






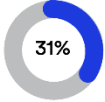
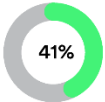
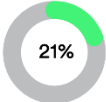
















Full Year Results. 2022.

25 August 2022

Authorised for release by the board of directors of Macquarie Telecom Group Limited

Business design.

Business Areas	 macquarie CLOUD SERVICES	 macquarie GOVERNMENT	 macquarie DATA CENTRES	 macquarie TELECOM
Percentage of Revenue and EBITDA in FY22	 51% Revenue	 48% EBITDA	 8% Revenue  31% EBITDA	 41% Revenue  21% EBITDA
What we do	For business customers, we are the specialists in hybrid IT. We integrate colocation, cloud & dedicated servers. Different applications need different types of hosting. We manage it.	We are the Australian specialists in cyber security, secure cloud & colocation for Federal Government. We deliver services to 42% of Federal Government agencies.	We are developers & operators of data centres for wholesale customers including underpinning our three internal BUs' colocation services.	For business customers, we are the full service provider of data, voice, mobile & colocation services. We are the telecom that does everything refreshingly different. We are where the Macquarie story started.
Value proposition	Customer Service, Specialised and Compliant Hosting.	Customer Service, Security Operations Centre (SOC), Cyber Security, Sovereign Certified Data Centres in Canberra	Customer Service, Commercial and Design Flexibility, Physically Secure for Federal Government, Highly Certified, Local and Data Sovereignty, Proven track record	Customer Service, Price, Choice, Flexibility, Control
Competitors	   	  	   	  
People / Skill	Cloud Specialists: Custom and Compliant	Cyber Security and Hosting Specialist to Government	Australian Data Centre Specialists	Generalist for Voice & Mobiles Technical Consultant for Data & Colo to Business

3 Key Business Highlights.

Revenue
\$309.3m

EBITDA
\$88.4m

NPAT
\$8.5m

EPS
39.3 cents ps

- Revenue now exceeds \$300m, a significant milestone for the Group.
- Eight consecutive years of EBITDA growth for the Group.
- EBITDA CAGR of 16.4% over the last 3 years.
- EBITDA has grown year on year in every segment.
- Healthy cash conversion.
- Macquarie Data Centres has completed the billing ramp up for its IC3 East hyperscale customer for approximately 10MW of IT Load.
- Strong growth in Cyber, Cloud and Security megatrends which drives our business.
- Remaining undrawn debt facility of \$64m to fund further investment to expand the Macquarie Data Centres business.

Macquarie Cloud Services

- Microsoft's fastest growing Azure Managed Service Partner
- The only Microsoft Partner to hold Azure Expert MSP status and membership of the Microsoft Intelligent Security Association
- Continued growth in both private cloud and hybrid solutions
- Security practice continues to grow to meet the corporate market's need for managed security services

Macquarie Government

- Continued strong demand for our cyber security services and delivery reputation driving new revenue growth
- 42% of Australian Government agencies are customers and we are making significant inroads into the law enforcement markets
- Strong take up of our design, commissioning, migration and transition services, especially by our larger agencies
- Our business is aligned with Australian Government's focus on Sovereign capabilities and improving cyber security

Business Highlights Summary.

Macquarie Data Centres

- Full billing for the IC3 East hyperscale customer since February 2022
- Ramped up operations to meet the needs of hyperscale customers
- Continuing to progress the State Significant Development Application for IC3 Super West to bring total Macquarie Park Campus total IT load to at least 50MW

Macquarie Telecom

- Record year for new SDWAN connections adding new logos including Dominos, PetBarn, TAL and MyCar
- Strong cross sell of Cloud Services solutions into Telecom base
- Completion of the Telstra to Optus MVNO Migration for 5G opportunities



A Differentiated Offering.

6 Company purpose.

To make a difference in markets that are under served and overcharged.

+73 NPS

NPS is the measure of customer experience that is assessed on a scale of -100 to +100, where a score of greater than +50 is excellent

Recognition

Our continued focus on providing a great customer experience is core to our service offering and differentiation.

At the 2020 World Communication Awards in London we won the award for best Customer Experience in the World for our Heartbeat program.

