



Bitdeer Reports Financial Results for the Full Year 2023 and Operational Update

March 28, 2024

SINGAPORE, March 29, 2024 (GLOBE NEWSWIRE) -- Bitdeer Technologies Group (NASDAQ: BTDR) ("Bitdeer" or the "Company"), a world-leading technology company for blockchain and high-performance computing, today announced its financial results for the year ended December 31, 2023.

Full Year 2023 Financial Highlights

- **Total revenue** was US\$368.6 million, compared to US\$333.3 million in 2022.
- **Net loss** was US\$56.7 million, compared to US\$60.4 million in 2022.
- **Adjusted profit** was US\$22.0 million, compared to US\$30.3 million in 2022.
- **Adjusted EBITDA** was US\$100.3 million, compared to US\$93.2 million in 2022.
- **Cash and cash equivalents** were US\$144.7 million as of December 31, 2023.

Linghui Kong, Chief Business Officer of Bitdeer, commented, "We continued to successfully execute on our operational strategies during 2023, as we mined 3,694 Bitcoins, representing a 74.8% year-over-year increase. We grew our revenues by 10.6% year over year to \$368.6 million, and recorded adjusted EBITDA of US\$100.3 million, a 7.6% increase from 2022. At the same time, we remained focused on laying the strategic groundwork for our diversified, long-term growth. Advancing our technology vertical-integration strategy, we successfully tested our first Bitcoin mining chip, the 4nm SEAL01. Designed for integration into our new SEALMINER A1 mining machines, the chip marks our entry into the ASIC production space, promising significant cost and supply chain advantages and setting the stage to reach at least 46 EH/s hash rate under management by the end of 2025. Meanwhile, we made strides in diversifying and scaling our global mining business as our Gedu Datacenter commenced full operations, while progress continued on our infrastructure expansion initiatives in Norway and Ohio. We also achieved a significant milestone by completing deployment and testing of our NVIDIA DGX SuperPOD H100 system, positioning us as one of the first cloud service platforms in Asia to offer NVIDIA DGX SuperPOD H100 service. Looking ahead, we are confident that we are well-positioned for the upcoming halving, thanks to our diversified business model and access to low-cost power. As we move further into 2024, we will build on our achievements from our first year as a listed company to deliver long-term value for our shareholders."

The majority of the Company's revenue is derived from its three distinct business lines:

- **Self-mining** refers to cryptocurrency mining for the Company's own account, which allows it to directly capture the high appreciation potential of cryptocurrency.
- **Hash Rate Sharing** currently primarily includes Cloud Hash Rate, in which the Company offers hash rate subscription plans and shares mining income with customers under certain arrangements.
- **Hosting** encompasses a one-stop mining machine hosting solution including deployment, maintenance, and management services for efficient cryptocurrency mining.

Financial Highlights

- **Total revenue** was US\$368.6 million in 2023, compared to US\$333.3 million in 2022, primarily due to the increase in revenue generated from the Company's self-mining business as a result of the increased self-mining hash rate and increased Bitcoin production. The Company's increased hosting capacity also led to an increase in revenue generated from hosting services. These increases were partially offset by a decrease in revenue generated from Cloud Hash Rate.
- **Net loss** was US\$56.7 million in 2023, compared to a net loss of US\$60.4 million in 2022. Net loss in the full year of 2023 was primarily caused by share-based payment expenses of US\$45.5 million and the listing fee of US\$33.2M related to the completed transaction with Blue Safari Group Acquisition Corp.
- **Adjusted profit** was US\$22.0 million in 2023, compared to US\$30.3 million in 2022. Adjusted profit/(loss) is a non-IFRS financial measure and is used by the Company as a supplemental measure to review and assess the Company's operating performance and is defined as profit/(loss) adjusted to exclude the listing fee and share-based payment expenses under IFRS 2.
- **Adjusted EBITDA** was US\$100.3 million in 2023, compared to US\$93.2 million in 2022. Adjusted EBITDA is a non-IFRS financial measure and is used by the Company as a supplemental measure to review and assess the Company's operating performance and is defined as earnings before interest, taxes, depreciation and amortization, further adjusted to exclude the listing fee and share-based payment expenses under IFRS 2.
- **Cash and cash equivalents** were US\$144.7 million as of December 31, 2023.
- **Total Borrowings** were US\$22.6 million as of December 31, 2023.

