

MACQUARIE TELECOM GROUP LIMITED ("the Company")

ANNUAL GENERAL MEETING

FRIDAY 27 NOVEMBER 2020

CHIEF EXECUTIVE'S ADDRESS

Welcome fellow shareholders to the 2020 AGM and thank you for your investment.

Introduction

Two years ago we embarked on a significant investment program with the aim of generating significant value to our shareholders. Today we can see the benefits of that investment programme, and we remain in a strong position to deliver continued profitable growth.

2020 has been a challenging year for us all. I'm pleased to stand here today, at the helm of a very strong company, that has weathered everything that this year has thrown at us. The Covid-19 pandemic created significant headwinds for the business community, it challenged us to rethink the way that we work, and re-imagine how we can support our customers in these difficult times.

They say that every cloud has a silver lining, and at Macquarie we have benefited greatly from the broader trends of remote working, acceleration of cloud adoption, and increased focus on cyber security. These are trends that have been accelerated by Covid-19.

I would like to take you through some of the key highlights from the last 12 months, and to explain how our diversified business has remained so resilient.

Business Summary

We operate in four key markets:

- (1) Telecom;
- (2) Cloud Services;
- (3) Government; and
- (4) Data Centres

In Telecom we are a full-service provider of data, voice, mobiles and co-location services for business customers. Telecom is where the Macquarie story started.

In Cloud Services we specialise in hybrid IT. We provide unparalleled levels of service and support for public cloud and private cloud. We also provide expert advice to ensure that you choose the right cloud strategy for your business.

In Government we are Australia's sovereign specialists in cyber security, secure cloud and certified co-location. We deliver services to 42% of Federal Government agencies.

In data centres we design, build and operate data centres. We wholesale data centre space to hyperscale and wholesale customers, and also cross sell co-location space to our own three internal customers.

Business Highlights

You can see from this slide that each of our business units are successful in their own right and have achieved great things over the last year.

- Telecom has had great success in SDWAN;
- Cloud Services is benefiting from the hybrid IT megatrend;

- Government has had great success in cyber security; and
- Macquarie Data Centres has had success with its build programme and customer growth, which I will discuss further below.

Customer Experience

Our company purpose is to make a difference in markets that are underserved and overcharged. We do that by focussing on providing a great customer experience. We measure customer experience through Net Promotor Score or NPS. Quite simply, our experience is that happy customers stay, buy more, refer their friends and pay their bills faster.

This year we were recognised at the annual World Communications Awards for the Best Customer Experience in the World. Macquarie received this global Customer Experience Award for its Heartbeat program and outstanding customer experience measured by a world-leading +72 NPS. Heartbeat Club encourages Macquarie's entire team to delight customers and literally do the opposite of its industry counterparts.

Growth for the Future

We currently have two new data centres under construction, IC3 East in Macquarie Park and IC5 Bunker in Canberra. Both these builds are progressing well and will come online within the next few months.

This month we also announced a significant customer win at IC3, something that we could not have achieved without our 20-year track record of successful investment in data centres. This win demonstrates our ability to attract world class customers to our facilities, and the premiere location we enjoy in Sydney's North Zone. We still have over 1MW of wholesale/corporate capacity to sell, and further options to expand within IC3 East.

In Canberra we are due to complete our build before the end of the year. The facility is purpose built for Government and in stage 1 we are investing \$17m to take our campus to 4 MW of total load. Our success in Canberra comes from leveraging our Government business and our track record in operating certified and compliant data centres.

However, our growth strategy is not just focussed on investment in data centres.

We are investing in and continue to see opportunities for growth across all of our businesses. Recognising the importance of cyber security and data sovereignty, Macquarie Government is investing in new technology and resources to enhance our capabilities in cyber security and secure cloud. Our Telecom business continues to invest in new and innovative customer solutions, and in Cloud Services our Azure practice recently won Managed Services Innovation of the Year.

Most importantly we are investing in our people. In a challenging year we continued to attract and retain talented industry professionals. Macquarie Cloud Services was also recognised as one of the Best Places to Work in Australia.

With the right people, the right products, the right strategy (not to mention the best customer service) we look forward to 2021 and another year of profitable growth for our Shareholders.

I will now pass back to our Chairman Peter James.