabilities	(11,109)	-		
Consolidated (loss) income before income taxes	<u>\$ (92,393)</u>	<u>\$ 4,915</u>		

### Cryptocurrency Datacenter and Power Generation Segment

The following table provides a summary of key metrics associated with the Cryptocurrency Datacenter and Power Generation segment.

\$ in thousands, except \$ per MWh and average bitcoin price	Three Months Ended June 30,		Variance	
	2022	2021	\$	%
Cryptocurrency datacenter	\$ 20,067	\$ 14,064	6,003	43 %
Power and capacity	2,859	2,112	747	35 %
Total revenue	<u>\$ 22,926</u>	<u>\$ 16,176</u>	<u>6,750</u>	<u>42 %</u>
<b>MWh</b>				
Cryptocurrency datacenter	121,302	63,803	57,499	90 %
Power and capacity	27,799	41,747	(13,948)	(33 %)
<b>Revenue per MWh</b>				
Cryptocurrency datacenter	\$ 165	\$ 220	\$ (55)	(25 %)
Power and capacity	\$ 103	\$ 51	\$ 52	102 %
<b>Cost of revenue (exclusive of depreciation and amortization)</b>				
Cryptocurrency datacenter	\$ 11,664	\$ 2,754	\$ 8,910	324 %
Power and capacity	\$ 3,172	\$ 1,970	\$ 1,202	61 %
<b>Cost of revenue per MWh (exclusive of depreciation and amortization)</b>				
Cryptocurrency datacenter	\$ 96	\$ 43	\$ 53	123 %
Power and capacity	\$ 114	\$ 47	\$ 67	143 %

### Cryptocurrency Datacenter Metrics

Bitcoins produced	621	315	306	97 %
Average bitcoin price	\$ 32,689	\$ 46,694	(14,005)	(30 %)
Average hash rate (EH/s)				193 %
Average difficulty				33 %

## **Revenue**

### *Cryptocurrency datacenter*

For our cryptocurrency datacenter revenue, we generate electricity on-site from our power plant located at the New York Facility and use that electricity to power ASIC miners, generating bitcoin that we then exchange for U.S. dollars or hold in our wallet. Our cryptocurrency datacenter revenue increased by \$6.0 million, or 43%, during the three months ended June 30, 2022 as compared to the prior year period. The increase was attributable to our increased mining fleet resulting in a 193% increase in the average hash rate during the three months ended June 30, 2022. The increased average hash rate, partially offset by a higher average mining difficulty, led to us producing 621 bitcoins in the second quarter of 2022 as compared to 315 bitcoins in the second quarter of 2021. The increased number of bitcoins produced, despite being offset by the 30% lower average bitcoin price in 2022, resulted in the growth in cryptocurrency datacenter revenue.

### *Power and capacity*

Power and capacity revenue at our New York Facility is earned when we sell capacity and energy and ancillary services to the wholesale power grid managed by the NYISO. Through these sales, we earn revenue in three streams: (1) power revenue received based on the hourly price of power, (2) capacity revenue for committing to sell power to the NYISO when dispatched and (3) other ancillary service revenue received as compensation for the provision of operating reserves. Our power and capacity revenue increased \$0.7 million, or 35%, to \$2.9 million during the second quarter of 2022 as compared to the prior year as a result of higher prices, signified by the higher power and capacity revenue per MWh.

## **Segment Adjusted EBITDA**

Segment Adjusted EBITDA for the Cryptocurrency Datacenter and Power Generation segment decreased to \$0.8 million for the second quarter 2022 from \$8.1 million in the second quarter of 2021. The decrease was driven by the increased cost of natural gas and decline in the price of bitcoin, partially offset by the increased bitcoin mining hash rate.

Cryptocurrency datacenter revenue per MWh and power and capacity revenue per MWh are used by management to consider the extent to which it will generate electricity to either produce cryptocurrency or sell power to the New York wholesale power market. Cost of revenue (excluding depreciation and amortization) per MWh represents a measure of the cost of natural gas, emissions credits, payroll and benefits and other direct production costs associated with the MWhs produced to generate the respective revenue category for each MWh utilized. Depreciation and amortization costs are excluded from the cost of revenue (exclusive of depreciation and amortization) per MWh metric; therefore, not all cost of revenues for cryptocurrency datacenter and power and capacity are fully reflected. To the extent any other cryptocurrency datacenters are public or may go public, the cost of revenue (exclusive of depreciation and amortization) per MWh metric may not be comparable because some competitors may include depreciation in their cost of revenue figures.

## **Support Services Segment**

Greenidge acquired Support.com, which constitutes the Support Services segment as of close of business on September 14, 2021. As such, there were no operations included in our consolidated results in the second quarter of 2021. Support Services had revenue of \$8.4 million and Segment Adjusted EBITDA of \$2.0 million in the three months ended June 30, 2022.

The contract associated with the Support Services segment's largest customer, which accounted for approximately 20% of the Company's consolidated revenue during the three months ended June 30, 2022, expires on December 31, 2022, and there are no assurances that the contract will be renewed beyond that date.

## Results of Operations - Six Months Ended June 30

The following table sets forth key components of the results of operations of Greenidge during the six months ended June 30, 2022 and 2021.

\$ in thousands	Six Months Ended June 30,		Variance	
	2022	2021	\$	%
Total revenue	\$ 68,994	\$ 27,239	\$ 41,755	153%
Cost of revenue (exclusive of depreciation and amortization shown below)	34,960	9,146	25,814	282%
Selling, general and administrative expenses	25,480	6,812	18,668	274%
Merger and other costs	698	1,248	(550)	(44%)
Depreciation and amortization	8,845	2,864	5,981	209%
Remeasurement of environmental liability	11,109	-	11,109	N/A
Impairment of long-lived assets	71,500	-	71,500	N/A
(Loss) income from operations	(83,598)	7,169	(90,767)	N/A
Other (expense) income:				
Interest expense, net	(10,262)	(368)	(9,894)	2689%
Interest expense - related party	-	(22)	22	N/A
(Loss) gain on sale of digital assets	(15)	141	(156)	N/A
Gain on sale of assets	629	-	629	N/A
Other income, net	57	6	51	850%
Total other expense, net	(9,591)	(243)	(9,348)	(3847%)
(Loss) income before income taxes	(93,189)	6,926	(100,115)	N/A
Provision for income taxes	15,121	2,129	12,992	610%
Net (loss) income	\$ (108,310)	\$ 4,797	\$ (113,107)	(2358%)
<b>Adjusted Amounts (a)</b>				
Adjusted income from operations	\$ 1,901	\$ 8,417	\$ (6,516)	(77%)
Adjusted operating margin	2.8%	30.9%		
Adjusted net (loss) income	\$ (7,755)	\$ 5,702	\$ (13,457)	N/A
<b>Other Financial Data (a)</b>				
EBITDA (loss)	\$ (74,082)	\$ 10,180	\$ (84,262)	N/A
as a percent of revenues	(107.4%)	37.4%		
Adjusted EBITDA	\$ 12,086	\$ 12,491	\$ (405)	(3%)
as a percent of revenues	17.5%	45.9%		

(a) Adjusted Amounts and Other Financial Data are non-GAAP performance measures. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Measures and Reconciliations" section of this MD&A.

## Revenue

\$ in thousands	Six Months Ended June 30,		Variance	
	2022	2021	\$	%
Cryptocurrency datacenter	\$ 43,300	\$ 23,061	\$ 20,239	88%
Power and capacity	8,782	4,178	4,604	110%
Services and other	16,912	-	16,912	N/A
Total revenue	\$ 68,994	\$ 27,239	\$ 41,755	153%

The components of revenue, expressed as a percentage of total revenue were:

	Six Months Ended June 30,	
	2022	2021
Cryptocurrency datacenter	63%	85%
Power and capacity	13%	15%
Services and other	24%	N/A
Total revenue	100%	100%

Total revenue increased \$41.8 million, or 153%, to \$69.0 million during the six months ended June 30, 2022 as compared to the prior year period. The increase in revenue was driven primarily by the Cryptocurrency Datacenter and Power Generation segment. The

revenue from our cryptocurrency datacenter operations increased due to our significantly expanded miner fleet over the last year; however, the growth from the miner fleet expansion was significantly offset by lower bitcoin prices. The Support Services segment contributed revenue \$16.9 million during the six month period ended June 30, 2022 as compared to the prior year period in which there was no related revenue included as it was prior to the Merger.

Refer to the "Segment Results of Operations - Six Months Ended June 30" of this MD&A for a more detailed discussion of revenues from the Cryptocurrency Datacenter and Power Generation segment and the Support Services segment.

**Cost of revenue (exclusive of depreciation and amortization)**

\$ in thousands	Six Months Ended June 30,		Variance	
	2022	2021	\$	%
Cryptocurrency datacenter	\$ 20,121	\$ 5,150	\$ 14,971	291 %
Power and capacity	7,195	3,996	3,199	80 %
Services and other	7,644	-	7,644	N/A
Total cost of revenue	\$ 34,960	\$ 9,146	\$ 25,814	282 %
As a percentage of total revenue	50.7 %	33.6 %		

Total cost of revenue, exclusive of depreciation and amortization, increased \$25.8 million, or 282%, to \$35.0 million in the six months ended June 30, 2022 as compared to the prior year period due to the significant increase in cryptocurrency datacenter fleet requiring an increase in the use of MWh. Additionally, the cost of revenue per MWh (exclusive of depreciation and amortization) increased significantly for both cryptocurrency datacenter operations and power and capacity operations primarily due to a significant increase in the natural gas cost per dekatherm, which increased approximately 141% in the six months ended June 30, 2022 as compared to the same period of 2021. The Support Services segment added \$7.6 million to total cost of revenue for the six months ended June 30, 2022 as compared to the prior year period, in which there were no comparable costs as it was prior to the Merger.

Total cost of revenue as a percentage of total revenue increased due primarily to due to the impact of the higher cost of natural gas combined with the lower price of bitcoin on the Cryptocurrency Datacenter and Power Generation segment.

**Selling, general and administrative expenses**

Selling, general and administrative expenses increased \$18.7 million, or 274%, to \$25.5 million for the six months ended June 30, 2022 as compared to the prior year period. The increased costs are a result of higher headcount and administrative expenses including professional fees associated with being a public company. The Company has also incurred increased costs associated with permits for the Company's New York facility. The Support Services segment added \$5.4 million to Selling, general and administrative expenses for the six months ended June 30, 2022 as compared to the prior year period, in which there were no comparable costs as it was prior to the Merger.

**Merger and other costs**

Merger and other costs represented costs associated with the Merger, as well as professional and other fees associated with becoming a publicly traded company during 2021.

**Depreciation and amortization**

Depreciation and amortization increased \$6.0 million or 209%, to \$8.8 million for the six months ended June 30, 2022 as compared to the prior year period primarily due to the purchase and deployment of additional miners. Additionally, the Merger increased depreciation and amortization by \$0.7 million for the six months ended June 30, 2022 as compared to the prior year period.

**Impairment of long-lived assets**

As a result of the significant reduction in the price of bitcoin and increased energy prices during the six months ended June 30, 2022, the Company recognized a nonrecurring, noncash impairment of \$71.5 million for the assets associated with the Cryptocurrency Datacenter and Power Generation segment to reduce the net book value of the long-lived assets to fair value. Fair value was determined utilizing the market approach. The excess of the book value over the fair value was allocated to the long-lived assets of the Cryptocurrency and Power Generation segment.

As a result of the impairment assessment, the Company has reevaluated the useful lives of the long-lived assets and adjusted the lives of the miners from 5 to 3 years and the lives of plant infrastructure from 15 - 39 years to 10 years effective July 1, 2022.

### **Remeasurement of environmental liabilities**

During the six months ended June 30, 2022, the Company recognized a charge of \$11.1 million for the remeasurement of an environmental liability as a result of an update in the cost estimates associated to CCR liabilities associated with the Company's New York Facility as part of our continuing evaluation of the site.

### **Income (loss) from operations**

Greenidge reported loss from operations of \$(83.6) million for the six months ended June 30, 2022 as compared to income from operations of \$7.2 million for the six months ended June 30, 2021. The decline in the (loss) income from operations during the six months ended June 30, 2022, was driven by the nonrecurring, noncash charge of \$71.5 million for the impairment of long-lived assets and the \$11.1 million expense for the remeasurement of an environmental liability, as well as higher depreciation and amortization.

Adjusted income from operations was \$1.9 million for the six months ended June 30, 2022, a decrease of \$6.5 million, or 77% as compared to the same period of 2021. The decrease in adjusted operating income is primarily attributable to higher costs of revenues relative to revenue due to the increased cost of natural gas combined with the decline in the price of bitcoin. Additionally, adjusted income from operations declined due to higher depreciation and amortization. These negative impacts on Adjusted income from operations were partially offset by the increased bitcoin mining hash rate. Adjusted income from operations is a non-GAAP performance measure. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Measures and Reconciliations" section of this MD&A.

### **Other expense, net**

During the six months ended June 30, 2022 as compared to the prior period, Other expense, net increased \$9.3 million primarily due to increased interest expense associated with the incurrence of debt to finance the expansion of the mining fleet.

### **Provision for income taxes**

The Company recognized an income tax provision of \$15.1 million, or an effective tax rate of (16.2%) during the six months ended June 30, 2022 and a provision for income taxes of \$2.1 million, or an effective tax rate of 30.7%, during the six months ended June 30, 2021 due to the recording of a \$15.0 million charge for a valuation allowance during the six months ended June 30, 2022 for the deferred tax assets, primarily related to historical net operating loss carryforwards of the Support.com business that was acquired in 2021, due to the reduced profitability caused by the declines in the price of bitcoin and the increased power costs. The effective tax rates for the six months ended June 30, 2021 include the recognition of a deferred tax liability caused by the reorganization from an LLC to a corporation during the three months ended March 31, 2021.

### **Net (loss) income**

As a result of the factors described above, Greenidge incurred a net loss of \$(108.3) million for the six months ended June 30, 2022 as compared to net income of \$4.8 million for the six months ended June 30, 2021.

On an adjusted basis, excluding the after-tax impact of the impairment of long-lived assets, the remeasurement of environmental liabilities, Merger and other costs, expansions costs and the tax charge for the recognition of a valuation allowance on deferred tax assets, adjusted net (loss) income during the six months ended June 30, 2022 would have been (\$7.8) million as compared to \$5.7 million in the same period in 2021. Adjusted net (loss) income is a non-GAAP performance measure. A reconciliation of reported amounts to adjusted amounts can be found in the "Non-GAAP Measures and Reconciliations" section of this MD&A.

### **Segment Results of Operations - Six Months Ended June 30**

The following summary of Segment revenue and Segment Adjusted EBITDA provides a basis for the discussion that follows. Greenidge evaluates the performance of its reportable segments based on Adjusted EBITDA, which excludes items not indicative of

ongoing business trends. The reported amounts in the table below are from the Condensed Consolidated Statements of Operations and Comprehensive (Loss) Income.

\$ in thousands	Six Months Ended June 30,		Variance	
	2022	2021	\$	%
<b>REVENUE</b>				
Cryptocurrency Datacenter and Power Generation	\$ 52,082	\$ 27,239	\$ 24,843	91 %
Support Services	16,912	-	16,912	N/A
Total Revenue	<u>\$ 68,994</u>	<u>\$ 27,239</u>	<u>\$ 41,755</u>	<u>153 %</u>
<b>SEGMENT ADJUSTED EBITDA</b>				
Cryptocurrency Datacenter and Power Generation	\$ 8,181	\$ 12,491	\$ (4,310)	(35 %)
Support Services	3,905	-	3,905	N/A
Total Adjusted EBITDA	<u>\$ 12,086</u>	<u>\$ 12,491</u>	<u>\$ (405)</u>	<u>(3 %)</u>
<i>Reconciliation to (loss) income before income taxes:</i>				
Depreciation and amortization	(8,845)	(2,864)		
Stock-based compensation	(669)	(1,063)		
Merger and other costs	(698)	(1,248)		
Expansion costs	(2,192)	-		
Interest expense, net	(10,262)	(390)		
Long-lived asset impairment	(71,500)	-		
Remeasurement of environmental liabilities	(11,109)	-		
Consolidated (loss) income before income taxes	<u>\$ (93,189)</u>	<u>\$ 6,926</u>		

### Cryptocurrency Datacenter and Power Generation Segment

The following table provides a summary of key metrics associated with the Cryptocurrency Datacenter and Power Generation segment.

Revenue	Six Months Ended June 30,		Variance	
	2022	2021	\$	%
\$ in thousands, except \$ per MWh and average bitcoin price				
Cryptocurrency datacenter	\$ 43,300	\$ 23,061	20,239	88 %
Power and capacity	8,782	4,178	4,604	110 %
Total revenue	<u>\$ 52,082</u>	<u>\$ 27,239</u>	<u>24,843</u>	<u>91 %</u>
<b>MWh</b>				
Cryptocurrency datacenter	222,392	112,089	110,303	98 %
Power and capacity	81,060	82,075	(1,015)	(1 %)
<b>Revenue per MWh</b>				
Cryptocurrency datacenter	\$ 195	\$ 206	\$ (11)	(5 %)
Power and capacity	\$ 108	\$ 51	\$ 57	113 %
<b>Cost of revenue (exclusive of depreciation and amortization)</b>				
Cryptocurrency datacenter	\$ 20,121	\$ 5,150	\$ 14,971	291 %
Power and capacity	\$ 7,195	\$ 3,996	\$ 3,199	80 %
<b>Cost of revenue per MWh (exclusive of depreciation and amortization)</b>				
Cryptocurrency datacenter	\$ 90	\$ 46	\$ 44	97 %
Power and capacity	\$ 89	\$ 49	\$ 40	82 %
<b>Cryptocurrency Datacenter Metrics</b>				
Bitcoins produced	1,182	528	654	124 %
Average bitcoin price	\$ 36,974	\$ 45,952	(8,978)	(20 %)
Average hash rate (EH/s)				222 %
Average difficulty				30 %

### *Cryptocurrency datacenter*

For its cryptocurrency datacenter revenue, we generate electricity on-site from our power plant located at the New York Facility and use that electricity to power ASIC miners, generating bitcoin that we then exchange for U.S. dollars or hold in our wallet. Our cryptocurrency datacenter revenue increased by \$20.2 million, or 88%, during the six months ended June 30, 2022 as compared to the prior period. The increase was attributable to our increased mining fleet resulting in a 222% increase in the average hash rate during the six months ended June 30, 2022. The increased average hash rate, partially offset by a higher average mining difficulty, led to us producing 1,182 bitcoins in the first six months of 2022 as compared to 528 bitcoins in the first six months of 2021. The increased number of bitcoins produced, partially offset by the lower average bitcoin price in 2022, resulted in the growth in cryptocurrency datacenter revenue.

### *Power and capacity*

Power and capacity revenue at our New York Facility is earned when we sell capacity and energy and ancillary services to the wholesale power grid managed by the NYISO. Through these sales, we earn revenue in three streams, including: (1) power revenue received based on the hourly price of power, (2) capacity revenue for committing to sell power to the NYISO when dispatched and (3) other ancillary service revenue received as compensation for the provision of operating reserves. Our power and capacity revenue increased 110% to \$8.8 million during the first six months of 2022 as a result of higher prices, signified by the higher power and capacity revenue per MWh, and an increase in volume, signified by the increase in power and capacity MWh. Due to more severe weather in the month of January 2022 as compared to 2021, we curtailed cryptocurrency datacenter operations at the New York Facility for a period of time when there was a spike in power demand, which coincided with higher prices for electricity.

### ***Segment Adjusted EBITDA***

Segment Adjusted EBITDA for the Cryptocurrency Datacenter and Power Generation segment decreased to \$8.2 million for the first six months of 2022 from \$12.5 million in the first six months of 2021. The decrease in Segment Adjusted EBITDA was driven by the increased cost of natural gas and lower price of bitcoin, partially offset by the bitcoin mining hash rate.

Cryptocurrency datacenter revenue per MWh and power and capacity revenue per MWh are used by management to consider the extent to which it will generate electricity to either produce cryptocurrency or sell power to the New York wholesale power market. Cost of revenue (excluding depreciation and amortization) per MWh represents a measure of the cost of natural gas, emissions credits, payroll and benefits and other direct production costs associated with the MWhs produced to generate the respective revenue category for each MWh utilized. Depreciation and amortization costs are excluded from the cost of revenue (exclusive of depreciation and amortization) per MWh metric; therefore, not all cost of revenues for cryptocurrency datacenter and power and capacity are fully reflected. To the extent any other cryptocurrency datacenters are public or may go public, the cost of revenue (exclusive of depreciation and amortization) per MWh metric may not be comparable because some competitors may include depreciation in their cost of revenue figures.

### **Support Services Segment**

Greenidge acquired Support.com, which constitutes the Support Services segment as of close of business on September 14, 2021. As such, there were no operations included in our consolidated results in the first six months of 2021. Support Services had revenue of \$16.9 million and Segment Adjusted EBITDA of \$3.9 million in the six months ended June 30, 2022.

The contract associated with the Support Services segment's largest customer, which accounted for approximately 18% of the Company's consolidated revenue during the six months ended June 30, 2022, expires on December 31, 2022, and there are no assurances that the contract will be renewed beyond that date.

### **Critical Accounting Policies and Estimates**

The most significant accounting estimates involve a high degree of judgment or complexity. Management believes the estimates and judgments most critical to the preparation of our condensed consolidated financial statements and to the understanding of our reported financial results include those made in connection with goodwill and intangible assets, accounts receivable, digital assets, emissions expense and credits, environmental and asset retirement obligations and revenue recognition. Management evaluates its policies and assumptions on an ongoing basis.

Our significant accounting policies related to these accounts in the preparation of our condensed consolidated financial statements are described under the heading "Management Discussion and Analysis of Financial Condition and Results of Operations – Critical

Accounting Policies and Estimates” in our Annual Report on Form 10-K for the year ended December 31, 2021. As of the date of this filing, there were no significant changes to any of the critical accounting policies and estimates previously described in our Annual Report on Form 10-K for the year ended December 31, 2021 with the exception of those described below.

#### *Environmental Obligations*

The Company has coal combustion residual (“CCR”) liabilities associated with the closure of a coal ash pond located on the Company’s property in the Town of Torrey, New York. In accordance with ASC 410-30, the Company has a liability of \$13.8 million as of June 30, 2022, which includes a charge of \$11.1 million during the three months ended June 30, 2022 as a result of an update to the cost estimates as part of the Company’s ongoing evaluation of the site. Estimates are based on various assumptions including, but not limited to, closure and post-closure cost estimates, timing of expenditures, escalation factors, and requirements of granted permits. Additional adjustments to the environment liability may occur periodically due to potential changes in remediation requirements regarding coal combustion residuals which may lead to material changes in estimates and assumptions.

#### *Long-lived Assets*

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets may not be fully recoverable. To determine recoverability of a long-lived asset, management evaluates whether the estimated future undiscounted net cash flows from the asset are less than its carrying amount. If impairment is indicated, the long-lived asset would be written down to fair value.

As a result of the significant reduction in the price of bitcoin and increased energy prices during the three months ended June 30, 2022, the Company recognized a noncash impairment charge of \$71.5 million for the assets associated with the Cryptocurrency Datacenter and Power Generation segment to reduce the net book value of the long-lived assets to fair value. Fair value was based upon a market approach. The excess of the book value over the estimated fair value was allocated to the long-lived assets of the Cryptocurrency and Power Generation segment.

#### **Non-GAAP Measures and Reconciliations**

The following non-GAAP measures are intended to supplement investors’ understanding of our financial information by providing measures which investors, financial analysts and management use to help evaluate our operating performance. Items which we do not believe to be indicative of ongoing business trends are excluded from these calculations so that investors can better evaluate and analyze historical and future business trends on a consistent basis. Definitions of these non-GAAP measures may not be comparable to similar definitions used by other companies. These results should be considered in addition to, not as a substitute for, results reported in accordance with GAAP.

