
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

**FORM 8-K
CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

October 12, 2023
(Date of earliest event reported)

APPLIED DIGITAL CORPORATION
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction
of incorporation)

001-31968
(Commission File Number)

95-4863690
(IRS Employer
Identification No.)

3811 Turtle Creek Blvd., Suite 2100,
(Address of principal executive offices)

Dallas, TX

75219
(Zip Code)

214-427-1704
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

- Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	APLD	Nasdaq Global Select Market

Item 7.01 Regulation FD Disclosure

On October 12, 2023, Applied Digital Corporation (the "Company") posted to the Company's website at www.applieddigital.com updated investor presentations to be used from time to time in meetings with investors and analysts. A copy of the investor presentations are furnished as Exhibit 99.1, 99.2, and 99.3 to this Current Report on Form 8-K and are incorporated by reference herein.

The information included in this Item 7.01 of this Current Report on Form 8-K, including the attached Exhibit 99.1, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits

EXHIBIT INDEX

Exhibit No.	Description
99.1	Investor Presentation October 2023 (CFO Summary)
99.2	Investor Presentation October 2023 (Technical Overview)
99.3	Investor Presentation October 2023 (Demands of Real Estate Development)
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURE

Pursuant to the requirements of Section 13 or 15 (d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: October 12, 2023

By: /s/ David Rench
Name: David Rench
Title: Chief Financial Officer



APPLIED DIGITAL

CFO Summary

Investor Day | October 12, 2023



Applied Digital

Disclaimer

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The trademarks included herein are the property of the owners thereof and are used for reference purposes only. Such use should not be construed as an endorsement of the platform and solutions of Applied Digital.

Forward-Looking Statements

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There is no assurance that any forward-looking statements will materialize. You are cautioned not to place undue reliance on forward-looking statements, which reflect expectations only as of this date. Neither Applied Digital nor B. Riley undertakes any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise.

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Applied Digital

Business Overview

Offering Industry Leading Infrastructure Solutions and Compute Intensive Applications

	What We Offer	Who Are Our Customers	Key Segment Stats
<p>AI BASED CLOUD SERVICES</p>  	<p>Rent AI/ML companies access to cloud servers to train and run applications</p>	<p>AI / ML companies</p>	<p>34,000+ GPUs ordered</p>
<p>NEXT GENERATION HPC DATACENTERS</p>  	<p>Provide hosting infrastructure through purpose build HPC datacenters for the new wave of technological platforms and services</p>	<p>Cloud Service Providers</p>	<p>300MW+ In Development</p>
<p>BLOCKCHAIN DATACENTERS</p>  	<p>Provide hosting infrastructure (power and maintenance) to Bitcoin mining companies</p>	<p>Bitcoin miners</p>	<p>~280MW Operating + ~200MW Coming Online</p>

