FY24 Annual Report

1 July 2023 to 30 June 2024 | NEXTDC Limited | ABN 35 143 582 521

Awards and certifications

Awards

Frost & Sullivan

2024 Winner: Australian Data Centre Company of the Year

2023 Winner: Australian Data Centre Company of the Year

2023 Winner: APAC Customer Value Leadership Award

2022 Winner: Australian Data Centre Company of the Year

2021 Winner: Australian Data Centre Company of the Year

2021 Winner: APAC Australia's Most Reliable Data Centre Provider

2020 Leader: Australian Data Centre Services Radar Report

2019 Winner: Visionary Innovation Leadership Award, Global Data Centre Infrastructure and Operations

Australian Business Awards

2020 Winner: Sustainable Company of the Year

Uptime Brill Awards, Asia-Pacific

2019 Winner: Best Practices Award - Global Data Centre Infrastructure and Operations Visionary Innovation Leadership Award

ACOMMS

2024 Best Digital Platform (AXON)

Data Centre Dynamics

2023 Edge Data Centre Project of the Year (PH1 Port Hedland)

Certifications and global standards

ISO 27001:2013

Information Security Management System (ISMS) certification (S1, S2, S3, B1, B2, M1, M2, M3, P1, P2, C1 and Head office).

ISO 14001:2015

Environmental Management System certification (S1, S2, S3, B1, B2, M1, M2, M3, P1, P2, C1 and Head office).

ISO 9001:2015

Quality Management System certification (S1, S2, S3, B1, B2, M1, M2, M3, P1, P2, C1 and Head office).

ISO 45001:2018

Occupational health and safety management systems (S1, S2, S3, B1, B2, M1, M2, M3, P1, P2, C1 and Head office).

SOC 1 / SOC 2

Suite of assurance reports from the AICPA issued to provide assurance on system-level controls operated as a data centre service organisation.

PCI-DSS

Payment Card Industry Data Security Standard certification issued scope of information security controls operated as a data centre service provider.

*All NEXTDC facilities are certified to these standards in due course. Exceptions to this include NEXTDC's edge data centres (SC1, NE1 and PH1). Where it applies to services we provide, new metro facilities (e.g. S6 and D1) will be audited for these certifications after 12 months of operation.

Energy and sustainability certifications

NABERS

National Australian Built Environment Rating System. NEXTDC's M1 and S1 certified to NABERS 5-Star and P1 to 4.5-Star rating for energy efficiency.

Climate Active

Australian Government, Climate Active certified for carbon neutrality.

TRUE certification

TRUE (Total Resource Use and Efficiency) is a zero waste certification program focused on waste reduction and recycling. NEXTDC S1 Sydney achieved Certified level TRUE Certification.

Uptime Institute certifications

Contents

Cover shot: Scaling up. M2 Melbourne (Tullamarine, Victoria).

Highlights

16 operational data centres


B1 Brisbane


B2 Brisbane


C1 Canberra


D1 Darwin


M1 Melbourne


M2 Melbourne


M3 Melbourne


P1 Perth


P2 Perth


PH1 Port Hedland


S1 Sydney


S2 Sydney


S3 Sydney


SC1 Sunshine Coast

100%
carbon neutral corporate operations

10
public clouds

15
cloud on-ramps

2 operational data centres not pictured
NE1 Newman
S6 Sydney

2 data centres in development
A1 Adelaide
KL1 Kuala Lumpur

8 data centres in planning
S4 Sydney
S5 Sydney
SC2 Sunshine Coast
GC1 Gold Coast
GE1 Geelong
M4 Melbourne
AK1 Auckland
TK1 Tokyo

Letter from the Chairman

"Our expansion into Asia has progressed with development works beginning on KL1 Kuala Lumpur, which will serve as a foundation stone for our expansion into other regional markets, where customer demand is apparent."

Douglas Flynn
CHAIRMAN

Welcome to NEXTDC's Annual Report for the fiscal year ended 30 June 2024. It has been another solid 12 months for the Company with our key financial metrics once again either meeting or exceeding guidance and demonstrating steady growth.

With the support of a successful capital raising during the reporting period we continue to scale our national platform to support customer growth requirements. Our S3, M2 and M3 developments in Sydney and Melbourne continue to attract new contracted utilisation. Meanwhile, we recently completed the opening of the Company's new data centre facility D1 Darwin, and are due to open A1 Adelaide later in Q1 of FY25.

Put together, this means we are now close to completing our vision of providing an Australia-wide platform of premium data centres to support our national and global customers.

We also completed the construction of two edge data centres servicing Australia's largest mining region, the Pilbara in Western Australia. By introducing critical edge infrastructure via PH1 Port Hedland and NE1 Newman, we are enabling the mining industry to accelerate its application of digital technology megatrends to support business objectives.

Meanwhile, our expansion into Asia has progressed with development works beginning on KL1 Kuala Lumpur, which will serve as a foundation stone for our expansion into other regional markets, where customer demand is apparent.

We are also advancing well with our investment in Auckland where we are now targeting a larger, 15MW development in alignment with expected customer demand.

Committed leadership team

There has been focused commitment across the whole team and its leadership during FY24. It is the quality of our people that continues to drive the growth of our business, as reflected in our record contracted utilisation, revenue, and underlying EBITDA results.

In an environment where our established hyperscale customers are racing to deploy infrastructure in support of their investments in cloud and Artificial Intelligence (AI), our sales, delivery, operational and customer services teams are well-positioned to support them.

Over 14 years of operation, we have developed a capability to quickly build and operationalise premium digital infrastructure, scaling as needed and providing the flexibility to meet bespoke customer configurations. Our proven track record of securing development land in optimal locations, where there is ample room to scale and ready access to power, enables us to meet critical customer needs and accelerate time-to-market.

These are core value propositions in today's data centre services market, allowing us to consistently deliver on contracted obligations with a focus on future growth requirements, customer experience, and sustainability.

Our core capabilities have become trusted by the industry and, as the demand for digital infrastructure has never been stronger, our role as a strategic partner and an economic enabler has never been more relevant.

The future is bright

Our Asian expansion continues to gather momentum with the development of our ~$1 billion Malaysian data centre underway. KL1 Kuala Lumpur will serve as our beachhead for growth in the region as we continue to explore a range of opportunities in key South East Asian economies where our key customers are looking to expand their services. For example, we are well advanced in planning NEXTDC's entry into Japan.

The demand for resilient, reliable, efficient data centre capacity continues to be underpinned by ongoing growth from cloud services and increasing adoption of enterprise colocation. These trends are not slowing down but they are being complemented and sharply accelerated by opportunity for growth driven by the broad adoption of AI.

We were very pleased with the level of confidence shown by our shareholders as they supported the Company through its recent $1.3 billion entitlement offer, with a take up of approximately 99 per cent and 82 per cent by our institutional and retail investors, respectively.

Through a combination of its 30 June 2024 cash balance of $1,236 million as well as access to $1.5 billion of undrawn debt facilities, NEXTDC finished FY24 with total liquidity of $2.7 billion, which leaves the Company well placed to continue investing in its growth pipeline.

Good governance remains the key

In reflecting on the past year, I am pleased to highlight significant strides in strengthening our governance framework, ensuring robust compliance and effective risk management. This commitment to maintaining the highest governance standards has seen us implement regular reviews and updates to our policies and procedures, aligning them with best practices and regulatory requirements. Comprehensive oversight ensures that we remain vigilant and responsive to the dynamic regulatory landscape.

Our ongoing performance in these areas is important to maintaining the confidence of our customers, employees, investors and other stakeholders who are focused on our commitment to ethical and sustainable operating practices. Further details can be obtained via our FY24 Environmental, Social and Governance (ESG) Report and Corporate Governance Statement (CGS), both of which are now available on our website at www.nextdc.com.

Our company has globally competitive technology and engineering expertise that differentiates our offerings in Australia as it will in key Asian markets. We are confident that the business is well placed to win an attractive share of the rising opportunities across Asia-Pacific.

Our fleet of independently certified Uptime Institute Tier IV sites delivers a level of fault tolerance that allows us to offer geo-diverse redundancy solutions with a 100% uptime guarantee. These are strategic differentiators that are valued by our customers.

Tailwinds from AI acceleration

NEXTDC's strategy continues to be centred around supporting the growth requirements of customers, both domestically and now internationally as they execute their growth and innovation agendas, including the deployment of AI

services. The Company continues to have very strong relationships with key customers and their decision makers who guide strategic deployment decisions across Australia and Asia.

In FY24, we continued to see the acceleration of demand for premium digital infrastructure to support the next generation of accelerated computing. AI continues to fundamentally change the infrastructure requirements of many of our customers with traditional on-premise data centres increasingly unsuited to this technology shift.

High density computing – as is required by AI – comes with extremely complex and resilient power, cooling, security and interconnection requirements. These are the core brand promises that NEXTDC has been built upon.

Increased sustainability focus

Increased compute density goes hand-in-hand with higher power consumption and the need for improved energy efficiency. We have continued to make progress on the sustainability front during FY24 including significant strides in advancing ESG commitments.

Aligning our strategy with the United Nations' Sustainable Development Goals (UNSDGs) and embracing the Taskforce on Nature-related Financial Disclosures (TNFD) framework demonstrates our commitment to ethical, responsible and sustainable business practices.

It also reflects our broader vision of driving meaningful change and contributing to a more sustainable and equitable world. Within our team we want to foster a diverse and inclusive workplace and are committed to providing a positive and supportive environment for all employees. The Board continues to oversee NEXTDC ESG performance to ensure it remains a strategic priority.

As we move forward, we remain steadfast in our commitment to excellence in innovation, governance, cybersecurity, and sustainability. These pillars guide our strategic direction, ensuring that we continue to create value for our shareholders while making a positive impact on society and the environment.

Thank you for your continued trust and support.

Douglas Flynn
CHAIRMAN

Our new PH1 Port Hedland data centre, servicing Australia's largest mining region, The Pilbara in Western Australia.

Letter from the CEO

"Our new facilities at Adelaide and Darwin are utilising next generation electrical setups that support higher density computing while incorporating modern technologies such as static UPS with lithium-ion batteries as lower-carbon options that complement traditional generators."

Craig Scroggie

CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

I am delighted to present NEXTDC's Annual Report for the financial year ended 30 June 2024. This year, we witnessed steady growth and strategic achievements, driven by our unwavering commitment to providing world-class data centre and interconnection services at scale. Our dedication to the 'pursuit of excellence' has enabled us to expand our footprint across Australia and the Asia-Pacific region, reinforcing our position as a market leader.

The metrics outlined in this Annual Report underscore the Company's robust performance and embedded growth potential. Notably, our total revenue grew by 12% to $404.3 million, and our underlying EBITDA increased by 5% to $204.3 million. Contracted utilisation rose by 41% to 172.6MW[1], and we achieved a record forward order book of 86.6MW[2] by the end of FY24. These figures highlight the substantial progress we've made throughout the year, underpinning our future growth.

Beyond these growth metrics, significant shifts in industry megatrends bolster our confidence in sustained growth. Our customer base, comprising many of the largest global technology companies, multinationals, and major domestic enterprises and government agencies, continues to expand. These clients are attracted to our unmatched resilience, diverse ecosystem, expanding national and regional footprint, and our exceptional flexibility and agility in delivering build-to-suit data centre infrastructure. Our capabilities support the evolving needs of cloud computing and AI Factories, positioning us at the forefront of industry advancements.

Safety

We prioritise safety in everything we do. This year, our data centre operations achieved a zero Lost Time Injuries Frequency Rate (LTIFR) and zero Total Recordable Injury Frequency Rate (TRIFR). These milestones are a testament to the dedication of our entire team and the effectiveness of our continuously evolving safety protocols. However, our commitment to safety doesn't stop there. In FY24, we introduced our inaugural "People at Work" program, emphasising employee well-being and ensuring that both physical and mental safety remain integral to our Company culture.

AI's silver lining

FY24 will be remembered as the year AI emerged as a truly transformative technology, revolutionising economies and communities. The impact of AI on business processes and lifestyles is just beginning to unfold, ushering in an era of unparalleled innovation and opportunity. Organisations can now innovate rapidly, create new business models, and achieve unprecedented productivity and technological breakthroughs across diverse industries such as science, medicine, and manufacturing – all driven by data. This transformative power of AI promises to reshape our world in extraordinary ways.

AI is fundamentally transforming the digital infrastructure needed to capture, store, and analyse data in real time. This shift is a major force behind the strong forecasted growth in demand for data centres. As AI continues to evolve, it will reshape how we manage and utilise data, further propelling the need for digital infrastructure.

The Australian AI market is rapidly expanding. According to Statista, the local market size is projected to exceed US$3.22 billion (A$4.8 billion) in 2024 growing at a 28.55% CAGR to US$14.53 billion (A$21.7 billion) by 2030[3]. Similarly, Telsyte analysis of the domestic market, released in March 2024, modelled Infrastructure-as-a-Service (IaaS) in Australia as reaching $8 billion by 2027[4].

Further, according to Cushman & Wakefield's H2 2023 Asia-Pacific data centre report, the next wave of AI-driven infrastructure is only just in its embryonic stage. The report reveals that operational capacity across the region soared past 10GW during 2023 with an additional 3.9GW currently under construction and another 9.4GW in planning[5].

As a leading provider of digital infrastructure services, NEXTDC is at the forefront of driving and capitalising on the AI revolution. By building and operating resilient, secure, and interconnected data centres and connectivity networks across all major markets in Australia, we empower organisations to harness AI's productivity, innovation, and growth opportunities. Our infrastructure is designed to support the demands of AI,

1 Represents the increase in the pro forma utilisation at 30 June 2024 (as disclosed in NEXTDC's announcement of 6 August 2024)
2 Forward order book represents the difference between pro forma contracted utilisation (172.6MW) and billing utilisation (86.0MW) at the end of FY24
3 https://www.statista.com/outlook/tmo/artificial-intelligence/australia
4 https://www.telsyte.com.au/announcements/2024/3/5/generative-ai-fuels-australias-booming-iaas-market
5 https://cushwake.cld.bz/apac-dc-h2-2023-update/2/

enabling businesses to thrive in this new era of technological advancement.

The 4th industrial revolution

The rise of AI marks the onset of the fourth industrial revolution, or Industry 4.0. This era is defined by digital acceleration, advanced processing capabilities and complex, multi-faceted software, which demands specialised digital infrastructure. Organisations are increasingly seeking expert partners to unlock the potential of digital transformation and provide the infrastructure needed to capitalise on these emerging opportunities.

To thrive in the AI revolution, it is increasingly important for organisations to form partnerships with digital infrastructure specialists like NEXTDC. By colocating within the ecosystems these providers host, businesses can leverage cutting-edge infrastructure and robust ecosystems to stay ahead in the rapidly evolving digital landscape.

Strategic NVIDIA partnership

NEXTDC is well positioned to play a foundational role in AI adoption in Australia and the Asia-Pacific region. We have established strategic alliances with companies such as NVIDIA, Dell and Lenovo. We have become the first Australian data entre operator to be certified under NVIDIA's emerging DGX "AI Factories" standard.

Our S6 Sydney facility, whose acquisition and development we announced during this reporting period, will be designed and engineered as an AI Factory, underscoring our commitment to leading the digital infrastructure market for AI in Australia and the broader Asia-Pacific region. S6 will support next-generation AI architectures, offering resilience, high-density power (up to 130kW per rack), flexible liquid cooling solutions, top-tier physical security, and the type of ultra-low latency, virtual interconnection platform necessary for large-scale AI data processing.

NEXTDC's extensive ecosystem comprising national and global cloud, carrier and digital services leaders, ensures that our collaborative partnerships will enable customers to deploy AI solutions of their choice. We offer the flexibility to customise digital infrastructure, supporting leading and emerging platform architectures to maximise AI technology's strategic value.

Enabling Australia's digital economy

Our dedication to fostering digital infrastructure for AI is the natural progression of our long-standing mission to be Australia's leading digital infrastructure platform, fuelling the digital economy. NEXTDC continues to be an enabler of partner ecosystems, supporting enterprise and Government customers by ensuring our premium facilities meet their evolving AI strategies.

There is no doubting that data centres are critical in shaping an AI-enabled world and NEXTDC is well positioned to play a pivotal role in shaping this future domestically and in the broader Asia-Pacific region. NEXTDC is investing to ensure our facilities are not only "where the cloud lives™" but also "where AI thrives™".

Meeting sustainability challenges head-on

NEXTDC's commitment to innovation is embodied in our continual innovation and improvement in electrical and mechanical systems, designed to meet the growing demands of digital acceleration while minimising the carbon footprint of high-density computing.

Our growth is accompanied by increased power consumption at the same time as government and enterprises increase the urgency to meet net zero carbon targets. In response to this, next generation capital works projects as well expansions and upgrades to existing facilities are designed and engineered to take these factors into account.

We will not be shy in contributing to the debate about low carbon energy transition options. When we consider the energy future of an exponentially growing data centre industry, it becomes increasingly apparent that renewables will not be the only solution needed for the 24x7x365 baseload requirements of our major cities, let alone the massive growth forecast in cloud computing, AI learning and AI inferencing models.

Renewables such as solar and wind will be critical to our customers' future energy consumption, and we will continue to invest in their generation. At the same time, we will continue exploring other clean energy alternatives for the reliable firming power our industry needs today and in the future as demand continues to grow exponentially.

As an insight to the future, our new facilities in Adelaide and Darwin are utilising next generation electrical setups

Our M2 Melbourne data centre in Tullamarine.

that support higher density computing while incorporating modern technologies such as static UPS with lithium-ion batteries as lower-carbon options that complement traditional generators. This ensures improved energy efficiency and a lower carbon footprint without compromising UPSs on increasingly dense rack arrays of up to 130kW each.

A liquid-cooling future beckons

Increasingly, we are working with customers to deliver liquid cooling solutions as they scale their digital infrastructure for AI. Leveraging NEXTDC's in-house engineering expertise, we have supported customers in the deployment of a range of next generation cooling systems including full immersion, direct-to-chip and rear door heat exchange solutions. This engineering capability, built on years of experience, is a competitive advantage that allows us to deploy infrastructure flexibly to meet the precise and specialised needs of individual customers.

S6 will be Australia's first data centre designed exclusively to deliver the emerging AI Factories standard infrastructure generated by leading accelerated computing vendor NVIDIA. It complements the liquid cooling solutions we have deployed for customers in both Melbourne and Sydney in recent years. It is our view that infrastructure deployed under NVIDIA's AI Factory standards will become integral to the digital supply chains of the future. We are building digital twins of our facilities that will allow us to virtually simulate customer configurations with a view to creating the resilience and sustainability performance that supports their requirements. It will also help us to accelerate the deployment of the AI Factory platform across the nation and broader region.

New accelerated computing environments will be available in all mainland capital cities with new facilities and expansions including our next generation electrical and mechanical architectures to enable AI solutions.

Accelerating capital works program

FY24 has been a landmark year for NEXTDC, marked by our ambitious construction and expansion program. Our commitment to innovation and excellence has driven significant progress across all markets, underscoring our leadership in the digital infrastructure sector.

We are thrilled that A1 Adelaide is opening in Q1 of FY25 to accelerate South Australia's digital economy, boosted by defence, space and mining innovation. It will be the state's first Uptime Institute Tier IV colocation data centre and will support ultra-high-density computing, cloud connectivity up to 100Gbps, and NVIDIA's AI Factory standards. In Darwin, our D1 facility will provide a hybrid Edge configuration with an initial 210kW deployment, scaling up to 7MW of Uptime Institute Tier IV certified capacity over time, in line with customer demand.

Our first data centre in Asia, KL1 Kuala Lumpur, Malaysia, is in development, offering 7.5MW of capacity in Stage 1, expanding up to 65MW at full completion, and will host our new Asia Regional Operations Centre. In Melbourne, Stage 3 at M2 introduces 3,000m^2 of customisable Mission Critical Operations space, with two future stages adding 15MW of utilised environments, expected to be completed in FY25. M3 Melbourne is also undergoing significant fit outs and upgrades in preparation for the commencement of Stage 2, including a new electrical substation.

Similarly, AK1 Auckland, our first data centre in New Zealand, is planned to provide 15MW of Uptime Institute Tier IV certified, AI-ready capacity with advanced interconnectivity.

In Sydney, S3's fit-out projects continue at pace with 24MW of IT capacity currently in progress. Meanwhile, our largest development to date, S4 Sydney in Horsley Park in the city's western suburbs is in development approval stage, and will support 300MW of IT load. At the same time, S5 Sydney, to be built as our third data centre in the critical Macquarie Park availability zone is also at the development approval stage and is expected to accommodate over 60MW of new IT capacity.

Our edge data centres in the Pilbara region, PH1 Port Hedland and NE1 Newman, provide low latency localised data processing, and access to terrestrial and subsea long-haul interconnection to NEXTDC's full ecosystem, bridging the digital divide between remote locations and metropolitan centres. Further edge sites are currently in planning on the Sunshine Coast, Gold Coast and Geelong.

In conclusion

AI is set to power the single most significant transformation in the history of computing, ushering in the 4th Industrial Revolution. This revolution is reshaping industries, economies, and our everyday lives with unprecedented speed and impact. Our opportunity for further growth and innovation is extraordinary and we are in an amazing position to continue to take advantage of these growth opportunities.

On behalf of the Board, leadership and the broader NEXTDC team, thank you for your continued support as we drive forward with our ambitious vision for a sustainable and prosperous digital future 'helping enterprises harness the digital age'.

Craig Scroggie

CHIEF EXECUTIVE OFFICER AND MANAGING DIRECTOR

Our D1 Darwin data centre.

About NEXTDC

Vision and Purpose

NEXTDC's **vision** is to help enterprises harness the digital age and improve our society through the advancement of technology.

Our **purpose** is to be the leading customer-centric data centre services company, delivering solutions that power, secure and connect enterprise and Government customers.

Value proposition and business strategy

NEXTDC is an ASX 100-listed technology company enabling customers to scale and optimise their enterprise digital platforms through customer-focused data centre services, mission-critical operational spaces, and network solutions. We deliver secure, reliable, and high-performance digital infrastructure on the region's most cloud-connected data centre platform.

We have a national footprint of 16 highly resilient, certified operational data centres; with another two in development (in Adelaide and Kuala Lumpur). Our future roadmap includes five new facilities in the planning stage (three in Australia, one in New Zealand and one in Japan) with multiple others under evaluation (across Australia and Asia-Pacific region).

In FY24 we continued to expand our capital investment portfolio of strategically significant facilities. Our edge data centre PH1 Port Hedland was successfully delivered and certified during FY24, with a second edge site in Western Australia, NE1 Newman opening in Q1 FY25. Subsequent to year end, D1 Darwin opened in the Northern Territory, and A1 Adelaide is expected to open in Q1 FY25. We also commenced the construction stage of our first Asian facility, KL1 Kuala Lumpur, whilst development approval on an expanded proposal for AK1 Auckland is well underway.

We are proud to operate a nationwide network of Tier II and Tier IV, independently certified data centres. When A1 Adelaide opens in September, we will have Tier IV facilities in all mainland capital cities. It's why we've been recognised by Frost & Sullivan as Australian Data Centre Services Provider of the Year for the past four years. Our digital infrastructure platform addresses the rapidly growing demand for next generation data centres with high interconnectivity, high-density power capability, first-class physical security and industry benchmark energy efficiency.

Importantly, we are also playing a foundational role in the adoption of AI both in Australian and Asia-Pacific markets. During FY24 we announced the purchase of our groundbreaking S6 Sydney facility. S6 is a constructed data centre that is currently being fitted out as an "AI Factory" – a purpose-built AI facility located in the heart of Sydney. Certified by industry frontrunner NVIDIA, this signals our commitment to leading the digital infrastructure market for this important and innovative technology.

100% uptime guarantee

Our data centres are constructed, maintained and operated to meet the most rigorous standards. We take pride in being the sole provider in the Australian market to guarantee 100% uptime for the availability of our comprehensive digital infrastructure services.

Interconnectivity made easy

As digital transformation accelerates – and AI proliferates – secure, sovereign ecosystems are increasingly critical to innovation and success.

Our data centres are home to 15 direct on-ramps to the world's largest cloud platforms, as well as Australia's richest sovereign ecosystem of carriers and digital services providers. Each new data centre opens with full ecosystem access, as well as ultra-low latency, secure, direct interconnection via AXON from day one. Our customers are always connected to the organisations, networks and cloud providers they need to be successful.

Finally, our facilities provide direct access to cable landing stations for the shortest routes, and for the fastest data connections to Asia from the east and west coast of Australia and the most direct connectivity between Perth and Sydney.

Scalable, agile data centre solutions

Scalability and agility have become paramount to the success of data centre providers. Our hyperscale colocation services consist of secure, resilient and reliable high-density data centre outsourcing solutions. Our customers benefit from scalability and flexibility with solutions customised to meet their specific requirements.

Driven by our long-term strategic and intimate customer relationships with hyperscale, enterprise and government customers, NEXTDC is well placed to continue this growth. Importantly, we have land banked and are well capitalised. We are proud of our proven track record of making the right decisions about where and when to build new facilities.

We are well placed to build quickly and flexibly to suit evolving customer requirements.

Leading with our partner ecosystem

Our partner ecosystem represents one of the largest and most diverse independent networks of IT service providers, carriers and cloud providers in the region. This includes a broad range of local and international cloud platforms, as-a-Service providers, independent software vendors, advisory firms, telecommunications carriers and other connectivity partners.

Our Partner Program centres around a channel-first go-to-market model, incorporating connectivity to more than 750 providers including:

- **Global public cloud providers:** AWS, Microsoft, Google, IBM, Oracle, and OVHCloud
- **Large IT services providers:** NTT Group, Atos, DXC, NEC, IBM, Kyndryl, Logicalis, Data#3, Infosys and Wipro
- **Technology advisory firms:** Accenture and Deloitte
- **Telecommunications providers:** Optus, Telstra, Vocus, TPG, Aussie Broadband, Superloop, Uniti, Nexthop, FibreConx, AT&T, PCCW, Spirit, ViaSat, and Starlink
- **Specialist cloud and managed service providers:** Akamai, Netskope, Iron Mountain, AUCloud, Blue Connections, ZettaNet, Teradata, Atturra, Cloud Plus, 11:11 Systems, LeaseWeb and Datto

Leading government partner

NEXTDC's robust infrastructure houses government-owned infrastructure and shared infrastructure, safely and securely. We provide a layered, "all hazards" approach to physical security, monitoring and protocols that provides the strongest protection against the threat of malicious actors in the public and private sectors.

We enable direct interconnection and access to hyperscale cloud, private and sovereign clouds, as well as SaaS and PaaS offerings, distributed right around the country. We offer direct access to the Intra-government Communications Network (ICON). This guarantees secure, private connectivity to the leading cloud and digital services providers within the same interconnected network.

As a member of the Data Centre Facilities Supply Panel, maintained by the Digital Transformation Agency (DTA), we are able to service all Federal, State and Local government agencies directly. In addition, we are a DTA Certified Strategic hosting partner for Government bodies.

Finally, we are partnering with state and local governments in South Australia and the Northern Territory to support their digital infrastructure and economic growth ambitions. This includes providing smart jobs, next generation economic growth and investment in critical technology hubs.

ONEDC data centre management

ONEDC is our data centre infrastructure management tool, allowing customers to simplify, streamline and securely manage their data centre operations. It can be used for everything from real-time temperature, humidity and power monitoring; managing access requests and user permissions; to booking parking, deliveries and staging rooms – and much more.

Onsite customer support

Our remote hands service supports customers throughout their infrastructure lifecycle, performing the day-to-day infrastructure and interconnection tasks to keep things running smoothly. Our highly skilled team members hold awards and accreditations with leading industry bodies.

As customer requirements continue to evolve, and with consideration of the current technical skills shortage, we have identified the opportunity to add further value through the diversification of onsite support services. This includes technical support in pre-sales engineering, liquid cooling innovation and data centre technical support.

Safety

Safety is our top priority and is reflected also in our focus on the health and well-being of our team. We go beyond simply meeting industry standards; we actively cultivate a safe and healthy work environment, constantly seeking improvements.

We are proud of our safety results for FY24. Our operational sites achieved zero Lost Time Injury Frequency Rate (LTIFR) and zero Total Recordable Injury Frequency Rate (TRIFR). Additionally, we experienced a significant decrease in our Capital Works project TRIFR (from 9.4 in FY23 to 4.6 in FY24) and LTIFR (from 5.9 in FY23 to 0.8 in FY24).

Sustainability

Our mission is to help customers harness the power of the digital age so they can drive business outcomes that are more sustainable and energy efficient. We are passionate about preserving our planet and achieving our corporate mission in the most sustainable and ethical way possible.

We want to demonstrate a strong commitment to sustainability, particularly as the adoption and deployment of compute-intensive technologies such as AI continues to accelerate. It is an essential part of doing business and retaining our social licence to do so. The new disclosure requirements coming into force will continue to increase scrutiny across the value chain, and we are taking meaningful action now to demonstrate our ongoing commitment to sustainability and responsible business practices.

As our platform scales, we remain committed to ethical growth. This means leading the national and world markets in the design, construction and operation of energy-efficient data centres. We have identified the key areas where we need to focus our efforts, which include optimising power and water efficiency (including through the development and adoption of innovative liquid cooling solutions), sustainable building designs, site selection, construction and operations and seeking to minimising the environmental impact across our entire value chain.

Net zero: at-a-glance

NEXTDC is dedicated to reducing its carbon footprint across operations, aspiring to become net zero for all Company-driven Scope 1 and 2 emissions. We are also working towards measuring and addressing emissions from our value chain and embodied carbon.

We are conducting a comprehensive internal review to assess our carbon footprint, data accuracy, and net zero roadmap. This includes evaluating emerging low-emission technologies to ensure a cost-effective transition while accommodating business growth.

Preparing our business for a dynamic energy landscape is crucial to NEXTDC's decarbonisation journey. We are thoroughly examining the implications of setting targets and developing a corresponding transition plan. We are committed to transparency and accountability in our sustainability goals and will publicly report our progress.

FY24 sustainability highlights

Power Usage Effectiveness (PUE) rating of **1.42** and Water Usage Effectiveness (WUE) rating of **2.16**.

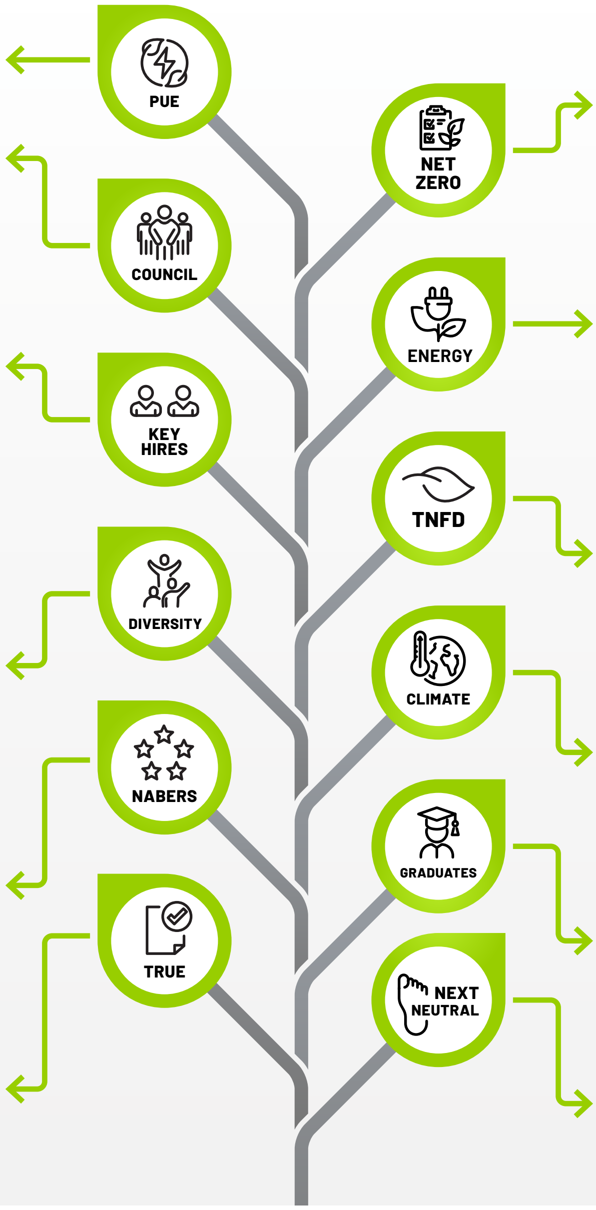
ESG Council was established to provide strategic oversight and drive our sustainability agenda.

