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DXN LIMITED

5 February 2025

Q2 FY25 PRESENTATION





Designing, engineering, manufacturing, maintaining and operating data centers



Modular Division

Designs, engineers, manufactures, and deploys Edge* facilities across Asia Pacific

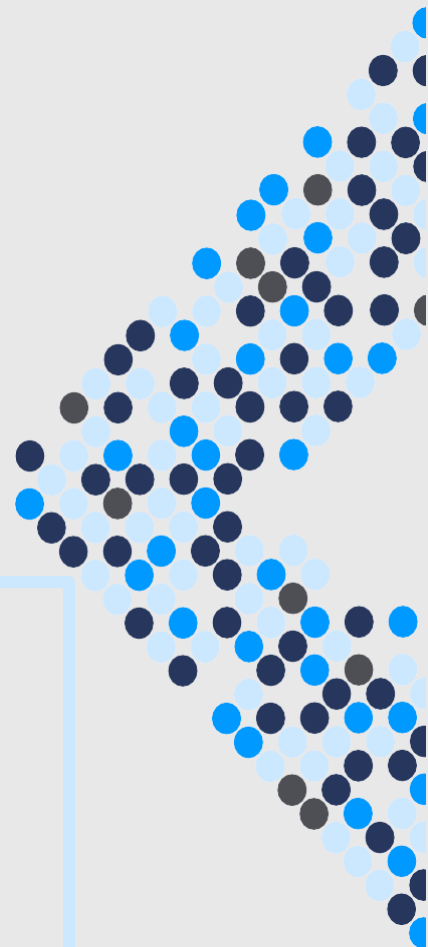


Data Center Operations

Own, operates and maintains critical data centre infrastructure in Darwin and Hobart with a 75 rack and 35 rack facility, respectively

** Edge refers to bringing computation and data storage closer to the location where it is needed, minimizing latency.*

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Q2 FY25 Financial Highlights