#### ***EBITDA and Adjusted EBITDA***

“EBITDA” is defined as earnings before interest, taxes, and depreciation and amortization. “Adjusted EBITDA” is defined as EBITDA adjusted for stock-based compensation and other special items determined by management, including, but not limited to costs associated with the Merger, costs of becoming a public company (which included the costs of corporate reorganization from an limited liability company, public registration of shares and associated costs), business expansion costs, fair value adjustments for certain financial liabilities (including asset retirement obligations), costs associated with debt and equity transactions, and impairment charges as they are not indicative of business operations. Adjusted EBITDA is intended as a supplemental measure of our performance that is neither required by, nor presented in accordance with, GAAP. Management believes that the use of EBITDA and Adjusted EBITDA provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. However, you should be aware that when evaluating EBITDA and Adjusted EBITDA, we may incur future expenses similar to those excluded when calculating these measures. In addition, our presentation of these measures should not be construed as an inference that its future results will be unaffected by unusual or non-recurring items. Our computation of Adjusted EBITDA may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate Adjusted EBITDA in the same fashion.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using EBITDA and Adjusted EBITDA on a supplemental basis. You should review the reconciliation of net loss (income) to EBITDA (loss) and Adjusted EBITDA above and not rely on any single financial measure to evaluate our business.



\$ in thousands	Three Months Ended June 30,		Six Months Ended June 30,	
	2022	2021	2022	2021
<b>Adjusted operating income (loss)</b>				
(Loss) income from operations	\$ (86,119)	\$ 5,284	\$ (83,598)	\$ 7,169
Merger and other costs	485	938	698	1,248
Expansion costs	88	-	2,192	-
Impairment of long-lived assets	71,500	-	71,500	-
Remeasurement of environmental liability	11,109	-	11,109	-
Adjusted (loss) income from operations	<u>\$ (2,937)</u>	<u>\$ 6,222</u>	<u>\$ 1,901</u>	<u>\$ 8,417</u>
Adjusted operating margin	(9.4%)	38.5%	2.8%	30.9%
<b>Adjusted net (loss) income</b>				
Net (loss) income	\$ (107,882)	\$ 3,518	\$ (108,310)	\$ 4,797
Merger and other costs, after tax	485	680	698	905
Expansion costs, after tax	88	-	2,192	-
Impairment of long-lived assets, after tax	71,500	-	71,500	-
Remeasurement of environmental liability, after tax	11,109	-	11,109	-
Tax charge for valuation allowance	15,056	-	15,056	-
Adjusted net (loss) income	<u>\$ (9,644)</u>	<u>\$ 4,198</u>	<u>\$ (7,755)</u>	<u>\$ 5,702</u>
<b>EBITDA (loss) and Adjusted EBITDA</b>				
Net (loss) income	\$ (107,882)	\$ 3,518	\$ (108,310)	\$ 4,797
Provision for income taxes	15,489	1,397	15,121	2,129
Interest expense, net	6,910	202	10,262	390
Depreciation and amortization	4,867	1,603	8,845	2,864
EBITDA (loss)	(80,616)	6,720	(74,082)	10,180
Stock-based compensation	306	407	669	1,063
Merger and other costs	485	938	698	1,248
Expansion costs	88	-	2,192	-
Impairment of long-lived assets	71,500	-	71,500	-
Remeasurement of environmental liability	11,109	-	11,109	-
Adjusted EBITDA	<u>\$ 2,872</u>	<u>\$ 8,065</u>	<u>\$ 12,086</u>	<u>\$ 12,491</u>

### Liquidity and Capital Resources

On June 30, 2022, we had cash and cash equivalents of \$66.4 million. To date, we have primarily relied on debt and equity financing to fund our operations and to meet ongoing working capital needs and to execute on the initial stages of our business plan. During the first half of 2022, we obtained approximately \$108 million of additional committed financings, of which approximately \$98 million was funded through June 30, 2022, through two different agreements described further below.

We may seek to raise capital through alternative sources, such as a public offering, an additional private placement of our equity or debt securities or traditional or non-traditional credit facilities. If we raise additional equity financing, our stockholders may experience significant dilution of their ownership interests, and the per share value of our class A common stock could decline. Furthermore, if we engage in additional debt financing, the debt holders would likely have priority over our stockholders, on order of payment preference.

While we held a relatively small amount of digital assets for an extended period as of June 30, 2022, our current business strategy is to sell digital assets within a short period after earning such assets. We may choose to change this strategy in the future. The average period between receipt of bitcoin and the subsequent conversion to cash is less than one day because at least 95% of the bitcoin mined each day is liquidated the same day it is mined. Our liquidity is subject to volatility in both number of bitcoins mined and the underlying price of bitcoin.

## Contractual Obligations and Commitments

The following table summarizes our contractual obligations and other commitments as of June 30, 2022, and the years in which these obligations are due:

<u>\$ in thousands</u>	<u>Total</u>	<u>Remainder of 2022</u>	<u>2023-2024</u>	<u>2025-2026</u>	<u>Thereafter</u>
Debt payments	\$ 220,146	\$ 54,568	\$ 81,104	\$ 84,474	\$ -
Leases	441	200	241	-	-
Miner and other purchase commitments	31,700	31,700	-	-	-
Environmental obligations	22,415	-	16,500	5,915	-
Natural gas transportation	15,642	948	3,792	3,792	7,110
Total	<u>\$ 290,344</u>	<u>\$ 87,416</u>	<u>\$ 101,637</u>	<u>\$ 94,181</u>	<u>\$ 7,110</u>

The debt payments included in the table above include the principal, interest and risk premium amounts due. The lease payments include fixed monthly rental payments and exclude any variable payments.

At June 30, 2022, we had \$92.0 million of cash on deposit for future miner purchases and have significant future commitments related to these purchases included in the table above.

Our operating cash flows are affected by several factors including the price of bitcoin and cost of electricity and natural gas; therefore, we may require additional capital in order to meet the commitments above. During the three months ended June 30, 2022, the Company's profit and cash flows are impacted significantly by volatility in the prices of bitcoin and natural gas. The ability to continue as a going concern is dependent upon the Company generating profitable operations in the future and/or obtaining the necessary financing to meet its obligations and repay its liabilities arising from normal business operations when they come due. Management has evaluated different options to improve its liquidity to fund the Company's expenses and to support the Company's debt servicing requirements. These options include, but are not limited to:

- selling or monetizing certain assets, including but not limited to sales of additional miners, sales of surplus mining infrastructure equipment, or sales of unannounced and undeveloped locations the Company was evaluating for expansion;
- issuances of equity, including but not limited to issuances under the Equity Purchase Agreement;
- migrating certain of its equipment to lower cost locations; and
- negotiating with lenders to modify the terms of certain of the Company's existing financings.

In the Company's efforts to further improve liquidity, Greenidge and the Noteholder amended the Secured Promissory Note on August 10, 2022. The amendment is discussed further below under "*Secured Promissory Note*". The Company has received proceeds of \$57.3 million since October 2021 from sales of common stock under the original and amended Equity Purchase Agreements, of which \$2.4 million proceeds, net of discounts, was received during the three months ended June 30, 2022. Additionally, the Company has sold certain of its miners and other assets during the three months ended June 30, 2022 for proceeds of \$1.9 million.

While the Company believes it will be successful in its efforts to implement the options to improve liquidity, which will allow it to meet its financial commitments for at least the next twelve months, there can be no assurance that these efforts will be successful. Management's ability to successfully implement these options could be negatively impacted by items outside of our control, in particular, significant decreases in the price of bitcoin, regulatory changes concerning cryptocurrency, increases in energy costs or other macroeconomic conditions (including if further COVID-19 outbreaks require further statewide shutdowns) and the other matters identified in Part I, Item 1A "*Risk Factors*" of our Annual Report on Form 10-K for the year ended December 31, 2021 and Part II, Item 1A "*Risk Factors*" of this Quarterly Report on Form 10-Q.

## Summary of Cash Flow

The following table provides information about our net cash flow (in thousands) for the six months ended June 30, 2022 and 2021.

\$ in thousands	Six Months Ended June 30,	
	2022	2021
Net cash provided by operating activities	\$ 3,155	\$ 9,402
Net cash used in investing activities	(103,748)	(29,581)
Net cash provided by financing activities	84,376	53,017
Net change in cash and cash equivalents	(16,217)	32,838
Cash and cash equivalents at beginning of year	82,599	5,052
Cash and cash equivalents at end of period	\$ 66,382	\$ 37,890

### Operating Activities

Net cash provided by operating activities was \$3.2 million for the six months ended June 30, 2022, as compared to \$9.4 million for the six months ended June 30, 2021. The decrease in the operating cash flow during the first six months of 2022 as compared to 2021 was driven primarily by the lower profits caused by the decrease in the price of bitcoin and the higher cost of power in 2022 than in 2021.

### Investing Activities

Net cash used in investing activities was \$103.7 million for the six months ended June 30, 2022, as compared to \$29.6 million for the six months ended June 30, 2021. For the six months ended June 30, 2022, purchases of and deposits for property and equipment significantly increased as compared to the prior year due to the expansion of our miner fleet and infrastructure for cryptocurrency datacenter operations.

### Financing Activities

Net cash provided by financing activities was \$84.4 million for the six months ended June 30, 2022, as compared to \$53.0 million for the six months ended June 30, 2021. For the six months ended June 30, 2022, the net cash provided by financing activities consisted of \$96.6 million of net proceeds from debt and \$5.9 million of net proceeds from issuance of common stock, offset by \$18.0 million of payments of debt principal and finance lease obligations. For the six months ended June 30, 2021, the net cash provided by financing activities consisted of \$37.1 million in proceeds from issuance of preferred stock, \$17.1 million of net proceeds from debt and finance lease obligations and \$1.0 million of proceeds from stock options exercised, partially offset by \$2.2 million of payments debt principal and capital lease obligations.

### Master Equipment Finance Agreement

On March 21, 2022, Greenidge, as guarantor, together with its wholly-owned subsidiaries GTX Gen 1 Collateral LLC, GNY Collateral LLC and GSC Collateral LLC (collectively, the "Borrowers") entered into a Master Equipment Finance Agreement (the "NYDIG Financing Agreement") with NYDIG ABL LLC ("NYDIG"), as lender, whereby NYDIG agreed to lend to the Borrowers approximately \$81 million under loan schedules that were partially funded for approximately \$70.9 million through June 30, 2022 to finance the acquisition of certain bitcoin miners and related equipment (the "Financed Equipment"). The Borrower's obligations under the NYDIG Financing Agreement are fully and unconditionally guaranteed by Greenidge. Outstanding borrowings under the NYDIG Financing Agreement are secured by all assets of the Borrowers including without limitation the Financed Equipment and proceeds thereof (including bitcoin). The partially funded loan schedules bear interest at a rate of 13% per annum and have terms of twenty-five months. Certain loan schedules are interest-only for a specified period and otherwise payments on loan schedules include both an interest and principal payment.

### Secured Promissory Note

In addition to the NYDIG Financing Agreement, on March 18, 2022, Greenidge also issued a secured promissory note, as borrower, in favor of B. Riley Commercial Capital, LLC, as noteholder (the "Noteholder"), evidencing a \$26.5 million aggregate principal amount loan by the Noteholder to the Company (the "Secured Promissory Note"). The Secured Promissory Note is guaranteed by certain of Greenidge's wholly-owned subsidiaries: Greenidge South Carolina LLC, GSC RE LLC and 300 Jones Road LLC. The loan outstanding under the Secured Promissory Note bears interest at a rate of 6% per annum and originally matured on July 20, 2022, subject to up to five 30-day extensions that may be elected by Greenidge provided no Event of Default (as defined therein) has occurred and is continuing and Greenidge pays an Exit Fee (as defined therein) to the Noteholder. The Secured Promissory Note is secured by a first priority mortgage lien on certain real property together with related improvements, fixtures and personal property located at the South Carolina Facility. Greenidge's obligations under the Secured Promissory Note may be prepaid in whole or in part without penalties or fees.

On August 10, 2022, Greenidge and the Noteholder agreed to amend the terms of the Secured Promissory Note, by extending the maturity to June 2023, reducing scheduled monthly amortization payments and revising the interest rate to 7.5%. The Exit Fees associated with the four 30-day extensions subsequent to August 10, 2022, were accelerated and added to the principal balance as of

that date. The principal balance following the amendment was \$16.4 million as of August 10, 2022. Additionally mandatory repayments of the Secured Promissory Note were revised, such that 65% of the net cash proceeds received from sales of stock under the 2022 Purchase Agreement shall be paid to Noteholder to repay the Secured Promissory Note.

Refer to Note 7, Debt, to the Condensed Consolidated Financial Statements of this Quarterly Report on Form 10-Q for a further discussion of the Company's debt.

#### **Off-Balance Sheet Arrangements**

None.

#### **Emerging Growth Company Status**

We qualify as an "emerging growth company" under the Jumpstart our Business Startups Act ("JOBS Act"). As a result, we are permitted to, and intend to, rely on exemptions from certain disclosure requirements. For so long as we are an emerging growth company, we will not be required to:

- have an auditor report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act;
- comply with any requirement that may be adopted by the Public Company Accounting Oversight Board regarding mandatory audit firm rotation or a supplement to the auditor's report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);
- submit certain executive compensation matters to shareholder advisory votes, such as "say-on-pay," "say-on-frequency" and pay ratio; and
- disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the CEO's compensation to median employee compensation.

In addition, Section 107 of the JOBS Act also provides that an emerging growth company can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act for complying with new or revised accounting standards.

In other words, an emerging growth company can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to take advantage of the benefits of this extended transition period. Its financial statements may therefore not be comparable to those of companies that comply with such new or revised accounting standards.

We will remain an "emerging growth company" for up to five years, or until the earliest of (i) the last day of the first fiscal year in which our total annual gross revenues exceed \$1.07 billion, (ii) the date that we become a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of our class A common stock that are held by non-affiliates exceeds \$700 million as of the last business day of our most recently completed second fiscal quarter, or (iii) the date on which we have issued more than \$1 billion in non-convertible debt during the preceding three year period.

#### **Item 3. Quantitative and Qualitative Disclosures About Market Risk**

Not required for smaller reporting companies.

**Item 4. Controls and Procedures**

The Company's management, including its Chief Executive Officer and Chief Financial Officer, have conducted an evaluation of the effectiveness of disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded as of June 30, 2022, that the disclosure controls and procedures are effective in ensuring that all material information required to be filed in this Quarterly Report on Form 10-Q has been recorded, processed, summarized and reported when required and the information is accumulated and communicated to the Company's management, including its Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

There have not been any changes in the Company's internal control over financial reporting that occurred during the second quarter of 2022 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

**Item 1. Legal Proceedings**

From time to time, we may become involved in various lawsuits and legal proceedings that arise in the ordinary course of business. However, litigation is subject to inherent uncertainties, and an adverse result in such matters may arise and harm our business. We are currently not aware of any such legal proceedings or claims that we believe will have a material adverse effect on our business, financial condition or operating results. For information on legal proceedings, refer to Note 13. Commitments and Contingencies—Legal Matters in our unaudited condensed consolidated financial statements included elsewhere in this report.

On December 17, 2020, certain parties filed an Article 78 petition with the Supreme Court of the State of New York, Yates County, that challenges the Town of Torrey’s site plan review for the planned expansion of our cryptocurrency datacenter. We were joined in the petition as a necessary party. The petition asserts, among other things, a violation of the State of New York Environmental Quality Review Act for failing to identify all areas of environmental concern or appropriately review the potential environmental impacts of the planned expansion of our data center. On April 7, 2022, the Supreme Court denied the petition with prejudice, upholding the Town of Torrey’s site plan review on multiple, independent grounds. A notice of appeal has been filed but the appeal has not yet been perfected. The petitioners have until October 20, 2022, to do so, at which point, the appeal will proceed before the Appellate Division, Fourth Department. If they fail to do so, the appeal will be deemed abandoned. If the appeal proceeds, it may be time-consuming and costly, divert management resources, require us to change, postpone or halt the construction of our planned cryptocurrency datacenter expansion, or have other adverse effects on our business. In addition, costly and time-consuming litigation could be necessary to enforce our approved building rights.

**Item 1A. Risk Factors**

*In evaluating our company and our business, you should carefully consider the risks and uncertainties described in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2021 together with updates to those risk factors or new risk factors contained in this Quarterly Report on Form 10-Q below and any other information in this Quarterly Report on Form 10-Q, including our consolidated financial statements and the related notes and in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations”. The occurrence of one or more of the events or circumstances described in these risk factors, alone or in combination with other events or circumstances, may have a material adverse effect on our business, reputation, revenue, financial condition, results of operations and future prospects, in which case the market price of our common stock could decline. Unless otherwise indicated, reference in this section and elsewhere in this Quarterly Report on Form 10-Q to our business being adversely affected, negatively impacted or harmed will include an adverse effect on, or a negative impact or harm to, our business, reputation, financial condition, results of operations, revenue and our future prospects. The material and other risks and uncertainties included in our Annual Report on Form 10-K, summarized above in this Quarterly Report on Form 10-Q and described below are not intended to be exhaustive and are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. This Quarterly Report on Form 10-Q also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described below. Certain statements in the Risk Factors below are forward-looking statements. See the section titled “Cautionary Statement Regarding Forward-Looking Statements”.*

Our business is subject to numerous risks and uncertainties, which illuminate challenges that we face in connection with the successful implementation of our strategy and the growth of our business. Our business, prospects, financial condition or operating results could be harmed by any of these risks, as well as other risks not currently known to us or that we currently consider immaterial.

**Risks Related to Our Business***Risks Related to Our Business Generally*

***It may take significant time, expenditure or effort for us to grow our business, including our cryptocurrency datacenter operations, through acquisitions, and our efforts may not be successful.***

The number of bitcoin and other cryptocurrency datacenter companies has greatly increased in recent years. As we and other bitcoin/cryptocurrency datacenter companies seek to grow mining capacity or access additional sources of electricity to power growing datacenter operations, the acquisition of existing cryptocurrency datacenter companies and standalone electricity production facilities may become an attractive avenue of growth. Currently, we source our electricity for our cryptocurrency datacenter facility in New York from our captive 106 MW power generation facility. If we determine to expand our operations, we may want to do so through the acquisition of additional bitcoin or other cryptocurrency datacenter businesses or electricity generating power plants. We acquired and commenced operations at our Spartanburg, SC facility in December 2021; however, there can be no assurance that additional expansions will commence or that the expected benefits and advantages of such expansion will be realized. Further

attractive acquisition targets may not be available to us for a number of reasons, such as growing competition for attractive targets, economic or industry sector downturns, geopolitical tensions, regulatory changes, environmental challenges, increases in the cost of additional capital needed to close business combination or operate targets post-business combination. Our inability to identify and consummate acquisitions of attractive targets could have a material and adverse impact on our long-term growth prospects, which could materially adversely affect our results of operations, strategy and financial performance.

Additionally, we may engage in the acquisition of other companies, investments, joint ventures and strategic alliances outside of our Support Services segment's current line of business to design and develop new technologies and products, to strengthen competitiveness by scaling up and to expand our existing business line into new regions. Such transactions, especially in new lines of business, inherently involve risk due to the difficulties in integrating operations, technologies, products and personnel. Integration issues are complex, time-consuming and expensive and, without proper planning and implementation, may adversely affect the existing business. We may incur significant acquisition, administrative and other costs in connection with these transactions, including costs related to integration or restructuring of acquired businesses. These investments may not provide a return or lead to an increase in our Support Services segment's operating results, and the benefits of these investments may not be obtained. There can be no assurance that these transactions will be beneficial to our Support Services segment's results of operations or financial condition. Even assuming these transactions are beneficial, there can be no assurance that we will be able to successfully integrate the new business lines acquired or achieve all or any of the initial objectives of these transactions.

***We have been, are currently, and may be in the future, the subject of legal proceedings, including governmental investigations, relating to our products or services.***

On December 17, 2020, certain parties filed an Article 78 petition with the Supreme Court of the State of New York, Yates County, that challenges the Town of Torrey's site plan review for the planned expansion of our cryptocurrency datacenter. We were joined in the petition as a necessary party. The petition asserts, among other things, a violation of the State of New York Environmental Quality Review Act for failing to identify all areas of environmental concern or appropriately review the potential environmental impacts of the planned expansion of our data center. On April 7, 2022, the Supreme Court denied the petition with prejudice, upholding the Town of Torrey's site plan review on multiple, independent grounds. A notice of appeal has been filed but the appeal has not yet been perfected. The petitioners have until October 20, 2022, to do so, at which point, the appeal will proceed before the Appellate Division, Fourth Department. If they fail to do so, the appeal will be deemed abandoned. If the appeal proceeds, it may be time-consuming and costly, divert management resources, require us to change, postpone or halt the construction of our planned cryptocurrency datacenter expansion, or have other adverse effects on our business. In addition, costly and time-consuming litigation could be necessary to enforce our approved building rights.

***Our substantial level of indebtedness and our current liquidity constraints could adversely affect our financial condition and our ability to service our indebtedness, which could negatively impact your ability to recover your investment in our common stock.***

Liquidity risk is the risk that we will not be able to meet our financial obligations as they fall due. We currently settle our financial obligations out of cash and cash equivalents. We have a planning and budgeting process to help determine the funds required to support our normal spending requirements on an ongoing basis and our expansion plans.

We have a substantial amount of indebtedness, which requires significant interest payments. As of June 30, 2022, we and our subsidiaries had approximately \$183 million aggregate principal amount of indebtedness outstanding. Our substantial level of indebtedness and the current constraints on our liquidity could have important consequences, including the following:

- we must use a substantial portion of our cash flow from operations to pay interest and principal on our indebtedness, which reduces or will reduce funds available to us for other purposes, such as working capital, capital expenditures, other general corporate purposes and potential acquisitions;
- our ability to refinance such indebtedness or to obtain additional financing for working capital, capital expenditures, acquisitions or general corporate purposes may be impaired;
- our leverage may be greater than that of some of our competitors, which may put us at a competitive disadvantage and reduce our flexibility in responding to current and changing industry and financial market conditions;
- there are significant constraints on our ability to generate liquidity through incurring additional debt; and
- we may be more vulnerable to economic downturn, further declines in the price of bitcoin or increases in the price of natural gas, and other adverse developments in our business.

We and our subsidiaries may be able to incur substantial additional indebtedness in the future, subject to the restrictions contained in the agreements governing our indebtedness. To the extent new indebtedness is added to our debt levels, the related risks that we now face could intensify.

Our ability to meet our expenses and to make future principal and interest payments in respect of our debt depends on, among other factors, our operating performance, competitive developments and financial market conditions, all of which are significantly affected by financial, business, economic and other factors. We are not able to control many of these factors. Given current industry and economic conditions, our cash flow may not be sufficient to allow us to pay principal and interest on our debt and meet our other obligations.

#### Risk Related to Bitcoin and Cryptocurrency Industry

***Our future success will depend significantly on the price of bitcoin, which is subject to risk and has historically been subject to wide swings and significant volatility.***

Our operating results depend significantly on the price of bitcoin because it is the only cryptocurrency asset that we currently mine. Specifically, our revenues from our cryptocurrency datacenter operations are based principally on two factors: (1) our mining payouts from our third-party mining pools; and (2) the price of bitcoin. Accordingly, a decrease in the price of bitcoin will result in a decrease in our revenues. Moreover, the price of bitcoin has historically been subject to wide swings and significant volatility. This means that our operating results may be subject to significant volatility. Bitcoin prices have historically been volatile and impacted by a variety of factors, including market perception, the degree to which bitcoin is accepted as a means of payment, the volume of purchases and sales of bitcoin by market participants, real or perceived competition from alternative cryptocurrencies as well as other risks and uncertainties described in this Quarterly Report on Form 10-Q. For example, the price of bitcoin ranged from a low of approximately \$30,000 to a high of approximately \$68,000 during 2021, and has ranged from approximately \$19,000 to approximately \$48,000 year-to-date as of June 30, 2022. Ongoing depressed cryptocurrency prices, including the recent decrease in the price of bitcoin, have resulted in, and could further result in, adverse effects on our business, financial condition, results of operations and growth prospects, which could significantly impact our ability to continue as a going concern or to pursue our strategy at all.

