

# ASX Release

18 May 2023

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

## RETAIL ENTITLEMENT OFFER OPENS

NEXTDC Limited (**ASX: NXT**) ("**NEXTDC**" or "**the Company**") refers to its ASX Announcement on 11 May 2023 in relation to the fully underwritten 1 for 8 pro-rata accelerated non renounceable entitlement offer of new fully paid ordinary shares in NEXTDC ("**New Shares**") to raise approximately A\$618 million ("**Entitlement Offer**").

The retail component of the Entitlement Offer opens today and is expected to raise approximately A\$202 million ("**Retail Entitlement Offer**").

Eligible Retail Shareholders (as defined in the Retail Offer Booklet) will be invited to participate in the Retail Entitlement Offer at A\$10.80 per New Share ("**Offer Price**") being the same price and ratio applied to the Institutional Entitlement Offer which recently closed, raising approximately A\$416 million.

Eligible Retail Shareholders are also offered the opportunity to apply for additional new shares up to a maximum of 100% in excess of their entitlement, at the Offer Price ("**Top Up Facility**")<sup>1</sup>.

The Retail Entitlement Offer is expected to close at 5:00pm (Sydney time) on Wednesday, 31 May 2023.

### RETAIL OFFER BOOKLET

Attached to this announcement is a copy of the Retail Offer Booklet which will be made available to Eligible Retail Shareholders, together with an Entitlement and Acceptance Form. A copy of both documents will also be able to be accessed by Eligible Retail Shareholders through <https://events.miracle.com/nxt-offer>.

The Retail Offer Booklet and the Entitlement and Acceptance Form contains important information about the Retail Entitlement Offer, including how Eligible Retail Shareholders can apply to participate in the Retail Entitlement Offer.

Also attached is a letter that will shortly be made available to Eligible Retail Shareholders notifying them of the Retail Entitlement Offer, as well as a letter that will shortly be made available to Ineligible Retail Shareholders (as defined in the Retail Offer Booklet).

Shareholders can contact the Offer Information Line on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia). The Offer Information Line is open from 8.30am to 5.30pm (Sydney time) Monday to Friday.

Authorised for release by the Board of NEXTDC Limited.

**ENDS**

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<sup>1</sup> Additional New Shares will only be available where there is a shortfall between applications received from Eligible Retail Shareholders and the number of New Shares proposed to be issued under the Retail Entitlement Offer. NEXTDC retains the flexibility to scale back applications for additional New Shares at its discretion.



For more information:

**Simon Guzowski**

T: +61 2 8072 4943

E: [investorrelations@nextdc.com](mailto:investorrelations@nextdc.com)

NEXTDC Investor Centre: [www.nextdc.com/our-company/investor-centre](http://www.nextdc.com/our-company/investor-centre)

## **IMPORTANT NOTICE**

Not for distribution or release in the United States

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. This announcement should not be distributed or released in the United States.

Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States (to the extent that the person holds shares for the account or benefit of a person in the United States), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.



## 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](http://www.nextdc.com)

**NEXTDC LIMITED**

**ACN 143 582 521**

## **Retail Entitlement Offer**

**1 for 8 pro-rata accelerated non-renounceable entitlement offer of  
NEXTDC ordinary shares at A\$10.80 per  
New Share**

**The Entitlement Offer is fully underwritten**

**Retail Entitlement Offer closes: 5.00pm (Sydney time) on Wednesday, 31 May 2023**

**If you are an Eligible Retail Shareholder, this is an important document that requires your immediate attention. It should be read in its entirety. This document is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission. You should consult your stockbroker, solicitor, accountant or other professional adviser if you have any questions.**

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

## IMPORTANT NOTICES

This Retail Offer Booklet is dated Thursday, 18 May 2023 and relates to the Retail Entitlement Offer, which is part of the Entitlement Offer by NEXTDC of New Shares to raise approximately A\$618 million. Capitalised terms in this section have the meaning given to them in this Retail Offer Booklet.

The Retail Entitlement Offer is made in accordance with section 708AA Corporations Act (as notionally modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73). This Retail Offer Booklet does not contain all of the information which an investor may require to make an informed investment decision. The information in this Retail Offer Booklet does not constitute financial product advice and does not take into account your investment objectives, financial situation or particular needs.

This Retail Offer Booklet should be read in its entirety (including the accompanying Entitlement and Acceptance Form) before you decide to participate in the Retail Entitlement Offer. This Retail Offer Booklet is not a **prospectus under the Corporations Act and has not been lodged with ASIC. Please contact your professional advisor or the NEXTDC offer information line on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday if you have any questions.**

### Documents relevant to the Retail Entitlement Offer

Before deciding to invest in New Shares, you should carefully consider this Retail Offer Booklet; NEXTDC's constitution, which outlines the rights of New Shares; and NEXTDC's continuous disclosure notices lodged with ASX (available at [www.asx.com.au](http://www.asx.com.au)).

By returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you acknowledge that you have read this Retail Offer Booklet and you have acted in accordance with and agree to the terms of the Retail Entitlement Offer detailed in this Retail Offer Booklet.

### No offering outside Australia and New Zealand

This Retail Offer Booklet and the accompanying Entitlement and Acceptance Form do not constitute an offer or invitation in any place in which, or to any person to whom, it would not be lawful to make such an offer or invitation. In particular, this Retail Offer Booklet does not constitute an offer to Ineligible Retail Shareholders and may not be distributed in the United States and the New Shares may not be offered or sold, directly or indirectly, to persons in the United States.

This Retail Offer Booklet is not to be distributed in, and no offer of New Shares is to be made, in countries other than Australia and New Zealand without the express written consent of NEXTDC.

No action has been taken to register or qualify the Retail Entitlement Offer, the Entitlements or the New Shares, or otherwise permit the public offering of the New Shares, in any jurisdiction other than Australia and New Zealand.

The distribution of this Retail Offer Booklet (including an electronic copy) outside Australia and New Zealand, is restricted by law. If you come into possession of the information in this Retail Offer Booklet, you should observe such restrictions and should seek your own advice on such restrictions. Any non-compliance with these restrictions may contravene applicable securities laws.

Foreign exchange control restrictions or restrictions on remitting funds from your country to Australia may apply. Your Application for New Shares is subject to all requisite authorities and clearances being obtained for NEXTDC to lawfully receive your Application Monies.

### New Zealand

The New Shares are not being offered to the public within New Zealand other than to existing Shareholders of the Company with registered addresses in New Zealand to whom the offer of these securities is being made in reliance on the Financial Markets Conduct (Incidental Offers) Exemption Notice 2021.

This Retail Offer Booklet has been prepared in compliance with Australian law and has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013. This Retail Offer Booklet is not a product disclosure statement under New Zealand law and is not required to, and may not, contain all the information that a product disclosure statement under New Zealand law is required to contain.

### United States disclaimer

None of the information in this Retail Offer Booklet (including the Investor Presentation and the accompanying ASX announcements) or the accompanying Entitlement and Acceptance Form constitutes an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither this Retail Offer Booklet (or any part of it), the Investor Presentation, the accompanying ASX announcement nor the accompanying Entitlement and Acceptance Form may be released or distributed directly or indirectly, to persons in the United States.

Neither the Entitlements nor the New Shares have been, nor will be, registered under the U.S. Securities Act of 1933, as amended or the securities laws of any state or other jurisdiction of the United States. The Entitlements may not be taken up or exercised by, and the New Shares issued pursuant to the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to persons in the United States or to persons (including nominees or custodians) who are acting for the account or benefit of a person in the United States. The Entitlements and the New Shares to be offered and sold in the Retail

Entitlement Offer may only be offered and sold outside the United States in "offshore transactions" (as defined in Rule 902(h) under the US Securities Act) in reliance on Regulation S under the US Securities Act.

### Definitions, time and currency

Defined terms used in this Retail Offer Booklet are contained in Section 7. All references to time are to Sydney time, unless otherwise indicated.

All references to 'A\$' are AUD unless otherwise noted.

### Taxation

There will be tax implications associated with participating in the Retail Entitlement Offer and receiving New Shares. Section 6 provides for a general guide to the Australian income tax, goods and services tax and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders. The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. NEXTDC recommends that you consult your professional tax adviser in connection with the Retail Entitlement Offer.

### Privacy

NEXTDC collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's shareholding in NEXTDC.

By submitting an Entitlement and Acceptance Form, you will be providing personal information to NEXTDC (directly or through the Share Registry). NEXTDC collects, holds and will use that information to assess your Application. NEXTDC collects your personal information to process and administer your shareholding in NEXTDC and to provide related services to you. NEXTDC may disclose your personal information for purposes related to your shareholding in NEXTDC, including to the Share Registry, NEXTDC's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory bodies. NEXTDC's Privacy Policy, available at <https://www.nextdc.com/privacy-policy>, explains how NEXTDC will store personal information and how you may access, correct or complain about the handling of personal information.

### Governing law

This Retail Offer Booklet, the Retail Entitlement Offer and the contracts formed on acceptance of the Applications are governed by the law of New South Wales, Australia. Each Applicant submits to the exclusive jurisdiction of the courts of New South Wales, Australia.

### No representations

No person is authorised to give any information or to make any representation in connection with the Retail Entitlement Offer which is not contained in this Retail Offer Booklet. Any information or representation in connection with the Retail Entitlement Offer not contained in the Retail Offer Booklet may not be relied upon as having been authorised by NEXTDC or its related bodies corporate or affiliates or any of their respective directors, officers, employees, partners, consultants, contractors, agents, advisers or representatives (**Beneficiaries**). Except as required by law, and only to the extent so required, none of NEXTDC or any of its Beneficiaries, nor any other person, warrants or guarantees the future performance of NEXTDC or any return on any investment made pursuant to this Retail Offer Booklet.

### Past performance

Investors should note that NEXTDC's past performance, including past share price performance, cannot be relied upon as an indicator of (and provides no guarantee or guidance as to) NEXTDC's future performance including NEXTDC's future financial position or share price performance.

### Future performance

This Retail Offer Booklet contains certain forward looking statements with respect to the financial condition, results of operations, projects and business of NEXTDC and certain plans, objectives and strategies of the management of NEXTDC. Forward looking statements include those containing words such as: "anticipate", "believe", "expect", "estimate", "should", "will", "plan", "could", "may" "intends", "guidance", "project", "forecast", "target", "likely" and other similar expressions, and include, but are not limited to, statements regarding the conduct, outcome and effects of the Retail Entitlement Offer and the use of proceeds. Any forward looking statements, opinions and estimates provided in this Retail Offer Booklet are based on assumptions and contingencies which are subject to change without notice and involve known and unknown risks and uncertainties and other factors which are beyond the control of NEXTDC, the Beneficiaries and the Joint Lead Manager Parties (defined below). This includes any statements about market and industry trends, which are based on interpretations of current market conditions. Forward looking statements may include, but are not limited to, projections, guidance on future revenues, earnings, dividends and estimates.

Forward-looking statements are provided as a general guide only and there can be no assurance that actual outcomes will not differ materially from these statements. Neither NEXTDC, nor any other person, gives any representation, warranty, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statement will actually occur. In particular, such forward-looking statements are subject to significant uncertainties and contingencies, many of which are outside the control of NEXTDC. A number of important factors could cause actual results or performance to differ materially from the forward looking statements. Investors should consider the forward

looking statements contained in this Retail Offer Booklet in light of those disclosures.

The forward looking statements are based on information available to NEXTDC as at the date of this Retail Offer Booklet. Except as required by law or regulation (including the ASX Listing Rules), NEXTDC is under no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise.

Investors are strongly cautioned not to place undue reliance on forward-looking statements, particularly in light of the ongoing COVID-19 pandemic, current economic climate and geopolitical tensions including the conflict in Ukraine.

None of the Joint Lead Manager Parties have authorised, approved or verified any forward-looking statements.

#### **Joint Lead Managers**

Neither of the Joint Lead Managers, nor any of their respective affiliates, related bodies corporate (as that term is defined in the Corporations Act), nor any of their respective directors, employees, officers, representatives, agents, partners, consultants and advisers or intermediaries (together the **Joint Lead Manager Parties**), nor the advisers to NEXTDC or any other person including clients named in this document, have authorised, permitted or caused the issue or lodgement, submission, dispatch or provision of this Retail Offer Booklet (or any other materials released by NEXTDC) and, except to the extent referred to in this Retail Offer Booklet, none of them makes or purports to make any statement in this Retail Offer Booklet and there is no statement in this Retail Offer Booklet which is based on any statement by any of them.

Each Joint Lead Manager is a full service financial institution engaged in various activities, which may include trading, financing, financial advisory, investment management, research, principal investment, hedging, market making, brokerage and other financial and non-financial activities including for which they have received or may receive customary fees and expenses.

Each Joint Lead Manager is acting for and providing services to NEXTDC in relation to the Entitlement Offer and will not be acting for or providing services to Shareholders or potential investors. Each Joint Lead Manager has been engaged solely as an independent contractor and is acting solely in a contractual relationship on an arm's length basis with NEXTDC. The engagement of the Joint Lead Managers is not intended to create any fiduciary obligations, agency or other relationship between the Joint Lead Managers and the NEXTDC, Shareholders or potential investors.

The Joint Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from NEXTDC.

#### **Disclaimer**

Determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of NEXTDC and the Joint Lead Managers. To the maximum extent permitted by law, each of NEXTDC and the Joint Lead Manager Parties and each of their respective affiliates disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion. To the maximum extent permitted by law, the Joint Lead Manager Parties disclaim all liability for any expenses, losses, damages or costs incurred by you as a result of your participation in the Retail Entitlement Offer and the information in this Retail Offer Booklet being inaccurate or due to information being omitted from this Retail Offer Booklet, whether by way of negligence or otherwise, and make no representation or warranty, express or implied, as to the currency, accuracy, reliability or completeness of the information in this Retail Offer Booklet.

The Joint Lead Manager Parties take no responsibility for any part of this Retail Offer Booklet or any action taken by you on the basis of this Retail Offer Booklet. To the maximum extent permitted by law, the Joint Lead Manager Parties exclude and disclaim all liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Retail Offer Booklet or otherwise arising in connection with it.

The Joint Lead Manager Parties make no recommendation as to whether you or your related parties should participate in the Retail Entitlement Offer nor do they make any representations or warranties, express or implied, to you concerning the Entitlement Offer or any such information, and by returning an Entitlement and Acceptance Form or otherwise paying for your New Shares through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form, you represent, warrant and agree that you have not relied on any statements made by the Joint Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally and you further expressly disclaim that you are in a fiduciary relationship with any of them.

#### **Risks**

Refer to the 'Key risks' section of the Investor Presentation included in Section 4 of this Retail Offer Booklet for a summary of general and specific risk factors that may affect NEXTDC. You should consider these risks carefully in light of your personal circumstances, including financial and taxation issues, before making an investment decision in connection with the Retail Entitlement Offer.

#### **No cooling off**

Cooling off rights do not apply to an investment in New Shares. You cannot withdraw an Application once it has been accepted.

#### **Trading New Shares**

NEXTDC will have no responsibility and disclaims all liability (to the maximum extent permitted by law) to persons who trade New Shares they believe will be issued to them before they receive their holding statements, whether on the basis of confirmation of the allocation provided by NEXTDC or the Share Registry or otherwise, or who otherwise trade or purport to trade New Shares in error or which they do not hold or are not entitled to.

#### **No Entitlements trading**

Entitlements are non-renounceable and cannot be traded on ASX or any other exchange, nor can they be privately transferred.

#### **Electronic communications**

If you are accessing your personalised Entitlement and Acceptance Form and this Retail Offer Booklet on an internet website, you understand that you are responsible for protecting against viruses and other destructive items which might compromise confidentiality and your details. Your use of the online Retail Offer Booklet or Entitlement Offer website which can be accessed at <https://events.miraqle.com/nxt-offer> is at your own risk and it is your responsibility to take precautions to ensure that it is free from viruses, items of a destructive nature or items which might compromise confidentiality.

If you are receiving this Retail Offer Booklet in an electronic form, you are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently NEXTDC and its Beneficiaries do not accept any liability or responsibility whatsoever (including for any fault or negligence) in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from the Share Registry.

#### **This Retail Offer Booklet is subject to change without notice**

This Retail Offer Booklet is subject to change without notice, and NEXTDC is not responsible for updating this Retail Offer Booklet. NEXTDC may in its absolute discretion, but without being under any obligation to do so, update or supplement this Retail Offer Booklet. Any further information will be provided subject to the terms and conditions contained in this "Important Notices". NEXTDC reserves the right to withdraw the Retail Entitlement Offer or vary the Timetable for the Retail Entitlement Offer without notice.

## Chairman's letter

Thursday, 18 May 2023

Dear Shareholder

I am pleased to offer you the opportunity to participate in NEXTDC's recently announced, fully underwritten 1 for 8 pro-rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares in NEXTDC ("**New Shares**") at an offer price of A\$10.80 ("**Offer Price**") per New Share (the "**Entitlement Offer**").

The Offer Price of A\$10.80 per New Share represents an 7.5% discount to the Theoretical Ex-Rights Price ("**TERP**")<sup>1</sup> of A\$11.67.

### Entitlement Offer and Use of Proceeds

On Thursday, 11 May 2023, NEXTDC announced its intention to raise approximately A\$618 million via the Entitlement Offer.

The net proceeds received from the Entitlement Offer are intended to be used to fund the Company's proposed new data centre developments in Kuala Lumpur (KL1) and Auckland (AK1) as well as fund the capital expenditure for the accelerated data hall fitout at NEXTDC's S3 data centre in support of recently announced customer contract wins, together with transaction costs and other corporate purposes.

As announced to ASX on 15 May 2023, NEXTDC has now raised approximately A\$416 million from NEXTDC's Eligible Institutional Shareholders ("**Institutional Entitlement Offer**"). The Institutional Entitlement Offer received strong support from NEXTDC's Eligible Institutional Shareholders, with a take up rate of approximately 99%. The New Shares issued under the Institutional Entitlement Offer are expected to commence trading on Wednesday, 24 May 2023.

Attached to this letter is the Retail Offer Booklet ("**Retail Offer Booklet**") relating to the retail component of the Entitlement Offer ("**Retail Entitlement Offer**"). The Retail Entitlement Offer is expected to raise approximately A\$202 million.

### Retail Entitlement Offer

Under the Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same price as the institutional investors who participated in the Institutional Entitlement Offer. Eligible Retail Shareholders can subscribe for 1 New Share for every 8 Existing Shares they hold as at 7.00pm (Sydney time) on Monday, 15 May 2023 ("**Record Date**"). The number of New Shares for which you are entitled to subscribe under the Retail Entitlement Offer ("**Entitlement**") is set out in your personalised Entitlement and Acceptance Form that is enclosed in this Retail Offer Booklet.

If you take up your full Entitlement, you may also apply for additional New Shares up to a maximum of 100% in excess of your Entitlement, at the Offer Price ("**Top Up Facility**"). Additional New Shares will only be available where there is a shortfall between Applications received from Eligible Retail Shareholders and the number of New Shares proposed to be issued under the Retail Entitlement Offer. NEXTDC retains the flexibility to scale back Applications for additional New Shares at its discretion (refer to Section 3.3 of this Retail Offer Booklet for more information).

The Entitlement Offer is non-renounceable and therefore your Entitlements will not be tradeable on the ASX or otherwise transferable. This means that Eligible Retail Shareholders who do not take up their full Entitlement will not receive any payment or value for those Entitlements and their percentage holding in NEXTDC will be reduced. I encourage you to consider this offer carefully.

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<sup>1</sup> The Theoretical Ex Rights Price is the theoretical price at which NEXTDC shares should trade immediately following the ex date for the Entitlement Offer. TERP is calculated by reference to NEXTDC's closing price of A\$11.78 on 10 May 2023, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which NEXTDC shares trade immediately after the ex date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

## Other information

This Retail Offer Booklet contains important information, including:

- ASX announcements relating to the Entitlement Offer, including the Investor Presentation released to the ASX on Thursday, 11 May 2023, providing information on NEXTDC, the Entitlement Offer and key risks for you to consider;
- instructions on how to apply, detailing how to participate in the Retail Entitlement Offer if you choose to do so, and a Timetable of key dates;
- a personalised Entitlement and Acceptance Form which details your Entitlement, to be completed in accordance with the instructions in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form; and
- instructions on how to take up all or part of your Entitlement via BPAY® or by EFT.

### **The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 31 May 2023.**

If you decide to take this opportunity to increase your investment in NEXTDC please ensure that, before 5.00pm (Sydney time) on Wednesday, 31 May 2023, you have paid your Application Monies preferably via BPAY® pursuant to the instructions that are set out in the enclosed Entitlement and Acceptance Form or your completed Entitlement and Acceptance Form and your Application Monies are received in cleared funds by the Share Registry.

