

ANNUAL UPDATE

Phoenix Group PLC



Annual Update FY24

Target Price estimated at AED 1.44 per share

June 11th 2025

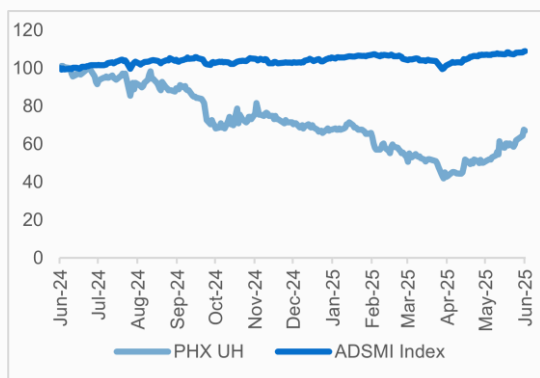
Financials

Bloomberg	PHX UH
Reuters	PHX AD
52 week High / Low (AED)	1.83 / 0.71
Market Cap (AED mn)	7,258.6
Volume 6m Avg. (in mn Shares)	16.8
Free float	44.4%
EPS CAGR 24 -27F	19.1%

*as of 11th June 2025

YE: 31 Dec	2023	2024	2025F	2026F
Revenue (USD mn)	288.2	205.7	339.4	448.5
% change YoY	(61.8%)	(28.6%)	65.0%	32.1%
EBITDA (USD mn)	87.3	-32.3	99.0	183.5
Net income (USD mn)	207.8	167.4	94.4	248.6
EPS (USD cents)	0.04	0.03	0.02	0.04
P/E (x)	8.24	11.82	20.95	7.95
EV/EBITDA (x)	14.4	NM	12.3	5.4
ROAE (%)	51.7%	21.1%	9.0%	18.6%

PHX share price vs. ADX performance (rebased):



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Phoenix Group PLC

Target AED 1.44 per share

Market Price AED 1.20 per share

We maintain our overweight recommendation on the shares of PHX with a revised target price of AED 1.44 per share (Previous TP: AED 2.37 per share). PHX is currently undervalued at AED 1.20 per share. PHX has successfully executed its expansion plans despite exiting the CIS region (200MW capacity) due to regulatory concerns and is poised to benefit from the added capacity (addition of 160MW in 2024; with another 152MW potential by Q2'25). We see the current efficiency to be lacking due to a delay in deploying high efficiency miners, which we expected to reverse owing to high efficiency miners (15.0 – 18.5 J/Th) being deployed in these new facilities. The company plans to achieve a total hashrate of 22.5 EH/s by end of 2025, on the back of new facilities in North Dakota (2.8 EH/s), Texas (1.1 EH/s), Ethiopia (5.0 EH/s JV and 1.4 EH/s self) totalling to a 10.2 EH/s self-mining capacity. The remaining is utilized for hosting (1.8 EH/s) and from JVs (10.5 EH/s).

Strong revenue growth in mining segment in 4Q FY24 on the back of capacity expansion: PHX reported a mining revenue growth of 236.0% YoY FY24, reflecting the company's strategy to allocate more of its resources to mining segment, following its expansion in Canada and North Dakota. Total Revenue declined 28.6% YoY, due to reduced trading and hosting revenue, as the company is shifting more towards self-mining (exited the CIS region with 200MW capacity and sold the corresponding assets) and Data centres / Web3 development. Net profit reported a decline of 19.4% YoY FY24, due to recent impairments of inventory and one-off losses related to closing of facilities.

Favourable BTC environment, supported by strategic investments in key cryptocurrencies.: BTC prices maintained a level of ~USD 95-100K per BTC in Dec-Feb period, and PHX achieved a hashrate of 15.0 EH/s, capturing 1.9% of the hashing market. Despite the volatility, Trump's re-election has created positive reinforcement in the confidence of cryptocurrency investors, resulting in positive expectations regarding BTC prices and the profitability of miners. Similarly, Digital Assets reported an increase of 215.4% YoY, as a result of gains from strategic investments in UNCN (USD 67.8mn), SOL (USD 85.8mn) and FAH (USD 59.0mn). These strategic investments provide diversity and liquidity to PHX, as well as potential profit-making opportunities.

