

FY23

RESULTS  
PRESENTATION



NEXTDC



# AGENDA

FY23 HIGHLIGHTS

FY23 FINANCIAL RESULTS

FY23 BUSINESS PERFORMANCE

FY23 ESG & WHS HIGHLIGHTS

FY24 OUTLOOK

APPENDICES



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# FY23

## HIGHLIGHTS



# FY23 HIGHLIGHTS



TOTAL  
REVENUE

**A\$362.4m**

**↑ 25%**



UNDERLYING  
EBITDA<sup>1</sup>

**A\$193.7m**

**↑ 15%**



CONTRACTED  
UTILISATION

**122.2MW**

**↑ 47%**



INTER-  
CONNECTIONS<sup>2</sup>

**17,816**

**↑ 7%**

Note: All percentage increases are expressed relative to the FY22 results

1. Refer page 27 for reconciliation to underlying EBITDA

2. Comprises both physical and elastic cross connects

# FY23 HIGHLIGHTS



## SOLID REVENUE GROWTH

- Total revenue up A\$71.3m (25%) to A\$362.4m (FY23 Guidance: A\$350 – A\$360m<sup>1</sup>)
- Contracted utilisation increased 39.2MW (47%) to 122.2MW with record sales in key partner, network and enterprise segments
  - Further increase in contracted utilisation recorded post year end, up 23.2MW (19%) to 145.4MW
- Interconnections<sup>2</sup> increased 1,203 (7%) to 17,816, representing 7.1% of recurring revenue<sup>3</sup>



## STRONG OPERATING LEVERAGE

- Underlying EBITDA<sup>4</sup> up A\$24.6m (15%) to A\$193.7m (FY23 Guidance: A\$192 – A\$196m<sup>1</sup>)
- Operating cash flows increased A\$9.3m (8%) to A\$126.5m
- Billing utilisation increased 4.8MW (7%) to 77.7MW



## CAPITALISED FOR GROWTH

- Secured an incremental A\$400m senior debt facility with favourably amended covenants and terms across all facilities
- Completed an Entitlement Offer of A\$618m to support regional expansion and accelerated development
- Liquidity (cash and undrawn debt facilities) of A\$2.3bn at 30 June 2023<sup>5</sup>
- Best-in-class data centres in prime metropolitan locations across major capital cities underpin total assets of A\$3.8bn



## NETWORK EXPANSION CONTINUES

- Capital expenditure increased A\$85.6m (14%) to A\$690.4m (FY23 Guidance: A\$670 – A\$720m<sup>1</sup>)
- S3 Sydney final building works completed on time and on budget, while M3 Melbourne completed on time and on budget and opened in 1H FY23
- Secured additional land for future expansion in Sydney (S5) and Melbourne (M4)
- First international development sites secured for KL1 Kuala Lumpur and AK1 Auckland
- PH1 Port Hedland opened in early FY24 with NE1 Newman underway, development works for A1 Adelaide and D1 Darwin progressing

Note: All percentage increases are expressed relative to FY22 results unless otherwise stated

1. NEXTDC FY23 guidance dated 11 May 2023

2. Comprises both physical and elastic cross connects

3. Recurring revenue is total revenue less project revenue

4. Refer to page 27 for reconciliation to underlying EBITDA

5. Reflects 30 June 2023 cash position of A\$766 million and a further A\$1.5 billion of undrawn senior debt capacity

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# FY23

## FINANCIAL RESULTS



# FY23 PROFIT AND LOSS SUMMARY

	Note	FY23 (A\$m)	FY22 (A\$m)	Change (A\$m)	(%)
<b>Total revenue</b>		<b>362.4</b>	<b>291.0</b>	<b>71.3</b>	<b>25%</b>
Direct costs (power and consumables)		83.0	43.5	39.5	91%
Facility costs (property costs, maintenance, facility staff)		38.2	28.2	10.0	35%
Corporate costs		48.8	50.7	(1.9)	(4)%
<b>Total operating costs</b>		<b>170.1</b>	<b>122.4</b>	<b>47.7</b>	<b>39%</b>
<b>EBITDA</b>	1,2	<b>182.6</b>	<b>152.7</b>	<b>29.9</b>	<b>20%</b>
<b>Underlying EBITDA</b>	1	<b>193.7</b>	<b>169.0</b>	<b>24.7</b>	<b>15%</b>
<b>EBIT</b>	1,2	<b>44.8</b>	<b>45.9</b>	<b>(1.1)</b>	<b>(2)%</b>
Profit / (loss) before tax	2	(23.2)	(1.7)	(21.5)	<i>nmf</i>
<b>Profit / (loss) after tax</b>	2	<b>(25.6)</b>	<b>9.1</b>	<b>(34.7)</b>	<b><i>nmf</i></b>

1. Refer to page 27 for reconciliation to underlying EBITDA

2. Excludes underlying adjustments referred to in Note 1

3. Net revenue refers to Total revenue less Direct costs

Total  
**REVENUE**  
**↑25%**

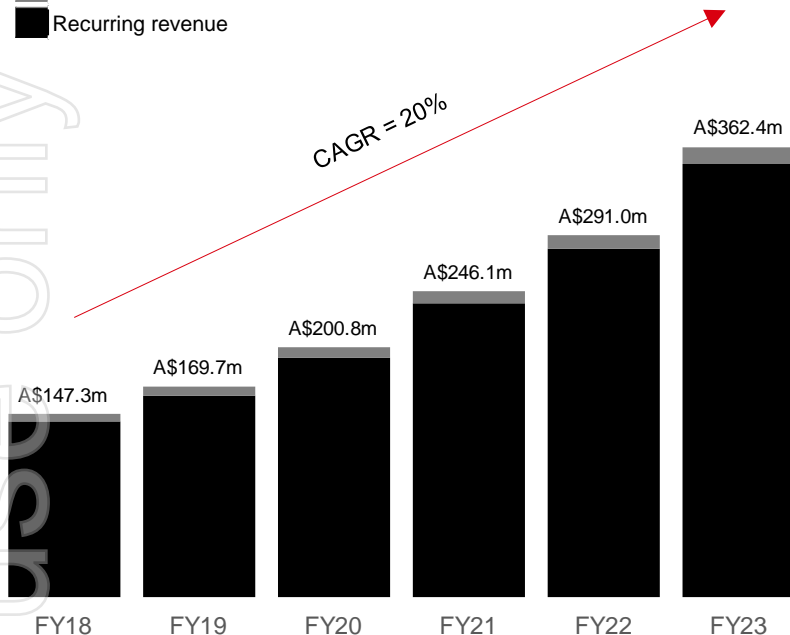
Underlying  
**EBITDA<sup>1</sup>**  
**↑15%**

