

Appendix 4D

Half-year report Half-year ended 31 December 2023

1. Results for announcement to the market

					\$A'000
Revenue and other income	Up	5%	to		181,340
Profit after tax attributable to members	Up	74%	to		14,827
Net profit for the period attributable to members	Up	74%	to		14,827
Dividends (distributions)	Amount per security		Franked amount per security		
Interim dividend	N/A		N/A		
Previous corresponding period	N/A		N/A		

Refer to commentary on review of operations in the Interim Financial Report attached.

2. Net tangible assets per security

	31 December 2023 A\$	31 December 2022 A\$
Net tangible asset backing per ordinary security	13.18	6.24

Net tangible assets includes the impact of the right of use assets and the corresponding lease liabilities accounted for under the requirements of AASB 16 Leases.

3. Dividends

No interim dividend has been declared.

4. Compliance statement

This report, and the interim financial report upon which the report is based, use the same accounting policies. A copy of the reviewed interim financial report is attached. The Appendix 4D is also to be read in conjunction with the annual financial report for the year ended 30 June 2023.

Interim Financial Report for the half-year ended 31 December 2023

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Directors' Report

Your directors submit their report on the consolidated entity consisting of Macquarie Technology Group Limited ("Group") and the entities it controlled at the end of, or during, the half-year ended 31 December 2023.

Directors

The names of the company's directors in office during the half-year and until the date of this report are as below.

Name	Directorship
Peter James	Chairman
David Tudehope	Chief Executive
Aidan Tudehope	Managing Director Hosting
Bart Vogel	Non-Executive Director
Adelle Howse	Non-Executive Director
Lisa Brock	Non-Executive Director

Review of Operations

The Group generated a net profit after tax of \$14.8 million for the half-year to 31 December 2023, compared to a net profit after tax of \$8.5 million for the half-year to 31 December 2022.

The Group's earnings before interest, tax, depreciation and amortisation (Group EBITDA) for the half-year was \$53.0 million, representing an increase of \$1.5 million or 3% compared to the prior comparable period.

Consolidated revenue from contracts with customers increased by 5% to \$181.3 million from \$172.5 million in the prior comparable period.

The Group's Cloud Services & Government business contributed revenue from contracts with customers of \$102.4 million, an increase of \$7.0 million or 7%, and EBITDA of \$24.6 million, a decrease of \$1.2 million or (5%), compared to the prior comparable period.

The Group's Data Centre business contributed revenue from contracts with customers of \$34.3 million, an increase of \$2.6 million or 8%, and EBITDA of \$17.2 million, an increase of \$0.8 million or 5%, compared to the prior comparable period.

The Group's Telecom business contributed revenue from contracts with customers of \$60.9 million, an increase of \$1.1 million or 2%, and EBITDA of \$11.2 million, an increase of \$1.9 million or 20%, compared to the prior comparable period.

The following tables summarise the revenue and EBITDA performance of the Group's reporting segments.

	Half-year ended 31 December 2023	Half-year ended 31 December 2022
Revenue	A\$ million	A\$ million
Cloud Services & Government	102.4	95.4
Data Centres	34.3	31.7
Telecom	60.9	59.8
Intersegment elimination	(16.3)	(14.4)
Consolidated revenue	181.3	172.5

Directors' Report (cont'd)

	Half-year ended 31 December 2023	Half-year ended 31 December 2022
	A\$ million	A\$ million
EBITDA		
Cloud Services & Government	24.6	25.8
Data Centres	17.2	16.4
Telecom	11.2	9.3
Segment EBITDA	53.0	51.5
Reconciliation of Segment EBITDA to profit before income tax		
Segment EBITDA	53.0	51.5
Net Interest expense	(2.4)	(6.2)
Net foreign exchange (gains)/losses	-	(0.3)
Depreciation and amortisation expense	(29.3)	(32.7)
Profit before income tax	21.3	12.3

Conversion of EBITDA to operating cash flows generated total operating cash flows of \$49.5 million during the half-year. In the prior comparable period, conversion of EBITDA to operating cash flows generated total operating cash flows of \$52.6 million.

