

FY21

11th ANNUAL GENERAL MEETING

19 NOVEMBER 2021



NEXT DC

BOARD OF DIRECTORS



DOUGLAS FLYNN
NON-EXECUTIVE
CHAIRMAN



STUART DAVIS
NON-EXECUTIVE
DIRECTOR



DR. GREGORY CLARK AC
NON-EXECUTIVE
DIRECTOR



JENNIFER LAMBERT
NON-EXECUTIVE
DIRECTOR



DR. EILEEN DOYLE
NON-EXECUTIVE
DIRECTOR



STEVE SMITH
NON-EXECUTIVE
DIRECTOR



CRAIG SCROGGIE
CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR



MICHAEL HELMER
COMPANY SECRETARY
AND CHIEF LEGAL OFFICER

MEET OUR LEADERS



CRAIG SROGGIE
CHIEF EXECUTIVE OFFICER
AND MANAGING DIRECTOR



ELLIE WHITTON
HEAD OF PEOPLE
AND CULTURE



SIMON COOPER
CHIEF OPERATIONS
OFFICER



JEFF VAN ZETTEN
CHIEF OF
ENGINEERING



OLIVIA HARVEY
CHIEF OF
STAFF



ADAM SCULLY
VICE PRESIDENT CUSTOMER
AND COMMERCIAL
OPERATIONS



DAVID DZIENCIOŁ
CHIEF CUSTOMER AND
COMMERCIAL OFFICER



OSKAR TOMASZEWSKI
CHIEF FINANCIAL
OFFICER



HAIDEE VAN RUTH
CHIEF ACCOUNTING
OFFICER



MICHAEL HELMER
COMPANY SECRETARY AND
CHIEF LEGAL OFFICER



KARYN TURBILL
CHIEF MARKETING
OFFICER



JEFF ARNDT
CHIEF INFORMATION
OFFICER

AGENDA

WELCOME AND INTRODUCTIONS

CONDUCT OF MEETING

CHAIRMAN's ADDRESS

CEO's ADDRESS

RESOLUTIONS

Q&A's



2021

11th Annual General Meeting
CHAIRMAN'S ADDRESS



NEXTDC





VISION

NEXTDC's vision is to help enterprises harness the digital age, improving our society through the advancement of technology

PURPOSE

NEXTDC's purpose is to be the leading customer-centric data centre services company, delivering solutions that power, secure and connect enterprise