- Short term direct costs driven by significantly higher contracted energy costs for calendar 2023 (approximately 270% increase relative to calendar 2022), impacting 2HFY23. Net revenues<sup>3</sup> up 13% (FY22: 22%)
- Facility cost growth reflects newly acquired landbank sites and growth in operating capacity on the back of material customer wins and record customer demand. Key movements include:
  - Property holding costs up 48%, reflecting newly acquired sites and land revaluations
  - Facility staff costs up 24%, reflecting new hires and full year impact for S3 and M3, plus increased cover for expanding Gen 2 sites
  - Maintenance costs up 17%, in line with new programs commencing for S3 and M3, as well as new data halls and associated infrastructure being added to Gen 2 sites
  - Water and sewerage costs up 51%, in line with new site additions and increased customer consumption
- Corporate cost discipline in FY23, with steady insurance costs and higher incentives paid in FY22 as part of a key talent retention initiative

# STRONG REVENUE AND EBITDA GROWTH

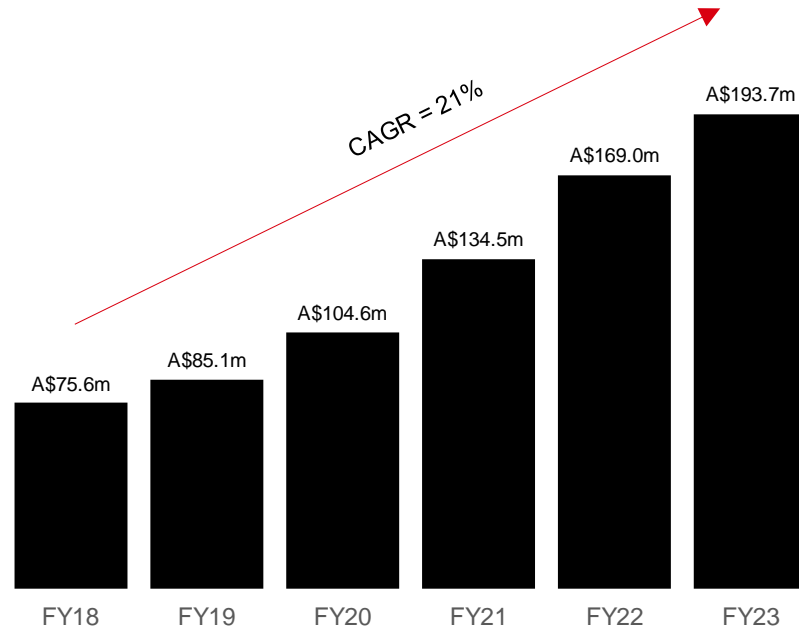
## Total revenue<sup>1</sup>

■ Project revenue  
■ Recurring revenue



## Underlying EBITDA<sup>2</sup>

■ Underlying EBITDA



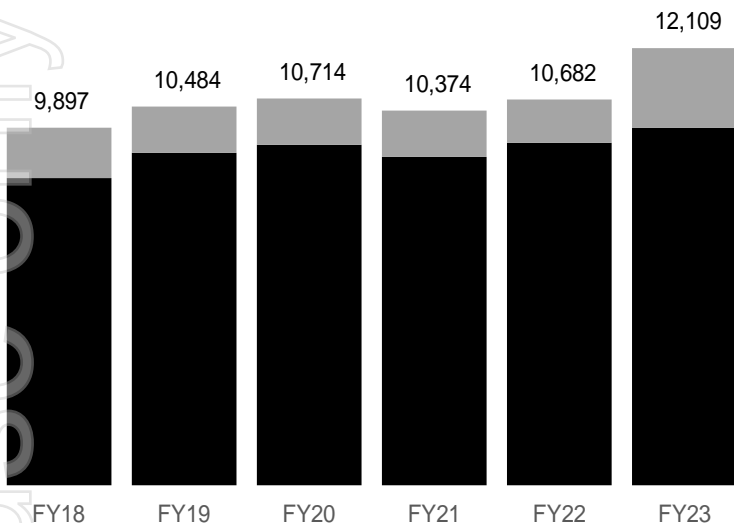
<sup>1</sup> Prior to FY19, project revenue was recognised up front, as the services were provided. Under AASB 15, project revenues are no longer recognised upfront, but amortised over the contract term including any option periods. These periods have not been restated

<sup>2</sup> Refer to page 27 for reconciliation to underlying EBITDA

# REVENUE PER UNIT METRICS

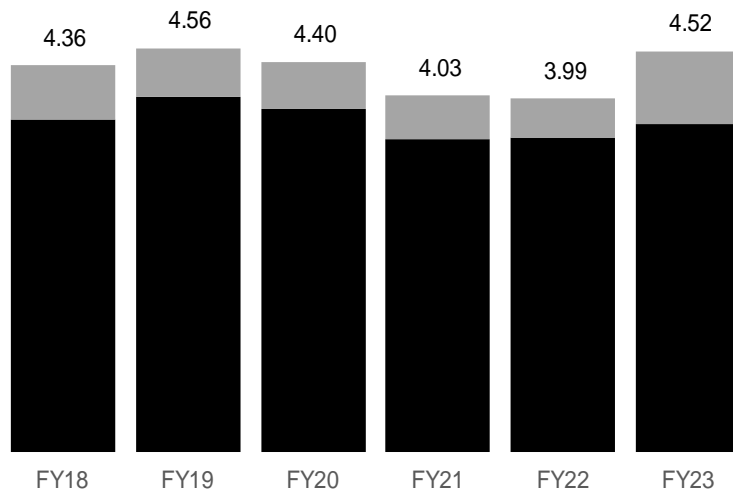
## Annualised revenue per square metre<sup>1,2,3</sup> (A\$)

■ Power passthrough revenue  
■ Net recurring revenue



## Annualised revenue per MW<sup>1,2,4</sup> (A\$m)

■ Power passthrough revenue  
■ Net recurring revenue



- The deployment of large, high-density ecosystem enhancing deals continues to trend net recurring revenues per square metre higher
- New facility developments and expansions are designed to take advantage of higher power density requirements
- As customer deployments mature, they use more power, connectivity and ancillary services

1. Power passthrough revenue reflects power recharges for customers who have their power consumption metered and charged separately
2. Net recurring revenue excludes power pass through and establishment fees
3. Square metres are the total weighted average square metres utilised during the period
4. MW (megawatt) reflects the total weighted average megawatt months billed over the period

