



Investor Presentation

MAY 2021

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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/>.

A summary of Megaport's [5 year Historical KPIs and metrics](https://www.megaport.com/investor/business-overview/) to 31-Mar-21 can be found on our website at <https://www.megaport.com/investor/business-overview/>.

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INVESTOR PRESENTATION

About Megaport

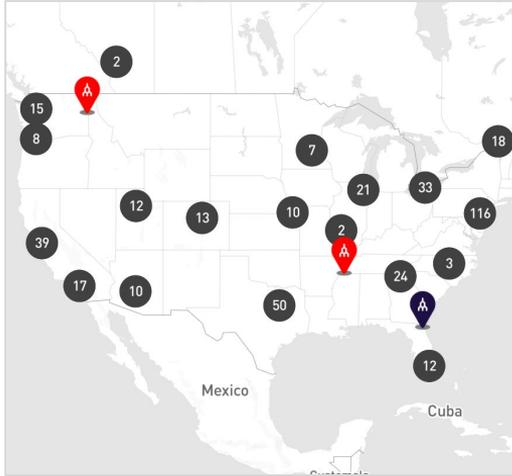


The Leader in Network as a Service (NaaS)

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

Growing Global Network

North America



Countries	Cities	Installed ¹	Enabled ²
2	82	184	405

EMEA



Countries	Cities	Installed ¹	Enabled ²
16	32	105	206

Asia Pacific



Countries	Cities	Installed ¹	Enabled ²
5	17	101	130

Group

Countries	23
Cities	131
Installed ¹	390
Enabled ²	741

Megaport Enabled and In-Built Data Centres Two or more Megaport Enabled and In-Built Data Centres

1. Installed Data Centres are Data centres in which Megaport has a Point of Presence with physical networking hardware.
 2. Enabled Data Centres is the total of Installed Data Centres plus Extended Data Centres. Extended Data Centres are data centres that can be connected directly to Megaport networking hardware within Installed Data Centres by means of interconnection services offered directly by the data centre campus / facility operator of an Installed Data Centre. Megaport's complete list of locations can be found on our [website](#).

