



ASX RELEASE

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FY21 Full Year Results and Global Update

Megaport delivered record performance in Fiscal Year 21, highlighted by annual revenue increasing 35% to \$78.28 million and customers growing 24% to 2,285. The Company also launched Megaport Virtual Edge with support for SD-WAN connectivity to transform edge connectivity.

Brisbane, AUSTRALIA August 10, 2021 Megaport Limited (**ASX:MP1**) today reports its annual earnings to 30 June 2021, and releases a global market update.

Performance Highlights

FY21 highlights:

- Revenue for the period was \$78.28M, an increase of 35% from last year.
- MRR for the month of June 2021 was \$7.5M, an increase of \$1.8M, or 32% YoY.
- Installed Data Centres at the end of June 2021 increased by 39, or 11% YoY to 405 locations.
- Enabled Data Centres at the end of June 2021 increased by 92, or 14% YoY to 761 locations.
- Customers increased by 443, or 24% YoY to a total of 2,285.
- Ports increased by 1,922, or 33% in the fiscal year to 7,689.
- MCRs increased 195, or 64% in the fiscal year to 502.
- Total Services¹ increased by 5,000, or 30% in the fiscal year to 21,712, including a 31% increase in VXC's to 12,029.
- Average Revenue per Port in June 2021 decreased by \$2 or 0% YoY to \$978.
- The business generated a profit after direct network costs² during the fiscal year of \$42.1M, an increase of \$12.6M, or 43% YoY.
- Net loss for the full year was \$55.0M.
- At the end of June 2021, the Company's cash position was \$136.3M.

Megaport's Chief Executive Officer, Vincent English, said, "Our investment in innovation and products supported big growth in Fiscal Year 2021. Megaport Cloud Router, our virtual routing service that creates cloud-to-cloud connections on demand, grew 64% in the period. MCR drives greater service adoption across our platform and provides our customers the agility

¹ Total Services comprise Ports, Virtual Cross Connections (VXC's), Megaport Cloud Router (MCR), and Internet Exchange (IX).

² Direct network costs comprise data centre power and space costs, physical cross connect fees, bandwidth and dark fibre costs, network operation and maintenance fees, and channel commissions, which are directly related to generating the service revenue of Megaport Group.

they need to power their digital transformation. Our revenue numbers were also bolstered by strong new customer growth as a result of investments made in our commercial team and focus in growing our channel. ”

Key Performance Metrics

While continuing to grow the Company’s global footprint and position as the world’s leading global Network as a Service provider, Megaport drove consistent increases in all metrics across all regions in FY21.

Key metrics³:

	Quarterly Performance						Yearly Performance		
	Jun-20	Sep-20	Dec-20	Mar-21	Jun-21	QoQ % Change	FY20	FY21	YoY % Change ⁴
Enabled Data Centres	669	702	716	741	761	3%	669	761	14%
Installed Data Centres	366	385	386	390	405	4%	366	405	11%
Cloud On-Ramps	197	215	220	227	233	3%	197	233	18%
Customers	1,842	1,980	2,043	2,117	2,285	8%	1,842	2,285	24%
Ports	5,767	6,333	6,691	7,037	7,689	9%	5,767	7,689	33%
MCR	307	343	382	422	502	19%	307	502	64%
MVE	n/a	n/a	n/a	n/a	21	n/a	n/a	21	n/a
Total Services	16,712	18,145	19,278	20,056	21,712	8%	16,712	21,712	30%
MRR ⁵ (M)	\$5.7	\$5.8	\$6.3	\$6.8	\$7.5	11%	\$5.7	\$7.5	32%
Revenue (M)	\$17.00	\$17.30	\$18.71	\$19.58	\$22.70	16%	\$58.04	\$78.28	35%

Product Update: Megaport Virtual Edge

On 31 March, 2021, Megaport announced the launch of Megaport Virtual Edge (MVE), an on-demand vendor-neutral Network Function Virtualization (NFV) service that enables branch-to-cloud connectivity on Megaport's global Software Defined Network (SDN). MVE currently supports Cisco, Fortinet, Versa Networks, and VMWare SD-WAN services with integration of additional SD-WAN platforms currently under development.

³ As at 30 June 2021.

⁴ Change in the yearly performance at 30 June 2021 to the prior corresponding period ended 30 June 2020.

⁵ Monthly Recurring Revenue is revenue (excluding one-off and non-recurring revenue) for the last month of the relevant period.

Commercial Update:

On 3 August, 2021, Megaport announced the development of Megaport PartnerVantage – a new partner program designed to help data centre operators, managed service providers, value added resellers, systems integrators, agents, and other technology providers easily deliver Network as a Service (NaaS) connectivity to accelerate the digital transformation of their customers.

Megaport PartnerVantage will make it easy for partners to add NaaS solutions such as cloud connectivity, virtual routing, and edge networking to their portfolio of offerings to drive revenue and customer success. The program will provide a comprehensive suite of tools and resources that will enable Megaport's valued partners to manage all of their customer engagements, from quotation to provisioning and invoicing, from a single pane of glass. Megaport PartnerVantage is designed to reduce friction in the partner sales process, freeing them to focus on delivering strategic value to their customers.

Conclusions and Outlook

Vincent English said, "Megaport achieved Group EBITDA break-even in June 2021. This is a strong validation of our business model, and there is additional operating leverage based on the investments to date. Asia-Pacific is Megaport's most mature market and generated a profit after direct network cost margin of 73% at June 30, 2021. Europe achieved an EBITDA positive position for the entire fiscal year in 2021, and North America, which represents the largest target addressable market, is growing at the fastest rate with 47% growth year-over-year in monthly recurring revenue.

The Megaport mission for the coming year is to '*Scale Up, Scale Out*'. This is a commitment by everyone at Megaport to accelerate our growth and our innovation cycle to increase our lead in the NaaS space. With a proven business model, the trust of partners and customers, and a leading platform built for innovation, we are well positioned to achieve this. We will invest in revenue growth by making investments in further market expansion, product and service innovation, and most critically, the people responsible for making Megaport the transformational technology company that is changing the way IT services are built today and tomorrow. "

More information can be found in the FY21 Full Year Results and Global Update and Appendix 4E and FY21 Annual Report lodged with the ASX on 10 August 2021.

Authorised by the Board.

Supporting Resources

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About Megaport

Megaport is a leading provider of Network as a Service (NaaS) solutions. The company's global Software Defined Network (SDN) helps businesses rapidly connect their network to services via an easy-to-use portal or our open API. Megaport offers agile networking capabilities that reduce operating costs and increase speed to market compared to traditional networking solutions. Megaport partners with the world's top cloud service providers, including AWS, Microsoft Azure, and Google Cloud, as well as the largest data centre operators, systems integrators and managed service providers in the world. Megaport is an ISO/IEC 27001-certified company.

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