Cash and cash equivalents were \$9.8 million as at 31 December 2023, a decrease of \$2.7 million during the half-year.

Material Business Risk

The following paragraphs summarise the Group's material business risks. These are mitigated and monitored in accordance with the Group's Risk Management Framework.

Reliance on technology and systems

The Group uses software and systems to manage the business including the provision of customer orders, managing infrastructure, invoicing customers and providing reporting and other business functions. If technology and/or systems are disrupted then business functions could be impacted while business continuity plans are activated.

Cyber Security Incidents

Cyber-attacks and unauthorized access to the Group's information technology environment (including those of third-parties) could lead to operational disruption or theft of data, including commercially sensitive information. This could have a material adverse effect on the Group's business, reputation, operational performance, and financial results.

Breaches of Data Privacy Rules and Regulations

The Group's business involves electronic storage of information, including confidential and proprietary data of the Government and business customers. The Group collects minimal amounts of personal information of individuals, associated with account management, marketing, employee and candidate information and details for facility access. Information is managed in compliance with applicable data privacy rules and regulations and information security practices based on ISO 27001 controls. Despite this, a failure to keep data secure could result in a loss of confidence in the security of the Group's digital infrastructure. The occurrence of a security incident, or the perception that one has occurred, could also attract significant media attention, damage the Group's reputation, disrupt normal business operations, and require the Group to investigate or correct the breach, compensate affected parties and prevent future security incidents.

Regulatory and legislative changes

Some aspects of the Group's business are highly regulated such as the provision of telecommunication services and the storage and processing of data. As these regulatory regimes evolve, opportunities and threats for the business are created and the maintenance and achievement of certifications may come at a greater cost or no longer be economic to maintain.

Product mix and sales

The Group provides services to customers via four business areas, Macquarie Cloud Services, Macquarie Government, Macquarie Data Centres and Macquarie Telecom. Each of these business units have their own unique products and go-to-market strategies. Customer requirements change over time and the Group must ensure that its products provide the right solutions for customers at an appropriate price to ensure ongoing sales and customer retention.

Management of the Group's supply chain

The Group provides products and services that involve bringing together hardware, software, services, equipment and infrastructure provided by the Group's supply chain (Inputs). Inputs may change in price, become obsolete, become unavailable when required, become uneconomic or be replaced by alternatives. As a result, the Group's financial and operational performance may vary from period to period and may fluctuate in the future.

Reliance on key personnel

The Group's performance is substantially dependent on the performance and expertise of its team. In particular, the Group is dependent on its Executive Team and other senior employees. The loss of key management personnel, or any delay in their replacement, may adversely affect the Group's financial performance and operations.

Funding arrangements

From time to time the Group may raise debt to meet its business objectives in the future. There can be no assurance that such objectives can be met without financing or, if further financing is necessary, that financing can be obtained on favourable terms, or at all.

Project Risks

Macquarie Data Centres is an owner, operator and developer of data centres in Australia. The development phase of projects involves the acquisition of sites, obtaining authority consents, securing utilities (such as power and water), design & construction activities and customer acquisition. Development projects involve assuming and carefully managing risks in order to create additional value for the Group. Regulatory approvals can be delayed, not be obtained or be obtained with adverse conditions. Construction and fit-out costs can escalate, eroding project returns. Projects may experience unforeseen delays, supply chain issues, impacts to installation and commissioning programs, or become uneconomic as commercial assumptions differ from those modelled. Projects rely on contractors who may not perform in accordance with their contractual obligations. Changes to supply and demand economics can influence project returns, the timing and value of sales and carrying value of projects.

General economic and financial market conditions

The Group is listed on the ASX and is subject to the general market risk that is inherent in all securities traded on a stock exchange. As a result, the Group may experience fluctuations in its share price that cannot be explained by the Group's fundamental operations and activities. Deterioration of general economic conditions may also affect the Group's business operations and the consequent returns from an investment in shares. Some of the factors which may adversely impact the Group are: general market conditions, including investor sentiment and share price volatility; general economic conditions including interest rates and exchange rates, changes to government fiscal, monetary or regulatory policies and settings; acts of terrorism, natural disasters or other force majeure events; uninsured business risks, changes in government regulation; actual or anticipated fluctuations in the Group's financial performance and those of other public companies who operate in the same industry sectors; changes in accounting principles; inclusion in or removal from market indices; and general operational and business risks.