100% UPTIME GUARANTEE

POWER. SECURE. CONNECT

FY21 HIGHLIGHTS



REVENUE¹
\$246.1M
↑ 23%



UNDERLYING EBITDA²
\$134.5m
↑ 29%



CONTRACTED UTILISATION
75.5MW
↑ 8%



CUSTOMERS
1,547
↑ 13%



PARTNERS
730+
70+ NETWORKS



INTERCONNECTIONS³
14,718
↑ 13%

Note: All percentage increases are expressed relative to the FY20 results

1. Represents data centre services revenue

2. Refer page 25 for underlying adjustments

3. Comprises both Physical and Elastic Cross Connects

Facility capacity and contracted utilisation

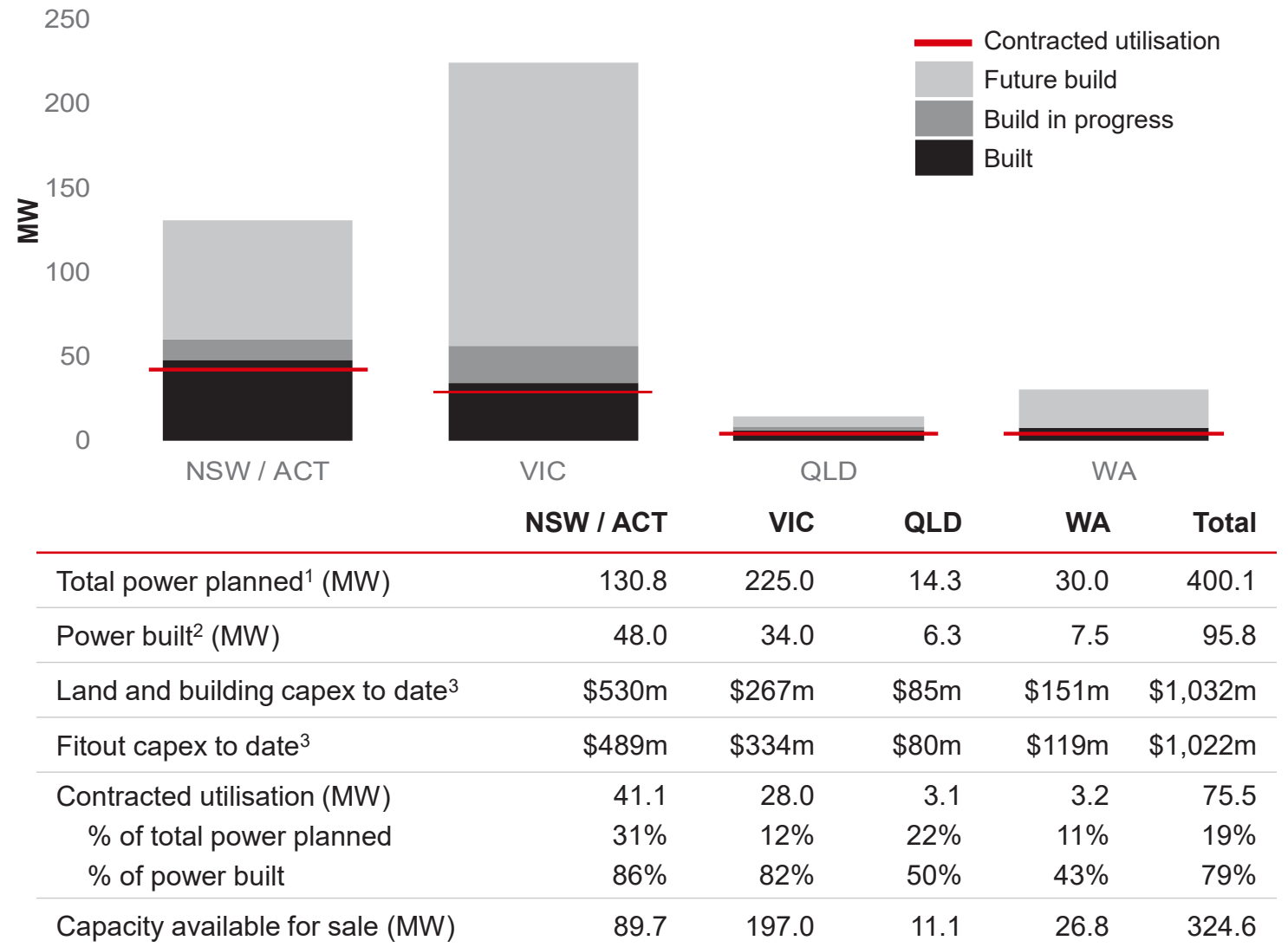
As at 30 June 2021

- NEXTDC has significant expansion potential with total planned capacity¹ of 400MW (excluding S4)
- **S2 Sydney:** Final data halls fitted out, taking S2 capacity to 30MW
- **S3 Sydney:** Building construction well progressed. On target for practical completion in 2H22, with 12MW of initial capacity currently being built
- **M2 Melbourne:** 9MW of capacity added to support customer requirements. Building expansion works continue, with 9MW of additional capacity built to support customer expansion
- **M3 Melbourne:** Planned capacity increased to 150MW. Groundworks well progressed and building construction commenced, on target for practical completion in 1H23 with 13.5MW of initial capacity
- **S4 Sydney:** Land secured in Western Sydney, providing long term expansion capacity of ~300MW
- **P1 Perth:** Expansion in plan, increasing target capacity to 10MW

1. Includes facilities which are open, under construction and for which full development approval has been attained. Excludes S4 Sydney's target capacity of ~300MW announced 28 July 2021

2. MW built includes the designed power capacity of the data halls fitted out at each facility. Further investment into customer related infrastructure, such as backup power generation, cooling equipment or rack infrastructure may be made in line with customer requirements

