

CDC Data Centres

Infratil Investor Day Presentation

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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



Since we last met....

Since our last update in October 2020 we have achieved strategic short term goals and have witnessed accelerated demand for projects

What we said we would do...

- ✓ Secure new clients and workloads at Eastern Creek 3 and Hume 4; **key strategic government and NCI customers secured for both Eastern Creek 3 and Hume 4. A combination of new obligations and pipeline strength means that CDC has confidence to accelerate Eastern Creek 3 and Hume 4**
- ✓ Development of New Zealand facilities and ongoing expansion of Australian footprints; **all on track and within budget**
- ✓ Secure additional land to provide runway for further growth; **exchanged on land in Canberra and actively working to secure further expansions**
- ✓ Grow EBITDA by 25% year on year with contracted revenue locked in for future years; **on track to deliver within guidance for FY2021**
- ✓ Access additional finance for future growth capex via expansion options within existing funding facilities; **working closely with lenders, who are showing keen interest**
- ✓ Grow National Critical Infrastructure client base; **new contracts signed in recent months**
- ✓ Recruit and build further depth and breadth in the team; **50% increase in CDC workforce across the business in last 6 months to create a scalable platform for growth**
- ✓ Identify and pursue additional strategic opportunities; **Continuing to follow customer demand and evaluating new opportunities**

Auckland 1 data centre construction



Eastern Creek 3 building complete, on to Eastern Creek 4+



Development updates

CDC's data centres under construction are all progressing well; on-track and within budget

- New Zealand developments are out of the ground
- Eastern Creek 3 is completed with customer fit-out works ongoing; focus has now shifted to Eastern Creek 4 with site prepared for construction works. All planning approvals completed for Eastern Creek campus
- Development of the high voltage (132 kV) transmission-grade substation on the Eastern Creek campus is well progressed, which will give added resilience and supply the Eastern Creek expansions
- Designs have progressed for the development of Hume 5
- CDC continues to proactively manage the risks of COVID-19 (with minimal impacts to date)

Auckland 1 in-ground works completed



Eastern Creek 3 completed – Eastern Creek 4 construction ready



High voltage substation expansion at Eastern Creek underway, due in FY22



Financial performance

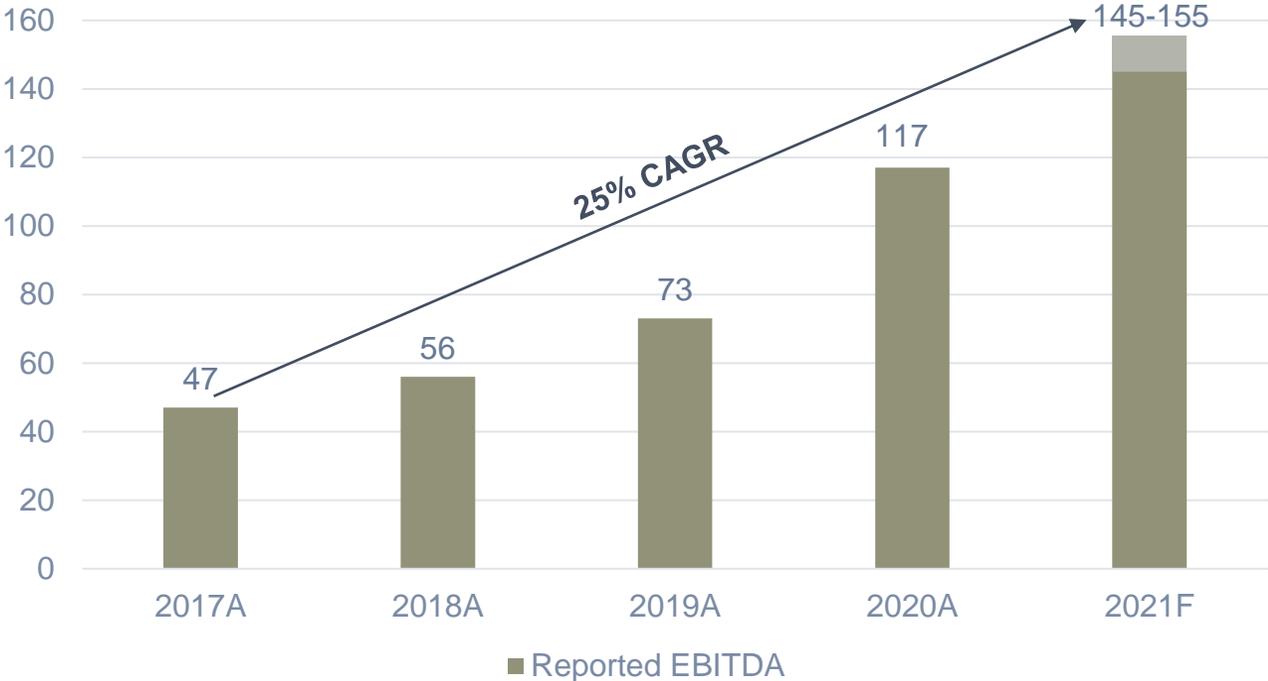
Four years of growth in both run rate and reported EBITDA delivered. Growth expected to continue

