

ASX Markets Announcement Office  
14 June 2023

## **SUCCESSFUL COMPLETION OF A\$160 MILLION INSTITUTIONAL PLACEMENT TO SUPPORT DATA CENTRE BUSINESS IN THE NEXT PHASE OF GROWTH**

### **Highlights**

- Firm commitments received to raise A\$160 million by way of a single-tranche institutional placement at A\$58.50 per share
- Strong support from new and existing shareholders
- Placement proceeds will strengthen the Company's balance sheet and provide funding to pursue growth opportunities in the Company's data centre portfolio
- Strategically positions Macquarie Technology Group to capitalise on the fast-growing cloud and artificial intelligence megatrends

Macquarie Technology Group Limited (ASX: MAQ) ("**Macquarie Technology Group**" or the "**Company**") is pleased to announce the successful completion of an institutional placement to raise gross proceeds of \$160 million ("**Placement**"). The \$160m Placement introduces multiple new institutional shareholders to the Company's share register and increases free float.

Proceeds from the Placement will be used to support the Company's data centre business in the next phase of growth and strategically positions Macquarie Technology Group to capitalise on the fast-growing cloud and artificial intelligence megatrends. A strong balance sheet ensures that the Company can continue to deliver data centre capacity at a scale that meets its customers' rapidly growing needs.

David Tudehope, Chief Executive of Macquarie Technology Group said:

*"This raise will strengthen our company and enable us to invest and expand our data centre business to capitalise on cloud and AI megatrends."*

*"As our economy becomes more digitised, organisations are moving their data and applications to the cloud at a faster pace. The cloud lives in new-generation data centres like ours supported by leading cloud services and cyber security platforms. AI is the next significant megatrend for data centres and the digital economy, driving higher power density and demand for greater capacity. As these two megatrends combine, we expect to see strong demand for the latest generation of data centres."*

## Placement

Under the Placement, the Company will issue approximately 2.74 million new fully paid ordinary shares ("**New Shares**"), via a single-tranche Placement, at a price of \$58.50 per New Share ("**Offer Price**") to raise gross proceeds of approximately \$160 million.

The Offer Price represented a 7.6% discount to the last traded price of \$63.29 and a 4.6% discount to the 5-day volume weighted average price of \$61.32.

New Shares will be issued utilising the Company's existing placement capacity under ASX Listing Rule 7.1 and will rank equally with existing Macquarie Technology Group shares on issue.

Canaccord Genuity (Australia) Limited acted as Lead Manager and Bookrunner to the Placement.

## Placement Timetable

Event	Date (2023)
Results of Placement announced, trading halt lifted and recommencement of trading	Wednesday, 14 June
Settlement of Placement Shares	Tuesday, 20 June
Allotment of New Shares issued under the Placement	Wednesday, 21 June

**Note:** Dates and times are indicative only and subject to change without notice. The Company reserves the right to alter the Placement timetable at its discretion and without notice, subject to ASX Listing Rules and the Corporations Act 2001 (Cth).

## Group Financial Performance and Outlook

Macquarie Technology Group reaffirmed its FY23 EBITDA guidance of between \$102 to \$104 million, which represents the ninth consecutive year of EBITDA growth for the Company. EBITDA guidance for Data Centre business in FY23 remains at \$32 to \$33 million.

The Company expects capex for FY23 to be between \$60 to \$63 million (previous range \$72 to \$76 million), which reflects a change in product mix and previously announced delay in the DA approval for IC3 Super West resulting in a change in phasing of growth capex from FY23 to FY24.

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

For more information, please contact:

David Tudehope – Chief Executive (02) 8221 7090

Helen Cox – Chief Financial Officer (02) 8221 7090

### **About Macquarie Technology Group**

We are 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.

Macquarie Data Centres is the wholesale data centre infrastructure business of Macquarie Technology Group Ltd. We are trusted by Fortune 500 companies, large multinationals, and the Australian Federal Government to provide secure, sovereign, and compliant data centre services.

# Equity Raising Presentation.

Funding Growth in our Data Centre Portfolio.

