

ersonal use only

# 2023

## 13<sup>th</sup> ANNUAL GENERAL MEETING

Friday, November 24, 2023.



NEXTDC



# BOARD OF DIRECTORS



**DOUGLAS FLYNN**  
NON-EXECUTIVE  
CHAIRMAN



**STUART DAVIS**  
NON-EXECUTIVE  
DIRECTOR



**DR GREGORY CLARK AC**  
NON-EXECUTIVE  
DIRECTOR



**JENNIFER LAMBERT**  
NON-EXECUTIVE  
DIRECTOR



**DR EILEEN DOYLE**  
NON-EXECUTIVE  
DIRECTOR



**STEVE SMITH**  
NON-EXECUTIVE  
DIRECTOR



**MARIA LEFTAKIS**  
NON-EXECUTIVE  
DIRECTOR



**CRAIG SCROGGIE**  
CHIEF EXECUTIVE OFFICER  
AND MANAGING DIRECTOR

# MEET OUR LEADERS



**CRAIG SCROGGIE**  
CHIEF EXECUTIVE OFFICER  
AND MANAGING DIRECTOR



**DAVID DZIENCIOŁ**  
CHIEF CUSTOMER AND  
COMMERCIAL OFFICER



**SIMON COOPER**  
CHIEF OPERATING  
OFFICER



**OSKAR TOMASZEWSKI**  
CHIEF FINANCIAL  
OFFICER



**MICHAEL HELMER**  
COMPANY SECRETARY AND  
CHIEF RISK OFFICER



**OLIVIA MORIARTY**  
CHIEF OF STAFF



**ELLIE WHITTON**  
HEAD OF PEOPLE  
AND CULTURE



**JEFF VAN ZETTEN**  
CHIEF OF  
ENGINEERING AND DESIGN



**JEFF ARNDT**  
CHIEF INFORMATION  
OFFICER

# AGENDA

WELCOME AND INTRODUCTIONS

CONDUCT OF MEETING

CHAIRMAN'S ADDRESS

CEO'S ADDRESS

RESOLUTIONS

Q&A





# 2023

13<sup>th</sup> ANNUAL GENERAL  
MEETING



N E X T D C



NEXTDC

# 2023

13<sup>th</sup> ANNUAL GENERAL MEETING  
**CHAIRMAN'S ADDRESS**





# VISION

NEXTDC's vision is to help enterprises harness the digital age, improving our society through the advancement of technology



# PURPOSE

NEXTDC's purpose is to be the leading customer-centric data centre services company, delivering solutions that power, secure and connect enterprise and Government customers.





# 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 to page 27 of the NEXTDC FY23 results presentation for reconciliation to underlying EBITDA

2. Comprises both physical and elastic cross connects



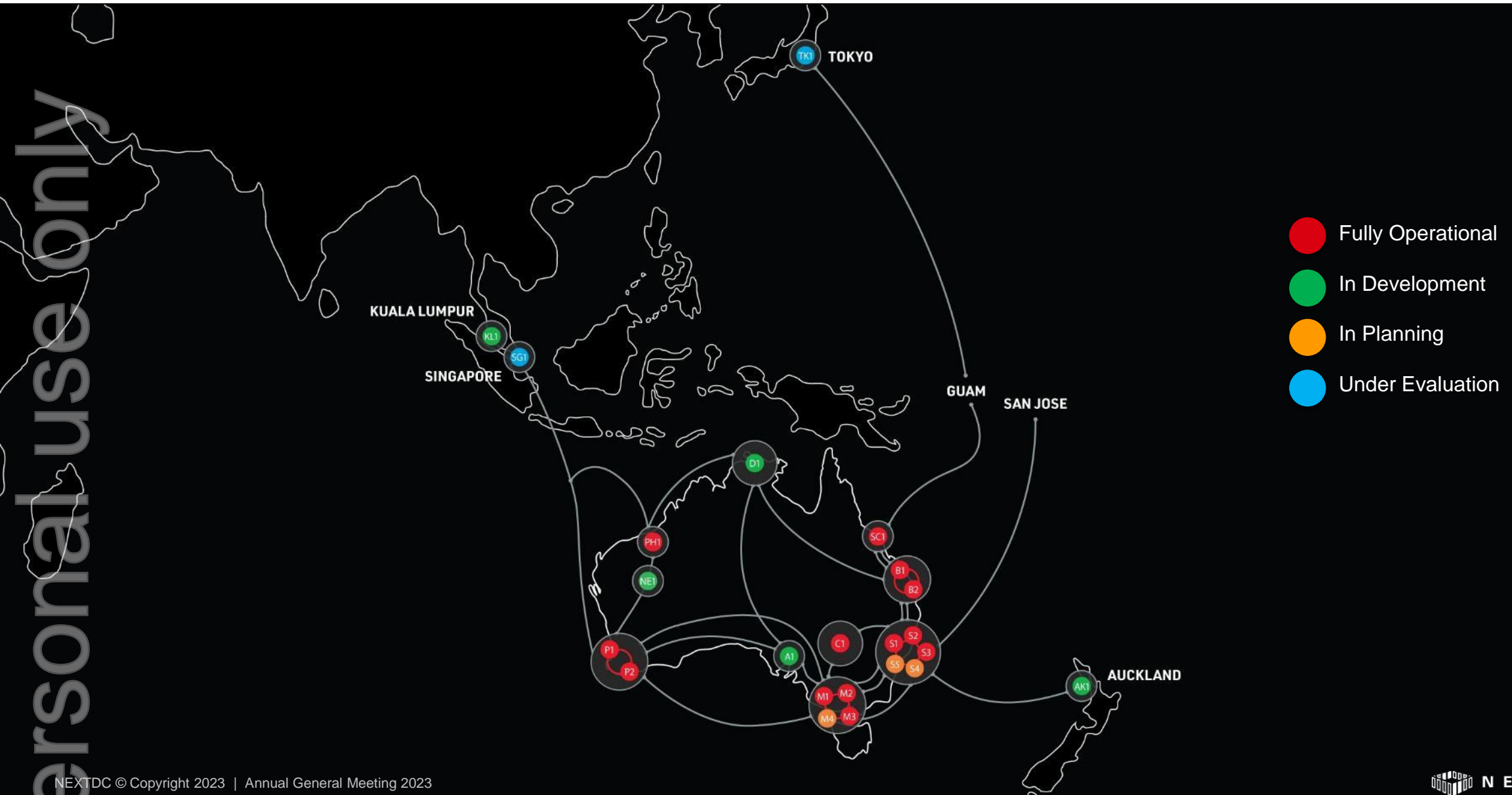
NEXTDC

# FUELLING THE DIGITAL ECONOMY

Australia's leading digital  
infrastructure platform

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# REGIONAL DATA CENTRE PLATFORM





# A1 ADELAIDE AND D1 DARWIN

## A1 TECHNICAL SPECIFICATIONS

Rack Capacity	~1,500
Technical Space	~3,000sqm
Total power planned	~5MW
Target Open Date	H1, CY2024
Location	211 Pirie St, Adelaide