Sustainability and Energy Leadership Positions: Appointed both a dedicated Head of Energy and Head of Sustainability in FY24. This move deepens our leadership in energy efficiency and propels us forward in delivering on our sustainability goals.

Commitment to Diversity, Equity and Inclusion – 31% female participation in workforce and 38% at Board level; 40:40 Vision signatory, Work180 endorsement for 2024 Employer of Choice for women, women in leadership programs and RAP Reflection underway.

M1 and S1 have maintained their NABERS 5-Star ratings for energy efficiency throughout FY24, with P1 maintaining 4.5-Star rating.

Achieved more than 90% diversion rate at four of our facilities, with S1 facility achieving the TRUE Waste certification well ahead of target in August 2023.



Carbon lifecycle analysis: Whole-of-life embodied carbon assessments for new builds, establishing a template for future projects. This critical early-stage evaluation enables us to engage with delivery partners effectively, accelerating our progress toward net zero across our value chain.

Energy Efficiency: Continuous improvement initiatives, including data-driven and targeted adjustments to environmental temperature settings that do not compromise performance or equipment safety.

Transparent reporting: Inaugural alignment of our sustainability strategy with the UN SDGs and TNFD frameworks to integrate global sustainability objectives across our value chain.

Issued the first independent Climate and Nature Report detailing our environmental impact, including dependencies, risks, and how we integrate these considerations into decision-making.

Launched our inaugural graduate program, which aims to recruit and develop talented individuals through structured training and career growth opportunities.

NEXTneutral continues to provide the platform for customers to offset their IT-related carbon emissions with the click of a button.

Managing digital carbon footprints

With ongoing customer and societal concern about the expanding carbon footprints of IT infrastructure, alongside the growing adoption of AI and other compute-intensive technologies, our carbon offset program (NEXTneutral) is experiencing growth. We have continued to meet the requirements for our corporate operations to be 100% carbon neutral under the Climate Active scheme, administered by the Australian Federal Department of Environment and Energy. This has been enabled through our strategic partnership with Qantas Future Planet (QFP) for offsetting carbon emissions.

Elevating impact: aligning with the UN Sustainable Development Goals

FY24 marks a significant milestone as we align our business operations and goals with the United Nations Sustainable Development Goals (SDGs). By integrating these globally recognised targets, we demonstrate our commitment to sustainable development and addressing critical global challenges. As a leader in digital infrastructure, we are uniquely positioned to contribute to these goals. We have identified six key SDGs where we believe we can make the greatest impact. These SDGs and their integration into our ESG initiatives are detailed in our FY24 ESG Report.

Our Climate and Nature Commitment

NEXTDC recognises the interconnectedness of climate change and nature. In FY24, we have issued our inaugural Climate and Nature Report to explain our progress towards implementing our climate change commitments. It details our response to the risks and opportunities presented by climate change and nature in alignment with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) and Taskforce on Nature-related Financial Disclosures (TNFD).

Our approach to climate change

Climate change presents significant challenges to digital infrastructure, as extreme weather events, rising temperatures, and resource scarcity demand a departure from traditional design approaches. Infrastructure must be constructed to endure future climate conditions, including higher temperatures, more intense storms, and rising sea levels. NEXTDC is committed to addressing these climate risks. Our strategy emphasises transparency through climate-specific disclosures, the construction of sustainable and resilient data centres, the path towards net zero operations, and the maintenance of our external certifications such as the ISO14001 and NABERS. This approach ensures continuous improvement in resource efficiency, waste reduction, and overall environmental performance.

Governance

The Audit and Risk Management Committee oversees the implementation and operation of NEXTDC's Risk Management Framework, including climate-related risks and opportunities. To further enhance our focus on sustainability, in FY24 we established an ESG Council to approve our ESG approach, objectives, and performance, including climate-related metrics and targets. Additionally, the appointment of a Head of Sustainability and a Head of Energy underscores our strategic focus on achieving our sustainability goals. This structured leadership approach ensures a coordinated and impactful execution of our climate objectives alongside our business operations.

Risk management

We matured our risk management approach by linking the outcomes of our climate-related risks and opportunities to our business strategy. This includes conducting climate risk and opportunity workshops with key stakeholders, integrating climate-related risks into business unit reviews and enterprise risk registers, and monitoring climate metrics such as energy efficiency and emissions.

Metrics and targets

We continue to develop metrics, pathways, and targets to track our progress in reducing emissions. Additionally, we are making strides toward our goal of procuring more renewable electricity for our operations and reducing our operational emissions.

Strategy

Our business strategy provides the framework to achieve our climate ambition, including the finalisation of our net zero pathway and overarching three-year ESG strategy. We will begin a new phase of engagement with our customers and extended stakeholders to expand our disclosures and further inform the refinement of our strategic direction. In FY24, we built on our TCFD journey by enhancing our scenario analysis for priority risks by understanding the most significant climate-related threats to our operations. This included simulating a range of conditions to enable us to anticipate their impact, assess how they could affect our revenue, costs, and overall financial health. The following three scenarios were used to stress-test our business strategy:

Scenario 1:
Globally on-track

Limiting the average global temperature increase to 1.5°C by 2100, aligned with the Paris Agreement.

Scenario 2:
Business-As-Usual (BAU) baseline

Resulting in an average global temperature increase of 2°C to 3°C by 2100.

Scenario 3:
Ineffective Climate Action

Results in a climate shock with the average global temperature rising above 3°C by 2100.

Looking forward

As the mandatory climate reporting legislation continues to be finalised in Australia, we will transition from the TCFD framework to align with these new requirements. We will also continue to analyse the new standards and identify the gaps between TCFD and mandatory disclosures. Our efforts include monitoring and refining our decarbonisation strategy and net zero pathway, with a focus on Scope 3 emissions, and improving scenario analyses to align with the forthcoming reporting framework. Additionally, we will conduct awareness sessions for our senior management and stakeholders on the enhanced requirements, highlighting the step-up from TCFD. Periodic reviews of climate-related risks and opportunities, especially site-based reviews for projects, will also be carried out.

Our approach to nature

Climate and the atmosphere are subsets of nature, and the effects of increased carbon concentrations affect land, freshwater, oceans, and biodiversity.

Data centres interact with the environment in various ways - from the energy and water resources consumed to the physical footprint and impact on local ecosystems.

Although we operate in established metro zones with pre-existing ground disturbance, we recognise our operations, particularly new developments, have greater opportunity to be intertwined with the natural world.

We have assessed natural risks, stakeholder expectations, and regulatory changes to optimise our environmental performance. Building on this, in FY24 we've enhanced our approach by adopting the TNFD framework to better understand and address our impact on nature.

Our initial steps in aligning with the TNFD framework utilised the LEAP approach (Locate, Evaluate, Assess, and Prepare):

Locate where our operations interact with nature. This includes assessing potential impacts on biodiversity, water resources, land use, and climate change.

Evaluate our dependencies on and impacts on natural ecosystems by understanding the reliance on ecosystem services for operations, such as cooling systems or material sourcing.

Assess nature-related risks and opportunities such as the potential business opportunities related to nature-positive solutions (e.g. renewable energy integration or green building certifications).

Prepare strategies to mitigate negative impacts, enhance positive contributions, and disclose relevant information to stakeholders in line with TNFD recommendations.

Our progress to date

By conducting thorough due diligence from the beginning of our site selection process and incorporating ecological considerations into our design, construction, and operational processes, we aim to foster a positive relationship with nature. Nature-related risks, such as the increased frequency of extreme weather events, water scarcity, and biodiversity loss, are particularly relevant to the data centre industry, where stable environmental conditions are crucial for maintaining uninterrupted operations. For instance, we have identified that:

- Healthy ecosystems provide essential services such as natural cooling through vegetation, water filtration, and climate regulation. Without these services, we face increased energy consumption for cooling and higher operational costs
- The loss of natural buffers like wetlands and forests can heighten the risk of flooding, which threatens infrastructure integrity
- The availability of critical natural resources, such as water, is vital for the technology used in data centres, and any disruption can pose significant risks to our operations

To adapt to these risks, we undertook risk assessments and aim to expand this to site-based reviews for all new development projects. Our assessment identifies the following key nature-related risks, primarily through the expansion and operation of our data centres:

- **Stormwater regulation:** Increasing requirements for managing extreme rainfall and flooding could raise costs for stormwater management, impacting new developments
- **Biodiversity regulation:** Expanding in urban areas may face biodiversity challenges, leading to costs or delays
- **Water usage:** Cooling equipment requires a significant amount of water demand as well as the management of wastewater

This approach, detailed in our Climate and Nature Report, outlines our current practices and progress while acknowledging areas for further development.

We see this first step towards TNFD alignment as a significant milestone. Over the next 12 months, we will deepen our understanding of how our sites interact with the ecosystems in which they are located, conduct awareness sessions on TNFD with senior management and other key stakeholders, and review the sectoral supplementary guidance released by TNFD to determine its relevance to our industry. Additionally, we will expand our scenario analysis to promote a nature-positive approach throughout our construction and operations.

NEXTDC's Business Features

Connecting to the cloud in world-class facilities

Since 2010, NEXTDC has been helping its customers' business transformations through innovative data centre solutions, connectivity services and infrastructure management software.

The Company's sovereign partner ecosystem is market leading and comprises cloud platform providers, carriers and digital service providers. Australia's most dynamic digital marketplace enables local and international customers to source and connect with all the platforms, service providers and vendors they need to build complex hybrid cloud networks and scale their critical IT infrastructure services.

Our competitive advantage

Our nationwide, and soon to be international data centre network sets us apart. With Adelaide and Darwin coming online during Q1 FY25, we will now have facilities in seven Australian capital cities (Brisbane, Sydney, Canberra, Melbourne, Perth being our existing capital facilities). Our first regional facility at Maroochydore on the Sunshine Coast has also been joined by edge data centres at Port Hedland and Newman in Western Australia.

We have acquired land and committed to building new facilities in Geelong and Gold Coast (as part of the Gold Coast Health and Knowledge Precinct). These facilities will support the digital economies of these high growth population centres and create jobs, economic stimulus and investment.

Work has commenced on NEXTDC's first offshore facility in Kuala Lumpur. We are working towards obtaining development approval for a bigger Auckland data centre facility than the originally planned 10MW. This will help meet New Zealand's anticipated growth requirements and support the Government's digital infrastructure forward planning.

This seamless digital infrastructure platform offers our customers a streamlined experience with one agreement and consistent pricing and service levels.

Market-leading expertise

Our award-winning in-house engineering and operational teams are recognised as leaders in their industry. Our people work together with our customers to create customised solutions that solve real-world challenges.

Commitment to safety

NEXTDC maintained a positive safety result for FY24, with no lost time injuries recorded across data centre operations. On the construction front, we have continued to see a downward trend in our total recordable injury frequency rate.

Underpinned by our ISO 45001 (Health and Safety) certification, our safety culture is thoroughly documented and audited. Our in-house team implements and oversees our safety management system, tailored specifically to the unique environment of a data centre. Nonetheless, we believe safety is a shared responsibility, and we encourage all employees and partners to actively promote safety in our workplaces.

Finally, we are making ongoing investments in enhanced mental health and safety programs and service for our team members, through the engagement of health services provider, Sonder.

We currently have 46 team members across Australia and the Asia-Pacific region who are accredited Mental Health First Aid Officers, after volunteering to complete the Mental Health First Aid training. This program has been extended to our employees in Malaysia.

Commitment to security, privacy and data sovereignty

We adhere to the Australian Privacy Act and other relevant frameworks like Malaysia's PDPR and GDPR in applicable jurisdictions to ensure the protection of personal data. As such, we:

- Collect a minimal amount of customer Personally Identifiable Information (PII), limited to activities such as account and contact management, marketing and permit entry to facilities
- Maintain a clear delineation between the data we hold and manage as part of managing our business operation and the data that our customers hold or process in their equipment
- Do not interact with or manage any data stored on our customers' equipment

Addressing concerns around data sovereignty, all our facilities, except for our newly launched Darwin D1 and our edge data centres (SC1, NE1 and PH1), have been independently assessed and certified by the Commonwealth Government's Digital Transformation Agency (DTA) as Certified Strategic (Enclave).

Our security practice adheres to a best practice 'All Hazards' approach, supported by advanced biometric and surveillance security technology. Each of our data centres feature multi-zone security layers.

We operate in compliance with globally recognised best practice standards in critical areas including security (ISO 27001, SOC1 Type 2, SOC2 Type 2, PCI DSS and SCEC), environmental sustainability (ISO 14000), workplace health and safety (ISO 45001), quality assurance (ISO 9001), energy efficient built environments (NABERS), waste management (TRUE) and operational sustainability (Uptime Institute Tier IV Gold).

We comply with the Clean Energy Regulator's annual reporting requirement on National Greenhouse Gas and Emissions (NGER Report) and continue to report to the Workplace Gender Equality Agency (WGEA).

Our Modern Slavery Statement is issued annually in complying with the requirement of Modern Slavery Act 2018 (Commonwealth). We published our fourth Modern Slavery Statement in December 2023.

Mission Critical Operational Spaces (MCX)

Since launching in FY23, our mission critical operations centres have become a critical component of all new and planned developments. Within a selection of our existing data centres, we already offer highly secure, resilient and interconnected operational spaces for mission critical functions. Our customers are embracing the concept which delivers peace-of-mind that mission critical teams and processes are always on, secured and connected.

Our People and Culture

Living our values

Our goal as a company is to have every one of our people living our six core values. We encourage our employees to share their stories and we empower staff to speak out when they see behaviours that are inconsistent with our values.

Customer First

We are obsessed with delivering the world's best customer experience.

One Team

We are an elite team working together with super stars playing in every position.

Bright Ideas

The best way to predict the future is to create it.

Pursuit of Excellence

We are relentless in our pursuit of excellence, not perfection.

Straight Talk

We don't talk bull, we have crucial conversations, we disagree and then we commit.

Frugal Not Cheap

We spend our money where it matters the most.

Diversity, equity and inclusion

We believe our greatest strengths come from the people who make up our team. Diversity, Equity and Inclusion (DEI) are core to our success strategy. We embrace our differences and diversity of identity, experience and ideas, pushing boundaries to promote inclusive behaviours across the Company.

NEXTDC is committed to providing a balanced and inclusive working environment supported by well-considered policies built on our Values. The Board has implemented a DEI Policy with measurable objectives to reflect our commitment to diversity at all levels of the organisation.

NEXTDC prides itself on the many individuals who bring unique and diverse skills, values, backgrounds, and attributes to the workplace, including their own personal experiences gained on account of their gender, age, ethnicity, or cultural background.

We believe that NEXTDC is an inclusive workplace where diversity thrives, and team members feel comfortable sharing their true selves. Please refer to the Company's FY24 ESG Report for more details on our continued efforts, achievements and strategic priorities around diversity, equity and inclusion in FY24.

Gender diversity

By 2030, NEXTDC intends to achieve a gender-balanced workforce with a target of at least 40% men and 40% women across all levels, from employees to management and the Board. In FY24, we had 31% female representation at the Company level.

The appointment of Maria Leftakis to our Board in August 2023 has further enhanced gender diversity on our Board, bringing the female representation to 38%, nearing our target of at least 40%.

Beyond achieving our gender ratio target, we are firmly committed to pay equity. As a relevant employer under the Workplace Gender Equality (WGEA) 2012, we actively address any pay gaps. In response to the recent Employer Gender Pay Gaps Report issued by the WGEA in February 2024, NEXTDC issued a Pay Gap Statement outlining our approach and action plan to closing the gender equality gap. Our annual remuneration reviews continue to prioritise equitable compensation, ensuring pay reflects performance, contributions, skills, and market benchmarks.

Further details on our diversity and inclusion related initiatives are captured within the FY24 ESG Report with relevant policies available in the Corporate Governance section of the Company website at www.nextdc.com/investor-centre/corporate-governance.

Giving back to communities

Our purpose is to help create opportunities for our future generations. We place immense value and take pride in the relationships we form in business and in the communities in which we live and work.

Our community 'Live to Give' project helps to support the lives of those around us. Live to Give brings together six charity and giving programs – The Smith Family, UN Women, SolarBuddy, Beyond Blue, Cancer Council and the Red Cross. We are also part of the Pledge 1% movement and have an active workplace giving program with dollar-for-dollar donation matching for these six partner charitable organisations.

Our people can access up to three paid volunteer days per year as well as an emergency management leave benefit of up to four weeks. They can also take up additional paid volunteer days to participate in skills-based volunteering opportunities in our local communities.

Market Growth Demonstrated by NEXTDC

	30 June 2024	30 June 2023	30 June 2022	30 June 2021	30 June 2020
Operating facilities[1]	16	12	11	9	9
Built capacity[2]	165.1MW	133.4MW	113.9MW	95.8MW	78.8MW
Contracted utilisation[3]	172.6MW	122.2MW	83.0MW	75.5MW	70.0MW
% of built capacity	105%	92%	73%	79%	89%
Billing utilisation[4]	86.0MW	77.7MW	72.8MW	65.4MW	52.8MW
% of built capacity	52%	58%	64%	68%	67%

1 Operating facilities: The number of facilities which were operational at the reporting date.
2 Built capacity: MW built includes the designed power capacity of the data centre halls fitted out at each facility. Further investment into customer related infrastructure, such as backup power generation, cooling equipment or rack infrastructure may be made in line with customer requirements.
3 Contracted utilisation: Total of all sold capacity in MW including customers with deferred contract commencement dates. 30 June 2024 contracted customer utilisation represents the pro-forma number as disclosed in NEXTDC's ASX announcement of 6 August 2024.
4 Billing utilisation: Total of all sold capacity in MW where the service has commenced.

Directors' Report

The Directors present their report on the consolidated entity (referred to hereafter as 'NEXTDC', the 'Company' or the 'Group') consisting of NEXTDC Limited and the entities it controlled at the end of, or during, the year ended 30 June 2024.

Directors

The following persons were Directors of the Company during the year, and up to the date of this report:

- Douglas Flynn
- Craig Scroggie
- Stuart Davis
- Dr Gregory J Clark AC
- Stephen Smith
- Jennifer Lambert
- Dr Eileen Doyle
- Maria Leftakis (appointed 24 August 2023)

Principal activities

During the year, the principal continuing activities of the Group consisted of the development and operation of independent data centres in Australia and the Asia-Pacific region.

Operating and financial review

During the year, the Company has:

- Added additional built capacity of 12MW at S3 Sydney, with a further 24MW in progress and 20MW in planning
- Acquired S6 Sydney during 2H24, with the facility having total power planned of 13.5MW, noting 2.7MW of built capacity and a further 2.7MW in progress
- Increased M2 Melbourne's target capacity to 120 MW, with 11MW of build capacity added during the year, while 18MW is in progress and a further 18MW is in planning
- Commenced building expansion works at M3 Melbourne, with 13.5MW in progress
- Opened D1 Darwin to customers in July 2024, with A1 Adelaide due to open to customers in September 2024
- Commenced ground works on KL1 Kuala Lumpur, targeting initial built capacity of 7.5MW and total target capacity of 65MW
- Upgraded target capacity for AK1 Auckland by 5MW to 15MW, with planning works underway
- Progressed planning works for S4 Sydney, S5 Sydney and M4 Melbourne

Key financial highlights include:

- Revenue of $404.3 million vs guidance range of $400 - 415 million (FY23: $362.4 million)
- Underlying EBITDA[1,2] of $204.3 million vs guidance range of $190 - 200 million (FY23: $193.7 million)
- Capital expenditure of $1,002.6 million vs guidance range of $850 - 900 million (FY23: $695.7 million[5])
- Statutory net profit/(loss) after tax of $(44.1) million (FY23: loss of $22.0 million[5])
- Operating cash flow of $128.8 million (FY23: $126.5 million)
- Cash of $1,236 million at 30 June 2024
- Contracted 50.5MW of new capacity[3]

Financial performance

NEXTDC achieved a number of significant milestones and enjoyed a period of steady growth in the 12 months to 30 June 2024.

While the Group generated a statutory loss after tax during FY24, this remains consistent with the Company incurring upfront costs linked to its rapid expansion program such as depreciation and finance expense ahead of generating increased revenues from those investments. In FY24 NEXTDC incurred a total of $167.7 million in depreciation charges (up from $140.1 million[5] in FY23) and $92.0 million in finance costs (up from $73.1 million[5] in FY23).

The Group experienced strong growth in revenue in FY24, as well as further strong growth in contracted and billing utilisation over the same period. As at 30 June 2024, NEXTDC was billing for 86.0MW (2023: 77.7MW) of capacity and had a forward order book of 86.6MW[4], which is expected to convert into revenue across FY25 to FY29.

[1] EBITDA is a non-statutory financial metric representing earnings before interest, tax, depreciation and amortisation. Non-statutory financial metrics have been extracted from the audited accounts
[2] FY24 underlying EBITDA excludes costs related to early stage offshore operating expenses, acquisition and funding opportunities as well as investment in associates
[3] Represents the increase in pro forma utilisation at 30 June 2024 (as disclosed in NEXTDC's ASX announcement of 6 August 2024)
[4] Forward order book represents the difference between pro forma contracted utilisation (172.6MW) and billing utilisation (86.0MW) at the end of FY24
[5] Comparative information has been restated to reflect the prior period error detailed in note 27 (b)

A summary of consolidated revenues and segment EBITDA for the year is set out below:

	Segment revenues		Segment EBITDA	
	30 June 2024 $'000	30 June 2023 $'000	30 June 2024 $'000	30 June 2023 $'000
Vic	129,354	117,404	92,289	86,130
NSW/ACT	203,689	182,915	123,037	112,731
Rest of Australia	67,721	58,644	46,070	40,894
International	98	144	(1,904)	(2,105)
Other	3,475	3,262	878	2,054
Total segment	404,337	362,369	260,370	239,704

Net profit/(loss) after tax was $(44.1) million (2023: $(22.0)[5] million).

Non-statutory underlying earnings before interest, tax, depreciation and amortisation (EBITDA) improved from $193.7 million in FY23 to $204.3 million in FY24. Reconciliation of statutory profit to EBITDA and underlying EBITDA is as follows:

	30 June 2024	30 June 2023[5]	Change
	$'000	$'000	%
Net profit/(loss) after tax	(44,146)	(22,032)	
Add: finance costs	91,967	73,119	
Less: interest income	(32,650)	(10,969)	
Add: income tax expense	7,840	2,402	
Add: depreciation and amortisation	167,699	140,130	
EBITDA	190,710	182,650	4%
Add: early-stage international operating expenses	4,358	2,885	
Add: cost expensed in relation to acquisition opportunities	2,600	2,065	
Add: share of the loss of associates	6,592	4,262	
Add: impairment of investment in associate	-	1,799	
Underlying EBITDA	204,260	193,661	5%

Funding and financial position

The Company's $2.9 billion Senior Debt Facilities are summarised as follows:

- $800 million – Term Loan Facility (fully drawn)
- $600 million – Capital Expenditure Facility ($400 million undrawn)
- $800 million – Revolving Credit Facility (multi-currency) (undrawn)
- $300 million – Term Loan Facility (fully drawn)
- $100 million – Term Loan Facility (fully drawn)
- $300 million – Revolving Credit Facility (undrawn)

Cash and cash equivalents at 30 June 2024 totalled $1,236 million (2023: $766 million), which combined with the undrawn senior syndicated debt facility of $1.5 billion, provided the Group access to $2.7 billion in available liquidity at 30 June 2024.

NEXTDC's balance sheet position is underpinned by approximately $5.2 billion in total assets.

Sales performance

We have continued to focus our sales strategy on partnering and forming alliances with providers of infrastructure, platforms and packaged services. The flexibility we offer by being carrier and vendor neutral allows customers a choice of carriers and systems integrators, creating a unique ecosystem of enterprise, Government and ICT service provider customers.

During the year NEXTDC increased its contracted utilisation by 41% from 122.2MW at the end of FY23 to 172.6MW at the end of FY24 (pro forma for the announcement of 6 August 2024).

NSW/ACT's contracted utilisation increased by 22.2MW during FY24 to 103.0MW as at 30 June 2024 (pro forma for the announcement on 6 August 2024), with contracted utilisation accounting for 131% of built capacity (78.7MW).

[5] Comparative information has been restated to reflect the prior period error detailed in note 27 (b)

Our contracted utilisation in Victoria grew by 25MW to 58.1MW during the period from 1 July 2023 to 30 June 2024, with contracted utilisation accounting for 90% of built capacity (64.5MW).

Contracted utilisation for the rest of Australia grew 3.4MW during FY24 to 11.6MW as at 30 June 2024, with contracted utilisation accounting for 53% of built capacity (21.9MW).

NEXTDC continues to develop its go-to-market strategy through channel and alliance partnerships with major telecommunications and IT service providers, allowing it to increase the breadth and depth of its selling capability without adding to its sales operating cost base.

Continuous innovation

As a leading player in Australia's rapidly evolving IT infrastructure sector, NEXTDC is committed to ongoing innovation and improvement of its systems, products, and services. All data centres have achieved and continue to be certified to ISO 27001 Information Security Management System, ISO 9001 Quality Management System, ISO 14001 Environmental Management System and ISO 45001 for WHS Management System. These certifications confirm that NEXTDC has an integrated management system that provides a systematic approach to risk management, protection of company information and continuous improvement. Exceptions to this are NEXTDC's edge data centres in the Sunshine Coast (SC1), Darwin (D1), Newman (NE1), and Port Hedland (PH1). While not formally certified, these facilities adhere to national standards aligned with relevant management systems. Our intention is to complete this process within the next 12 months, where this is applicable to the service we provide.

Ongoing customer demand has seen NEXTDC develop innovative ways to augment data centre capacity beyond the original designs with higher power densities and additional data halls. Even though power consumption is increasing as our facilities become more populated, their overall energy efficiency has improved over time through economies of scale and increased utilisation of existing infrastructure.

NEXTDC continuously tests and tunes its data centres to optimise energy efficiency and stability and ensure that PUE targets are achieved. In FY24, NEXTDC achieved an average PUE of 1.42 across all its data centres.

Energy efficiency and sustainability remain key areas of focus for the Group. Our data centre facilities have been engineered to deliver extremely high energy efficiency, lowering the carbon footprint for our customers. NEXTDC has achieved industry-leading energy efficiency with NABERS 5-star ratings for our M1 Melbourne and S1 Sydney data centres, pioneering this standard in Australia. Our P1 Perth facility has also excelled, earning a 4.5-star rating; and we are committed to expanding these achievements across our fleet.

Leveraging cutting-edge engineering and continuous optimisation, our second-generation data centres deliver industry-leading energy efficiency. Our third-generation facilities are designed to surpass these benchmarks again. In FY24, we undertook our first embodied carbon assessment for new builds, establishing a template for future projects. This critical, early-stage evaluation enables us to engage with delivery partners effectively, accelerating our progress toward net-zero across our value chain.

As facilities approach full capacity and incremental cooling infrastructure is no longer needed, rooftop solar becomes an option at some sites. NEXTDC owns and operates its solar array on the roof of its M1, S1, P1, SC1, and M3 data centres and has been a Principal Partner of the Melbourne Renewable Energy Project (MREP) since its inception in 2014.

Business strategies and prospects for future financial years

The Group continues to develop a strong and growing pipeline of sales opportunities across its operating markets. Based on the number of positive demand trends such as cloud and mobile computing, growth in internet traffic and data sovereignty as well as the adoption of new technologies such as generative AI, we expect that demand for carrier and vendor neutral outsourced data centre services will continue to grow strongly for the foreseeable future.

The Company has a number of strategies to benefit from this growth, including but not limited to:

- Continuing to sell capacity in existing facilities;
- Growing its presence in existing data centre markets where its existing facilities are close to being fully utilised;
- Expanding its footprint into new data centre markets in Australia, such as Adelaide, Darwin, Port Hedland and Newman;
- Expanding its presence into new offshore markets such as New Zealand and Malaysia; and
- Launch of new products.

Based on the factors listed above, the Group expects its revenue to continue growing in the foreseeable future.

Business risks

NEXTDC prioritises a robust risk management framework as a cornerstone of its corporate governance. This framework is crucial for achieving both strategic and operational goals. We continually assess enterprise risks against the Board-approved Risk Appetite Statement. Risk management systems and processes are implemented to identify potential risks early, enabling proactive management strategies.

For a deeper dive into the roles, objectives, and processes involved, please refer to our internal Risk Management Procedure and guidelines. Additionally, the Company's most recent Corporate Governance Statement (available at www.nextdc.com) provides details on NEXTDC's comprehensive Risk Management Framework.

The following key business risks have remained focus areas, as they can adversely affect the Company's financial performance:

Business Management and Governance

- ***Fraud, Bribery and Corruption:*** Fraud, bribery, and any unethical conduct poses a significant risk to NEXTDC's reputation and the trust of our customers, shareholders, and stakeholders. To mitigate this risk, NEXTDC has embedded a governance framework, including a Board-approved Statement of Delegated Authority, into our business operations. All employees and Directors undergo comprehensive Code of Conduct training, and we encourage a culture of openness through our Whistleblower Policy, which empowers staff to report any suspected misconduct.
- ***Training and Development:*** Operating and maintaining data centres demands a highly skilled workforce. Insufficient training can compromise safety, the environment and operational efficiency of our facilities and employee morale. To address these issues, NEXTDC provides comprehensive training and development programs for all team members, including on-the-job training and regular refreshers. For further details on our training initiatives, please refer to the Human Capital Development section of our ESG Report located on our website under the Corporate Governance Section (www.nextdc.com).
- ***Technology Advances:*** NEXTDC operates in a highly competitive industry where staying at the forefront of technology and business systems is essential to maintain customer satisfaction and market share. We foster strategic partnerships and collaborative research with suppliers, actively participate in industry forums, and maintain membership with leading industry bodies such as the Uptime Institute. Our dedicated Business Transformation Program ensures we are continually evolving to meet the needs of our customers.
- ***Employee Engagement***: An engaged workforce is critical to achieving our strategic goals. By fostering a culture that attracts and retains employees who share our values, we can build a strong foundation for success. NEXTDC's 'The Way We Work' program continues to provide ongoing flexibility to our team, recognising no one-size-fits-all solution to how we work. For a more in-depth look at our social sustainability efforts, please refer to the ESG Report on our website under the Corporate Governance Section (www.nextdc.com).

Environment, Work Health, and Safety

- ***Workplace, Health and Safety:*** Our employees are the cornerstone of NEXTDC's success, and their safety and well-being are paramount. We are committed to fostering a secure and healthy workplace for all stakeholders. Our unwavering focus on achieving zero workplace injuries is underscored by our ISO 45001 certification.

  NEXTDC maintained a very positive safety result for FY24, with zero Lost Time Injuries Frequency Rate (LTIFR) and zero Total Recordable Injury Frequency Rate (TRIFR) for our operations.