New facilities in Ethiopia and closing of uneconomical facilities expected to drive revenue / earnings in the medium term: PHX in late January has signed a key power deal in Ethiopia with partner Data7 (Abu Dhabi-based cybersecurity firm) for an 80MW facility, expected to go live in Q2'FY25. PHX has plans to establish additional facilities in the region, achieving a total of 6.4 EH/s. Further expansion is expected the Texas and South America

Recently, PHX closed its CIS facilities, owing to certain regulatory issues and optimized its portfolio, resulting in certain one-off transaction reducing the Net profit by ~USD 26mn in 4Q'FY24. The company earned trading revenue of USD 15.3mn in 4QFY24, by selling the miners inventory in the CIS facility. The CIS sites were mainly utilized for self-hosting and have improved efficiency of operations by discarding outdated / inefficient mining equipment.

Self-mining accounts for 51.9% of revenue in FY24

Deployment of high efficiency ASIC miners: The company reports a mining efficiency of 30.0 MW/EHs in Q4FY24, due to delay in the deployment of high-capacity efficiency miners. However, the new facilities come equipped with the highly efficient miners (Best in the market are Bitmain Antminer S21 pro (efficiency of 15 J/Th) and MicroBT Whatsminer M60S (efficiency of 18.5 J/Th)). This new deployment is expected to support the company's goal of creating an industry-leading mining fleet, positioning it to capture 4.0-5.0% of global capacity by 2025E.

Venture into data centers on back of unutilized capacities: We believe the company's current unutilized capacities (~500MW, average utilization 83% FY24), can be deployed for use in data centers and the management has frequently stated in their announcements that they are looking for opportunities in this AI data centers segment

Annual update – 2024

Expanding geographical footprint capitalizing on better suited infrastructure across regions with favorable energy surpluses

Key events and developments

- Launch of a 20MW new facility in the region of St Leon, Canada with favorable climate conditions and low cost of electricity due to energy surplus in Canada.
- Launch of a 50MW facility in North Dakota in Jan-2025, resulting in an addition of 2.7 EH/s to total hashrate.
- PHX has signed agreements for 132MW of capacity in Ethiopia, including an 80MW facility expected to launch by Q2' 24. The total capacity from both PHX-owned and JV projects in Ethiopia is expected to result in a 6.4 EHs addition by 2025, expanding its footprint in the region.
- Another 20MW facility in Texas can be expected to be operational in 2025, adding 1.1 EH/s to its total hashrate capacity.
- In FY24, Tether announced plans to introduce a stablecoin pegged to the UAE dirham (AED) in partnership with Phoenix Group (PHX)
- Invested into new digital assets including Lvlv, FAH, UNCN, SOL, ETH and Ton worth USD 441.6mn
- Maintained its position amongst the top 10 crypto mining companies globally with realized hashrate of 15.0 EH/s in Q4'24 (MARA – 47.2 EH/s, CLSK – 35.4, CANG 30.2, IREN 28.1, RIOT – 28.0 EH/s, CORZ – 15.4 EH/s, CIFS – 12.4 EH/s, BITF – 11.2 EH/s and IONIC 8.6 EH/s)

Expected new facilities in US and Ethiopia

Future Plans

- Achieve a total hashrate capacity of 22.5 EH/s by FY25. To achieve this capacity, additional sites are to be opened in North Dakota, Texas and Ethiopia
- Deploy high efficiency miners such as Bitmain Antminer S21 pro (efficiency of 15 J/Th) and MicroBT Whatsminer M60S (efficiency of 18.5 J/Th) in new as well as existing sites
- Venture in AI / HPC data centres to capitalize on the opportunity of existing unutilized power capacity
- Continue to invest into attractive investment opportunities such as Web3 infrastructure focusing on tokenization, with the most recent acquisition expected to be IOPn Ltd
- List on the US stock exchange as an ADR

Expected future hashrate potential of 22.5 EH/s by 2025, capitalizing on high efficiency ASIC miners

