

Investor Presentation & Strategic Update

March 2021



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**DXN designs, manufactures,
operates and owns data centres
that bring critical communication
infrastructure closer to where
users need it**

”



Overview

Design Manufacture and Operate



Modular Manufacturing

- Scalable, purpose-built data centre solutions
- Turnkey prefabricated modular data centres 2–500 racks client flexibility
- Rapidly deployable globally
- Monitor, manage and operate



Data Centre Operations

- Designed and constructed to meet a client's specific technical, security and operational requirements
- Access to a comprehensive range of telecommunications carriers and network services
- Up-sell to customers within data centres
- Monitor, manage and operate

Timeline

Business Development Milestones

Nov 2018

Modular manufacturing commenced focused on Internal needs

April 2019

First undersea cable landing station order signed

Aug 2019

New management, with Matthew Madden joining

Sept 2019

New focus on pre-fabricated modular solutions for Subsea Cable Landing Stations, Mining and EDGE Data Centres

2021

New modular fit for purpose manufacturing facility (WA)

Corporate Milestones

Jan 2018

Leasing of Sydney and Melbourne data centre sites

April 2018

IPO

Feb 2020

Launched its regional data centre colocation strategy with an acquisition in Hobart, Tasmania

April 2020

Entitlement issue to fund Tasmanian DC

Dec 2020

Business restructure largely completed, cutting operating expenses significantly

Sample Deployment Locations

Global Locations

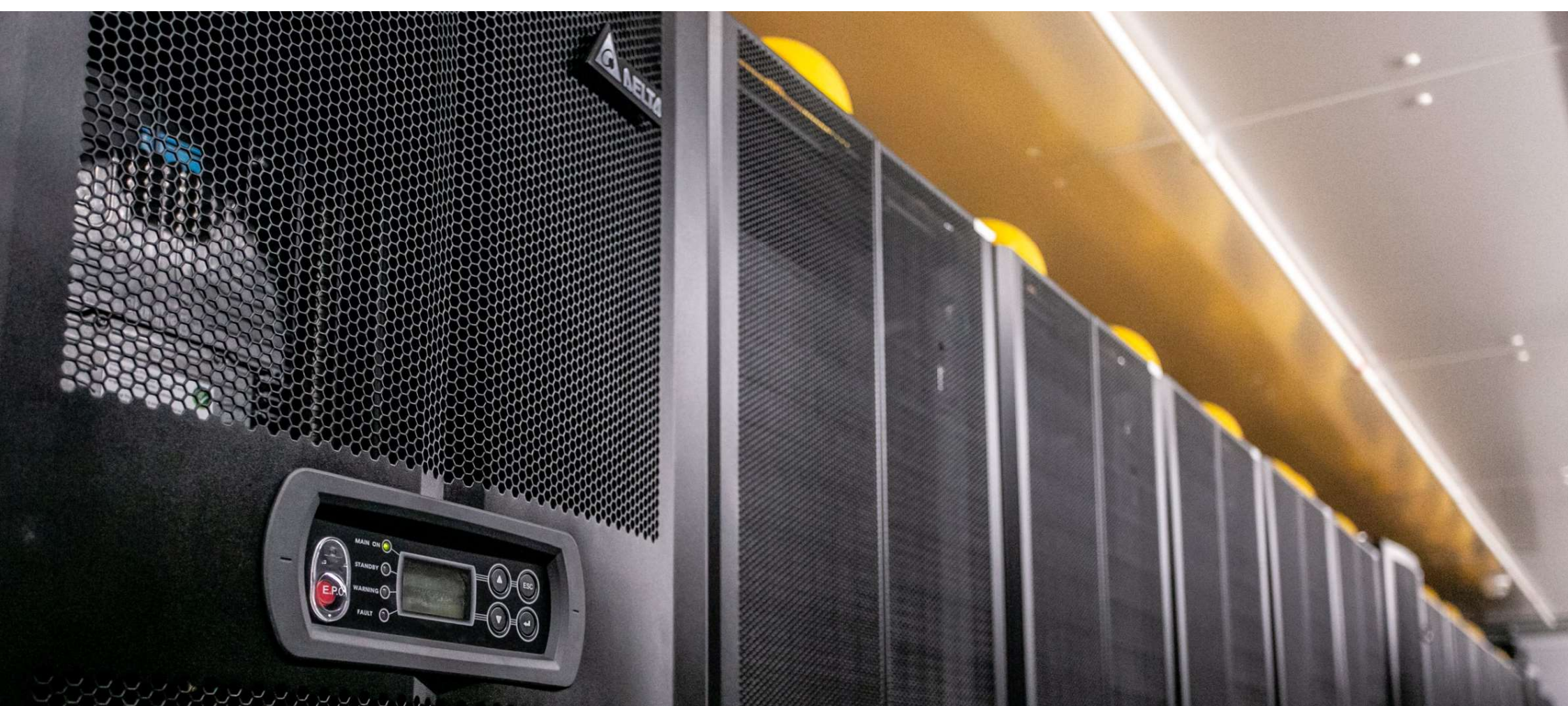
Existing DXN Data Centre Facilities

- 1 Sydney
- 2 Melbourne Site
- 3 Tasmania

DXN Modules

- 4 AGIG
- 5 Teletok
- 6 SpeedCast Design Phase 1
- 7 Telcom Niue
- 8 Avaroa Cable Limited
- 9 Southern Cross Cable Network
- 10 SES | Networks
- 11 SpeedCast *Project 2*
- 12 Synergy
- 13 Resolute
- 14 SES | Networks *Project 2*
- 15 Venues West
- 16 AHG
- 17 SubCo
- 17 Radlink