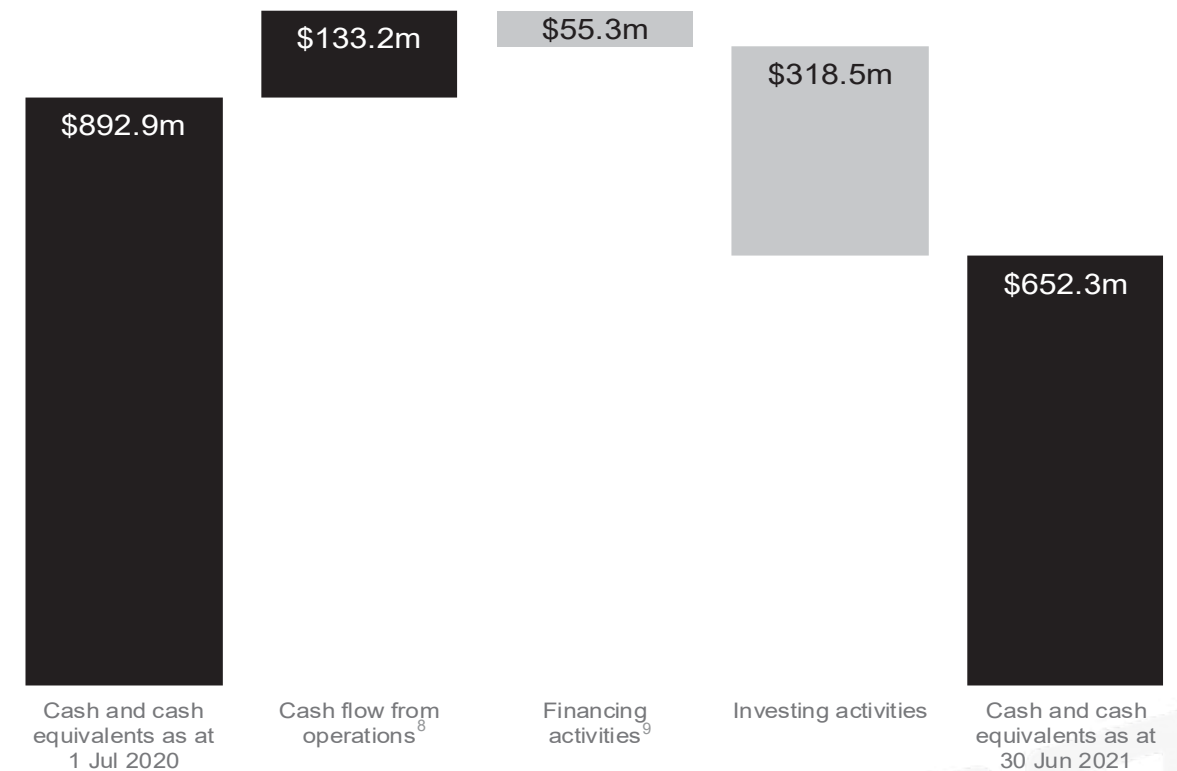
3. Before depreciation and excluding site selection and other due diligence-related costs for planned data centre developments, which are included in corporate overheads



Well capitalised for growth

Balance Sheet Summary (\$m)	30 June 2021	30 June 2020 ¹
Cash and cash equivalents	652	893
Property (land and buildings) ²	997	854
Plant and equipment ²	785	704
Total assets	2,644	2,657
Borrowings ³	783	798
Total liabilities	981	976
Net assets	1,663	1,681

Key Metrics		
Gearing ⁴	7.3%	n/a
Available liquidity ⁵ (\$m)	1,702	1,193
Cost of debt ⁶	3.2%	5.6%
Duration of debt (years)	4.4	1.6
Hedged debt ⁷	100%	54%

