

CDC Data Centres

Investor Presentation

October 2020



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CDC Overview & Performance

CDC Data Centres overview

Established in 2007, CDC Data Centres (CDC) has grown to be a leading operator of secure world-class data centre (DC) facilities, guaranteeing the availability of mission-critical systems

CDC builds, owns and operates data centres across a growing footprint of campuses in Australia (Sydney & Canberra) and New Zealand (Auckland). Each DC is consistent with the business' core values:

- **Security** - the most secure provider of DC facilities tailored to the needs of Government, Defence, Hyperscale and National Critical Infrastructure (NCI) / Commercial customers
- **Resilience** - CDC designs and builds highly resilient facilities to operate long-term at optimal energy efficiency
- **Quality** – CDC's diversified operations allow clients to securely store their core IT infrastructure within resilient centres whilst accessing global Hyperscale cloud providers, forming a growing and large-scale ecosystem
- **Innovation** – a flexible business model that enables CDC to remain ahead of the growth curve and provide clients with bespoke, scalable, future proof footprints according to their specific needs
- **Sovereign ownership** - Consistent with the national security & critical infrastructure nature of CDC the ownership is similarly aligned. CDC is entirely in Australian and New Zealand ownership backed by long term investors including Infratil, the Australian Sovereign Wealth and Australian Commonwealth Superannuation Funds



CDC Management Team

High quality management team with deep industry expertise in digital infrastructure, and a track record of operational excellence and customer focus

- Led by Greg Boorer, CEO, since 2007
- This year CDC has simplified the management structure to create a scalable platform for growth
- Greg and the CDC team are aligned with investors. More than 25 essential managers are shareholders with long term incentives tied to the continued success of the business
- The broader CDC team has grown over 50% in the last 12 months to increase breadth and depth of capability along with scalability to accommodate continued growth and provide resilience and succession planning



Greg Boorer
Chief Executive Officer

- Founded CDC in 2007
- Chair of Federal Council of Australian Information Industry Association for 9 years
- EY Entrepreneur of the Year for the ACT and Eastern region (NSW) in 2015



Simon Black
Chief Customer Officer



Max Bristow
Chief Infrastructure Officer



Andrew Kirker
Managing Director
New Zealand



James Selkirk
Chief Financial Officer



Natasha Warwick
Director – People & Culture

Since we last met..

2020 has been a challenging year and CDC has grown stronger in response to the testing environment without interruption or diversion from its strategic short term goals

What we said we would do...

- ✓ Deliver Hume 4 and Eastern Creek 3; **construction completed in November 2019 and September 2020**
- ✓ Bring 24MW of capacity to income production; **delivered across Eastern Creek, Fyshwick and Hume**
- ✓ Grow EBITDA run rate by 50% year on year; **50% achieved from FY2019 to FY2020**
- ✓ Extend debt facilities and improve terms; **achieved along with greater flexibility for future growth**
- ✓ Grow National Critical Infrastructure client base; **further strategic clients secured in all key sectors**
- ✓ Identify and pursue additional strategic opportunities; **New Zealand expansion**



COVID-19 Impact

The global pandemic has disrupted how we all live. CDC has focussed on ensuring the risk to the infrastructure that we all rely on every day is minimised

The ecosystem (clients, suppliers and CDC team) implemented COVID safe work practices ahead of government guidance

- Safe DC access provisions, cleaning routines doubled, social distancing, contact tracing, reduced touch points, reduced traffic in DC, sanitisation stations, temperature checks, PPE, increased break out spaces
- Operational team protected with a move to split teams whilst non DC staff pre-emptively migrated to remote working

Construction & supply chain

- Safe construction work practices were implemented at all CDC sites including additional break spaces, multiple washing & sanitisation stations, PPE, worker education programs and social distancing
- CDC procured long lead time construction items early, through selective acceleration of equipment delivery

Result

- A completely protected ecosystem with no incidents or positive tests at any sites either operational or under development
- No delays in meeting construction schedule delivery timelines
- No disruption to the business
- Increase in demand for data centre services to facilitate remote working
- Anticipated mid to long term upswing in cloud adoption generally as organisations transition to remote working and adopt new technologies



EC3 construction break out spaces

CDC Locations

CDC provides services to clients across key locations in Canberra, Sydney and shortly, New Zealand

