

22 October 2021

**2021 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 to be presented at the Annual General Meeting to be held today.

Authorised by the board.

**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 2,300 customers in over 760 enabled data centres globally. Megaport is an Alibaba Cloud Technology Partner, AWS Technology Partner, AWS Networking Competency Partner, Cloudflare Network Interconnect Partner, Google Cloud Interconnect Partner, IBM Direct Link Cloud Exchange provider, Microsoft Azure Express Route Partner, Nutanix Direct Connect Partner, Oracle Cloud Partner, Rackspace RackConnect Partner, Salesforce Express Connect Partner, and SAP PartnerEdge Open Ecosystem Partner.

**Investor enquiries**

Helen Coghill  
Investor Relations Associate  
+61 499 198 072  
[investor@megaport.com](mailto:investor@megaport.com)

**Media enquiries**

[media@megaport.com](mailto:media@megaport.com)

**Megaport Limited**

Level 3, 825 Ann Street  
Fortitude Valley QLD 4006  
Australia

# 2021 Annual General Meeting

## Address from the Chairman

I would like to refer all shareholders to the Company's 2021 Annual Report, which was released on the 10th of August this year. This included a letter to shareholders from me, as well as extensive information about the Company and its operations.

As I set out in my letter, from humble beginnings, Megaport is now a global leader in automated connectivity. Our vision was simple – be the world's leader in software defined connectivity. What started in 2013 as a Software Defined Network in Australia now services over 2,200 customers in over 760 locations in 136 cities across 23 countries.

This year we launched Megaport Virtual Edge (MVE), our service that takes our platform beyond data centres and helps enterprises accelerate their journey into SD-WAN and SASE. Customers are now connecting branch locations like office buildings, corporate campuses, and storefronts to our rich ecosystem of service providers. We have integrated with many of the leading SD-WAN providers to deliver maximum flexibility. And our engineering teams are hard at work integrating new technology partners to further increase the power of choice, in keeping with our neutral model. MVE is an incredibly exciting platform that provides a virtualised environment for hosting additional network functions, on demand, and with no need for additional hardware. SD-WAN support is only the first of many use cases to come.

For our customers and partners, agility is the name of the game. The past year has shown us that the ability to adapt to shifting demands on IT systems makes or breaks businesses.

Our acquisition of InnovoEdge, a service orchestration and automation company, will allow us to integrate the InnovoStudio service with Megaport's platform. This will give customers the ability to not just use Megaport to provision services "to the cloud" but lets us now "take them through the cloud." The InnovoEdge team's expertise in development and automation perfectly complements Megaport's software defined networking capabilities. Combined, we will empower even greater agility for partners and customers alike.

As the first mover in the thriving Network as a Service (NaaS) space, channel partners have always played a critical role in Megaport's success. We have learned much since launching services in 2013 and recognise an opportunity to truly align NaaS to play a foundational role in the channel to speed up service adoption. That is why we developed Megaport PartnerVantage, a world-class channel program.

With Megaport PartnerVantage, channel partners will greatly benefit from the ability to rapidly connect their customers to services directly through Megaport. Channel partners can accelerate providing solutions for customers and seamlessly boost cloud service adoption. I am incredibly

excited about Megaport PartnerVantage and looking forward to seeing the program provide a greater audience for our capability and scale to our operations.

I am very proud of Megaport's enduring drive to innovate and deliver value to our customers, partners, and shareholders. I am also incredibly proud of the team, their resilience in the face of adversity, and the culture that has been created under the leadership of CEO, Vincent English. I would like to take this opportunity to thank the Megaport team, and you, our valued shareholders, for your continued support as we transform the way the world does business in the cloud economy.

## Address from the Chief Executive Officer

Megaport has fundamentally changed the way network services are bought and consumed. "Point, Click, Connect" is more than a motto, it's a philosophy that underpins our technology and innovation roadmap in order to make our customers' lives easier.

The buying behavior for IT services has evolved significantly in the past few years. Today's IT decision makers are focused on using platforms and tools to achieve an infrastructure-less and agile experience. They demand end-to-end control, ease of use, and services that work together with minimal to no manual work - in essence, automation and integration are now fundamental requirements.

This shift in the IT enablement landscape has guided our journey from a service providing connections within data centres to a global platform powering holistic connectivity solutions for all aspects of IT enablement. Through this journey, cloud connectivity has continued to play a central role in our success, representing 65% of the connections that happen on the Megaport SDN today. According to Gartner, worldwide public cloud services end-user spending will reach \$397 billion USD in 2022. Multicloud adoption is a driving factor in these remarkable numbers and 35% of Megaport customers use our platform to connect to multiple cloud providers. That number continues to accelerate as we connect to more cloud on-ramps and innovate our platform to reduce the complexity of getting connected.

A key enabler for this is Megaport Cloud Router (MCR). Since being launched in 2017, MCR has made it extraordinarily easy to connect cloud providers directly together, in a point-and-click fashion – reducing the complexity of implementing multicloud and hybrid cloud architectures. The number of production MCRs grew 65% in fiscal year 2021 with more than 500 of these innovative virtual routers in service.

Using the same technology platform that supports MCR, we were able to develop Megaport Virtual Edge (MVE), which supports connections through leading SD-WAN technologies. With the formal launch of services in March 2021, customers are now connecting their branch locations into the Megaport platform to manage global network services on demand. Initial MVE adoption is similar to

that of MCR in its first few months, and we expect to see accelerated growth in the product based on a strong pipeline.

We won't stop there. Since orchestration and automation play such important roles in today's IT landscape, we will leverage our acquisition of InnovoEdge to drive new features that empower our customers with predictive capacity management powered by AI. Our platform will provide greater end-to-end control of IT resources and increased visibility to drive performance and efficiencies. Essentially, we will provide our customers the tools they need to get their users, locations, and services all connected with ease. As I've said before, with our technology roadmap, including the integration of InnovoEdge services, Megaport will take customers to the cloud and through the cloud.

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, for example, 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 this 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 are investing 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.

To truly scale, we have developed our channel programme, PartnerVantage, to take advantage of the power and reach of the Megaport platform, which is built on continued product innovation. PartnerVantage bolsters our support for existing channels like data centres, networks, and managed service providers, and launches new features and capabilities to support additional channel segments, such as Value Added Distributors and Value Added Resellers. For the first time ever, VADs and VARs will have the ability to offer real-time connectivity that ties services and locations together as part of a holistic solution. The investments we are making in our channel programme and the new services we are driving through our product innovation will amplify our go-to-market capabilities and position us to capture greater market share as businesses increasingly adopt agile networking.

I would like to thank the entire team for another hugely successful year. Without each team member driving our customer and partner solutions and executing the wider global strategy with passion and enthusiasm, Megaport would not have delivered the massive achievements in FY21. On behalf of the team, I sincerely thank you for your investment in Megaport.