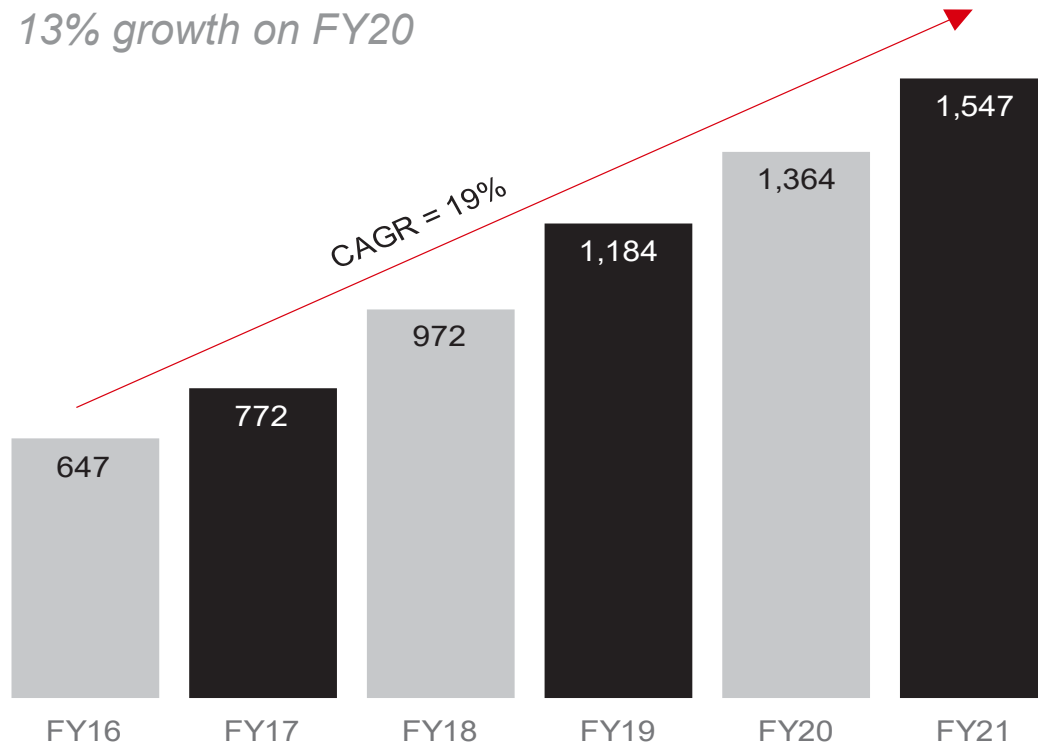


- FY20 figures have been restated to reflect the change in accounting policy in relation to costs incurred in configuring or customising SaaS arrangements. Refer to note 26(b) of the FY21 financial statements for further detail
- Property, as well as plant and equipment, exclude right-of-use assets not owned by NEXTDC but reported as assets under AASB 16
- Borrowings reflects debt owed to lenders and include capitalised transaction costs which are amortised over the term of the debt instruments; exclude lease liabilities related to right-of-use assets which are reported as leases under AASB 16 and also exclude derivative financial instruments
- Net debt / (net debt + equity) based on book value of cash and cash equivalents, borrowings, derivative financial instruments and total equity
- Undrawn facilities of \$1.05b plus cash and cash equivalents of \$652m
- Weighted average at the end of the period, inclusive of fees and margins on a drawn basis
- As at the end of the period with fixed interest debt treated as hedged
- Cash flows from operating activities include net interest paid of \$38.3m
- Cash flows from financing activities include transaction costs and redemption premiums associated with debt refinancing