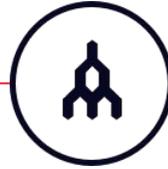
Connecting the Ecosystem



2,117 Customers



102 Unique Data Centre Operators



Megaport's Unique Value Proposition



365+ Service Providers



Scalable and on demand



Multicloud connectivity



Private and Secure



Flexible Terms



Google Cloud



IBM Cloud

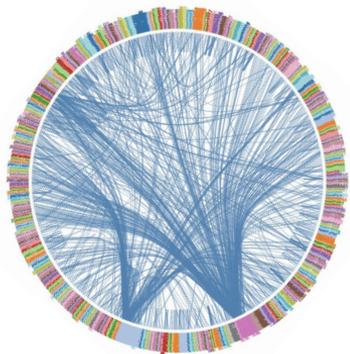


Alibaba Cloud

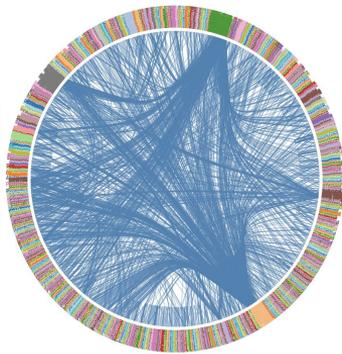


The Network Effect

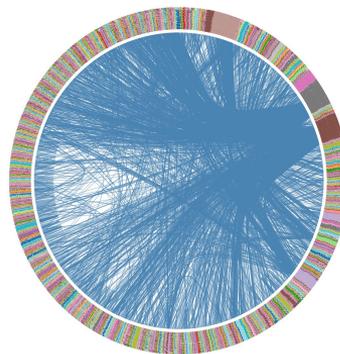
MegaPort Service Connections



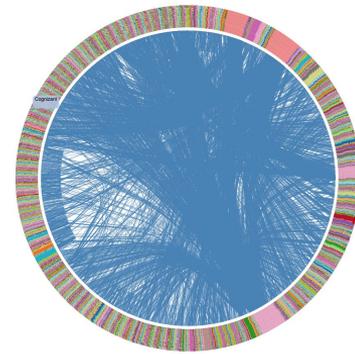
31 Dec 2017



31 Dec 2018

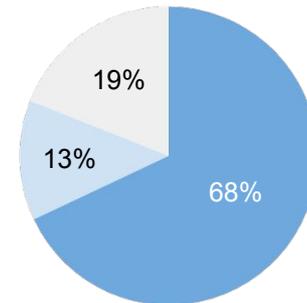
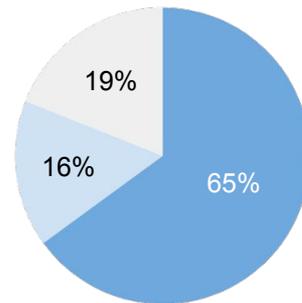
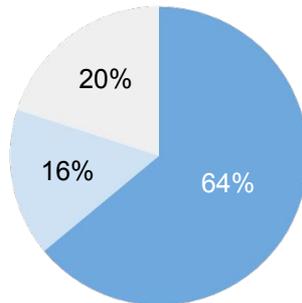
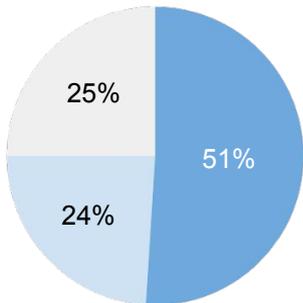


31 Dec 2019



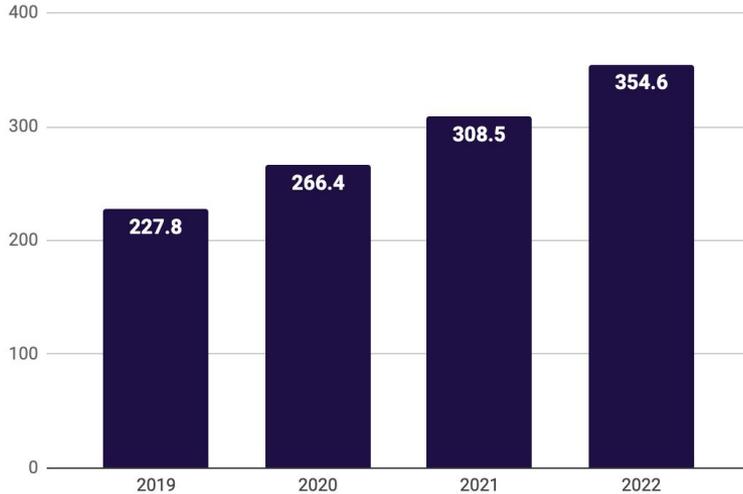
31 Dec 2020

Service Connection Types



Industry Growth Trends

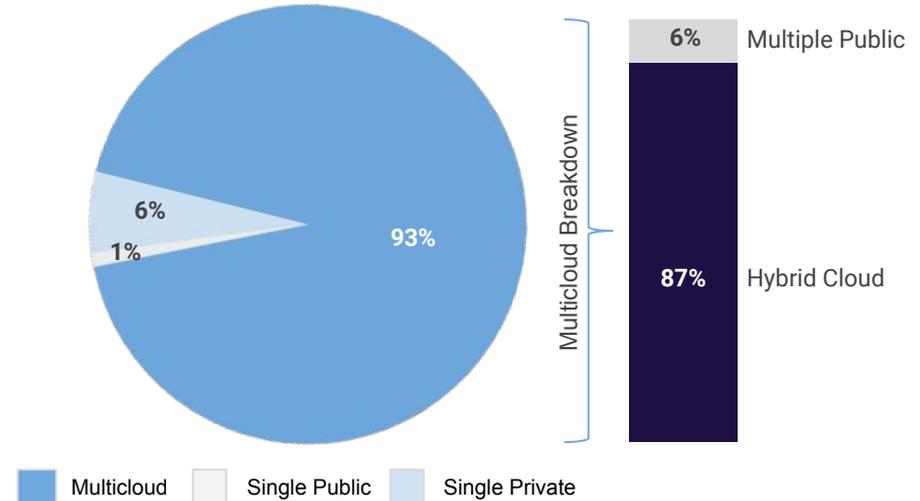
Enterprise Cloud Service Spend (US\$B)



