Q2 2026 Update: Letter to Shareholders

Quarter ended 30 June 2026

Dear Shareholders,

Q2 2026 has been a period of significant commercial and operational progress for B HODL. With our Lightning infrastructure strategy now firmly in execution, we have moved from laying the foundations to actively building on them. During the quarter, we launched the second of the core business lines outlined in our Admission Document, opening new revenue opportunities and taking another important step towards becoming a significant player in the Lightning Network, demonstrating the real-world utility of Bitcoin at every turn.

Throughout the quarter, we continued to demonstrate the real-world utility of Bitcoin while growing our commercial operations. Against a backdrop of ongoing market volatility, the resilience of our Bitcoin-native and cash conservative business model has become increasingly evident.

The Board and I are grateful for your continued support, and we're pleased to share the highlights from the quarter.

Key Achievements in Q2 2026

LSP Launch - Lightning Infrastructure Goes Live

One of the most significant milestones this quarter was the successful launch of our Lightning Service Provider (LSP) business.

Following months of development, we officially went live in May, enabling programmable Bitcoin liquidity for businesses, developers and AI agents building on the Lightning Network. Through our public node, BHODL-PUBLIC-01, clients can access inbound liquidity, channel management and API integration without B HODL relinquishing custody of a single sat.

This represents the second operational revenue stream outlined in our IPO strategy, expanding our business beyond Lightning routing into Bitcoin liquidity provision and infrastructure services, while building a sustainable, long-term commercial business.

The response has exceeded our expectations. Our launch announcement generated more than 45,000 views on X, and we are proud to have become one of the UK's first listed Lightning infrastructure businesses.

To mark the occasion, we gave away five $1,000 Lightning channels, generating substantial community enthusiasm around Lightning adoption.

Since launch:

- Node capacity has grown from 1.617 BTC to more than 3.2 BTC.
- We are now live on Amboss Magma, one of the leading Lightning liquidity marketplaces.
- At the time of our latest public update, we ranked 5th globally for availability.
- Additional marketplace integrations are expected in the near future.

For anyone needing Lightning liquidity, visit: lightning.bhodl.com

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Treasury Activity

We continued to grow our Bitcoin treasury throughout the quarter.

In April, we added 2 BTC, funded through a combination of our At-The-Market (ATM) programme and Capital Redeployment Programme. This demonstrates our ability to continue accumulating Bitcoin strategically, even during periods of market downturn. Alongside treasury purchases, our active yield strategy continues to generate additional Bitcoin through our commercial operations, enabling us to grow Bitcoin holdings without relying solely on market purchases.

Our Proof of Reserves page provides details of our current treasury holdings, while all treasury purchases and capital raises continue to be announced through our RNS filings.

Proof of Reserves: https://bhodl.com/investors/proof-of-reserves
RNS announcements: https://bhodl.com/investors/news

Agentic AI and Lightning Payments

We continued developing and demonstrating the commercial potential of AI-native Lightning payments.

During the quarter, our work with Bitrefill's agentic payment stack was showcased publicly, demonstrating how AI agents can make autonomous Bitcoin payments over the Lightning Network: https://blog.bhodl.com/lightning-network-commerce-revolution-ai-agents-wont-pay-with-sterling-6126d1630895

This provides a practical demonstration of our commercial thesis: as Lightning payment activity increases, demand for routing and liquidity services grows alongside it - ultimately creating opportunities to increase Bitcoin per share without shareholder dilution.

We also reached another milestone internally, with our own AI agent making its first autonomous payment contributions to our Free Sats Friday initiative. Partial automation of the weekly distribution is now operational, with the proof of concept live and continuing to evolve.

Lightning Network Market Research and Analysis

We were pleased to contribute both in review terms and as a case study to the ZeusLN publication, Lightning Economics: The Bridge Between Bitcoin's Two Identities: https://zeusln.com/lightning-economics

The paper explores the return on invested capital generated by Bitcoin deployed within Lightning routing channels and provides valuable third-party validation of our core investment thesis - that Bitcoin's role as both a store of value and a medium of exchange is complementary rather than conflicting.

The concept of Lightning Routing Income (LRI) continues to underpin our operating business and represents an increasingly important part of our long-term strategy.