Strong growth in customers and interconnections

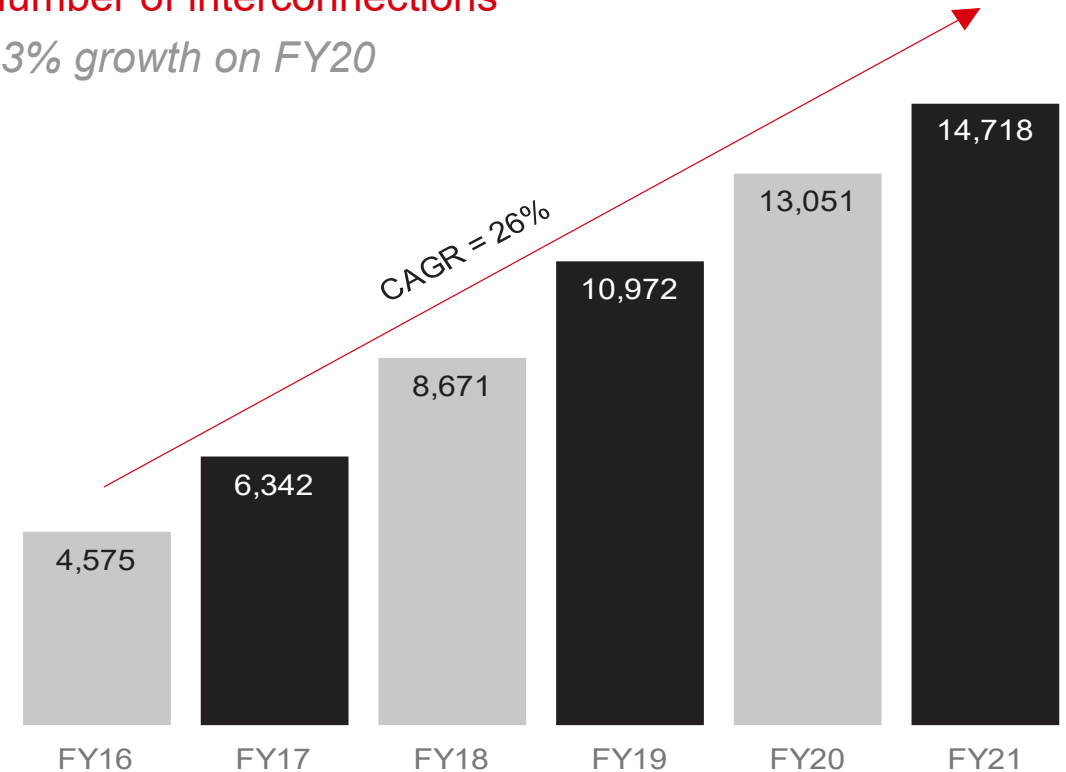
Number of customers

13% growth on FY20



Number of interconnections¹

13% growth on FY20



- Strong ongoing growth in customers and interconnections, with 9.5 average interconnections per customer at 30 June 2021
- Growing number of interconnections highlights the increasing use of hybrid cloud and connectivity both inside and outside the data centre as customers expand their ecosystems
- Well established ecosystems drive higher margin and increase customer retention (lower churn)

1. Comprises both Physical and Elastic Cross Connects



CARBON NEUTRALITY



NEXTDC

Data centres will consume as much as 1/5 of the world's energy by 2025.

ICT represents the fastest growing volumes of CO₂ emissions.



N E X T D C

where the cloud lives™ | NEXTneutral

FOUNDATIONS FOR SUSTAINABLE OPERATIONS



Power

NEXTDC data centres run at the lowest Power Usage Efficiency (PUE) ratings in the country.



Cooling

Free airside cooling and the use of recycled air supply to reduce the need for power driven cooling.



Renewables

NEXTDC invests in renewable and sustainable energy sources to reduce the overall need for use of power from the grid.



Carbon Offsetting

100% of our corporate operations are offset under our partnership with Qantas Future Planet.

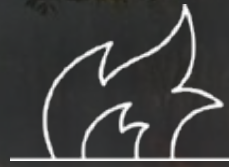
Target zero waste and 100% renewable by 2030

OFFSET PORTFOLIO



Great Barrier Reef Restoration Project

*Native Vegetation and
Reforestation*



West Arnhem Land Fire Abatement Project

*Cool Fire
Burning*



Maharashtra Wind Power Project

*Renewable
Energy*





NEXTne^otral

CARBON NEUTRAL
COLOCATION SOLUTIONS

where the cloud lives™



2021

11th ANNUAL GENERAL MEETING
CEO'S ADDRESS



NEXTDC



FY21 HIGHLIGHTS



- Data centre services revenue increased \$45.3m (23%) to \$246.1m
- Contracted utilisation increased 5.5MW (8%) to 75.5MW
- Interconnections¹ increased 1,667 (13%) to 14,718, representing 7.7% of recurring revenue



STRONG OPERATING LEVERAGE

- EBITDA² increased \$29.9m (29%) to \$134.5m, exceeding the top end of upgraded guidance
- Operating cash flows³ increased \$79.5m (148%) to \$133.2m
- Billing utilisation increased 12.6MW (24%) to 65.4MW



CAPITALISED FOR GROWTH

- \$1.85b senior syndicated debt facility completed, 5 year term, significantly reduced costs
- Finished FY21 with liquidity of \$1.7b, including undrawn debt facilities of \$1.05b
- Balance sheet strength underpinned by total assets of \$2.6b



NETWORK EXPANSION CONTINUES

- 17MW of expansion capacity built across S2 Sydney and M2 Melbourne
- S3 Sydney building construction well progressed, on target for practical completion in 2H22
- M3 Melbourne building construction underway, on target for practical completion in 1H23
- S4 Sydney site announced, adding ~300MW to future development pipeline

Note: All percentage increases are expressed relative to the FY20 results

1. Comprises both Physical and Elastic Cross Connects

2. Refer page 25 for underlying adjustments

3. FY20 figures have been restated to reflect the change in accounting policy in relation to costs incurred in configuring or customising SaaS arrangements. Refer to note 26(b) of the FY21 financial statements for further detail