Total of: BPaaS, PaaS, SaaS, Cloud Management & Security Services, Source: Gartner, 2019

Enterprise Cloud Strategy

1000+ Employees



Source: Flexera 2020 State of the Cloud Report



Number of Megaport customers connecting to multiple clouds up 7.5 times over 3 years

Selection of Major Customers



102 Unique Data Centre Operator Partners



Note: List of DCO partners as at 31 March 2021

INVESTOR PRESENTATION

Business Update



3Q FY21 Highlights¹



+8%

Monthly Recurring Revenue²

\$6.3M

31 DEC 2020

\$6.8M

31 MAR 2021



+8%

Annualised Revenue³

\$75.0M

31 DEC 2020

\$81.0M

31 MAR 2021



+4%

Total Number of Customers

2,043

31 DEC 2020

2,117

31 MAR 2021



+5%

Total Number of Ports

6,691

31 DEC 2020

7,037

31 MAR 2021



+4%

Total Number of Services⁴

19,278

31 DEC 2020

20,056

31 MAR 2021



+1%

Total Installed Data Centres⁵

386

31 DEC 2020

390

31 MAR 2021

1. Refer to [3Q FY21 Global Update](#) released to ASX on 22 April 2021 for more details.

2. Monthly Recurring Revenue (MRR) is revenue (excluding one-off and non-recurring revenue) for the last month of the relevant period.

3. Annualised Revenue is MRR for the month multiplied by 12

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

5. Installed Data Centres are Data centres in which Megaport has a Point of Presence with physical networking hardware.

3Q FY21 Snapshot

Improvement in Sales Momentum

- Customer and port additions increased in the 2nd half of 3Q FY21, and this has continued into 4Q
- New CRO Rodney Foreman has improved sales discipline leading to greater focus on lead generation, building the sales pipeline and deal progression
- Strong sales pipeline points to accelerating QoQ growth in Underlying MRR¹
- Business remains on track to achieve EBITDA breakeven, on a run rate basis, by June 2021

Expanding Channel (Indirect Sales) Capabilities

- Build out of Partner Ecosystem continues, including expanding relationships with our Managed Service Providers, Global Systems Integrators, Value Added Resellers, Cloud Service Providers and Value Added Distributors
- Hiring for key Indirect Sales team positions to work with leading distributors and resellers

Q3 was marked by an improvement in sales momentum, with the strong sale pipeline now pointing to an acceleration in the growth in Underlying MRR¹

Investment in the Indirect Sales team and marketing, along with the partial relaxation of some travel restriction, is increasing confidence regarding a sustained improvement in sales momentum into FY22

1. Growth in Underlying MRR refers to the QoQ growth in MRR, excluding the estimated impact of FX movements

Highlights 3QFY21



Leading Cloud Partners



IBM Cloud



ORACLE
Cloud



rackspace
technology



+3%

Cloud Onramps

7

NEW

227

TOTAL



Cloud Regions

120



+3%

Total Enabled Data Centres ¹

25

NEW

741

TOTAL



Megaport Marketplace

365+

1. Enabled Data Centres is the total of Installed Data Centres plus Extended Data Centres. Extended Data Centres are data centres that can be connected directly to Megaport networking hardware within Installed Data Centres by means of interconnection services offered directly by the data centre campus / facility operator of an Installed Data Centre.

