



NEXTDC

NEXTDC



10th Annual General Meeting

13 NOVEMBER 2020

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



CRAIG SCROGGIE
CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR



MICHAEL HELMER
COMPANY SECRETARY
AND CHIEF LEGAL OFFICER

MEET OUR LEADERS



CRAIG SROGGIE
CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR



ELLIE WHITTON
HEAD OF PEOPLE
AND CULTURE



SIMON COOPER
CHIEF OPERATIONS
OFFICER



JEFF VAN ZETTEN
CHIEF OF
ENGINEERING



OLIVIA HARVEY
CHIEF OF
STAFF



ADAM SCULLY
CHIEF SALES
OFFICER



DAVID DZIENCIOL
CHIEF CUSTOMER AND
COMMERCIAL OFFICER



OSKAR TOMASZEWSKI
CHIEF FINANCIAL
OFFICER



HAIDEE VAN RUTH
CHIEF ACCOUNTING
OFFICER



MICHAEL HELMER
COMPANY SECRETARY AND
CHIEF LEGAL OFFICER



KARYN TURBILL
CHIEF MARKETING
OFFICER



JEFF ARNDT
CHIEF INFORMATION
OFFICER

AGENDA

WELCOME AND INTRODUCTIONS

CONDUCT OF MEETING

CHAIRMAN'S ADDRESS

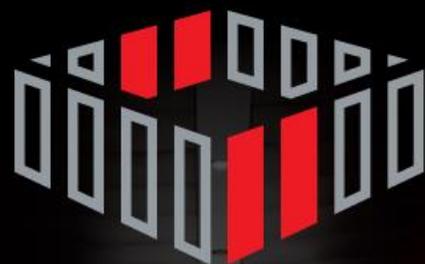
CEO'S ADDRESS

RESOLUTIONS

Q&A's



NEXTDC Limited Annual General Meeting



N E X T D C

This Annual General Meeting has not started. Please
return at the scheduled start time.

2020

10th Annual General Meeting
CHAIRMAN'S ADDRESS



NEXTDC



VISION

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



A woman with long brown hair and a nose ring is smiling and looking towards the camera. She is wearing a black polo shirt with red trim and a logo on the chest. The background is a data center with red and grey cables and equipment.

PURPOSE

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

A man with short hair and a friendly smile, wearing a dark polo shirt with the NextDC logo, stands with his arms crossed in front of a server room. The background is filled with rows of server racks, creating a sense of depth and scale. The lighting is dramatic, highlighting the man against the darker server environment.

100% UPTIME GUARANTEE

POWER. SECURE. CONNECT.