Auditor's Independence Declaration

Refer to page 20 for the independence declaration from our auditors, PricewaterhouseCoopers.

Rounding

The amounts contained in this report and in the half-year financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC Legislative Instrument 2016/191. The company is an entity to which the Instrument applies.

Signed in accordance with a resolution of the directors.



David Tudehope
Director

Sydney, 28 February 2024

Consolidated Statement of Comprehensive Income For the half-year ended 31 December 2023

	Notes	Half-year ended 31 December 2023 \$A'000	Half-year ended 31 December 2022 \$A'000
Revenue and other income	3	181,340	172,525
Expenses	3	(157,688)	(153,987)
Results from operating activities		23,652	18,538
Finance income		1,634	144
Finance costs		(4,021)	(6,361)
Profit before income tax		21,265	12,321
Income tax expense		(6,438)	(3,784)
Profit after income tax for the half-year attributable to owners of the parent		14,827	8,537
Other comprehensive income			
Items that may be reclassified to profit and loss:			
Exchange differences on translation of foreign operations		(18)	115
Total comprehensive income for the half-year attributable to owners of the parent		14,809	8,652
		Cents	cents
Earnings per share attributable to the ordinary equity holders of the company:			
Basic earnings per share	6	60.9	39.7
Diluted earnings per share	6	60.8	39.3

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position As at 31 December 2023

	31 December 2023	30 June 2023
	\$A'000	\$A'000
<u>Current assets</u>		
Cash and cash equivalents	9,773	12,514
Trade and other receivables	11,907	13,768
Accrued income	17,886	19,726
Prepayments	22,741	18,021
Other current assets	1,530	1,772
Financial assets	75,000	46,000
Total current assets	138,837	111,801
<u>Non-current assets</u>		
Property, plant and equipment	267,565	272,387
Intangible assets	16,085	18,129
Right-of-use assets	126,275	124,351
Prepayments	12,560	13,638
Other non-current assets	1,442	1,182
Total non-current assets	423,927	429,687
Total assets	562,764	541,488
<u>Current liabilities</u>		
Trade and other payables	44,583	45,990
Provisions	7,762	7,405
Lease liabilities	5,691	5,510
Other current liabilities	1,931	3,520
Current tax liabilities	9,046	641
Total current liabilities	69,013	63,066
<u>Non-current liabilities</u>		
Trade and other payables	4,266	6,400
Provisions	5,621	5,632
Lease liabilities	130,498	127,346
Deferred tax liability	11,746	16,333
Other non-current liabilities	4,560	3,736
Total non-current liabilities	156,691	159,447
Total liabilities	225,704	222,513
Net assets	337,060	318,975
<u>Equity</u>		
Contributed equity	203,508	202,499
Other equity	(731)	(731)
Reserves	6,678	4,429
Retained earnings	127,605	112,778
Total equity	337,060	318,975

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

Consolidated Statement of Changes in Equity For the half-year ended 31 December 2023

	Contributed Equity \$A'000	Other Equity \$A'000	Reserves \$A'000	Retained Earnings \$A'000	Total \$A'000
Balance at 1 July 2022	45,159	-	5,436	95,087	145,682
Profit for the period	-	-	-	8,537	8,537
Other comprehensive income	-	-	115	-	115
Total comprehensive income for the year	-	-	115	8,537	8,652
<u>Transactions with owners in their capacity as owners:</u>					
Share based payment	-	-	883	-	883
Total	-	-	883	-	883
Balance at 31 December 2022	45,159	-	6,434	103,624	155,217
	Contributed Equity \$A'000	Other Equity \$A'000	Reserves \$A'000	Retained Earnings \$A'000	Total \$A'000
Balance at 1 July 2023	202,499	(731)	4,429	112,778	318,975
Profit for the period	-	-	-	14,827	14,827
Other comprehensive income	-	-	(18)	-	(18)
Total comprehensive income for the year	-	-	(18)	14,827	14,809
<u>Transactions with owners in their capacity as owners:</u>					
Contributions to equity net of transaction costs	1,009	-	-	-	1,009
Share based payment	-	-	2,267	-	2,267
Total	1,009	-	2,267	-	3,276
Balance at 31 December 2023	203,508	(731)	6,678	127,605	337,060

