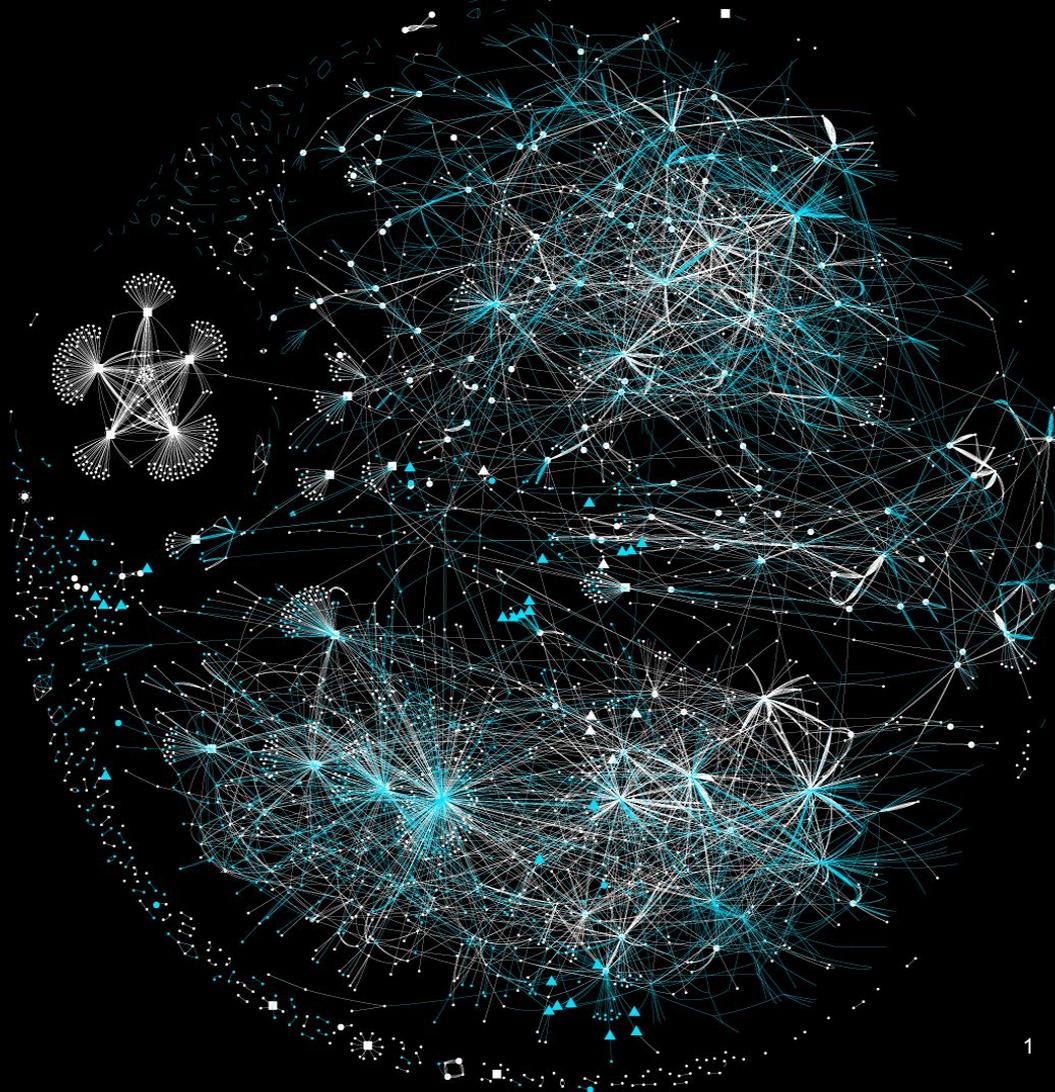


# Investor Presentation

AUGUST 2020



Megaport Limited | ACN 607 301 959 | ASX: MP1



# Important Information

**This presentation has been authorised by the Board of Megaport.**

**Megaport Limited ACN 607 301 959**

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All references to “\$” are to Australian currency (AUD) unless otherwise noted.