  Active management of WHS issues, both in the operation of data centres and in their development, is mandated and central to creating a culture where it is safe to speak up and report any hazards or incidents. NEXTDC has also sought to implement a process of continual review through its safety assurance programs.

  Our strategy for providing a safe workplace also focuses on protecting people from harm by identifying and managing workplace risks to mental health, building the capacity to respond and support people experiencing mental ill-health, and promoting positive mental health and wellbeing. To enhance our mental health support, we've established a network of volunteer Mental Health First Aid Officers (MHFAOs) across our facilities. Our MHFAOs are trained professionals who can provide initial assistance to colleagues experiencing mental health challenges. With 46 dedicated MHFAOs across Australia and the Asia-Pacific region, we're committed to fostering a supportive and caring workplace.

  As part of prioritising employee well-being, this year, we launched our inaugural "People at Work" survey to gain a comprehensive understanding of employee well-being and safety. We're thrilled with the results, placing us in the "minimal concern" quadrant, the most positive category. The valuable feedback gained from this, and our bi-annual employee survey is guiding our efforts in creating an even healthier and more productive work environment for all our employees.

  In addition, our partnership with Sonder provides our team and their families with 24/7 access to medical, mental health, and safety experts. This comprehensive support system complements our safety programs and contributes to a positive and supportive work environment.

  NEXTDC's Construction Safety Management System is continually incorporating lessons learned from our design, construction, and operations teams to ensure that new facilities incorporate the most relevant safety standards. This proactive approach strengthens our safety culture and drives continuous improvement.
- ***Energy Usage and Emissions:*** NEXTDC is committed to operating our data centres with maximum energy efficiency and minimal environmental impact. While increased customer demand inevitably leads to higher overall energy consumption, our facilities are meticulously designed, engineered, and managed to optimise performance and reduce our carbon footprint.

  We have invested significantly in cutting-edge technologies and operational improvements to achieve industry-leading energy efficiency. Our pursuit of NABERS certification for all data centres, coupled with stringent PUE targets, underscores this commitment. In FY24, we achieved a national average PUE of 1.42.

Maintain 100% Uptime Guarantee

- ***Unable to Provide Service:*** Data centre failures can disrupt operations and breach service level agreements. To prevent this, NEXTDC builds high-redundancy facilities with backup power and cooling systems. Regular testing, expert design, and external certifications ensure uninterrupted service and meet our 100% uptime commitment.

Building New Sites/Data Centres

- ***Development:*** NEXTDC is actively expanding its data centre footprint through new developments, facility expansions, as well as Edge and remote site deployments in Australia and overseas. Development projects typically involve a range of risks, including:

  (i) the risk that suitable sites or required planning consents and regulatory approvals, including approvals from the local water authority and the local power distribution grid operator, are not obtained or, if obtained, are received later than expected or are adverse to NEXTDC's interests, or are not properly adhered to;

  (ii) Development costs exceeding initial projections, including construction, fit-out, and related delays.

  (iii) Unforeseen project delays, supply chain disruptions, or delays in critical infrastructure or component deliveries.; and

  (iv) non-performance/breach of contract by a contractor or subcontractor in relation to any of the above. Increases in the supply or falls in demand for data centre capacity could influence the acquisition of sites, the timing and value of sales, and the carrying value of projects.

  To mitigate these risks, NEXTDC has implemented standardised processes for planning, designing, engineering, procuring, and managing its development projects.
- ***Customer Demand:*** Data centre development requires significant capital investment and often precedes customer commitments. To mitigate the risk of insufficient demand, NEXTDC focuses on aligning site development with market trends and customer needs. Our strategy of becoming the largest independent, carrier-neutral channel ecosystem in the Asia-Pacific region supports this approach. By adopting a more scalable data centre design, we can optimise capital expenditure and closely match infrastructure investment with customer growth. Additionally, expanding our product and service offerings aims to increase revenue and overall business performance.

Ensuring Financial Health of the Company

- ***Funding:*** NEXTDC's business is capital-intensive in nature, and our continued growth relies on the acquisition and development of new and existing data centres, along with investment in new technologies. Failure to obtain sufficient capital on favourable terms may hinder NEXTDC's ability to expand and pursue growth opportunities, which may reduce competitiveness and have an adverse effect on financial performance. To address this risk, NEXTDC has sought to obtain funding from various sources to not become over-reliant on any one form of funding, as well as to maintain adequate liquidity to be able to cope with surges in customer demand as well as to take advantage of any attractive investment opportunities.

Security of Data and Information

Physical Security Breach: Physical security is the foundation of data centre security. It forms the basis of our security strategy and is integrated into NEXTDC's governance and operations. A breach could seriously interfere with NEXTDC's or its customers' operations, damaging their reputation and ours. NEXTDC's security risk management program is designed to safeguard our assets, people, property and information as well as customer equipment, security and operational environments. NEXTDC customers rely on our physical security to prevent unauthorised access to the space where their equipment resides. NEXTDC seeks to provide customers with the highest standards of security. NEXTDC employs a multi-layered security approach to safeguard our data centres. Access is strictly controlled at every level, from the perimeter to individual data halls. Continuously adapting to evolving threats, our security measures protect the integrity of customer data.

- ***Privacy & Data Security:*** NEXTDC collects minimal PII for account management, marketing, and facility access. We do not handle customer data stored within our facilities; data security remains the customer's responsibility. All PII is managed securely in compliance with data protection regulations and ISO 27001 standards. While a data breach impacting NEXTDC's operations could harm our reputation, our Certified Strategic Enclave status, awarded by the Australian Federal Government's Digital Transformation Agency, underscores our commitment to the highest security and data sovereignty standards.
- ***Cyber Risk:*** Cyber resilience is an important element of customer data security. Our Security Operations Centre proactively defends against cyber threats, supported by an ISO 27001-compliant framework. Regular third-party audits ensure our security measures remain robust and effective.

Revenue Generation and Customer Growth

- ***Customer Management:*** NEXTDC is committed to building a culture that values our customers and provides the best experience for them, from the first to the last point of contact. This is central to all phases of the customer lifecycle. Besides measuring ourselves against key customer metrics, we continue to evolve our customer resourcing models to ensure we deliver great service and monitor the outcomes and feedback.
- ***Meeting Customer Requirements:*** NEXTDC serves a sophisticated customer base comprised of large, established businesses with varied expectations. Timely delivery of tailored solutions is crucial for maintaining our strong brand reputation and securing future business. To meet these demands, we leverage our in-house engineering and project management expertise to optimise solutions and ensure on-time, on-budget delivery. Dedicated Customer Success Managers support our customers throughout their journey, from initial engagement to becoming valued customers.
- ***Innovating to Stay Competitive:*** Innovation is a core driver of NEXTDC's success. Our strategic focus on research and development fuels innovation across data centre design, development, and operations. By maintaining close relationships with our customers, we gain invaluable insights into industry trends and customer needs, enabling us to deliver solutions that drive value and maintain our competitive edge.

Significant changes in the state of affairs

Other than what has already been mentioned in this report, there have been no further significant changes in the state of affairs of the Group during FY24.

Matters subsequent to the end of the financial period

No matters or circumstances have arisen since 30 June 2024 that have significantly affected the Group's operations, results or state of affairs, or may do so in future years, except as disclosed below:

- On 6 August 2024, NEXTDC Limited announced the Company's contracted utilisation has increased by 23.6MW (16%) since 31 December 2023 to 172.6MW
- On 22 August 2024, NEXTDC Limited settled on the second land parcel for its data centre site S4 Sydney, in Western Sydney, for an amount of $46.6 million.

Likely developments and expected results of operations

Likely developments in the operations of the Group that were not finalised at the date of this report include the continued fit out of data centre capacity in existing facilities and the pursuit of further growth opportunities.

Dividends

In considering dividend policy the Board considers the demand for capital to invest in growth, its level of retained earnings and the availability of franked earnings.

Although the Company is expanding operating cashflow, NEXTDC is some way from paying tax and consequently from generating franking credits. The Company continues to experience strong demand for its services and consequently is continuing to make substantial capital investment into the business. It is unlikely that NEXTDC will pay any dividend in the next two years.

Dividends were neither paid nor declared during the year.

Environmental regulation

NEXTDC is constantly monitoring and revising the best way to manage our data centres to minimise the environmental impact.

We diligently monitor and adhere to environmental regulations at both national and state levels across all our facilities. Supported by ISO 14001 certification, we conduct regular internal audits and external legislative reviews to maintain compliance.

The FY24 Environmental, Social and Governance Report (located at www.nextdc.com) provides further details on how NEXTDC addresses matters of environmental and social sustainability.

Greenhouse gas and energy data reporting requirements

NEXTDC tracks carbon emissions for reporting purposes and is registered under the National Greenhouse and Energy Reporting (NGER) Act.

Additionally, NEXTDC has maintained its 100% carbon-neutral certification for corporate operations under the Australian Government's Climate Active program by continuing to offset associated emissions.

NEXTDC's NEXTneutral, a certified carbon-neutral colocation solution offered as an opt-in product to our customers, allows our customers to voluntarily offset their carbon footprint to be 100% carbon neutral on the same basis as NEXTDC's own certification.

NEXTDC's Climate Change Journey and Taskforce on Climate-related Financial Disclosures (TCFD) implementation

Refer to our FY24 Climate and Nature Report for further details on our alignment with the recommendations of TCFD. This year, we have also made a positive start towards integrating the recommendations of the Taskforce on Nature-related Financial Disclosures (TNFD) framework to assess and address nature-related financial risks and opportunities. This is further detailed in our Climate and Nature Report.

Insurance of officers

During the period, NEXTDC Limited paid a premium of $2,635,378 (FY23: $3,365,500) to cover its Directors and Officers.

The liabilities insured include legal costs incurred in defending civil or criminal proceedings that may be brought against individuals in their capacity as officers of entities in the Group and any other liabilities or amounts sought against them in connection with such proceedings. This does not include liabilities that arise from conduct involving a wilful breach of duty by the officers or the improper use by the officers of their position or of information to gain advantage for themselves or someone else or to cause detriment to the Group. The Directors & Officers Liability insurance also covers security claims against the Company. It is not possible to apportion the premium between amounts relating to the insurance against legal costs to defend the officers and those relating to other liabilities.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the Group, or to intervene in any proceedings to which the Group is a party, for the purpose of taking responsibility on behalf of the Group for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Group with leave of the Court under section 237 of the Corporations Act 2001.

Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Information on Directors

DOUGLAS FLYNN

Chairman
Non-Executive Director (since September 2013)

EXPERIENCE AND EXPERTISE

Douglas (Doug) was appointed to the Board in September 2013 as an Independent Non-Executive Director and subsequently was appointed as Chairman in April 2014.

Doug has over 30 years of international experience in the media and information and communication technology industries, including holding various senior management and board positions. He has had extensive experience in building international networked businesses including currently in East Asia and elsewhere.

Doug is the current Chairman of IMEXHS Limited, a Latin America based medical imaging technology provider.

Previously, Doug was Chief Executive of newspaper publisher, Davies Brothers Limited, which was acquired by News Corporation in 1989. In 1995, he was appointed the Managing Director of News International Plc.

After leaving News International in 1998, Doug joined Aegis Group Plc and was appointed as CEO in 1999, where he was instrumental in doubling the size of the company and established a global market research business Synovate and internet services business Isobar.

From 2005 to 2008, Doug served as the Chief Executive of facilities management provider Rentokil Initial Plc.

Doug graduated in Chemical Engineering from the University of Newcastle, New South Wales and received a Master of Business Administration with distinction from the University of Melbourne.

OTHER CURRENT DIRECTORSHIPS

- IMEXHS Limited (March 2020 – present)

FORMER DIRECTORSHIPS

- Seven West Media Limited
- iSentia Group Limited
- APN Outdoor Group Limited
- Konekt Limited

SPECIAL RESPONSIBILITIES

- Chairman of the Board
- Member of the Remuneration and Nomination Committee
- Member of the Investment Committee

INTERESTS IN SHARES AND OPTIONS

Doug holds 210,295 fully paid ordinary shares in NEXTDC Limited.

CRAIG SCROGGIE

Chief Executive Officer
Managing Director (since June 2012)

EXPERIENCE AND EXPERTISE

Craig Scroggie is the Chief Executive Officer and Managing Director of NEXTDC, Australia's leading Data-Centre-as-a-Service provider. Prior to becoming CEO in June 2012, Mr Scroggie served on the Board of Directors since IPO (2010) as a Non-Executive Director, including as Chairman of the Audit and Risk Management Committee.

Mr Scroggie has more than 25 years' experience in the ICT industry, having held senior positions with Symantec, Veritas Software, Computer Associates, EMC Corporation and Fujitsu. Prior to joining NEXTDC, Mr Scroggie was Symantec's Vice President & Managing Director for the Pacific Region.

Mr Scroggie currently serves on the Board of Sovereign Cloud Holdings (ASX:SOV) and Freelancer (ASX:FLN) and also serves on the University of Southern Queensland Business School Advisory Board and is Chairman of the La Trobe University Business School Advisory Board and holds the position of Adjunct Professor.

Mr Scroggie is a Graduate of the University of Southern Queensland and holds an Advanced Certificate in Information Technology, a Graduate Certificate in Management, a Postgraduate Diploma in Management, a Master of Business Administration; and is a Graduate and Fellow of the Australian Institute of Company Directors.

In 2013 Mr Scroggie was awarded the University of Southern Queensland Faculty of Business & Law Alumnus of the Year and in 2015 was inducted into the ARN ICT Industry Awards Hall of Fame.

OTHER CURRENT DIRECTORSHIPS

- Sovereign Cloud Holdings Limited 'AUCloud' (November 2021 – present)
- Freelancer Limited (August 2024 – present)

FORMER DIRECTORSHIPS

- Nitro Software Limited (September 2021 – April 2023)

SPECIAL RESPONSIBILITIES

- Member of the Investment Committee

INTERESTS IN SHARES AND OPTIONS

Craig holds 442,691 fully paid ordinary shares, 1,274,354 performance rights, and 86,820 restricted rights.

STUART DAVIS

Non-Executive Director (since September 2013)

EXPERIENCE AND EXPERTISE

Stuart has over 30 years' experience as an international banker with the HSBC Group including roles in Hong Kong, New York, Taiwan, India and Australia. Most recently he was CEO India for the Hongkong and Shanghai Banking Corporation Limited (2009-2012), CEO and Executive Director for HSBC Bank Australia Limited (2002-2009) and CEO HSBC Taiwan (1999-2002). He was a member of the Australian Bankers Association from 2002 to 2009 and Deputy Chairman from 2006 to 2009.

Stuart holds a LLB from Adelaide University and is a Graduate of the Australian Institute of Company Directors.

OTHER CURRENT DIRECTORSHIPS

- PayPal Australia Limited (July 2016 – present)
- BSP Financial Group (September 2017 – present)
- Appen Limited (March 2022 - present)

FORMER DIRECTORSHIPS

Stuart previously held directorships with subsidiaries of HSBC Group until 2012, Built Holdings Pty Ltd. and Moboom Limited.

SPECIAL RESPONSIBILITIES

- Chairman of the Remuneration and Nomination Committee
- Member of the Audit and Risk Management Committee

INTERESTS IN SHARES AND OPTIONS

Stuart holds 50,085 fully paid ordinary shares in NEXTDC Limited.

DR GREGORY J CLARK AC

Non-Executive Director (since April 2014)

EXPERIENCE AND EXPERTISE

Dr Gregory J Clark AC is a world-renowned technologist, businessman and scientist with extensive corporate and Board experience in Australia, the USA and Europe.

Dr Clark brings to the Board international business experience and a distinguished career in micro-electronics, computing and communications. He was previously Principal of Clark Capital Partners, a US based firm that has advised internationally on technology and the technology marketplace.

During his career, Dr Clark also held senior executive roles at IBM, News Corporation and Loral Space and Communications. At IBM he was a senior scientist in their Research Division in NY. At News Corporation he was President of Technology and on the Executive Committee with responsibility for all technical aspects of digital media creation and delivery. Dr Clark was responsible for News Corporation's transformation of its media assets from an analogue platform into a digital platform for both program creation and delivery. In addition, he was responsible for all technology companies within News Corporation.

He was President and Chief Operating Officer at Loral Space and Communications, the world's largest commercial satellite manufacturer and one of the largest operators, with responsibility for all development, manufacturing, marketing and sales.

While at News Corporation and Loral Space and Communications, Dr Clark was Chairman and/or on the Board of a number of wholly owned subsidiaries including NDS, Globalstar, SatMex, Skynet, Loral Space Systems, Kesmai, Etak and others.

Dr Clark is an Honorary Professor at the Australian National University and a Fellow of the Australian Academy of Science, a Fellow of the Academy of Technology and Engineering and a Fellow of the American Physical Society.

FORMER DIRECTORSHIPS

Dr Clark served on the Board of the ANZ Banking Group (also chairing the Board's Technology Committee) which he stepped down from in November 2013 after nine years of service.

SPECIAL RESPONSIBILITIES

- Member of the Remuneration and Nomination Committee
- Member of the Investment Committee

INTERESTS IN SHARES AND OPTIONS

Gregory holds 75,510 fully paid ordinary shares in NEXTDC Limited.

STEPHEN SMITH

Non-Executive Director (since 1 July 2019)

EXPERIENCE AND EXPERTISE

Stephen (Steve) Smith is widely respected amongst the global ICT community. Steve has a deep background and expertise in managing market leading technology businesses, particularly in the data centre industry.

Steve served as CEO and President of Equinix Inc for over a decade (2007-2018), transforming it into the largest enterprise data centre platform in the world. Under Steve's leadership Equinix grew from 17 data centres operating in 10 markets and a US$2 billion market cap, to approximately 200 data centres with a US$38 billion market cap and operations in 24 countries on five continents.

Steve is currently the CEO of Zayo Group, a leading provider of fibre infrastructure, with dense, high-quality networks in every major market in North America and many in Western Europe. Prior to his time at Zayo Group and Equinix, Steve held senior leadership positions at Hewlett Packard (2005-2006) which included serving as its Senior Vice President - Worldwide HP Services; Lucent Technologies Inc. (2004-2005), where he was appointed as Vice President, Global Professional and Managed Services and Electronic Data Systems Corporation (EDS) (1987-2004), where he served in a number of capacities including Chief Sales Officer and President, Asia-Pacific.

Steve also had a successful eight-year career in the U.S. Army where, among other roles, he was aide de-camp to the office of the Commander in Chief of the U.S. Armed Forces in the Pacific.

Steve holds a Bachelor of Science in Engineering from the U.S. Military Academy at West Point.

CURRENT EXECUTIVE ROLES

- Zayo Group Holdings, CEO

OTHER CURRENT DIRECTORSHIPS

- Zayo Group Holdings (October 2020 – present)

FORMER DIRECTORSHIPS

Steve has served on several boards, including Flexential Inc, Volterra Semiconductor Corporation, 3Par Inc, Actian Corporation, NetApp Inc and F5 Networks Inc.

SPECIAL RESPONSIBILITIES

- Chairman of the Investment Committee

INTERESTS IN SHARES AND OPTIONS

Nil

JENNIFER LAMBERT

Non-Executive Director (since 1 October 2019)

EXPERIENCE AND EXPERTISE

Ms Jennifer Lambert has extensive business and leadership experience at the senior executive and board levels with more than 25 years of financial management and accounting experience.

Currently, Ms Lambert is a Non-Executive Director of BlueScope Steel Limited, REA Group Limited and Investa Property Group, and Chairs each of their Audit Committees. Ms Lambert is also a non-executive director of a not for profit entity.

Ms Lambert was the Group Chief Financial Officer of 151 Property (formerly Valad Property Group) for 13 years where her responsibilities included operational and strategic finance, tax, treasury, legal and compliance. Prior to this, Ms Lambert was a director at PricewaterhouseCoopers specialising in capital raisings, structuring and due diligence for acquisitions and disposals across various industries.

Jennifer holds a Bachelor of Business (Accounting and Finance) from the University of Technology Sydney and Master of Economics from Macquarie University. Her professional associations include membership in The Chartered Accountants Australia New Zealand and a Fellow of the Australian Institute of Company Directors.

OTHER CURRENT DIRECTORSHIPS

- BlueScope Steel Limited (September 2017 – present)
- REA Group Limited (December 2020 – present)
- Investa Property Group (October 2021 - present)

FORMER DIRECTORSHIPS

- Mission Australia (retired November 2020)

SPECIAL RESPONSIBILITIES

- Chair of the Audit and Risk Management Committee

INTERESTS IN SHARES AND OPTIONS

Jennifer holds 33,000 fully paid ordinary shares in NEXTDC Limited.

DR EILEEN DOYLE

Non-Executive Director (since August 2020)

EXPERIENCE AND EXPERTISE

Dr Doyle has had an internationally recognised career with close to four decades of diverse business experience at both executive and board level.

Her experience covers a wide range of industries including logistics, technology and research, property, financial services, manufacturing, building and construction and sport.

Dr Doyle has previously served as the Chairman of the world's largest export coal loader, PWCS (1998-2009) and Deputy Chairman of CSIRO to 2016, after 10 years of service.

Dr Doyle currently serves on the Board of DBI Limited and Airservices Australia. She has significant experience across Audit, Remuneration and Sustainability Committees. Dr Doyle's experience also includes appointments at major government bodies Austrade, CSIRO, Newcastle Port Corporation, the National Steering Committee on eHealth and the NSW Innovation and Productivity Council.

Dr Doyle holds a Ph.D. in Applied Statistics from the University of Newcastle, was a Fulbright Scholar (Business Management: Columbia University), is a Fellow of the Academy of Technology and Engineering and a Fellow of the Australian Institute of Company Directors (FAICD).

Dr Doyle is also a Foundation Fellow of The Australian Association of Angel Investors (FAAAI) and the author of "Call a Business Angel".

OTHER CURRENT DIRECTORSHIPS

- DBI Limited (October 2020 – present)
- Airservices Australia (April 2021 – present)
- Kinetic TCo Group (May 2022 – present)

FORMER DIRECTORSHIPS

- Oil Search Limited (February 2016 – December 2021)
- GPT Group (March 2010 – May 2019)
- Boral Limited (March 2010 – October 2020)
- Santos (December 2021 – April 2024)

SPECIAL RESPONSIBILITIES

- Member of the Audit and Risk Management Committee

INTERESTS IN SHARES AND OPTIONS

Eileen holds 23,000 fully paid ordinary shares in NEXTDC Limited.

MARIA LEFTAKIS

Non-Executive Director (since 24 August 2023)

EXPERIENCE AND EXPERTISE

Mrs Leftakis is recognised as an industry leader in shareholder engagement and corporate governance advisory, having worked with both domestic and international companies in Australia for over 25 years. She offers deep commercial and industry expertise having founded and led a number of successful stakeholder advisory businesses.

She is currently the Chair of Sodali & Co, Asia Pacific, one of the largest global shareholder and governance advisory firms. In this role, Mrs Leftakis is also responsible for advising on acquisitions and growth opportunities. Prior to this, she was the firm's CEO for Asia Pacific and a member of the global Executive Committee, responsible for the groups business performance and growth strategy.

As the Managing Director of a number of shareholder advisory businesses, including Georgeson Shareholder Communications (2000 – 2006, acquired by Computershare Limited) and Global Proxy Solicitation Pty Ltd (2006 – 2017, acquired by Sodali & Co), Mrs Leftakis has become one of the leading advisors in this space, using her entrepreneurial experience to advise many ASX listed companies on issues including M&A, demergers, activism response and capital restructures.

Maria holds a Bachelor of Economics (Finance and Accounting) from the University of Sydney as well as an Executive Master of Business Administration from the Australian Graduate School of Management, University of New South Wales. Maria is also a member of the Australia Institute of Company Directors.

OTHER CURRENT DIRECTORSHIPS

- Sodali & Co Pty Ltd, Chair - APAC

SPECIAL RESPONSIBILITIES

- Member of the Audit and Risk Management Committee
- Member of the Remuneration and Nomination Committee

INTERESTS IN SHARES AND OPTIONS

Maria holds 43,099 fully paid ordinary shares in NEXTDC Limited.

MICHAEL HELMER

Company Secretary and Chief Risk Officer (since February 2015)

Michael has over 28 years' experience in the legal sector and has previously served as Director of Legal Services (Asia Pacific) for global software maker Symantec. Before that, Michael was based in London at specialist technology firm Field Fisher Waterhouse. Michael has held senior legal roles in Barclays, Coles Myer and was General Counsel at European on-line shopping site shopsmart.com as well as Australian anti-malware maker PC Tools.

Michael is a seasoned strategic advisor with deep knowledge of the legal and compliance environments in which technology and ecommerce businesses operate. His work is particularly focussed on their corporate and operating environments, ecommerce, security and compliance requirements as well as technology and IP law, M&A and capital raising.

Michael has obtained a Bachelor of Laws, Bachelor of Science (Monash) and is admitted as a legal practitioner in Australia as well as in England and Wales. Michael is a member of the Association of Corporate Counsel and has served as their Victorian President (ACLA) as well as a member of its National Board. Michael holds a Certificate in Governance Practice and is a Fellow of the Governance Institute of Australia (FGIA). He is also a member of the Australian Institute of Company Directors and a graduate of their Company Directors course (GAICD).

Meetings of Directors

The number of meetings of the Company's Board of Directors and of each board committee held during the year and the number of meetings attended by each director is as follows:

			Meetings of Committees					
	Full meetings of Directors		Audit and Risk Management Committee		Remuneration and Nomination Committee		Investment Committee	
	A	B	A	B	A	B	A	B
Douglas Flynn	8	8	N/A	N/A	3	3	6	6
Craig Scroggie	8	8	N/A	N/A	N/A	N/A	6	6
Stuart Davis	8	8	6	6	3	3	N/A	N/A
Dr Gregory J Clark AC	8	8	N/A	N/A	3	3	6	6
Stephen Smith	6	8	N/A	N/A	N/A	N/A	6	6
Jennifer Lambert	7	8	6	6	N/A	N/A	N/A	N/A
Dr Eileen Doyle	7	8	5	6	N/A	N/A	N/A	N/A
Maria Leftakis	8	8	5	5	2	2	N/A	N/A

A = Number of meetings attended
B = Number of meetings held during the time the Director held office or was a member of the committee during the period
N/A = Not applicable. Not a member of the relevant Committee

Remuneration Report – Audited

This report sets out the remuneration arrangements for NEXTDC's Directors and other Key Management Personnel (KMP) for the year ended 30 June 2024 (FY24). It is prepared in accordance with section 300A of the Corporations Act 2001 (Corporations Act) and has been audited as required by section 308(3C) of the Corporations Act.

This report is divided into the following sections:

1. MESSAGE FROM THE CHAIR OF THE REMUNERATION AND NOMINATION COMMITTEE

NEXTDC's Remuneration Report details how its executive remuneration outcomes are linked to both its corporate and individuals' performance for the 2024 financial year. The report details our remuneration policy for FY24 and the alignment between executive remuneration and shareholder outcomes.

In FY24, NEXTDC achieved a number of key performance milestones:

Total revenue
$404.3M
▲ $42.0M (12%)

Underlying EBITDA[1]
$204.3M
▲ $10.6M (5%)

Operating cashflow
$128.8M
▲ $2.3M (2%)

Contracted utilisation[2]
172.6MW
▲ 50.5MW (41%)

Debt Facility
$2.9B

Capital expenditure
$1,003M

The Remuneration and Nomination Committee (the 'Committee') has continued to direct the Company's approach to remuneration practices and monitor industry market conditions throughout the year to ensure management continues to be in a position to achieve its strategic objectives. The retention of key talent in high-performance environments such as in the rapidly evolving data centre industry has always been a key element of protecting shareholder value, even more so in view of the rapid rise of AI, which is now further heating the sector. The Committee is mindful of the need to balance the needs of NEXTDC as a high-performance business focused on growth objectives with broader community expectations on remuneration practises.

The Committee is also aware of broader trends in the executive space and is mindful of competitors and comparator groups in Australian and international markets, including unlisted competitors. Each year the Committee commissions comparative analysis for KMP and Non-Executive Directors of like sized public enterprises and, so far as is possible, of similar unlisted businesses. Given that many of our major competitors are either subsidiaries of international companies or privately held with limited disclosure obligations, making any like for like comparisons is challenging. However, we do have data points where we seek to recruit directly from the sector or where our staff are either recruited or approached, as well as from limited disclosures contained in privately owned data centre company accounts.

This year's Senior Executive remuneration program set performance targets with reference to key project milestones and shareholder expectations. Financial performance, key business deliverables and broader ESG components such as behavioural, health and safety metrics were incorporated into the program. The Committee is focused on driving operational efficiencies and positive environmental outcomes as part of the Company's strategic agenda.

The Committee continues to reflect on the need to balance its disclosures on operational performance with the need for confidentiality on commercially sensitive initiatives. It believes there is a clear benefit in providing as much transparency as possible but will, at times, be circumspect about some of the details. Feedback received from shareholders indicates we have the balance about right. Accordingly, for now, we are continuing with this approach whilst also seeking your views to make continual refinements to balance these issues.

FY24 Outcomes

Following a review of Senior Executive remuneration conducted towards the end of FY23, the Board approved a 15% increase in fixed remuneration for Senior Executives, including the CEO, effective from 1 July 2023. This reflected the Senior Executives' demonstrated contribution towards the Company's global strategic growth, benchmarked against regional management levels in Asia and privately owned peers in Australia, as well as taking into account a 14% increase in the Australian Consumer Price Index since the previous increase in fixed remuneration in January 2021.

The talent market in our industry remains highly competitive, with a limited pool of experienced individuals. As a result of the interest our Senior Executives continue to attract from competitors both locally and internationally, modifications were also made to the FY24 long-term incentive (LTI) plan to further generate Senior Executive share ownership and alignment with long-term shareholder interests, while continuing to aid in motivating and retaining high performing, innovative Senior Executives.

As disclosed in the FY23 Notice of Meeting, the LTI adjustments this year were driven, to an extent, by the inequity of LTI rights not vesting in September 2023, in circumstances where the Company had experienced a record year in sales and facility growth. Unfortunately, due to external market conditions, NEXTDC's strong financial outcomes were not reflected in relative TSR performance over the measurement period for the FY21 LTI award, with no awards vesting for Senior Executives and other senior management. The lapsing of the FY21 LTI, in conjunction with significant competition for talent in the industry, has created substantial retention risks for NEXTDC. The Board determined that, to retain key executives and properly align their interests with shareholders, incorporating a Restricted Rights component into the LTI structure would address these priorities. To ensure the Restricted Rights award remains strongly aligned with shareholder value, it includes an underlying absolute TSR vesting condition. This pivot aims to better stabilise the incentives for longer-term performance, and to this end we were strongly supported by shareholders at the AGM.

We believe that the LTI miss may have played a role in some turnover in key positions, with several senior executive team members in the group immediately below the KMP deciding to leave the Company to join competitors or customers over the past 12 months.

Looking forward – Senior Executive remuneration in FY25

To ensure the remuneration framework remains fit-for-purpose for the next phase of the Company's strategy and growth, the Committee undertook a review of the existing Senior Executive remuneration in FY24, with input from external advisors including benchmarking against the Domestic Industry Peer Group and Market Capitalisation Peer Group (S&P/ASX 100 index). The review considered several factors, including prevailing economic conditions, the trajectory of the Company's growth, current and future strategic priorities, scarcity of key executive talent and the appropriateness of the current framework in meeting industry opportunities and risks.