While some retail and commercial outlets accept bitcoin as a means of payment, consumers' payment by bitcoin to such retail and commercial outlets remains limited. Conversely, a significant portion of bitcoin demand is generated by speculators and investors seeking to profit from the short- or long-term holding of bitcoin. Many industry commentators believe that bitcoin's best use case is as a store of wealth, rather than as a currency for transactions, and that other cryptocurrencies having better scalability and faster settlement times will better serve as currency. This could limit bitcoin's acceptance as transactional currency. A lack of expansion by bitcoin into retail and commercial markets, or a contraction of such use, may result in increased volatility or a further reduction in the price of bitcoin, either of which could adversely affect our results of operations.

As a result of the depressed price of bitcoin as compared to its historical high, the cryptocurrency industry has experienced increased credit pressures that could result in additional demands for credit support by third parties or decisions by banks, surety bond providers, investors or other companies to reduce or eliminate their exposure to bitcoin and the cryptocurrency industry as a whole, including our company. These credit pressures have had, and may continue to have, a material impact on our business, including, for example, banks, investors and other companies reducing or eliminating their exposure to the cryptocurrency industry, which could materially and adversely impact our business, financial condition and results of operations.

#### Risks Related to our Power Generation Operations

***Obtaining and complying with required government permits and approvals may be time-consuming and costly.***

We and our affiliates are required to obtain, and to comply with, numerous permits and licenses from federal, state and local governmental agencies. The process of obtaining and renewing necessary permits and licenses can be lengthy and complex, requiring up to months or years for approval depending on the nature of the permit or license and such process could be further complicated or extended in the event regulations change. In addition, obtaining such permit or license can sometimes result in the establishment of conditions that create a significant ongoing impact to the nature or costs of operations or even make the project or activity for which the permit or license was sought unprofitable or otherwise unattractive. In addition, such permits or licenses may be subject to denial, revocation or modification under various circumstances. Failure to obtain or comply with the conditions of permits or licenses, or failure to comply with applicable laws or regulations, may result in the delay or temporary suspension of our operations and electricity sales or the curtailment of our delivery of electricity to our customers and may subject us to penalties and other sanctions. Although various regulators routinely renew existing permits and licenses, renewal of our existing permits or licenses could be denied or jeopardized by various factors, including failure to provide adequate financial assurance for closure, failure to comply with environmental, health and safety laws and regulations or permit conditions, local community, political or other opposition and executive, legislative or regulatory action.

On June 30, 2022, the NYSDEC denied our Title V Air Permit renewal application. Our existing Title V Air Permit allows us to fire natural gas to produce electricity in accordance with the permit requirements, which remains valid and in effect until four months after



the final resolution of the appeal process. We intend to challenge NYSDEC's decision, however, this challenge will cause us to incur additional costs and will result in the diversion of management attention, which could adversely affect our business, financial condition and results of operations.

Our inability to procure and comply with the permits and licenses required for these operations, including the Title V Air Permit, or the cost to us of such procurement or compliance, could have a material adverse effect on us. In addition, new environmental legislation or regulations, if enacted, or changed interpretations of existing laws, may cause activities at our facilities to need to be changed to avoid violating applicable laws and regulations or eliciting claims that historical activities at our facilities violated applicable laws and regulations. In addition to the possible imposition of fines in the case of any such violations, we may be required to undertake significant capital investments and obtain additional operating permits or licenses, which could have a material adverse effect on us.

### **Risks Related to the Ownership of Our Securities**

***Because there is a risk as to our ability to continue as a going concern for a reasonable period of time, an investment in our common stock is highly speculative. Holders of our common stock could suffer a total loss of their investment.***

Our ability to continue as a going concern is dependent on our ability to generate profitable operations in the future and/or obtain the necessary financing to meet our obligations and repay our liabilities arising from normal business operations when they come due. We have experienced periods of losses and negative operating cash flows as a result of decreases in bitcoin prices and increases in natural gas prices, which are currently affecting, and have affected the performance of our business. Additional adverse developments affecting these industries could have a material adverse effect on our business, financial condition and results of operations.

Management has evaluated different options to improve our liquidity to fund our expenses and to support our debt servicing requirements. These options include, but are not limited to, selling or monetizing certain assets; issuances of equity, including but not limited to issuances under the Equity Purchase Agreement; migrating certain of our equipment to lower cost locations; and negotiating with lenders to modify the terms of certain of our existing financings. On August 10, 2022, B. Riley agreed to amend and restate the Promissory Note by extending the maturity to June 2023, reducing scheduled monthly amortization payments and reducing mandatory prepayments. Additionally, we sold certain of our mining equipment during the three months ended June 30, 2022.

While we believe we will be successful in our efforts to implement the options to improve liquidity, which will allow us to meet our financial commitments for at least the next twelve months, there can be no assurance that these efforts will be successful.

***The market price, trading volume and marketability of our class A common stock may be significantly affected by numerous factors beyond our control.***

The market price and trading volume of our class A common stock may fluctuate and/or decline. Recently, the trading price of our class A common stock has declined significantly. When the price of bitcoin declines, our stock price has historically fallen as well. We may experience similar outcomes in the future if our stock price continues to track the price of bitcoin. Furthermore, if the market for bitcoin company stocks or the stock market in general experiences a loss of investor confidence, the trading price of our stock could decline for reasons unrelated to our business, operating results or financial condition. The trading price of our class A common stock could be subject to arbitrary pricing factors that are not necessarily associated with traditional factors that influence stock prices or the value of non-cryptocurrency assets such as revenue, cash flows, profitability, growth prospects or business activity levels since the value and price, as determined by the investing public, may be influenced by future anticipated adoption or appreciation in value of cryptocurrencies or blockchains generally, factors over which we have little or no influence or control.

Additionally, there are many other factors that are beyond our control that may materially adversely affect the market price of our class A common stock, the marketability of our class A common stock and our ability to raise capital through equity financings. These factors include, but are not limited to, the following:

- the underlying volatility in pricing of, and demand for, energy and/or bitcoin;
- price and volume fluctuations in the stock markets generally which create highly variable and unpredictable pricing of equity securities;
- actual or anticipated variations in our annual or quarterly results of operations, including our earnings estimates and whether we meet market expectations with regard to our earnings;
- significant volatility in the market price and trading volume of securities of companies in the sectors in which our business operates, which may not be related to the operating performance of these companies and which may not reflect the performance of our businesses;

- loss of a major funding source;
- operating performance of companies comparable to us;
- changes in regulations or tax law, including those affecting the holding, transferring or mining of cryptocurrency;
- share transactions by principal stockholders;
- recruitment or departure of key personnel;
- geopolitical factors, including Russia’s invasion of Ukraine;
- general economic trends and other external factors including inflation and interest rates;
- increased scrutiny by governmental authorities or individual actors or community groups regarding our business, our competitors or the industry in which we operate;
- publication of research reports by analysts and others about us or the cryptocurrency mining industry, which may be unfavorable, inaccurate, inconsistent or not disseminated on a regular basis;
- sentiment of retail investors about our class A common stock and business generally (including as may be expressed on financial trading and other social media sites and online forums);
- speculation in the media or investment community about us or the cryptocurrency industry more broadly; and
- the occurrence of any of the other risk factors included in this Quarterly Report on Form 10-Q.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds**

On September 15, 2021, we entered into a purchase agreement (the “2021 Purchase Agreement”), with B. Riley Principal Capital, LLC (“BRPC”) pursuant to which we had the right to sell to BRPC up to \$500 million in shares of class A common stock, subject to certain limitations and the satisfaction of specified conditions in the 2021 Purchase Agreement, from time to time over the 24-month period commencing on October 6, 2021. On April 6, 2022, we and BRPC mutually agreed to terminate the 2021 Purchase Agreement, effective immediately on such date. From January 1, 2022 to April 6, 2022, we issued 415,000 shares of our class A common stock to BRPC under the Purchase Agreement. We intend to use the net proceeds for general corporate purposes, including funding capital expenditures, future acquisitions, investments and working capital and repaying indebtedness.

On April 7, 2022, we entered into a common stock purchase agreement, as amended by Amendment No. 1 to Common Stock Purchase Agreement dated as of April 13, 2022 (as amended, the “2022 Purchase Agreement”) with BRPC, pursuant to which we have the right to sell to BRPC up to \$500 million in shares of class A common stock, subject to certain limitations and the satisfaction of specified conditions in the 2022 Purchase Agreement, from time to time over the 24-month period commencing on April 28, 2022. From April 28, 2022 to June 30, 2022, we issued 553,587 shares of our class A common stock to BRPC under the Purchase Agreement. We intend to use the net proceeds, if any, for general corporate purposes, including funding capital expenditures, future acquisitions, investments and working capital and repaying indebtedness.

The sales of the above securities were deemed to be exempt from registration under the Securities Act in reliance upon Section 4(a)(2) of the Securities Act. The recipients of the securities in each of these transactions represented their intentions and appropriate legends were placed upon the stock certificates issued in these transactions.

**Item 3. Defaults Upon Senior Securities**

None.

**Item 4. Mine Safety Disclosures**

Not applicable.

**Item 5. Other Information**

Not applicable.

## Item 6. Exhibits

The exhibits listed on the Exhibit Index are filed or furnished as part of this Quarterly Report.

### Exhibit Index

<u>Exhibit No.</u>	<u>Description</u>
10.1	<a href="#"><u>Secured Promissory Note, dated March 18, 2022, by Greenidge Generation Holdings Inc., as borrower, in favor of B. Riley Commercial Capital, LLC (incorporated by reference to Exhibit 10.1 to the Company's Report on Form 8-K filed on March 24, 2022)</u></a>
10.2	<a href="#"><u>Master Equipment Finance Agreement, dated as of March 21, 2022, by and among GTX Gen 1 Collateral LLC, GNY Collateral LLC, GSC Collateral LLC, Greenidge Generation Holdings Inc., each guarantor party thereto, and NYDIG ABL LLC, as lender, servicer and collateral agent (incorporated by reference to Exhibit 10.2 to the Company's Report on Form 8-K filed on March 24, 2022)</u></a>
10.3	<a href="#"><u>Purchase Agreement, dated as of April 7, 2022, between Greenidge Generation Holdings Inc. and B. Riley Principal Capital, LLC (incorporated by reference to Exhibit 10.1 to the Company's Report on Form 8-K filed on April 8, 2022)</u></a>
10.4	<a href="#"><u>Registration Rights Agreement, dated as of April 7, 2022, between Greenidge Generation Holdings Inc. and B. Riley Principal Capital, LLC (incorporated by reference to Exhibit 10.2 to the Company's Report on Form 8-K filed on April 8, 2022)</u></a>
10.5	<a href="#"><u>Amendment No. 1 to Common Stock Purchase Agreement, dated as of April 13, 2022, between Greenidge Generation Holdings Inc. and B. Riley Principal Capital, LLC (incorporated by reference to Exhibit 10.1 to the Company's Report on Form 8-K filed on April 14, 2022)</u></a>
10.6*	<a href="#"><u>Amended and Restated Bridge Promissory Note, dated August 10, 2022, by Greenidge Generation Holdings Inc., as borrower, in favor of B. Riley Commercial Capital, LLC</u></a>
10.7*	<a href="#"><u>Executive Employment Agreement, dated as of August 15, 2022, by and between Greenidge Generation Holdings Inc. and Dale Irwin.</u></a>
31.1*	<a href="#"><u>Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u></a>
31.2*	<a href="#"><u>Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002</u></a>
32.1*	<a href="#"><u>Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>
32.2*	<a href="#"><u>Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002</u></a>
101	Interactive data files pursuant to Rule 405 of Regulation S-T: (i) the Balance Sheets, (ii) the Statements of Operations, (iii) the Statements of Cash Flows and (iv) the Notes to Unaudited Condensed Interim Consolidated Financial Statements.
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

\* Furnished herewith.

+ Certain schedules and exhibits have been omitted pursuant to Item 601(a)(5) or Item 601(b)(2) of Regulation S-K. We hereby undertake to furnish copies of the omitted schedule or exhibit upon request by the Securities and Exchange Commission.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 15, 2022

**Greenidge Generation Holdings Inc.**

By:   /s/ Jeffrey E. Kirt  
**Jeffrey E. Kirt**  
**Chief Executive Officer**

Date: August 15, 2022

By:   /s/ Robert Loughran  
**Robert Loughran**  
**Chief Financial Officer**

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## AMENDED AND RESTATED BRIDGE PROMISSORY NOTE

**Amendment and Restatement Effective Date:** August 10, 2022 (the “**Amendment and Restatement Effective Date**”)

**Original Effective Date:** March 18, 2022 (the “**Original Effective Date**”)

FOR VALUE RECEIVED, and subject to the terms and conditions set forth herein, **GREENIDGE GENERATION HOLDINGS INC.**, a Delaware corporation (the “**Borrower**”), hereby unconditionally promises to pay to the order of **B. RILEY COMMERCIAL CAPITAL, LLC** or its assigns (the “**Noteholder**,” and together with the Borrower, the “**Parties**”), the principal amount of **Sixteen Million Three Hundred Eighty-Nine Thousand Seven Hundred Eighty-Two and 91/100 Dollars (\$16,389,782.91)**, together with all accrued interest thereon and all accrued fees as provided in this Bridge Promissory Note (as amended, restated, supplemented, or otherwise modified from time to time, the “**Note**”).

1. Definitions; Interpretation.

1.1 Capitalized terms used herein shall have the meanings set forth in this 11.

“**300 Jones Road**” refers to 300 Jones Road LLC, a Delaware limited liability company and an indirect Subsidiary of the Borrower.

“**Additional Incremental Amount**” means \$497,409.81 which amount, on the Amendment and Restatement Effective Date, shall be added to the outstanding principal amount of the Loan.

“**Affiliate**” as to any Person, means any other Person that, directly or indirectly through one or more intermediaries, is in control of, is controlled by, or is under common control with, such Person. For purposes of this definition, “control” of a Person means the power, directly or indirectly, either to (a) vote ten percent (10%) or more of the securities having ordinary voting power for the election of directors (or persons performing similar functions) of such Person or (b) direct or cause the direction of the management and policies of such Person, whether by contract or otherwise.

“**Amendment and Restatement Effective Date**” has the meaning set forth above.

“**Anti-Corruption Laws**” means all laws, rules, and regulations of any jurisdiction applicable to the Borrower from time to time concerning or relating to bribery or corruption, including the United States Foreign Corrupt Practices Act of 1977.

“**Applicable Rate**” means the per annum rate equal to (i) from the Closing Date to but not including the Amendment and Restatement Effective Date, six percent (6.0%) and (ii) from and after the Amendment and Restatement Effective Date, seven and one-half percent (7.5%).

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**“Beneficial Ownership Regulation”** has the meaning set forth Section 13.10.

**“Borrower”** has the meaning set forth in the introductory paragraph.

**“Business Day”** means a day other than a Saturday, Sunday, or other day on which commercial banks in New York City are authorized or required by law to close.

**“Cash Equivalents”** as to any Person, means (a) securities issued or directly and fully guaranteed or insured by the United States or any agency or instrumentality thereof (provided that the full faith and credit of the United States is pledged in support thereof) having maturities of not more than one year from the date of acquisition by such Person, (b) time deposits and certificates of deposit of any commercial bank having, or which is the principal banking subsidiary of a bank holding company organized under the laws of the United States, any State thereof or, the District of Columbia having capital, surplus, and undivided profits aggregating in excess of Five Hundred Million and No/100 Dollars (\$500,000,000.00), having maturities of not more than one year from the date of acquisition by such Person, (c) repurchase obligations with a term of not more than thirty (30) days for underlying securities of the types described in clause (a) above entered into with any bank meeting the qualifications specified in clause (b) above, (d) commercial paper issued by any issuer rated at least A-1 by S&P or at least P-1 by Moody’s (or carrying an equivalent rating by a nationally recognized rating agency if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally), and in each case maturing not more than two hundred and seventy (270) days after the date of acquisition by such Person, or (e) investments in money market funds substantially all of whose assets are comprised of securities of the types described in clauses (a) through (d) above.

**“Change of Control”** means (a) any Person or group of persons within the meaning of § 13(d)(3) of the Securities Exchange Act of 1934 becomes the beneficial owner, directly or indirectly, of fifty percent (50%) or more of the outstanding Equity Interests of the Borrower, or (b) individuals who constitute the Continuing Directors of the Borrower on the Original Effective Date cease for any reason to constitute at least a majority of the board of directors of the Borrower, or (c) Borrower shall cease to own and control, of record and beneficially, directly or indirectly, one hundred percent (100%) of the aggregate ordinary voting power represented by the issued and outstanding Equity Interests of any Guarantor.

**“Closing Date”** means the date on which the conditions precedent set forth in Section 12 are satisfied or waived.

**“Continuing Director”** means a director who either was a member of the board of directors of the Borrower on Original Effective Date or who becomes a member of the board of directors subsequent to that date and whose election, appointment or nomination for election by the stockholders of the Borrower is duly approved by a majority of the continuing directors on the board of directors at the time of such approval by such election or appointment.

**“Debt”** of means as to any Person (the “primary obligor”), without duplication, all (a) indebtedness for borrowed money; (b) obligations for the deferred purchase price of property or services, except trade payables arising in the ordinary course of business which are not past due; (c) obligations evidenced by notes, bonds, debentures, or other similar instruments; (d) obligations as lessee under capital leases; (e) obligations in respect of any interest rate swaps, currency exchange agreements, commodity swaps, caps, collar agreements, or other hedge agreements entered into by the primary obligor providing for protection against fluctuations in interest rates, currency exchange rates, or commodity prices, or the exchange of nominal interest obligations, either generally or under specific contingencies; (f) obligations under acceptance facilities and letters of credit; (g) guaranties, endorsements (other than for collection or deposit in the ordinary course of business), and other contingent obligations to purchase, to provide funds for payment, to supply funds to invest in, or otherwise to assure a creditor against loss, in each case, in respect of indebtedness set out in clauses (a) through (f) of a Person other than the primary obligor; (h) indebtedness set out in clauses (a) through (g) of a Person other than the primary obligor secured by any lien on any asset of the primary obligor, whether or not such indebtedness has been assumed by the primary obligor; and (i) indebtedness of any partnership, unlimited liability company, or unincorporated joint venture in which the primary obligor is a general partner, member, or a joint venturer, respectively (unless such Debt is expressly made non-recourse to the primary obligor).

**“Default”** means any of the events specified in 2210 which constitute an Event of Default or which, upon the giving of notice, the lapse of time, or both, pursuant to 2210, would, unless cured or waived, become an Event of Default.

**“Default Rate”** means the Applicable Rate plus 9.0%.

**“Disposition”** or **“Dispose”** means the sale, transfer, license, lease, or other disposition (whether in one transaction or in a series of transactions, and including any sale and leaseback transaction) of any asset or property (including, without limitation, any Equity Interests) by any Person (or the granting of any option or other right to do any of the foregoing), including any sale, assignment, transfer, or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

**“Dollars”** means the lawful currency of the United States.

**“ELOC”** means that certain \$500.0 million committed equity line of credit evidenced by that certain Purchase Agreement, dated as of April 7, 2022 (as amended, restated, supplemented or otherwise modified from time to time), between the Borrower and B. Riley Principal Capital, LLC.

**“Environmental Law”** means any federal, State and local laws, statutes, ordinances, rules, regulations, standards, policies and other government directives or requirements, as well as common law, that, at any time, apply to Borrower and Guarantor or the Property and relate to Hazardous Materials, including, without limitation, the

Comprehensive Environmental Response, Compensation and Liability Act and the Resource Conservation and Recovery Act.

“**Environmental Report**” refers to the environmental report delivered to Noteholder in connection with the Mortgage, such environmental report to be in form, scope and substance satisfactory to the Noteholder.

“**Equity Interests**” means any and all shares, interests, participations, or other equivalents (however designated) of capital stock of a corporation, any and all equivalent ownership (or profit) interests in a Person (other than a corporation), securities convertible into or exchangeable for shares of capital stock of (or other ownership or profit interests in) such Person, and any and all warrants, rights, or options to purchase any of the foregoing, whether voting or nonvoting, and whether or not such shares, warrants, options, rights, or other interests are authorized or otherwise existing on any date of determination.

“**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended from time to time.

“**ERISA Affiliate**” means an entity, whether or not incorporated, that is under common control with the Borrower within the meaning of §4001 of ERISA or is part of a group that includes the Borrower and that is treated as a single employer under §414 of the Code.

“**Event of Default**” has the meaning set forth in 2210.

“**Fee Letter**” means, individually and collectively, that certain (i) Fee and Advisory Letter, dated as of the Original Effective Date, between the Borrower and B. Riley Securities, Inc., (ii) Advisory Fee Letter, dated as of the Amendment and Restatement Effective Date, between the Borrower and B. Riley Securities, Inc. and (iii) each other Fee Letter entered into between the Borrower, Noteholder and/or B. Riley Securities, Inc. in connection with this Note; each as amended, restated, supplemented, or otherwise modified from time to time.

“**GAAP**” means generally accepted accounting principles, consistently applied, in the United States of America as in effect from time to time.

“**Guarantor**” means, individually and collectively as the context requires, (i) Greenidge South Carolina LLC, a Delaware limited liability, (ii) GSC RE LLC, a Delaware limited liability company, (iii) 300 Jones Road, and (iv) each other Person that becomes a guarantor hereunder pursuant to the terms hereof.

“**Guaranty**” means, collectively and individually as the context may require, (i) that certain Guaranty, dated as of the Original Effective Date, executed by Greenidge South Carolina LLC, a Delaware limited liability company, in favor of the Noteholder, (ii) that certain Guaranty, dated as of the Original Effective Date, executed by GSC RE LLC, a Delaware limited liability, in favor of the Noteholder, (iii) that certain Guaranty, dated as of



the Original Effective Date, executed by 300 Jones Road in favor of the Noteholder, and (iv) each other guaranty executed after the Original Effective Date by any Person in favor of the Noteholder to guarantee the obligations under this Note and the other Loan Documents; in each case, as amended, restated, supplemented or otherwise modified ad/or confirmed from time to time.

“**Governmental Authority**” means the government of any nation or any political subdivision thereof, whether at the national, state, territorial, provincial, municipal or any other level, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of, or pertaining to, government, in each case, as the context may require, having jurisdiction over any of the Parties, any of the Loan Documents, or any collateral of the Loan.

“**Indemnified Party**” has the meaning set forth in Section 13.2(b).

“**Interest Payment Date**” means, subject to Section 3.2 and Section 3.3, the twentieth day of each calendar month, commencing on April 20, 2022.

“**Investments**” has the meaning set forth in Section 9.5.

“**Law**” as to any Person, means the certificate of incorporation and by-laws or other organizational or governing documents of such Person, and any law (including common law), statute, ordinance, treaty, rule, regulation, order, decree, judgment, writ, injunction, settlement agreement, requirement or determination of an arbitrator or a court or other Governmental Authority, in each case applicable to or binding upon such Person or any of its property or to which such Person or any of its property is subject.

“**Lien**” means with respect to any Person, any security interest, lien, encumbrance or other similar interest granted or suffered to exist by such Person in any real or personal property, asset or other right owned or being purchased or acquired by such Person (including an interest in respect of a capital lease) which secures payment or performance of any obligation and shall include any mortgage, lien, encumbrance, title retention lien, charge or other security interest of any kind, whether arising by contract, as a matter of law, by judicial process or otherwise.

