

Cordiant Digital Infrastructure Limited **Cloud4Com & DC Lužice Acquisition**



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Agenda – speakers



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Chairman of Cordiant Digital
Infrastructure Management



Benn Mikula

CEO, Cordiant Capital



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CEO, České Radiokomunikace
(CRA)

Executive Summary

- CRA is **significantly strengthening its data centre and cloud businesses** with the paired acquisition of the private cloud company Cloud4com (“C4C”) and a Brno based data centre DC Lužice (“DCL”)
- CRA is now **the largest private cloud provider in the Czech Republic**, and has increased its data centre capacity by c.33% with the acquisition of an owned, Tier III¹ facility
- The Czech private cloud market is expected to **grow by 13% CAGR from 2022 to 2027**²
- **Total consideration at closing of CZK1bn**, with C4C accounting for CZK870m (excl. earn-out) and DCL for CZK130m
 - CRA will fund this acquisition with cash on its balance sheet, **with no external funding needed from CORD or third party sources of finance**
 - Performance based earnout; maximum amount of CZK485m
- There are **clear synergistic benefits** for CRA, both cost and revenue related, which are expected to contribute to CRA’s growth and margins over time; the businesses will be integrated with the existing CRA’s DC & Cloud business
- The ESG approach of the acquisition will fall under CRAs **currently implemented sustainability strategy** - focusing on the climate, increasing the share of renewable energy and responsible operating principles
- This continues to accelerate CRA’s **transformation into a diversified digital infrastructure company**. The combined data centre & cloud businesses increasing from c.12% to c.17% of total revenue as of Mar-24E, with a target of further growth
- This transaction is a further illustration of CORD’s **Buy-Build-Grow** strategy

Note: 1. A Tier III data centre has multiple paths for power and cooling and systems in place to update and maintain it without taking it offline. It has an expected uptime of 99.982%; 2. EY Parthenon Commercial Due Diligence Report

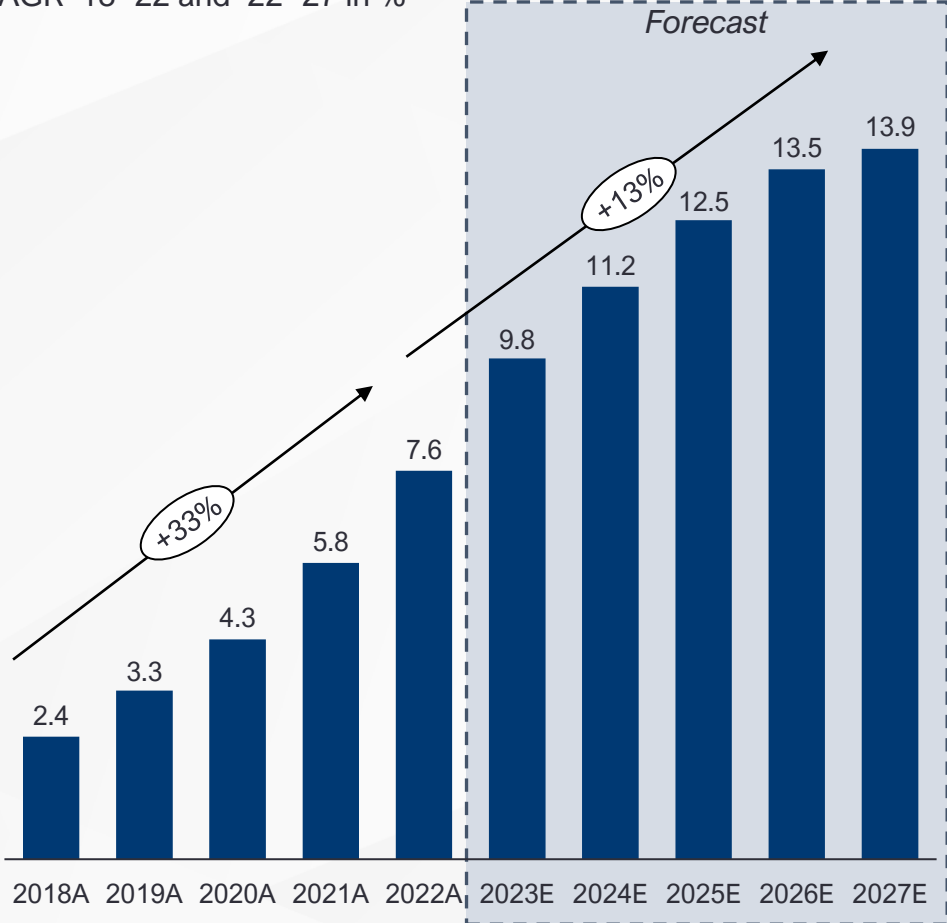
Market Context – Robust demand for private cloud services