FY20 HIGHLIGHTS



TOTAL REVENUE

\$205.2m

↑14%



UNDERLYING EBITDA¹

\$104.6m

↑23%



CONTRACTED UTILISATION

70.0MW

↑33%



CUSTOMERS

1,364

↑15%



PARTNERS

640+

70+ NETWORKS



INTERCONNECTIONS²

13,051

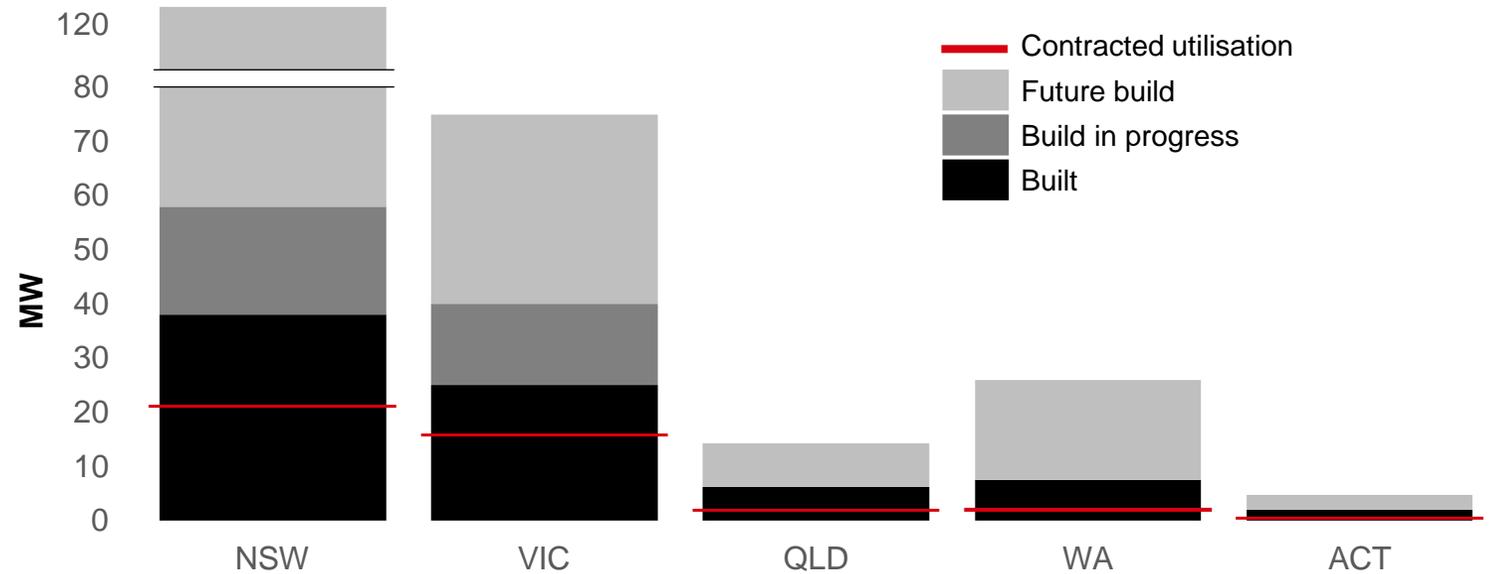
↑19%

Note: All percentage increases are expressed relative to the FY19 results
1. Refer page 24 for details of adjustments to get to the underlying result
2. Comprises both Physical and Elastic Cross Connects

Facilities capacity and contracted utilisation

As at 30 June 2020

- **S2 Sydney:** Building works complete, four new data halls opened, adding 16MW capacity
- **P2 Perth:** Phase 1 building construction complete. P2 open to customers
- **M2 Melbourne:** M2 Melbourne building expansion works well progressed, with 15MW of new capacity currently being fitted out. Total planned capacity has been increased from 40MW to 60MW
- **S3 Sydney:** Groundworks commenced. Practical completion targeted for 2H22
- **M3 Melbourne:** Land for M3 purchased during 2H20, early works relating to design and approvals underway
- **Tier IV preparations:** Uptime Institute (UI) Tier IV Certification for design achieved for P2 and S2 in 2H20. Certification of Constructed Facility (TCCF) underway. UI Gold certification of Operational Sustainability planned for S2 and P2.



	NSW	VIC	QLD	WA	ACT	Total
Total power planned (MW) ¹	126.0	75.0	14.25	26.0	4.8	246.1
Power built ² (MW)	38.0	25.0	6.25	7.5	2.0	78.8
Land and building capex to date ^{3,4}	\$426m	\$197m	\$81m	\$151m	–	\$854m
Fitout capex to date ³	\$399m	\$237m	\$78m	\$110m	\$51m	\$877m
Contracted utilisation (MW)	36.4	27.3	2.9	3.0	0.4	70.0
% of total power planned	29%	36%	20%	12%	8%	28%
% of MW built	96%	109%	46%	40%	18%	89%
Capacity available for sale (MW)	89.6	47.7	11.4	23.0	4.4	176.1