14 June 2023

Authorised for release by the Board of Directors of Macquarie Technology Group Limited

# Important Notice and Disclaimer

This presentation has been prepared by Macquarie Technology Group Limited ACN 056 712 228) (**MAQ** or the **Company**) in connection with its proposed institutional placement of new fully paid ordinary shares in the Company ("**New Shares**") to raise up to \$130,000,000 to certain persons who are professional investors, and to eligible institutional investors in certain permitted jurisdictions ("**Placement**"). The Placement is managed by the lead manager, Canaccord Genuity (Australia) Limited ACN 075 071 466 (the **Lead Manager**). The Placement is not underwritten. By receiving this presentation, you are agreeing to the following restrictions and limitations.

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This Presentation contains forward-looking statements and comments about future events, including statements regarding MAQ's intentions, objectives, plans, expectations, assumptions and beliefs about future events, including the industry and markets in which MAQ operates, MAQ's expectations in relation to the financial and operating performance of its business, the timetable and outcome of the Placement. The words "anticipate", "believe", "expect", "project", "predict", "will", "forecast", "estimate", "likely", "intend", "outlook", "should", "could", "may", "target", "plan" and other similar expressions can generally be used to identify forward-looking statements. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. Investors and prospective investors are cautioned not to place undue reliance on these forward-looking statements as they involve inherent risk and uncertainty (both general and specific) and should note that they are provided as a general guide only. There is a risk that such predictions, forecasts, projections and other forward-looking statements will not be achieved. Subject to any continuing obligations under applicable law, MAQ does not undertake any obligation to publicly release the result of any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation, to reflect any change in expectations in relation to any forward-looking statements or any change in events, conditions, or circumstances on which any such statements are based. While due care has been used in the preparation of forecast information, actual results may vary in a materially positive or negative manner. Forward looking statements are provided as a general guide only and should not be relied on as an indication or guarantee of future performance. They are subject to known and unknown risks, including the risk factors described under "Key Risks", uncertainty, assumptions, and contingencies, many of which are outside MAQ's control, and are based on estimates and assumptions that are subject to change and may cause actual results, performance, or achievements to differ materially from those expressed or implied by such statements.

To the maximum extent permitted by law, responsibility for the accuracy or completeness of any forward-looking statements whether due to new information, future events or results or otherwise is disclaimed. This Presentation should not be relied upon as a recommendation or forecast by MAQ. Past performance information (including past share price performance of MAQ and pro forma and combined financial information) given in this document is given for illustrative purposes only and is not necessarily a guide to future performance and no representation or warranty is made by any person as to the likelihood of achievement or reasonableness of any forward-looking statements, forecast financial information, future share price performance or any underlying assumptions. Nothing contained in this document, nor any information made available to you is, or shall be relied upon as, a promise, representation, warranty or guarantee as to the past, present or the future performance of MAQ.

### **Basis of Preparation**

This Presentation incorporates results on a statutory as well and non-statutory basis with financial results presented in AUD unless otherwise stated. Data used for calculating percentage movements have been based on whole actual numbers and estimates where appropriate. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

### **Financial data**

The financial information in this presentation is presented in an abbreviated form insofar as it does not include all of the Presentation and disclosures required by the Australian Accounting Standards ("AAS") and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. The historical financial information for MAQ contained in this presentation has been derived from the unaudited interim consolidated financial statements for the half year ended 31 December 2022, as lodged with ASX on 21 February 2023.

Investors should also be aware that certain financial measures included in this presentation are "non-IFRS financial information" under ASIC Regulatory Guide 230: "Disclosing non-IFRS financial information" published by ASIC and also "non-GAAP financial measures" within the meaning of Regulation G under the U.S. Securities Exchange Act of 1934, as amended, and are not recognised under AAS and International Financial Reporting Standards ("IFRS"). Those non-IFRS financial information/non-GAAP financial measures do not have a standardised meaning prescribed by AAS or IFRS. Therefore, the non-IFRS financial information/non-GAAP financial measures may not be comparable to similarly titled measures presented by other entities and should not be construed as an alternative to other financial measures determined in accordance with AAS or IFRS. The disclosure of non-GAAP financial measures in the

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Statements made in this presentation are made only at the date of the presentation. MAQ is under no obligation to update this presentation. The information in this presentation remains subject to change by MAQ without notice. MAQ reserves the right to withdraw or vary the timetable for the Placement without notice.