For definitions refer to the [Glossary for Investors](https://www.megaport.com/investor/business-overview/) on the Megaport website at <https://www.megaport.com/investor/business-overview/>

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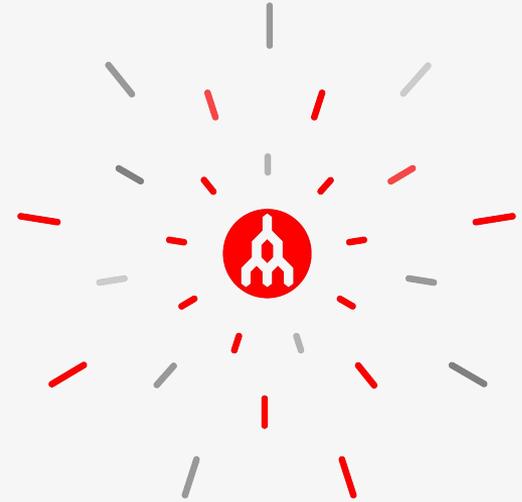
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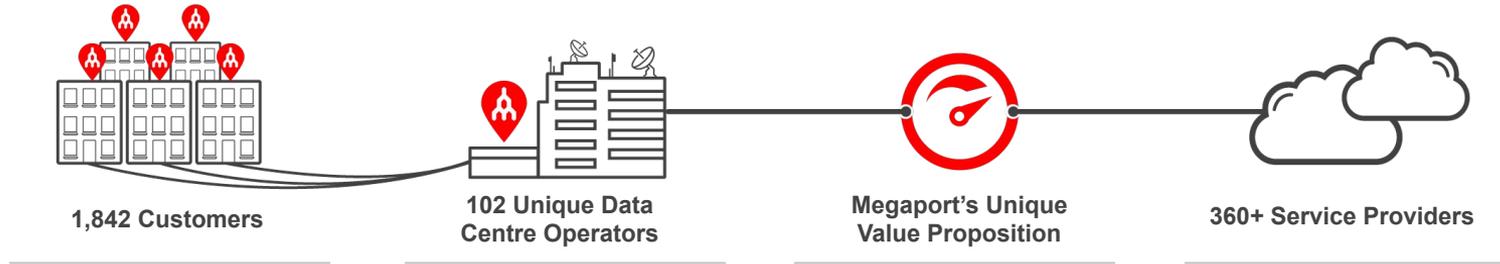
INVESTOR PRESENTATION