1. Includes facilities which are open or under construction

2. 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

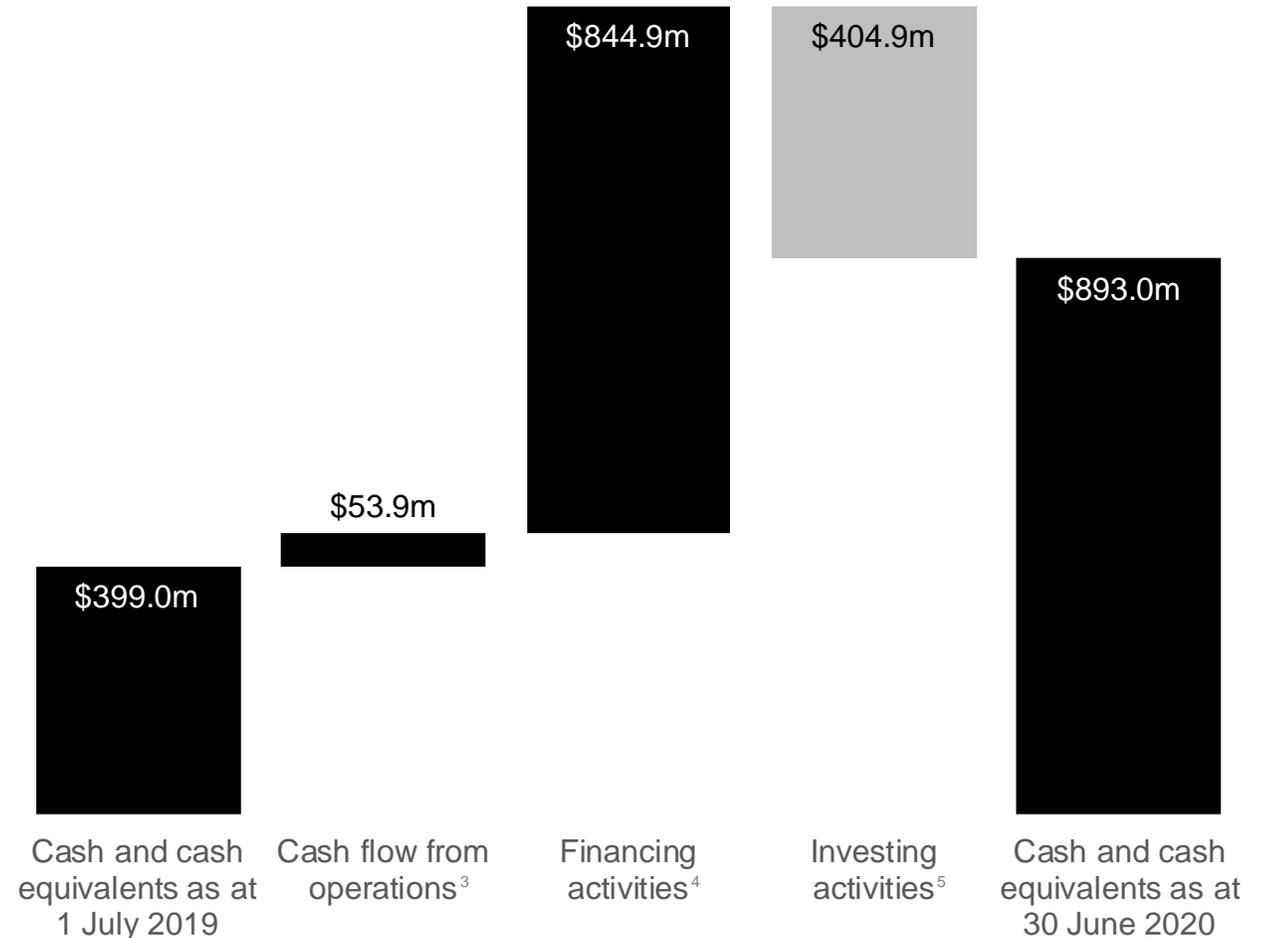
3. Excludes site selection and other due diligence-related costs for planned data centre developments, which are included in corporate overheads

4. Excludes land held for development of M3 Melbourne

Well capitalised for growth

	30 June 2020 (\$m)	30 June 2019 (\$m)
Cash and cash equivalents	893	399
Property (land and buildings) ¹	854	639
Plant and equipment	704	611
Total assets	2,660	1,826
Borrowings ²	798	794
Total liabilities	976	951
Net assets	1,683	875

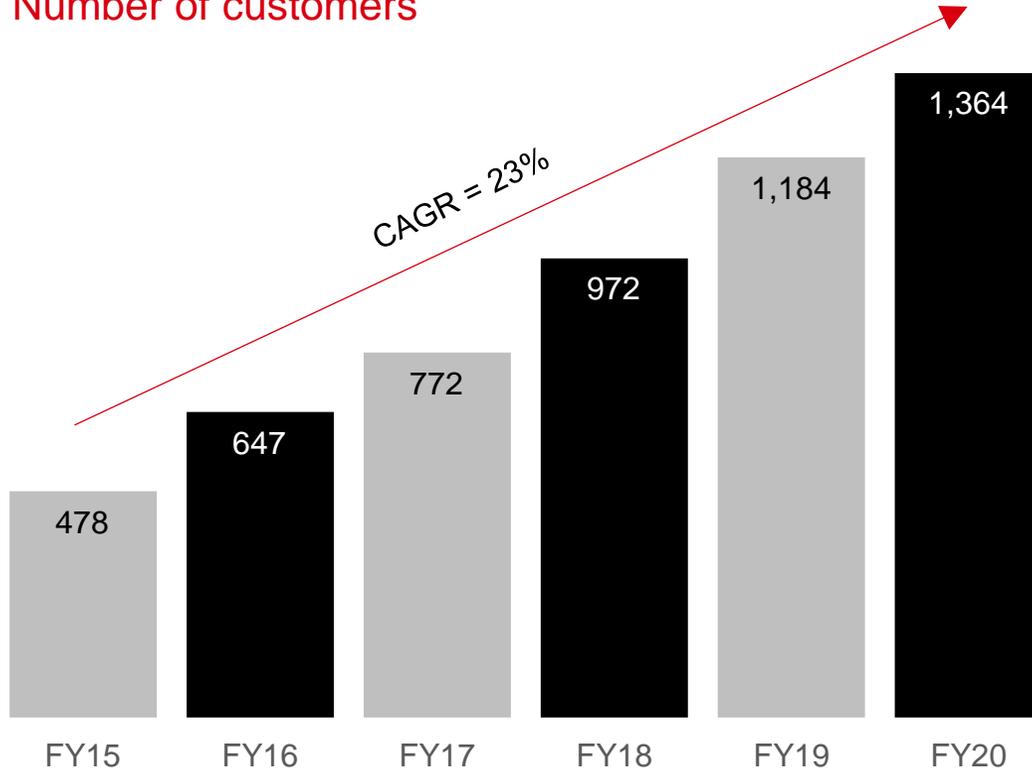
- Available liquidity of \$1,193m at 30 June 2020, comprising \$893m cash balance as well as undrawn senior syndicated debt facility of \$300m
- Property holdings include land which is held at cost (ie. not mark to market valuation) and the carrying value of buildings after depreciation