## D1 TECHNICAL SPECIFICATIONS

Rack Capacity	~1,500
Technical Space	~3,000sqm
Mission Critical Space	~2,000sqm
Total power planned	~8MW
Target Open Date	H1, CY2024
Location	2 Harvey St, Darwin

- A1 & D1 will provide data centre services to Enterprise, Government, network carriers and ICT providers
- Will house customers' mission critical operation centres and collaboration spaces
- AXON cloud connect on-ramp available day one for Microsoft, AWS, Google Cloud, IBM Cloud and other cloud on-ramps
- Seamless Connectivity into NEXTDC's nationwide DC networks
- Planned Uptime Tier IV and Gold Certification
- SSEC Zone 3 Design
- NEXTneutral carbon offset program



# PH1 PORT HEDLAND AND NE1 NEWMAN (PILBARA)

## PH1 TECHNICAL SPECIFICATIONS

Rack Capacity	~320
Technical Space	~730sqm
Total power planned	~1.5MW
Open Date	1H FY24
Location	17 Loreto Circuit, Port Hedland

## NE1 TECHNICAL SPECIFICATIONS

Rack Capacity	~180
Technical Space	~700sqm
Total power planned	~1.5MW+
Open Date	1H CY2024
Location	Cnr Pardoo St & Woodstock St, Newman

- PH1 & NE1 will provide data centre services to Enterprise, Government, network carriers and ICT providers
- High Speed, low latency, fully redundant connectivity via Vocus's NWCS and Horizon Cable Systems
- AXON cloud connect on-ramp available day one for Microsoft, AWS, Google Cloud, IBM Cloud and other cloud on-ramps
- Seamless Connectivity into NEXTDC Perth P1 and P2 sites
- Dedicated private suites available
- Cyclone rated facilities for critical operations
- SCEC Zone 3 Design
- NEXTneutral carbon offset program



# WELL CAPITALISED FOR GROWTH

30 June 23

30 June 22

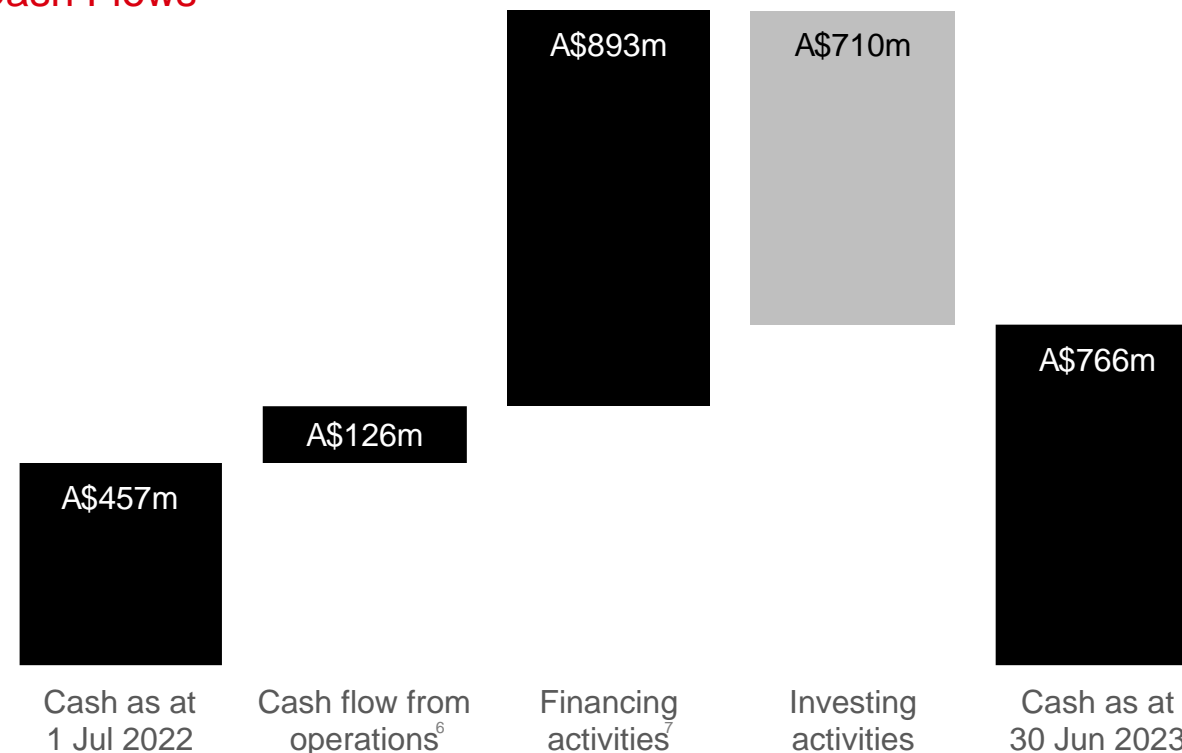
## Balance sheet summary (A\$m)

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

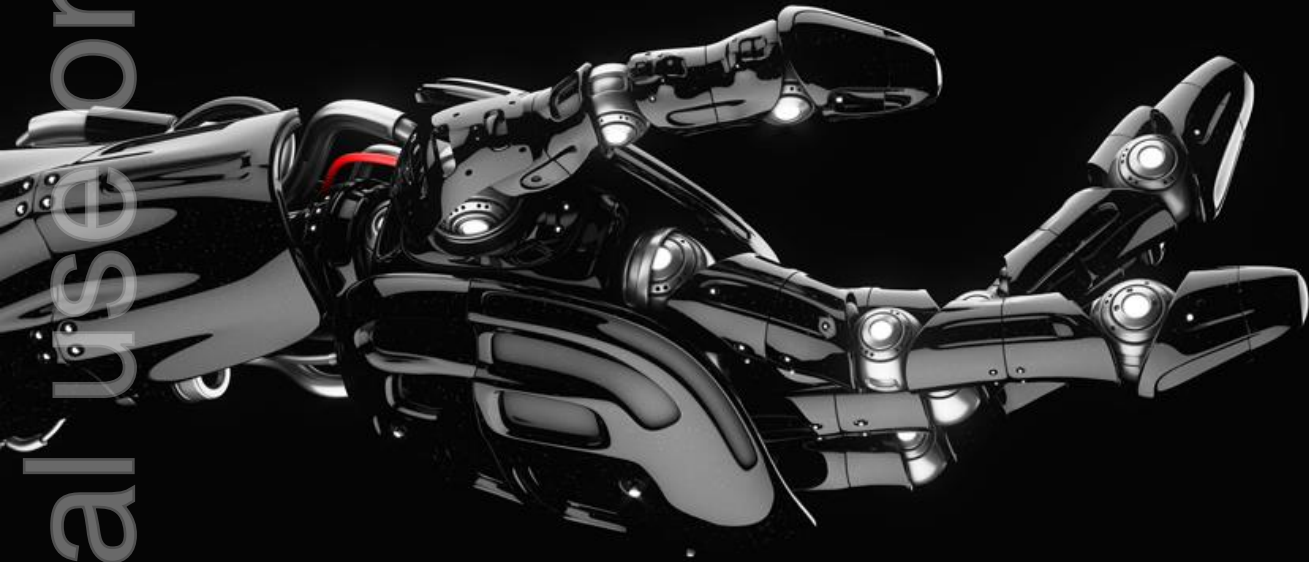
Gearing <sup>3</sup>	19.9%	24.9%
Liquidity (A\$m)	2,266	1,857
Weighted average cost of debt <sup>4</sup>	5.3%	2.5%
Weighted average duration (years)	3.9	5.0
Hedged debt <sup>5</sup>	100%	100%