Following the review, the Board has determined to direct a 10% increase in fixed remuneration for KMP, including the CEO, effective 1 July 2024. The increase in fixed remuneration is considered modest considering the continuing increase in complexity of the business and the competition for talent in the sector and remains at the lower to midpoint of the benchmark compared to peers based on market capitalisation. Further, and in particular in response to rewards available among direct competitors, the Company plans to increase the STI opportunity for KMP to up to 150% of fixed remuneration as well as increase the LTI opportunity for the CEO from 150% to 200% of fixed remuneration, with vesting conditions to be on the same basis as approved at the 2023 AGM. These changes reflect their demonstrated contribution towards the Company's global strategic growth, including a 64% increase in market capitalisation during FY24 (FY23: 33%).

A change is also proposed to replace 'Gross Revenue' with 'Net Revenue[3]' for the purpose of the measurement of STI and as a key guidance metric in FY25 and beyond. The Company reports both metrics but the Committee considers that Net Revenue more closely reflects the Company's growth in new business as it adjusts for the distorting impact of power pass-through revenue, which is significantly influenced by movements in the market price of energy, a factor much outside the control of the Company.

While the Committee and the Board have sought to accommodate Australian public company norms, our competitors aren't owned by Australian public investors and consequently that measurement has become increasingly irrelevant and inappropriate in the competition for talent and experience. While the data is not always transparent in comparator groups, it is apparent that the privately funded data centre operators offer remuneration packages that are many times larger than what is proposed here. Further, while retention is critically important, the Company is also in the market recruiting for new senior positions. In this regard we are frequently uncompetitive. This simply reflects the reality of the market for talent in this fast-growing, high capex sector, operating mostly outside Australian public company ownership.

The Committee and I are looking forward to further engaging with our shareholders and will be listening carefully to your comments and observations concerning our remuneration policies and practices.

Stuart Davis
Chairman – Remuneration and Nomination Committee

[1] FY24 underlying EBITDA excludes non-recurring items and costs related to NEXTDC's activities in offshore markets, acquisition opportunities together with its investment in associates.
[2] Represents the increase in pro forma utilisation at 30 June 2024 (as disclosed in NEXTDC's ASX announcement of 6 August 2024)
[3] Net revenue represents total revenue less direct costs

2. THE PERSONS COVERED BY THIS REPORT

Key Management Personnel ("KMP") include Non-Executive Directors and Senior Executives. The term "Senior Executives" refers to the CEO and those executives with authority and responsibility for planning, directing and controlling the activities of the Company and the Group, directly or indirectly.

TABLE 1: KEY MANAGEMENT PERSONNEL

NON-EXECUTIVE DIRECTORS

Name	Position
Douglas Flynn	Non-Executive Chairman since 30 April 2014 Member of the Remuneration and Nomination Committee Member of the Investment Committee
Stuart Davis	Non-Executive Director Chair of the Remuneration and Nomination Committee Member of the Audit and Risk Management Committee
Dr Gregory J Clark AC	Non-Executive Director Member of the Remuneration and Nomination Committee Member of the Investment Committee
Stephen Smith	Non-Executive Director Chair of the Investment Committee
Jennifer Lambert	Non-Executive Director Chair of the Audit and Risk Management Committee
Dr Eileen Doyle	Non-Executive Director Member of the Audit and Risk Management Committee
Maria Leftakis (appointed 24 August 2023)	Non-Executive Director Member of the Audit and Risk Management Committee Member of the Remuneration and Nomination Committee

SENIOR EXECUTIVES

Name	Position
Craig Scroggie	Chief Executive Officer, Managing Director
Simon Cooper	Chief Operating Officer
Oskar Tomaszewski	Chief Financial Officer
David Dzienciol	Chief Customer and Commercial Officer

3. OVERVIEW OF REMUNERATION GOVERNANCE FRAMEWORK

Our mission is to be the leading customer-centric data centre services company, delivering solutions that power, secure and connect enterprise. NEXTDC's remuneration policy is designed to incentivise and reward Senior Executives for achieving its overarching objectives of building market-leading sales performance, hosting the country's largest independent ecosystem of carriers, cloud and IT service providers and enabling customers to source and connect with suppliers and partners in an integrated hybrid cloud environment.

Our remuneration framework, applicable to the 2024 financial year, is outlined and summarised below.

3.1 Senior Executive Remuneration (SER) Policy

The Senior Executive Remuneration Policy applies to Senior Executives who are defined as:

- The Chief Executive Officer who is accountable to the Board for the Company's performance and long-term planning;
- Heads of Business Units, or those with key functional roles, or essential expertise, that report directly to the Chief Executive Officer;
- Other executive roles classified as KMP under the Corporations Act; and
- Other roles or individuals nominated by the Board from time to time.

FIGURE 1: REMUNERATION GOVERNANCE FRAMEWORK

BOARD

- Approves the overall remuneration policy and ensures it is competitive, fair and aligned with the long-term interests of the Company and shareholders
- Approves Senior Executives and other key management personnel remuneration
- Assesses Company performance and determines STI and LTI outcomes for Senior Executives

REMUNERATION AND NOMINATION COMMITTEE

The Remuneration and Nomination Committee is delegated responsibility by the Board to make recommendations on:

- The remuneration policies and framework
- Non-Executive Director remuneration
- Remuneration for Senior Executives and other key management personnel
- The extent of the Senior Executives' achievements against performance targets and the remuneration outcomes
- Executive incentive arrangements

MANAGEMENT

- Provides information relevant to remuneration decisions and makes recommendations to the Remuneration and Nomination Committee

CONSULTATION WITH SHAREHOLDERS AND OTHER STAKEHOLDERS

REMUNERATION CONSULTANTS AND OTHER EXTERNAL ADVISORS

The Remuneration and Nomination Committee may appoint and engage independent advisors directly in relation to Executive remuneration matters. These advisors:

- Review and provide recommendations on the appropriateness of Senior Executive remuneration
- Provide independent information to assist with remuneration decisions

Advice or recommendations provided are used to assist the Board. Remuneration decisions are undertaken through the Board and Remuneration and Nomination Committee process.

Benchmarking data was provided by Sodali & Co in FY23 and FY24 to review Senior Executive and Non-Executive Director remuneration. No remuneration recommendation as defined in Section 9B of the Corporations Act 2001 was made. The Board is satisfied that any benchmarking data provided by Sodali & Co. was made free from undue influence from any of the KMP.

The SER policy details how executive remuneration is structured, benchmarked and adjusted in response to changes in the circumstances of the Company. NEXTDC's Senior Executives Total Remuneration Package (TRP) includes the following components:

FIGURE 2: TOTAL FY24 REMUNERATION (IF MAXIMUM INCENTIVE PAYMENTS ARE RECEIVED)

Base Salary Package (29%)	Short Term Incentive (STI) Plan (29% at risk)	Long Term Incentive (LTI) Plan (42% at risk)
Base Salary Package includes superannuation, non-monetary benefits, and any applicable fringe benefits tax. Set with reference to domestic and international industry benchmarks.	**Purpose:** STI provides a reward for performance against annual objectives **Opportunity:** Maximum = 100% of Base Salary **Performance metrics:** • Underlying EBITDA: 40% • Revenue: 35% • Major Project Delivery: 15% • ESG & Operations: 10% **Gateway:** EBITDA (95% of the midpoint of guidance), fulfilling uptime obligations to customers, and no breaches of code of conduct.	**Purpose:** LTI provides a securities-based reward for performance against indicators of long-term shareholder value creation **Opportunity:** Maximum = 150% of Base Salary **50% Performance Rights** **Performance conditions:** Rights vest based on relativity to the TSR of the ASX100 Accumulation Index. **Gateway:** Positive TSR **50% Restricted Rights** **Performance conditions:** • Positive TSR • Behavioural assessment • Service

Year 1	Year 2	Year 3	Year 4	Year 5
Base Salary Package; 50% paid in cash	50% deferred for one year (cash or shares)	50% Performance Rights vest after 3 years; 33.3% Restricted rights vest after 3 years	50% Performance Rights vest after 4 years; 33.3% Restricted Rights vest after 4 years	33.4% Restricted Rights vest after 5 years

3.2 Senior Executive Remuneration Benchmarks

When considering executive remuneration, the Committee frequently has reference to domestic and international industry benchmarks relevant to its market sector, growth and value as well as unlisted competitors, general market conditions and the individual's role and performance. Factors specific to the data centre industry are also evaluated to ensure a high degree of alignment with strategic goals and to foster high retention rates in the leadership team and in the business more broadly. The Committee continues to be mindful of strong and ongoing competitive pressures for top talent in the sector both internationally and locally. The Committee considerations include the following fundamentals in setting executive remuneration packages:

- The individual's skillsets and contribution to long term revenue and EBITDA growth;
- Their contribution to the delivery of key strategic goals and milestones;
- Their contribution to key measures of operational excellence including those relating to running of the business, the Company's strategic initiatives, safety and cultural values;
- Their relevant industry knowledge, experience and connections;
- Domestic and international comparators with whom NEXTDC must compete for talent; and
- Prevailing economic conditions.

As outlined in the Chairman's comments, during FY23, the Committee undertook a review of the Senior Executive remuneration framework, in line with movements in the Australian Consumer Price Index, as well as the trajectory of the Company's growth, strategic objectives and priorities, scarcity of talent, changes in roles and complexity, and NEXTDC's increasing geographical spread. Following this review, the Board approved a 15% increase in fixed remuneration for Senior Executives (including the CEO) for FY24, taking into account their demonstrated contribution towards the Company's growth, reflected by a 33% increase in the Company's market capitalisation since the end of FY22 (44% since the start of FY21). The review also considered appropriate benchmarking against regional management levels in Asia as well as privately owned peers in Australia (recognising that NEXTDC competes for talent with both listed and unlisted companies).

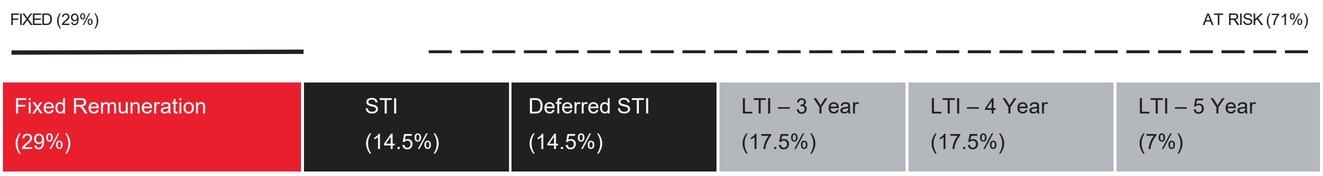
The Committee's view is that the nature of the business and its local and international customer base, relationships and competitors are such that its TRP levels should continue to be assessed against both domestic and international remuneration benchmarks.

3.3 Senior Executive Remuneration Mix

The Senior Executive remuneration mix refers to the proportion of remuneration that can be achieved as fixed versus any variable "at risk" remuneration component. Assuming performance is at a level at which incentives pay out in full, approximately 71% of the TRP remuneration received is performance related.

The graph below sets out the remuneration mix if maximum incentive payments are received for the CEO and other Senior Executives for FY24.

FIGURE 3: FY24 POTENTIAL REMUNERATION MIX

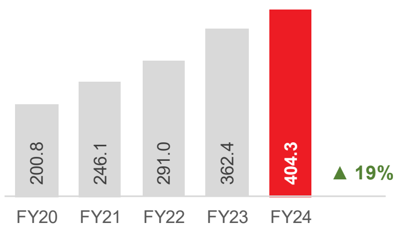


3.4 Senior Executive Remuneration and Performance

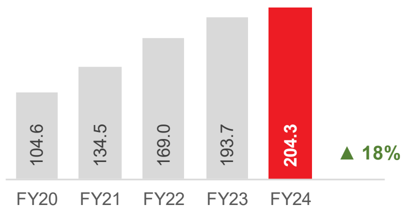
The Board has determined that significant remuneration opportunities should continue to be contingent on realising the Company's ongoing financial and operational objectives. The Committee is disclosing further detail in relation to how incentive outcomes were determined in FY24 to ensure shareholders gain an appropriate level of insight into the key strategic and project milestones set for Senior Executives remuneration. The Committee is aiming to set these to ensure NEXTDC's executive continue to be focused on developing and growing its first-class data centre business, customer success and expanding its national and international network of data centres. These remain the key drivers for shareholder value creation and continue to be the cornerstones of our incentive program.

See below for Senior Executive remuneration and performance assessed relative to NEXTDC's compound growth performance over the past five years:

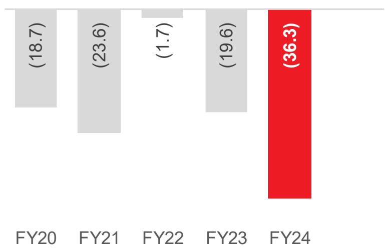
TABLE 2: HISTORICAL COMPANY PERFORMANCE



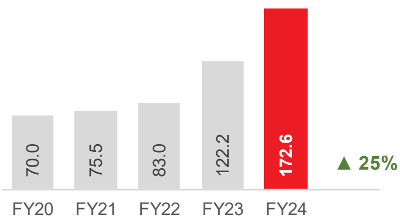
Total revenue ($M)



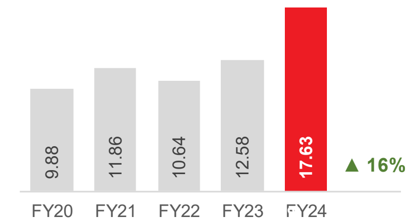
Underlying EBITDA ($M)



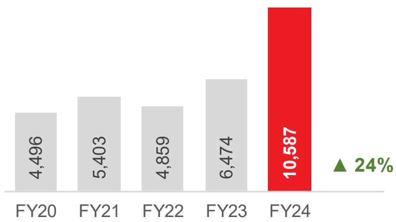
Net profit/(loss) before tax ($M)



Contracted utilisation (MW)



Share price* ($)



Market capitalisation* ($M)

*Closing share price as at 30 June

FY24 underlying EBITDA excludes non-recurring items and costs related to NEXTDC's activities in offshore markets, acquisition opportunities together with its investment in associates.

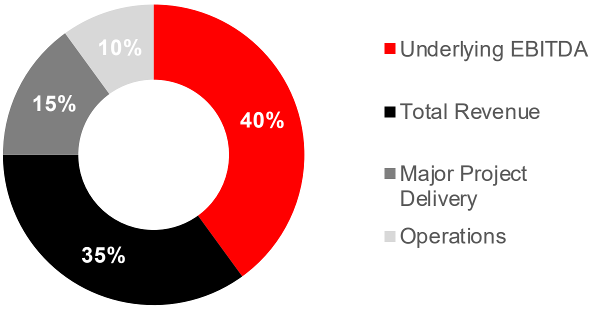
FY24 contracted utilisation represents the pro-forma increase in contracted utilisation over the 12-month period to 30 June 2024 (as disclosed in NEXTDC's ASX Announcement of 6 August 2024).

3.5 Variable remuneration – Short Term Incentive (STI) Plan

The Committee recognises that NEXTDC is a capital-intensive business that requires significant investment for infrastructure to be built prior to generating income from customer contracts. With NEXTDC operating in a high-growth industry, the Company needs to continue to expand its infrastructure investment to keep pace with customer demand. It is on this basis that the Board and Committee places emphasis on revenue and underlying EBITDA generation as well as delivery of projects and maintaining strong operational performance when incentivising Senior Executives.

The composition of performance metrics comprising the FY24 STI program are as follows:

FIGURE 4: FY24 STI PERFORMANCE METRICS



FINANCIAL YEAR 2024 STI PLAN

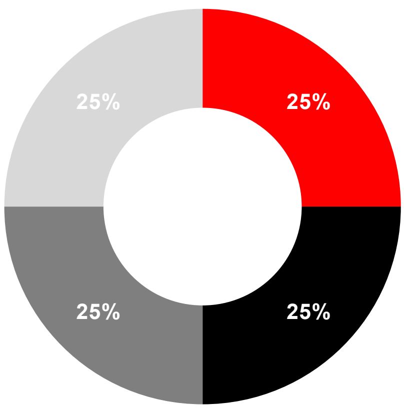
The purpose of the STI Plan is to provide an incentive for Senior Executives to achieve against the Company's strategic objectives by delivering or exceeding on annual business plan requirements to ensure sustainable superior returns for shareholders. Key terms of the FY24 STI Plan are detailed below.

<table>
<tr><th>Feature</th><th colspan="3">Description</th></tr>
<tr><td>Opportunity</td><td colspan="3">Subject to the achievement of the Gateway, participants may achieve up to a stretch (maximum) award of 100% of their Base Salary Package.</td></tr>
<tr><td>Gateway</td><td colspan="3">In order to qualify for any award under the FY24 STI incentive program, underlying EBITDA[1] achieved in FY24 must be at least 95% of the midpoint value of the initial guidance range given for underlying EBITDA[1] performance in that year. In FY24 that gateway was set at $185.25m. A further performance gate for this year was fulfilling the Company's uptime obligations to its customers. No STI is to be awarded to any individual acting in breach of the Company's code of conduct.</td></tr>
<tr><td>Measurement period</td><td colspan="3">The Company's financial year i.e., from 1 July 2023 to 30 June 2024.</td></tr>
<tr><td rowspan="4">Performance metrics</td><td colspan="3">In FY24 the below Company Key Performance Indicators (KPIs) were selected as being the most relevant drivers for improving financial performance and growth in shareholder value.</td></tr>
<tr><td>Metric</td><td>Weighting</td><td>Reason for selection</td></tr>
<tr><td>Underlying EBITDA[1]</td><td>Up to 40%</td><td>Indicates the Company's underlying profitability, a measure best suited to its stage of development:
• 50% achieved at bottom end of initial guidance range ($190m)
• 100% achieved at top end of initial guidance range ($200m)
• A linear progression to be applied between the limits.</td></tr>
<tr><td>Total Revenue</td><td>Up to 35%</td><td>Indicates the Company's level of incremental growth in new business for the period, an essential criterion in assessing NEXTDC's financial and operational performance:
• 50% achieved at bottom end of initial guidance range ($400m)
• 100% achieved at top end of initial guidance range ($415m)
• A linear progression to be applied between the limits.</td></tr>
</table>

[1]FY24 underlying EBITDA excludes non-recurring items and costs related to NEXTDC's activities in offshore markets, acquisition opportunities together with its investment in associates.

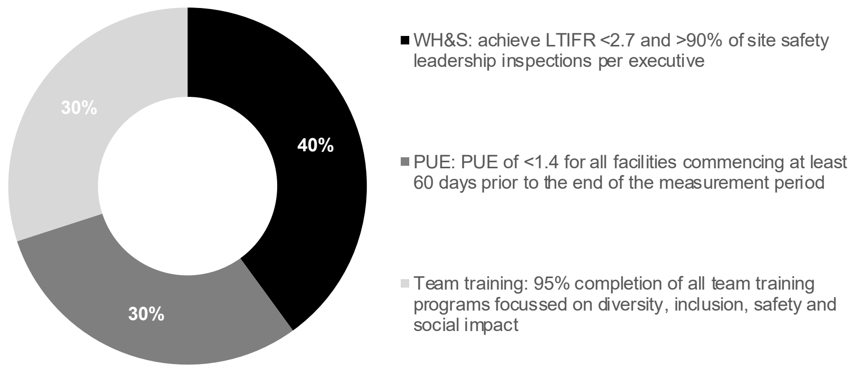
Feature	Description		
	Major Project Delivery	Up to 15%	This component is for agreed major projects and clear, definable outcomes that drive future growth in capabilities, revenue, and earnings. Projects are mostly identified at or prior to the beginning of the financial year but may also be added as the financial year progresses. Projects may complete within the year or flow into the following year. In applying measures against performance, the time and cost will be that approved in the original approved project submission. These may be modified as to scope, time and costs in subsequent approved Board submissions. In calculating the award, weighting was to be given to each of the major projects as indicated in Figure 5 below.
	ESG & Operations	Up to 10%	This component is for key ESG & operational metrics that affect environmental and service level standards expressed in data centre energy efficiency as well as measures relating to the health and safety of our employees and visitors. In calculating the award, weighing was given to each performance component as indicated in Figure 6 below.
Delivery of STI	Payments will be in cash unless otherwise determined by the Board and will normally be paid in September following the Measurement Period subject to the deferral of 50% of the final STI payment, which may be delivered in cash or by grant of rights to acquire fully paid ordinary shares at the election of the participant. Deferring 50% of the awarded STI for a period of 12 months helps deliver sustained performance over the medium term and facilitates the exercise of malus provisions should the Board determine to exercise its discretion.		
Board discretion	If the Company's overall performance during the Measurement Period is substantially lower than expectations and has resulted in a significant loss to shareholders' value, the Board may abandon the STI Plan for the Measurement Period or adjust STI payouts.		
Malus/ Clawback Provisions	The Board retains the ability to reduce or apply malus/clawback to awards where the participant has acted fraudulently or dishonestly or is in material breach of their obligations to the Company; where the Company becomes aware of material misstatements or omissions in the financial statements of the Company; where the Company is required by or entitled under law or Company policy to reclaim remuneration; or where any circumstances occur that the Board determines to have resulted in an unfair benefit to the recipient.		

FIGURE 5: FY24 STI POTENTIAL – MAJOR PROJECT DELIVERY



- Major Project 1 (25%): S3 – Customer order phase 1 (4.65MW) RFS acceptance achieved as contracted (Q3FY24)
- Major Project 2 (25%): M2 – Capacity expansion on track for Customer Order Phase 1 (8.25MW) RFS/RNI acceptance as contracted (Q1FY25)
- Major Project 3 (25%): P2 – Customer order (1.7MW) RFS acceptance achieved as contracted (Q4FY24)
- Major Project 4 (25%): KL1 – Construction program on track for revenue in line with market statements (1HFY26)

FIGURE 6: FY24 STI POTENTIAL – ESG & OPERATIONS



3.6 Variable remuneration – Long Term Incentive (LTI) Plan

FINANCIAL YEAR 2024 LTI PLAN

The aim of the LTI Plan is to provide an incentive for Senior Executives to help achieve the Company's strategic objectives and to deliver performance that is sustainable and aligned with shareholder interests. It also acts as a retention mechanism to maintain a stable team of high performing executives. The current LTI Plan is the NEXTDC Limited Equity Incentive Plan (EIP).

The Committee recognises that continual review is required to ensure the program remains in step with the Company's rapid growth, and in line with trends, both of ASX market peers and international competitors. The below table reflects the changes to the LTI Program approved by Shareholders at the 2023 AGM. Shareholders may recall that the Board had determined that, in order to retain key executives and properly align their interests with those of shareholders, the equity award would be split into two equal tranches, of Performance Rights and Restricted Rights (together, Rights), which would vest over a period of three to five years.

The Board considers that relative TSR continues to be the most appropriate measure of alignment between executives' interests and shareholder value, and therefore half of the award remains subject to the same relative TSR conditions over the three and four year tranches (the Performance Rights). In order to ensure the retention of key executives, the vesting period for the other half of the awards has been determined to be three, four and five years, each with an equal tranche, and subject to the Senior Executive remaining employed by the Company, underpinned by a positive absolute TSR condition and behavioural assessment (the Restricted Rights).

Feature	Description
Opportunity/ Allocation	Maximum LTI value was set at 150% of Base Salary Packages. The LTI grant of Rights is calculated by applying the following formula: **Number of Performance Rights = Base Package x Maximum LTI% ÷ Right Value** NB: The Right Value is the volume weighted average share price of Shares over the 10 trading days following the release of the Company's FY23 results. The "Maximum LTI %" recognises that the stretch level of Rights will be granted when stretch performance is achieved.

Feature	Description
Measurement period	The measurement period for the LTI award will now be extended to include tranches which vest after the 3rd, 4th and 5th years. For FY24, the LTI award comprises 50% Performance Rights and 50% Restricted Rights, allocated as follows: **Performance Rights** • Tranche 1 (50% of the Performance Rights), which will be tested after three years and be eligible to vest at that time; and • Tranche 2 (50% of the Performance Rights), which will be tested after four years and be eligible to vest at that time. **Restricted Rights** • Tranche 1 (33.3% of the Restricted Rights), which will be tested after three years and be eligible to vest at that time; • Tranche 2 (33.3% of the Restricted Rights), which will be tested after four years and be eligible to vest at that time; and • Tranche 3 (33.4% of the Restricted Rights), which will be tested after five years and be eligible to vest at that time. In all cases performance is measured over a period commencing from the end of the day of the release of the Company's full year results (for this award it is the release of the FY23 results) to the end of the day of the release of its results for the relevant year (in this case, it is FY26, FY27 and FY28). No component will be subject to re-testing.
Performance conditions	**Performance Rights** Vesting of each tranche of the Performance Rights award is subject to two performance conditions: **1. Gateway Hurdle** Vesting of the Performance Rights is subject to an initial gateway hurdle of NEXTDC achieving positive total shareholder return (**TSR**) over the relevant measurement period for that tranche. If this gateway hurdle is not met, the Performance Rights under the EIP automatically lapse even if the TSR Hurdle (described below) is achieved. **2. TSR Hurdle** In addition to the Gateway Hurdle, vesting under the EIP is subject to a relative TSR performance condition. The TSR Hurdle is determined by ranking NEXTDC's TSR over the measurement period for the relevant tranche, relative to the TSR of companies in the ASX 100 Accumulation Index (**Index**). Vesting of the Performance Rights under the EIP will be determined by reference to the following vesting schedule: **NEXTDC's TSR over the Measurement Period** — **Percentage of Rights that vest** Less than TSR of Index — Nil At TSR of Index — 25% Between TSR of Index and TSR of Index + 5% — Pro rata vesting from 25% to 100% on a straight-line basis TSR of Index + 5% or greater — 100% The scale requires that the Company deliver a TSR to shareholders that is at least as good as the overall market (as indicated by the TSR of the Index over the measurement period) before any vesting may occur. Full vesting does not become available until the TSR of the Company reaches the TSR of the Index over the measurement period plus 5% p.a. This would, in the view of the Board, represent an outstanding outcome for shareholders. **Restricted Rights** Vesting of each tranche of the Restricted Rights award is subject to the following conditions: **1. Service** Vesting of restricted Rights is subject to the Senior Executive remaining employed with NEXTDC at the end of the Measurement Period of each relevant tranche. **2. Underpinning conditions** Vesting of the Restricted Rights is also subject to the following underpinning conditions: • Positive TSR for the Measurement Period; and Behavioural assessment based on Board discretion, ensuring the Senior Executive has not acted in breach of the Company's code of conduct.

Feature	Description
Reason for selection	TSR was selected as it recognises the total returns (share price movement and dividends assuming they are reinvested into Company shares) that accrue to shareholders over the Measurement Period. This measure creates the most direct alignment between shareholder return and rewards realised by Senior Executives. The measurement period for assessing TSR performance is aligned with the release of results to ensure that the share price upon which TSR is determined at the start and end of the measurement period reflects an informed market. Market adjusted TSR was selected to ensure that participants do not receive windfall gains from broad market movements unrelated to the performance of the Senior Executives. The positive TSR gate ensures that Senior Executives cannot benefit from the LTI Plan when shareholders have lost value over the Measurement Period. Vesting commences upon NEXTDC's TSR matching the Index TSR, with full vesting occurring once NEXTDC's TSR exceeds the Index TSR by 5% compound annual growth over the measurement period. This hurdle has been determined with regard for the historic performance of the ASX 100 Accumulation Index whereby 5% compound annual growth or greater represents upper quartile performance. This would, in the Board's view, represent an outstanding outcome for the Company.
Exercise of vested Rights	Upon vesting the Board will determine the extent to which their value will be delivered in Shares and/or cash. The Board will also determine whether Shares will be issued or acquired for participants via the Employee Share Trust (EST) and if the EST is used, whether new issues or on-market purchases of Shares will be undertaken by the trustee of the EST. No amount is payable by participants to exercise vested Rights.
Forfeiture and termination	In the event of cessation of employment due to dismissal for cause, all unvested Rights are forfeited. In the event of cessation of employment due to resignation, all unvested Rights are forfeited unless otherwise determined by the Board. In the event of cessation of employment due to death, total and permanent disability or redundancy, unvested Rights will continue on-foot and be subject to the original terms as though employment had not ceased, unless the Board determines otherwise. In any other circumstances the Board has discretion to determine how the unvested Rights will be treated upon cessation of employment with the Company.
Board discretion	The Board retains discretion to modify vesting outcomes. Rights that do not vest will lapse. Board discretion to vary vesting will generally only be applied when the vesting that would otherwise apply is considered by the Board to be inappropriate, and when it would not align with shareholder returns.
Change of Control	In circumstances where there is a likely change in the control of NEXTDC, the Board has discretion to determine the level of vesting (if any) having regard to the portion of the measurement period elapsed, performance to date against performance conditions and any other factors it considers appropriate. If an actual change in the control of the Company occurs before the Board can exercise this discretion, unless the Board determines otherwise, unvested Rights will vest and become exercisable in proportion to the Company's performance against the TSR Hurdle up to the date of the change of control.
Malus/Claw back Provisions	The Board retains the ability to reduce or apply malus/clawback to awards where the participant has acted fraudulently or dishonestly or is in material breach of their obligations to the Company; or where the Company becomes aware of material misstatements or omissions in the financial statements of the Company; or any circumstances occur that the Board determines to have resulted in an unfair benefit to the recipient.
Hedging	The Company prohibits the hedging of Rights and Restricted Shares by Participants.

3.7 Risk Management and Clawback Provisions

A sound risk management culture is important to NEXTDC. The Company's STI and LTI Plans have been designed to protect the Company from the risk of unintended or unjustified pay outcomes by allowing risk factors to be taken into account over long periods and by way of a variety of measures that are considered key to the Company's success. For example:

- Basing the STI on a number of performance measures, including initial gateway hurdles before any STI is able to be paid (subject also to malus/clawback provisions)
- Deferring a component (50%) of STI to ensure alignment with shareholder value and compliance with NEXTDC's codes of conduct and corporate governance
- Distributing remuneration components across both long and short-term performance-based mechanisms to encourage prudent risk taking in line with the overall objectives of the Company.

While formal shareholding requirements are not imposed for Senior Executives, the CEO has a material holding in NEXTDC, holding shares and vested performance rights valued at approximately 15 times base salary at 30 June 2024.

Board discretion is applied to the vesting of all STIs and LTIs to ensure any proposed awards are aligned with shareholder returns. As noted, the Board also retains the ability to reduce or clawback awards in the event of serious misconduct or a material misstatement in the Company's financial statements.

4. STI AND LTI PERFORMANCE OUTCOMES FOR FY24

4.1 STI Vesting Outcomes

The Senior Executives performance against the FY24 STI performance measures – as previously described in section 3.5 above are as follows. The Committee continues to be of the view that they were highly relevant to the Company's financial performance and to growing shareholder value. The individual components contributed to the overall composition of the STI award as follows:

FIGURE 7: CALCULATION OF STI OUTCOMES

Gateway Test		Maximum STI Value		Performance Measure		Weighting		STI Outcome
EBITDA greater than 95% of the midpoint of the initial guidance range Fulfilment of uptime obligations to customers	▶	STI opportunity of up to 100% of Base	✖	Underlying EBITDA Total Revenue Major Project Delivery ESG & Operational Metrics	✖	40% 35% 15% 10%	=	STI outcome is subject to Board assessment and discretion

Upon review of the above performance criteria set for the FY24 STI Program, the Committee has determined that 85% of the FY24 STI opportunity be awarded to the participants. The FY24 STI outcome was determined by the Committee and approved by the Board. This outcome strictly reflects the performance against the performance criteria set out for this year's program. There has been no further discretion applied to these outcomes.