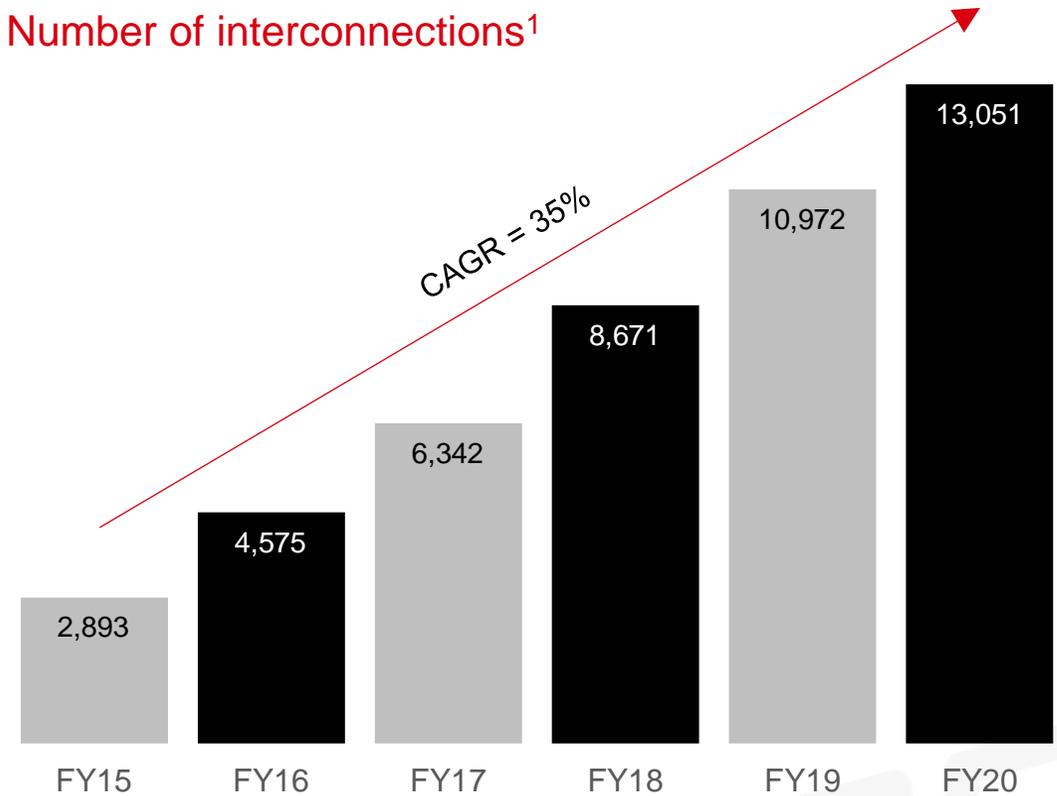
- Property excludes right-of-use assets not owned by NEXTDC but reported as assets under AASB 16
- Borrowings includes capitalised transaction costs which are amortised over the term of the debt instruments; exclude lease liabilities related to right-of-use assets which are reported as leases under AASB 16
- Cash flows from operations include net interest paid of \$46.9m
- Cash flows from financing activities include net capital raising proceeds as well as lease payments and costs incurred issuing shares related to management incentive plans
- Cash flows from investing activities of \$404.9m reflects the cash spent in relation to capital expenditure in FY20. Capital expenditure of \$417.9m reflects amounts incurred during FY20

Strong growth in customers and interconnections

Number of customers



Number of interconnections¹



- Driven by strong ongoing growth in interconnections, average interconnections per customer increased 3% from 9.3 at 30 June 2019 to 9.6 at 30 June 2020
- Growth in average interconnections per customer highlights the increasing use of hybrid cloud and connectivity both inside and outside the data centre as customers expand their ecosystems
- Ecosystem growth is expected to drive higher margins and customer retention

1. Comprises both Physical and Elastic Cross Connects



A NEW BENCHMARK FOR SUSTAINABILITY

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

Our facilities are designed, engineered and operated at a level of energy efficiency that is superior to competitors in the market.