## Cash Flows



- Property reflects written down value and excludes right-of-use lease assets not owned by NEXTDC but reported as assets under AASB 16
- 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
- Net debt / (net debt + equity) based on book value of cash and cash equivalents, borrowings, derivative financial instruments and total equity
- Weighted average at the end of the period, inclusive of fees and margins on a drawn basis
- As at the end of the period
- Cash flows from operating activities include net interest paid of A\$47.6m
- Cash flows from financing activities reflects the drawdown of incremental debt and the net proceeds of the A\$618m Entitlement Offer





GENERATIVE  
**ARTIFICIAL  
INTELLIGENCE**  
IS ABOUT TO  
**CHANGE  
EVERYTHING**



N E X T D C

# NEXT Frontier

Where AI lives™

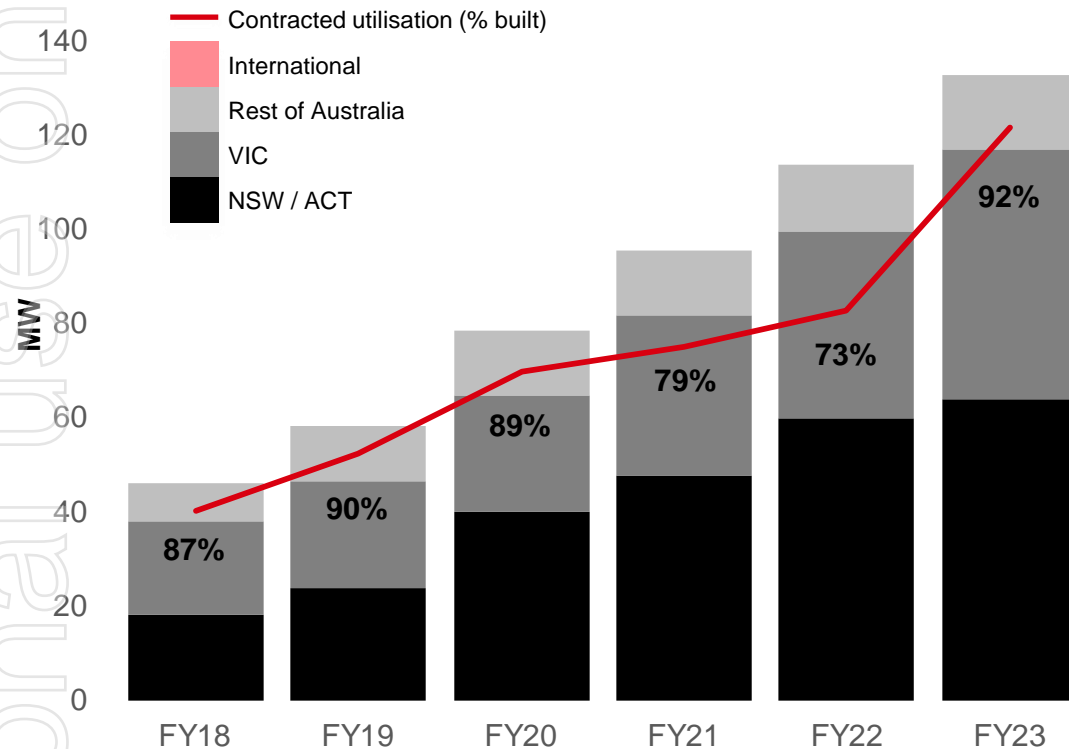
Where AI thrives™



# UTILISATION

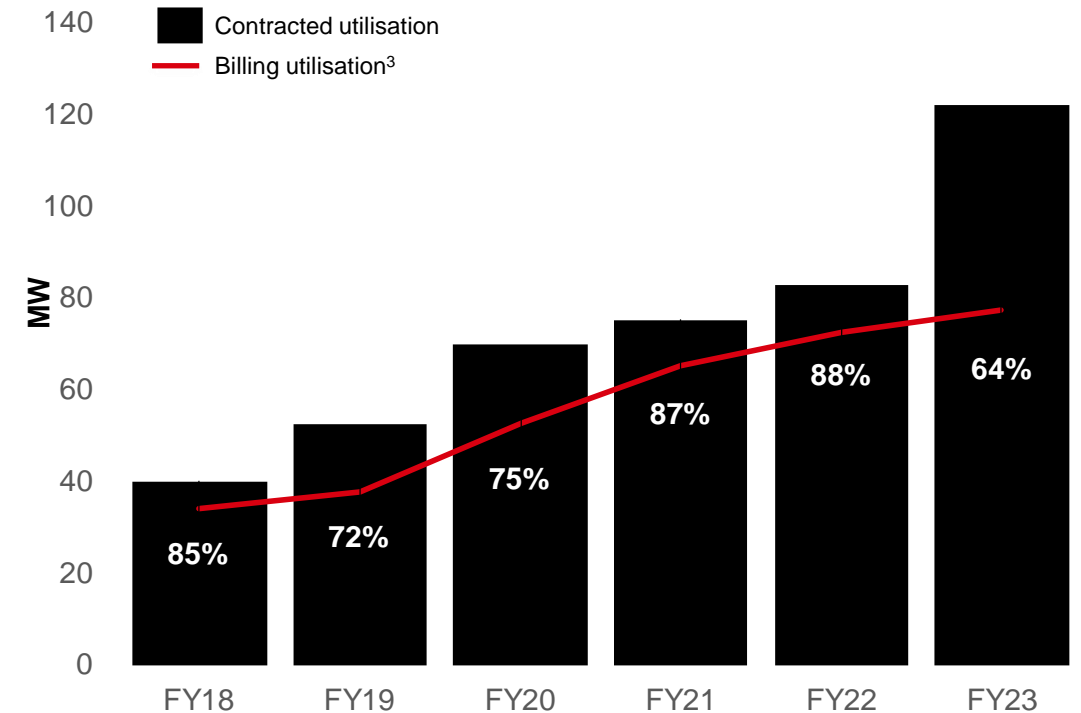
## Built capacity<sup>1</sup> vs contracted utilisation<sup>2</sup>

- 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





# Team **NEXTDC** Grows

# Equity Raising Strongly Supported

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Successfully completed A\$618m  
Entitlement Offer to help fund  
NEXTDC's international expansion  
and accelerated fit-out of S3

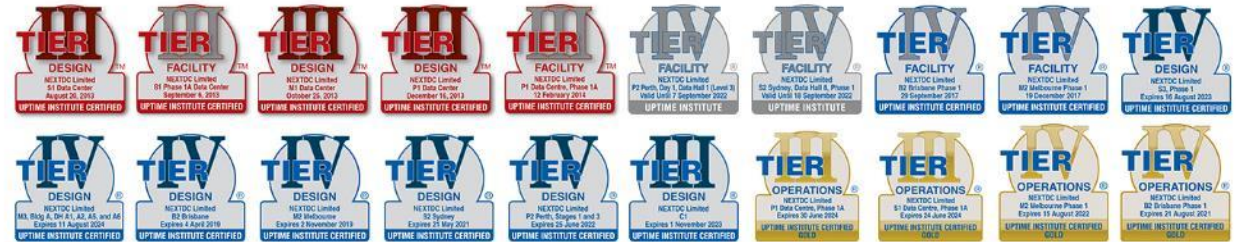


NEXTDC

# globally recognised certifications



Australian Government  
Digital Transformation Agency





# A NEW BENCHMARK FOR SUSTAINABILITY

We are dedicated to driving continuous improvements and global leadership in energy efficiency and sustainability.