Exhibit 1: Financial Highlights – Quarterly basis

USD '000	Q4 24	Q3 24	Q4 23	YoY	QoQ
Revenue	49,573	35,974	58,641	(15.5%)	37.8%
Direct Costs	(67,670)	(32,690)	(45,881)	47.5%	107.0%
Gross Profit	(18,096)	3,284	12,760	NM	NM
Operating Expenses	(20,863)	(18,530)	4,813	NM	12.6%
Operating Profit / (loss)	(38,959)	(15,246)	17,573	NM	155.5%
Total Non-Operating Income	18,965	67,898	45,772	(58.6%)	(72.1%)
Income Tax Expenses	17,524	(5,094)	-	NM	NM
Net Profit	(2,470)	47,558	63,346	NM	NM
EBITDA	(32,110)	(8,662)	17,817	NM	NM
Property, Plant & Equipment	196,427	212,288	103,969	88.9%	(7.5%)
Cash and Digital Assets	461,838	397,094	338,165	36.6%	16.3%
Inventories	56,608	52,461	73,262	(22.7%)	7.9%
Total Assets	962,371	977,557	834,005	15.4%	(1.6%)
Total Liabilities	70,610	102,435	136,885	(48.4%)	(31.1%)
Total Equity	891,761	875,122	697,120	27.9%	1.9%
Segmental Revenue	Q4 24	Q3 24	Q4 23	YoY	QoQ
Sales of ASICs, wallets and equipment	15,358	2,689	21,638	(29.0%)	471.2%
Hosting revenue	3,942	6,113	25,134	(84.3%)	(35.5%)
Mining revenue	30,092	26,634	11,756	156.0%	13.0%
Service income	181	538	114	59.2%	(66.4%)
Key Ratios	Q4 24	Q3 24	Q4 23	YoY (bps)	QoQ (bps)
Gross Margin	(36.5%)	9.1%	21.8%	NM	NM
EBITDA Margin	(64.8%)	(24.1%)	30.4%	NM	NM
EBIT Margin	(78.6%)	(42.4%)	30.0%	NM	NM
Net Margin	(5.0%)	132.2%	108.0%	NM	NM
Return on Average Assets*	17.3%	23.9%	39.1%	(2,181.5)	(661.8)
Return on Average Equity*	18.9%	26.7%	51.7%	(3,275.9)	(773.3)

Source: Company filings; Note: *Annualized

Key Positives: Total Revenue in Q4'24 increased QoQ by 37.8%, and mining revenue increased QoQ by 13.0%, reflecting the company's strategy to allocate more of its resources to mining segment. PHX's cash and digital assets in Q4'24 increased YoY by 36.6% and QoQ by 16.3%, reflecting high liquidity.

Key Negatives: Revenue for sale of ASICs, wallet and equipment declined YoY by 29.0%, and hosting revenue decreased YoY by 84.3% and QoQ by 35.5%. Direct costs increased YoY by 47.5% and QoQ by 107.0%, resulting in gross loss and negative EBITDA for Q4'24.

Mining operations: PHX maintained a hashing share of 1.9% in Q4'24, which was the same in Q3'24. The total hashrate increased to 14.8 EHs in Q4'24, compared to 12.1 EHs in Q3'24. Power consumption for Q4'24 stood at 443MW as compared to 375MW in Q3'24. The overall mining efficiency improved from 32 MW/EHs in Q3'24 to 30 MW/EHs in Q4'24

Operations Update:

- Launch of new sites in US, Canada and Oman totalling 160 MW
- Signed agreements for new sites including Ethiopia (132MW), Texas (20 MW) totalling 152 MW

Exhibit 2: Financial Highlights – Annual basis

USD '000	FY 24	FY 23	YoY
Revenue	205,686	288,187	(28.6%)
Direct Costs	(179,670)	(199,325)	(9.9%)
Gross Profit	26,016	88,862	(70.7%)
Operating Expenses	(72,906)	(2,374)	2971.1%
Operating Profit / (loss)	(46,890)	86,488	NM
Total Non-Operating Income	213,882	121,290	76.3%
Income Tax Expenses	380	-	NA
Net Profit	167,372	207,778	(19.4%)
EBITDA	(32,345)	87,283	NM
Property, Plant & Equipment	196,427	103,969	88.9%
Cash and Digital Assets	461,838	338,165	36.6%
Inventories	56,608	73,262	(22.7%)
Total Assets	962,371	834,005	15.4%
Total Liabilities	70,610	136,885	(48.4%)
Total Equity	891,761	697,120	27.9%
Segmental Revenue	FY 24	FY 23	YoY
Sales of ASICS, wallets and equipment	50,730	180,990	(72.0%)
Hosting revenue	47,144	75,282	(37.4%)
Mining revenue	106,843	31,802	236.0%
Service income	969	114	752.5%
Key Ratios	FY 24	FY 23	YoY (bps)
Gross Margin	12.6%	30.8%	(1818.6)
EBITDA Margin	(15.7%)	30.3%	(4601.2)
EBIT Margin	(22.8%)	30.0%	(5280.8)
Net Margin	81.4%	72.1%	927.4
Return on Average Assets*	18.6%	39.1%	(2043.6)
Return on Average Equity*	21.1%	51.7%	(3063.7)

Source: Company filings; Note: *Annualized

Key Positives: Mining revenue increased YoY 236.0% in FY24, and total non-operating income increased YoY 76.3% on account of rising BTC and other cryptocurrencies prices. Net margin improved to 81.4% in FY24, compared to 72.1% in FY23. Total assets increased 15.4% YoY and total liabilities decreased 48.4% YoY, showcasing a strengthened balance sheet.