# About Megaport

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# Connecting the Ecosystem



**BHP**

**ferrovial**  
services

The Washington Post

**accenture**

**suez**

**AutoNation**

**Pulsant**  
Business Unlimited

**NEC**

**123** NET

Green Mountain

DIGITAL REALTY

CyrusOne



Scalable and on demand



Multicloud connectivity



Private and Secure



Flexible Terms

**aws**

Microsoft  
Azure



Google Cloud

**ORACLE**  
Cloud

**SAP**

**NUTANIX**

IBM Cloud

salesforce

Alibaba Cloud

**rackspace**  
technology

Internal use only

# Connectivity Model

## DC to DC Connectivity

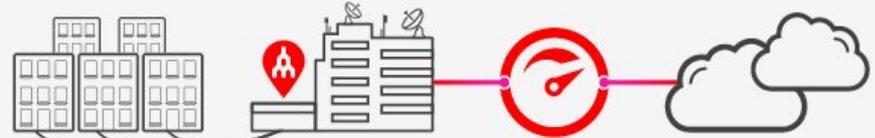


Megaport Enabled DC1

Megaport SDN

Megaport Enabled DC2

## Cloud Connectivity



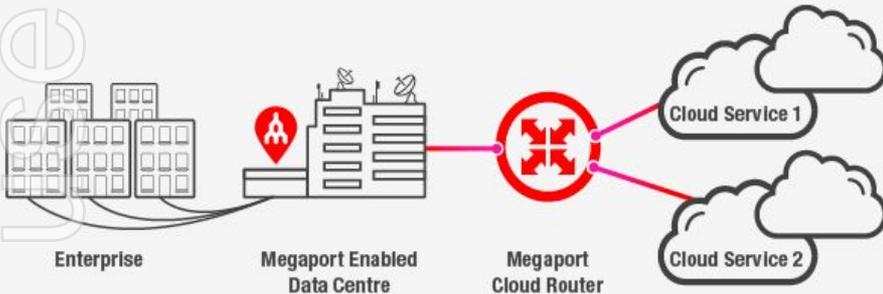
Enterprise

Megaport Enabled Data Centre

Megaport SDN

Cloud Services

## Multicloud Connectivity



Enterprise

Megaport Enabled Data Centre

Megaport Cloud Router

Cloud Service 1

Cloud Service 2

## Layer 3 Cloud-to-Cloud Connectivity



Cloud Service 1

Megaport Cloud Router

Cloud Service 2

# The Leader in Network as a Service (NaaS)

	Megaport's Connectivity Model	Traditional Connectivity
<b>Pricing</b>	Pay for what you use, no setup fees	Expensive locked-in pricing model, expensive setup costs
<b>Speed</b>	Real-time provisioning (59 seconds)	Long setup times (one week – several months)
<b>Capacity</b>	Elastic, right-sized capacity	Fixed capacity
<b>Terms</b>	Flexible terms, month to month contract	Locked-in long term contracts
<b>Providers</b>	Neutral, one-stop shop featuring all service providers	Limited service providers
<b>Ease of Use</b>	Intuitive portal to manage network	Multiple emails, calls to vendors, and contracts

# Growing Global Ecosystem



### North America



Countries

2

Cities

80

Installed

174

Enabled

374

### EMEA



Countries

16

Cities

32

Installed

105

Enabled

181

### Asia Pacific



Countries

5

Cities

16

Installed

87

Enabled

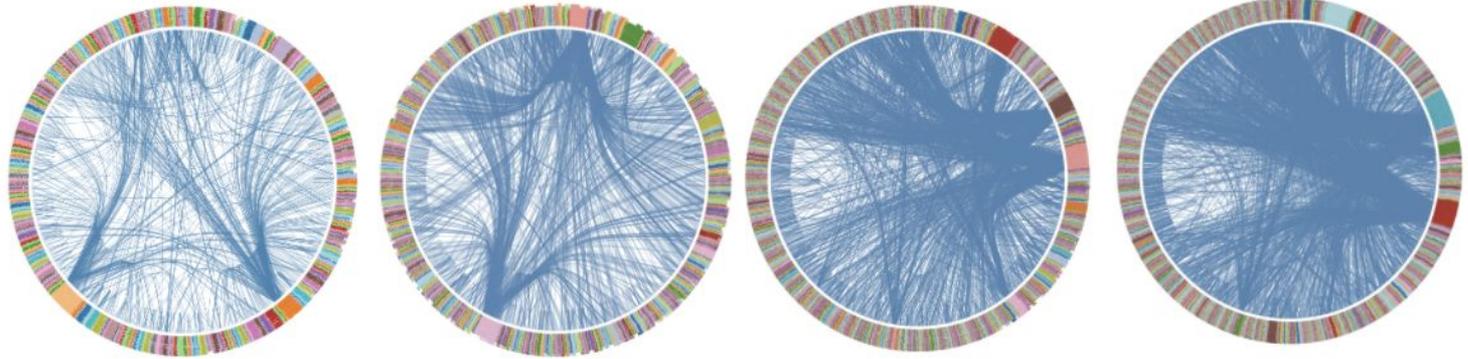
114



# The Network Effect

## Megaport Service Connections

- Ports
- Services



30 June 2017

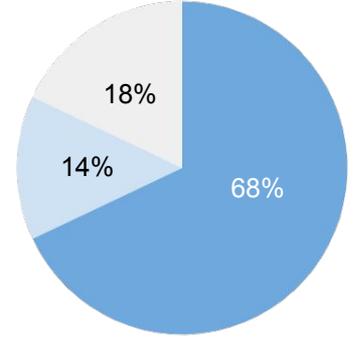
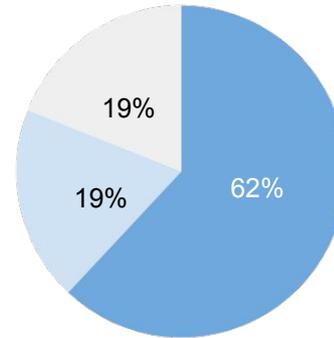
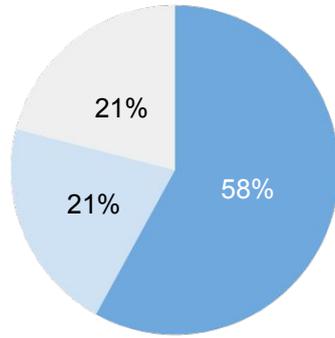
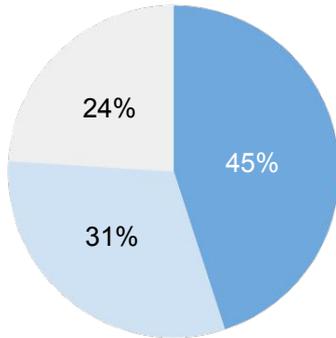
30 June 2018

