



Earnings Call
Q1' 2025

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Mr. Munaf Ali
Board Member, Co-founder &
Group CEO



Mr. Sheharyar Malhi
Group CFO

A decorative graphic consisting of a series of white dots of varying sizes, arranged in a pattern that suggests a rising path or a cluster of data points, extending from the bottom left towards the top right.

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Business Performance - Q1' 2025

- Phoenix Group contributed an average of **14.2 EH/s** in Q1'25, with its share in the global network slightly down to **1.7%**.
- Revenue for Q1'25 stood at **\$31M**, down 37% QoQ, mainly due to a strategic shift toward self-mining and reduced hosting and trading activities.
- Self-mining gross margin rose to **30%** (up from 24%) driven by a **17%** improvement in mining efficiency to **25.4 J/TH**, supported by new U.S. sites equipped with S21 miners.
- The Company reported gross profit of **\$6.3 million**, while operating expenses totaled \$9 million, reflecting increased costs associated with scaling operations globally.
- Phoenix Group mined a total of **353.47 BTC** in Q1'25, comprising 222.2 BTC from self-mining, 66.47 BTC from hosting operations, and 64.8 BTC through its share in joint ventures.
- Bitcoin's average price improved by **12%** from \$83K in Q4'24 to **\$94K** in Q1'25, but gains were offset by a 12.5% decrease in mining rewards due to higher network difficulty.

Business Performance - Q1' 2025

- Self-mining revenue declined **31%** QoQ, partly due to the exit from the CIS region (which contributed 4.2 EH/s) in Dec-24. This was partially offset by the launch of new U.S. sites: North Dakota (2.4 EH/s) and Texas (1.2 EH/s), delivering ~50% higher efficiency and ~14% lower power costs compared to CIS.
- The company reported an EBITDA loss of **\$146M** in Q1'25, driven by a steep decline in digital asset prices amid global tariff tensions. Digital asset losses remain unrealized and tied to market fluctuations. With crypto prices rebounding in April/May, continued recovery is expected to return these assets to profitability by Q3 2025.
- Adjusting for these unrealized losses on digital assets, operational loss is only **~\$10M**, which is in sync with how most of the industry peers have performed globally at the back of mining economics.

None of these losses were realized and notwithstanding the loss for the period under reporting, we are still in healthy profits on all our tokens if acquisition price is taken into account from the date of inception of these investments.

- There are currently no litigations or claims against the Company.

Strategic **Achievements** - Q1' 2025

We remain committed to strengthening our leadership in the region, with several key initiatives in progress. Here are some of the notable developments for the quarter ended:

- Launch of new sites in Texas and Ethiopia totaling **72 MW**.
- In discussion with several entities to expand mining operations further in the **MENASA** region.
- Phoenix Group is making significant strides in expanding its mining operations while **optimizing costs**.
- Senior management engaged with industry experts, investors, and innovators at the **Cantor Tech Conference** in **New York, USA**.
- Phoenix continues to fund its **growth strategy** through a disciplined capital allocation approach, supported by liquidity reserves and a strong balance sheet and no expansion debt on its books, enabling the Company to execute growth without compromising financial flexibility.

Operational Metrics - Q1' 2025

OVERALL BUSINESS

HASHING SHARE IN THE NETWORK
1.7%

MINING EFFICIENCY
27.0 MW/EHs

BTC MINING PER DAY¹
3.9

CURRENT POWER CONSUMPTION
~382 MW

POWER COST PER KWH²
6.0 cent

MINING

HASH RATE
4.5 EHs

HASHING SHARE
0.54%

BTC MINED PER DAY
2.5

POWER CONSUMPTION
~113 MW

MINING EFFICIENCY
25.4 MW/EHs

HOSTING

HASH RATE
1.3 EHs

HASHING SHARE
0.16%

BTC MINED PER DAY
0.7

POWER CONSUMPTION
~27 MW

MINING EFFICIENCY
20.5 MW/EHs

INVESTMENTS (JV)

HASH RATE
8.4 EHs

HASHING SHARE
1.02%

BTC SHARE PER DAY
0.72 *

POWER CONSUMPTION
~241 MW
(INCL. CITADEL & OTHERS)