Whilst continuing to lower the environmental footprint for our customers.



NEXT DC

where the cloud lives™



2020

10th Annual General Meeting
CEO'S ADDRESS



NEXTDC



FY20 HIGHLIGHTS



SOLID REVENUE GROWTH

- Revenue from data centre services increased \$31.1m (18%) to \$200.8m
- Contracted utilisation increased 17.4MW¹ (33%) to 70.0MW
- Interconnections³ increased 2,079 (19%) to 13,051, representing 8.1% of recurring revenue



STRONG OPERATING LEVERAGE

- Underlying EBITDA² increased \$19.5m (23%) to \$104.6m
- Operating cash flows increased \$14.6m (37%) to \$53.9m
- Billing utilisation¹ increased 15.1MW (40%) to 52.8MW



CAPITALISED FOR GROWTH

- Cash and cash equivalents of \$893m at 30 June 2020
- Available liquidity of \$1,193m, including undrawn senior syndicated debt facility of \$300m
- Balance sheet position underpinned by \$2.7bn of total assets



NETWORK EXPANSION CONTINUES

- Capital expenditure of \$418m (FY19: \$378m, guidance \$340 - \$380m), as build progress accelerates and M3 Melbourne land is settled (\$22m)
- P2 Perth facility opened to customers just after FY20 year end with installed capacity of 2MW
- M2 Melbourne building expansion works well progressed, with 15MW of new capacity currently being fitted out. Total target capacity at M2 is increased from 40MW to 60MW
- S2 Sydney completed with four new data halls opened, taking total installed capacity to 22MW
- S3 Sydney earthworks commenced in 2H20, practical completion of phase 1 expected 2H22

Note: All percentage increases are expressed relative to the FY19 results

1. Represents increase in utilisation over the 12-month period from 30 June 2019 to 30 June 2020

2. Refer page 24 for details of adjustments to get to the underlying result

3. Comprises both Physical and Elastic Cross Connects



HELPING OUR CUSTOMERS HARNESS THE DIGITAL AGE



N E X T D C

ACCELERATION OF THE 4TH INDUSTRIAL REVOLUTION

An individual with a smart phone has
the sum of all human knowledge in the palm of their hands
and the potential to collaborate with over 4.5 billion other people.