# WELL CAPITALISED FOR GROWTH

30 June 23

30 June 22

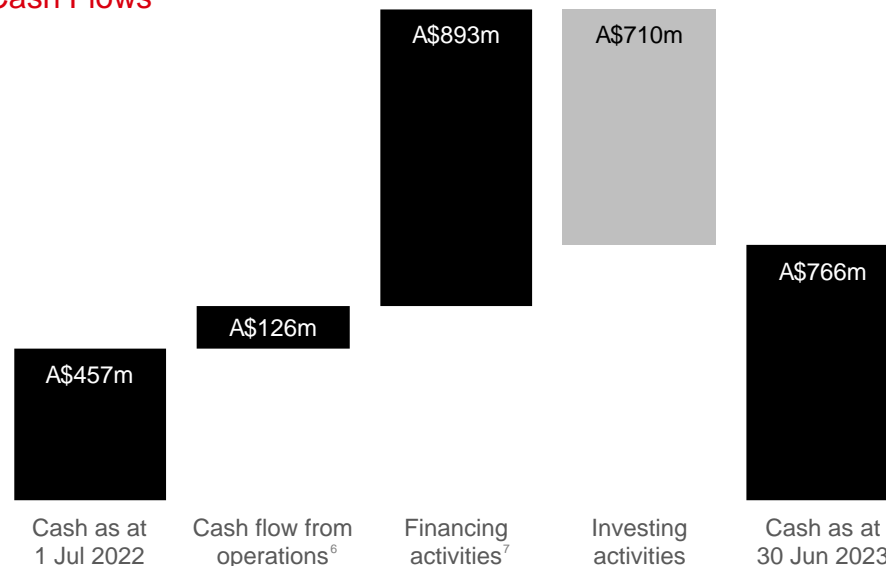
## Balance sheet summary (A\$m)

Cash	766	457
Property (land and buildings) <sup>1</sup>	1,797	1,302
Plant and equipment	946	959
Other assets	340	259
<b>Total assets</b>	<b>3,850</b>	<b>2,977</b>
Borrowings <sup>2</sup>	1,365	1,059
Other liabilities	208	219
<b>Total liabilities</b>	<b>1,573</b>	<b>1,278</b>
<b>Net assets</b>	<b>2,277</b>	<b>1,699</b>

## Debt metrics summary

Gearing <sup>3</sup>	19.9%	24.9%
Liquidity (A\$m)	2,266	1,857
Weighted average cost of debt <sup>4</sup>	5.3%	2.5%
Weighted average duration (years)	3.9	5.0
Hedged debt <sup>5</sup>	100%	100%

## Cash Flows



1. Property reflects written down value and excludes right-of-use lease assets not owned by NEXTDC but reported as assets under AASB 16
2. Reflects A\$1.4 billion drawn debt as at 30 June 2023 less capitalised transaction costs which are amortised over the term of the debt instruments; excludes right of use lease liabilities under AASB 16
3. Net debt / (net debt + equity) based on book value of cash and cash equivalents, borrowings, derivative financial instruments and total equity
4. Weighted average at the end of the period, inclusive of fees and margins on a drawn basis
5. As at the end of the period
6. Cash flows from operating activities include net interest paid of A\$47.6m
7. Cash flows from financing activities reflects the drawdown of incremental debt and the net proceeds of the A\$618m Entitlement Offer

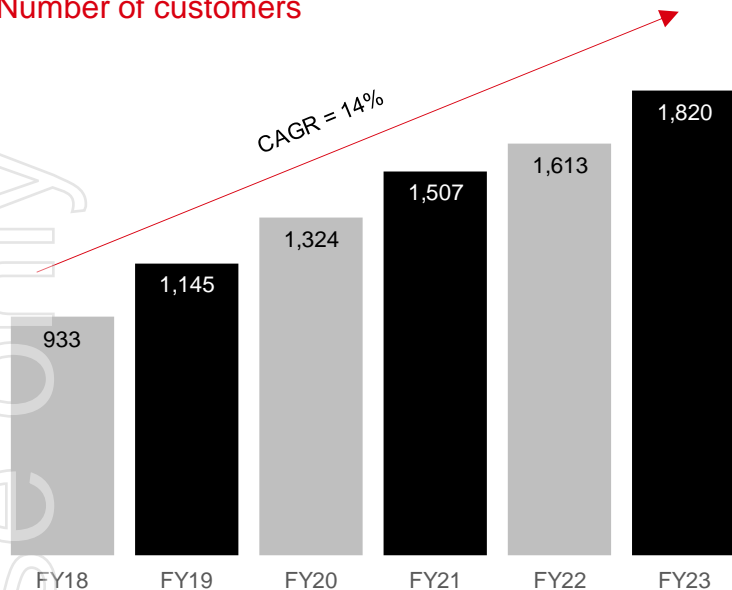
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BUSINESS PERFORMANCE

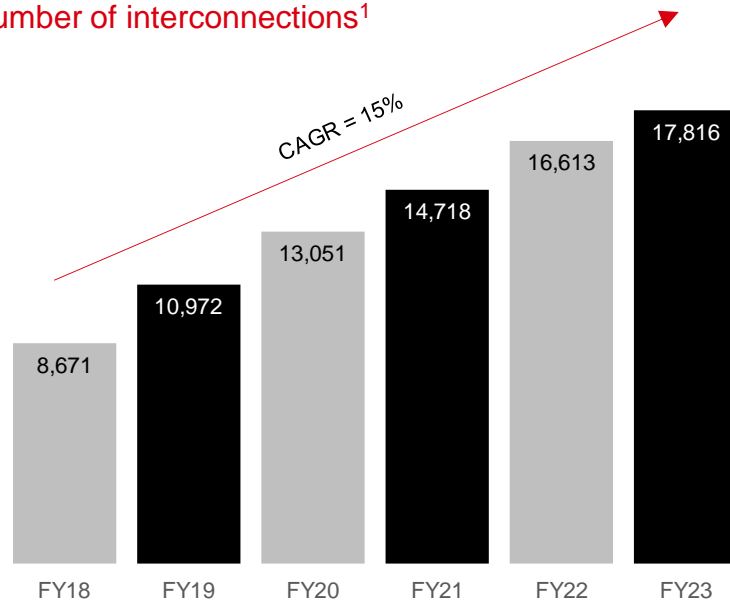


# STRONG GROWTH IN CUSTOMERS AND INTERCONNECTIONS

Number of customers



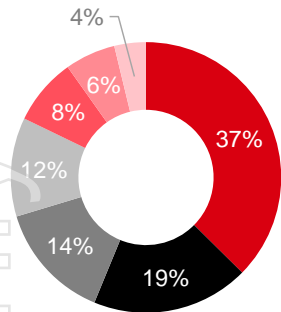
Number of interconnections<sup>1</sup>



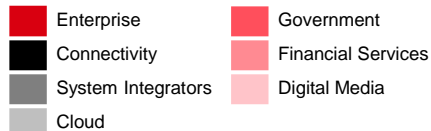
- Average interconnections per customer remained strong at 9.8 in FY23, as customer numbers see significant growth
- Ecosystem growth drives higher margin and improves customer retention