30 June 2019

30 June 2020

## Service Connection Types

- Direct Public Cloud
- Internet Exchange
- Private Connection



# Selection of Major Customers



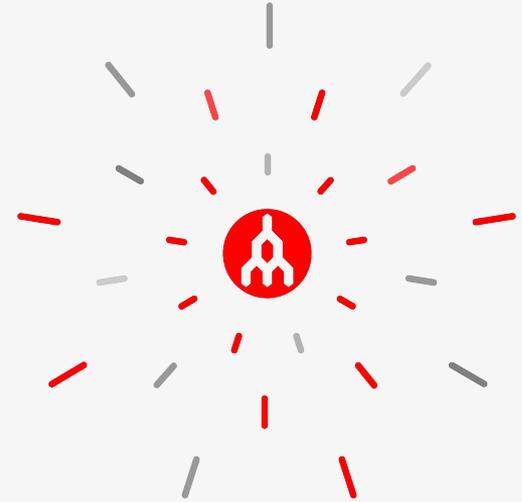
# 102 Unique Data Centre Operators



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# Business Update

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# Company Highlights FY20



**+57%**

**Monthly Recurring Revenue<sup>1</sup>**

**\$3.6M**

30 JUNE 2019

**\$5.7M**

30 JUNE 2020



**+57%**

**Annualised Revenue<sup>2</sup>**

**\$43.3M**

30 JUNE 2019

**\$67.8M**

30 JUNE 2020



**+24%**

**Total Number of Customers**

**1,490**

30 JUNE 2019

**1,842**

30 JUNE 2020



**+45%**

**Total Number of Services<sup>3</sup>**

**11,561**

30 JUNE 2019

**16,712**

30 JUNE 2020



**+42%**

**Total Number of Ports**

**4,069**

30 JUNE 2019

**5,767**

30 JUNE 2020



**+22%**

**Total Installed Data Centres<sup>4</sup>**

**300**

30 JUNE 2019

**366**

30 JUNE 2020

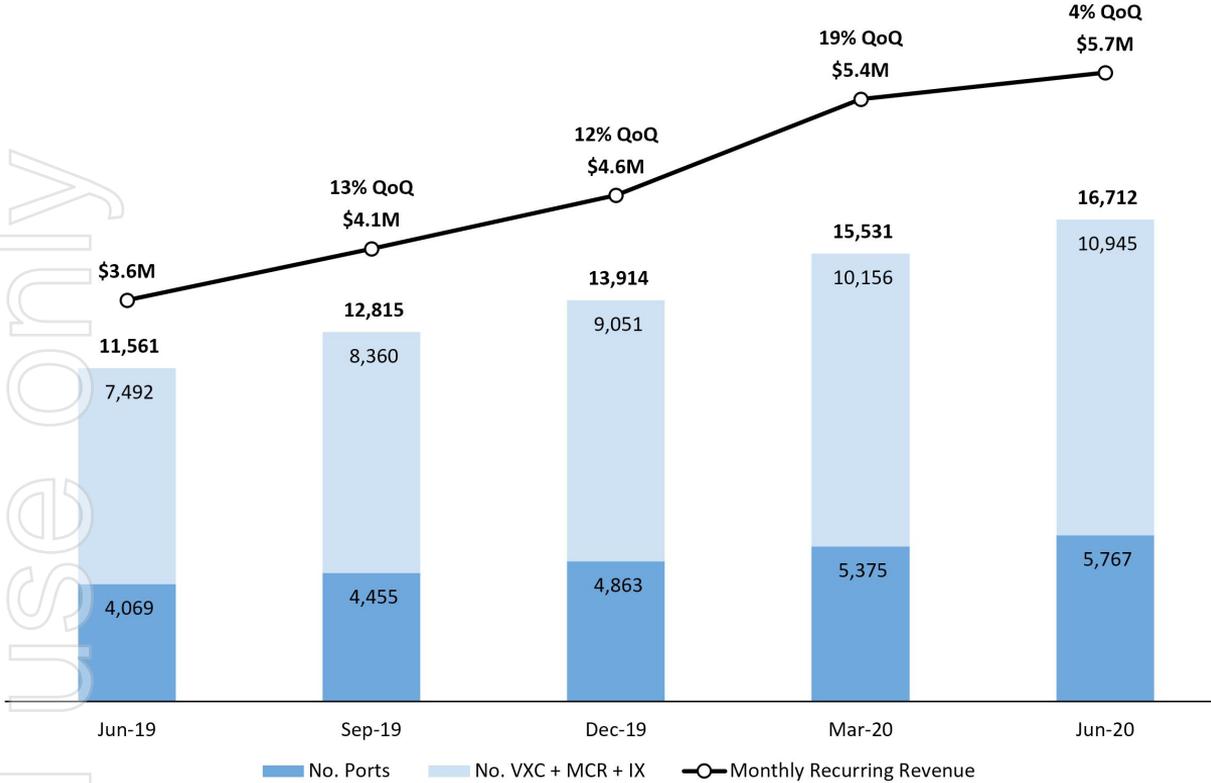
1. Monthly Recurring Revenue (MRR) is revenue (excluding one-off and non-recurring revenue) for the month of June.