INTERCONNECTING DIGITAL BUSINESS

AUSTRALIA'S LARGEST AND NETWORK-DENSE DIGITAL MARKETPLACE



NATIONAL PARTNER ECOSYSTEM



NETWORK-RICH MARKETPLACE



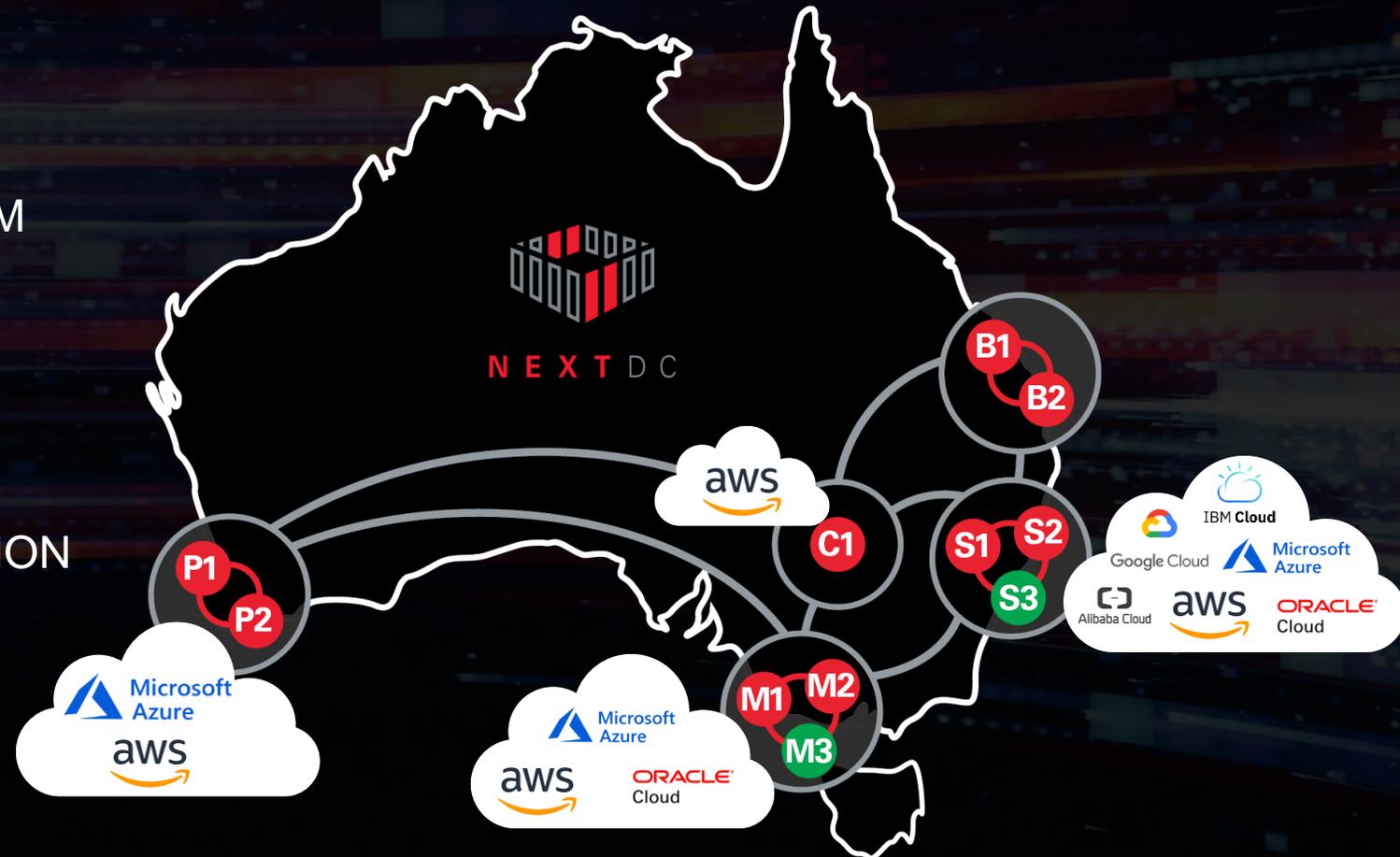
PUBLIC | PRIVATE CLOUDS



MARKETING LEADING COLOCATION



ENTERPRISE PREMISES



EXPONENTIAL GROWTH

From 2019 to 2023

Global investment in public cloud services and infrastructure will more than double.

\$3.9 billion

is the current annual cloud and infrastructure spend in Australia.

By 2023, \$500 billion

is the expected cost of public cloud. Representing a CAGR of 22.3%.

GLOBAL PANDEMIC DRIVING ACCELERATED TECHNOLOGY

COVID-19 has pushed the digital transformation initiatives for many organisations ahead by up to three years as a digital response to the crisis.

NEW WAYS OF DOING BUSINESS

77%

of knowledge workers want to continue working from home¹.

74%

of organisations are planning for some workers to be permanently remote².

110%

increase in Microsoft Teams daily users³.



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 of 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.



NEXTDC



GLOBALY RECOGNISED CERTIFICATIONS



Information Security
ISO 27001
SAI GLOBAL



Quality
ISO 9001
SAI GLOBAL



Environment
ISO 14001
SAI GLOBAL



SUSTAINABILITY LEADERSHIP

- ISO 9001 and ISO 27001 (Head Office, M1, S1, C1, P1, B1 and B2) and ISO 14001 (M1, S1 and C1)
- Uptime Institute Gold in Operational Sustainability (P1, S1 and B2)
- Australia's first data centres to achieve NABERS 5-Star rating for energy efficiency (M1 and S1)
- 100% National Carbon Offset Standard (NCOS) compliant for corporate operations Carbon Disclosure Project (CDP) participation for FY19
- Moving towards Task Force on Climate-Related Financial Disclosures (TCFD) compliance
- Founding member of the Melbourne Renewable Energy Project since 2014
- Free e-waste disposal at all sites



CORPORATE SOCIAL RESPONSIBILITY



THE SMITH FAMILY

In partnership with The Smith Family, NEXTDC supports the Learning for Life program which provides early intervention and balanced, long-term support to over 38,000 disadvantaged students across Australia.