# Investment Highlights.

- Macquarie Technology Group raised A\$160 million via a non-underwritten institutional placement to support its data centre business in the next phase of growth.
- The additional capital will strengthen the Company's balance sheet and provide funding to pursue growth opportunities in its data centre portfolio.
- The institutional placement is also expected to significantly increase liquidity and free float.
- Macquarie Technology Group has a proven track record of delivering new data centres on time and on budget. The next wave of data centre demand has arrived in Australia and the institutional placement strategically positions the Company to capitalise on the fast-growing cloud and artificial intelligence (AI) megatrends.
- Macquarie Technology Group has a high-quality revenue model and customer base.
  - Greater than 90% of revenue has come from contracted monthly recurring revenue.
  - Over 60% of billings of top 20 customers are AA+ rated or better.
- The Company reaffirms FY23 EBITDA guidance of approximately \$102 to \$104 million.

# Our Data Centre Credentials.



Intellicentre 1  
Sydney CBD



Intellicentre 2  
Macquarie Park



Intellicentre 3 East  
Macquarie Park



Intellicentre 4 Bunker,  
Canberra

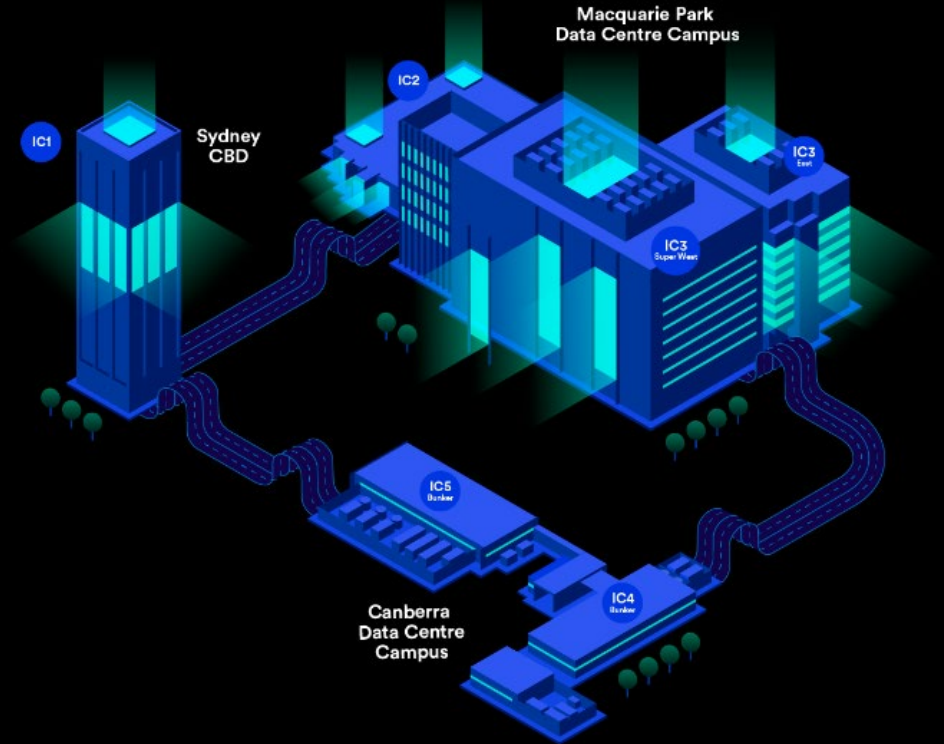


Intellicentre 5 South  
Bunker, Canberra

- We are currently developing a major data centre campus in Sydney's desirable North Zone. We have five Data Centres in operation with a pipeline for additional growth.
- Two out of three of the world's largest public cloud providers (hyperscalers) call our campus home.
- We are "Certified Strategic" by the Federal Government under the Hosting Certification Framework, which means we can provide enhanced privacy, sovereignty and security requirements for our customers.
- We invest in data centre and cloud certifications that our customers in regulated industries value highly, such as PCI DSS 3.2.1 for credit card payments; SSEC and PSPF requirements for Government workloads; and SSAE SOC2 for multinational customers.
- We have a 20 year + proven track record in data centre operations and maintenance.