If you do not wish to take up any of your Entitlement, you do not have to take any action.

Please read in full the details on how to submit your Application which are set out in this Retail Offer Booklet. For further information regarding the Retail Entitlement Offer, please call 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday, or visit our website at [www.nextdc.com](http://www.nextdc.com).

If you are uncertain about taking up your Entitlement you should consult your stockbroker, solicitor, accountant or other professional adviser to evaluate whether or not to participate in the Retail Entitlement Offer.

On behalf of the board of NEXTDC, I have pleasure in inviting you to consider this investment opportunity and thank you for your ongoing support of the Company.

Yours sincerely



**Douglas Flynn**  
Non-Executive Chairman

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## Key dates

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| Activity                                                                                                                             | Date                          |
|--------------------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Announcement of the Entitlement Offer                                                                                                | Thursday, 11 May 2023         |
| Record Date for Entitlement Offer (7.00pm Sydney time)                                                                               | Monday, 15 May 2023           |
| Retail Offer Booklet and Entitlement and Acceptance Form made available                                                              | Thursday, 18 May 2023         |
| <b>Retail Entitlement Offer opens</b>                                                                                                | <b>Thursday, 18 May 2023</b>  |
| Settlement of New Shares under the Institutional Entitlement Offer                                                                   | Tuesday, 23 May 2023          |
| Allotment and issue of New Shares under the Institutional Entitlement Offer and commencement of trading on a normal settlement basis | Wednesday, 24 May 2023        |
| <b>Retail Entitlement Offer closes (5.00pm Sydney Time)</b>                                                                          | <b>Wednesday, 31 May 2023</b> |
| Announcement of the results of the Retail Entitlement Offer                                                                          | Monday, 5 June 2023           |
| Settlement of New Shares issued under the Retail Entitlement Offer                                                                   | Tuesday, 6 June 2023          |
| Allotment and issue of New Shares under the Retail Entitlement Offer                                                                 | Wednesday, 7 June 2023        |
| Commencement of trading of New Shares issued under the Retail Entitlement Offer on a normal settlement basis                         | Thursday, 8 June 2023         |
| Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer                                              | Friday, 9 June 2023           |

*This Timetable above is indicative only and may change. NEXTDC reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, NEXTDC reserves the right to extend the Closing Date for the Retail Entitlement Offer, to accept late Applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the Closing Date will have a consequential effect on the allotment date of New Shares.*

*NEXTDC also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.*

## Enquiries

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Telephone: 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.

Alternatively, contact your stockbroker, solicitor, accountant or other professional adviser.

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## 1 Summary of options available to you

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If you are an Eligible Retail Shareholder<sup>2</sup>, you may take one of the following actions:

- take up all of your Entitlement or take up all of your Entitlement and apply for additional New Shares under the Top Up Facility;
- take up part of your Entitlement and allow the balance to lapse; or
- do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements.

If you are a retail Shareholder that is not an Eligible Retail Shareholder, you are an “**Ineligible Retail Shareholder**”. Ineligible Retail Shareholders are not entitled to participate in the Entitlement Offer.

| Options available to you                                                                                                            | Key considerations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1. Take up all of your Entitlement or take up all of your Entitlement and apply for additional New Shares under the Top Up Facility | <ul style="list-style-type: none"><li>• You may elect to purchase New Shares at the Offer Price (see Section 3 “How to Apply” for instructions on how to take up your Entitlement).</li><li>• The New Shares will rank equally in all respects with Existing Shares.</li><li>• The Retail Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 31 May 2023.</li><li>• If you take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. There is no guarantee that you will be allocated any additional New Shares under the Top Up Facility.</li></ul> |
| 2. Take up part of your Entitlement and allow the balance to lapse                                                                  | <ul style="list-style-type: none"><li>• If you only take up part of your Entitlement, the part not taken up will lapse. You will not be entitled to apply for additional New Shares under the Top Up Facility.</li><li>• If you do not take up your Entitlement in full you will not receive any payment or value for those Entitlements not taken up.</li><li>• If you do not take up your Entitlement in full, you will have your percentage holding in NEXTDC reduced as a result of the Entitlement Offer.</li></ul>                                                                                        |
| 3. Do nothing, in which case your Entitlement will lapse and you will receive no value for those lapsed Entitlements                | <ul style="list-style-type: none"><li>• If you do not take up your Entitlement, you will not be allocated New Shares and your Entitlements will lapse. Your Entitlement to participate in the Retail Entitlement Offer is non-renounceable, which means they are non-transferrable and cannot be sold, traded on ASX or any other exchange, nor can they be privately transferred.</li><li>• This means that if you do not take up your full Entitlement, you will not receive any payment or value for those Entitlements and your percentage holding in NEXTDC will be reduced.</li></ul>                     |

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<sup>2</sup> See Section 2.5.

## 2 Overview of the Entitlement Offer

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### 2.1 Important information

You should read the enclosed carefully and in their entirety before making a decision about your Entitlement:

- Important Notices;
- Chairman's letter;
- ASX Announcements, including the Investor Presentation<sup>3</sup> (an in particular the 'Key risks' section of the Investor Presentation);
- Additional Information;
- Entitlement and Acceptance Form; and
- other information made publicly available by NEXTDC.

### 2.2 Overview

NEXTDC intends to raise approximately A\$618 million under the Entitlement Offer.

NEXTDC intends to use the proceeds of the Entitlement Offer:

- to fund the Company's proposed new data centre development in Kuala Lumpur (KL1) and Auckland (AK1);
- to fund the additional fit out investment at its S3 data centre;
- to pay for the costs of the Entitlement Offer; and
- for other general corporate purposes.

The Entitlement Offer is an offer of approximately 57.2 million New Shares at A\$10.80 per New Share.

The Entitlement Offer has two components:

- (a) the Institutional Entitlement Offer – Eligible Institutional Shareholders were given the opportunity to take up all or part of their Entitlement, and a bookbuild process to sell Entitlements not taken up by Eligible Institutional Shareholders as well as Entitlements of Ineligible Institutional Shareholders at the Offer Price was carried out. The Institutional Entitlement Offer raised approximately A\$416 million<sup>4</sup>; and
- (b) the Retail Entitlement Offer – Eligible Retail Shareholders will be allotted Entitlements under the Retail Entitlement Offer which can be taken up in whole or in part. In addition, Eligible Retail Shareholders who take up their full Entitlement may also participate in the Top Up Facility by applying for additional New Shares in excess of their Entitlement, at the Offer Price. The Retail Entitlement Offer, including any New Shares issued pursuant to the Top Up Facility, is expected to raise approximately A\$202 million.

Both the Institutional Entitlement Offer and the Retail Entitlement Offer are non-renounceable.

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<sup>3</sup> The enclosed ASX Announcements, including the Investor Presentation are current as at Thursday, 11 May 2023. There may be other announcements that have been, or may be, made by NEXTDC after Thursday, 11 May 2023 and, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 31 May 2023 that may be relevant in your consideration of whether to take part in the Retail Entitlement Offer. Therefore, it is prudent that you check whether any further announcements have been made by NEXTDC before submitting an Application.

<sup>4</sup> This amount is current as at Monday, 15 May 2023 and is subject to final reconciliations being determined under the Institutional Entitlement Offer.

New Shares issued under the Retail Entitlement Offer are to be issued at the same price as New Shares issued under the Institutional Entitlement Offer. In addition, Shareholders' Entitlements under the Institutional Entitlement Offer and the Retail Entitlement Offer are calculated based on the same ratio.

## **2.3 Institutional Entitlement Offer**

NEXTDC has already raised approximately A\$416 million from Eligible Institutional Shareholders as part of the Institutional Entitlement Offer. New Shares are expected to be issued under the Institutional Entitlement Offer and commence trading on Wednesday, 24 May 2023.

NEXTDC's ASX announcement of Monday, 15 May 2023, in relation to completion of the Institutional Entitlement Offer, is set out in Section 4.

## **2.4 Retail Entitlement Offer**

The Retail Entitlement Offer is being made pursuant to section 708AA of the Corporations Act (as modified by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84 and ASIC Corporations (Disregarding Technical Relief) Instrument 2016/73) which allows rights issues to be offered without a prospectus, provided certain conditions are satisfied.

As a result, this offer is not being made under a prospectus and it is important for Eligible Retail Shareholders to read and understand the information on NEXTDC and the Retail Entitlement Offer made publicly available, prior to taking up all or part of their Entitlement. In particular, please refer to the materials enclosed in Section 4, NEXTDC's interim and annual reports, other announcements made available at [www.nextdc.com](http://www.nextdc.com) or [www.asx.com.au](http://www.asx.com.au) (including NEXTDC's half year report for the six months ended 31 December 2022 released to ASX on 28 February 2023) and all other parts of this Retail Offer Booklet carefully before making any decisions in relation to your Entitlement.

The Retail Entitlement Offer constitutes an offer to Eligible Retail Shareholders, who are invited to apply for 1 New Share for every 8 Existing Shares held on the Record Date. The Offer Price of A\$10.80 per New Share represents a discount of 7.5% to the TERP.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be sold, transferred or otherwise disposed of.

The Retail Entitlement Offer opens on Thursday, 18 May 2023 and is expected to close at 5.00pm (Sydney time) on Wednesday, 31 May 2023.

## **2.5 Eligibility of Retail Shareholders**

The Retail Entitlement Offer is being offered to all Eligible Retail Shareholders only.

Eligible Retail Shareholders are Shareholders on the Record Date who:

- (a) are registered as a holder of existing NEXTDC shares;
- (b) have a registered address in Australia or New Zealand or are a Shareholder that NEXTDC has otherwise determined is eligible to participate;
- (c) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- (d) NEXTDC determines in its absolute discretion were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- (e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer,

provided (for the avoidance of doubt) that if a Shareholder (including a nominee, trustee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of that person.

**Ineligible Retail Shareholders** are Shareholders who are not Eligible Retail Shareholders, Eligible Institutional Shareholders, or Ineligible Institutional Shareholders.

NEXTDC has determined that it is unreasonable to extend the Retail Entitlement Offer to Ineligible Retail Shareholders because of the small number of such Shareholders, the number and value of Shares that they hold and the cost of complying with the applicable regulations in jurisdictions outside Australia and New Zealand, but reserves its right to do so (subject to compliance with relevant laws).

## **3 How to apply**

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### **3.1 Your Entitlement**

An Entitlement and Acceptance Form setting out your Entitlement (calculated as 1 New Share for every 8 Existing Shares held on the Record Date with fractional Entitlements rounded up to the nearest whole number of New Shares) accompanies this Retail Offer Booklet. Eligible Retail Shareholders may subscribe for all or part of their Entitlement. If you have more than one registered holding of Shares, you will be sent more than one personalised Entitlement and Acceptance Form and you will have separate Entitlements for each separate holding.

Any New Shares not taken up by the Closing Date may be made available to those Eligible Retail Shareholders who took up their full Entitlement and applied for additional New Shares under the Top Up Facility. There is no guarantee that such Shareholders will receive the number of New Shares applied for under the Top Up Facility, or any. New Shares under the Top Up Facility will only be allocated to Eligible Retail Shareholders if available and then only if and to the extent that NEXTDC so determines, in its absolute discretion.

Please note that the Entitlement stated on your Entitlement and Acceptance Form may be in excess of the actual Entitlement you may be permitted to take up where, for example, you are holding Shares on behalf of a person in the United States (refer to the definition of Eligible Retail Shareholders in Section 2.5 of this Retail Offer Booklet). Eligible Retail Shareholders who hold Shares in the capacity of a nominee, trustee or custodian (or in any other capacity) for a person that is in the United States, or who are otherwise acting for the account or benefit of a person in the United States, cannot take up Entitlements or purchase New Shares on behalf of that person.

Eligible Retail Shareholders should be aware that an investment in NEXTDC involves risks. The key risks identified by NEXTDC are set out in the section entitled “Key risks” from page 20 of the Investor Presentation (enclosed in Section 4).

### **3.2 Options available to you**

The number of New Shares to which Eligible Retail Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form. Eligible Retail Shareholders may:

- (a) Option 1: take up all of their Entitlement in full and, if they do so, they may apply for additional New Shares under the Top Up Facility (refer to Section 3.3);
- (b) Option 2: take up part of the Entitlement, in which case the balance of the Entitlement would lapse (refer to section to 3.4); or
- (c) Option 3: allow their Entitlement to lapse (refer to Section 3.5).

Ineligible Retail Shareholders may not participate in the Retail Entitlement Offer.

NEXTDC reserves the right to reject any Entitlement and Acceptance Form that is not correctly completed or that is received after the Closing Date.

The Closing Date for acceptance of the Retail Entitlement Offer is **5.00pm (Sydney time) on Wednesday, 31 May 2023** (however, that date may be varied by NEXTDC, in accordance with the Listing Rules and the Underwriting Agreement).

### **3.3 Option 1: Taking up all of your Entitlement or taking up all of your Entitlement and participating in the Top Up Facility**

If you wish to take up all or part of your Entitlement, payment must be made via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment is due by no later than 5.00pm (Sydney time) on Wednesday, 31 May 2023.

If you apply to take up all of your Entitlement, you may also apply for additional New Shares under the Top Up Facility. Any amounts received by NEXTDC in excess of the Offer Price multiplied by your full Entitlement may be treated as an Application to apply for as many additional New Shares under the Top Up Facility as your Application Monies will pay for in full.

If you choose to apply for additional New Shares under the Top Up Facility and if your Application is successful (in whole or in part), your New Shares will be issued to you at the same time that other New Shares are issued under the Retail Entitlement Offer. Additional New Shares under the Top Up Facility will only be allocated to Eligible Retail Shareholders if available. If you apply for additional New Shares, there is no guarantee that you will be allocated any additional New Shares.

### **3.4 Option 2: Taking up part of your Entitlement and allowing the balance to lapse**

If you wish to take up part of your Entitlement, payment must be made via BPAY® by following the instructions set out on the personalised Entitlement and Acceptance Form. If NEXTDC receives an amount that is less than the Offer Price multiplied by your Entitlement, your payment may be treated as an Application for as many New Shares as your Application Monies will pay for in full.

### **3.5 Option 3: Allowing your Entitlement to lapse**

If you do not wish to accept all or any part of your Entitlement, do not take any further action and that part of your Entitlement will lapse.

### **3.6 Consequences of not accepting all or part of your Entitlement**

If you do not accept all or part of your Entitlement in accordance with the instructions set out above, those New Shares for which you would have otherwise been entitled under the Retail Entitlement Offer (including New Shares that relate to the portion of your Entitlement that has not been accepted) may be acquired by Eligible Retail Shareholders under the Top Up Facility, or in turn the Joint Lead Managers and/or sub-underwriters.

By allowing your Entitlement to lapse, you will forgo any exposure to increases or decreases in the value of the New Shares had you taken up your Entitlement and you will not receive any value for your Entitlement. Your interest in NEXTDC will also be further diluted as a result of the Entitlement Offer.

### 3.7 Payment and refunds

Payment should be made using BPAY® if possible. All payments must be in Australian dollars (A\$). New Zealand Shareholders who do not have an Australian bank account will be able to pay by Electronic Funds Transfer (**EFT**) (refer to Section 3.9).

Cash payments will not be accepted. Receipts for payment will not be issued.

NEXTDC will treat you as applying for as many New Shares as your payment will pay for in full up to your Entitlement.

Any Application Monies received for more than your final allocation of New Shares or any scale back in respect of New Shares applied for under the Top Up Facility will be refunded.

Refund amounts, if any, will be paid in Australian dollars (A\$). You will be paid either by direct credit to the nominated bank account as noted on the share register as at the Closing Date or by cheque sent by ordinary post to your address as recorded on the share register (the registered address of the first-named in the case of joint holders). If you wish to advise or change your banking instructions with the Share Registry you may do so by going to [www.linkmarketservices.com](http://www.linkmarketservices.com) and logging into the Investor Centre.

No interest will be paid to Applicants on any Application Monies received or refunded.

If you are unable to pay by BPAY® please call the NEXTDC Limited offer information line on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday and refer below to Section 3.9.

### 3.8 Payment by BPAY®

For payment by BPAY®, please follow the instructions on the personalised Entitlement and Acceptance Form. You can only make payment via BPAY® if you are the holder of an account with an Australian financial institution that supports BPAY® transactions.

If you are paying by BPAY®, please make sure you use the specific Biller Code and your unique Customer Reference Number (**CRN**) on your personalised Entitlement and Acceptance Form. If you have multiple holdings and consequently receive more than one personalised Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those holdings only use the CRN specific to that holding. If you do not use the correct CRN specific to that holding your Application will not be recognised as valid.

Please note that by paying by BPAY®:

- (a) you do not need to submit your personalised Entitlement and Acceptance Form but are taken to make the declarations, representations and warranties on that Entitlement and Acceptance Form and in Section 3.10; and
- (b) if you do not pay for your full Entitlement, you are deemed to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your Application Monies.

It is your responsibility to ensure that your BPAY® payment is received by the Share Registry by no later than 5.00pm (Sydney time) on Wednesday, 31 May 2023. You should be aware that your financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration in the timing of when you make payment.

### 3.9 If you are unable to pay by BPAY®

NEXTDC encourages payments by BPAY® if possible.

If you are a New Zealand Shareholder who is completing a payment by EFT, you should complete your personalised Entitlement and Acceptance Form in accordance with the instructions on the form and return it accompanied by an EFT payment in Australian currency for the amount of the Application Monies, payable to 'NEXTDC Retail Offer'.

It is your responsibility to ensure that your payment by EFT is received by the Share Registry by no later than 5.00pm (Sydney time) on Wednesday, 31 May 2023.

Your EFT payment must be:

- a) for an amount equal to A\$10.80 multiplied by the number of New Shares that you are applying for; and
- b) in Australian currency drawn on an Australian branch of a financial institution. Payment cannot be made in New Zealand dollars. New Zealand resident Shareholders must arrange for payment to be made in Australian dollars.

If you make payment by EFT, you must return your completed personalised Entitlement and Acceptance Form to the Share Registry via contacting the Share Registry at [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au). It is your responsibility to ensure that your payment via EFT and your completed personalised Entitlement and Acceptance Form are received by the Share Registry by no later than 5.00pm (AEDT) on Wednesday 31 May 2023 (being the Closing Date). Further details are set out on your personalised Entitlement and Acceptance Form.

You should ensure that sufficient funds are held in relevant account(s) to cover the Application Monies as your EFT will be processed on the day of receipt. You must use your HIN/SRN as the reference/description of your payment otherwise your payment will not be accepted.

### **3.10 Entitlement and Acceptance Form is binding**

A payment made through BPAY® or a completed and lodged Entitlement and Acceptance Form together with the payment of requisite Application Monies constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Retail Offer Booklet and, once lodged or paid, cannot be withdrawn. If the Entitlement and Acceptance Form is not completed correctly it may still be treated as a valid Application for New Shares. NEXTDC's decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final.

