



ASX Release

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360 Capital Digital Infrastructure Fund (ASX: TDI)

31 August 2020

FY2020 Results

Refining the strategy to focus solely on Data Centres

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360 Capital Digital Management Pty Limited, the Investment Manager of 360 Capital Digital Infrastructure Fund (TDI) (Group), and 360 Capital FM Limited as Responsible Entity of TDI is pleased to announce the FY20 results for the period ending 30 June 2020.

TDI listed on the ASX in October 2019 with an investment strategy focused on digital infrastructure assets. At the time of listing, TDI had several investments across the data centre sector. Recent events have highlighted the reliance the community has on digital infrastructure which is positive but it has slowed the speed that TDI was able to undertake acquisitions on a global basis.

The highlights of TDI's activities for the 8 months to 30 June 2020 include:

- Raised \$115 million from the IPO and pre IPO;
- Purchased a Tier 3 data centre in Perth for \$37.0 million leased to Fujitsu Australia;
- Issued a \$10.7 million convertible note to a hyperscale data centre operator which was subsequently repaid, recognised a \$5.5 million gain on investment and equating to an IRR on investment of 115%;
- Launched Fibreconx;
- Guam data centre due for completion September 2020 and has signed 15 year (plus two 5 year extensions) contracts with a large multinational tenant and a subsea cable tenant;
- Restructured TDI as a stapled security enabling TDI to own operating assets;

Key financial results highlights for the period ended 30 June 2020:

- Statutory net profit of \$4.1 million including the gain on the convertible note redemption;
- Operating profit of \$6.4 million including the gain on the convertible note redemption;
- Statutory earnings per security (EPS) of 9.1 cps;
- Operating EPS of 14.2 cps;
- Paid two distributions totaling 10.0 cps in FY20;
- Strong balance sheet with \$66.3 million in cash as at 30 June 2020 and post period an undrawn \$20 million debt facility.



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Investment update

Guam Data Centre

The Group invested \$7.8 million for an 18.5% interest in Gateway Network Connections which is building a data centre in Guam. Stage one which has room for approx. 107 racks or c0.8MW is expected to go live mid September 2020 and the centre can be easily expanded to 247 racks or 1.8MW. 71 of the racks have been committed by a large US multinational and subsea cable on 15-year (plus two 5 year extensions) terms and contracts are progressing for several other tenants for similar durations.

The Fund gets an 8% p.a. preference return on its investment for the first 3 years.

Convertible Note

TDI invested \$10.7 million (SGD \$10.0 million) into an Asian hyperscale data centre operator in September 2019. In November 2019, the hyperscale operator and TDI agreed a deed to redeem the note early on the payment of original capital plus an early redemption premium. In April 2020, TDI was repaid \$16.2 million (including the early redemption premium), equating to an IRR on its investment of 115%.

Perth Data Centre

The Group's Perth data centre investment continues to perform as per the lease. The property was revalued as at 30 March 2020 at \$37 million in line with our purchase price. In July 2020 we entered into a bank facility for \$20 million secured over this asset for future growth opportunities. This facility currently is undrawn.

FibreconX

In December 2019, TDI announced that it had formed a digital infrastructure business called FibreconX Pty Ltd (FibreconX) that will build and operate telecommunications infrastructure including new and innovative dark fibre networks.

TDI had initially committed \$35 million to FibreconX, however, since TDI made this investment, and based on the early stage nature of this asset and investor feedback, it has been decided that TDI should narrow its investment strategy to focus on data centre investments. As a result of this, FibreconX has been sold out of TDI at market value.

Potential Acquisitions Post Period

TDI is currently in due diligence on several data centre acquisitions opportunities in line with TDI's new strategy to focus on data centre investments. TDI will update the market upon each acquisition. As at 30 June 2020, TDI had \$66.3 million in cash and \$20.0 million in undrawn debt facilities and as such does not need to raise equity to undertake the current portfolio of data centres under due diligence.



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Outlook and Distribution Guidance

Given the Group expects to deploy the majority of its capital during the next few months into the pipeline of potential data centre acquisition opportunities, TDI will not be providing distribution guidance until there is more certainty regarding the completion and timing of these acquisitions.

As discussed above, TDI is in a strong position and well capitalised to take advantage of data centre acquisition opportunities on a global basis.

Given TDI's decision to concentrate on data centre investment, TDI will be rebranding to reflect its more targeted strategy.

Authorised for release by Tony Pitt, Managing Director 360 Capital FM Limited.

More information on TDI can be found on the ASX's website at www.asx.com.au using the Group's ASX code "TDI", on 360 Capital's website www.360capital.com.au, by calling the 360 Capital investor enquiry line on 1300 082 130 or by emailing investor.relations@360capital.com.au

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About 360 Capital Digital Infrastructure Fund (ASX: TDI)

360 Capital Digital Infrastructure Fund aims to take advantage of the unique once in lifetime investment cycle by investing in technology infrastructure assets projects, targeting an internal rate of return of 10% per annum. The Fund is managed by 360 Capital Digital Management Pty Limited which is a joint venture between 360 Capital Group (ASX: TGP) and Mr David Yuile, Managing Director of the Investment Manager.

About 360 Capital Group (ASX: TGP)

360 Capital Group is an ASX-listed, investment and funds management group, focused on strategic and active investment management of alternative assets. Led by a highly experienced team, the Group operates in Australian and global markets investing across real estate, public and private equity and credit strategies. We partner with our stakeholders to identify, invest and realise on opportunities.