Data Centre Market



Czech Private Cloud Market

Data in CZKbn
CAGR '18-'22 and '22-'27 in %



Comments

- Prague is an emerging data centre hotspot
- Hybrid cloud is a fast growing segment – We are positioned to serve both public and private cloud customers through CRA

Sources: Cushman & Wakefield Data Centre Update 2023, EY Parthenon Commercial Due Diligence Report

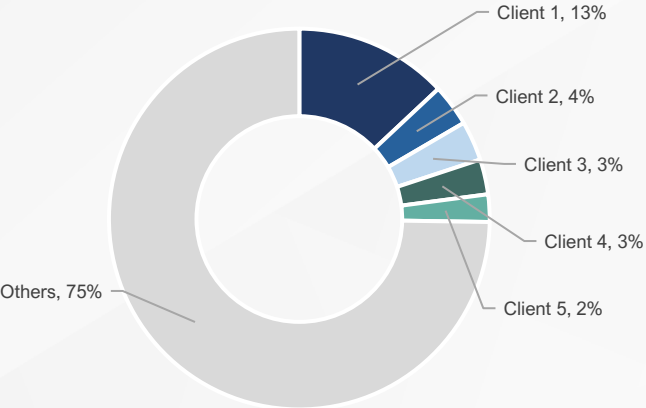
Business Overview – Largest independent pure-play cloud provider

C4C

- C4C is a leading cloud computing company
- Services based on VMWare + an in-house service platform
- 300+ customers with a high customer retention rate (<1% churn rate)
- C4C accounts c.25 FTEs who bring significant technical skills: network and data architects, sales managers and developers
- Revenue expected in year to Dec-23 of CZK155m (Dec-22 CZK125m), with EBITDA totalling CZK44.6m (Dec-22 CZK20m)

Customer Concentration as of Dec-23

Revenue as of Dec-23 reached CZK17m of monthly recurring revenue (>99%)



DC Lužice

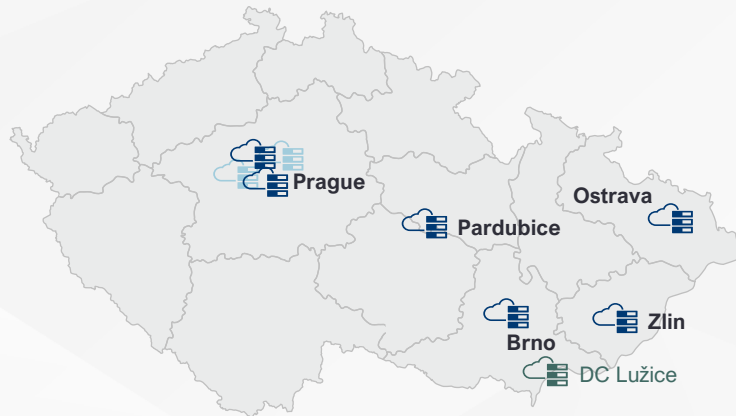
- DCL is 100% owned site, tier III design with total current rack capacity of 85 and up to 1,125kW of IT capacity
- A strategic geographic expansion: opens Brno / Vienna market area
- Seller remains a customer – it is focusing on its core business of IT services
- Value creation opportunities for CRA include:
 - Selling disaster recovery to customers in Prague and other areas
 - Selling geographic redundancy
 - Optimisation of data centre portfolio : i.e., moving high performance or non-latency driven customers from Prague DCs
- Purchase price of the asset is less than 1/3 of estimated replacement costs