Operational Highlights

Metrics	Years Ended December 31,
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	2023	2022
Total hash rate under management (EH/s)	21.0	14.0
- Proprietary hash rate	8.4	4.1
• Self-mining	6.7	2.5
• Cloud Hash Rate	1.7	1.6
- Hosting	12.6	9.9
Mining machines under management	215,000	152,000
- Self-owned	86,000	50,000
- Hosted	129,000	102,000
Aggregate electrical capacity (MW)	895	775
Bitcoin mined (self-mining only)	3,694	2,113

- **Total hash rate under management**, which consists of proprietary hash rate and hosting hash rate, was 21.0 EH/s as of December 31, 2023.
 - Proprietary hash rate was 8.4 EH/s as of December 31, 2023, with 6.7 EH/s allocated to the Company's self-mining business and 1.7 EH/s to its Cloud Hash Rate business.
 - Hosting hash rate was 12.6 EH/s as of December 31, 2023.
- **Self-mining business** mined 3,694 Bitcoins in the full year of 2023, representing a 74.8% increase as compared to 2,113 Bitcoins in the full year of 2022, due to the increase in hash rate allocated to the Company's self-mining business. The Company generally does not hold cryptocurrencies obtained through its self-mining business, and promptly converts them into fiat currency.
- **Mining machines under management** was approximately 215,000 ASIC mining machines as of December 31, 2023.

Self-owned mining machines for the Company's self-mining business and Cloud Hash Rate business increased to approximately 86,000, primarily due to the launch of the mining datacenter in Bhutan.

Hosted mining machines increased to approximately 129,000, primarily due to the expansion of the Company's mining datacenter in North America, which provides more capacity to serve hosting customers.

- **Aggregate electrical capacity** was 895MW across six mining datacenters as of December 31, 2023, representing a 15.5% increase from 775MW as of December 31, 2022. The Company also has another 175MW under construction in Norway as of December 31, 2023. The expansion to the Company's Tydal mining facility in Norway is expected to be completed in 2025.
- **Total power usage** was approximately 4,673,000 MWH across the Company's six mining datacenters in the full year of 2023.
- **Average cost of electricity** was approximately US\$38/MWH in the full year of 2023.
- **Average miner efficiency** was 31.7 J/TH as of December 31, 2023.

Financial Results

	Year Ended December 31, 2023			
	(US\$'000)			
Business lines	Self-mining	Cloud Hash Rate	General Hosting	Membership Hosting
Revenue	111,683	67,881	97,321	79,906
Cost of revenue				
Including:				
- Electricity cost in operating mining machines	(52,259)	(17,089)	(54,581)	(55,508)
- Depreciation and share-based payment expenses	(29,164)	(19,723)	(13,198)	(10,669)
- Other cash costs	(8,365)	(5,273)	(7,552)	(6,608)
Total cost of revenue	(89,788)	(42,085)	(75,331)	(72,785)
Gross profit	21,895	25,796	21,990	7,121

	Year Ended December 31, 2022			
	(US\$'000)			
Business lines	Self-mining	Cloud Hash Rate	General Hosting	Membership Hosting
Revenue	62,359	121,341	99,251	26,056
Cost of revenue				

Including:				
- Electricity cost in operating mining machines	(20,381)	(23,299)	(72,099)	(20,344)
- Depreciation and share-based payment expenses	(22,624)	(30,812)	(13,266)	(3,482)
- Other cash costs	(4,398)	(8,557)	(6,999)	(3,118)
Total cost of revenue	(47,403)	(62,668)	(92,364)	(26,944)
Gross profit / (loss)	14,956	58,673	6,887	(888)

Revenue

Total revenue was US\$368.6 million, compared to US\$333.3 million in the full year of 2022.