1. Comprises both physical and elastic cross connects

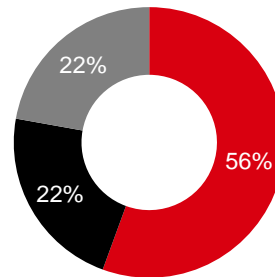
# DIVERSIFIED RECURRING REVENUE MODEL



Customers by industry<sup>1,2,3</sup>



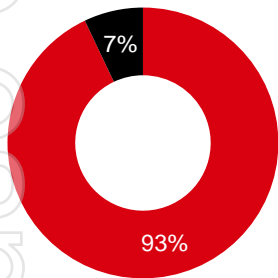
Cloud, Systems Integrators and Connectivity segments drive strong ecosystem growth



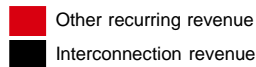
Utilisation by power density<sup>1,3,4</sup>



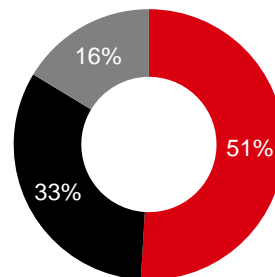
Customer power requirements continue to increase leading to greater density



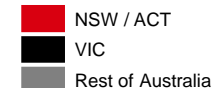
Recurring revenue mix<sup>5</sup>



Interconnection growth driven by our evolving ecosystem of partners and consumers



Recurring revenue by region<sup>5</sup>



Revenue aligned to key Australian metro markets

1. As at 30 June 2023

2. Percentages refer to the number of customers by industry

3. Percentages may not total 100% due to rounding

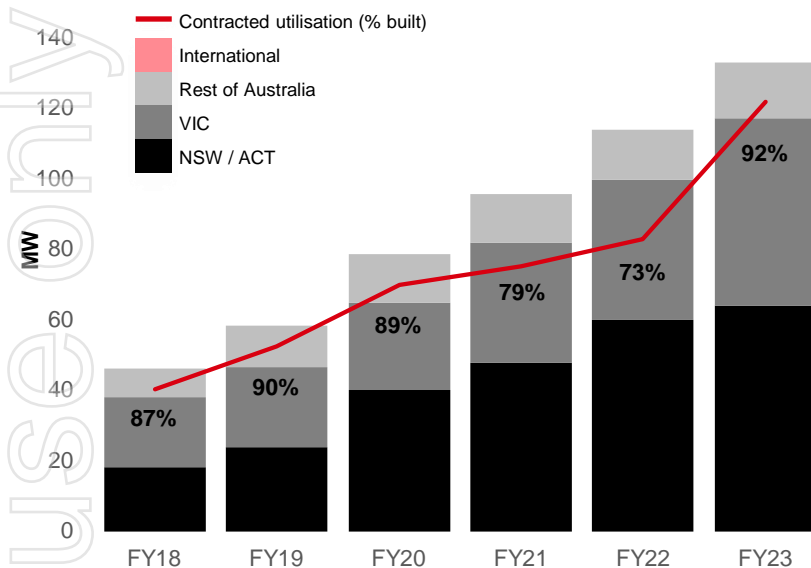
4. Density per rack equivalent. Percentages refer to the proportion of rack equivalents contracted at each density

5. Expressed as a percentage of FY23 recurring revenue, which is total revenue less project revenue

# UTILISATION

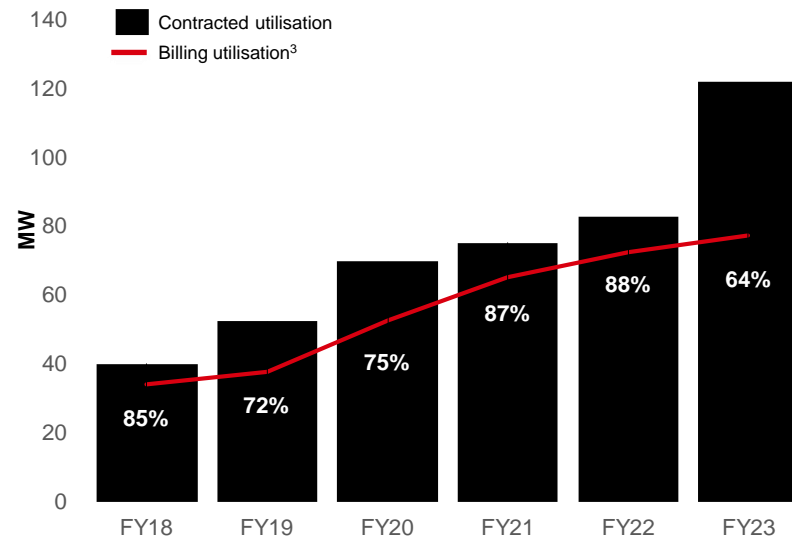
## Built capacity<sup>1</sup> vs contracted utilisation<sup>2</sup>

- 92% of built capacity was contracted at 30 June 2023
- 19.5MW of new built capacity added in 12 months to 30 June 2023



## Billing<sup>3</sup> vs contracted utilisation

- Contracted utilisation up 39.2MW (47%) to 122.2MW since 30 June 2022
- Billing utilisation up 4.8MW (6.6%) to 77.7MW since 30 June 2022, with record forward order book of 44.5MW<sup>4,5</sup>



1. Installed capacity includes the designed power capacity of the data halls fitted out at each facility. Further investment into customer related infrastructure such as backup power cooling or racks may be made in line with customer requirements

2. Contracted utilisation includes whitespace and rack power commitments with deferred start dates or ramp up periods and excludes options and reservations

3. Billing utilisation refers to the contracted capacity for which revenue is currently being recognised as at the end of the period

