



## Successful completion of Sydney Data Centre Exit

DXN Limited (“DXN” or “the Company”), a prefabricated modular data centre specialist, is pleased to announce it has successfully finalised its exit from its Sydney Data Centre lease.

### Highlights

- **Effective exit from Sydney Data Centre lease, in alignment with DXN’s strategy to streamline the business and focus on high-growth areas**
- **Final payment of \$61,000 made in December 2024, ahead of schedule by 4-months.**
- **Exit from lease obligations unlocks approximately \$1.4 million in cash costs per year, over remaining 9 years of lease. Reflecting the Company’s ability to manage its obligations efficiently and generate financial savings.**
- **Significant strides being made to advance the growth pillars of the business, including current recruitment of new sales staff to penetrate ongoing demand within the market**

DXN continues to optimise its growth strategy, this month the Company finalised its concluding payment, in relation to the surrender of its Sydney Data Centre site. This strategic exit reflects management's commitment to concentrate resources on areas of the business that are positioned for sustained growth and profitability.

Under the Deed of Surrender the Company had 18-months from November 2023 to finalise a deferred payment of \$0.8 million. The final payment of \$61,000 made in December 2024, comes 6-months ahead of schedule and illustrates the Company’s ability to reduce ongoing liabilities and provide the flexibility to reinvest in strategic initiatives.

With the termination of the lease, DXN will realise annual savings of approximately \$1.4 million in cash costs. These savings will be available for reinvestment in the Company’s core growth areas over the remaining nine years of the lease term.

The lease termination and exit from Sydney operations improves the Company’s financial flexibility, reduces operational complexity and aligns with DXN’s broader growth strategy.

**Shalini Lagrutta, Managing Director of DXN, commented,** “The final exit payment of our Sydney Data Centre lease is a pivotal moment in our strategic journey. Our ability to make this payment ahead of schedule underscores our commitment to operational efficiency and disciplined financial management.

The Sydney operations had been a drag on overall profitability, the exit unlocks significant financial flexibility, but it also reinforces our focus on advancing the core growth pillars of the business. The exit frees up capital and resources, permitting us to drive innovation and execute on opportunities as they arise.”

By exiting this non-performing operation, we are simplifying our business structure and strengthening our position to drive future success. We continue to make significant strides in our

expansion efforts, including utilising funds from the Company's October capital raise to aid in the recruitment of new sales staff to capitalise on strong demand in the market."

We remain confident in our ability to deliver long-term value for our shareholders as we focus on expanding our high-potential segments."

**Ends-**

This announcement was authorised for release by the Board of Directors.

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**About DXN Limited**

DXN is a vertically integrated manufacturer and operator of modular data centres in Asia Pacific. DXN's core business is designing, engineering, manufacturing, maintaining and operating data centres.

The Company works with major government and blue-chip enterprise customers.

It has two core divisions:

1. Modular Division – designs, engineers, manufactures, and deploys EDGE facilities and critical DC infrastructure; and
2. Data Centre Operations - operates, maintains and markets data centres and critical infrastructure for our own DXN data centres as well as our modular customers. For more <https://dxn.solutions>.