Our CEO David Tudehope was also recognised with the World CEO of the Year award:

"We're definitely looking for the X-Factor and we definitely found it here. The judges described the winner as the most customer experience focused CEO they've ever seen. Which has resulted in his company delivering a net promoter score at the same level as Apple and Amazon."

- Cormac Whelan FITP, CEO of Nokia UK and Ireland



Quality Infrastructure.

Data Centre Portfolio.



Intellicentre 1
Sydney CBD



Intellicentre 2
Macquarie Park



Intellicentre 3 East
Macquarie Park



Intellicentre 4 Bunker,
Canberra

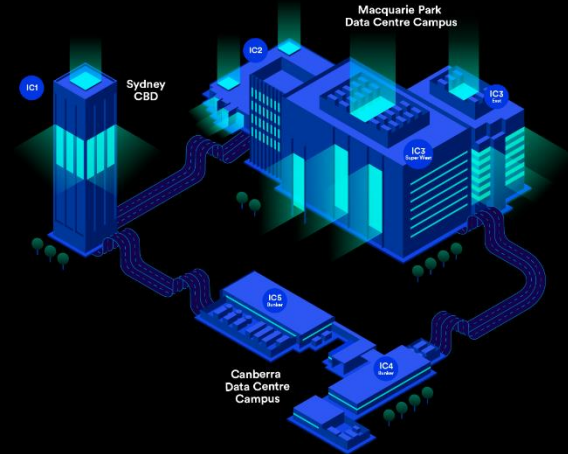


Intellicentre 5 South
Bunker, Canberra

Macquarie Data Centres' projected total IT load is **54MW** comprising of:

- Macquarie Park Data Centre Campus 50MW: IC2, IC3 East and IC3 Super West; and
- Macquarie Canberra Data Centre Campus and IC1 in Sydney CBD combined 4MW.