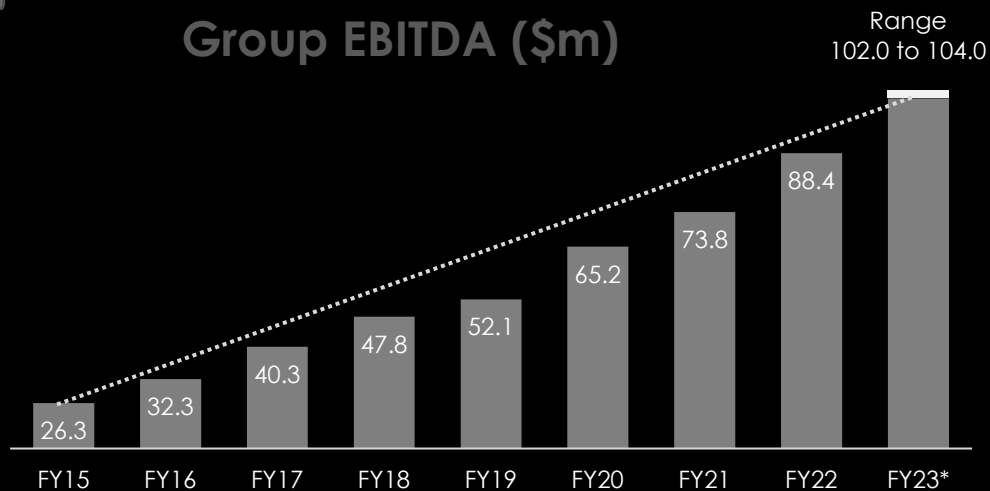
# Megatrends Generating Significant Tailwinds.

- As our economy becomes more digitised, organisations are moving their data and software applications to the cloud. Clouds live in the latest generation of data centres, like ours. Data Centres are digital infrastructure along with our cloud and cyber security platforms.
- AI is the next significant megatrend for data centres and the digital economy driving higher power density and demand for capacity.
- As these two megatrends combine, we expect to see very strong demand for the latest generation of data centres.



# Group Financial Performance.

## Group EBITDA (\$m)



- Nine consecutive years of EBITDA growth for the Group
- FY23 Guidance Range of \$102 to \$104 million reaffirmed

*Note: Impact of AASB16 in FY20 increases EBITDA by \$8.0m*

# Outlook.

FY23	\$m
<b>EBITDA</b>	<b>102-104</b>
Cloud Services & Government	24-25
Data Centres	23-24
Telecom	16-17
<b>Total Depreciation</b>	<b>63-66</b>
Customer Growth Capex	20-21
Growth Capex	27-28
Maintenance Capex	13-14
<b>Total Capex</b>	<b>60-63</b>
Hosting (CS & G, Data Centres)	53-55
Telecom	7-8
<b>Total Capex</b>	<b>60-63</b>

Reaffirming FY23 EBITDA is expected to be within guidance, approximately \$102 to \$104 million.

Expected EBITDA for the Data Centres business in FY23 remains at \$32 to \$33 million.

Capex is expected to be \$60 to \$63 million (previous range \$72 to \$76 million). Range has been updated to reflect the change in product mix and previously announced delay in the DA approval for IC3 Super West resulting in a change in phasing of growth capex from FY23 to FY24.

As at 31 May the Company's net debt is approximately \$97 million (comprising of \$110 million drawn of \$190 million debt and cash balance of \$13 million).

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# Equity Raising.

# Equity Raising Overview.

## Offer Structure and Size

- Single tranche non-underwritten placement to sophisticated, professional and institutional investors to raise gross proceeds of A\$160 million ("Placement").
- Approximately 2.74 million new fully paid ordinary shares ("New Shares") to be issued utilising the Company's available placement capacity under ASX Listing Rule 7.1

## Offer Price

- Fixed offer price of A\$58.50 per New Share to be issued, which on Tuesday, 13 June 2023 represented a:
- 7.6% discount to the last traded price of A\$63.29; and
- 4.6% discount to the 5-day volume weighted average price ("VWAP") of A\$61.32.

## Lead Manager

- Canaccord Genuity (Australia) Limited acting as Lead Manager.



# Uses of Placement Proceeds.

## Funding Growth in our Data Centre Portfolio.

- Placement proceeds will strengthen the Company's balance sheet and provide funding to pursue growth opportunities in the Company's data centre portfolio.
- Strategically positions Macquarie Technology Group to capitalise on the fast-growing cloud and artificial intelligence megatrends.
- A strong balance sheet ensures that the Company can continue to deliver data centre capacity at a scale that meets our customer's rapidly growing needs.