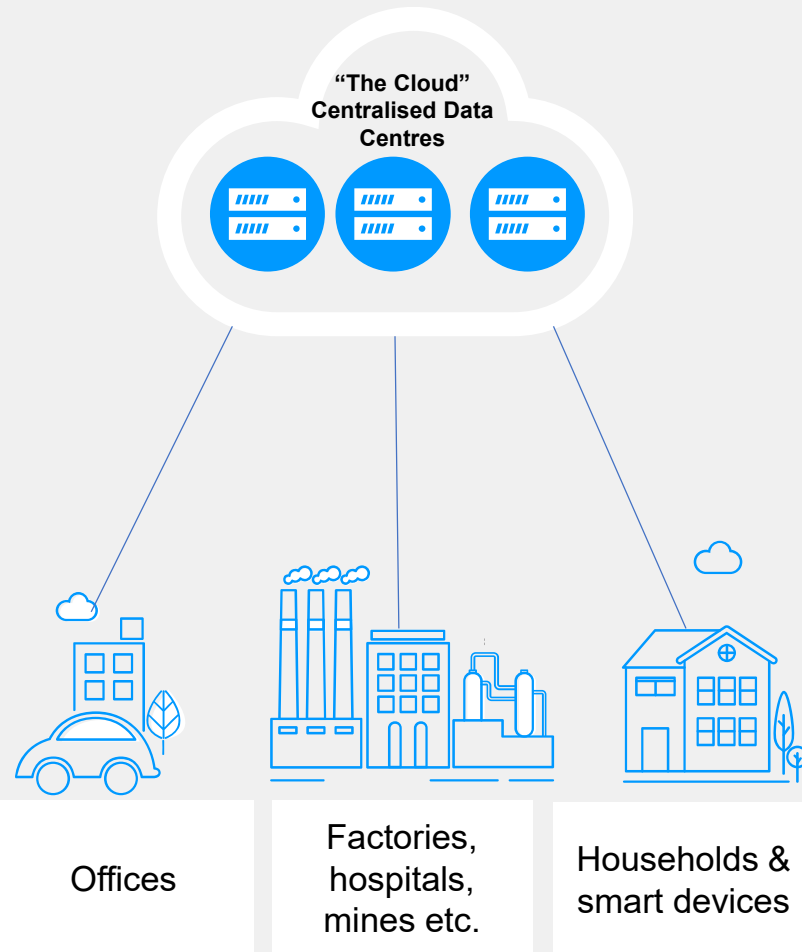




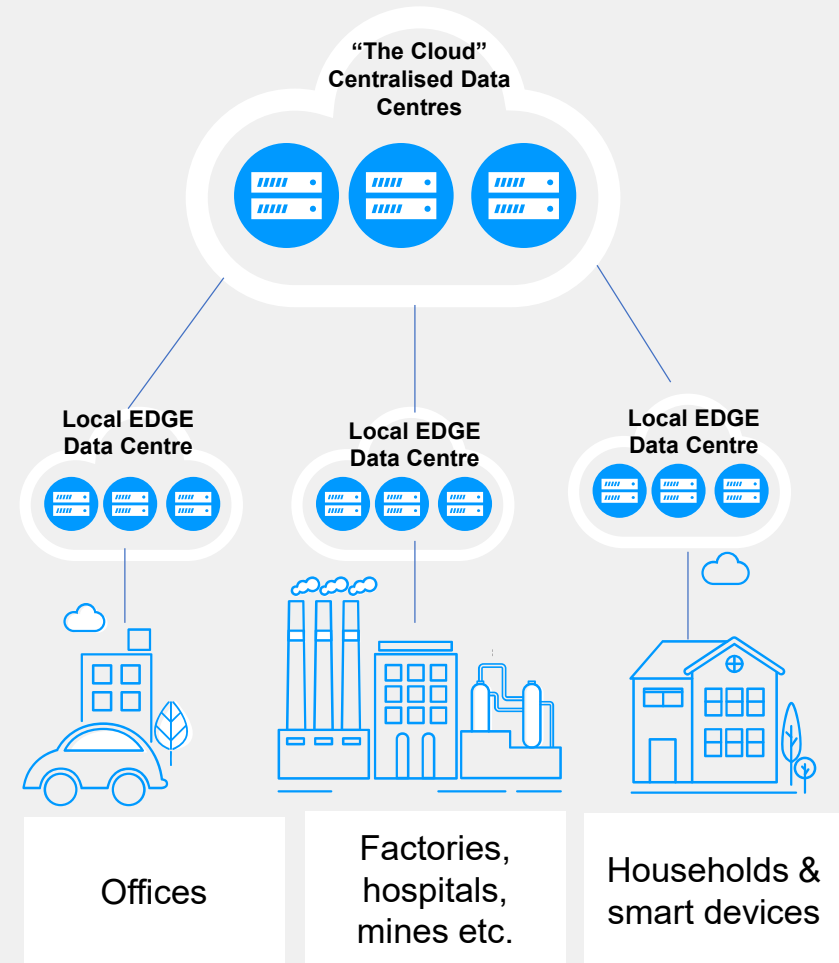
Edge Data Centre Strategy

Edge Data Centres *What is Edge Computing?*

Current Model: The Cloud



New Model: Edge Computing



Edge Market Drivers

User expectations for improvements in speed & latency

Requirement to have closer access to data and customers

Expectation for access to data at a lower cost

Exponential growth in data & capacity requirements

The Regional EDGE Data Centre

“Our edge data strategy involves building out a number of smaller facilities in regional centres and capital city location outside of Sydney and Melbourne. Hobart Tasmania was our first step towards this goal”

DXN's Addressable Markets

Global and local market trends

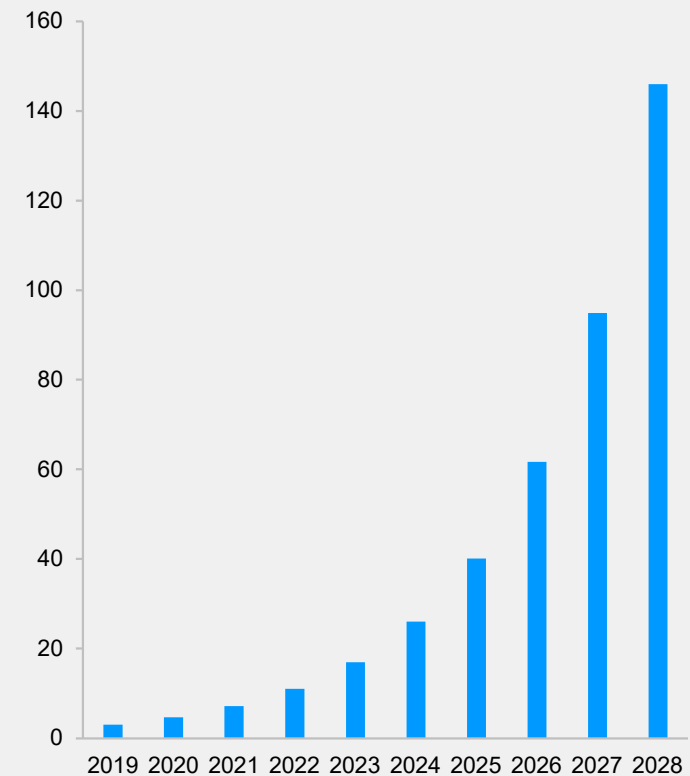
Modular Manufacturing

- The global market for PFM DC* is accelerating at a compound annual growth rate of 14.4%¹
- The global addressable market size is currently US\$1.6bn
- The prefabricated use case is strengthening, as the skills shortage increases globally, and the accelerated requirements for increased capacity continues

Edge Data Centres²

- Over US\$700b in cumulative capex is expected to be spent within the next decade on edge IT infrastructure and data centre facilities
- The global annual capex for edge IT and data centre facilities is forecast to reach US\$146b in 2028 with a 35% CAGR
