



MOQ Limited
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Chairman and CEO Address to 2021 Annual General Meeting

As required by Listing Rule 3.13.3, MOQ Limited hereby provides a copy of the prepared address by David Shein, the Chairman, and Peter Ward, the Chief Executive Officer, to the 2021 Annual General Meeting.

This release was approved by the MOQ Board of Directors.

Yours faithfully,

A handwritten signature in black ink, appearing to read 'Loh W. J.', is written over a faint, light-grey circular watermark. The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Wan Yee Loh (Danny)
Company Secretary

MOQ Limited - Annual General Meeting

Tuesday, 9 November 2021

Chairman's Introduction

Good morning ladies and gentlemen,

It is my pleasure to welcome you to the MOQ AGM for 2021

The last 12 months has been a significant period in MOQ Limited's history as we continued to build towards our vision of becoming a highly successful services provider in the growing digital transformation market.

A Program to Pivot the business to meet this market demand has resulted in the following achievements through the year:

1. The re-engineering of MOQdigital's lines of business to focus on Digital Transformation, Cloud technologies and our Microsoft Partnership.
2. The completion of the program to integrate the Wardy IT Solutions acquisition into the MOQdigital business.
3. The acquisition of Dienst Consulting to complement our establishment of the Western Australian regional branch
4. The sale of Skoolbag.

The result of this pivot is that the MOQdigital business is now ready and focused on growing market demand for specialist services capability and capacity in Applications, Data, Cloud Foundations and Cyber Security – all key components in designing, building and operating modern digitally transformed business environments.

It is important to note, the Pivot program was conceived and initiated in July 2019 and, after a delay in late 2020 due to the impacts of the COVID situation, the executive team decided to accelerate the investment through 2021. The program has been totally funded by MOQ's earnings and the sale of Skoolbag, and this had an impact on our financial results for FY21.

(Please note: The MOQ Annual report for the year ended 30 June 2021 contains additional detail on these highlights and initiatives.)

As a result, my confidence in our strategy, the management team, and our industry partners, specifically Microsoft, is now complemented with our now substantially enhanced ability to execute on our vision and meet market demand.

I am also pleased to report that there are a range of very encouraging key indicators that are also contributing to my optimism. Our NSW business continues its growth trajectory, and NSW is now our leading digital transformation services regional market. The addition of Perth-based Dienst Consulting to our Western Australian branch is proving to be an excellent growth opportunity. Also, the investment in key specialist technical sales skills across all Go to Market areas, as a result of our Pivot program, is creating and converting many high-quality opportunities.

Microsoft continues to perform beyond expectations as its Cloud technology stack gains market share. The Microsoft partnership is a critical success factor for MOQ and we have invested heavily to mature and grow our engagement with this market leading technology provider. This investment is starting to provide positive returns, particularly in the area of application and data services. Interestingly the Microsoft commitment is viewed positively in the skills market and is assisting substantially in attracting and retaining key technical staff, one of the biggest market challenges for the next 2 to 3 years.

Looking forward, disruption in our market continues as cloud adoption and solutions such as Software as a Service (SaaS) products mature and move more into the mainstream of the corporate IT thought process. This is creating increased opportunity for MOQ to expand our market presence, through our high value services offerings.

It is also worth noting that there are currently two specific industry wide issues that are creating some unique challenges – supply chain disruption is leading to delays in the supply and provision of technology, and as mentioned earlier, a shortage of skilled labour is sharply increasing the cost of acquisition and retention of staff. To mitigate these challenges wherever possible, we are working closely with our partners to secure supply as quickly as possible and to accurately estimate deliveries and on the people front, we have a number of people initiatives in place to focus on employee retention.

We will continue to look at focused acquisitions that will enhance our market offerings and presence. Our success with the Wardy IT Solutions and Dienst Consulting transactions provide us with confidence in our M&A formula. We would also not rule out a larger opportunity where the synergies are compelling for our customers, staff and importantly you, our shareholders. As always, the priority for any acquisition will be a strong cultural fit and an earnings accretive result.

Most importantly though, with our strategic pivot largely completed, the focus is now squarely on building and growing sustainable earnings for FY22 and beyond. The ongoing focus on high value services (and especially recurring services), which now represents over 64% of MOQ's revenues, will be a major contributor for meeting our future positive financial return goals.