Megaport Cloud Enablement

227 Onramps

3QFY21 +7 +3%

	Total Onramps
Microsoft Azure	51
AWS	45
Google Cloud	36
Oracle Cloud	22
IBM Cloud	19
Cloudflare	14
Salesforce	10
Rackspace	9
Alibaba Cloud	8
Nutanix	5
SAP	5
OVHcloud	3

Available Cloud Regions



- Asia Pacific (Sydney)
- Asia Pacific (Hong Kong)
- Asia Pacific (Singapore)
- Asia Pacific (Tokyo)
- Asia Pacific (Osaka)
- EU (London)
- EU (Ireland)
- EU (Frankfurt)
- EU (Paris)
- EU (Stockholm)
- AWS GovCloud (West)
- US East (Ohio)
- US East (N. Virginia)
- US West (N. California)
- US West (Oregon)
- Canada (Central)



Microsoft Azure

- Australia East
- Australia South East
- East Asia
- Southeast Asia
- Japan East
- Japan West
- UK South
- France South
- Germany North
- Germany Central
- West Europe (Amsterdam)
- North Europe (Ireland)
- Switzerland North
- Switzerland West
- Norway East
- Norway West



- Asia Northeast1 (Japan)
- Asia Northeast2 (Osaka)
- Asia Southeast1 (Singapore)
- Australia South East1 (Sydney)
- Asia East1 (Taiwan)
- Europe West1 (Belgium)
- Europe West2 (UK)
- Europe West3 (Germany)
- Europe West4 (Netherlands)
- Europe West6 (Zurich)
- North America-Northeast1 (Montréal)
- US Central1 (Iowa)
- US East1 (South Carolina)
- US East4 (Virginia)
- US West1 (Oregon)
- US West2 (Los Angeles)



- APAC Sydney
- APAC Melbourne
- Japan East (Tokyo)
- Japan West (Osaka)
- EMEA Frankfurt
- UK South (Slough)
- UK Gov (London)
- Switzerland North (Zurich)
- US Ashburn
- US Chicago
- US West Phoenix
- US West San Jose
- US Gov DC
- US Gov PHX
- Canada (Toronto)
- Canada (Montreal)



- Asia Pacific SE1 (Singapore)
- Asia Pacific SE2 (Sydney)
- CN-Hong Kong
- US West 1 (Silicon Valley)
- US East 1 (Virginia)



- Amsterdam
- Chicago
- Dallas
- Frankfurt
- Hong Kong
- London
- Miami
- New York
- San Jose
- Seattle
- Singapore
- Sydney
- Tokyo
- Toronto
- Washington DC



- APAC South (Sydney)
- APAC North (Tokyo)
- EU (London)
- EU (Germany)
- US East (DC)
- US South (Dallas)



- San Francisco
- Santa Clara
- Ashburn



- Frankfurt
- London
- Paris



- Washington DC
- Dallas
- Chicago
- Hong Kong
- London
- Frankfurt
- Sydney



- US East
- US West
- EU Central
- London UK
- Tokyo



- Australia (Sydney)
- Europe (Frankfurt)
- US East (Ashburn)
- US East (Sterling)
- US West (Chandler)

120 Regions

3QFY21

Customer Cohort Trends

Average Services per Customer



CAGR ¹	44%	43%	42%	48%	66%	50%
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Average Services per Customer ²	
9.1	+17%

Customer spend increases over time as a result of service uptake and adoption

Average Monthly Revenue per Customer (\$)



CAGR ¹	39%	54%	60%	53%	70%	119%
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Average Revenue per Customer ³	
\$3,068	+27%