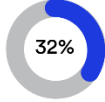
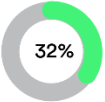
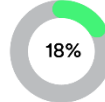













# Indicative Placement Timetable.

Event	Date (2023)
Trading halt and launch of Placement	Tuesday, 13 June
Results of Placement announced, trading halt lifted and recommencement of trading	Wednesday, 14 June
Settlement of Placement	Tuesday, 20 June
Allotment of New Shares issued under the Placement	Wednesday, 21 June

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# Macquarie Technology Group.

# Business design.

Business Areas	 <b>macquarie</b> CLOUD SERVICES	 <b>macquarie</b> GOVERNMENT	 <b>macquarie</b> DATA CENTRES	 <b>macquarie</b> TELECOM
Percentage of Revenue and EBITDA in 1H23	 51% Revenue	 50% EBITDA	 17% Revenue  32% EBITDA	 32% Revenue  18% EBITDA
What we do	For business customers, we are the specialists in hybrid IT. We integrate colocation, cloud & dedicated servers. Different applications need different types of hosting. We manage it.	We are the Australian specialists in cyber security, secure cloud & colocation for Federal Government. We deliver services to 42% of Federal Government agencies.	We are developers & operators of data centres for wholesale customers including underpinning our three internal BUs' colocation services.	For business customers, we are the full service provider of data, voice, mobile & colocation services. We are the telecom that does everything refreshingly different. We are where the Macquarie story started.
Value proposition	Customer Service, Specialised and Compliant Hosting.	Customer Service, Security Operations Centre (SOC), Cyber Security, Sovereign Certified Data Centres in Canberra	Customer Service, Commercial and Design Flexibility, Physically Secure for Federal Government, Highly Certified, Local and Data Sovereignty, Proven track record	Customer Service, Price, Choice, Flexibility, Control
Competitors	  	  	   	  
People / Skill	Cloud Specialists: Custom and Compliant	Cyber Security and Hosting Specialist to Government	Australian Data Centre Specialists	Generalist for Voice & Mobiles Technical Consultant for Data & Colo to Business

# Appendix 1 – Key Risks.

## Key Risks.

This following section comments on the risks associated with an investment in Macquarie Technology Group Limited (**MAQ**) and in connection with the Placement. Like any investment, there are risks associated with an investment in MAQ shares. This section does not (and does not purport to) identify all of the risks related to the future operating and financial performance of MAQ, an investment in MAQ shares, the Placement, or general market, industry, regulatory or legal risks applying to MAQ or any of its subsidiaries. Some risks may be unknown and other risks, currently considered to be immaterial, could turn out to be material. Investors should also consider publicly available information on MAQ, including MAQ's previous ASX disclosures and its most recent Annual Report, and seek professional advice from an adviser who is licensed by ASIC to give that advice before making an investment decision.

# Key Risks Continued.

## Risks relating to Macquarie Technology Group Limited (MAQ)

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### Disruption or Failure of Technology Systems, Software and Hardware

MAQ is heavily dependent on the operational capability and reliability of its infrastructure and technology platforms across its business operations. A significant disruption to or failure of MAQ's information technology systems could lead to business interruption, security breaches or other operational difficulties, monetary losses, or possible legal liability, which could have a material adverse effect on its business, reputation, operational performance and financial results.

Similarly, MAQ's data centres may be susceptible to interruptions, outages or failure of its critical systems as a result of numerous factors, including but not limited to human error, power complications, physical or electronic breaches, network and telecommunication failures, hardware or software malfunction, natural disasters, security threats and cyber-attacks. This could result in extended downtime of MAQ's systems and hardware, service interruptions and data losses for MAQ's customers, as well as equipment damage, which could cause business disruption, financial loss or increased customer churn.

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### Cyber Security Incidents

Cyber-attacks or malicious hacking activity that breach MAQ's information technology environment or any third-party system on which MAQ relies could lead to operational disruption or theft of data (including commercially sensitive information) which could have a material adverse effect on its business, reputation, operational performance, competitive position and financial results.

As the techniques used to gain unauthorized access to MAQ's systems and databases continue to evolve, MAQ may be unable to anticipate attempted security breaches. There is no guarantee that MAQ will be able to prevent or rectify any such security breaches or incidents that may occur, or that insurance will be adequate to cover potential financial exposures for one or more of these circumstances. Material cyber security or data breaches may adversely affect MAQ's reputation, financial performance and operating results and therefore the value of its securities.

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# Key Risks Continued.