- In Asia Pacific, the footprint is currently underpinned by developed markets including Australia, Japan, Korea and China and is forecast to increase to 25K MW by 2028 representing 36.7% of the global edge footprint
- US\$4b is spent annually on undersea cable infrastructure, 6% (US\$240m) is spent on cable landing stations

Global Edge Capex Spend (US\$b)



Market Segments

Broad and growing market opportunities



Cable Landing Stations

- Pre-fabricate specific for submarine cable industry
- Rapid deployment 90 days
- Highest quality factory built surface Protection C4
- Seismic rating
- Cyclone rating



Mining

- Purpose built
- High quality Australian design and build
- Dark site management
- Rugged and resilient
- Custom designed



Micro DC

- Plug and play, fully integrated solution
- Combining UPS, cooling, security, monitoring and HMI.
- Ideal for enterprise
- 5G telco sites where there is a need for solutions closer to the end user



EDGE DC

- 1-3 MW deployment
- 100-400 racks
- Modular solution that allows scale
- 6 month build to any tier rating
- Own and operate options



Telco and Government

- Edge deployment
- 20kW to 1MW
- 5-200 rack
- 16 week build
- Satellite earth stations

Current opportunity

Emerging Opportunity

Market Opportunity

DXN is ideally placed to address the market opportunity



Demand for data centres in regional and remote areas of Australia - brownfield and greenfield opportunities to build data centres