Key Negatives: ROE declined to 18.6% in FY24, compared to 39.1% in FY23, and ROA declined to 21.1% in FY24, compared to 51.7%. Sales from ASICS, wallets and equipment declined YoY by 72.0% and hosting revenue declined YoY by 37.5%. Net Profit declined YoY by 19.4% in FY24 due to increased operating expenses (YoY 2971.1%) on account of impairments and write downs of inventory and increased administrative expenses.

Mining operations: PHX average hashing share decreased to ~2.2% in FY24, compared to ~2.8% in FY23. The average hashrate decreased to 14.5 EHs in FY24, compared to 15.7 EHs in FY23. Average power consumption in FY24 decreased to 440MW as compared to 527MW in FY23, reflecting increased efficiency. The average mining efficiency improved from 32.7 MW/EHs in FY23 to 30.7 MW/EHs in FY24.

Operations Update / Guidance:

- A target hashrate of 22.5 EHs is set for 2025, split into 10.2 EHs for self-mining, 1.8 EHs for hosting and 10.5 EHs from JVs.

Upside of ~20% from CMP
of AED 1.20 per share

Valuation & Recommendation

We recommend an Overweight rating on the shares of PHX with a target price of AED 1.44 per share, indicating an upside of 20.0% from the last close of AED 1.20 per share. We expect the company's revenue / earnings to grow at a high CAGR of +31.7% / +19.0% between FY24 and FY27F to be supported by rapid scaling up of capacities (Hashrate expected to reach 22.5+ EH/s by 2025), supportive BTC price environment (BTC price has reached USD 100K) and expected cost efficiencies.

Target price estimated at AED 1.44 per share

Our 12-month target price estimate is based on a weighted average of Forward PE (25.0%), Forward EV/EBITDA (25.0%), DCF (25.0%) and Forward KPI-based (EV/Hashrate; 25.0%) methodologies.

Exhibit 3: Valuation summary

Methodology	Weightage	AED per share
Forward EV/EBITDA	25.0%	1.38
Forward P/E	25.0%	2.27
DCF	25.0%	1.01
Forward EV/Hashrate	25.0%	1.10
Target valuation		1.44
Current market price (AED)		1.20
Upside / (Downside)		20.0%

Source: BHM Capital Analysis

Target price estimated at AED 1.44 per share based on EV / EBITDA (9.9x), PE (15.1x), EV / Hashrate (51.3x). We have further given 25.0% weightage to DCF methodology to capture long-term income characteristics of the firm.

Exhibit 4: Weighted Average Cost of Capital

WACC	
Cost of Equity	12.9%
Cost of Debt	5.8%
Post-tax Cost of Debt	5.3%
Equity Weight	97.2%
Debt Weight	2.8%
WACC	12.7%

Source: Company reports, BHM Capital Estimates

Weighted Average Cost of Capital is calculated as Cost of Equity plus Post-tax Cost of debt multiplied by their respective weightages. Cost of equity calculations considers the yield of the 10-year US Government bond plus UAE's Country default Risk Premium as the Risk-Free Rate, PHX Adjusted-beta based on the daily price performance of the stock since listing on the stock exchange, vis-à-vis the FTSE ADX General Index and UAE's Equity Market Risk Premium. Cost of debt calculations considers the 12-month EIBOR plus a spread of 1.5%. We estimate terminal value by applying an EV / EBITDA exit multiple of 10.0x; which is in line with the current 1-year forward industry median EV / EBITDA multiple.