\$4.8 million

Q2 FY25 Revenue



\$5.1 million

Cash balance as at 31 Dec 24



25%*

Reduction in PURE loan



\$(2.6) million

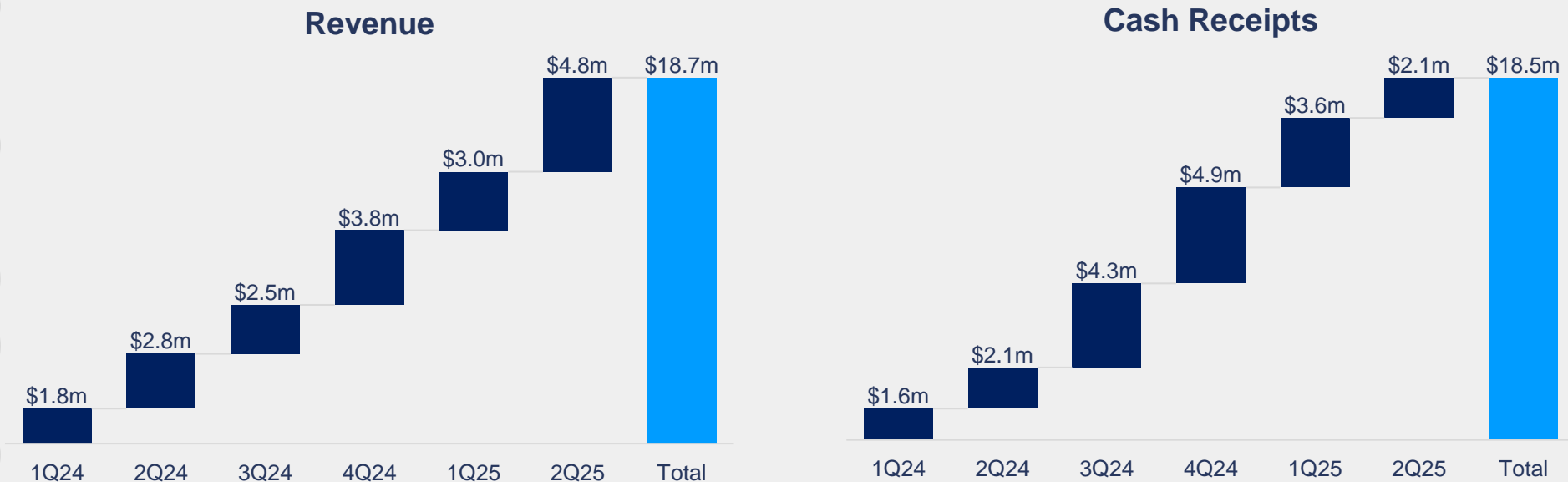
Operating cash flow

- \$4.8 million in Q2 FY25 revenue
- Quarter ended with \$5.1 million cash balance
- \$6.5 million capital raise. Proceeds used towards:
 - Partially repaid the PURE loan, reduced the loan by 25% (reduction from \$4m to \$3m)
 - Q3 further \$1 million of PURE debt converted to equity following shareholder vote at November 2024 AGM
- Operating cash flow for the quarter \$(2.6) million compared to \$(0.1) in Q1 FY25. Variance partially due to timing differences (see next slide)
- On track for \$16 million revenue guidance.
- Final payments for Sydney Lease and reduced PURE debt will enhance cashflow in future periods

*50% reduction after end of 2Q25

DXN is committed to delivering profitable and cash flow positive projects

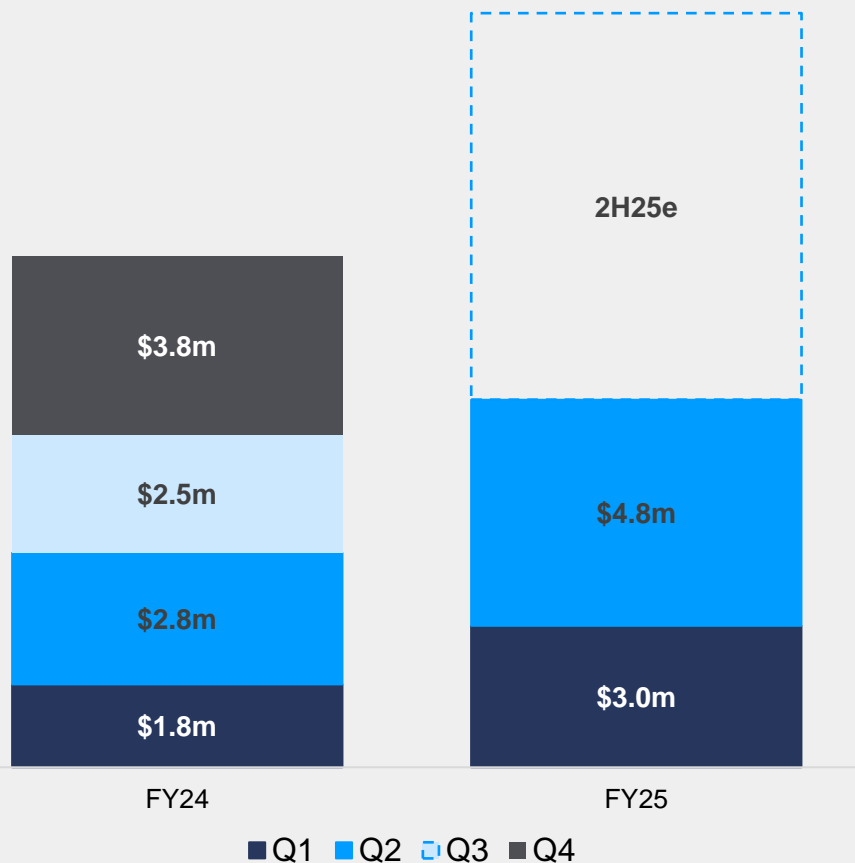
- Cash receipts often do not match with the timing of project cost incurrence.
- DXN Modular data center business revenue recognition is based on percentage of completion.
- Under the percentage of completion, revenue is recognized in proportion to the work completed, not when cash is received.
- During Q2 FY25 was timing, DXN received milestone payments covering 12% of all active projects, whereas outgoing cash was 47% of all active projects.
- DXN estimates its operational fixed-cost run-rate (salaries, leases, opex, interest, payment to Darwin vendors) is ~\$2.7m per year (approx. \$670k per quarter)*
- There is a mismatch in cash receipts vs. revenue but as is illustrated below, this aligns over time.