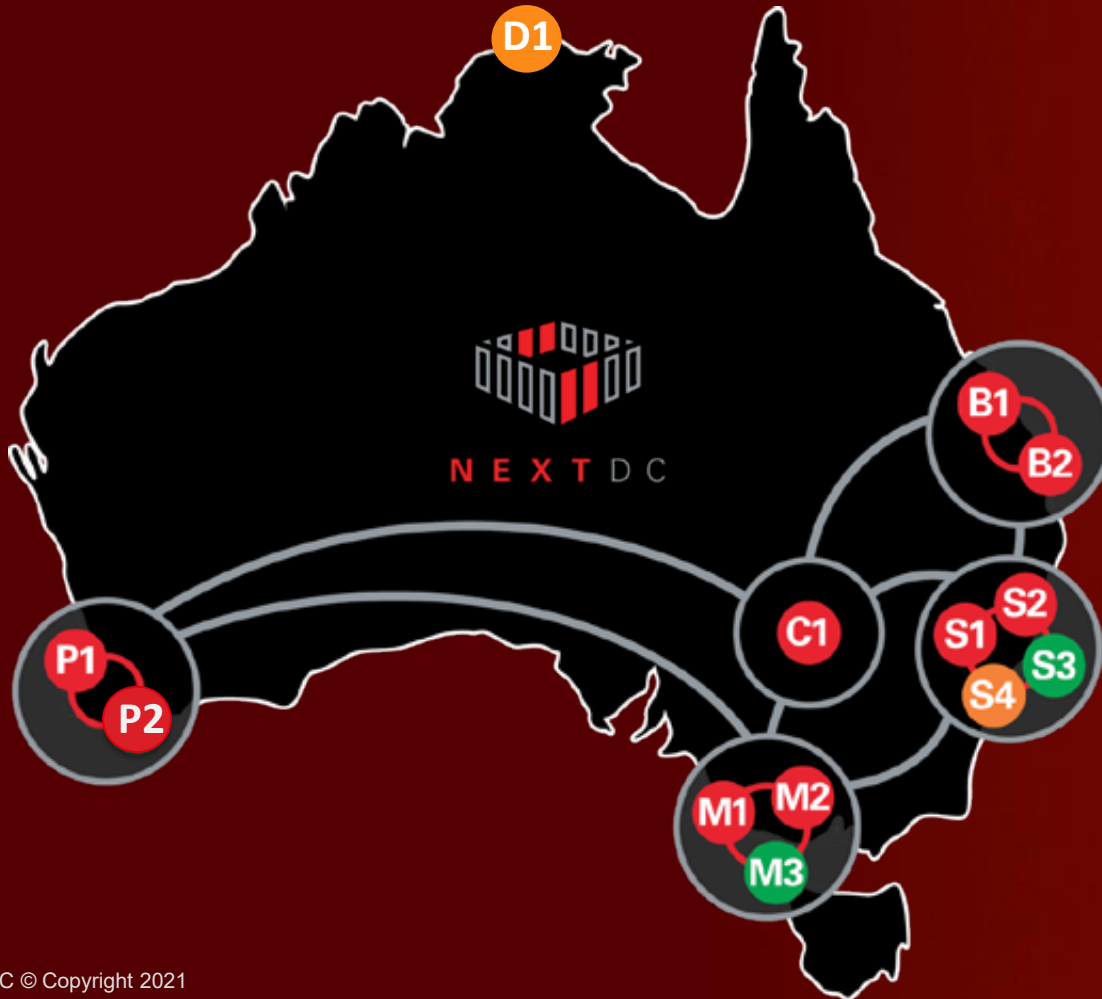


DIGITAL TRANSFORMATION

CHANGING THE WORLD IN
EXCITING AND DISRUPTIVE
WAYS



ENABLING HYBRID & MULTI-CLOUD



- Connect everyone, to everything
- Scalable and flexible connections
- Carrier neutral
- Diversity and redundancy
- Data centre neutral

EXPONENTIAL GROWTH

\$332.3 Billion

Worldwide public cloud spend,
representing growth
of 23.1%

\$10.6 Billion

Public cloud spend in Australia in
2021. An increase of 18.4% from
2020

Almost 70%

of organisations using cloud services
today plan to increase their cloud
spending

30.2% in IaaS

Expected growth
in Australia in 2021

\$5.7 Billion

Expected spend in SaaS in
Australia in 2021

NEW WAYS OF DOING BUSINESS



77%

of knowledge workers want to continue working from home¹.

74%

of organisations are planning for some workers to be permanently remote².

>53k

square metres of office space reduced by ASX100 companies alone in 2020

AUSTRALIA'S NEW DIGITAL HUB





SAFETY IS EVERYONE'S RESPONSIBILITY

OUR GOAL IS ZERO INJURIES

NEXTDC is committed to doing everything necessary to achieve this goal.

NEXTDC considers workplace health and safety and incident prevention to be of the utmost importance. It is a vital factor of the ultimate success of the organisation.

We are committed to providing and maintaining a safe and healthy working environment for our people, our customers and our guests. We strive for continuous improvements, ensuring we eliminate the potential for anything which may pose a high risk to anyone who works in or visits a NEXTDC premise and/or uses NEXTDC services.