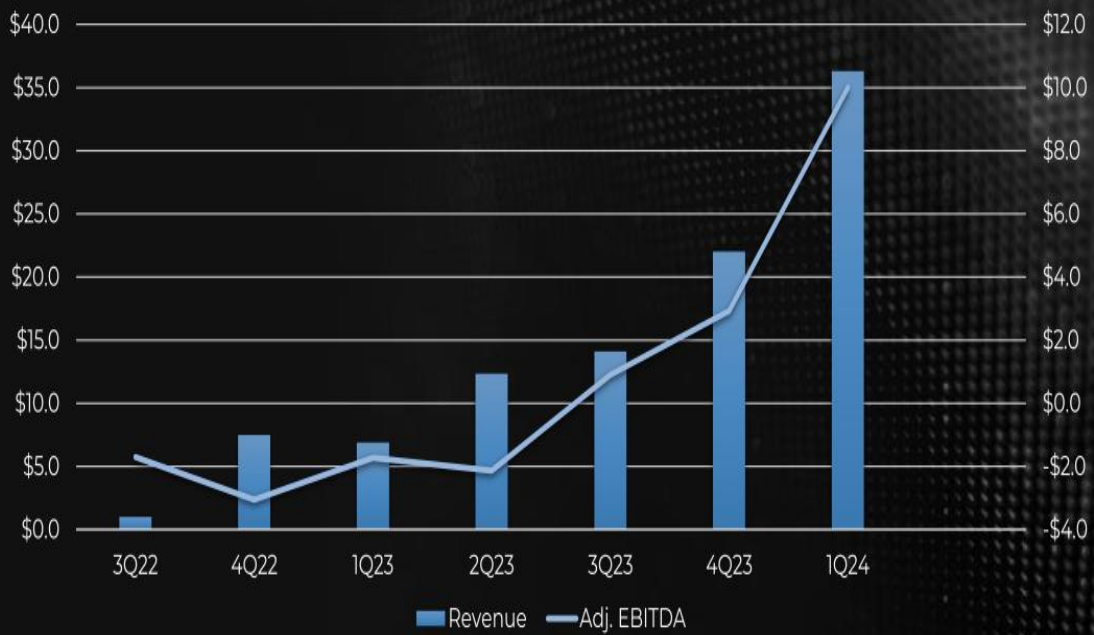


Organizational Chart



Financial Overview At A Glance

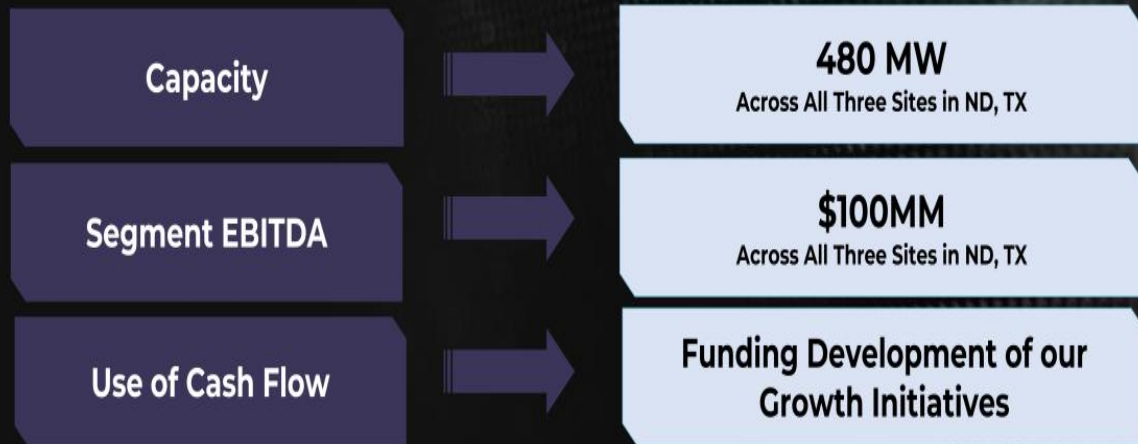
Revenue and Adjusted EBITDA Historicals*



*Reconciliation of the GAAP and non-GAAP measure is provided as an Appendix to the presentation

Blockchain Colocation Datacenters

480 MW - \$100MM Segment EBITDA*

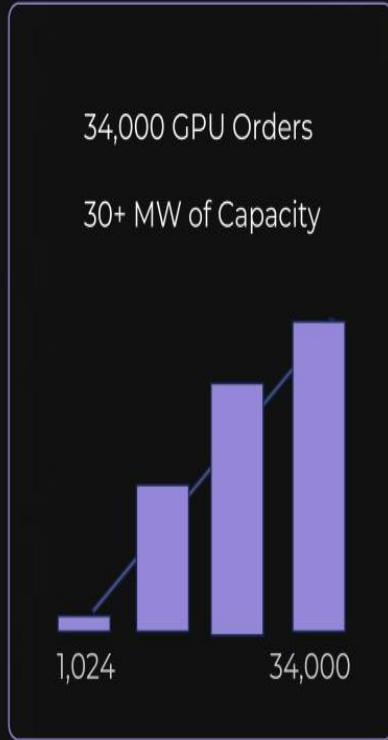


No new capacity being added, financed with site level mortgages

*Reconciliation of the GAAP and non-GAAP measure is provided as an Appendix to the presentation



Sai Computing Overview



Key Performance Indicators: GPUs deployed and ACV

Anticipated 40% Non-GAAP Segment Operating Margins at scale.

1.5 MW = 1,024 GPUs

Target and Estimated ~2 Year Cluster Payback

6 Year Useful Life.

Estimated ~\$18MM of annualized revenue on a reserve cluster of 1024 GPUs

Segment Economics

Financed via a combination of Customer Prepayment and Vendor/Partner Instruments like Capital Leases.

Engaging with a financial institution for a larger debt facility

\$ 23 MM Invested in prebuilding our 9MW Site,

Total Near Term Capacity of 30+ MW including Third Party Providers

Segment Finance



HPC Hosting

Key Performance Indicators & Next Steps:

MWs Energized and signing of an investment grade tenant for a majority of the capacity.

We have ~300MW to develop between North Dakota and Utah

Segment Economics

Traditional datacenter Economics with high 40% to low 50% segment EBITDA margins .

Illustratively, a 100MW site could generate ~\$200 MM of Revenue

How Do We Finance and Cost to Build?

Anticipated build cost of ~\$6 MM per MW for our new design.

Targeting 70% to 80% of construction cost financed by a traditional construction facility, with the equity portion potentially funded by a partner.



Building Blocks *(Illustrative Economics)*

BTC Colocation

PER 1 MW



MW (Per Annum)

REVENUE
~\$ 625K

Segment EBITDA*
~\$ 208K

HPC

PER 1 MW



MW (Per Annum)

REVENUE
~\$ 2 MM

Segment EBITDA*
\$ 900K - 1MM

AI Cloud

PER 1.5 MW



1,024 GPUs = 1.5 MW

REVENUE
\$ 18 MM Per Annum

Segment Operating Margin*
40% at Scale



*Reconciliation of the GAAP and non-GAAP measure is provided as an Appendix to the presentation

