

ASX Release

28 August 2023

FY23 Record Results

NEXTDC Limited (**ASX: NXT**) (“NEXTDC” or “the Company”) today announced its financial results for the financial year ended 30 June 2023 (“FY23”).

FY23 financial highlights

- › Total revenue up A\$71.3 million (25%) to A\$362.4 million (FY23 Guidance: A\$350 – A\$360 million¹)
- › Underlying EBITDA^{2,3} up A\$24.6 million (15%) to A\$193.7 million (FY23 Guidance: A\$192 – A\$196 million¹)
- › Operating cash flow up A\$9.3 million (8%) to A\$126.5 million
- › Capital expenditure up A\$85.6 million (14%) to A\$690.4 million (FY23 Guidance: A\$670 – A\$720 million¹)
- › Liquidity of A\$2.3 billion at 30 June 2023
 - Cash of A\$766 million
 - Undrawn debt facilities of A\$1.5 billion

NEXTDC Chief Executive Officer and Managing Director, Craig Scroggie, commented on the FY23 results:

“We are pleased to deliver another record result in FY23, with strong growth in revenue, underlying EBITDA and contracted utilisation. The Company is accelerating its development activities to grow our inventory in line with elevated customer demand.”

“With liquidity of approximately A\$2.3 billion, NEXTDC is exiting FY23 in a strong financial position to be able to take advantage of the opportunities presented by the exponential tailwinds of enterprise modernisation and cloud computing, in addition to the unprecedented acceleration of AI-driven applications driving one of the most powerful computational transformations in our lifetime.”

FY23 business performance

- › Contracted utilisation increased 39.2MW (47%) to 122.2MW⁴
- › Customer numbers increased 207 (13%) to 1,820 (30 June 2022: 1,613)
- › Interconnections⁵ increased 1,203 (7%) to 17,816, representing 7.1% of FY23 recurring revenue

Development activity

- › First international development sites secured for planned data centres KL1 Kuala Lumpur and AK1 Auckland
- › New sites secured for Sydney and Melbourne availability zones:
 - S5 Sydney provides future expansion in the Macquarie Park availability zone (settled 1HFY23)
 - M4 Melbourne provides future expansion in the Port Melbourne availability zone (settled 2HFY23)

¹ NEXTDC FY23 guidance dated 11 May 2023

² 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

³ Refer to page 27 of the FY23 Results Presentation for a reconciliation to Underlying EBITDA

⁴ Excluding the impact of the increase in contracted utilisation announced on 23 August 2023

⁵ Comprises both physical and elastic cross connects

- > Final building works complete at S3 Sydney, with 4MW of capacity added in FY23 and 16MW in the process of being built to support recent contract wins. A further 12MW is currently in planning
- > Expansion works continue at M2 Melbourne, with 12MW in the process of being built and a further 9MW is currently in planning
- > Edge site PH1 Port Hedland is nearing completion, with NE1 Newman underway
- > Development works continue for new regions A1 Adelaide and D1 Darwin

FY24 guidance

NEXTDC provides the following guidance for FY24:

- > Total revenue in the range 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 44.5MW⁶ (67.7MW on a pro forma basis⁷) is projected to begin to convert into revenues by the end of FY24 and then ramp up over FY25-FY29
 -
- > Underlying EBITDA⁸ in the range 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
- > Capital expenditure in the range of A\$850 million to A\$900 million (FY23: A\$687 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

⁶ Forward order book represents the difference between the contracted utilisation (122.2MW) and billing utilisation (77.7MW) at the end of FY23

⁷ Reflects forward order book adjusted for the 23.2MW of new sales disclosed in the Contracted Utilisation update dated 23 August 2023

⁸ FY24 underlying EBITDA excludes costs related to NEXTDC's activities in offshore markets, acquisition opportunities and investment in associates



Mr Scroggie, commented on the FY24 outlook:

“FY24 represents a critical investment year for NEXTDC to expand and enhance its market-leading platform capabilities, making the necessary investments to leverage the next decade of growth, both domestically and internationally. At the core of the future growth of AI and cloud computing lies the pivotal role of the underlying digital infrastructure. This technological backbone, encompassing our data centres and networks, establishes the very foundation upon which the remarkable capabilities of both AI and cloud rely, and this moment in time is an inflection point for the Company.

The scalability, speed, and reliability of these technologies are intricately tied to the strength of this digital foundation. As the insatiable demand for computational power from AI and cloud intensifies, the seamless synergy between these technologies and our digital infrastructure becomes paramount, giving us great confidence that these investments will position the Company for extraordinary future growth.”

Authorised for release by the Board of NEXTDC Limited.

ENDS

For more information:

Simon Guzowski

T: +61 2 8072 4943

E: investorrelations@nextdc.com

NEXTDC Investor Centre: www.nextdc.com/investor-centre



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 the only data centre operator 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