By making a payment by BPAY® or by completing and returning your personalised Entitlement and Acceptance Form with the requisite Application Monies, you will also be deemed to have acknowledged, represented and warranted on behalf of each person on whose account you are acting that:

- (a) you have read and understand this Retail Offer Booklet and your personalised Entitlement and Acceptance Form in their entirety;
- (b) you agree to be bound by the terms of the Retail Entitlement Offer, the provisions of this Retail Offer Booklet, and NEXTDC's constitution;
- (c) you authorise NEXTDC to register you as the holder(s) of New Shares allotted to you;
- (d) all details and statements in the personalised Entitlement and Acceptance Form are complete and accurate;
- (e) you are over 18 years of age and have full legal capacity and power to perform all of your rights and obligations under the personalised Entitlement and Acceptance Form;
- (f) that once NEXTDC receives your personalised Entitlement and Acceptance Form or any payment of Application Monies via BPAY®, you may not withdraw your Application or funds provided except as allowed by law;

- (g) you agree to apply for and be issued up to the number of New Shares specified in the personalised Entitlement and Acceptance Form, or for which you have submitted payment of any Application Monies via BPAY®, at the Offer Price per New Share;
- (h) you authorise NEXTDC, the Joint Lead Managers, the Share Registry and their respective officers or agents to do anything on your behalf necessary for New Shares to be issued to you, including to act on instructions of the Share Registry upon using the contact details set out in your personalised Entitlement and Acceptance Form;
- (i) you acknowledge and agree that:
  - (i) determination of eligibility of investors for the purposes of the institutional or retail components of the Entitlement Offer is determined by reference to a number of matters, including legal and regulatory requirements, logistical and registry constraints and the discretion of NEXTDC and/or the Joint Lead Managers;
  - (ii) each of NEXTDC and the Joint Lead Managers, and each of their respective affiliates, disclaim any duty or liability (including for negligence) in respect of that determination and the exercise or otherwise of that discretion, to the maximum extent permitted by law;
- (j) you represent and warrant (for the benefit of NEXTDC, the Joint Lead Managers and each of their respective related bodies corporate and affiliates) that you did not receive an invitation to participate in the Institutional Entitlement Offer either directly or through a nominee, are not an Ineligible Institutional Shareholder under the Institutional Entitlement Offer and are otherwise eligible to participate in the Retail Entitlement Offer;
- (k) you declare that you were the registered holder(s) at the Record Date of the Shares indicated on the personalised Entitlement and Acceptance Form as being held by you on the Record Date;
- (l) the information contained in this Retail Offer Booklet and your personalised Entitlement and Acceptance Form is not investment advice nor a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs;
- (m) this Retail Offer Booklet is not a prospectus, does not contain all of the information that you may require in order to assess an investment in NEXTDC and is given in the context of NEXTDC's past and ongoing continuous disclosure announcements to ASX;
- (n) you have read the statement of risks in the "Key risks" section of the Investor Presentation included in Section 4 of this Retail Offer Booklet, and that investments in NEXTDC are subject to risk;
- (o) none of NEXTDC, the Joint Lead Managers, or their respective related bodies corporate and affiliates and their respective directors, officers, partners, employees, representatives, agents, consultants or advisers, guarantees the performance of NEXTDC, nor do they guarantee the repayment of capital;
- (p) you agree to provide (and direct your nominee or custodian to provide) any requested substantiation of your eligibility to participate in the Retail Entitlement Offer and of your holding of Shares on the Record Date;
- (q) you authorise NEXTDC to correct any errors in your personalised Entitlement and Acceptance Form or other form provided by you;
- (r) you acknowledge that if you are accessing your personalised Entitlement and Acceptance Form and the Retail Offer Booklet on an internet website, you are responsible for protecting against viruses and other destructive items which might compromise confidentiality and your details and that your use of the online Retail Offer Booklet or the Entitlement Offer website at <https://events.miracle.com/nxt-offer> is at your

own risk and it is your responsibility to take precautions to ensure that it is free from viruses, items of a destructive nature or items which might compromise confidentiality;

- (s) you acknowledge that, if you are receiving this Retail Offer Booklet in an electronic form, documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently none of NEXTDC or its Beneficiaries accepts any liability or responsibility whatsoever (including for any fault or negligence) in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from the Share Registry;
- (t) the law of any place does not prohibit you from being given this Retail Offer Booklet and the personalised Entitlement and Acceptance Form, nor does it prohibit you from making an Application for New Shares and that you are otherwise eligible to participate in the Retail Entitlement Offer;
- (u) you are an Eligible Retail Shareholder and are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States and are not otherwise a person to whom it would be illegal to make an offer or issue New Shares under the Retail Entitlement Offer;
- (v) you are subscribing for or purchasing the New Shares outside the United States in an "offshore transaction" (as defined in Rule 902(h) under the US Securities Act);
- (w) if you are acting as a nominee, trustee or custodian:
  - (i) NEXTDC is not required to determine whether or not any registered Shareholder is acting as a nominee, trustee or custodian or the identity or residence of any beneficial owners of the Shares;
  - (ii) where any holder is acting as a nominee, trustee or custodian for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws and that this is not the responsibility of NEXTDC;
  - (iii) each beneficial holder on whose behalf you are submitting the Entitlement and Acceptance Form is resident in Australia or New Zealand and is not in the United States, and you are not acting for the account or benefit of a person in the United States (to the extent you hold Shares for the account or benefit of a person in the United States), or any other country except as NEXTDC may otherwise permit in compliance with applicable law; and
  - (iv) you have only sent this Retail Offer Booklet, the Entitlement and Acceptance Form and any information relating to the Retail Entitlement Offer to such permitted beneficial Shareholders;
- (x) you acknowledge that the New Shares have not been, and will not be, registered under the US Securities Act or under the laws of any other jurisdiction outside Australia or New Zealand and may not be offered or sold, directly or indirectly, in the United States absent registration except in a transaction exempt from, or not subject to, the registration requirements of the US Securities Act and any other applicable securities laws;
- (y) if in the future you decide to sell or otherwise transfer any New Shares, you will only do so in "regular way" transactions on the ASX where neither you nor any person acting on your behalf knows, or has reason to know, that the sale has been pre-arranged with, or that the purchaser is, a person in the United States; and
- (z) you have not and will not send any materials relating to the Retail Entitlement Offer to any person in the United States or to any person (including nominees or custodians) acting for the account or benefit of a person in the United States.

### **3.11 Brokerage and stamp duty**

No brokerage fee is payable by Eligible Retail Shareholders who accept their Entitlement. No stamp duty is payable for subscribing for New Shares under the Retail Entitlement Offer or for additional New Shares under the Top Up Facility.

### **3.12 Notice to nominees and custodians**

The Retail Entitlement Offer is being made to all Eligible Retail Shareholders. Nominees with registered addresses in the eligible jurisdictions, irrespective of whether they participate under the Institutional Entitlement Offer, may also be able to participate in the Retail Entitlement Offer in respect of some or all of the beneficiaries on whose behalf they hold Existing Shares, provided that the applicable beneficiary would satisfy the criteria for an Eligible Retail Shareholder.

Nominees and custodians who hold Shares as nominees or custodians will have received, or will shortly receive, a letter from NEXTDC. Nominees and custodians should consider carefully the contents of that letter and note in particular that the Retail Entitlement Offer is not available to:

- (a) beneficiaries on whose behalf they hold Existing Shares who would not satisfy the criteria for an Eligible Retail Shareholder;
- (b) Eligible Institutional Shareholders who received an offer to participate in the Institutional Entitlement Offer (whether they accepted their Entitlement or not);
- (c) Ineligible Institutional Shareholders who were ineligible to participate in the Institutional Entitlement Offer; or
- (d) Shareholders who are not eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

In particular, persons acting as nominees for other persons may not take up Entitlements on behalf of, or send any documents relating to the Retail Entitlement Offer to, any person in the United States.

NEXTDC is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of Shares. Where any holder is acting as a nominee for a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Retail Entitlement Offer is compatible with applicable foreign laws. NEXTDC is not able to advise on foreign laws.

### **3.13 Withdrawal of the Entitlement Offer**

Subject to applicable law, NEXTDC reserves the right to withdraw the Entitlement Offer at any time before the issue of New Shares, in which case NEXTDC will refund any Application Monies already received in accordance with the Corporations Act and will do so without interest being payable to Applicants.

To the fullest extent permitted by law, you agree that any Application Monies paid by you to NEXTDC will not entitle you to receive any interest and that any interest earned in respect of Application Monies will belong to NEXTDC.

### **3.14 Enquiries**

If you have not received or you have lost your personalised Entitlement and Acceptance Form, or have any questions regarding the Entitlement Offer, please contact the NEXTDC Offer Information Line on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia) at any time from 8.30am to 5.30pm (Sydney time) Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 31 May 2023. If you have any further questions, you should contact your stockbroker, solicitor, accountant or other professional adviser.

Eligible Retail Shareholders should be aware that an investment in NEXTDC involves risks. The key risks identified by NEXTDC are set out from page 20 of the Investor Presentation (in Section 4).



NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

# ASX Release

11 May 2023

## Regional Expansion and A\$618 million Entitlement Offer

NEXTDC Limited (**ASX: NXT**) ("**NEXTDC**" or "**the Company**") is pleased to announce two new data centre developments, as part of NEXTDC's regional expansion strategy, on recently acquired commercial property sites: Kuala Lumpur, Malaysia ("**KL1**") and Auckland, New Zealand ("**AK1**") ("**New Sites**").

The Company will fund the development of data centres on the New Sites, together with an accelerated fit out at S3, following the 35.9MW increase in contracted utilisation announced to the ASX on 12 April 2023, via a ~A\$618 million fully underwritten 1 for 8 pro-rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares in NEXTDC ("**New Shares**") ("**Entitlement Offer**").

### Highlights

- KL1 is located ~10km from the Kuala Lumpur CBD, with total power planned of 65MW<sup>1</sup>
- AK1 is located in the Auckland CBD, with total power planned of 10MW+<sup>2,3</sup>
- Both New Sites are expected to reach practical completion of Phase 1 build in 1H FY26
- 1 for 8 Entitlement Offer is priced at A\$10.80 per New Share ("**Offer Price**"), representing 7.5% discount to the TERP<sup>4</sup> of A\$11.67
- Following completion of the Entitlement Offer, NEXTDC will have pro-forma tangible asset backing of ~A\$3.8 billion and pro-forma liquidity of ~A\$2.6 billion<sup>5</sup>

### Updated FY23 Guidance

NEXTDC provides the following update to its FY23 guidance provided at the time of the Company's 1H FY23 announcement on 28 February 2023:

- Data centre services revenue in the range of A\$350 million to A\$360 million (previously the upper end of the A\$340 million to A\$355 million range)
- Underlying EBITDA in the range of A\$192 million to A\$196 million (previous range: A\$190 million to A\$198 million)
- Capital expenditure in the range of A\$670 million to A\$720 million (previous range: A\$620 million to A\$670 million)
  - This range has been updated to reflect the recently acquired land for KL1 of ~A\$53 million

<sup>1</sup> Initial capital expenditure for Phase 1 of KL1 is projected to deliver IT capacity of 7.5MW.

<sup>2</sup> Initial capital expenditure for Phase 1 of AK1 is projected to deliver IT capacity of 1.7MW.

<sup>3</sup> AK1 is capable of up to 15MW based on higher density deployments.

<sup>4</sup> The Theoretical Ex-Rights Price ("**TERP**") is the theoretical price at which NEXTDC shares should trade immediately following the ex-date for the Entitlement Offer. TERP is calculated by reference to NEXTDC's closing price of A\$11.78 on 10 May 2023, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which NEXTDC shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

<sup>5</sup> Pro-forma liquidity represented by cash of A\$364 million at 31 December 2022 adjusted for new drawn debt of A\$100 million as referenced in NEXTDC's ASX Announcement of 13 January 2022 and the proceeds of the Entitlement Offer of ~A\$618 million, both net of transaction costs, together with undrawn debt facilities of A\$1.5 billion also referenced in the ASX Announcement of 13 January 2022.

## Entitlement Offer

NEXTDC is today launching the Entitlement Offer with net proceeds raised to fund new incremental growth initiatives including the proposed new data centre developments of KL1 and AK1 and accelerated mechanical, electrical and data hall fit out at S3 in light of the increase in contracted utilisation at that site.

In total, NEXTDC intends to invest:

- ~A\$250 million<sup>6</sup> in the development of KL1;
- ~A\$140 million<sup>7</sup> in the development of AK1; and
- ~A\$150 million on accelerating the fit out of S3.

The remainder of the proceeds from the Entitlement Offer will be used for general corporate purposes and the payment of transaction costs associated with this Entitlement Offer.

The Entitlement Offer comprises a 1 for 8 pro-rata accelerated non-renounceable entitlement offer to raise ~A\$618 million. The Entitlement Offer is being offered at a price of A\$10.80 per New Share, which represents a discount of 7.5% to the TERP of A\$11.67.

Under the Entitlement Offer, eligible shareholders are invited to subscribe for 1 New Share for every 8 existing fully paid ordinary shares in NEXTDC held at 7.00pm (Sydney time) on 15 May 2023 ("**Existing Shares**"). New Shares issued under the Entitlement Offer will be fully paid and rank equally in all respects with Existing Shares from allotment.

The Entitlement Offer comprises an institutional component ("**Institutional Entitlement Offer**") and retail component ("**Retail Entitlement Offer**").

NEXTDC's CEO and Managing Director Craig Scroggie and all eligible Non-Executive Directors have committed to individually take up all of their respective entitlements under the Retail Entitlement Offer.

The Entitlement Offer is fully underwritten by the joint lead managers and bookrunners (the "**Joint Lead Managers**").

## New Sites Acquired in Kuala Lumpur and Auckland

NEXTDC's expansion into Malaysia and New Zealand leverages its proven business model and key relationships into complementary, adjacent geographic markets. The Company has recently purchased and settled on new commercial property sites in Kuala Lumpur, Malaysia, and Auckland, New Zealand.

Advanced plans are in place for both the construction and operation of the new data centres. Construction at AK1 and KL1 is expected to commence in FY24 with the sites targeting practical completion in 1H FY26. Both AK1 and KL1 will be 100% owned by NEXTDC and benefit from access to supporting infrastructure.

Commenting on the New Sites, Chief Executive Officer, Mr Craig Scroggie said:

*"We are thrilled to announce our expansion into Malaysia and New Zealand, which marks an important milestone in our growth strategy. Building upon the success we have achieved in Australia over the past decade, we aim to replicate our proven business model in these new markets. As always, our focus remains on creating a highly diversified ecosystem of enterprise, connectivity, cloud, and managed service provider customers. New Zealand and Malaysia are just the first greenfield geographic expansion opportunities outside of Australia, and we are excited about the possibilities ahead."*

<sup>6</sup> Amount includes the new commercial property site acquisition cost of ~A\$53 million (recently settled in 2H FY23).

<sup>7</sup> Amount excludes the new commercial property site acquisition cost of ~A\$21 million (settled 1H FY23).

## Accelerated Fitout at S3

On 12 April 2023, NEXTDC announced to the ASX that following recent contract wins, the Company's contracted utilisation increased by 35.9MW (43%) to 120 MW<sup>8</sup>. As a result of these contract wins, S3 has now achieved contracted utilisation equivalent to 46% of total planned capacity with the overall contracted utilisation significantly exceeding the facility's built capacity.

Accordingly, the Company today announces its decision to accelerate the development of the fit out at S3, and in doing so, NEXTDC will seek to ensure it can meet customer obligations and continues to be best positioned for future growth.

## Additional Information on the Entitlement Offer

### Institutional Entitlement Offer

Eligible Institutional Shareholders<sup>9</sup> will be invited to participate in the Institutional Entitlement Offer, which opens on 11 May 2023. Eligible Institutional Shareholders can choose to take up all, part or none of their entitlements. Institutional entitlements cannot be traded on market.

Institutional entitlements that Eligible Institutional Shareholders do not take up by the close of the Institutional Entitlement Offer, and institutional entitlements that would otherwise have been offered to Ineligible Institutional Shareholders, will be sold at the Offer Price.

### Retail Entitlement Offer

Eligible Retail Shareholders<sup>10</sup> will be invited to participate in the Retail Entitlement Offer at the same Offer Price and offer ratio as the Institutional Entitlement Offer. The Retail Entitlement Offer will open at 10:00am (Sydney time) on 18 May 2023 and close at 5:00pm (Sydney time) on 31 May 2023.

Eligible Retail Shareholders may also apply for additional new shares up to a maximum of 100% in excess of their entitlement, at the Offer Price ("**Top Up Facility**"). Additional New Shares will only be available where there is a shortfall between applications received from Eligible Retail Shareholders and the number of New Shares proposed to be issued under the Retail Entitlement Offer. NEXTDC retains the flexibility to scale back applications for additional New Shares at its discretion.

Further details about the Retail Entitlement Offer will be set out in a retail offer booklet ("**Retail Offer Booklet**"), which NEXTDC expects to lodge with the ASX on 18 May 2023. For Eligible Retail Shareholders who wish to take up all or part of their entitlement, payment must be made via BPAY® or by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment is due by no later than 5.00pm (Sydney time) on 31 May 2023. The Retail Offer Booklet and accompanying Entitlement and Acceptance Form will be sent electronically to those Eligible Retail Shareholders who have elected to receive electronic communications from NEXTDC.

<sup>8</sup> Refer to NEXTDC's ASX announcement dated 12 April 2023.

<sup>9</sup> "**Eligible Institutional Shareholders**" defined as in accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date (being 7:00pm (Sydney time) on 15 May 2023) who: (a) is not an Ineligible Institutional Shareholder; and (b) has successfully received an invitation from the Joint Lead Managers to participate in the Institutional Entitlement Offer (either directly or through a nominee). "**Ineligible Institutional Shareholder**" means a Shareholder who is an institutional or sophisticated Shareholder on the Record Date with a registered address outside Australia and New Zealand or any other jurisdiction that NEXTDC and the Joint Lead Managers agree to whom ASX Listing Rule 7.7.1(a) applies.

<sup>10</sup> "**Eligible Retail Shareholders**" defined as a retail shareholder on the Record Date who: (a) are registered as a holder of existing NEXTDC Existing Shares; (b) have a registered address is Australia or New Zealand; (c) is not in the United States and is not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States; (d) was not invited to participate in The Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

## Entitlement Offer Timetable

| Event                                                                                                | Date                                         |
|------------------------------------------------------------------------------------------------------|----------------------------------------------|
| Trading halt and announcement of Entitlement Offer                                                   | Thursday, 11 May 2023                        |
| Announcement of results of Institutional Entitlement Offer                                           | Monday, 15 May 2023                          |
| Trading halt lifted and NEXTDC shares recommence trading                                             | Monday, 15 May 2023                          |
| Entitlement Offer Record Date                                                                        | 7:00pm (Sydney time), Monday, 15 May 2023    |
| Retail Entitlement Offer opens and Retail Offer Booklet made available                               | Thursday, 18 May 2023                        |
| Settlement of New Shares issued under the Institutional Entitlement Offer                            | Tuesday, 23 May 2023                         |
| Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer          | Wednesday, 24 May 2023                       |
| Retail Entitlement Offer closes                                                                      | 5:00pm (Sydney time), Wednesday, 31 May 2023 |
| Announcement of results of Retail Entitlement Offer                                                  | Monday, 5 June 2023                          |
| Settlement of New Shares Issued under the Retail Entitlement Offer                                   | Tuesday, 6 June 2023                         |
| Allotment of New Shares issued under the Retail Entitlement Offer                                    | Wednesday, 7 June 2023                       |
| Normal trading of New Shares issued under the Retail Entitlement Offer                               | Thursday, 8 June 2023                        |
| Holding statements in respect of New Shares issued under the Retail Entitlement Offer are dispatched | Friday, 9 June 2023                          |

*The above timetable is indicative only. NEXTDC and the Joint Lead Managers reserve the right to amend any or all of these dates at their absolute discretion, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and any other applicable laws. The quotation of new shares is subject to confirmation from the ASX.*

Further information in relation to the Entitlement Offer will be set out in a capital raising presentation titled 'Regional Expansion and Entitlement Offer' released today to the ASX by NEXTDC.

If you believe that you are an Eligible Retail Shareholder and you do not receive a copy of the Retail Offer Booklet or your personalised Entitlement and Acceptance Form, you can call the NEXTDC Offer Information Line on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia).

The Offer Information Line is open from 8.30am to 5.30pm (Sydney time) Monday to Friday until 31 May 2023 when the Retail Entitlement Offer closes.

## Advisers

Cadence Advisory is acting as financial adviser and Herbert Smith Freehills as legal adviser to NEXTDC in relation to the Entitlement Offer.

**ENDS**

For more information:

**Simon Guzowski**

T: +61 2 8072 4943

E: [investorrelations@nextdc.com](mailto:investorrelations@nextdc.com)

NEXTDC Investor Centre: [www.nextdc.com/our-company/investor-centre](http://www.nextdc.com/our-company/investor-centre)

## IMPORTANT NOTICE

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

This announcement contains certain forward looking statements. Words such as “continue”, “expect”, “forecast”, “estimated”, “potential”, “likely”, “projected”, “anticipated” or such similar phrases are intended to identify forward looking statements. Similarly, indications of and future guidance on future earning, liquidity and financial position, capital expenditure requirements, performance, business performance, project timelines or spend, facility go-live dates, utilisation, initial or total facility capacity or connection rates and projections of these are also forward looking statements as are statements regarding any internal management estimates and assessments of sales, market competition, service demand and market outlook. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the NEXTDC Group, its officers, employees, agents and advisers and which may cause actual results and outcomes to differ materially from those expressed or implied in this announcement or in such statements. There can be no assurance that the actual outcomes discussed in this announcement will not differ materially from these statements. There are usually differences between forecasts and actual results because events and circumstances frequently do not occur as forecast, and these differences may be material at times.

Investors should not place undue reliance on such forward looking statements, especially in view of the current and challenging economic, market, climate, supply chain and other uncertainty and disruption, including the ongoing impacts of the COVID-19 pandemic. Neither NEXTDC, any member of the NEXTDC Group or their officers, employees, agents or any other person gives any warranty, representation or assurance that the occurrence of the events expressed or implied in any forward looking statement will occur or have or accept any responsibility to update or revise any such forward-looking statement to reflect any change in NEXTDC Group’s circumstances or financial condition, status or affairs or any change in the events or conditions on which such statements are based, except as required under Australian law.

## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. This announcement should not be distributed or released in the United States.

Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States (to the extent that the person holds shares for the account or benefit of a person in the United States), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.



## 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](http://www.nextdc.com)

# REGIONAL EXPANSION AND ENTITLEMENT OFFER

11 May 2023



NEXTDC

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

# IMPORTANT DISCLAIMER

## Disclaimer

This presentation (the “**Presentation**”) is dated 11 May 2023 and has been prepared by NEXTDC Limited (ACN 143 582 521) (“**NEXTDC**”) in connection with a fully underwritten pro-rata accelerated non-renounceable entitlement offer of new fully paid ordinary shares (“**New Shares**”) to eligible shareholders (the “**Entitlement Offer**”). By accepting, accessing or reviewing this Presentation, you acknowledge and agree to the terms set out below.

This Presentation makes statements about NEXTDC as well as its subsidiaries. To the maximum extent permitted by law, no member of NEXTDC Group, or any of its officers, employees, agents or any other party, or any of the Joint Lead Manager Parties (as defined below): i) accepts any liability for any loss arising from or in connection with this Presentation or the information contained within it, including, without limitation, any liability arising from the fault or negligence relating to its content; ii) makes any representation or warranty and take no responsibility for any part of the Presentation or the information contained within it; or iii) makes any representation or warranty, express or implied, as to the accuracy, reliability, completeness or currency of the information contained within it and it does not take into account any individuals investment or financial circumstances; or (iv) makes any representation or undertaking to release any updates or revision to the information in this Presentation to reflect any change to it and, with regards to the Joint Lead Manager Parties, take no responsibility for or liability (including, without limitation, any liability arising from fault or negligence on the part of any person) for any direct, indirect, consequential or contingent loss or damage whatsoever arising from the use of any part of this Presentation or otherwise arising in connection with it. The Joint Lead Manager Parties make no recommendation as to whether you or your related parties should participate in the Entitlement Offer, nor do they make any representations or warranties, express or implied, to you concerning this Entitlement Offer or any such information, and you represent, warrant and agree that you have not relied on any statements made by the Joint Lead Manager Parties in relation to the New Shares or the Entitlement Offer generally. It is not intended to influence any person into dealing with a financial product or provide financial advice and does not constitute an offer to purchase or subscribe for any shares or securities in NEXTDC. Any person contemplating such purchase or subscription is recommended to obtain professional advice.

## Summary Information

This Presentation is for information purposes only and is a summary only. It is not a prospectus, product disclosure statement or other offering document under Australian law or any other law and will not be lodged with the Australian Securities and Investments Commission or any other foreign regulator. Neither the Joint Lead Managers, nor any of their respective affiliates and related bodies corporate (as that term is defined in the Corporations Act 2001 (Cth) (the “**Corporations Act**”), or their respective directors, employees, officers, representatives, agents, partners, consultants and advisers (together the “**Joint Lead Manager Parties**”), have authorised, permitted or caused the issue, submission, dispatch or provision of this Presentation, and none of the Joint Lead Manager Parties makes or purports to make any statement in this Presentation and there is no statement in this Presentation which is based on any statement by any of them. The Presentation should be read in conjunction with NEXTDC’s other disclosure information lodged with the Australian Securities Exchange (“**ASX**”), which is available at [www.asx.com.au](http://www.asx.com.au). The content of this Presentation is provided as at the date of this Presentation (unless otherwise stated). Reliance should not be placed on information or opinions contained in this Presentation and, subject only to any legal obligation to do so, the Company does not have any obligation to correct or update the content of this Presentation.

## Not Financial Product Advice

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# IMPORTANT DISCLAIMER (CONT.)

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## Joint Lead Manager Parties

The Joint Lead Manager Parties may, from time to time, hold interests in the securities of, or earn brokerage, fees or other benefits from NEXTDC.

## Forward Looking Statements

This Presentation contains certain forward-looking statements. Words such as “continue”, “expect”, “forecast”, “estimated”, “potential”, “likely”, “projected”, “anticipated” or such similar phrases are intended to identify forward looking statements. Similarly, indications of and future guidance on future earning, including NEXTDC's FY23 Guidance, liquidity and financial position, capital expenditure requirements, performance, business performance, project timelines or spend, facility go-live dates, utilisation, initial or total facility capacity or connection rates and projections of these are also forward-looking statements as are statements regarding any internal management estimates and assessments of sales, market competition, service demand and market outlook, statements regarding NEXTDC's plans, objectives and strategies, and statements regarding the conduct and outcome of the Entitlement Offer and source and use of funds. Such forward looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of the NEXTDC Group, its officers, employees, agents and advisers and the Joint Lead Manager Parties and which may cause actual results and outcomes to differ materially from those expressed or implied in this Presentation or in such statements. None of the Joint Lead Manager Parties have authorised, approved or verified any forward-looking statements. There can be no assurance that the actual outcomes discussed in this Presentation will not differ materially from these statements. There are usually differences between forecasts and actual results because events and circumstances frequently do not occur as forecast, and these differences may be material at times.

Investors should not place undue reliance on such forward-looking statements, especially in view of the current and challenging economic, market, climate, supply chain and other uncertainty and disruption, including the ongoing impacts of the COVID-19 pandemic and the conflict in Ukraine. Neither NEXTDC, any member of the NEXTDC Group or their officers, employees, agents or any other person gives any warranty, representation or assurance that the occurrence of the events expressed or implied in any forward looking statement will occur or have or accept any responsibility to update or revise any such forward-looking statement to reflect any change in NEXTDC Group's circumstances or financial condition, status or affairs or any change in the events or conditions on which such statements are based, except as required under Australian law.

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The distribution of this Presentation in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws. In particular, this Presentation may not be released to U.S. wire services or distributed in the United States.

This Presentation does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or any other jurisdiction in which such an offer would be unlawful. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or under the securities laws

# IMPORTANT DISCLAIMER (CONT.)

of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States unless they the securities have been registered under the U.S. Securities Act (which NEXTDC has no obligation to do or to procure), or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States.

Refer to the section entitled "International Offer Restrictions" of this Presentation for further details.

## **Basis of Preparation**

This Presentation incorporates results on a statutory as well and non-statutory basis with financial results presented in AUD unless otherwise stated. Data used for calculating percentage movements have been based on whole actual numbers and estimates where appropriate. Please also see supplementary notes, footnotes, links and additional terms throughout the Presentation.

## **Financial Information**

The financial information in this Presentation is presented in an abbreviated form insofar as it does not include all of the Presentation and disclosures required by the Australian Accounting Standards ("AAS") and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The historical financial information for NEXTDC contained in this Presentation has been derived from the unaudited interim consolidated financial statements for the half year ended 31 December 2022, as lodged with ASX on 28 February 2023.

This Presentation also contains pro-forma historical financial information to show the impact of the Entitlement Offer. The pro-forma information has not been audited or reviewed by NEXTDC's auditors. The pro-forma financial information provided in this Presentation is for illustrative purposes only and is not represented as being indicative of NEXTDC's (nor anyone else's) views on its future financial condition and/or performance. The pro-forma financial information has been prepared on the basis set out in this Presentation. Investors should note that the pro-forma financial information has not been prepared in accordance with, and does not purport to comply with, Article 11 of Regulation S-X under the U.S. Securities Act.

Investors should also be aware that certain financial measures included in this Presentation are "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended, and are not recognised under AAS and International Financial Reporting Standards ("IFRS"). Those non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information/non-GAAP financial measures may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. The disclosure of non-GAAP financial measures in the manner included in this Presentation may not be permissible in a registration statement under the U.S. Securities Act. Although NEXTDC believes these non-IFRS financial information/non-GAAP financial measures provide useful information to investors in measuring the financial performance and condition of NEXTDC's business, investors are cautioned not to place undue reliance on any non-IFRS financial information/non-GAAP financial measures included in this Presentation. Non-IFRS measures and current trading information for the financial year ending 30 June 2023 ("FY23") have not been subject to audit or review.

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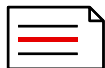
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# SUMMARY



# SUMMARY



## NEXTDC is today launching a fully underwritten ~A\$618 million pro-rata accelerated non-renounceable entitlement offer (“Entitlement Offer”)

- 1 for 8 Entitlement Offer
- A\$10.80 per New Share (“Offer Price”)
  - 7.5% discount to the TERP<sup>1</sup> of A\$11.67



## Net proceeds of the Entitlement Offer will predominantly fund expansion in the APAC region – Malaysia, New Zealand

- New data centre developments in Kuala Lumpur (KL1) and Auckland (AK1)
- Funding will also be used to accelerate fit out at S3 following the increase in contracted utilisation at that site



## Updated FY23 Guidance<sup>2</sup>

- Data centre services revenue in the range of **A\$350 million to A\$360 million** (previously the upper end of the A\$340 million to A\$355 million range)
- Underlying EBITDA in the range of **A\$192 million to A\$196 million** (previous range: A\$190 million to A\$198 million)
- Capital expenditure in the range of **A\$670 million to A\$720 million** (previous range: A\$620 million to A\$670 million)
  - This range has been updated to reflect the recently acquired land for KL1 of ~A\$53 million

Note: Refer to Appendix D for Glossary of key terms.

1. The Theoretical Ex-Rights Price (“TERP”) is the theoretical price at which NEXTDC shares should trade immediately following the ex-date for the Entitlement Offer. TERP is calculated by reference to NEXTDC’s closing price of A\$11.78 on 10 May 2023, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which NEXTDC shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

2. Refer to NEXTDC’s ASX Announcement dated 28 February 2023 for the previous guidance provided to the market.

# NEXTDC INVESTMENT HIGHLIGHTS



## Compelling industry fundamentals underpin significant long-term growth for NEXTDC

- Growth in data traffic and consumption expected to support the increasing demand for data storage



## Proven business model and substantial experience delivering and operating greenfield data centre projects in Australia

- A leading digital infrastructure platform, with best-in-class facilities and diverse customer ecosystems
- Supports expansion into complementary, adjacent geographic markets



## Recurring revenue model with exposure to long-term contracts

- NEXTDC delivers critical infrastructure to a range of cloud service providers and a diversified tail of enterprise customers with high levels of retention
- Services delivered across a portfolio of data centres, providing diversification in terms of region, customer mix and contract tenor

# NEXTDC INVESTMENT HIGHLIGHTS (CONT.)



## Strong track record in delivering growth in contracted utilisation, revenue, and EBITDA

- Contracted utilisation has increased 35.9MW (43%) to 120MW since 31 December 2022<sup>1</sup>
- Contracted utilisation and EBITDA have grown at a 5-year CAGR to 30 June 2022 of 21% and 28% respectively



## Highly disciplined approach to capital investment

- Investment in data centre development and fit out is customer led
- Entry into Malaysia and New Zealand represents NEXTDC's first significant investment outside of Australia and into the high-growth APAC market



## Robust balance sheet, supported by substantial liquidity to fund future expansion and growth

- Pro-forma tangible asset backing of ~A\$3.8 billion<sup>2</sup>
- Pro-forma liquidity of ~A\$2.6 billion<sup>2</sup>

1. Refer to NEXTDC's ASX announcement dated 12 April 2023.

2. Refer to slide 17 for breakdown of pro-forma liquidity.

# REGIONAL EXPANSION



# EXPANDING REGIONAL DATA CENTRE PRESENCE



- With a rapidly growing portfolio of data centres and development projects across the APAC region, our continued expansion reflects our commitment to meeting the growing demand for high-quality, reliable, and secure data centre services across the region
- NEXTDC's latest expansion into Malaysia and New Zealand represents an exciting new chapter for our digital infrastructure platform. By establishing a presence in these new markets, we are opening up new opportunities to serve customers and meet the needs of businesses operating in these regions

# KL1 KUALA LUMPUR

## TECHNICAL SPECIFICATIONS

|                                |                                                                                                                      |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Land area                      | ~42,000sqm                                                                                                           |
| Total target IT capacity       | ~18,250sqm                                                                                                           |
| Total Power Planned            | 65MW <sup>1</sup>                                                                                                    |
| Target PUE                     | 1.35                                                                                                                 |
| Design & construction standard | UI Tier IV Design and Construct<br>UI Tier IV Constructed Facility<br>UI Tier IV Gold for Operational Sustainability |
| Initial capital expenditure    | ~A\$250 million <sup>2</sup>                                                                                         |
| Practical completion           | 1H FY26                                                                                                              |

- KL1 will be 100% owned by NEXTDC
- Located ~10km from Kuala Lumpur CBD
- Access to supporting infrastructure

1. Initial capital expenditure for Phase 1 of KL1 is projected to deliver IT capacity of 7.5MW.  
2. Amount includes the new commercial property site acquisition cost of ~A\$53 million (recently settled in 2H FY23).



# AK1 AUCKLAND

## TECHNICAL SPECIFICATIONS

|                                |                                                                                                                      |
|--------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Land area                      | ~2,900sqm                                                                                                            |
| Total target IT capacity       | ~3,000sqm                                                                                                            |
| Total Power Planned            | 10MW <sup>+1,2</sup>                                                                                                 |
| Target PUE                     | 1.35                                                                                                                 |
| Design & construction standard | UI Tier IV Design and Construct<br>UI Tier IV Constructed Facility<br>UI Tier IV Gold for Operational Sustainability |
| Initial capital expenditure    | ~A\$140 million <sup>3</sup>                                                                                         |
| Practical completion           | 1H FY26                                                                                                              |

- New Zealand represents a complementary adjacent market with a similar customer set to Australia
- AK1 is 100% owned by NEXTDC
- Located in the Auckland CBD
- Access to supporting infrastructure

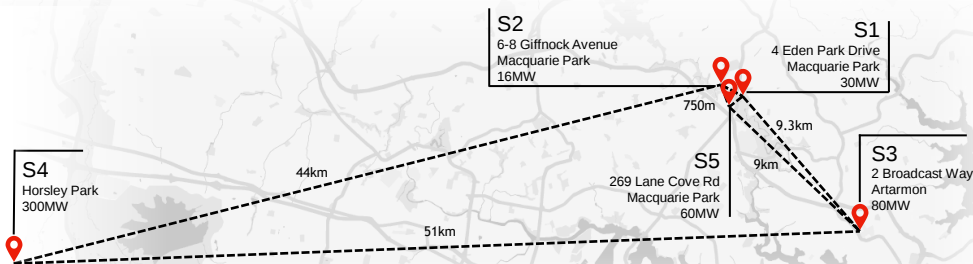
1. Initial capital expenditure for Phase 1 of AK1 is projected to deliver IT capacity of 1.7MW.  
 2. AK1 is capable of up to 15MW based on higher density deployments.  
 3. Amount excludes the new commercial property site acquisition cost of ~A\$21 million (settled in 1H FY23).



# SYDNEY MARKET UPDATE

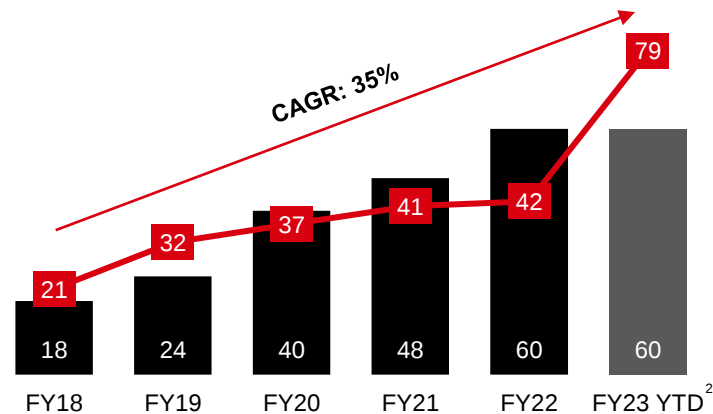
## Step change in contracted utilisation requires an acceleration of S3 fit out

- NEXTDC announced significant contract wins in April, increasing the Company's contracted utilisation by 35.9MW (43%) to 120MW since 31 December 2022<sup>1</sup>
- S3 has now achieved contracted utilisation equivalent to 46% of total planned capacity with the overall contracted utilisation significantly exceeding the facility's built capacity
- By accelerating the fit out of S3, NEXTDC will seek to ensure it can meet customer obligations and continues to be best positioned for future growth



## CONTRACTED UTILISATION VS BUILT CAPACITY (NSW/ACT)

■ Built capacity (MW)  
— Contracted utilisation (MW)



1. Refer to NEXTDC's ASX announcement dated 12 April 2023.

2. As at 12 April 2023.



# ENTITLEMENT OFFER DETAILS

# USE OF PROCEEDS

| Sources                       | A\$m       |
|-------------------------------|------------|
| Entitlement Offer             | 618        |
| <b>Total Sources of Funds</b> | <b>618</b> |

| Uses                                        | A\$m       |
|---------------------------------------------|------------|
| Malaysia (KL1) – data centre development    | 250        |
| New Zealand (AK1) – data centre development | 140        |
| Sydney (S3) – accelerated fit out           | 150        |
| General corporate purposes                  | 64         |
| Transaction costs                           | 14         |
| <b>Total Uses of Funds</b>                  | <b>618</b> |

- Net proceeds from the Entitlement Offer will be applied to the funding of new incremental growth initiatives including proposed new data centre developments of KL1 and AK1, and accelerated data hall fit out at S3
- Construction at AK1 and KL1 is expected to commence in FY24 with the sites targeting practical completion in 1H FY26
  - Advanced plans in place for both the construction and operation of the new data centres
  - Total capital expenditure for KL1 includes the new commercial property site acquisition cost of ~A\$53 million (recently settled in 2H FY23)
  - Remaining capital expenditure will be invested into the building and fit out for Phase 1 IT capacity
- Accelerated S3 fit out capital expenditure of ~A\$150 million over the next 24 months following the recently announced large customer contract wins

# PRO-FORMA BALANCE SHEET

| Balance Sheet Summary (A\$m) | 31 Dec 2022<br>(Statutory) | Pro-forma Adjustments  |                                |                            |
|------------------------------|----------------------------|------------------------|--------------------------------|----------------------------|
|                              |                            | Term Debt <sup>1</sup> | Entitlement Offer <sup>2</sup> | 31 Dec 2022<br>(Pro-forma) |
| Cash and cash equivalents    | 364                        | 91                     | 604                            | 1,059                      |
| Property, plant & equipment  | 2,630                      |                        |                                | 2,630                      |
| Other assets                 | 280                        |                        |                                | 280                        |
| <b>Total assets</b>          | <b>3,153</b>               | <b>91</b>              | <b>604</b>                     | <b>3,848</b>               |
| Borrowings                   | 1,263                      | 100                    |                                | 1,363                      |
| Other liabilities            | 196                        |                        |                                | 196                        |
| <b>Total liabilities</b>     | <b>1,459</b>               | <b>100</b>             |                                | <b>1,559</b>               |
| <b>Net assets</b>            | <b>1,693</b>               | <b>(9)</b>             | <b>604</b>                     | <b>2,288</b>               |
| <b>Debt metrics summary</b>  |                            |                        |                                |                            |
| Gearing <sup>3</sup>         | 33.9%                      |                        |                                | 10.7%                      |
| Leverage ratio <sup>4</sup>  | 4.8x                       |                        |                                | 1.5x                       |

- On a pro-forma basis, NEXTDC has a significant tangible asset backing of ~A\$3.8 billion, with PP&E of ~A\$2.6 billion, underpinned by high quality data centres in prime locations across Australia's major capital cities
- Strong balance sheet provides sufficient liquidity to fund capital expenditure, as well as capacity to take advantage of market opportunities as they arise
- On a pro-forma basis, NEXTDC has liquidity of ~A\$2.6 billion as at 31 December 2022, including:
  - ~A\$364 million cash (as at 31 December 2022)
  - ~A\$91 million in new drawn debt/cash<sup>1</sup>
  - ~A\$604 million Entitlement Offer net proceeds<sup>2</sup>
  - A\$1.5 billion in undrawn debt facilities (off-balance sheet)
- Drawn debt is 100% hedged until December 2024

1. Pro-forma adjustment for new drawn debt of A\$100 million as referenced in NEXTDC's ASX announcement of 13 January 2022, less transaction costs of ~A\$9m. Pro-forma adjustment excludes the tax effect impact of transaction costs.

2. Pro-forma adjustment for the proceeds of the Entitlement Offer of ~A\$618 million, less transaction costs of ~A\$14m. Pro-forma adjustment excludes the tax effect impact of transaction costs.

3. Net Debt/(Net Debt + Equity). Net Debt consists of borrowings, less derivative financial instruments (A\$30 million), less cash and cash equivalents.