Key Highlights - Q1'2025

REVENUE & INCOME



SELF MINING
USD 20.7 MN



HOSTING
USD 3.8 MN



TRADING
USD 6.8 MN



INVESTMENT INCOME
USD -143.9 MN

MARGINS



SELF MINING
30%



HOSTING*
-9%



TRADING
6%



GROSS MARGIN
20%

EFFICIENCY



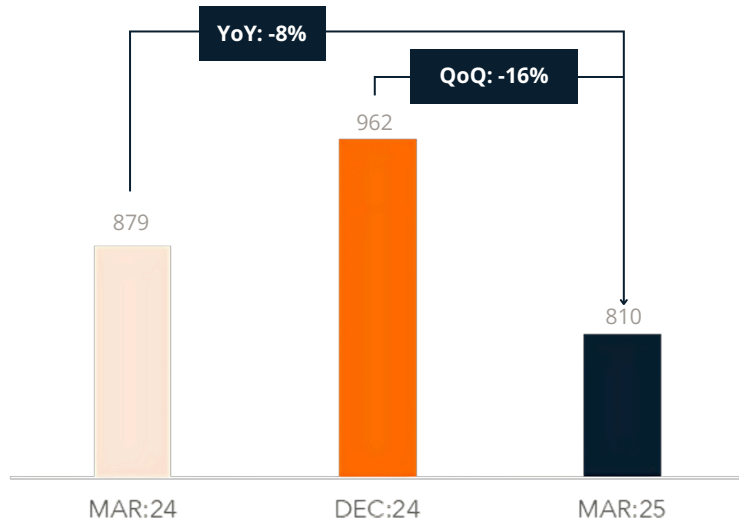
HASH RATE
14.2 EHs



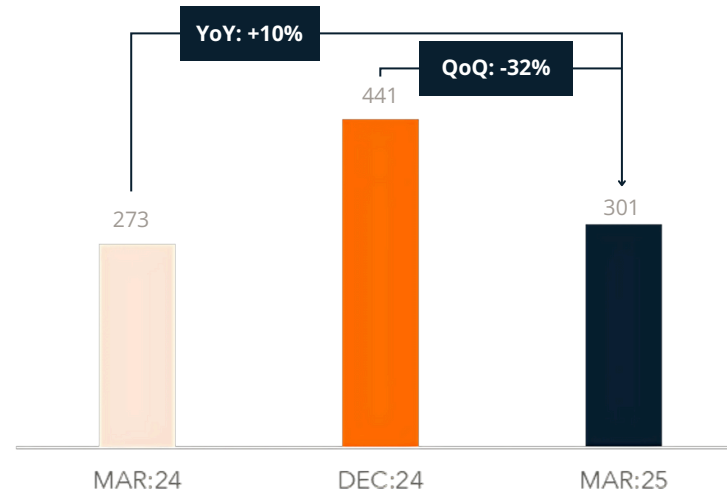
GLOBAL HASH RATE CONTRIBUTION
1.7%

Balance Sheet **Review** - Q1' 2025

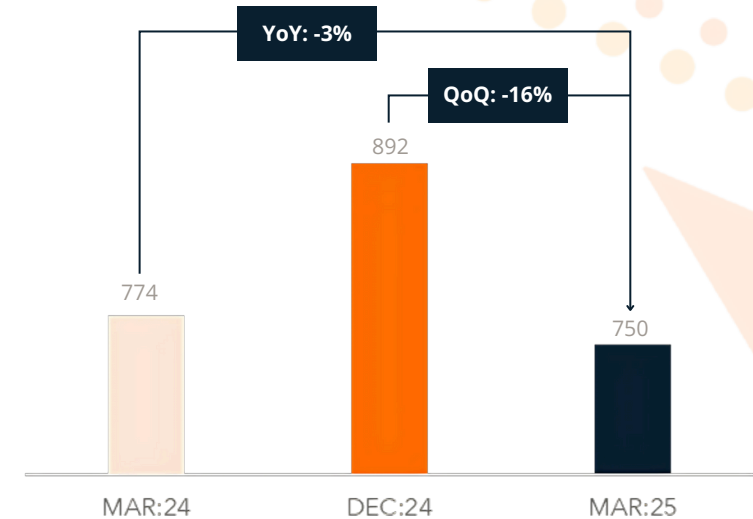
TOTAL ASSETS
(USD MN)