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

Consolidated Statement of Cash Flows For the half-year ended 31 December 2023

	Half-year ended 31 December 2023 \$A'000	Half-year ended 31 December 2022 \$A'000
<u>Cash flows from operating activities</u>		
Receipts from customers	202,213	188,376
Payments to suppliers and employees	(154,262)	(135,941)
Interest received	1,521	144
Net cash flows from operating activities	49,472	52,579
<u>Cash flows used in investing activities</u>		
Payments for financial assets	(29,000)	-
Acquisition of non-current assets		
Property, plant & equipment	(12,468)	(28,407)
Intangible assets	(4,176)	(4,832)
Net cash flows used in investing activities	(45,644)	(33,239)
<u>Cash flows from financing activities</u>		
Proceeds from borrowings	-	14,000
Repayments of borrowings	-	(9,000)
Principal elements of lease payments	(2,672)	(2,408)
Interest and other finance costs	(3,897)	(3,461)
Net cash flows used in financing activities	(6,569)	(869)
Net (decrease) / increase in cash held	(2,741)	18,471
Cash and cash equivalents at the beginning of the half-year	12,514	2,954
Cash and cash equivalents at the end of the period	9,773	21,425

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

Notes to the Consolidated Financial Statements For the half-year ended 31 December 2023

1. Corporate Information

Macquarie Technology Group Limited is a for-profit company limited by shares incorporated in Australia whose shares are publicly traded on the ASX (ASX Code: MAQ).

2. Summary of Material Accounting Policies

(a) Basis of preparation

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2023 has been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Australian Accounting Standards including AASB 134 *Interim Financial Reporting* and other mandatory professional reporting requirements.

The interim financial statements do not include all the notes of the type normally included in an annual financial report. Accordingly, this interim financial report is to be read in conjunction with the annual report for the year ended 30 June 2023 and any public announcements made by Macquarie Technology Group Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim period.

(b) New accounting standards, amendments and interpretations

The consolidated entity has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

(c) Material accounting judgements, estimates and assumptions

In preparing the financial report, the Group is required to make estimates and assumptions about the carrying values of assets and liabilities. The key estimates and accounting judgements for the Group relate to (i) the determination of the lease terms (ii) revenue from contracts with customers (iii) the estimation uncertainty associated with determining the recoverable amount of non-current assets and (iv) Estimated Credit Losses ("ECL") and recoverability of receivables. These estimates and assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis.

Lease terms

Judgement is exercised in determining whether there is reasonable certainty that an option to extend or terminate the lease will be exercised, when identifying the lease term. Factors considered at the lease commencement date include the importance of the asset to the Group's operations; comparison to prevailing market rates; incurrence of significant penalties and existence of significant leasehold improvements. The Group reassesses whether it is reasonably certain to exercise an extension option, or not exercise a termination option, if there is a significant event or significant change in circumstances.

Notes to the Consolidated Financial Statements For the half-year ended 31 December 2023

2. Summary of Material Accounting Policies (con't)

(c) Material accounting judgements, estimates and assumptions (con't)

Revenue from contracts with customers

The application of the various accounting principles in AASB 15 related to the measurement and recognition of revenue, requires the Group to make judgements and estimates. Specifically, complex arrangements with non-standard terms and conditions may require significant contract interpretation to determine the appropriate accounting treatment, including whether promised goods and services specified in an arrangement are distinct performance obligations.

Recoverable amount of non-current assets

The major sources of estimation uncertainty in assessing the recoverable amount of non-current assets are judgements relating to future sales order growth and pricing and the utilisation of data centre capacity, the Group's ability to manage operating and capital expenditure and the cost of capital. Should the future performance of the Group differ from these estimations. The assessment of the recoverable amount of non-current assets would be different and may impact the impairment testing results.