NEXTDC

GLOBALLY & NATIONALLY RECOGNISED CERTIFICATIONS



Australian Government
Digital Transformation Agency



SUSTAINABILITY LEADERSHIP

- ISO 9001 and ISO 27001 (Head Office, M1, S1, C1, P1, B1 and B2) and ISO 14001 (M1, S1 and C1)
- Uptime Institute Gold in Operational Sustainability (P1, S1 and B2)
- Australia's first data centres to achieve NABERS 5-Star rating for energy efficiency (M1 and S1)
- 100% Climate Active certified
- Moving towards Task Force on Climate-Related Financial Disclosures (TCFD) compliance
- Founding member of the Melbourne Renewable Energy Project since 2014
- Free e-waste disposal at all sites





TRUE ZERO WASTE

A new unified
business front



CORPORATE SOCIAL RESPONSIBILITY



THE SMITH FAMILY

In partnership with The Smith Family, NEXTDC supports the Learning for Life program which provides early intervention and balanced, long-term support to over 38,000 disadvantaged students across Australia.



PLEDGE 1%

NEXTDC is a member of the global Pledge 1% corporate movement. The program allows us to empower our people to give back to the communities we live and work by donating 1% employee time to help make the world a better place.



WORKPLACE GIVING

NEXTDC's workplace giving program sees NEXTDC match \$1 for \$1 money raised from staff for any one of our three workplace giving partnerships – The Smith Family, beyondblue, Cancer Council and UN Women.



VOLUNTEER DAYS

NEXTDC provides all staff with an additional paid volunteer day to enable both our teams and individuals to invest time with their preferred charity or giving back to their local community.