TOTAL DIGITAL ASSETS
(USD MN)

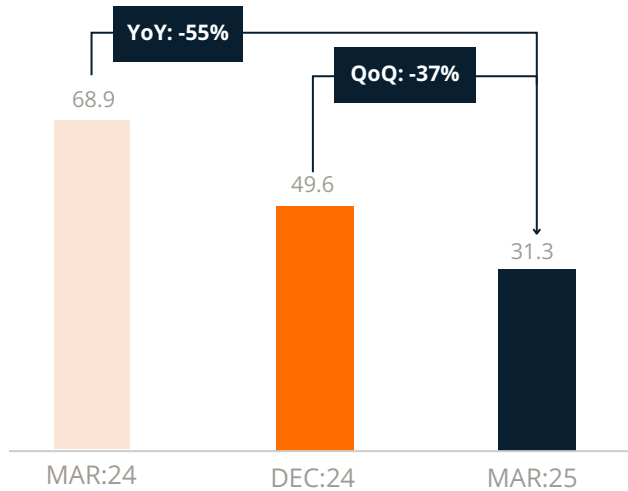


TOTAL EQUITY
(USD MN)

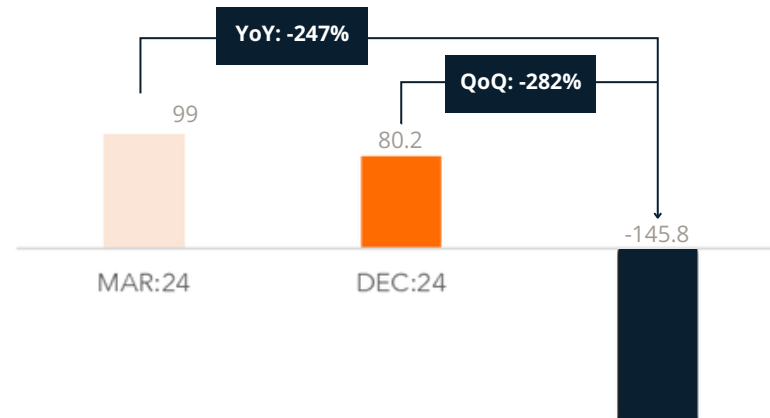


PnL Review - Q1' 2025

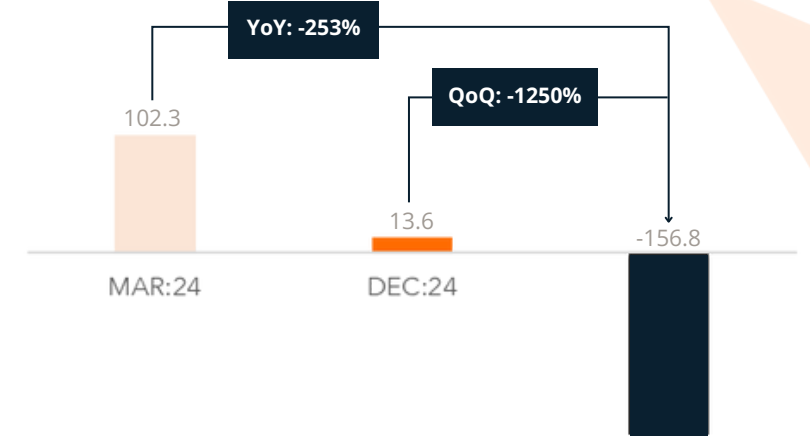
REVENUE
(USD MN)



EBITDA
(USD MN)