Valuation is most sensitive to BTC prices and electricity costs

Our target price estimates range from AED 1.00 to AED 1.86 per share

Based on our sensitivity analysis, we find that the target price is moderately influenced by BTC prices and the cost of electricity. If BTC prices surpasses the USD 120,000 threshold and assumes favorable electricity costs (cost of electricity USD 5.01 cents / KW/h), we estimate target price of AED 1.87 (+56% from current target). On the contrary, under extreme stress conditions of BTC price closing in to USD 80,000 and high electricity costs (USD 5.41 cents / KW/h), we estimate a target price of AED 1.00 (down 17% from current target price). Overall, we find that the target price ranges within a resilient band of +/- 39% on various BTC price scenarios.

Exhibit 5: Target Price - Sensitivity Analysis (AED per share)

Cost of Electricity (cents / KW/h)		BTC Price (USD)				
		80,000	90,000	100,000	110,000	120,000
5.01		1.07	1.27	1.47	1.67	1.87
5.11		1.05	1.25	1.45	1.65	1.85
5.21		1.03	1.24	1.44	1.64	1.84
5.31		1.02	1.22	1.42	1.62	1.82
5.41		1.00	1.20	1.41	1.61	1.81

Source: Company reports, BHM Capital Estimates

PHX valued at AED 1.10 to 2.27 per share based on relative valuation

For relative valuation, we have considered global BTC mining companies as a peer group for PHX. We have applied a discount of 15.0% over peers for valuation to capture the recent weakness in revenue growth and earnings. Based on the EV / EBITDA approach, our target price is estimated at AED 1.38 per share based on FY26F EBITDA of USD 183.5mn at EV / EBITDA multiple of 9.9x.

Using PE multiple method, our target price is estimated at AED 2.27 per share, based on the FY26F earnings of USD 248.6mn at a PE multiple of 15.1x. Additionally, based on FY26F Hashrate potential of 26.7 EH/s and target EV / Hashrate multiple of 51.3x, we value shares of PHX at AED 1.10 per share.

Exhibit 6: Relative Valuation

	EV / EBITDA multiple	PE multiple	EV / Hashrate multiple
Weighted average multiple	11.7x	17.7x	51.3x
Discount	15.0%	15.0%	0.0%
Applied multiple	9.9x	15.1x	51.3x
2026 EBITDA per share and EPS (AED)*, Hashrate (EH/s)	0.03	0.04	26.7
Value per share (AED)*	1.38	2.27	1.10

Source: BHM Capital Estimates, *USD converted to AED

PHX's investment in associates valued independently at USD 70mn

We conducted an independent valuation of each of PHX's associate companies, arriving at a total valuation of USD 70mn. For companies Bitzero, Citadel, and M2, we applied the same peer group as PHX and used a median P / B multiple of 1.1x to determine their target valuation. For Rekt Studios, we have used peer from listed Web3 gaming groups and applied a median P/B multiple of 1.0x.

Exhibit 7: Valuation of Associates

	Bitzero	Citadel	Lyvely	M2	Rekt Studios
Estimated market value (USD 000)	17,824	387,068	NM*	17,170	20,000
% Stake held by PHX	23.4%	15.0%	25.0%	30.0%	12.5%
Value of Stake (USD 000)	4,165	58,060	NM	5,151	2,500
Total Value of Associates (USD 000)					69,876

Source: Bloomberg, BHM Capital estimates; Note: Estimated market value was calculated using the median P/B multiple of peer companies; Lyvely equity value is negative due to net losses

Exhibit 8: Peer Table for PHX (Trading Multiples)

Company	Ticker	Country	Market Cap (USD mn)	Enterprise Value (USD mn)	P/E (x)	EV / EBITDA (x)	Expected Hashrate by 2025 (EH/s)	1 Year Forward EV / Hashrate	ROE (%)
Phoenix Group PLC	PHX	UAE	1,976	1,491	11.8	NM	22.5	66.1	21.1
Peers									
MARA Holdings Inc	MARA	US	4,378	6,444	31.4	8.8	NA	N/A	18.8
Riot Platforms Inc	RIOT	US	2,263	2,469	NA	6.7	46.7	52.9	4.4
Cleanspark Inc	CLSK	US	2,109	2,485	NA	8.8	50.0	49.7	4.5
Core Scientific Inc	CORZ	US	1,955	2,319	NA	21.4	35.4	65.4	NA
Bitdeer Technologies Group	BTDR	Singapore	1,467	1,305	NA	NA	NA	NA	(17.2)
Iren Energy Ltd	IREN	Australia	1,255	1,118	NA	16.9	52.0	21.5	(4.1)
Hut 8 Corp	HUT	US	1,161	1,426	4.1	NM	24.0	59.4	NA
Terawulf Inc	WULF	US	902	1,131	NA	NA	13.1	86.4	(32.7)
Cipher Mining Inc	CIFR	US	857	908	NA	14.6	25.1	36.2	(7.6)
Bitfarms Ltd/Canada	BITF	Canada	401	364	NA	NA	21.0	17.4	(12.0)
Median					17.7	11.7	30.3	51.3	(5.9)