Undersea landing sites across Australia and Asia-Pac generates demand for adjacent data centre capabilities

Bespoke - Design, Manufacture and Operate EDGE Data Centres

Complimentary offering

DXN designs, manufactures, operates and owns data centres

Modular Manufacturing



- Pre-fabricated modular (PFM) design allows for scale to be capital efficient
- Annual build capacity of up to 100 modules
- Growing reputation as a subsea cable landing station (CLS) provider
- Turnkey deployment allows for customisation of Data Centre (DC) requirements
- Attached ongoing support and maintenance
- Perfectly positioned in Perth to support SE ASIA and Africa

Data Centre Operations

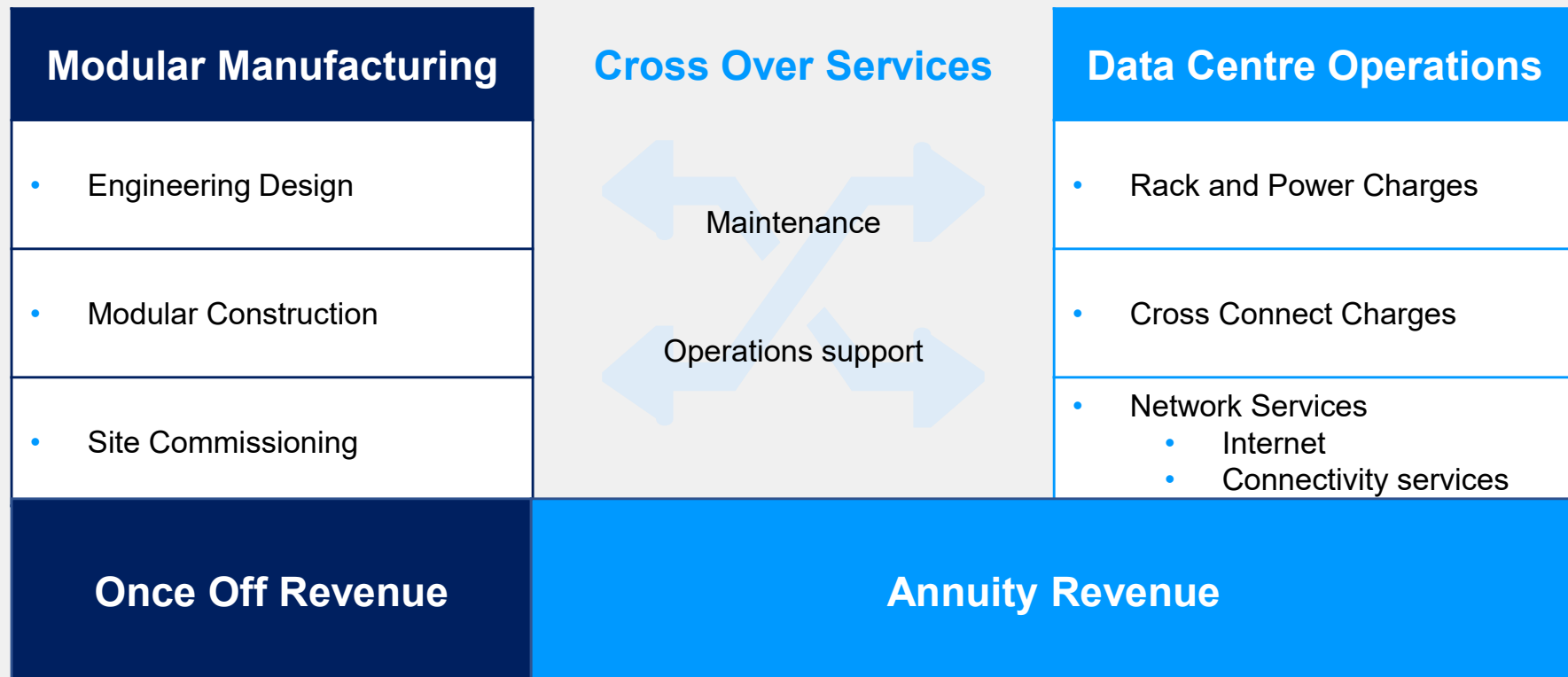


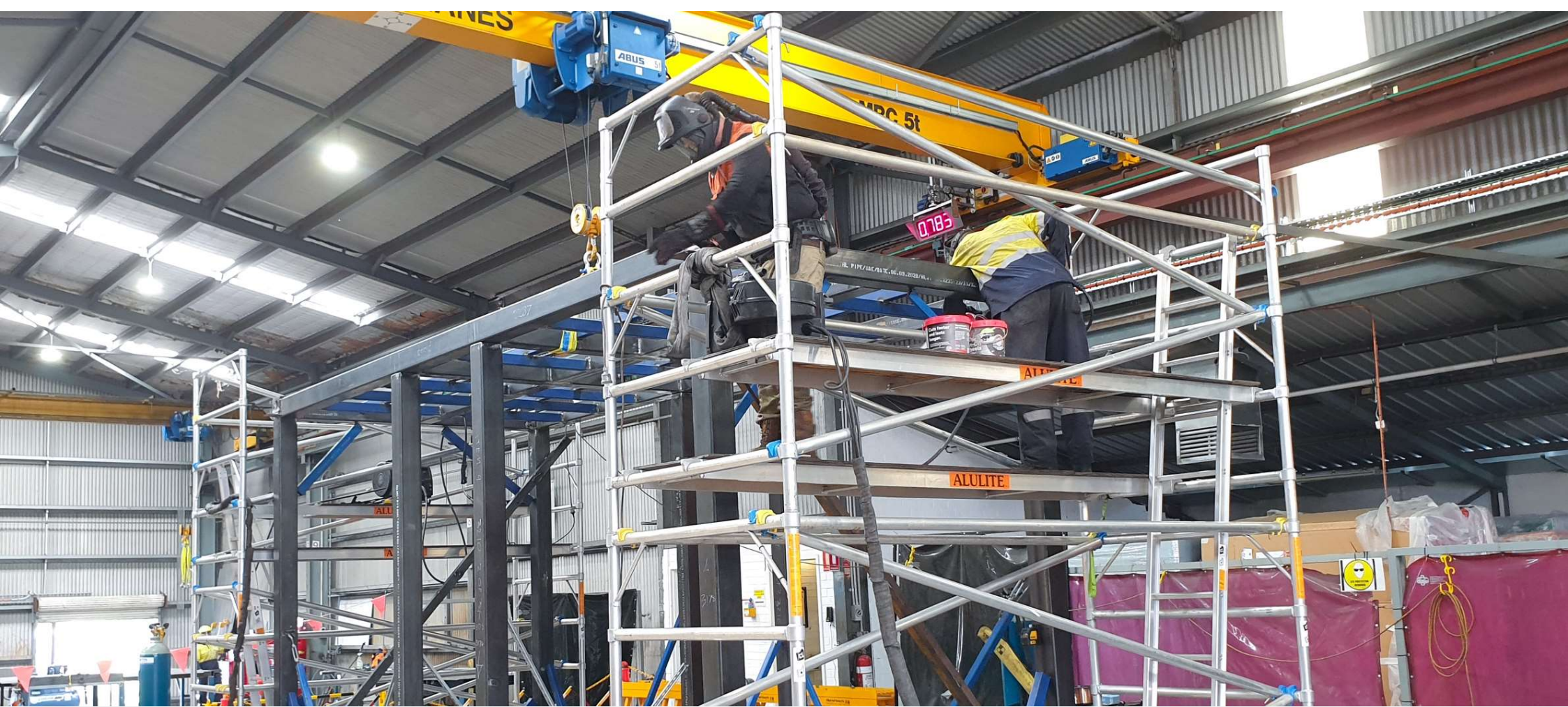
- Capital Efficient – scalable capex closely matching sales
- Predictable - per MW build cost
- Rapid Deployment – three months for additional capacity
- EDGE DC - expansion into major regional and capital cities outside Sydney and Melbourne
- TAS 01 – our regional Edge data centre in Tasmania
- SYD 01 – a centrally located Uptime Institute Tier III constructed facility

Competitive Advantages – More towards the customer

Rapid Deployment	Australia's only vertically integrated manufacturer and operator of modular data centres
Vendor Agnostic	DXN Provides a complete solution for Data Centre Infrastructure but is completely vendor agnostic.
Modular and Scalable	Our pre-fabricated modular design allows for personalisation of your data centre requirements in a scalable, modular and cost-effective way.
Quality	We design and deploy customised data centre solutions to meet the highest technical specifications for colocation facilities or edge deployments to any site globally.

Revenue Streams





Modular Manufacturing

Modular Data Centres

What is a prefabricated modular data centre?



Prefabricated data centre modules are built at DXN's in-house manufacturing facility in Perth, WA



DXN's modular design means the data centres can be deployed in any location and easily customised