“**Loan**” means the loan evidenced by this Note.

“**Loan Documents**” means, collectively, this Note, the Fee Letter, each Guaranty, the Mortgage, any other collateral security agreements or assignments and all other agreements, confirmations, documents, certificates, and instruments executed and delivered to the Noteholder by the Borrower or any Guarantor in connection therewith, in each case as any or all of the same may be supplemented, amended, restated and/or replaced from time to time.

“**Mandatory Repayment**” has the meaning set forth in Section 3.3.

**“Margin Regulations”** means Regulations T, U and X of the Federal Reserve Board, as amended.

**“Margin Stock”** means “margin stock” as defined in the Margin Regulations, including any debt security which is by its terms convertible into “Margin Stock”.

**“Material Adverse Effect”** means a material adverse effect on (a) the business, assets, properties, liabilities (actual or contingent), operations, condition (financial or otherwise) or prospects of the Borrower or any Guarantor; (b) the validity or enforceability of the Note, any Guaranty, the Mortgage or any other Loan Document; (c) the perfection or priority of any Lien purported to be created under the Mortgage; (d) the rights or remedies of the Noteholder hereunder, under any Guaranty, under the Mortgage or under any other Loan Document; or (d) the Borrower’s or, as applicable, a Guarantor’s ability to perform any of its material obligations hereunder, under the applicable Guaranty, under the Mortgage or under any other Loan Document.

**“Material Contracts”** with respect to any Person, means each contract to which such Person is a party involving aggregate consideration payable by or to such Person equal to at least Five Million and No/100 Dollars (\$5,000,000.00) annually or which is otherwise material to the business, condition (financial or otherwise), operations, performance, properties, or prospects of such Person.

**“Maturity Date”** means the earlier of (a) June 20, 2023 and (b) the date on which all amounts under this Note shall become due and payable pursuant to 2511.

**“Mortgage”** means the Hypothecated Mortgage, Assignment of Rents and Security Agreement from 300 Jones Road to the Noteholder with respect to the Property (as amended, restated, supplemented or otherwise modified and/or confirmed from time to time).

**“Multiemployer Plan”** means a Plan which is a multiemployer plan as defined in § 4001(a)(3) of ERISA to which the Borrower or any ERISA Affiliate makes or is obligated to make contributions.

**“net cash proceeds”** means, as of the date of determination, any cash proceeds net of underwriting discounts or commissions, and legal, accounting and other expenses directly related to the applicable offering.

**“Note”** has the meaning set forth in the introductory paragraph.

**“Noteholder”** has the meaning set forth in the introductory paragraph.

**“OFAC”** means the U.S. Department of the Treasury’s Office of Foreign Assets Control.

**“Original Effective Date”** has the meaning set forth above.

“**Original Loan Amount**” means the loan funded on the Closing Date and evidenced by this Note in the aggregate original principal amount of Twenty-Six Million Five Hundred Thousand and No/100 Dollars (\$26,500,000.00).

“**Parties**” has the meaning set forth in the introductory paragraph.

“**PATRIOT Act**” means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (Title III of Pub. L. 107-56, signed into law October 26, 2001).

“**PBGC**” means the Pension Benefit Guaranty Corporation established pursuant to Subtitle A of Title IV of ERISA (or any successor thereto).

“**Permitted Liens**” means, collectively, (a) the Liens and security interests created by the Loan and Loan Documents; (b) any Lien, encumbrances and other matters disclosed in a title policy issued to 300 Jones Road with respect to the property subject to the Mortgage and acceptable to the Noteholder; (c) any Lien, if any, for taxes or fees in lieu of taxes imposed by any Governmental Authority not yet due or delinquent or which are otherwise being contested in compliance with this Note and do not give rise to a Material Adverse Effect; (d) any lease to any Affiliate of Borrower subject to and subordinated to the Mortgage, in form, scope and substance satisfactory to the Noteholder; (e) immaterial transfers of portions of the Property for dedication and/or the granting of easements, restrictions, covenants, reservations and rights of way in the ordinary course of business for access, water and sewer lines, telephone or other fiber optic or other data transmission lines, electric lines or other utilities or for other similar purposes, **provided** that no such transfer, conveyance or encumbrance set forth in this clause (e) shall impair the utility, operation and value of the Property or could reasonably be expected to give rise to a Material Adverse Effect; (f) zoning ordinances, building codes, entitlements, subdivision Laws and restrictions or other similar land use requirements or restrictions which are imposed by any Governmental Authority having jurisdiction over the Property which are not violated in any material respect by the current use of such Property; (g) unsecured obligations to tenants and other Persons (e.g., real estate leasing brokers) in connection with leases of the Property which are in effect as of Original Effective Date or otherwise entered into in accordance with the Loan Documents; (h) any workers’, mechanics’ or other similar Liens on the Property; (i) such other title and survey exceptions as the Noteholder has approved or may approve in writing in the Noteholder’s sole discretion; (j) Liens securing Debt permitted under Section 9.1(c); and (k) purchase money liens and liens securing capital leases obligations with unaffiliated third parties entered into in the ordinary course of business securing Debt permitted under Section 9.1(e) hereof.

“**Person**” means any individual, corporation, limited liability company, trust, joint venture, association, company, limited or general partnership, unincorporated organization, Governmental Authority, or other entity.

“**Plan**” at any one time, means any “employee benefit plan” that is covered by ERISA and in respect of which the Borrower or an ERISA Affiliate is (or, if such plan were

terminated at such time, would under §4062 or §4069 of ERISA be deemed to be) an “employer” as defined in §3(5) of ERISA.

“**Property**” has the meaning given to such term in the Mortgage.

“**Related Parties**” with respect to any Person, means such Person’s Affiliates and the directors, officers, employees, partners, agents, trustees, administrators, managers, advisors, and representatives of it and its Affiliates.

“**Reportable Event**” means any of the events set forth in §4043(c) of ERISA, other than those events as to which the thirty (30) day notice period is waived.

“**Sanctioned Country**” means, at any time, a country or territory which is itself the subject or target of any comprehensive or country-wide Sanctions.

“**Sanctioned Person**” means, at any time, (a) any Person listed in any Sanctions-related list of designated Persons maintained by a Sanctions Authority; (b) any Person operating, organized, or resident in a Sanctioned Country, (c) any Person owned or controlled by any such Person or Persons described in the foregoing clauses (a) or (b), or (d) any Person that is the subject or target of any Sanctions.

“**Sanctions**” mean all economic or financial sanctions or trade embargoes imposed, administered, or enforced from time to time by a Sanctions Authority.

“**Sanctions Authority**” means OFAC, the U.S. Department of State, the United Nations Security Council, the European Union, any EU member state, Her Majesty’s Treasury of the United Kingdom, Canada, or other relevant sanctions authority.

“**Solvent**” with respect to any Person as of any date of determination, means that on such date (a) the present fair salable value of the property and assets of such Person exceeds the debts and liabilities, including contingent liabilities, of such Person, (b) the present fair salable value of the property and assets of such Person is greater than the amount that will be required to pay the probable liability of such Person on its debts and other liabilities, including contingent liabilities, as such debts and other liabilities become absolute and matured, (c) such Person does not intend to incur, or believe that it will incur, debts and liabilities, including contingent liabilities, beyond its ability to pay such debts and liabilities as they become absolute and matured, and (d) such Person does not have unreasonably small capital with which to conduct the business in which it is engaged as such business is now conducted and is proposed to be conducted. The amount of contingent liabilities at any time shall be computed as the amount that, in the light of all the facts and circumstances existing at such time, represents the amount that can reasonably be expected to become an actual or matured liability.

“**Subsidiary**” as to any Person, means any corporation, partnership, limited liability company, joint venture, trust, or estate of or in which more than fifty percent (50%) of (a) the issued and outstanding capital stock having ordinary voting power to elect a

majority of the board of directors of such corporation (irrespective of whether at the time capital stock of any other class of such corporation may have voting power upon the happening of a contingency), (b) the interest in the capital or profits of such partnership, limited liability company, or joint venture or, (c) the beneficial interest in such trust or estate is at the time directly or indirectly owned or controlled through one or more intermediaries, or both, by such Person. Unless otherwise qualified, all references to a “Subsidiary” or to “Subsidiaries” in this Note shall refer to a Subsidiary or Subsidiaries of the Borrower.

“**Taxes**” means any and all present or future income, stamp, or other taxes, levies, imposts, duties, deductions, charges, fees, or withholdings imposed, levied, withheld, or assessed by any Governmental Authority, together with any interest, additions to tax, or penalties imposed thereon and with respect thereto.

**1.2 Interpretation.** For purposes of this Note (a) the words “include,” “includes,” and “including” shall be deemed to be followed by the words “without limitation”; (b) the word “or” is not exclusive; and (c) the words “herein,” “hereof,” “hereby,” “hereto,” and “hereunder” refer to this Note as a whole. The definitions given for any defined terms in this Note shall apply equally to both the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine, and neuter forms. Unless the context otherwise requires, references herein to: (x) Schedules, Exhibits, and Sections mean the Schedules, Exhibits, and Sections of this Note; (y) an agreement, instrument, or other document means such agreement, instrument, or other document as amended, supplemented, and modified from time to time to the extent permitted by the provisions thereof; and (z) a statute means such statute as amended from time to time and includes any successor legislation thereto and any regulations promulgated thereunder. This Note shall be construed without regard to any presumption or rule requiring construction or interpretation against the party drafting an instrument or causing any instrument to be drafted.

## **2. Bridge Loan.**

2.1 Subject to the terms and conditions of this Note, the Noteholder had made a bridge loan to the Borrower on the Closing Date in a principal amount equal to the Original Loan Amount. The amount borrowed under this Section 2, to the extent repaid or prepaid, may not be reborrowed.

2.2 Subject to the terms and conditions of this Note, on the Amendment and Restatement Effective Date the outstanding principal amount of the Loan shall be increased by the Additional Incremental Amount, such that following such increase, the aggregate principal amount of the Loan on the Amendment and Restatement Effective Date shall be as set forth in first paragraph of this Note.

2.3 Borrower confirms that, as of the Amendment and Restatement Effective Date but prior to giving effect to this Note, Borrower has paid to Noteholder \$10,764,977.13 of principal payments (whether scheduled, optional or mandatory).

## **3. Payment Dates; Prepayments.**

### 3.1 Payment Dates.

(a) The aggregate unpaid principal amount of the Loan, all accrued and unpaid interest thereon, and all other amounts payable under this Note shall be due and payable on the Maturity Date, subject to Sections 3.2 or 3.3 or in 2511.

(b) The Borrower shall repay (or, subject to the terms hereof, has repaid with respect to amounts prior to the Amendment and Restatement Effective Date) the Loan to the Noteholder in installments (each such installment herein referred to as a “**Scheduled Amortization Amount**”) of (i) from April 20, 2022 to the Amendment and Restatement Effective Date in the amount of \$2,100,000 and (ii) following the Amendment and Restatement Effective Date, subject to Section 3.3(c) below, in the amount of \$1,489,980.26, in each of sub-clauses (i) and (ii), each such Scheduled Amortization Amount payable on the twentieth calendar day of each month during the term of the Loan; provided, however, if any such payment date is not a Business Day, then the applicable Scheduled Amortization Amount shall be due as set forth in Section 6.3, and with the final Scheduled Amortization Amount to be paid on the Maturity Date, together with the aggregate outstanding principal balance of the Loan.

**3.2 Optional Prepayments.** The Borrower may prepay the Loan in whole or in part at any time or from time to time by paying on the date of prepayment, the principal amount to be prepaid together with, accrued interest thereon to the date of prepayment, but without premium or penalty. No prepaid amount may be reborrowed.

**1.1 Mandatory Repayments.** The Borrower shall be required to repay the outstanding principal balance of the Loan, together with any accrued interest thereon and fees hereunder or under the Mortgage upon the occurrence of the following events and in or to the extent of the following amounts (any such repayment, a “**Mandatory Repayment**”):

(a) Upon the incurrence of any Debt incurred by the Borrower or any Subsidiary not permitted under Section 9.1, the Borrower shall repay the Loan in an amount equal to the net cash proceeds of such Debt.

(b) Promptly upon, and in any event within five (5) days of receipt of, any net cash proceeds the Borrower or any Subsidiary receives from the issuance or sale of any debt, equity or hybrid securities (whether issued or sold through a public or private offering but other than the net cash proceeds of the ELOC which is the subject of Section 3.3(c) below), the Borrower shall repay the Loan in the amount of such net cash proceeds received.

(c) Commencing on August 20, 2022 and continuing on the 20<sup>th</sup> day of each calendar month thereafter, Borrower shall deliver to Noteholder a duly executed officer’s certificate pursuant to which Borrower certifies and attaches (i) a reasonably detailed calculation of (A) the gross proceeds received from ELOC sales for the period from the 15<sup>th</sup> day of the prior calendar month to and including the 15<sup>th</sup> day of the then current calendar month (and for purposes of the first such report on August 20, 2022, for the period from June 15, 2022 to and including August 15, 2022)(each such period,

a “**Reporting Period**”) and (B) the net cash proceeds received from such ELOC sales during such Reporting Period, and (ii) such other supporting documentation requested by the Noteholder (such certificate, the calculations therein and the documentation attached thereto to be acceptable to Noteholder in all respects). Concurrently with the delivery of such officer’s certificate, Borrower shall pay Noteholder to repay the Loan in an amount equal to sixty-five percent (65%) of the net cash proceeds received in such Reporting Period (such amount, the “**ELOC Payment Amount**”). If the ELOC Payment Amount is less than the Scheduled Amortization Amount due on such date, then, in addition to paying the Noteholder the ELOC Payment Amount, Borrower shall pay Noteholder an additional amount equal to the Scheduled Amortization Amount less the ELOC Payment Amount. If the ELOC Payment Amount is equal to or greater than the Scheduled Amortization Amount due on such date, then Borrower shall pay Noteholder the ELOC Payment Amount, and Noteholder shall apply the ELOC Payment Amount as follows: (1) first, to pay in full the Scheduled Amortization Amount due on such date and (2) second, to pay the remaining Scheduled Amortization Amounts in inverse order of maturity thereof until paid in full.

Amounts applied to repay the Loan under clauses (a) and (b) of this Section 3.3 shall be applied to the Scheduled Amortization Amounts set forth in Section 3.1 in inverse order of maturity thereof until paid in full. Amounts applied to repay the Loan under clause (c) of this Section 3.3 shall be applied as set forth therein until paid in full. No prepaid amount may be reborrowed.

**4. Mortgage.** The Borrower’s performance of its obligations hereunder is secured by a first priority mortgage lien in the real property and other collateral specified in the Mortgage.

**5. Interest.**

**5.1 Interest Rate.** Except as otherwise provided herein, the outstanding principal amount of the Loan made hereunder shall bear interest at the Applicable Rate from the date the Loan was made until the Loan is paid in full, whether at maturity, upon acceleration, by prepayment, or otherwise.

**5.2 Interest Payment Dates.** Subject to Section 5.3, accrued and unpaid interest on the Loan shall be payable in arrears to the Noteholder on each Interest Payment Date.

**5.3 Default Interest.** Upon the occurrence and during the continuance of an Event of Default, the then outstanding principal amount of the Loan shall bear interest at the Default Rate from the date of such non-payment until such amount is paid in full, which interest shall be payable on written demand.

**5.4 Computation of Interest.** All computations of interest shall be made on the basis of 365 or 366 days, as the case may be, and the actual number of days elapsed. Interest shall accrue on the Loan on the day on which the Loan is made, and shall not accrue on the Loan for the day on which it is paid.

5.5 Interest Rate Limitation. If at any time and for any reason whatsoever, the interest rate payable on the Loan shall exceed the maximum rate of interest permitted to be charged by the Noteholder to the Borrower under applicable Law, such interest rate shall be reduced automatically to the maximum rate of interest permitted to be charged under applicable Law/that portion of each sum paid attributable to that portion of such interest rate that exceeds the maximum rate of interest permitted by applicable Law shall be deemed a voluntary prepayment of principal.

5.6 [Reserved].

5.7 Commitment Fee. On the Closing Date, Borrower paid Noteholder a non-refundable commitment fee in immediately available funds in the amount of Two Hundred Sixty-Five Thousand and No/100 Dollars (\$265,000.00), which amount equates to one percent (1.0%) of the Loan funded on the Closing Date. Such commitment fee was paid from the proceeds of the Loan funded on the Closing Date. Such commitment fee shall not be subject to counterclaim or setoff or otherwise affected.

## 6. Payment Mechanics.

6.1 Manner of Payments. All payments shall be made in lawful money of the United States of America no later than 12:00 PM Pacific Time on the date on which such payment is due (or, in the case of optional prepayments, made) by wire transfer of immediately available funds to the Noteholder's account at a bank specified by the Noteholder in writing to the Borrower from time to time.

6.2 Application of Payments. All payments made under this Note shall be applied *first* to the payment of any fees or charges outstanding hereunder, *second* to accrued interest, and *third* to the payment of the principal amount outstanding under the Note as herein provided.

6.3 Business Day Convention. Whenever any payment to be made hereunder shall be due on a day that is not a Business Day, such payment shall be made on the next succeeding Business Day and such extension will be taken into account in calculating the amount of interest payable under this Note.

6.4 Evidence of Debt. The Noteholder is authorized to record on the grid attached hereto as Exhibit A the Loan made to the Borrower and each payment or prepayment thereof. The entries made by the Noteholder shall, to the extent permitted by applicable Law, be prima facie evidence of the existence and amounts of the obligations of the Borrower therein recorded; *provided, however*, that the failure of the Noteholder to record such payments or prepayments, or any inaccuracy therein, shall not in any manner affect the obligation of the Borrower to repay (with applicable interest) the Loan in accordance with the terms of this Note.

6.5 Rescission of Payments. If at any time any payment made by the Borrower under this Note is rescinded or must otherwise be restored or returned upon the insolvency,



bankruptcy, or reorganization of the Borrower or otherwise, the Borrower's obligation to make such payment shall be reinstated as though such payment had not been made.

7. Representations and Warranties. The Borrower hereby represents and warrants to the Noteholder on the Original Effective Date, on the Closing Date, on the date the Mortgage and related documentation is delivered to the Noteholder under Section 9.11(b) and on the Amendment and Effective Date, as follows:

7.1 Existence; Power and Authority; Compliance with Laws. The Borrower (a) is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware, (b) has the requisite corporate power and authority, and the legal right, to execute and deliver this Note and the other the Loan Documents, and to perform its obligations hereunder and thereunder, and (c) is in compliance with all Laws, except to the extent that the failure to comply therewith has not had nor could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. Each Guarantor (a) is a limited liability company duly formed, validly existing, and in good standing under the laws of the State of Delaware, (b) has the requisite company power and authority, and the legal right, to execute and deliver the Loan Documents to which it is a party, and to perform its obligations thereunder, and (c) is in compliance with all Laws, except to the extent that the failure to comply therewith has not had nor could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

7.2 Authorization; Execution and Delivery. The execution and delivery of the Loan Documents by the Borrower and each Guarantor and the performance of its obligations hereunder and thereunder have been duly authorized by all necessary corporate or company, as applicable, action in accordance with all applicable Laws. The Borrower and each Guarantor has duly executed and delivered to the Noteholder the Loan Documents to which it is a party.

7.3 No Approvals. No consent or authorization of, filing with, notice to, or other act by, or in respect of, any Governmental Authority or any other Person is required in connection with the extension of credit hereunder or in order for the Borrower or any Guarantor to execute, deliver, or perform any of its obligations under the Loan Documents, except consents, authorizations, filings, and notices have been obtained or made and are in full force and effect.

7.4 No Violations. The execution, delivery and performance of the Loan Documents by the Borrower and the Guarantors, and the consummation by the Borrower and the Guarantors of the transactions contemplated hereby and thereby do not and will not (a) violate, in any material respect, any Law applicable to the Borrower or such Guarantor or by which any of its properties or assets may be bound; (b) result in the breach of any Material Contract, or (c) result in, or require, the creation or imposition of any Lien on any of its properties or assets pursuant to any Law applicable to the Borrower or such Guarantor or any such Material Contract by which the Borrower or such Guarantor may be bound, other than the Liens created by the Mortgage.

**7.5 Enforceability.** Each of the Loan Documents is a valid, legal, and binding obligation of the Borrower and the Guarantors, enforceable against the Borrower and the Guarantors in accordance with its terms, except as enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, or similar laws affecting the enforcement of creditors' rights generally and by general equitable principles (whether enforcement is sought by proceedings in equity or at law).

**7.6 No Litigation.** No action, suit, litigation, investigation, or proceeding of, or before, any arbitrator or Governmental Authority is pending or, to the knowledge of the Borrower, threatened by or against the Borrower or any Guarantor or any of its property or assets (a) with respect any of the Loan Documents or any of the transactions contemplated hereby or thereby or (b) that have had or could reasonably be expected to have a Material Adverse Effect.

**7.7 PATRIOT Act; Anti-Money Laundering.** The Borrower and each Guarantor is, and to the knowledge of the Borrower, their respective directors, officers, employees, and agents are, in compliance in all material respects with the PATRIOT Act, and any other applicable terrorism and money laundering laws, rules, regulations, and orders.

**7.8 Anti-Corruption Laws and Sanctions.** The Borrower and each Guarantor has implemented and maintains in effect policies and procedures reasonably designed to ensure compliance in all material respects by the Borrower, such Guarantor and their respective directors, officers, employees, and agents with Anti-Corruption Laws and applicable Sanctions and the Borrower and each Guarantor is, and to the knowledge of the Borrower, their respective directors, officers, employees, and agents are, in compliance with Anti-Corruption Laws and applicable Sanctions in all material respects. None of the Borrower or any Guarantor is, and to the knowledge of the Borrower, no director, officer, employee of the Borrower or any Guarantor, or any agent of the Borrower or any Guarantor that will act in any capacity in connection with or benefit from the Loan, is a Sanctioned Person. No use of proceeds of the Loan or other transaction contemplated by this Note will violate any Anti-Corruption Law or applicable Sanctions.

**1.1 No Default.** No Default or Event of Default has occurred and is continuing.

**1.2 Ownership of Property; Liens.** 300 Jones Road has fee simple title to, or a valid leasehold interest in, the Property, and good title to, or a valid leasehold interest in, all of its other property, and none of such property is subject to any Lien except as permitted by Section 9.2.

**1.3 Insurance.** The properties of the Borrower and the Guarantors are insured with financially sound and reputable insurance companies which are not Affiliates of the Borrower or any Guarantor, in such amounts, with such deductibles, and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Borrower and the Guarantors respectively operate. The insurance policies with respect to the Property shall name the Noteholder as an additional insured and lenders loss payee.

**1.4 Material Contracts.** Neither the Borrower nor any Guarantor is in breach or in default in any material respect of or under any Material Contract beyond any express applicable notice and opportunity to cure period, and has not received any written notice of the intention of any other party thereto to terminate any Material Contract.

**1.5 Financial Statements.** Complete copies of the Borrower's audited financial statements consisting of the balance sheet of the Borrower as at December 31 of each of the years 2020 and 2019 and the related statements of income and retained earnings, stockholders' equity and cash flow for the years then ended (the "**Audited Financial Statements**"), and unaudited financial statements consisting of the balance sheet of the Borrower as at September 30, 2021 and the respective related statements of income and retained earnings, stockholders' equity and cash flow for the three and nine-month periods then ended (the "**Interim Financial Statements**" and together with the Audited Financial Statements, the "**Financial Statements**") have been filed with the Securities and Exchange Commission (the "**SEC**"). The Financial Statements have been prepared in accordance with GAAP applied on a consistent basis as at the dates and throughout the periods involved, subject, in the case of the Interim Financial Statements, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the Audited Financial Statements). The Financial Statements are based on the books and records of the Borrower, and fairly present in all material respects the financial condition of the Borrower as of the respective dates with respect to which they were prepared and the results of the operations of the Borrower for the periods indicated. At the Original Effective Date and the Amendment and Restated Effective Date, the Borrower has no material Debt or other liabilities, whether accrued, absolute, contingent or otherwise, and whether due or to become due, that are not set forth on the Financial Statements or otherwise disclosed in public filings with the SEC. Since the last day of the latest fiscal period covered by the Financial Statements, no event or circumstance has occurred which has had or could reasonably be expected to have a Material Adverse Effect.