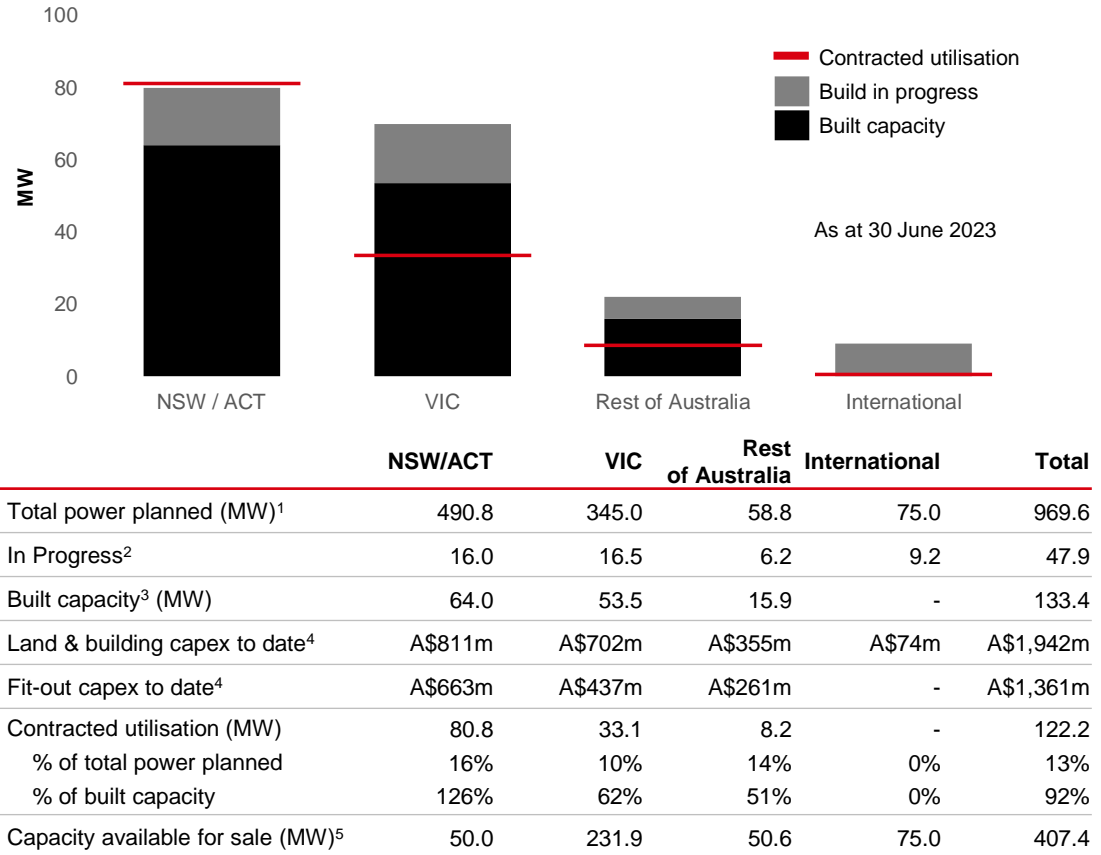
4. Forward order book represents the difference between the contracted utilisation (122.2MW) and billing utilisation (77.7MW) at the end of FY23

5. Including the increase in contracted utilisation announced on 23 August 2023, the pro forma forward order book has increased by a further 23.2MW to 67.7MW

# FACILITIES CAPACITY AND CONTRACTED UTILISATION

- NEXTDC's expansion potential continues to grow with S4, S5 and M4, new regions in Malaysia, New Zealand, Adelaide and Darwin as well as Edge deployments in Port Hedland and Newman
- S3 Sydney:** 4MW of built capacity added during FY23, with a further 16MW in progress. Final building complete on time and budget. Additional 12MW in planning
- M2 Melbourne:** 12MW in progress, with further building construction underway. Additional 9MW in planning
- P2 Perth:** 2MW in progress. Planning for Stage 2 final building development underway
- Development works for A1 Adelaide and D1 Darwin in progress, 3MW expected by 1HFY25
- Planning works for S4 Sydney, S5 Sydney and M4 Melbourne underway, with early works planned to commence by end of FY24

- Includes landbank without DA approvals in place, plus DA approved developments, facilities under construction and facilities that are open
- Mechanical and electrical fitout underway to prepare data halls for customer deployments
- MW built includes the designed power capacity of the data halls fitted out at each facility. Further investment into customer related infrastructure, such as backup power generation, cooling equipment or rack infrastructure may be made in line with customer requirements
- Excludes site selection and other due diligence-related costs for planned data centre developments, which are included in corporate overheads. For KL1 Kuala Lumpur (included in International), land and building includes value paid for leasehold property treated as a right of use asset
- Includes uncontracted capacity in facilities that are open or in development



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# FY23

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## ESG & WHS HIGHLIGHTS



# ESG HIGHLIGHTS

- Australia's first TRUE (Total Resource Use and Efficiency) Zero Waste Certified Data Centre (S1) in August 2023
- Free responsible e-waste disposal at all sites
- Australia's first NABERS 5-Star certified colocation data centres for energy efficiency (M1 & S1), NABERS 4.5-Star recently awarded for P1
- Industry leading energy efficiency, portfolio average PUE of 1.39
- Active management of water usage for industry leading portfolio average 1.73 WUE
- 100% Carbon Neutral corporate operations certified by Climate Active
- Certified NEXTneutral program allows clients to opt-in to carbon neutral IT
- Committed to diversity equity, 34% female participation, Vision 40:40 signatory, recently endorsed by Work180 as an employer of choice for women
- Delivering Corporate Social Responsibility through volunteer days, paid emergency services leave, pledge 1% and workplace giving programs
- Melbourne Renewable Energy Project (MREP) principal partner since 2014, rooftop solar arrays installed at M1, S1, P1, SC1 and M3 with more to come



# WHS HIGHLIGHTS

- Zero Recordable Lost Time Injuries during FY23
- Safety First corporate goal of zero injuries in the workplace
- Every 'all company' meeting starts with a safety focused 'toolbox talk'
- NEXTDC uses Lessons Learnt Program to share incident and near miss learnings between suppliers, customers and partners to lift industry wide safety standards
- Independent WHS audits standard for all major construction projects and all operational sites
- More than 30 employees across the company trained under the Mental Health Policy as Mental Health First Aid Officers by Mental Health First Aid Australia.
- Partnership with 'Heart On My Sleeve', equipping people managers to support a team member who has made a mental health disclosure in a human-first way
- Partnership with Sonder, providing our people and their families with 24/7 real-time access to a team of medical, mental health and safety experts