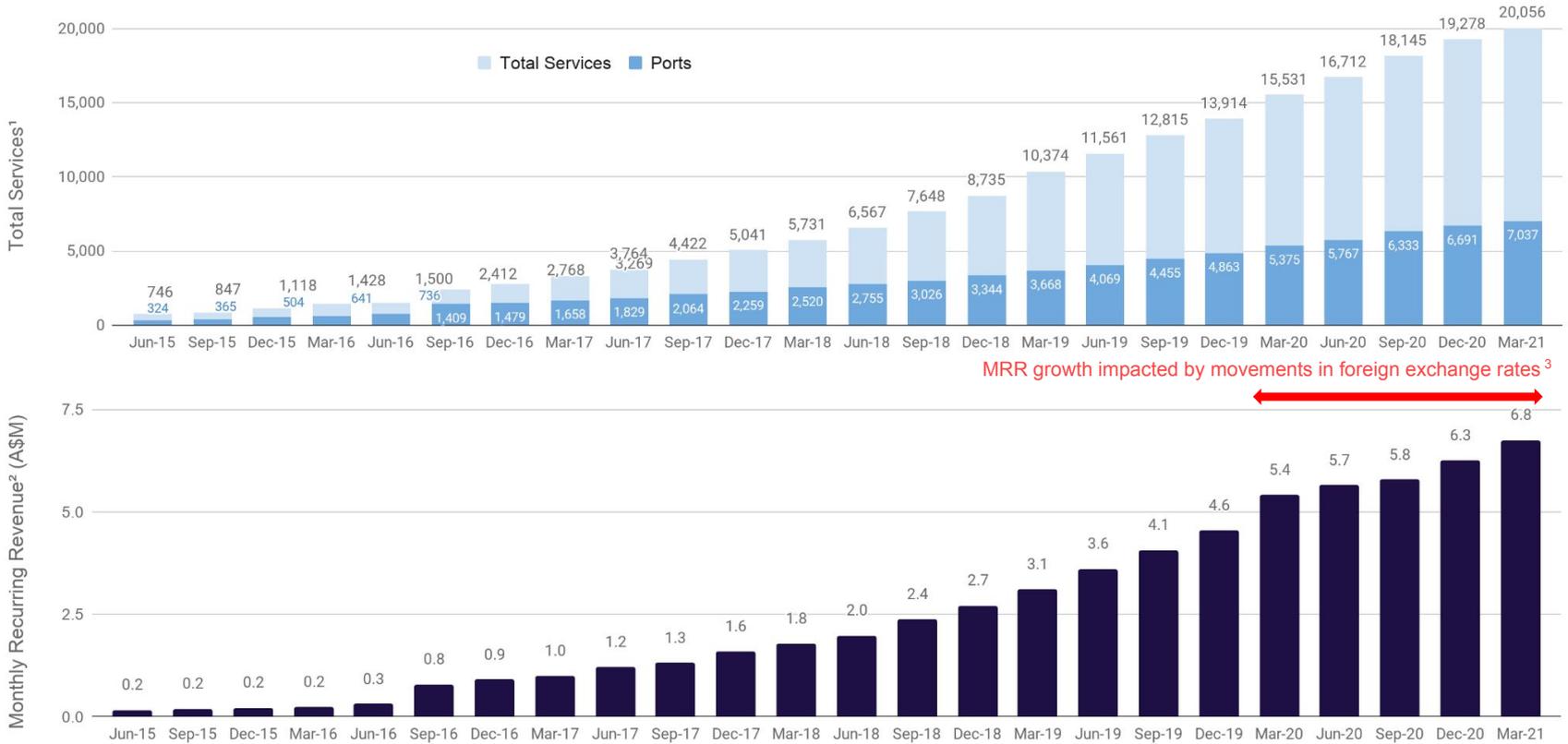
Note: Yearly cohorts are customers acquired in a given reporting year

1. Compound average growth rate for each customer cohort is calculated for the period from end of Year 1 to 30 June 2020.

2. At 30 June 2020; percentage represents growth compared to 12 months earlier

3. Represents June 2020 MRR divided by total customers at 30 June 2020; percentage represents movement compared to 12 months earlier