**1.6 Taxes; ERISA.**

(a) The Borrower has filed all material Federal, state, and other material tax returns that are required to be filed and has paid all material taxes shown thereon to be due, together with applicable interest and penalties, and all other material taxes, fees, or other charges imposed on it or any of its property by any Governmental Authority (except those that are currently being contested in good faith by appropriate proceedings and with respect to which reserves in conformity with GAAP have been provided on the books of the Borrower). To the knowledge of the Borrower, no material tax Lien has been filed, and no material claim is being asserted, with respect to any such tax, fee, or other charge.

(b) ERISA. Except to the extent any failure to so comply has not resulted in nor could reasonably be expected to result in a Material Adverse Effect:

(i) Each Plan is in compliance with ERISA, the Code and any Law in all material respects; neither a Reportable Event nor an “accumulated funding deficiency” (within the meaning of §412 or §430 of the Code or §302 of ERISA) has occurred (or is reasonably likely to occur) with respect to any Plan.

(ii) No Single Employer Plan has terminated, and no Lien has been incurred in favor of the PBGC or a Plan.

(iii) Based on the assumptions used to fund each Single Employer Plan, the present value of all accrued benefits under each such Plan did not materially exceed the value of the assets of such Plan allocable to such accrued benefit as of the last annual valuation date prior to the date on which this representation is made.

(iv) Neither the Borrower nor any ERISA Affiliate has incurred or is reasonably expected to incur any withdrawal liability that has resulted in or could reasonably be expected to result in a material liability under ERISA, in connection with any Multiemployer Plan.

(v) No such Multiemployer Plan is (or is reasonably expected to be) terminated, in Reorganization, or insolvent (within the meaning of §4245 of ERISA).

1.2 Margin Regulations. Neither the Borrower nor any Guarantor is engaged in the business of extending credit for the purpose of purchasing or carrying Margin Stock, and no proceeds of the Loan will be used to purchase or carry any Margin Stock or to extend credit to others for the purpose of purchasing or carrying any Margin Stock.

1.7 Investment Company Act. Neither the Borrower nor any Guarantor is, nor is it required to be registered as an “investment company” under the Investment Company Act of 1940, as amended.

1.8 Accuracy of Information, Etc. The Borrower has disclosed to the Noteholder in writing all agreements, instruments, and corporate or other restrictions to which it or any of its Subsidiaries is subject, and all other matters known to it that, individually or in the aggregate, has had or could reasonably be expected to have a Material Adverse Effect. No statement or information contained in this Note, any other Loan Document, or any other document, certificate, or statement furnished by or on behalf of the Borrower to the Noteholder, for use in connection with the transactions contemplated by this Note or the other Loan Documents, when taken as a whole, contained, any untrue statement of a material fact or omitted to state a material fact necessary to make the statement contained herein or therein not misleading.

1.9 Mortgage. The Mortgage creates in favor of the Noteholder a legal, valid, continuing, and enforceable first priority mortgage Lien on the Property and other collateral

described therein, the enforceability of which is subject to applicable bankruptcy, insolvency, reorganization, moratorium, or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law. The Borrower owns all of the assets reflected in the consolidated balance sheet of Borrower as of the balance sheet date or acquired since that date (except property and assets sold or otherwise disposed of in the ordinary course since that date). 300 Jones Road owns the Property subject to no rights of others, including any mortgages, leases pursuant to which 300 Jones Road or any of its Affiliates is the lessee, conditional sales agreements, title retention agreements, liens or other monetary encumbrances except Permitted Liens.

1.10 Solvency. The Borrower and each Guarantor is, and after giving effect to the incurrence of all Debt and obligations incurred in connection herewith will be, Solvent.

1.11 Environmental Representations and Warranties. Subject to Section 9.11(b), Borrower and 300 Jones Road represents and warrants that: (a) except as described in the Environmental Report, there are no Hazardous Materials or underground storage tanks in, on, or under the Property, except those that are both (i) in compliance with current Environmental Laws and with permits issued pursuant thereto (if such permits are required), and (ii) either (A) in amounts not in excess of that necessary to operate, clean, repair and maintain the Property, or (B) held by a tenant for sale to the public in its ordinary course of business, (b) except as described in the Environmental Report, there are no past, present or threatened Releases of Hazardous Materials in violation of any Environmental Law and which would require remediation by a Governmental Authority, Borrower, any Guarantor or any other Person in, on, under or from the Property; (c) except as described in the Environmental Report, there is no threat of any release of Hazardous Materials migrating to the Property; (d) except as described in the Environmental Report, there is no past or present non-compliance with current Environmental Laws, or with permits issued pursuant thereto, in connection with the Property; (e) Borrower does not know of, and has not received (nor has any Guarantor received), any written or oral notice or other communication from any Person (including but not limited to a Governmental Authority) relating to Hazardous Materials in, on, under or from the Property; and (f) Borrower has truthfully and fully provided to Noteholder, in writing, any and all information relating to environmental conditions in, on, under or from the Property known to Borrower or any Guarantor or contained in Borrower's or Guarantor's files and records, including but not limited to any reports relating to Hazardous Materials in, on, under or migrating to or from the Property and/or to the environmental condition of the Property).

8. Affirmative Covenants. Until all amounts outstanding under this Note have been paid in full in cash, the Borrower shall, and shall cause the Guarantor to:

8.1 Maintenance of Existence. (a) Preserve, renew, and maintain in full force and effect its organizational existence and (b) take all reasonable action to maintain all rights, privileges, and franchises necessary or desirable in the normal conduct of its business, and

except, as in the case of clause (b) above, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

**8.2 Compliance.** (a) Comply with all Laws applicable to it and its business, except where the failure to do so could not reasonably be expected to have a Material Adverse Effect, and (b) use commercially reasonable efforts to maintain in effect and enforce policies and procedures designed to achieve compliance in all material respects by the Borrower and the Guarantors and each of their respective directors, officers, employees and agents with Anti-Corruption Laws and applicable Sanctions.

**8.3 Payment Obligations.** Pay, discharge, or otherwise satisfy at or before maturity or before they become delinquent, as the case may be, all its material obligations of whatever nature, except where the amount or validity thereof is currently being contested in good faith by appropriate proceedings, and reserves in conformity with GAAP with respect thereto have been provided on its books.

**8.4 Notice of Events of Default; Litigation.** As soon as possible and in any event within two (2) Business Days after it becomes aware, notify the Noteholder in writing, (a) that an Event of Default has occurred, which notice shall include the nature and extent of such Event of Default and the action, if any, it has taken or proposes to take with respect to such Event of Default; (b) of any development or event that has had or could reasonably be expected to have a Material Adverse Effect; or (c) of the threat, in writing, of or filing of any action, suit, litigation, investigation, or proceeding of, or before, any arbitrator or Governmental Authority against the Borrower or any Guarantor or relating to any of their respective assets. Each notice pursuant to this Section 8.4 shall be accompanied by a statement of an authorized officer of the Borrower or, as applicable, such Guarantor setting forth, in reasonable detail, the occurrence referred to therein and stating what action the Borrower or, as applicable, such Guarantor proposes to take with respect thereto.

1.12 [Reserved].

**1.13 Maintenance of Property; Insurance.** Maintain and preserve all of its property useful and necessary in its business in good working order and condition, ordinary wear and tear excepted; maintain insurance with respect to its property and business (including without limitation, property and casualty and business interruption insurance) with financially sound and reputable insurance companies that are not Affiliates of the Borrower or any Guarantor, in such amounts and covering such risks as are customarily insured against by similar companies engaged in the same or a similar business.

**1.14 Inspection of Property' Books and Records; Discussions.** Keep proper books of records and accounts, in which full, true, and correct entries in conformity with GAAP and all Laws shall be made of all dealings and transactions and assets in relation to its business and activities, and permit the Noteholder to visit and inspect any of its properties and examine and make abstracts from any of its books and records, at reasonable times and on reasonable advance written notice, and to discuss its business operations, properties, and

financial and other condition with its officers and employees and its independent certified public accountants.

1.15 Use of Proceeds. Use the proceeds of the Loan to solely working capital and general corporate purposes for the Borrower and, to the extent permitted hereunder, any of its Subsidiaries.

1.16 Financial Statements; Projections.

(a) As soon as available and in any event within ninety (90) days after the end of each fiscal year of the Borrower, the Borrower shall deliver to the Noteholder complete copies of the Borrower's audited financial statements consisting of the consolidated balance sheet of the Borrower as at the dates and the related consolidated statements of income and retained earnings, stockholders' equity and cash flows for the fiscal year then-ended.

(b) As soon as available and in any event within forty-five (45) days after the end of each fiscal quarter of the Borrower, the Borrower shall deliver to the Noteholder unaudited financial statements consisting of the consolidated balance sheet of the Borrower as at such fiscal quarter end and the related consolidated statements of income and retained earnings, stockholders' equity and cash flows for the period then-ended and for the fiscal year to such period end date.

The financial statements to be delivered under this Section 8.9 shall be prepared in accordance with GAAP applied on a consistent basis as at the dates and throughout the period involved, subject, in the case of the interim financial statements delivered under clause (b) hereof, to normal and recurring year-end adjustments (the effect of which will not be materially adverse) and the absence of notes (that, if presented, would not differ materially from those presented in the audited financial statements delivered under clause (a) above). Concurrently with the delivery of the financial statements set forth in clauses (a) and (b) above, the Chief Financial Officer of the Borrower shall certify to the Noteholder that such financial statements were prepared in compliance with this Section 8.9.

All of the foregoing statements and reports shall be in form, scope and substance reasonably satisfactory to the Noteholder.

1.17 Further Assurances. Upon the written request of the Noteholder, promptly execute and deliver such further instruments and do or cause to be done such further acts as the Noteholder determines may be reasonably necessary or advisable to carry out the intent and purposes of this Note, the Guaranty, the Mortgage and the other Loan Documents; and provide the Noteholder with reasonable requested information.

9. Negative Covenants. Until all amounts outstanding under this Note have been paid in full in cash, the Borrower shall not and shall cause its Subsidiaries not to:

9.1 **Indebtedness.** Incur, create or assume any Debt other than Debt (a) existing or arising under this Note; (b) that was outstanding as of Original Effective Date and identified on Schedule 9.1(b) attached hereto, and any refinancings thereof, provided that the amount of such Debt is not increased at the time of refinancing thereof; (c) that when incurred is secured solely by existing or future mining equipment; provided, however, that the aggregate amount of such Debt outstanding and secured solely by such mining equipment shall not exceed One Hundred Forty-Five Million Four Hundred Thousand and No/100 Dollars (\$145,400,000.00) immediately following the incurrence of any such Debt pursuant to this clause (c); (d) constituting trade debt payables incurred in the ordinary course of business and not past due; (e) constituting purchase money Debt secured only by the asset being acquired with such Debt or securing assets purchased in the 60 day period prior to the incurrence of the Debt in an aggregate principal amount not to exceed Two Million and No/100 Dollars (\$2,000,000.00); or (f) that is incurred in connection with the financing of insurance premiums so long as the amount of such Debt is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the year in which such Debt is incurred and such Debt is outstanding only during such year.

9.2 **Liens.** Other than Permitted Liens, incur, create, assume or suffer to exist any Lien on any of its property or assets, whether now owned or hereafter acquired by it or on any income or rights in respect of any thereof, except for Liens existing as of Original Effective Date and identified on Schedule 9.2 attached hereto securing Debt identified on Schedule 9.1(b) attached hereto and Liens created pursuant to the Mortgage.

9.3 **Line of Business.** Enter into any business, directly or indirectly, except for those businesses in which the Borrower or, as applicable, the Guarantors are engaged on the Original Effective Date or that are reasonably related thereto.

1.18 **Mergers.** Merge into or consolidate with any other Person, or permit any other Person to merge into or consolidate with it, unless the Borrower is the continuing or surviving Person, or liquidate or dissolve.

1.19 **Limitation of Investments.** Make any advance, loan, extension of credit (by way of guaranty or otherwise), or capital contribution to, or purchase, hold, or acquire any Equity Interests, bonds, notes, debentures, or other debt securities of, or any assets constituting a business unit of, or make any other investment in, any Person (all of the foregoing, "**Investments**"), except:

- (a) to any Subsidiary of the Borrower whether now existing or hereafter formed or acquired;
- (b) Investments in Cash Equivalents;
- (c) Investments existing on Original Effective Date and listed on Schedule 9.5(c);
- (d) Guarantees permitted by Section 9.1; and



(e) Extensions of trade credit in the ordinary course of business consistent with past practice (including any instrument evidencing the same and any instrument, security, or other asset acquired through bona fide collection efforts with respect to the same).

1.20 Limitation on Dispositions. Dispose of (a) all or substantially all of its property, whether now owned or hereafter acquired or (b) the Property, except to the extent expressly permitted under the terms of the Mortgage.

1.2 Limitation on Restricted Payments. Declare or pay any dividend on, or make any payment on account of, or set apart assets for a sinking or other analogous fund for, the purchase, redemption, defeasance, retirement, or other acquisition of, any Equity Interests of/in the Borrower, whether now or hereafter outstanding, or make any other distribution in respect thereof, either directly or indirectly, whether in cash or property or in obligations of the Borrower.

1.21 Limitation on Prepayments of Debt. Make or offer to make any optional or voluntary payment / prepayment, redemption, defeasance or purchase of any (whether principal or interest) amounts payable of or under any Debt which is contractually subordinated in right of payment to the obligations of the Borrower hereunder (other than to the Noteholder under this Note).

1.22 Limitation on Transactions With Affiliates. Enter into or be a party to any transaction including any purchase, sale, lease, or exchange of property, the rendering of any service, or the payment of any management, advisory, or similar fees, with any Affiliate, unless (a) such transaction is between the Borrower and a wholly-owned Subsidiary of the Borrower, (b) such transaction is between wholly-owned Subsidiaries of the Borrower, or (c) such transaction is contemplated as of the Original Effective Date and identified on Schedule 9.9 attached hereto; in each of clauses (a)(but solely to the extent such wholly-owned Subsidiary is not a Guarantor), (b)(but solely to the extent one or more parties to such transaction is not a Guarantor) and (c), so long as such transaction is on fair and reasonable terms no less favorable to the Borrower or, as applicable, the applicable Guarantor (or the Borrower and the applicable Guarantor in the aggregate) than those that would have been obtained in a comparable transaction on an arm's length basis from an unrelated Person; and, further, in each of clauses (a), (b) and (c) so long as such transaction is otherwise not prohibited by the terms of this Note.

1.23 Modifications of Certain Agreements. Amend, restate, supplement or otherwise modified in any manner any Material Contract or any agreement evidencing Debt for borrowed money in any manner adverse to the Noteholder.

1.24 Post-Closing Obligations. Fail to complete the following post-closing obligations and/or provide the Noteholder the documents, instruments, agreements and information listed below on or before the date set forth for such item listed below, each of which shall be completed or provided in form, scope and substance satisfactory to the Noteholder:

(a) On or prior to the date that is ten (10) days after the Original Effective Date (or such later date agreed to in writing by the Noteholder), deliver to the Noteholder insurance certificates and endorsements in compliance with Section 7.11.

(b) On or prior to the date that is thirty (30) days after the Original Effective Date (or such later date agreed to in writing by the Noteholder), deliver to the Noteholder an executed and filed Mortgage (which upon filing shall give rise to perfected, first priority Liens in favor of the Noteholder in the Property), a binding title commitment and pro forma title policy, customary opinion letters with respect to the Mortgage (including opinions under New York and Delaware law as to authorization, execution, delivery and enforceability (to the extent governed by New York law) and opinions under South Carolina law, all in form, scope and substance satisfactory to the Noteholder) and such other documentation requested by the Noteholder, including the documentation identified in Section 12(b) (iii). The Borrower shall use diligent efforts to secure the binding title policy as soon as practicable thereafter and in any event within sixty (60) days after the Original Effective Date.

(c) On or prior to the date that is thirty (30) days after the Amendment and Restatement Effective Date (or such later date agreed to in writing by the Noteholder), deliver to the Noteholder such documents, instruments and agreements requested by the Noteholder, including an executed and record amendment to the Mortgage, and customary opinion letters with respect to the Mortgage (including opinions under New York and Delaware law as to authorization, execution, delivery and enforceability (to the extent governed by New York law) and opinions under South Carolina law, all in form, scope and substance satisfactory to the Noteholder.

**10. Events of Default.** The occurrence any of the following shall constitute an “**Event of Default**” hereunder:

**10.1 Failure to Pay.** The Borrower fails to pay any principal amount of the Loan or interest, fees or any other amount under any of the Loan Documents when due.

**10.2 Breach of Representations and Warranties.** Any representation, warranty, certification, or other statement of fact made or deemed made by the Borrower or any Guarantor to the Noteholder hereunder or in the other Loan Documents or any amendment or modification hereof or thereof or waiver hereunder or thereunder is incorrect in any material respect on the date as of which such representation or warranty was made or deemed made.

**10.3 Breach of Covenants.** The Borrower or any Guarantor fails to observe or perform (a) any material covenant, condition, or agreement contained in 188.4, Section 8.9 or Section 9 of this Note or (b) any other material covenant, obligation, condition, or agreement contained in the Fee Letter, the Guaranty, the Mortgage, this Note or any other Loan Document, other than those specified in clause (a) above or as specifically provided for

elsewhere in this Section 10, and such failure continues for thirty (30) days after written notice to the Borrower.

10.4 Cross-Defaults. The Borrower or any Guarantor (a) fails to pay when due any of its Debt having an aggregate principal amount of more than \$5,000,000 (other than Debt arising under this Note), or any interest or premium thereon, when due and such failure continues after the applicable grace period, if any, specified in the agreement or instrument relating to such Debt, or (b) fails to observe or perform any other agreement or condition relating to any such Debt, or any other event occurs that would constitute a default under such Debt, the effect of which default is to cause, or to permit the holder or holders of such Debt (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with or without the giving of notice, such Debt to become due or prepaid prior to its scheduled maturity.

10.5 Bankruptcy.

(a) The Borrower or any Guarantor commences any case, proceeding, or other action (i) under any existing or future Law relating to bankruptcy, insolvency, reorganization, or other relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it as bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition, or other relief with respect to it or its debts or (ii) seeking appointment of a receiver, trustee, custodian, conservator, or other similar official for it or for all or any substantial part of its assets, or the Borrower or any Guarantor makes a general assignment for the benefit of its creditors;

(b) There is commenced against the Borrower or any Guarantor any case, proceeding, or other action of a nature referred to in 2310.5(a) which (i) results in the entry of an order for relief or any such adjudication or appointment or (ii) remains undismissed, undischarged, or unbonded for a period of sixty (60) days;

(c) There is commenced against the Borrower or any Guarantor any case, proceeding, or other action seeking issuance of a warrant of attachment, execution, or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which has not been vacated, discharged, or stayed or bonded pending appeal within thirty (30) days from the entry thereof;

(d) The Borrower or any Guarantor takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the acts set forth in 2310.5(a), 2310.5(b), or 2310.5(c) above; or

(e) The Borrower or any Guarantor is generally not, or shall be unable to, or admits in writing its inability to, pay its debts as they become due.

10.6 ERISA. (a) The Borrower or any ERISA Affiliate shall engage in any “prohibited transaction” (as defined in §406 of ERISA or §4975 of the Code) involving any

Plan; (b) any failure to satisfy the minimum funding standard (within the meaning of Sections §412 or §430 of the Code or §302 of ERISA) shall exist with respect to any Plan, or any Lien in favor of the PBGC or a Plan shall arise on the assets of the Borrower or any ERISA Affiliate; (c) a Reportable Event shall occur with respect to, or proceedings shall commence to have a trustee appointed, or a trustee shall be appointed, to administer or to terminate, any Single Employer Plan of the Borrower or any ERISA Affiliate, which Reportable Event or commencement of proceedings or appointment of trustee is, in the reasonable opinion of the Noteholder, reasonably likely to result in the termination of such Plan for purposes of Title IV of ERISA; (d) any Single Employer Plan of the Borrower or any ERISA Affiliate shall terminate for purposes of Title IV of ERISA; or (e) the Borrower or any ERISA Affiliate shall reasonably be likely to, incur any liability in connection with a withdrawal from, or the Insolvency or Reorganization of, a Multiemployer Plan; and in each case in clauses (a) through (e) above, such event or condition, together with all other such events or conditions, if any, could, in the Noteholder's sole judgment, reasonably be expected to have a Material Adverse Effect.

**1.25 Mortgage; Loan Documents.** (a) The Mortgage ceases for any reason to be valid, binding, and in full force and effect or any Lien created by the Mortgage ceases to be enforceable and of the same effect and priority purported to be created thereby (i.e., a perfected first priority Lien on the collateral thereunder), or an event of default occurs under any Loan Document not otherwise described in this Section 10, other than as expressly permitted hereunder or thereunder; (b) any material provision of any Loan Document ceases for any reason to be valid, binding, and in full force and effect, other than as expressly permitted hereunder or thereunder; (c) the Borrower or any Guarantor contests in any manner the validity or enforceability of any provision of any Loan Document to which it is a party; or (d) the Borrower or any Guarantor denies that it has any further liability or obligation under any provision of any Loan Document to which it is a party or purports to revoke, terminate, or rescind any provision of any Loan Document to which it is a party.

**1.1 Change of Control.** A Change of Control occurs.

**1.1 Material Adverse Effect.** The occurrence of a Material Adverse Effect.

**1.2 Judgments.** One or more judgments or decrees shall be entered against the Borrower or any Guarantor in an aggregate amount for all such judgments exceeding One Million and No/100 Dollars (\$1,000,000.00) and all of such judgments or decrees shall not have been vacated, discharged, or stayed or bonded pending appeal within thirty (30) days from the entry thereof.

**1.3 Liens of Property.** The Property becomes subject to any mechanic's, materialman's or other Lien, other than a Lien for local real estate taxes and assessments not then due and payable, and such Lien shall remain undischarged of record (by payment, bonding or otherwise) for a period of sixty (60) days; or any federal tax Lien or state or local income tax Lien is filed against Borrower, Guarantor or the Property and same is not discharged of record within sixty (60) days after same is filed.

11. Remedies. Upon the occurrence and during the continuance of any Event of Default, the Noteholder may, at its option, by written notice to the Borrower (a) declare the entire principal amount of the Loan, together with all accrued interest thereon, all fees hereunder and all other amounts payable under this Note, the Mortgage and/or the other Loan Documents, immediately due and payable; and/or (b) exercise any or all of its rights, powers or remedies under this Note, the Mortgage, the other Loan Documents or applicable Law or in equity; *provided, however*, that if an Event of Default described in 2310.5 shall occur, the principal of and accrued interest on the Loan and all the other fees and amounts hereunder and under the other Loan Documents shall become immediately due and payable without any notice, declaration, or other act on the part of the Noteholder. Borrower hereby waives grace, diligence, presentment, demand, notice of demand, dishonor, notice of dishonor, protest, notice of protest, any and all exemption rights against the indebtedness evidenced by this Note and the right to plead any statute of limitations as a defense to the repayment of all or any portion of this Note, and interest thereon, to the fullest extent allowed by law. No delay, omission or failure on the part of Noteholder in exercising any right or remedy hereunder shall operate as a waiver of such right or remedy or any other right or remedy of Noteholder.