PUTTING CUSTOMERS
AT THE CENTRE OF
EVERYTHING WE DO



NEXTDC

SECURING THE NEXT DECADE OF DEVELOPMENT PIPELINE

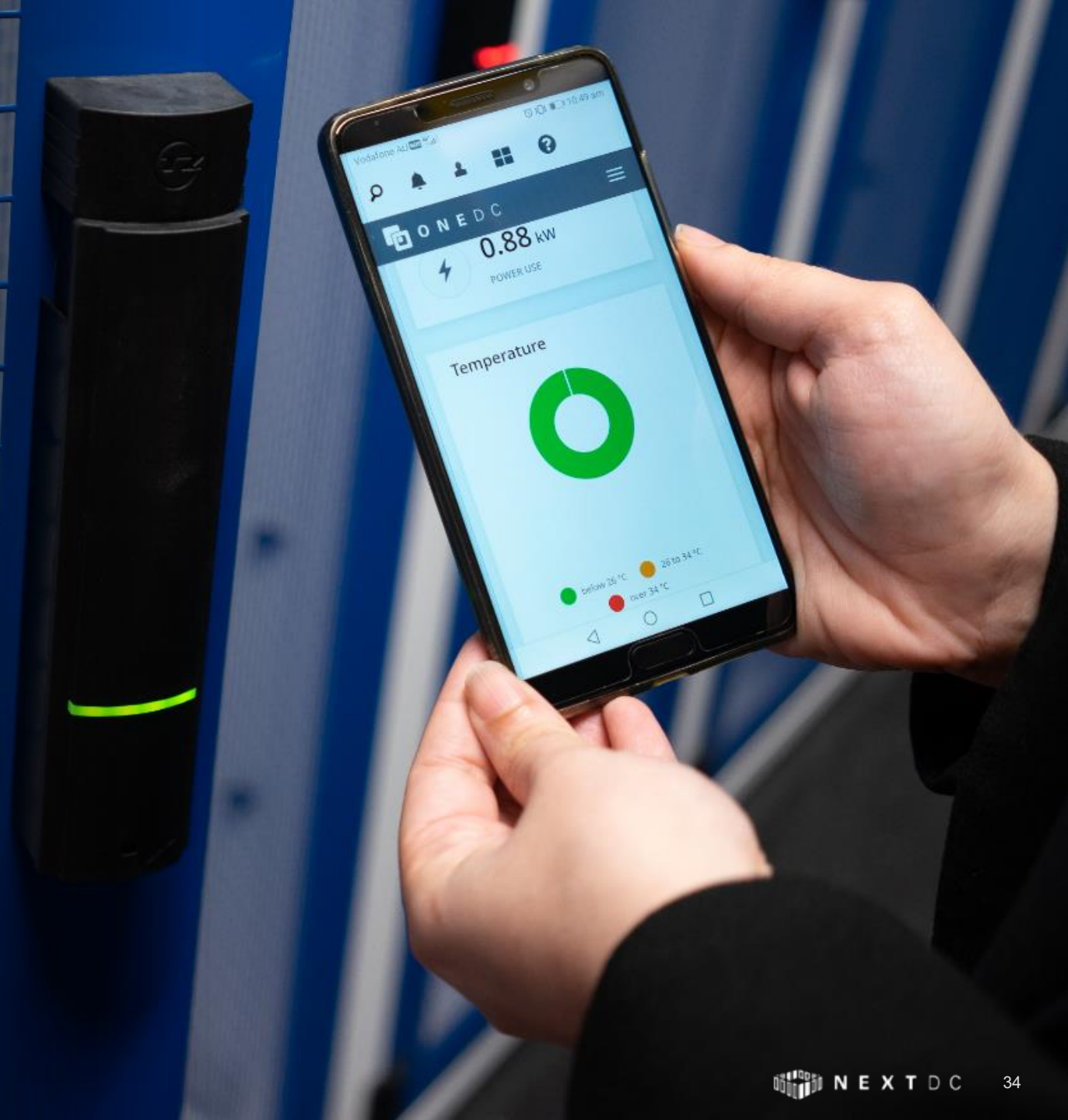


DATA IS THE OIL OF THE 21st CENTURY

SIMPLIFYING DATA CENTRE MANAGEMENT

COLOCATION AT NEXTDC MEANS
CONTROL AND TRANSPARENCY.

Manage your infrastructure on your
terms. We give you the tools
empower real-time decision making.



FY22 OUTLOOK



Data centre services revenue guidance of \$285m to \$295m (up 16% to 20% on FY21)

- Strong growth in recurring data centre services revenue, underpinned by long-term customer contracts
- Power recharge revenues move in line with power savings and improvements in data centre efficiency
- Inventory available across all markets to drive further enterprise and network opportunities



Underlying EBITDA^{1,2} guidance of \$160m to \$165m (up 19% to 23% on FY21)

- Second generation facilities continue to drive scale and earnings growth
- Expansion accelerating to accommodate customer demand
- Company continues to invest in growth platforms and centralisation



Capital expenditure guidance³ in the range of \$480m to \$540m

- S3 on track to achieve practical completion in 2H22
- M2 expansion continues, bringing forward another 9MW of customer capacity
- M3 target to achieve practical completion in 1H23



Leading the industry on sustainability, safety and equality

- Industry leading energy efficiencies with NABERS and ISO14001 for environmental management
- Targeted investment in renewable generation, expanding our solar installations
- Supporting customers on their carbon neutral journey via increased adoption of NEXTneutral
- Prioritising programs that embrace diversity and inclusiveness

1. Refer page 25 for underlying adjustments in relation to FY20 and FY21
2. FY22 underlying EBITDA excludes costs related to review works into potential data centre investments in Asia, acquisition opportunities as well as the impact of IFRIC's guidance in relation to customisation and configuration spend on cloud software platforms
3. Taking into consideration existing COVID-19 based State Government restrictions on construction activities



DELIVERING ON

OUR VISION
OUR PURPOSE
OUR BRAND PROMISE



NEXTDC

2021

11th Annual General Meeting
BUSINESS OF MEETING



NEXTDC

2021

11th Annual General Meeting
FINANCIAL STATEMENTS AND REPORTS



NEXTDC

RESOLUTION 1

Remuneration Report

"To adopt the Remuneration Report of the Company (as set out in the Directors' Report) for the financial year ended 30 June 2021."

FOR

281,011,720

AGAINST

5,386,522

OPEN

782,497

RESOLUTION 2

Re-election of Mr Douglas Flynn as a Director

"That Mr Douglas Flynn, who retires in accordance with the Listing Rules and Rule 58 of the Company's Constitution and, being eligible, offers himself for re-election, is hereby re-elected as a Director of the Company."

FOR

277,059,475

AGAINST

9,960,918

OPEN

788,948

RESOLUTION 3

Approval of grant of Performance Rights to Mr Craig Scroggie.

"That, for the purpose of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue of 147,860 Performance Rights to the CEO and Managing Director, Mr Craig Scroggie, for FY2022, pursuant to the Company's long-term incentive plan under the NEXTDC Limited Equity Incentive Plan on the terms set out in the Explanatory Memorandum accompanying the Notice of Meeting."

FOR

280,081,132

AGAINST

6,908,010

OPEN

791,054

Q&A

11th Annual General Meeting



NEXTDC





investorrelations@nextdc.com



13 6398



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[youtube.com/user/nextdatacentre](https://www.youtube.com/user/nextdatacentre)