



3rd May 2023

ASX Announcement: DXN

DXN Limited receives first module order from, and addition to its sales support contract with, Flow2Edge Holdings I Pte Ltd

Highlights:

- DXN has received a purchase order for US\$392,885 [approximately A\$590k] for the first DXN Module from Flow2Edge Holdings I Pte Ltd (“Flow2Edge”) as part of its Exclusive Global Distribution Licence Agreement targeting the international export market (excluding Australia) for DXN data centre modules.
- DXN has also entered into an additional sales support arrangement with an annualized value of A\$362,400 as part of its Exclusive Global Distribution Licence Agreement to support Flow2Edge edge data centre expansion across Asia Pacific (excluding Australia).

The Board of prefabricated modular data centre specialist, DXN Limited (“DXN” or “the Company”), is pleased to announce that DXN has received its first module order for **US\$392,885 [approximately A\$590k]** as part of its Exclusive Global Distribution Licence Agreement (“EGDLA”) with Flow2Edge Holdings I Pte Ltd (“**FLOW2Edge**”) for the marketing and export of DXN’s modular data centre products (“**DXN modules**”) globally, excluding Australia.

FLOW2Edge is an edge product created by FLOW Digital Infrastructure (“**FLOW**”), a leading digital infrastructure platform investor, operator, and developer in Asia-Pacific (“**APAC**”) founded by PAG Real Assets.

DXN has also agreed with Flow2Edge to provide additional services to support FLOW’s edge data centre expansion operations across APAC (excluding Australia) under a monthly contract with an annualized value of A\$362,400 as part of the EGDLA.

DXN’s Chief Executive Officer, Shalini Lagrutta said “The DXN team are excited to be delivering our first module to FLOW with this order. APAC is a massive market, and FLOW is well-positioned to become a leader in the edge data centre business across the region. We are proud to support them in their efforts.”

Amandine Wang, Chief Executive Officer of FLOW, commented, “The edge opportunity is a key strategy for FLOW, and we are keen to commence operational projects in the region under our FLOW2Edge platform together with DXN.”

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ASX Release authorised by the Board

About DXN Limited

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

The Company 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>

About FLOW2EDGE

FLOW2EDGE is FLOW's Edge-as-a-Service brand, part of its multi-solution digital infrastructure platform. In collaboration with DXN Ltd, a leading edge data centre manufacturer, who will supply modular data centre products exclusively to FLOW in APAC ex-Australia, FLOW will offer prefabricated solutions from design to implementation on a turn-key basis to meet customers' low latency needs for smaller, faster and scalable data centre deployment.

About FLOW

FLOW Digital Infrastructure invests in, develops, and operates the key physical assets of the digital infrastructure ecosystem, including cloud, hyperscale, and enterprise data centres, as well as network and fiber assets. FLOW offers a full spectrum of digital infrastructure solutions, combined with deep industry experience and a customer-centric approach to developing core and edge infrastructure in Asia Pacific, keeping the bits and bytes of the digital world flowing. The team has entered recently into an exclusive distribution agreement with DXN Limited to launch its edge solution branded under FLOW2EDGE. FLOW leverages the capital and resources of PAG Real Assets, the real estate and infrastructure investment business of PAG, a leading APAC-focused investment firm with over USD50 billion in assets under management as of 31 December 2022, including USD2 billion in existing data centre assets.

For more information, please visit <https://www.flowdigital.com/>

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APPENDIX: KEY TERMS AND CONDITIONS of EGDLA and EGCSA

(as disclosed in ASX announcement dated 28 November 2022)

Term of Agreements	<p>Standard terms for the first order as covered by the Exclusive Global Distribution Licence Agreement (“EGDLA”). Payment terms based on pre-agreed milestones. Delivery is expected within 20 weeks from placement of purchase order.</p> <p>EGDLA is for an initial term of 10 years.</p> <p>Exclusive Global Consulting Services Agreement (“EGCSA”) is for an initial term of 3 years.</p>
Commercial Terms	<p>EGDLA with A\$2,000,000 payable for exclusivity outside Australia within the initial term. Exclusivity does not apply to Australian government or military entities and allows DXN to provide modules to any international clients that FLOW2Edge is either unable or unwilling to service.</p> <p>Minimum commitment to purchase 10 DXN modules per year commencing 180 days after signing in order for FLOW2Edge to retain exclusivity.</p> <p>Invoicing of module fees based on progress or milestones being achieved.</p> <p>EGCSA for A\$1,500,000 consulting fees payable over 3 years commencing 1 December 2022.</p>
Termination	<p>Both the EGDLA and EGCSA include standard termination provisions for breach, force majeure, insolvency and change of control. The EGDLA also allows DXN to terminate for FLOW2Edge’s failure to meet its minimum purchase commitment and FLOW2Edge to terminate for convenience on 3 months’ notice once it has placed orders for at least 10 DXN Modules.</p> <p>The EGCSA also allows FLOW2Edge to terminate if any of the consulting resources are not replaced within the required timeframe or the distribution agreement is terminated.</p>

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