1. Conditions Precedent.

- (a) On or prior to the Original Effective Date, the Noteholder shall have received:
  - (i) this Note, duly executed and delivered by an authorized officer of the Borrower;
  - (ii) each Guaranty, duly executed and delivered by an authorized officer of the applicable Guarantor;
  - (iii) the Fee Letter, duly executed and delivered by an authorized officer of the Borrower;
  - (iv) in form and substance reasonably satisfactory to the Noteholder, a certificate of the Borrower and of each Guarantor, certified by an authorized officer of the Borrower and such Guarantor, including:
    - (A) a certificate of incorporation of the Borrower and the applicable Guarantor certified by the Secretary of State of the State of Delaware;
    - (B) by-laws of the Borrower and operating agreement of the applicable Guarantor, each as in effect on the date on which the resolutions referred to below were adopted;
    - (C) resolutions of the governing body of the Borrower and the applicable Guarantor approving the transaction and each Loan Document to which it is or is to be a party, and of all documents evidencing other necessary corporate action;

(D) a certification that the names, titles, and signatures of the officers of the Borrower and each Guarantor authorized to sign each Loan Document and other documents to be delivered hereunder and thereunder are true and correct;

(E) a long-form good standing certificate for the Borrower and each Guarantor from the Secretary of State of the State of Delaware;

(F) customary legal opinions of counsel to the Borrower and each Guarantor in form, scope and substance satisfactory to the Noteholder;

(G) a certification that each of the representations and warranties made by the Borrower and the Guarantors in or pursuant to the Loan Documents are true and correct as of the Original Effective Date;

(H) a certification that no Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Loan requested to be made on the Closing Date (assuming the Original Effective Date is the same date as of the Closing Date); and

(I) such other documents as the Noteholder may reasonably request; and

(ii) Payment of all fees required to be paid to the Noteholder or any of its Affiliates and payment of all expenses for which invoices have been presented (including the fees and expenses of legal counsel), on or before the Original Effective Date.

(b) The obligation of the Noteholder to make the Loan required to be made by it hereunder on the Closing Date is subject to the satisfaction or the waiver by the Noteholder of the following conditions precedent:

(i) Noteholder shall have received the documents set forth in paragraph (a) above;

(ii) Subject to Section 9.11(a), Noteholder shall have received certificates evidencing that the Noteholder is named as mortgagee, lender loss payee and additional insured, as applicable, on all policies of insurance as required by this Note;

(iii) subject to Section 9.11(b), Noteholder shall have received the following documents related to the Mortgage of the Property, all of which shall be in form and substance reasonably satisfactory to the Noteholder:

(A) Mortgage, duly executed and delivered by an authorized officer of 300 Jones Road, recorded, with applicable filing fees and mortgage recording taxes paid, title insurance policy issued and applicable premium paid;

(B) Appraisals of the Property in form and substance reasonably satisfactory to the Noteholder, reflecting the Appraised Value for such Property;

(C) A true copy of any management agreement, if any, relating to such Property, which shall be in form and substance reasonably satisfactory to the Noteholder, together with other material contracts relating to the use, occupancy, operation, maintenance, enjoyment and ownership of such Property, in each case, with respect to which the Borrower, a Guarantor or any respective Subsidiary is a party, all of which such contracts shall be collaterally assigned to Noteholder;

(D) The Property qualification documents including Description of Property, Survey and Taxes, Title Insurance, UCC Certification, Leases, Certificates of Insurance, Zoning and Land Use Compliance, Appraisal and Environmental Disclosure, if applicable, as of the Closing Date shall have been delivered to the Noteholder at Borrower's expense and shall be in form and substance reasonably satisfactory to the Noteholder;

(E) customary opinion letters from counsel to the Borrower and 300 Jones Road, including opinion letters addressing New York, Delaware and South Carolina law matters; and

(F) such other documents as the Noteholder may request;

(i) a certification that each of the representations and warranties made by the Borrower and each Guarantor in or pursuant to the Loan Documents are true and correct on the Closing Date;

(ii) a certification that no Default or Event of Default shall have occurred and be continuing on such date or after giving effect to the Loan requested to be made on the Closing Date; and

(iii) Payment of all fees required to be paid to the Noteholder or any of its Affiliates and payment of all expenses for which invoices have been presented (including the fees and expenses of legal counsel), on or before the Closing Date.

(b) On or prior to the Amendment and Restatement Effective Date, the Noteholder shall have received:

- (iv) this Note, duly executed and delivered by an authorized officer of the Borrower;
- (v) an Acknowledgment of Guarantor Obligations Under Guaranty, duly executed and delivered by an authorized officer of the applicable Guarantor;
- (vi) the Fee Letter, duly executed and delivered by an authorized officer of the Borrower;
- (vii) in form and substance reasonably satisfactory to the Noteholder, a certificate of the Borrower and of each Guarantor, certified by an authorized officer of the Borrower and such Guarantor, including:
  - (A) a certificate of incorporation of the Borrower and the applicable Guarantor certified by the Secretary of State of the State of Delaware;
  - (B) by-laws of the Borrower and operating agreement of the applicable Guarantor, each as in effect on the date on which the resolutions referred to below were adopted;
  - (C) resolutions of the governing body of the Borrower and the applicable Guarantor approving the transaction and each Loan Document to which it is or is to be a party, and of all documents evidencing other necessary corporate action;
  - (D) a certification that the names, titles, and signatures of the officers of the Borrower and each Guarantor authorized to sign each Loan Document and other documents to be delivered hereunder and thereunder are true and correct;
  - (E) a long-form good standing certificate for the Borrower and each Guarantor from the Secretary of State of the State of Delaware;
  - (F) subject to Section 9.11(c), customary legal opinions of counsel to the Borrower and each Guarantor in form, scope and substance satisfactory to the Noteholder, to include, without limitation, a continued perfection opinion with respect to the Collateral (including the Mortgage);
  - (G) a certification that each of the representations and warranties made by the Borrower and the Guarantors in or pursuant to the Loan Documents are true and correct as of the Original Effective Date and as of the Amendment and Restatement Effective Date;



(H) a certification that no Default or Event of Default shall have occurred and be continuing on the Original Effective Date and on the Amendment and Restatement Effective Date; and

(I) such other documents as the Noteholder may reasonably request; and

(iii) Payment of all fees required to be paid to the Noteholder or any of its Affiliates and payment of all expenses for which invoices have been presented (including the fees and expenses of legal counsel), on or before the Amendment and Restatement Effective Date.

## 2. Miscellaneous.

### 1.26 Notices.

(a) All notices, requests, or other communications required or permitted to be delivered hereunder shall be delivered in writing, in each case to the address specified below or to such other address as such Party may from time to time specify in writing in compliance with this provision:

(i) If to the Borrower:  
Greenidge Generation Holdings Inc.  
135 Rennell Drive, 3<sup>rd</sup> Floor  
Fairfield, CT 06890  
Attention: General Counsel  
Email: tburke@greenidge.com

With a copy to (which shall not constitute notice):  
King & Spalding LLP  
300 S Tryon Street Suite 1700  
Charlotte, NC 28202  
Attention: Christopher T. Buchanan  
Telephone: (704) 503 2602  
Email: cbuchanan@kslaw.com

(ii) If to the Noteholder:  
11100 Santa Monica Blvd Ste 800, Los Angeles, CA 90025  
Attn: General Counsel  
Telephone: (310) 966-1444  
Email: legal@brileyfin.com

With a copy to (which shall not constitute notice):  
Duane Morris LLP  
1540 Broadway

New York, NY 10036  
Attn: James T. Seery  
Telephone: (973) 424-2088  
Email: JTSeery@duanemorris.com

(b) Notices if (i) mailed by certified or registered mail or sent by hand or overnight courier service shall be deemed to have been given when received; and (iii) sent by email shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return email, or other written acknowledgment).

1.27 Expenses; Indemnification.

(b) The Borrower shall reimburse the Noteholder on demand for all reasonable and documented out-of-pocket costs, expenses, and fees (including reasonable and documented out-of-pocket expenses and fees of its counsel) incurred by the Noteholder in connection with the transactions contemplated hereby including the negotiation, documentation, and execution of this Note, the Fee Letter, each Guaranty, the Mortgage and the other Loan Documents and the enforcement of the Noteholder's rights hereunder and thereunder, plus disbursements for searches, recording and similar expenses.

(c) The Borrower agrees to indemnify and hold harmless the Noteholder and each of its Related Parties (each, an "**Indemnified Party**") from and against, any and all claims, damages, losses, liabilities, and related expenses (including the fees, charges, and expenses of any counsel for any Indemnified Party, and shall indemnify and hold harmless each Indemnified Party from all allocated costs of internal counsel for such Indemnified Party), incurred by any Indemnified Party or asserted against any Indemnified Party by any Person (including the Borrower ) other than such Indemnified Party and its Related Parties arising out of, in connection with, or by reason of:

(viii) the execution or delivery of this Note, the Fee Letter, a Guaranty, the Mortgage and any other Loan Document or any agreement or instrument contemplated in this Note, the Fee Letter, a Guaranty, the Mortgage or any other Loan Document, the performance by the parties thereto of their respective obligations under this Note, the Fee Letter, a Guaranty, the Mortgage or any other Loan Document, or the consummation of the transactions contemplated by this Note, the Fee Letter, a Guaranty, the Mortgage and the other Loan Documents;

(ix) any Loan or the actual or proposed use of the proceeds therefrom;

(x) any actual or alleged presence or release of hazardous materials on or from any property currently or formerly owned or operated by the Borrower or

any Guarantor, or any environmental liability related to the Borrower or any Guarantor in any way; or

(xi) any actual or prospective claim, investigation, litigation, or proceeding relating to any of the foregoing, whether based on contract, tort, or any other theory, whether brought by a third party or by the Borrower or any Guarantor, and regardless of whether any Indemnified Party is a party thereto;

provided that, such indemnity shall not be available to any Indemnified Party to the extent that such claims, damages, losses, liabilities, or related expenses (A) are determined by a court of competent jurisdiction to have resulted from the gross negligence or willful misconduct of such Indemnified Party, (B) result from a claim brought by the Borrower against any Indemnified Party for breach in bad faith of such Indemnified Party's obligations under any Loan Document or (C) arise in connection with claims solely among the Indemnified Parties. This Section 13.2 shall only apply to Taxes that represent losses, claims, damages, or similar charges arising from a non-Tax claim.

(d) The Borrower and the Noteholder agree, by its acceptance hereof, to the fullest extent permitted by applicable law, not to assert, and hereby waive, any claim against the other, on any theory of liability, for special, indirect, consequential, or punitive damages (including, without limitation, any loss of profits or anticipated savings), as opposed to actual or direct damages, resulting from this Note, the Fee Letter, a Guaranty, the Mortgage or the other Loan Documents or arising out of such other party's activities in connection herewith or therewith (whether before or after the date of this Note).

(e) All amounts due under Section 13.2 shall be payable not later than two (2) Business Days after written demand is made for payment by the Noteholder.

(f) The Borrower agrees to not settle, compromise, or consent to the entry of any judgment in any pending or threatened claim, action, or proceeding in respect of which indemnification or contribution could be sought under Section 13.2 (whether or not any Indemnified Party is an actual or potential party to such claim, action, or proceeding) without the prior written consent of the applicable Indemnified Party, unless such settlement, compromise, or consent includes an unconditional release of such Indemnified Party from all liability arising out of such claim, action, or proceeding.

1.28 Governing Law. This Note, the Fee Letter, each Guaranty, the Mortgage (except with respect to the creation, perfection and enforcement of the Lien created by the Mortgage, which shall be governed by the Laws of the State of South Carolina) and the other Loan Documents, and any claim, controversy, dispute, or cause of action (whether in contract or tort or otherwise) based upon, arising out of, or relating thereto and the transactions contemplated hereby and thereby shall be governed by the laws of the State of New York.

1.29 Submission to Jurisdiction.

(c) The Borrower hereby irrevocably and unconditionally (i) agrees that any legal action, suit, or proceeding arising out of or relating to this Note, the Fee Letter or the Mortgage may be brought in the courts of the State of New York or of the United States of America for the Southern District of New York and (ii) submits to the exclusive jurisdiction of any such court in any such action, suit, or proceeding. Final judgment against the Borrower in any action, suit, or proceeding shall be conclusive and may be enforced in any other jurisdiction by suit on the judgment.

(d) Nothing in this Section 13.4 shall affect the right of the Noteholder to (i) commence legal proceedings or otherwise sue the Borrower in any other court having jurisdiction over the Borrower or (ii) to serve process upon the Borrower in any manner authorized by the laws of any such jurisdiction.

1.30 Venue. The Borrower irrevocably and unconditionally waives, to the fullest extent permitted by applicable law, any objection that it may now or hereafter have to the laying of venue of any action or proceeding arising out of or relating to this Note, the Fee Letter, the Guaranty, the Mortgage or any other Loan Document in any court referred to in Section 13.4 and the defense of an inconvenient forum to the maintenance of such action or proceeding in any such court.

1.31 Waiver of Jury Trial. THE BORROWER AND, BY ITS ACCEPTANCE HEREOF, THE NOTEHOLDER HEREBY IRREVOCABLY WAIVE, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY RELATING TO THIS NOTE, THE MORTGAGE, OR THE TRANSACTIONS CONTEMPLATED HEREBY, WHETHER BASED ON CONTRACT, TORT, OR ANY OTHER THEORY.

1.32 Integration. This Note, the Fee Letter, the Guaranty, the Mortgage and the other Loan Documents constitute the entire contract between the Parties with respect to the subject matter hereof and supersede all previous agreements and understandings, oral or written, with respect thereto.

1.33 Successors and Assigns. This Note may not be assigned or transferred by the Noteholder to any Person other than (a) an Affiliate of the Noteholder, or (b) so long as no Event of Default is then continuing, any other Person (other than a natural person) in the business of making loans and other extensions of credit with the consent of the Borrower (which consent shall not be unreasonably withheld or delayed and which consent shall be deemed granted five (5) Business Days after the Noteholder has provided the Borrower a copy of the proposed assignment agreement for approval, unless the Borrower shall object thereto by written notice to the Noteholder within five (5) Business Days after having received notice thereof and provide in such written notice the basis for such objection, or (c) to any financing source of the Noteholder in any bankruptcy or foreclosure proceeding against the Noteholder. The Noteholder may pledge this Note and grant security interests

herein to any financing source of the Noteholder. The Borrower may not assign or transfer this Note or any of its rights or obligations hereunder without the prior written consent of the Noteholder. This Note shall inure to the benefit of, and be binding upon, the Parties and their permitted assigns.

1.34 Waiver of Notice. The Borrower hereby waives demand for payment, presentment for payment, protest, notice of payment, notice of dishonor, notice of nonpayment, notice of acceleration of maturity, and diligence in taking any action to collect sums owing hereunder.

1.35 PATRIOT Act. The Noteholder hereby notifies the Borrower that pursuant to the requirements of the PATRIOT Act and 31 C.F.R. § 1010.230 (the “**Beneficial Ownership Regulation**”), it is required to obtain, verify, and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow the Noteholder to identify the Borrower in accordance with the PATRIOT Act and the Beneficial Ownership Regulation, and the Borrower agrees to provide such information from time to time to the Noteholder.

1.36 Amendments and Waivers. No term of this Note may be waived, modified, or amended except by an instrument in writing signed by both of the Parties. Any waiver of the terms hereof shall be effective only in the specific instance and for the specific purpose given.

1.37 Headings. The headings of the various Sections and subsections herein are for reference only and shall not define, modify, expand, or limit any of the terms or provisions hereof.

1.38 No Waiver; Cumulative Remedies. No failure to exercise, and no delay in exercising on the part of the Noteholder, of any right, remedy, power, or privilege hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege. The rights, remedies, powers, and privileges herein provided are cumulative and not exclusive of any rights, remedies, powers, and privileges provided by law.

1.39 Electronic Execution. The words “execution,” “signed,” “signature,” and words of similar import in the Note shall be deemed to include electronic or digital signatures or electronic records, each of which shall be of the same effect, validity, and enforceability as manually executed signatures or a paper-based record-keeping system, as the case may be, to the extent and as provided for under applicable law, including the Electronic Signatures in Global and National Commerce Act of 2000 (15 U.S.C. §§ 7001 to 7031), the Uniform Electronic Transactions Act (UETA), or any state law based on the UETA, including the New York Electronic Signatures and Records Act (N.Y. State Tech. §§ 301 to 309).

1.40 Severability. If any term or provision of this Note, the Fee Letter or the Mortgage is invalid, illegal, or unenforceable in any jurisdiction, such invalidity, illegality, or

unenforceability shall not affect any other term or provision of this Note, the Fee Letter or the Mortgage or invalidate or render unenforceable such term or provision in any other jurisdiction.

1.41 Amendment and Restatement. This Note amends and restates, replaces and supersedes that certain Bridge Promissory Note in the principal amount of \$26,500,000 made by Borrower to the order of Noteholder dated the Original Effective Date (the "Prior Note"); provided, however, that the execution and delivery of this Note shall not in any circumstance be deemed to have terminated, extinguished or discharged Borrower's indebtedness under such Prior Note, all of which indebtedness shall continue under and be governed by this Note and the other Loan Documents. This Note is a replacement, consolidation, amendment and restatement of the Prior Note and IS NOT A NOVATION. Borrower shall also pay and this Note shall also evidence any and all unpaid interest on the Loan made by Noteholder to Borrower pursuant to Prior Note, and at the interest rate specified therein, for which this Note has been issued as replacement therefor.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Borrower has executed this Amended and Restated Bridge Promissory Note as of the date first written above.

**GREENIDGE GENERATION HOLDINGS INC.**

By \_\_\_\_\_  
Name: Jeffrey Kirt  
Title: Chief Executive Officer

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**Acknowledged and Agreed:**

**B. RILEY COMMERCIAL CAPITAL, LLC**

By: \_\_\_\_\_

Name: Philip J. Ahn

Title: CFO

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**EXHIBIT A**

**Payments on the Loan**

Amount of Principal Paid	Unpaid Principal Amount of the Loan	Name of Person Making the Notation

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Schedule 9.1(b)

Permitted Debt

1. Debt pursuant to Master Equipment Finance Agreement dated as of May 25, 2021 by and between Greenidge Generation LLC and Arctos Credit, LLC.
  2. Debt pursuant to Indenture dated October 13, 2021 by and between Greenidge Generation Holdings Inc., a Delaware corporation and Wilmington Savings Fund Society, FSB, a federal savings bank, as trustee, as amended by First Supplemental Indenture dated as of October 13, 2021.
  3. Debt pursuant to Equipment Lease Agreement dated March 11, 2021 by and between Greenidge Generation LLC, as Lessee and Galaxy Digital Mining LLC, as Lessor.
  4. Debt pursuant to Equipment Finance and Security Agreement dated December 21, 2020 by and between Greenidge Generation LLC, as Borrower and Foundry Digital LLC, as Lender.
  5. Debt pursuant to Equipment Finance and Security Agreement dated March 4, 2021 by and between Greenidge Generation LLC, as Borrower and Foundry Digital LLC, as Lender.
  6. Debt pursuant to Equipment Finance and Security Agreement dated March 4, 2021 by and between Greenidge Generation LLC, as Borrower and Foundry Digital LLC, as Lender.
  7. Debt pursuant to Equipment Finance and Security Agreement dated December 21, 2020 by and between Greenidge Generation LLC, as Borrower and Foundry Digital LLC, as Lender.
  8. Debt pursuant to Equipment Finance and Security Agreement dated December 21, 2020 by and between Greenidge Generation LLC, as Borrower and Foundry Digital LLC, as Lender.
  9. Debt pursuant to Equipment Finance and Security Agreement dated December 21, 2020 by and between Greenidge Generation LLC, as Borrower and Foundry Digital LLC, as Lender.
  10. Debt pursuant to Equipment Finance and Security Agreement dated December 21, 2020 by and between Greenidge Generation LLC, as Borrower and Foundry Digital LLC, as Lender.
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Schedule 9.2

Permitted Liens

1. UCC Financing Statement
    - a. Debtor: Greenidge Generation LLC
    - b. Secured Party: Foundry Digital LLC
    - c. Filing No: 202012240481766
    - d. Collateral: Equipment, Mined Digital Currency, rights in Blocked Wallet A and B and any proceeds thereof
  2. UCC Financing Statement
    - a. Debtor: Greenidge Generation LLC
    - b. Secured Party: Foundry Digital LLC
    - c. Filing No: 202012240481691
    - d. Collateral: Equipment, Mined Digital Currency, rights in Blocked Wallet A and B and any proceeds thereof
  3. UCC Financing Statement
    - a. Debtor: Greenidge Generation LLC
    - b. Secured Party: Foundry Digital LLC
    - c. Filing No: 202103110082312, as amended 202107090248204
    - d. Collateral: Equipment, Mined Digital Currency, rights in Blocked Wallet A and B and any proceeds thereof
  4. UCC Financing Statement
    - a. Debtor: Greenidge Generation LLC
    - b. Secured Party: Foundry Digital LLC
    - c. Filing No: 202103110082324, as amended 202110080373278
    - d. Collateral: Equipment, Mined Digital Currency, rights in Blocked Wallet A and B and any proceeds thereof
  5. UCC Financing Statement
    - a. Debtor: Greenidge Generation LLC
    - b. Secured Party: Galaxy Digital Mining LLC
    - c. Filing No: 202103120082895
-

- d. Collateral: Collection Account, Custodial Funds, mining pool payouts, books and records
6. UCC Financing Statement
- a. Debtor: Greenidge Generation LLC
  - b. Secured Party: Galaxy Digital Mining LLC
  - c. Filing No: 202103120082807
  - d. Collateral: Equipment
7. UCC Financing Statement
- a. Debtor: Greenidge Generation LLC
  - b. Secured Party: Foundry Digital LLC
  - c. Filing No: 202105040155900 and as amended by 202107260272655
  - d. Collateral: Equipment, Mined Digital Currency, rights in Blocked Wallet A and B and any proceeds thereof
8. UCC Financing Statement
- a. Debtor: Greenidge Generation LLC
  - b. Secured Party: Arctos Credit LLC and NYDIG ABL LLC
  - c. Filing No: 202106048254304 and as amended by 202112070466063
  - d. Collateral: Equipment financing pursuant to that certain Master Equipment Finance Agreement, dated May 25, 2021
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Schedule 9.5(c)

Permitted Investments

None

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## Schedule 9.9

### Affiliated Transactions

1. Borrower anticipates causing a wholly-owned subsidiary to enter into one or more agreements with one or more portfolio companies of Atlas Holdings (the "Subject Affiliate") whereby such wholly-owned subsidiary may lease real property from a Subject Affiliate and purchase power and related services from a Subject Affiliate (or an intermediary of the Subject Affiliate) in order to enable such wholly-owned subsidiary to construct, own, operate and maintain datacenters.
-

## EXECUTIVE EMPLOYMENT AGREEMENT

This EXECUTIVE EMPLOYMENT AGREEMENT (this "Agreement"), dated as of August 15, 2022, is by and between Greenidge Generation Holdings Inc., a Delaware corporation (the "Company"), and Dale Irwin ("Executive") (the Company and Executive collectively referred to as the "Parties" or individually referred to as a "Party").

WHEREAS, Executive is currently employed as the President of the Company; and

WHEREAS, the Company desires to assure itself of the continued services of Executive, and Executive desires to continue to provide services to the Company pursuant to the terms and conditions of this Agreement, which shall supersede all prior commitments and agreements between Executive and the Company with respect to Executive's employment with the Company.

NOW, THEREFORE, IT IS HEREBY AGREED AS FOLLOWS:

1. Term; Employment and Duties.

(a) Term. The term of this Agreement commences on the date this Agreement is fully executed and continues until the date of Executive's termination of employment, unless terminated or amended prior thereto (the "Term").