Thank You For Joining



Applied Digital

Appendix A

"EBITDA" is defined as earnings before interest, taxes, and depreciation and amortization. "Adjusted EBITDA" is defined as EBITDA adjusted for stock-based compensation, gain on extinguishment of accounts payable, loss on extinguishment of debt, and onetime professional service costs not directly related to the company's offering and therefore not deferred under the guidance in ASC 340 and SAB Topic 5A. These costs have been adjusted as they are not indicative of business operations. Adjusted EBITDA is intended as a supplemental measure of Applied Digital's performance that is neither required by, nor presented in accordance with, GAAP. Applied Digital believes that the use of EBITDA and Adjusted EBITDA provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing its financial measures with those of comparable companies, which may present similar non-GAAP financial measures to investors. We also believe EBITDA and Adjusted EBITDA are useful metrics to investors because they provide additional information regarding factors and trends affecting our business, which are used in the business planning process to understand expected operating performance, to evaluate results against those expectations, and because of their importance as measures of underlying operating performance, as the primary compensation performance measure under certain programs and plans. However, you should be aware that when evaluating EBITDA and Adjusted EBITDA, Applied Digital may incur future expenses similar to those excluded when calculating these measures. In addition, Applied Digital's presentation of these measures should not be construed as an inference that its future results will be unaffected by unusual or non-recurring items. Applied Digital's computation of Adjusted EBITDA may not be comparable to other similarly titled measures computed by other companies, because all companies may not calculate Adjusted EBITDA in the same fashion.

Because of these limitations, EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. Applied Digital compensates for these limitations by relying primarily on its GAAP results and using EBITDA and Adjusted EBITDA on a supplemental basis. You should review the reconciliation of net loss to EBITDA and Adjusted EBITDA and not rely on any single financial measure to evaluate Applied Digital's business.

Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and amortization, gain on extinguishment of accounts payable, loss of extinguishment of debt, no professional service costs, and other one-time/non occurring expenses.

Segment EBITDA defined as segment profit plus segment depreciation and amortization.

Reconciliations are not provided for guidance on forward-looking Non-GAAP measures as we are unable to predict the amounts to be adjusted.



Reconciliation of GAAP to Non GAAP for Historical Adjusted EBITDA

EBITDA and Adjusted EBITDA (\$ in thousands)	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q23
Net Loss (GAAP)	\$ (2,397)	\$ (4,643)	\$ (4,531)	\$ (26,750)	\$ (7,341)	\$ (6,856)	(\$11,457)
Add: Interest Expense	-	112	356	385	384	855	2,074
Add: Income Tax (Benefit) Expense	60	266	32	(312)	-	(242)	-
Add: Depreciation	245	875	1,136	1,568	1,927	2,636	7,860
EBITDA (Non-GAAP)	\$ (2,092)	\$ (3,390)	\$ (3,007)	\$ (25,109)	\$ (5,030)	\$ (3,607)	\$ (1,523)
Add: Stock-based compensation	-	-	579	21,819	4,481	5,195	5,641
Add: Gain on Extinguishment of Accounts Payable	(80)	-	-	-	-	-	2,353
Add: Loss on Extinguishment of Debt	-	-	94	-	-	-	2,300
Add: Nonrecurring professional services	433	240	408	664	365	727	592
Add: Other nonrecurring expenses	-	93	200	494	1,094	615	653
Adjusted EBITDA (Non-GAAP)	\$ (1,739)	\$ (3,057)	\$ (1,726)	\$ (2,132)	\$ 910	\$ 2,930	\$ 10,016





APPLIED DIGITAL

Leading Provider of Next-Gen Datacenters for
High-Performance Computing Applications

Technical Overview

October 2023

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Introduction



Michael Maniscalco

CTO

- Serial entrepreneur with multiple startups and exits, and prior experience with StanleyX and Fortune 1000 companies.
- Over 20 years of diverse experience in IT, IoT, financial, telecommunications, AI, and healthcare industries.
- Holds a degree in Computer Science from the Georgia Institute of Technology.

AI Explosion

In A World Where Innovation Races Against Time

AI Race To Dominance

Generative AI

Foundational Models

Exponential Innovation

General Artificial Intelligence

World-Changing Implications



Applied Digital

Digital Infrastructure Where Innovation Can Flourish

AI Explosion

The ChatGPT Effect.

Super Compute Resources

Large Models Drive Demand For Supercomputer Level GPU Clusters

Physical Space & Power

AI Clusters Hungry For Power, Specialized Space, And Efficient Cooling



We Build Bridges Where There Have Been Only Gaps



Power & Scale

DELIVERING ON THE IMPOSSIBLE

- Supercomputer Scale Clusters
- Power Hungry GPU Clusters
- Cooling For AI Level Compute



Network

TRAINING, INFERENCE, AND INFINIBAND

- Delivering Large Cohesive Ultra-low Latency Networks
- Tailoring Network To AI Workload Requirements
- Enabling Speed And Flexibility



AI Compute

GPU SUPERCOMPUTE & INFERENCE

- World-class Supercompute For Generative AI And LLM Training
- Alleviating The Complexities That Come With Supercomputer Scale



WE ARE THE ARCHITECTS OF ACCELERATION

IN A WORLD WHERE SPEED TO MARKET MATTERS

We offer a wide range of digital infrastructure and services for compute intensive applications