*Excludes SYD01 rent which no longer applies. Excludes marketing, events, travel

Strong revenue growth continues in Q2

Quarterly revenue



Quarterly commentary

- 58.1% increase in revenue compared to \$3.0 million in the previous quarter.
- Modular Data Centre revenue totaled \$4.1 million. Revenue derived from existing contracts like:
 - Stanmore Coal, commenced installation and commissioning of a module to site.
 - Pilbara Ports.
 - East Micronesia Cable Station (EMCS).
- DXN's Data Centre Operations delivered revenue of \$0.6 million in the quarter.
- PURE Loan of \$2.0m from \$4.0m (after repayment and finalisation of equity conversion in 3Q25).

The DXN Value Proposition



The Advantage

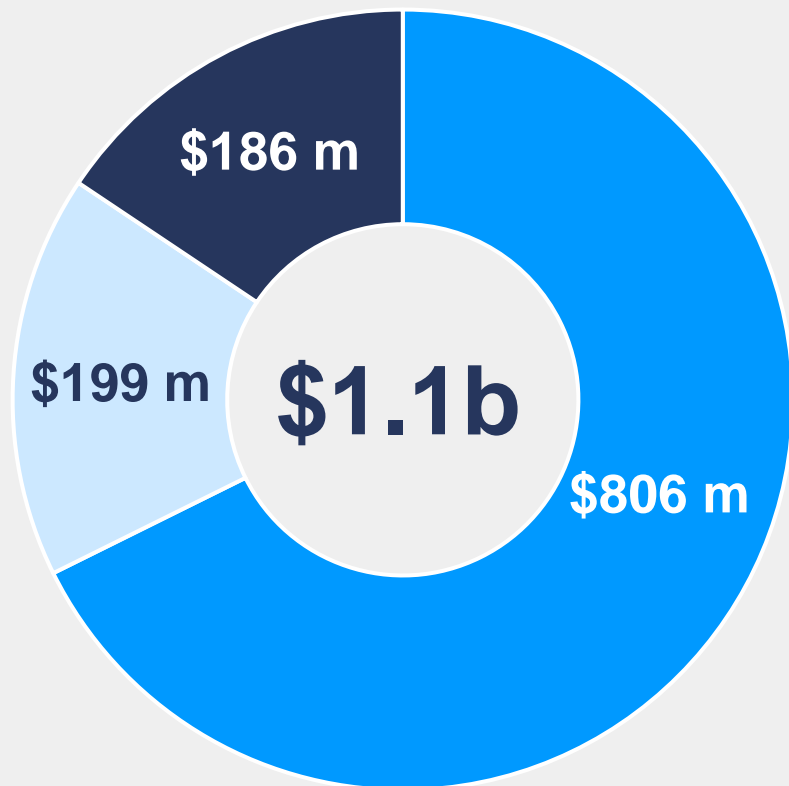
- ✓ In the fast-paced evolving digital world, modular data centres offer customers a relatively lower investment alternative which is also flexible and scalable.
- ✓ Modular data centres can be located where the end user requires them reducing lag and increasing anonymity.
- ✓ Quicker to manufacture than traditional bricks and mortar data centres.
- ✓ Avoiding concentration of heat and strain on grid associated with centralised data centres.



The DXN Approach

- ✓ Demonstratable track record of supporting mission-critical environments through reliable and stable solutions and delivering high-quality digital infrastructure that meets the changing and growing demands of the industry.
- ✓ Customising to meet specific client requirements and, manufacturing indoors in a controlled environment.
- ✓ The team comprises of experienced specialist engineers and data centre operators designing, manufacturing and deploying modular data centres.

