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5 June 2023

DIGITAL 9 INFRASTRUCTURE PLC
("D9", the "Company" or, together with its subsidiaries, the "Group")

Verne Global Iceland secures \$100 million green loan debt facility
Update on syndication of minority stake in Investee Company

The Board of Digital 9 Infrastructure plc (ticker: DGI9) is pleased to announce that the Group has signed a new \$100 million (£80 million) green term loan debt facility with an uncommitted \$50 million (£40 million) accordion provision (the "**Facility**" or the "**Transaction**") for Verne Global Iceland ("**Verne Global**" or the "**Borrower**").

Verne Global is a leading data centre platform in Iceland, wholly powered by renewable energy. Under D9's management and the capital investment made by the Group to date, Verne Global is experiencing sustained and accelerated customer demand for its facilities from both new and existing customers.

The Facility will be used to help fund Verne Global's growth capital expenditure pipeline, partly repay outstanding shareholder loans owed by Verne Global to the Group and refinance Verne Global's existing bridge loan facility.

The Company previously announced it was exploring complementary sources of growth capital, including (i) structured long-term debt at an Investee Company level and (ii) a potential syndication of a minority stake in existing Investee Companies to strategic capital partners. The Company has initiated a competitive process to syndicate a minority stake in the Verne Global group of companies, including its operating sites in Iceland, Finland, and the United Kingdom to strategic capital partners.

As part of its annual five-year business plan, Verne Global has identified a growth capital expenditure pipeline of c. £391 million for the five-year period to 31 December 2027 to expand the capacity of its data centre campus from the current 40MW to over 96MW.

The Group's diversified high-quality portfolio of nine data centre, subsea fibre, wireless and terrestrial fibre assets (together, the "**Investee Companies**") continued to perform strongly during Q1 2023, in line with management expectations.

The recruitment of the Investment Manager's Head of Digital Infrastructure has also progressed as expected and will be announced in June.

The Facility

Transaction Highlights

The key terms of the Facility include:

- The Facility is structured as a syndicated facility, fully underwritten by Natixis and with a fixed term of 5 years maturing in June 2028.
- The interest rate payable in the first 3 years of the facility is 3% per annum over the Secured Overnight Financing Rate ("**SOFR**"), stepping up to 3.25% per annum and 3.5% per annum, in fourth and fifth year, respectively.
- The Company shall implement an appropriate hedging strategy to manage longer-term fluctuations in interest rates.
- The Borrower has also signed up to a Green Financing Framework, which complies with the Green Bond Principles (International Capital Market Association) and the Green Loan Principles (Loan Market Association).
- The Green Financing Framework is independently verified through a Second Party Opinion by Moody's Investors Service.

Use of Proceeds and Gearing

The Board and Investment Manager only consider complementary sources of growth capital where they believe such capital sources would be the most appropriate way to create long-term shareholder value.

The Facility's proceeds will be used to:

- Fund additional capacity under construction and development in 2023.
- Refinance Verne Global's existing bridge loan facility for \$26 million (£21 million).
- Repay \$50 million (£40 million) of the \$62 million (£49.5 million) shareholder loan owed to the Group by Verne

Global, which will be used by the Group to reduce the drawings of the Group's Revolving Credit Facility ("RCF").

The Facility delivers on the Company's established borrowing policy set out at IPO to introduce prudent long-term gearing at the investee company level in order to enhance shareholder returns. Post-Transaction, Verne Global and Arqiva are the only Investee Companies to have in place long-term leverage as part of their capital structure.

The Group's leverage on an adjusted look-through basis has increased by 1.4%, from 57.6% to 59.0%, remaining below the Global LTV test in place under the Group's RCF^[1].

The Company's aggregate level of borrowings is expected to be no more than a maximum of 50% of Adjusted Gross Asset Value^[2]. Intra-group debt between the Company and its subsidiaries, and the debt of Investee Companies, are not included in this borrowing policy. The Facility does not sit on the Company's balance sheet, and therefore leverage under the Company's borrowing policy, remains unchanged.