1 ACCELERATED COMPUTE-AS-A-SERVICE

Providing Graphics Processing Unit (GPU) Cloud Services Applicable to Artificial Intelligence

2 SUPERCOMPUTE-AS-A-SERVICE

Providing Supercomputer Scale Clusters As A Turnkey Service Offering

3 NEXT-GEN HPC DATACENTERS

Providing Power-Efficient HPC Datacenters and Cost-Effective Colocation Services

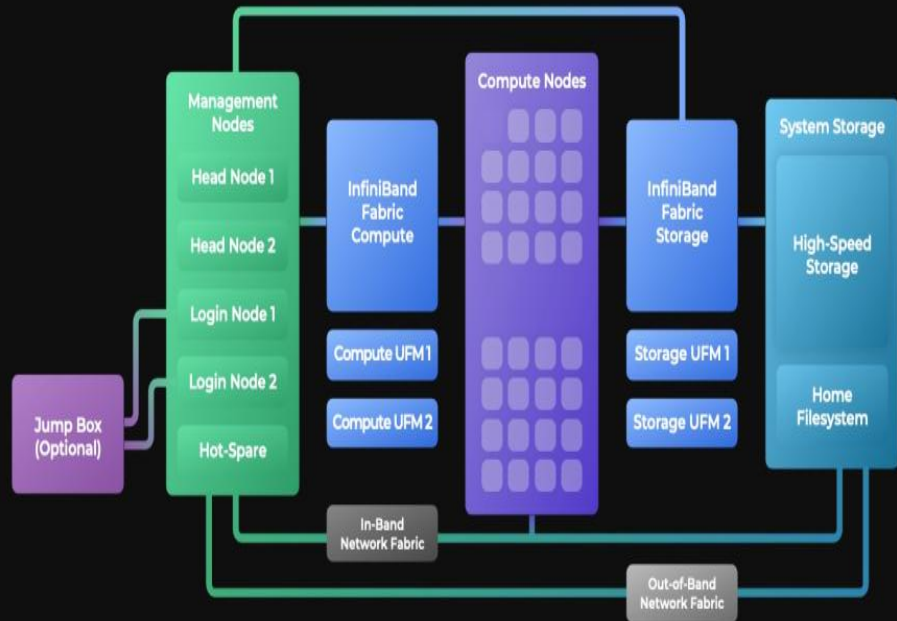


Applied Digital

TURNING STATE-OF-THE-ART SUPERCOMPUTERS INTO CATAPULTS OF TRANSFORMATION

APLD HGX H100 SuperPod

Applied Digital's team delivers supercomputer clusters designed using Nvidia's HGX reference architecture that offer cutting-edge compute, storage, and networking



APLD Compute Clusters are deployed in Nvidia SuperPod configurations ranging from 256 – 5,000+ Nvidia H100 SXM GPUs



We Turn Pipes And Air Into Threads Of Opportunity

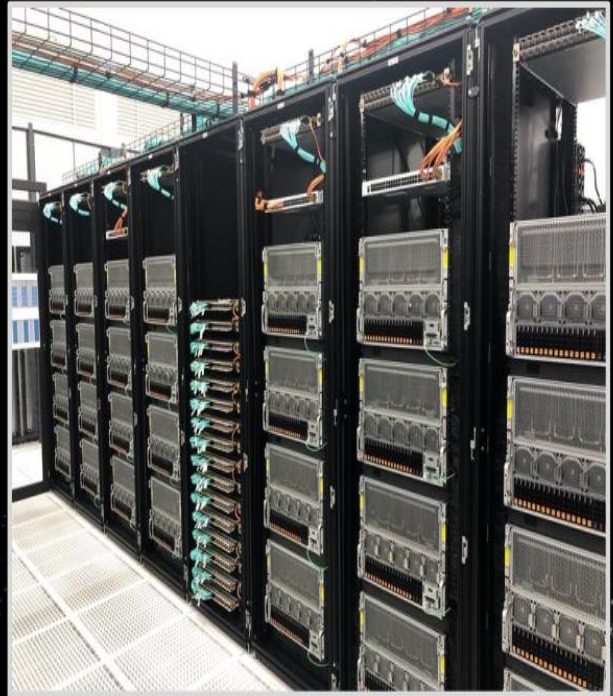
Internet Pipes Considerations

- Training
- Inference
- Time to deployment

Local Network Fabric

- Ultra-low latency
- State of the art architectures
- Workload flexibility

Fact: An APLD 5,000 H100 GPU cluster consists of 250km of fiber interconnecting all GPUs for a total of 15k+ InfiniBand cables



Applied Digital H100 SXM Cluster With InfiniBand

Power – The Primary Ingredient Of Innovation



Created with MidJourney AI

/imagine a large data center campus with multiple multi-story data center buildings in a rural location near a wind turbine farm

Power Needs For AI Compute Increasing

- An "AI Brain In A Building" require compute density.
- For the largest clusters we provide high-density compute racks (100kw/rack +)
- State-of-the-art cooling: Beyond air cooling constraints at ~60kw/rack with liquid cooling
- Power at the source: For cost-effective, rapid development and ESG optimized compute
- Rethinking data center SLAs for rapid and cost-effective deployment
- Delivering Datacenter campuses eyeing gigawatt scale

We Build Bridges Where There Have Been Only Gaps



Power & Scale

DELIVERING ON THE IMPOSSIBLE

- Supercomputer Scale Clusters
- Power Hungry GPU Clusters
- Cooling For AI Level Compute



Network

TRAINING, INFERENCE, AND INFINIBAND

- Delivering Large Cohesive Ultra-Low Latency Networks
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APPLIED DIGITAL

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High-Performance Computing Applications

THANK YOU

Applied Digital Manifesto

In a world where speed to market matters. We are the architects of acceleration.