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# FY24

## OUTLOOK

# FY24 TRADING OUTLOOK



## RECORD SALES & PIPELINE

- **Record pipeline:** NEXTDC is expecting another record year of new contract wins in FY24, providing the Company with even greater certainty over future revenue growth
  - Achieved record sales of close to 40MW in FY23
  - Already announced new sales equivalent to 23.2MW in FY24 YTD, increasing its contracted utilisation to 145.4MW<sup>1</sup>
- **Billing ramp up:** The forward order book of 44.5MW<sup>2</sup> (67.7MW on a pro forma basis<sup>3</sup>) is projected to begin to convert into revenues by the end of FY24 and then ramp up over FY25-FY29
- **Evolving needs:** Customer needs are in a constant state of evolution, in terms of reach, scale and density, propelled by escalating requirements for:
  - **Enterprise workload migration:** This transition is fortified by robust partner support, ensuring a seamless shift of workloads to new environments
  - **Public Cloud, Hybrid Cloud, and Edge Compute:** The demand for vendor-neutral colocation services is propelled by the surge in requirements for agile, ecosystem driven compute solutions to supporting existing and new networks and availability zones
  - **Generative AI:** This breakthrough technology is reshaping the landscape and speeding up the adoption of higher density deployments and innovative cooling methods



## RECORD NETWORK EXPANSION

- **Contracted customer requirements:** Saw NEXTDC add 19.5MW of new capacity in FY23 and ensure near-term inventory is available to meet demand
- **New capacity development:** Driven by the forward order book and near-term requirements, with 48MW in the process of being built and a further 21MW in planning
- **Expansion into new regional markets:** With **A1** Adelaide, **D1** Darwin, **PH1** Port Hedland and **NE1** Newman developments in Australia on track
- **New countries emerging:** With the expected commencement of construction of **KL1** Malaysia and **AK1** New Zealand in FY24
- **Next generation developments underway:** With early works for **S4** Sydney, **S5** Sydney and **M4** Melbourne facilities expected to commence this year



## INVESTING TO SCALE

- **Elevating operations to match our growth trajectory:** As NEXTDC undertakes the addition of ~70MW of new capacity<sup>4</sup> as well as the addition of new sites into the portfolio, the Company is making targeted investments to ensure the efficient management of this additional capacity
- **Advancing through automation & centralisation:** To ensure that NEXTDC can maintain its rapid pace of growth and continue to scale, the Company is also enhancing its facility operations, with an emphasis on heightened automation and centralisation, propelling the business towards greater efficiency and effectiveness in managing its growing infrastructure
- **Building structural readiness:** NEXTDC's corporate functions are being strengthened to take advantage of the record level of contract wins, forward sales pipeline as well as further planned new investments

1. As disclosed in the Company's Contracted Utilisation Update dated 23 August 2023

2. Forward order book represents the difference between the contracted utilisation (122.2MW) and billing utilisation (77.7MW) at the end of FY23

3. Reflects forward order book adjusted for the 23.2MW of new sales disclosed in the Contracted Utilisation update dated 23 August 2023

4. Comprising 19.5MW built in FY23 and 48MW in the process of being built

# FY24 GUIDANCE



**SOLID REVENUE  
GROWTH**

## Total revenue guidance of **A\$400 million to A\$415 million (FY23: A\$362.4 million)**

- Net revenue growth of 6% to 9% (FY23: A\$279.4 million)
- Higher power passthrough revenues expected in 1HFY24 before moderating in 2HFY24
- Margins to expand from 2HFY24 as contracted price escalation flows through and power costs decrease
- The forward order book of 44.5MW<sup>1</sup> (67.7MW on a pro forma basis<sup>2</sup>) is projected to begin to convert into revenues by the end of FY24 and then ramp up over FY25-FY29



**OPERATING  
LEVERAGE  
INVESTMENTS**

## Underlying EBITDA<sup>3,4</sup> guidance of **A\$190 million to A\$200 million (FY23: A\$193.7 million)**

- Step change in NEXTDC's cost base ahead of material uplift in installed capacity (MW built) to reflect significant customer order wins in recent months
- Australian facility costs to increase in the range of A\$12 to A\$16 million, driven by increases in staffing levels as well as investments in landbank properties for future expansion
- Corporate costs to increase in the range of A\$5 to A\$7 million, with most of this investment going into Sales, Capital Works and Technology
- Operating leverage is projected to accelerate in line with the conversion of the forward order book to revenue from FY25



**CUSTOMER  
DRIVEN  
INVESTMENT**

## Capital expenditure guidance in the range of **A\$850 million to A\$900 million (FY23: A\$690.4 million)**

- Expansion works at **S3** Sydney to support customer orders, first tranche of **S4** Sydney land due to settle in FY24 and **S5** Sydney planning works underway
- Accelerated expansion for **M2** Melbourne and **M4** Melbourne planning works underway
- **A1** Adelaide and **D1** Darwin developments on track to achieve practical completion in 1HFY25
- **PH1** Port Hedland and **NE1** Newman on track – both having received first orders ahead of opening
- Commencement of construction at **KL1** Kuala Lumpur and **AK1** Auckland with both facilities expected to achieve practical completion in 1HFY26
- Additional capacity in plan at **M2** Melbourne, **M3** Melbourne, **S3** Sydney, **B2** Brisbane and **P2** Perth in line with customer demand

1. Forward order book represents the difference between the contracted utilisation (122.2MW) and billing utilisation (77.7MW) at the end of FY23

2. Reflects forward order book adjusted for the 23.2MW of new sales disclosed in the Contracted Utilisation update dated 23 August 2023

3. Refer to page 27 for reconciliation to underlying EBITDA in relation to FY23

4. FY24 underlying EBITDA excludes costs related to NEXTDC's activities in offshore markets, acquisition opportunities and investment in associates