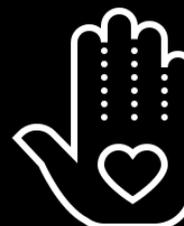
PLEDGE 1%

NEXTDC is a member of the global Pledge 1% corporate movement. The program allows us to empower our people to give back to the communities we live and work by donating 1% employee time to help make the world a better place.



WORKPLACE GIVING

NEXTDC's workplace giving program sees NEXTDC match \$1 for \$1 money raised from staff for any one of our three workplace giving partnerships – The Smith Family, beyondblue, Cancer Council and UN Women.



VOLUNTEER DAYS

NEXTDC provides all staff with an additional paid volunteer day to enable both our teams and individuals to invest time with their preferred charity or giving back to their local community.

PUTTING CUSTOMERS
AT THE CENTRE OF
EVERYTHING WE DO



N E X T D C

DATA IS THE NEW OIL OF THE 21ST CENTURY



N E X T D C

FUELLING THE DIGITAL ECONOMY

AUSTRALIA'S LEADING DIGITAL
INFRASTRUCTURE PLATFORM.



N E X T D C

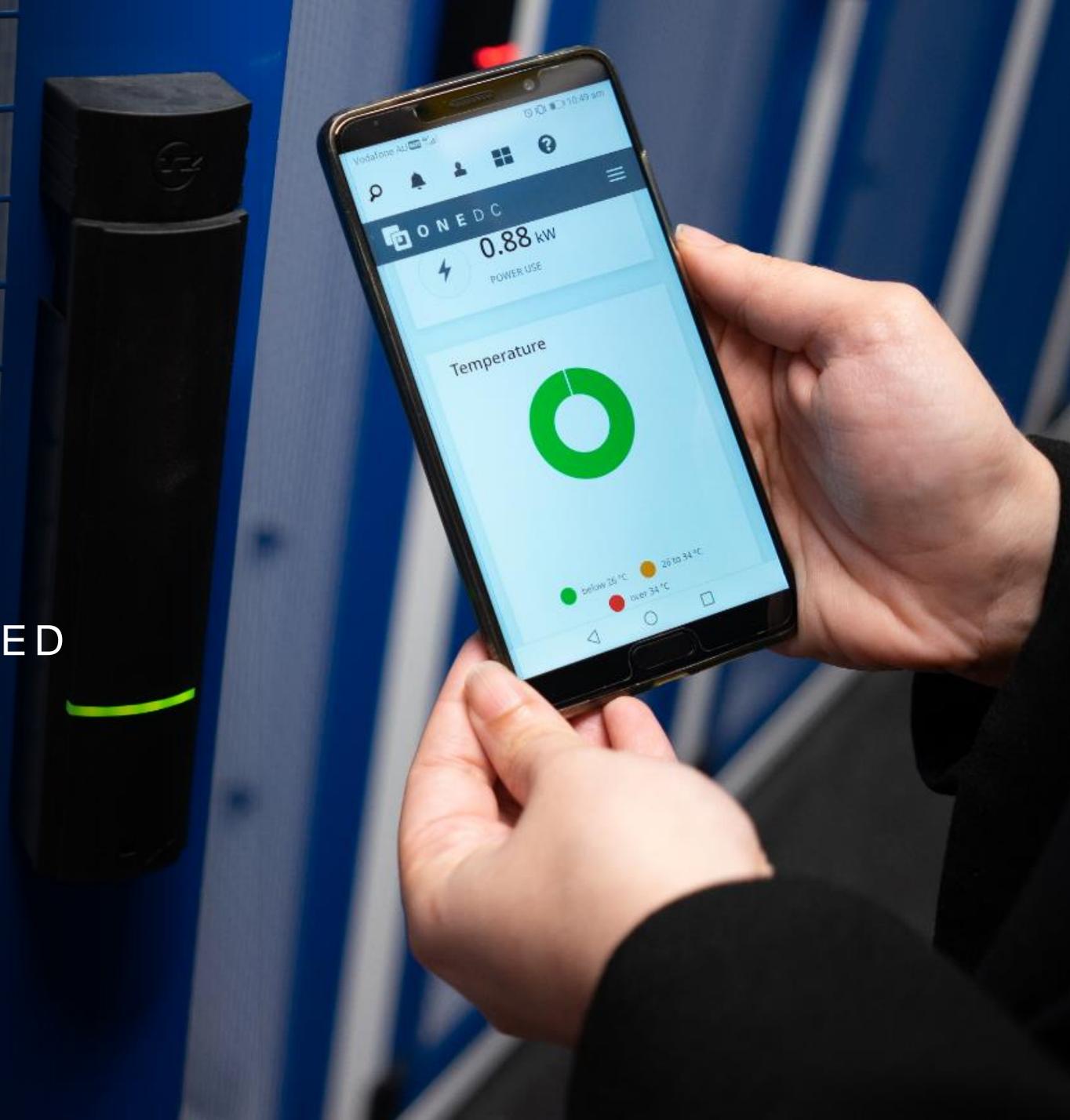


INTELLIGENCE IN REAL-TIME

MANAGE YOUR DATA CENTRE
FROM ANYWHERE. MAKE INFORMED
DECISIONS IN REAL-TIME.