NEXTDC

N E T D

# 2023

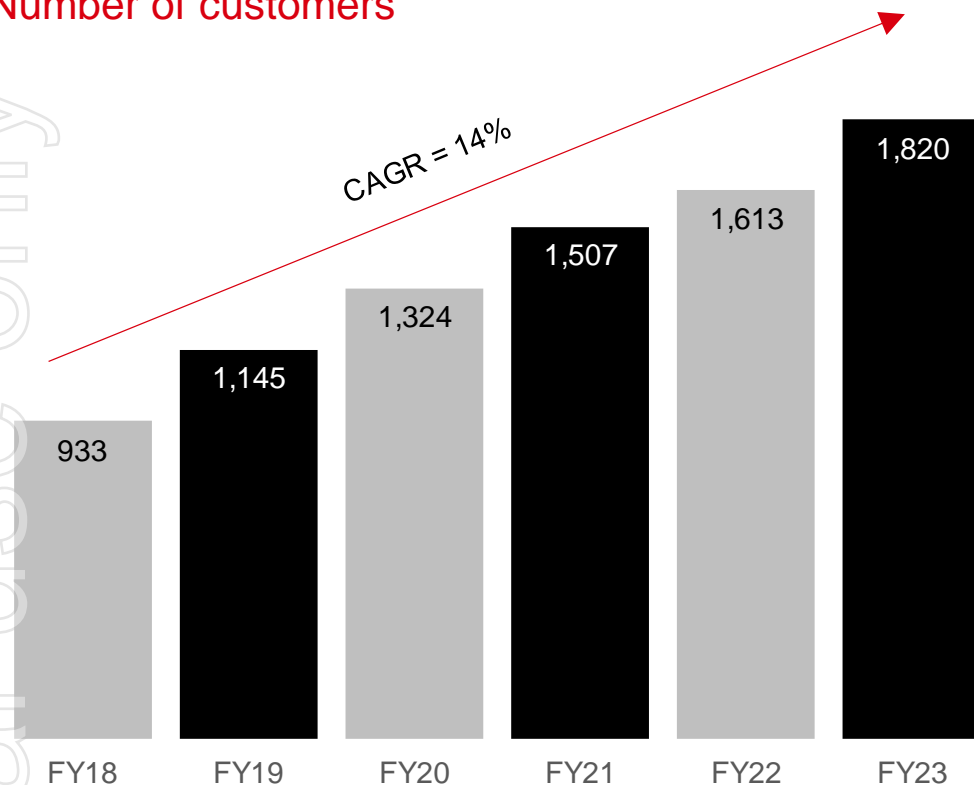
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13<sup>th</sup> ANNUAL GENERAL MEETING  
**CEO'S ADDRESS**