# Q&A

## FULL YEAR RESULTS



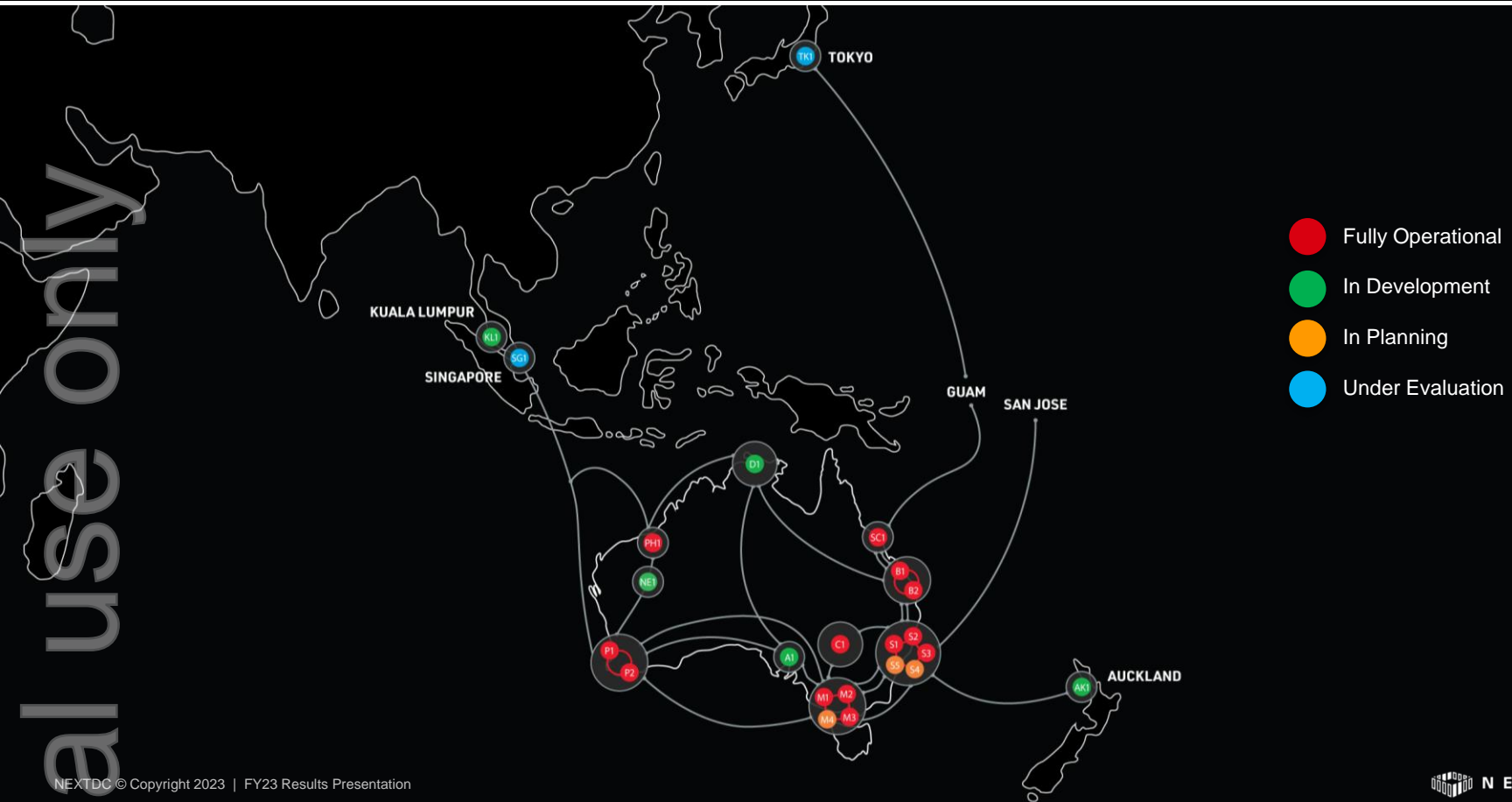
# APPENDICES



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# DEVELOPMENT PROJECTS

# REGIONAL DATA CENTRE PLATFORM





## S4 SYDNEY

Target IT capacity	~300MW <sup>+1</sup>
Installed capacity	Expected ~20MW for Phase 1
Status	Design & Town Planning



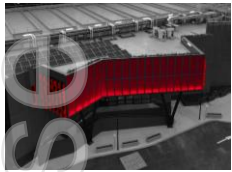
## S5 SYDNEY

Target IT capacity	~60MW <sup>+1</sup>
Installed capacity	Expected ~20MW for Phase 1
Status	Design & Town Planning



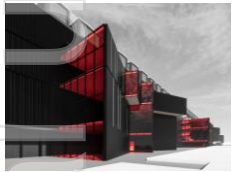
## M2 MELBOURNE

Target IT capacity	100MW
Installed capacity	25MW, plus 12MW in progress
Status	Operational



## M3 MELBOURNE

Target IT capacity	150MW
Installed capacity	13.5MW, plus 4.5MW in progress
Status	Operational



## M4 MELBOURNE

Target IT capacity	~80MW <sup>1</sup>
Initial capacity	Expected ~10MW for Phase 1
Status	Design & Town Planning



## A1 ADELAIDE

Target IT capacity	5MW
Initial capacity	2MW in progress
Status	Practical completion 1HFY25



## D1 DARWIN

Target IT capacity	7MW+
Initial capacity	1MW in progress
Status	Practical completion 1HFY25



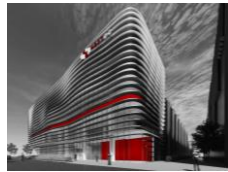
## PH1 & NE1 PILBARA

Target IT capacity	1.5MW + 1.5MW
Initial capacity	0.5MW + 0.5MW in progress
Status	Practical completion FY24



## AK1 AUCKLAND

Target IT capacity	10MW <sup>+1</sup>
Initial capacity	1.7MW in progress
Status	Practical completion 1HFY26



## KL1 KUALA LUMPUR

Target IT capacity	65MW <sup>1</sup>
Initial capacity	7.5MW in progress
Status	Practical completion 1HFY26

# UNDERLYING EBITDA RECONCILIATION

	FY23	FY22
	(A\$m)	(A\$m)
<b>Net profit / (loss) after tax</b>	<b>(25.6)</b>	<b>9.1</b>
Add: finance costs	79.0	49.3
Less: interest income	(11.0)	(1.8)
Add/(less): income tax expense/(benefit)	2.4	(10.8)
Add: depreciation and amortisation	137.9	106.9
<b>EBITDA</b>	<b>182.7</b>	<b>152.7</b>
Add: expensed SaaS costs previously capitalised	-	3.1
Add: early stage offshore operating expenses	2.9	2.4
Add: cost expensed in relation to acquisition opportunities	2.1	1.0
Add: share of loss on investment in associate <sup>1</sup>	4.3	1.9
Add: impairment of investment in associate <sup>2</sup>	1.8	7.9
<b>Underlying EBITDA</b>	<b>193.7</b>	<b>169.0</b>