A growing addressable market across three core segments



- Our cumulative addressable market through to 2029 is estimated to be **\$1.1 billion** across three segments:
 - Cable Landing Stations in APAC is expected to be **\$806 million**.
 - Mining Operations in APAC is expected to be **\$199 million**.
 - Edge Data Centres (Australia) is expected to be **\$186 million**.

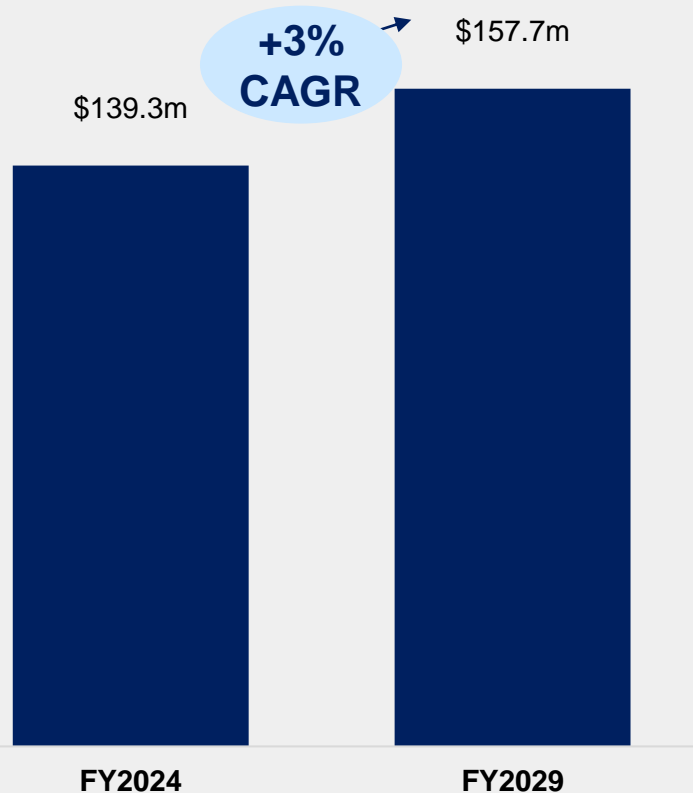
- Cable Landing Stations (CLS) Asia Pacific
- Mining Operations Asia Pacific
- Edge Data Centres Australia

Notes:

1. Cumulative refers to the sum of individual years market sizes between 2024 and 2029
All values refer to AUD and are based on Company research and management estimates

