



# **Q4/FY' 2025 Management Discussion & Analysis**

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NAME OF THE LISTED  
COMPANY

PHOENIX GROUP PLC

THE PERIOD OF THE  
FINANCIAL STATEMENTS  
COVERED BY THE REPORT

Forth Quarter / FY' 2025 (Q4/FY'2025)

OVERVIEW OF THE  
RESULTS DURING THE  
FINANCIAL PERIOD

Phoenix Group PLC (ADX: PHX) is pleased to announce its Q4/FY'25 results with the following highlights.

### Key Highlights:

- Phoenix Group delivered a significant improvement in operating profitability, reporting a **285% YoY increase in adjusted EBITDA to \$3.4M** for full year 2025. This performance reflects the Group's strategic shift towards self mining operations and a sustained focus on efficiency optimization, reinforcing operational discipline and margin driven execution.
- Mining efficiency continued to improve during the quarter, reaching **20.6 J/TH, 6% down from 22.0 J/TH in Q3'25**, and representing a sustained improvement in fleet performance. This underscores Phoenix Group's continued focus on hardware optimization, site efficiency, and disciplined infrastructure upgrades.
- Self-Mining revenue declined by only **10%** as the company brought **62 MW of new capacity** online in Ethiopia and completed a **5 MW site expansion in the US**. This additional capacity lifted average self-mining hash rate to **5.9 EH/s, up from 4.5 EH/s** in the previous quarter.
- Phoenix increased its average contribution in the global Bitcoin network to **15.9 EH/s, with its network share rising to 1.5%**, driven by capacity expansion in **Ethiopia and full utilization of the Citadel facility without power curtailments**. This represented a **47% QoQ increase and 6% YoY growth** in hash rate.

## OVERVIEW OF THE RESULTS DURING THE FINANCIAL PERIOD

### Financial Highlights

- Average power cost improved to **4.9 cents per KwH in Q4'25**, down from **5.2 cents per KwH in Q3'25**, reflecting continued optimization across the company's power procurement strategy
- Phoenix mined **351.7 BTC in Q4'25**, up from **305.5 BTC in Q3'25**, including **230.9 BTC from self mining**, driven by higher utilization and expanded capacity
- During the quarter, the Group **sold 300 BTC** alongside **158,750 SOL** to fund expansion initiatives and support its AI strategy, closing Q4'25 with an operational digital asset treasury of **641 BTC and over 508,074 SOL**. The revenue for **Q4'25 clocked in at \$25M down 20% QoQ** with a 10% decline in self-mining revenue. The YoY **decline of 49%** is mainly driven by exit from CIS region.
- The full year revenue down **43% YoY to \$118M** driven by the company's deliberate reduction in hosting and trading activities as it reallocates capital toward its higher-margin, self-mining business
- The Company reported a net loss of **\$271.6M** for FY 2025, primarily driven by unrealized financial & digital asset revaluations amounting to **\$170M** and non-cash impairment and depreciation charges of **\$95.3M**
- The company recorded a **\$170M loss** on its investment portfolio in FY'25, primarily driven by losses on investments in
  - 1) **MMX** (-\$139M, price down from \$1.53 to \$0.01) - due to winding down of M2 exchange,
  - 2) **UNCN** (-\$30.5M, price down from \$0.56 to \$0.32) and
  - 3) **LVLY** (-\$15.9M, price down from \$0.15 to \$0.02).
- These losses were partially offset by a **\$16.1M gain** from the turnaround and public listing of Bitzero on the Canadian Securities Exchange

## SUMMARY OF PROFIT AND LOSS DURING THE PERIOD

All numbers in USD

	Q4'25	Q4'24	Q3'25	Y/Y	Q/Q
Gross Revenue	25,415,535	49,573,412	31,936,055	-49%	-20%
Self Mining	20,027,056	30,092,189	22,273,285	-33%	-10%
Hosting	4,964,236	4,123,436	4,873,439	20%	2%
Trading	424,243	15,357,787	4,789,331	-97%	-91%
<b>Gross Margin</b>	<b>39%</b>	<b>-48%</b>	<b>38%</b>	<b>87.5 pp</b>	<b>1 pp</b>
Self Mining	42%	24%	46%	18 pp	-5 pp
Hosting	24%	4%	25%	20.4 pp	-1 pp
Trading	90%	-204%	18%	294.1 pp	73 pp
Hash Rate Avg (EH/s)	15.9	15.0	10.8	6%	47%
Contribution in global hash rate	1.5%	1.9%	1.0%	-0.4 pp	0.5 pp