4. Net Debt/LTM EBITDA. Net Debt divided by Last Twelve-Month Underlying EBITDA to 31 December 2022 of A\$181.5 million.

# ENTITLEMENT OFFER SUMMARY

|                                                    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|----------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Offer Size &amp; Structure</b>                  | <ul style="list-style-type: none"> <li>1 for 8 pro-rata accelerated non-renounceable entitlement offer to raise ~A\$618 million</li> <li>~57.2 million New Shares to be issued under the Entitlement Offer, equivalent to 12.5% of Existing Shares on issue</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Offer Price</b>                                 | <ul style="list-style-type: none"> <li>Offer Price of A\$10.80 per New Share representing a discount of:                             <ul style="list-style-type: none"> <li>7.5% to the TERP<sup>1</sup> of A\$11.67</li> </ul> </li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Institutional Entitlement Offer<sup>2</sup></b> | <ul style="list-style-type: none"> <li>Institutional Entitlements not taken up and those of Ineligible Institutional Shareholders will be sold at the Offer Price</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Retail Entitlement Offer</b>                    | <ul style="list-style-type: none"> <li>Retail Entitlement Offer will open on 18 May 2023 and close at 5.00pm (Sydney time) on 31 May 2023</li> <li>Eligible Retail Shareholders in Australia and New Zealand may:                             <ul style="list-style-type: none"> <li>Elect to take up all or part of their entitlements prior to 5.00pm (Sydney time) on 31 May 2023</li> <li>Do nothing and let their retail entitlements lapse</li> </ul> </li> <li>Eligible Retail Shareholders may also apply for additional New Shares up to a maximum of 100% of their existing Entitlements                             <ul style="list-style-type: none"> <li>NEXTDC retains the flexibility to scale back Applications for additional New Shares at its discretion</li> </ul> </li> <li>Retail shareholders should read the Retail Offer Booklet which contains the information on the Retail Entitlement Offer and process to apply for New Shares</li> </ul> |
| <b>Underwriting</b>                                | <ul style="list-style-type: none"> <li>Entitlement Offer is fully underwritten by the Joint Lead Managers and Bookrunners</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Ranking</b>                                     | <ul style="list-style-type: none"> <li>New Shares issued under the Entitlement Offer will rank equally with existing fully paid ordinary NEXTDC shares from the date of issue</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Director Participation</b>                      | <ul style="list-style-type: none"> <li>NEXTDC's CEO and Managing Director, Craig Scroggie, and all eligible Non-Executive Directors have committed to individually take up all of their respective entitlements under the Retail Entitlement Offer</li> </ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |

Note: Refer to Appendix D for Glossary of key terms.

1. The Theoretical Ex-Rights Price is the theoretical price at which NEXTDC shares should trade immediately following the ex-date for the Entitlement Offer. TERP is calculated by reference to NEXTDC's closing price of A\$11.78 on 10 May 2023, being the last trading day prior to the announcement of the Entitlement Offer. TERP is a theoretical calculation only and the actual price at which NEXTDC shares trade immediately after the ex-date of the Entitlement Offer will depend on many factors and may not be equal to TERP.

2. NEXTDC has determined to extend the Institutional Entitlement Offer to Eligible Institutional Shareholders registered in selected jurisdictions subject to the "International Offer Restrictions" set out in Appendix C of this Presentation.

# ENTITLEMENT OFFER TIMETABLE

| Event                                                                                                | Date <sup>1</sup>                            |
|------------------------------------------------------------------------------------------------------|----------------------------------------------|
| Trading halt and announcement of Entitlement Offer                                                   | Thursday, 11 May 2023                        |
| Announcement of results of Institutional Entitlement Offer                                           | Monday, 15 May 2023                          |
| Trading halt lifted and NEXTDC shares recommence trading                                             | Monday, 15 May 2023                          |
| Entitlement Offer Record Date                                                                        | 7.00pm (Sydney time), Monday, 15 May 2023    |
| Retail Entitlement Offer opens and Retail Offer Booklet made available                               | Thursday, 18 May 2023                        |
| Settlement of New Shares issued under the Institutional Entitlement Offer                            | Tuesday, 23 May 2023                         |
| Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer          | Wednesday, 24 May 2023                       |
| Retail Entitlement Offer closes                                                                      | 5.00pm (Sydney time), Wednesday, 31 May 2023 |
| Announcement of results of Retail Entitlement Offer                                                  | Monday, 5 June 2023                          |
| Settlement of New Shares Issued under the Retail Entitlement Offer                                   | Tuesday, 6 June 2023                         |
| Allotment of New Shares issued under the Retail Entitlement Offer                                    | Wednesday, 7 June 2023                       |
| Normal trading of New Shares issued under the Retail Entitlement Offer                               | Thursday, 8 June 2023                        |
| Holding statements in respect of New Shares issued under the Retail Entitlement Offer are dispatched | Friday, 9 June 2023                          |

Note: Refer to Appendix D for Glossary of key terms.

1. The above timetable is indicative only. NEXTDC and the Joint Lead Managers reserve the right to amend any or all of these dates at their absolute discretion, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and any other applicable laws. The quotation of new shares is subject to confirmation from the ASX.

# APPENDIX A

## KEY RISKS



# KEY RISKS

This section discusses some of the key risks associated with an investment in NEXTDC, together with risks relating to participation in the Entitlement Offer, which may affect the value and performance of NEXTDC shares. The below risks should not be taken as a complete list of the risks associated with an investment in NEXTDC. You should be aware that a number of risks and uncertainties, which are both specific to NEXTDC and of a more general nature (and which are beyond NEXTDC's control), may affect the future operating and financial performance of NEXTDC and the value and performance of NEXTDC shares. Accordingly, no assurance or guarantee of future performance or profitability is given by NEXTDC in respect of NEXTDC shares. Before investing in NEXTDC shares, you should carefully consider the risk factors and your personal circumstances. Potential investors should consider publicly available information on NEXTDC (such as that available on the ASX website) and seek professional advice from an adviser who is licensed by ASIC to give that advice before making an investment decision.

## Reduction in Demand for Data Centre Services

The market for data centres is characterised by rapidly changing technology and industry trends, frequent new product, and competitor introductions, changing laws (e.g. data and privacy), as well as changing customer demands.

NEXTDC is currently exposed to favourable industry trends in relation to data centre outsourcing and co-location cloud provision which remains a key driver of customer demand. However, there are no assurances that such demand will continue or that existing customers will renew their data centre requirements through NEXTDC at all or at the same level as in prior periods.

A reduction in customer demand or increase in competitive supply may have a material adverse effect on NEXTDC's financial position and performance. This could include a reduction in revenue (including as a result of NEXTDC having to lower product prices in response to changing customer demand or competitive supply) or NEXTDC retaining excess capacity over a longer period to the detriment of its return on capital and the subsequent valuation of its investment in its data centre facilities and therefore the value of its securities.

## Data Centre Interruptions or Outages

The critical systems of NEXTDC's data centres are subject to failure. Any failure in the critical systems, including a breakdown in critical plant, equipment or services, such as the cooling equipment, generators, backup batteries, routers, switches, or other equipment, power supplies, or network connectivity, whether or not within NEXTDC's control, could result in service interruptions and data losses for its customers as well as equipment damage, which could significantly disrupt the normal business operations of its customers.

Whilst NEXTDC has measures, including disaster recovery planning, in place to prevent data centre and system interruptions or outages, there is a risk that such measures may prove to be inadequate, and the data centres remain susceptible to interruptions and outages. Such interruptions and outages are generally caused by power complications, network failures, telecommunication failures, hardware or software malfunction, natural disasters, security threats and cyber-attacks, terrorist attacks, computer viruses or similar events, many of which are beyond the control of NEXTDC.

NEXTDC promotes its 100% uptime certification and service excellence delivered through its Tier IV and Tier III facilities as a key reason for customers to entrust their critical IT infrastructure with NEXTDC. A data centre or system interruption or outage at any of NEXTDC's data centres may have a material adverse effect on NEXTDC's business, operations, reputation and financial performance and therefore the value of its securities.

# KEY RISKS (CONT.)

## Development of Data Centres

NEXTDC is involved in the development of data centres. Generally, development projects, including KL1 and AK1, have a number of key risks including: (i) the risk that suitable sites or required planning consents, access to power and regulatory approvals are not obtained or, if obtained, are received later than expected, or with terms and conditions which are adverse to NEXTDC's interests; (ii) the escalation of development costs beyond those originally projected; (iii) unforeseeable project delays beyond the control of NEXTDC; (iv) there is any delay or disruption to NEXTDC's supply chain for critical infrastructure components, which significantly delays or impacts the construction of the data centres; and (v) non-performance/breach of contract by a contractor or sub-contractor. Increases in supply or falls in demand could influence the acquisition of sites, the timing and value of future revenue and the carrying value of completed data centres.

The failure or significant delay of a material data centre development, including KL1 or AK1, or series of development projects may have a material adverse effect on NEXTDC's future financial position and operating and financial performance results and therefore the value of its securities.

## International Expansion

Part of NEXTDC's growth strategy is to continue expanding its international presence, including the proposed new data centre developments in Kuala Lumpur, Malaysia and Auckland, New Zealand. International expansion will require significant management focus and resources, with the success of any expansion efforts dependent on various factors, including NEXTDC's ability to secure customer relationships, gain market insight and knowledge as well as hire and retain skilled employees.

There is also a risk that NEXTDC may fail to fully or adequately understand, comply with or account for differing laws, regulations and business customs in international jurisdictions. For example, investing in Malaysia may require navigating complex local business customs and practices, which can increase operational risks for companies like NEXTDC. Malaysia's political climate can be volatile, and changes in government policies and regulations can impact the business environment and investment climate. The failure by NEXTDC to comply with any international laws, regulations and practices interrupt or adversely affect various parts of the business and may have a material adverse effect on NEXTDC's operations, and its future financial position and operating results and therefore the value of its securities.

# KEY RISKS (CONT.)

## Termination of Key Customer Contracts

One of the keys to the success of NEXTDC's business is its ability to retain and grow existing customer relationships and develop new customer relationships. There is no guarantee that these relationships will continue or, if they do continue, that these relationships will be successful.

Whilst the majority of NEXTDC's customer contracts by number are on NEXTDC's standard terms and conditions, the majority of NEXTDC's top 10 customer contracts are based on highly negotiated individual customer contracting terms rather than NEXTDC's standard terms and conditions. This means in practice that the legal terms which govern the relevant arrangements differ significantly from customer to customer.

Some of these material customer contracts to which NEXTDC is a party contain provisions which may give the customer a right to terminate the contract under certain scenarios (including for convenience).

The breach, termination, or non-renewal of any material customer contract or loss of business may have a material adverse effect on NEXTDC's future financial position and financial performance and therefore the value of its securities.

## Lease Risk

NEXTDC leases certain of its properties from third parties. Any breach or termination of these leases could have a material adverse impact on NEXTDC, as there is a risk that NEXTDC may not be able to secure appropriate replacement sites on commercially acceptable terms. Due to the nature and size of the sites NEXTDC requires to operate its business, NEXTDC may need to accept less favourable terms (including increased rent) or terms that are more onerous than the prevailing market terms at the time. Any failure to secure appropriate sites on acceptable terms may result in a material increase in operating costs and have a material adverse impact on NEXTDC's financial and operating performance.

## Adverse Implications of Competitive Dynamics

NEXTDC competes against other local and global data centre owners and operators, as well as alternate business models such as traditional on-premises solutions. Similarly, cloud service providers have grown in size and market share, with many having built their own data centres in addition to relying on third-party providers such as NEXTDC. An increasing use of self-built data centres has the potential to reduce demand for data centre services from third-party providers such as NEXTDC. This could lead to decreased revenue and profits for NEXTDC.

In Australia, cloud service providers have preferred to outsource their IT infrastructure needs to third-party providers such as NEXTDC, as it is typically more cost-effective, and they are able to rely on NEXTDC's dedicated expertise and resources for data centre development and services. However, there is a risk that at any time NEXTDC may compete less effectively against its competitors, causing it to lose market share and the ability to develop or secure new clients.

# KEY RISKS (CONT.)

## Loss of Key Management Personnel

NEXTDC depends on the talent and experience of its staff and employees. It is essential that appropriately skilled staff be available in sufficient numbers to support NEXTDC's business. While NEXTDC has initiatives in place to mitigate the risk of its key staff leaving, the loss of such staff may have a negative impact on NEXTDC's business and operations.

## Disruption or Failure of Technology Systems and Software

NEXTDC and its customers are dependent on the performance, reliability and availability of the Company's infrastructure and technology platforms to provide its customers with a highly reliable service. Although NEXTDC's systems have been designed around industry-leading architectures, they remain vulnerable to damage or interruption from earthquakes, floods, fires, power loss, telecommunication failures, terrorist attacks, computer viruses, cyber-attacks or similar events. NEXTDC's disaster recovery planning cannot account for all eventualities.

Any failure or disruption to the services provided from or termination of contracts for any reason with third party service providers could adversely impact NEXTDC's operating and financial performance and therefore the value of its securities. It could also expose the Company to claims for loss and damage from customers that may exceed the amounts that NEXTDC is entitled to recover from the third-party service providers.

## Availability of Adequately Priced Utilities

NEXTDC and its customers rely on third party providers for the supply of utilities to its data centres (including electricity, water and diesel fuel). There is no guarantee that the third-party supplier will continue their business with NEXTDC in the future or be able to consistently provide sufficient levels of utilities and services to NEXTDC on commercially acceptable terms to satisfy NEXTDC's requirements. As a result, NEXTDC's financial performance may vary from period to period and may fluctuate in the future.

# KEY RISKS (CONT.)

## Cyber Security Incidents or Breaches of Data Privacy Rules and Regulations

NEXTDC's business involves the cloud hosting and storage of information, including confidential and proprietary data of organisations and personal information of individuals. Advances in technological capabilities and tools and methods used by hackers and cyber terrorists may result in a compromise or breach of the technology used by NEXTDC to protect confidential information. There is a risk that the measures taken by NEXTDC may not be sufficient to detect or prevent unauthorised access to, or disclosure of, such confidential information.

There is a risk that any data security breaches or NEXTDC's failure to protect confidential information could result in potential enforcement action and monetary fines from data protection authorities, litigation by customers, termination of customer contracts, potential indemnity obligations and potential remediation costs (offering credit monitoring services, for example), which could materially impact NEXTDC's financial and operating performance and financial condition. The occurrence of such security breaches or incidents, or the perception that one has occurred, could also result in a loss of customer confidence in the security of NEXTDC's data centres or damage to the NEXTDC brand and NEXTDC's reputation, reduce demand for NEXTDC's data centres, disrupt normal business operations, and require NEXTDC to spend material resources to investigate or correct the breach and prevent future security breaches and incidents.

As the techniques used by malicious actors to obtain unauthorised access to systems and data continue to evolve, NEXTDC may be unable to anticipate attempted security breaches and, in turn, implement adequate preventative measures. The potential for security breaches may increase as NEXTDC grows its business and expands its profile as a vendor of cloud-based applications and the cloud functionality of its platform, including as the volume of data NEXTDC hosts in the cloud and the number of users that have access to it increases. There is no guarantee that NEXTDC will be able to prevent or rectify any such security breaches or incidents that may occur, or that insurance will be adequate to cover potential financial exposures for one or more of these circumstances, and there is a risk that the successful assertion of one or more large claims against such cover could compromise the availability and cost of such cover in the future. Material cyber security or data breaches may result in a material adverse effect on NEXTDC's future financial position and operating results and therefore the value of its securities.

# KEY RISKS (CONT.)

## Future Acquisitions and Investments

NEXTDC will continue to evaluate a range of growth driven initiatives in the future, which may include the acquisition of new data centre sites or business acquisitions or investments. There can be no assurances that NEXTDC will identify suitable future acquisition or investment opportunities or be able to complete such acquisition or investment opportunities on commercially acceptable terms. Where an acquisition is undertaken, there are also risks associated with integrating the operations and personnel of an acquisition target with NEXTDC's businesses and potential disruptions of integration to NEXTDC's other business operations.

There are no assurances that every acquisition or investment that NEXTDC makes or enters into will result in favourable outcomes for the business or its future financial position. NEXTDC has in the past written down an investment in a listed associate and there is a risk it may need to make future write-downs and/or contribute capital in the future.

NEXTDC will seek to obtain customary warranties and indemnities from vendors of the acquired businesses or the investment (where possible). However, NEXTDC may not be able to obtain, or may not obtain, all appropriate warranties or indemnities. Further, NEXTDC's failure to detect material due diligence issues connected to the acquisition or investment or, where an acquisition is undertaken, the failure of NEXTDC to adequately integrate or manage the acquisition may result in a material adverse effect on NEXTDC's future financial position and operating results and therefore the value of its securities.

## Legal and Regulatory Compliance

In each jurisdiction in which it operates or will operate in the future, NEXTDC must comply with a range of other laws, regulations and industry standards including, but not limited to, privacy laws, fair trade laws, anti-bribery and corruption legislation, sanctions legislation, consumer protection laws, employment laws and taxation laws. Failure by NEXTDC to comply with those laws, regulations and industry compliance standards may result in litigation, regulatory enquiry or investigation, fines and penalties, or significant reputational damage which could have an adverse effect on NEXTDC's financial position and performance.

NEXTDC may also become subject to new laws, regulations or industry standards, or new or changed interpretations of existing laws, regulations or industry standards, or enhanced supervisory expectations regarding the management of legal and regulatory compliance risks associated with such laws, regulations and industry standards. Additionally, NEXTDC may become subject to more proactive enforcement by relevant regulators of compliance with such laws, regulations and industry standards. New or amended laws, regulations or industry compliance standards, or new or changed interpretations of existing laws, regulations or industry standards, could restrict NEXTDC's ability to provide its services, result in changes to NEXTDC's business model, reduce NEXTDC's profit margins or make compliance more difficult or expensive, any of which may have an adverse impact on NEXTDC's financial position and performance.

A breach of any laws or regulations applicable to NEXTDC may lead to prosecution, investigations and inquiries and result in the imposition of conditions, fines and penalties or other sanctions on NEXTDC, which could have an adverse effect on NEXTDC's business, reputation, future financial position and operating results. Any deterioration in NEXTDC's regulatory compliance performance may adversely affect NEXTDC's reputation and standing in the industry, and its ability to win and retain contracts with its customers.

# KEY RISKS (CONT.)

## Adverse Implications from Litigation and Disputes

NEXTDC may in the ordinary course of business become involved in litigation, arbitration and disputes, for example with its suppliers, clients or other contractual counterparties. Such disputes may relate to, but are not limited to, contractual disputes, indemnity claims, employment disputes, property damage claims, environmental claims, and regulatory inquiries and audits. Any such litigation, arbitration or dispute could involve significant economic costs and damage to relationships with suppliers, clients and/or other stakeholders. If NEXTDC is involved in any litigation, arbitration or disputes or protracted settlement negotiations in relation to such litigation, arbitration, or disputes, this may disrupt NEXTDC's business operations, or cause NEXTDC to incur significant legal costs, and may divert management's attention away from the daily operations of the business. Any such events may have a material adverse effect on NEXTDC's future financial position and operating results or reputation and therefore the value of its securities.

## Environmental Laws and Regulation

National and local environmental laws and regulations may affect the operations of NEXTDC's businesses. Environmental standards are set by these laws and regulations regarding certain aspects of health and environmental quality, and they provide for penalties and other liabilities if such standards are breached.

NEXTDC's businesses incur costs to comply with these environmental laws and regulations, and changes to such laws and regulations, including changes to operating licence conditions, could result in penalties and other liabilities, which may have a material adverse effect on NEXTDC's future financial position and operating results and therefore the value of its securities.

## Insurance Coverage

Not all risks are insured or insurable. NEXTDC cannot be certain that its current insurance is adequate or that adequate insurance coverage for potential losses and liabilities will be available in the future on commercially acceptable terms. If NEXTDC experiences a loss in the future, the proceeds of the applicable insurance policies, if any, may not be adequate to cover replacement costs, lost revenues, increased expenses, or liabilities to third parties. These risks may have a material adverse effect on NEXTDC's future financial position and operating results and therefore the value of its securities.

## Foreign Exchange

The vast majority of NEXTDC's cash reserves and assets are in Australian dollar (A\$) denominated currency. Following NEXTDC's proposed expansion into Malaysia and New Zealand, NEXTDC's revenues, expenses and capital costs will increasingly be incurred in foreign currencies (e.g., MYR, NZ\$ and US\$), whereas NEXTDC reports in Australian dollars (A\$). As a result of the use of these various foreign currencies, NEXTDC will be exposed to an increased level of foreign currency fluctuations, which may adversely affect its future financial position and operating results and therefore the value of its securities.