CLS represents a high-growth opportunity for modular data centre deployment

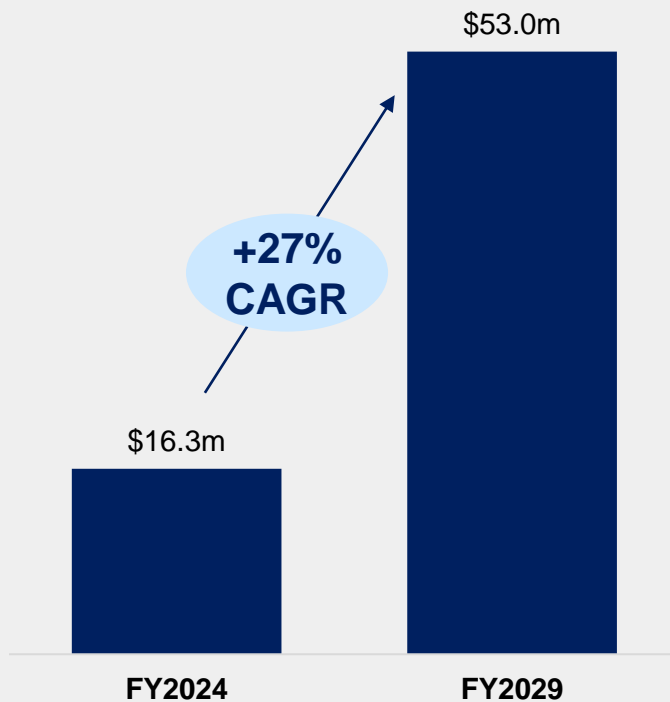
Cable Landing Stations Asia Pacific



- CLS are facilities where undersea data cables connect to terrestrial networks, enabling global internet traffic and data exchange
- Increasing international bandwidth demand (+34% p.a to 2029) is driving new subsea cable deployments (+6% p.a to 2029)
- This growth is creating demand for new cable landing stations
- 127 sites are announced for deployment and a further 85 sites are anticipated by 2029 (aligned with historical growth)
- Rising concerns over sovereignty risks may create further upside opportunities as countries prioritise secure infrastructure

Mining Operations market is expected to be \$53 million in 2029

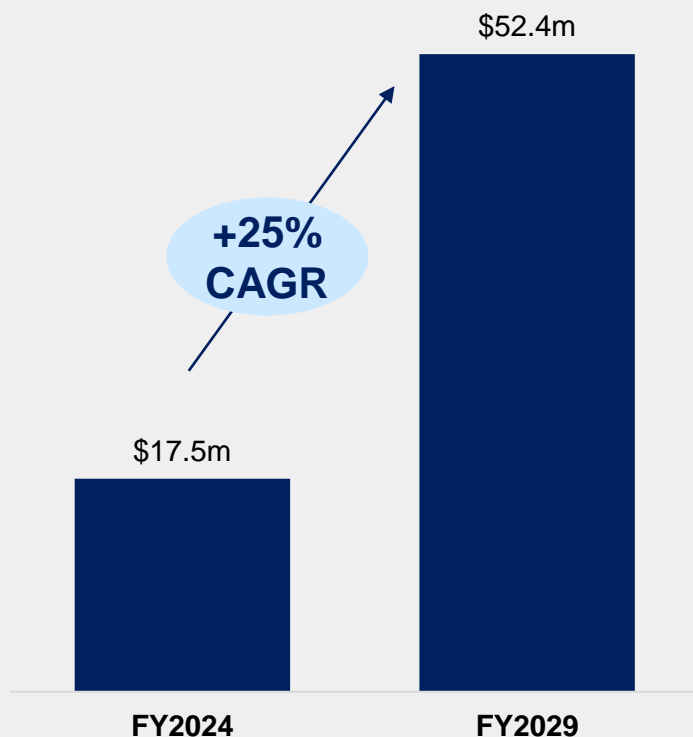
Mining Operations Asia Pacific



- Global demand for key commodities is expected to drive new mine growth (+5% p.a)
- Modern mines are increasingly adopting to advanced technologies such as Autonomous vehicles and IoT-enabled sensors
- More sophisticated mining companies are expected to increase penetration of local on-site data centre deployments
- Penetration rates are rapidly increasing as technology adoption accelerates with 75% of Tier 1 companies expected to have on-site data centres by 2029, up from 40% today.