The prefabricated data centre is deployed to site

Modular Data Centres for the Edge

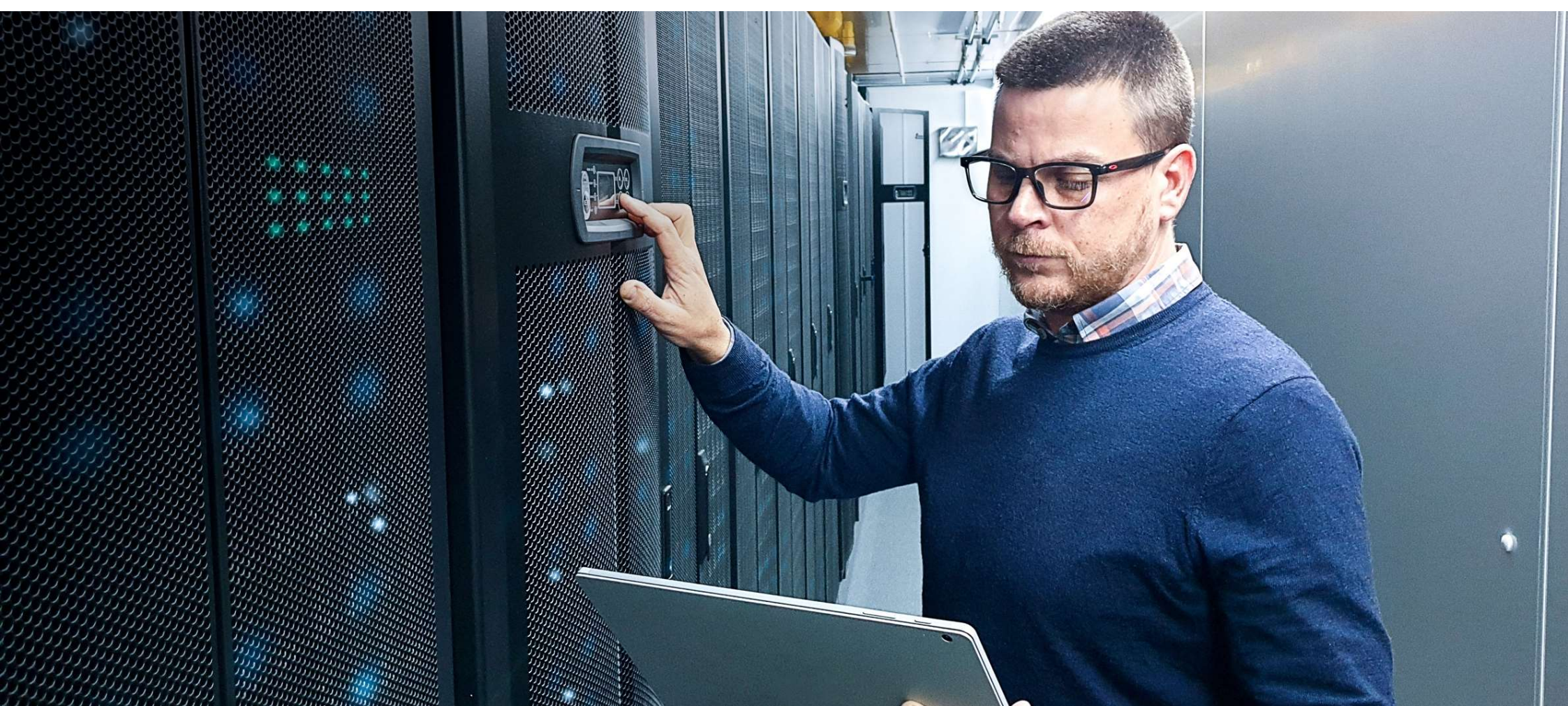
DXN's prefabricated modular centres are delivered from a controlled manufacturing facility in Perth and offer customers:

- ✓ Bespoke - specific technical, security and operational requirements
- ✓ Vendor Agnostic
- ✓ Cost control
- ✓ Self contained and transportable
- ✓ Rapid deployment (3 months vs 24 months delivery time)
- ✓ Highest international quality and standards
- ✓ Plug and play customer installation
- ✓ Decentralisation (closer to source)

Capacity & Pipeline

Strong pipeline and capacity to grow

- Maximum manufacturing capacity of 100 modules a year with an extra shift and have further capacity growth
- Pivoted sales pipeline targeting from large projects into smaller, modular opportunities
- Strong pipeline growth in primary targeted sectors – subsea cable operators, resources and regional telco
- Sales capacity to be increased to meet growing opportunity
- EDGE strategy for regional data centres will provide further demand for modular manufacturing



Edge Data Centre Operations

Edge Data Centres

Operational advantages

For Customers	<ul style="list-style-type: none">Modular construction allows for capital to match capacity requirementsFocus on under-served regional markets with latency issuesData sovereignty and securityCentralised cloud data centres are located too far from data source (increases latency) for effective IoT and machine-to-machine communicationApplications that are not suited for public cloudCaching of frequently used content such as video
For DXN	<ul style="list-style-type: none">Time-to-build on traditional data centre deployment is long (~24 months) and capital intensiveBuild data centres in key regional locations that have latency and underserved telecommunicationTargeting subsea cable landing stations across Asia PacificMultinational content providers looking to by-pass major centres and get closer to their targeted audienceMaintenance and support services

Greenfield & Brownfield Opportunities

Annuity and value-add strategies

Greenfield

- Opportunities to develop data centres in major regional areas
- Utilising DXN's modular infrastructure
- Known cost to deploy and operate
- Accumulating customer agreements ahead of build
- Strong return on investment with growing profitability through additional network connectivity contributions

Brownfield

- Contracted quality existing customer base
- Potential to expand sites with a high return on investment
- Renovate and value-add to existing sites
- Additional opportunities identified and being reviewed

Value Added Services

- Aggregation hub for customers, capacity wholesaler
- Target customers to facilitate cross-sell connect, internet and point-to-point connections to customers in data centres

Opportunities for Improvement

Specialist advisors appointed to assist in resolving exposure to loss-making, large-scale data centres