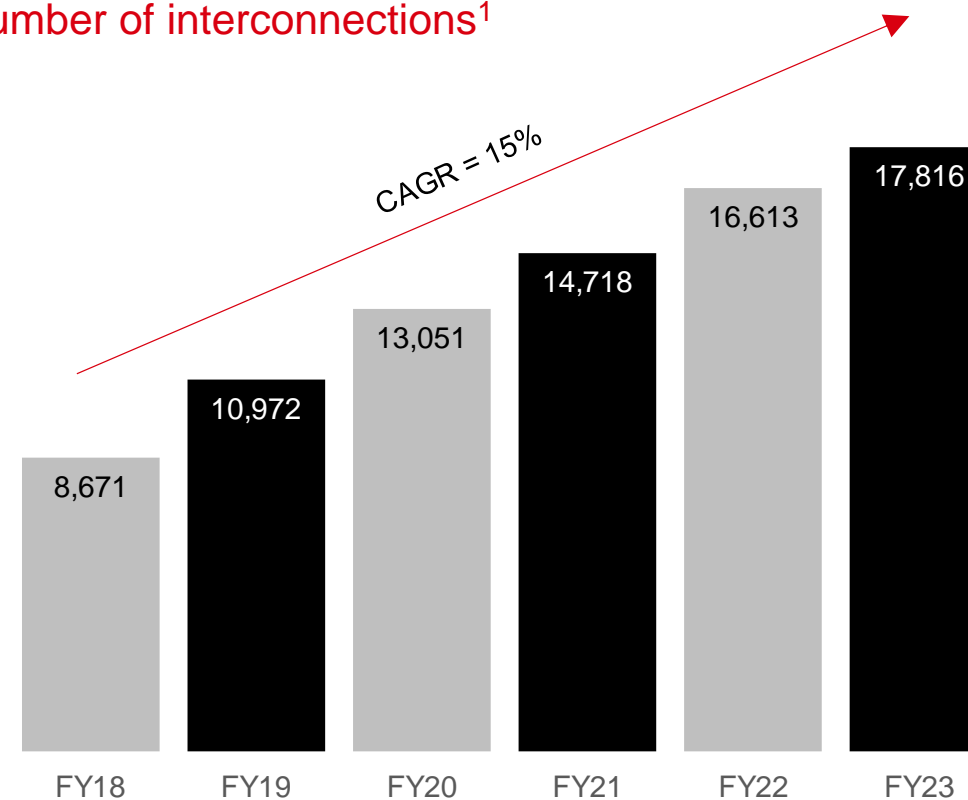


# STRONG GROWTH IN CUSTOMERS AND INTERCONNECTIONS

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

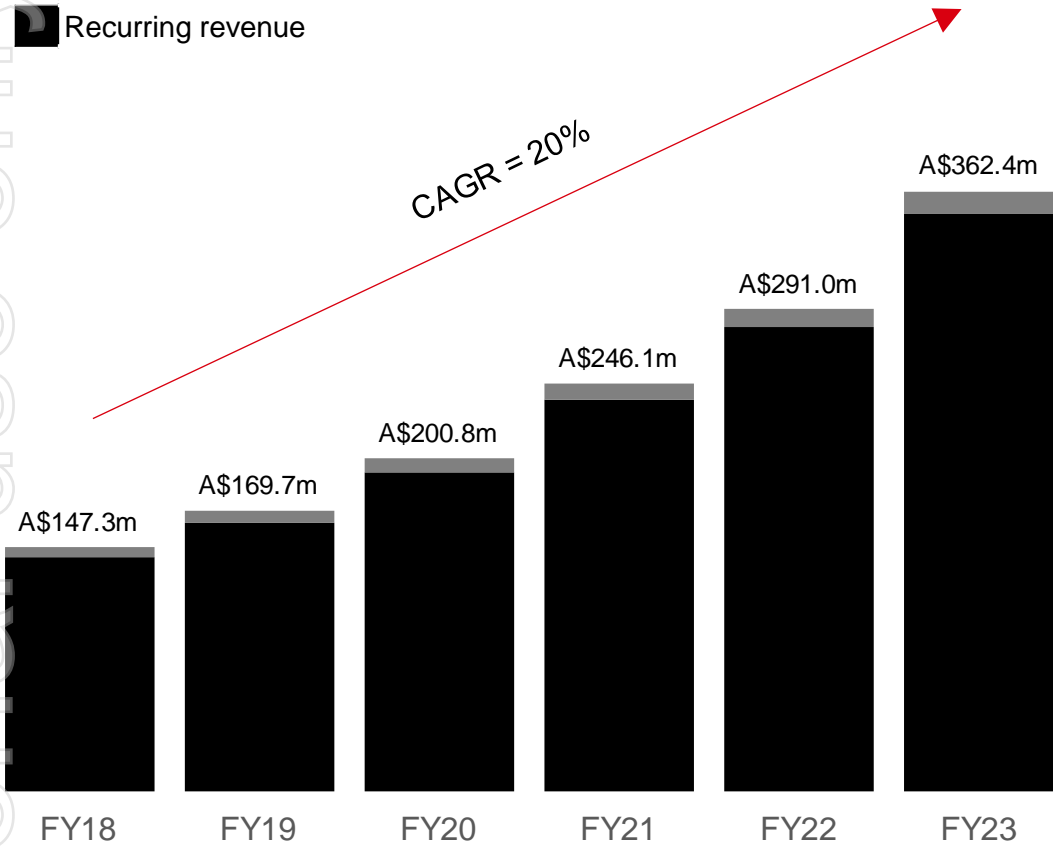
<sup>1</sup>. Comprises both physical and elastic cross connects



# STRONG REVENUE AND EBITDA GROWTH

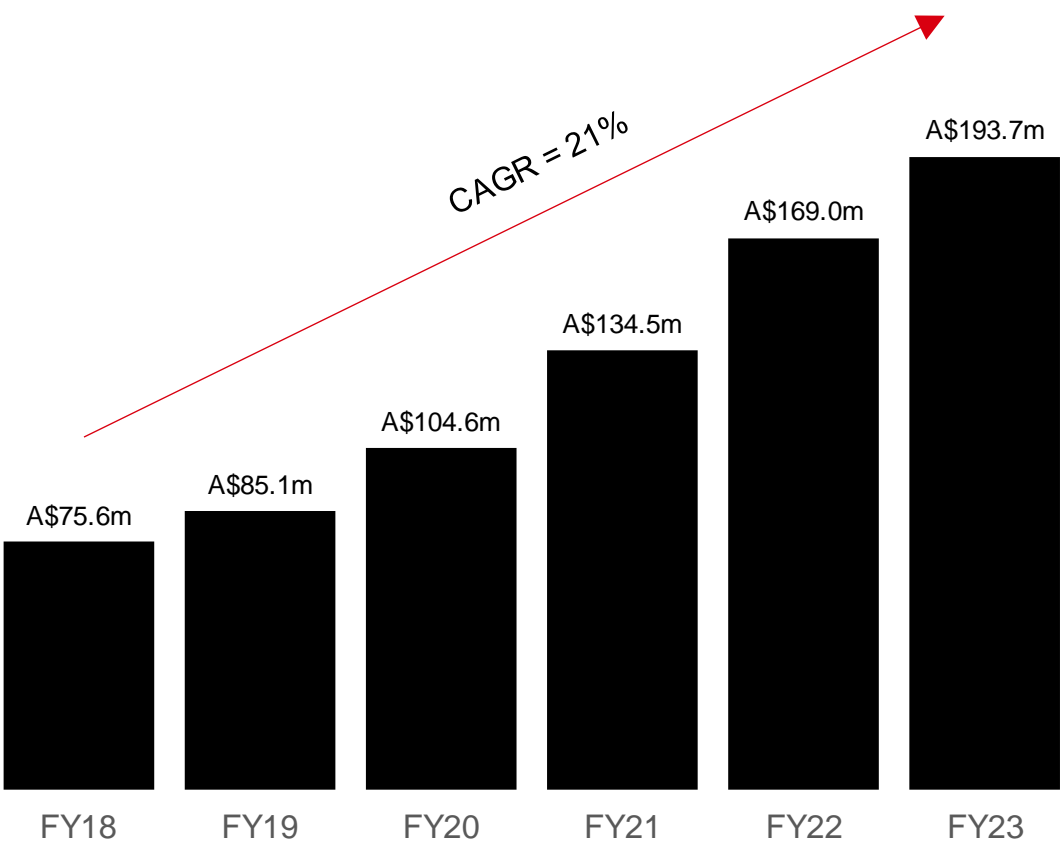
Total revenue<sup>1</sup>

■ Project revenue  
■ Recurring revenue



Underlying EBITDA<sup>2</sup>

■ Underlying EBITDA



1. 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  
2. Refer to page 27 for reconciliation to underlying EBITDA

# DATA IS THE ELECTRICITY OF THE 21<sup>st</sup> CENTURY

# 90%

of the world's data  
was generated in the  
last two years



# THE EVOLUTION OF CLOUD

By **2025**

85% of organisations will have adopted a Cloud-first digital agenda – **Gartner**

**2022** Spending on public cloud services in Australia – **Gartner**

**\$18.7 BILLION**

In **2022**

63% of businesses are running more than 25% of workloads in the cloud – **Flexera**



# THE FOURTH INDUSTRIAL REVOLUTION

1<sup>st</sup>

Mechanisation,  
water power,  
steam power

2<sup>nd</sup>

Mass production,  
assembly line,  
electricity

3<sup>rd</sup>

Computer and  
automation

4<sup>th</sup>

Cyber physical  
systems

“The past 250 years has seen a few select inventions, namely the steam engine, electrification and the microprocessor, spur the past three industrial revolutions and ‘catalysed human progress’.