The Edge Data Centres market is expected to be \$52 million by 2029

Edge Data Centres Australia



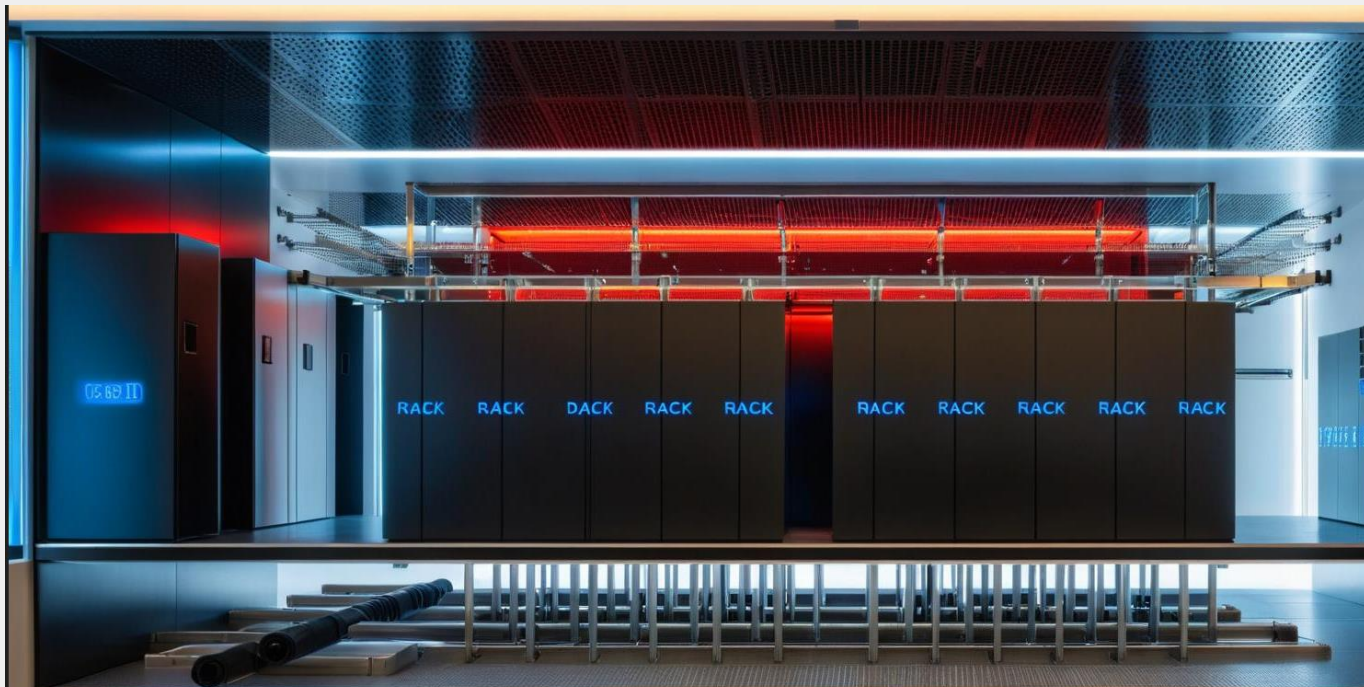
- Australian IT spend on Edge infrastructure is projected to grow at 20% CAGR through 2029, driven by:
 - Resilient hosting facilities close to end-customers vs on-premise data rooms (i.e., IT rooms, basements, etc.)
 - Latency sensitive (<20ms) applications e.g. VR/AR¹, real time analytics, V2X² communications to enable autonomous vehicles
 - Cost effective compute / storage solutions close to demand to reduce fibre backhaul costs
- Modular data centres are expected to be increasingly deployed for regional and metro edge data due to cost efficiency and speed to market

1. Virtual reality/ augmented reality

2. Vehicle to everything

All values refer to AUD and are based on Company research and management estimates

Growing capabilities with new products including HPC AI Module solution



- Launched January 2025, following months of customer engagement and input.
- Standardized 1MW and 2MW AI HPC (High Performance Compute) Modules
- Standardized AI module solution will allow DXN to manufacture at scale.
- DXN now has the design capability to participate in large DC builds like 20MW to 200MW based on this standard AI module architecture. Multiple open modules can be seamlessly interconnected, enabling expansion to larger data halls , a sample 10MW architecture is shown above
- DXN AI module sales strategy:
 - DXN Direct sales to end customers
 - DXN Sales via partners (cooling, power, chipset and rack integrators)

FY25 Outlook



Contracted work in hand for FY25

- \$4.4m Back-log orders
- \$1.8 million in FY25 YTD Project Wins
- \$13.5m total revenue visibility before new wins

- Significant customer leads following January 2025 Pacific Telecom Conference (PTC) and work undertaken in 1H25.
- A number of material orders under discussion
- Onboarding of additional sales 2H25 to accelerate deal flow.
- On track to deliver FY25 revenue guidance of \$16m.
- New pipeline growth for DXN's HPC AI Module.
- Pipeline also includes new services for Modules referred to as DCaaS (data centers as a service)