Melbourne

- ✓ Melbourne currently running at a loss and a solution would dramatically improve working capital strain

Sydney

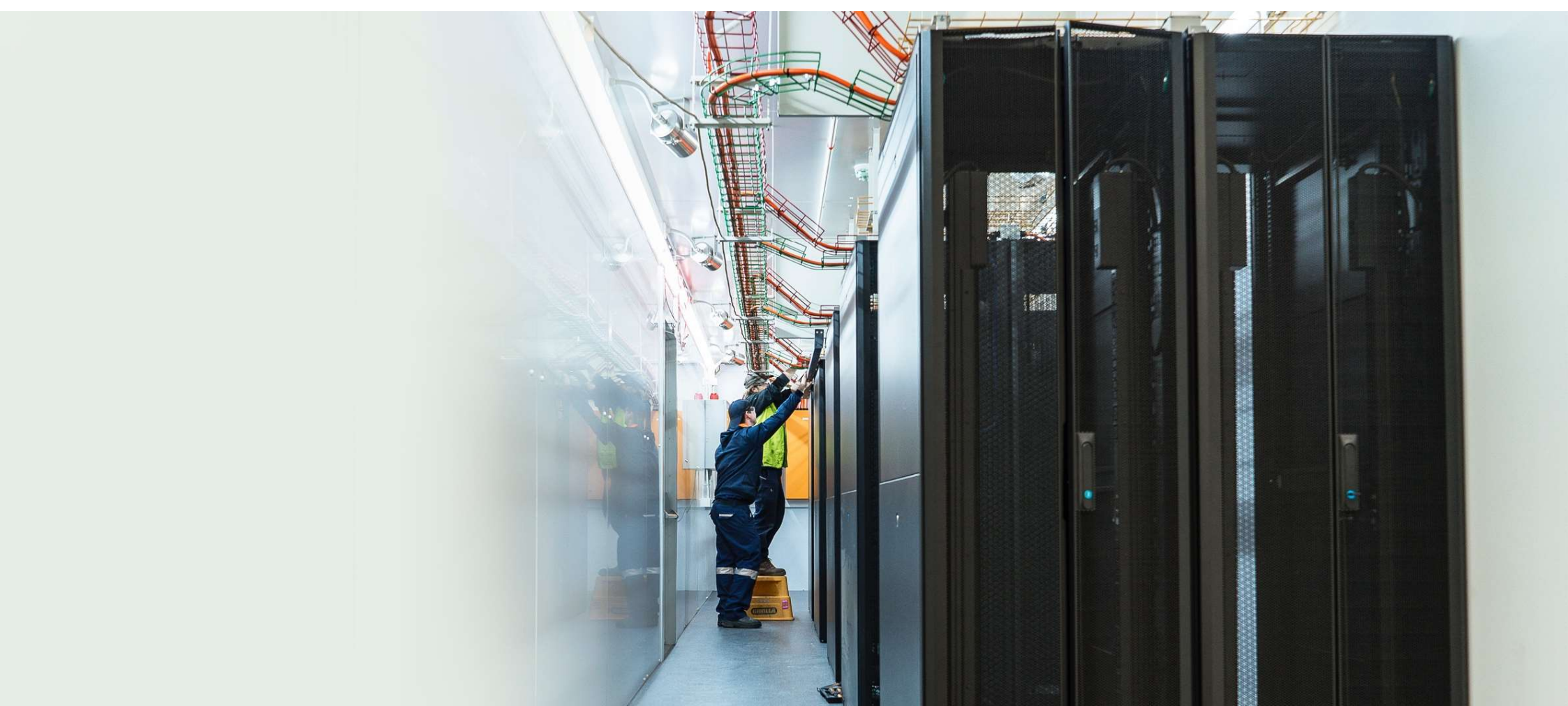
- ✓ Have turned Sydney into a network hub with large capacity dark fibre
- ✓ Vocus, TPG and 5GN, with more to come. Partnerships to resell fibre services to tier three telcos
- ✓ 116 racks fitted out and available for sale with a total site capacity at completion of 725 racks
- ✓ 84 racks would be break even including network revenue
- ✓ Also looking to sub-lease space in Sydney