NEXTDC



FY21 OUTLOOK



**SOLID REVENUE
GROWTH**

Data centre services revenue¹ guidance of \$242m to \$250m (up 21% to 25% on FY20)

- Strong growth in recurring data centre services revenue, underpinned by long-term customer contracts
- Over 17MW of contracted capacity still yet to commence billing at 30 June 2020
- Inventory now available at S2 to drive further enterprise and network opportunities



**SUBSTANTIAL
OPERATING LEVERAGE**

Underlying EBITDA^{2,3} guidance of \$125m to \$130m (up 20% to 24% on FY20)

- Second generation facility performance is driving scale and earnings growth
- Operational excellence continues to deliver efficiencies in energy management and purchasing
- Company continues to make investments in growth projects and customer experience



**CUSTOMER DRIVEN
INVESTMENT**

Capital expenditure guidance in the range of \$380m to \$400m

- M2 expansion continues, with an additional 15MW of installed capacity to be delivered in FY21 and total target capacity now 60MW
- Ongoing investment in the phase 1 development of S3, which has a target open date in 2H22
- Strong growth in customer demand continues to underpin the ongoing investment in fitout



**BENCHMARK
OPERATIONAL
EXCELLENCE**

Setting the operational benchmark for the data centre industry in Asia Pacific

- Uptime Institute (UI) Tier IV Certification of Constructed Facility planned for S2 and P2
- UI Gold certification of Operational Sustainability planned for S2 and P2
- M1 and S1 are Australia's only NABERS 5-Star data centre certifications, with plans for NEXTDC's second generation fleet

1. Excluding interest revenue

2. Refer page 24 for details of adjustments to get to the underlying result

3. FY21 underlying EBITDA excludes costs related to review works into potential data centre investments in Asia

DELIVERING ON

OUR VISION
OUR PURPOSE
OUR BRAND PROMISE



N E X T D C



2020

10th Annual General Meeting
BUSINESS OF MEETING



NEXT DC

2020

10th Annual General Meeting
FINANCIAL STATEMENTS AND REPORTS



N E X T D C

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 2020."

FOR	AGAINST	OPEN
240,383,671	63,401,431	600,806

RESOLUTION 2

Re-election of Mr Stuart Davis as a Director

"That Mr Stuart Davis, who retires in accordance with the Listing Rules and Rule 58 of the Company's Constitution and, being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."

FOR	AGAINST	OPEN
266,312,070	38,375,912	596,797

RESOLUTION 3

Election of Dr Eileen Doyle as a Director

"That Dr Eileen Doyle, who was appointed by the Board as an additional Director and who retires in accordance with the Listing Rules and Rule 57.2 of the Company's Constitution and, being eligible, offers herself for re-election, is hereby re-elected as a Director of the Company."

FOR

303,736,442

AGAINST

940,207

OPEN

597,097

RESOLUTION 4

Increase in the maximum aggregate annual remuneration of Non-executive Directors.

"That, for the purpose of ASX Listing Rule 10.17, Rule 61 of the Company's Constitution and for all other purposes, the maximum aggregate amount of remuneration that may be paid to Non-executive Directors for their services as Directors in any year be increased by \$350,000.00 from \$1,250,000 to \$1,600,000"

FOR

298,709,138

AGAINST

5,398,067

OPEN

583,039

RESOLUTION 5

Ratification of issue of shares under April 2020 placement.

"That, for the purpose of ASX Listing Rule 7.4 and for all other purposes, the issue of 51,679,722 Ordinary Shares at \$7.80 per share, under an institutional placement on 7 April 2020, is approved to the maximum extent permitted."

RESOLUTION WITHDRAWN

FOR	AGAINST	OPEN
-	-	-

RESOLUTION 6

Approval of grant of Performance Rights to Mr Craig Scroggie.

"That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue of 113,989 Performance Rights to the CEO and Managing Director, Mr Craig Scroggie, for FY2021, 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	AGAINST	OPEN
298,104,062	6,590,274	581,574

Q&A

10th Annual General Meeting



NEXTDC



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13 6398



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twitter.com/nextdc



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