As you are no doubt aware, Peter Ward who joined us just over two years ago through the acquisition of his business, Wardy IT Solutions", has taken up the position of Chief Executive Officer of MOQ Limited effective Monday November 8, 2021. (See *ASX announcement 12 October 2021*). The board is delighted to welcome Peter into the Chief Executive role at MOQ Limited. Peter has a clear understanding about the direction of MOQ Limited and combined with his previous experience growing and scaling businesses, I am confident in the decision to appoint him to this position.

The board and I would like to thank Joe D'Addio for his contribution as CEO and look forward to his continued involvement as a Director with MOQ Limited in the future. As a founding member of the organisation, it has been an honour to watch Joe grow the business over the last 16 years. We wish him all the best in his future endeavour

Finally, to you, our shareholders, thanks for your patience and ongoing support as we build momentum. We continue to be focused on building MOQ into a quality business and are working hard to achieve excellent returns and creating long term sustainable shareholder value.

Chief Executive Officer's Address

Good morning, everyone and welcome. I would like to reiterate David's words regarding Joe and acknowledge the significant contributions that he has made in the growth of MOQ Limited. I am proud to be able to present this first CEO address for MOQ Limited and I am excited by the opportunity before me to continue to grow MOQ into a quality business with excellent returns.

Throughout FY21 the MOQdigital business executed on its stated objective to accelerate the Pivot program. The key initiative of this program was to reshape the business to capitalise on the market opportunity for Technology Driven Transformation and to leverage the Microsoft Partnership to assist to accelerate the digital transformation opportunity.

This program commenced in July 2019 and the first phase of this initiative was completed in FY21 and included re-engineering a number of our offerings and as well as the strategic acquisition of WARDY IT Solutions and the identification of Dienst Consulting, an acquisition completed in July 2021. The key outcomes of this program in FY21 and beyond were:

1. The finalisation of the WARDY IT Solutions transaction and integration of the business into MOQdigital which has accelerated the growth of the Digital Services line of business and solidified MOQdigital as a competitor in the Data and Artificial Intelligence market.
2. The establishment of a Perth office to grow our Mining and Construction offering and accelerate the Digital Services and Microsoft opportunity under the guidance of industry veteran Steve McNally.
3. The identification of Dienst Consulting, a Perth based provider of technology services geared to modern cloud first platforms to complement our Western Australia investment and also assist the reshaping of the Foundational Services line of business nationally. The acquisition of Dienst Consulting was completed on the 2nd of July 2021.
4. A major re-engineering effort of the traditional MOQdigital infrastructure integration business - Foundational Services, into a modern cloud first offering.
5. Whilst MOQdigital has been very active in the Cyber Security market, we have invested to create additional focus and specialisation. A line of business manager has been appointed as we seek to provide comprehensive security services across each of our lines of business with a deliberate focus on recurring cyber security services.
6. MOQdigital is investing to differentiate and deepen the relationship with Microsoft as our key Strategic Technology partner. This includes obtaining five Advanced Specialisations demonstrating our cloud first expertise and the investment in the Azure Expert Manager Services Provider (MSP) program, of which there are less than 100 partners globally. This is on track for independent audit in February 2022.

7. We have continued to strengthen the Executive Team with additional investment in industry leading technical capabilities to further enable MOQdigital's capability and value in the modern Technology Driven Transformation market.

As a result of this program MOQdigital is well placed in FY22 to capitalise on these investments and the signs in the Digital Services business indicate that this focus on Technology Driven Transformation is delivering a sustained return. This can be seen in the growth in the Digital Services Gross Profit which increased by 22.8% in FY21 representing 59% of the MOQdigital business as well as the growth in Recurring Services which now contributes 54% of the total Gross Profit of the MOQdigital business. The Recurring Services Gross Profit increased by 13.5% in FY21 with the ongoing focus on operational excellence for recurring services.

Our focus and investment in capability to address the Technology Driven Transformation market leaves us well positioned to achieve further organic growth and improved profitability. MOQdigital will continue to invest in its people, customers and strategic vendors and has developed a Rebound program in FY22 to focus on the following key strategic initiatives:

1. Deliver sustained profit growth
2. Grow services revenue
3. Increase annuity
4. Increase margins
5. Grow Azure cloud services revenues

I have confidence that if we execute on these strategic initiatives, it will grow a quality business with excellent returns which will directly result in increased shareholder value and returns.

Thank you for your ongoing support of MOQ Limited.