All our data centres are Certified Strategic by the Australian Government

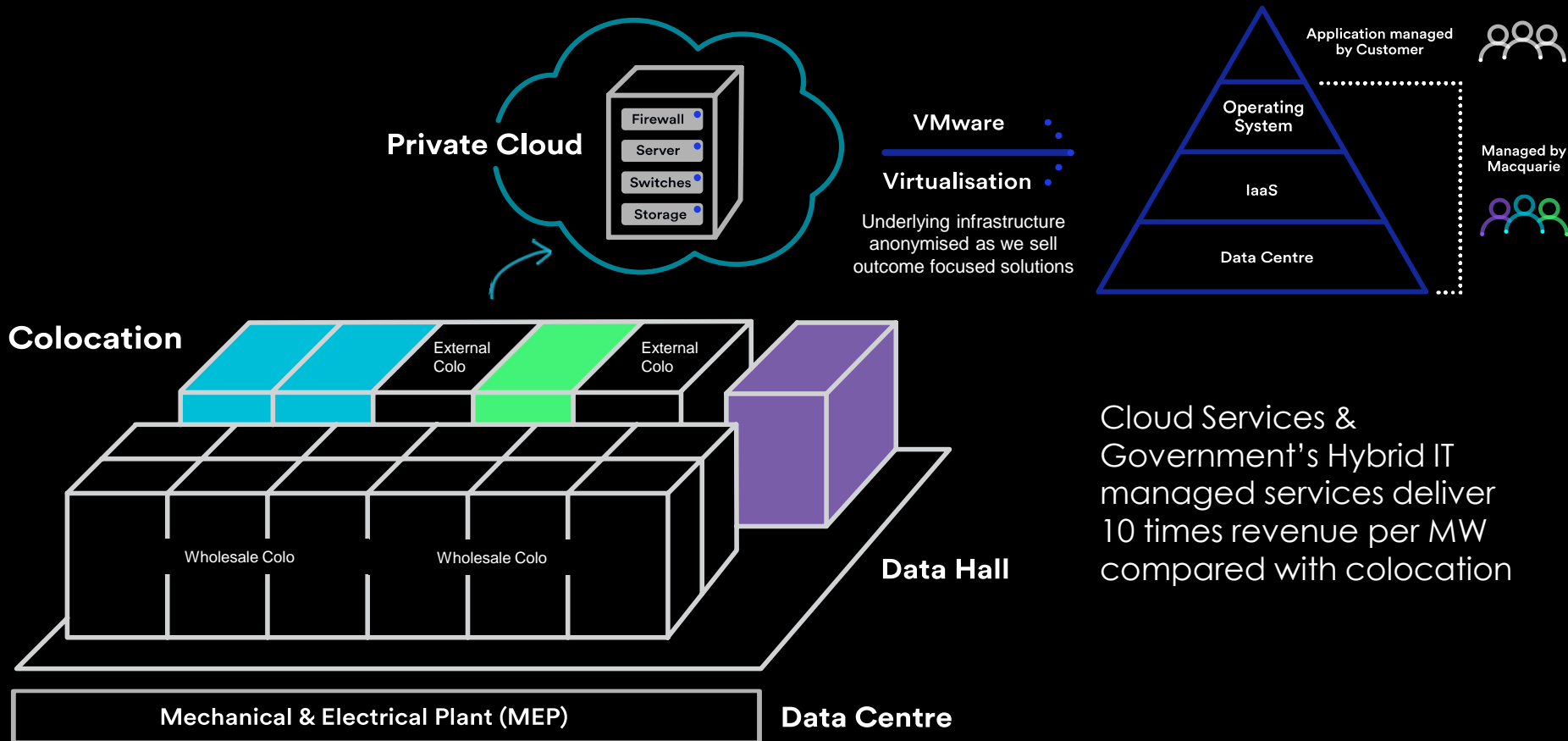


Macquarie Park Data Centre Campus.

- IC3 East hyperscale customer now fully billing
- Pleasingly we are able to increase the total IT Load capacity of IC3E by approximately 1MW independent of the IC3 Super West build. We will invest to realise this opportunity in 2H FY23. This leverages our existing investment in IC3E.
- State Significant Development Application submitted for IC3 Super West. We expect to receive DA approval in late calendar year 2022 to mid-calendar year 2023 and construction to be completed 18 to 24 months later.
- Capex for mechanical, electrical and plant is deployed over time to meet customer demand.



Our private cloud continues to be a key source of data centre utilisation and generates higher revenue per rack.





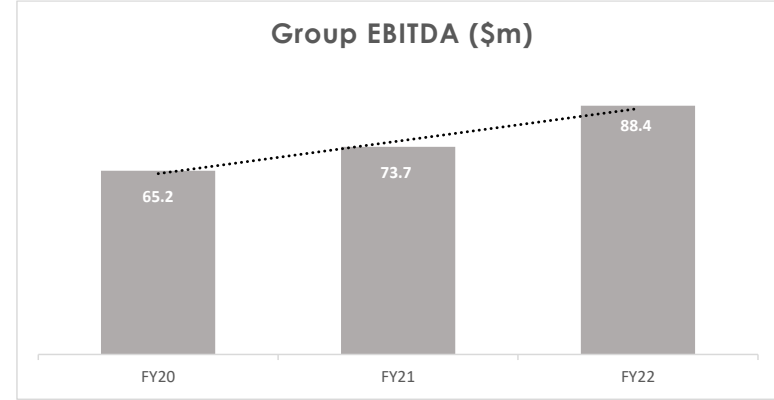
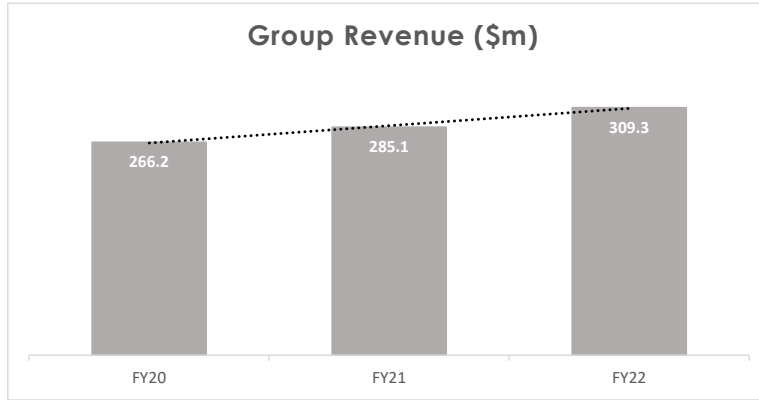
Financials.