Growth in Ports, Services, and Revenue



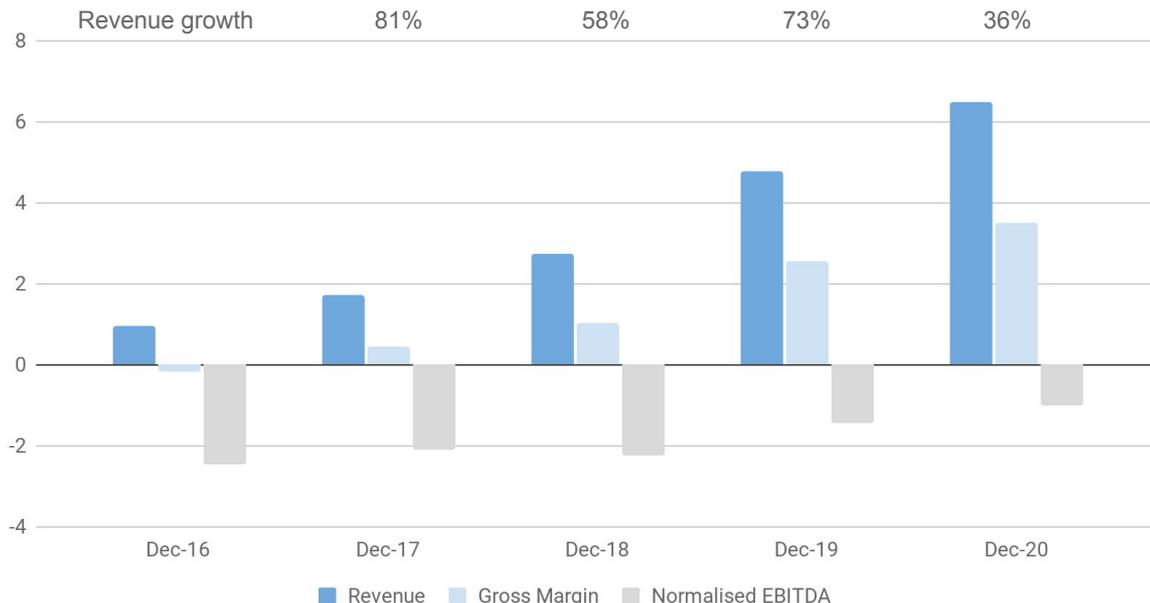
1. Total Services comprises of Ports, Virtual Cross Connections (VXCs), Megaport Cloud Router (MCR), and Internet Exchange (IX) at period end.

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

3. Refer to [3Q FY21 Global Update](#) released to ASX on 22 April 2021 for details of MRR growth in local currency.

Operating Leverage (month of December¹)

Group (A\$ million)



Margins

	Dec-16	Dec-17	Dec-18	Dec-19	Dec-20
Profit after Direct Network Cost Margin %	(16%)	26%	37%	53%	54%
Group EBITDA Margin %	n.m.	(120%)	(80%)	(30%)	(15%)

Group EBITDA loss narrowed in Dec-20 as all regions were EBITDA positive in 2QFY21

Margin Trends ¹

Group Profit after direct network cost ² margin has continued to expand as MRR growth has outstripped growth in direct network costs

Group EBITDA margin has significantly improved as all regions were EBITDA positive in 2QFY21

¹ All figures are for the month of December

² 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.