ECL and recoverability of receivables

Giving consideration to best available information at the reporting date including our understanding of our business as a provider of essential services, macroeconomic factors, customer credit quality, any changes in credit recoveries at the reporting date, and improvements to debt recovery processes; the Group's ECL methodology, credit risk thresholds and definitions of default are materially consistent with prior periods.

Industry risk assessments have been applied to customer accounts receivable noting patterns of slower payments which may indicate higher risk to recovery of receivables. Independent industry reports provided guidance to apply specific loss rates to industries in which our customers operate.

Given industry guidance on the likelihood of slower payment patterns, a focus on customer accounts receivable processes and terms has resulted in improved credit recoveries during the financial period. There has been no material impact to recovery patterns, and any increases to provisions have been applied in accordance with generally acceptable accounting principles.

Notes to the Consolidated Financial Statements For the half-year ended 31 December 2023

3. Revenue and expenses

Profit before income tax expense includes the following revenues and expenses whose disclosure is relevant in explaining the financial performance of the Group:

	Half-year ended 31 December 2023 \$A'000	Half-year ended 31 December 2022 \$A'000
Revenues and other income		
Revenue from contracts with customers	180,976	172,457
Other income	364	68
Total revenue and other income	181,340	172,525
Expenses		
Employment costs	49,344	45,958
Carrier costs	40,978	41,576
Net foreign exchange (gains)/losses	28	235
Other expenses	37,968	33,480
Depreciation and amortisation	29,370	32,738
Total expenses	157,688	153,987

4. Income tax

Income tax expense is recognised based on management's estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate used for the half-year to 31 December 2023 is 30.3% (31 December 2022: 30.7%).

5. Dividends

No dividends were paid during the reporting period or declared subsequent to reporting period end.

Notes to the Consolidated Financial Statements For the half-year ended 31 December 2023

6. Earnings per share

Details of basic and diluted earnings per share are as follows:

	Half-year ended 31 December 2023	Half-year ended 31 December 2022
	cents	cents
Basic earnings per share	60.9	39.7
Diluted earnings per share	60.8	39.3
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	24,344,268	21,497,277
Effect of dilutive securities: Share performance rights	52,364	212,718
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	24,396,632	21,709,995
	\$A'000	\$A'000
Profit used in calculating basic and diluted earnings per share	14,827	8,537

Notes to the Consolidated Financial Statements For the half-year ended 31 December 2023

7. Share performance rights

On 20 December 2023, the company granted 81,000 equity share performance rights (31 December 2022: 58,450 including cash settled rights) which have a vesting date of 1 March 2027, to executives and senior managers as part of their long-term incentives. The performance conditions are linked to total shareholder return (TSR) and customer satisfaction based on Net Promoter Score (NPS). The performance rights were valued using Monte Carlo Simulation model which considered key assumptions of price volatility and dividend yield. The average fair value at grant date of each right was \$31.93 equating to a total of \$2,586,330. The total number of outstanding performance rights is 265,120 (31 December 2022: 293,000) valued at \$6,711,213 (31 December 2022: \$6,558,947) as measured at their grant date, amortised over the period to the vesting date. The amount of performance rights amortisation expense for the period was \$716,776 (31 December 2022: \$953,130).

Set out below are summaries of performance rights granted and cancelled under the plan:

	Half-year ended 31 December 2023	Half-year ended 31 December 2022
At 1 July	187,620	235,900
Granted during the period	81,000	58,450
Cancelled during the period	(3,500)	(1,350)
At 31 December	265,120	293,000
Exercisable	-	-

Performance rights outstanding at 31 December 2023 have the following performance period and vesting date:

Grant Date	Performance period start	Performance period end	Vesting date	Performance rights 31 December 2023	Performance rights 31 December 2022
13 December 2019	1 September 2019	1 September 2021	1 March 2023	-	32,000
13 December 2019	1 September 2019	1 September 2022	1 March 2023	-	84,000
10 November 2020	1 September 2020	1 September 2022	1 March 2024	23,453	24,170
10 November 2020	1 September 2020	1 September 2023	1 March 2024	46,897	48,330
01 December 2021	1 September 2021	1 September 2024	1 March 2025	43,350	46,050
30 October 2022	1 September 2022	1 September 2025	1 March 2026	56,420	58,450
30 June 2023	1 September 2022	1 September 2025	1 March 2026	14,000	-
20 December 2023	1 September 2023	1 September 2026	1 March 2027	81,000	-
				265,120	293,000