Source: Bloomberg, Company reports

Risks to valuation

BTC Price risk: BTC prices historically have been proved to be heavily volatile with sudden price increases and decreases being a common phenomenon. Fluctuation in the price of BTC can directly affect revenue generating capabilities of the company leading to loss of margins. BTC prices below USD 50,000 are uneconomical to the company.

BTC prices imply significant risk on the revenue whereas increase in power costs will affect margins of the business

The prices of digital assets, including BTC, have historically experienced substantial volatility; for instance, the annual standard deviation of weekly prices of BTC (USD cross) over the last ten years is ~72.0% as compared to annual standard deviation of ~22.0% for S&P 500 over the same period.

Power Costs: BTC mining requires electricity on a large scale contributing to direct costs incurred by the company. Failure to acquire favorable power contracts can increase these costs, directly affecting the profitability of the business for a long period.

Restrictive Legislation / Taxes: Any restrictions imposed by the government, either in mining or trading of cryptocurrency, will directly affect the operations of the company. Taxes imposed on capital gains on selling cryptocurrency or directly on crypto mining will result in decreased profitability.

Continued Growth in Network Hashrate: While an increase in the network hashrate generally indicates stability and security of the BTC network, it can pose a challenge to the company. Increased competition will reduce the hashing share and thereby mining rewards.

Stock sensitivity to BTC: Stock performance of PHX is sensitive to change in prices of BTC, where investors tend to lose faith during periods in which BTC is depreciating. Any significant movement in the price of cryptocurrency also results in movement of the share price of PHX which may impact long term targets.

Annexures

Income Statement of PHX

<i>Income Statement (USD mn)</i>	2021	2022	2023	2024	2025F	2026F	2027F
Revenue from contract with customers	179	755	288	206	339	448	469
Direct Costs	(115)	(584)	(199)	(180)	(200)	(244)	(247)
Gross profit	63	171	89	26	139	204	223
Operating Expenses	(16)	(26)	(2)	(73)	(53)	(55)	(58)
Operating profit	47	144	86	(47)	86	149	165
Non-Operating Income / (Expenses)	(4)	(4)	121	214	8	100	117
Net profit before tax	42	140	208	167	94	249	282
Income tax expenses	-	-	-	0	-	-	-
Tax rate	-	-	-	9%	9%	9%	9%
Net profit for the year	42	140	208	167	94	249	282
Depreciation	2	1	1	15	12	35	30
EBITDA	49	146	87	(32)	99	183	194

Source: Company reports, BHM Capital Estimates

Balance Sheet of PHX

<i>Balance Sheet (USD mn)</i>	2021	2022	2023	2024	2025F	2026F	2027F
Non-current Assets							
Property and Equipment	21	74	104	196	246	246	246
Investment in Subsidiaries	1	-	-	-	-	-	-
Investment in Associates	-	29	120	54	54	54	54
Other Assets	0	43	1	1	1	1	1
Total Non-Current Assets	21	146	236	390	439	439	439
Current Assets							
Digital Assets	4	2	140	442	688	587	891
Inventories	39	41	73	57	52	63	64
Trade Receivables	2	1	33	27	15	19	20
Advances, Deposits and other receivables	410	30	153	27	44	58	61
Due from related parties	2	8	0	0	0	0	0
Cash and short-term deposits	1	0	198	20	24	347	300
Total Current Assets	458	84	598	572	823	1,075	1,337
Total Assets	479	230	834	962	1,262	1,514	1,776
Non-current Liabilities							
Lease liability	-	-	0	-	-	-	-
Employees' end of service benefits	0	0	1	1	1	1	1
Interest bearing loans	4	4	4	3	3	3	3
Total	4	4	5	14	14	14	14
Current liabilities							
Due to related parties	-	47	55	-	-	-	-
Interest bearing liabilities	0	0	0	15	-	-	-
Other liabilities	374	72	77	31	29	31	32
Total Current Liabilities	374	119	132	57	39	41	42
Total Liabilities	378	123	137	71	53	55	56
Share capital	0	0	165	165	165	165	165
Share premium	-	-	346	346	346	346	346
Statutory Reserve and other reserve	(0)	11	25	19	250	277	284
Retained earnings	47	82	137	363	448	672	926
Shareholders' Account	55	13	25	-	-	-	-
Shareholder's Equity	101	107	697	892	1,209	1,459	1,720
Total Equity	101	107	697	892	1,209	1,459	1,720
Total Liabilities & Equity	479	230	834	962	1,262	1,514	1,776