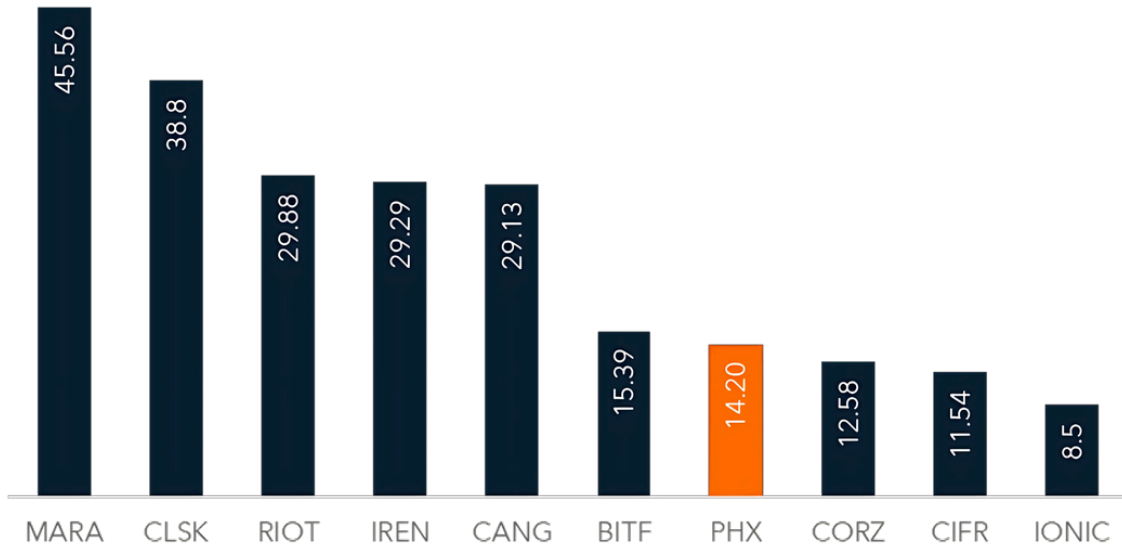
TOTAL COMPREHENSIVE INCOME
(USD MN)



Peer Comparison - Q1' 2025

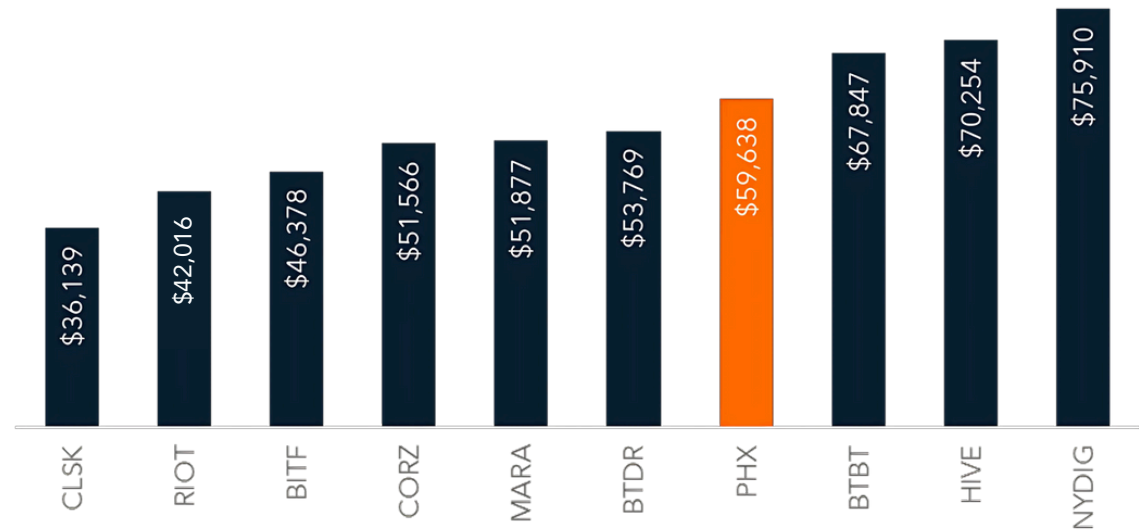
Ranked amongst top 10 bitcoin mining companies based on latest available data.

