

## **Centuria's innovative entry to Data Centre opportunity**

- **50% stake in ResetData Pty Limited (ResetData) for up to \$21m<sup>1</sup>**
- **Early mover advantage in rapidly growing Liquid Immersion Cooled data centre technology (LIC)**
- **ResetData investment creates new first mover business segment**
- **ResetData commits to 10-year lease at COF's 818 Bourke Street, VIC**
- **818 Bourke St will be one of Australia's first AI inferencing and ultra high-density LIC data centres**

**SYDNEY** (Monday, 5 August 2024) – Centuria Capital Group (ASX: Group or “Centuria” or “Group”) has executed an agreement<sup>2</sup> to acquire a 50% interest in a new-generation data server provider, Reset Data Pty Limited (ResetData), for a consideration of up to \$21million<sup>1</sup>, which expands the Group's revenue stream into a new business line providing significant revenue growth potential.

Centuria's early mover advantage into Liquid Immersion Cooled Edge Data Centres presents dual PropCo and OpCo opportunities. CNI gains a complementary and highly scalable real estate-based business segment that differentiates its funds management platform at an OpCo level.

ResetData relies on proprietary Liquid Immersion Cooling (LIC) technology for its data centres, which provide a smaller size footprint than traditional data centres, less energy consumption than those using air cooling servers, and a reduced carbon footprint. These features enable ResetData to be located in existing office buildings, rather than outer city warehouses, delivering lower connectivity latency to users. ResetData has existing partnerships with Dell, Nvidia, Submer and Unicom Engineering to provide Original Equipment Manufacturer (OEM) capabilities for liquid immersion cooling technology.

Centuria's investment aims to harness tailwinds from the growth in data storage and Artificial Intelligence (AI) with the global cloud service market expected to exceed US\$2.2 trillion by 2032 (17.1% CAGR) and Australian cloud services expected to reach in excess of A\$23.2 billion in 2024 (+19.3% compared to 2023)<sup>3</sup>.

At a PropCo level, ResetData's unique infrastructure provides cloud-based technologies in less space, requiring fewer resources and with a significantly reduced carbon footprint. Importantly, this technology fits within existing office floorplates while generating significantly higher rents per square metre compared to typical office occupants.

Jason Huljich, Centuria Joint CEO said, “A critical consideration in entering the ResetData investment opportunity is the value creation potential we see across our direct and listed real estate portfolios. The Group investment in ResetData enables Centuria to unlock value from vacancies within our office portfolio by establishing a network of edge data centres that can service tenants as well as other businesses in proximity.

“The acquisition enhances rental streams and property valuations for our property funds, in addition to providing our tenants with access to local cloud storage with enhanced ESG credentials.”

A 2.4sqm Liquid Immersion Cooling (LIC) pod produces 140kW, meaning an office floorplate of circa 100sqm of ‘white space’ could potentially house 1.5MW of capacity. This compares to a traditional data centre of 1.5MW, which would require approximately 1,000sqm of white space. The LIC system benefits from a reduced carbon footprint, with zero wastewater compared to c.13,000GL per annum for air cooling systems. LIC provides a 31% reduction in carbon costs per week.

John McBain, Centuria Joint CEO added, “We view our early investment in ResetData as presenting an early mover opportunity in a rapidly growing sector, providing new revenue growth and a point of difference for Centuria's real estate platform. Centuria's corporate acquisition strategy seeks real estate market opportunities that provide strong tailwinds and limited competition, similar to our investment in real estate private credit back in 2021 with our initial investment in Centuria Bass Credit.”

ResetData has entered a 10-year lease<sup>4</sup>, for up to 1.5MW, in the Centuria-managed 818 Bourke Street, Docklands VIC, owned by Centuria Office REIT (ASX: COF). The premises will be transformed into one of

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Australia's first AI inferencing and ultra high-density LIC data centres. This transaction has the potential to lift the property's valuation<sup>5</sup> by 10-15% net of costs.

Centuria's investment in ResetData will be funded with Centuria's existing debt headroom and is expected to be earnings neutral in FY25 and accretive to OEPS from FY26 onwards.

## WEBCAST

A webcast will be held at 10:30am AEST, Monday, 5 August 2024. Participants can register via the [webcast link](#).

**-ENDS-**

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*Authorised for release by Anna Kovarik, Company Secretary.*

## About Centuria Capital Group

Centuria Capital Group (CNI) is an ASX-listed specialist investment manager with \$21.1 billion of assets under management (as at 30 June 2024). We offer a range of investment opportunities including listed and unlisted real estate funds as well as tax-effective investment bonds. Our drive, allied with our in-depth knowledge of these sectors and intimate understanding of our clients, allows us to transform opportunities into rewarding investments.

[www.centuria.com.au](http://www.centuria.com.au)

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<sup>1</sup> \$6.25 million will be paid upfront, \$10 million will be invested as working capital as required and the remaining \$4.75 million will be paid subject to ResetData meeting earnings hurdles in FY25 and FY26. Centuria has a call option from the end of year five to acquire the remaining 50% of ResetData

<sup>2</sup> Binding agreement executed, expected to close in August or September 2024

<sup>3</sup> Precedence Research

<sup>4</sup> Subject to electricity provider's finalisation of gross power availability to the building and conditional on local planning approval

<sup>5</sup> Indicative valuation uplift based on internal assumptions for electricity availability and planning approval. The valuation of the building remains subject to unforeseen circumstances and material changes in operating and market conditions