(b) Position and Duties. Subject to the terms and conditions hereof, Executive shall serve as the President of the Company, reporting to the Chief Executive Officer of the Company (the "CEO"). Executive shall have such duties and responsibilities commensurate with Executive's role and as may be assigned to Executive from time to time by the CEO. Executive's principal place of employment shall be Dresden, New York or such other location as mutually agreed between the Company and Executive, subject to travel in the performance of Executive's duties and the business of the Company.

(c) Exclusive Services. For so long as Executive is employed by the Company, Executive shall devote Executive's full business working time, attention and efforts to Executive's duties to the Company, shall faithfully serve the Company, shall in all respects conform to and comply with the lawful and good faith directions and instructions given to Executive by the CEO and shall use Executive's best efforts to promote and serve the interests of the Company. Further, Executive shall not, while employed by the Company, directly or indirectly, render services to any other person or organization without the prior written consent of the Company or otherwise engage in activities that would interfere with the faithful performance of Executive's duties to the Company. Notwithstanding the foregoing, Executive may (i) serve on corporate, civic or charitable boards, provided that Executive receives the prior written consent of the CEO to serve on such boards and (ii) manage personal investments and engage in charitable activities, provided that each of the foregoing activities do not contravene the first sentence of this Section 1(c).

2. Compensation and Other Benefits. Subject to the provisions of this Agreement, during the Term, the Company shall pay and provide the following compensation and other benefits to Executive as compensation for services rendered hereunder:



(a) Base Salary. The Company shall pay to Executive a base salary at the annual rate of \$450,000 (the “Base Salary”), payable in accordance with the Company’s ordinary payroll practices as established from time to time. The Board of Directors of the Company (the “Board”) or its delegate may review and increase, but not decrease (other than in connection with either (i) Company-wide reductions in compensation or (ii) reductions in compensation impacting similarly situated employees of the Company), Executive’s Base Salary in its sole discretion.

(b) Annual Bonus. For each fiscal year during the Term, Executive shall be eligible for an annual bonus (the “Annual Bonus”) with a target opportunity of up to 100% of Executive’s Base Salary, 50% of which shall be paid on the payment date in the form of restricted stock units under the Company’s equity incentive plan as in effect from time to time (“RSUs”), vesting in equal annual installments on the first, second and third anniversaries of the grant date, subject to Executive’s continued employment through each vesting date and otherwise subject to approval by the Compensation Committee of the Board or the Board, as applicable, and the terms and conditions of the applicable award agreement and the Company’s equity incentive plan under which the RSUs are granted. The Annual Bonus shall further be subject to such terms and performance conditions as determined by the Board and payable on the date annual bonuses are paid to similarly situated employees of the Company, subject to Executive’s continued employment by the Company through the applicable payment date.

(c) Benefit Plans. During the Term, Executive shall be entitled to participate in the employee benefit plans and programs maintained by the Company for similarly situated employees of the Company, in accordance with the terms of the plans, as may be amended from time to time.

(d) Expenses. The Company shall reimburse Executive for reasonable travel and other business-related expenses incurred by Executive in the fulfillment of Executive’s duties to the Company upon presentation of written documentation thereof, in accordance with the business expense reimbursement policies and procedures of the Company as in effect from time to time.

### 3. Termination of Employment.

(a) Termination for Any or No Reason. Executive’s employment with the Company shall at all times be on an “at-will” basis and nothing in this Agreement shall provide Executive the right to employment for any specified period. The Company and Executive shall each have the right to terminate Executive’s employment at any time for any reason or for no reason. Upon termination of Executive’s employment for any reason, whether by the Company or Executive, Executive will receive (i) Executive’s accrued Base Salary through and including the date of termination and (ii) any other amounts or benefits required to be paid or provided to Executive by applicable law or accrued and vested for the benefit of Executive under the benefit plans of the Company (collectively, the “Accrued Amounts”).

(b) Termination without Cause; Resignation for Good Reason. If Executive’s employment with the Company is terminated by the Company without Cause (as defined below) or by Executive for Good Reason (as defined below), and subject to timely execution and non-revocation of a General Release (as defined below) and compliance with Section 4, and in lieu of any other severance benefits otherwise payable under any Company plan or policy, Executive

shall be entitled to, in addition to the Accrued Amounts: (i) continued payment of Executive's Base Salary for a period of 12 months immediately following the date of Executive's termination of employment; (ii) if Executive timely elects coverage under the Consolidated Budget Reconciliation Act of 1985, as amended ("COBRA"), Company-subsidized coverage (equal to the same portion of the monthly premium the Company pays for active employees) until the earliest of (x) the one-year anniversary of the date of Executive's termination of employment or (y) the date Executive becomes eligible for health insurance under the health plans of another employer; (iii) any Annual Bonus for the completed fiscal year that ended prior to fiscal year in which Executive's termination of employment occurred but for which the right payment thereof has not vested in accordance with Section 2(b), shall be deemed vested in an amount in accordance with the terms of Section 2(b) and payable at the same time annual bonuses are paid to similarly situated employees of the Company; (iv) an amount equal to 100% of the target amount of the Annual Bonus for the fiscal year in which Executive's termination of employment occurs, payable as a lump sum cash payment at the end of the Restricted Period (as defined in Section 4); and (v) continued vesting of any time-vesting RSUs that would have vested in the 12-month period following Executive's termination of employment held by Executive and unvested on the date of termination. The amounts payable pursuant to clauses (i)-(v) shall be payable in accordance with Company policies and practices unless provided otherwise in this Section 3(b).

(c) Termination due to Death or Disability. Executive's employment with the Company will automatically terminate upon Executive's death and may be terminated by the Company upon Executive's Disability (as defined below). If Executive's employment with the Company is terminated by reason of Executive's death or Disability, and subject to timely execution and non-revocation of a General Release and compliance with Section 4, and in lieu of any other severance benefits otherwise payable under any Company plan or policy, in addition to the Accrued Amounts, (i) all time-vesting RSUs representing the deferred portion an Annual Bonus earned in respect of a prior fiscal year and held by Executive and outstanding at the time of Executive's death or Disability shall vest in full and (ii) all other time-vesting RSUs held by Executive and outstanding at the time of Executive's death or Disability shall vest pro rata, calculated by multiplying the number of RSUs by a fraction, the numerator of which shall equal the number of consecutive days Executive was employed by the Company Group from the applicable grant date to the date of Executive's termination due to death or Disability, and the denominator of which shall equal the number of days in the applicable vesting period (rounded to the nearest whole number).

(d) Termination for Cause; Resignation. If Executive's employment with the Company is terminated by the Company for Cause or as a result of Executive's resignation for any reason (other than for Good Reason), Executive shall only be entitled to payment of the Accrued Amounts, payable in accordance with Company policies and practices, and Executive shall have no further right to receive any other compensation or benefits from the Company or any member of the Company Group.

(e) Execution and Delivery of General Release; Compliance with Covenants. The Company shall not be required to make the payments and provide the benefits provided for under Sections 3(b) or 3(c) unless Executive timely executes and delivers to the Company a general waiver and release of claims in a form substantially similar to the form attached as Exhibit A (the "General Release") and the General Release has become effective and irrevocable in its entirety.

Executive's failure or refusal to sign the General Release (or Executive's revocation of the General Release) shall result in the forfeiture of the payments and benefits (other than the Accrued Amounts). Additionally, the Company's obligation to make any payments or provide benefits to Executive pursuant to this Section 3 (other than the Accrued Amounts) shall be subject to Executive's continued compliance with all restrictive covenants Executive is subject to, including those set forth in Section 4.

(f) Notice of Termination. Any termination of Executive's employment by the Company or by Executive shall be communicated by a written notice of termination to the other Party given in accordance with Section 18. Such notice shall specify the date of termination, and, in the event of a resignation by Executive, such date shall not be less than 30 days after the giving of such notice to the Company.

(g) Resignation from Positions. The termination of Executive's employment for any reason shall constitute and be deemed as Executive's resignation from (i) all director, officer or employee positions Executive has with the Company or any of its subsidiaries or affiliates (the "Company Group") and (ii) all fiduciary positions (including as a trustee) Executive may hold with respect to any employee benefit plans or trusts established by the Company Group, without any further actions required by the Parties.

(h) Cause. For purposes of this Agreement, "Cause" shall mean the termination of Executive's employment due to: (i) Executive's indictment for, or entry of a plea of guilty or no contest or nolo contendere to, any felony (other than a traffic violation) under any state, federal or foreign law or any other crime involving moral turpitude; (ii) Executive's commission of an act of fraud, embezzlement, misappropriation of funds, misrepresentation, malfeasance, breach of fiduciary duty or other willful and material act of misconduct; (iii) Executive's gross negligence with respect to any member of the Company Group; (iv) Executive's conduct that results in or is reasonably likely to result in harm to the reputation or business of any member of the Company Group or breach of any material Company policy; (v) Executive's willful failure to substantially perform Executive's material job functions for the Company or to carry out or comply with a lawful and reasonable directive of the Board; (vi) Executive's unlawful use (including being under the influence) or possession of illegal drugs on the premises of any member of the Company Group or while performing Executive's duties and responsibilities for the Company; or (vii) Executive's breach of this Agreement or any other material breach of a written agreement between Executive and any member of the Company Group; provided, however, that no event, condition, conduct or action described in clauses (v) or (vii) shall constitute Cause unless (x) the Company gives Executive written notice of termination of employment for Cause and the grounds for such termination and (y) such grounds for termination are not corrected by Executive within 30 days of Executive's receipt of such notice; provided, further, that with respect to any event, condition, conduct or action by Executive described in clauses (v) or (vii), which is substantially similar to prior events, conditions, conduct or actions by Executive and which the Company has previously notified Executive it believes constitutes Cause and which Executive was given the opportunity to cure, Executive shall not be provided with the opportunity to cure such event, condition, conduct or action. For the avoidance of doubt, other than clauses (v) and (vii), Executive shall not have an opportunity to cure conduct described in this Cause definition.

(i) Good Reason. For purposes of this Agreement, “Good Reason” shall mean, without Executive’s written consent: (i) relocation of Executive’s principal place of employment with the Company to a location greater than 50 miles from Executive’s principal place of employment immediately prior to such relocation; (ii) a material diminution in the authority, duties or responsibilities of Executive; (iii) the Company’s material breach of this Agreement; or (iv) a decrease in Executive’s Base Salary (other than in connection with either (x) Company-wide reductions in compensation or (y) reductions in compensation impacting similarly situated employees of the Company) or Annual Bonus target opportunity. Notwithstanding the foregoing, Executive may not resign Executive’s employment for Good Reason unless (A) within 30 days following the initial occurrence of the event constituting Good Reason, Executive has provided the Company with prior written notice of Executive’s intent to resign for Good Reason and has set forth in reasonable detail the conduct that constitutes Good Reason and the specific provisions of this Agreement on which Executive relies; (B) the Company does not cure the conduct that constitutes Good Reason within 30 days after receipt of such notice; and (C) Executive actually terminates Executive’s employment within 30 days after the expiration of the remedy period without remedy by the Company of the conduct that constitutes Good Reason.

(j) Disability. For purposes of this Agreement, “Disability” shall be defined in the same manner as such term or a similar term is defined in the Company’s equity incentive plan.

4. Covenants of Executive.

(a) Confidential Information. During Executive’s employment, the Company will continue to provide Executive with access to Confidential Information (as defined below). Executive acknowledges that Confidential Information is the sole and exclusive property of the Company Group. Executive acknowledges and agrees that Executive occupies a position of trust and confidence with respect to the Company Group’s affairs and business and the Confidential Information. Executive acknowledges and agrees that the interests afforded protection by this Agreement are the Company Group’s legitimate business interests, deserving of legal protection. Executive agrees to take the following steps to preserve the confidential and proprietary nature of the Confidential Information: (i) during and after Executive’s employment with the Company Group, Executive will not use, or permit others to use, misappropriate or disclose any Confidential Information, directly or indirectly, to any other person, or use Confidential Information in any way without the prior written consent of an authorized executive officer of the Company (other than Executive); provided that Executive may use the Confidential Information only for the Company’s benefit and only in the course of Executive’s employment with the Company; Executive further agrees that the Confidential Information includes information or material received by the Company Group from other parties with the intention that it be kept in confidence by its recipients; (ii) Executive shall use Executive’s best efforts and take all reasonable precautions to prevent inadvertent or accidental disclosure of Confidential Information to any third party, and Executive represents and warrants that Executive has not disclosed and shall not disclose to the Company any trade secrets or other confidential or proprietary information that may not lawfully be so disclosed by Executive, by virtue of the ownership of the same by another person or entity or otherwise; (iii) Executive acknowledges and agrees that all Confidential Information, whether prepared by Executive (either alone or in cooperation with others) or otherwise coming into Executive’s possession, shall remain the exclusive property of the Company, and Executive will not remove any Confidential Information from the Company’s premises except for use in the

Company's business. Notwithstanding the foregoing, Confidential Information of the Company may be disclosed (A) where required by law or order of a court of competent jurisdiction or (B) where Executive has the legally protected right to disclose to any federal, state or local government agency under any whistleblower or similar statute; provided that, in the case of (A) and (B), to the extent reasonably practicable, Executive first gives to the Company reasonable prior written notice of such disclosure and affords the Company, to the extent reasonably practicable, the reasonable opportunity for the Company to obtain protective or similar orders, where available. In the event that such protective order or other remedy is not obtained, or if the Company waives compliance with the terms hereof, Executive shall disclose only that portion of the Confidential Information which, based on the advice of Executive's legal counsel, is legally required to be disclosed and shall exercise reasonable efforts to provide that the receiving person shall agree to treat such Confidential Information as confidential to the extent possible (and permitted under applicable law) in respect of the applicable proceeding or process, and the Company shall be given an opportunity to review the Confidential Information prior to disclosure thereof. Executive understands and acknowledges that Executive has the right under U.S. federal law to certain protections for cooperating with or reporting legal violations to the Securities and Exchange Commission (the "SEC") or its Office of the Whistleblower, as well as certain other governmental entities. No provisions in this Agreement are intended to prohibit Executive from disclosing this Agreement to, or from cooperating with or reporting violations to, the SEC or any other such governmental entity, and Executive may do so without disclosure to the Company. The Company may not retaliate against Executive for any of these activities. Further, nothing in this Agreement precludes Executive from filing a Charge of Discrimination with the Equal Employment Opportunity Commission or a like charge or complaint with a state or local fair employment practice agency. Furthermore, Executive acknowledges that pursuant to the Defend Trade Secrets Act of 2016, Executive may not be held liable under any criminal or civil federal or state trade secret law for disclosure of a trade secret (x) made in confidence to a government official, either directly or indirectly, or to an attorney, solely for the purpose of reporting or investigating a suspected violation of law, (y) made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal or (z) made to Executive's attorney or used in a court proceeding in an anti-retaliation lawsuit based on the reporting of a suspected violation of law, so long as any document containing the trade secret is filed under seal and Executive does not disclose the trade secret except pursuant to court order.

(b) Assignment of Intellectual Property Rights. In consideration of the Company's agreement to employ Executive pursuant to this Agreement and the receipt by Executive of Confidential Information, Executive agrees to, and does hereby, assign to the Company all of Executive's right, title and interest in all Intellectual Property (as defined below) that Executive makes or conceives, whether as a sole inventor or as a joint inventor, whether made within or outside working hours or upon the premises of the Company or elsewhere, within the scope of and during Executive's employment with the Company or that incorporates, utilizes or reflects any Confidential Information, intellectual property or other supplies, equipment or property of the Company Group, without further compensation, including all rights or benefits therefor, including without limitation the right to sue and recover for past and future infringement. This assignment shall not apply to Intellectual Property that Executive has an obligation to assign to a former employer.

(c) Non-Competition. Executive agrees that during Executive's employment with the Company Group and for a one-year period following Executive's termination of employment with the Company Group (the "Restricted Period"), Executive shall not, without the prior written consent of the Company, directly or indirectly, and whether as principal or investor or as an employee, officer, director, manager, partner, consultant, agent or otherwise, alone or in association with any other person, firm, corporation or other business organization, provide any labor, work, services or assistance to a business competitive with the Company Group, including a business engaged in or exploring the business of cryptocurrency mining or electrical power generation, in the United States and any other geographic area in which the Company Group has engaged in business, or is reasonably expected to engage in business during such Restricted Period (including, without limitation, any area in which any customer of the Company Group may be located); provided, however, that nothing herein shall limit Executive's right to own not more than 1% of any of the debt or equity securities of any business organization.

(d) Non-Solicitation. Executive agrees that, during the Restricted Period, Executive shall not, directly or indirectly, other than in connection with the proper performance of Executive's duties in Executive's capacity as an employee of the Company: (i) solicit or induce, or attempt to solicit or induce, or assist any third party to solicit or induce, directly or indirectly, any employee of the Company Group to leave the employ of the Company Group; (ii) hire any current or former employee of the Company Group or assist in the hiring of any such employee by any person, association or entity not affiliated with the Company Group; or (iii) induce, solicit or encourage any customer or potential customer of the Company Group to cease doing business with the Company Group (or decrease the amount of business it does with the Company Group) or do business with Executive (unless for the benefit of a member of the Company Group) or any business competitive with the Company Group. For purposes of this Agreement, a "potential customer or client" is any person or entity with whom any member of the Company Group is, at the time of Executive's termination of employment, or was, during the one-year period immediately preceding such termination, engaged in discussions regarding one or more possible transactions with the Company Group. Executive shall not be prohibited from advertising to the general public any employment opportunities or requests for consultancy services (which advertisements are not targeted at employees or independent contractors of the Company Group).

(e) Non-Disparagement. Executive agrees that during and after Executive's employment with the Company, Executive will not make any negative comments or otherwise disparage any member of the Company Group or any member's officers, boards or individual directors, employees, shareholders or agents. The Company agrees that during and after Executive's employment with the Company, the Company shall direct its executive officers and members of the Board to not make any negative comments or otherwise disparage Executive. The preceding sentences shall not be violated by truthful statements in response to legal process, required governmental testimony or filings, or administrative or arbitral proceedings (including, without limitation, depositions in connection with such proceedings).

(f) Cooperation. Executive shall cooperate in all reasonable respects with the Company and its directors, officers, attorneys and experts in connection with matters arising out of Executive's service to the Company, including the transition of Executive's duties and responsibilities to any successor and in connection with any action, proceeding, investigation or litigation involving the Company, including any such action, proceeding, investigation or litigation

in which Executive is called to testify. The Company shall reimburse Executive for reasonable expenses incurred in connection with such cooperation.

(g) Return of Property. Executive will return to the Company all Confidential Information and confidential materials, and all copies thereof, whether written in a fixed media or otherwise relating to the businesses of any member of the Company Group, any Company Group member's customers and clients or any prospective customers and clients, including, among other things, any hardware loaned to Executive by the Company, at any time upon the Company's request. Additionally, without such request, within five days following Executive's termination of employment for any reason or no reason, Executive (or in the event of death or Disability, Executive's personal representatives) shall return to the Company all Confidential Information and confidential materials, and any and all copies thereof, whether prepared by them or otherwise coming into Executive's possession, whether written in a fixed media or otherwise relating to the businesses of any member of the Company Group, any Company Group member's customers and clients or any prospective customers and clients, including, among other things, any hardware loaned to Executive by the Company. Executive agrees not to retain any copies of any Confidential Information or confidential materials after termination of employment for any reason whatsoever. If any Confidential Information is stored or maintained by Executive on a computer hard drive or other electronic storage device at the time of termination, then Executive agrees to copy all files containing such Confidential Information onto a medium that can be given to the Company and to irretrievably delete and overwrite such files from Executive's devices so that they cannot be recovered. Executive further consents that the Company, at its expense, may engage a computer forensics investigator to inspect any computer hard drives or electronic storage devices in Executive's possession, custody or control to determine Executive's compliance with the provisions of this Section 4. Anything to the contrary notwithstanding, Executive shall be entitled to retain (A) personal papers and other materials of a personal nature; provided, that such papers or materials do not include Confidential Information, (B) information showing Executive's compensation or relating to reimbursement of expenses, and (C) copies of notices and agreements relating to Executive's employment, or termination thereof, with the Company that Executive received in Executive's capacity as a party to such notices or agreements.

(h) For purposes of this Agreement, "Confidential Information" shall mean confidential information, nonpublic and proprietary information of the Company Group and its equityholders, which includes, but is not limited to, the following: (i) all information relating to intellectual property, software, hardware and products, whether owned or licensed by any member of the Company Group, and intellectual property, hardware and software in various stages of research and development, in each case, which are not generally known to the public or within the industry in which any member of the Company Group competes (in each case, including, without limitation, trade secrets, inventions, know-how, work product, work processes, analyses, design specifications, engineering and technical data, procedures, and techniques) and the records of such information (such as drawings, specification sheets, design notes, source code, object code, load modules, schematics, flow charts, logic diagrams, procedural diagrams, work sheets, documentation, annotations, printouts, studies, manuals, proposals and any other written, electronic, digital or machine readable expressions of such information); (ii) all information concerning or relating to the way in which any member of the Company Group conducts its business that is not generally known to the public or within the industry in which any member of the Company Group competes (such as internal business procedures, controls, plans, vendor and

contractor names and contacts and other vendor and contractor information, procedures, computer system passwords and other computer security controls, financial information, information supplied by clients and customers of any member of the Company Group and employee data) and the records of such information (such as check lists, samples, services and operational manuals, contracts, proposals, print-outs, correspondence, forms, listings, ledgers, financial statements, financial reports, financial and operational analyses, financial and operational studies, management reports of every kind, databases, employment records pertaining to employees other than Executive, and any other written, electronic, digital or machine-readable expressions of such information); (iii) all information that is not generally known to the public or within the industry in which any member of the Company Group competes, pertaining to any member of the Company Group's marketing and business plans and strategies; forecasts and projections; marketing practices, procedures and policies; financial data; discounts; margins; costs; credit terms; pricing practices, procedures, formulas and policies; goals and objectives; quoting practices, procedures and policies; and customer data, including customer lists, contracts, representatives' requirements and needs, specifications, data provided by or about prospective existing or past customers and contract terms applicable to such customers, and the records of such information (such as agreements, customer lists, printouts, databases, marketing plans, marketing reports, strategic business plans, marketing analyses and management reports, listings of potential customers and leads, brokers and their contact information, and any other written, electronic, digital or machine-readable expressions of such information); (vi) in addition to the foregoing, any information relating to any member of the Company Group's business that is not generally known to the public or within the industry in which any member of the Company Group competes which gives the Company Group any advantage over its competitors, and the records of such information in any tangible form, whether written, electronic, digital or machine-readable in nature, is considered Confidential Information; and (v) information publicly available or generally known within the industry in which any member of the Company Group competes (other than information that has become publicly available as a result of a breach of this Agreement) is not considered Confidential Information.

