



ASX RELEASE

22 November 2019

**2019 Annual General Meeting
Addresses from the Chairman and Chief Executive Officer**

Megaport Limited (**ASX:MP1**) provides the attached addresses from the Chairman and the Chief Executive Officer, which will be presented at the Annual General Meeting to be held today.

Celia Pheasant
Company Secretary
Megaport Limited

About Megaport

Megaport is the global leading provider of Elastic Interconnection services. Using Software Defined Networking (SDN), the Company's global platform enables customers to rapidly connect their network to other services across the Megaport Network. Services can be directly controlled by customers via mobile devices, their computer, or our open API. Megaport connects more than 1,600 customers in more than 535 enabled data centres globally. Megaport is an Alibaba Cloud Technology Partner, AWS Technology Partner, AWS Networking Competency Partner, Google Cloud Interconnect Partner, IBM Direct Link Cloud Exchange provider, Microsoft Azure Express Route Partner, Nutanix Direct Connect Partner, Oracle Cloud Partner, Salesforce Express Connect Partner, and a member of the SAP PartnerEdge open ecosystem.

To learn more about Megaport, please visit: www.megaport.com

Investor enquiries

Email: investor.centre@megaport.com

Media enquiries

media@megaport.com

For personal use only



2019 Annual General Meeting

Address from the Chairman

Welcome to Megaport's fifth AGM. From humble beginnings as a startup in 2012, the Megaport Software Defined Network now service more than 1,600 customers in over 535 enabled data centres across 21 countries around the world. We count some of the world's largest companies not just as customers, but also global partners; such is the strength of the platform we have created. This expansion will only continue.

As enterprises around the world continue to embrace the benefits of the cloud, we are finding they are now beginning to fully embrace connectivity solutions built for the cloud. At the end of Fiscal Year 2019, 62% of connections on the Megaport Platform interconnected businesses with leading Cloud Service Providers such as Amazon Web Services, Google Cloud, Microsoft Azure, and Oracle Cloud.

In May, we launched Megaport Cloud Router (MCR) 2.0 to help enterprises connect to multiple Cloud Service Providers (multicloud) seamlessly, and without the need for any infrastructure. This solution is the first of what we expect to become a series of new network functions on the Megaport Platform – all designed to help the world interconnect.

This year, we welcomed Jay Adelson and Naomi Seddon to our Board of Directors. Jay Adelson is an industry luminary who brings a wealth of experience in interconnection, data centres, and networking and is now the founding Chairman of Megaport's newly formed Innovation Committee. Naomi Seddon has extensive experience in helping technology companies go global with particular emphasis on multi-jurisdiction legal, regulatory, and workplace relations. Both bring tremendous value and will provide Megaport with support and direction to accelerate our model. Today, our Board represents an abundance of global business expertise across diverse technology sectors and positions us to continue making a strong impact on the development of the business and the advancement of interconnection services.

The entire Megaport team, led by CEO Vincent English, should be incredibly proud of the Company's achievements to date. I would like to thank them all for driving the success of Megaport throughout Fiscal Year 2019. I would also like to thank our many customers, partners, and you, our loyal shareholders, for supporting our vision.

For personal use only



Address from the Chief Executive Officer

Thank you for attending our AGM and thank you for your continued support as Megaport revolutionises global connectivity. Megaport is the first of its kind - a global, neutral interconnection fabric that connects over 535 data centres in 102 cities around the world. Our ecosystem of more than 350 service providers includes leading cloud companies like AWS, Azure, Google, IBM, and Oracle. Over 1,600 customers use Megaport's Network as a Service platform to power their businesses and stay competitive in our cloud-driven economy.

The ever-increasing adoption of public cloud services is a key driver for our business. Gartner projects that global public cloud spend will reach a staggering 331 Billion US Dollars in 2022. Megaport customers are increasingly connecting to more than one cloud provider as they undergo their cloud journey. This multi-cloud trend coupled with our unique value proposition yielded excellent performance in Fiscal Year 2019 with revenue of \$35M, an increase of 78% from the previous year. Maintaining our growth velocity into Fiscal Year 2020, revenue in the first quarter was \$12M, a 79% increase year over year.

The adoption of cloud services, and the need for high availability within public cloud infrastructure is driving a fundamental shift in IT and network architecture. Direct connectivity via dedicated, private connections is the emerging networking model for ensuring that cloud-enabled IT applications are secure, scalable, inter-operable, and perform at peak levels. The growth in cloud onramps and direct connectivity services like AWS Direct Connect, Microsoft Azure ExpressRoute, and Google GCI are an indication of this broader trend. Today, nearly two out of every three connections on our network connect customers to cloud onramps. Megaport is connected to an industry leading 143 cloud onramps around the world.

Direct connectivity was once a barrier for many organizations as it required a level of technical proficiency, hardware management, and involved long, complex purchasing and provisioning activities. Megaport's Point-Click-Provision service platform has empowered customers with direct connectivity irrespective of their location or technical capabilities. Business critical applications are no longer forced to use best-effort, insecure, and unpredictable Internet connections. Instead, customers can "just get a Megaport" and get directly and securely connected to cloud services and data centres in minutes.



