



N E X T D C

ASX Release

27 August 2024

FY24 Record Results

NEXTDC Limited (ASX: NXT) (“NEXTDC” or “the Company”) today announced its financial results for the financial year ended 30 June 2024 (“FY24”).

FY24 results vs Guidance¹

- › Total revenue increased A\$42.0 million (12%) to A\$404.3 million (FY24 Guidance: A\$400 – A\$415 million)
- › Net revenue² grew A\$28.5 million (10%) to A\$307.9 million (FY24 Guidance: A\$296 – A\$304 million)
- › Underlying EBITDA^{3,4} increased A\$10.6 million (5%) to A\$204.3 million (FY24 Guidance: A\$190 – A\$200 million)
- › Capital expenditure of A\$1,002.6 million (FY24 Guidance: A\$850 – A\$900 million)

Key highlights

- › Exceeded top end of FY24 underlying EBITDA Guidance range (A\$204.3 million)
- › Achieved a record level of new contracted sales (50.5MW) during FY24⁵
- › Strong ecosystem growth with interconnection revenues increasing A\$3.0 million (12%) to A\$28.3 million
- › Record forward order book⁶ (86.6MW), representing >100% of billing utilisation (86.0MW) at 30 June 2024
- › Record capital expenditure of ~A\$1.0 billion consistent with strategic emphasis on network expansion
- › Liquidity of A\$2.7 billion at 30 June 2024

NEXTDC Chief Executive Officer and Managing Director, Craig Scroggie, commented on the FY24 results:

“We are pleased to deliver another record result in FY24, with underlying EBITDA above the top end of the Company’s guidance range, a record increase in pro forma contracted utilisation as well as finishing the year with a record contracted forward order book of 86.6MW.

With liquidity of A\$2.7 billion and a low gearing ratio⁷ of 3.4%, the Company is well placed to continue to accelerate its development activities and deliver inventory in line with customer orders, in addition to taking advantage of the opportunities presented by the strong ongoing demand from traditional enterprise and cloud computing segments, edge computing, as well as the rapid acceleration of AI applications that are underpinning the fourth industrial revolution.”

¹ NEXTDC FY24 guidance dated 11 April 2024

² Comprises total revenue less direct costs

³ EBITDA is a non-statutory financial metric representing earnings before interest, tax, depreciation and amortisation. Non-statutory financial metrics have been extracted from the FY23 financial report

⁴ Refer to page 29 of the FY24 Results Presentation for a reconciliation to Underlying EBITDA

⁵ Represents pro forma increase in utilisation over the 12-month period to 30 June 2024 (as disclosed in NEXTDC’s ASX announcement of 6 August 2024)

⁶ Forward order book represents the difference between pro forma contracted utilisation (172.6MW) and billing utilisation (86.0MW) at 30 June 2024

⁷ Gearing represents net debt / (net debt + equity) based on book value of cash and cash equivalents, borrowings, derivative financial instruments and total equity



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Strategic investment

NEXTDC remains focused on pursuing strategic investments to take advantage of the unprecedented level of customer demand, with the Company having invested a record capex of ~A\$1.0 billion in FY24.

The Company commissioned (added) 31.7MW of built capacity during FY24 with a further 71.6MW of built capacity (in progress) at 30 June 2024.

- > Built capacity added during FY24 includes:
 - NSW / ACT: 12.0MW at S3 Sydney and 2.7MW at S6 Sydney
 - Victoria: 11.0MW at M2 Melbourne
 - Rest of Australia: 6.0MW
- > Built capacity that continues to be progressed at 30 June 2024 includes:
 - NSW / ACT: 24.0MW at S3 Sydney and 2.7MW at S6 Sydney
 - Victoria: 18.0MW at M2 Melbourne and 13.5MW at M3 Melbourne
 - Rest of Australia: 4.2MW
 - International: 9.2MW at KL1 Kuala Lumpur
- > D1 Darwin is now operational (July 2024)
- > A1 Adelaide will open on 4 September 2024
- > M2 Melbourne's total power planned capacity upgraded by 20MW to 120MW
- > AK1 Auckland's total power planned capacity upgraded by 5MW to 15MW, with planning works underway
- > Planning works continue for S4 Sydney, S5 Sydney, M4 Melbourne, SC2 Sunshine Coast, GC1 Gold Coast, GE1 Geelong and TK1 Tokyo

Alongside these significant development activities there has also been further targeted investments in system enhancements at our operational facilities, including cyber and physical security, designed to keep ahead of industry standards and customer expectations.

We are making key corporate investments to enhance our capabilities as we more than double in size, focusing on IT systems and processes. This includes shifting from capex-heavy legacy systems to flexible, scalable on-demand models. These advancements enable operations in overseas markets, addressing diverse regulatory, privacy, security, financial, and tax requirements.

These combined strategic organic investments are expected to have favourable economic outcomes for shareholders over the longer term.