Hume

Canberra, established 2007
Installed capacity: 46MW
Potential capacity: 186MW

1



Hume 3 DC



Hume 1-3 Overview

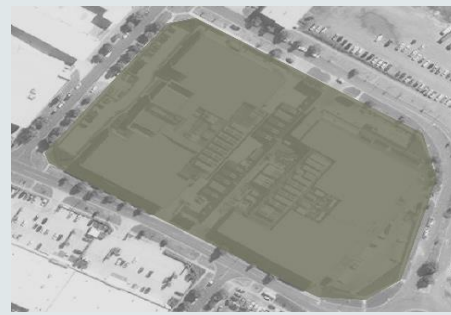
Fyshwick

Canberra, established 2014
Installed capacity: 39MW
Potential capacity: 89MW+

2



Fyshwick 1 DC



Fyshwick Site Overview

Eastern Creek

Sydney, purchased 2018
Installed capacity: 48MW
Potential capacity: 135MW+

3



Eastern Creek Campus



Eastern Creek Site Overview

New Zealand

Auckland, 2 sites purchased 2020
Installed capacity: 0MW
Potential capacity: 20MW+

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Hobsonville



Silverdale Site Overview

CDC New Zealand

CDC is expanding into New Zealand with the construction of two 10MW+ DCs in Auckland

- CDC is entering the New Zealand market with a NZ\$300m+ initial investment that brings the same secure, resilient, quality data centre design to New Zealand
- CDC is focussed on transferring its design, construction and operational DNA whilst spending locally with NZ suppliers and builders to create NZ jobs and reduce project delivery risk; ~250 workers on site during peak of construction and a total of ~1,200 workers throughout the construction of each site
- CDC will focus on a similar critical infrastructure market that it understands well
- CDC has secured sizeable pre-let capacity commitments, with additional reserved capacity at both sites underwriting the investment
- The New Zealand commercial landscape presents future opportunity
 - technology export sector is growing by more than \$1bn p.a. and is now New Zealand's 3rd largest export sector ^[1]
 - Government has highlighted the importance of the tech sector to COVID19 recovery with investment expected
 - The Privacy Act 2020 strengthens privacy protections which will give precedence to secure and local data processing and retention
 - Changes to IT requirements in the banking sector
- One site has additional land which can be progressively developed in line with customer growth
- CDC has begun construction and has extended construction timelines to defray the greater delivery risk in light of COVID19 with income forecast from the end of FY2022



[1] Ministry of Business, Innovation & Employment – The Investor's Guide to the New Zealand Technology Sector 2019 Edition

Financial performance

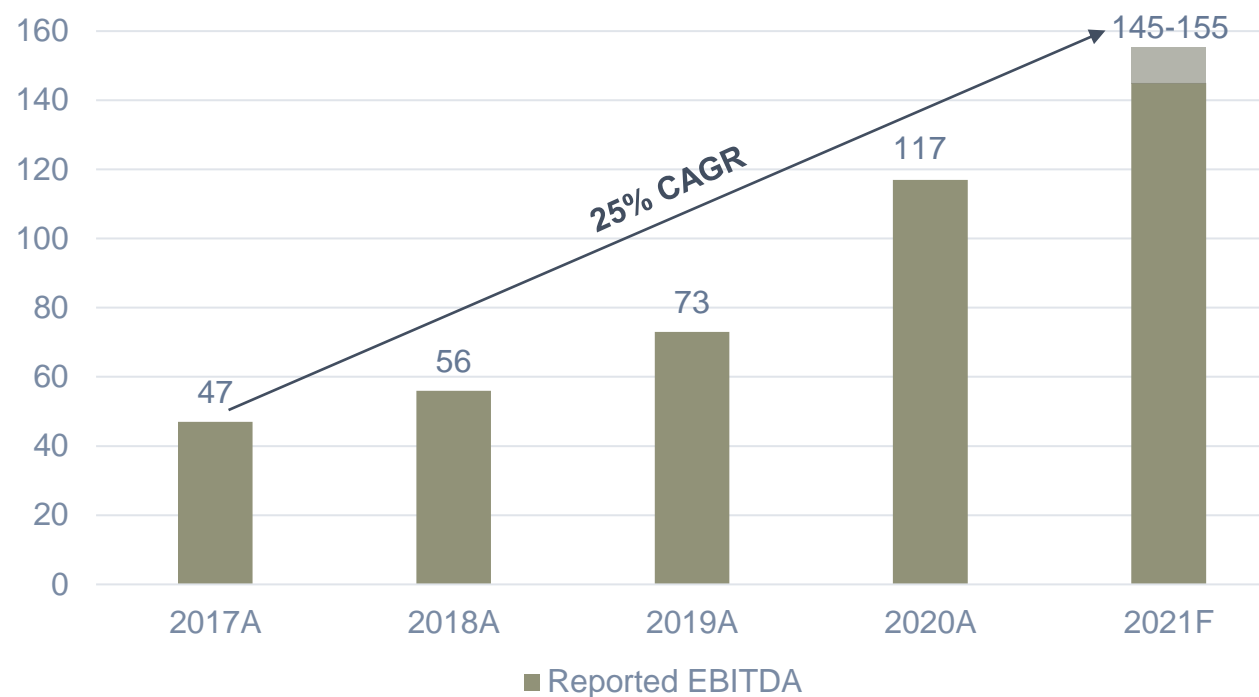
Four years of growth in both run rate and reported EBITDA delivered. Growth expected to continue