- Self-mining revenue was US\$111.7 million, compared to US\$62.4 million in the full year of 2022, primarily due to the increase in self-mining hash rate from the Company's 100MW Gedu mining datacenter in Bhutan that entered operations in the second half of 2023 and the appreciation of the Bitcoin price in the fourth quarter of 2023.
- Cloud Hash Rate revenue was US\$67.9 million, compared to US\$121.3 million in the full year of 2022, primarily due to changes in the amount of active Cloud Hash Rate orders.
- General Hosting revenue was US\$97.3 million, compared to US\$99.3 million in the full year of 2022, primarily because the average capacity of general hosting was modestly lower in the full year of 2023 compared to the full year of 2022.
- Membership Hosting revenue was US\$79.9 million, compared to US\$26.1 million in the full year of 2022, primarily due to revenue generated from the expansion of the Company's mining datacenter in North America, which was delivered in the second half of 2022 and provides more capacity to serve hosting customers.

Cost of Revenue

Cost of revenue was US\$290.7 million, compared to US\$250.1 million in the full year of 2022, primarily due to increases in electricity costs that were mainly attributable to the increase of mining datacenter capacity in the second half of 2022 and the delivery of the Gedu datacenter in the third quarter of 2023.

Gross Profit

Gross profit was US\$77.8 million, representing a 21.1% gross margin, compared to US\$83.3 million, or a 25.0% gross margin, in the full year of 2022.

Operating Expenses

The sum of below operating expenses in the full year of 2023 was US\$104.2 million, as compared to US\$140.6 million in the full year of 2022.

- Selling expenses were US\$8.2 million, compared to US\$11.7 million in the full year of 2022, primarily due to decreases in share-based compensation to sales personnel.
- General and administrative expenses were US\$66.5 million, compared to US\$93.5 million in the full year of 2022, primarily due to decreases in share-based compensation to general and administrative personnel.
- Research and development expenses were US\$29.5 million, compared to US\$35.4 million in the full year of 2022, primarily due to decreases in share-based compensation to research and development personnel, partially offset by increases in salaries, wages, and other benefits caused by the increase in the number of research and development personnel, and increases in research and development technical service fees.

Net Loss

Net loss was US\$56.7 million, compared to US\$60.4 million in the full year of 2022.

Adjusted Profit (Non-IFRS)

Adjusted profit was US\$22.0 million, compared to US\$30.3 million in the full year of 2022.

Adjusted EBITDA (Non-IFRS)

Adjusted EBITDA was US\$100.3 million, compared to US\$93.2 million in the full year of 2022, primarily due to the increase in revenue and gain on disposal of cryptocurrencies, partially offset by increases in electricity costs.

Liquidity

As of December 31, 2023, the Company held US\$144.7 million in cash and cash equivalents, as compared to US\$231.4 million as of December 31, 2022. Use of cash included active construction of mining datacenters in North America, Norway, and Bhutan, and the purchase of mining machines in 2023.

Recent Developments

On January 24, 2024, the Company announced that it had been named as one of [Singapore's Fastest Growing Companies 2024](#). The annual ranking is conducted by The Straits Times and Statista and recognizes a wide range of firms notable for rapid growth and commitment to the local economy.

On January 29, 2024, the Company announced the appointment of Mr. Jihan Wu, the Company's Founder and Chairman of its Board of Directors (the

“**Board**”), as Chief Executive Officer of the Company, effective as of March 1, 2024. In addition to his new role as Chief Executive Officer, Mr. Jihan Wu remains as Chairman of the Company’s Board. The Company’s then-current Chief Executive Officer Mr. Linghui Kong transitioned to the role of Chief Business Officer and continues to serve as a member of the Company’s Board, also effective as of March 1, 2024.