2. Annualised Revenue is MRR for the month of June multiplied by 12

3. Total Services comprises of Ports, Virtual Cross Connections (VXCs), Megaport Cloud Router (MCR), and Internet Exchange (IX)

4. Installed Data Centres are data centres in which Megaport has a Point of Presence with physical infrastructure. This definition is consistent with the data centre count reported previously.

# Growth Trends



Ecosystem richness drives greater service connection opportunities

Growth in services indicates overall customer usage on the Network

Increased Services per Port drives greater MRR\* growth and increased Revenue per Port

**MRR\* has grown to \$5.7M, up 57% from June 2019**

### Monthly Recurring Revenue\*

**\$3.6M**  
June 2019

**\$5.7M**  
June 2020

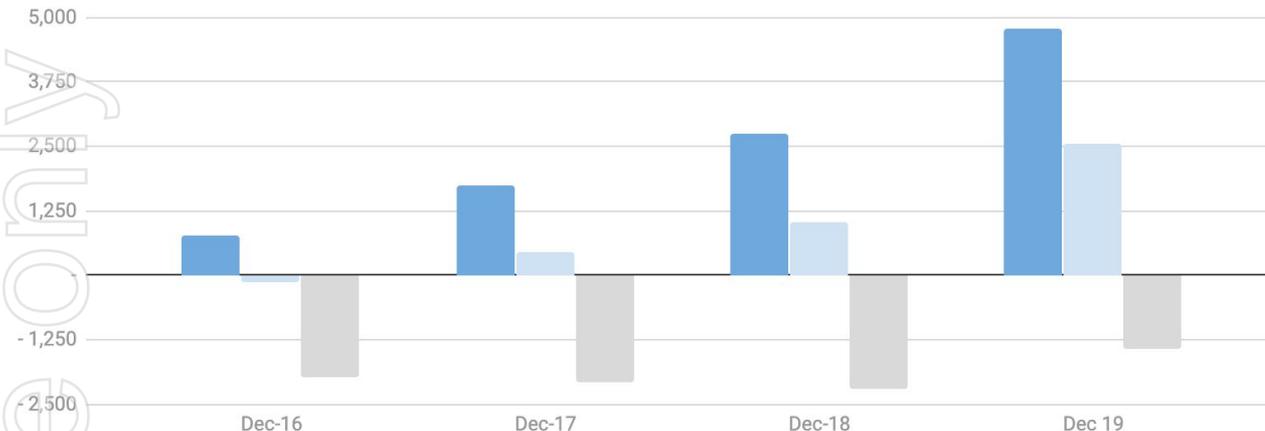
\*MRR is revenue (excluding one-off and non-recurring revenue) for the last month of the relevant quarter.