The individual components of this assessment were as follows:

Type of performance measure and weighting at target	KMP Performance measure	FY24 performance	Level of Achievement (% of Stretch)
Financial 75%	**Underlying EBITDA[1] (40%):** This percentage was awarded out of a maximum of 40% and was arrived at on the basis that the Company achieved underlying EBITDA[1] of $204.3 million against the initial guidance range of $190 million (50%) to $200 million (100%) for this metric set by the Committee. See section 3.5 for more details on its method of calculation including the minimum EBITDA gateway also set for this metric.	$204.3 million	100%
	Total Revenue (35%): This percentage was out of a maximum award of 35% and was arrived at on the basis that the Company achieved $404.3 million out of the initial guidance range of $400 million (50%) to $415 million (100%) for this metric set by the Committee. See section 3.5 for details on the method of calculation.	$404.3 million	64%

[1] FY24 underlying EBITDA excludes non-recurring items and costs related to NEXTDC's activities in offshore markets, acquisition opportunities together with its investment in associates.

Type of performance measure and weighting at target	KMP Performance measure		FY24 performance	Level of Achievement (% of Stretch)
Non-Financial 25%	Major Project Delivery (15%):	**Major Project 1 (25%)**: S3 – Customer order phase 1 (4.65MW) RFS acceptance achieved as contracted (Q3FY24)	Achieved	100%
		Major Project 2 (25%): M2 – Capacity expansion on track for Customer Order Phase 1 (8.25MW) RFS/RNI acceptance as contracted (Q1FY25)	Achieved	100%
		Major Project 3 (25%): P2 – Customer order (1.7MW) RFS acceptance achieved as contracted (Q4FY24)	Achieved	100%
		Major Project 4 (25%): KL1 – Construction program on track for revenue in line with market statements (1HFY26)	Achieved	100%
	ESG & Operational Metrics (10%):	**WH&S:** achieve LTIFR <2.7, and achieve >90% of site safety leadership inspections per executive (4 per executive)	Achieved	100%
		PUE: PUE of <1.4 for all facilities commencing at least 60 days prior to the end of the measurement period	Not achieved	0%
		Team Training: 95% completion of all team training programs focused on diversity, inclusion, safety and social impact	Achieved	100%

4.2 LTI Vesting Outcomes

The measurement period for the FY21 LTI was between 27 August 2020 and 28 August 2023. The vesting condition attached to the FY21 LTI was based on NEXTDC's TSR over the measurement period, against the relative performance of the S&P / ASX 200 Accumulation Index (AXJOA), with vesting percentages to be determined by the following scale, as outlined in the 30 June 2021 Annual Report:

NEXTDC's TSR over the Measurement Period	Percentage of Rights that Vest
Less than TSR of Index	Nil
At TSR of Index	25%
Between TSR of Index and TSR of Index + 5%	Pro rata vesting from 25% to 100% on a straight-line basis
TSR of Index + 5% or greater	100%

NEXTDC's performance over the measurement period was 12.4%, compared to growth of 31.2% in the ASX 200 Accumulation Index. Given performance did not meet that of the Index, the Board determined that 100% of the LTI rights granted in FY21 would not be awarded to participants and would instead lapse in accordance with the terms of the plan.

The measurement period for the FY22 LTI is for approximately a three-year period, beginning from the end of trade on the day of release of the FY21 results, and ending upon the end of the day of release of the annual results for FY24. The vesting condition attached to the FY22 LTI is based on NEXTDC's TSR over the measurement period, against the relative performance of the S&P / ASX 100 Accumulation Index (Index).

Given vesting is not able to be determined until the end of day of release of the FY24 annual results, the Board will determine vesting following the release of the FY24 Annual Report.

5. EMPLOYMENT TERMS FOR DIRECTORS AND SENIOR EXECUTIVES

5.1 Non-Executive Directors

Once appointed all Non-Executive Directors enter into a service agreement with the Company in the form of a letter of appointment. The letter summarises the Board policies and terms, including compensation relevant to the office of the Director.

All current Non-Executive Directors carry an initial contract duration of three years (subject to election and re-election by shareholders). The employment contracts for the Non-Executive Directors do not carry notice period provisions, nor do they provide for any termination benefits.

All Directors must retire from office at the third annual general meeting after the Director was last elected and will then be eligible for re-election. Upon cessation of a Director's appointment, the Director will be paid his or her Director's fees on a pro-rata basis, to the extent that they are unpaid.

The Non-Executive Director Remuneration Policy applies to Non-Executive Directors of the Company in their capacity as Directors and as members of Committees, and may be summarised as follows:

- Remuneration comprises:
  - Board fees
  - Committee fees
  - Superannuation
  - Other benefits
  - Securities (if appropriate at the time).
- Remuneration is managed within the aggregate fee limit (AFL) or fee pool of $2,000,000 which was approved by shareholders at the FY23 AGM in November 2023.
- The Non-Executive Director Remuneration Policy contains guidelines on when the Board should seek adjustment to the AFL such as in the case of the appointment of additional Non-Executive Directors.
- Remuneration should be reviewed annually.
- Non-Executive Directors are not entitled to termination benefits.
- The level of Board Fees (being the fees paid for membership of the Board, inclusive of superannuation and exclusive of Committee fees) will be set with reference to the median of comparable ASX listed companies.
- Committee fees may be used to recognise additional contributions to the work of the Board by members of Committees, but in a manner that, when combined with Board Fees, will not exceed the 75th percentile of comparable ASX listed companies.
- The Company does not currently provide securities as part of Non-Executive Director remuneration.

In accordance with the Non-Executive Director Remuneration Policy, during FY24 the Remuneration and Nomination Committee conducted an annual review of Non-Executive Director remuneration. The review was informed by an independent benchmarking exercise with reference to ASX-listed companies of a similar size as well as the Domestic Industry Peer Group. The benchmarking exercise compared NEXTDC to companies that are directly comparable in terms of market capitalisation, with ten larger and ten smaller than NEXTDC within the ASX 100 index only, as well as five larger and five smaller than NEXTDC within the Domestic Industry Peer Group. In conjunction with the benchmarking exercise, the review also considered other factors such as surrounding market conditions and sentiment, the trajectory of the Company's growth, strategic objectives, and the geographical spread of the Company.

As a result of the review, it was determined that there would be no increase in Non-Executive Director remuneration at this stage.

The rates of fees including superannuation contributions in respect of the 2024 financial year are as follows:

TABLE 3: NON-EXECUTIVE DIRECTOR FEE SCHEDULE

	FY24
Board Chair	$430,000 per annum
Non-Executive Director	$170,000 per annum
Audit and Risk Management Committee Chair	$40,000 per annum
Remuneration and Nomination Committee Chair	$40,000 per annum
Investment Committee Chair	$40,000 per annum
Committee Member	$17,000 per annum

Recommended Non-Executive Director Shareholding

Non-Executive Directors are encouraged to accumulate shares on their own behalf, over a three-year period, of equivalent value to their average annual Directors' fees.

5.2 Senior Executives

Remuneration and other terms of employment for the Chief Executive Officer and other key management personnel are also formalised in service agreements.

The CEO's base salary package increased by 15% effective 1 July 2023, from $1.32 million in FY23 to $1.52 million in FY24, inclusive of the Company's commitment to contribute a 0.5% increase in Super Guarantee Contribution (SGC). Since his appointment to the role in 2012, the CEO has overseen the Company's expansion. Over the last four years, NEXTDC has achieved:

19%
Compound annual revenue growth

10%
Compound annual growth in total assets

24%
Compound annual market capitalisation growth

NEXTDC is unique among ASX-listed companies due to its high capital-intensity and growth prospects requiring further capital to be invested ahead of demonstrable revenues and profits. Most comparable peers are US-based, as is the more comparable executive talent. The Board considered the Company's long-term strategy and potential and determined that the CEO's remuneration remains appropriate in context of the skills and experience necessary to lead NEXTDC.

Other major provisions of the agreements relating to service agreements are set out below.

TABLE 4: SERVICE AGREEMENTS

Name	Duration of Contract	Notice Period[1]	Termination Payments[2]
Craig Scroggie	No fixed term	12 months	12 months
Simon Cooper	No fixed term	6 months	6 months
Oskar Tomaszewski	No fixed term	6 months	6 months
David Dzienciol	No fixed term	6 months	6 months

[1] Notice Period to be given by employee upon resignation.

[2] Base salary payable if the Company terminates employees with notice, and without cause (for example, reasons other than unsatisfactory performance).

6. STATUTORY REMUNERATION

6.1 Senior Executive Remuneration

The following table outlines the remuneration received or due to be received by Senior Executives of the Company during the 2024 and 2023 financial years and has been prepared in accordance with the Corporations Act and the relevant accounting standards. The figures provided under the LTI are based on accounting values and do not necessarily reflect actual payments received during the year.

6. STATUTORY REMUNERATION (CONTINUED)

TABLE 5: STATUTORY REMUNERATION

		Base Salary Package					STI		LTI	
Name	**Year**	**Salary**	**Super contri-butions**	**Non-monetary benefits**	**Leave benefits[1]**	**Subtotal**	**STI[2]**	**% of TRP**	**LTI**	**Total remuneration package**
Craig Scroggie	2024	1,497,161	27,399	4,340	251,753	1,780,653	1,289,165	32%	960,218	4,030,036
Simon Cooper	2024	554,161	27,399	2,262	22,972	606,794	491,766	34%	365,511	1,464,071
Oskar Tomaszewski	2024	554,161	27,399	-	67,171	648,731	491,766	33%	365,511	1,506,008
David Dzienciol	2024	554,161	27,399	-	58,563	640,123	491,766	33%	365,511	1,497,400
Total		**3,159,644**	**109,596**	**6,602**	**400,459**	**3,676,301**	**2,764,463**	33%	**2,056,751**	**8,497,515**

Name	**Year**	**Salary**	**Super contri-butions**	**Non-monetary benefits**	**Leave benefits[1]**	**Subtotal**	**STI[2]**	**% of TRP**	**LTI**	**Total remuneration package**
Craig Scroggie	2023	1,298,306	25,292	3,674	(63,259)	1,264,013	1,161,458	36%	779,914	3,205,385
Simon Cooper	2023	478,306	25,292	1,837	2,453	507,888	441,907	35%	305,469	1,255,264
Oskar Tomaszewski	2023	478,306	25,292	-	6,132	509,730	441,907	35%	301,554	1,253,191
David Dzienciol	2023	478,306	25,292	-	(8,585)	495,013	441,907	36%	301,554	1,238,474
Total		**2,733,224**	**101,168**	**5,511**	**(63,259)**	**2,776,644**	**2,487,179**	36%	**1,688,491**	**6,952,314**

[1] Leave benefits in the basic package includes the net movement of short-term leave benefits such as annual leave and long-term leave benefits such as long service leave.

[2] 50% of the 2023 and 2024 STI are subject to 12-month deferral, with employees being able to elect whether this is delivered in cash or equity.

6.2 Non-Executive Director Remuneration

Statutory Remuneration received by Non-Executive Directors in FY24 and FY23 is disclosed below.

TABLE 6: NON-EXECUTIVE DIRECTOR REMUNERATION

Name	Financial year	Board fees	Superannuation	Total
Douglas Flynn	FY24	438,708	27,399	466,107
Dr Gregory J Clark AC	FY24	184,615	20,308	204,923
Stuart Davis	FY24	205,430	22,597	228,027
Stephen Smith	FY24	210,079	871	210,950
Jennifer Lambert	FY24	205,724	5,226	210,950
Dr Eileen Doyle	FY24	169,231	18,615	187,846
Maria Leftakis*	FY24	157,859	11,927	169,786
Total	**FY24**	**1,571,646**	**106,943**	**1,678,589**
*Appointed 24 August 2023				
Douglas Flynn	FY23	413,139	25,292	438,431
Dr Gregory J Clark AC	FY23	179,825	18,882	198,707
Stuart Davis	FY23	199,981	20,998	220,979
Stephen Smith	FY23	204,250	-	204,250
Jennifer Lambert	FY23	204,463	-	204,463
Dr Eileen Doyle	FY23	164,878	17,312	182,190
Total	**FY23**	**1,366,536**	**82,484**	**1,449,020**

6.3 Changes in Securities Held Due to Remuneration

TABLE 7: CHANGES IN SECURITIES HELD DUE TO REMUNERATION

Name	Instrument	Balance at start of the year	Granted	Exercised	Lapsed	Balance at end of the year
Craig Scroggie	Performance Rights	1,301,523	86,820	-	(113,989)	1,274,354
	Restricted Rights	-	86,820	-	-	86,820
Simon Cooper	Performance Rights	487,798	33,118	-	(42,314)	478,602
	Restricted Rights	-	33,117	-	-	33,117
	Deferred Rights	79,620	16,777	-	-	96,397
Oskar Tomaszewski	Performance Rights	472,665	33,118	-	(40,587)	465,196
	Restricted Rights	-	33,117	-	-	33,117
David Dzienciol	Performance Rights	387,765	33,118	-	(40,587)	380,296
	Restricted Rights	-	33,117	-	-	33,117
	Deferred Rights	60,345	16,777	-	-	77,122

Performance Rights

The following table details performance rights that have been provided to key management personnel.

TABLE 8: PERFORMANCE RIGHTS PROVIDED TO KEY MANAGEMENT PERSONNEL

Name	Financial Year Granted	Number of Performance Rights	Vested/(lapsed) during the year	Exercised during the year	Vested and exercisable at the end of the year	Unvested at the end of the year
Craig Scroggie	2017	223,325	-	-	223,325	-
	2018	194,987	-	-	194,987	-
	2019	208,202	-	-	208,202	-
	2020	216,393		-	216,393	-
	2021	113,989	(113,989)	-	-	-
	2022	147,859	-	-	-	147,859
	2023	196,768	-	-	-	196,768
	2024	86,820	-	-	-	86,820
		1,388,343	**(113,989)**	**-**	**842,907**	**431,447**
Simon Cooper	2017	83,747	-	-	83,747	-
	2018	73,121	-	-	73,121	-
	2019	77,287	-	-	77,287	-
	2020	80,328	-	-	80,328	-
	2021	42,314	(42,314)	-	-	-
	2022	56,137	-	-	-	56,137
	2023	74,864	-	-	-	74,864
	2024	33,118	-	-	-	33,118
		520,916	**(42,314)**	**-**	**314,483**	**164,119**
Oskar Tomaszewski	2017	80,025	-	-	80,025	-
	2018	69,871	-	-	69,871	-
	2019	74,132	-	-	74,132	-
	2020	77,049	-	-	77,049	-
	2021	40,587	(40,587)	-	-	-
	2022	56,137	-	-	-	56,137
	2023	74,864	-	-	-	74,864
	2024	33,118	-	-	-	33,118
		505,783	**(40,587)**	**-**	**301,077**	**164,119**
David Dzienciol	2018	64,996	-	-	64,996	-
	2019	74,132	-	-	74,132	-
	2020	77,049	-	-	77,049	-
	2021	40,587	(40,587)	-	-	-
	2022	56,137	-	-	-	56,137
	2023	74,864	-	-	-	74,864
	2024	33,118	-	-	-	33,118
		420,883	**(40,587)**	**-**	**216,177**	**164,119**

The fair values of each performance right at grant date are as follows:

Financial year granted	Fair value at grant date
2017	$1.63
2018	$3.32
2019	$3.07
2020	$4.61#
2021	$6.80#
2022	$6.09
2023	$4.83
2024	$7.03 (3-year rights) $7.19 (4-year rights)

Except for Craig Scroggie whose rights were granted at a fair value of $6.02 in 2021 (2020: $3.30)

Restricted Rights

The following table details restricted rights that have been provided to key management personnel.

TABLE 9: RESTRICTED RIGHTS PROVIDED TO KEY MANAGEMENT PERSONNEL

Name	Financial Year Granted	Number of Restricted Rights	Vested during the year	Exercised during the year	Vested and exercisable at the end of the year	Unvested at the end of the year
Craig Scroggie	2024	86,820	-	-	-	86,820
		86,820	**-**	**-**	**-**	**86,820**
Simon Cooper	2024	33,117	-	-	-	33,117
		33,117	**-**	**-**	**-**	**33,117**
Oskar Tomaszewski	2024	33,117	-	-	-	33,117
		33,117	**-**	**-**	**-**	**33,117**
David Dzienciol	2024	33,117	-	-	-	33,117
		33,117	**-**	**-**	**-**	**33,117**

The fair values of each restricted right at grant date are as follows:

Financial year granted	Fair value at grant date
2024	$9.77 (3-year rights) $10.06 (4-year rights) $10.33 (5-year rights)

Deferred Rights

The following table details deferred rights that have been provided to those key management personnel who elected to receive the deferred component of their STI in shares rather than cash.

TABLE 10: DEFERRED RIGHTS PROVIDED TO KEY MANAGEMENT PERSONNEL

Name	Financial Year Granted	Number of Deferred Share Rights	Vested during the year	Exercised during the year	Vested and exercisable at the end of the year	Unvested at the end of the year
Simon Cooper	2019	18,347	-	-	18,347	-
	2020	6,899	-	-	6,899	-
	2021	15,867	-	-	15,867	-
	2022	16,354	-	-	16,354	-
	2023	22,153	22,153	-	22,153	-
	2024	16,777	-		-	16,777
		96,397	**22,153**	**-**	**79,620**	**16,777**
David Dzienciol	2020	6,618	-	-	6,618	-
	2021	15,220	-	-	15,220	-
	2022	16,354	-	-	16,354	-
	2023	22,153	22,153	-	22,153	-
	2024	16,777	-	-	-	16,777
		77,122	**22,153**	**-**	**60,345**	**16,777**

The fair value of the deferred rights at grant date is as follows:

Financial year granted	Fair value at grant date
2019	$6.34
2020	$6.10
2021	$11.58
2022	$13.41
2023	$10.09
2024	$13.17

Deferred rights under the Senior Executive STI Plan are granted following release of the annual results. The shares vest one year from the grant date. On vesting, each right automatically converts into one ordinary share. Senior Executives do not receive any dividends and are not entitled to vote in relation to the rights during the vesting period. If a Senior Executive ceases employment before the rights vest, they have six months from the cessation of employment or the vesting date, whichever is later, to exercise their deferred rights. Any rights not exercised in this period will automatically lapse.

The fair value of the rights is determined based on the volume weighted average trading price of the Company's shares over the 10 trading days following release of the Company's annual results.

6.4 Director and Senior Executive Shareholdings

During FY24, KMP and their related parties held shares in NEXTDC directly, indirectly or beneficially as follows:

TABLE 11: DIRECTOR AND SENIOR EXECUTIVE SHAREHOLDINGS

Holder	Opening balance	Received during the year as compensation	Received during the year on the exercise of an option or right	Other changes	Closing balance	Shares held nominally at 30 June 2024
DIRECTORS						
Douglas Flynn	180,252	-	-	30,043	210,295	210,295
Dr Gregory J Clark AC	74,110	-	-	1,400	75,510	75,510
Stuart Davis	42,930	-	-	7,155	50,085	50,085
Stephen Smith	-	-	-	-	-	-
Jennifer Lambert	28,000	-	-	5,000	33,000	33,000
Dr Eileen Doyle	17,250	-	-	5,750	23,000	23,000
Maria Leftakis*	-	-	-	43,099	43,099	33,245
SENIOR EXECUTIVES						
Craig Scroggie	442,691	-	-	-	442,691	435,511
Simon Cooper	140,341	-	-	(110,000)	30,341	14,846
Oskar Tomaszewski	76,441	-	-	141	76,582	-
David Dzienciol	38,624	-	-	6,497	45,121	-

*Appointed 24 August 2023

The Non-Executive Directors of the Company did not receive any shares in NEXTDC on behalf of the Company in respect of the 2023 and 2024 financial reporting periods.

Loans to Directors and Executives

There were no loans to Directors or other key management personnel at any time during the year.

6.5 Remuneration Received (Non-statutory)

Remuneration received in FY24

The amounts disclosed below as Senior Executive remuneration for FY24 reflect the actual benefits received by each Senior Executive during the reporting period. The remuneration values disclosed have been determined as follows:

Fixed remuneration
Fixed remuneration includes base salaries received, paid leave, payments made to superannuation funds, and the taxable value of non-monetary benefits received, and excludes any accruals of annual or long service leave.

Short-term incentives
Awarded STI represents bonuses that were awarded to each Senior Executive in relation to FY24 performance, 50% of which will be paid in FY25. 50% of the STI bonuses awarded are deferred for 12 months, with employees being able to elect whether the award will be delivered in cash or equity. Deferred STI represents the remaining 50% of the FY24 STI that is expected to vest in FY25.

Long term incentives
The value of vested rights is determined based on the intrinsic value of the rights at the date of vesting, being the difference between the share price on that date, and the exercise price payable by the Senior Executive. The performance rights that were granted in FY21 did not meet the performance conditions in FY24, and as a result, 100% of the rights lapsed in accordance with the terms of the Plan.

TABLE 12: REMUNERATION RECEIVED IN FY24

Name	Fixed Remuneration	Awarded STI (cash)	Deferred STI (cash or equity)	Vested LTI	Total Value
Craig Scroggie	1,528,900	644,583	644,583	-	2,818,066
Simon Cooper	583,822	245,883	245,883	-	1,075,588
Oskar Tomaszewski	581,560	245,883	245,883	-	1,073,326
David Dzienciol	581,560	245,883	245,883	-	1,073,326
Total	**3,275,842**	**1,382,232**	**1,382,232**	**-**	**6,040,306**

The amounts disclosed above are not the same as the remuneration expensed in relation to each KMP in accordance with accounting standards. The Directors believe that the remuneration received is more relevant to users for the following reasons:

- The statutory remuneration expensed is based on historic cost and does not reflect the value of the equity instruments when they are actually received by the Senior Executives
- The statutory remuneration shows benefits before they are actually received by the Senior Executives
- Where rights do not vest because a market-based performance condition is not satisfied (e.g. TSR), the Company must still recognise the full amount of expenses even though the Senior Executives will never receive any benefits.
- Share based payment awards are treated differently under the accounting standards depending on whether the performance conditions are market conditions (no reversal of expense) or non-market conditions (reversal of expense when shares fail to vest), even though the benefit received by the Senior Executives is the same (nil where equity instruments fail to vest).

The information in this section has been audited together with the rest of the remuneration report.

Audit and non-audit services

Details of the amounts paid or payable to the auditor (PricewaterhouseCoopers Australia) for audit and non-audit services during the year are disclosed in Note 24 Remuneration of auditors.

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the group are important.

The board of directors, in accordance with advice provided by the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the provision of non-audit services by the auditor did not compromise the auditor independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the impartiality and objectivity of the auditor, and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 58.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of the Directors.

Craig Scroggie
Managing Director and Chief Executive Officer

27 August 2024

Auditor’s Independence Declaration

Auditor’s Independence Declaration

As lead auditor for the audit of NEXTDC Limited for the year ended 30 June 2024, I declare that to the best of my knowledge and belief, there have been:

(a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and

(b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of NEXTDC Limited and the entities it controlled during the period.

Michael Shewan
Partner
PricewaterhouseCoopers

Brisbane
27 August 2024

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Corporate Governance Statement

Governance at NEXTDC

Good corporate governance underpins the way we conduct business at NEXTDC. Our robust governance framework clearly defines the roles and responsibilities of the Board, management team, employees and suppliers. The framework prioritises transparency, accountability and ethical conduct to support NEXTDC's long-term sustainability and success.

This Corporate Governance Statement ("Statement") describes NEXTDC's framework and key governance practices to ensure effective oversight, management and accountability. It outlines the principles, policies, and procedures that guide how the Company seeks to meet its responsibilities to shareholders, customers, suppliers, employees and the communities in which it operates.

The Board has adopted charters and corporate governance policies that articulate the standards of behaviour and procedures expected of our teams. These documents are reviewed at least annually to address any changes in governance practices, operational processes or the law.

Compliance with corporate governance standards

This statement was approved by the Board of Directors on 27 August 2024. For the financial year ended 30 June 2024 ("FY24"), NEXTDC considers that its governance arrangements were compliant with the recommendations of the Australian Securities Exchange ("ASX") Corporate Governance Council's 4th edition of Corporate Governance Principles and Recommendations ("4th Edition Governance Principles"). Our compliance with the Principles and Recommendations and a checklist cross-referencing these Principles and Recommendations to the relevant disclosures are outlined within ASX Appendix 4G and the Appendix section of this Statement.

NEXTDC's Corporate Governance Framework is a dynamic system that evolves to enhance trust, attract investors, and bolster employee confidence while upholding our market reputation and value. Copies of NEXTDC's Charters and related governance materials referred to in this Statement and a copy of our Appendix 4G can be found in the Corporate Governance section of our website (www.nextdc.com/investor-centre/corporate-governance).

Read the statement →

NEXTDC Limited

ABN 35 143 582 521

Financial report
for the year ended 30 June 2024

Financial Report

These consolidated financial statements are the consolidated financial statements of the consolidated entity consisting of NEXTDC Limited (ABN 35 143 582 521) and its subsidiaries. A list of major subsidiaries is included in note 25. NEXTDC Limited is a company limited by shares, incorporated and domiciled in Australia.

The consolidated financial statements are presented in the Australian currency which is NEXTDC Limited’s functional and presentation currency.

The Company is of a kind referred to in ASIC Legislative Instrument 2016/191, relating to the ‘rounding off’ of amounts in the consolidated financial statements. Amounts in the consolidated financial statements have been rounded off in accordance with the instrument to the nearest thousand dollars, or in certain cases, the nearest dollar.

NEXTDC’s registered office is:
20 Wharf St Brisbane QLD 4000

A description of the nature of the consolidated entity's operations and its principal activities is included in the Directors' Report, which is not part of these consolidated financial statements.

The consolidated financial statements were authorised for issue by the Directors on 27 August 2024.

The Directors have the power to amend and reissue the consolidated financial statements.

All press releases, financial reports and other information are available at our Investor Centre on our website: www.nextdc.com

Consolidated Statement of Comprehensive Income
For the year ended 30 June 2024

	Note	30 June 2024 $'000	Restated# 30 June 2023 $'000
REVENUE FROM CONTINUING OPERATIONS			
Revenue from contracts with customers	4	**404,337**	362,369
OTHER INCOME			
Other income	4	**33,749**	11,806
EXPENSES			
Direct costs		**(96,438)**	(82,998)
Employee benefits expense		**(50,766)**	(43,484)
Data centre facility costs		**(28,577)**	(22,099)
Depreciation and amortisation expense		**(167,699)**	(140,130)
Professional fees		**(10,122)**	(6,682)
Marketing costs		**(1,731)**	(1,908)
Office and administrative expenses		**(20,500)**	(17,324)
Finance costs	5	**(91,967)**	(73,119)
Share of loss on investment in associate		**(6,592)**	(4,262)
Impairment of investment in associate		**-**	(1,799)
Profit/(loss) before income tax		**(36,306)**	**(19,630)**
Income tax benefit/(expense)	21	**(7,840)**	(2,402)
Profit/(loss) after income tax		**(44,146)**	**(22,032)**
PROFIT/(LOSS) IS ATTRIBUTABLE TO:			
Owners of NEXTDC Limited		**(44,146)**	**(22,032)**
OTHER COMPREHENSIVE INCOME			
Items that may be reclassified to profit or loss			
Gains/(losses) on cash flow hedges		**(2,859)**	16,135
Exchange differences on translation of foreign operations		**(2,514)**	(3,061)
Costs of hedging		**57**	(734)
Hedging (gain)/loss reclassified to profit or loss		**(20,240)**	(17,625)
Income tax relating to these items		**7,823**	759
Total comprehensive income/(expense)		**(61,879)**	**(26,558)**
Attributable to:			
Owners of NEXTDC Limited		**(61,879)**	**(26,558)**
		Cents	Cents
EARNINGS/(LOSS) PER SHARE FOR PROFIT/(LOSS) ATTRIBUTABLE TO THE ORDINARY EQUITY HOLDERS OF THE GROUP:			
Basic earnings/(loss) per share	3	**(8.33)**	(4.77)
Diluted earnings/(loss) per share	3	**(8.33)**	(4.77)

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

The notes following the consolidated financial statements form part of the financial report.

Consolidated Balance Sheet
As at 30 June 2024

	Note	**30 June 2024 $'000**	Restated# 30 June 2023 $'000
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		**1,236,192**	765,841
Trade and other receivables	6	**70,354**	54,186
Derivative financial instruments	14(b)	**2,242**	8,727
Other assets	7	**25,926**	24,500
Total current assets		**1,334,714**	**853,254**
NON-CURRENT ASSETS			
Property, plant and equipment	9	**3,781,537**	2,947,960
Other assets	7	**21,750**	18,565
Intangible assets	10	**55,829**	51,979
Investment in associates	25(b)	**12,137**	6,271
Derivative financial instruments	14(b)	**10,730**	25,030
Total non-current assets		**3,881,983**	**3,049,805**
TOTAL ASSETS		**5,216,697**	**3,903,059**
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables	8	**131,713**	72,537
Lease liabilities	11	**7,056**	6,681
Revenue received in advance		**11,823**	12,548
Total current liabilities		**150,592**	**91,766**
NON-CURRENT LIABILITIES			
Provisions		**1,840**	1,384
Revenue received in advance		**49,139**	44,839
Borrowings	15	**1,375,353**	1,365,429
Lease liabilities	11	**72,673**	69,963
Total non-current liabilities		**1,499,005**	**1,481,615**
TOTAL LIABILITIES		**1,649,597**	**1,573,381**
NET ASSETS		**3,567,100**	**2,329,678**
EQUITY			
Contributed equity	13	**3,667,117**	2,371,154
Reserves		**14,570**	28,965
Accumulated losses		**(114,587)**	(70,441)
TOTAL EQUITY		**3,567,100**	**2,329,678**

#Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

The notes following the consolidated financial statements form part of the financial report.

Consolidated Statement of Changes in Equity
For the year ended 30 June 2024

	Note	Contributed Equity $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2022		**1,762,663**	**33,725**	**(97,860)**	**1,698,528**
Prior period error	27(b)	-	-	49,451	49,451
Restated total equity at the beginning of the financial year		**1,762,663**	**33,725**	**(48,409)**	**1,747,979**
Other comprehensive loss		-	(4,526)	-	(4,526)
Prior period error	27(b)	-	-	3,609	3,609
Profit/(loss) for the year as previously reported		-	-	(25,641)	(25,641)
Total comprehensive loss		**-**	**(4,526)**	**(22,032)**	**(26,558)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:					
Contributions of equity, net of transaction costs and tax	13(b)	604,778	-	-	604,778
Share based payments - conversion of rights to shares	13(b)	3,713	(3,713)	-	-
Share based payments - value of employee services		-	3,479	-	3,479
Balance at 30 June 2023 - restated#		**2,371,154**	**28,965**	**(70,441)**	**2,329,678**

	Note	Contributed Equity $'000	Reserves $'000	Accumulated losses $'000	Total equity $'000
Balance at 1 July 2023		**2,371,154**	**28,965**	**(70,441)**	**2,329,678**
Profit/(loss) for the year		-	-	(44,146)	(44,146)
Other comprehensive loss		-	(17,733)	-	(17,733)
Total comprehensive loss		**-**	**(17,733)**	**(44,146)**	**(61,879)**
TRANSACTIONS WITH OWNERS IN THEIR CAPACITY AS OWNERS:					
Contributions of equity, net of transaction costs and tax	13(b)	1,295,346	-	-	1,295,346
Share based payments - conversion of rights to shares	13(b)	617	(617)	-	-
Share based payments - value of employee services		-	3,955	-	3,955
Balance at 30 June 2024		**3,667,117**	**14,570**	**(114,587)**	**3,567,100**

#Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

The notes following the consolidated financial statements form part of the financial report.