Financial Results.

\$m	FY20	FY21	FY22	FY21 v FY22	% change
Revenue					
Cloud Services & Government	108.4	131.5	157.2	25.7	19.6%
Data Centres	35.2	38.7	49.5	10.8	27.8%
Telecom	139.6	135.1	127.3	(7.8)	-5.8%
Inter-Segment	(17.0)	(20.2)	(24.7)	(4.5)	22.2%
Total Revenue	266.2	285.1	309.3	24.2	8.5%
EBITDA					
Cloud Services & Government	29.2	36.4	42.3	5.9	16.2%
Data Centres	16.9	18.9	27.1	8.2	43.6%
Telecom	19.1	18.5	18.9	0.4	2.3%
Total EBITDA	65.2	73.8	88.4	14.6	19.7%
Depreciation & Amortisation	(41.4)	(52.9)	(66.6)	(13.7)	26.0%
EBIT	23.8	20.9	21.7	0.8	4.0%
Interest	(4.4)	(3.4)	(8.5)	(5.1)	149.3%
NPBT	19.4	17.5	13.3	(4.2)	-24.3%
Tax	(5.9)	(5.0)	(4.8)	0.2	-4.1%
NPAT	13.5	12.5	8.5	(4.0)	-32.4%

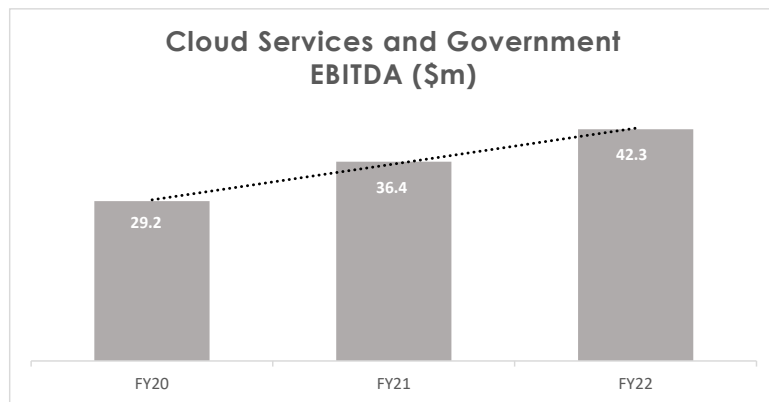
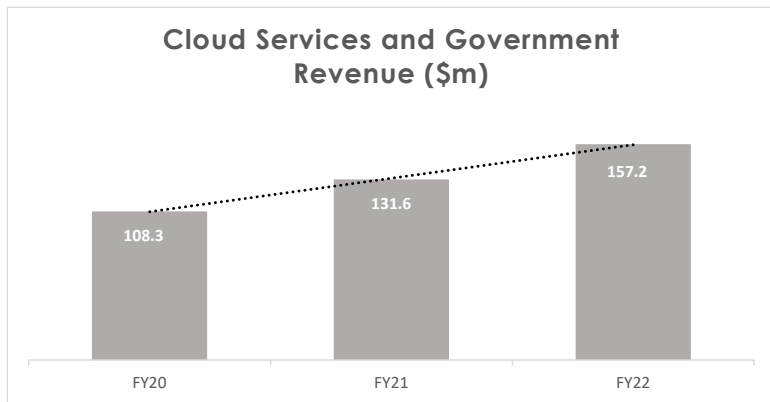
- Inter-segment revenue predominately relates to services provided by the Data Centre segment to both the Cloud Services & Government and Telecom segments, eliminated on consolidation

Group Financial Performance.