INVESTOR PRESENTATION

Innovation



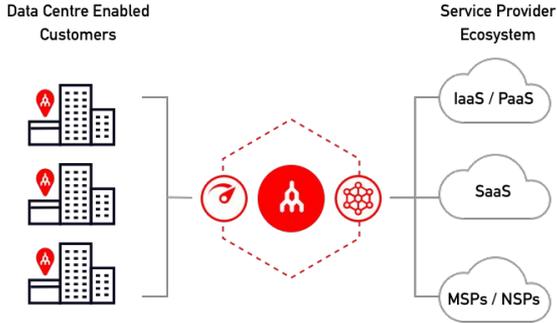
Platform Evolution

2014

2018

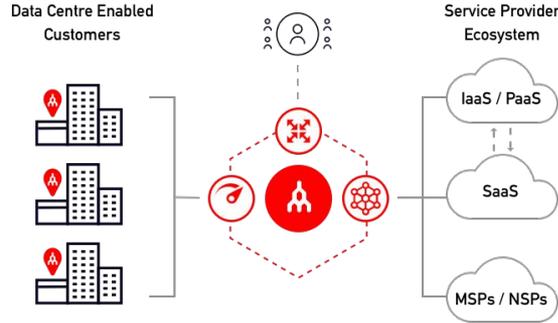
2020

Elastic Interconnection



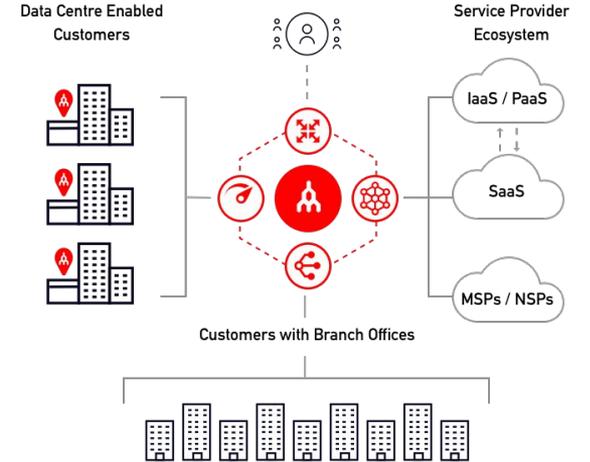
Network as a Service

Born in the Cloud Customers



Megaport Connected Edge

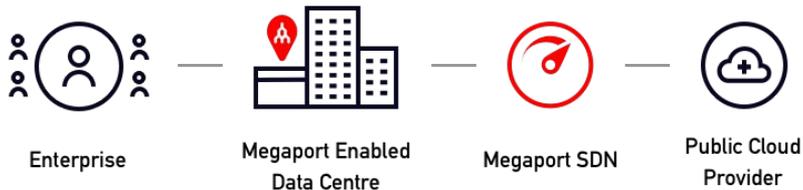
Born in the Cloud Customers



- Megaport Software Defined Network
- Port
- Marketplace
- Megaport Cloud Router
- Megaport Virtual Edge*
- Cloud to Cloud Connection