(i) For purposes of this Agreement, "Intellectual Property" means any and all inventions, technological innovations, developments, concepts, improvements, designs, formulae, models, tools, know-how, discoveries, ideas, processes, patents, trademarks, service marks, copyrights, computer software, creations, writings and other works of authorship, theses, books, lectures, illustrations, photographs, motion pictures, improvements to all such property and all tangible embodiments thereof, whether in hard copy or electronic format, whether or not patentable or registerable under copyright, trademark or similar laws, which relate in any manner to the actual or anticipated business or research and development of the Company Group. Executive acknowledges that any rights in the Intellectual Property constituting a work made for hire under the U.S. Copyright Act, 17 U.S.C. § 101 et seq. are owned upon creation by the Company or its applicable affiliate as Executive's employer. Executive understands and agrees that the decision whether or not to commercialize or market any of the Intellectual Property is within the Company's sole discretion and for the Company's or its applicable subsidiary's or affiliate's sole benefit and that no royalty will be due to Executive as a result of the Company's or its applicable subsidiary's or affiliate's efforts to commercialize or market any such Intellectual Property. Executive hereby agrees that Executive has not entered into, and agrees not to enter into, any oral or written agreement in conflict with Executive's obligations in this Section 4. To the extent Executive has any moral rights or other proprietary rights in the Intellectual Property that cannot be assigned in



the manner described above, Executive unconditionally and irrevocably waives the enforcement of such proprietary rights. Executive hereby waives and quitclaims to the Company any and all claims, of any nature whatsoever, that Executive now or may hereafter have for infringement of any proprietary rights assigned hereunder to the Company. Executive represents and warrants that Executive has all the necessary rights to grant the Company sole ownership of the Intellectual Property, free and clear of any liens, licenses or other third-party interests. Executive agrees not to incorporate or otherwise use any intellectual property or confidential or proprietary information of any third party or of Executive made by Executive prior to Executive's employment with the Company (collectively, "Third-Party IP"), in the Intellectual Property without the prior written consent of the Company; provided, however, that if in the course of Executive's employment with the Company, Executive incorporates into any Intellectual Property any Third-Party IP owned by Executive or in which Executive has an interest, Executive represents and warrants that Executive has all necessary rights, powers and authorization to use such Third-Party IP in the manner it is used and such use will not infringe any right of any company, entity or person and, in such a circumstance, the Company is hereby granted and shall have a nonexclusive, royalty-free, sublicensable, transferable, irrevocable, perpetual, worldwide license to use such Third-Party IP as part of or in connection with such Intellectual Property. During and subsequent to Executive's employment, upon the request and at the expense of the Company or its nominee and for no additional personal remuneration, Executive agrees to execute any instrument which the Company considers necessary to assign to, secure for or maintain for the benefit of the Company adequate patent and other property rights in the United States and all foreign countries with respect to any Intellectual Property. Executive also agrees to assist the Company as required to draft said instruments and to obtain and enforce said rights. Executive hereby irrevocably designates and appoints the Company and its duly authorized officers and agents as Executive's agent and attorney in fact to act for and on Executive's behalf to execute, verify and file any such instruments and to do all other lawfully permitted acts to further the purposes of this Section 4 with the same legal force and effect as if executed by Executive. Executive agrees to promptly disclose to the Company any Intellectual Property when conceived or made by Executive, in whole or in part, and to make and maintain adequate and current records thereof. Executive agrees that any Intellectual Property disclosed or filed by Executive within one year following termination of Executive's employment for any reason shall be considered the sole property of the Company unless otherwise agreed by the Parties, or unless and until finally determined by a court of competent jurisdiction to have been made or conceived after the termination of Executive's employment. Executive has no right or license to use, publish, reproduce, prepare derivative works based upon, distribute, perform or display any Intellectual Property. Executive has no right or license to use the Company's trademarks, service marks, trade names, logos, symbols, brand names or other designations of source or origin, except as expressly permitted by the Company.

(j) Reasonableness. Executive acknowledges that the geographic boundaries, scope of prohibited activities, and time duration of the covenants in this Section 4 are all reasonable in nature and no broader than are necessary to protect the legitimate business interests of the Company Group, and Executive further acknowledges that any violation of these covenants would cause substantial irreparable injury to the Company Group.

(k) Blue Pencil. Notwithstanding anything herein to the contrary, if a court of competent jurisdiction shall at any time deem the duration or the geographic scope of any of the provisions of this Section 4 unenforceable, the other provisions of this Section 4 shall nevertheless

stand and the duration and geographic scope set forth herein shall be deemed to be the longest period or greatest size permissible by law under the circumstances, and the parties hereto agree that such court shall reduce the time period or geographic scope to permissible duration or size.

(1) Certain Remedies. Without intending to limit the remedies available to the Company Group, Executive agrees that a breach of any of the covenants contained in this Section 4 may result in material and irreparable injury to the Company Group for which there is no adequate remedy at law, that it will not be possible to measure damages for such injuries precisely and that, in the event of such a breach or threat thereof, any member of the Company Group shall be entitled to seek a temporary restraining order or a preliminary or permanent injunction, or both, without bond or other security, restraining Executive from engaging in activities prohibited by the covenants contained in this Section 4 or such other relief as may be required specifically to enforce any of the covenants contained in this Agreement. Such injunctive relief in any court shall be available to the Company Group in lieu of, or prior to or pending determination in, any arbitration proceeding. In addition to the remedies the Company may seek and obtain pursuant to this Section 4(1), the Restricted Period shall be extended by any and all periods during which Executive shall be found by a court or arbitrator possessing personal jurisdiction over Executive to have been in violation of the covenants contained in this Section 4.

5. Section 409A of the Code. The compensation and benefits provided by this Agreement are intended to be exempt from or comply with the requirements of Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), and this Agreement shall be interpreted and construed consistent with that intent. A termination of employment shall not be deemed to have occurred for purposes of any provision of this Agreement providing for the payment of any amounts or benefits considered "nonqualified deferred compensation" under Section 409A of the Code upon or following a termination of employment unless such termination is also a "separation from service" within the meaning of Section 409A of the Code and, for purposes of any such provision of this Agreement, references to a "termination," "termination of employment" or like terms shall mean "separation from service." Notwithstanding any other provision of this Agreement, to the extent that the right to any payment (including the provision of benefits) hereunder provides for the "deferral of compensation" within the meaning of Section 409A(d)(1) of the Code, the payment shall be paid (or provided) in accordance with this Section 5. If Executive is a "Specified Employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code on the date of Executive's termination, then to the extent required by Section 409A of the Code, no payment of any amounts or benefits considered "nonqualified deferred compensation" under Section 409A of the Code shall be made or commence during the period beginning on the date of Executive's termination and ending on the date that is six months following Executive's termination or, if earlier, on the date of Executive's death. The amount of any payment that would otherwise be paid to Executive during this period shall instead be paid to Executive on the fifteenth day of the first calendar month following the end of the period. Each amount to be paid or benefit to be provided under this Agreement shall be construed as a separate and distinct payment for purposes of Section 409A. Payments with respect to reimbursements of expenses shall be made in accordance with Company policy and in no event later than the last day of the calendar year following the calendar year in which the relevant expense is incurred. The amount of expenses eligible for reimbursement during a calendar year may not affect the expenses eligible for reimbursement in any other calendar year.

6. Limitations on Severance Benefits and Other Payments or Benefits. In the event that Executive receives any payments or distributions, whether payable or distributed or distributable pursuant to the terms of this Agreement or otherwise (“Payment”) that constitute “parachute payments” within the meaning of Section 280G of the Code and, but for this Section 6, would be subject to the excise tax imposed by Section 4999 of the Code (“Excise Tax”), then such Payment shall either be (a) delivered in full or (b) delivered as to such lesser extent that would result in no portion of such Payment being subject to the Excise Tax, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the Excise Tax, results in the receipt by Executive on an after-tax basis, of the largest payment, notwithstanding that all or some portion of the Payment may be taxable under Section 4999 of the Code. The determinations to be made with respect to this Section 6 shall be made by a certified public accounting firm designated by the Company. Any good faith determinations of the accounting firm made hereunder shall be final, binding and conclusive upon the Company and Executive. Any reduction in payments or benefits pursuant to this paragraph will occur in the following order: (i) reduction of cash payments; (ii) cancellation of accelerated vesting of equity awards other than stock options; (iii) cancellation of accelerated vesting of stock options; and (iv) reduction of other benefits payable to Executive. This Section 6 may be amended by the Company at its discretion to comply with any changes to or successor provisions of Sections 280G or 4999 of the Code.

7. Compensation Recovery Policy. Executive acknowledges and agrees that, to the extent the Company adopts any clawback or similar policy, whether in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, and any rules and regulations promulgated thereunder, or otherwise, Executive shall take all action necessary or appropriate to comply with such policy (including, without limitation, entering into any further agreements, amendments or policies necessary or appropriate to implement or enforce that policy).

8. Source of Payments. All payments provided under this Agreement, other than payments made pursuant to a plan which provides otherwise, shall be paid in cash from the general funds of the Company, and no special or separate fund shall be established, and no other segregation of assets shall be made, to assure payment. To the extent that any person acquires a right to receive payments from the Company hereunder, such right shall be no greater than the right of an unsecured creditor of the Company.

9. Non-assignability; Binding Agreement. This Agreement and any and all rights, duties, obligations or interests hereunder shall not be assignable or delegable by Executive. This Agreement shall be binding upon, and inure to the benefit of, the Parties, any successors to or assigns of the Company and to Executive’s heirs and the personal representatives of Executive’s estate.

10. Withholding. All payments made or benefits provided to Executive under this Agreement shall be reduced by any applicable withholding taxes and other authorized deductions.

11. Amendment; Waiver. This Agreement may not be modified, amended or waived in any manner, except by an instrument in writing signed by both parties hereto. The waiver by either party of compliance with any provision of this Agreement by the other party shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach by such party of a provision of this Agreement.

12. Severability. All provisions of this Agreement are intended to be severable. In the event any provision or restriction contained herein is held to be invalid or unenforceable in any respect, in whole or in part, such finding shall in no way affect the validity or enforceability of any other provision of this Agreement. The Parties hereto further agree that any such invalid or unenforceable provision shall be deemed modified so that it shall be enforced to the greatest extent permissible under law, and to the extent that any court of competent jurisdiction determines any restriction herein to be unreasonable in any respect, such court may limit this Agreement to render it reasonable in the light of the circumstances in which it was entered into and specifically enforce this Agreement as limited.

13. Governing Law; Dispute Resolution. All matters affecting this Agreement, including the validity thereof, are to be subject to, and interpreted and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in the State of New York. All actions arising out of or relating to this Agreement shall be heard and determined exclusively in any state or federal court located in New York, New York (or in any appellate courts thereof) (collectively, "Specified Courts"). Each party hereto hereby (i) submits to the exclusive jurisdiction of any Specified Court for the purpose of any action arising out of or relating to this Agreement brought by any party hereto and (ii) irrevocably waives, and agrees not to assert by way of motion, defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Agreement or the transactions contemplated hereby may not be enforced in or by any Specified Court.

14. Survival of Certain Provisions. The rights and obligations set forth in this Agreement that, by their terms, extend beyond the Term of this Agreement or the termination of Executive's employment with the Company shall survive such Term or termination.

15. Entire Agreement; Supersedes Previous Agreements. This Agreement contains the entire agreement and understanding of the Parties with respect to the matters covered herein and supersede all prior or contemporaneous negotiations, commitments, agreements and writings with respect to the subject matter hereof; all other negotiations, commitments, agreements and writings shall have no further force or effect, and the parties to any such other negotiation, commitment, agreement or writing shall have no further rights or obligations thereunder.

16. Counterparts. This Agreement may be executed by either of the Parties in counterparts, each of which shall be deemed to be an original, but all such counterparts shall together constitute one and the same instrument.

17. Headings. The headings of sections herein are included solely for convenience of reference and shall not control the meaning or interpretation of any of the provisions of this Agreement.

18. Notices. All notices hereunder shall be in writing, addressed to:

To the Company at its headquarters, Attention: Jeffrey Kirt, Chief Executive Officer

With a copy (that shall not constitute notice) to:  
Shearman & Sterling LLP  
599 Lexington Avenue  
New York, NY 10022  
Attn: Gillian Emmett Moldowan  
Email: gillian.moldowan@shearman.com

To Executive at the address on file with the Company

All such notices shall be conclusively deemed to be received and shall be effective (i) if sent by hand delivery, upon receipt or (ii) if sent by electronic mail or facsimile, upon receipt by the sender of confirmation of such transmission; provided, however, that any electronic mail or facsimile will be deemed received and effective only if followed, within 48 hours, by a hard copy sent by certified United States mail.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the Company has caused this Agreement to be signed by its officer pursuant to the authority of its Board, and Executive has executed this Agreement, as of the day and year first written above.

**GREENIDGE GENERATION HOLDINGS INC.**

/s/ Jeffrey E. Kirt

By: Jeffrey E. Kirt

Title: Chief Executive Officer

**EXECUTIVE**

/s/ Dale Irwin

Name: Dale Irwin

*[Signature Page to Executive Employment Agreement]*

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**EXHIBIT A**  
**FORM OF RELEASE AGREEMENT**

This Release, dated as of [ ], (this “Release”) by and between Dale Irwin (“Executive”) and Greenidge Generation Holdings Inc., a Delaware corporation (the “Company”).

WHEREAS, Executive and the Company entered into an employment agreement dated [ ], 2022 (the “Employment Agreement”), which provides for Executive’s employment on the terms and conditions specified therein;

WHEREAS, Executive’s employment with the Company has terminated effective [ ]; and

WHEREAS, pursuant to Section 3(e) of the Employment Agreement, it is a condition precedent to the Company’s obligations to make certain payments under [Section 3(b)]. [Section 3(c)] of the Employment Agreement that Executive executes and does not revoke his agreement to this Release.

NOW, THEREFORE, in consideration of the premises and mutual promises herein contained and the Employment Agreement, the sufficiency and receipt of which is hereby acknowledged, Executive and the Company agree as follows:

1. Executive Waiver and Release.

(a) Pursuant to Section 3(e) of the Employment Agreement and in consideration of the amounts to be provided under [Section 3(b)][Section 3(c)] to Executive by the Company at the times and in the manner specified in the Employment Agreement, Executive, on behalf of Executive and Executive’s heirs, executors, devisees, successors and assigns (collectively, the “Releasors”), knowingly and voluntarily releases, remises and forever discharges the Company and its parents, direct and indirect subsidiaries or affiliates, together with each of their current and former principals, officers, directors, shareholders, partners, agents, representatives and employees, and each of their heirs, executors, successors and assigns (collectively, the “Releasees”), from any and all debts, demands, actions, causes of action, accounts, covenants, contracts, agreements, claims, damages, omissions, promises and any and all claims and liabilities whatsoever, of every name and nature, known or unknown, suspected or unsuspected, both in law and equity (collectively, “Claims”), which the Releasors ever had, now have or may hereafter claim to have against the Releasees by reason of any matter or cause whatsoever relating to Executive’s employment with the Company arising prior to the time Executive signs this Release, expressly excluding claims as set forth below. This paragraph 1(a) shall apply to any Claim of any type, including, without limitation, any and all Claims of any type that the Releasors may have arising under the common law, under Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Americans With Disabilities Act, the Age Discrimination in Employment Act of 1967 (“ADEA”), including the Older Workers Benefit Protection Act of 1990; the Family and Medical Leave Act of 1993, the Employee Retirement Income Security Act of 1974, the Sarbanes-Oxley Act of 2002, the New York Labor Law, including the New York State Human Rights Law, the New York Retaliatory Action by Employers Law, Article 6 of the New York Labor Law, the New York Nondiscrimination for Legal Actions Law, Article 4 of the New York Civil Rights Law, each as amended, and any other federal, state, local or foreign statutes,

regulations, ordinances or common law, or under any policy, agreement, contract, understanding or promise, written or oral, formal or informal, between any of the Releasees and Executive, and shall further apply, without limitation, to any and all Claims in connection with, related to or arising out of Executive's employment relationship with the Company.

(b) For the purpose of implementing a full and complete release, except as set forth herein, Executive understands and agrees that this Release is intended to include all claims, if any, which the Releasers may have and which Executive does not now know or suspect to exist in Executive's favor against the Releasees, from the beginning of time until the time Executive signs this Release, and this Release extinguishes those claims.

(c) Executive acknowledges that the consideration given for this Release is in addition to anything of value to which Executive was already entitled.

(d) Notwithstanding anything in the Employment Agreement or this Release to the contrary, this Release shall not apply to and neither Executive nor any other Releaser waives or releases (i) any rights to accrued and vested benefits under the employee benefit plans of the Company; (ii) any right Executive may have to indemnification pursuant to the by-laws, other corporate documents or a directors & officers or other insurance policy; and (iii) claims with respect to the breach of any covenant to be performed by the Company pursuant to this Release.

(e) Executive understands and acknowledges that Executive has the right under U.S. federal law to certain protections for cooperating with or reporting legal violations to the SEC or its Office of the Whistleblower, as well as certain other governmental entities. No provisions in this Release are intended to prohibit Executive from disclosing this Release to, or from cooperating with or reporting violations to, the Equal Employment Opportunity Commission, the SEC or any other such governmental entity, and Executive may do so without disclosure to the Company. The Company may not retaliate against Executive for any of these activities. Further, nothing in this Release precludes Executive from filing a Charge of Discrimination with the Equal Employment Opportunity Commission or a like charge or complaint with a state or local fair employment practice agency. However, once this Release becomes effective, Executive understands and acknowledges that Executive may not receive a monetary award or any other form of personal relief from the Company in connection with any such charge or complaint that Executive filed or is filed on Executive's behalf.

(f) Executive understands and acknowledges that Executive will not be held criminally or civilly liable under any federal or state law for any disclosure of a trade secret that: (i) is made in confidence to a federal, state or local government official, either directly or indirectly, or to an attorney, where such disclosure is solely for the purpose of reporting or investigating a suspected violation of law; or (ii) is made in a complaint or other document that is filed under seal in a lawsuit or other proceeding. If Executive files a lawsuit for retaliation by the Company for reporting a suspected violation of law, Executive may disclose the Company's trade secrets to Executive's attorney and use the trade secret information in the court proceeding if Executive files any document containing the trade secret under seal and does not disclose the trade secret except pursuant to court order.



(g) By executing this Release, Executive hereby agrees that neither Executive nor any other Releasor will initiate, maintain or join any proceeding in any judicial forum relating to any matters covered by this Release. Executive represents that neither Executive nor any other Releasor has initiated, maintained or joined any such proceeding as of the date of this Release.

2. **Executive Representations.** Executive acknowledges and represents that this Release provides for the full and final settlement of all of the Company's obligations with respect to Executive in connection with Executive's employment through the date this Release is executed by Executive. Executive understands that if Executive fails to sign this Release as required, Executive's right to receive any payment under the Employment Agreement will not vest and will not become due and owing to Executive and will be forfeited by Executive in its entirety.

3. **Employment Agreement.** Except for the covenants and obligations pursuant to Sections 3-12, 14 and 18 of the Employment Agreement (the "Surviving Sections"), the Employment Agreement is terminated effective as of the date of the termination of Executive's employment, and except for the Surviving Sections, shall be of no further force and effect with no further liability or obligation of any party thereto thereunder. The Surviving Sections of the Employment Agreement survive termination of the Employment Agreement and remain in full force and effect according to their terms. Executive expressly and specifically acknowledges, ratifies, and reaffirms Executive's obligations under the Surviving Sections of the Employment Agreement.

4. **Consultation with Attorney; Voluntary Agreement.** Executive acknowledges that the Company has advised Executive to consult with an attorney of Executive's choosing prior to signing this Release. Executive understands and agrees that Executive has the right and has been given the opportunity to review this Release with an attorney. Executive also understands and agrees that Executive is under no obligation to sign the Release. Executive acknowledges and agrees that the payments to be made to Executive pursuant to the Employment Agreement are sufficient consideration to require Executive to abide with Executive's obligations under this Release. Executive represents that Executive has read this Release and understands its terms and that Executive enters into this Release freely, voluntarily and without coercion.

5. **Review.** Executive acknowledges that because this Release contains a general release of all claims including under the ADEA, and is an important legal document, he has been advised to consult with legal counsel of his own choosing. Executive may take up to [21] days to decide whether to execute this Release, and Executive may revoke his signature by delivering or mailing a signed notice of revocation to [ ] within seven (7) days after executing it.

6. **No Admissions.** Executive understands and acknowledges that the Releasees make no admission that any Releasee has engaged or is now engaging in any unlawful conduct, and that this Release shall not be used or construed as such in any legal or administrative proceeding.

7. **Confidentiality of Release.** Executive agrees to keep confidential this Release, except that Executive may disclose this Release to their legal and financial advisers and as otherwise may be required under applicable law, rule or regulation or pursuant to court order or in any legal proceeding to enforce rights hereunder or under the Employment Agreement.

8. Entire Agreement. This Release contains the entire agreement between the parties with respect to the subject matter hereof; and this Release supersedes all other agreements and drafts hereof, oral or written, between the parties hereto with respect to the subject matter hereof although both parties, as noted in Section 3 of this Release, agree that the Surviving Sections of the Employment Agreement shall survive the execution of this Release and the obligations under the Surviving Sections shall continue after the date this Release is signed. No promises, statements, understandings, representations or warranties of any kind, whether oral or in writing, express or implied, have been made to Executive to induce Executive to enter into this Release other than the express terms set forth herein, and Executive is not relying upon any promises, statements, understandings, representations, or warranties other than those expressly set forth in this Release.

9. Successors and Assigns. Executive may not assign this Release. The Company may freely assign this Release at any time. This Release shall inure to the benefit of the Releasees and their respective successors and assigns.

10. Counterparts. This Release may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. This Release may be executed by electronic signature, including pdf, and any such electronic signature shall have the same effect as a written signature.

11. Captions and Headings. The captions and headings of this Release are for convenience of reference only and will not be used to construe the terms or meaning of any provision of this Release. All references in this Release to a section are a reference to the section of this Release unless noted otherwise.

12. Governing Law. All matters affecting this Release, including the validity thereof, are to be subject to, and interpreted and construed in accordance with, the laws of the State of New York applicable to contracts executed in and to be performed in the State of New York. All actions arising out of or relating to this Release shall be heard and determined exclusively in any state or federal court located in New York, New York (or in any appellate courts thereof) (collectively, "Specified Courts"). Each party hereto hereby (i) submits to the exclusive jurisdiction of any Specified Court for the purpose of any action arising out of or relating to this Release brought by any party hereto and (ii) irrevocably waives, and agrees not to assert by way of motion, defense or otherwise, in any such action, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the action is brought in an inconvenient forum, that the venue of the action is improper, or that this Release or the transactions contemplated hereby may not be enforced in or by any Specified Court.

*[SIGNATURE PAGE FOLLOWS]*

IN WITNESS WHEREOF, the parties have executed this Release as of the date first set forth above.

Executive has been advised to consult with counsel of Executive's choice. By accepting and agreeing to this Release, Executive acknowledges that this Release has been written in a way so that Executive could understand it and Executive does understand it and has had the opportunity to consult with counsel of Executive's choice and that there was no disparity in bargaining power between or among the parties to this Release, and any presumption that ambiguities shall be construed against a drafter does not apply. In signing this Release, Executive has acted voluntarily and has not relied upon any representation made by the Company or any affiliate of the Company. Executive further acknowledges that Executive is aware of Executive's rights to review and consider this Release for [21] days before signing and has 7 days after signing to revoke Executive's signature.

**GREENIDGE GENERATION HOLDINGS INC.**

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By:  
Title:

**EXECUTIVE**

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Name: Dale Irwin

*[Signature Page to Form of Release Agreement]*

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**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Jeffrey E. Kirt, certify that:

1. I have reviewed this Quarterly Report of Greenidge Generation Holdings Inc. (the "Company") on Form 10-Q for the period ended June 30, 2022;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 15, 2022

By: /s/ Jeffrey E. Kirt  
**Jeffrey E. Kirt**  
**Chief Executive Officer**

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**CERTIFICATION PURSUANT TO  
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,  
AS AMENDED, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Robert Loughran, certify that:

1. I have reviewed this Quarterly Report of Greenidge Generation Holdings Inc. (the "Company") on Form 10-Q for the period ended June 30, 2022;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the registrant and have:
  - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - (b) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - (c) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 15, 2022

By: /s/ Robert Loughran  
**Robert Loughran**  
**Chief Financial Officer**

**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Greenidge Generation Holdings Inc. (the "Company") on Form 10-Q for the period ended June 30, 2022, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 15, 2022

By: /s/ Jeffrey E. Kirt  
**Jeffrey E. Kirt**  
**Chief Executive Officer**

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Greenidge Generation Holdings Inc. (the "Company") on Form 10-Q for the period ended June 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 15, 2022

By: /s/ Robert Loughran  
**Robert Loughran**  
**Chief Financial Officer**

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