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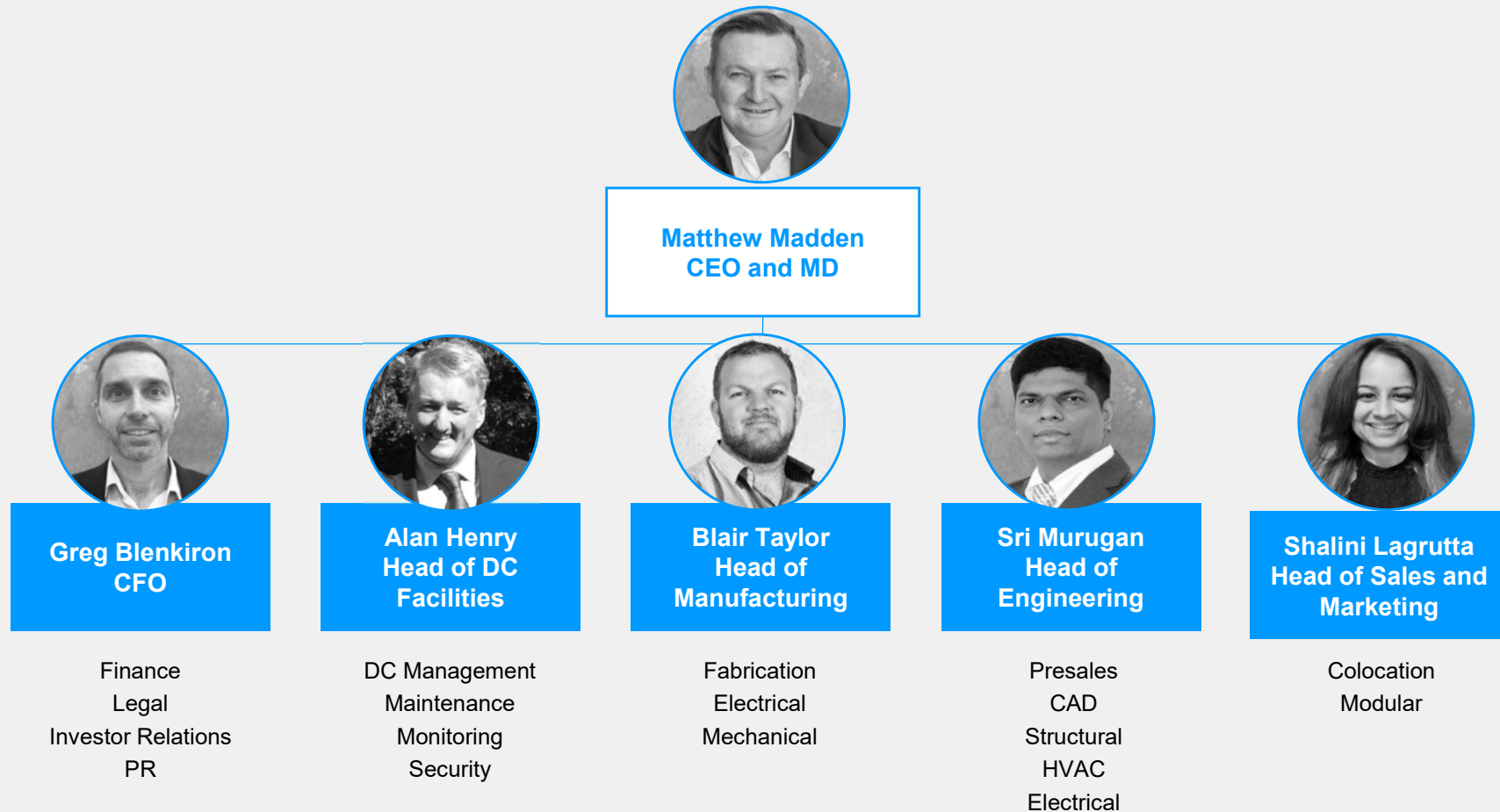
Thank you.



Appendix

Management

A structure that will support the growth



A flattened structure based on key functions provides for a more customer focussed outcome.

Engineering provides key input to both pre sales activities and manufacturing

Board

A board with proven experience



Matthew Madden
CEO and MD



John Baillie
Non-Exec Chairman



Richard Carden
Non-Exec Director



John Dimitropoulos
Non-Exec Director



George Lazarou
Company Secretary

Factsheet / Financials as at Dec 31 2020

December 2020 Half Year Highlights:

- Sales \$4.1m – an improvement of 65% on H1FY20
- Gross margin 35% - a gain of 158% on H1FY20
- EBITDA loss \$225,854 – a 92% improvement on H1FY20
- New contracts secured – \$3.6m

Income Statement

	1HFY21 \$	1HFY20 \$	Variance %
Revenue			
Sales to customers	4,133,406	2,503,634	65%
Cost of sales	(2,706,127)	(1,950,052)	39%
Gross profit	1,427,279	553,582	158%
Other income	1,160,087	927,548	25%
Less other operating expenses	(2,813,220)	(4,233,922)	34%
EBITDA	(225,854)	(2,752,792)	92%
Depreciation & amortisation	(1,726,598)	(909,708)	(90%)
Foreign exchange gains/(loss)	(79,716)	(16,279)	(390%)
Equity-settled employee costs	(88,438)	(336,084)	74%
Finance expenses	(254,310)	(131,052)	(94%)
Non-operating income / (expenses) *	-	(1,969,000)	
Net Loss After Tax	(2,374,916)	(6,114,915)	61%

* Impairment charge on the Melbourne facility Right of Use asset

Key financials (A\$m)

Market Cap	20.2
Unrestricted Cash	2.2
Net Debt / (Cash)	(0.7)
Enterprise Value	19.5
Shares Outstanding (m)	1,061
Share Price (A\$)	0.017