# KEY RISKS (CONT.)

## Ability to Access Debt or Equity Funding in the Future

NEXTDC may, in the future, require additional debt or equity in order to fund growth strategies and/or to refinance its existing debt obligations. NEXTDC may be unable to access debt or equity funding on commercially acceptable terms, or at all in the future.

Any drawdown under NEXTDC's existing syndicated debt facilities will require NEXTDC to comply with financial covenants and representations. There is a risk that NEXTDC will not be able to draw on these debt facilities if it is unable to meet these requirements. If NEXTDC did draw on these facilities and were to breach any of these financial covenants and obligations, the lenders may seek to cancel the facilities and declare all outstanding amounts immediately due and payable. If that action were to be taken, there is no certainty that NEXTDC would have access to sufficient cash to meet its repayment obligations or be able to refinance the existing debt on commercially acceptable terms. In those circumstances, NEXTDC would need to seek waivers or other forms of accommodation. Alternatively, NEXTDC would need to procure alternative financing arrangements to refinance the debt obligations, which may adversely affect its future financial position and therefore the value of its securities.

## Underwriting Risks

NEXTDC has entered into an Underwriting Agreement under which the Joint Lead Managers have agreed to fully underwrite the Entitlement Offer, subject to the terms and conditions of the Underwriting Agreement. If certain conditions are not satisfied or certain events occur, the Joint Lead Managers may terminate the Underwriting Agreement (for further information, see slide 31). The ability of a Joint Lead Manager to terminate the Underwriting Agreement in respect of certain events will depend on whether, in the reasonable opinion of the Joint Lead Manager, the event has, or could reasonably be expected to have, a material adverse effect on the marketing or success of the Entitlement Offer, renders it impracticable to effect acceptances of applications for New Shares or settlement and issue of New Shares, or could reasonably be expected to give rise to a liability for that Joint Lead Manager under the *Corporations Act 2001* (Cth) or any other applicable law.

## Non-Participation in the Entitlement Offer

As the Entitlement Offer is non-renounceable, entitlement rights under the Entitlement Offer cannot be traded on ASX or otherwise transferred. If NEXTDC shareholders are ineligible to participate, choose not to participate in the Entitlement Offer, or do not take up their full entitlements to acquire shares under the Entitlement Offer, their percentage shareholding will be diluted, and they will not have an opportunity to realise value for their renounced entitlements.

# KEY RISKS (CONT.)

## Adverse Inflation Implications

As inflation continues to remain elevated, this may result in unmitigated increases in the prices of key elements of NEXTDC's supply chain, including critical capital equipment and/or labour costs. NEXTDC has a large development pipeline with material capital expenditure that is expected to continue in the medium term in line with its growth expectations. To the extent NEXTDC cannot pass on the impacts of inflation to its customers, it may adversely affect its future financial position and operating results and therefore the value of its securities.

## Global Markets Risks

NEXTDC's financial performance, financial position and the price of NEXTDC's shares may fluctuate due to various factors, including movements in domestic and international capital markets, recommendations by analysts, investor perceptions, interest and exchange rates, changes in government, inflation, fiscal, monetary and regulatory policies, prices of commodities, global geopolitical events, the outbreak of hostilities and acts of terrorism, the outbreak of communicable diseases or pandemics and other factors.

# APPENDIX B

## SUMMARY OF THE UNDERWRITING AGREEMENT



# SUMMARY OF UNDERWRITING AGREEMENT

NEXTDC has entered into an underwriting agreement with the Joint Lead Managers pursuant to which the Joint Lead Managers have been appointed as joint lead managers, bookrunners and underwriters of this Entitlement Offer (“**Underwriting Agreement**”).

The Underwriting Agreement contains representations, warranties and indemnities in favour of the Joint Lead Managers.

Each Joint Lead Manager may terminate its obligations under the Underwriting Agreement on the occurrence of certain termination events, including, but not limited to, where:

- there are certain delays in the timetable for the Entitlement Offer without the Joint Lead Managers' consent;
- NEXTDC withdraws the Entitlement Offer;
- a certificate which is required to be furnished by NEXTDC under the Underwriting Agreement is not furnished when required;
- ASIC: (a) holds, or gives notice of intention to hold, a hearing or investigation in relation to the Entitlement Offer or NEXTDC; or (b) prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, NEXTDC or any of its directors, officers, employees or agents in relation to the Entitlement Offer, and in each case, such hearing, notice, investigation, prosecution or proceeding becomes public or is not withdrawn or discontinued within two business days after it is made or commenced, or, where it is made or commenced less than two business days before the settlement date for the New Shares to be issued under the Institutional Entitlement Offer or the settlement date for the New Shares to be issued under the Retail Entitlement Offer, it has not been withdrawn before such dates, as the case may be;
- ASX announces that NEXTDC's shares will be delisted, removed from quotation, withdrawn from admission to trading status or suspended from quotation (which, for the avoidance of doubt, does not include a trading halt requested to facilitate the Entitlement Offer);
- unconditional approval (or approval conditional only on customary conditions which are acceptable to the Joint Lead Managers, acting reasonably) is refused or not granted to the official quotation of all of the New Shares to be issued under the Institutional Entitlement Offer or New Shares to be issued under the Retail Entitlement Offer by 9.30am on the relevant settlement dates for such shares;
- any director of NEXTDC or the Chief Executive Officer or Chief Financial Officer is charged with a criminal offence relating to any financial or corporate matter, or any director of NEXTDC is disqualified from managing a corporation under the Corporations Act 2001;

# SUMMARY OF UNDERWRITING AGREEMENT (CONT.)

- NEXTDC or any of its directors or the Chief Executive Officer or Chief Financial Officer engages in any fraudulent conduct or activity whether or not in connection with the Entitlement Offer;
- a change occurs to the Chief Executive Officer or Chief Financial Officer of NEXTDC; and
- a general moratorium on commercial banking activities in Australia, the United States, the United Kingdom or Hong Kong is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.

In addition, each Joint Lead Manager may terminate its obligations under the Underwriting Agreement on the occurrence of certain events which, in the reasonable opinion of that Joint Lead Manager, has had, or could reasonably be expected to have, a material adverse effect on the marketing or success of the Entitlement Offer, renders it impracticable to effect acceptances of applications for New Shares or settlement and issue of New Shares, or could reasonably be expected to give rise to a liability for that Joint Lead Manager under the Corporations Act or any other applicable law. These events include, but are not limited to, where:

- an obligation arises on NEXTDC to give ASX a notice in accordance with section 708AA(12)(a) of the Corporations Act (as included in the Corporations Act by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) or a notice in accordance with section 708AA(11) of the Corporations Act;
- a certificate which is required to be furnished by NEXTDC under the Underwriting Agreement is not true or incorrect;
- proceedings are commenced or threatened, or there is a public announcement of an intention to commence proceedings before a court or tribunal of competent jurisdiction in Australia seeking an injunction or other order in relation to the Entitlement Offer;
- NEXTDC is or becomes in default of any of the terms and conditions of the Underwriting Agreement or a representation or warranty by NEXTDC is or becomes false or incorrect;
- any offer material for this Entitlement Offer includes a statement or fact that is misleading or deceptive or omits to state a fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or deceptive;
- a change occurs to the board of directors of NEXTDC;
- there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State or Territory authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Underwriting Agreement);

# SUMMARY OF UNDERWRITING AGREEMENT (CONT.)

- any adverse change or disruption occurs to the existing financial markets, political or economic conditions of Australia, the United States, the United Kingdom or Hong Kong, or there is any change or development involving a prospective change in national or international political, financial or economic conditions, from those existing at the date of the Underwriting Agreement;
- any adverse change or effect occurs, or an event occurs which is likely to give rise to an adverse change or effect, in the condition (financial or otherwise), assets, earnings, business, affairs, liabilities, financial position or performance, results of operations, profits, losses or prospects of NEXTDC from that existing at the date of the Underwriting Agreement;
- there is an outbreak or escalation of hostilities, whether war has been declared or not, or an act or acts of terrorism, in each case involving one or more of Australia, the United States or the United Kingdom or, nuclear weapons are used in relation to the conflict between Russia and Ukraine, or the military of any member state of the North Atlantic Treaty Organization becomes directly involved in that conflict; and
- trading of securities quoted on ASX, the London Stock Exchange, the New York Stock Exchange or Hong Kong Exchanges and Clearing is suspended, or there is a material limitation in trading, for one business day on which the exchange is open for trading.

If a Joint Lead Manager terminates its obligations under the Underwriting Agreement, it will not be obliged to perform any of its obligations that remain to be performed. Termination of the Underwriting Agreement by one or both Joint Lead Managers could have an adverse impact on the amount of proceeds raised under this Entitlement Offer.

# APPENDIX C

## INTERNATIONAL OFFER RESTRICTIONS



# INTERNATIONAL OFFER RESTRICTIONS

This document does not constitute an offer of New Shares of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

## **Bermuda**

No offer or invitation to subscribe for New Shares may be made to the public in Bermuda or in any manner that would constitute engaging in business in or from within Bermuda. In addition, no invitation is being made to persons resident in Bermuda for exchange control purposes to subscribe for New Shares.

## **Cayman Islands**

No offer or invitation to subscribe for New Shares may be made to the public in the Cayman Islands or in any manner that would constitute carrying on business in the Cayman Islands.

## **Canada (British Columbia, Ontario and Quebec provinces)**

This document constitutes an offering of New Shares only in the Provinces of British Columbia, Ontario and Quebec (the “**Provinces**”), only to persons to whom New Shares may be lawfully distributed in the Provinces, and only by persons permitted to sell such securities. This document is not a prospectus, an advertisement or a public offering of securities in the Provinces. This document may only be distributed in the Provinces to persons who are “accredited investors” within the meaning of National Instrument 45-106 – Prospectus Exemptions, of the Canadian Securities Administrators.

No securities commission or authority in the Provinces has reviewed or in any way passed upon this document, the merits of the New Shares or the offering of the New Shares and any representation to the contrary is an offence.

No prospectus has been, or will be, filed in the Provinces with respect to the offering of New Shares or the resale of such securities. Any person in the Provinces lawfully participating in the offer will not receive the information, legal rights or protections that would be afforded had a prospectus been filed and receipted by the securities regulator in the applicable Province. Furthermore, any resale of the New Shares in the Provinces must be made in accordance with applicable Canadian securities laws. While such resale restrictions generally do not apply to a first trade in a security of a foreign, non-Canadian reporting issuer that is made through an exchange or market outside Canada, Canadian purchasers should seek legal advice prior to any resale of the New Shares.

The Company as well as its directors and officers may be located outside Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Company or its directors or officers. All or a substantial portion of the assets of the Company and such persons may be located outside Canada and, as a result, it may not be possible to satisfy a judgment against the Company or such persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or such persons outside Canada.

# INTERNATIONAL OFFER RESTRICTIONS (CONT.)

Any financial information contained in this document has been prepared in accordance with Australian Accounting Standards and also comply with International Financial Reporting Standards and interpretations issued by the International Accounting Standards Board. Unless stated otherwise, all dollar amounts contained in this document are in Australian dollars.

Statutory rights of action for damages and rescission. Securities legislation in certain Provinces may provide a purchaser with remedies for rescission or damages if an offering memorandum contains a misrepresentation, provided the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's Province. A purchaser may refer to any applicable provision of the securities legislation of the purchaser's Province for particulars of these rights or consult with a legal adviser.

Certain Canadian income tax considerations. Prospective purchasers of the New Shares should consult their own tax adviser with respect to any taxes payable in connection with the acquisition, holding or disposition of the New Shares as there are Canadian tax implications for investors in the Provinces.

Language of documents in Canada. Upon receipt of this document, each investor in Canada hereby confirms that it has expressly requested that all documents evidencing or relating in any way to the sale of the New Shares (including for greater certainty any purchase confirmation or any notice) be drawn up in the English language only. Par la réception de ce document, chaque investisseur canadien confirme par les présentes qu'il a expressément exigé que tous les documents faisant foi ou se rapportant de quelque manière que ce soit à la vente des valeurs mobilières décrites aux présentes (incluant, pour plus de certitude, toute confirmation d'achat ou tout avis) soient rédigés en anglais seulement.

## Germany

This document has not been, and will not be, registered with or approved by any securities regulator in Germany or elsewhere in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in Germany except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "**Prospectus Regulation**").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in Germany is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

## Hong Kong

**WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "**SFO**"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

# INTERNATIONAL OFFER RESTRICTIONS (CONT.)

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## Japan

The New Shares have not been, and will not be, registered under Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948), as amended (the “FIEL”) pursuant to an exemption from the registration requirements applicable to a private placement of securities to Qualified Institutional Investors (as defined in and in accordance with Article 2, paragraph 3 of the FIEL and the regulations promulgated thereunder). Accordingly, the New Shares may not be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan other than Qualified Institutional Investors.

Any Qualified Institutional Investor who acquires New Shares may not resell them to any person in Japan that is not a Qualified Institutional Investor, and acquisition by any such person of New Shares is conditional upon the execution of an agreement to that effect.

## New Zealand

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the “FMC Act”).

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

# INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## Norway

This document has not been approved by, or registered with, any Norwegian securities regulator under the Norwegian Securities Trading Act of 29 June 2007 no. 75. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act. The New Shares may not be offered or sold, directly or indirectly, in Norway except to “professional clients” (as defined in the Norwegian Securities Trading Act).

## Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the “SFA”) or another exemption under the SFA.

This document has been given to you on the basis that you are an “institutional investor” or an “accredited investor” (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## Switzerland

The New Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange or on any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other offering or marketing material relating to the New Shares constitutes a prospectus or a similar notice, as such terms are understood under art. 35 of the Swiss Financial Services Act or the listing rules of any stock exchange or regulated trading facility in Switzerland.

No offering or marketing material relating to the New Shares has been, nor will be, filed with or approved by any Swiss regulatory authority or authorised review body. In particular, this document will not be filed with, and the offer of New Shares will not be supervised by, the Swiss Financial Market Supervisory Authority (“FINMA”).

Neither this document nor any other offering or marketing material relating to the New Shares may be publicly distributed or otherwise made publicly available in Switzerland. The New Shares will only be offered to investors who qualify as “professional clients” (as defined in the Swiss Financial Services Act). This document is personal to the recipient and not for general circulation in Switzerland.

# INTERNATIONAL OFFER RESTRICTIONS (CONT.)

## United Arab Emirates

This document does not constitute a public offer of securities in the United Arab Emirates and the New Shares may not be offered or sold, directly or indirectly, to the public in the UAE. Neither this document nor the New Shares have been approved by the Securities and Commodities Authority (“SCA”) or any other authority in the UAE.

No marketing of the New Shares has been, or will be, made from within the UAE other than in compliance with the laws of the UAE and no subscription for any securities may be consummated within the UAE. This document may be distributed in the UAE only to “professional investors” (as defined in the SCA Board of Directors’ Decision No.13/RM of 2021, as amended).

No offer of New Shares will be made to, and no subscription for New Shares will be permitted from, any person in the Abu Dhabi Global Market or the Dubai International Financial Centre.

## United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended (“FSMA”)) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to “qualified investors” within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (“FPO”), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (“**relevant persons**”). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

## United States

This document and the information contained herein does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act, or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States, unless such securities have been registered under the U.S. Securities Act (which NEXTDC has no obligation to do or to procure), or are offered and sold pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.

# APPENDIX D

## GLOSSARY



# GLOSSARY

|                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|-------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Application</b>                        | The arranging for payment of the relevant Application Monies through Bpay® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Application Monies</b>                 | Aggregate amount payable for the New Shares applied for through BPAY® or in a duly completed Entitlement and Acceptance Form                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>ASIC</b>                               | Australian Securities and Investments Commission                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
| <b>ASX</b>                                | Australian Securities Exchange ACN 008 624 691 and the securities exchange operated by it                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>AUD / A\$</b>                          | Australian Dollars                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>CAGR</b>                               | Compound Annual Growth Rate                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>CBD</b>                                | Central Business District                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Corporations Act</b>                   | Corporations Act 2001 (Cth)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>EBITDA</b>                             | Earnings Before Interest, Tax, Depreciation, and Amortisation                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Eligible Institutional Shareholder</b> | In accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date who: (a) is not an Ineligible Institutional Shareholder; and (b) has successfully received an invitation from the Joint Lead Managers to participate in the Institutional Entitlement Offer (either directly or through a nominee)                                                                                                                                                                                                                                                                                                                      |
| <b>Eligible Retail Shareholder</b>        | Shareholder on the Record Date who: (a) is registered as a holder of existing NEXTDC shares; (b) has a registered address in Australia or New Zealand or is a Shareholder that NEXTDC has otherwise determined is eligible to participate; (c) is not in the United States and is not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States; (d) was not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer |
| <b>Entitlement</b>                        | The right to subscribe for 1 New Share for every 8 Existing Shares held by eligible Shareholders on the Record Date, pursuant to the Entitlement Offer                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
| <b>Entitlement and Acceptance Form</b>    | Entitlement and acceptance form accompanying the Retail Offer Booklet                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |

|                                             |                                                                                                                                                                                                                                                                                     |
|---------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Entitlement Offer</b>                    | The Institutional Entitlement Offer and the Retail Entitlement Offer                                                                                                                                                                                                                |
| <b>Ineligible Institutional Shareholder</b> | A Shareholder who is an institutional or sophisticated Shareholder on the Record Date with a registered address outside Australia and New Zealand or any other jurisdiction that NEXTDC and the Joint Lead Managers agree to whom ASX Listing Rule 7.7.1(a) applies                 |
| <b>Institutional Entitlement Offer</b>      | The pro-rata accelerated non-renounceable entitlement offer to Eligible Institutional Shareholders                                                                                                                                                                                  |
| <b>Joint Lead Managers</b>                  | The underwriters, joint lead managers and bookrunners to the Entitlement Offer                                                                                                                                                                                                      |
| <b>MW</b>                                   | Megawatts                                                                                                                                                                                                                                                                           |
| <b>New Shares</b>                           | Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Top Up Facility or to the Joint Lead Managers or sub-underwriters                                                       |
| <b>NEXTDC</b>                               | NEXTDC Limited ACN 143 582 521                                                                                                                                                                                                                                                      |
| <b>Offer Price</b>                          | A\$10.80 per New Share                                                                                                                                                                                                                                                              |
| <b>PP&amp;E</b>                             | Property, Plant & Equipment                                                                                                                                                                                                                                                         |
| <b>PUE</b>                                  | Power Usage Effectiveness                                                                                                                                                                                                                                                           |
| <b>Record Date</b>                          | 7.00pm (Sydney time) on Monday, 15 May 2023                                                                                                                                                                                                                                         |
| <b>Retail Entitlement Offer</b>             | The pro-rata non-renounceable offer to Eligible Retail Shareholders to subscribe for 1 New Share for every 8 Existing Shares of which the Shareholder is the registered holder on the Record Date, at an Offer Price of A\$10.80 per New Share pursuant to the Retail Offer Booklet |
| <b>Retail Offer Booklet</b>                 | Booklet containing further details about the Retail Entitlement Offer, which NEXTDC expects to lodge with the ASX on 18 May 2023                                                                                                                                                    |
| <b>Share</b>                                | A fully paid ordinary share in the capital of NEXTDC                                                                                                                                                                                                                                |
| <b>Shareholder</b>                          | A holder of Shares                                                                                                                                                                                                                                                                  |
| <b>TERP</b>                                 | The theoretical price at which NEXTDC shares should trade immediately following the ex-date for the Entitlement Offer                                                                                                                                                               |
| <b>Underwriting Agreement</b>               | The underwriting agreement dated Thursday, 11 May 2023 between NEXTDC and the Joint Lead Managers                                                                                                                                                                                   |



# NEXTDC INVESTOR RELATIONS



[investorrelations@nextdc.com](mailto:investorrelations@nextdc.com)



13 63 98



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N E X T D C

# ASX Release

15 May 2023

NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

## Successful Completion of Institutional Entitlement Offer

NEXTDC Limited (**ASX: NXT**) ("**NEXTDC**" or "**the Company**") is pleased to announce it has successfully raised approximately A\$416 million from NEXTDC's Eligible Institutional Shareholders<sup>1</sup> under the institutional component of its fully underwritten 1 for 8 pro-rata accelerated non renounceable entitlement offer of new fully paid ordinary shares in NEXTDC ("**New Shares**") ("**Institutional Entitlement Offer**") to raise approximately A\$618 million ("**Entitlement Offer**") announced on Thursday, 11 May 2023.

The Institutional Entitlement Offer received strong support from NEXTDC's Eligible Institutional Shareholders, with a take up rate of ~99%, with the balance of ~1% allocated on a proportional basis to shareholders who elected to bid for additional shares over their existing entitlements.

