

ASX Release

23 February 2022

1H22 Record Results and FY22 Guidance Upgraded

NEXTDC Limited (**ASX: NXT**) (“NEXTDC” or “the Company”) today announced its financial results for the half-year ended 31 December 2021 (“1H22”).

1H22 financial highlights

- › Data centre services revenue increased \$22.9 million (19%) to \$144.5 million (1H21: \$121.6 million)
- › Underlying EBITDA^{1,2} increased \$19.3 million (29%) to \$85.0 million (1H21: \$65.7 million)
- › Operating cash flow increased \$5.9 million³ (9%) to \$69.5 million
- › Liquidity (cash and undrawn debt facilities) of \$2.1 billion at 31 December 2021

NEXTDC Chief Executive Officer and Managing Director, Craig Scroggie, commented on the 1H22 results:

“We are pleased to deliver another record result in 1H22, with strong metrics across the business that now positions the Company to provide upgraded earnings guidance for FY22. NEXTDC’s leading national digital infrastructure platform continues to demonstrate strong growth and critical resilience as it continues to mature.”

Business performance

For the 12 months to 31 December 2021:

- › Contracted utilisation increased 10.0MW⁴ (14%) to 81.0MW⁵
- › Customer numbers grew by 144 (10%) to 1,569 (31 December 2020: 1,425⁶)
- › Interconnections⁷ rose 1,968 (14%) to 15,879, representing 7.3% of recurring revenue

Development activity

- › S3 Sydney building construction tracking on time, on budget, with practical completion of Stage 1 (12MW of initial capacity) on target for 2H22
- › M2 Melbourne fitout continued with 3MW of capacity added to support customer requirements. Building expansion works continue on time, on budget, with 3MW of additional capacity being added to support customer growth
- › M3 Melbourne building construction on time, on budget, with practical completion of Stage 1 (13.5MW of initial capacity) on target for 1H23. An additional 4.5MW of capacity is being added to support early customer contracted requirements

¹ EBITDA is a non-statutory financial metric representing earnings before interest, tax, depreciation and amortisation. Non-statutory financial metrics have been extracted from the interim financial report

² Refer to page 30 of the 1H22 Results Presentation for a reconciliation to Underlying EBITDA

³ Noting that 1H21 operating cash flow has been restated to reflect a change in accounting policy. For further information refer to note 2 of the 1H22 Interim Financial Report

⁴ Represents increase in utilisation over the 12-month period from 31 December 2020 to 31 December 2021

⁵ Represents pro-forma 1H22 contracted utilisation as disclosed in NEXTDC’s ASX announcement on 31 January 2022

⁶ Historical customer numbers have been updated to reflect a data cleansing exercise undertaken in 1H22 as part of an ERP replacement project

⁷ Comprises both physical and elastic cross connections



- › In December 2021, NEXTDC acquired its first edge data centre Sunshine Coast (SC1), an operational site with 0.2MW of built capacity, targeting 1MW+ at completion
- › New sites secured for D1 Darwin and A1 Adelaide

FY22 upgraded guidance

Based on current billing, contracted utilisation levels and expected new customer contracts, NEXTDC provides the following upgraded guidance for FY22:

- › Data centre services revenue in the range of \$290 million to \$295 million (upgraded from \$285 million to \$295 million)
- › Underlying EBITDA⁸ in the range of \$163 million to \$167 million (upgraded from \$160 million to \$165 million)
- › Capital expenditure in the range of \$530 million to \$580 million (upgraded from \$480 million to \$540 million)

Commenting on the upgrade to guidance, Mr Scroggie said:

“As a result of the strong 1H22 performance, the Company is able to upgrade its FY22 Guidance as well as accelerate project investments in 2H22. With liquidity of over \$2 billion, combined with record operating cashflow, NEXTDC is in an outstanding position to take advantage of current and future customer opportunities and to press its advantage into new regions and edge locations.”

Authorised for release by the Board of NEXTDC Limited.

ENDS

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⁸ FY22 underlying EBITDA excludes costs related to review works into potential data centre investments in Asia, acquisition opportunities, investment in associates as well as the impact of IFRIC's guidance in relation to customisation and configuration spend on cloud software platforms



About NEXTDC

NEXTDC is an ASX 100-listed technology company and Asia's most innovative Data Centre-as-a-Service provider. We are building the infrastructure platform for the digital economy, delivering the critical power, security and connectivity for global cloud computing providers, enterprise and government.

NEXTDC is recognised globally for the design, construction and operation of Australia's only network of Uptime Institute certified Tier IV facilities, and the only data centre operator in the Southern Hemisphere to achieve Tier IV Gold certification for Operational Sustainability. NEXTDC has a strong focus on sustainability and operational excellence through renewable energy sources and delivering world-class operational efficiency. Our data centres have been engineered to deliver exceptional levels of efficiency and the industry's lowest Total Cost of Operation through NABERS 5-star energy efficiency.

NEXTDC's corporate operations have been certified carbon neutral under the Australian Government's *Climate Active* Carbon Neutral Standard.

Our Cloud Centre partner ecosystem is Australia's most dynamic digital marketplace, comprising carriers, cloud providers and IT service providers, enabling local and international customers to source and connect with cloud platforms, service providers and vendors to build complex hybrid cloud networks and scale their critical IT infrastructure services.

NEXTDC is *where the cloud lives*®.

To learn more, visit www.nextdc.com