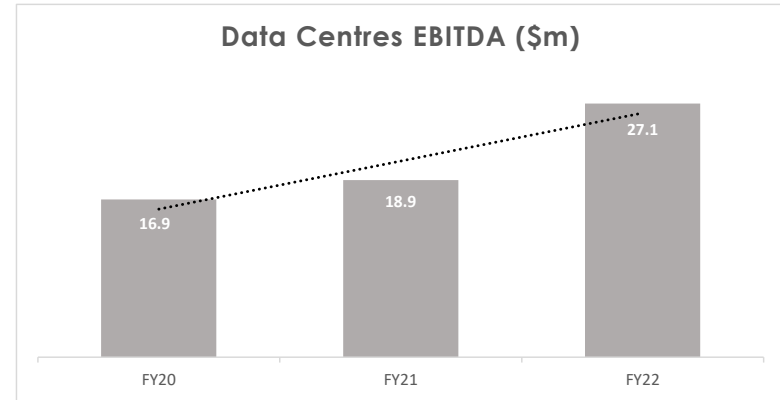
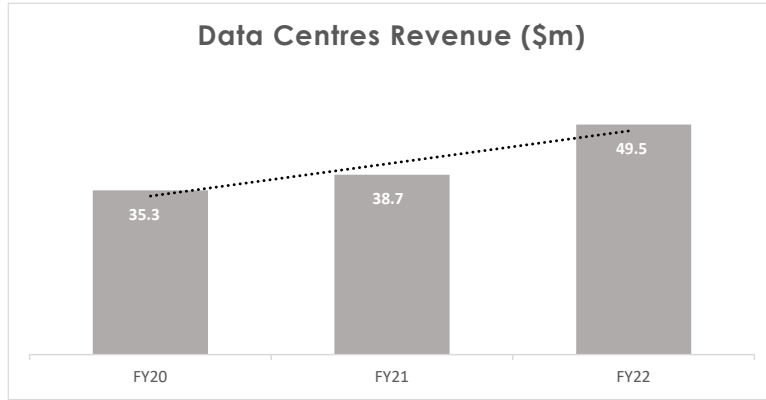
- Over the last 3 years:
 - Revenue CAGR of 7.8%
 - EBITDA CAGR of 16.4%
- EBITDA margin 28.6% in FY22

Financial Performance – Cloud Services & Government



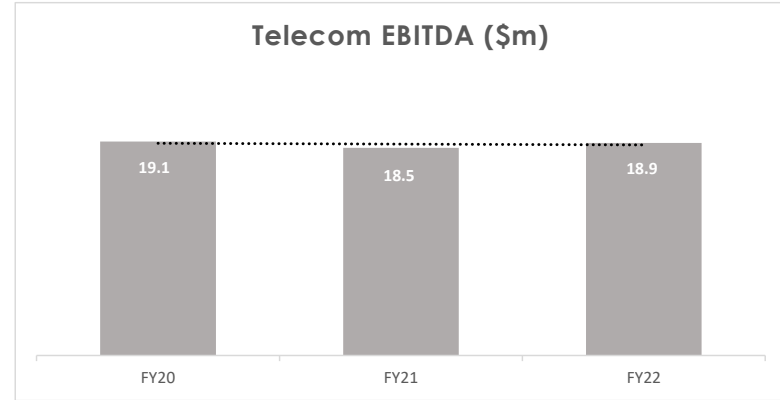
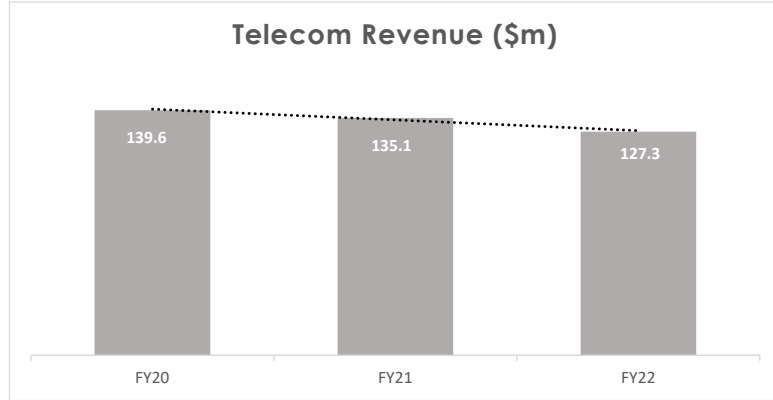
- Over the last 3 years:
 - Revenue CAGR of 20.5%
 - EBITDA CAGR of 20.4%
- EBITDA margin 26.9% in FY22
- Cloud Services & Government was a new segment from FY21

Financial Performance – Data Centres



- Over the last 3 years:
 - Revenue CAGR of 18.4%
 - EBITDA CAGR of 26.6%
- EBITDA margin 54.7% in FY22
- Data Centres was a new segment from FY21

Financial Performance – Telecom



- Over the last 3 years:
 - Revenue CAGR of (4.5)%
 - EBITDA CAGR of (0.5)%
- EBITDA margin 14.8% in FY22

Growth Capex.