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 14.8 years with options
- Strong track record of renewals and extensions



- CDC delivered on budget for FY2020 and on track for FY2021
- Strong track record of growth and attractive metrics
- Forecast includes already secured, long term contracts with more contracted for FY2022 and beyond
- Existing finance facilities will fund future developments and allow future flexibility



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Outlook

Accelerated demand for future projects

CDC's track record of project delivery puts CDC in the right place at the right time to satisfy accelerating market demand

- Sector growth has accelerated
- Remote working environments, online retail, digital transformation of government and commercial service delivery, data security, are all key drivers
- Existing CDC capacity to be reached earlier than expected
- Customer demand has brought forward forecast growth, and forecast capacity expansions
- Forecast capacity growth has increased – near-term project capacity upsizing to meet market demand
- CDC's track record of project delivery puts CDC in the right place at the right time to satisfy this market demand, and lowers development risk for future projects
- CDC continues to identify and pursue strategic opportunities

Hume 5 architect render



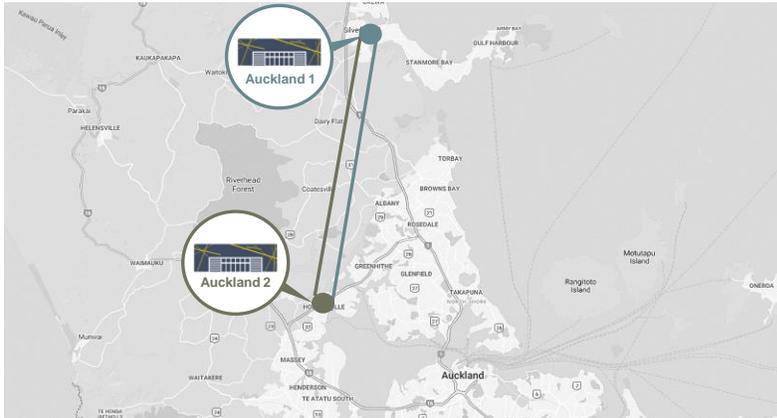
Eastern Creek Campus - future layout



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
- Eastern Creek 4 and Hume 5 accelerated to commence construction in FY22, Eastern Creek 5 and Eastern Creek 6 upsized to 35MW+ each
- Two data centres in Auckland under construction
- Existing operating capacity of 133MW, with 77MW under construction and 200MW+ capacity for future development
- Development land banks added in the past 12 months, with ongoing work to secure additional land in areas of strategic focus



	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+	70MW+	-	240MW+
Total	10 186MW	4 89MW+	6 155MW+	2 20MW+	22 450MW+

Looking ahead

The key focus for FY2022 will be to deliver on contracted capacities and look for additional expansion opportunities

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

Continue to build safely the most energy and water efficient data centres possible

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

- Commission both of CDC's New Zealand data centres in early CY 2022
- Secure new clients and workloads across the CDC portfolio
- Progress the development of the Eastern Creek and Canberra campuses
- Continue to grow EBITDA 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 and Commercial client base
- Identify and pursue additional strategic opportunities including in new geographies
- Recruit and build further depth and breadth in Team CDC to meet these goals and exceed client expectations
- FY22 will be one of investment and delivery in preparation for the next stage of revenue growth



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Questions



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Appendix

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



Auckland 1 architect render

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	70MW+	-	Future build	Future build
Auckland 1 (NZ)	10MW+	80%	In progress	FY22 onwards
Auckland 2 (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 in 2020
- Auckland 1 site is ~11,000 sqm with expansion capacity available
- Auckland 2 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 and key CDC personnel on the ground to manage construction
- Construction on both sites is out of the ground – 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
Auckland 1	10MW+	80%	In progress	FY22 onwards
Auckland 2	10MW	80%	In progress	FY22 onwards

Note: 1. Includes contracted reserved and FROR capacity



Auckland 1 architect render



Auckland 2 architect render

Market Growth Drivers

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

<p>Data Growth/Digitisation</p>	<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
<p>Outsourcing</p>	<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]
<p>Cloud Adoption</p>	<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
<p>Policy Developments</p>	<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