Mr Craig Scroggie, NEXTDC's Chief Executive Officer and Managing Director said:

*"We have received an exceptional level of support from our existing institutional shareholders in this Entitlement Offer.*

*The announcement of our expansion into Malaysia and New Zealand, and acceleration of our development of S3, are important milestones for the Company. Having dedicated more than a decade building NEXTDC's robust digital infrastructure platform across Australia, we are thrilled to undertake these new regional investments to kickstart our international operations. Regional expansion allows NEXTDC to strategically leverage our invaluable customer relationships, our development expertise, and our operating credentials. The blueprint for our next decade of accelerated growth is now set in motion, and we are excited to pursue the tremendous opportunities that lie ahead."*

New Shares issued under the Entitlement Offer will rank equally with existing shares on issue. New Shares issued under the Institutional Entitlement Offer are expected to commence trading on Wednesday, 24 May 2023.

NEXTDC shares will recommence trading from market open today.

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<sup>1</sup> In accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date who: (a) is not an Ineligible Institutional Shareholder; and (b) has successfully received an invitation from the Joint Lead Managers to participate in the Institutional Entitlement Offer (either directly or through a nominee).

## RETAIL ENTITLEMENT OFFER

The fully underwritten retail component of the Entitlement Offer (“**Retail Entitlement Offer**”) will open at 10:00am (Sydney time) on Thursday, 18 May 2023, and close at 5:00pm (Sydney time) on Wednesday, 31 May 2023.

Eligible Retail Shareholders<sup>2</sup> will be invited to participate in the Retail Entitlement Offer at the same offer price (being A\$10.80 per New Share) (“**Offer Price**”) and offer ratio as the Institutional Entitlement Offer.

Eligible Retail Shareholders may also apply for additional new shares up to a maximum of 100% in excess of their entitlement, at the Offer Price (“**Top Up Facility**”). Additional New Shares will only be available where there is a shortfall between applications received from Eligible Retail Shareholders and the number of New Shares proposed to be issued under the Retail Entitlement Offer. NEXTDC retains the flexibility to scale back applications for additional New Shares at its discretion.

Further details about the Retail Entitlement Offer will be set out in a retail offer booklet (“**Retail Offer Booklet**”), which NEXTDC expects to lodge with the ASX on 18 May 2023.

For Eligible Retail Shareholders who wish to take up all or part of their entitlement, payment must be made via BPAY® or by following the instructions set out on the personalised Entitlement and Acceptance Form. Payment is due by no later than 5.00pm (Sydney time) on 31 May 2023. The Retail Offer Booklet and accompanying Entitlement and Acceptance Form will be sent electronically to those Eligible Retail Shareholders who have elected to receive electronic communications from NEXTDC.

## EQUITY RAISING TIMETABLE

| Event                                                                                                | Date                                         |
|------------------------------------------------------------------------------------------------------|----------------------------------------------|
| Trading halt lifted and NXT shares recommence trading                                                | Monday, 15 May 2023                          |
| Entitlement Offer Record Date                                                                        | 7:00pm (Sydney time), Monday, 15 May 2023    |
| Retail Entitlement Offer opens and Retail Offer Booklet made available                               | Thursday, 18 May 2023                        |
| Settlement of New Shares issued under the Institutional Entitlement Offer                            | Tuesday, 23 May 2023                         |
| Allotment and normal trading of New Shares issued under the Institutional Entitlement Offer          | Wednesday, 24 May 2023                       |
| Retail Entitlement Offer closes                                                                      | 5:00pm (Sydney time), Wednesday, 31 May 2023 |
| Announcement of results of Retail Entitlement Offer                                                  | Monday, 5 June 2023                          |
| Settlement of New Shares Issued under the Retail Entitlement Offer                                   | Tuesday, 6 June 2023                         |
| Allotment of New Shares issued under the Retail Entitlement Offer                                    | Wednesday, 7 June 2023                       |
| Normal trading of New Shares issued under the Retail Entitlement Offer                               | Thursday, 8 June 2023                        |
| Holding statements in respect of New Shares issued under the Retail Entitlement Offer are dispatched | Friday, 9 June 2023                          |

*The above timetable is indicative only. NEXTDC and the Joint Lead Managers reserve the right to amend any or all of these dates at their absolute discretion, subject to the Corporations Act 2001 (Cth), the ASX Listing Rules and any other applicable laws. The quotation of new shares is subject to confirmation from the ASX.*

<sup>2</sup> A retail shareholder on the Record Date who: (a) is registered as a holder of existing NEXTDC Existing Shares; (b) has a registered address in Australia or New Zealand; (c) is not in the United States and is not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States; (d) was not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and (e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.



## **FURTHER INFORMATION**

If you believe that you are an Eligible Retail Shareholder and you do not receive a copy of the Retail Offer Booklet or your personalised Entitlement and Acceptance Form, you can call the NEXTDC Offer Information Line on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia).

The Offer Information Line is open from 8.30am to 5.30pm (Sydney time) Monday to Friday until 31 May 2023 when the Retail Entitlement Offer closes.

Nothing contained in this announcement constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action on the basis of the information.

Authorised for release by the Board of NEXTDC Limited.

## **ENDS**

For more information:

**Simon Guzowski**

T: +61 2 8072 4943

E: [investorrelations@nextdc.com](mailto:investorrelations@nextdc.com)

NEXTDC Investor Centre: [www.nextdc.com/our-company/investor-centre](http://www.nextdc.com/our-company/investor-centre)

## **IMPORTANT NOTICE**

Not for distribution or release in the United States

This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States. This announcement should not be distributed or released in the United States.

Neither the entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the U.S. Securities Act) or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the entitlements may not be taken up or exercised by, and the New Shares may not be offered or sold, directly or indirectly, in the United States or to any person acting for the account or benefit of any person in the United States (to the extent that the person holds shares for the account or benefit of a person in the United States), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable securities laws of any state or other jurisdiction of the United States.



## 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](http://www.nextdc.com)

## 5 Additional information

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### 5.1 Ranking of New Shares

The New Shares issued under the Retail Entitlement Offer will be fully paid and rank equally with Existing Shares.

### 5.2 Allotment

NEXTDC has applied for quotation of the New Shares on ASX in accordance with Listing Rule requirements. If ASX does not grant quotation of the New Shares, NEXTDC will repay all Application Monies (without interest).

Trading of New Shares will, subject to ASX approval, occur shortly after allotment. It is expected that allotment of the New Shares under the Retail Entitlement Offer will take place on Thursday, 8 June 2023. Application Monies will be held by NEXTDC on trust for Applicants until the New Shares are allotted. No interest will be paid on Application Monies.

Subject to approval being granted, it is expected that the New Shares allotted under the Retail Entitlement Offer will commence trading on a normal basis on Thursday, 8 June 2023.

It is the responsibility of Applicants to determine the number of New Shares allotted and issued to them prior to trading in the New Shares. The sale by an Applicant of New Shares prior to receiving their holding statement is at the Applicant's own risk.

### 5.3 Reconciliation

In any entitlement offer, investors may believe that they own more Existing Shares on the Record Date than they ultimately do. This may result in a need for reconciliation to ensure all eligible Shareholders have the opportunity to receive their full Entitlement.

NEXTDC may need to issue a small quantity of additional New Shares to ensure all eligible Shareholders have the opportunity to receive their appropriate allocation of New Shares. The price at which these New Shares would be issued, if required, is the same as the Offer Price.

NEXTDC also reserves the right to reduce the number of an Entitlement or New Shares allocated to eligible Shareholders or persons claiming to be eligible Shareholders, if their Entitlement claims prove to be overstated, if they or their nominees fail to provide information requested to substantiate their Entitlement claims, or if they are not eligible Shareholders.

### 5.4 Underwriting arrangements

NEXTDC has entered into an underwriting agreement with UBS Securities Australia Limited and Macquarie Capital (Australia) Limited (together, the **Joint Lead Managers** and each a **Joint Lead Manager**) pursuant to which the Joint Lead Managers have been appointed as joint lead managers, bookrunners and underwriters of this Entitlement Offer (**Underwriting Agreement**).

The Underwriting Agreement contains representations, warranties and indemnities in favour of the Joint Lead Managers.

Each Joint Lead Manager may terminate its obligations under the Underwriting Agreement on the occurrence of certain termination events, including, but not limited to, where:

- (a) there are certain delays in the Timetable for the Entitlement Offer without the Joint Lead Managers' consent;
- (b) NEXTDC withdraws the Entitlement Offer;

- (c) a certificate which is required to be furnished by NEXTDC under the Underwriting Agreement is not furnished when required;
- (d) ASIC:
  - (i) holds, or gives notice of intention to hold, a hearing or investigation in relation to the Entitlement Offer or NEXTDC; or
  - (ii) prosecutes or gives notice of an intention to prosecute, or commences proceedings against, or gives notice of an intention to commence proceedings against, NEXTDC or any of its directors, officers, employees or agents in relation to the Entitlement Offer,

and in each case, such hearing, notice, investigation, prosecution or proceeding becomes public or is not withdrawn or discontinued within two business days after it is made or commenced, or, where it is made or commenced less than two business days before the settlement date for the New Shares to be issued under the Institutional Entitlement Offer or the settlement date for the New Shares to be issued under the Retail Entitlement Offer, it has not been withdrawn before such dates, as the case may be;
- (e) ASX announces that NEXTDC's shares will be delisted, removed from quotation, withdrawn from admission to trading status or suspended from quotation (which, for the avoidance of doubt, does not include a trading halt requested to facilitate the Entitlement Offer);
- (f) unconditional approval (or approval conditional only on customary conditions which are acceptable to the Joint Lead Managers, acting reasonably) is refused or not granted to the official quotation of all of the New Shares to be issued under the Institutional Entitlement Offer or New Shares to be issued under the Retail Entitlement Offer by 9.30am on the relevant settlement dates for such shares;
- (g) any director of NEXTDC or the Chief Executive Officer or Chief Financial Officer is charged with a criminal offence relating to any financial or corporate matter, or any director of NEXTDC is disqualified from managing a corporation under the Corporations Act 2001 (Cth) (**Corporations Act**);
- (h) NEXTDC or any of its directors or the Chief Executive Officer or Chief Financial Officer engages in any fraudulent conduct or activity whether or not in connection with the Entitlement Offer;
- (i) a change occurs to the Chief Executive Officer or Chief Financial Officer of NEXTDC;
- (j) a general moratorium on commercial banking activities in Australia, the United States, the United Kingdom or Hong Kong is declared by the relevant central banking authority in any of those countries, or there is a material disruption in commercial banking or security settlement or clearance services in any of those countries.

In addition, each Joint Lead Manager may terminate its obligations under the Underwriting Agreement on the occurrence of certain events which, in the reasonable opinion of that Joint Lead Manager, has had, or could reasonably be expected to have, a material adverse effect on the marketing or success of the Entitlement Offer, renders it impracticable to effect acceptances of applications for New Shares or settlement and issue of New Shares, or could reasonably be expected to give rise to a liability for that Joint Lead Manager under the Corporations Act or any other applicable law. These events include, but are not limited to, where:

- (k) an obligation arises on NEXTDC to give ASX a notice in accordance with section 708AA(12)(a) of the Corporations Act (as included in the Corporations Act by ASIC Corporations (Non-Traditional Rights Issues) Instrument 2016/84) or a notice in accordance with section 708AA(11) of the Corporations Act;
- (l) a certificate which is required to be furnished by NEXTDC under the Underwriting Agreement is not true or incorrect;
- (m) proceedings are commenced or threatened, or there is a public announcement of an intention to commence proceedings before a court or tribunal of competent jurisdiction in Australia seeking an injunction or other order in relation to the Entitlement Offer;
- (n) NEXTDC is or becomes in default of any of the terms and conditions of the Underwriting Agreement or a representation or warranty by NEXTDC is or becomes false or incorrect;
- (o) any offer material for this Entitlement Offer includes a statement or fact that is misleading or deceptive or omits to state a fact necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading or deceptive;
- (p) a change occurs to the board of directors of NEXTDC;
- (q) there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any State or Territory of Australia a new law, or the Reserve Bank of Australia, or any Commonwealth or State or Territory authority, adopts or announces a proposal to adopt a new policy (other than a law or policy which has been announced prior to the date of the Underwriting Agreement);
- (r) any adverse change or disruption occurs to the existing financial markets, political or economic conditions of Australia, the United States of America, the United Kingdom or Hong Kong, or there is any change or development involving a prospective change in national or international political, financial or economic conditions, from those existing at the date of the Underwriting Agreement;
- (s) any adverse change or effect occurs, or an event occurs which is likely to give rise to an adverse change or effect, in the condition (financial or otherwise), assets, earnings, business, affairs, liabilities, financial position or performance, results of operations, profits, losses or prospects of NEXTDC from that existing at the date of the Underwriting Agreement;
- (t) there is an outbreak or escalation of hostilities, whether war has been declared or not, or an act or acts of terrorism, in each case involving one or more of Australia, the United States or the United Kingdom or, nuclear weapons are used in relation to the conflict between Russia and Ukraine, or the military of any member state of the North Atlantic Treaty Organization becomes directly involved in that conflict; and
- (u) trading of securities quoted on ASX, the London Stock Exchange, the New York Stock Exchange or Hong Kong Exchanges and Clearing is suspended, or there is a material limitation in trading, for one business day on which the exchange is open for trading.

If a Joint Lead Manager terminates its obligations under the Underwriting Agreement, it will not be obliged to perform any of its obligations that remain to be performed. Termination of the Underwriting Agreement by one or both Joint Lead Managers could have an adverse impact on the amount of proceeds raised under this Entitlement Offer.

## **5.5 Continuous Disclosure**

NEXTDC is a “disclosing entity” under the Corporations Act and is subject to regular reporting and disclosure obligations under the Corporations Act and the ASX Listing Rules, including the preparation of annual reports and half yearly reports.

NEXTDC is required to notify ASX of information about specific events and matters as they arise for the purposes of ASX making that information available to the stock markets conducted by ASX. In particular, NEXTDC has an obligation under the Listing Rules (subject to certain exceptions) to notify ASX immediately of any information of which it is or becomes aware which a reasonable person would expect to have a material effect on the price or value of NEXTDC shares. That information is available to the public from ASX.

## 6 Australian taxation consequences

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Below is a general guide to the Australian income tax, goods and services tax (**GST**) and stamp duty implications of the Retail Entitlement Offer for Eligible Retail Shareholders that hold their New Shares or additional New Shares acquired under the Top Up Facility on capital account.

The guide below applies only to Eligible Retail Shareholders who are Australian resident individuals, companies or complying superannuation entities. The guide does not apply to Eligible Retail Shareholders who:

- acquired, or were taken to have acquired, their Shares before 20 September 1985;
- are not a resident for Australian income tax purposes;
- hold their Shares as revenue assets or trading stock (which will generally be the case if you are a bank, insurance company or carry on a business of share trading); or
- acquired the Shares in respect of which the Entitlements are issued under any employee share scheme or where the New Shares are acquired pursuant to any employee share scheme.

The guide does not take account of the individual circumstances of particular Eligible Retail Shareholders and does not constitute tax advice. It does not purport to be a complete analysis of the potential tax consequences of the Retail Entitlement Offer and is intended as a general guide to the Australian tax implications. Eligible Retail Shareholders should seek advice from an appropriate professional advisor in relation to the tax implications of the Retail Entitlement Offer based on their own individual circumstances.

The comments below are based on the Australian tax law as it applies as at 9.00am (Sydney time) on Thursday, 11 May 2023. Other than as expressly discussed, the comments do not take into account or anticipate changes in Australian tax law or future judicial interpretations of law after this time unless otherwise specified. The comments also do not take into account tax legislation of any country other than Australia.

### 6.1 Issue of Entitlement

The issue of the Entitlement will not in itself result in any amount being included in the assessable income of an Eligible Retail Shareholder.

### 6.2 Exercise of Entitlement and applying for additional New Shares

New Shares will be acquired where the Eligible Retail Shareholder exercises all or part of their Entitlement under the Retail Entitlement Offer. Additional New Shares will be acquired where the Eligible Retail Shareholder acquires additional New Shares under the Top Up Facility.

An Eligible Retail Shareholder will not derive any assessable income, or make any capital gain or capital loss at the time of exercising their Entitlement under the Retail Entitlement Offer or acquiring additional New Shares under the Top Up Facility.

For Australian capital gains tax (**CGT**) purposes:

- New Shares will be taken to have been acquired on the day that an Eligible Retail Shareholder exercises their Entitlement; and
- additional New Shares acquired under the Top Up Facility will be taken to have been acquired on the date the additional New Shares were issued to the Eligible Retail Shareholder.

The cost base of each New Share and additional New Share will be equal to the Offer Price payable for each New Share and additional New Share respectively (plus any non-deductible incidental costs the Eligible Retail Shareholder incurs in acquiring the New Shares and additional New Shares).

### **6.3 Lapse of Entitlement**

If an Eligible Retail Shareholder does not accept all or part of their Entitlement in accordance with the instructions set out above in Section 3.2, then that Entitlement will lapse and the Eligible Retail Shareholder will not receive any consideration for their Entitlement that is not taken up. There should be no tax implications for an Eligible Retail Shareholder from the lapse of the Entitlement.

### **6.4 Taxation in respect of dividends on New Shares**

Any future dividends or other distributions made in respect of New Shares will be subject to the same income taxation treatment as dividends or other distributions made on Existing Shares held in the same circumstances.

### **6.5 Disposal of New Shares or additional New Shares**

The disposal of New Shares or additional New Shares will constitute a disposal for CGT purposes.

On disposal of a New Share or an additional New Shares, an Eligible Retail Shareholder will make a net capital gain if the capital proceeds received on disposal exceed the total cost base of the New Share or additional New Share. An Eligible Retail Shareholder will make a net capital loss if the capital proceeds are less than the total reduced cost base of the New Share or additional New Share.

Eligible Retail Shareholders that are individuals or complying superannuation entities and that have held their New Shares or additional New Shares for 12 months or more (excluding the date of acquisition and the date of disposal) at the time of disposal should be entitled to apply the applicable CGT discount factor to reduce the capital gain (after offsetting capital losses). The CGT discount factor is 50% for individuals and 33.33% for complying superannuation entities.

New Shares will be treated for the purposes of the CGT discount as having been acquired when the Eligible Retail Shareholder exercised their Entitlement or when the New Shares were issued under the Top Up Facility. Accordingly, in order to be eligible for the CGT discount, the New Shares must be held for at least 12 months after the date that the Entitlement were exercised or were issued under the Top Up Facility, as the case may be.

Eligible Retail Shareholders that make a capital loss can only use that loss to offset other capital gains from other sources i.e. the capital loss cannot be used against taxable income on revenue account. However, if the capital loss cannot be used in a particular income year it can be carried forward to use in future income years, provided certain loss utilisation tests are satisfied.

### **6.6 Taxation of Financial Arrangements**

The application of the Taxation of Financial Arrangements (TOFA) provisions depends on the specific facts and circumstances of the Eligible Retail Shareholder. Eligible Retail Shareholders should seek advice from an appropriate professional advisor in relation to the implications of the TOFA provisions (if any).

### **6.7 GST**

The taking up of the New Shares and additional New Shares will be classified as a “financial supply” for Australian GST purposes. Accordingly, Australian GST will not be payable in respect

of amounts paid for the acquisition of the New Shares or additional New Shares. Subject to certain requirements, there may be a restriction on the entitlement of Eligible Retail Shareholders to claim an input tax credit for any GST incurred on costs associated with the acquisition of New Shares or additional New Shares acquired under the Top Up Facility.

## 6.8 Stamp duty

Stamp duty will not be payable in respect of the taking up of New Shares or additional New Shares on the assumption that all acquisitions occur when all of the securities in NEXTDC are quoted on the market operated by the ASX and no Shareholder (together with interests of associated persons and interests acquired under associated transactions) holds an interest of 90% or more in NEXTDC.

## 7 Definitions

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**Applicant** means an Eligible Retail Shareholder who has submitted a valid Application.

**Application** means the arranging for payment of the relevant Application Monies through BPAY® in accordance with the instructions on the Entitlement and Acceptance Form or the submission of an Entitlement and Acceptance Form accompanied by the relevant Application Monies.

**Application Monies** means the aggregate amount payable for the New Shares applied for through BPAY® or in a duly completed Entitlement and Acceptance Form.