Consolidated Statement of Cash Flows
For the year ended 30 June 2024

	Note	**30 June 2024 $'000**	30 June 2023 $'000
OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		**440,164**	383,895
Payments to suppliers and employees (inclusive of GST)		**(257,397)**	(209,462)
		182,767	174,433
Interest paid		**(82,732)**	(57,949)
(Payments for)/proceeds from bank guarantees		**(626)**	(315)
Interest received		**29,381**	10,303
Net cash inflow from operating activities	23(a)	**128,790**	**126,472**
INVESTING ACTIVITIES			
Payments for property, plant and equipment		**(918,687)**	(683,729)
Payments for intangible assets		**(19,765)**	(22,270)
Payments for investment in associate		**(12,458)**	(4,017)
Net cash (outflow) from investing activities		**(950,910)**	**(710,016)**
FINANCING ACTIVITIES			
Proceeds from borrowings		**-**	300,000
Transaction costs in relation to loans and borrowings		**-**	(8,952)
Proceeds from issues of shares and other equity securities	13(b)	**1,321,302**	617,942
Transaction costs paid in relation to issue of shares	13(b)	**(25,956)**	(14,807)
Principal elements of lease payments		**(1,570)**	(1,124)
Net cash inflow from financing activities		**1,293,776**	**893,059**
Net increase in cash and cash equivalents		**471,656**	309,515
Cash and cash equivalents at the beginning of the year		**765,841**	456,562
Effects of exchange rate changes on cash and cash equivalents		**(1,305)**	(236)
Cash and cash equivalents at the end of the year		**1,236,192**	**765,841**

The notes following the consolidated financial statements form part of the financial report.

Notes to the Consolidated Financial Report
30 June 2024

Contents of the notes to the consolidated financial report

Notes to the Consolidated Financial Report
30 June 2024
(continued)

1 Basis of preparation

The 2024 financial statements notes have been grouped into the following sections:

• Section 1 Business performance
• Section 2 Operating assets and liabilities
• Section 3 Capital and financial risk management
• Section 4 Items not recognised
• Section 5 Employee remuneration
• Section 6 Other

Each section sets out the accounting policies applied along with details of any key judgements and estimates made or information required to understand the note.

NEXTDC Limited (the Company) is domiciled in Australia. The registered office is 20 Wharf St, Brisbane QLD 4000.

The nature of the operations and principal activities of the Company and its controlled entities (referred to as 'the Group') are described in the Segment information.

The consolidated general purpose financial statements of the Group for the year ended 30 June 2024 were authorised for issue in accordance with a resolution of the Directors on 27 August 2024.

The financial statements:

• Have been prepared in accordance with the requirements of the Corporations Act 2001 (Cth), Australian Accounting Standards and other authoritative pronouncements of the Australian Accounting Standards Board (AASB) and International Financial Reporting Standards as issued by the International Accounting Standards Board

• Have been prepared on an historical cost basis, except for derivatives measured at fair value

• Are presented in Australian dollars and, unless otherwise stated, all values have been rounded to the nearest thousand dollars ($'000) under the option available under the Australian Securities and Investments Commission (ASIC) Corporations (Rounding in Financial/Directors' Report) Instrument 2016/191

• Present reclassified comparative information where required for consistency with the current year's presentation

• Adopt all new and amended Accounting Standards and Interpretations issued by the AASB that are relevant to the operations of the Group and effective for reporting periods beginning on or after 1 July 2023

• Do not early adopt any other Accounting Standards and Interpretations that have been issued or amended but are not yet effective.

(a) Principles of consolidation and equity accounting

(i) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting (see (ii) below), after initially being recognised at cost.

(ii) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit or loss, and the Group's share of movements in other comprehensive income of the investee in other comprehensive income. Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

(a) Principles of consolidation and equity accounting (continued)

(ii) Equity method (continued)

Where the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity-accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity-accounted investments is tested for impairment in accordance with the policy described in note 27(g).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

Business performance

2 Segment performance

(a) Description of segments

Management considers the business from a geographic perspective and has identified five reportable segments, being each geography where the Group operates data centre facilities and the last capturing financial information from operations that do not naturally fit into any particular geography. As these segments do not exist as a separate legal entity, information such as income tax expense and segment liabilities are not prepared and provided to management for review and therefore not presented.

During the year, management reassessed the basis for reporting on revenue from external customers to its chief operating decision makers, breaking down the revenue into a number of sub-categories to provide further meaningful information to decision makers on key revenue elements across each segment. Comparative information has also been amended to reflect this change.

(b) Segment information provided to management

The segment information provided to management for the reportable segments is as follows:

30 June 2024	**Vic $'000**	**NSW/ACT $'000**	**Rest of Australia $'000**	**Inter-national $'000**	**Other $'000**	**Total $'000**
Revenue from external customers						
Colocation revenue	100,206	130,665	54,955	-	-	285,826
Interconnection revenue	9,086	5,578	10,137	-	3,475	28,276
Other revenue including power passthrough	17,564	66,814	2,209	-	-	86,587
Rental revenue from landbank properties	2,498	632	420	98	-	3,648
Total revenue	**129,354**	**203,689**	**67,721**	**98**	**3,475**	**404,337**
Direct costs						
-Power	(22,713)	(62,258)	(10,321)	(6)	-	(95,298)
-Other	(236)	(775)	(129)	-	-	(1,140)
Facility costs	(8,971)	(11,593)	(6,809)	(191)	(1,013)	(28,577)
Employee benefits expense	(5,083)	(5,733)	(4,312)	(811)	(170)	(16,109)
Other expenses	(62)	(293)	(80)	(994)	(1,414)	(2,843)
Segment EBITDA	**92,289**	**123,037**	**46,070**	**(1,904)**	**878**	**260,370**
Segment assets	1,227,250	1,776,771	668,028	89,679	-	3,761,728
Unallocated assets	-	-	-	-	1,454,969	1,454,969
Total segment assets	**1,227,250**	**1,776,771**	**668,028**	**89,679**	**1,454,969**	**5,216,697**

Notes to the Consolidated Financial Report
30 June 2024
(continued)

2 Segment performance (continued)

(b) Segment information provided to management (continued)

30 June 2023	Vic $'000	NSW/ACT $'000	Rest of Australia $'000	International $'000	Other $'000	Total $'000
Revenue from external customers						
Colocation revenue	91,837	123,631	47,602	-	-	263,070
Interconnection revenue	8,245	4,880	8,922	-	3,262	25,309
Other revenue including power passthrough	14,357	52,698	1,745	-	-	68,800
Rental revenue from landbank properties	2,965	1,706	375	144	-	5,190
Total revenue	**117,404**	**182,915**	**58,644**	**144**	**3,262**	**362,369**
Direct costs						
-Power	(19,982)	(54,200)	(8,145)	(2)	(2)	(82,331)
-Other	(193)	(395)	(76)	-	(3)	(667)
Facility Costs	(6,537)	(9,537)	(5,360)	(66)	(599)	(22,099)
Employee benefits expense	(4,403)	(5,003)	(3,927)	(822)	(122)	(14,277)
Other expenses	(159)	(1,049)	(242)	(1,359)	(482)	(3,291)
Segment EBITDA	**86,130**	**112,731**	**40,894**	**(2,105)**	**2,054**	**239,704**
Segment assets	998,988	1,357,188	500,901	77,470	-	2,934,547
Unallocated assets	-	-	-	-	968,512	968,512
Total segment assets - restated#	**998,988**	**1,357,188**	**500,901**	**77,470**	**968,512**	**3,903,059**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

There was no impairment charge or other significant non-cash item recognised in relation to the above segments in 2024 (2023: nil).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

2 Segment performance (continued)

(c) Other segment information

(i) Profit/(loss) before tax

Management assesses the performance of the operating segments based on a measure of EBITDA. Interest income and expenditure are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

A reconciliation of profit/(loss) before income tax is provided as follows:

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Total segment EBITDA	**260,370**	239,704
Employee benefits expense (non-facility staff)	**(34,657)**	(29,207)
Investment in associate	**(6,592)**	(6,061)
Other income	**33,749**	11,806
Finance costs	**(91,967)**	(73,119)
Depreciation and amortisation expense	**(167,699)**	(140,130)
Overheads and other expenses	**(29,510)**	(22,623)
Profit/(loss) before tax	**(36,306)**	**(19,630)**

A reconciliation of depreciation and amortisation is provided as follows:

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Segment depreciation and amortisation expense	**149,842**	128,373
Head office depreciation and amortisation expense	**17,857**	11,757
Total depreciation and amortisation expense	**167,699**	**140,130**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

(ii) Segment liabilities

As noted above, the segment liabilities for each operating segment are not required by executive management for purposes of their decision making. As such, these are not provided to management and not categorised.

(d) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the executive management team. The executive management team is responsible for allocating resources and assessing performance of the operating segments. The executive management team is the chief operating decision making body and consists of the Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, and Chief Customer and Commercial Officer.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

3 Earnings/(loss) per share

(a) Earnings/(loss) per share

	30 June 2024 Cents	Restated# 30 June 2023 Cents
Total basic EPS attributable to the ordinary equity holders of the Group	**(8.33)**	(4.77)

(b) Diluted earnings/(loss) per share

Total diluted EPS attributable to the ordinary equity holders of the Group	**(8.33)**	(4.77)

(c) Reconciliation of earnings/(loss) used in calculating earnings per share

	30 June 2024 $'000	Restated# 30 June 2023 $'000
BASIC EARNINGS/(LOSS) PER SHARE		
Profit/(loss) attributable to equity holders of the Group used in calculating basic EPS:		
Profit/(loss) used in calculating basic earnings/(loss) per share	**(44,146)**	**(22,032)**
DILUTED EARNINGS/(LOSS) PER SHARE		
Profit/(loss) from continuing operations attributable to the equity holders of the Group:		
Used in calculating diluted earnings/(loss) per share	**(44,146)**	**(22,032)**
Profit/(loss) attributable to the equity holders of the Group used in calculating diluted EPS	**(44,146)**	**(22,032)**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

(d) Weighted average number of shares used as the denominator

	2024 Number of shares	2023 Number of shares
Weighted average number of ordinary shares used as the denominator in calculating basic earnings/(loss) per share	**529,944,918**	462,337,135
Plus potential ordinary shares	**-**	-
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings/(loss) per share	**529,944,918**	**462,337,135**

(e) Information concerning the classification of securities

(i) Performance rights and deferred rights

The number of performance rights and deferred rights included in the diluted earnings per share calculation is based on the number of shares that would be issuable if the end of the period were the end of the vesting period. However, they are not included in the calculation where the inclusion would result in a decreased loss per share or increased earnings per share.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

3 Earnings/(loss) per share (continued)

(f) Earnings/(loss) per share

(i) Basic earnings/(loss) per share

- the profit/(loss) attributable to owners of the Group, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year.

(ii) Diluted earnings/(loss) per share

Diluted earnings/(loss) per share adjusts the figures used in the determination of basic earnings per share to take into account the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

4 Revenue and other income

	30 June 2024 $'000	30 June 2023 $'000
FROM CONTINUING OPERATIONS		
Data centre revenue	**400,689**	357,179
Rental revenue from landbank properties	**3,648**	5,190
Total revenue from contracts with customers	**404,337**	**362,369**

Interest income	**32,650**	10,969
Other items included in gains	**1,099**	837
Total other income	**33,749**	11,806

(a) Revenue recognised in relation to contract liabilities

The following table shows how much of the revenue recognised in the current reporting period relates to carried-forward revenue received in advance.

	30 June 2024 $'000	30 June 2023 $'000
Revenue recognised that was included in the contract liability balance at the beginning of the year		
Data centre revenue	**10,934**	9,754

Notes to the Consolidated Financial Report
30 June 2024
(continued)

4 Revenue and other income (continued)

(b) Revenue recognition

AASB 15 establishes principles for reporting the nature, amount, timing, and uncertainty of revenue and cash flows arising from an entity's contracts with customers and requires application of a five-step process to identify the contract with the customer, identify performance obligations in the contract, determine transaction price, allocate the transaction price to the performance obligations and recognise revenue when performance obligations are satisfied.

Revenue is recognised for the major business activities as follows:

(i) Data centre revenue

Data centre revenue primarily consists of recurring monthly fees including:
1) colocation which includes the provision of racks
2) interconnection services such as cross connects
3) other revenue including management of power and power passthrough; and
4) upfront project fees related to colocation and interconnection services.

Revenue from the provision of recurring monthly service fees is recognised in the accounting period in which the services are rendered. Project fees primarily comprise installation services relating to a customer's initial deployment. As this is not considered to be a distinct service, revenue is deferred and recognised over the term of the contract with the customer, taking into account renewal options that are held by the customer.

The Group applies the practical expedient in the revenue standard and does not disclose information about the transaction price allocated to remaining performance obligations on contracts that are unsatisfied, as the Group has the right to consideration from its customers in an amount that corresponds directly with the value to the customer of the Group's services to date. This is applied to all its data centre revenue, on the basis that the upfront project fees are not a significant portion of each contract.

The Group enters into contracts with customers that guarantee certain performance measures such as uptime and on time delivery of services. If these guarantees of service performance are not achieved, the Group reduces revenue for any credits or cash payments that may be due to customers under contract. Key areas of estimation include the amount of the service credits, the likelihood that the service credits will be claimed, and the time period over which they impact revenue.

Customer incentives provided by way of upfront discounts are contract assets that are amortised via a reduction in revenue over the expected contract life - refer to note 7(c).

(ii) Rental revenue from landbank properties

Rental revenue from landbank properties relates to rental revenue received from short term tenants occupying properties purchased for future expansion activities.

(iii) Interest income

Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset, except for financial assets that subsequently become credit-impaired. For credit-impaired financial assets, the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

5 Expenses

(a) Finance costs

The Group has identified a number of significant expense items below that impacted financial performance for the year:

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Interest expense and finance charges	**(94,119)**	(73,446)
Interest expense on lease liabilities	**(5,593)**	(5,542)
	(99,712)	**(78,988)**
Amount capitalised	**7,745**	5,869
Total finance costs expensed	**(91,967)**	(73,119)

(i) Capitalised borrowing costs

During 2024, the Group identified an error relating to the capitalisation of borrowing costs during the construction of qualifying assets. Refer to note 27 (b) for further detail. The capitalisation rate used to determine the amount of borrowing costs to be capitalised is the weighted average interest rate applicable to the entity's general borrowing costs during the year, in this case 6.07% (2023: 4.83%)

Refer to note 15 for details on borrowings and note 11 for details on interest expense on lease liabilities for the year.

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

Operating assets and liabilities

6 Trade and other receivables

	Note	**30 June 2024 $'000**	30 June 2023 $'000
Trade receivables	6(a)	**50,024**	47,073
Loss allowance	14(c)	**(967)**	(1,873)
		49,057	**45,200**
Interest receivable	6(b)	**4,421**	1,152
GST receivable		**11,076**	2,223
Other receivables		**5,800**	5,611
Total		**70,354**	**54,186**

(a) Trade receivables

(i) Classification as trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are generally due for settlement within 30 - 60 days and therefore are all classified as current. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

(ii) Fair values of trade and other receivables

Due to the short-term nature of the trade and other receivables, their carrying amount is considered to be the same as their fair value.

(iii) Impairment and risk exposure

Information about the Group's impairment policies, calculation of loss allowance and exposure to credit risk, foreign currency risk and interest rate risk can be found in note 14.

(b) Interest receivable

Interest receivable relates to interest accrued on term deposits. Credit risk of this is assessed in the same manner as cash and cash equivalents which is detailed in note 14.

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30 June 2024
(continued)

7 Other assets

		30 June 2024 $'000	30 June 2023 $'000
CURRENT			
Prepayments		**6,359**	6,314
Capitalised transaction costs	7(a)	**2,430**	2,430
Security deposits	7(b)	**10,235**	9,665
Customer incentives	7(c)	**4,844**	4,260
Other current assets		**1,181**	1,100
Contract costs	7(d)	**877**	731
Total other assets - current		**25,926**	**24,500**

		30 June 2024 $'000	30 June 2023 $'000
NON-CURRENT			
Capitalised transaction costs	7(a)	**5,771**	7,141
Customer incentives	7(c)	**13,690**	10,423
Contract costs	7(d)	**2,289**	1,001
Total other assets - non-current		**21,750**	**18,565**

(a) Capitalised transaction costs

Fees paid on establishment of loan facilities are recognised as transaction costs of the loan. To the extent that it is probable that some or all of the facility will be drawn down, the fee is deferred until draw down occurs, at which point it will be amortised over the remaining term of the facility. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates. Refer to note 15 for further details on the Group's loan facilities.

(b) Security deposits

Included in the security deposits was $9.8 million (2023: $9.2 million) relating to deposits held as security for bank guarantees.

(c) Customer incentives

The customer incentive balance includes amounts where customers are offered incentives in the form of free or discounted periods. It also includes amounts paid to customers where guarantees of service performance are not achieved as set out in Note 4(b)(i). In these cases, the dollar value of the incentive or cash payment is recorded as an asset and amortised on a straight-line basis over the life of the contract as described in Note 4(b)(i).

(d) Contract costs

Eligible costs that are expected to be recovered are capitalised as a contract cost and amortised over the expected contract life.

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(continued)

8 Trade and other payables

	30 June 2024 $'000	30 June 2023 $'000
Trade payables	**51,337**	37,742
Accrued capital expenditure	**57,503**	16,489
Accrued expenses	**12,033**	8,384
Other creditors	**10,840**	9,922
Total trade and other payables	**131,713**	**72,537**

(i) Recognition and measurement

Trade and other payables, including accruals, are recorded when the Group is required to make future payments as a result of purchases of assets or services provided to the Group prior to the end of financial period. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(ii) Fair values of trade and other payables

Due to the short-term nature of trade and other payables, their carrying amount is considered to be the same as their fair value.

(iii) Risk Exposure

As the majority of payables are in Australian dollars, management does not believe there are any significant risks in relation to these financial liabilities. Refer to note 14 for details of the Group's financial risk management policies.

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(continued)

9 Property, plant and equipment

Movements	Assets in the course of construction $'000	Land and buildings $'000	Plant and Machinery $'000	Computer equipment $'000	Office furniture and equipment $'000	Right of use assets $'000	Total $'000
30 June 2024							
Opening net book amount#	239,905	1,791,908	725,888	42,646	4,350	143,263	2,947,960
Exchange differences	(292)	(211)	-	-	-	(638)	(1,141)
Additions	979,280	35	2,862	554	107	-	982,838
Modifications	-	-	-	-	-	4,265	4,265
Depreciation charge	-	(44,034)	(86,160)	(14,340)	(1,037)	(6,042)	(151,613)
Disposals	-	-	(588)	-	-	-	(588)
Transfers	(596,605)	396,123	186,532	11,522	2,428	-	-
Transfers (to)/from intangibles	(77)	-	-	(107)	-	-	(184)
Closing net book amount	**622,211**	**2,143,821**	**828,534**	**40,275**	**5,848**	**140,848**	**3,781,537**
Cost	622,211	2,280,752	1,298,219	88,804	9,478	168,162	4,467,626
Accumulated depreciation	-	(136,931)	(469,685)	(48,529)	(3,630)	(27,314)	(686,089)
Net book amount	**622,211**	**2,143,821**	**828,534**	**40,275**	**5,848**	**140,848**	**3,781,537**

	Assets in the course of construction $'000	Land and buildings $'000	Plant and Machinery $'000	Computer equipment $'000	Office furniture and equipment $'000	Right of use assets $'000	Total $'000
30 June 2023							
Opening net book amount	575,631	1,027,727	662,161	21,645	1,472	70,423	2,359,059
Exchange differences	(2,825)	-	-	-	-	-	(2,825)
Prior period error	21,788	17,416	9,876	111	34	225	49,450
Additions	675,421	3	74	306	56	-	675,860
Modifications	-	-	-	-	-	531	531
Depreciation charge	-	(35,336)	(79,577)	(10,743)	(452)	(5,510)	(131,618)
Disposals	-	-	-	(64)	(5)	-	(69)
Transfers	(1,028,475)	782,102	133,406	32,128	3,245	77,594	-
Transfers (to)/from intangibles	(1,635)	(4)	(52)	(737)	-	-	(2,428)
Closing net book amount#	**239,905**	**1,791,908**	**725,888**	**42,646**	**4,350**	**143,263**	**2,947,960**
Cost	239,905	1,884,805	1,109,413	76,835	6,943	164,535	3,482,436
Accumulated depreciation	-	(92,897)	(383,525)	(34,189)	(2,593)	(21,272)	(534,476)
Net book amount#	**239,905**	**1,791,908**	**725,888**	**42,646**	**4,350**	**143,263**	**2,947,960**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

9 Property, plant and equipment (continued)

(a) Property, plant and equipment

Land and buildings are shown at historical cost less any accumulated depreciation and any accumulated impairment losses.

Property, plant and equipment is stated at historical cost less depreciation. Costs capitalised include external direct costs of materials and services, employee costs and borrowing costs during development. After development is completed, subsequent borrowing costs and other holding charges are expensed as incurred.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to the Consolidated Statement of Comprehensive Income during the year in which they are incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Category	Useful life
Buildings	40 years
Plant and machinery	2-25 years
Computer equipment	1-15 years
Office furniture and equipment	5-10 years
Right-of-use assets	1-99 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting year, considering key assumptions including changes in technology, physical conditions and potential climate change implications.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the Consolidated Statement of Comprehensive Income.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

10 Intangible assets

	30 June 2024 $'000	30 June 2023 $'000
Rights and licences	**174**	17
Internally generated software	**40,115**	37,156
Software under development	**15,540**	14,806
Total intangible assets	**55,829**	**51,979**

Movements	**Rights and licences $'000**	**Internally generated software $'000**	**Software under development $'000**	**Total $'000**
30 June 2024				
Opening net book amount	**17**	**37,156**	**14,806**	**51,979**
Additions – externally acquired	**-**	**-**	**-**	**-**
Additions – internally developed	**-**	**-**	**19,753**	**19,753**
Amortisation	**(153)**	**(15,934)**	**-**	**(16,087)**
Transfers	**310**	**18,786**	**(19,096)**	**-**
Transfers from property, plant and equipment	**-**	**107**	**77**	**184**
Closing net book amount	**174**	**40,115**	**15,540**	**55,829**
At 30 June 2024				
Cost	**564**	**79,050**	**15,540**	**95,154**
Accumulated amortisation	**(390)**	**(38,935)**	**-**	**(39,325)**
Net book amount	**174**	**40,115**	**15,540**	**55,829**

	Rights and licences $'000	**Internally generated software $'000**	**Software under development $'000**	**Total $'000**
At 30 June 2023				
Opening net book amount	192	22,176	15,850	38,218
Additions – externally acquired	-	2,074	-	2,074
Additions – internally developed	-	-	17,768	17,768
Amortisation	(217)	(8,292)	-	(8,509)
Transfers	-	20,447	(20,447)	-
Transfers from property, plant and equipment	42	751	1,635	2,428
Closing net book amount	**17**	**37,156**	**14,806**	**51,979**
At 30 June 2023				
Cost	254	60,157	14,806	75,217
Accumulated amortisation	(237)	(23,001)	-	(23,238)
Net book amount	**17**	**37,156**	**14,806**	**51,979**

Notes to the Consolidated Financial Report
30 June 2024
(continued)

10 Intangible assets (continued)

(a) Intangible assets

RIGHTS AND LICENCES

Certain licences that NEXTDC possesses have an indefinite useful life and are carried at cost less impairment losses and are subject to impairment review at least annually and whenever there is an indication that it may be impaired.

Other licences that NEXTDC acquires are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over the estimated useful life which is generally 25 years. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period.

INTERNALLY GENERATED SOFTWARE

Internally developed software is capitalised at cost less accumulated amortisation. Amortisation is calculated using the straight-line basis over the asset's useful economic life which is generally four to seven years. Their useful lives and potential impairment are reviewed at the end of each financial year.

Costs incurred in configuring or customising SaaS arrangements can only be recognised as intangible assets if the implementation activities create an intangible asset that the entity controls and the intangible asset meets the recognition criteria. Those costs that do not result in intangible assets are expensed as incurred, unless they are paid to the suppliers of the SaaS arrangements to significantly customise the cloud-based software for the Group, in which case the costs are recorded as a prepayment for services and amortised over the expected renewable term of the arrangement.

SOFTWARE UNDER DEVELOPMENT

Costs incurred in developing products or systems and costs incurred in acquiring software and licenses that will contribute to future period financial benefits through revenue generation and/or cost reduction are capitalised to software and systems. Costs capitalised include external direct costs of services and employee costs.

Assets in the course of construction include only those costs directly attributable to the development phase and are only recognised following completion of technical feasibility and where the Group has an intention and ability to use the asset.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

11 Leases

(a) Leases

(i) Amounts recognised in the Consolidated Balance Sheet

The Consolidated Balance Sheet includes the following amounts relating to leases:

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Right-of-use assets *		
Properties	**58,961**	58,642
Motor Vehicles	**-**	-
Connectivity Links	**32,969**	34,530
Land	**48,918**	50,091
	140,848	**143,263**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

* included in the line item 'Property, plant and equipment' in the Consolidated Balance Sheet.

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Lease liabilities		
Current	**7,056**	6,681
Non-current	**72,673**	69,963
	79,729	**76,644**

Additions to the right-of-use assets during the 2024 financial year were in the form of modifications to leases, and totalled $4.3 million (2023: $78.1 million)

(ii) Amounts recognised in the Consolidated Statement of Comprehensive Income

The Consolidated Statement of Comprehensive Income shows the following amounts relating to leases:

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Depreciation charge on Properties	**3,945**	3,863
Depreciation charge on Motor Vehicles	**-**	18
Depreciation charge on Connectivity Links	**1,562**	1,410
Depreciation charge on Land	**535**	219
Interest expense (included in Finance costs)	**5,593**	5,542
	11,635	**11,052**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

The total cash outflow for leases in 2024 was $6.5 million (2023 : $6.2 million).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

11 Leases (continued)

(a) Leases (continued)

(iii) The Group's leasing activities and how these are accounted for

The Group has a number of leases over property, motor vehicles, and connectivity links that have varying terms, escalation clauses and renewal rights.

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the Consolidated Statement of Comprehensive Income over the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability for each year. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payments that are based on an index or a rate
- amounts expected to be payable by the Group under residual value guarantees
- the exercise price of a purchase option if the Group is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, the lessee's incremental borrowing rate is used.

To determine the incremental borrowing rate, the Group:

- where possible, uses recent third-party financing received by the individual lessee as a starting point, adjusted to reflect changes in financing conditions since third party financing was received
- makes adjustments specific to the lease, eg. term, country, currency and security

Right-of-use assets are measured at cost comprising the following:

- the amount of the initial measurement of lease liability
- any lease payments made at or before the commencement date less any lease incentives received
- any initial direct costs, and
- restoration costs.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in the Consolidated Statement of Comprehensive Income. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise IT equipment and small items of office furniture.

(iv) Extension and termination options

Extension and termination options are included in a number of property and equipment leases across the Group. These are used to maximise operational flexibility in terms of managing the assets used in the Group's operations. The majority of extension and termination options held are exercisable only by the Group and not by the respective lessor.

Notes to the Consolidated Financial Report
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(continued)

Capital and financial risk management

12 Capital risk management

The Group's objectives when managing capital are to safeguard its ability to continue as a going concern, so that it can continue to provide returns to its shareholders and benefits to its stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In the future, the Directors may pursue funding options such as debt, sale and leaseback of assets, additional equity and various other funding mechanisms as appropriate in order to undertake its projects and deliver optimum shareholders' return.

The Group intends to maintain a gearing ratio appropriate for a company of its size and growth.

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Total borrowings and lease liabilities	**1,455,082**	1,442,073
Less: derivative financial instruments	**(12,972)**	(33,757)
Less: cash and cash equivalents	**(1,236,192)**	(765,841)
Net debt	**205,918**	**642,475**
Total equity	**3,567,100**	2,329,678
Total capital	**3,773,018**	**2,972,153**
Gearing ratio	**5.5%**	22.0%

The change in the gearing ratio was primarily driven by the equity fundraising activities during the period. Refer to note 13 for movements in ordinary share capital.

The Group manages its capital structure by regularly reviewing its gearing ratio to ensure it maintains an appropriate level of gearing within facility covenants. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total interest bearing financial liabilities, less cash and cash equivalents. Total capital is calculated as equity, as shown in the Consolidated Balance Sheet, plus net debt.

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

13 Contributed equity

(a) Share capital

	Note	**30 June 2024 Number of Shares**	**30 June 2024 $**	30 June 2023 Number of Shares	30 June 2023 $
Fully paid ordinary shares	13(c)	**600,506,539**	**3,667,117,777**	514,646,636	2,371,154,000
Treasury shares - LFSP	13(e)	**861,813**	**1,851,502**	861,813	1,851,502
Total share capital		**601,368,352**	**3,668,969,279**	**515,508,449**	**2,373,005,502**

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30 June 2024
(continued)

13 Contributed equity (continued)

(b) Movements in ordinary share capital

Date	Details	Notes	Number of shares	$'000
	Opening balance		457,516,256	1,764,515
16 September 2022	Conversion of rights to shares - deferred STI	(d)	45,137	605
21 September 2022	Conversion of rights to shares - LTI	(d)	730,203	3,108
23 May 2023	Issue of capital - institutional investors	(c)	38,523,092	416,049
7 June 2023	Issue of capital - retail investors	(c)	18,693,761	201,893
	Transaction costs		-	(14,807)
	Deferred tax credit/(debit) recognised directly in equity		-	1,643
	Sub-total		**515,508,449**	**2,373,006**
	Less shares held by NEXTDC Share Plan Pty Ltd	(e)	(861,813)	(1,852)
	Balance		**514,646,636**	**2,371,154**

Date	Details	Notes	Number of shares	$'000
1 July 2023	Opening balance		515,508,449	2,373,006
18 September 2023	Conversion of rights to shares - deferred STI	(d)	61,162	617
22 April 2024	Issue of capital - institutional investors	(c)	60,829,464	936,774
9 May 2024	Issue of capital - retail investors	(c)	24,969,277	384,528
	Transaction costs		-	(25,956)
	Sub-total		**601,368,352**	**3,668,969**
	Less shares held by NEXTDC Share Plan Pty Ltd	(e)	(861,813)	(1,852)
	Balance		**600,506,539**	**3,667,117**

(c) Ordinary shares

In April 2024, the Group issued 60,829,464 ordinary shares to institutional investors at a price of $15.40. In May 2024, the Group issued an additional 24,969,277 ordinary shares to retail investors at a price of $15.40 per share as part of the same equity raising transaction.

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Group in proportion to the number of and amounts paid on the shares held. On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

Ordinary shares have no par value and the Group does not have a limited amount of authorised capital.

(d) Performance rights and deferred share rights

Performance rights and deferred share rights, which subject to satisfaction of a performance hurdle, give rise to an entitlement to the value of an ordinary share in NEXTDC Limited. The Board has discretion to determine if the value will be provided in shares, cash or a combination of shares and cash. As part of NEXTDC's Equity Incentive Plan, which is offered to employees to create alignment with the Group's strategic objectives, 61,162 ordinary shares were issued on 18 September 2023. These shares were issued following the vesting of deferred STI share rights.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

13 Contributed equity (continued)

(e) Loan funded share plan

The Group operated a legacy Loan Funded Share Plan remuneration scheme which was designed to attract and retain key employees. The arrangement involved the issue of shares to NEXTDC Share Plan Pty Ltd, whose sole purpose was to hold shares as trustee for its beneficiaries (its participants). The participants were required to meet service requirements before being entitled to access these shares.

The fair value at grant date of the shares was determined using either a Black-Scholes or binomial option pricing model that took into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the loan. The assessed fair value was recognised as share-based payments.

	30 June 2024	30 June 2023
Shares held by the Trust but not allocated	**861,813**	861,813

(f) Dividend reinvestment plan

The Group does not have a dividend reinvestment plan in place.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

14 Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and price risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group.