Cloud adoption is increasing across all categories and across a variety of service providers. Enterprises are using multiple service providers to create holistic IT solutions that take advantage of features and capabilities unique to specific providers. The number of Megaport customers connecting to more than one cloud provider increased 77% from October 2018 to October 2019. Megaport helps businesses overcome inter-operability issues within multicloud environments. Applications in different cloud environments need to be able to communicate with one another. Best-effort internet connections do not provide the level of performance or security necessary to support real-time data transmission between those cloud environments.

Megaport Cloud Router, our innovative virtual router service, was developed to address this emerging requirement of connecting cloud services directly together. MCR enables customers with powerful routing capabilities. Customers do not need to purchase or manage routing gear. They do not need to be an expert in layer 3 routing protocols. In Fiscal Year 2019 we released a number of new features and further integrated with cloud service providers to make it easier than ever for our customers to get their clouds directly connected.

This translates to a point and click experience where Megaport customers can create cloud-to-cloud connections, on demand, and in real time. Cloud providers like Google and Oracle have made MCR an integral part of their go-to-market program and reference MCR as a preferred method for connecting their infrastructure to third party cloud providers.

Our direct connectivity model powers a variety of digital supply chains in diverse verticals beyond cloud. The New York Stock Exchange's Intercontinental Exchange Data Service joined the Megaport ecosystem to enable their customers with direct connections to ICE's leading market data services. Voxbone uses the Megaport SDN to ensure their customers get the best performance from their Unified Communications as a Service platform. In the digital media space, Technicolor enables content studios and media companies to access their leading cloud-based visual effects and post production services via dynamic and large-scale connections over our platform.

The power of our intelligent network to unlock innovation has become evident throughout our customer base. Karma Automotive, the automaker of world-class extended-range electric cars, uses the Megaport SDN to deliver high-performance computing that solves automotive manufacturing challenges and drives innovation in aerodynamic design. They are using direct connectivity to push massively sized data loads to AWS to perform

For personal use only



computational fluid dynamics simulations in the cloud where those results are extracted to make data-driven decisions. Additionally, Karma enabled hybrid and multicloud services through private on-demand data flows between their on-premises infrastructure and SAP Hana workloads across multiple regions. The Megaport SDN enabled scaling from 200 to 5,000 compute cores in the cloud, in a matter of minutes.

The pervasiveness of Megaport's platform means customers are not bound by the limitations of being in a single location. Customers can access services throughout the world by connecting to our platform. Expansion plays a key role in maintaining our first-mover advantage and Megaport expanded its European footprint in Fiscal Year 2019 with the launch of services in Austria, Finland, Norway, Belgium, and Poland. In the United States, we bolstered our footprint by expanding to enterprise-focused cities like Minneapolis, Orlando, Charlotte, and Kansas City while also enabling greater reach in Canada with the launch of services in Vancouver.

This week we announced the launch of services in Japan, the fifth largest public cloud market in the world according to IDC. This now brings our platform to 21 countries. Our initial Tokyo footprint brings together a unique mix of locations operated by leading data centre operators, Systems Integrators, and Managed Service Providers. Through our partnerships with leading operators in Japan, Megaport is well-positioned to address the local demand for access to key cloud services and provide point-and-click connectivity to global businesses looking to connect to Japan. In January 2020, we will extend our network to Osaka where cloud service providers have made massive infrastructure investments. We will deploy to the data centres where enterprises are housing their critical IT assets and provide seamless cloud connectivity through our platform.

In Fiscal year 2019, we made investments in our commercial and marketing organisations to scale our go-to-market capabilities and further consolidate our first-mover advantage. We have focused on supporting our data center partners with go to market programs to grow our channel function and provide greater value to our key partners. By providing the necessary go to market programs and domain expertise for cloud connectivity, we are enabling data centers to have a solution-focused engagement with their customers. We are helping them transform the conversation from simple space and power deals to architecture discussions that lead to interconnection revenue growth and overall stickiness and customer retention.

For personal use only



Cloud computing infrastructure continues to expand further to the edge and closer to end users. In the coming year, Megaport will also expand to new countries, new markets, new cities, and new data centres. Along this journey we will connect to more cloud onramps and integrate with more service providers.

The simplicity of our Point-Click-Provision platform is made possible through the hard work of our technology teams and the depth of our innovation roadmap. In the coming quarters we will focus on a number of development initiatives that will continue to deliver powerful networking features and keep Megaport at the forefront of the cloud connectivity revolution. With a robust partner development roadmap, we will continue to enrich our ecosystem of service providers and drive more value to our partners and customers.

It's inspiring to see what a small, highly-focused, ambitious team can accomplish. Megaport consists of just over 180 team members who are passionate and have been working hard to quite literally change the model for interconnection and network services around the globe. Each one of our team members embodies a customer-first attitude which shines through in everything we do. They continue to drive our business to success.

On behalf of the entire team, I sincerely thank you for your investment in Megaport.

For personal use only