

Macquarie Technology delivers twenty consecutive halves of EBITDA growth

26 February 2025

Macquarie Technology Group Ltd (ASX: MAQ) (the Company) today announced its results for the half-year ended 31 December 2024.

Chairman Peter James said, *"The Company has delivered twenty consecutive halves of EBITDA growth. Megatrends in Cloud, Cyber and AI continue to drive our business. We have maintained strong EBITDA margins despite a period of increased cost pressures. We have a strong balance sheet with an undrawn debt facility of \$450m, plus cash and deposits of c\$91m available to fund further investment."*

Key Points

- Twenty consecutive halves of EBITDA growth - consistent with the outlook provided at the AGM.
- Revenue of \$183.6 million in 1H FY25, an increase of 1% on 1H FY24 (\$181.3 million).
- Earnings before interest, tax, depreciation, and amortisation (Group EBITDA) of \$56.2 million, an increase of 6% on 1H FY24 (\$53.0 million).
- Maintained strong EBITDA margins in a period of increased cost pressures.
- Operating cash flow of \$40.9 million in 1H FY25. Continued healthy cash conversion of 105%.
- Strong balance sheet with undrawn debt facility of \$450m along with cash and deposits of c\$91m available to fund further investment.
- Net profit after tax of \$17.9 million, an increase of 21% on 1H FY24 (\$14.8 million).
- Capital expenditure for 1H FY25 was \$58.9 million (1H FY24: \$18.5 million) driven by Growth Capex of \$41.8 million in 1H FY25 (including \$39.0 million for IC3 SuperWest), Customer Related Capex of \$6.3 million, and Maintenance Capex of \$10.8 million.

Chief Executive David Tudehope said *"Construction of IC3 SuperWest is well underway. Complex ground works are complete, and the building structure is progressing well. Phase 1 of construction is expected to be completed in Q3 2026. Our hybrid design allows for a mix of traditional cloud and direct to chip cooling technologies, making IC3 SuperWest AI ready."*

Outlook – Data Centres

- We successfully obtained a modification to our IC3 SuperWest DA to increase the density to 47MW. This allows us to meet the needs of the AI and Cloud megatrends. Access to 63MW of power is available upon opening of IC3 SuperWest.
- Phase 1 construction cost is expected to be circa \$350 million and will deliver powered core and shell along with 6MW of IT Load fitted out. Construction of IC3 SuperWest is forecast to be on time and on budget with Phase 1 expected to be completed in Q3 2026.
- Our data centre assets have been aligned into a new corporate structure to facilitate future growth and external funding opportunities. We are investing in our capabilities to support the growth in the MDC platform.
- Focused on acquiring a new campus in Sydney to enable our growth plans to ensure capacity runway for our customers and prospects.

Outlook – General

- FY25 EBITDA is expected to be approximately \$112 to \$115 million which includes Macquarie Data Centres' EBITDA of \$36 to \$37 million.
- Continuing investment across the Group to drive future profitable growth.
- CS&G 1H FY25 EBITDA margin is expected to be maintained through FY25. The impact of US tech vendors is expected to ease as we enter FY26.
- Telecom FY25 revenue will decline reflecting reduction in NBN business broadband pricing plus change in mix from high-revenue voice services to low revenue higher margin data services. Operational efficiencies will continue to maintain EBITDA margins in 2H FY25.
- Undrawn debt facility of \$450m along with cash and deposits of c\$91m is available to fund the construction of IC3 SuperWest and the potential acquisition of a new data centre campus.
- FY25 Total Capex is expected to be between \$162 to \$181 million, consisting of Customer Growth of \$18 to \$20 million, Growth Capex of \$3 to \$4 million, IC3 Super West (growth) of \$120 to \$135 million, and Maintenance Capex of \$21 to \$22 million.
- FY25 Depreciation is expected to be between \$53 and \$56 million.

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About Macquarie Technology 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.

macquarietechnologygroup.com

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