CDC has built a loyal customer base, comprising Government, Hyperscale and National Critical Infrastructure/Commercial clients

- New customers added to the CDC ecosystem
- Long-term contracts
- High quality underlying client base
- Weighted Average Lease Expiry (WALE) of 15.4 years with options
- Strong track record of renewals and extensions



- CDC delivered on budget for FY2020
- Strong track record of growth and attractive metrics
- Forecast includes already secured, long term contracts with more contracted for FY2022 and beyond
- November 2019 business refinance will fund future developments and gives greater future flexibility

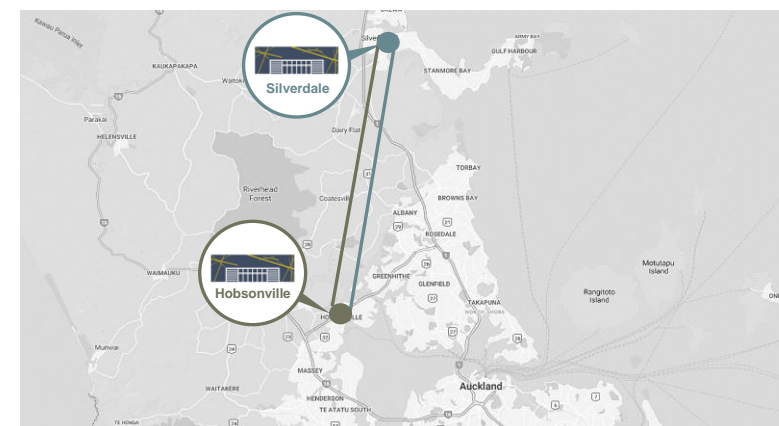


Portfolio overview and growth outlook

CDC has a clear runway for growth within Australia and is growing into New Zealand

- Eastern Creek 3 and Hume 4 are now operational; nine operational DCs across three locations
- Two data centres in Auckland under construction, further facilities in detailed design
- Existing operating capacity of 133MW, with 70MW under construction and 200MW+ capacity for future development
- Development land banks added in the past 12 months

	Hume	Fyshwick	Eastern Creek	Auckland	Total
Current					
Facilities	4	2	3	-	9
MW capacity	46MW	39MW	48MW	-	133MW
In design/construction					
Facilities	1	-	1	2	4
MW capacity	20MW	-	37MW	20MW+	77MW
Potential					
Facilities	5	2	2	-	9
MW capacity	120MW	50MW+	50MW+	-	220MW+
Total	10 186MW	4 89MW+	6 135MW+	2 20MW+	22 430MW+



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Growth strategy

Market Growth Drivers

Multiple drivers are underpinning future growth, aided by accelerated digital transformation