REALIZED HASHRATE OF TOP 10 BITCOIN MINING COMPANIES



IMPLIED COST OF MINING 1 BTC

(USD / BTC - Figures as of Q4,2024 - from proprietary hash rate)



Industry Overview

Bitcoin's Turbulent Q1: Volatility & Policy Shifts

Bitcoin endured its most volatile first quarter in seven years, marked by sharp price swings and a sustained downtrend. This instability was not just market-driven—it reflected broader economic policy shifts, regulatory uncertainty, and the growing influence of social media narratives.

Market Drivers of Uncertainty

Q1 2025 was defined by deep corrections in Bitcoin and altcoins, driven by:



Regulatory Pressure in the U.S:

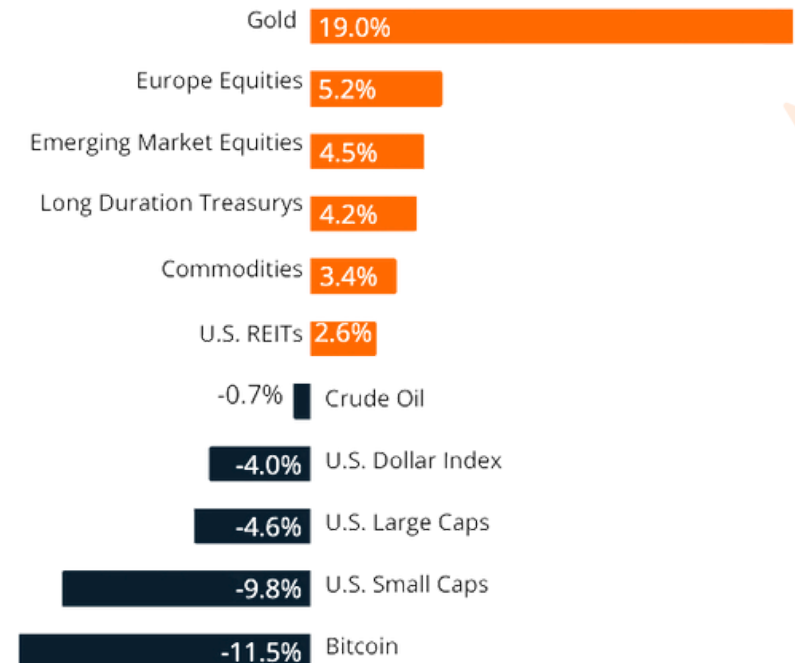
The crypto sector faced pushback against proposed legislation, stricter compliance measures, and insider trading allegations—particularly around meme coins—raising fears of market manipulation.



Macroeconomic Strains:

Weak economic indicators, trade tensions, and global policy uncertainty pushed investors toward traditional safe havens like gold and bonds, slowing Bitcoin's momentum.

Global Asset Class Returns in Q1 2025



Industry Overview

What's Next: Q2 & Beyond

Trump's Pro-Crypto Momentum

President Trump's return reignited optimism in the crypto space, with Bitcoin hitting a record \$108,786 on his inauguration day (Jan 20). His administration announced:

- A Digital Asset Working Group.
- Plans for a federal Bitcoin reserve. Sovereign entities and governments across the globe are in a rush to acquire Bitcoin as part of their reserves.
- State-level initiatives supporting Bitcoin and crypto pension investments.