Applied Digital doesn't just build data centers. We construct forces of progress, and design digital infrastructure where innovation can flourish

Whether it's high-performance computing or world-changing AI. This is where ideas transcend and the limit on what's possible expands.

We are for empowered visionaries. First-mover innovators and digital dreamers.

We don't fear complexity. We build bridges where there have been only gaps.

More than designers of infrastructure, we are catalysts for the digital age. We turn pipes and air into threads of opportunity... State-of-the-art supercomputers into catapults of transformation.

Power – isn't just a tool – it's the primary ingredient of innovation. And in a world where innovation races against time, we supply the fuel for possibility.



APPLIED DIGITAL

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Demands of Real Estate Development

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Introduction



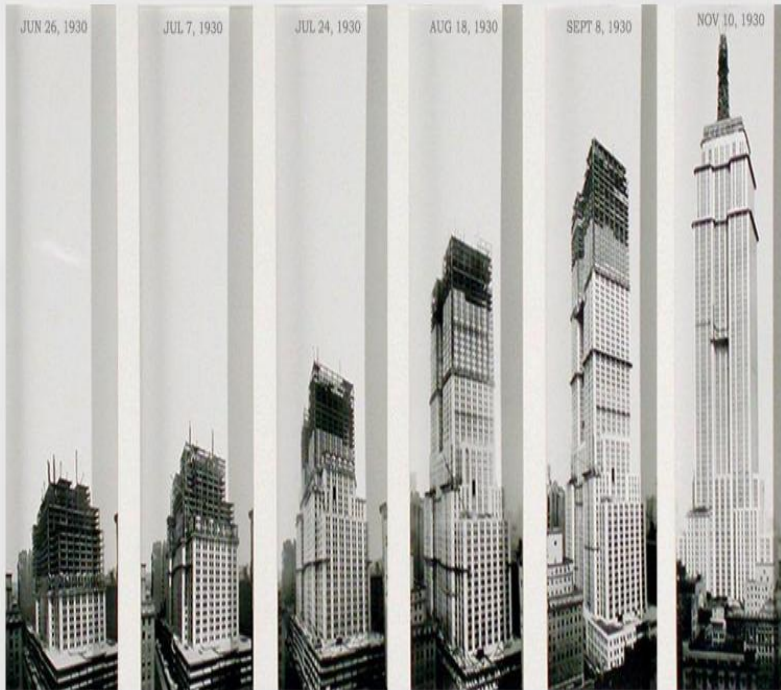
Brad Barton

EVP of Real Estate & Development

- Husband, Father of 3 boys, outdoors, sports.
- Have executed over \$2.5 billion in mission critical datacenter projects in the US and Mexico
- More recently, delivered multiple hyperscale, wholesale, and colocation datacenters totaling over 450 megawatts for large REITs, social media clients and financial institutions



Planning – Lessons Learned From the Past



The entire building went up in just over a year, under budget (at \$40 million) and well ahead of schedule.

Source: Rare Historical Photos 2023

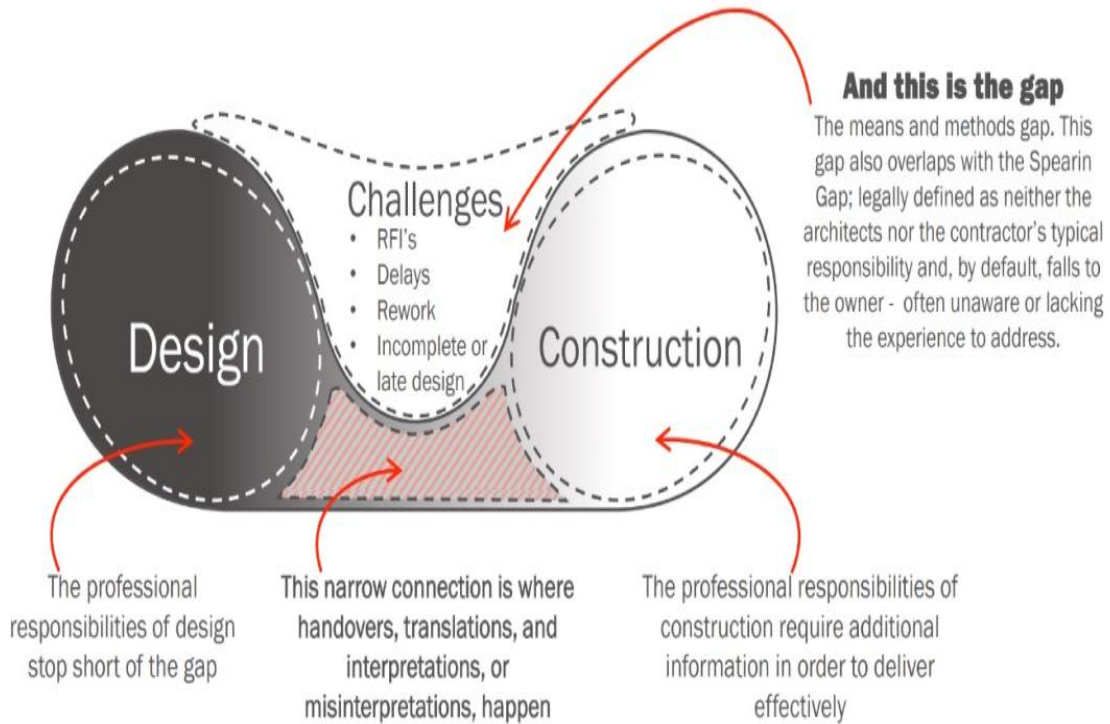
Design = Weeks
Construction = ~12 Months