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## **Breaches of Data Privacy Rules and Regulations**

MAQ's business involves cloud hosting and storage of information, including confidential and proprietary data of the Government and MAQ's business customers, and personal information of individuals. Advances in technological capabilities and tools and methods used by hackers and cyber terrorists may result in a compromise or breach of the technology used by MAQ to protect confidential and commercially sensitive information.

Failures or breaches of data protection and systems security, especially with respect to confidential and commercially sensitive information, could result in a loss of customer confidence in the security of MAQ's data centres and digital infrastructure given that clients, employees and third parties have an expectation that MAQ will adequately protect their information. It could also threaten MAQ's customer or supplier relationships and result in termination of customer contracts, potential indemnity obligations and a loss of potential earnings, which could have a material adverse effect on the Company's financial position. The occurrence of such security breaches or incidents, or the perception that one has occurred, could also attract significant media attention and damage the MAQ brand and MAQ's reputation, reduce demand for MAQ's data centres, disrupt normal business operations, and require MAQ to spend material resources to investigate or correct the breach and prevent future security breaches and incidents.

Moreover, the legal and regulatory environment surrounding information security and privacy protection is increasingly complex and demanding. There is a risk that any data security breaches or MAQ's failure to protect confidential information could result in potential enforcement action and monetary fines from data protection authorities, litigation by customers, and potential remediation costs (offering credit monitoring services, for example), which could materially impact MAQ's financial and operating performance and financial condition.

## **Reduction in Demand and increased competition for Data Centre Services**

Customer demand for MAQ's data centre services is subject to rapidly changing technology, changing laws (e.g. data and privacy) and changing customer preferences. It is also subject to competition from other data centre owners and operators, traditional on-premises solution providers, and cloud providers who are increasingly self-building data centres. Reduced customer demand and increased competition could result in MAQ having to lower its product pricing, or in MAQ retaining excess capacity at its data centres, which may have a material adverse effect on MAQ's financial position and performance. It could also lead to decreased revenue, profits and market share for MAQ.

## **Termination of Key Customer Contracts**

A breach, termination, or non-renewal of material customer contracts or loss of business may have a material adverse effect on MAQ's future financial position and financial performance and therefore the value of its securities.

# Key Risks Continued.

## Data Centre Input Costs and Risks

MAQ's proposed data centre developments may be delayed, cancelled or not meet target financial performance due to input costs, equipment and labour shortages, supply chain disruption or other factors affecting costs, performance and timing.

MAQ relies on technical labour inputs, spares, utilities and subcontractors to maintain its data centres (including electricity, water and diesel fuel). There is no guarantee that any third-party supplier will continue their business with MAQ in the future or be able to consistently provide sufficient levels of utilities and services to MAQ on commercially acceptable terms. As a result, MAQ's financial performance may vary from period to period and may fluctuate in the future.

Similarly MAQ leases land and buildings from third parties for its data centres. Any breach or termination of these leases could have a material adverse impact on MAQ, as there is a risk that MAQ may not be able to secure appropriate replacement sites on commercially acceptable terms, or in sufficient time to ensure continuity of operations.

## Reliance on Key Personnel

MAQ's ability to effectively execute its growth strategy is substantially dependent on the performance and expertise of its team. In particular, MAQ is heavily dependent on its Executive Team and other senior employees, each of whom could terminate their employment with MAQ, with or without cause. The loss of key management personnel, or any delay in their replacement, may adversely affect MAQ's financial performance and results of operations.

## Compliance with laws, regulations and industry standards

MAQ's business is subject to various laws, regulations and industry compliance requirements, including in relation to privacy, fair trade, anti-bribery and corruption, sanctions, consumer protection, employment and taxation. Many of these laws and regulations are constantly evolving, subject to change and uncertain interpretation, and new laws and regulations that may be promulgated in the future could impact MAQ's (or its service providers') existing products and services.

Failure to comply with laws, regulations and industry compliance standards may result in litigation, regulatory enquiry or investigation, fines and penalties, or significant reputational damage. Any of these consequences could have an adverse impact on MAQ's financial performance and results of operations.