**ASIC** means the Australian Securities and Investments Commission.

**ASX** means ASX Limited ACN 008 624 691 and the securities exchange operated by it.

**Business Day** has the same meaning as in the Listing Rules.

**Closing Date** means 5.00pm (Sydney time) on Wednesday, 31 May 2023, the day the Retail Entitlement Offer closes.

**Corporations Act** means the *Corporations Act 2001* (Cth).

**Eligible Institutional Shareholder** means, in accordance with sections 708(8) and (11) of the Corporations Act, respectively, a sophisticated or professional Shareholder on the Record Date who:

- (a) is not an Ineligible Institutional Shareholder; and
- (b) has successfully received an invitation from the Joint Lead Managers to participate in the Institutional Entitlement Offer (either directly or through a nominee).

**Eligible Retail Shareholder** means a Shareholder on the Record Date who:

- (a) is registered as a holder of existing NEXTDC shares;
- (b) has a registered address in Australia or New Zealand or is a Shareholder that NEXTDC has otherwise determined is eligible to participate;
- (c) is not in the United States and is not a person (including a nominee or custodian) acting for the account or benefit of a person in the United States;
- (d) was not invited to participate in the Institutional Entitlement Offer and was not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and

(e) is eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

**Entitlement** means the right to subscribe for 1 New Share for every 8 Existing Shares held by eligible Shareholders on the Record Date, pursuant to the Entitlement Offer.

**Entitlement and Acceptance Form** means the entitlement and acceptance form accompanying this Retail Offer Booklet.

**Entitlement Offer** means the Institutional Entitlement Offer and the Retail Entitlement Offer.

**Existing Shares** means the Shares already on issue on the Record Date.

**Ineligible Institutional Shareholder** means an Institutional Shareholder that is not an Eligible Institutional Shareholder.

**Ineligible Retail Shareholder** means a Shareholder (or beneficial holder of Shares) other than an Eligible Institutional Shareholder or an Ineligible Institutional Shareholder on the Record Date with a registered address outside Australia and New Zealand or any other jurisdiction that NEXTDC and the Joint Lead Managers agree to whom ASX Listing Rule 7.7.1(a) applies.

**Institutional Entitlement Offer** means the accelerated pro-rata non-renounceable entitlement offer to Eligible Institutional Shareholders.

**Investor Presentation** means the presentation to investors released to the ASX on Thursday, 11 May 2023, incorporated in Section 4 of this Retail Offer Booklet.

**Joint Lead Managers** mean Macquarie Capital (Australia) Limited ABN 79 123 199 548 and UBS Securities Australia Limited ABN 62 008 586 481.

**Listing Rules** means the official listing rules of ASX.

**New Shares** means Shares to be allotted and issued under the Entitlement Offer, including (as the context requires) the shortfall from the Entitlement Offer issued under the Top Up Facility or to the Joint Lead Managers or sub-underwriters.

**NEXTDC** means NEXTDC Limited ACN 143 582 521.

**Offer Price** means A\$10.80 per New Share.

**Record Date** means 7.00pm (Sydney time) on Monday, 15 May 2023.

**Retail Entitlement Offer** means the pro-rata non-renounceable offer to Eligible Retail Shareholders to subscribe for 1 New Share for every 8 Existing Shares of which the Shareholder is the registered holder on the Record Date, at an Offer Price of A\$10.80 per New Share pursuant to this Retail Offer Booklet.

**Retail Offer Booklet** means this document.

**Share** means a fully paid ordinary share in the capital of NEXTDC.

**Share Registry** means Link Market Services Limited ACN 083 214 537.

**Shareholder** means a holder of Shares.

**TERP** means the theoretical price at which NEXTDC shares should trade immediately after the ex-date of the Entitlement Offer.

**Timetable** means the indicative table set out in the 'key dates' section of this Retail Offer Booklet.

**Top Up Facility** means the facility described in Section 3.3 under which Eligible Retail Shareholders may apply for New Shares in excess of their Entitlement.

**Underwriting Agreement** means the underwriting agreement dated Thursday, 11 May 2023 between NEXTDC and the Joint Lead Managers.

**US Securities Act** means the US Securities Act of 1933, as amended.

## Corporate information

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### Company

NEXTDC Limited  
20 Wharf Street  
Brisbane Qld 4000

Tel +61 7 3177 4777  
[www.nextdc.com](http://www.nextdc.com)

### Joint Lead Managers

Macquarie Capital (Australia) Limited  
Level 4, 50 Martin Place  
Sydney NSW 2000

UBS Securities Australia Limited  
Chifley Tower  
Level 16, 2 Chifley Square  
Sydney NSW 2000

### Share Registry

Link Market Services Limited  
Level 21  
10 Eagle Street  
Brisbane QLD 4000

### Legal Adviser

Herbert Smith Freehills  
ANZ Tower  
161 Castlereagh Street  
Sydney NSW 2000

### NEXTDC Retail Entitlement offer information line

Australia: 1800 425 578  
International: +61 1800 425 578  
Open 8.30am to 5.30pm (Sydney time) Monday to Friday, before the Retail Entitlement Offer closes at 5.00pm (Sydney time) on Wednesday, 31 May 2023.

18 May 2023

**NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES**

**Dear Shareholder**

## Retail Entitlement Offer

On 11 May 2023, NEXTDC Limited (ABN 35 143 582 521) ("**NEXTDC**" or the "**Company**") announced on ASX a fully underwritten pro-rata accelerated non-renounceable entitlement offer for new fully paid ordinary shares in NEXTDC ("**New Shares**") at an issue price of A\$10.80 per New Share ("**Offer Price**") to raise approximately A\$618 million (the "**Entitlement Offer**").

Under the Entitlement Offer, NEXTDC will offer eligible shareholders the opportunity to subscribe for 1 New Share for every 8 existing fully paid ordinary shares held in NEXTDC ("**Existing Shares**") as at 7:00pm (Sydney time) on 15 May 2023 ("**Record Date**") ("**Entitlement**").

The net proceeds received from the Entitlement Offer are intended to be used to fund the Company's proposed new data centre developments in Kuala Lumpur (KL1) and Auckland (AK1) as well as fund the capital expenditure for the accelerated data hall fitout at NEXTDC's S3 data centre in support of recently announced customer contract wins, together with transaction costs and other corporate purposes.

As announced to ASX on 15 May 2023, NEXTDC has now successfully raised approximately A\$416 million from NEXTDC's Eligible Institutional Shareholders ("**Institutional Entitlement Offer**"). The Institutional Entitlement Offer received strong support from NEXTDC's Eligible Institutional Shareholders, with a take up rate of approximately 99%

### **What is the Retail Entitlement Offer?**

The Entitlement Offer comprises the Institutional Entitlement Offer and an offer to Eligible Retail Shareholders ("**Retail Entitlement Offer**").

Under the fully underwritten Retail Entitlement Offer, Eligible Retail Shareholders have the opportunity to invest at the same Offer Price and offer ratio as the Institutional Entitlement Offer.

This letter is to inform you about the Entitlement Offer and to explain that, as an Eligible Retail Shareholder you are entitled to subscribe for 1 New Share for every 8 Shares held on the Record Date. In the event of any fractions of Shares occur as a result of the subscription under this Entitlement Offer, your Entitlements will be rounded up to the nearest whole number.

You may subscribe for some or all of your maximum Entitlement under this Entitlement Offer.

If you take up your full Entitlement, you may also apply for additional New Shares up to a maximum of 100% in excess of your Entitlement, at the Offer Price ("**Top Up Facility**"). Additional New Shares will only be available where there is a shortfall between Applications received from Eligible Retail Shareholders and the number of New Shares proposed to be issued under the Retail Entitlement Offer. NEXTDC retains the flexibility to scale back Applications for New Shares at its discretion.

The Entitlement Offer is non-renounceable which means that Entitlements are non-transferable and cannot be traded on the Australian Securities Exchange or any other exchange, nor can they be privately transferred. If

Eligible Retail Shareholders take no action, they will not be allocated New Shares or receive any value in respect of the Entitlements they do not take up and their Entitlements will lapse.

NEXTDC does not intend to extend the Retail Entitlement Offer to jurisdictions outside of Australia and New Zealand.

The Retail Entitlement Offer opens on 18 May 2023 and is due to close at 5.00pm (Sydney time) on 31 May 2023.

This letter is not an offer document but rather an advance notice of some key terms and conditions of the Retail Entitlement Offer. Further details on the Retail Entitlement Offer are found in the Retail Offer Booklet that was lodged on ASX on 18 May 2023. You should read the Retail Offer Booklet in full before making any Application for New Shares.

### **How to Access the Retail Entitlement Offer and Retail Offer Booklet**

You can access a copy of the Retail Offer Booklet and Apply for the Retail Entitlement Offer in the following ways:

**ONLINE (BPAY)** – You can apply for the offer and access your payment details (including the BPAY® payment details) via the following <https://events.miracle.com/nxt-offer>. You will need to provide your Securityholder Reference Number (SRN), Holder Identification Number (HIN), surname and postcode and follow the instructions to apply for New Shares.

**ONLINE (EFT)** – EFT payment can only be used by entitled New Zealand holders; details can be accessed via the following <https://events.miracle.com/nxt-offer>. You will need to provide your Securityholder Reference Number (SRN) or Holder Identification Number (HIN) and postcode and follow the instructions to apply for New Shares. When submitting an application via EFT, your Securityholder Reference Number (SRN), Holder Identification Number (HIN) must be used as reference for the payment. Your application form and monies must be received by NEXTDC Limited (NXT) by no later than 5.00pm (Sydney time) on Wednesday, 31 May 2023, unless this date is otherwise extended by the Board at its sole discretion. Please return your application form via email to [capitalmarkets@linkmarketservices.com.au](mailto:capitalmarkets@linkmarketservices.com.au) if you are applying via EFT otherwise your application will not be accepted.

### **Key dates for the Retail Entitlement Offer**

| Activity                                                                                                                             | Date                         |
|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------|
| Announcement of the Entitlement Offer                                                                                                | Thursday, 11 May 2023        |
| Record Date for Entitlement Offer (7.00pm Sydney time)                                                                               | Monday, 15 May 2023          |
| Retail Offer Booklet and Entitlement and Acceptance Form made available                                                              | Thursday, 18 May 2023        |
| <b>Retail Entitlement Offer opens</b>                                                                                                | <b>Thursday, 18 May 2023</b> |
| Settlement of New Shares under the Institutional Entitlement Offer                                                                   | Tuesday, 23 May 2023         |
| Allotment and issue of New Shares under the Institutional Entitlement Offer and commencement of trading on a normal settlement basis | Wednesday, 24 May 2023       |

|                                                                                                              |                               |
|--------------------------------------------------------------------------------------------------------------|-------------------------------|
| <b>Retail Entitlement Offer closes (5.00pm Sydney Time)</b>                                                  | <b>Wednesday, 31 May 2023</b> |
| Settlement of New Shares issued under the Retail Entitlement Offer                                           | Tuesday, 6 June 2023          |
| Allotment and issue of New Shares under the Retail Entitlement Offer                                         | Wednesday, 7 June 2023        |
| Commencement of trading of New Shares issued under the Retail Entitlement Offer on a normal settlement basis | Thursday, 8 June 2023         |
| Dispatch of holding statements for New Shares issued under the Retail Entitlement Offer                      | Friday, 9 June 2023           |

*This timetable above is indicative only and may change. NEXTDC reserves the right to amend any or all of these dates and times subject to the Corporations Act, the ASX Listing Rules and other applicable laws. In particular, NEXTDC reserves the right to extend the closing date for the Retail Entitlement Offer, to accept late applications under the Retail Entitlement Offer (either generally or in particular cases) and to withdraw the Retail Entitlement Offer without prior notice. Any extension of the closing date will have a consequential effect on the allotment date of New Shares. NEXTDC also reserves the right not to proceed with the Entitlement Offer in whole or in part at any time prior to allotment and issue of the New Shares. In that event, the relevant Application Monies (without interest) will be returned in full to Applicants.*

## Further Information

Should you have any questions relating to the Entitlement Offer, please contact NEXTDC Limited's Share Registry, Link Market Services Limited, on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia) between 8.30am and 5.30pm (Sydney time) Monday to Friday.

For other questions, you should consult your broker, solicitor, accountant, financial adviser or other professional adviser.

Yours sincerely,



**Douglas Flynn**

Non-Executive Chairman

## DISCLAIMER

This letter is to inform you about the Retail Entitlement Offer. This letter is not a prospectus or offering document under Australian law or under any other law. No action has been or will be taken to register, qualify or otherwise permit a public offering of the New Shares in any jurisdiction outside Australia and New Zealand. This letter is for information purposes only and does not constitute or form part of an offer, invitation, solicitation, advice or recommendation with respect to the issue, purchase or sale of any securities in NEXTDC in any jurisdiction.

The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

## NOT FOR DISTRIBUTION OR RELEASE IN THE UNITED STATES

This letter does not constitute an offer to sell, or the solicitation of an offer to buy, any securities in the United States, or in any other jurisdiction in which, or to any person to whom, such an offer would be illegal. No action has been or will be taken to register, qualify or otherwise permit a public offering of the Entitlements or the New Shares under the Retail Entitlement Offer in any jurisdiction outside Australia and New Zealand. In particular, neither the Entitlements nor the New Shares have been, or will be, registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state or other jurisdiction of the United States. Accordingly, the Entitlements under the Retail Entitlement Offer may not be taken up or exercised by, and the New Shares in the Retail Entitlement Offer may not be offered or sold, directly or indirectly, to persons in the United States or acting for the account or benefit of any person in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States. The New Shares to be offered and sold in the Retail Entitlement Offer may only be offered and sold to persons that are not in the United States and are not acting for the account or benefit of a person in the United States, in each case in “offshore transactions” (as defined in Rule 902(h) under the U.S. Securities Act) in reliance on Regulation S under the U.S. Securities Act.

None of the Joint Lead Managers has authorised or caused the issue of this letter or made or authorised the making of any statement that is included in this letter or any statement on which a statement in this letter is based. To the maximum extent permitted by law, the Joint Lead Managers, and their respective related bodies corporate and affiliates and the directors, officers, employees or advisers and representatives of any of them expressly disclaim and take no responsibility for any statements in or omissions from this letter.

**IMPORTANT NOTICE TO NOMINEES:** Because of legal restrictions, you must not send copies of this letter nor any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia or New Zealand. Failure to comply with these restrictions may result in violations of applicable securities

18 May 2023

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**Dear Shareholder**

## **Entitlement Offer – Notification to Ineligible Shareholders**

On 11 May 2023, NEXTDC Limited (ABN 35 143 582 521) ("**NEXTDC**" or the "**Company**") announced on ASX a fully underwritten pro-rata accelerated non-renounceable entitlement offer for new fully paid ordinary shares in NEXTDC ("**New Shares**") at an issue price of A\$10.80 per New Share ("**Offer Price**"), to raise approximately A\$618 million ("**Entitlement Offer**").

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### **Why are we sending you this letter?**

This notice is to inform you about the Entitlement Offer and to explain why you will not be able to subscribe for New Shares under the Entitlement Offer. This letter is not an offer to issue Entitlements or New Shares to you, nor an invitation for you to apply for Entitlements or New Shares. **You are not required to do anything in response to this letter, but there may be financial implications for you as a result of the Entitlement Offer that you should be aware of.**

### **What is the Entitlement Offer?**

The Entitlement Offer comprises:

- a) an accelerated pro-rata non-renounceable entitlement offer to eligible institutional shareholders to accept all or part of their entitlement to New Shares, ("**Institutional Entitlement Offer**"); and
- b) a pro-rata non-renounceable entitlement offer of New Shares to Eligible Retail Shareholders (as defined below) ("**Retail Entitlement Offer**").

The Entitlement Offer is being made by the Company in accordance with section 708AA of the Corporations Act 2001 (Cth) ("**Act**") as modified by ASIC Corporations (*Non-Traditional Rights Issues*) Instrument 2016/84 and ASIC Corporations (*Disregarding Technical Relief*) Instrument 2016/73, meaning that no prospectus or other disclosure document needs to be prepared in relation to the Entitlement Offer.

NEXTDC has today lodged a retail offer booklet on the ASX, which sets out further details in respect of the Retail Entitlement Offer ("**Retail Offer Booklet**").

## Who is eligible?

“**Eligible Retail Shareholders**” are those persons on the Record Date who:

- a) are registered as a holder of Existing Shares;
- b) have a registered address in Australia or New Zealand or are a Shareholder that NEXTDC has otherwise determined is eligible to participate;
- c) are not in the United States and are not a person (including nominees or custodians) acting for the account or benefit of a person in the United States;
- d) NEXTDC determines in its absolute discretion were not invited to participate in the Institutional Entitlement Offer and were not treated as an Ineligible Institutional Shareholder under the Institutional Entitlement Offer; and
- e) are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer without any requirement for a prospectus, product disclosure document or other formal offer document to be lodged or registered,

provided that (for the avoidance of doubt), if a shareholder (including a nominee or custodian) is acting for the account or benefit of a person in the United States, it may not participate in the Retail Entitlement Offer on behalf of such person.

## Why am I not eligible to participate in the Retail Entitlement Offer?

According to our records you do not satisfy the criteria for an Eligible Retail Shareholder. Pursuant to ASX Listing Rule 7.7.1(b) and section 9A(3) of the Act, this notice is to inform you that under the terms of the Entitlement Offer, you are not entitled to participate in the Retail Entitlement Offer and, as such, you will not be offered any New Shares or Entitlements under the Retail Entitlement Offer. You will not be sent the documents relating to the Retail Entitlement Offer (including the Retail Offer Booklet) or be able to subscribe for New Shares under the Retail Entitlement Offer.

The Company has determined that, pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3)(a) of the Act, it would be unreasonable to extend the Retail Entitlement Offer to shareholders who are not Eligible Retail Shareholders. Determination of eligibility of investors for the purposes of the Entitlement Offer is determined by reference to a number of matters, including:

- legal limitations in some countries;
- relatively small number of shareholders in those other jurisdictions;
- small number and value of New Shares for which those shareholders would otherwise have been entitled to subscribe for; and
- potential cost of complying with regulatory requirements in those countries,

and the discretion of NEXTDC, UBS Securities Australia Ltd and Macquarie Capital (Australia) Limited as joint lead managers and joint underwriters to the Entitlement Offer (the “**Joint Lead Managers**”). NEXTDC and the Joint Lead Managers and each of their respective affiliates and related bodies corporate and each of their respective directors, officers, partners, employees, advisers and agents disclaim any liability (including for fault or negligence) in respect of any determination as to eligibility and the exercise or otherwise of that discretion, to the maximum extent permitted by law.

As the Retail Entitlement Offer is non-renounceable, Entitlements in respect of the New Shares you would have been offered if you were an Eligible Retail Shareholder will lapse and you will not receive any payment or value for those Entitlements. Further details in respect of the Entitlement Offer (including details of eligibility) can be found on the announcements platform of the ASX ([www.asx.com.au](http://www.asx.com.au)).

New Shares equivalent to the number of New Shares you would have been entitled to if you were an Eligible Retail Shareholder will be allocated to those Eligible Retail Shareholders who make a valid Application for additional New Shares, or in turn the Joint Lead Managers (in their capacity as joint underwriters) or to persons

from whom the Joint Lead Managers have procured subscriptions for New Shares (including any sub-underwriters), pursuant to the underwriting arrangements between NEXTDC and the Joint Lead Managers.

On behalf of the Company, we thank you for your continued support of NEXTDC.

Yours sincerely,



**Douglas Flynn**

Non-Executive Chairman

**Further information**

If you have any questions, you should seek advice from your professional adviser or the NEXTDC Offer Information Line on 1800 425 578 (within Australia) or +61 1800 425 578 (outside Australia) at any time between 8.30am to 5.30pm (Sydney time) on Monday to Friday, up to the closing date of the Retail Entitlement Offer at 5.00pm (Sydney time) on Wednesday, 31 May 2023.

## DISCLAIMER

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The provision of this letter is not, and should not be considered as, financial product advice. The information in this letter is general information only, and does not take into account your individual objectives, taxation position, financial situation or needs. If you are unsure of your position, please contact your accountant, tax advisor, stockbroker or other professional advisor.

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None of the Joint Lead Managers has authorised or caused the issue of this letter or made or authorised the making of any statement that is included in this letter or any statement on which a statement in this letter is based. To the maximum extent permitted by law, the Joint Lead Managers, and their respective related bodies corporate and affiliates and the directors, officers, employees or advisers and representatives of any of them expressly disclaim and take no responsibility for any statements in or omissions from this letter.

**IMPORTANT NOTICE TO NOMINEES:** Because of legal restrictions, you must not send copies of this letter nor any material relating to the Entitlement Offer to any of your clients (or any other person) in the United States or any other person acting for the account or benefit of persons in the United States or to any person in any other jurisdiction outside of Australia or New Zealand. Failure to comply with these restrictions may result in violations of applicable securities