The Key Success To Constructing the Empire State Building:

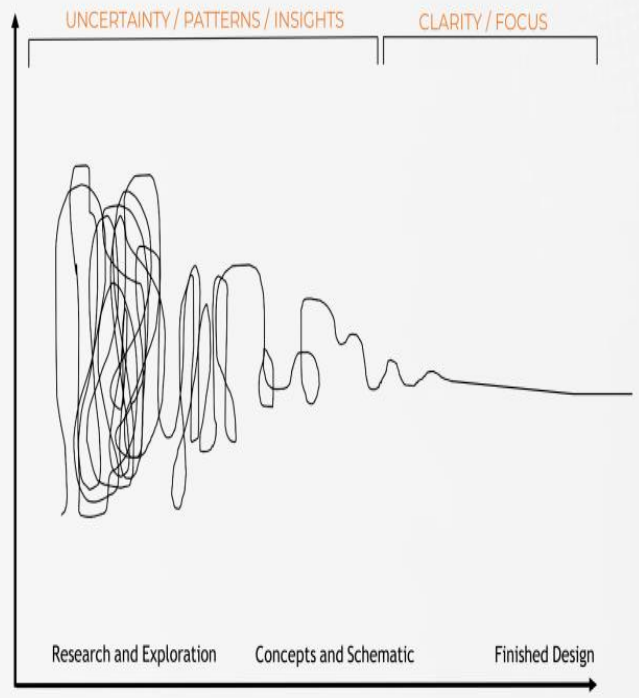
- ✓ Efficient Design
- ✓ Experienced Workforce
- ✓ Assembly Line Construction
- ✓ Financial Incentives
- ✓ Innovation
 - ✓ Use of elevators



Today's Challenges



Design Planning – The Key To Success



Datacenter design is an iterative process involving input from internal stakeholders and OEMs.

Problems with the Design Phase:

Programming



Schematic Design



Design Development



Construction Documents



Colocation Datacenters

Datacenter Complications

- Lots of power in, lots of heat out- meanwhile, plan for tech not invented yet, plan for local jurisdictions , etc.)
- SLAs have improved over 20 years, emphasizing reliability and performance.
- APLD is seeing tenants moving away from 99.9999% = lots of upfront capital.
- Network components – In house expertise in AI



Internet and Datacenters!

Early 90's

Birth of "IT Closets" within the 4 walls of company's business

Mid 90's to early 2000s

."com" surge – 24x7 operation DCaS (Datacenter as a service)
AWS introduced cloud computing

Early 2000's

DLR Went public \$12

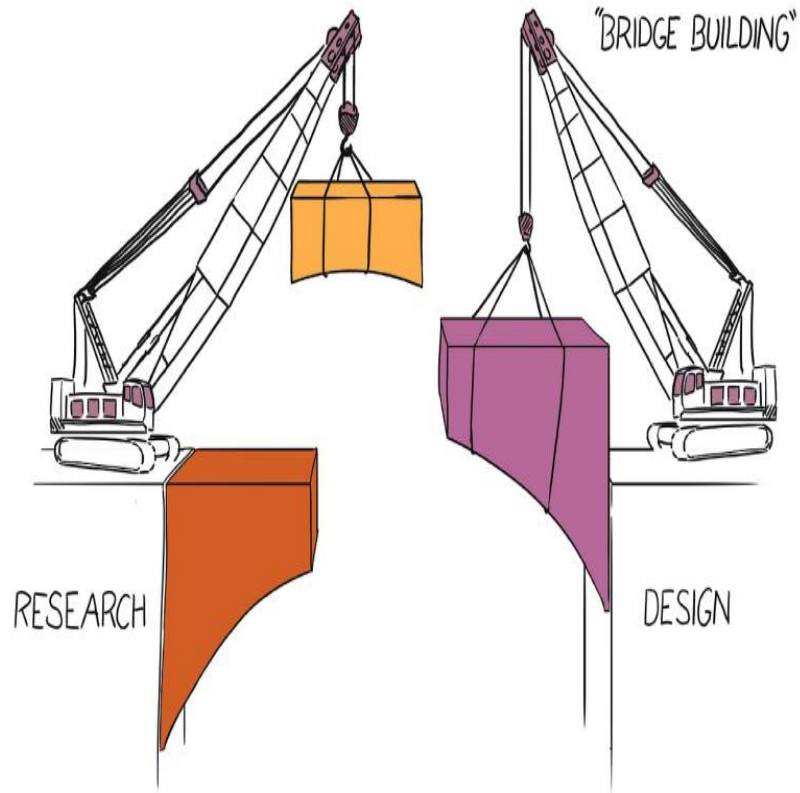
Average deal size:

