



ASX: DXN

20 November 2023

DXN Chairman's Address

The Board of Directors of DXN Limited is newly formed, having come into position over the last 6 months - for Mr Hannon and Mr Power and myself nearly 12 months ago.

Our objectives as a Board together with the CEO Ms Shalini Lagrutta, is to reposition DXN to be a profitable and growing business with a focus on areas where it has a particular expertise or speciality. To create increasing returns and capital growth for shareholders.

The Communications and IT markets are extremely competitive and in order to prosper in this market, competitors need to be able to differentiate themselves and provide products and services that are compelling for customers and in demand.

As such, we have embarked on a restructure and repositioning of the business, and we are well into this process.

It is our intention to exit the ownership and operation of data centres segment - whereby we own 3 facilities today. We will only do this however where it makes sense where we receive reasonable returns for the facilities to be sold. Two of the facilities generate good returns however it is our view that the returns are not high enough for the capital invested. We also intend to recapitalise the balance sheet to put DXN in a strong position financially going forward.

The provision of modular data centres is an area where DXN has a strong expertise and a significant track record. As an Australian based designer and manufacturer of modular data

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centres, we believe we are well placed to compete both domestically and overseas particularly in the Asia Pacific region.

Our track record is extremely impressive with a list of blue-chip customers in Australia and offshore. This is an area where the Board and management believe we can truly excel as the increasing demands for more and more data and communications, creates the need for rapid deployment of leading edge data centres in Australia, the Asia Pacific region and further afield.

I would like to thank our shareholders for their patience and trust to date and also the management and staff for their dedication and hard work over the last 12 months.

I will now hand over to our CEO Ms Shalini Lagrutta to provide a detailed overview of the operations over the last 12 months as well as the strategy going forward.

Peter McGrath

Chair

Approved for release by the Board of DXN