## Key Risks Continued.

<b>Disputes or litigation</b>	MAQ could become involved in litigation, claims and disputes in the course of conducting its business. There is a risk that MAQ's insurance may not provide coverage against such litigation, claims or disputes. There is also a risk that, even if MAQ is successful in defending such litigation, claims or disputes, these could materially and adversely impact MAQ's operating and financial performance due to the costs of litigating or settling such claims, which could also affect MAQ's reputation regardless of their outcome.
<b>Funding arrangements</b>	MAQ may need further financing to meet its operational requirements and business objectives in the future, or to expand its business. 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. Furthermore, raising additional funds by issuing equity securities may result in dilution for some or all of MAQ's shareholders.
<b>Exposure to uninsured risks</b>	MAQ maintains insurance that it considers appropriate to its needs. However, it is not insured against all risks, either because the appropriate coverage is not available or because, in MAQ's view, the applicable premiums are excessive in comparison to the perceived benefits that would accrue. Accordingly, MAQ may not be fully insured against all losses and liabilities that may unintentionally arise from its operations. If MAQ incurs uninsured losses or liabilities, the value of its assets may be at risk.
<b>Reputation</b>	Any negative publicity or announcement relating to any of MAQ substantial shareholders, key personal or MAQ itself may adversely affect the brand and reputation of MAQ and the share price performance of it. Examples of this negative publicity or announcement may include involvement in legal proceedings, significant cyber-security incidents, failed acquisitions, joint ventures or other business transactions or other affairs or scandals.

# Key Risks Continued.

## General investment risks

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As an ASX listed company, MAQ is subject to the general market risk that is inherent in all securities traded on a stock exchange. As a result, MAQ may experience fluctuations in its share price that cannot be explained by MAQ's fundamental operations and activities. Deterioration of general economic conditions may also affect MAQ's business operations and the consequent returns from an investment in shares.

Some of the factors which may adversely impact the price of the shares include: 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; changes in government regulation; actual or anticipated fluctuations in MAQ's financial performance and those of other public companies who operate in the same industry sector; changes in accounting principles; inclusion in or removal from market indices; and general operational and business risks.

### General economic and financial market conditions

No assurance can be given that MAQ's offer of shares will trade at or above the Issue Price. None of MAQ, its directors or any other person guarantees the performance of the shares. The operational and financial performance and position of MAQ and MAQ's share price may be adversely affected by a worsening of general economic conditions in Australia, as well as international market conditions and related factors. It is also possible that new risks might emerge as a result of Australian or global markets experiencing extreme stress, or existing risks may manifest themselves in ways that are not currently foreseeable. The equity markets have in the past and may in the future be subject to significant volatility.

Inflationary pressures are at high levels in many economies, including in Australia. Geopolitical tensions, rising interest rates, central bank tightening and persistent COVID-19 and other challenges to the global economy such as global shipping capacity constraints, higher costs for freight, supply chain issues, higher energy prices, and tightened labour markets, are all contributing to rising inflationary pressures on the global economy. This may result in unmitigated increases in the prices of key elements of MAQ's supply chain, including for example critical equipment, labour costs, and energy. To the extent MAQ cannot pass on the impacts of inflation to its customers, it may adversely affect its future financial position and operating results and therefore the value of its securities.

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# Key Risks Continued.

<b>Impact of COVID-19</b>	MAQ has previously highlighted the impact of COVID-19 on global and domestic economies, and in turn, on MAQ and its customers' businesses. Although MAQ's business performance has been resilient to the external business and economic pressures arising from measures to control the COVID-19 pandemic, there is no guarantee that there will not be a resurgence of the impact of COVID-19 including (but not limited to) in relation to local and international government, regulatory or health authority actions, work stoppages, travel restrictions and the impact on the Australian and global economy.
<b>Dividends</b>	The payment of any future dividends will be at the discretion of the MAQ Board and will depend (among other things) on the performance and financial circumstances of MAQ at the relevant time. There can be no guarantee that any dividend will be paid by MAQ.
<b>Taxation</b>	Future changes in Australian and international taxation laws, including changes in the interpretation or application of the law by the courts or taxation authorities in jurisdictions where MAQ operates, may affect taxation treatment of an investment in MAQ's shares, or the holding and disposal of those shares. Taxation laws and the interpretation of those laws may also impact the future tax liabilities of MAQ.
<b>Changes in accounting policy / standards</b>	Accounting standards may change. This may affect the reported earnings of MAQ and its financial position from time to time. MAQ has previously and will continue to assess and disclose, when known, the impact of adopting new accounting standards in its periodic financial reporting.
<b>Risk of dilution</b>	Shareholders who do not participate in the Placement will be diluted in their percentage shareholding. Shareholders may also have their investment diluted by future capital raisings by MAQ.
<b>Liquidity risk</b>	Shareholders who wish to sell their ordinary shares may be unable to do so at an acceptable price, or at all, if insufficient liquidity exists in the market for the ordinary shares. There may be relatively few, or many, buyers or sellers of MAQ shares on ASX at any given time. This may increase the volatility of the market price of MAQ's ordinary shares. It may also affect the prevailing market price at which MAQ shareholders are able to sell their MAQ ordinary shares, or whether they are able to sell at all.
<b>Other risks</b>	The above risks should not be taken as a complete list of the risks associated with an investment in MAQ. The risks outlined above, and other risks not specifically referred to may in the future materially adversely affect the value of MAQ's shares and their performance. Accordingly, no assurance or guarantee of future performance or profitability is given by MAQ in respect of MAQ's shares.