- Average deal size for a lease
 - 2019-2020 – 10/20MW
 - 2021-2022 – 36MW
 - 2023 – 36-72MW
 - 2024 – 1-300MW

Certainly, additional transformation is inescapable. While the future remains uncertain, cutting-edge colocation facilities provide organizations with the optimal opportunity to prepare for it



Bridging the Gap



Bridging the Gap

Design Process

Order of Activity →

		1	2	3	4	5	6	7	8	9
Order of Activity ↓	Produce suspended floor calculations	1	1	x			x			
	Produce suspended floor plans and sections	2	x	2	x				x	
	Pad foundation calculations	3	x		3					
	Produce pad foundation plans & sections	4		x	x	4				
	Concrete basement calculations	5	x		x		5			
	Produce basement concrete basement layout	6		x		x	x	6	x	x
	Produce ground-bearing floor slab (incl. beams)	7			x	x			7	x
	Produce below ground plumbing layouts	8							x	8
	Produce underground utility layout	9							x	



Bridging the Gap

Efficient Design: Design-to-Equipment and Material Availability

Design to Build – not the other way around:

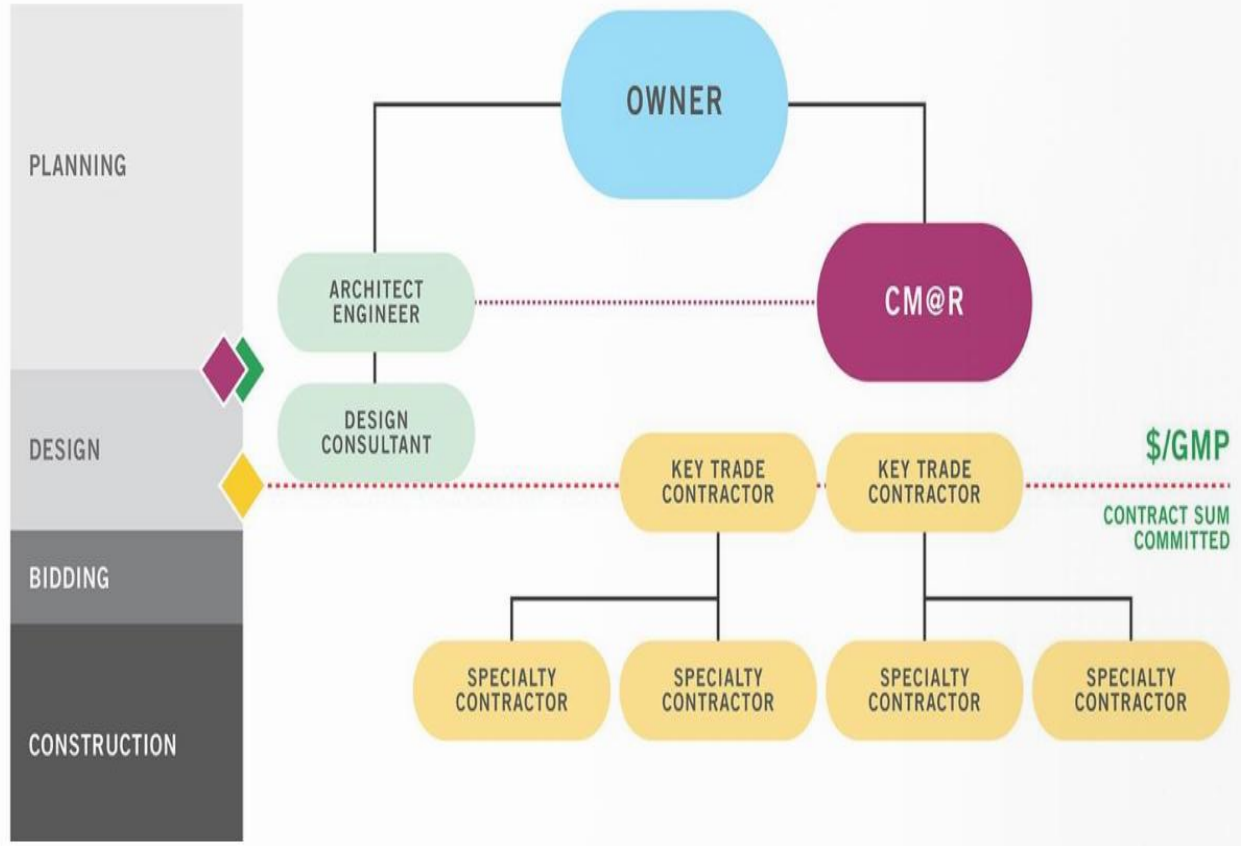
Choose Equipment & Materials (with input on lead time, skilled labor availability, other factors) then design to it.