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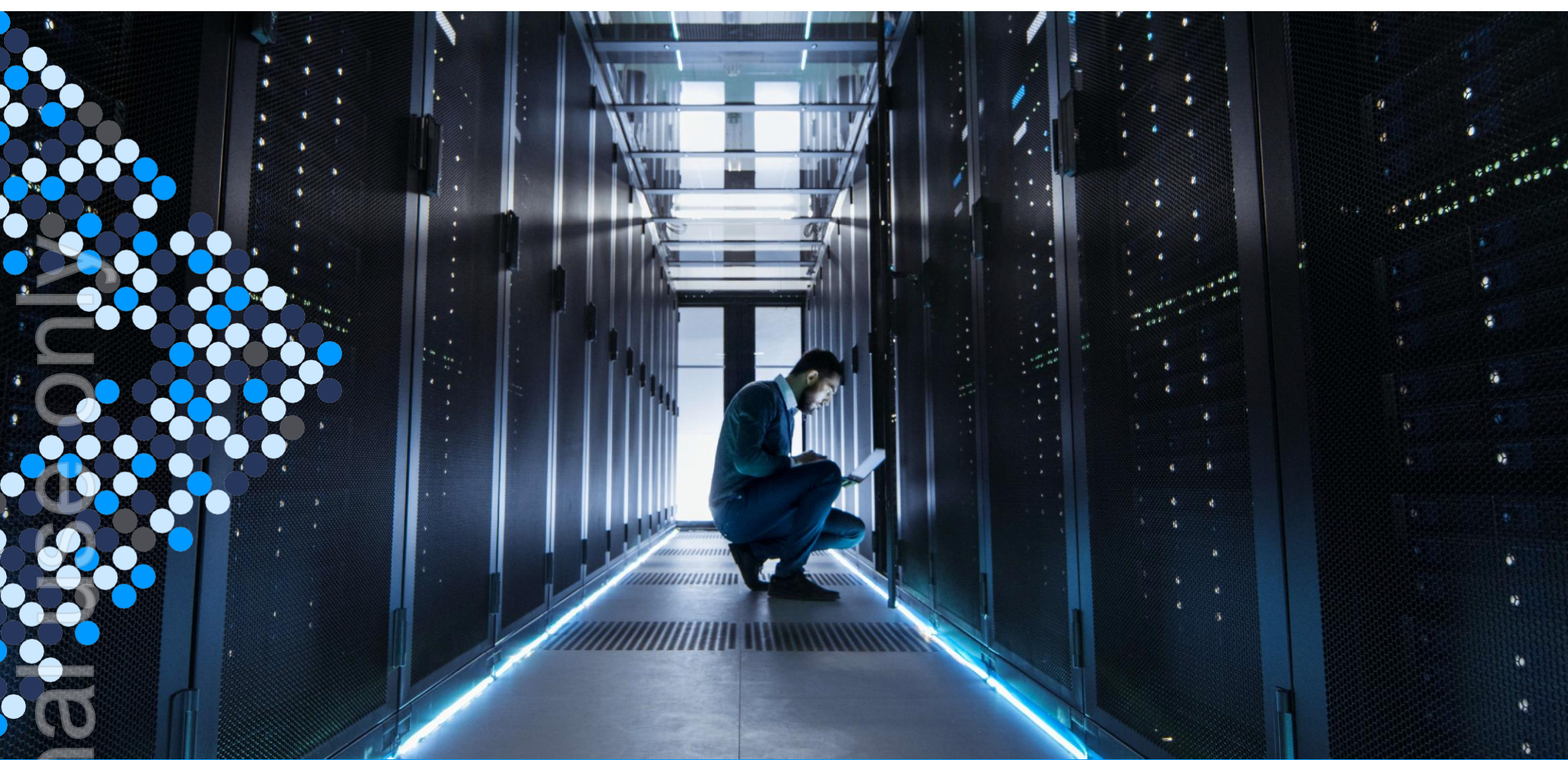
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