

Northern Data acquires server systems with some 223,000 GPUs from Block.one for a total price in the amount of approximately EUR 365 million

Northern Data AG / Key word(s): Mergers & Acquisitions/Capital Increase

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12.08.2021 / 14:37

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PRESS RELEASE / IR RELEASE

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- **Northern Data signs an agreement with Block.one covering the acquisition of a 100% interest in Decentric Europe BV for approximately EUR 365 million.**
- **Immediate access to the hardware.**
- **Hardware powered with 100% renewable energy.**
- **The GPU hardware includes approximately 223,000 AMD and Nvidia GPU cards in over 24,000 server systems.**
- **Possibility of expanded commercial use of the RAM and server memory as well as the approximately 500,000 CPU cores of the AMD EPYC processors.**
- **The transaction involves a cash component in the amount of EUR 195 million to be paid within 12 months as well as approximately EUR 170 million in new shares (2.3 million shares) from a capital increase in kind effected through issuance of the Company's registered authorized capital exclusive of any shareholder subscription rights. The capital increase was approved today.**
- **Taking into account this transaction, Block.one will hold an interest of approximately 18.2% in Northern Data.**
- **The acquisition will support vertical integration along the value-added chain in the area of high-performance cloud computing.**
- **Northern Data will complete the full installation of all GPU server systems at its sites by the end of the third quarter of 2021.**
- **The Company is currently working on further strategic steps that will accelerate expansion of HPC business for applications that expand beyond blockchain use cases.**

Frankfurt am Main - August 12, 2021 - Northern Data AG (XETRA: [NB2](#), ISIN: [DE000A0SMU87](#)), a leading infrastructure supplier for HPC applications and Bitcoin mining, has

agreed to purchase Decentric Europe BV from Block.one and will, as a result, acquire all of Decentric's GPU hardware. This GPU hardware includes approximately 223,000 GPU cards produced by AMD and Nvidia, which are installed in more than 24,000 server systems of GIGABYTE Technology, a vendor of high-performance servers.

The large-scale project launched by Northern Data to build one of the world's largest GPU-based distributed computing clusters for HPC applications will involve locations in Norway, Sweden, the Netherlands and Germany. Apart from the infrastructure solutions, which include locations, data centers and technical equipment, the hardware acquisition represents a strategic asset build-up that complements Northern Data's existing high-performance servers.

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Thanks to this acquisition the Company will be in a position to market cloud-based HPC applications that feature maximum scalability as well as exceptional time- and cost efficiency and exclusive use of renewable sources of energy plus compliance with the provisions of German and Norwegian data sovereignty legislation.

Northern Data will complete the full installation of all GPU server systems at its sites by the end of the third quarter of 2021. Expansion of the cluster has in the meantime resulted in immediately deployable computing power of 1.29 exaflops FP32 or 7.3 terahashes. Following completion of installation by the end of Q3 2021, computing power for Northern Data as a whole will come to approximately 2.6 exaflops FP32 (390 petaflops FP64) and approximately 13.86 terahashes. By way of example, the world's fastest supercomputer, Japan's "Fugaku", delivers 1.07 FP32 exaflops.

This computing power will be deployed for strategic HPC applications of Northern Data customers such as rendering, artificial intelligence, blockchain applications and the internet of things.

At the same time, the Company is currently working on further strategic steps that will accelerate expansion of HPC business for applications that expand beyond blockchain use cases. Northern Data also has very good prospects for the future because of its in-depth expertise in the ASIC area and is poised to benefit from future progress in technology in the HPC segment as a result of AI ASICS.

"The acquisition of Block.one's entire portfolio of GPU server systems represents a quantum leap in Northern Data's corporate story. We thus now have at our disposal all critical components required to cover the enormous customer demand for data-processing capacity in the HPC area. I am particularly proud that the entire cluster is powered exclusively by green energy. We will shortly be taking further steps to complement our offering along the value-added chain in order to be able to meet the needs of tomorrow's customers by providing everything from hardware to an HPC application platform," says Aroosh Thillainathan, Founder & CEO of Northern Data AG.

"I'm excited to see Northern Data continuing to expand its global capabilities to better serve its growing customer base," said Brendan Blumer, CEO of Block.one. "Offering HPC infrastructure solutions that use 100% renewable sources of energy is fundamental to sustainably meeting the growing demand for AI and blockchain computational processing".

Northern Data will generate initial revenue and a corresponding contribution to EBITDA following completion of the transaction, which took place immediately after the execution of the agreement. The anticipated positive impact at the level of the forecast for the 2021 financial year will be described in detail when the annual report for 2020 is published.

Northern Data intends to enter into negotiations with other companies on comparable transactions in order to internalize hardware capacities for mining. Such acquisitions, which could also be concluded in the short term, would also be carried out using the existing Authorized Capital 2021 and would therefore not require any further resolution by the AGM. Analogous to the Decentric transaction, such transactions could have a positive impact on the revenue and earnings situation of Northern Data if successful.

About Block.one:

Block.one is the creator of EOSIO, a leading open-sourced blockchain software that provides digital creators with the tools to build the high performance blockchain infrastructure of tomorrow. Block.one aims to empower creators and communities through strategic capital allocation and pioneers its own business ventures leveraging EOSIO technology to increase market efficiency, transparency, and participant alignment.

About Northern Data:

[Northern Data AG](#) develops and operates global infrastructure solutions in the field of High-Performance Computing (HPC). With its customer-specific solutions, the company provides the infrastructure for various HPC applications in areas such as bitcoin mining, artificial intelligence, blockchain, big data analytics, IoT or rendering. The internationally active is today a leading provider of HPC solutions worldwide. Northern Data offers its HPC solutions both in large, stationary data centers and in mobile high-tech data centers that can be set up at any location worldwide. The company combines self-developed software and hardware with intelligent concepts for a sustainable energy supply. The Northern Data group currently employs around 200 people.

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12.08.2021 Dissemination of a Corporate News, transmitted by DGAP - a service of EQS Group AG.

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Archive at www.dgap.de

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ISIN: DE000A0SMU87

WKN: A0SMU8

Listed: Regulated Unofficial Market in Berlin, Dusseldorf, Frankfurt, Hamburg, Hanover, Munich (m:access), Stuttgart, Tradegate Exchange

EQS News 1225825

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1225825 12.08.2021