Source: Company reports, BHM Capital Estimates

Cash Flow Statement of PHX

Cash Flow Statement (USD mn)	2021	2022	2023	2024	2025F	2026F	2027F
Profit before tax	42	139	208	167	94	249	282
Cash flow from operational activities (CFO)	(34)	190	(136)	(65)	92	382	12
Cash flow from investment activities (CFI)	(19)	(45)	(35)	(59)	(62)	(34)	(29)
Cash flow from financing activities (CFF)	52	(146)	369	(54)	(27)	(25)	(29)
Net change in cash balances	(1)	(1)	198	(178)	4	323	(46)
Cash and cash equivalents as at January 1	2	1	0	198	20	24	347
Net cash balances at end	1	0	198	20	24	347	300

Source: Company reports, BHM Capital Estimates

Key Ratios

Key Ratios	2021	2022	2023	2024F	2025F	2026F	2027F
Profitability (%)							
Gross Margins	35.4%	22.6%	30.8%	12.6%	41.1%	45.6%	47.5%
EBITDA Margin	27.4%	19.3%	30.3%	-15.7%	29.2%	40.9%	41.4%
EBIT Margin	26.2%	19.1%	30.0%	-22.8%	25.5%	33.2%	35.1%
Net Margin	23.7%	18.6%	72.1%	81.4%	27.8%	55.4%	60.1%
Return on Average Assets	8.8%	39.6%	39.1%	18.6%	8.5%	17.9%	17.1%
Return on Average Equity	41.9%	135.1%	51.7%	21.1%	9.0%	18.6%	17.8%
Growth (%)							
Revenue growth		322.9%	(61.8%)	(28.6%)	65.0%	32.1%	4.7%
Gross Profit growth		170.4%	(47.9%)	(70.7%)	435.6%	46.6%	9.1%
EBITDA growth		198.7%	(40.2%)	(137.1%)	(406.0%)	85.4%	5.9%
EBIT growth		208.9%	(40.1%)	(154.2%)	(284.4%)	72.2%	10.6%
Net Profit growth		231.2%	48.0%	(19.4%)	(43.6%)	163.3%	13.5%

Source: Company reports, BHM Capital Estimates

Revenue Mix

Revenue Mix (USD mn)	2021	2022	2023	2024	2025F	2026F	2027F
Self-mining revenue	8	5	32	107	260	362	381
Hosting	-	34	75	47	25	29	29
Trading and Services	171	715	181	52	54	57	60
Total	179	755	288	206	339	448	469

Source: Company reports, BHM Capital Estimates

Revenue Mix	2021	2022	2023	2024	2025F	2026F	2027F
Self-mining revenue	4.2%	0.7%	11.0%	51.9%	76.7%	80.8%	81.1%
Hosting	0.0%	4.6%	26.1%	22.9%	7.3%	6.5%	6.2%
Trading and Services	95.8%	94.7%	62.8%	25.1%	16.0%	12.7%	12.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: Company reports, BHM Capital Estimates

KPIs

KPIs	2023	2024F	2025F	2026F	2027F
Total Available Capacity (MW)	527	530	598	598	598
Power Consumption (MW)	527	440	504	598	598
Total Hashrate (EH/s)	15.7	14.5	22.5	26.7	27.2
Mining Efficiency (MW / EH/s)	32.7	30.7	26.6	25.9	25.3
Hashing market share (%)	2.79%	2.23%	2.71%	3.12%	3.02%
BTC price (USD per BTC)	28,804	64,123	100,000	110,000	121,000
Cost per KW/h (US Cents per KW/h)	5.5	5.2	5.2	5.2	5.1

Source: Company reports, BHM Capital Estimates

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Investment Ratings Guide

Overweight	The target price for the next 12 months is 15% above the current price
Neutral	The target price in the next 12 months is between -15% and 15% of the current price
Underweight	The target price for the next 12 months is 15% below the current price
Not Rated	No investment rating has been assigned yet