The Board consider the long-term gearing at Verne Global to be at a prudent level and appropriate for its size and sub-sector. The Facility will be serviced by Verne Global's cash flows. The Company will continue to closely monitor the Group's leverage position both on an adjusted look-through basis and at Investee Company level.

The £40 million shareholder loan repayment to the Group will result in a 0.1x reduction in the Company's Net Debt / EBITDA ratio, and is partly offset by the further drawdowns on the RCF in Q1 2023. On an adjusted look through basis, the ratio will increase by 0.3x from 5.7x to 6.0x and is disclosed below.

| £ million | Dec-22 | Adjustment | Pro-forma |
|---|----------------|---------------|----------------|
| Drawn RCF ^[3] | 331.2 | 25.0 | 356.2 |
| VLN | 163.0 | - | 163.0 |
| Cash & Equivalents ^[4] | (73.6) | (40.0) | (113.6) |
| D9 Net Debt | 420.6 | (15.0) | 405.6 |
| Portfolio EBITDA | 206.3 | - | 206.3 |
| Net Debt / EBITDA ratio | 2.0x | (0.1x) | 1.9x |
| Arqiva debt (D9 share) | 754.0 | - | 754.0 |
| Verne Global debt | - | 80.0 | 80.0 |
| Adjusted Net Debt | 1,174.6 | | 1,239.6 |
| Adjusted Net Debt / EBITDA ratio | 5.7x | 0.3x | 6.0x |

Equity Syndication Update

The Company has initiated a competitive process to syndicate a minority stake in the Verne Global group of companies, including its operating sites in Iceland, Finland, and the United Kingdom to strategic capital partners (the "Syndication").

The Company expects that terms of the Syndication will be announced in Q3 2023. The Syndication's expected significant cash proceeds would be used to partly pay down the RCF and fund growth capital expenditure in Investee Companies.

In maintaining majority ownership of Verne Global, the Company will retain a majority direct interest in the data centre platform's anticipated increase in earnings and operating cash flows. The latter will result from the ramp-up in operations and growth of the platform's capacity, part-funded by the growth capital expenditure provided by the Facility and some of the proceeds from the Syndication.

Phil Jordan, Chair of Digital 9 Infrastructure plc, commented:

"The Transaction represents an important step in our strategic plan to deliver complementary sources of growth capital and support our Investee Companies. As our portfolio matures, our borrowing policy allows us to evolve our Investee Companies' capital structure, ensuring the Company follows a disciplined capital management approach.

Verne Global has executed a Green Financing Framework within the Facility requiring compliance with ambitious sustainability metrics and market leading eligibility criteria underpinning the use of proceeds. Not only will D9 benefit from higher returns through investment into our existing assets compared to making new acquisitions, but the Facility will also enable Verne to pursue its significant expansion plan in a highly sustainable manner and is testament to Verne and D9's commitment to ESG and sustainability."

Ralph Weichelt, Head of Debt Capital Markets at Triple Point Investment Management LLP, added:

"We are delighted to secure this strategically important debt facility on competitive terms for Verne Global. As a verified green loan, securing the new facility demonstrates the viability of Verne Global's low carbon footprint and underpins D9's ongoing commitment to sustainability in digital infrastructure. The Green Financing Framework has undergone a stringent Second Party Opinion process by Moody's Investors Service, achieving the highest possible rating. We are pleased to welcome Natixis as a new counterparty into the wider D9 lender group."

Natixis acted as Arranger and Green Loan Coordinator.

Taylor Wessing LLP acted as legal adviser to the Borrower.

Latham Watkins LLP acted as legal adviser to Natixis.

A webcast for sell side analysts will be held by the Investment Manager today at 10:00 am BST to discuss this announcement.

ENDS.

FOR FURTHER INFORMATION ON THE COMPANY, PLEASE CONTACT:

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About Digital 9 Infrastructure plc:

Digital 9 Infrastructure plc (DGI9) is an investment trust listed on the London Stock Exchange and a constituent of the FTSE 250, with ticker DGI9. The Company invests in the infrastructure of the internet that underpins the world's digital economy: digital infrastructure.

