



NextDC 2022 AGM report

ASX code	NXT
Meeting date	18 November 2022
Type of meeting	Hybrid
Monitor	Mike Sackett assisted by Clive Hart
Pre AGM-meeting	With Chair Doug Flynn, Director Stuart Davis and ESG/Investor Relations Manager Simon Guzowski.

Meeting Statistics

Number of holdings represented by ASA	60
Number of shares represented by ASA	451,757
Value of shares represented by ASA	\$4.3 million
Total number attending meeting	27 physical and 93 online attendees
Market capitalisation	\$4.3 billion
ASA open proxies voted	Poll. ASA voted in favour of all five resolutions.

The hybrid meeting, in which ASA took part online, ran smoothly. For a company whose shares have declined by over 20% since early August 2022 the mood was surprisingly upbeat. This was largely due to the lengthy and detailed presentation on the Australian data centre sector by charismatic, long-term CEO, Craig Scroggie. He stressed the “exponential” growth of computing and the fact that 90% of the world’s data today has been generated in the past two years. There is a major global trend of organisations closing their on-premise data centres and moving to the cloud. The tendency is for this data to be “mission-critical” for organisations ranging from hospitals and health services to electricity supply providers and the big miners. Interesting insights were also gained on the company’s longer-term plans for entering the Asian data centre market.

ASA queried the doubling of NXT’s long-term debt in the past two years to \$1.1 billion, and sought some understanding of where NXT currently stood on its long-term capital investment curve. Regarding debt we were assured that this was well within bank covenant levels. As for investment, it was probable that we were closer to the beginning of investment in data centres than the end.

All resolutions were passed with comfortable 90%+ majorities, including the re-election of superstar NED Stephen Smith with a remarkable 99.91% majority in favour.

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