	Vendor 1	Vendor 2	Vendor 3
Standard Shipping Time (Weeks) to first unit shipped	27	52	75
Standard Shipping Time (weeks) to last unit Shipped	46	70	90



Bridging the Gap

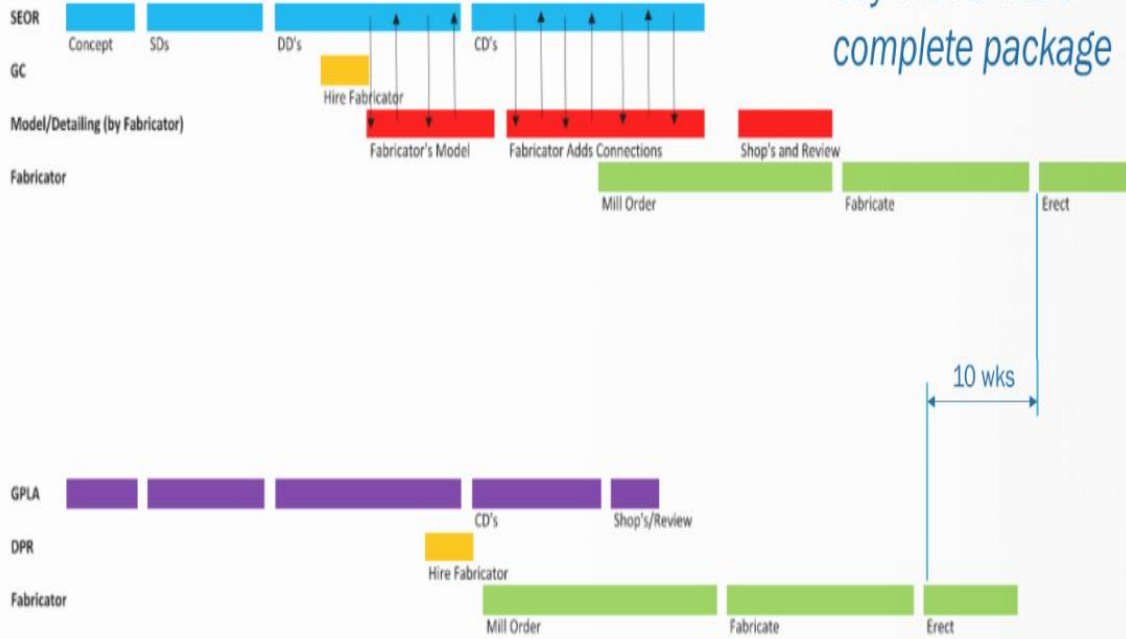
Right Experience, Right Timing



Bridging the Gap

"Assembly Line" Construction

*start steel erection
10 weeks earlier,
buy with a more
complete package*

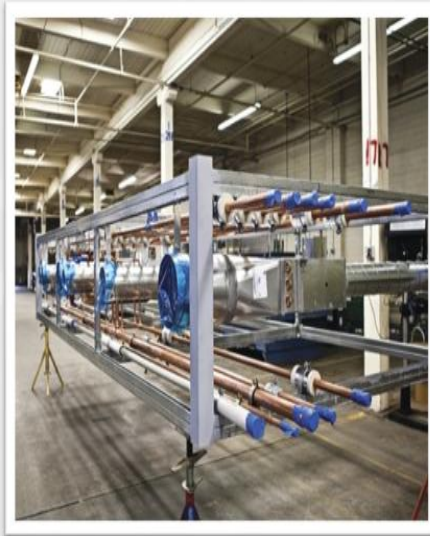
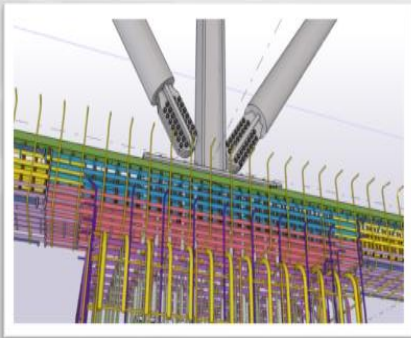


Bridging the Gap

"Assembly Line" Construction

Summary:

Assembly line construction today is often referred to as Prefabrication and it starts with design.



What Is Next?

"AI Brain in a building"



Building: 3 story 100MW

Rack Density: 45KW-150KW a rack

Building Design: Purpose built for AI workloads

Network core: Centralized Core



What Is Next?

Power Search Pipeline



	City	Region	Status	Structure	Dedicated Sq. Feet	Capacity
Future Site 1						
Future Site 2						
Future Site 3						





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Leading Provider of Next-Gen Datacenters for
High-Performance Computing Applications

Thank You