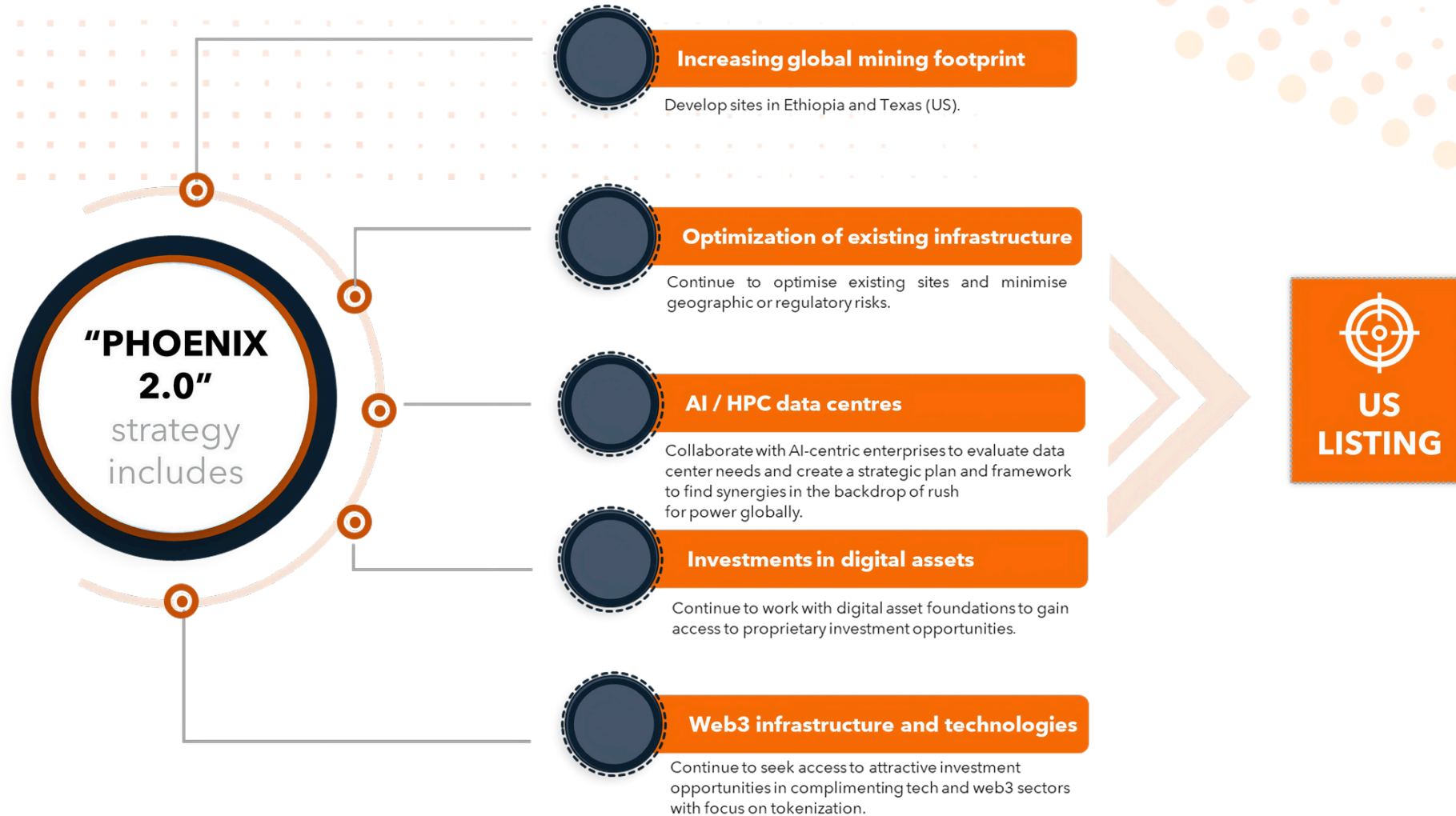
What Could Drive the Next Rally?

Several indicators hint at a potential rebound:

- Shrinking exchange reserves may trigger a supply shock.
- A weaker dollar and potential Fed easing could support risk assets.
- Rising institutional and sovereign adoption may spark momentum-driven growth in 2025.

Strategic Direction

2025 & beyond



Strategic **Direction**

2025 & beyond

- Accelerate **expansion** into the **US market**, solidifying our position as a global leader in mining infrastructure, and reinforcing our global diversification strategy.
- **HPC and AI-driven** advancement offer Phoenix Group a key diversification avenue beyond crypto mining, with the company strategically positioned to leverage this by dedicating a portion of an existing site for prototype setup and completing a feasibility study.
- Phoenix will actively seek **joint venture** opportunities to expand and establish crypto mining data centers worldwide, enhancing its global presence and operational capacity.
- Phoenix will continue to actively explore a **US exchange listing** as a strategic move to boost market visibility, attract institutional investors, and strengthen liquidity.





Q&A




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