Free Sats Friday - Growing and Scaling

Free Sats Friday continued to expand throughout Q2, both in scale and reach.
In May, we became one of the biggest Bitcoin faucets operating on X, with 913 sends in a single 6-hour session to 32 unique wallet types:
https://x.com/bitcoinhodlco/status/2066448903222804691

Free Sats Friday is not only a community facing giveaway, but is also marketing, serving as a weekly live demonstration of Lightning as a global payment network and Bitcoin functioning as everyday money.

Q2 also saw the introduction of sponsored editions, with partners including VivaCento, English Lakes, RenewaBlox, Bitcoin Collective, Robin the Bitcoin Accountant, and CoinCorner.

We continue to explore sponsorship opportunities; if you are interested in reaching our growing community, please do get in touch.

Policy and Advocacy

We remained actively engaged in UK Bitcoin policy discussions throughout the quarter.

We contributed to the HMRC consultation on the tax treatment of cryptocurrencies used in payments, making the case that where Bitcoin is used as a means of payment, it should be CGT exempt and should not be deemed a disposal for tax purposes: https://blog.bhodl.com/b-hodl-response-to-hmrc-call-for-evidence-taxation-of-stablecoins-a-tldr-0cb32bfa8752

If adopted, this would significantly improve the environment for Bitcoin payments in the UK and strengthen the case for Bitcoin as a practical medium of exchange.

We will continue contributing to these discussions wherever appropriate.

Conferences, Speaking and Community

Q2 was our busiest quarter yet for conferences, speaking engagements and community events, with the B HODL team represented across Europe and beyond. Highlights included:

• **Oslo Freedom Forum** - attending at the invitation of the Human Rights Foundation to discuss Bitcoin as censorship-resistant money and the role our business plays in supporting financial freedom globally.

• **BTC Prague 2026** - a week of productive business development conversations, speaking at the Freedom Tech Summit, and a dinner with industry leaders including Michael Saylor and Adam Back.

• **Bristol Bitcoin Treasuries Unconference** - presenting our work on Lightning Routing Income as a productive yield layer for corporate Bitcoin treasuries.
• Bitcoin Ireland (Dublin) - discussing corporate Bitcoin adoption and the strategic rationale behind the Bitcoin treasury model.

• **Tuscany Lightning Summit** - engaging with Lightning builders and operators on the next phase of Lightning infrastructure development.

• **Bitcoin Pizza Day, Bury St Edmunds** - sponsoring the local Bitcoin community event, which received regional media coverage and highlighted Bitcoin's growing presence across the UK.

Media appearances during the quarter included conversations with:

- Peter McCormack: https://www.youtube.com/watch?v=sabTXjm-geA
- Stephan Livera: https://x.com/stephanlivera/status/2065663187471536184
- Efrat Fenigson (link coming soon!)
- Robin Seyr: https://www.youtube.com/watch?v=B7ZJNUpGIdA
- Bram Kranstein: https://podcasts.apple.com/nl/podcast/this-new-uk-law-accidentally-proves-bitcoin-cant-be/id1705737112
- Bitcoin Archive: https://www.youtube.com/watch?v=2_PKucos6WA
- Crypto Princess: https://x.com/C_PrincessYT/status/2049499948530696647
- Gareth Jenkinson at The Block

We also participated in regulatory discussions covering UK crypto licensing and CBDCs, while continuing to support community events including Bitcoin Business Network at Antidote London, Bitcoin Surrey and House of Block at Ham Polo Club.

Our progress was also recognised by Bitcoin Treasuries, who recently published an in-depth feature on B HODL and our strategy: https://bitcointreasuries.net/news/inside-b-hodl-the-uks-first-active-bitcoin-treasury-company

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Looking Ahead to Q3 2026

Q3 2026 will be a period of continued execution. Our LSP is gaining commercial traction and we expect to announce further partnerships and platform integrations as the quarter progresses. The case for Lightning-native yield continues to build, and our ability to demonstrate that case in real time (through Free Sats Friday, agentic payment demonstrations, and our own growing node capacity) remains a core part of how we engage with the market.

We remain committed to our Bitcoin-first strategy: growing our treasury, maximising yield opportunities through Lightning, and driving sats per share higher. The Board and I continue to explore innovative approaches to capital allocation and look forward to sharing further developments in the coming weeks and months.

Thank you, as always, for your support and partnership. We look forward to updating you on our progress in the coming quarter.

Yours sincerely,

Freddie New, CEO, B HODL Plc