## SUMMARY OF FINANCIAL POSITION AT THE END OF THE FINANCIAL PERIOD

Total Digital Assets: USD 266M

Total Assets: USD 684M

Total Equity: USD 634M

## OPERATIONAL METRICS FOR THE FINANCIAL PERIOD

### Overall Business

BTC Mining Per Day : 3.8  
Hashing Share in the Network : 1.5%  
Mining Efficiency : 24.3 MW /EHs  
Current Power Consumption : ~388 MW  
Power Cost Per KwH : 4.9cent

### Business Verticals

- Self Mining

Hash Rate : 5.9 EHs  
Hashing Share in the Network : 0.55%  
BTC Mined Per Day : 2.51  
Power Consumption : ~120 MW  
Mining Efficiency : 20.6 MW / EHs

- Hosting

Hash Rate : 1.95 EHs  
Hashing Share in the Network : 0.18%  
BTC Mined Per Day : 0.8  
Power Consumption : ~33.1 MW  
Mining Efficiency : 16.99 MW / EHs

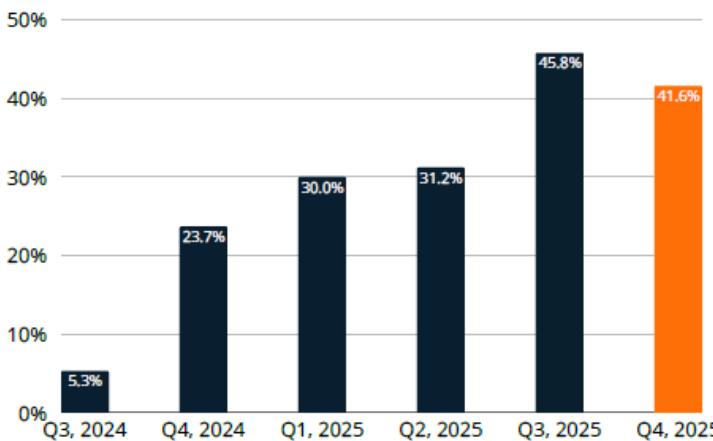
- JV Investments

Hash Rate : 8.14 EHs  
Hashing Share in the Network : 0.8%  
BTC Share Per Day : 0.51  
Power Consumption : ~234 MW  
(Incl. CITADEL & Others)

## SUMMARY OF OPTIMIZATION INITIATIVES

**Self-Mining Gross Margins** remained on a higher side at 41.6% with a slight 4.2pp decline Q/Q due to tough market condition around bitcoin mining.

### SELF MINING GROSS MARGINS



**This has been achieved with:**

1. Mining Efficiency - improved from 22 J/T in Q3'25 to 20.6 J/T.

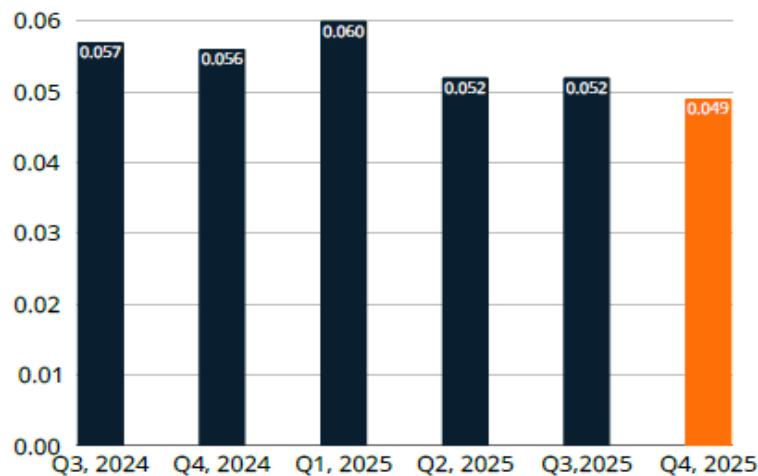
### MINING EFFICIENCY (J/TH)