The Company's $2.9 billion Syndicated Debt Facilities comprise the following tranches:

- $800 million - Term Loan Facility (fully drawn)
- $600 million - Capital Expenditure Facility ($400 million undrawn)
- $800 million - Revolving Credit Facility (multi-currency) (undrawn)
- $300 million - Term Loan Facility (fully drawn)
- $100 million - Term Loan Facility (fully drawn)
- $300 million - Revolving Credit Facility (undrawn)

The facilities have a maturity date of 3 December 2026, except for the $300 million Term Loan Facility, which has a maturity date of 3 December 2028.

NEXTDC is exposed to interest rate volatility due to the variable rate on its Syndicated Debt Facilities. To mitigate the interest rate risk associated with this floating element, NEXTDC has entered into a series of interest rate swaps under which $600 million drawn under the facilities have their base interest rate fixed until 3 December 2024, while the remaining $800 million drawn have their base rate fixed until 3 December 2025.

A derivative asset and associated cash flow hedge reserve has been taken up at 30 June 2024 to account for these transactions.

The Group's transactions are predominantly conducted in Australian dollars. Overall, management assesses the Group's exposure to financial risk as low. However, the Group does have a financial risk management program in place. The Group does not enter into or trade financial instruments for speculative purposes.

The Group holds the following financial instruments:

	30 June 2024 $'000	30 June 2023 $'000
FINANCIAL ASSETS		
Cash and cash equivalents	**1,236,192**	765,841
Trade and other receivables	**70,354**	54,186
Derivative financial instruments	**12,972**	33,757
Security deposits	**10,235**	9,665
Total financial assets	**1,329,753**	**863,449**
FINANCIAL LIABILITIES		
Trade and other payables	**131,713**	72,537
Borrowings	**1,375,353**	1,365,429
Lease liabilities	**79,729**	76,644
Total financial liabilities	**1,586,795**	**1,514,610**

Notes to the Consolidated Financial Report
30 June 2024
(continued)

14 Financial risk management (continued)

(a) Derivatives

(i) Fair value measurement

For information about the methods and assumptions used in determining the fair value of derivatives refer to note 27 (j)(ii).

(ii) Hedging reserves

The Group's hedging reserves relate to the following hedging instruments:

	Cash flow hedge reserve		
	Cost of hedging reserve $'000	**Cashflow Hedge Reserve $'000**	**Total hedge reserves $'000**
Opening balance 1 July 2022	**(294)**	**25,180**	**24,886**
Add: Change in fair value of hedging instrument recognised in OCI	-	16,135	16,135
Add: Costs of hedging deferred and recognised in OCI	(734)	-	(734)
Less: reclassified from OCI to profit or loss - included in finance costs	556	(18,181)	(17,625)
Less: Deferred tax	-	759	759
Closing balance 30 June 2023	**(472)**	**23,893**	**23,421**
Opening balance 1 July 2023	**(472)**	**23,893**	**23,421**
Add: Change in fair value of hedging instrument recognised in OCI	-	(2,859)	(2,859)
Add: Costs of hedging deferred and recognised in OCI	57	-	57
Less: reclassified from OCI to profit or loss - included in finance costs	336	(20,576)	(20,240)
Less: Deferred tax	-	7,823	7,823
Closing balance 30 June 2024	**(79)**	**8,281**	**8,202**

The balance in the cashflow hedge reserve from hedging relationships where hedge accounting no longer applies was $4.7 million in FY24 (FY23: $nil).

Hedge effectiveness

Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments, to ensure that an economic relationship exists between the hedged item and hedging instrument.

The Group enters into interest rate swaps that have similar critical terms as the hedged item, such as reference rate, reset dates, payment dates, maturities and notional amount. As all critical terms matched during the year, there is an economic relationship.

(b) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Group is comprised of foreign exchange risk and interest rate risk.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

14 Financial risk management (continued)

(b) Market risk (continued)

(i) Foreign exchange risk

The Group does not currently have any significant operations outside Australia and its transactions are predominantly conducted in Australian dollars. Consequently, management has determined that the Group has little exposure to foreign exchange risk. On this basis, the Group does not have any active risk mitigation strategies in relation to foreign exchange risk.

(ii) Cash flow and fair value interest rate risk

The Group's main interest rate risk arises from its various fixed-rate term deposits and its syndicated debt facility (refer to note 15(a)). The floating rate loan tranches expose the Group's borrowings to changes in interest rates. The embedded interest rates for the lease liabilities are fixed, consequently the interest rate risk in relation to these instruments is limited.

Instruments used by the group

The Group has incorporated derivative financial instruments to manage its exposure to interest rates. Under its interest rate swaps, the Group agrees to exchange the difference between the contracted fixed and floating rate interest amounts determined on a notional principal amount. Within these interest rate swaps, there is embedded floor protection at 0%, which is consistent with the terms of the underlying senior debt facility.

The following table details the notional principal amounts and remaining terms of interest rate swap contracts outstanding at the end of the reporting period:

	Average contracted fixed interest rate		**Notional principal amount (AUD)**		**Fair value (AUD)**	
Receive floating pay fixed	**2024**	2023	**2024**	2023	**2024**	2023
	%	%	**$'000**	$'000	**$'000**	$'000
Less than 1 year	3.5942%	1.8290%	$600,000	$800,000	2,242	8,727
1 to 2 years	3.4689%	3.1546%	$800,000	$1,400,000	10,730	25,030

Effects of hedge accounting on the consolidated financial position and performance

	30 June 2024 $'000	30 June 2023 $'000
Interest rate swaps		
Hedge ratio	**1:1**	1:1
Change in fair value of outstanding hedging instruments since 1 July	**(845)**	5,714
Change in value of hedged item used to determine hedge effectiveness	**(129)**	5,411

SENSITIVITY

The table below shows the impact of 100 basis points movement (net of hedging) in the interest rate curve on the consolidated entity's profit and equity after tax for both derivatives and non-derivative financial instruments at 30 June 2024, with all other variables held constant.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

14 Financial risk management (continued)

(b) Market risk (continued)

(ii) Cash flow and fair value interest rate risk (continued)

	Impact on post-tax profit		Impact on other components of equity	
	2024	2023	**2024**	2023
	$'000	$'000	**$'000**	$'000
Interest rate - increase by 100 basis points *	**-**	-	**7,672**	11,444
Interest rate - decrease by 100 basis points *	**-**	-	**(7,624)**	(11,632)

* Holding all other variables constant

(c) Credit risk

Credit risk arises from counterparties holding cash and cash equivalents, security deposits, trade and other receivables, and derivatives.

(i) Cash and cash equivalents and security deposits

Deposits are placed with Australian banks or independently rated parties with a minimum rating of 'A' class in both short term and long term. To reduce exposure deposits are placed with a variety of financial institutions.

The credit quality of financial assets can be assessed by reference to external credit ratings (if available) or to historical information about counterparty default rates:

	30 June 2024 $'000	30 June 2023 $'000
CASH AT BANK		
A rated	**296,594**	202,546
AA rated	**939,598**	563,295
TOTAL	**1,236,192**	**765,841**
SECURITY DEPOSITS		
AA Rated	**9,781**	9,155
Unrated	**454**	510
TOTAL	**10,235**	**9,665**

(ii) Trade and other receivables

Customer credit risk is managed subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit evaluations are performed on all customers. Outstanding customer receivables are monitored regularly.

The Group aims to minimise concentration of credit risk by undertaking transactions with a large number of customers. Revenues from data centre services of $182.4m were derived from two customers, contributing $99.1m (25%) and $83.3m (21%) respectively (2023: $87.4m (24%) and $81.4m (22%) respectively). Revenues from these two customers were derived across numerous orders at multiple data centre facilities with the underlying orders having a range of different expiry dates. In addition, receivable balances are monitored on an ongoing basis with the intention that the Group's exposure to bad debts is minimised.

The maximum exposure to credit risk at the end of the reporting period is the carrying value of each class of the financial assets mentioned above and each class of receivable disclosed in Note 6. The Group does not require collateral in respect of financial assets.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

14 Financial risk management (continued)

(c) Credit risk (continued)

(ii) Trade and other receivables (continued)

The Group applies the simplified approach to providing for expected credit losses prescribed by AASB 9, which permits the use of the lifetime expected loss provision for all trade receivables.

To measure the expected credit loss, receivables have been grouped based on days overdue. The methodology applied in estimating expected credit losses below has been changed compared to that applied for the year ended 30 June 2023. The judgements and associated assumptions made in the prior periods were in the context of the impact of COVID-19. Calculations have been adjusted, reverting to pre-COVID-19 credit loss rates given the COVID-19 environment has now eased and we are not seeing any particular economic flow on effects that would warrant retaining the heightened rates.

The expected credit loss continues to take into account the higher interest rate environment, and reflects historical experience as well as other factors that are considered to be relevant, including expectations of future events that are believed to be reasonable under the current circumstances, such as the economic impact of higher interest rates, the actions of governments, the responses of businesses and consumers across different industries, and the associated impact on the global economy. Accordingly, the Group's expected credit loss estimates are inherently uncertain, and as a result, actual results may differ from these estimates.

The loss allowance provision as at 30 June 2024 is determined as follows:

30 June 2024	Current $'000	1 to 30 days past due $'000	31 to 60 days past due $'000	More than 60 days past due $'000	Total $'000
Expected loss rate	1%	5%	7.5%	25%	-
Gross carrying amount	43,330	2,138	4,069	487	50,024
Loss allowance provision	433	107	305	122	967
Net receivables	42,897	2,031	3,764	365	49,057

30 June 2023	Current $'000	1 to 30 days past due $'000	31 to 60 days past due $'000	More than 60 days past due $'000	Total $'000
Expected loss rate	2%	10%	15%	50%	-
Gross carrying amount	39,968	5,382	932	791	47,073
Loss allowance provision	799	538	140	396	1,873
Net receivables	39,169	4,844	792	395	45,200

(iii) Derivatives

Credit risk for derivative financial instruments arises from the potential failure by counterparties to the derivative transaction contract to meet their obligations. The credit risk exposure to interest rate swaps is the fair value of these contracts. All derivative financial instruments are with our major international banking partners, all of which have an independently rated minimum credit rating of ‘A’ as of July 2024.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

14 Financial risk management (continued)

(d) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due.

Management also actively monitors rolling forecasts of the Group's cash and cash equivalents.

(i) Maturities of financial liabilities

The table below analyses the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for all financial liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual Maturities of Financial Liabilities 2024	Within 12 months $'000	Between 1 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount $'000
Trade payables	**51,337**	**-**	**-**	**51,337**	**51,337**
Accrued capital expenditure	**57,503**	**-**	**-**	**57,503**	**57,503**
Accrued expenses	**12,033**	**-**	**-**	**12,033**	**12,033**
Lease liabilities	**7,056**	**28,359**	**144,827**	**180,242**	**79,729**
Borrowings	**93,195**	**1,570,745**	**-**	**1,663,940**	**1,375,353**
Total non-derivatives	**221,124**	**1,599,104**	**144,827**	**1,965,055**	**1,575,955**
2023					
Trade payables	37,742	-	-	37,742	37,742
Accrued capital expenditure	16,489	-	-	16,489	16,489
Accrued expenses	8,384	-	-	8,384	8,384
Lease liabilities	6,681	24,749	149,805	181,235	76,644
Borrowings	103,965	1,358,528	332,912	1,795,405	1,365,429
Total non-derivatives	**173,261**	**1,383,277**	**482,717**	**2,039,255**	**1,504,688**

(e) Fair value measurements

(i) Trade and other payables

The fair value of trade and other payables is disclosed in note 8.

(ii) Borrowings

The fair value of borrowings is disclosed in note 15(c).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

15 Borrowings

	30 June 2024 $'000	30 June 2023 $'000
NON-CURRENT		
Borrowings	**1,375,353**	1,365,429

(a) Bank loan

The Company's $2.9 billion Syndicated Debt Facilities comprise the following tranches:

- $800 million - Term Loan Facility (fully drawn)
- $600 million - Capital Expenditure Facility ($400 million undrawn)
- $800 million - Revolving Credit Facility (multi-currency) (undrawn)
- $300 million - Term Loan Facility (fully drawn)
- $100 million - Term Loan Facility (fully drawn)
- $300 million - Revolving Credit Facility (undrawn)

The facilities have a maturity date of 3 December 2026, except for the $300 million Term Loan Facility, which has a maturity date of 3 December 2028.

NEXTDC is exposed to interest rate volatility due to the variable rate on its Syndicated Debt Facilities. To mitigate the interest rate risk associated with this floating element, NEXTDC has entered into a series of interest rate swaps under which $600 million drawn under the facilities have their base interest rate fixed until 3 December 2024, while the remaining $800 million drawn have their base rate fixed until 3 December 2025.

A derivative asset and associated cash flow hedge reserve has been taken up at 30 June 2024 to account for these transactions.

The Syndicated Debt Facilities are secured by the Group's assets.

(b) Compliance with loan covenants

The Group has complied with the financial covenants of its borrowing facilities during the 2024 financial year (2023: complied).

(c) Fair value

Material differences are identified for the following borrowings:

	2024		2023	
	Carrying amount $'000	**Fair value $'000**	Carrying amount $'000	Fair value $'000
Term loan facility	**1,375,353**	**1,435,627**	1,365,429	1,451,905

Notes to the Consolidated Financial Report
30 June 2024
(continued)

15 Borrowings (continued)

(d) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Comprehensive Income over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan. To the extent that it is probable that some or all of the facility will be drawn down, the fee is deferred until the draw down occurs, at which point it will be amortised over the remaining term of the facility. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a prepayment for liquidity services and amortised over the period of the facility to which it relates.

Items not recognised

16 Commitments

(a) Capital commitments

Capital expenditure contracted for at the end of each reporting year but not recognised as liabilities is as follows:

	30 June 2024 $'000	30 June 2023 $'000
Property, plant and equipment	**666,322**	172,144
Total capital commitments	**666,322**	**172,144**

17 Contingencies

(a) Contingent assets

The Group did not have any contingent assets during the year or as at the date of this report.

(b) Contingent liabilities

The Group did not have any contingent liabilities during the year or as at the date of this report.

GUARANTEES

For information about guarantees given by entities within the Group, please refer to Note 7(b).

18 Events occurring after the reporting period

Since the end of the reporting period, no matters have arisen which significantly affected or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years, except as disclosed below:

- On 6 August 2024, NEXTDC Limited announced the Company's contracted utilisation increased by 23.6MW (16%) since 31 December 2023 to 172.6MW.
- On 22 August 2024, NEXTDC Limited settled on the second land parcel for its data centre site for S4 Sydney, in Western Sydney, for an amount of $46.6 million.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

Employee remuneration

19 Key management personnel

(a) Key management personnel compensation

	30 June 2024 $	30 June 2023 $
Short-term employee benefits	**7,502,355**	6,592,448
Post-employment benefits	**216,539**	183,654
Long-term benefits	**400,459**	(63,259)
Share-based payments	**2,056,751**	1,688,491
Total key management personnel compensation	**10,176,104**	**8,401,334**
Comprising		
Senior Executives	**8,497,515**	6,952,314
Non-Executive Directors	**1,678,589**	1,449,020
Total	**10,176,104**	**8,401,334**

Detailed remuneration disclosures are provided in the Remuneration Report.

(b) Loans to key management personnel

There were no loans made to key management personnel during the year (2023: nil).

(c) Other transactions with key management personnel

There were no other transactions with key management personnel during the year (2023: nil).

20 Share-based payments

(a) Performance rights

The performance rights plan was established by the Board of Directors to provide long-term incentives to the Group's Senior Executives based on total shareholder returns (TSR) taking into account the Group's financial and operational performance. Under the Plan, eligible participants may be granted performance rights on terms and conditions determined by the Board from time to time. Outstanding performance rights were granted during the course of FY22, FY23 and FY24. The vesting conditions for the FY22, FY23 and FY24 grants relate to TSR exceeding the ASX 100 Accumulation Index over the measurement period. Vesting of the FY22 rights will be tested on or around the day following the release of the annual results for the year ended 30 June 2024. The FY23 and FY24 rights include tranches which vest after the third and fourth years, and will be tested on or around the day following the release of each of the annual results for 2025, 2026 and 2027 respectively.

Performance rights are granted by the Company for nil consideration. The Board has discretion to determine if the value will be provided in shares, cash or a combination of shares and cash. Rights granted under the plan carry no dividend or voting rights.

The fair value of the FY24 performance rights at the date of valuation was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the rights, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the rights and the correlations and volatilities of peers in the ASX 100 Accumulation Index.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

20 Share-based payments (continued)

(a) Performance rights (continued)

The model inputs for performance rights granted during the year ended 30 June 2024 included:

a) grant date: 15 January 2024
b) expiry date: 15 January 2032
c) share price at grant date: $13.89
d) expected price volatility of the company's shares: 30%
e) expected dividend yield: 0%, and
f) risk-free interest rate: 3.69% (three year rights) and 3.68% (four year rights)

The expected price volatility is based on the historic share price volatility of NEXTDC Limited.

	30 June 2024 Number of Rights	**30 June 2024 Average Fair Value**	30 June 2023 Number of Rights	30 June 2023 Average fair value
Opening balance	**1,590,219**	**$5.65**	1,628,802	$5.37
Granted during the year	**319,486**	**$7.09**	706,467	$4.83
Vested during the year	**-**	**$0.00**	(730,203)	$4.22
Forfeited during the year	**(418,631)**	**$6.60**	(14,847)	$5.69
Closing balance	**1,491,074**	**$5.69**	**1,590,219**	**$5.65**

(b) Restricted Rights

The restricted rights plan was established by the Board of Directors to provide long term incentives to promote the retention of the Group's Senior Executives. The restricted rights are subject to the Senior Executive remaining employed by the Company, underpinned by a positive absolute TSR condition and behavioural assessment. Vesting of the restricted rights issued in FY24 will occur in equal tranches over three, four and five years, and will be tested on or around the day following the release of each of the annual results for 2026, 2027 and 2028 respectively.

Restricted rights are granted by the Company for nil consideration. The Board has discretion to determine if the value will be provided in shares, cash or a combination of shares and cash. Rights granted under the plan carry no dividend or voting rights.

The fair value of the FY24 restricted rights at the date of valuation was determined using a Monte Carlo simulation model that takes into account the exercise price, the term of the rights, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield, the risk-free interest rate for the term of the rights and the correlations and volatilities of peers in the ASX 100 Accumulation Index.

The model inputs for restricted rights granted during the year ended 30 June 2024 included:

a) grant date: 15 January 2024
b) expiry date: 15 January 2032
c) share price at grant date: $13.89
d) expected price volatility of the company's shares: 30%
e) expected dividend yield: 0%, and
f) risk-free interest rate: 3.69% (three year rights) and 3.68% (four year rights), and 3.71% (five year rights)

The expected price volatility is based on the historic share price volatility of NEXTDC Limited.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

20 Share-based payments (continued)

(b) Restricted Rights (continued)

	30 June 2024 Number of Shares	**30 June 2024 Average Exercise Price**	30 June 2023 Number of Shares	30 June 2023 Average Exercise Price
Granted during the year	**285,284**	**$9.99**	-	-
Forfeited during the year	**(3,513)**	**$9.77**	-	$0.00
Closing Balance	**281,771**	**$9.99**	**-**	**$0.00**

(c) Deferred shares - executives short-term incentive scheme

Under the Group's short-term incentive (STI) scheme for FY23, executives received 50% of the annual STI achieved in cash, with 50% deferred for 12 months. Executives were able to elect whether the deferred component would be delivered in cash or equity. The FY23 tranche of deferred rights were granted in September 2023 and will vest on or around September 2024, being 12 months after the date on which they were granted. They automatically convert into one ordinary share each on vesting at an exercise price of nil. The executives do not receive any dividends and are not entitled to vote in relation to the deferred shares during the vesting period. If an executive ceases to be employed by the Group within this period, they will have 6 months from cessation of employment or the vesting date (whichever is later) to exercise the deferred share right. Any rights not exercised within this period will automatically lapse.

The number of rights to be granted was determined based on the currency value of the achieved STI divided by the volume weighted-average price at which the Company's shares were traded on the Australian Securities Exchange over the 10 days following the release of the Group's FY23 results, being $13.17.

	2024	2023
Number of rights to deferred shares granted	**46,333**	61,162

(d) Expenses arising from share-based payment transactions

	30 June 2024 $'000	30 June 2023 $'000
Performance rights	**3,316**	2,817
Shares issued under employee share scheme	**284**	273
Total expenses arising from share-based payment transactions	**3,600**	**3,090**

Notes to the Consolidated Financial Report
30 June 2024
(continued)

Other

21 Income tax

(a) Income tax expense

	30 June 2024 $'000	30 June 2023 $'000
Deferred income tax		
Decrease / (increase) in deferred tax assets less deferred tax credited to equity	**6,270**	3,936
Increase / (decrease) in deferred tax liabilities less deferred tax credited to equity	**1,570**	(1,534)
Sub-total	**7,840**	**2,402**
Income tax (benefit)/expense is attributable to:		
Profit/(loss) from continuing operations	**7,840**	2,402
	7,840	**2,402**

(b) Numerical reconciliation of income tax expense to prima facie tax payable

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Profit/(loss) from continuing operations before income tax expense	**(36,306)**	(19,630)
Tax at the Australian tax rate of 30%	**(10,892)**	(5,889)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Share-based payments	**771**	(1,218)
Prior period adjustments	**(64)**	256
Derecognition of temporary differences on current year tax losses	**9,138**	8,137
Derecognition/(re-recognition) of temporary differences	**8,899**	810
Permanent differences (excluding prior period adjustments and share based payments)	**(12)**	306
Income tax expense	**7,840**	**2,402**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

21 Income tax (continued)

(c) Amounts recognised directly in equity

	30 June 2024 $'000	30 June 2023 $'000
Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity:		
Deferred tax credited/(debited) directly to equity	**(7,840)**	(2,402)

(d) Tax losses

	30 June 2024 $'000	30 June 2023 $'000
Unused tax losses for which no deferred tax asset has been recognised	**106,860**	81,833
Potential tax benefit @ 30.0%	**32,058**	24,550

Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in Australia. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the Consolidated Statement of Comprehensive Income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

22 Deferred tax

(a) Deferred tax assets

	30 June 2024 $'000	Restated# 30 June 2023 $'000
The balance comprises temporary differences attributable to:		
Tax losses	**32,058**	24,550
Black-hole expenditure deductible in future years	**1,762**	2,959
Property, plant and equipment	**3,176**	2,623
Lease liabilities	**23,919**	22,993
Employee benefits	**3,651**	3,223
Investment in associate	**6,728**	4,750
Loss allowances	**290**	562
Expenses deductible in future years	**1,331**	575
Revenue received in advance	**18,288**	17,216
R&D offsets	**2,046**	2,046
Total deferred tax assets	**93,249**	**81,497**
Set-off of deferred tax liabilities pursuant to set-off provisions (Note 22(b))	**(49,414)**	(54,005)
Deferred tax assets not recognised	**(43,835)**	(27,492)
Net deferred tax assets	**-**	**-**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

Deferred tax assets may be a combination of unused tax losses, offsets and timing differences based on management's foreseeable forecasts, to the extent that it is probable that taxable profit will be available against which the losses, offsets and timing differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

In FY20 the Group derecognised deferred tax assets in relation to carry-forward tax losses and temporary differences as it believed they no longer met the requirement to be recognised, stemming from the impact that the recent growth and expansion activity has had on taxable profits. Despite the derecognition, these carry-forward tax losses and offsets can be carried forward indefinitely and have no expiry date.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

22 Deferred tax (continued)

(b) Deferred tax liabilities

	30 June 2024 $'000	Restated# 30 June 2023 $'000
The balance comprises temporary differences attributable to:		
Borrowings	**3,851**	5,443
Lease assets	**24,156**	22,517
Property, plant and equipment	**17,516**	15,918
Derivative - Ineffective (P&L)	**1,768**	181
Derivative - FV (Equity)	**2,123**	9,946
Total deferred tax liabilities	**49,414**	**54,005**
Set-off of deferred tax liabilities pursuant to set-off provisions (Note 22(a))	**(49,414)**	(54,005)
Net deferred tax liabilities	**-**	**-**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

23 Cash flow information

(a) Reconciliation of profit after income tax to net cash inflow from operating activities

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Profit/(loss) for the year after income tax	**(44,146)**	**(22,032)**
Depreciation and amortisation	**167,699**	140,130
Non-cash employee benefits expense share-based payments	**3,955**	3,479
Unrealised gain/loss	**(853)**	-
Amortisation of borrowing costs	**16,996**	20,136
Income tax expense/(benefit)	**7,840**	2,402
Impairment of investment in associate	**-**	1,799
Share of loss on investment in associate	**6,592**	4,262
Effect of changes in exchange rate	**22**	-
CHANGE IN OPERATING ASSETS AND LIABILITIES		
(Increase) / decrease in trade and other receivables	**(4,371)**	(9,306)
(Increase) / decrease in prepayments and other current assets	**(229)**	(391)
(Increase) / decrease in interest receivable	**(3,249)**	(666)
(Increase) / decrease in cash used in bank guarantee	**(626)**	(315)
(Increase) / decrease in other assets	**(1,292)**	(255)
(Increase) / decrease in GST	**(8,081)**	1,224
Increase/ (decrease) in customer incentives	**(3,851)**	(3,014)
Increase/ (decrease) in trade and other payables	**(1,829)**	9,388
Increase/ (decrease) in other operating liabilities	**(11,131)**	(16,213)
Increase/ (decrease) in employee entitlements	**948**	(2,241)
Increase/ (decrease) in interest payable	**390**	909
Increase/ (decrease) in revenue in advance	**4,006**	(2,824)
Net cash inflow from operating activities	**128,790**	**126,472**

Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

(b) Net debt reconciliation

Net debt	30 June 2024 $'000	30 June 2023 $'000
Cash and cash equivalents	**1,236,192**	765,841
Borrowings - repayable within one year	**(4,814)**	2,046
Borrowings - repayable after one year	**(1,437,296)**	(1,410,362)
Net debt	**(205,918)**	**(642,475)**
Cash and liquid investments	**1,236,192**	765,841
Gross debt - fixed interest rates	**(66,757)**	(42,887)
Gross debt - variable interest rates	**(1,375,353)**	(1,365,429)
Net debt	**(205,918)**	**(642,475)**

Notes to the Consolidated Financial Report
30 June 2024
(continued)

23 Cash flow information (continued)

(b) Net debt reconciliation (continued)

	Other assets	Liabilities from financing activities				
	Cash $'000	Leases due within 1 year $'000	Leases due after 1 year $'000	Borrow. due within 1 year $'000	Borrow. due after 1 year $'000	Total $'000
Net cash as at 1 July 2022	456,562	(6,232)	(70,628)	6,449	(1,029,223)	(643,072)
Financing cash flows	309,279	-	-	-	(297,785)	11,494
Other non-cash movements	-	(449)	665	2,278	(13,391)	(10,897)
Net debt as at 30 June 2023	765,841	(6,681)	(69,963)	8,727	(1,340,399)	(642,475)
Financing cash flows	470,351	-	-	-	-	470,351
Other non-cash movements	-	(375)	(2,710)	(6,485)	(24,224)	(33,794)
Net cash as at 30 June 2024	1,236,192	(7,056)	(72,673)	2,242	(1,364,623)	(205,918)

Notes to the Consolidated Financial Report
30 June 2024
(continued)

24 Remuneration of auditors

During the year the following fees were paid or payable for services provided by PricewaterhouseCoopers Australia as the auditor of the parent entity, NEXTDC Limited, by PricewaterhouseCoopers related network firms and by non-related audit firms:

(a) PwC Australia

	2024 $	2023 $
Audit and other assurance services		
Audit and review of financial statements	**725,782**	751,655
Other assurance services	**51,000**	-
Total remuneration for audit and other assurance services	**776,782**	**751,655**
Other services		
Transaction and advisory services	**35,300**	15,000
Total services provided by PwC Australia	**812,082**	**766,655**

(b) Network firms of PwC Australia

Audit and other assurance services		
Audit and review of financial statements	**32,662**	32,696
Other assurance services	**2,557**	-
Total remuneration of network firms of PwC Australia	**35,219**	**32,696**

(c) Non-PwC audit firms

NEXTDC Limited did not engage with any non-PwC audit firms.

Total services provided by PwC	**847,301**	**799,351**

Notes to the Consolidated Financial Report
30 June 2024
(continued)

25 Interests in other entities

(a) Material subsidiaries

The Group's principal subsidiaries at 30 June 2024 are set out below. Unless otherwise stated, they have share capital consisting solely of ordinary shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group.

Name of entity	Place of business/ country of incorporation	Ownership interest held by the group 2024 %	2023 %	Principal activities
NEXTDC Holdings Trust No. 1	Australia	**100**	100	Property Holding Company
NEXTDC Holdings No. 1 Pty Ltd	Australia	**100**	100	Holding Company
NEXTDC Holdings Trust No. 3	Australia	**100**	100	Property Holding Company
NEXTDC Holdings No. 3 Pty Ltd	Australia	**100**	100	Holding Company
NEXTDC Ventures Pty Ltd	Australia	**100**	100	Company Investment
NEXTDC Ventures Holdings No. 1 Pty Ltd	Australia	**100**	100	Holding Company
NEXTDC New Zealand Limited	New Zealand	**100**	100	Property Holding Company
NEXTDC New Zealand Holdings Limited	New Zealand	**100**	100	Holding Company
NEXTDC Holdings Trust No. 4	Australia	**100**	100	Holding Company
NSC Sub Trust	Australia	**100**	100	Property Holding Company
NEXTDC SDN. BHD.	Malaysia	**100**	100	Property Holding Company
Horsley Park Property Pty Ltd	Australia	**100**	-	Property Holding Company

Notes to the Consolidated Financial Report
30 June 2024
(continued)

25 Interests in other entities (continued)

(b) Interests in associates and joint ventures

(i) Significant judgement: existence of significant influence

On 22 November 2021, NEXTDC Limited acquired a 19.99% interest in an ASX listed entity, Sovereign Cloud Holdings (ASX: SOV), via an upfront placement of $12.4 million. Following the placement, NEXTDC acquired a further $4.5 million in shares via a follow-on pro rata entitlement offer to maintain its 19.99% shareholding. Transaction costs of $1.1 million incurred as part of the acquisition have been capitalised against the investment.

Following acquisition, NEXTDC Limited was entitled to one seat on the board of Sovereign Cloud Holdings and now participates in all significant financial and operating decisions.

On 29 June 2023, NEXTDC Limited acquired a further $4.0m in shares via a pro-rata non-renounceable entitlement offer, increasing its shareholding to 33.61%. With the increased ownership and continued board seat, the Group maintains that it has significant influence over this entity.

During the year to 30 June 2024, NEXTDC made a further $12.5 million investment into Sovereign Cloud Holdings via participation in an accelerated renounceable entitlement offer, bringing its shareholding to 31.96% at 30 June 2024.

(ii) Summarised financial information for associates and joint ventures

The tables below provide summarised financial information for those associates that are material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not NEXTDC Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method, including fair value adjustments and modifications for differences in accounting policy.