# Historical Financial Performance

## Group

■ Revenue ■ Profit after Direct Network Costs ■ EBITDA



## Margins

	Dec-16	Dec-17	Dec-18	Dec-19 <sup>2</sup>
Profit after Direct Network Cost Margin %	(16%)	26%	37%	53%
Group EBITDA Margin %	n.m.	(120%)	(80%)	(30%)

## Margin Trends<sup>1</sup>

Overall profit after direct network cost<sup>3</sup> margin has continued to expand as MRR growth has outstripped growth in Direct Network Costs

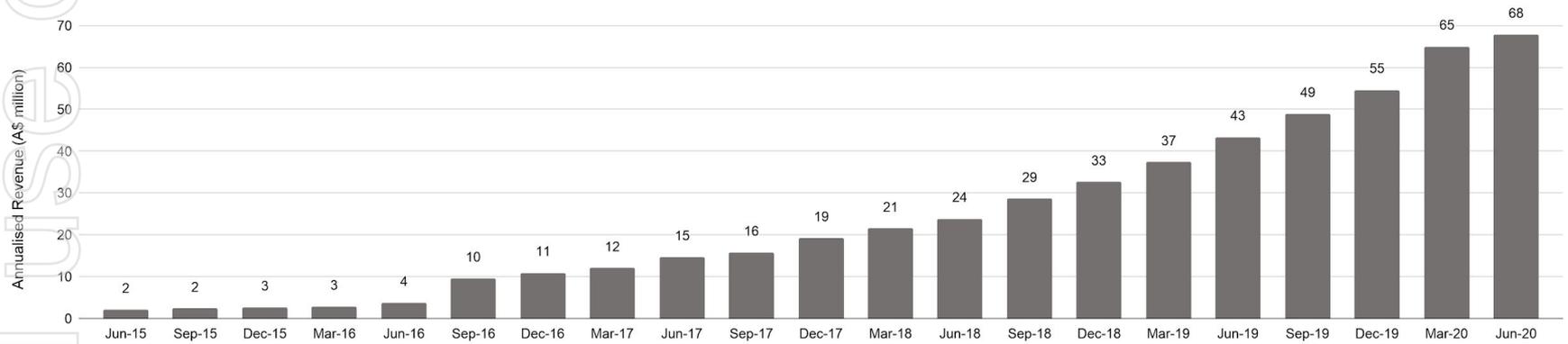
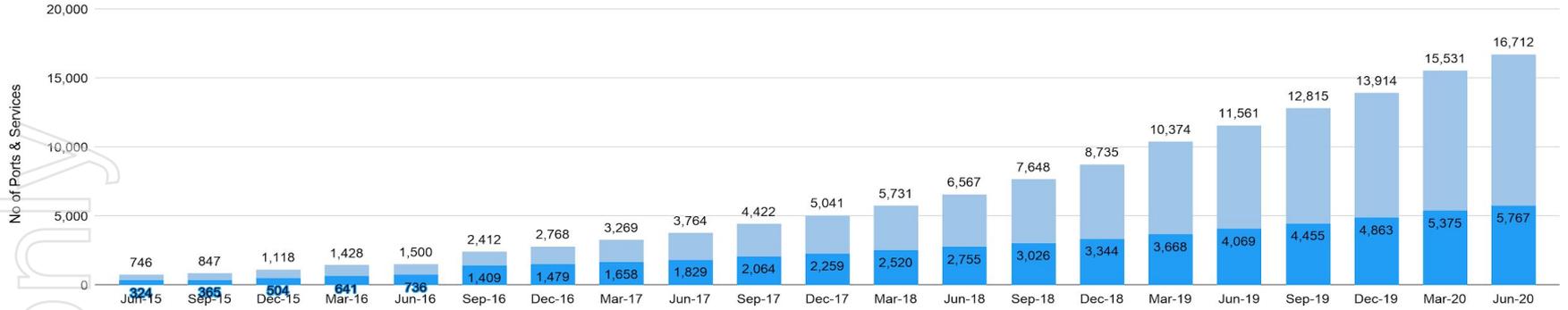
Overall EBITDA margin has significantly improved following strong contributions in APAC and reductions in regional EBITDA losses in NAM and EMEA

1. All figures are for the month of December

2. Figures are as reported. Excluding the impact of AASB16, profit after direct network cost margin would be 45% and Group EBITDA margin would be (40%) for the month of Dec-19

3. Direct network costs comprise data centre power and space, physical cross connect fees, bandwidth and dark fibre, network operation and maintenance, and channel commissions which are directly related to generating the service revenue of Megaport Group.

# Resilient Growth in Ports, Services and Recurring Revenue



Internal use only

# Thank you

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