Megaport Connected Edge Model

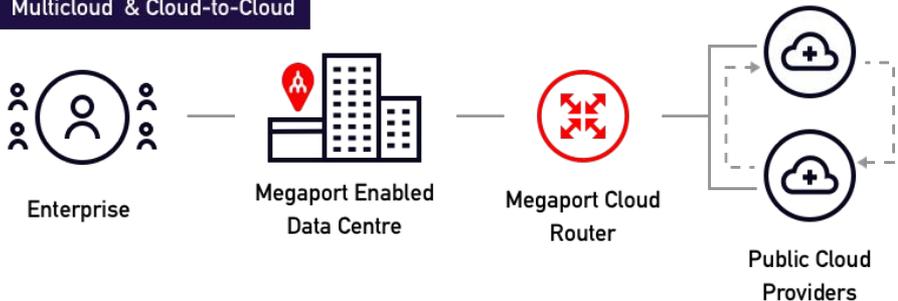
Cloud Connect



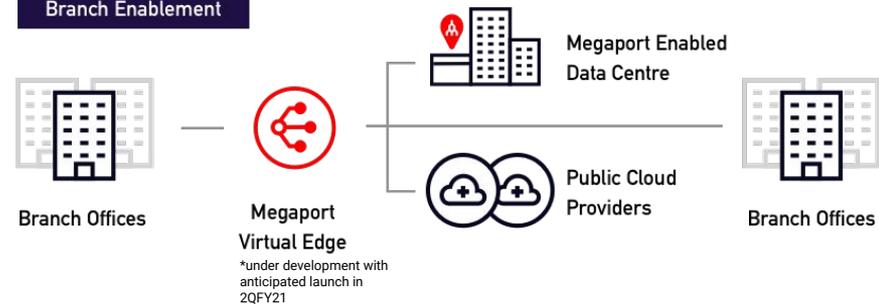
Data Centre to Data Centre



Multicloud & Cloud-to-Cloud



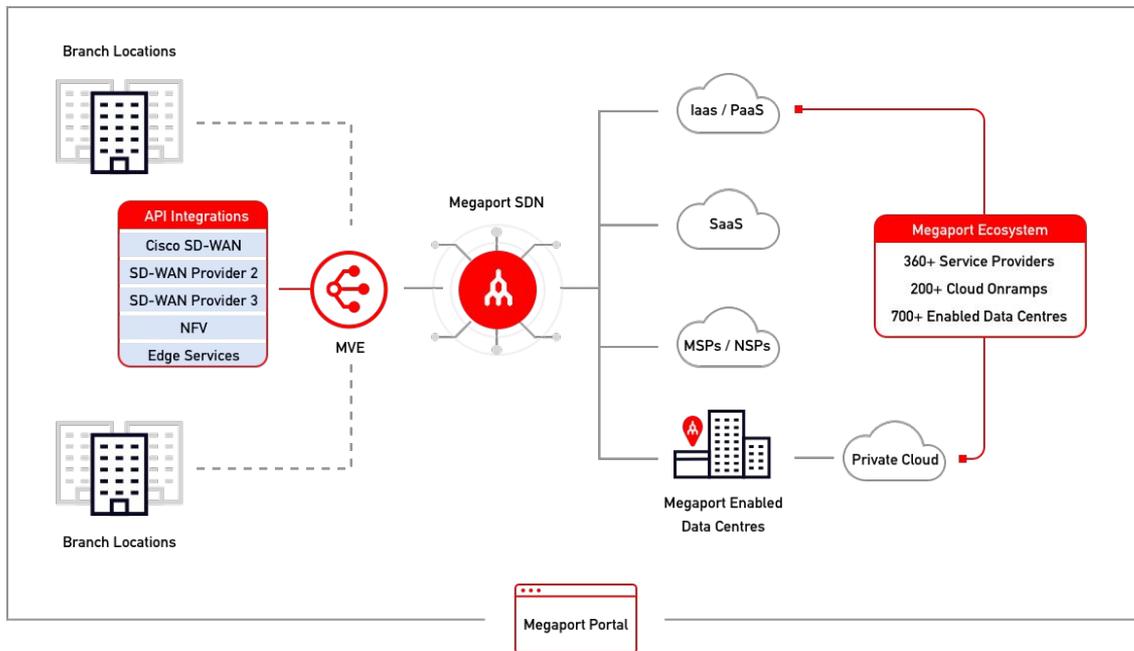
Branch Enablement



Megaport Virtual Edge Overview



MVE will integrate Megaport's platform with various networking technologies including SD-WAN



- Extends reach of Megaport platform
- Cisco SD-WAN first MVE use case
- Enables branch office connections
- API for future technology support
- Extends enterprise network edge
- Activate on demand network devices
- End-to-end provisioning



Megaport Virtual Edge (MVE)

MVE Platform Status

- MVE Launched March 31, 2021 with initial support for Cisco SD-WAN
- Fortinet partnership announced May 19, 2021 supporting Fortinet Secure SD-WAN
- MVE deployed to 21 major metros
- Technology Partner pipeline: **50% of SD-WAN market share**¹ (source: IHS Markit)

Cisco SD-WAN Integration and Service Offering

- *Cisco SD-WAN Cloud Interconnect with Megaport*² was featured at Cisco Live! 2021, Cisco's premiere global conference (30 March to 1 April 2021)
- We have started onboarding Cisco SD-WAN customers
- Integrated Cisco SD-WAN service offering is available in Cisco's vManage console. Integration to Cisco Commerce Workspace solution where Megaport services will be available for purchase from the global price list is due in Q1 FY22



“This collaboration extends Cisco’s SD-WAN leadership, by offering an ecosystem platform for partners, of which Megaport is the first, to bridge Cisco SD-WAN fabric with the carrier-neutral and software-defined cloud interconnect fabrics.”

**Raj Gulani, Senior Director,
Product Management
Cisco SD-WAN and Cloud
Networking**

1. Megaport is seeking to partner with several SD-WAN service providers that collectively represent 50% share of the SD-WAN market.

2. Refer to Cisco blog [here](#) and Fortinet [Fabric Ready Page](#)

Thank you

ASX: MP1

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