	Sovereign Cloud Holdings	
Summarised balance sheet	**30 June 2024 $'000**	30 June 2023 $'000
Total current assets	**14,853**	17,241
Total non-current assets	**40,952**	16,702
Total current liabilities	**9,239**	5,263
Total non-current liabilities	**3,822**	3,776
Net assets	**42,744**	24,904

	30 June 2024	30 June 2023 $'000
Reconciliation to carrying amounts:		
Net assets	**42,744**	24,904
Group's share in %	**31.96%**	33.61%
Group's share in $	**13,661**	8,370
Goodwill / (impairment)	**(1,524)**	(2,099)
Carrying amount	**12,137**	6,271

Notes to the Consolidated Financial Report
30 June 2024
(continued)

25 Interests in other entities (continued)

(b) Interests in associates and joint ventures (continued)

(ii) Summarised financial information for associates and joint ventures (continued)

Reconciliation of carrying value of investment	**30 June 2024 $'000**	30 June 2023 $'000
Opening balance	**6,271**	8,315
Additions	**12,458**	4,017
Share of loss	**(6,592)**	(4,262)
Impairment charge (iii)	**-**	(1,799)
Carrying amount	**12,137**	6,271

Summarised statement of comprehensive income	**30 June 2024 $'000**	30 June 2023 $'000
Revenue	**10,230**	6,795
Profit/(loss) from continuing operations	**(19,718)**	(21,283)
Loss for the year	**(19,718)**	(21,283)
Total comprehensive income	**(19,718)**	(21,283)

(iii) Impairment

NEXTDC's 31.96% stake in Sovereign Cloud Holdings Limited (ASX:SOV) was tested for impairment at the reporting date. No impairment charge was recorded.

(c) Transactions with related parties

During the period, NEXTDC provided services to associates of $568,592. The current receivables balance in relation to these transactions was $51,377 at 30 June 2024. All transactions occurred under standard commercial trade and conditions.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

26 Parent entity financial information

The individual consolidated financial statements for the parent entity, NEXTDC Limited, show the following aggregate amounts:

	30 June 2024 $'000	Restated# 30 June 2023 $'000
Current assets	**1,316,043**	848,466
Non-current assets	**3,699,889**	2,839,597
TOTAL ASSETS	**5,015,932**	**3,688,063**
Current liabilities	**146,074**	91,559
Non-current liabilities	**1,499,005**	1,481,615
TOTAL LIABILITIES	**1,645,079**	**1,573,174**
NET ASSETS	**3,370,853**	**2,114,889**
Shareholders' equity		
Contributed equity	**3,667,117**	2,371,154
Reserves	**20,260**	32,105
Retained earnings	**(316,524)**	(288,370)
TOTAL EQUITY	**3,370,853**	**2,114,889**
Profit/(loss) for the year after tax	**(28,154)**	(9,062)
Total comprehensive income/(loss) for the year	**(28,154)**	(9,062)

#Comparative information has been restated to reflect the prior period error detailed in note 27 (b).

(a) Reserves

Due to the requirements of accounting standards, the loan provided by NEXTDC Limited (parent entity) to NEXTDC Share Plan Pty Ltd requires the loan in respect of the loan funded share plan to be recorded as an issue of treasury shares and a corresponding debit to equity (treasury share reserve).

(b) Guarantees entered into by the parent entity in relation to the debts of its subsidiaries

As at 30 June 2024, NEXTDC Limited did not have any guarantees in relation to the debts of subsidiaries.

(c) Contingent liabilities of NEXTDC Limited (parent entity)

The parent entity did not have any contingent liabilities as at 30 June 2024 or 30 June 2023.

(d) Contractual commitments by NEXTDC for the acquisition of property, plant and equipment

As at 30 June 2024, of the contractual commitments detailed in Note 16, $656.9 million (2023: $169.8 million) relate to NEXTDC Limited as parent entity.

(e) Determining the parent entity financial information

The financial information for the parent entity has been prepared on the same basis as the consolidated financial statements, except as set out below.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

26 Parent entity financial information (continued)

(e) Determining the parent entity financial information (continued)

(i) Tax consolidation legislation

NEXTDC Limited and its wholly-owned Australian controlled entities have implemented the tax consolidation legislation.

The head entity, NEXTDC Limited, and the controlled entities in the tax consolidated Group account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the tax consolidated Group continues to be a stand-alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, NEXTDC Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from controlled entities in the tax consolidated Group.

The entities have also entered into a tax funding agreement under which the wholly-owned entities fully compensate NEXTDC Limited for any current tax payable assumed and are compensated by NEXTDC Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to NEXTDC Limited under the tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' consolidated financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the Group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) wholly-owned tax consolidated entities.

(ii) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries are accounted for at cost in the consolidated financial statements of NEXTDC Limited.

27 Summary of material accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The consolidated financial statements are for the consolidated entity consisting of NEXTDC Limited and its subsidiaries. NEXTDC is a public company limited by shares, incorporated and domiciled in Australia.

(a) Reporting Period and Comparative information

These consolidated financial statements cover the period 1 July 2023 to 30 June 2024. The comparative reporting period is 1 July 2022 to 30 June 2023.

(b) Basis of preparation

This general purpose financial report has been prepared in accordance with Australian Accounting Standards and interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. NEXTDC Limited is a for-profit entity for the purpose of preparing the consolidated financial statements.

(i) Compliance with IFRS

The consolidated financial statements of the NEXTDC Group also comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(b) Basis of preparation (continued)

(i) Compliance with IFRS (continued)

The consolidated financial statements were authorised for issue by the Board of Directors on the date the Directors' Report is signed. The Directors have the power to amend and reissue the consolidated financial statements.

(ii) New and amended standards adopted by the group

None of the new standards and amendments to standards that are mandatory for the first time for the financial year beginning 1 July 2023 affected any of the amounts recognised in the current period or any prior period and are not likely to affect future periods.

(iii) Historical cost convention

These consolidated financial statements have been prepared under the historical cost convention, except for derivatives measured at fair value.

(iv) New standards and interpretations not yet adopted

There are no standards that are not yet effective that would be expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(b) Basis of preparation (continued)

(v) Correction of error in accounting for prior years

During 2024, the Group identified an error relating to the capitalisation of borrowing costs during the construction of qualifying assets (which are assets constructed over a substantial period of time). The error resulted in an understatement of depreciation expense, overstatement of interest expense and a corresponding understatement of property, plant and equipment. The errors arose in the FY23 comparative period and earlier, and have been adjusted for in the opening balance of FY23.

The error has been corrected by restating each of the affected financial statement line items for the prior year as follows:

Consolidated Balance sheet (extract)	**30 June 2023 $'000**	**Increase/ (decrease) $'000**	**30 June 2023 (Restated) $'000**	**1 July 2022 $'000**	**Increase/ (decrease) $'000**	**1 July 2022 (Restated) $'000**
Property, plant and equipment	2,894,900	53,060	2,947,960	2,359,059	49,451	2,408,510
Total assets	**3,849,999**	**53,060**	**3,903,059**	**2,977,001**	**49,451**	**3,026,452**
Accumulated losses	(123,501)	53,060	(70,441)	(97,860)	49,451	(48,409)
Net impact on equity	**2,276,618**	**53,060**	**2,329,678**	**1,698,528**	**49,451**	**1,747,979**

Consolidated Statement of Comprehensive Income (extract)	**30 June 2023 $'000**	**Increase/ (decrease) $'000**	**30 June 2023 (Restated) $'000**
Depreciation and amortisation expense	(137,870)	2,260	(140,130)
Finance costs	(78,988)	(5,869)	(73,119)
Net impact on profit/(loss) before tax for the period	**(23,239)**	**(3,609)**	**(19,630)**
Income tax (benefit)/expense	(2,402)	-	(2,402)
Net impact on profit/(loss) for the period	**(25,641)**	**(3,609)**	**(22,032)**

Impact on basic and diluted earnings per share (EPS)	**30 June 2023**	**Increase/ (decrease)**	**30 June 2023 (Restated)**
Basic earnings/(loss) per share	(5.55)	(0.78)	(4.77)
Diluted earnings/(loss) per share	(5.55)	(0.78)	(4.77)

(c) Critical accounting estimates

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be wrong.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(c) Critical accounting estimates (continued)

(i) Deferred taxation

Deferred tax assets may be a combination of unused tax losses, offsets and timing differences based on management's foreseeable forecasts, to the extent that it is probable that taxable profit will be available against which the losses, offsets and timing differences can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

The Group previously derecognised deferred tax assets in relation to carry-forward tax losses and temporary differences as it believed they no longer met the requirement to be recognised, stemming from the impact that the recent growth and expansion activity has had on taxable profits. Despite the derecognition, these carry-forward tax losses and offsets can be carried forward indefinitely and have no expiry date.

(ii) Income taxes

The Group is subject to income taxes in the jurisdictions in which it operates. Judgement is required in determining the provision for income taxes. There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on the Group's understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the period in which such determination is made.

(iii) Leases

The Group is required to determine the measurement of lease liabilities based on the present value of remaining lease payments, discounted using the Group's incremental borrowing rate at commencement date. Judgement is required in determining an appropriate incremental borrowing rate, and the Group has determined the rate based on the effective interest rate of its most recent borrowings, adjusted to the specific term of each lease. In determining the lease term, management considered all relevant facts and circumstances that create an economic incentive to either exercise an extension option, or not exercise a termination option. Extension options are only included in the lease term if it is reasonably certain to be extended. The assessment is reviewed if a significant event or significant change in circumstances occurs which affects this assessment, and that is within the control of the lessee.

(iv) Revenue from contracts with customers

Key judgements in the recognition of revenue from contracts with customers include the identification of performance obligations within the contracts, allocation of the transaction price within the contract to the identified performance obligations, treatment of the upfront project fees and treatment of any variable consideration subsequent to initial commencement. Refer to Note 4 for further details.

(v) Impairment

Assessment of indicators of impairment and the determination of CGUs for impairment purposes require significant management judgment. Indicators of impairment may include changes in the Group's operating and economic assumptions or possible impacts from emerging risks such as climate change and the transition to a low carbon economy. Considering the location and nature of our assets as well as our continued focus on operational resilience and business continuity programs, at this stage, we do not consider the potential impacts of climate change and the transition to a low carbon economy to be an impairment indicator.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(c) Critical accounting estimates (continued)

(vi) Capitalised borrowing costs

The Group is required to capitalise borrowing costs on qualifying assets that take a substantial period of time to complete. Key judgements in this process include determining what constitutes a qualifying asset and the timing of commencement and cessation of capitalisation. The Group defines a substantial period of time as greater than 12 months. The capitalisation of borrowing costs commences when expenditures for the asset are being incurred, borrowing costs are being incurred, and activities necessary to prepare the asset for its intended use or sale are in progress. Capitalisation ceases when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete.

(d) Employee Share Trust

The Group has formed two entities to administer the Group's employee share schemes. The trusts are consolidated, as the substance of the relationships are that the trusts are controlled by the Group. Shares held by NEXTDC Share Plan Pty Ltd and NEXTDC Employee Share Plan Trust are disclosed as treasury shares and deducted from contributed equity.

(e) Share-based payments reserve

The share-based payments reserve is used to recognise:

- the grant date fair value of long-term incentives issued to participants
- the grant date fair value of shares issued to participants
- the issue of shares held by NEXTDC Share Plan Pty Ltd and NEXTDC Employee Share Plan Trust

(f) Functional and presentation currency

These consolidated financial statements are presented in Australian dollars, which is the Group's functional currency.

(g) Impairment of assets

Intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

Consideration has been given to the potential financial impacts of climate change related risks on the carrying value of the Group's assets through a qualitative review of the Group's climate change risks and mitigating actions. This review did not identify any material financial reporting impacts.

(h) Cash and cash equivalents

For the purpose of presentation in the Consolidated Statement of Cash Flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions and term deposits with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(i) Investments and other financial assets

(i) Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

(ii) Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Debt instruments

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Group classifies its debt instruments:

- Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in other gains/(losses) together with foreign exchange gains and losses. Impairment losses are presented as separate line item in the consolidated income statement.

- FVOCI: Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit or loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/(losses). Interest income from these financial assets is included in finance income using the effective interest rate method. Foreign exchange gains and losses are presented in other gains/(losses) and impairment expenses are presented as separate line item in the consolidated income statement.

- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on a debt investment that is subsequently measured at FVPL is recognised in profit or loss and presented net within other gains/(losses) in the year in which it arises.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(i) Investments and other financial assets (continued)

(ii) Measurement (continued)

Equity instruments

The Group subsequently measures all equity investments at fair value. Where the Group's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognised in other gains/(losses) in the consolidated income statement as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

(iii) Impairment

The group assesses on a forward looking basis the expected credit losses associated with its debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the group applies the simplified approach permitted by AASB 9, which requires expected lifetime losses to be recognised from initial recognition of the receivables, see note 14 for further details.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(j) Derivatives and hedging activities

(i) Classification of derivatives

Derivatives are only used for economic hedging purposes and not as speculative investments. However, where derivatives do not meet the hedge accounting criteria, they are classified as 'held for trading' for accounting purposes and are accounted for at fair value through profit or loss. They are presented as current assets or liabilities to the extent they are expected to be settled within 12 months after the end of the reporting period.

The Group designates derivatives as hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probably forecast transactions (cash flow hedge). At inception of the hedge relationship, the Group documents the economic relationship between hedging instruments and hedged items including whether changes in the cash flows of the hedging instruments are expected to offset changes in the cash flows of hedged items. The Group documents its risk management objective and strategy for undertaking its hedge transactions.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in the cash flow hedge reserve within equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss, within other gains/(losses).

The Group designates interest rate swaps as cash flow hedges of highly probable forecast interest. The interest rate swaps have floor options embedded within; in this case the Group designates only the intrinsic value of the options as the hedging instrument.

Gains or losses relating to the effective portion of the change in intrinsic value of the options are recognised in the cash flow hedge reserve within equity. The changes in the fair value of the aligned time value of the option are recognised in other comprehensive income and accumulated in the cost of hedging reserve. If the hedged item is transaction-related, the time value is reclassified to profit or loss when the hedged item affects profit or loss.

If the hedged item is time period related, then the amount accumulated in the cost of hedging reserve is reclassified to profit or loss on a rational basis. Those reclassified amounts are recognised in profit or loss in the same line as the hedged item. If the hedged item is a non-financial item, then the amount accumulated in the cost of hedging reserve is removed directly from equity and included in the initial carrying amount of the recognised non-financial item. Furthermore, if the Group expects that some or all of the loss accumulated in cost of hedging reserve will not be recovered in the future, that amount is immediately reclassified to profit or loss.

(ii) Fair Value measurement

The fair value of the interest rate swaps which the group has entered into are not traded in an active market (for example, over-the-counter derivatives), and are determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. Given all significant inputs required to fair value these interest rate swaps are observable, the instrument is classified as level 2.

(k) Provisions

Provisions for asset replacement and make good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(k) Provisions (continued)

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting year. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(l) Employee benefits

(i) Short-term Obligations

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled within 12 months after the end of each reporting period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave is recognised in payables.

(ii) Other long-term employee benefit Obligations

The liability for long service leave and annual leave which is not expected to be settled within 12 months after the end of the reporting period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Share-based Payments

Share-based compensation benefits are provided to participants via the Long Term Incentive Plan.

The fair value of performance rights is recognised as an employee benefits expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions.

Non-market vesting conditions are included in the assumptions. The total expense is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At the end of each period, the Group revises its estimates of the number of rights that are expected to vest based on the non-market vesting conditions. It recognises the impact of the revision to original estimates, if any, in the Consolidated Statement of Comprehensive Income, with a corresponding adjustment to equity.

(m) Rounding of amounts

The Company is of a kind referred to in ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191, relating to the 'rounding off' of amounts in the consolidated financial statements. Amounts in the consolidated financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

(n) Goods and Services Tax (GST)

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the Consolidated Balance Sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Notes to the Consolidated Financial Report
30 June 2024
(continued)

27 Summary of material accounting policies (continued)

(o) Parent entity financial information

The financial information for the parent entity, NEXTDC Limited, disclosed in note 26 has been prepared on the same basis as the consolidated consolidated financial statements.

(p) Assets in the course of construction

Assets in the course of construction are shown at historical cost. Historical cost includes directly attributable expenditure, including the capitalisation of interest costs, on data centre facilities which at reporting date, have not yet been finalised and/or ready for use. Assets in the course of construction are not depreciated.

Assets in the course of construction are transferred to property, plant and equipment upon successful testing and commissioning.

(q) Revenue received in advance

Revenue received in advance primarily relates to the advance consideration received from customers in relation to project fees and service credits, for which revenue is recognised over time. Refer to Note 4 (b) for details in relation to the revenue recognition policy for project fees and service credits.

(r) Borrowing costs

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. Other borrowing costs are expensed in the period in which they are incurred.

Consolidated entity disclosure statement
30 June 2024

As at 30 June 2024						
Name of entity	**Type of entity**	**Trustee, partner or participant in JV**	**% of share capital**	**Country of incorporation**	**Australian resident or foreign resident**	**Foreign jurisdiction(s) of foreign residents**
NEXTDC Limited	Body corporate	-	100	Australia	Australian	n/a
NEXTDC Holdings No. 1 Pty Limited	Body corporate	-	100	Australia	Australian	n/a
NEXTDC Holdings No. 2 Pty Limited	Body corporate	-	100	Australia	Australian	n/a
NEXTDC Holdings No. 3 Pty Limited	Body corporate	-	100	Australia	Australian	n/a
AXON Systems Pty Ltd	Body corporate	-	100	Australia	Australian	n/a
NEXTDC Share Plan Pty Ltd	Body corporate	-	100	Australia	Australian	n/a
ONEDC Software Pty Ltd	Body corporate	-	100	Australia	Australian	n/a
NEXTDC PTE. LTD.	Body corporate	-	100	Singapore	Foreign	Singapore
NEXTDC 株式会社	Body corporate	-	100	Japan	Foreign	Japan
NEXTDC Holdings Trust No. 1	Trust	Trustee	100	Australia	Australian	n/a
NEXTDC Holdings Trust No. 2	Trust	Trustee	100	Australia	Australian	n/a
NEXTDC Holdings Trust No. 3	Trust	Trustee	100	Australia	Australian	n/a
NEXTDC Holdings Trust No. 4	Trust	Trustee	100	Australia	Australian	n/a
Horsley Park Developments Pty Ltd	Body corporate	-	100	Australia	Australian	n/a
NEXTDC Sdn. Bhd.	Body corporate	-	100	Malaysia	Foreign	Malaysia
NEXTDC VENTURES PTY LTD	Body corporate	-	100	Australia	Australian	n/a
NEXTDC VENTURES HOLDINGS NO.1 PTY LTD	Body corporate	-	100	Australia	Australian	n/a
CRYPTDC PTY LTD	Body corporate	-	100	Australia	Australian	n/a
NEXTDC New Zealand Holdings Limited	Body corporate	-	100	New Zealand	Foreign	New Zealand
NEXTDC New Zealand Limited	Body corporate	-	100	New Zealand	Foreign	New Zealand
NEXTDC Property SPV Pty Ltd	Body corporate	-	100	Australia	Australian	n/a

Consolidated entity disclosure statement
30 June 2024
(continued)

NSC Sub Trust	Trust	Trustee	100	Australia	Australian	n/a
Horsley Park Property Pty Ltd	Body corporate	-	100	Australia	Australian	n/a
PT NEXTDC Indonesia	Body corporate	-	100	Indonesia	Foreign	Indonesia

(i) Basis of prepartion

This consolidated entity disclosure statement (CEDS) has been prepared in accordance with the Corporations Act 2001 and includes information for each entity that was part of the consolidated entity as at the end of the financial year in accordance with AASB 10 Consolidated Financial Statements.

(ii) Determination of tax residency

Section 295 (3A)(vi) of the Corporation Act 2001 defines tax residency as having the meaning in the Income Tax Assessment Act 1997. The determination of tax residency involves judgement as there are different interpretations that could be adopted, and which could give rise to a different conclusion on residency.

In determining tax residency, the consolidated entity has applied the following interpretations:
• Australian tax residency
The consolidated entity has applied current legislation and judicial precedent, including having regard to the Tax Commissioner's public guidance in Tax Ruling TR 2018/5
• Foreign tax residency
Where necessary, the consolidated entity has used independent tax advisers in foreign jurisdictions to assist in its determination of tax residency to ensure applicable foreign tax legislation has been complied with (see section 295(3A)(vii) of the Corporations Act 2001).

Directors' Declaration
30 June 2024

In the Directors' opinion:

(a) the consolidated financial statements and notes set out on pages 62 to 119 are in accordance with the *Corporations Act 2001*, including:

- (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
- (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2024 and of its performance for the financial year ended on that date, and

(b) the consolidated entity disclosure statement on page 120 to 121 is true and correct, and

(c) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable,

(d) at the date of this declaration, there are reasonable grounds to believe that the Group will be able to pay its debts as and when they become due and payable, and

Note 27 confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The Directors have been given the declarations by the chief executive officer and chief financial officer required by section 295A of the *Corporations Act 2001*.

This declaration is made in accordance with a resolution of Directors.

Craig Scroggie
Managing Director and Chief Executive Officer

27 August 2024

Independent Auditor's Report

Independent auditor's report

To the members of NEXTDC Limited

Report on the audit of the financial report

Our opinion

In our opinion:

The accompanying financial report of NEXTDC Limited (the Company) and its controlled entities (together the Group) is in accordance with the *Corporations Act 2001*, including:

(a) giving a true and fair view of the Group's financial position as at 30 June 2024 and of its financial performance for the year then ended

(b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

What we have audited

The financial report comprises:

- the consolidated balance sheet as at 30 June 2024
- the consolidated statement of comprehensive income for the year then ended
- the consolidated statement of changes in equity for the year then ended
- the consolidated statement of cash flows for the year then ended
- the notes to the consolidated financial statements, including material accounting policy information and other explanatory information
- the consolidated entity disclosure statement as at 30 June 2024
- the directors' declaration.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial report* section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

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pwc

Our audit approach

An audit is designed to provide reasonable assurance about whether the financial report is free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

We tailored the scope of our audit to ensure that we performed enough work to be able to give an opinion on the financial report as a whole, taking into account the geographic and management structure of the Group, its accounting processes and controls and the industry in which it operates.

Audit scope	*Key audit matters*
• Our audit focused on where the Group made subjective judgements; for example, significant accounting estimates involving assumptions and inherently uncertain future events. • NEXTDC Limited has data centres operating in capital cities as well as regional locations across Australia and is expanding internationally.	• Amongst other relevant topics, we communicated the following key audit matters to the Audit and Risk Management Committee: – Data centre revenue recognition – Property, plant and equipment • These are further described in the *Key audit matters* section of our report.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report for the current period. The key audit matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. Further, any commentary on the outcomes of a particular audit procedure is made in that context.

Key audit matter	*How our audit addressed the key audit matter*
Data centre revenue recognition *(Refer to note 4 – Data centre revenue of $400.7m)*	
The Group applies AASB 15 *Revenue from Contracts with Customers* (AASB 15) to account for the services it provides to its customers. Accounting for revenue recognition was a key audit matter due to the: • Significance of revenue to understanding the financial results for users of the financial report • complexity involved in applying the requirements of AASB 15 given the number of revenue components and contracts with customers with bespoke terms and conditions, including in relation to recurring service fees, upfront project fees and service credits • judgements required by the Group in applying the	We performed the following procedures, amongst others: • Assessed whether the Group's accounting policies were in accordance with the requirements of AASB 15 *Revenue from Contracts with Customers* (AASB 15) • Evaluated the judgements made by the Group in applying the accounting policy by obtaining an understanding of the revenue components and considering the terms and conditions of a sample of contracts • For a sample of contracts for each revenue component tested, we:

Key audit matter	How our audit addressed the key audit matter
requirements of AASB 15, such as: – identifying the performance obligations under its contracts with customers – determining the transaction price, considering the terms in the contracts relating to recurring service fees, upfront project fees, and service credits, and – the method of allocating the transaction price in the contract to the performance obligations.	– developed an understanding of the key terms of the arrangement including parties, term dates, performance obligations, fees and payment terms – considered the Group's identification of performance obligations and allocation of the transaction price to the performance obligations – recalculated the amount of revenue which the Group has recognised, taking into account the terms of the contracts for recurring service fees, upfront project fees, and service credits • Evaluated the reasonableness of the disclosures made in light of the requirements of Australian Accounting Standards.
Property, plant and equipment *(Refer to note 9 – Property, plant and equipment $3,781.5m)*	
NEXTDC has continued to invest in new data centres during the period, and to expand its existing data centre infrastructure. These growth projects require significant capital outlay which results in the capitalisation of external and internal costs into Property, Plant and Equipment. During the current year, $979.3m has been capitalised as additions to assets in the course of construction, and $596.6m has been transferred from assets in the course of construction to the appropriate class of Property, Plant and Equipment. Costs should be capitalised and depreciated in line with Australian Accounting Standards which outline the criteria required to be met for costs to be capitalised, and the treatment to be applied in the depreciation of the costs capitalised. This was a key audit matter because of the: • significance of the additions balance to the Consolidated Balance Sheet • potential significance of the additions balance to the Consolidated Statement of Comprehensive Income should the costs not meet the criteria	Our audit approach included testing a sample of individually large value additions and transfers, while the residual balance was tested on a sample basis. We performed the following procedures, amongst others: • Developed an understanding of and evaluated the Group's cost capitalisation policy • Assessed the processes implemented by the Group for the measurement of capitalised costs • Sample tested capitalised costs to related documentation, including assessing whether they meet the criteria for capitalisation with reference to Australian Accounting Standards • Assessed the appropriateness of capitalisation of internal costs, in particular salaries and wages • Evaluated the appropriateness of which assets met the definition of a qualifying asset per AASB 123 *Borrowing Costs* • Assessed the appropriateness of the borrowing costs eligible for capitalisation and the resulting amount that was capitalised to the cost of the qualifying assets • For a sample of assets, assessed the appropriateness of the timing and method of transfers from assets in the course of construction to the appropriate property, plant and equipment

Key audit matter	How our audit addressed the key audit matter
required for capitalisation • judgement involved in assessing whether internal costs meet the criteria for capitalisation • judgement involved in assessing which assets meet the definition of a qualifying asset and the borrowing costs that are eligible for capitalisation • significance of the depreciation expense to the Consolidated Statement of Comprehensive Income and • the judgements applied in determining the appropriate timing of transfers from assets in the course of construction to the appropriate class of Property Plant and Equipment, and the calculation of the depreciation expense.	asset class, and recalculated the amount of depreciation that the Group had recognised • Evaluated the reasonableness of the disclosures made in light of the requirements of Australian Accounting Standards.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report for the year ended 30 June 2024, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon through our opinion on the financial report. We have issued a separate opinion on the remuneration report.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial report

The directors of the Company are responsible for the preparation of the financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001,* including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website at: https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf. This description forms part of our auditor's report.

Report on the remuneration report

Our opinion on the remuneration report

We have audited the remuneration report included in the directors' report for the year ended 30 June 2024.

In our opinion, the remuneration report of NEXTDC Limited for the year ended 30 June 2024 complies with section 300A of the *Corporations Act 2001.*

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of *the Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

PricewaterhouseCoopers

PricewaterhouseCoopers

Michael Shewan

Michael Shewan
Partner

Brisbane
27 August 2024

Shareholder Information
30 June 2024

The following shareholder information was applicable as at 8 August 2024.

Distribution of equity securities

Holding	Number of investors	Number of securities
100,001 and over	73	497,508,806
10,001 - 100,000	2,104	44,733,306
5,001 - 10,000	2,919	20,444,197
1,001 - 5,000	12,851	30,394,284
1 - 1000	20,988	7,425,946
Total	**38,935**	**600,506,539**
Unmarketable parcels	991	16,552

Equity security holders

The names of the twenty largest holders of quoted equity securities are listed below:

Name	Number held	Percentage of issued shares
1. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	184,273,997	30.69
2. J P MORGAN NOMINEES AUSTRALIA PTY LIMITED	148,300,381	24.70
3. CITICORP NOMINEES PTY LIMITED	65,065,094	10.84
4. BNP PARIBAS NOMINEES PTY LTD <AGENCY LENDING A/C>	30,504,866	5.08
5. NATIONAL NOMINEES LIMITED	10,383,185	1.73
6. BNP PARIBAS NOMS PTY LTD	7,688,705	1.28
7. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED <NT-COMNWLTH SUPER CORP A/C>	5,743,706	0.96
8. BNP PARIBAS NOMINEES PTY LTD <HUB24 CUSTODIAL SERV LTD>	5,667,340	0.94
9. UBS NOMINEES PTY LTD	3,566,323	0.59
10. NETWEALTH INVESTMENTS LIMITED <WRAP SERVICES A/C>	2,514,096	0.42
11. LATIMORE FAMILY PTY LTD <LATIMORE FAMILY A/C>	2,503,959	0.42
12. BNP PARIBAS NOMS (NZ) LTD	2,493,605	0.42
13. PACIFIC CUSTODIANS PTY LIMITED NXT EMP SHARE PLAN TST	2,407,865	0.40
14. CITICORP NOMINEES PTY LIMITED <COLONIAL FIRST STATE INV A/C>	2,277,268	0.38
15. HSBC CUSTODY NOMINEES (AUSTRALIA) LIMITED	2,070,863	0.34
16. MUTUAL TRUST PTY LTD	1,927,150	0.32
17. AUSTRALIAN FOUNDATION INVESTMENT COMPANY LIMITED	1,840,625	0.31
18. BNP PARIBAS NOMINEES PTY LTD <PITCHER PARTNERS>	1,821,493	0.30
19. CUSTODIAL SERVICES LIMITED <BENEFICIARIES HOLDING A/C>	1,698,451	0.28
20. PALM BEACH NOMINEES PTY LIMITED	1,096,125	0.18
	483,845,097	**80.58**

Shareholder Information
30 June 2024
(continued)

Unquoted equity securities	Number on issue	Number of holders
Performance rights - issued in FY22	484,113	34
Performance rights - issued in FY23	692,461	35
Performance rights - issued in FY24	314,500	40
Restricted rights - issued in FY24	281,771	40
Deferred share rights - issued in FY24	46,333	3

Substantial holders

Substantial holders in the Company based on ASX lodgements up until 8 August 2024 are set out below:

Substantial holders	Number held	Percentage of issued shares
AustralianSuper Pty Ltd	36,237,587	6.29%
State Street Corporation	31,874,854	5.30%

Voting rights

The voting rights attaching to each class of equity securities are set out below:

(i) Ordinary shares

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

(ii) Performance rights and deferred share rights

No voting rights.

NEXTDC Limited
Corporate Directory

Directors	Douglas Flynn *Chairman* Craig Scroggie *Managing Director and Chief Executive Officer* Stuart Davis *Non-Executive Director* Dr Gregory J Clark AC *Non-Executive Director* Stephen Smith *Non-Executive Director* Jennifer Lambert *Non-Executive Director* Dr Eileen Doyle *Non-Executive Director* Maria Leftakis (appointed 24 August 2023) *Non-Executive Director*
Company secretary	Michael Helmer
Registered office	20 Wharf St Brisbane Qld 4000 Tel: +61 7 3177 4777
Website address	www.nextdc.com
Auditor	PricewaterhouseCoopers 480 Queen Street Brisbane Qld 4000 +61 7 3257 5000
Solicitors	Herbert Smith Freehills ANZ Tower 161 Castlereagh Street Sydney NSW 2000 King and Wood Mallesons Level 61, Governor Phillip Tower 1 Farrer Place Sydney NSW 2000
Share register	Link Market Services Level 21,10 Eagle Street Brisbane Qld 4000 Tel: 1300 554 474 (in Australia) Tel: +61 (2) 8280 7111 (overseas)
Stock exchange listing	NEXTDC Limited shares are listed on the Australian Securities Exchange (ASX) under ticker code NXT.

NEXTDC

where the cloud lives™

1 July 2023 to 30 June 2024
NEXTDC Limited
ABN 35 143 582 521

For any queries about NEXTDC's Annual Report please contact us at investorrelations@nextdc.com

www.nextdc.com/contact