# Appendix 2 – International Offer Restrictions.

# International Offer Restrictions.

This document does not constitute an offer of new ordinary shares ("New Shares") of the Company in any jurisdiction in which it would be unlawful. In particular, this document may not be distributed to any person, and the New Shares may not be offered or sold, in any country outside Australia except to the extent permitted below.

## European Union

This document has not been, and will not be, registered with or approved by any securities regulator in the European Union. Accordingly, this document may not be made available, nor may the New Shares be offered for sale, in the European Union except in circumstances that do not require a prospectus under Article 1(4) of Regulation (EU) 2017/1129 of the European Parliament and the Council of the European Union (the "Prospectus Regulation").

In accordance with Article 1(4)(a) of the Prospectus Regulation, an offer of New Shares in the European Union is limited to persons who are "qualified investors" (as defined in Article 2(e) of the Prospectus Regulation).

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

## **New Zealand**

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Financial Markets Conduct Act 2013 (the "FMC Act").

The New Shares are not being offered or sold in New Zealand (or allotted with a view to being offered for sale in New Zealand) other than to a person who:

- is an investment business within the meaning of clause 37 of Schedule 1 of the FMC Act;
- meets the investment activity criteria specified in clause 38 of Schedule 1 of the FMC Act;
- is large within the meaning of clause 39 of Schedule 1 of the FMC Act;
- is a government agency within the meaning of clause 40 of Schedule 1 of the FMC Act; or
- is an eligible investor within the meaning of clause 41 of Schedule 1 of the FMC Act.

## **Singapore**

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part 13 of the Securities and Futures Act 2001 of Singapore (the "SFA") or another exemption under the SFA.

This document has been given to you on the basis that you are an "institutional investor" or an "accredited investor" (as such terms are defined in the SFA). If you are not such an investor, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party in Singapore. On-sale restrictions in Singapore may be applicable to investors who acquire New Shares. As such, investors are advised to acquaint themselves with the SFA provisions relating to resale restrictions in Singapore and comply accordingly.

## United Kingdom

Neither this document nor any other document relating to the offer has been delivered for approval to the Financial Conduct Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares.

The New Shares may not be offered or sold in the United Kingdom by means of this document or any other document, except in circumstances that do not require the publication of a prospectus under section 86(1) of the FSMA. This document is issued on a confidential basis in the United Kingdom to "qualified investors" within the meaning of Article 2(e) of the UK Prospectus Regulation. This document may not be distributed or reproduced, in whole or in part, nor may its contents be disclosed by recipients, to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of the FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of the FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated ("relevant persons"). The investment to which this document relates is available only to relevant persons. Any person who is not a relevant person should not act or rely on this document.

## United States

This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. The New Shares have not been, and will not be, registered under the US Securities Act of 1933 or the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the US Securities Act and applicable US state securities laws.

The New Shares will only be offered and sold in the United States to:

"institutional accredited investors" within the meaning of Rule 501(a)(1), (2), (3), (7), (8), (9) and (12) under the US Securities Act; and

dealers or other professional fiduciaries organized or incorporated in the United States that are acting for a discretionary or similar account (other than an estate or trust) held for the benefit or account of persons that are not US persons and for which they exercise investment discretion, within the meaning of Rule 902(k)(2)(i) of Regulation S under the US Securities Act.

## Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong, nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). Accordingly, this document may not be distributed, and the New Shares may not be offered or sold, in Hong Kong other than to "professional investors" (as defined in the SFO and any rules made under that ordinance).

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors. No person allotted New Shares may sell, or offer to sell, such securities in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such securities.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.