

Macquarie Telecom delivers seventeen consecutive halves of profitable growth

21 February 2023

Macquarie Telecom Group Ltd (ASX: MAQ) (the Company) today announced its results for the half-year ended 31 December 2022.

Chairman Peter James said, *"This result represents our seventeenth consecutive half of EBITDA growth, an outstanding achievement demonstrating the continuing momentum in our business and the capability of our people."*

Key Points

- Seventeen consecutive halves of profitable growth.
- Revenue of \$172.5 million, an increase of 16% on 1H FY22 (\$149.3 million).
- Earnings before interest, tax, depreciation, and amortisation (EBITDA) of \$51.3 million, an increase of 26% on 1H FY22 (\$40.5 million).
- Net profit after tax of \$8.5 million, an increase of 133% on 1H FY22 (\$3.7 million) reflecting the increased profitability across all segments.
- Capital expenditure for 1H FY23 was \$33.2 million (1H FY22: \$68.9 million) driven by Growth Capex of \$15.0 million, Customer Related Capex of \$11.6 million and Maintenance Capex of \$6.6 million.

Chief Executive David Tudehope said, *"We are very pleased to deliver another strong result for our shareholders. We continue to grow by staying ahead of emerging trends in the technology sector and investing in the right solutions for our customers. We pair the best technology with the best customer service and operate in markets that continue to have significant growth potential, such as digital infrastructure and cyber security."*

Outlook

- FY23 EBITDA is expected to be approximately \$102 to \$104 million which includes Macquarie Data Centres expected EBITDA of \$32 to \$33 million. Continuing investment in Cloud Services & Government and Macquarie Data Centres underpins this profitable growth.
- ATO contract extension demonstrates the continued demand from our Federal Government Agencies for cybersecurity services, providing high confidence for future growth in the Government business.
- Site preparation works are underway to prepare the Macquarie Park Data Centre Campus in anticipation of obtaining the DA for IC3 Super West.
- Telecom operational efficiencies will continue.
- Net debt to be reduced in FY23.
- FY23 Total Capex is expected to be between \$72 – \$76million, consisting of:
 - Growth Capex - \$36 to \$38 million.
 - Customer Growth Capex - \$23 to \$24 million.
 - Maintenance Capex - \$13 to \$14 million.
- FY23 Depreciation is expected to be between \$63 and \$67 million.

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Authorised for release to the ASX by the Chief Executive of Macquarie Telecom Group Limited

For more information, please contact:

David Tudehope – Chief Executive
(02) 8221 7090

Helen Cox – Chief Financial Officer
(02) 8221 7090

Level 15, 2 Market Street, Sydney NSW 2000

About Macquarie Telecom Group

We're Australia's data centre, cloud, cyber security and telecom company for mid to large business and government customers. The way we do this is completely different from our competitors... we provide the best customer service in Australia.

macquarietelecomgroup.com