The Investment Manager is Triple Point Investment Management LLP ("**Triple Point**") which is authorised and regulated by the Financial Conduct Authority, with extensive experience in infrastructure, real estate and private credit, while keeping ESG principles central to its business mission. Triple Point's Digital Infrastructure team has over \$300 billion in digital infrastructure transaction experience and in-depth relationships across global tech and global telecoms companies.

The number 9 in Digital 9 Infrastructure comes from the UN Sustainable Development Goal 9, which focuses the fund on investments that increase connectivity globally and improve the sustainability of digital infrastructure. The assets DGI9 invests in typically comprise scalable platforms and technologies including (but not limited to) subsea fibre, data centres, terrestrial fibre and wireless networks.

From its IPO in March 2021 and subsequent capital raises, DGI9 has raised total equity of £905 million and a revolving credit facility of £375 million, invested into the following data centres, subsea fibre, terrestrial fibre and wireless networks:

- **Aqua Comms**, a leading owner and operator of 20,000km of the most modern subsea fibre systems - the backbone of the internet - with a customer base comprising global tech and global telecommunications carriers (April 2021);
- **Verne Global Iceland**, the leading Icelandic data centre platform, with 40MW of high intensity computing solutions in operation or development, powered by 100% baseload renewable power (September 2021);
- **EMIC-1**, a partnership with Meta on a 10,000km fibre system from Europe to India (July 2021);
- **SeaEdge UK1**, a data centre and landing station for the North Sea Connect subsea cable, part of the North Atlantic Loop subsea network, improving connectivity between the UK, Ireland, Scandinavia and North America (December 2021);
- **Elio Networks** (previously Host Ireland) a leading enterprise broadband provider that owns and operates Fixed Wireless Access networks (April 2022);
- **Verne Global London** (previously Volta), a premier data centre based in central London, providing 6MW retail co-location services (April 2022);
- **Verne Global Finland** (previously Ficolo), a leading Finnish data centre and cloud infrastructure platform, with c.23MW of data centre capacity, powered by 100% renewable power and distributing surplus heat to district heating networks (July 2022).
- **Giggle**, a revolutionary Fibre to the Home network providing affordable broadband to social housing in Glasgow (July 2022); and
- **Arqiva**, the only UK national terrestrial television and radio broadcasting network in the United Kingdom - providing data, network and communications services, as well as a national IoT connectivity platform (October 2022).

The Company's Ordinary Shares were admitted to trading on the Specialist Fund Segment of the Main Market of the London Stock Exchange on 31 March 2021. It was admitted to the premium listing segment of the Official List of the Financial Conduct Authority and migrated to trading on the premium segment of the Main Market on 30 August 2022.

For more information on the Investment Manager please visit www.triplepoint.co.uk. For more information, please visit www.d9infrastructure.com.

[1] The Global LTV test limit is 65%. This is a ratio (expressed as a percentage) of the total Financial Indebtedness of the Group including

any wholly owned Subsidiaries and any Non-Wholly Owned Holdings of the Group.

[2] Adjusted Gross Asset Value means the aggregate value of the total assets of the Company as determined with the accounting principles adopted by the Company from time to time as adjusted to include any third-party debt funding drawn by, or available to, any Group company (which, for the avoidance of doubt, excludes Investee Companies.) These adjustments are made: (a) to replicate the gross assets of the Group as if its accounts were prepared on a consolidated basis; and (b) in respect of the inclusion of undrawn debt available to the Group, to account for debt that could be drawn down without having to draw the debt (and, hence, incur interest costs) ahead of, or if not required for, completion of a transaction.

[3] Includes additional £25 million drawdown on the RCF disclosed as a post balance sheet event in February 2023 in the Annual Report.

[4] £40 million represents repayment of an existing Shareholder loan by Verne Global.

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