1. Represents NXT's 33.61% interest in Sovereign Cloud Holdings Limited (ASX: SOV) (FY22: 19.99% interest)

2. Represents reduction in the carrying value of NXT's 33.61% interest in SOV (FY22: 19.99% interest)

Internal use only

# CASE STUDIES

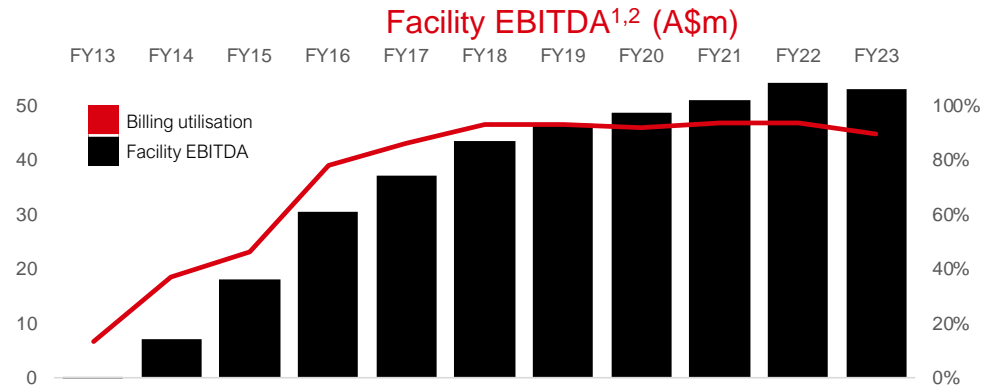
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# CASE STUDY: M1 MELBOURNE

## Highlights

- NEXTDC's second facility, commenced operations in September 2012
- Break-even reached after 11 months of operation



(A\$'000s) Period ended	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Billing utilisation <sup>1</sup>	13%	37%	46%	78%	86%	93%	93%	92%	94%	93%	90%
Recurring revenue	3,431	14,051	25,522	38,231	48,193	59,550	61,306	63,175	63,893	64,535	66,816
Project revenue	443	2,254	2,261	4,310	3,122	3,005	1,656	1,503	1,628	1,775	1,910
Gross data centre revenue	3,875	16,305	27,782	42,541	51,315	62,554	62,962	64,678	65,522	66,310	68,726
Facility EBITDA <sup>1,2</sup>	(1,563)	7,010	18,047	30,620	37,261	43,534	46,783	48,618	50,908	54,232	53,048
EBITDA margin %	(40%)	43%	65%	72%	73%	70%	74%	75%	78%	82%	77%
Fitout capex to date	57	84	87	120	139	147	150	157	163	166	167
Property value at cost <sup>3</sup>							99	99	99	99	99

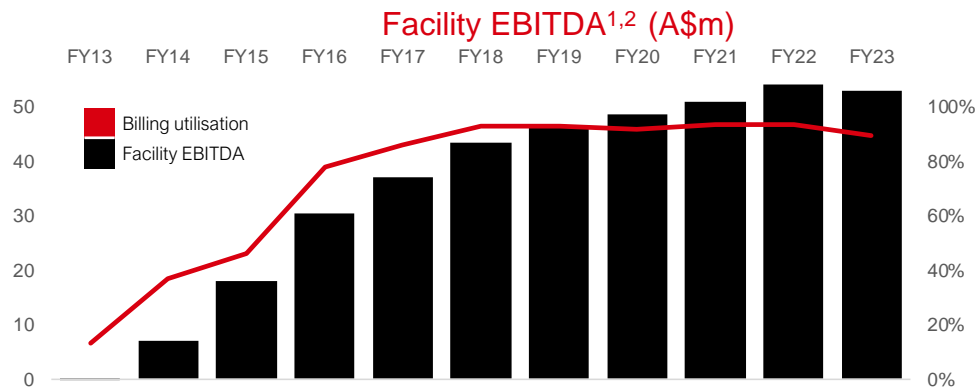
Note: Not adjusted for differences in accounting standards from FY19 onwards relative to earlier periods, which distorts comparability. NEXTDC adopted new accounting standards AASB 9, AASB 15 and AASB 16 from 1 July 2018

1. Billing utilisation refers to the contracted capacity for which revenue is currently being recognised as at the end of the period. 2. Before corporate costs. 3. Reflects allocated cost from NEXTDC's acquisition of APDC in October 2018

# CASE STUDY: S1 SYDNEY

## Highlights

- NEXTDC's fourth facility commenced operations in September 2013
- Break-even reached after 7 months of operation



(A\$'000s) Period ended	FY14	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22	FY23
Billing utilisation <sup>1</sup>	22%	31%	53%	79%	94%	96%	99%	100%	99%	97%
Recurring revenue	4,069	12,711	22,195	34,730	51,111	59,140	61,221	62,938	63,637	70,860
Project revenue	1,825	3,703	4,147	6,274	5,073	2,943	3,242	2,848	2,392	2,388
Gross data centre revenue	5,894	16,414	26,342	41,004	56,184	62,083	64,463	65,786	66,029	73,248
Facility EBITDA <sup>1,2</sup>	(295)	6,979	15,176	26,083	36,051	45,364	47,465	49,684	51,416	50,154
EBITDA margin %	(5%)	43%	58%	64%	64%	73%	74%	76%	78%	68%
Fitout capex to date	64	78	114	135	155	160	163	167	171	174
Property value at cost <sup>3</sup>						118	118	118	118	118

Note: Not adjusted for differences in accounting standards from FY19 onwards relative to earlier periods, which distorts comparability. NEXTDC adopted new accounting standards AASB 9, AASB 15 and AASB 16 from 1 July 2018

1. Billing utilisation refers to the contracted capacity for which revenue is currently being recognised as at the end of the period. 2. Before corporate costs. 3. Reflects allocated cost from NEXTDC's acquisition of APDC in October 2018

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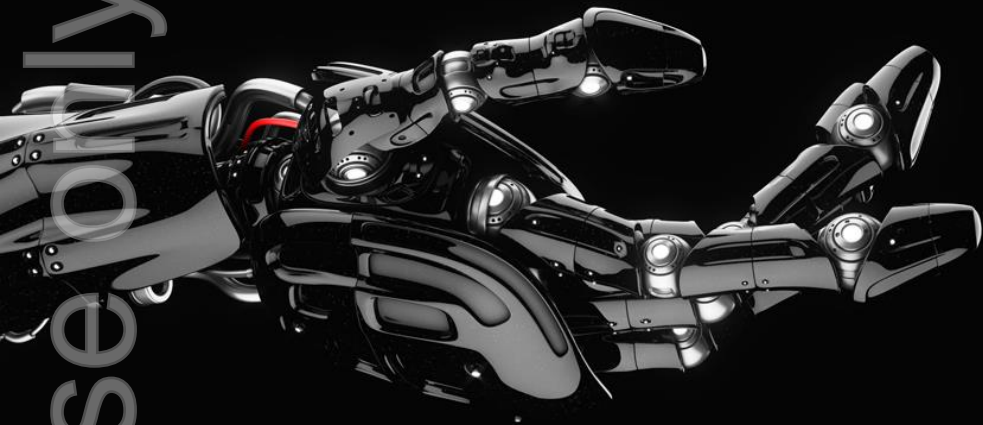
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