On March 4, 2024, the Company announced the successful testing of its first Bitcoin mining chip, the SEAL01. Powerfully efficient, SEAL01 is designed for integration into Bitdeer’s new SEALMINER A1 mining machines.

On March 18, 2024, the Company announced that it has completed the deployment and successful testing of its NVIDIA DGX SuperPOD H100 system ahead of schedule, becoming one of the first cloud service platforms in the Asian region to offer NVIDIA DGX SuperPOD H100 service.

On March 26, 2024, the Company announced a hash rate expansion plan of approximately 3.4 EH/s as a first step in its plan to expand its self-mining. The Company intends to install its own SEALMINER A1 miners at its mining datacenters in Rockdale, Texas, United States, and in Norway by the end of 2024 to accomplish this initial expansion.

About Bitdeer Technologies Group

Bitdeer is a world-leading technology company for blockchain and high-performance computing. Bitdeer is committed to providing comprehensive computing solutions for its customers. The Company handles complex processes involved in computing such as equipment procurement, transport logistics, datacenter design and construction, equipment management and daily operations. The Company also offers advanced cloud capabilities to customers with high demand for artificial intelligence. Headquartered in Singapore, Bitdeer has deployed datacenters in the United States, Norway, and Bhutan. To learn more, please visit <https://www.bitdeer.com/> or follow Bitdeer on X, formerly known as Twitter, @ [BitdeerOfficial](#), Facebook @ [Bitdeer](#) and LinkedIn @ [Bitdeer Group](#).

Investors and others should note that Bitdeer may announce material information using its website and/or on its accounts on social media platforms, including X, formerly known as Twitter, Facebook, and LinkedIn. Therefore, Bitdeer encourages investors and others to review the information it posts on the social media and other communication channels listed on its website.

Forward-Looking Statements

Statements in this press release about future expectations, plans, and prospects, as well as any other statements regarding matters that are not historical facts, may constitute “forward-looking statements” within the meaning of The Private Securities Litigation Reform Act of 1995. The words “anticipate,” “look forward to,” “believe,” “continue,” “could,” “estimate,” “expect,” “intend,” “may,” “plan,” “potential,” “predict,” “project,” “should,” “target,” “will,” “would” and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Actual results may differ materially from those indicated by such forward-looking statements as a result of various important factors, including factors discussed in the section entitled “Risk Factors” in Bitdeer’s annual report on Form 20-F, as well as discussions of potential risks, uncertainties, and other important factors in Bitdeer’s subsequent filings with the U.S. Securities and Exchange Commission. Any forward-looking statements contained in this press release speak only as of the date hereof. Bitdeer specifically disclaims any obligation to update any forward-looking statement, whether due to new information, future events, or otherwise. Readers should not rely upon the information on this page as current or accurate after its publication date.

Use of Non-IFRS Financial Measures

In evaluating the Company’s business, the Company considers and uses non-IFRS measures, adjusted EBITDA and adjusted profit/(loss), as supplemental measures to review and assess its operating performance. The Company defines adjusted EBITDA as earnings before interest, taxes, depreciation and amortization, further adjusted to exclude the listing fee and share-based payment expenses under IFRS 2, and defines adjusted profit/(loss) as profit/(loss) adjusted to exclude the listing fee and share-based payment expenses under IFRS 2. The Company presents these non-IFRS financial measures because they are used by its management to evaluate its operating performance and formulate business plans. The Company also believes that the use of these non-IFRS measures facilitate investors’ assessment of its operating performance. These measures are not necessarily comparable to similarly titled measures used by other companies. As a result, investors should not consider these measures in isolation from, or as a substitute analysis for, the Company’s loss for the periods, as determined in accordance with IFRS.

The Company compensates for these limitations by reconciling these non-IFRS financial measures to the nearest IFRS performance measure, all of which should be considered when evaluating its performance. The Company encourages investors to review its financial information in its entirety and not rely on a single financial measure.