**The fourth will be driven by data – ‘the electricity of our age’, as well as the data centres that will make this massive use of data possible.”**

**Professor Klaus Schwab:**

Founder and Executive Chairman of the World Economic Forum

# MEGA TRENDS

Elastic Networks

Blockchain & Crypto

Sustainability

Remote Operations

Renewable Energy

Digital HQ

Sovereign Secured

Gaming

Internet of Things

Digital Health

Artificial Intelligence

Cloud Computing

Decentralised Finance

Satellite

Edge Computing

Virtual & Augmented  
Reality

5G

Automation

3D printing

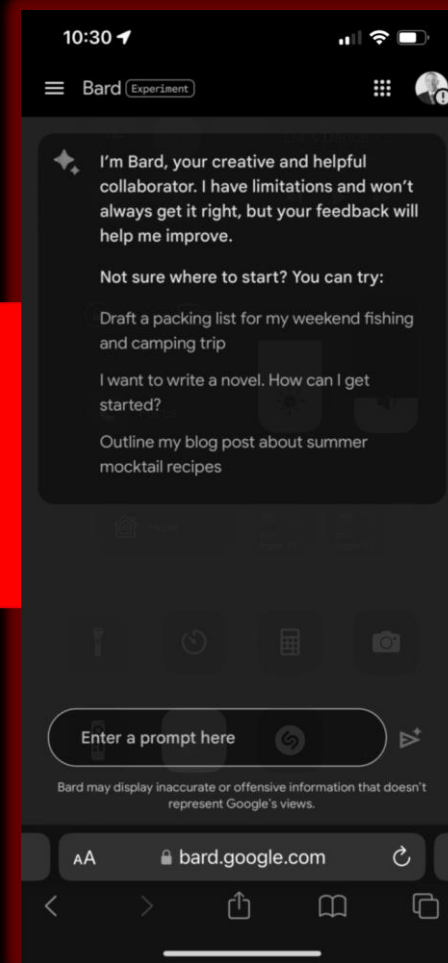
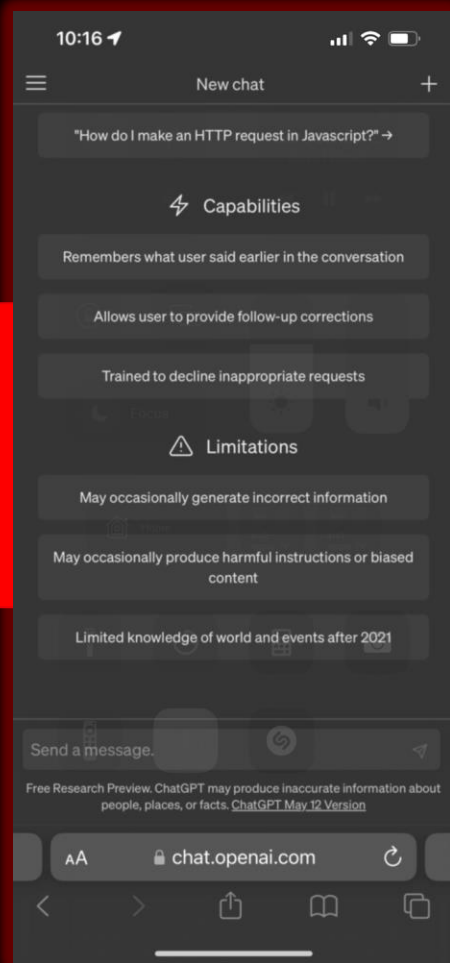
Geopolitical Security

Cybersecurity



# ARTIFICIAL INTELLIGENCE – 37.3% CAGR (2023-2030)

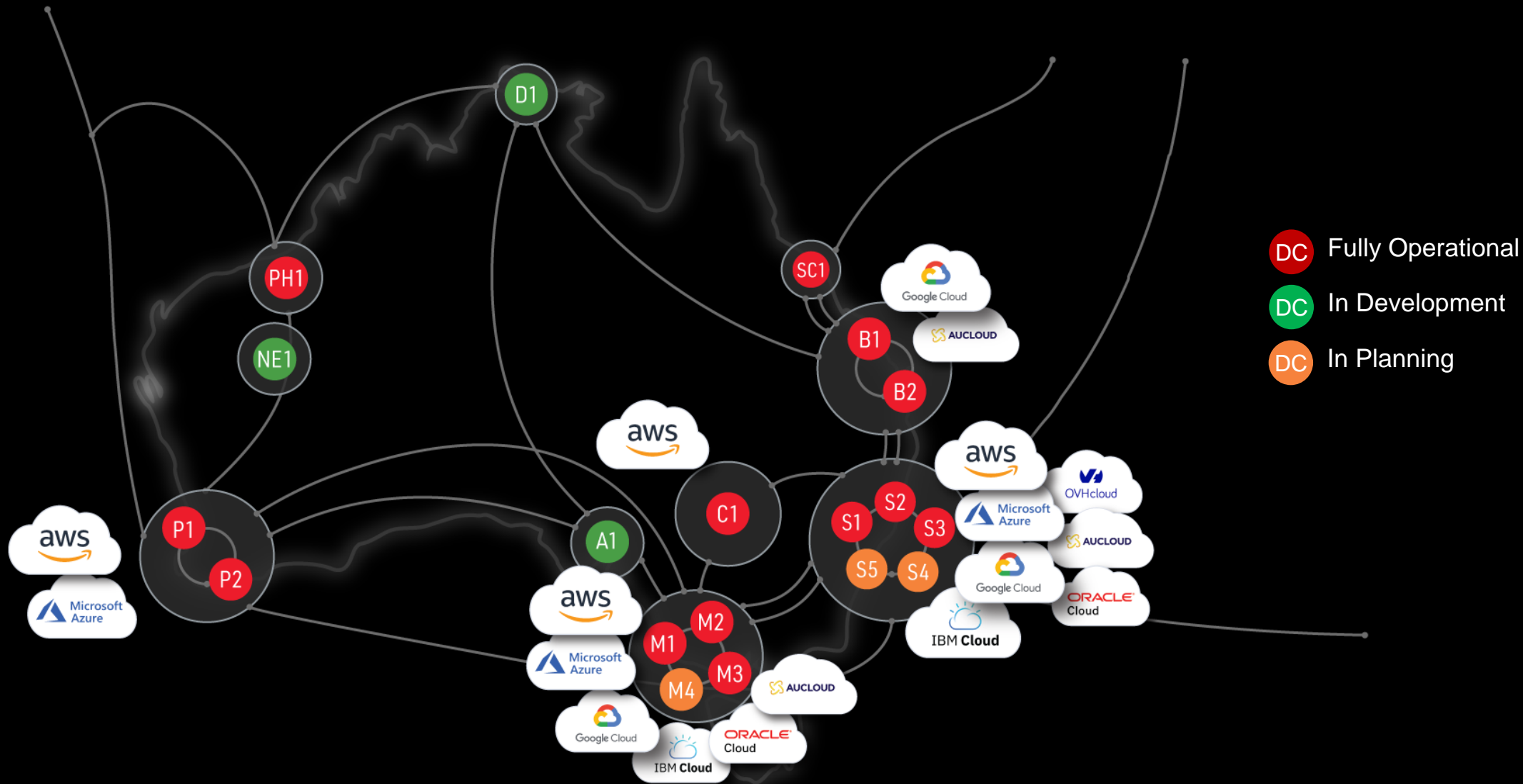
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# AUSTRALIAN FACILITY AND CLOUD CONNECTIVITY FOOTPRINT

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# Enabling **transformation** from the **CORE** to the **EDGE**





# M2 MELBOURNE

## TECHNICAL SPECIFICATIONS

Technical Space	25,000sqm+
Total target IT capacity	100MW
Installed capacity	25MW
Target PUE	1.10 <sup>1</sup> / 1.28 <sup>2</sup>
Design & construction standard	UI Tier IV Design UI Tier IV Constructed Facility UI Tier IV Gold for Operational Sustainability
Status	Operational