Data Growth/Digitisation	<ul style="list-style-type: none"> Increasing digitisation of business operations – remote working, data analytics etc “Always on” consumers driving growth in digital content, streaming, edge computing, etc Data growing faster than the technology to compress the data Development of the digital economy is underpinned by ever improving broadband connectivity, low latency cloud zones – all of which require data centres in close proximity The increasing volume of data usage and transmission in a 5G network will increase demand in data storage and drive further growth for data centres National self reliance and societal changes post the global pandemic Ongoing trend to bring compute to data
Outsourcing	<ul style="list-style-type: none"> The proportion of outsourced DCs increased from 7% in 2007 to 37% in 2019 based on floor space (Frost & Sullivan) and policy developments are set to increase this Trend towards increased outsourcing is likely to continue, driven by requirements for higher security and lower operating costs Most in-house arrangements are inefficient and developing an equivalent performing in-house DC would require significant investment In-house DCs often lack significant capacity for future expansion, where outsourced DC providers can facilitate readily available expansion capacity Customers of outsourced DCs typically invest in equipment equating to between 2 – 3x the capex costs to construct the DC facility ^[1]
Cloud Adoption	<ul style="list-style-type: none"> Increase in cloud based workloads from Artificial Intelligence, machine learning, data analytics and internet of things The flexibility and scalability of cloud offerings is expected to drive further cloud data demand The expansion of remote working in the wake of COVID19 is anticipated to increase demand for cloud storage solutions
Policy Developments	<ul style="list-style-type: none"> Data sovereignty, privacy and cyber security requirements driving onshore development of DCs in Australia, New Zealand and around the world National Critical Infrastructure agencies are obligated to adhere to government data security regulations adding to greater outsourcing of DC services

[1] Deutsche Bank Markets Research - Under the Hood - Inside Cloud Data Centers – February 2017

Growth by site

CDC has successfully grown its portfolio of assets and has a range of diversified growth options that now include the expansion into New Zealand



Eastern Creek Site Plan



Silverdale Artist Impression

Facility	Capacity (MW)	Capacity contracted ¹	Phase 1: Build	Phase 2: Fit-out phase
Hume 1	6MW	>95%	Completed	Completed
Hume 2	6MW	100%	Completed	Completed
Hume 3	9MW	>95%	Completed	Completed
Hume 4	25MW	70%	Completed	In progress
Hume 5	20MW	-	In progress	FY22 onwards
Hume Additional	120MW+	-	Future build	Future build
Fyshwick 1	18MW	>95%	Completed	Completed
Fyshwick 2	21MW	80%	Completed	In progress
Fyshwick Campus 2	50MW+	-	Future build	Future build
Eastern Creek 1	7MW	>85%	Completed	Completed
Eastern Creek 2	13MW	100%	Completed	Completed
Eastern Creek 3	28MW	>55%	Completed	In progress
Eastern Creek 4	37MW	-	In progress	FY22 onwards
Eastern Creek 5 & 6	50MW	-	Future build	Future build
Hobsonville (NZ)	10MW	80%	In progress	FY22 onwards
Silverdale (NZ)	10MW	80%	In progress	FY22 onwards

¹ contracted capacity includes reserved and first right of refusal capacity and based on space capacity

New Zealand focus

CDC is well-positioned to capitalise on a new growth market by providing world-class quality, secure and resilient storage solutions

Highlights

- Acquired two parcels of land in Auckland
- Silverdale site is ~11,000 sqm with expansion capacity available
- Hobsonville site is ~7,000 sqm
- Resource and building consents received for both DC developments and electricity supply on track
- Risk mitigated by harnessing Infratil's local expertise
- Construction has commenced and is ahead of project timelines – additional time was allowed for COVID19
- Enables CDC to deliver geographic diversity and expand its ecosystem, highly attractive to existing clients with data storage needs in New Zealand
- Built to the same world-class quality CDC is known for in Australia
- Built to provide increased rack density than is currently available in the NZ market, future proofing CDC as the trend towards increased IT density is anticipated to continue

Facility	Capacity (MW)	Capacity filled ¹	Phase 1: Build	Phase 2: Fit-out phase
Silverdale	10MW+	80%	In progress	FY22 onwards
Hobsonville	10MW	80%	In progress	FY22 onwards

Note: 1. Includes contracted reserved and FROR capacity



The next 6 months

FY21 has progressed well; delivered developments, secured new customers and provided the foundation for future growth

Continue to bring quality, secure, resilient and sovereign owned data centres for the Australian and New Zealand market

Continue to develop a sustainable runway for sustained mid and long-term growth

- Development of New Zealand & Australian expansions
- Secure additional land to provide run way for additional growth
- Secure new clients and workloads at Eastern Creek 3 and Hume 4
- Grow EBITDA run rate by 25% year on year with contracted revenue locked in for future years
- Access additional debt via expansion options within existing facilities to support additional growth
- Grow National Critical Infrastructure client base
- Identify and pursue additional strategic opportunities
- Recruit and build further depth and breadth in Team CDC to continue exceeding client expectations



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Questions?