



# ASX Release

29 August 2023

## Asset Financing Arrangements Executed

DUG Technology Ltd (ASX: DUG) (“DUG” or the “Company” or the “Group”) is pleased to announce it has entered into a material financing arrangement with First National Capital LCC (“FNC”) to asset finance the purchase of 600 new Intel CPU computers<sup>1</sup> to support the Group’s Services business line, in particular MP-FWI workflows.

The significant terms of the financing arrangement are as follows:

- Funding provided of US\$6.75 million
- Monthly repayments totalling US\$0.28 million over a 24 month term
- A deposit of US\$1.11 million is paid in advance at the commencement of the financing, applied to the final four repayments
- Final additional balloon payment calculated as 10% - 11.3% of the initial cost of the funded assets<sup>2</sup>
- Following the final repayment, DUG retains title to the assets.

A credit approved offer was executed today under an existing master lease agreement with FNC which has been utilised on smaller funding arrangements over the past six months.

This financing arrangement is in line with the Group’s strategy to fund computer and storage assets through asset financing arrangements whilst utilising cash reserves to fund operations and growth capital such as the Geraldton HPC Campus.<sup>3</sup>

This ASX Announcement has been approved for release by the Board of DUG Technology Ltd.

**Ends**

### For more information:

DUG Technology Ltd

T. +61 9287 4100

DUG Investor Email: [investor@dug.com](mailto:investor@dug.com)

DUG Investor Centre: [www.dug.com/investor-centre](http://www.dug.com/investor-centre)

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1 Refer ASX Announcement “FY2023 Results Release” released on 28 August 2023.

2 Range is subject to the assessed fair market value of the assets on conclusion of financing.

3 Refer ASX Announcement “DUG secures A\$5 million in government funding for the Geraldton HPC Campus”.



## About DUG

DUG is an ASX-listed technology company, headquartered in Australia, that specialises in analytical software development, big-data services and reliable, green, high-performance computing (HPC). DUG is built on a strong foundation of applied science and a history of converting research into practical, real-world solutions. DUG delivers innovative software products and cost-effective, cloud-based HPC as a service backed by bespoke support for technology onboarding. DUG's expertise in algorithm development and code optimisation enables clients to leverage big data and solve complex problems.

DUG delivers a comprehensive geoscience offering backed by over two decades of experience and a focus on R&D. DUG maximises the value of seismic data with customised services, software and HPC solutions enabled by innovative technology - including Multi-parameter FWI Imaging.

DUG is a global company with offices in Perth, London, Houston and Kuala Lumpur, supporting a diverse industrial client-base that includes radio-astronomy, biomedicine and meteorology, as well as the resource, government and education sectors. DUG designs, owns, and operates a network of some of the largest and greenest supercomputers on Earth. The company continues to invest and innovate at the forefront of software and HPC, working towards a climate-positive future.

To learn more, please visit [www.dug.com](http://www.dug.com).