The following table presents a reconciliation of loss for the relevant years to adjusted EBITDA and adjusted profit, for the years ended December 31, 2023 and 2022.

	Years ended December 31,	
	2023	2022
	US\$	US\$
	<i>(in thousands)</i>	
Adjusted EBITDA		
Loss for the year	(56,656)	(60,366)
<i>Add:</i>		
Depreciation and amortization	75,541	66,424
Income tax (benefit) / expenses	5,685	(4,400)
Interest (income)/ expense, net	(2,872)	912
Listing fee	33,151	-
Share-based payment expenses	45,488	90,648
Total of Adjusted EBITDA	100,337	93,218

Adjusted Profit		
Loss for the year	(56,656)	(60,366)
Add:		
Listing fee	33,151	-
Share-based payment expenses	45,488	90,648
Total of Adjusted Profit	21,983	30,282

Consolidated Statements of Financial Position

	As of December 31, 2023 US\$	As of December 31, 2022 US\$
	<i>(in thousands)</i>	
ASSETS		
Cash and cash equivalents	144,729	231,362
Cryptocurrencies	15,371	2,175
Trade receivables	17,277	18,304
Amounts due from a related party	187	397
Prepayments and other assets	97,433	59,576
Financial asset at fair value through profit or loss	37,775	60,959
Restricted cash	9,538	11,494
Mining machines	63,477	27,703
Right-of-use assets	58,626	60,082
Property, plant and equipment	154,860	138,636
Investment properties	34,346	35,542
Intangible assets	4,777	322
Deferred tax assets	991	4,857
TOTAL ASSETS	639,387	651,409
LIABILITIES		
Trade payables	32,484	15,768
Other payables and accruals	32,151	22,176
Amounts due to a related party	33	316
Income tax payables	3,367	657
Deferred revenue	144,337	182,297
Borrowings	22,618	29,805
Lease liabilities	70,211	70,425
Deferred tax liabilities	1,620	11,626
TOTAL LIABILITIES	306,821	333,070
NET ASSETS	332,566	318,339
EQUITY		
Share capital ^[1]	*	*
Treasury shares	(2,604)	-
Retained earnings / (accumulated deficit)	(49,853)	6,803
Reserves ^[1]	385,023	311,536
TOTAL EQUITY	332,566	318,339

* Amount less than US\$1,000.

^[1] After giving the effects of the reverse recapitalization completed in April 2023.

Consolidated Statements of Operations and Comprehensive Loss

	Years ended December 31, 2023 US\$	2022 US\$
	<i>(in thousands)</i>	

Revenue	368,554	333,342
Cost of revenue	(290,745)	(250,090)
Gross profit	77,809	83,252
Selling expenses	(8,246)	(11,683)
General and administrative expenses	(66,454)	(93,453)
Research and development expenses	(29,534)	(35,430)
Listing fee	(33,151)	-
Other operating income / (expenses)	3,791	(3,628)
Other net gain	3,538	357
Loss from operations	(52,247)	(60,585)
Finance income / (expenses)	1,276	(4,181)
Loss before taxation	(50,971)	(64,766)
Income tax benefit / (expenses)	(5,685)	4,400
Loss for the year	(56,656)	(60,366)
Other comprehensive loss		
Loss for the year	(56,656)	(60,366)
Other comprehensive loss for the year		
<i>Item that may be reclassified to profit or loss</i>		
- Exchange differences on translation of financial statements	(26)	(22)
Other comprehensive loss for the year, net of tax	(26)	(22)
Total comprehensive loss for the year	(56,682)	(60,388)
Loss per share^[1]		
Basic	(0.51)	(0.56)
Diluted	(0.51)	(0.56)
Weighted average number of shares outstanding (thousand shares)^[1]		
Basic	110,494	108,681
Diluted	110,494	108,681

[1] After giving the effects of the reverse recapitalization completed in April 2023.

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Source: Bitdeer Technologies Group