- **Growth Capex** is for the building of new data centre capacity, increased power supply, new technology creation and transformational investment
- In the Data Centres business, a current example is power upgrades at IC3
- **Growth Capex** was \$64.5m in FY22

Customer Growth Capex.

- **Customer Growth Capex** is for additional cabling, racks, servers & storage that enable us to provision new customer orders
- In the Telecom business, a current example is investment in SD WAN
- **Customer Growth Capex** was \$24.5m in FY22 reflective of our sales success and product mix

Maintenance Capex.

- Most of the remaining Capex is infrastructure refresh and internal software development known as **Maintenance Capex**
- **Maintenance Capex** was \$9.5m for FY22

18 Balance Sheet & Cash Flows.

- Cash and cash equivalents of \$3.0m. The undrawn debt facility amounts to \$64m which allows us to pursue growth initiatives.
- FY22 capital spend of \$98.5m
 - Growth Capex \$64.5m
 - Customer Growth Capex \$24.5m
 - Maintenance Capex \$9.5m
- Increase in operating cash flow in FY22 was due to the collection of a tax refund and receivable from Keppel (IC3 Landlord) totalling \$31.6m, whereas FY21 included a net payment of \$17.9m relating to construction costs.
- Increase in Non-current Assets and Other Liabilities in FY22 due to recognition of Right-of-Use Assets and Liabilities from the sale and lease back to Keppel for IC3E.

\$m	FY21	FY22
Cash & Cash Equivalents	19.8	3.0
Other Current Assets	73.5	59.0
Non Current Assets	328.8	410.6
Total Assets	422.0	472.6
Creditors	53.5	40.8
Other Liabilities	232.1	286.1
Total Liabilities	285.6	326.9
Total Equity	136.4	145.7

\$m	FY21	FY22
Cash Flow from Operating Activities	45.3	98.0
Cash Flow used in Investing Activities	(139.1)	(95.4)
Cash Flow from/(used in) Financing Activities	75.7	(19.4)
Net decrease in cash	(18.1)	(16.9)
Opening Cash & Cash Equivalents	37.9	19.8
Closing Cash & Cash Equivalents	19.8	3.0

- The Company's EBITDA will continue to grow in FY23. Due to investments being made in Data Centres and Cloud Services & Government in the 1H FY23, EBITDA will grow in 2H FY23.
- Expected EBITDA for the Data Centres business in FY23 is between \$31 to \$33 million.
- Inflation impacts on cost base are being materially passed through to our customers.
- We continue to see a strong demand for cyber security and hybrid IT in our Government and Cloud Services businesses.
- Telecom is focusing on new initiatives to improve operational efficiencies and continued growth of our successful SDWAN business.
- Pleasingly we are able to increase the total IT Load capacity of IC3E by approximately 1MW independent of the IC3 Super West build. We will invest in this opportunity by 2H FY23. This leverages our existing investment in IC3E.

- State Significant Development Application submitted for IC3 Super West. We expect to receive DA approval in late calendar year 2022 to mid-calendar year 2023 and construction to be completed 18 to 24 months later.
- Depreciation and amortisation for FY23 is expected to be \$70 to \$74 million, driven by full year impact of IC3 in FY22. Cloud Services & Government and Telecom depreciation to remain broadly flat at \$27 to \$28 million and \$19 to \$20 million respectively in FY22.
- We are focused on maintaining industry leading Net Promoter Score greater than +70 across all business segments.

- The Company plans to make further investment in growth and customer growth capex during FY23. Total capex is expected to be between \$76 to \$80 million consisting of:
 - Growth Capex - \$37 to \$39 million
 - Customer Growth - \$23 to \$24 million
 - Maintenance Capex - \$16 to \$17 million
- Telecom capex will remain broadly flat at \$11 to \$12 million in FY23 with Hosting capex at \$65m to \$68m.