

Ault Alliance Issues Letter to Stockholders Summarizing Third Quarter Financial Results and Updating on Capital Raising and Business Focus

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LAS VEGAS--(BUSINESS WIRE)-- Ault Alliance, Inc. (NYSE American: AULT), a diversified holding company ("**Ault Alliance**," or the "**Company**"), today issued a letter from its Executive Chairman to its valued stockholders.

Dear Stockholders:

Ault Alliance proudly announces its financial results for the third quarter 2023 and a strategic shift in capital raising plans.

The Company recently announced a strategic corporate alignment, whereby it intends to focus on the strengths of its three core subsidiaries, Circle 8 Crane Services LLC ("**Circle 8**"), Sentinum, Inc. ("**Sentinum**"), and Ault Venture Group. Ault Venture Group, which has not yet been formed, will house all other subsidiaries and will serve as the investment side of Ault Alliance. Ault Venture Group is expected to include Ault Lending, LLC and Ault Alliance's ownership of other public companies.

In line with our strategic focus, we have listed key properties owned by Ault Global Real Estate Equities, Inc. ("**AGREE**") for sale, with the goal of streamlining our holdings and reducing debt. This move aligns with our commitment to concentrate on our core businesses and optimize capital allocation. The net assets of AGREE met the criteria for classification as held for sale and we presented the financial results of AGREE as discontinued operations in our third quarter 2023 financial results.

Key third quarter 2023 financial highlights included:

- Total assets of \$378 million as of September 30, 2023;
- A book value of \$7.23 per share;
- Total stockholders' equity exceeding \$119 million;
- Revenue growth of 38% from the prior period, reaching \$120 million for the nine months ended September 30, 2023;
- Revenue from Sentinum's Bitcoin mining operations for the nine months ended September 30, 2023 were \$23 million, up \$12 million, or 104%, from \$11 million in the prior fiscal period; and
- Revenue from Circle 8, acquired in December 2022, were \$39 million for the nine months ended September 30, 2023.

The company's financial results for the three and nine months ended September 30, 2023 can be found on the Company's Form 10-Q filed with the Securities and Exchange Commission on November 20, 2023.

Our Bitcoin operations and our data center, at which we mine Bitcoin and offer colocation and hosting services for the emerging artificial intelligence ecosystems and other industries, were significant in increasing our revenues for this reporting period. The Sentinum team is making tremendous progress on developing our Montana site and the team is excited for it to come online. Once the Montana site becomes operational, which is expected to occur in the first quarter 2024, it will significantly change the Sentinum financial model as we shift our machines away from third party hosting agreements and back into our own facilities. Hosting our own machines will significantly improve top line revenue as well as profitability.

The Circle 8 crane operations, which contribute significantly to our revenue, reflect our strategic focus on sectors that enhance our cash flow and business stability.

Further, we have revised our capital-raising approach. We will maintain our existing At-The-Market issuance agreement without amendments and currently have no plans for a new agreement in 2024 after sales of our common stock under the existing agreement is completed. This strategy reflects our confidence in our financial stability and commitment to stockholder value.

Ault Alliance is actively exploring options to address the undervaluation of our common stock. Our strategies, including potential share buybacks, tender offers or special dividends funded by Bitcoin operations, are focused on enhancing stockholder value. We remain committed to structuring our business for sustainable profitability and long-term growth.

Regards,

Milton “Todd” Ault, III
Executive Chairman

Ault Alliance reminds you that its estimates and projections are subject to the volatility in Bitcoin market price, the fluctuation in the mining difficulty level, the ability to build out and provide the necessary power for miners, and other factors that may impact the results of Bitcoin mining production or operations. Our trading activities, encompassing both realized and unrealized gains or losses, can cause notable volatility in our reported earnings.

For more information on Ault Alliance and its subsidiaries, Ault Alliance recommends that stockholders, investors, and any other interested parties read Ault Alliance’s public filings and press releases available under the Investor Relations section at www.Ault.com or at www.sec.gov.

About Ault Alliance, Inc.

Ault Alliance, Inc. is a diversified holding company pursuing growth by acquiring undervalued businesses and disruptive technologies with a global impact. Through its wholly and majority-owned subsidiaries and strategic investments, Ault Alliance owns and operates a data center at which it mines Bitcoin and offers colocation and hosting services for the emerging artificial intelligence ecosystems and other industries, and provides mission-critical products that support a diverse range of industries, including metaverse platform, oil exploration, crane services, defense/aerospace, industrial, automotive, medical/biopharma, consumer electronics, hotel operations and textiles. In addition, Ault Alliance extends credit to select entrepreneurial businesses through a licensed lending subsidiary. Ault Alliance’s headquarters are located at 11411 Southern Highlands Parkway, Suite 240, Las Vegas, NV 89141; www.Ault.com.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements generally include statements that are predictive in nature and depend upon or refer to future events or conditions, and include words such as “believes,” “plans,” “anticipates,” “projects,” “estimates,” “expects,” “intends,” “strategy,” “future,” “opportunity,” “may,” “will,” “should,” “could,” “potential,” or similar expressions. Statements that are not historical facts are forward-looking statements. Forward-looking statements are based on current beliefs and assumptions that are subject to risks and uncertainties.

Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update any of them publicly in light of new information or future events. Actual results could differ materially from those contained in any forward-looking statement as a result of various factors. More information, including potential risk factors, that could affect the Company’s business and financial results are included in the Company’s filings with the U.S. Securities and Exchange Commission, including, but not limited to, the Company’s Forms 10-K, 10-Q and 8-K. All filings are available at www.sec.gov and on the Company’s website at www.Ault.com.

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