- Planned industry leading energy efficiency rating
- Seamless Cross Connect for M1 and M2 through NEXTDC Data Centre Interconnect & AXON
- AXON cloud connect on-ramp available day one for Microsoft ExpressRoute, Amazon Web Services, IBM Cloud and other cloud on ramps

1. Best instantaneous power consumption ratio within a calendar year, dependent on load and optimal environmental conditions
2. Total energy consumption ratio during a full calendar year, dependent on IT load, client design and service agreements and supports a market leading level of energy efficiency





# KL1 KUALA LUMPUR

## TECHNICAL SPECIFICATIONS

Land area	~42,000sqm
Total target IT capacity	~18,250sqm
Total Power Planned	65MW <sup>1</sup>
Target PUE	1.35
Design & construction standard	UI Tier IV Design and Construct UI Tier IV Constructed Facility UI Tier IV Gold for Operational Sustainability
Initial capital expenditure	~A\$250 million <sup>2</sup>
Practical completion	1H FY26

- KL1 will be 100% owned by NEXTDC
- Located ~10km from Kuala Lumpur CBD
- Access to supporting infrastructure

1. Initial capital expenditure for Phase 1 of KL1 is projected to deliver IT capacity of 7.5MW.

2. Amount includes the new commercial property site acquisition cost of ~A\$53 million (recently settled in 2H FY23).



# SAFETY IS EVERYONE'S RESPONSIBILITY

## OUR GOAL IS ZERO INJURIES

NEXTDC is committed to doing everything necessary to achieve this goal.

NEXTDC considers workplace health and safety and incident prevention to be of the utmost importance. It is a vital factor in the ultimate success of the organisation.

We are committed to providing and maintaining a safe and healthy working environment for our people, our customers and our guests. We strive for continuous improvements, ensuring we eliminate the potential for anything which may pose a high risk to anyone who works in or visits a NEXTDC premise and/or uses NEXTDC services.



# ENERGY & ENVIRONMENTAL SUSTAINABILITY

## NEXTDC'S objectives include:

- **Comply** with all applicable legislative and regulatory requirements relating to energy and the environment.
- **Increase** the awareness of how each individual at NEXTDC may contribute towards reducing their impact on energy usage and the environment.
- **Design** data centres using the latest technology to reduce energy use, improve indoor environment quality and impact on the environment.
- **Operate** data centres maximising the designed intent. These include but are not limited to:
  1. Ensure each NEXTDC data centre is operated to the lowest seasonal Power Usage Effectiveness (PUE) rating, ensuring optimal energy efficient as possible when delivering services.
  2. Ensure each NEXTDC data centre reports on and works toward minimal water usage, tracking Water Usage Effectiveness (WUE).
  3. Commit to a target goal of at least 90% diversion of solid waste from its operation, with ongoing commitment to prevention, elimination or reduction of wasteful practices, and recycling.
  4. Look to reduce the operating Scope 1 and 2 emissions produced by NEXTDC facilities where possible.
- **Maintain communications** with stakeholders and cooperate with organisations with an interest in our environmental performance.

ACCELERATING INNOVATION  
AND GROWTH IS NO LONGER  
AN OPTION...

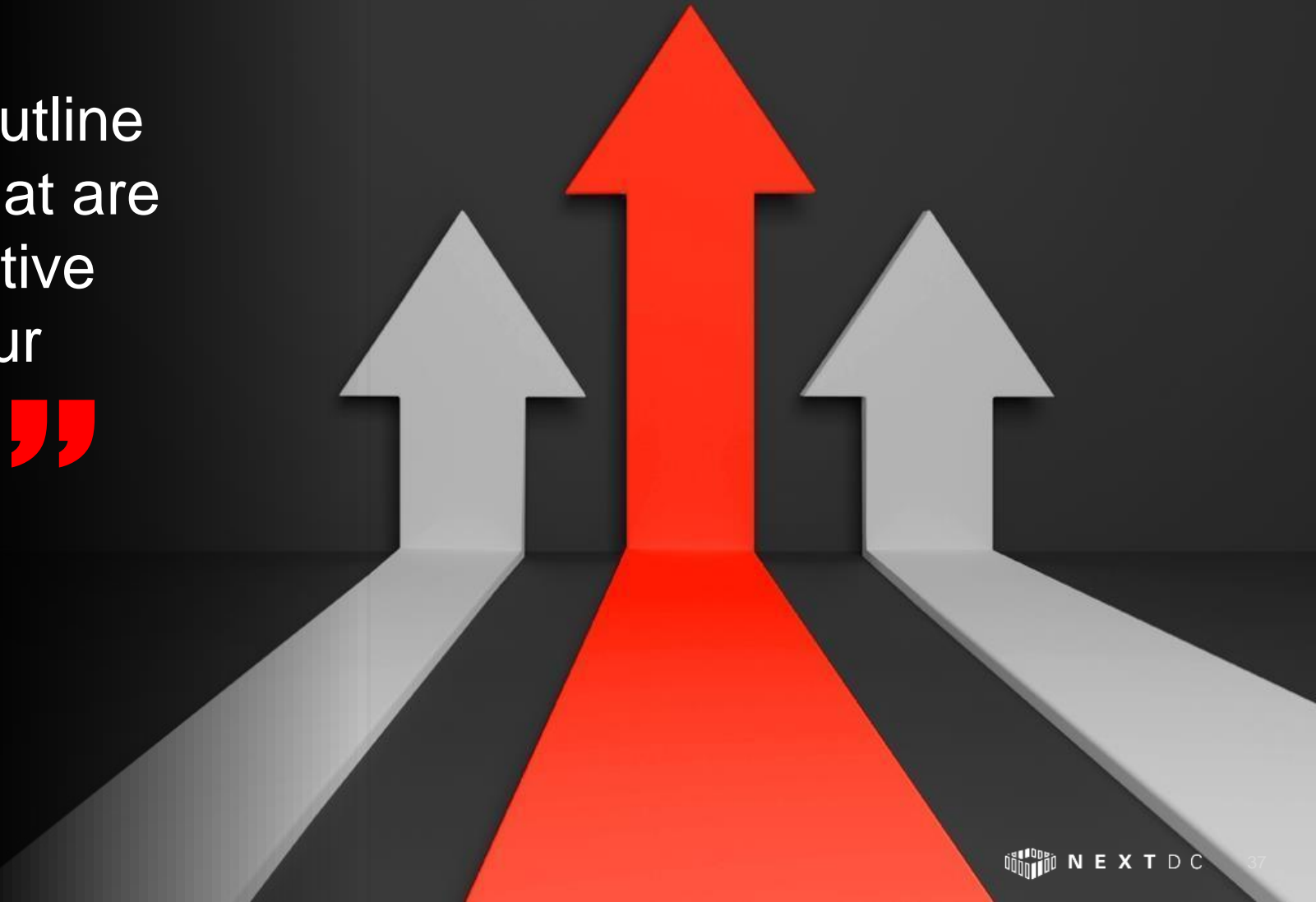
...IT'S AN IMPERATIVE  
TO SURVIVE







Our **strategic priorities** outline the specific strategies that are the focus of our competitive advantage and define our unique **business value**. ”



# Frost & Sullivan – Australian Data Centre Services Company of the Year **WINNER** – 2021-2022-2023





THE FUTURE IS NOW – NEXTDC IS READY



# THE NEXT 10

Gates' Law: How Progress Compounds and Why It Matters



Most people overestimate what they can achieve in a year and underestimate what they can achieve in ten years.