## SUMMARY OF OPTIMIZATION INITIATIVES

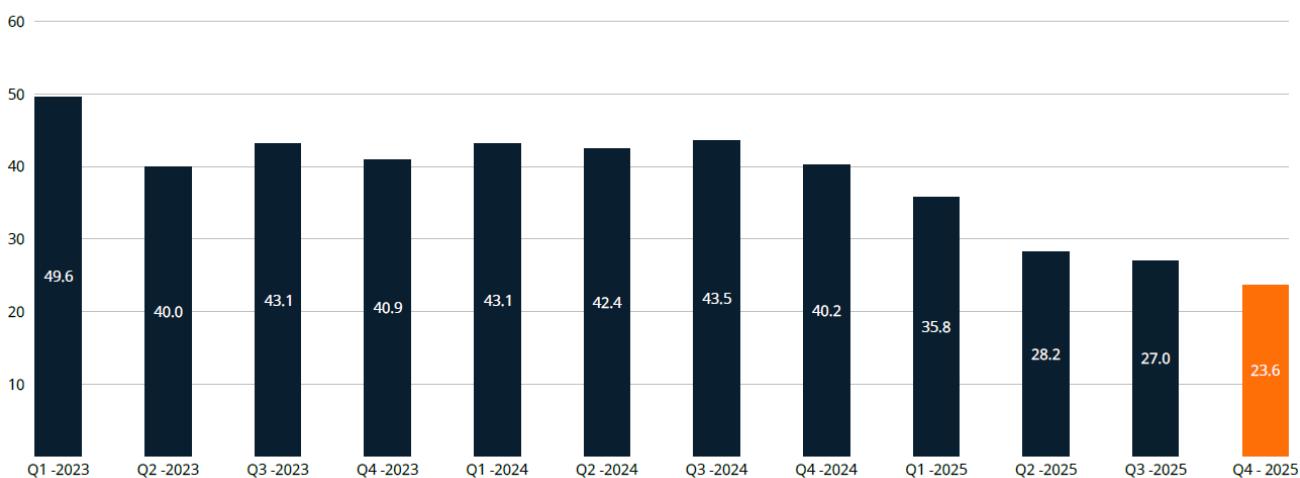
2. Average power cost - improved from \$0.052/KwH to \$0.049/KwH.

### AVG POWER PRICE (\$/KWH)



**Efficiency** continues to drive Cost per PH/day lower, strengthening the company's position and supporting long-term value creation

### \$ Cost per PH/day



## FUTURE PLANS FOR GROWTH AND CHANGES IN OPERATIONS IN FUTURE PERIODS

- **Accelerating global expansion**, with active negotiations underway for multiple new sites across the U.S. and other priority markets.
- **Pursuing strategic partnerships and joint ventures** globally to co-develop AI-driven data centers.
- **Strengthening technical capabilities** by recruiting AI specialists and upskilling internal teams to enhance expertise and ensure operational readiness for future compute-intensive projects.
- **Expanding and optimizing the operational digital assets treasury** as a key strategic lever to support liquidity, fund expansion, and drive long-term value creation.
- **Exploring additional opportunities** that enhance shareholder value through broader international reach and improved market access.

## THE DEVELOPMENTS OF THE IMPLEMENTATION OF PROJECTS, PLANS AND TRANSACTIONS AND DEALS THAT WERE DISCUSSED BY THE COMPANY'S BOARD OF DIRECTORS IN THE REPORT FOR THE PREVIOUS FISCAL YEAR

The company's board of directors noted the progress in implementation of the company's strategy and continued efforts for good corporate governance and have demonstrated their support through several board meetings held during the period.

## DISCLAIMER

This document contains forward-looking statements, which involve both known and unknown risks and uncertainties, many of which are beyond Phoenix's control. These statements are based on Phoenix's current beliefs and expectations regarding future events and may include terms such as "expects," "may," "will," "could," "should," "intends," "plans," "predicts," "continues," "assumes," "targets," and similar expressions.

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# Q4/FY/2025

## MANAGEMENT DISCUSSION & ANALYSIS

**FOR FURTHER DETAILS, PLEASE FEEL FREE TO REACH OUT TO US AT**

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