FY25 Guidance

FY25 will be another year focused on further growth investment as the Company continues to deliver record new capacity in line with existing customer orders and expansion into new markets.

Accordingly, NEXTDC provides the following guidance for FY25:

- > Net revenue in the range of A\$340 million to A\$350 million (FY24: A\$307.9 million)
 - The forward order book of 86.6MW⁶ is expected to begin converting into revenues towards end of FY25
 - ICT alliances and partnerships to drive further ecosystem growth, enabling additional margin expansion
 - Record reservations and options signed in FY24 providing significant insight into future AI demand profile and customer capacity requirements
- > Underlying EBITDA⁸ in the range of A\$210 million to A\$220 million (FY24: A\$204.3 million)
 - Facility costs to increase in the range of A\$9 to A\$11 million, reflecting:

⁸ FY25 underlying EBITDA excludes non-recurring items and costs related to NEXTDC's activities in offshore markets, acquisition opportunities and investment in associates



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- Property holding costs from new site acquisitions and expansions (S6 Sydney, S4 Sydney, SC2 Sydney, GC1 Gold Coast, GE1 Geelong, NE1 Newman)
- Operations and maintenance across a rapidly growing data centre footprint, including new operational facilities (S6 Sydney, A1 Adelaide, D1 Darwin, PH1 Port Hedland, NE1 Newman), as well as expansion of existing sites (particularly S3 Sydney, M2 Melbourne and M3 Melbourne)
- Strategic investments into physical security and systems to maintain evolving industry standards and customer requirements
- Corporate costs to increase in the range of A\$14 to A\$17 million, reflecting:
 - Capability investments in people as the Company prepares to double the size of the business
 - Strategic shift towards scalable and flexible IT systems and software to drive best practice capability in centralised facility operations, capital developments and customer management
- Operating leverage is projected to accelerate in line with the conversion of the forward order book in FY26 onwards
- > Capital expenditure in the range of A\$900 million to A\$1,100 million (FY24: A\$1,002.6 million) in line with record pipeline and strong growth in enterprise, ICT, cloud and AI demand
 - Over 70MW of built capacity under development with a further 50MW+ of additional developments in plan
 - Accelerated expansion for S3 Sydney and M2 Melbourne continues in line with contracted customer requirements
 - S4 Sydney early works to commence, S5 Sydney and M4 Melbourne planning continues
 - KL1 Kuala Lumpur construction works on track and early works for AK1 Auckland to commence
 - Additional capacity in plan at M3 Melbourne, P2 Perth, S6 Sydney, B2 Brisbane and SC1 Sunshine Coast as well as planning works underway for SC2 Sunshine Coast, GC1 Gold Coast, GE1 Geelong

Mr Scroggie, commented on the FY25 Guidance:

“FY25 will be a landmark year for NEXTDC as we make strategic investments to expand our platform, positioning us at the forefront of the digital infrastructure boom driven by the fourth industrial revolution. As data centres become the factories of the future, transforming data into actionable insights, our focus is on capitalising on this historic technological transformation. These investments will reinforce our role as a critical enabler of innovation, where robust digital infrastructure is the foundation of tomorrow’s enterprises.

As AI and cloud technologies increasingly drive global enterprise, the demand for speed, scalability, and reliability in digital infrastructure will continue to surge. NEXTDC is at a pivotal inflection point, strategically building the foundational systems that will empower hyperscale customers, enterprises, and Government agencies to excel in this new era. We are confident that these targeted investments will not only fuel significant growth but also position NEXTDC as a central pillar in the digital infrastructure landscape across the Asia Pacific region.”

Authorised for release by the Board of NEXTDC Limited.

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About NEXTDC

NEXTDC is an ASX 100-listed technology company and Asia's most innovative Data Centre-as-a-Service provider. We are building the infrastructure platform for the digital economy, delivering the critical power, security and connectivity for global cloud computing providers, enterprise and Government.

NEXTDC is recognised globally for the design, construction and operation of Australia's only network of Uptime Institute certified Tier IV facilities, and one of only a few data centre operators in the Southern Hemisphere to achieve Tier IV Gold certification for Operational Sustainability. NEXTDC has a strong focus on sustainability and operational excellence through renewable energy sources and delivering world-class operational efficiency. Our data centres have been engineered to deliver exceptional levels of efficiency and the industry's lowest Total Cost of Operation through NABERS 5-star energy efficiency.

NEXTDC's corporate operations have been certified carbon neutral under the Australian Government's *Climate Active* Carbon Neutral Standard.

Our Cloud Centre partner ecosystem is Australia's most dynamic digital marketplace, comprising carriers, cloud providers and IT service providers, enabling local and international customers to source and connect with cloud platforms, service providers and vendors to build complex hybrid cloud networks and scale their critical IT infrastructure services.

NEXTDC is *where the cloud lives*®.

To learn more, visit www.nextdc.com