Deal Rationale – Strong strategic fit and synergetic value

Deal Rationale

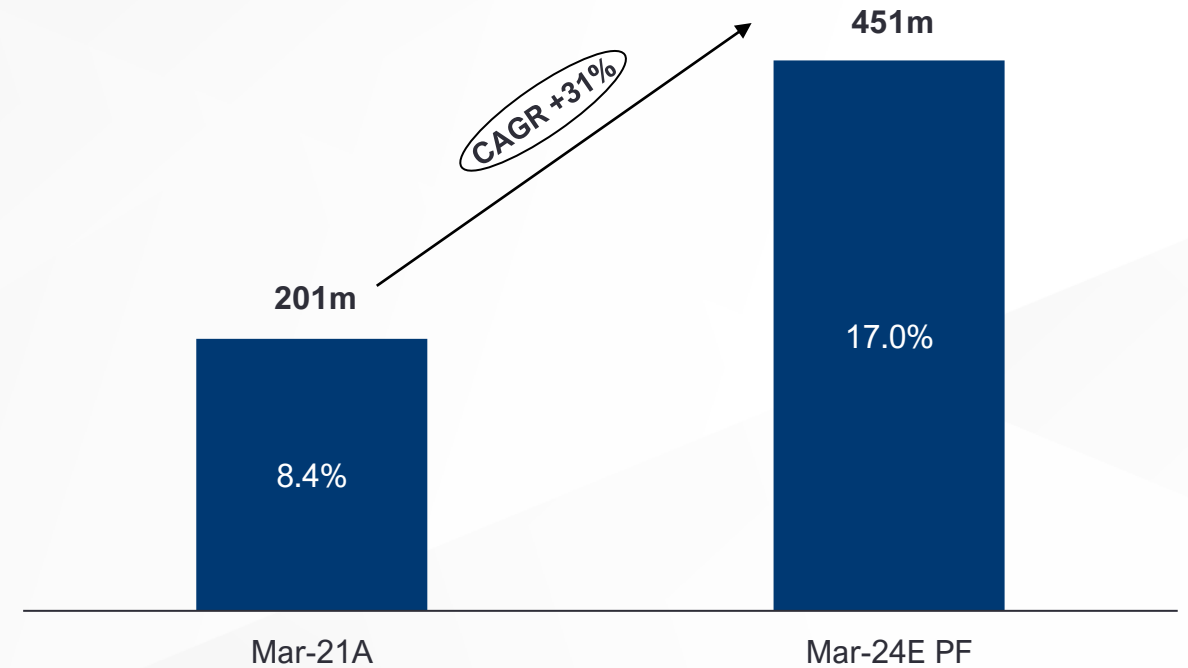
- Common service platform at C4C and CRA
- Significant upselling potential – c.300 new customers
- Operating synergies – sales, operations, power procurement, back office, office space, financial management. Combined data centre and cloud team of 70 FTEs
- The seller will remain a customer
- New ability to sell redundant sites and disaster recovery services
- c.33% increase in capacity to 3.4MW



-  Existing Data Centers
-  Planned / In Construction
-  DC Lužice

CRA Cloud Revenue Performance

Data Centre, Cloud and OTT Revenue in CZKm and % of company total revenue
CAGR '21-'24E in %