NEXTDC

# 2023

13<sup>th</sup> ANNUAL GENERAL MEETING

**GENERAL BUSINESS OF MEETING**



NEXTDC

# 2023

13<sup>th</sup> ANNUAL GENERAL MEETING

**FIRST ITEM OF BUSINESS**



# RESOLUTION 1

## Remuneration Report

“To adopt the Remuneration Report of the Company (as set out in the Directors’ Report) for the financial year ended 30 June 2023”

**FOR**

278,760,843

**AGAINST**

73,342,626

**OPEN**

1,644,590

# RESOLUTION 2

## Re-election of Mr Stuart Davis, as a Director

“That Mr Stuart Davis, who retires in accordance with the ASX Listing Rules and Article 58 of the Company’s Constitution and, being eligible, offers himself for re-election, and is re-elected as a Director of the Company.”

**FOR**

342,694,604

**AGAINST**

9,592,588

**OPEN**

1,638,311



# RESOLUTION 3

## Re-election of Dr Eileen Doyle, as a Director

“That Dr Eileen Doyle, who retires in accordance with the ASX Listing Rules and Article 58 of the Company’s Constitution and, being eligible, offers herself for re-election, and is re-elected as a Director of the Company.”

FOR	AGAINST	OPEN
348,294,639	4,044,447	1,638,016

# RESOLUTION 4

## Election of Mrs Maria Leftakis, as a Director

“That Mrs Maria Leftakis, who retires in accordance with the ASX Listing Rules and Article 57.2 of the Company’s Constitution and, being eligible, offers herself for election, and is elected as a Director of the Company.”

**FOR**

344,482,935

**AGAINST**

7,732,416

**OPEN**

1,657,968

# RESOLUTION 5

## Increase in the maximum aggregate annual Remuneration of Non-Executive Directors

"That, for the purposes of ASX Listing Rule 10.17, Article 61 of the Company's Constitution and for all other purposes, the maximum aggregate annual remuneration that may be paid by the Company as remuneration for the services of Non-Executive Directors be increased by AUD\$400,000 from AUD\$1,600,000 to AUD\$2,000,000 with effect from 1 July 2023."

**FOR**

346,650,853

**AGAINST**

1,858,911

**OPEN**

1,641,214



# RESOLUTION 6

## Approval of grant of Rights to Mr Craig Scroggie

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the grant of 86,820 Performance Rights and 86,820 Restricted Rights to the Managing Director and Chief Executive Officer, Mr Craig Scroggie, for FY24 pursuant to the Company’s long term incentive plan under the NEXTDC Limited Equity Incentive Plan on the terms set out in the Explanatory Memorandum accompanying the Notice of Meeting.”

**FOR**

241,324,634

**AGAINST**

111,065,792

**OPEN**

1,628,911

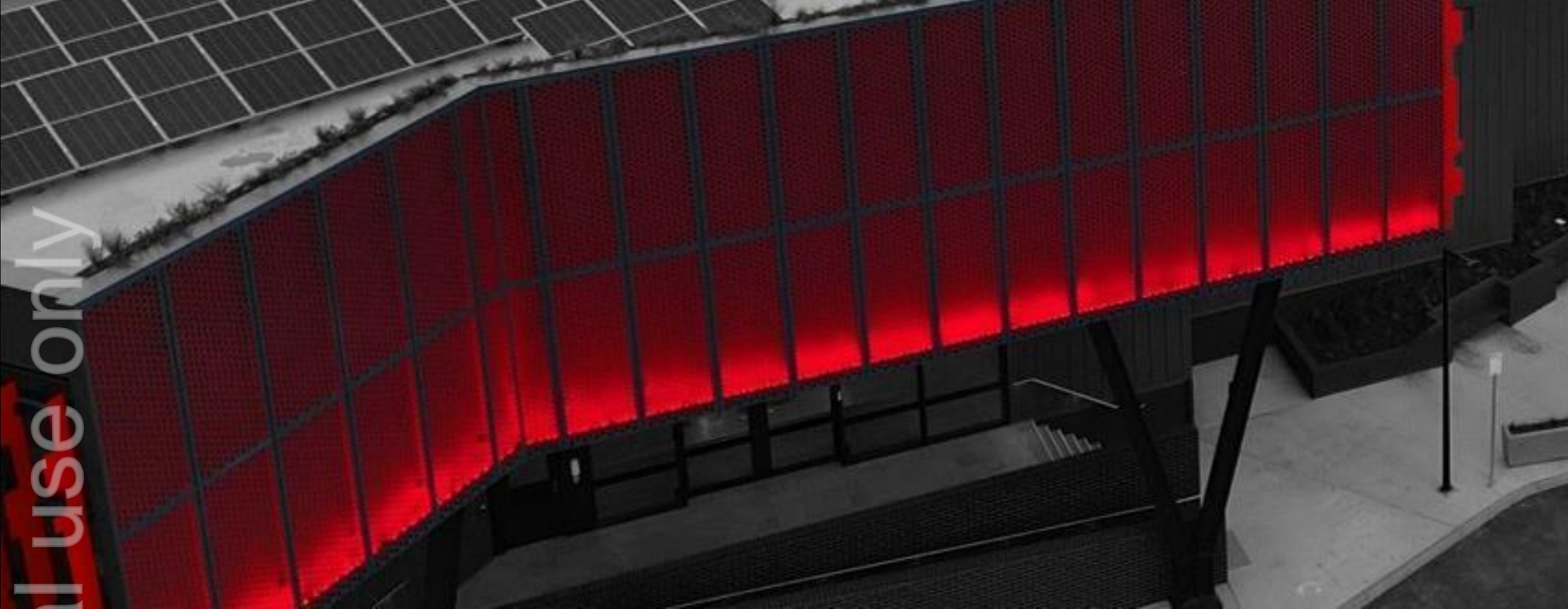


NEXTDC

# Q&A

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13<sup>th</sup> ANNUAL GENERAL  
MEETING



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Investors should not place undue reliance on such forward-looking statements, especially in view of the current and challenging economic, market, climate, supply chain and other uncertainty and disruption including the COVID-19 pandemic. Neither NEXTDC, any member of the NEXTDC Group or their officers, employees, agents or any other person gives any warranty, representation or assurance that the occurrence of the events expressed or implied in any forward looking statement will occur or have or accept any responsibility to update or revise any such forward-looking statement to reflect any change in NEXTDC Group's circumstances or financial condition, status or affairs or any change in the events or conditions on which such statements are based, except as required under Australian law.

## BASIS OF PREPARATION

This presentation incorporates results on a statutory as well and non-statutory basis with financial results presented in AUD unless otherwise stated. Data used for calculating percentage movements have been based on whole actual numbers and estimates where appropriate. Please also see supplementary notes, footnotes, links and additional terms throughout the presentation.

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**N E X T** D C

# **Data** is the new **electricity:**

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The most valuable  
**commodity** in the world