Notes to the Consolidated Financial Statements For the half-year ended 31 December 2023

8. Segment reporting

	Cloud Services & Government		Data Centres		Telecom		Consolidated	
	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022	31 Dec 2023	31 Dec 2022
	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000
Revenue								
External revenue	101,246	94,341	19,015	18,385	60,715	59,731	180,976	172,457
Inter-segment revenue	1,027	1,092	15,292	13,294	-	-	16,319	14,386
Other income	158	-	30	-	176	68	364	68
Total segment revenue and other income	102,431	95,433	34,337	31,679	60,891	59,799	197,659	186,911
Inter-segment elimination	(1,027)	(1,092)	(15,292)	(13,294)	-	-	(16,319)	(14,386)
Total consolidated revenue and other income	101,404	94,341	19,045	18,385	60,891	59,799	181,340	172,525
Results								
Segment EBITDA	24,555	25,777	17,248	16,376	11,219	9,340	53,022	51,493
Depreciation and amortisation	(10,259)	(12,352)	(12,165)	(11,567)	(6,946)	(8,819)	(29,370)	(32,738)
Segment results before interest and tax	14,296	13,425	5,083	4,809	4,273	521	23,652	18,755
Finance income							1,634	144
Finance costs							(4,021)	(6,361)
Net foreign exchange gains / (losses)							-	(217)
Consolidated entity profit from ordinary activities before income tax expense							21,265	12,321
Income tax expense							(6,438)	(3,784)
Net Profit							14,827	8,537
Acquisition of non-current assets								
Allocated acquisitions	4,738	12,912	8,942	15,507	2,665	3,890	16,345	32,309
Unallocated acquisitions	-	-	-	-	-	-	2,190	930
Total acquisition of non-current assets	4,738	12,912	8,942	15,507	2,665	3,890	18,535	33,239

Directors' Declaration

In the directors' opinion:

- (a) the financial statements and notes set out on pages 7 to 16 are in accordance with the *Corporations Act 2001*, including:
 - (i) complying with Accounting Standards AASB 134 *Interim Financial Reporting*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements, and
 - (ii) giving a true and fair view of the consolidated entity's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and
- (b) there are reasonable grounds to believe that Macquarie Technology Group Limited will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors made pursuant to section 303(5)(a) of the *Corporations Act 2001*.



David Tudehope
Director

Sydney, 28 February 2024



Independent auditor's review report to the members of Macquarie Technology Group Limited

Report on the interim financial report

Conclusion

We have reviewed the interim financial report of Macquarie Technology Group Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2023, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying interim financial report of Macquarie Technology Group Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity* (ASRE 2410). Our responsibilities are further described in the *Auditor's responsibilities for the review of the interim financial report* section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibilities of the directors for the interim financial report

The directors of the Company are responsible for the preparation of the interim financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the interim financial report that gives a true and fair view and is free from material misstatement whether due to fraud or error.

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Auditor's responsibilities for the review of the interim financial report

Our responsibility is to express a conclusion on the interim financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the interim financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2023 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a interim financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

A handwritten signature in blue ink that reads 'PricewaterhouseCoopers'.

PricewaterhouseCoopers

A handwritten signature in blue ink that reads 'Marc Upcroft'.

Marc Upcroft
Partner

Sydney
28 February 2024



Auditor's Independence Declaration

As lead auditor for the review of Macquarie Technology Group Limited for the half-year ended 31 December 2023, I declare that to the best of my knowledge and belief, there have been:

- (a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- (b) no contraventions of any applicable code of professional conduct in relation to the review.

This declaration is in respect of Macquarie Technology Group Limited and the entities it controlled during the period.

A handwritten signature in blue ink, appearing to read 'M Upcroft'.

Marc Upcroft
Partner
PricewaterhouseCoopers

Sydney
28 February 2024

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