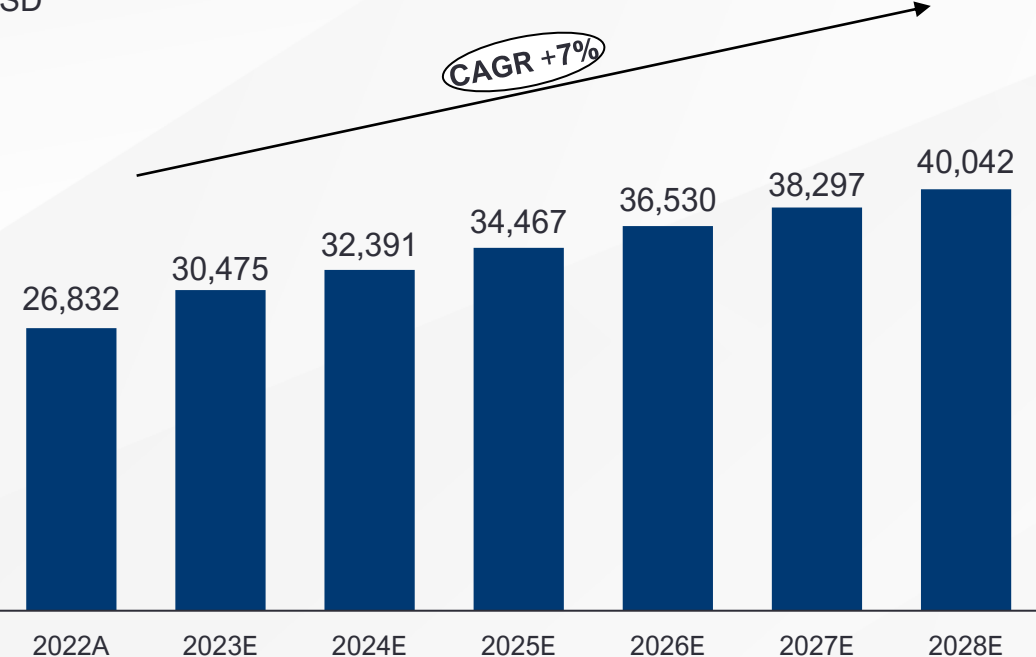


“Largest Private Cloud player on Czech market”

Conclusion – CRA is better positioned to capture growth in the Czech Market

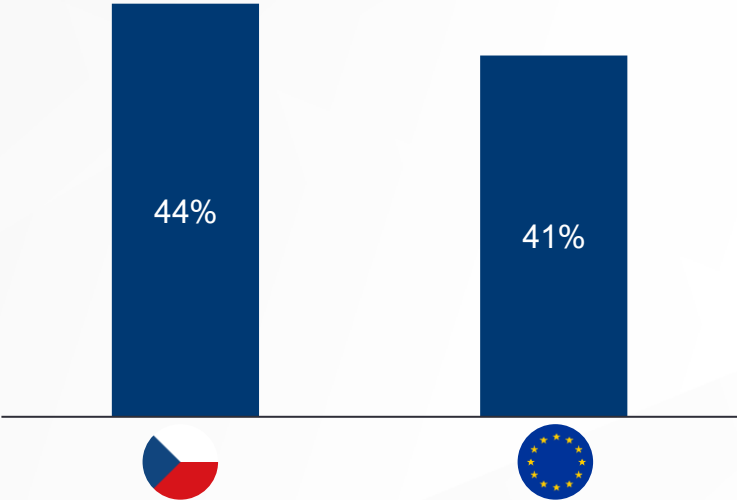
GDP per Capita

USD



Cloud Adoption

as of 2021



Comments

- 44% of Czech Republic enterprises utilised cloud services in 2021 (versus 41% in European Union), demonstrating both high propensity to adopt cloud services, but also **significant room for growth** from existing customers and new

“Prague stands out as one of the European Union’s prime cities due to its exceptional location, seamlessly connected to major European nodes through a robust fibre optic network, making it highly attractive for digital enterprises. The imminent rollout of 5G across Prague is expected to drive an increased demand for data processing and storage...”

Cushman & Wakefield EMEA Data Centre Update, 25 October 2023

Sources: Cushman & Wakefield Data Centre Update 2023, EY Parthenon Commercial Due Diligence Report, IMF



www.cordiantdigitaltrust.com